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The Weather FAIR

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REPORT OF AUDITORS SHOW NEW BERN HAS DEFICIT OF \$94,733.86

Startling Announcement Made Last Night To The Board of Aldermen--Lax Methods Employed in Administering The City Affairs

TREASURER'S BOOKS IN GOOD SHAPE

Main Discrepancy in Water And Light Department Which Was Under Super- vision of John Tho- mas.

That the city of New Bern has a deficit of ninety-four thousand, seven hundred and thirty-three dollars and eighty-six cents from April 1, 1911 up to June 30, 1913, was the startling statement made last night at a special meeting of the Board of Aldermen by Hilton Rawlings & Company, public auditors of Norfolk, Va., who for the past few months have been engaged in auditing the books of the different departments of the city.

For several months past the books of the city have been in bad shape despite the fact that many auditors and accountants have gone over them numerous times and have attempted to straighten matters out. When the present Board of Aldermen took charge of the administration of the city they decided to straighten out this muddled state of affairs and after passing a resolution employed the firm of Hilton Rawlings & Company, of Norfolk, Va., to do the work. This work has cost New Bern eight thousand dollars, but there is not the slightest doubt but that every department has been thoroughly audited and the Board and citizens know just how the city stands financially.

Time was required to do the work and the Hilton Rawlings Company were assisted in this by W. T. Taylor, F. B. Hill, H. L. Carmon, all of whom worked under the direction of W. P. Hilton. The completed report comprises three large volumes of several hundred pages and would consume hours in reading every detail.

The main discrepancy shown by the report, parts of which are being reproduced, is in the Water and Light Department, which during that period was under the supervision of John Thomas. The report shows that there is a shortage in this department of \$24,208.00 which is uncollected money. The report does not say that Mr. Thomas collected this money, but rather states that he was lax in his methods of attending to his office. There are a large number of accounts but only a few of these have been brought in with the protest that they have been paid and these were not assigned by Mr. Thomas.

The Board of Aldermen, however, are holding Mr. Thomas responsible for the deficiency. After the report had been read there were several verbal recommendations and it was ordered spread as a part of the minutes. The City Tax Collector was then ordered to place it in his safe and allow no one to take it from the building. At this juncture a letter was presented to the Board from G. A. Nicoll, representative of the National Bonding Company of a New York, N. Y., who are Mr. Thomas' bondsmen asking to be relieved from their obligation. Alderman W. B. Blades objected to this and made a motion to the effect that Mr. Thomas be notified to appear before the Board at the January meeting and give them some satisfactory explanation of the audited state of

affairs and assist them in straightening them out. Failing to do this the matter was to be placed in the hands of the city attorney for settlement. This resolution was passed.

The following is a portion of the auditors' report:

The Auditors' Report.
"The examination has been rigid, without prejudice to anyone interested, the facts gathered sustain facts and records and conditions of accounts as we found them throughout the examination.

"These conditions were freely discussed with all parties concerned and every facility given for an explanation. The report covers from April 1, 1911 to June 1, 1913. A complete book-keeping system has never been in use and the books which had been provided and the books which were in use were improperly kept almost without exception, with the exception of those of the treasurer, with the records in use accounts could have been in far better condition if information provided for had been entered.

"While we are inclined to make reasonable allowances for the transition from the old methods and conditions to the new, yet this is a long way from being sufficient to justify the state of your accounts considering the ease with which the necessary information could have been obtained and put in practice to produce correct and complete statements of the city's affairs.

"Without proper system of accounts it is practically impossible for the tax payers if those elected and charged with the responsibility of administering the city affairs have been true to the trust to which they have aspired.

"Auditing committees made nine examinations and also one special auditing under date of May 6, 1913, which followed, generally, the auditor's report of May 22, 1911, made by Leslie Abbott, and failed to get at true facts.

