No. 7167 REPORT OF THE CONDITION OF

THE FIRST NATIONAL BANK

at Klamath Falls, in the State of Oregon, at the close of business, June 23, 1909.

RESOURCES	DOLLARS
Loans and Discounts	$ 75,919.74
Overdrafts, secured and unsecured	1,005.64
U. S. Bonds to secure circulation	10,000.00
Bonds, securities, etc	10,177.64
Banking house, furniture and fixtures	20,182.65
Other real estate owned	640.50
Due from State and private banks, trust companies and savings banks	1,607.42
Due from approved reserve banks	22,839.01
Checks and other cash items	2,708.05
Fractional paper currency, nickels and cents	137.71
Lawful money reserve in bank, viz: Specie, $5,469.25; legal tender notes, $715.00	6,184.25
Redemption fund with U. S. Treasurer (5 per cent of circulation	500.00
Total	$151,902.61

LIABILITIES	DOLLARS
Capital stock paid in	$ 25,000.00
Surplus fund	7,500.00
Undivided profits, less expenses and taxes paid	2,889.95
National bank notes outstanding	10,000.00
Due to other national banks	1,123.30
Due to State and private banks and bankers	4,813.11
Individual deposits subject to check	93,407.08
Demand certificates of deposit	7,169.17
Total	$151,902.61

State of Oregon,)
County of Klamath,)ss.

I, W. A. Delzell, cashier of the above mentioned bank, do solemnly swear that the above statement is true to the best of my knowledge and belief. W. A. DELZELL, Cashier.

Subscribed and sworn to before me this 28th day of June, 1909.
LESLIE ROGERS, Notary Public.

Correct—Attest: G. W. WHITE, GEO. T. BALDWIN, J. W. SIEMENS, Directors.

MERRILL WILL CELEBRATE.

Proposes to Have a Fourth of Its Own Making.

The people of Merrill propose to get into line with Bonanza and Fort Klamath and have a Fourth of July celebration of its own, when the following program will be carried out:

Forenoon—
Goddess of Liberty.
Angel of Peace.
Columbia.
Representation of the thirteen original States.
Baseball game—Town vs. Country.
Afternoon—
Invocation—Rev. R. S. Bishop.
Oration—Rev. R. S. Bishop.
Declaration of Independence.
Prizes:—Broad jump, first, $2; second, $1. High jump, first, $2; second, $1; fat man's race, $3, $2, $1; 240-yard race, $3, $2, $1; three-legged race, $3, $2, $1; saddle horse race, $5, $3, $2; plug uglies, $5, $3, $1; greased pig, $3; tug-of-war, $5: Philippines.
Baseball game—Firemen vs. Farmers.
Marshal of the day, Perry Whitney.

EXCURSION TO SHASTA SPRINGS.

Do you want to go to Shasta Springs on the Fourth? If so, here is your chance. Southern Pacific Agent Thompson has secured a rate of $5 for the round trip. In order to secure this rate it will be necessary to guarantee 125 passengers.

When the question of securing this rate was first mentioned it was welcomed by a large number of people, and Mr. Thompson went ahead and secured a rate that would be both economical and attractive. That the required number will be secured is certain and those going on the excursion will be sure to have a pleasant time. Shasta Springs is one of the most beautiful resorts on the Pacific Coast, and those who have never been there should not fail to go. The schedule will be so arranged as to secure the greatest amount of time at the springs, and best serve the convenience and comfort of the excursionists.

FROM MERRILL RECORD.

J. P. Harter left for Yreka Tuesday, having been called as witness in the cattle-stealing case against Bob Green, now before the Superior Court of Siskiyou county.

T. A. Balis, the genial landlord of Hotel Richelieu, has been doing some needed improvements on his hotel property this week in the way of putting in drains, new linoleum in the bathrooms and a fine new sign on the front of the establishment.

The new M. E. church of this city is now practically completed and was occupied by the congregation for religious services for the first time last Sunday. An organ has been obtained and the music and singing at the church is very good.

Flackus Bros. have been making temporary repairs on the Stukel and Flume bridges the past week. They report these thoroughfares were in a bad condition, and that they should be overhauled again before winter sets in. They left for Keno Saturday to do repairs on the bridge spanning Klamath River at that point.

PLEVNA NEWS.

Those visiting the Falls from Plevna and vicinity Saturday were: C. B. Faulkner, G. Byers, G. F. Sevits and sons, Arthur and Charley; R. A. Alford and son, Lloyd; Mr. and Mrs. Ager and Lola and Blanche Thompson.

G. F. Sevits recently purchased a new horsepower wood saw of the Farmers' Implement and Supply House of Klamath Falls. He has been cutting some wood for Mr. Alford.

Alex and Nichol Karecow spent Sunday afternoon at the home of G. F. Sevits.

An annual school meeting was held at the Plevna schoolhouse Monday afternoon to elect a new director and clerk. Those present were C. B. Faulkner, G. F. Sevits and G. Byers.

A. M. Sutton was in Plevna Tuesday after some horses.

B. E. Kerns passed through Plevna Tuesday going to the Falls.

Charles Sevits' mowed hay at G. W. Heavilin's Tuesday and Wednesday of last week.

