

LAS VEGAS TIMES

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THE GRAND JURY

Lambastes County Officials Unmercifully.—Wonderful Pen Picture of Official Depravity.—Only the Beginning.—More to Come.

Treasurer Goodrich and Clerk Sawyer Indicted.—Two Counts Against Each.—Others Severely Censured.—Books Ordered Experted From Start to Finish.—Grand Jury Not Dissolved.—Will Continue Investigation.

The Report.

Report of the grand jury in and for Lincoln county, State of Nevada:

October sitting, A. D. 1905. To the Hon. Geo. S. Brown, Judge of the Fourth Judicial District, County of Lincoln, State of Nevada. We, the grand jury impaneled at the October term of the District court in and for Lincoln County, beg leave to submit this our final report and ask to be discharged from further attendance on this court. We have submitted the following true bills. State of Nevada, vs. M. B. Spiker, for burglary; State of Nevada vs. Joe Hawley, for burglary; William Robbins, for burglary and receiving stolen goods; Frank Kalas, highway robbery; Jim Apostolos, highway robbery; William McCarthy, murder; George O. Sawyer, falsifying accounts (two counts against Sawyer); H. J. Goodrich, embezzlement, and another count of about the same charge against him.

In addition we beg to submit this general report:

Conduct of County Officers.

Acting on evidence and testimony duly presented before it, this grand jury presents the following

opinion on the past conduct of various county officers in the discharge of their duties and make the following recommendations as to the future conduct of the county's business:

J. A. NESBITT (While Treasurer)—First we find that during his term as treasurer he allowed the receipts and disbursements of the county fund by various persons not duly sworn as his deputies. This practice is a violation of the provisions made in section 1207, Cutting's Compiled Laws. Second, we find that during his term as treasurer he failed to keep the county funds separate from his own personal fund. We recommend that this practice of non-separation of public and private funds in possession of the county treasurer and other officers be at once discontinued, as it is to be regarded as a menace to the safe conduct of the county's business.

Third, we find that paragraphs 1 and 3, H. E. Freudenthal's general report on the delinquent rolls, present evidence of gross neglect on the part of Mr. Nesbitt in failing to keep the delinquent roll up to date, or in a careful or proper manner, and we submit that the failure to so perform the duties is deserving of the strongest censure.

Fourth, we find that during his term of office as treasurer he employed a clerk not sworn as his deputy to perform his work, and that he, J. A. Nesbitt, never at any time, by his own sworn statement, checked up, looked over, or in any way whatsoever supervised the counting of the county funds in any particular, in fact he knew nothing about the state of the actual cash on hand, the book balances or accounts and reports further than the information supplied him from time to time by the aforesaid clerk. We submit that the failure to perform these acts is deserving of the strongest possible censure.

5th. We find that during his term as treasurer the cash book was dis-

pensed with and no regular and systematic record kept of the cash received or disbursed. This practice is a violation of the provisions made in section 2327, Cutting's Compiled Laws.

6th. We find that on transfer of this office, its funds, records and reports from Mr. H. P. Dooley to J. A. Nesbitt, that no actual checking up by the latter of Mr. Dooley's account, actual cash on hand, balances or books was made in any manner whatsoever. In the transfer of the office from Mr. J. A. Nesbitt to Mr. H. J. Goodrich the same failure to check up the office business occurred. Furthermore the amount of actual cash on hand transferred at that time is at present unknown to either party, as there was no receipt given. We submit that the acts on the part of Mr. Nesbitt and Mr. Goodrich and this failure to check up the accounts of the outgoing officers have made it possible for errors to pass from one administration to another and thus is some of the cause of the existing state of affairs and are deserving of the strongest censure. In this particular we call attention to the fact that the acts have made it impossible for this grand jury without a lengthy investigation by themselves and by an expert auditor to specify the exact amount of deficit chargeable to Mr. Nesbitt and to Mr. Goodrich, except as appears in the true bill found against the latter. We therefore recommend to the board of county commissioners the expert auditing of the county books at the earliest possible date, this investigation to cover the period extending from the end of Mr. N. P. Dooley's administration as treasurer up to the present date and that the reports be made to the grand jury next in session or this grand jury if not adjourned at the time of the conclusion of this investigation.

