

FINDINGS FROM AUDIT OF TAX COLLECTOR'S BOOKS

Accountants Complete Audit of Tax Books And Explain How Audit Was Made.

The following letter to Chairman Bane of the Board of Commissioners was received by him the first of the week and was closely followed by the audit which came in triplicate—one for the State Auditor's office, one for Tax Collector A. E. Hudgins and one for the Commissioners!

The audit finds the shortage of the Tax Collector and Treasurer's accounts to be as follows:

Treasurer's shortage	\$22,695.69
Commission retained by Tax Collector and not allowed	2,904.10
Uncollected Taxes	13,482.09

Total \$39,082.09

A further statement by the Commissioners is carried in this issue of The Times.

Mr. Hudgins is given until Tuesday of next week in which to take such steps as he deems advisable relative to a settlement of the account and apply for the tax list.

The following letter was received from A. M. Pullen & Co., certified public accountants, Raleigh, N. C.: Raleigh, N. C., March 4, 1922.

W. P. Bane, Chm.
Board County Commissioners,
Hendersonville, N. C.

Dear Sir:

We are sending you today by express the papers turned over to us by Mr. Charles Moore, and a few other papers, which we found necessary to bring with us to complete our report.

We have a copy which we are returning of the accounts of W. F. Brown and A. E. Hudgins, as shown by the "Ledger", but we did not copy the other accounts in this Ledger such as General, School and Roads.

In accordance with your request to Mr. Durham and the request of Wilson Audit Company, we forwarded to you by express some two weeks ago the County Ledger.

We are forwarding today by express to your Raleigh office for signature and transmitted to Mr. Durham copies of our report. We are sorry we were unable to get this report to you at an earlier date, but you will doubtless appreciate the amount of work involved in what was practically a construction of the records which Mr. Hudgins should have, but did not keep, and also the work of typing a report as large as this which contains 450 pages.

Trusting you will now be able to reach a satisfactory settlement at an early date, we are

Very truly yours,
PULLEN, HENDERSON & CO.
By Leland L. Miller

The following is a short explanation of the audit of the Treasurer's and Tax Collector's accounts by W. T. Dixon, representing the auditors and prepared for the commissioners:

Period Covered.

The report covers the period beginning November 15, 1918, the date on which A. E. Hudgins gave bond and qualified as Tax Collector and Treasurer, and ending November 30, 1921, the latest date through which we could advantageously carry our work.

Scope of Audit.

We covered only the transactions of the Tax Collector and Treasurer and did not inquire into any other offices of the County except to the extent necessary to determine the amounts received and paid out by A. E. Hudgins and the correct tax against him.

For example, if a voucher was paid by Mr. Hudgins and apparently correct on its face we gave him credit for the payment and did not examine the Minutes of the Board of County Commissioners or original sworn statement of account on file. Thus we credited A. E. Hudgins with a payment of \$4,100.00 to R. H. Stanton, Administrator of W. F. Brown and charged the same to the School Funds. This voucher was properly signed and stated that it was for overpayment by W. F. Brown to the School Funds. It would have required us to go beyond the scope of our present work to have verified the correctness of this statement.

We only verified the fact of payment. In General: Mr. Hudgins has no proper record of his cash received and paid out. The records which Mr. Hudgins has of receipts are so scattered that it is impossible for anyone to tell how much was received on any certain date. There is no record at all of disbursements, except for schools. It can readily be seen that Mr. Hudgins could not have balanced his cash if he had tried. The Treasurer's books showed no trace of any effort to determine how much belonged in each fund. The same style of books was used by Mr. Hudgins as was used by his predecessor in the office, W. F. Brown.

Mr. Hudgins should at least have kept a record of each receipt showing date, from whom received, what paid for and amount; also a record of payments showing date, to whom paid, purpose for which paid and amount; and he should have occasionally added up each side, determined the balance and then have seen if he had enough money to cover the balance. After questioning Mr. Hudgins concerning various details of his office and his records

we found that he knew little about any of the details connected with the actual conduct of his office, having apparently left these to others to handle.

In order that any treasurer may know the MINIMUM required of him in the way of records the General Assembly of North Carolina has set out what records he must keep. We quote from Chapter 26, Consolidated Statutes of North Carolina, 1919: (Underscoring below is ours.)

