SPGETETSA Mrs. Bryan Entertains Large Group Friday With Lovely Afternoon Party


Mesdames Jones And Copeland Are BridgeHostesses

Complete Line of School Supplies

|  |  |
| :---: | :---: |
|  |  |
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|  |  |
|  |  |

## Hamilton Variety Store




# An Explanation by the City Council as 

 to Why the Gas Bond Election Was OrderedIn February there was presented to the City Counci a petition urging that action be taken to secure lowe
Gas Rates for Memphis. This petition stressed the fact that 75 c per $1,000 \mathrm{cu}$, feet, with 10 percent discount allowance if paid by the 10th was out of line for relief and this was signed by several hundred Gas Users of the City.
The City Council was impressed with this petition and made a careful investigation and decided the rates and felt that the gas users should have relief, if pos

With this in mind work was begun looking to the securing of a rate that would be fair and reasonable ficials of the Company were called into conference, ey were apprised of the petition and the claims se up and they were asked for lower rates in Memphis, These officials asked for time to make investigations and to give consideration to the matter and that is as far as we have been able to go with them. They have fused to lower the rates. Therefore it appears that o relief can be expected from the Gas Company
The City Council has given much time and thought o this matter, have not been hasty but have acted leliberation Wery sought out every avenue for relief from this very unreasonable gas rate and now believe that through municipal ownership and operation of the gas distributing stem can relief be gotten. Therefore city coun
st. Because the people by their petition and by ver bal expressions voiced heir dissatisfaction with the present gas rates.
2nd. Because the City Council, after investigation, believed the rates charged too hign, out or line and unreasonable based on economic conditions and prices of all other commodities and on re turns received by them from operations.
3rd. Because the officials of the gas company would not consider granting a rate that seemed fair both to the company and the consumer.
4th. Because investigation showed that all cities operating their own gas distribution systems wer er rates, paid the interest on their bonds, created ample sinking funds and reserves for deprecia ther in all instances had nice balances left over to go into the General Funds of the city thereby actually reducing tax rates.
5th. Because the city can operate the gas distributing system at a very minimum of expense giving tion and the full benefit of all profits derived. 6th. Because with municipal ownership the consum some BIG PRESIDENT, A FLOCK OF VICE PRESIDENTS, GENERAL MANAGER, DIS NEICT and then two or three extras kept her at the local office to try and tell you why they charge so much for gas and try to make you believe that last winter was your gas bills ought to have been even largex
and operause we mieve under municipal ownershi lessen the burden of the people, will in no way

## increase your taxes

Because we believe the people, the users of the gas, should have an opportunity to express their
desires, should say whether you wish to go on paying present prices or whether you desire when you made your protest against unreason able rates, as your public servants we felt duty
bound to do all we could in your behalf and we wanted you to have the opportunity of showing
9 th. Because we could obtain no relief from the Gas Company and municipal operation of a gas distributing system seemed to be the only salvation
They told you they only received a net return they paid to the BIG PRESIDENT, THE FLOCK OF VICE PRESIDENTS, THE GEN-
ERAL MANAGERS, HIGH PRICED LAWget their expenses up to where they could make huge sums of bonds issued against their properties on which they are paying interest. They and common stock outstanding on which they are paying dividends. They do not tell you the enormous derreciation charges made against
their earnings and somehow they forgot to men tion that last year, according to their own adly $\$ 63,500.00$ in Memphis, a sum in excess of the true value of their entire investment in the City y state that they are going to offer you a new rate and would have you believe they are lessening
the rate, lessening your burden but if you will stop and give consideration to this proposed rate we believe you will see that it will be even heavier on most all con sumers, that the only one benefitting, if any, is the heavy user and that instead of diminishing their re-
turns they are seeking to increase them and that most turns they are seeking to increase them and that most all consumers would actually be paying a higher rate what it would cost you under their proposed new rate:

