

State Treasurer Johnson Explains Fund Problem

Tells Why State Has Been Carrying Part of Deficit Out of Own Funds

The reason the state did not fund all of the 1933 deficit of \$15,532,090 and issued bonds for only \$12,230,000 of this amount was that there were sufficient funds in the state treasury to carry the balance of \$3,302,090 and thus save \$64,278 a year in interest charges, State Treasurer Charles M. Johnson revealed recently. This balance due on the unfunded portion of the 1933 deficit has been carried from the surplus in the highway fund, but will be funded whenever this highway surplus is needed for other purposes, so that not a single penny of the highway fund has been permanently diverted for the payment of any of this deficit, Johnson said.

But since none of this surplus could be used without special enactment by the general assembly, State Treasurer Johnson, the governor and council of state thought it was better to carry this unfunded portion of the deficit out of unused state funds which were available, rather than sell bonds and have to pay \$64,278 a year interest on the bonds, Johnson pointed out. Thus by carrying this amount of the deficit debt out of state funds on hand, instead of selling bonds, the state has saved \$8,034 a month in interest charges.

"It seems to be the opinion of some people that the amount used to carry the unfunded portion of the deficit, amounting to \$3,302,090, which accumulated prior to June 30, 1933, has been permanently diverted from the highway fund," Johnson said. "But this is not the case. I am therefore making this statement of the facts so that the entire matter may be clear to everyone."

State Treasurer Johnson then points out that the 1933 general assembly gave the state treasurer authority to issue bonds, with the approval of the governor and council of state, to fund the deficit that had accumulated up to June 30, 1933, which amounted to \$15,532,090. Of this amount \$14,960,000 was an operating deficit from the Gardner administration, \$572,000 for permanent improvements at various state institutions, making the total of \$15,532,090. The 1935 act empowered the state treasurer, governor and council of state to issue bonds to fund the entire deficit. But because there was sufficient cash in the state treasury, they decided to issue only \$12,230,000 in bonds, the amount of the notes outstanding and to continue to carry the balance out of the surplus in the highway fund.

"If we had sold bonds for the full amount, we would merely have placed \$572,000 back in the general fund and \$2,730,000 in cash back in the highway fund," Johnson said. "The highway commission could not have used any part of this money. It therefore would have been drawing only three-fourths of one per cent interest while we would have had to pay 3.78 per cent interest if it had been refunded with bonds. It did not appear, therefore, to be a good business proposition to sell the bonds and pay interest on them and then to put the actual cash in the general and highway funds where the money was not needed. This money would have earned only \$16,510 in interest from July 1, 1934, the date the bonds were delivered, to March 1, 1935, while the interest on the bonds for this amount for this same period would have been \$80,788.94, a difference of \$64,278 which the state has saved and which it will continue to save at the rate of \$8,034 a month as long as the remainder of the deficit is carried this way."

"If and when these surplus highway funds are used, either by the highway commission or for any other purpose, it will be necessary to sell the additional \$3,302,000 in bonds. But this of course will not be done as long as we can continue to save \$8,034 a month in interest charges by carrying it as we are now doing."

The joke is on the neighbor's chickens when you fail to plant a garden.

MAGNOLIA NEWS

By MISS MACY COX

Miss Lena Middleton of Winter Park is spending a few days with Mrs. T. H. Williams in the home of her father, Mr. Theo. Middleton who gradually grows weaker.

Mr. and Mrs. J. T. Thorne and little daughter, Mary Leah of Farmville, spent Sunday with Mrs. Thorne's parents, Mr. and Mrs. J. F. Croom.

Guests of Mr. and Mrs. M. H. King Sunday were her brother and wife, Mr. and Mrs. Walton, of Wilmington.

The G. A. and Sunbeam Band of the Baptist Church had unusually good meetings Sunday A. M. Miss Elizabeth Gavin led the G. A. meeting with fifteen members present and taking part on the program.

Forty were present at the Sunbeam, meeting and all took part in the singing and Bible verses. Twelve gave short readings.

Little Delores Bradshaw celebrated her sixth birthday on Wednesday afternoon with a delightful party. The twenty little guests played games till they were tired and Mrs. Bradshaw served them to dainty refreshments.

Miss Macy Cox leaves Tuesday A. M. to attend the State Baptist W. M. U. annual meeting in Durham so can't send in news later than Monday.