Sec. 1398. Duties of County Treasurer. It is the duty of the treasurer—

1. To Keep County Moneys. To receive all moneys belonging to the county, and all other moneys by law directed to be paid to him; to keep them separate and apart from his own affairs, and to apply them and render account of them as required by law.

2. To Keep True Accounts. To keep a true account of the receipts and expenditures of all such moneys, taking proper vouchers in every case in books provided for that purpose at the expense of the county; which said books shall at all times show the date, amount, and from whom he has received such moneys; the date, amount, and to whom he has paid out any of the said moneys; the total amount received and the total amount paid out during the current fiscal year for school purposes, for general county purposes, for jury fund, and for each special purpose, all separately kept, so that at all times his said books shall correctly and accurately show the condition of the said several accounts. His account of expenditures for general county purposes shall also show separately the amounts expended each year on account of the county home, indigent persons, jails, workhouses, courthouse, bridges, insolvent fees, courts, and such other special accounts as the board of commissioners of the county require, the total of said accounts being the aggregate amount expended during the fiscal year for general purposes. He shall post at the courthouse door on the first Monday in each month a correct statement of such receipts and expenditures, showing the amount received, and from what source, and the amounts paid out, and to whom, and for what purpose, and the balance in his hands belonging to the county.

3. To Call on County Officers for Funds in their Hands. To call on the sheriff, or the clerk of the superior court, or other officer having county moneys in his hands, at least once in each month, or oftener if necessary, to pay over to him, and to account for all such moneys.

4. To Keep Accounts of Fines, Etc. To enter in a book to be kept by him the exact amount of any fine, penalty or forfeiture paid over to him, giving the date of payment, the name of the clerk or other person so paying the same, the name of the party from whom such fine, penalty or forfeiture was collected, and in what case.

5. To Exhibit to the Board of Commissioners His Books and Accounts as Treasurer for Examination. To exhibit his books and accounts and moneys once every three months, or oftener, if the board of commissioners of his county deem it necessary, to a committee to be composed of the chairman of the board of commissioners, who shall be an expert accountant. It is the duty of this committee to examine the books and accounts of his office, and to see that the accounts are correctly and properly kept, and to count the money in the hands of the treasurer, and to see that it corresponds with the amount shown by the books to be in his hands. At every such examination of the books and accounts of his office the county treasurer shall exhibit a full, perfect and itemized statement to said committee of the use he has made of every dollar of public funds in his hands since the last exhibition of his books to said committee; and if any part of said funds has been loaned out, this statement shall state to whom loaned and on what security and the amount of interest paid on said loan and such interest shall be covered into the county treasury by the treasurer. This statement shall be sworn to and published in a county newspaper or at the court house door. Nothing herein contained shall be construed to authorize the county to lend public funds.

If at any time there is a deficit in the amount of money in the hands of the treasurer, the committee shall so report to the board of commissioners, whose duty it is to institute proceedings in the superior court against said treasurer for violation of his official duties.

Taxes Discovers by Audit. We found that in certain cases releases had been issued to corporations for part of the taxes assessed against them. These assessments are made by the State's Tax Commission and the local assessment is required by law to be the same as the State assessment. There is no local board of any sort vested with power to change these assessments. The following releases are, therefore, illegal and void and the taxes should be collected and paid into the County Treasurer of Henderson County.

Sundry Releases totaling \$3,278.67.

In addition to the above we found the following differences between the tax list and assessments by the corporation commission, by which

NEW METHODIST CHURCH PLANNED

Building Committee Resolves To Erect \$150,000 Church And Plans to Raise Money

Plans are shaping themselves to build a new Methodist church on the lot on 6th Avenue, West where the present structure now stands.

The church officials are carefully arranging plans which they think will mature in time to have the building material on the ground ready to begin erecting the church by next spring. In the mean time the work of removing the graves now on the church lot to the cemetery, and excavating preparatory to laying the foundations for the new church is being undertaken.