\section*{Present rate <br> | Net cost. | Net cost. |  |  |  |
| :--- | :--- | :--- | :--- | :--- |
| $\$ 1.00$ (Min) | $1,000 \mathrm{cu} . \mathrm{ft}$ | $\$ 1.50$ | increase | .50 c |
| $\$ 1.35$ | $2,000 \mathrm{cu} . \mathrm{ft}$ | $\$ 2.25$ | increase | .90 c |
| $\$ 2.03$ | $3,000 \mathrm{cu} . \mathrm{ft}$ | $\$ 3.00$ | increase | .97 c |
| $\$ 2.70$ | $4,000 \mathrm{cu} . \mathrm{ft}$ | $\$ 3.45$ | increase | .75 |
| $\$ 3.38$ | $5,000 \mathrm{cu} . \mathrm{ft}$ | $\$ 3.90$ | increase | .52 |
| $\$ 4.05$ | $6,000 \mathrm{cu} . \mathrm{ft}$ | $\$ 4.35$ | increase | .30 |
| $\$ 4.73$ | $7,000 \mathrm{cu} . \mathrm{ft}$ | $\$ 4.80$ | increase | .07 |
| $\$ 5.40$ | $8,000 \mathrm{cu} . \mathrm{ft}$. | $\$ 5.25$ | decrease | .15 c |}

You will see from the above that at every step, under their proposed new rate, you pay far more than the you would, under the new proposed rate, save the TIDY SUM of 15 c per month. How many of you ever
use as much as $8,000 \mathrm{cu} . \mathrm{ft}$. in a month and if you do how many months in the year? Take your gas bills for the past year, the heaviest year you have ever had, apply the figures and see for yourself how much more surprise you and you will see for yourself the magnanimous spirit shown by the Gas Company and just how much they are trying to lessen your burden. You will
see that only the few heavy users, those who consist-
ently use over 8,000 cu. ft. per month, are the only ones will pay in increased rates enough to more than make
We have reliable engineers' estimates that we can
install a distributing system at a cost not to exceed the sum of $\$ 56,000$, yet one of the arguments used against this issue is that we cannot install a system
for $\$ 65,000$. If the gas company does not believe that we can, why are they so concerned, why are they fighting this bond issue? To prove this to us, they have
filed their statement of date August 30 , 933 , hhowing fhed cheir statement of date August 30,1931 , showing their cotal investment in the city of Memphis to be following inventory verhatim that was given to the Tax Assessor of Memphis, Texas in regard to their properties in Memphis on January 1,1931 INVENTORY OF PROPERTY
In
Owned by NORTHERN TEXAS UTILTTIES COMPaN and rendered for assessment of Taxes for the of CITY OF MEMPHIS, TEXAS.

Real Estate, 1 Lot Survey 10, Block 2, H ${ }_{\mathrm{G}}^{\boldsymbol{\&}} \mathrm{N}$ RR
Personal Propery: (Myphis) -- $\$ 20,970.00$
Distribution System (Mempen
Office Furniture

 Grand Total of all property ...... $\frac{821,400.00}{8}$

County of Harris. do solemnly swear that the above inventory rendered by me contains a full, true and THERN TEXAS UTLITIES COMPANY in the within jurisdietion, subject to taxation in such jurisdiction uary, A. D. 1931, so help me God. (Signed) T.J. Cowan Subscribed and sworn to before me this 15 day day
April, A. D. 1931.
(Signed) Gertrude Parr, Notary April, A. D. . 1931 , (Signed)
Public, Harris County Texas.

You are told that we cannot get gas delivered and sions with three reputable concerns that are anxious to build a pipe line into this vicinity, at a cost which will enable us to sell gas lower than it is now being sold.
We are placing this before you for your consideration because we believe you are entitled to it. This is your problem to solve. You appealed to us to secure,
if possible lower gas rates and we have done our best to do so and are without success thus far. We urge you to come to the polls on September 8th and ex-
press your wishes in the matter. If you want to pay the present prices, if you are satisfied to pay war time prices for gas when you are on a starvation income
if you want to go on supporting THE BIG PRESI DENT, ALL THE VIIE PRESDENTS GENERAL PERT ACCOUNTANTS,SUPERFLUOUS EMPLOY-
EES PAY THE INTEREST ON HUGE BONDED INDEBTEDNESS, DIVIDENDS ON ALL THE PREFEast your vote against the bond issue
BUT if you want your gas as cheap as it can be goten and not have to pay for all these trimmings, give you relief, then come out September 8 th and cast



## Allen C. Grundy, Mayor of Memphis

## C. C. Meacham

J. F. Forkner
J. A. Whaley
N. E. Burk
B. E. Davenport
M. C. Ward

Byron Baldwin
Jno. Dennis


# Let's Think Before We Act! 

We, as citizens of Memphis should do only those things which we deem best, wisest and safest for our city. We should endeavor always to study every problem that confronts us, at length, from its various angles, without malice, prejudice or haste and should form our opinion along the lines that will react most favorably toward the greatest number of our citizens.