Miss Elizabeth Sanderson of E. C. T. C. Greenville spent the week-end with her parents, Mr. and Mrs. L. M. Sanderson.

Miss Walker of E. C. T. C., Greenville spent the week-end with her sister, Miss Irene Walker.

Mrs. Robert Carroll Wells and Miss Nancy Jussley of Kenansville were in town Monday afternoon.

The Home Demonstration Club met on Thursday afternoon in the Junior Hall with the vice-president, Mrs. L. D. Dail presiding. After dispos-

ition of business old and new and the presentation of the March program Mrs. C. H. McSwain gave an illustrated talk on the selection and hanging of pictures in the home.

The hostesses, Mrs. M. T. Tucker, Mrs. Anna Croom and Miss Elizabeth Smith, served iced tea and sandwiches to the thirty-six members present. A miscellaneous shower was given Mrs. John D. Bland, nee Miss Josephine Johnson. Two new members were added to the roll, Mrs. P. J. Heath and Miss Mamie Waters.

CHINQUAPIN NEWS

Mr. W. B. Ward has been ill for the past few days with flu. Mr. Hyden Seawell, who has been in New York City for the past few days, has returned to his home here.

Mrs. L. R. Hagood who has been quite ill for the past few weeks is now out again, friends are glad to hear.

Miss Doris Quinn of Greenville spent last week-end with her parents here.

Mr. and Mrs. G. C. Quinn visited relatives in the community Tuesday of this week.

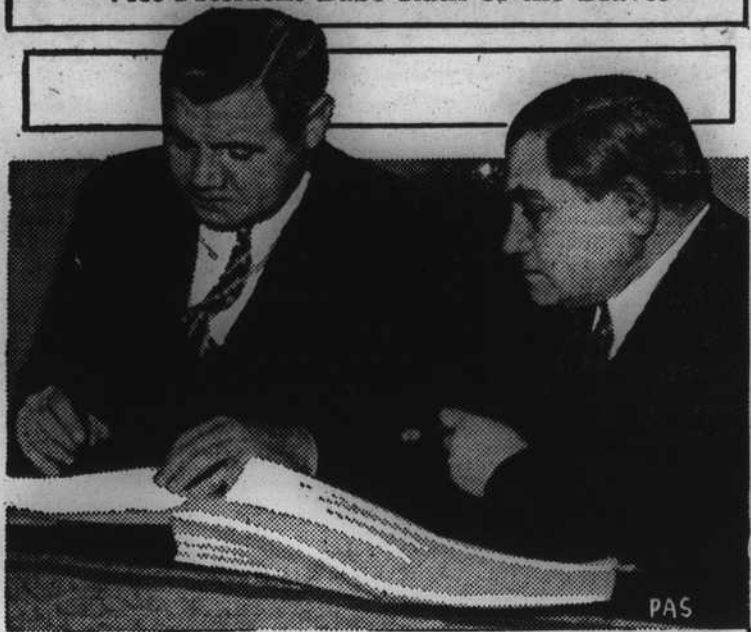
Mrs. Mattie Seawell Smith has been added to the list of F. E. R. A. teachers in the community. Reading, Writing, Arithmetic, sewing and music will be taught in her classes.

Mr. Emory Quinn was ill for a few days this week with flu. The Junior-Senior banquet will take place here at the school building on Saturday night of this week.

Mrs. Frank James, Pauline, Margaret and Hyden Seawell spent Wednesday afternoon in Wallace.

The annual basketball tournament took place at Beulaville last week, beginning on Friday. The Chinquapin girls were victorious in three games, namely with Calypso, Wallace and Rose Hill. Forwards for Chinquapin were: Margaret Seawell, Vera Sloan, Mary Davis Williams. Substitutes were Edna James, Melba Sholar, and Mattie Suggs. Team guards were Ruth Sholar, Helen Andrews, and Nannie Mae Batch-

Vice-President Babe Ruth of the Braves



BOSTON, . . . "Babe" Ruth (left), got a new baseball thrill when he signed a 3 year contract with Judge Emil Fuchs, whereby he became Vice-President and Assistant-Manager of the Boston (N. L.) Braves. Boston fans greeted the Babe by the thousands in welcoming him back to the town where he started his major league career 21 years ago.

el. Substitutes were Pauline Seawell, Marie Parker, and Nettie Mae Andrews.