John Faulkner is brick-laying in the Falls this week.

G. F. Smith and John Faulkner made a trip to G. W. Heavilin's Sunday.

B. S. Kerns and daughter, Edna, of Chico, Cal., are visiting with relatives in this district.

C. B. Faulkner was at Mr. Whitelin's place Wednesday.

G. F. Sevits and son, Clifford, were in the Falls Wednesday.

A. Brentner was cutting wood in his timber Friday.

George Ager is hauling hay to the slaughter house this week.

Mrs. Alford and a lady friend spent Friday with Mrs. Foster of Round Lake.

WANT TO KEEP PROFESSOR O'GARA

A mass meeting of Rogue River valley fruit growers was held last Saturday in Medford in order to take steps toward securing the services of Prof. P. J. O'Gara as assistant pathologist in the Department of Agriculture for the next season. Prof. O'Gara has been giving the fruit growers of that valley valuable aid for many months past. The recent orders for retrenchment in all departments at Washington covers the field operators doing special work, and Prof. O'Gara has received notice that his salary for such work will cease.

The Merrill cheese factory is at present using between twelve and fifteen hundred pounds of milk every day, for which one cent per pound is paid, and will use as much more as can be obtained. This gives to dairymen a much better profit than can be had by selling butter fat to a creamery, as the entire product is used. Very nice looking cheese is to be seen in the curing room on the C. G. Merrill ranch, and as soon as properly aged it will be put on the market. This cheese factory will be of more practical benefit to the farmers of Tule Lake valley than any creamery could possibly be and is an industry our citizens may take pride in.—Merrill Record.

BALLINGER VETOES CO-OPERATIVE WORK.

Secretary Ballinger has put an end to the co-operative plan of building government irrigation projects. Hereafter all such works will be built entirely by the Reclamation Service and be paid for exclusively out of the reclamation fund. That, holds Mr. Ballinger, was the intent of the law, and therefore that plan will be followed in the future.

This change grows out of the Secretary's disapproval of the scheme devised by Director Newell of the Reclamation Service, under which settlers on uncompleted projects were permitted to work on canals, ditches, etc., and receive in payment for their labor a certain kind of scrip, which was later accepted by the Reclamation Service in payment for water rights.

In devising this co-operative scheme, Mr. Newell was undertaking to lighten the burden upon settlers who went upon projects long before water was available for irrigation. He sought to give them employment during the time when their farms yielded little or nothing, and at the same time to lessen the burden imposed upon them by the payments for water demanded during the early years of their settlement, when their expenses were heaviest.

System to Aid Irrigators.

But it turns out that in his effort to assist the settlers, Mr. Newell devised a system that the law did not authorize or contemplate, and thus ran counter to the views of Mr. Ballinger. If a system of co-operative construction is to be taken up, Congress must amend the reclamation act so as to legalize it. The co-operative scheme formulated by Mr. Newell and approved by Secretary Garfield, was, in brief, this:

The Reclamation Service entered into an agreement with the Water Users' Association on a given project, then under construction, under which the association would furnish some of the money and some of the labor necessary for building purposes. The association, in turn, with the approval of the Reclamation Service, gave employment to early settlers on the project, some as teamsters, some as ordinary laborers, others in lines to which they were adapted. Instead of paying these settlers in cash, the association paid them in "scrip," issued under the direction of the Reclamation Service.

Later, when water was turned onto the project, the settler could make his payment for water in scrip rather than cash, the Reclamation Service having agreed to accept this scrip in lieu of cash. The service lost nothing by this practice, for the work was actually performed and the cost of the labor was shown on the books. When scrip came in, cash was transferred from the building fund to the reclamation fund, and the accounts balanced, just as if the settler had been paid in cash, and later turned his cash back into the reclamation fund.

Law Does Not Allow It.

But there is no law for any such system. No more agreements will be entered into with water users' associations, and no more scrip will be paid out, save in those instances where projects built on the co-operative plan are nearing completion. However, all outstanding scrip will be honored, and settlers who have been paid in scrip will lose nothing. Scrip now in their possession is as good as the day it was issued, and will be accepted, because the Secretary does not intend to discredit any agreements entered into with the sanction of his predecessor. It is only as to future works that his order applies.

In taking the position he does, Mr. Ballinger has the backing of the Attorney-General, who reported that there was no warrant for this co-operative system of building government irrigation works. In the future, according to the ruling of the Attorney-General, no new project or unit of a project can be undertaken until there is available in the reclamation fund enough actual cash to defray the entire cost of building that project or unit. This, too, is an innovation, for under the late administration, projects were undertaken on the assumption that the fund would be on hand before any adopted project was completed. The effect of this ruling will be to retard somewhat work.

Rapidly, the working of the Reclamation Service is being made to conform strictly to the word and intent of the law, and practices and customs not authorized or contemplated by the law are being set aside.

THE CURE-ALL.

Dorothy was being taught to say her prayers. She repeated each line perfectly after her mother until they reached the third,—"If I should die before I wake"—and here Dorothy paused with a look of terror in her eyes at the thought of dying, then she said, with a look of intense relief, "No, we won't die, mama; we'll take castor oil."