Pursuant to this policy and in the existing gas controversy, we have come to the opinion that the existing gas rates are too high. We have thought this in the past and still maintain it today. We are willing to do anything which will materially and beneficially enable our town to get these rates reduced.

However, at this juncture, we do not believe we will be doing our town justice to vote the gas bonds on this city and thus add to a burden that is already galling our backs and is fast becoming too heavy to bear. It would materially decrease the credit rating of Memphis for it would increase the money which our city owes. From a credit standpoint, Memphis has always been one of the outstanding cities of the Green Belt section. This reputation is one that we should zealously guard. Any city that uses up too much of its credit margin must do so at a price. It is a c ity that is not looked on with favor from an investment standpoint, byoutside capital and it gains a reputation that is wholly undesirable.

There are many reasons that should appeal io us as citizens, indicating that the gas bonds should not be voted. The most outstanding of these reasons is that many of us were not able to pay our taxes last year and that our incomes in the future years might or could be even smaller than our last year's income. Isn't it well to consider how we are going to pay our taxes in the future, even without the additional bonds added? If we think our load is aready heavy are we going to place even a heavier burden on the backs of future generations? There may come a time in the future when it will be absolutely necessary to vote bonds for something that we will need much worse than we need to own a gas distribution system now. If we vote the bonds we will be taking tax money and engaging in a business that no one of us knows anything about and in which no one of us has had experience. We do not even know that a supply of gas will be furnished us at the city gate. We have no signed contracts to such effect, at least that we know anything about. Will lit be necessary to vote a bond issue in the future to get the gas supplied at the city gate? No one has told you what the rate will be when the municipal plant is put in, do we know that when the additional tax burden is considered it will be any cheaper? Our burden of taxes is heavy already and many of us in the future will be unable to bear the same burden even without making the burden any heavier. Let's stand firm against increased taxes.

But, they say the taxes will not be increased because the bonds and interest will be paid from the profits of the plant. But, we ask them who knows FOR CERTAIN that there will be any profits. What if there should be losses? How many of us have seen an investment which on paper worked out beautifully fail miserably when put to the acid test of practice?

In voting on the gas question let us not be swept off our feet by malice, hatred or passion but let us be governed by reason. Let us not be led into the wilderness of more taxes by false prophets and into a businessin which none of us have had any experience. Let's not place a burden on our children heavier than the one we have to bear.

## Don't Forget

## to Cast Your Vote For

## LOWGASFOR

MEWPHISThere Is No Good Reason For Believing That Taxes Will Be Raised If Bonds Are Voted.

The new rate offered by the Northern Texas Utilities Company is a Farce!

The only way to get Lower Gas is to Vote for The $\$ 65,000$ Bond Issue You Can't Afford to Be a Slacker!
Do you want to be Gas-Free or Gas-Enslaved? Ansua this question at the polls next Tuesday. Make up your minds now. Don't hesitate. We want a Lower Rate!
"Chief" Gardner's Market B. \& M. Grocery
J. D. Guinn

Max L. McClure
Piggly Wiggly Popular Dry Goods Co. Memphis Compress Co. J. C. Wooldridge Lumber Co. M. M. Pounds

Webster Bros.
Hall County Produce Co.
J. M. Radford Grocery Co.

Camp alhambrA

Memphis Hospital Coleman White Joe Rowden, Produce H. H. Montgomery Parker Motor Company Christensen Shoe Shop Frank's Department Store Dr. J. M. Ballew Cicero Smith Lumber Co. Orr's Studio \& Gift Shop Lefty Griffin Barber Shop Harrison Hardware Company Gate City Creamery
G. M. Springer

Midland Life Insurance Co. W. C. Blankenship, Dist. Mgr.