The preaching hour at the church 11 o'clock last Sunday morning was devoted to discussion of the building program. Mr. Bland, Mr. Brooks, Mr. Wetmur, Mr. Honeycutt and Mrs. Colt made short talks, all endorsing the double unit plan for the new church. It was the opinion of all the speakers, and also the congregation that a church should be built with ample accommodations for the growing population of Hendersonville and the visitors who come here during the tourist season.

By permission of the presiding elder, Rev. W. H. Willis, Dr. Siler called a special session of the church quarterly conference and in an official way took the pledge of the church for \$100,000, reporting this pledge to the church extension board with a view of getting aid from that body to the amount of \$25,000.

Dr. Few who has been a trustee of the church for many years tendered his resignation to take effect at once. His resignation was accepted and C. Few, Jr., was elected to fill the vacancy.

Building Committee Makes Resolutions.

At a special meeting of the building committee for the new Hendersonville Methodist church, south, held in the Citizens National Bank, Tuesday, Feb. 28th, the following action was taken:

Resolved first: That it is the sense of this building committee that, the proposed new church to be built by the Hendersonville Methodist Episcopal church, south, as soon as plans can be agreed upon, and the funds secured, be a double unit church, modeled after the new Century church, Chattanooga, Tenn., and that we undertake to build a church costing approximately \$150,000.00.

Resolved second: That, we ask the quarterly conference of our church to file application to the general board of church extension for a donation of \$20,000.00, and to the conference board for a donation of \$5,000.00.

Resolved third: That, in order to get our application in shape to present to these boards and receive their consideration during 1922, we ask the pastor, Dr. Frank Siler, to call a church conference on Sunday morning, March 5th, at 11 o'clock, and request the church in this conference as a whole to pledge for the aforesaid enterprise \$100,000.00, the same to be secured in individual pledges at such time, and payable upon such terms as the building committee shall hereafter agree upon.

The above resolution was submitted to the officials of the church Sunday, March 5, 11 o'clock, for their approval, the official vote of approval being taken at that time by the pastor of the church, a majority of the officers casting their votes to adopt the report of the building committee.

"ALL A MISTAKE" WAS PLEASING COMEDY

"All a Mistake" acted by members of the Hubert M. Smith post of the American legion was played to a small but enthusiastic audience Friday night. On account of the inclemency of the weather many people were deterred from attending, but those who braved the elements were rewarded for their courage. The plot of the play hinged around the coincidence that there were four young ladies possessed of the same name, "Nellie." And there was a mad house nearby the residence of Colonel Obidiah Skinner which was the cause of much skepticism concerning the sanity of all the characters, each suspecting that the other is not possessed of his full mental capacities.

Much skill and talent was displayed by those who took the parts. The proceeds from the play will be used towards purchasing a car for the county health nurse whose services have been recently secured.

the County is entitled to receive the additional amount, \$1,154.88.

This makes an approximate forty-three hundred dollars additional revenue discovered by us for county purposes, including schools, none of which included elsewhere in our report or in the charge against A. E. Hudgins, or on any records of the County. We recommend that the Board of County Commissioners charge these amounts to the Tax Collector.

From the above statement it will be seen that the County has recovered \$4,433.55 lost by improper releases—a sum far in excess of the cost of the audit and which would never have been recovered but for this audit, which discloses a total deficiency of \$39,082.09.

CRIMINAL COURT NOW IN SESSION

Judge Henry P. Lane Presides Over March Term Superior Court With Heavy Docket.

The March term of superior court for Henderson County opened on Monday with Judge Henry P. Lane, of Reidsville presiding.

A large crowd assembled in the court house to hear the judge's charge to the grand jury which was delivered in a straight-forward manner. The judge stressed the fact that all men are equal before the law, or should be, regardless of race, color or previous conditions of servitude. Before the judge delivered his charge the following were chosen to serve as grand jurors: J. R. Jackson, Pink Pruett, S. C. Ledbetter, B. W. Justus, C. D. Pruett, E. A. Merrell, C. D. Brackett, W. C. Waters, J. B. McCraw, A. B. Prestwood, H. L. Cagle, Eli Williams, W. P. Garren, S. E. Cairnes, J. B. Wood, A. W. Beddingfield, D. P. Rogers, M. L. Carland.