W. H. TURNER (While Auditor)—We find that on two occasions he as auditor certified to statements of the condition of funds without checking them up to ascertain their correctness. We cite the statements of December 1st, 1902, and January 1st, 1903, as the evidence in this particular.

Concerning H. W. Turner, auditor, Henry Lee, auditor; J. A. Nesbitt, Treasurer; H. J. Goodrich, Treasurer; and J. F. Roeder, Assessor while in office.

We find that the same clerk has been employed in the business of two or more of these offices at the same time, which practice is contrary to the spirit and intention of Section 1211, Cutting's compiled laws.

HENRY LEE (While Auditor)—We find that during his term as auditor he has, with few exceptions, never checked over the statements of condition of fund as submitted to him by the treasurer, although he has duly certified to the same. He has in this particular certified to several such statements as being correct in their condition and totals, when it is a fact they were and are grossly in error. We submit that this practice is careless and negligent in every way and is an absolute dereliction of the duties of his office as auditor.

BENJAMIN SANDERS (While District Attorney)—We find that during his term of office as district attorney, on his own acknowledgment he made an unlawful charge of \$15 expenses in bill 1026, March 7, 1904, and that the same was authorized by the board of county commissioners, who in our opinion are culpable with him, but that he being by virtue of his office their legal adviser, is especially censurable.

JOHN F. ROEDER (While Assessor)—We find that during his term as assessor he has not furnished the treasurer with an itemized statement of his receipts each month, and we recommend that he do so in the future. Such a statement would show the separate amounts collected under each personal property tax and poll tax, with the name of the taxpayer, the number of the assessor's receipt stubs and the district or the road district for which it was collected. This statement should also appear in the assessor's cash book. We call attention to the fact that the correspondence in the course of the business of this office has not during the present incumbent's term of office been recorded in a careful and business-like manner, and we recommend that immediate steps be taken by the assessor to systematize the conduct of his office business. We also find that no certified copy of any report of poll taxes collected has been heretofore retained by the auditor, and recommend that this

be done hereafter, to provide a check on the report as shown in the assessor's cash book.

THE PRESENT AND FORMER BOARD OF COUNTY COMMISSIONERS—We find that the checking up of the statement and cash on hand as presented to them at their quarterly meeting by the auditor, treasurer and assessor has been conducted in a careless, incompetent and negligent manner and has resulted in the failure to discover errors and misrepresentations which should have been apparent upon a most cursory investigation.

THE TRANSFER OF FUNDS—We find that on May 1, 1905, the amount of general license collected was \$1,090.40. This total should have been apportioned to the general county fund. We find that \$300 of this fund was transferred to the salary fund without authority of the board of county commissioners.

RECOMMENDATIONS—We recommend that the board of county commissioners and the auditor hereafter comply strictly with section 2169, Cutting's Compiled Laws, which provides that the auditor shall quarterly furnish the board with a statement of the amount of money, securities and other property in the custody of the county treasurer, and shall, in company with the board of commissioners, count, examine and inspect the same and carefully determine whether the funds, securities and property of the county are all on hand and properly protected in the full amounts belonging to the county, and the county treasurer shall assist as far as possible, facilitating such examination.

We recommend that section 2332 be revised so as to provide that statements showing all redeemed orders or vouchers be filed each month by the county treasurer with the auditor and an itemized receipt given therefor.

We recommend to the members of the next legislature that they create the office of traveling auditor, whose duty shall be to audit the books and accounts in the several offices in each county of the state and report in a complete statement to the board of county commissioners upon making such an inspection and auditing.

