

# WASHINGTON COUNTY NEWS

VOL. V

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NO. 36

## EX-CASHIER IS ACCUSED

Shortage in Haines Bank of \$25,000 Laid at Door of F. T. Kane.

### COMPLAINT IS FILED

Sets Forth Wholesale Jugglery of Books, Erroneous Footings and Not True Balances.

The affairs of the E. W. Haines bank, which closed its doors Feb. 1st, were brought to a head Wednesday when papers were filed with the county clerk, alleging that Frank T. Kane, the former cashier, had manipulated the books and cash of the bank in such a manner that a shortage of \$25,000 was made which money it is alleged was appropriated by him for his own use. The complaint sets forth further:

That on or about the 26th day of April, 1893, the defendant, Frank T. Kane, in violation of his relation of trust to plaintiff, entered upon a system of fraud and misappropriation of the funds of this plaintiff, which fraud and misappropriation continued until the time when said Frank T. Kane ceased to be in the employ of the plaintiff on or about the 4th day of November of 1903. That from time to time during the said period said Frank T. Kane took funds belonging to plaintiff from the moneys to which the said Frank T. Kane had access; thereupon the said Frank T. Kane resorted to a system of false entries, erroneous footings in the cash book and the neglect of all entries for certain transactions passing through his hands, with intent to cover up misappropriation of the funds of the plaintiff so taken by him. That some times the said plan for the covering up of such misappropriation would involve an erroneous statement of the deposits in the bank on a given date; that the books would show a smaller sum than the deposits which were actually made. Some times the books would appear to balance when in fact the same did not balance, the defendant Frank T. Kane making erroneous footings in order to cover up the funds so abstracted by him from plaintiff and from the bank of the plaintiff. That some times a certificate of deposit would be purchased by a customer of the bank and would be issued by the defendant Frank T. Kane in the name of the bank and would be entered on the books of the bank for a smaller sum than the face of the certificate, the said Frank T. Kane appropriating the difference between the amount of the certificate of the deposit and the amount credited on the books therefor to his own use. That some times notes would be paid by the makers thereof and surrendered by the said Frank T. Kane, and the moneys so paid to the bank would be retained by the said Frank T. Kane and appropriated by him to his own use and no record would be made on the books of the bank of the fact of said payment having been made. That some times the entries would be made in the books purporting to show the payments had been made on certificates of deposits and other obligations of the bank when in fact no such payments had been made, and under the guise of such false entries the defendant Frank T. Kane would abstract from the funds of the bank considerable sums of money, which he would use for his own purposes. That some times certificates of its deposits would be issued by the defendant Frank T. Kane in the name of the bank and money would be received in the purchase of the same and the said money would be appropriated by the said Frank T. Kane to his own use and no entry whatsoever would be made on the books of the issuance of the said certificate of deposit. That at other times false entries would be made of disbursements alleged to have been made on behalf of the bank which in fact were not made, and under the guise of the said false entries the said Frank T. Kane would take funds belonging to plaintiff and apply the same to his own use. That some times a check drawn by a depositor on his account would be correctly noted in the book of the said depositor and in his account with the said bank, but in the cash account of the said bank the same would be raised and noted as a check for a larger amount than was actually

drawn, and the difference in money in each case would be appropriated by the said Frank T. Kane to his own use. That at other times drafts would be drawn in the name of the bank on other banks in which the plaintiff had deposits and the said drafts would be cashed and applied by the said Frank T. Kane to his own use, and no record would be made of the said drafts on the books of plaintiff. The most of the cash on hand in the said bank was kept in sacks in the vault and attached to each sack was a tag which purported to state the amount of cash therein. That prior to leaving plaintiff's employ the defendant Frank T. Kane abstracted a portion of the contents of each such sack and at the time when he left plaintiff's employ each of said sacks was short and contained less cash than that noted on its tag. That in divers and sundry other ways, the details of which are now known to the plaintiff, large sums of money were taken by the said Frank T. Kane and applied by him to his own uses and purposes, in every case without the knowledge or consent of the plaintiff. That such misappropriations continued without cessation up to the time when said defendant left plaintiff's employ. That during all the time when he was employed in plaintiff's bank said Frank T. Kane had access to its cash and to its books, and during a portion of the said time he was the book keeper of the said bank and had exclusive control over the books of the same.

