

THE WEST PARKS.

The Town Board Examines into the Subject.

Summary of the Report Submitted by Its Expert.

Henry Greenebaum Explains the Alleged Discrepancy in His Accounts.

Avery Moore Wants Immunity So He Can Return and Settle.

The Board Declines to Accept His Proposition for Compounding a Felony.

Ex-Supervisor Pilgrim Denies that His Accounts Are Short.

The West Town Board held a full meeting last night, all the members being present except Justices Eberhardt and Salisbury. There were also present Collector Hoffman, Assessor Clark, and West Park Commissioners Muus, Holden, Lipe, and Greenebaum, Messrs. Wheeler and Gill of Avery Moore's bondsmen, and S. K. Dow, their attorney.

THE EXPERT.

Mr. R. M. C. McChesney, the expert of the Town Board, submitted his report, which was in five large books of legal cap. His report is accompanied by a book containing detailed statements of facts and figures.

He says that on the first page of the book the trial balance will be found, and that it shows that the ledger accounts do not balance. He alludes to the expenditures for salary account, which show an expenditure of only \$35,287.09, while \$86,854.34 is really chargeable to that account, while for legal expenses only \$1,551.40 is charged, while in reality it should be \$3,776.40. The trial balance fails to show an open cash account, land purchases, land bonds issued, etc. He further alludes to the imperfect bookkeeping, and shows that but little information could be obtained from the books. The total assessments have been \$1,330,113.18, of which there appears to have been collected \$4,123,958.33, leaving \$2,793,845.15 delinquent, including \$100,000 due for special assessments. In one of the pigeon-holes was found a due-bill from Henry Harms to the West Park Board for \$900, which was apparently written by President Stanford. The report says that the death of a former Secretary restrains the expert from severe criticism. The report alludes to the various loans authorized, and how the various bonds were issued, commencing from the first \$20,000. The report covers the same ground as Mechelke, and shows how the bonds were apparently irregularly issued. He holds that the issue of \$667,000 in bonds before the money was necessary was imprudent and reckless, and entailed a loss upon the Park Board and the taxpayers of West Chicago, which may fairly be estimated at \$7,500, consisting of \$1,500 discount and \$6,000 interest. This transaction he regards as a violation of the eighth section of the by-laws of the Board, for which President Stanford is in a great measure responsible, as he was not authorized by the Board to make these contracts. The Treasurer is censured for his negligence in reporting to the Board and the incompleteness of his books. There are no records to show that there was authority given to cancel bonds, and no record can be found of bonds canceled, and the expert expresses surprise that no such record of cancellation should be in existence, and that no attempt has been made to verify the Secretary's report, or see whether the bonds were really canceled. In his tracing out the issue of the \$700,000 twenty-year bonds, he found twenty-seven bonds, from 51 to 77, inclusive, marked off as paid Dec. 1, 1875, by D. W. Baker, Supervisor. These were found in the Commissioner's office with thirty coupons attached to each, the coupons only being canceled, leaving 640 of the 700 bonds really afloat against the Town of West Chicago. The coupons attached for interest appear to have been regularly provided for, but not all returned. There are 445 coupons missing.

The cash account next gets an overhauling, and Mr. Greenebaum gets a whack for leaving no cash-book in the office. The County Treasurer has greatly assisted him, and he finds that there is a deficit in the Treasurer's account of \$14,118.23, apparently. Here Mr. McChesney agrees with Mr. Mechelke. The Treasurer has received \$3,363.24 from the County Treasurer, but no credit is given for it in his monthly reports, to which \$1,603.31, being added as having been realized for discount on his land bonds, purchased, as per Treasurer's report, March 2, 1871, the total is \$4,966.55. He computes that Mr. Greenebaum made at least \$1,600 in interest. The report holds that, though he charged \$654 for overdrafts, the park accounts were never overdrawn.

LAND.