The jury list, as made out by the county commissioners in their February 6 meeting, is as follows:

First Week

Eli Williams, A. W. Beddingfield, H. O. Hudson, H. B. Hawkins, G. E. Cairnes, M. L. Carland, W. E. Waters, J. Boling, J. T. Beddingfield, J. T. Redden, C. C. Westall, J. Carl Ward, J. W. Beddingfield, A. B. Prestwood, H. L. Cagle, D. P. Rogers, C. D. Pittillo, B. A. Merrell, W. P. Garren, John Saltz, H. M. Lance, Pink Pruett, E. J. Dalton, S. C. Ledbetter, T. E. Brockett, J. B. McCraw, A. M. Rhodes, J. W. Bailey, M. R. H. Bell, J. R. Jackson, D. P. Moss, H. W. Justus, O. B. Souther, J. A. Lanning, Jenkin M. Robinson.

Second Week

B. B. Blackwell, G. W. Lance, V. V. Blankenship, J. M. Peace, P. G. Howard, M. W. Davis, V. V. Bagwell, R. W. McAbee, T. E. Waters, J. L. Jones, J. C. Sales, J. R. Barnwell, A. L. Beck, A. P. Brannon, J. D. Morris, Z. V. Kilpatrick, B. H. Hill, J. M. Williams.

Third Week

J. A. Burkmyer, J. C. Gibbs, Johnson Bell, J. M. Nelson, J. J. Levi, J. W. Tankersley, H. C. Pace, W. E. Love, B. R. Cornwell, M. M. Brittain, R. H. Levi, B. B. Suttles, J. N. Russell, J. A. McCraw, M. Y. Pittillo, M. L. Minz, Luther F. Kilpatrick, M. L. Minz.

Thursday
State vs. Clyde Galloway charged with burning Mills River school house in course of trial.

Wednesday
State vs. E. J. Durham, C. C. W. defendant waived bill and submitted, fined \$50.00 and costs.

State vs. T. Price and R. B. Stanton, Judgment absolute for \$400.

State vs. S. A. Durham, driving car intoxicated. Fined \$25.00 and costs and put under bond of \$500.00 not to drive car for 5 years.

State vs. Stepp, assault, verdict of guilty; judgment not yet pronounced.

State vs. R. H. Anders, having more than quart of whiskey—defendant pleads guilty; judgment fine \$25.00 and costs.

State vs. E. G. Wilkie, resisting an officer. Defendant enters plea of guilty; fined \$50.00 and costs.

State vs. Hutch Pressly, interfering with officer. Pleads guilty; fined \$50.00 and costs.

State vs. S. V. Lyda, defendant waived bill, pleads guilty; judgment suspended on payment of costs.

State vs. G. V. Lyda, shooting dog, waives bill pleads guilty; judgment suspended on payment of costs.

State vs. John Erwin C. C. W. defendant enters plea of nolo contendere; judgment suspended on payment of costs.

State vs. Ray Rice, driving car drunk; fined \$25.00 and costs and put under \$500.00 not to drive car for 5 years.

State vs. H. N. and Louise L. Freeman, larceny; verdict of guilty, judgment not yet pronounced.

William Penny sworn in as a practicing attorney before Judge Henry P. Lane on Monday morning in Superior court.

State vs. Bly Stepp, driving car while intoxicated; fined \$25.00 and costs and put under \$500.00 bond not to drive car for 5 years.

State vs. Paul Thompson and Verdee Constant, disturbing religious congregation, waived bill pleaded guilty; fined \$10.00 each and costs.

State vs. Mary Leona Salona, violating hotel law, waived bill, pleads guilty; judgment suspended.

State vs. Barta Stevens, violating hotel law, waived bill, pleads guilty; fined \$200 and costs.

State vs. Neal Jones, larceny, waived bill, pleads guilty; judgment suspended. Bond of \$100.00 to appear for 5 years and show good behavior.

State vs. T. L. Bundy, driving car intoxicated, waived bill, pleads guilty; fined \$25.00 and costs and put under bond of \$500.00 not to drive car for 5 years.

State vs. Will J. Holland, assault, verdict of guilty of simple assault; judgment not yet pronounced.