The complaint names the Commercial Mining Co. of Baker City, as co-defendant and asks for a receiver to restrain it from transferring 74,000 shares of stock held by Mr. Kane's father.

### Fire Drill at School.

Since the awful school fire at Cleveland, Ohio, that burned 167 school children to death, almost every school in the country has inaugurated the fire drill. The local school board has given orders that the fire drill shall be made once in every two weeks. This will be done regularly hereafter assert the board and the drill will be called without any notice being given the teachers or the children. While a conflagration at the school building here would probably not result disastrously on account of the many exits, the rule will be followed strictly hereafter.

### Regular Meeting of Council

The city council met in regular session Tuesday evening at the council chambers with all members present. The regular routine business was gone through with and the reading of the minutes of the previous special meetings, on February 25, at which time the ordinance which requires a bond of \$250 per month from persons starting businesses here for temporary selling of goods. E. B. Sappington was at this meeting elected Water, Light and Street Commissioner at a salary of \$50 per month, besides he is to receive his light and water free of cost.

The matter of adjusting the porch light service and paying Mr. Haines for same came up and upon report of the light and water committee the matter was settled. The service had not been paid for since Feb. 12, 1904, to Mar. 1, 1908, and the invoice showed that there were about 800 candle power being used in this manner, amounting to \$314.50 in addition to what had already been paid for porch lights, after deducting rent for the plant and for collections for water used outside the city it left a balance due Mr. Haines of \$69.20. Hereafter the charge for porch lights will be based on the present invoice, fluxuations not included, which amounts to \$7.00 per month.

The report of the treasurer was read and accepted. It shows in the general fund, balance Feb. 1, \$730.86

Receipts	669.00
Warrants paid	272.59
Special Fund, balance	
Feb. 7, 1908	\$502.24
Receipts	182.24
Library Fund, balance	
Feb. 1, 1908	\$57.84
Paid warrants	39.00

The matter of the A. E. Hyde property, which is claimed sets in the city streets, a motion was made directing the mayor to proceed to bring suit to settle the matter.

President Ferrin appeared before the board concerning the electric light bill at Herrick Hall for the month of January, which seemed to him as be-

ing too high and which amounted to about \$90. Herrick Hall is on a meter and the flat rate charged by the city for the number of lights invoiced for that building would only amount to about \$38. From the face of matters it appeared that something was wrong—very much wrong. And there was something wrong. For the discussion that followed brought to light the fact that several of the young lady students had purchased larger sized bulbs than are regularly used and were using them unknown to the faculty. The matter was referred to a committee for adjustment.

City Health Officer Hines reported that there were several refuse pipes from residences in the city that emptied into the streets and the council empowered him to have them removed.

The resignation of Recorder Hoge was read and upon motion was accepted. The council then proceeded by ballot to elect his successor which terminated in the choosing of R. P. Wirtz.

Bills to the amount of \$500.00 were audited and allowed. Council adjourned.



Judge H. M. Cake, candidate for U. S. Senator, who spoke here Monday night.

No section of the Union surpasses the Pacific Northwest in the excellence of its public schools, and Oregon communities are manifesting their interest in the State University by urging upon the state the most liberal appropriations for the maintenance of this institution in a way that will enable it to reach its highest efficiency. This was the meat of a resolution adopted by the Portland Commercial Club recently. Public bodies throughout the Northwest appreciate that institutions of higher learning are a factor of the greatest importance to Eastern people who contemplate making their homes here.

### THATCHER WANTS MOTER LINE

Could Raise \$10,000 Easier Than Let Contract to Haul Rock.