No. 2 of the report goes into a long description of the land transactions at Humboldt Park, and shows how the Board purchased its land and assumed mortgages. It goes on to show how forty acres were purchased for Humboldt Park from B. B. Dunning and wife for \$50,000, and how a mortgage for \$16,000 was assumed, and how a \$5,000 forfeiture was paid, and seven acres, instead of five, donated back to the parties, after the contract had been signed for but five acres. The worst portion of the transaction lies in the fact that the full amount of \$50,000, mentioned in the deed, was issued, without reserving the \$16,000. The President at the meeting of the Board April 1, 1870, reported that but \$33,510 in bonds had been issued to Dunning out of the \$50,000, reserving \$16,490 for incumbrance. Yet the other bonds got out of the office, and payment was demanded upon them, but there is no record in the office to explain this transaction. All of Dunning's bonds but \$5,000 have been paid, but there is no record that the incumbrance has been discharged. For a lot purchased from W. H. Tothunter \$1,250 was authorized to be paid, and yet he received \$1,450. For fifteen lots bought of H. G. Loomis, while the deed calls for a consideration of \$18,000, the sum of \$30,000 was paid, as shown by the records. The report quotes at length from the records, and shows the alleged irregularities of Messrs. Henry Greenebaum and Isaac K. Hitt, the Committee on Humboldt Park at the time. The abstracts of titles to the land in Humboldt Park are given in detail. Of the 300 acres in Humboldt Park nearly all has been purchased at \$1.25 per acre, and a few small parcels have been bought at \$1.40, and some at \$1.50, while Loomis has received \$2.00 per acre, and the Board has only received a quit-claim deed, without even the necessary abstracts of title. In the purchase of a lot from Lazarus Silverman, \$1,200 was allowed by the Assessors. Of this \$650 was donated back to the park, yet this was paid five months after the order for it was issued. Messrs. Hitt and Greenebaum are asked to explain this transaction, which is rather queer on its face, as the records accompanying show. Another transaction in land is recorded. Commissioners Isaac R. Hitt and Eben F. Runyan each owned 5.06 acres undivided in the E. 1/2 of the S. W. 1/4 of Sec. 26, 40, 13, which they sold to the Board through one J. J. Douglass for \$2,525 each. Douglass frequently represents Runyan in the land transactions with the Park, while Commissioner Hitt's name frequently appears as negotiator for other parties. The record shows that Hitt often conveyed land for others to the West Park Board, for which there is no authority on record. The land transactions which he had with Frank W. Hurd and Jonas Hess are susceptible of explanation, as he seems to have acted in the several capacities of negotiator for the sale of their land to the West Park Commission, as a Park Commissioner, and as an arbitrator between Munsell and the Park Board. In the Munsell transaction, where Hitt was attorney, Munsell objected to the award of \$9,920 as net damages, and the matter was referred to Isaac R. Hitt and Henry Greenebaum.—The Committee allowed Munsell \$10,000 for 14,820 acres of land, and also \$950, which it was afterwards learned the Board had no business to pay, as it covered 95-100 acres for a public street. There are several other transactions for which no records can be found in the Board's archives.

No. 3 of the report takes in the land purchases for Central Park, and covers a vast amount of banal and space.

CONTRACTS.

The report next elaborates upon the various contracts, and states that there has been a waste in trees and shrubs. The gravel contract receives some attention, and it is claimed that there were errors in the measurement. The report states that upon investigation it is found that the President in several reports had stated that he issued to different parties mortgages on the park lands purchased of them to secure the land bonds issued in payment, which seems to conflict with a

clause in the fifth section of the act under which the Board was organized. The bonds are indorsed, "Secured by mortgage duly stamped." There is no means of determining to whom or for how much these mortgages have been issued, as no record of these mortgages has been kept. He recommends that abstracts be procured of all lands bought to date, and that such a record would doubtless develop trust-deeds, mortgages, tax-deeds, and perhaps, in some instances, more fatal defects in title, of which there are no records in the office.

THE EXPERT OBSERVES:

I notice also that many of the bonds issued in payment of land purchased are issued in blank order.—this is most noticeable in cases that have elicited the most criticism,—and have been paid without indorsement. And another striking feature in this bond business, all the coupons have been detached, even upon bonds which were paid one or two years before maturity.