We recommend that all clerks employed in the several county offices be sworn as deputies, or put under bonds.

We recommend that all stubs in the receipt books in all of the county offices hereafter contain a full and complete description of the receipts issued in each case.

We recommend to the board of county commissioners that they obtain itemized statements of all transactions from the auditor and treasurer quarterly, as is required by law, and that they check such statements against each other with the aid of the stub and the receipts from these offices and that these stubs and receipts be delivered to the proper officers, to be properly labeled and filed together with a certified copy of the statements alluded to.

We further recommend to the board of county commissioners that they employ able counsel to assist in the further investigation of county affairs and the conduct of officials and in the prosecution of indictments before the court and of any other that may be found, inasmuch as we believe the present incumbent of the district attorney's office to be incompetent.

RECOMMENDATIONS TO NEXT LEGISLATURE—We find that the prosecution of criminal cases could be greatly expedited and the cost lessened in a similar degree if prosecution by information by the district attorney's office is made legal. This provision would obviate the necessity of calling upon the grand jury to act upon every criminal case.

CONCLUSION—We find that the county officials generally have been in the habit of indulging too freely in strong drink, a practice which is vigorously condemned by this grand jury.

We further desire to state that in so far as we have been able to check the statements as embodied in H. E. Freudenthal's several and general reports on the county books, we find them to be correct, but as already recommended all of these accounts should be audited by an expert at the earliest possible date.

Attached herewith you will find the reports of the several committees appointed by this body.

Respectfully submitter,
(Copy) CHAS. COBB,
Foreman of the Grand Jury.

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SAWYER AND GOODRICH.

Two of the Four Indictments Brought Against Two of the County Officials.

Four indictments were brought in against the treasurer and the deputy clerk. We publish two of the indictments robbed of its legal language, but there are two others, one charging Sawyer and the sum stated being \$1,000. The other is against Goodrich, the treasurer, alleging the further embezzlement of \$72, January 4, 1905. Two of the indictments read as follows:

Clerk Sawyer.

In the Fourth Judicial District court of the State of Nevada, in and for the County of Lincoln, State of Nevada, County of Lincoln—ss. State of Nevada, plaintiff; vs. George O. Sawyer, defendant. George O. Sawyer is accused by the grand jury of the crime of felony.

That on December 1st, 1902, George O. Sawyer, at Pioche, was the duly appointed, sworn, qualified and acting deputy county recorder and auditor of the county, and had under his control and in his possession a record known as the "Funds Report," for month ending November 31st, 1902. The report being a statement of the condition of the county funds, which report was the property of and kept by the county, Geo. O. Sawyer, while the report was in his possession, by virtue of his trust, and as such officer, with intent to defraud the county of

the sum of \$277.01, wilfully, unlawfully and feloniously did make in the record the following false entry, to-wit: In footing the items constituting the general fund, he makes the total \$11,004.08, whereas, the correct total should be \$11,281.09, thus making a shortage of \$277.01.

Treasurer Goodrich.

Same title. The State of Nevada, plaintiff, vs. H. J. Goodrich, defendant. H. J. Goodrich is accused by the grand jury of the crime of felony, committed as follows: That H. J. Goodrich, on or about the 4th day of February, A. D. 1905, at Pioche, County of Lincoln, State of Nevada, was the duly elected, qualified and acting clerk and treasurer of said county, and by virtue of, and in the course of his said employment as such clerk and treasurer, there came into and was in the custody, control, care and possession of H. J. Goodrich as said clerk and treasurer, certain public money, to-wit: the sum of sixty-five (\$65) dollars, in lawful money of the United States, (the exact kind and character of money is unknown to the grand jury,) being the personal property of the county of Lincoln, which public money had, on said day been paid into the office of the clerk and treasurer, and received for said county, as clerk and treasurer; and after the moneys as aforesaid, to-wit, the sum of \$65, had come into the control, care, custody and possession, H.

(Continued on Page Four.)

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