The following is from our correspondent at Thatcher which shows that the people of that district would rather build an electric line up that way than to haul rock for the proposed macadamized road:

"A call was made for the farmers of the district to meet at the Thatcher schoolhouse Saturday, March 7th, to discuss the matter of hauling rock. It was well attended, every seat being filled. The meeting was called to order by Mr. Clapp, Henry King was elected chairman; Prof. Hazard, secretary. Then they proceeded to business. Rock hauling was then discussed; and as there was no one willing to take the responsibility of taking the contract for delivery of rock, a motion was made by J. Byers to adjourn and seconded by Mr. Haney. Motion carried and the meeting adjourned.

After the meeting the question of the motor-line came up. The farmers say it will cost no more to have a motor-line than to furnish crushed rock every year. This would be a saving of teams in bad weather, also save vehicles. One farmer said he knew of enough men who would take stock to the amount of ten thousand dollars. Now farmers, join the ranks and strike while the iron is hot.

The milk haulers would be glad to throw up their jobs if a motor-line came in. Some enthusiastic farmer should call a meeting, and find out how much stock each would take towards the motor-line.

We believe the condensers would be glad to take stock in it, as often times they have trouble in getting milk hauled.

We are satisfied there would be good money in it. Some one start the ball to rolling.

### ADDITIONAL LOCAL NEWS.

The Members of the Domestic Department of the Woman's Club spent an instructive afternoon with Miss Thatcher, Tuesday, exchanging hints and ideas in regard to the preparation of milk and milk products. Mrs. Miller accompanied her cheese recipe was served, consisting of fruit salad, cheese straws, wafers and coffee. The Department will discuss eggs at their next meeting which will be with Mrs. W. H. Green, March 24.

The last district quarterly meeting of the Portland district for the conference year of 1907-08, will be held at Forest Grove, in the Free Methodist church, beginning the evening of March 26 and lasting over Sunday. Rev. W. N. Coffee, district elder, will have charge of these services, and with the help of the minister and a large number of the laity from other parts of the district, we expect an old fashioned Methodist meeting. All are cordially invited to attend these meetings. Harry E. Kreider, Pastor.

The annual meeting of the Civic Improvement society will be held on Wednesday evening at 7:30 o'clock, in Masonic Hall. Aside from the usual reports there will be a paper by our City Physician, Dr. Hines, on "Local Sanitation," and vocal and instrumental music. Also Miss Millard of Portland, whose talks in the Portland Library are so popular with the young people, will address the meeting. Everybody is invited.

Hon. W. K. Newell, candidate for the legislature on the anti-statement No. 1 platform, addressed the students at the college Tuesday afternoon at 1 o'clock, which is making all the legislative candidates walk Spanish these days. It was not a political discussion. Mr. Newell was invited to make a talk by President Ferrin whose opinions do not coincide with those held by Mr. Newell on statement No. 1.

Eastern people are already beginning to arrive on the Spring colonist rates. The disposition is to seek the smaller towns and the majority of those looking for country places intend to enter fruit growing or dairying, two industries especially attractive in Washington and Oregon, where they bring greater returns than in any other part of the country.

Circuit court will convene at Hillsboro next Monday the 16th, with Judge McBride on the bench. This will probably be one of the longest terms ever held in this county which is caused by the fact that no court has been held in this county since the fall term owing to the recent holidays during the money stringency.

### FOR GRAVITY SYSTEM.

City Council Is Offered Proposition to Obtain Mountain Water.

E. W. Haines appeared before the city council Tuesday evening, representing parties in Portland who represent capital in the east and stated a proposition which, if accepted, would give Forest Grove a new gravity water system. Mr. Haines stated that this company stood ready to take over the present system at a fair price providing the city would grant a 25 year franchise, and would guarantee to bring the water from the mountains west of this city. He stated that he was advised to ask the city, if such a proposition should meet with the approval of the council, to have the city put a price on the present system and submit them for their consideration. The council did not take any action in the matter.