The report refers to certain land donations, and alludes to the tables accompanying in regard to them. It alleges that the officers of the Board purchased the bonds issued by them, and at a discount, before maturity, and kept the profits to themselves, and also compelled the Board to pay to John De Koren \$15,000 clear in months before it became due. In a note to the Secretary, Andrew Pearson wrote March 31, 1877, that he had sold some bonds to Henry Greenebaum at a discount of 15 per cent flat, upon which Greenebaum made \$395.50, which he should have credited to the Board under Hitt's resolution, which he failed to do. Horace E. Gillette, in an affidavit, acknowledges that he sold to Stanford and Lodging, as officers of the Board, bonds to the amount of \$7,219.03 at a discount of 5 per cent with interest, and that an order was issued on Henry Greenebaum, Treasurer, for the amount. Interest on these bonds was paid twice. The report further states:

On the same page you will note a payment of interest on \$16,500 bonds issued to James Stuart, developing some sharp financiering. The voucher, you will notice, is dated May 7, 1874, is made out in favor of F. Frank, a young man understood to be employed in the (Treasurer's) Henry Greenebaum & Co.'s banking house, as accepted by him, and the warrant, No. 2,903, is indorsed by him for \$742.50.

In this case, Messrs. J. & J. Stuart & Co., under date of July 24, 1877, state that they have received no interest on their \$16,500, which was paid May 6, 1873. The Treasurer claimed that he advanced this money one day before it was due. The report reflects seriously upon Mr. Greenebaum on this matter, and says that he paid the bonds before maturity out of park funds in his hands, and that he should have reported the Messrs. Stuart's liberality in waiving the interest. The interest was collected by Mr. Greenebaum's clerk one year after the bonds were retired. The expert holds that this explains why all the coupons were detached from the land bonds which were paid before maturity.

WHO IS RESPONSIBLE?

The expert next goes on to say in a spirit of semi-jocularity:

"Who is responsible?" in Harper's Weekly, Nast's cartoon represents Boss Tweed standing in a row with his friends, each pointing to another as the guilty party. From a careful reading of the rules and by-laws, it would seem the concurrent official action of the President, Secretary, Auditor, Finance Committee, and the Treasurer, are necessary to consummate any measure involving the payment of money. The concurrence of a portion of the Finance Committee seems to have been frequently dispensed with, and in some instances the concurrence of all of them except the Chairman (the President), has been dispensed with, but a careful reading of the minutes of Board meetings indicated that E. F. Runyan, Secretary Lodging, and Treasurer Greenebaum since the organization of the Board have generally acted in harmony with commendable constancy and alacrity, and were seldom opposed by Commissioner Hitt while he was a member of the Board.

The expert next alludes facetiously to certain transactions, and then concludes with the statement that he has endeavored to give a clear and impartial report, that he was unacquainted with any one in the office, and that he has only tried to perform the duties allotted to him.

The report was received and accepted as the Special Park Committee's report.

On motion of Justice Ingersoll, Mr. McChesney, in addition to his salary, was given a vote of thanks.

The matter of printing 1,000 copies of the report was referred to the Special Committee to find out what it would cost.

EVERY MOORE.

Mr. S. K. Dow, as attorney for Avery Moore and his bondsmen, begged leave to make a statement on behalf of Moore. Previous to this Clerk Table read a letter from Mr. Dow. That gentleman then went on to say that Mr. Moore was beyond the limits of the United States. If he was here he could make such arrangements as would be satisfactory to the town. The fact was that the criminal statute stood in the way and frightened him off. He had some property here, which was not being cared for during his absence. The property was all mortgaged. The amount against him as owing the town was \$8,000, against which there was a set-off. He had property and friends. If he could return unmolested, he would make such arrangements as would be satisfactory to the town. He wanted permission to return to Chicago and fix matters up and again return to Queen Victoria's domain if he so desired. He and his friends desired that the town should not doze anything, and wanted to make the amount good. The Board could take such steps as would induce Avery to return to Chicago for at least thirty days, and fix his matters up; if he should be unsuccessful, he to be allowed to go back unmolested to the place which he had chosen as his refuge. He would like the Town Board to take some action.

Justice Ingersoll hardly thought that the Board had anything to say in the matter, as the whole thing was in the hands of the Supervisor.

Justice Scully said that he favored the immunity asked for, providing the money was restored.

Justice Morrison said that he and Avery Moore had been warm friends for a long time, both socially and politically, and that he had long held him in respect. But he had forfeited the confidence of the people, and his (Morrison's) personal respect. He, for one, had no compromise to offer. He believed in Avery Moore atoning to the community for the outrage he had committed upon it. He was opposed to granting immunity to public defaulters. He daily sent to the Bridewell for thirty and sixty days those who had hooked but 50 cents like a cornpone.