Memphis Coca Cola Bottling Co.
Dr. J. W. Fitzjarrald,

## Chiropractor

H. O. Wooten Grocery Co.
S. L. Seago
W. H. Monzingo
D. \& P. Chevrolet Co.
H. B. Estes
M. C. Ward

Cudd Bros.
Odom Sanitarium
R. E. Martin
J. B. Chitwood

Service Barber Shop Dr. L. M. Hicks Davis Buick Co. Claud Johnson Wm. Gerlach Gin Rice and Long W. Wilson, M. D. F. N. Foxhall Walter White Gin Mrs. A. T. Lokey Memphis Poultry and Egg Co

# ANSWERS TO QUESTIONS 

## ASKED ABOUT

AST week I promised to answer some of the questions which have been asked out the gas business. One of the questions which I hear most frequently is:-

WHY MUST I PAY 75c FOR A THOUSAND CUBIC FEET OF GAS WHICH THE COMPANY GETS FROM THE LANDOWNER FOR 2c?

To answer this question satisfactorily quires an explanation of all the elements expense incurred in transporting a unit 1,000 cubic feet of gas from wells in the hamrock Field and delivering it to the Lstomer in Memphis fifty five miles away

It should be borne in mind that the arting cost of 2 c per 1,000 cubic feet the royalty paid for gas in the ground. ligher royalties than 2 c per 1,000 cubic et are paid in some cases, but the royalty 2c per 1,000 will serve for the puroses of this illustration. By the time this nit of gas in the Shamrock Field is devered to our main pipe line, it costs $4^{1 / 2} \mathrm{c}$. he difference between the royalty cost dd the cost delivered at the main pipe he is required to cover interest on investent, depreciation and operating expense curred in operating and maintaining the wells and field gathering system

Our main pipe line from the Shamck Field consists of 16 -inch pipe which much larger than would be required serve only Memphis. In order to arrive a fair transmission cost for gas delivered Memphis, engineers have computed the st of a pipe line system of sufficient pacity to supply only the requirements Wellington, Memphis, Childress and vanah. Such a transmission system ould have to be 101.5 miles in length. iving effect to the volume of gas devered during the past year to each of ese four cities, it would require not less pan 17.9c per 1,000 cubic feet for devenes to Memphis to take care of the terest and depreciation charges on pipehe investment and taxes, insurance, aintenance, operating and general overad expenses applicable thereto.
Thus we have a cost of gas delivered the Memphis city gate station of $41 / 2^{c}$ is 17.9 c or 22.4 c per 1,000 cubic feet.

The company's operating expenses at emphis for the year ending June 30th, 31 , including taxes, but excluding the st of gas at the city gate station, rounted to $\$ 17,395.84$. Dividing this m of $\$ 17,395.84$ by $151,194,000$, being total cubic footage of gas measured C thal cubic footage of gas measured
m the pipe line into the Memphis mm the pipe line into the Memphis
tribution system for this period, we are at a cost of 11.5 c per 1,000 cubic feet cover the expense in distributing gas, m the city gate station to the customers mises. Therefore the overall cost of Inging this unit of 1,000 cubic feet from ewells to the customers' premises is e wells to the customers
4 c plus 11.5 c or a total 33.9 c .

Gas is sold to residential customers at 75 c gross per 1,000 cubic feet. Because of the $10 \%$ discount, we receive 69.1 c per 1,000 from residential customers. Ap. proximately $42 \%$ of our Memphis revenue is obtained from sales to commercial, industrial and municipal customers. To secure this business, lower rates must be made. If this business were not secured it would be necessary for residential customers to pay even higher rates. Hence, it is to the advantage of the residential customers for us to make low enough rates to larger users to attract business from every available source, and include this additional revenue in determining whether the Memphis business yields a reasonable return on the fair value of our property.

Therefore, we find that while residential customers pay 69.1 c per 1,000 cubic feet, we receive on the average 47.4 c per 1,000 from all of our Memphis customers. This is the average price received for gas measured to our customers. A loss of approximatly $11 \%$ is sustained in distrib. uting gas from the city gate station to the individual customer's premises in Memphis. These losses are inevitable and the loss at Memphis is not out of line when compared with similar losses on other well maintained natural gas distribution sys tems throughout the country.