### Arranging for State S. S. Convention

At a joint meeting of the pastors, officers and teachers of the various church organizations held in the Congregational church of this city, Sunday, March 8, 3 p. m., made the following preliminary arrangements for the Oregon State Sunday School convention to be held April 27, 28 and 29.

Committees were named as follows: On arrangements: L. L. Hollinger, chairman; Revs. H. W. Boyd, H. L. Gould, C. A. Sias, H. Kreider, H. L. Bates, A. C. Boggess, Mrs. C. A. Sias, Mrs. E. Dixon and E. W. Haines, who shall have general oversight of the work and help the state committee perfect arrangements.

On publicity: A. C. Boggess, chairman; S. T. Walker, Rev. C. A. Sias, J. F. Woods, of the "News," W. Parker, of the "Times," Stephen Morgan, Pres. Forest Grove Transfer Co., John Matthews and D. C. Wintels,

## H. M. CAKE SPEAKS HERE

who shall see after advertising.

On music: H. L. Bates, chairman, Mrs. H. Gould and Miss Bell Darling, who shall organize and drill a chorus.

On hospitality: Dr. J. S. Bishop, chairman, R. C. Hill, Miss Minnie Meyers, K. Abraham, Mrs. J. E. Showers, Mrs. Robt. Taylor, Geo. Moore, Miss Dee Darling, John Conwell, Mary E. Dixon, Cora Symms, W. H. Hollis, who shall secure places of entertainment and assign delegates and speakers.

On reception: H. W. Boyd, chairman, Richard Abraham, D. E. Mobbey, Gordon Clapp, Emma B. Penfield, Clara Knight, A. Kirkwood, John Taylor, Harry Weitzel, Hazel Aldrich, F. A. Childs, George Jackson, Harry Kreider, Cora Symms, Mary E. Dixon, Daisy Markee, who shall meet trains and escort delegates and visitors to the church and places of entertainment.

On finance: Prof. Jos. Marsh, Mrs. L. L. Hollinger, O. Curtis, Rev. H. Kreider, L. J. Corl.

### Death of Mrs. Shipley.

Last Friday evening at 7:45 occurred the death of Mrs. M. H. Shipley at her home on Pacific avenue. Mrs. Shipley had been sick for several months and her death was not unexpected. The funeral was held Sunday afternoon at 2 o'clock from the house and was conducted by Rev. Daniel Staver and Rev. H. W. Boyd, and the services at the grave were under the auspices of the Grange of which she was a member.

Susan Johnson was born in Vermont on Feb. 20, 1838. She was married to Mr. Shipley in 18 and in 1873 they moved to Forest Grove where they have since resided. She was a good, kind Christian woman and was loved and respected by all who knew her. She is survived by her husband, Silas M. Shipley of Portland and Mrs. E. W. Haines of this place and two brothers and one sister, Mrs. Harriet Tyler of Portland. The two brothers reside in Maine.

### Athletic Association Meeting.

The annual meeting of the Forest Grove Athletic association was held at the Laughlin hotel Monday night, many members of the association were present. The minutes of the previous meeting were read and approved. The treasurer, Mr. Laughlin, read his report which showed \$157.50 in the treasury. The report was accepted and a motion was made and it was carried to release the treasurer from liability of the funds which at this time are in the E. W. Haines bank. This motion was carried unanimously. A plan will be submitted by the trustees shortly covering the athletics for the coming summer.

Following are the officers elected for the ensuing year: President, C. O. Roe; vice president, G. H. Baldwin; treasurer, B. H. Laughlin; secretary, W. W. Goff; trustees, J. J. Wirtz, W. C. Kirtson and H. J. Goff.