Mr. Dow explained that Moore wanted to come here and fix up his indebtedness with the town. He would rely upon his friends to carry him out. His real estate was badly incumbered, but nothing would be kept back.

Mr. Wheeler then read a letter from the defaulting Supervisor, in which he affected contrition and a desire to leave the precincts of Spencer and Von Hollen, and return once more to his native breast. He also read a proposed reply, which laid stress upon the personal friendship of the members of the Town Board.

MR. D. G. GILL.

one of Moore's bondsmen, thought the defaulter should first settle and then come back. Or else come back and give himself up and endeavor to pay what he owed the town. If he did come back, he for one was ready to go his bail, and also help reimburse the town; but he did not believe in giving him immunity, with a freedom to leave again if he failed to raise enough to pay his debts. Such a thing would merely make the Town Board a laughing-stock. He was surprised at the proposition.

Justice Morrison simply sneered at such an idea.

Justice Ingersoll thought there was a way of bringing Moore back.

Justice Scully thought Moore could be brought back if a sufficient reward was offered,—say \$10,000 or \$20,000. The Board demanded that the money be returned to the town. They had no right to say to Avery Moore that he would not be arrested if he came back. That was for the State's Attorney and the Judge of the Criminal Court to say.

Mr. Dow said he knew very well that the Town Board could not grant immunity. He only asked the co-operation of the Board. Its officers and the Supervisor were prosecuting the case, and they could use their influence with the State's Attorney. The proposition was made in good faith. The appeal was only made so that his friends could make up the amount which belonged to the town. If Moore was put in jail when he came back, he did not believe that the West Town would get its money.

Justice Morrison—He ought to be in jail, where he belongs.

Mr. Dow—I appreciate the zeal of the town officers.

Justice Sheridan thought the only way to do was to act under Mr. Gill's suggestion, which was the only practical thing.

Justice Ingersoll reiterated that he thought that they had no authority to act upon this matter as a Board.

Justice Morrison moved that the proposition be not accepted, and called for the ayes and noes. The entire Board voted in the affirmative.

HENRY GREENEBAUM.

At this stage Mr. Greenebaum filed in, in single file, between Commissioners Muus and Holden. The latter woke from a sort of lethargy into which he had fallen, and smiled a sardonic smile. Commissioner Lipe rubbed his eyes, and Muus looked actually astounded.

Mr. Greenebaum unfolded a manuscript, which he asked the privilege to read, and which was granted. It is as follows:

To the Honorable the Town Board of West Chicago—GENTLEMEN: In listening to the reading of the report of Mr. McChesney, I took a few notes as he was proceeding, and propose to meet some

of the positions taken by the gentleman. He is horrified that the Park Board kept no record of a delinquent list of taxes and assessments. Has the Town of West Chicago kept such an account heretofore? Has the Town of Jefferson or any other town in Cook County? Had the gentleman suggested the keeping of such an account, and had no more on that point, he would not have betrayed so readily the animus of his voluminous work. March 15, 1870, he states that \$30,000 bonds were sold by the Treasurer, and the report of proceeds of sale to the Board was approved. Under these circumstances of the case, is it not too late in the day to raise the question whether the Treasurer had or had not the authority to sell the bonds? The Treasurer charged no commission on the sale of the bonds, and Mr. McChesney raises the inquiry, Was there any need of the money? By the light of subsequent events, he thinks there was not. Well, that only shows that "fore-sight is not as good as hindsight."