"The tendency in the city affairs is, inasmuch as the appointments are largely political, and salaries not always as large as are allowed in some other lines of business, do as little work as possible in order to fulfill, in a measure, the requirements of the office. In this way it generally happens that the departments become lax in their method and as other administrations come along and find that such methods have been used and no complaints made, they in turn use the same method and conditions grow worse.

"While our report deals most specifically with several departments or offices concerned, the fact must not be lost sight of that the Board of Aldermen were lax in not seeing that officials were properly fulfilling the duties of the offices. Quoting from the city charter, Section 3: That the corporate power and authority hereby granted to the city of New Bern shall be vested in and exercised by the Mayor and ten Aldermen, our opinion is, it and the succeeding chapters emphasized the fact that the responsibility of the proper administering of the city affairs rests with the Mayor and Board of Aldermen.

"The first department reported on by the auditor was that of the City Tax Collector. In this it was found that the errors in old accounts amounted to \$6,507.08, all of which was paid in full during the examination by Mr. J. J. Tolson, who was in charge of this department.

City Treasurer.

This department was found to be the neatest and most accurate kept under the plan in vogue.

Water and Light Department.

The report on this department was the one about which there has been so many rumors during the past few months, and a large number of those in attendance at the meeting were on hand especially for the purpose of hearing this. "J. C. Thomas had entire charge of billing and collecting in this department," stated the report, "and on account of loose methods with which the accounts were handled, the accounts were in a deplorable and chaotic condition. Mr. Thomas could not satisfactorily explain this condition and finally refused to assist in straightening up."

Continuing, the report says: "In order to get the true condition of accounts it was necessary to set them up in detail from the original meter readings and flat rate memorandum, including the light consumers' account from May and June, 1913, which was issued by the new collector, F. M. Scott, the total amount unpaid by both light and water consumers as of June 30, 1913, was \$24,566.00 as follows: "Consumers for light.....\$11,133.63 "Consumers for water..... 7,224.37

"Total for consumers.....\$18,358.00 "City for light..... \$4,608.00 "City for water..... 1,600.00

"Total for City..... 6,208.00 "Grand Total, \$24,566.00.

"Whatever the city recovers from this amount rests largely with the action taken by the Board or the committee to whom the accounts are referred," says the report.

The auditor then rendered a report of the finance of the city, the auditing department, cemetery department, and police department. After concluding these the report says: "Taking all accounts of the city exclusive of the city school accounts, the total deficit to June 30, 1913, is \$94,733.86, which arises largely from bringing the accrued sinking fund into the accounts."

Another matter which was to have been acted upon last night was that of receiving the bids for twenty thousand dollars worth of bonds, the proceeds from which are to be used in the erection of additional buildings at the public schools. This matter was not acted upon.

Upon motion of Alderman Blades a voucher for two thousand dollars was ordered given to Hilton-Rawlings & Company in final payment for their work in auditing the books of the city.

LAND SALE TOMORROW.

Valuable Property At Vanceboro To Be Disposed Of.

Tomorrow morning twenty-five business lots, fifty residences lots and five small farms which comprises the valuable tract of land known as the White farm, at Vanceboro, will be offered for sale at public auction at prices which will suit the purchaser.

Penny brothers will conduct this sale and it will start at 10:30 o'clock. There will doubtless be a large number of persons attending this sale and ample preparations have been made to furnish them with refreshments. There will be several hundred sandwiches, fruit and plenty of cold drinks for all and a cordial invitation to attend is extended the public.

The best way to find a mare's nest is to send out a Congressional investigating committee.

Of course the man who advocates "back to the farm" cannot be the man who is "down on the farm."

FEDERAL ACTIVITY CONCERN TO VILLA

With His Forces Scattered Real Opportunity Faces Huerta.

MAKE MILITARY TRAP

Situation At Chihuahua On Account Of Expulsion Of Spaniards Critical.

Juarez, Mexico, December 16.—While rebel headquarters in Juarez today was sending urgent messages to Gen. Francisco Villa, the rebel commander at Chihuahua, telling him he was incurring the displeasure of foreign countries in his actions toward Spaniards and other foreigners and asking him to modify his attitude, General Villa himself was said to be seriously concerned over the renewal Federal activity.

