

A2008.34.159

L. Nebert

# Aurora

THE SUN OF PROSPERITY SHINES ON

## AURORA

# Observer

Published Every Thursday

\$1.50 a Year

VOL. X.

AURORA, MARION COUNTY, OREGON, NOVEMBER 11, 1920

NO. 36

### Bond Firm Will Protect Clients

#### Devereaux & Company Assert Bond Retirement Plan Will Be Blocked In United States Court

The calling of the school election on November 27, to vote upon the proposals to retire the Aurora high school bonds, brings out the stand the bond owners take in the matter.

E. L. Devereaux & Company, who purchased the Aurora high school bonds and later resold them to investors in other states, declare that "the district cannot do what they are attempting to do and if they pursue their plan of action, we will institute proceedings in the United States court to protect ourselves and our clients."

In a letter to the chairman of the Aurora school board, the bond firm says:

"We presume that Mr. Carson is relying on the opinion of the attorney general that under section 154 of the law, bonds may be redeemed at any time up to twenty years from the date of issuance. This is in conflict with Section 155 of the law, and particularly difficult to reconcile with Section 156."

Section 155 says that "when the bonds have been executed, registered and delivered, their legality shall not be open to contest by such school district or by any person of incorporation for or on its behalf for any reason whatever."

Section 156 "provides the only methods by which funds and taxes raised in any other way would be illegal and uncollectable."

#### PRATT BOY RUN AWAY

A 12 year old boy named Pratt, the son of Mrs. Brown of East Paradise, was picked up on the road to Aurora Sunday evening about dark. The lad said he was on his way up the Pacific Highway about 2 miles to visit his friends. But his actions led to the belief that he was running away from home. Questioning disclosed that the boy and a sister had quarreled and that he had started for Salem where his father Cadiz Pratt lives.

Mrs. Diana Snyder gave the little chap his supper and City Marshal Fry took him home for the night. During the evening a telephone call from the boy's friends said they would be here Monday morning for him.

The whole flurry arose over the child's quarrel with his sister over a cat, according to his sister's story, when she came into town on horseback to take him home, though the boy persisted in his story that he was not treated right and that he wanted to go on to his father at Salem.

The committee recommended to the county court that the court purchase a fourth paving plant and install it at West Woodburn during the coming year to do the paving required in that district, it being understood that the cost of the plant, complete, would be about \$40,000.

THE AMERICAN RED CROSS IN PEACE TIME Teaching First Aid



Every person mentally and physically able to do so should take the American Red Cross instruction in First Aid Treatment. It's a life-saver and a pain-saver on the farm, in the factory, on the street, at the office, in the home, wherever accidents may occur. Here's a young wife who inexpertly wielded a can-opener and received an ugly gash across her wrist from the jagged can lid. Mother was there.

#### CLUB ISSUES YEAR BOOK

The Aurora Woman's Club 1920-1921 year book has just been completed by the Observer's job department. The club will devote the year to a study of South America, at its semi-monthly meetings, with a few other subjects scattered through the year.

The officers of the club are: Mrs. Aurelia Powers, president; Mrs. Nora Blosser, vice president; Mrs. Cita Ottaway, secretary; Mrs. Anna Giesy, treasurer.

The standing committees for the year are as follows: Program—Mrs. Frances Cooper Kraus, Mrs. Clara I. Atkinson, and Mrs. Aurelia Powers.

Civic—Mrs. Rose Miller, Mrs. Arda Kraus and Mrs. Nona Yergen.

House—Mrs. Anna Giesy, Mrs. Nora Blosser and Mrs. Lena Ehlen.

Membership—Mrs. Cita Ottaway, Mrs. Anna L. Wurster, and Mrs. Helen Sadler.

Art—Mrs. Nunda Gribble, Mrs. Helen Watt, and Mrs. Lydia B. Irvin.

Press—Mrs. Clara I. Atkinson.

Music—Mrs. Helen Sadler.

Librarian—Mrs. Johanna Morris.

### Bonds Redemable At Pleasure of District Says Attorney General

Those who want to retire the high school bonds rely upon their attorney's acceptance of the opinion of the attorney general that school bonds are redeemable at the pleasure of the district.

In an opinion rendered last August the attorney general takes the following view:

"Subdivision 2, Section 2, Chapter 172 Laws of Oregon of 1913, page 308, provides that such bonds are redeemable at the pleasure of the district and, accordingly, the district has the power to redeem these bonds at any time so far as the bondholders are concerned.

If the district considers it necessary or expedient to use the funds to redeem the bonds instead of constructing the high school building, a meeting of legal voters of the district should be duly called and held, which meeting the directors may be duly authorized to use these funds to retire the bonds."

It is said however, that the attorney-general had no copy of the bonds before him, hence did not know the terms of the bonds as fixed in the bonds nor was he aware the bonds been resold to purchasers without the states.