But, good gracious, on the 27th of July, the Treasurer reports a sale of 607 twenty-year 7 per cent bonds at, says 30 cents flat. Was there ever such management; and why, under all circumstances, not sell bonds as you want the money? Now, I am not quite sure whether Mr. McChesney lived in Illinois in 1870 or not. At any rate, a new Constitution went into effect on the 1st of August of that year, and that Constitution contains a provision limiting the issue of bonds by corporate authorities, and the Park Board hurried all they could to sell their bonds before August, having been thoroughly satisfied by prominent bond-brokers of New York that the City of Chicago, being estopped under the new Constitution from issuing bonds for some time, and the Park Commissioners having been called into existence by an amendment to the Charter of the City of Chicago, the doubt as to the legality of the issue of the bonds contemplated was sufficient to give such management; and why, before August, Mr. McChesney feels us to bond investments, but usually people don't buy any bonds for investment where there is any doubt about the legality of their issue. Another objection to selling them from time to time would be, that it could not be done. Who is to buy them? Only bonds that have an established market value, that are quoted on the Stock Exchange, and in steady demand, can be disposed of in that way. I am afraid Mr. McChesney knows as little about the sale of bonds as he seems to know about investments in bonds. Mr. McChesney kindly suggests that, perhaps, I will be generous and donate about \$7,500 to the Park Fund to recompense them in part for the interest incurred in having disposed of the bonds in the manner in which it had been done.

Now, I think Mr. McChesney himself needs all the generosity that I can possibly exercise, and of everybody else that will calmly study his report and make up an impartial judgment upon it. He next comments on the missing two coupons paid against a bond of indemnity, and his remarks descend to mere twaddle. In the first place, the two coupons have not been paid, nor are they claimed by ex-Supervisor Avery Moore to have been paid; and as to how soon after the maturity of coupons the money may be ordered back from the bankers entrusted with their payment is altogether a matter depending on the will and pleasure of the Town of West Chicago. If the money is ready on the day and at the place where the coupons are payable, that is all the Town Board have to do.

MR. M'CHESNEY NEXT STRIKES

square from the shoulder and charges that I have misapprehended, \$178,732.70 and have accounted for \$14,118.23—that is to say, \$1,603.31 have been received by me as discounts on obligations and still in my hands, and that I have received \$8,728.31 taxes and assessments, and \$3,701.65 for permits for burying night-soil, and \$2,054.96 for old iron and boats and ice and tools and grass and disabled horses, \$12,514.02 in all, and this I kept about me and never reported it, and never accounted for it. Now, the expert, having spent four months investigating the true condition of things of the Park Board, don't know any more about it than he did the first day he went at it.

I was amazed at the tone, manner, and misrepresentation and arrogance of Mr. McChesney's report. I am told it corroborates Mr. Mechelke's report. Now as to Mr. Mechelke's report. It seems to me as quite willing to do anything to hold Miller, and Muns asked him to; they hired him for this work; they secured him \$10 a day for a long time; and Mechelke acted as the German proverb, "Whose bread I eat, whose song I sing." He wrote a letter on March 19, 1877, to a representative at Springfield (the original letter is in my possession), in which letter he says: "To-day I have been engaged to examine the books of the West Side Park Commission, and would like to get the South Park also. I would make a thoroughly fearless examination, no matter who would be crushed. Whenever you should see the Governor tell him not to listen to Greenebaum. His connection as Treasurer will need some explanation, as far as I have seen from the books already.

(Signed) Yours, G. MECHELKE, Jr.

Gentlemen of the Committee, Comment on Mr. Mechelke is unnecessary. I desire to present an explanation of how the work has been carried on. First, The night-soil burying permit system. The tickets are issued at the Park office, permitting the burying of night-soil in the parks at 50 cents a load. Thus, in the year ending March 1, 1876, tickets for 1,047 loads were issued and for which were received by the Secretary \$2,023.50. The tickets are delivered to an authorized person at the park, and thus there is a check on the receipts by the Secretary.

Second, The practice of collecting orders on the County Treasurer. The Secretary from time to time ascertained from the County Treasurer what sum of money could be drawn for by the West Park Commission, and usually orders were drawn for round sums,—say \$5,000 or \$10,000, or still larger amounts. The Secretary would present the order for the indorsement of the Treasurer, procure a check from the County Treasurer on his banker, and payable to the order of Henry Greenebaum, Treasurer, and deposit the same with the Treasurer of the Park Board. Sometimes checks were issued to cover rebates, and the indorsements of the Treasurer procured. In such cases the checks would be used in payment of taxes with the County Treasurer, and not as a deposit made with the Treasurer of the Park Board. All these transactions, I believe, were legitimate. Secretary Lodging has taken good care to charge the Treasurer with all the money and orders deposited with him, while making no entries at all of orders issued for rebate. Had he debited the Treasurer, he would have been obliged to again credit him and debit rebate accounts. Several orders have been presented to the Treasurer for his indorsement, which, it now appears, have been obtained from the Secretary by Commissioner Lipe, Runyan, and Hitt. On these there appears \$1,277 as never having been accounted for by the Secretary. Now, while the theory is that the County Treasurer requires the signature of the Secretary, Auditor, and Treasurer to make payments to the Park Board, the Secretary attends to the business of collecting and depositing with the Treasurer. In case the Secretary abuses his trust, the Treasurer is no more to blame than the Auditor. The name of the latter appears on the orders as well as the former. There is a check upon the Secretary in the Finance Committee. This Committee has consisted of Stanford, Holden, and Lipe. They have been furnished each year with statements of the County Treasurer in the nature of accounts current, giving a statement of the orders of the Park Commissioners paid by him. They certify in writing, March 1, 1874, Feb. 28, 1875, March 1, 1876, that they have