Miss Mary Carter spent last week-end with Miss Ellen Clifton at the latter's home in Faison.

Misses Alice Farrior, Margaret Williams, Sallie Mae Johnson and Kathleen Bryce, all teachers in the school here, spent last week-end at their respective homes.

COMMERCE BODY TO MEET IN KINSTON APRIL NINTH

The thirteenth annual meeting of the Eastern Carolina Chamber of Commerce will be held in Kinston, headquarters of the organization, Tuesday night, April ninth, according to an announcement made by N. G. Bartlett, Secretary, this week. The organization will be thirteen years old April tenth and the dinner will be held on the ninth at 7 o'clock.

A feature of the annual dinner this year will be Isham Jones (Chevrolet) Orchestra of eighteen real artists, will play Edna James, Melba Sholar, and for the dinner at 7 o'clock and Mattie Suggs. Team guards for the organization's thirteenth annual dance from 10 P. M. to 2 A. M. Radio fans will

easily recognize this nationally known orchestra. This is the regular Chevrolet orchestra that is heard each week over a coast to coast hook-up.

The principal speaker of the occasion has not yet been announced, but his name will be ready for release next week. It goes without saying that the regional organization will be satisfied with nothing short of the very best that the nation has to offer for an occasion of this kind. Secretary Bartlett stated that the dinner will not be limited to members, but will be open to the general public. "We want to make this the most representative sectional meeting of the year," the secretary said. Reservations for plates should be made to N. G. Bartlett, Secretary, Kinston, N. C. The price per plate, including the music furnished for the dinner by Isham Jones and his eighteen real artists will be \$1.00. The price for the dance will be \$1.50 plus the tax. Expecting the usual overflow when an orchestra of this calibre comes to Eastern Carolina, Secretary Bartlett emphasized the fact that there will be plenty of room for the dancing contingency of the section. Plates

will be provided for all who care to attend the dinner proper. It will be a real treat for the music lovers of Eastern Carolina to have the opportunity of hearing in person, Isham Jones and his Chevrolet orchestra.

Wins \$19,800 in 10 Minutes

Monte Carlo.—As train time approached, Edward Robson, an Englishman, who had lost all his funds, borrowed a small sum from a friend, placed it in No. 17 and the number came up three times running. With only ten minutes to catch his train, Robson dashed off approximately \$19,800 richer.

NOTICE

A previous bid having been raised by A. W. Mallard, to meet the requirements of law, the undersigned will resell to the highest bidder for cash on the premises, at Charity Cross Roads in Duplin County, on State Highway number 40, at 12 o'clock, noon, on the 23rd DAY OF MARCH, 1935, the Charity Cross Roads Public School site, containing 2 acres, more or less, game purchased by the Board from A. W. Mallard and wife. This February 25th, 1935. By order of the Board.

J. O. BOWMAN, Secretary Board of Education of Duplin County. Feb. 28 Mar. 7-14-21

NOTICE

North Carolina, Duplin County.

In The Superior Court

W. D. Fussell vs. Wren Reid Fussell

The defendant above named will take notice that an action entitled as above has been commenced in the Superior Court of Duplin County, North Carolina, by the plaintiff against the defendant to secure an absolute divorce on the grounds of two years separation, and the said defendant will further take notice that she is required to appear before the Clerk of the Superior Court of Duplin County, at his office in Kenansville, North Carolina, on the 8th DAY OF APRIL, 1935, and the said defendant Wren Reid Fussell will take notice, that if she fails to answer or demur to the said complaint within the time above specified, the plaintiff will apply to the court for the relief demanded in the complaint.

Given under my hand this 8th day of March, 1935.

R. V. WELLS, Clerk Superior Court, Duplin County.

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HALF-TON PICK-UP (112" Wheelbase) . . . \$465	1 1/2-TON HIGH RACK (157" Wheelbase) . . . \$745
HALF-TON PICK-UP WITH CANOPY (112" Wheelbase) . . . \$495	1 1/2-TON OPEN EXPRESS (131" Wheelbase) . . . \$655
HALF-TON PANEL (112" Wheelbase) . . . \$560	1 1/2-TON STAKE (157" Wheelbase) . . . \$720
1 1/2-TON CHASSIS (131" Wheelbase) . . . \$485	1 1/2-TON PLATFORM (131" Wheelbase) . . . \$630

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