### Sudden Death at Hillsboro.

Thos. J. Shipley, aged 74 years, of Banks, who was at Hillsboro Tuesday, dropped dead at the Commercial hotel at 12:30, just after leaving the dining room. Mr. Shipley came to town in the morning to pay his taxes. He had been a resident of Banks about two years and his son is in the feed business there. The remains were taken to Paterson's undertaking establishment and prepared for shipment to McCool Junction, Neb.

### Notice to the Public.

Anyone having cancelled notes paid at my bank from 1898 to 1903 please bring or send them in and give date of payment and to whom paid. It will be greatly appreciated by the undersigned. During that time a large number of notes were paid and the money never turned in to the bank. This will greatly assist us in adjusting the affairs of the bank.

E. W. HAINES.

### Died.

August Wieser, aged 59 years, died at his home in Scoggins Valley, Wednesday at 3 o'clock, of stomach trouble. The funeral will be held at the Lutheran church in that vicinity Friday, and interment in the Lutheran cemetery. Deceased leaves a wife and four children, two boys and two girls.

Reba Hoffman spent Sunday with her friend, Lorena Belknap of Hillsboro.

Statement No. 1 Candidate for United States Senator Here Monday.

### FIRST GUN OF CAMPAIGN

Upholds Policies of Roosevelt and Declares Against Corrupt Methods of Choosing U. S. Senators.

Forest Grove has had the honor of hearing the first speech of the campaign which was made by Hon. H. M. Cake of Portland, and candidate for the United States Senate, to come before the vote of the people on April 17th. This is the first gun of the campaign and practically the first politics heard here. An unusually large audience greeted the speaker and showed much interest in the questions which are to be decided by the people of this state at the June election. Mr. Cake opened his speech by endorsing the policies of President Roosevelt and more particularly those of open rivers and deep harbors for which the president asks the expenditure of \$50,000,000 a year for their maintenance. He said that the whole country was now in a fight with the railroads on the rate question and with interior water ways improved in all sections of the county, and more especially in Oregon, the rate question would be amicably handled and more railroads would necessarily be compelled to meet the rate and relieve the congestion of freight which has at times invoked disaster to the products of this state. He favors the opening of the Willamette as far as it is navigable and also that of the Columbia. The speaker said he believed in the construction of the Panama canal as now being carried on by the present administration and said that it would be completed three years sooner than at first thought.

The speaker said that he believed in the revision of the tariff but that it should be done as outlined by the republican administration, he believed that the policy is right and would do what he could to maintain it.

On the seemingly all-important question of statement No. 1, the speaker comes out boldly and without reserve for it. He went into a lengthy discussion on the question and was applauded for his stand. He said that the people of the United States were crying for a way to elect the U. S. senators by direct vote and believed that the present statement was a way for the people to have their say, and if elected he would work for a constitutional amendment granting the people that right. He cites from eleven different states in the Union where a deadlock occurred in the election of Senators which necessarily deterred the enactments of laws which the people should have had, and declared that under Statement No. 1 it would take but fifteen minutes for a senator to be chosen. He referred to the disgraceful legislature of 1897 when the holdup occurred and also read the resolution which was passed by the same body a year later wherein it endorsed the popular vote idea.

We give herein that part of Mr. Cake's platform wherein he endorsed Statement No. 1:

"I endorse Statement No. 1 because experience has shown the old method of election of United States Senators to be unsatisfactory. Under such method, for more than 40 years, such influences have affected the election of United States Senators in Oregon that but few have been chosen until the last moments of the legislative sessions. The deals and deadlocks (saying nothing of fraud and corruption) incident to the election of Senators in Oregon have absorbed the time and attention of State Legislatures to the disgrace of the state, the detriment of the people and the neglect of needed legislation."

"I further endorse Statement No. 1 for the reason that I am in favor of the election of United States Senators by direct vote of the people, and favor an amendment to the Constitution of the United States providing for same. In the absence of such an amendment, Statement No. 1 accomplished the same result by obligating the members of the Legislature to elect the choice of the people as evidenced by the vote at the June election."

Continued on last page.