### Governor Olcott Stops At Aurora

Governor Olcott and Mrs. Olcott and their sons, Chester, Richard and Gordon, and Mr. and Mrs. L. H. Compton and baby were here Saturday enroute to Portland, where Governor Olcott and Warden Compton were going on state business. Mrs. Olcott went to visit her sister Mrs. Oswald West, and Mrs. Compton expected to spend several days in Portland. Mrs. Olcott also expected Mrs. West and little daughter Jean to return with them to Salem for several days while ex-governor West is absent from Portland.

The governor's car stopped a short time at the Stoner garage for attention to some minor repairs, and governor Olcott made the Observer office a welcome call.

The governor had returned but recently from a trip of inspection of the surveyed route of the proposed highway from Neskowin in southern Tillamook county over the divide into the Salmon River country to Otis. He was accompanied by Herbert Nunn, state highway engineer, and Dr. Lee Steiner. They walked most of the way over the route, and arrived in Newport election day just in time to vote.

The Sunshine Club of the Wilsonville Rebekah lodge met Thursday afternoon at the home of Mrs. Chas. Eilers at the Hollyheim Orchard farm. Refreshments were served after a most enjoyable afternoon. The ladies present were: Mrs. Henry Aden, Mrs. Westgate, Mrs. Cliff Murray, Mrs. Nicholson, Mrs. Wiedmann, Miss Batalgia, Mrs. Smythe and Mrs. Eilers.

### The American Red Cross



The "Greatest Mother" concept which was visualized in the famous art poster used by the American Red Cross in its second war fund campaign has had its symbolism adapted to the Red Cross work of the post-war era and will illuminate the main poster to be used in the Fourth Roll Call November 11-25. This adaptation will bear the title "Still the Greatest Mother in the World." Everyone is familiar with the original "The Greatest Mother in the World," the effectiveness of which has been shown in part by the fact that it has furnished a synonym for Red Cross that has come to almost a household term. More than any other symbol, except the red cross itself, the public has made it the trademark of the American Red Cross.

### Former Budget Elections Declared Invalid Governor Olcott Urges Joining Red Cross

Attorney General Van Winkle advises school officers that when a school district votes a tax without stating the budget showing contemplated expenditures, but merely votes a tax in an amount, "enough to carry on the school," or words to that effect, such a tax would be invalid and could not be collected. In other words, the tax levied should be fixed in dollars and cents.

At the school election held here July 24, a tax "sufficient to maintain a four-room graded school" was voted. As such a tax could not be collected, the board has found it necessary to call another election to vote a tax in legal form, to maintain the school this year. The election will be held November 27, at 7:30 p. m., at the I. O. O. F. hall.

#### TWENTY-FIVE ACRES OF HOPS BRING IN \$11,000

Henry L. Bents recently took in 146 bales of hops contracted for Strauss & Co., from J. P. Ranzan near Newberg. The 146 bales weighed 27566 pounds net. Over 26,000 pounds of the crop were grown on 25 acres, the balance being grown on 5 acres of red vines on upland. All are first year hops, and are of excellent quality. The crop has been contracted for three years at 40c.

This year's crop was grown by three men, Mr. Ranzan his son and one other man. The crop brought over \$11,000, and should bring \$20,000 next year. The yard was cultivated well, sprayed well, and cared for in an excellent manner in every way.

Mrs. Roy O. Malo was a Portland visitor this week, leaving "R. O." to manage the Aurora Cafe all "by his lonesome."

Mrs. Amy Roberts left last week for Eugene where she will spend the winter.

Mrs. Henry Ehlen, of this place was operated upon last week, Tuesday, for the removal of tumors, at the Good Samaritan hospital, Portland. The operation was a complete success, and Mrs. Ehlen is making satisfactory progress toward recovery. Mr. Ehlen went down this week to see her and found her resting quite comfortably. Her many friends here hope for her early return.

#### AURORA TRAFFIC RULES

Some practical joker has handed the Observer the following set of rules governing pedestrians upon the streets of Aurora.

1. Pedestrians crossing the street at night shall wear a white light in front and a red light in the rear.
2. In dodging auto, pedestrians shall not run more than 30 miles per hour.
3. Whenever any nervous lady chauffeur shall give the nervous signal, all pedestrians within four blocks shall hide behind a telephone pole until the lady's machine has passed.
4. Pedestrians shall not carry in their pockets or upon their person any sharp instrument which may cut automobile tires.
5. Pedestrians shall secure a permit to live, the first of each month, and pay a fee of \$2.50 for such license. There shall be no rebate if they do not live the entire month.
6. Applicants for license must submit proof of their ability to dodge crawl and leap skillfully, and must furnish surety bonds that they will make good all damages to autos and their occupants in case of collision with said licensees.

### Market-Roads Committee Propose Bond Selling Plan

The county market-roads committee (an unofficial body of road enthusiasts) met last week, Thursday, at Salem, to devise a way to dispose of the 5 1/2 per cent road bonds. As there is no 5 1/2 per money these days and as the law forbids the sale of the bonds at less than par, the committee faced no easy problem.