Reports were that Federals were advancing toward Chihuahua from Torreon, about 200 miles south. Villa has scattered his forces by sending troops to surround the Federals at Ojinaga, on the border, while garrisoning Juarez and Chihuahua. This was said to offer the Federals an opportunity to strike at Chihuahua. Federal troops were also reported on their way from Monterey with a view of strengthening the position of the Huerta Government in the interior.

An attack on Chihuahua, which is not regarded as imminent, would cut Villa off from any base on the border. It was conceded by rebels that the first act of the Federals, should they arrive in the vicinity of Chihuahua, would be to stop all telegraph and railroad communication. Thus the Federal evacuation of Chihuahua which occurred two weeks ago and enabled Villa to enter the State Capital without a battle, would prove to be a military trap out of which the rebels would have to fight their way.

The plan which the rebel forces think the Federals possibly are trying to work out is to draw as many as possible of the rebels toward Ojinaga while Federals from the south reach Chihuahua. Others believe the Federal activity southward may be merely a preparation to check Villa's projected march on Torreon.

The situation at Chihuahua, on account of the protest of Spaniards against their expulsion from Mexico, was critical today. It was understood arrangements were made for the sending of an official inquiry from the American government to Villa through Consul Fletcher. Villa is making progress with the disposal of goods which he seized from the Spaniards. All the food and clothing in the Spanish retail stores were sold for less than half price. Word came that Luis Terrazas, Jr., for whose release from prison an appeal was sent to Secretary of State Bryan already had granted loans to Villa. This took the form of checks in small denominations, aggregating \$250,000 and the checks were being used as currency.

One explanation given by General Beavides, commander at Juarez, regarding Villa's acts in Chihuahua was that Villa had been consistent to his own ideas as to what warfare was but had been without advice in regard to the rights of foreigners.

There was no fighting today at Ojinaga, where General Mercado, the Federal commander, is camped.

Miss Bertha Simpson, one of the waitresses at the James Hotel, suffered an attack of appendicitis Monday night and was yesterday taken to Stewart's sanatorium for treatment. Her condition is not considered critical.

PREPARING FOR PEPSI-COLA CONVENTION.

The next annual convention of the Pepsi Cola Bottlers will be held in this city on January 21 to 24 and preparations for the entertainment of the visitors while in the city are now being made. The business sessions are always held at the home office of the company and at this building the offices are being repainted and put in shape for the reception of the visitors.

The gas freight boat Lillie arrived in port yesterday from Hobucken with a cargo of Jones' Bay oysters.

G. Lansbury



Mr. George Lansbury, who for twenty-one years has been connected with the British Government in one capacity or another, who resigned his seat in Parliament because he did not like the treatment accorded to women in the consideration of the Suffrage Bill and who was arrested last Summer for his inflammatory speeches and soon afterwards released under the "cat and mouse" act, is coming to the United States to tell what is the matter with England.

The more one reads of Mrs. Rankin the more apparent it becomes that she had a very dull time in this country.

Those Chicago hotel beds at 5 cents a night must be for the fellows who do not care where they wake up in the morning.

The White House mint bed has been destroyed, and some people seem determined to see that the President will have no bed of roses.

MACK AND HASTINGS

An All Star Company Presenting High Class Tabloid Musical Comedies

appeared again last night in one of their high class musical comedies at the Athens on an overflowing house. This company is one of the cleanest and best ever to appear on a vaudeville stage in New Bern. Favorable comment could be heard on every hand from our patrons as they passed out. Today, matinee and night, they will appear in a complete change, presenting a very funny comedy act, entitled: "A Night on Bingham's Roof Garden."

The managers of the company say this comedy will cure the most chronic case of "blues" in town.

PICTURES.

"The Fifth String."