Thus the average price of 47.4 c received for all gas sold is reduced to 42.0 c per 1,000 cubic feet for the amount of gas which it is necessary to deliver into the Memphis distribution system in order to supply such sales.

Subtracting 33.9 c , the average cost of producing, transmitting and distributing a unit of 1,000 cubic feet of gas, from 42.0 c we have remaining 8.1 c per 1,000 cubic feet, out of which we must provide for a depreciation and return on our Memphis investment.

It takes 3.4 c for every 1,000 cubic feet of gas sold to provide a reserve for depreciation, etc., thus leaving 4.7 c per 1,000 to provide for return on our investment.

In order to receive a return of $8 \%$ on our investment at Memphis, 6.5 c for each 1,000 cubic feet of gas delivered into the Memphis distribution system would be required.

## THE GAS BUSINESS

## Another question I am frequently asked is:-

## EVERYTHING ELSE HAS COME DOWN, SO WHY NOT GAS RATES?

First let us analyze this question. Is it fair to say that everything else has come down?

It is true that most raw materials, in cluding farm products and oil, are selling today below the cost of production. It is also true that in many cases salaries and wages have been cut and that steel pipe, fittings, gas meters and other materials required to serve gas can be obtained for less money today than several years ago.

Our Company has reduced the pay of every one of its officers and employees. In valuing the Memphis property the engineers used present day prices of labor and materials, and computed what it would cost to reproduce this property today.

So when operation under reduced pay to Company officers and employees is given effect, and the value of the company's property on which it is entitled to earn a return is priced downward to present day depression levels, every economy which has yet appeared affecting the cost of serving gas has been given consideration. And it was on this basis that the company's operations for the year ending June 30th, 1931, showed a net return of $5.8 \%$.

The other principal expenses of serv ing gas are interest on invested capital, taxes and depreciation. The interest which the company must pay on the capital invested in its property is fixed, and must be paid as it accrues. Property taxes have not been reduced and other taxation of
the public utility business is on the up ward trend. The rate of depreciation is the same now as before.

Thus it will be seen that while some items of expense in our business are less, the principal expenses remain the same. Hard times have brought a loss in total revenue to the company for the year ending July, 1931, of $31 \%$ as compared with the previous twelve months period, with the previous twelve months period,
and this loss has much more than offset the economies the company has been able to make.

A reduction in rates, when present rates are yielding a comparatively low percentage of return, would deprive those people who have invested their money in our business of a reasonable interest rate on the investment.

The company's business is much the same as that of a bank toward its depositors. Each must so conduct its business as to give a full measure of service, but so that the capital employed will be safe.


Northern Texas Utilities Company

Memphis Democrat Early Entries Are
THE MEMPHIS PUBLISHING CO., Inc
Memphis, Hall County, Texas

the democrat's program for 193
$A$ Federal Building for Memphis.
The Cortainty of a Nerr Railirond.
More Consittent Contacto Between Memphit and Her Trade Territory.
The Plantiong of Stiong Progra
The Plantisg of Staple Seed.
Farm Agenta.
Public School M
Public School Music
Encouragement of the Fine Arts.
More Generosity and Lew Animosity.

OUR HAT IS OFF TO THE FAIR DIRECTORS
THE caption of this editorial expresses exactly our feelings in the
matter. Wo sere glad to know that the board of directors of th
Hall County District Fair Asociation have seen fit to have a fair Hall County District Fair Ansoiation have seen fit to have. A fain
this yean, although it will haot oaly two days and will hack many
of the features it has had in abuadace during more prosperous of the fataturese it has had in abbuddence during more than they vere hat fall, this group of eaterprising men are putting
their thoulders to the wheel and we are to have the firat fair io to The reader should not be mided into believing that the two day
expasition will not be worth visitings. It will feature primarily agricultural exhibits and the work of the county home demonstration
clabs and $4-\mathrm{H}$ clubs. We will got to see at first hand juat what raral women and raral boys and sirls are doing to improve them
eevives and their bomes and to prepare for the fall and winter. Th county school exhibits, should aloo prove interesting and arreating. Probably the bigsest drawing card witt te the surt
officiale state that some really fast dirt drivers will sive the recently completed traik its "baptism of fire." Th band bho do not expect to viait the larger expositions, over the
cen tome really "big city" racing carn and drivers in action talk it up and plan on attending. Make planse earily and don't forg the dates-October 7 a
plans are going the rounds
IN a time such as we are experieacing, it seems that every one b period, to trample depression ander foat and to retura prosperity
ackin to our ranks. Frankly, wome of the ideas are puerile an eophomorie in the extreme. We believe Governor Lorg'e plan. to
declare a cotton holidey in 1932 aboat heads the list of "fool ideas." coxt year. There is no logic to such a coarre. On the other ha
third rou has ab third row has ab