State vs. Lon Collins, manufacturing whiskey, verdict of not guilty.

IRISH SILVER TEA

Just as we go to press we learn the Ladies Aid Society of the Methodist Church will give a silver tea at the home of Mrs. W. H. Justus, North Main street Friday afternoon St. Patrick's Day, March 17, from 4 to 6 o'clock. The public is invited.

FIRST SALES DAY GREAT SUCCESS

Prominent Merchants Express Pleasure With Results From Golden Rule Sales Day.

Crowds thronged the streets and stores of Hendersonville on March 6, the first Golden Rule sales day. Many of them came from long distances, in wagons, trucks or touring cars, all prepared to buy, and make a day of it.

Those who read carefully the circulars mailed to every family in the county and the ad which appeared in The Times—and evidently most of them did—knew exactly where to go to get the bargains they desired. Accordingly, although there was a huge crowd in town all day and all the streets were full of people, there was no mad scramble nor confusion.

The public expressed itself well pleased with the sale by buying liberally and by favorable comments. The merchants also expressed themselves as well pleased with the results of the sale.

Chas. Rozzelle, whose particular penchant it is to sell furniture, remarked: "Speaking only for myself, the sale was a success. I was too busy selling furniture to notice whether anybody else sold anything or not." That was about the case with the Walker Furniture company and all of them, it seems. A. Kantowitz, of The Hub, declares that the sales day once a month will act as a business stimulator and is "just what we needed."

H. Patterson when interviewed on the subject, said: "I am greatly pleased with the results brought about by the advertising the club did. The whole matter has been handled wonderfully well. The ads brought the crowds and we sold 'em the goods."

Mr. Lewis, of E. Lewis & Son's Department store, speaking to a representative of The Times, said: "I can't think of a better way to serve the public and at the same time stimulate business. I'm strong for advertising, and especially this kind."

When asked what he thought of the Golden Rule sales day, N. Brenner, of the Brenner-Penny company, smiled and said: "We have needed co-operation for a long time. We got it. We have needed something to put business on its feet again. We got that. We got the right kind of advertising and we're going to have more of it. Did I sell much stuff? We had all we could do to take care of everybody who came in our store."

The clothing and dry goods merchants were not the only ones for whom the sale was a success.

"We need more of this kind of advertising and the people need more goods at reduced prices," was the opinion of C. H. T. Bly who handles hardware and farm machinery. "It can't help being a success," he added, referring to the monthly sales day.

M. M. Shepherd said he was greatly pleased with the sales day, saying that when so many people were brought to town there was reason to be pleased. L. A. Chapin, who handles general merchandise, was of the same opinion and remarked that this plan was the "best yet."

The above interviews with some of Hendersonville's merchants leave no room for doubt that the consensus of public opinion is in favor of the sales day. These men are in a position to know, in fact, the only position to know, and they say the plan and the advertising are good.

NEW BOOKS AT LIBRARY

The following popular books have been received at the library and a fee of five cents a week is charged for the use of them in order that they may be paid for.

"If Winter Comes" by A. S. Huchison.

"Manslaughter" by Alice Duer Miller.

"Feast of Lanterns" by Louise Jordan Miln.

"Everlasting Whisper" by Jackson Gregory.

"To the Last Man" by Zane Grey.

"Quinn" by Alice Hegan Rice.

"The Obstacle Race" by Dell.

The library is in need of new books and would appreciate any contributions.

SUNDAY SCHOOL INSTITUTE AT FIRST BAPTIST CHURCH

The Sunday School Institute of the Baptist church opened Sunday night with a sermon by Rev. Dr. W. S. Wiley. The first enrollment on Monday night showed seventy-five taking studies. Rev. A. L. Stevens of Black Mountain and Mrs. Lydia Hilliard of Raleigh teach different portions of the Sunday school manual and they both had encouragingly large classes Monday night. Dr. Wiley teaches a little book called "Winning to Christ." A feature of the meeting is that it begins promptly at six o'clock and closes at nine. Lunch is served by the ladies at seven o'clock to all who take part in the classes.