EXAMINED ALL THE ACCOUNTS

of the Secretary, Auditor, and Treasurer, and that they all correspond and are true and correct, and represent all the receipts and disbursements. They gave me, as it were, a receipt in full every year for all the money I handled, agreeing with me that the balance I reported on hand was the correct amount and left me, when I could have no possible suspicion that the same was wrong. I had no reason to doubt the integrity of the Secretary. He enjoyed the confidence of all the members of the Board in an eminent degree. He was especially appreciated by Commissioner Lipe, through whose influence he obtained the Secretaryship of the Board. With Commissioner Holden on the Finance Committee, a man who has been in public office ever since I can remember; a representative of the present Board of County Commissioners have honored with the position of President, an accomplished gentleman, who makes himself useful as a member of the County Board of Education; a gentleman who has nursed in his bosom the fond hope of representing the West Division in the hall of the United States Congress—how should I for a moment surmise, with Commissioner Holden on the Finance Committee, that any regularity on the part of either the Secretary, Auditor, or Treasurer could escape his keen and penetrating judgment? Alas, for human hopes! Whether willfully or unwittingly, that Finance Committee has not performed its duty. Whether Stanford outwitted Holden and Lipe, or Lipe and Holden outwitted Stanford, I do not know. But this I do know. They have grievously wronged me by their ill-conduct. They have forced me in a position, after the death of the Secretary, when I am called upon to vindicate my integrity, I am called upon to account for cash which I never had an opportunity to count. And were not my confidence in the impartiality and the stern sense of duty of the honorable gentlemen of the Town Board of West Chicago firmly set as a rock, I should despair of maintaining an honored reputation in a city where I have lived from boyhood up, and where generally my word has been considered as good as a bond, and stand in fear of innocently suffering from unjust imputations. Respectfully submitted, HENRY GREENEBAUM, Ex-Treas. West Chicago Park Commission.

Mr. Morrison moved that the communication be received, and, if McChesney's report be printed, that Mr. Greenebaum's reply be printed with it, so that the taxpayers could judge for themselves, and draw their own inference. The motion prevailed.

EX-SUPERVISOR PILGRIM.

The following letter was read from ex-Supervisor Pilgrim, denying that he is short in his accounts:

The Hon. West Town Board: From newspaper reports of your proceedings at the last meeting, the public are given to understand that I owe the town \$350. In justice to myself allow me to say that I do not owe the Town of West Chicago a cent. The apparent deficit you speak of is lying in the bank in New York waiting for the presentation of coupons yet outstanding.

The semi-annual interest on West Park bonds amounts of during my term of office to \$23,345, which amount was forwarded through a bank to the bank in New York designated for the redemption of said coupons. In due time the coupons came back, but were each time some three or four short. I have during my term in office called repeatedly for said back numbers, and was informed that it was necessary that the money should remain in the bank a reasonable time waiting for the presentation of said coupons.—There is no doubt but what said arrears will be promptly forwarded if called for. Respectfully, HENRY PILGRIM, Ex-Supervisor of West Chicago.

The communication, on motion of Justice Matson, was received, and the bank requested to make a statement of moneys received and paid out on interest account during past years.

and the amount of money on hand credited to the town for payment of past-due coupons. Messrs. Holden and Greenebaum had a mild tilt, after which the meeting adjourned, having been one of the most exciting and interesting Town Board meetings ever held in West Chicago.