TWENTY-EIGHT CARS JUMP THE TRACK.

One Killed and Four Injured as Result of Runaway Train.

CHICO, June 26.—Butte County Railroad freight train No. 3, consisting of engine, tender, twenty-seven lumber cars and a caboose, passed out of the control of the engineer on a down grade a mile and a half the other side of Paradise yesterday afternoon shortly before five o'clock, plunged wildly through Paradise in a cloud of dust at a mile-a-minute clip, with trainmen leaping for their lives and crashed onto a sharp curve three-fourths of a mile this side of Paradise, where twenty-four cars were ditched. The wreckage caught fire and Brakeman E. D. Amos was incinerated. Engineer J. B. Nesbitt probably will die. Of the others injured all will recover.

A terrific head-on collision with an upbound passenger train was averted by five minutes, due to lateness of the passenger. Freight Conductor R Johnston cut the caboose loose from the wild train at Paradise and probably saved the lives of several passengers. One thousand feet of track was torn out and at least $40,000 in damage resulted. Over sixty men are at work repairing the damage. The train carried 308,000 feet of lumber, 18,00 feet of logs, and 140,000 shingles. Italian laborers saved much of the lumber from the flames.

TO PHOTOGRAPH FROM BALLOON

SEATTLE, June 25.—What is probably the most interesting and hazardous experiment in photography ever attempted is being conducted by J. C. Mars, acronaut of the Toledo I, the racing airship at the Alaska-Yukon-Pacific exposition.

Over the outcome of the efforts of Mr. Mars to catch from his rapidly moving machine birdseye views of the exposition grounds, the local photographers are divided. Great interest is being exhibited in the experiment by the local camera men, both amateur and professional, as it is a feat which has been accomplished but once in history. A few successful views were taken of the Ohio State Fair from a dirigible balloon after many unsuccessful efforts.

The vibration of the frame of the ship under the throbbing of a 15-horsepower engine makes picture-taking extremely difficult. The operator must drop the guiding lines of the ship to arrange the films and snap the views, and for the time the airship is the prey of every wind.

For an hour Saturday Mr. Mars circled his ship over the grounds snapping views. Out of the eleven photographs taken none were clear enough to reproduce. The vibration of the machine was apparent in all. Several of the pictures, however, came out with sufficient plainness to indicate that a good view might be obtained.

The camera used by Mr. Mars is tied to the frame of the machine. The snapper is operated by a string which the aeronaut must pull as he momentarily gives up control over the ship.

NINETY-NINE DEAD OR INJURED IN MINE.

WEHRUM, Pa., June 24.—As a result of an explosion in mine No. 4 in the Lackawanna Coal and Coke Company here to-day, three miners are known to be dead, six fatally injured, 25 seriously, while it is feared that 65 men, believed to be still in the mine, may be burned to death.

The mine is burning fiercely in several places and deadly black damp is pouring from the mouth, effectually preventing systematic rescue work.

Large quantities of oxygen and many oxygen tanks have been requested from the Cambria Steel Company of Johnstown, Pa., and the United States government mining and testing station at Pittsburg.

Just what caused the explosion is not known, but it probably resulted from an accumulation of gas.

William R. Walker was indicted by the Lane county Grand Jury recently for murder in the second degree. Walker, who is a former County Clerk, and belongs to one of the best families in the county, shot and killed Edward Lang during a quarrel at Walker's hop yard near Eugene several months ago. Lang and Walker had been drinking and Lang began to abuse Walker's aged mother. Walker ran into an adjoining room in the house, secured a shotgun and made for Lang. They grappled with each other, and in the struggle the gun was discharged, the birdshot entering Lang's leg. He died a day or so afterward.

REPORT OF THE CONDITION OF

THE FIRST TRUST AND SAVINGS BANK

at Klamath Falls, in the State of Oregon, at the close of business, June 23, 1909.

RESOURCES	DOLLARS
Loans and Discounts	$ 50,969.55
Bonds, securities, etc	2,304.27
Banking house, furniture and fixtures	450.74
Due from approved reserve banks	3,627.66
Checks and other cash items	55.48
Cash on hand	4,952.40
Total	62,360.10

LIABILITIES	DOLLARS
Capital stock paid in	$ 25,000.00
Undivided profits, less expenses and taxes paid	1,508.78
Due to banks and bankers	1,553.21
Individual deposits subject to check	15,946.54
Demand certificates of deposit	55.00
Time certificates of deposit	8,285.00
Certified checks	200.00
Savings deposits	9,811.57
Total	$ 62,360.10

State of Oregon,)
County of Klamath,)ss.

I, J. W. Siemens, cashier of the above mentioned bank, do solemnly swear that the above statement is true to the best of my knowledge and belief. J. W. SIEMENS, Cashier.

Correct—Attest: G. W. WHITE, GEO. T. BALDWIN, Directors.

THE DAY OF REST.

Carrie's sister May, six years of age, on being asked why the Sabbath day was different from the other days in the week, answered very carelessly, "Oh, that's the day you pin things on, 'stead of sewing."