HILL IS CONFIRMED AS ASHEVILLE POSTMASTER

These postmasters' nominations were confirmed Wednesday: Dan W. Hill, Asheville; Walter F. Justice, Flat Rock; Jenks Terry, Hamlet; John M. Joyce, Madison; John W. Chambers, Roxboro; Hattie Spier, Winterville; Thomas H. Peele, Rich Square.

MILLS RIVER VOTES BONDS

County Commissioners' Find That 74 of 83 Mills River Voters Favor School Bond.

State of North Carolina.

County of Henderson.

The Board of County Commissioners of Henderson County met in regular session on Monday, March 6th, 1922, at the Court House in Hendersonville, North Carolina, when and where the following members were present, to wit: W. P. Bane, Chairman, and Messrs. Staton and Hill, Commissioners, the same being the full Board.

The following proceedings were had:

Upon motion the following resolution was unanimously adopted:

WHEREAS, on the 7th day of December, 1922, the Board of County Commissioners of Henderson County ordered a special election to be held in Mills River Special School Tax District No. 4, Mills River Township, Henderson County, North Carolina, on February 7th, 1922, at Davenport's Store, pursuant to Chapter 87, Laws of Extra Session 1920, for the purpose of ascertaining the will of the qualified voters of said school district upon the question of issuing \$20,000 of serial coupon bonds for the purpose of erecting, enlarging, altering and equipping school buildings for said school district, and levying a special tax sufficient in amount to pay the principal and interest of said bonds as the same mature; and

WHEREAS, the election of officers holding said election have made the following returns of said election, in words and figures as follows:

North Carolina—Henderson County. To the Board of Co. Commissioners, and Clerk of the Superior Court of Henderson County, Hendersonville, North Carolina:

We, the undersigned, election officers for the special election held in Mills River Special School Tax District No. 4, Mills River Township, Henderson County, on February 7th, 1922, for the purpose of ascertaining the will of the qualified voters in said special school tax district on the question of issuing school bonds in the sum of \$20,000, and the levying of a special annual tax sufficient to pay the principal and interest of the same, do hereby make the following returns of said election at Davenport's store, in said special school tax district:

"At the close of the polls, we, the undersigned election officers, did duly count the registered voters upon the registration books, and also counted the number of votes cast at said election, and judicially determined and found as a fact that there were eighty-three (83) voters duly registered upon the election books for said special election; that there were seventy-four (74) votes cast "For bond issue", and nine (9) votes cast "Against bond issue."

And the said undersigned election officers do hereby judicially determine and declare that said election was duly, regularly and legally held, held and carried in favor of the issuance of the bond issue of \$20,000, for school bonds of said Mills River Special School Tax District No. 4 and that more than a majority of the qualified voters of said school tax district cast a ballot "For bond issue."

This, the 7th day of February, 1922.

(Signed)
O. E. CROPENING,
E. R. BRIGHT.

Judges.

H. C. JONES, Registrar.

And, WHEREAS, this March 6th, 1922, is the first regular meeting of said Board of County Commissioners held after February 7th, 1922; and

WHEREAS, the Board of County Commissioners of Henderson County have carefully examined the registration books for said special school tax election above referred to, and have carefully investigated the returns of the election officers holding said election;

THEREFORE, BE IT RESOLVED, by the Board of Commissioners of Henderson County, that they do hereby judicially determine and find as a fact that there were eighty-three (83) voters duly registered for said election, and that there were seventy-four (74) votes cast "For bond issue", and nine (9) votes cast "Against bond issue" at said election held at Davenport's store, in said school district, on February 7th, 1922, on the question of issuing \$20,000 of serial coupon bonds said special school tax district.

BE IT FURTHER RESOLVED that it is hereby judicially determined and found as a fact that a majority of the qualified voters of said election voted "For bond issue", and

BE IT FURTHER RESOLVED that a notice of the result of said election herein determined shall be published at least once in a newspaper published in said Henderson County, and that this resolution shall be the form of said notice to be published in said newspaper of the result of said election.

BE IT FURTHER RESOLVED, that this resolution, declaring the result of said election, shall be spread upon the minutes of this Board. It

North Carolina—Henderson County, I. H. G. Edney, Clerk to the Board of County Commissioners of Henderson County, North Carolina, do hereby certify that the foregoing. (Continued on Page 10)