This is a two reel, Selig special release picture. A pictorial adaptation of the remarkable symbolic story from the pen of the world-famous "March King," John Philip Sousa.

"The fifth string" of the mysterious violin of fate, is symbolic of death—and it is so ordained that whosoever shall but even touch this "fifth string," while playing the violin, shall pay this penalty. A successful young musician everyman, lionized by society, plays upon the four strings of this violin, and finds his every wish gratified. To him comes love, happiness, power and success. He is urged to play the forbidden "fifth string" and in spite of his better judgement finally consents to do so, with the foreordained and terrible result—death.

If you would know the secret of success, see this picture.

Then we have a Vitagraph comedy "Cutey's Waterloo."

Featuring Lillian Walker and Hughie Mack, the big fat funny comedian. Cutey flatters himself so much, he thinks the girls are all in love with him. He finds out they are not, and beats a retreat. Some laughs to this picture.

Matinee daily at 3:45, two shows at night, first starts at 7:30, second at about 9:15.

To see a good show for the least money, in all your travels, come to the Athens, the real theatre, "built for the business from the ground up." See?

AUTOMOBILISTS TO VISIT NEW BERN

Representatives Of American Auto Association Are Coming.

ARE LOGGING THE ROUTE.

Roads Of The County Should Be In Good Shape.

The Journal is in receipt of the following communication from G. D. Canfield, of Morehead City, organizer of the Southern National Highway:

"The American Automobile Association representative have arranged to log the eastern end of the Ocean to Ocean Highway from Durham to Morehead City. Leave Durham on the 19th as per the following schedule: Leave Durham 8:00 a. m., 19th, arrive at Raleigh 10:00 p. m., Clayton 11:30, Smithfield dinner, Goldsboro 3:30, Kinston night, leave Kinston 8:00, New Bern dinner, thence to Morehead City. It is to the interest of the various towns through which this road passes to see that their road is in as good condition as possible, as the condition of the roads will be published in detail on the Automobile Journals and logging books of the American Automobile Association. This logging trip will complete the logging of the Southern National Highway from the Pacific to the Atlantic, and it will be worth the trouble and expense to all the towns along the route on account of the advertising they will receive."

The citizens of New Bern and Craven county are greatly interested in this action on the part of the American Automobile Association to log this end of the ocean to ocean highway and will do their part in getting the roads in good shape for the inspection of the visitors.

Along with this party of automobilists will be several newspaper men who will write up a description of the country through which they pass. Naturally it will be up to this section to make as good a showing as possible and every citizen along the proposed route is requested to do his part.

WILL PROCEED AGAINST EXPRESS COMPANIES

STATE TREASURER PUTS BACK TAX CASES IN ATTORNEY GENERAL'S HAND.

Raleigh, Dec. 17.—State Treasurer Lacy said today that the express companies were declining to pay the \$20,000 of back taxes due the state under the recent order of the corporation commission, and that he has notified the attorney general to proceed and enforce the law.

This sum is the aggregate of amounts which for the last four or five years the express people have been deducting from their gross taxes to reimburse themselves for what they paid to the railroad companies. It represents the sum paid to the railroads for transportation.

The tax on express companies under the former revenue acts, was 2 1-2 per cent. of gross receipts. The revenue act of 1913 carried a clause authorizing the collection of unpaid back taxes for four or five years.

The corporation commission is reviewing the records of the various public service corporations, found that in rendering its statement of gross receipts each year, the Southern Express Company had deducted therefrom the amount they had been paying the railroad companies for carriage. The commission ruled that the total amount received in North Carolina, constituted the gross receipts, and ordered the company to pay the back taxes on the amounts so deducted for the several years covered by the new act. This the express company has refused to do, and the state treasurer is proceeding to use the executive machinery of the state in collection.

Mr. Allen is a former New Bernian and has a host of friends in this section who will read the above with interest. Mr. Allen is a brother of Mrs. C. L. Ives of this city.

Hobson's Senatorial candidacy shows that he still believes in taking desperate chances.