It finally decided that the road districts in which work is to be done ought to agree to sell (for the county) their quota of the \$250,000 which the county court wishes to sell. It is intimated that districts which do not take their share, will have no market-road work done the coming year, but no district will be required to purchase more bonds than will be necessary to cover the work in that district.

#### PROPERTY VALUATIONS ARE LOWER THIS YEAR

The total valuation of all taxable properties in Marion excluding public utilities, is \$36,914,170, as finally equalized.

A few of the items are given below, as announced by Assessor West:

- Town and city lots, with improvements \$9,965,580.
- All lands and improvements thereon, \$22,275,640.
- Steamboats, sailboats, stationary engines and manufacturing machinery value, \$680,385.
- Merchandise and stock in trade, value, \$1,534,345.
- Farming implements, wagons, carriages, value, \$204,045.
- Money notes and accounts, value, \$156,960.
- Shares of stock, number 11,301, value \$7,333,870.
- Hotel and office furniture, value, \$76,390.
- Horses and mules, number 6637, value \$449,720; value per unit \$67.75.
- Cattle number, 13,780, value, \$597,555 value per unit \$43.36.
- Sheep and goats number 23,185, value \$146,450; value per unit \$6.39.
- Swine, number 6649, value \$79,005; value per unit, \$11.88.
- Automobiles (stock), value \$10,800.

Clackamas county property valuations by the assessor have increased \$600,000 over 1919. Almost the entire increase come from high assessments for industrial plants and public service corporations. Farm lands were increased but \$4000 out of a total of 14,000,000. Livestock decreased. Dogs slumped in both number and value. No diamonds are assessed, though it is said several county officers wear them.

Mrs. O. G. Morris entertained Mrs. Lottie Foster, Miss Madge Walker and Miss Johns at dinner Thursday evening, and later Mrs. L. L. Gribble and daughters Miss Theoda and Norma, M. and Mrs. Brush and Mrs. R. E. Keefover joined them to hear some of the late music records on the hostess' new Edison.

### Retiring Bonds Illegal Says Carey & Kerr

#### Portland Attorneys Declare Any Attempt To Change Terms of School Bonds After Delivery Almost As Serious As Repudiation.

Carey & Kerr, bond attorneys of Portland, at the request of the firm that bought the Aurora high school bonds, have rendered the following opinion upon legality of retiring the bonds, as proposed in submitting the question to a vote November 27. Their opinion follows:

"On May 4th, 1920, Joint District No. 23 of Marion county and No. 303 of Clackamas county, accepted your bid and awarded and sold to you its building bonds in the amount of \$23,500.00, dated June 1, 1920, and becoming due serially \$1,000.00 each year from June 1, 1921 to June 1, 1933 inclusive, and \$1500.00 each year from June 1, 1934 to June 1, 1940 inclusive. These bonds were legally authorized and issued for the purpose of erecting a high school building in the District. Proceedings were taken for providing funds by taxation with which to pay the interest and the serial payments on such bonds as they would become due and the bonds were delivered to your Company and the purchase price was paid by you subsequent to their delivery, these bonds have been sold by you and are now held by purchasers located in various parts of the United States.

You have inquired of us whether the District may retire these bonds before they become due and may escape the payment of interest, contrary to the terms of the bonds and coupons.

In our opinion no such action may be taken by the District and any plan which has that object in view of a municipal corporation are its most solemn contracts and any attempt to repudiate or change the terms of the bonds after delivery to you and particularly after sale by you to various purchasers, would be almost as serious as a repudiation of the bonds themselves. In addition to the language in the bonds which clearly shows the contract obligation and which cannot be changed without the consent of the holders of the bonds, we call your attention to Section 10 of a resolution adopted by the District School Board on May 4, 1920, which reads as follows:

"That the provisions of this resolution and each of the bonds and interest coupons issued pursuant hereto, shall constitute and the same are hereby declared to be a binding and irrevocable contract between said school district and the purchasers of said bonds and the holder from time to time of each of said bonds and the interest coupons thereto appertaining."

It is our understanding that many of the holders of these bonds are non-residents. If the District refuses to pay these bonds as they become due or the interest on the same according to the terms of the bonds and the coupons, then it is our advice that appropriate proceedings be taken by the non-resident holders in the United States court of this District for the enforcement of their rights. Each holder of bonds would have an independent right of action against the District to recover on the bonds and to compel the payment of the bonds in the manner prescribed in the bonds and the proceedings."

#### THOSE KILLEN MOONSHINERS

John Owens, justice of the peace for the Killen District, was re-elected to that office on the same day that he was released under \$500 bonds, on the charge of operating an illicit still. Frank Robbins (or Frank Morris as he is also known) who was arrested on the same charge was bound over to the grand jury. Last week he was held in jail in default of \$500 bail.

Even with the "judicial" seal upon it, many people will look with suspicion upon a product known as Killin' moonshine. Killin' moonshine is no more allowable than Killin' moonshiners.

Ray Vinyard of Canby has been elected president of the Commercial club of that city. C. H. Sheldon was chosen vice-president and Ruby Smith treasurer.