avolve alaborate glans to save the day, to hear them tell it. The
corkable. And still the plannin
Wo have about reached the conclusion that until the Governmen
aloas, plans are about all the relief that will be fortheoming.
WONDER WHAT'S NEXT?
IN anower to a letter requesting a check for a past due secount,
IN Anerernt sente the following litter to hir crevitory
mI wish to inform you that the preseat shattered condition of m
benk sceount makes it
lows, otate laws, county lams, corporation laws, by-lawe, brother-in
unsuspectins public. Through those various lawn, I have been held down, held up, walkod on, sot an, flattened and
"There lawt
atate merchants tax, capital stock tax, property tax, suto tax,
"In addition" to these taxe 1
解 Womant, Relief, Navr. Te the society of St. John the Baptist, the Benefit, the Dorcas Society, the Y. M. C. A. the Boy Scouts, the Benefit, the Darcas Society, the Y. M. C. A. the Boy Seouts, the
Jowish Relief, the Near East, the Gold Digerr' Home and also every hospital and eharitable inatitution in tawn, the Red Cross, the Black Cross, the White Cross, the Parple Crous and the Double Crose. The Government has so goveraed my business that 1 do not know mo owns it. 1 am suspected, expected, inspected, diurespocted, or until all I know is that I am sapposed to provide an inexhaustable eupply of mosey for every known need, desire or hope of the hamae rece, and beceuse I refurs to donato to all and go out and bez, bor row and stoal mosey to sive away, I an eussed, discussed, boyeotted. talked to, talked about, lied to, liod alout, held up, held down and bifo is to tee what the deuce is coming next.

> YOU CAN'T BLAME THE LOCUST TREES

THE Demoerst publiched a story last wook to the effoet that the athey are supposed to be in full Hosusom, they diasppointed everybody by their failure to come our It is little wonder that the depression hass affected the locust trees. It bee just about affincted everything else so far at we have beon oblo to ascertain, and Mother Nature is becoming diatarbed. She it ohewing her ill feolings, by brioging out locust blooms during the

Index To Interest
In Tri-State Fair

Restless, could not sleep
 could not get my work could not get my work
done. I would get nervous and 'trembly' I would have to lie down. I was very restless, and could not sleep at night.
$\qquad$ me to take Cardul, and I certainly am glad she did. It is the first thing that seemed to give me any strength. I felt better after the first bottle. I kept it up and am now feel-
ing fine."



Secretary Details Reasons For Going To Canyon College






## P.A:-

 and stays put!

| AMARLLLO Sept. the addition of new departments |  and county home economics dem- |  | Lo Madion. They were acoom. panied by Miss Helen Madden, | B. Li.kiN |
| :---: | :---: | :---: | :---: | :---: |
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| tural and livestock and poultrydisplays, if entries continue to be |  |  |  |  |
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$\mathrm{A}^{\mathrm{N}}$M I sold on Prince Albert for home-rolled cigarettes? Ask me another! I like P. A.'s fragrance. And I like the way P. A. rolls, it rolls easyeand stays put. But the big point in P. A's favor is its marvelous taste. Cool as a summons to serve on the jury. Sweet as the news that you have been excused. Mild and mellow beyond description, but with that full, rich tobacco-body that satisfies your smokehunger to the absolute limit. Try rolling 'em with P.A. Try this tobacco in your pipe, also.

## PRINGE ALBERT <br> - NO OThER TOBACCO IS LIKE ITI



GOOD TOBACCO DESERVES GOOD PAPBR. Roll 'em dt


Sf - and you sever apest - vietoll thet moent more io



