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Urges Tax Strike If State Board Boosts Values

Township Official Favors Fight Against Whipping Out Of Cuts

A most vigorous battle, and if necessary threats of a movement for a 100 per cent taxpayers' strike against rumored increases in property valuations in Farmington Township by the State Tax Commission, was urged Tuesday evening by Justice Ward Eagle at a meeting of the Township Board.

The State Tax Commission is to enter the County soon, just as it did a few years ago, to make a review of valuations, and Farmington Township is reported to have been singled out as one of the few in the County likely to receive substantial increases. If this were done, it would undo all the work in the way of reductions that has been accomplished earlier this year by Supervisor Coe and the Township Board of Review, and would eliminate the tax-reduction that had been expected as a result of these cuts in valuation.

The visit of the State Tax Commission results from protests by Bloomfield Hills City against the valuations accorded it by the County officials. The State Tax Commission was asked to come in and it is now asserted that one of the governing units that is on the slate for increase is Bloomfield Hills City. An instance of this kind occurred when the State Tax Commission last went through the County, Pontiac City being the governing unit involved in that instance.

Protested Fiercely

When the State Tax Commission visited Farmington Township and City last, crowds filled the Town Hall throughout the sessions, vehemently protesting against unreasonably high valuations. Similar objections were raised everywhere, and in some places the situation came close to actual disturbance.

Justice Walter Heedler commented on an instance in which homes are being offered for sale for one fourth of the valuation on them now. Mr. Eagle pointed out that if valuations are increased, it will bring tax-collectors near to the zero point, since it will add to the burden of those remaining property-owners who still are able to pay their taxes. He declared he would favor, and would consider justified, a vigorous expression on the part of taxpayers to the effect that they would positively not pay any taxes whatever if the State Commission makes an increase in assessments.

The dates on which the Tax Commission will be in Farmington have not been announced, but it is expected to be soon.

FIRST ACTIVITY TAKES PLACE AT SITE OF WINERY

While thousands of war veterans were storming the headquarters in Detroit Monday morning for jobs promised at Ford Motor Co., Farmington had its own rush for employment. A hundred men gathered in front of the old power house at Farmington Junction, where the new winery is to be established. Only a few were from this community.

Farmington men obtained their work Tuesday when architects for the new firm came out to investigate the foundation of the building. Several men received a few hours' work each, excavating for the architects' requirements.

Ernest Clark, director of the company, has not yet come to Farmington, but is expected shortly.

In addition to those seeking work, a number of grape growers have been in town to offer their product. It is probable now that the company will take the grapes from vine to storage, it being reported that the delays will make it impossible to get the equipment in time to avoid starting for a short period at least.

O. E. S. Is Sponsoring Card Party Tuesday

O. E. S. will have a card party in the Masonic hall, Tuesday, September 26 at 8 p. m. Progressive bridge and pedro will be played. Prizes and refreshments are planned.

The public is invited to attend Mrs. T. H. McGee and Mrs. Reed Webster will be hostesses.

Bill Of Complaint Filed In Peoples Bank-Blanchard Case

Few court actions in this section in recent years have stirred as much interest as the suit instituted by John N. Daley, Receiver of Peoples State Bank of Farmington, against Ernest V. Blanchard, former chairman of the board of directors of the bank, and Evar P. Hedberg, Gusta Hedberg, Volney Blanchard, Vera L. Blanchard and Genevieve Forsythe. In view of the widespread interest manifested in the case The Enterprise prints herewith in full the bill of complaint filed on behalf of the Receiver by A. Floyd Blakeslee, attorney; the answer of the defendants appears in adjacent columns.

John N. Daley, Plaintiff herein, respectfully shows unto the court:

I
That he is Receiver of the Peoples State Bank of Farmington, a Michigan Corporation, duly appointed by the Circuit Court for the County of Oakland, in Chancery, and is now in the performance of his trust.

II
That the Peoples State Bank of Farmington by its directors, on the 25th day of June, A. D. 1931, caused the ninety (90) day clause so-called, to become effective as to savings deposits and on the same date the officers of the bank were authorized to close the doors of the bank, in the event it became necessary to preserve the assets of the bank; that said defendant, by its directors, on the 2nd day of February, A. D. 1932, suspended payments on all deposits of ninety (90) days and that thereafter, on the 2nd day of May, A. D. 1932, a custodian was appointed by this court, by virtue of Act No. 8 of the Public Acts for the year 1932 which custodian acted in his official capacity until a permanent receiver was appointed on the 13th day of August, A. D. 1932.

III
That defendant, Ernest V. Blanchard, was a director of said bank and chairman of the Board thereof at the time the bank closed its doors and for a long time continuously prior thereto; that on the 25th day of June, A. D. 1931 the directors of said bank knew that said bank was in an insolvent condition and that every effort must be made to liquidate every possible indebtedness to the bank to increase the percentage of liquidity.

IV
That on the 17th day of January, A. D. 1931, defendant, Ernest V. Blanchard, Charles H. Ely and Addie M. Ely, in order to secure the payment of a loan of Three Thousand Nine Hundred (\$3,900.00) Dollars, executed a note and mortgage to property in the City of Detroit, County of Wayne and State of Michigan described as:

Lot Number Seven Hundred Sixty-one (761) of the East Detroit Development Company's Subdivision of P. C. 379, lying North of Mack Avenue, according to the plat thereof recorded in Liber 36 of Plats, pages 19 and 20, Wayne County Register's Office, better known as house number 3950 Buckingham Road, which said mortgage was recorded in the office of the Wayne County Register of Deeds on February 4, A. D. 1931 in Liber 2567 of Mortgages, page 248; that said property subsequently on or about the 11th day of September, A. D. 1931 became and was the sole property of defendant, Ernest V. Blanchard.

V
That the defendant, Ernest V. Blanchard as director and as an officer of said bank, had a duty to perform toward said bank and that duty was to help increase its percentage of liquidity and to in every way preserve the institution for the depositors and stockholders, but that the said defendant, Ernest V. Blanchard, instead of performing his duty toward said banking institution, either directly or indirectly withdrew large sums of money, as hereinafter set forth.

VI
That on the 11th day of September, A. D. 1931, one Evar P. Hedberg was the owner of savings account No. 1, in the amount of Five Hundred five dollars and seventy-nine cents (\$505.79) in said bank; that said Evar P. Hedberg, who is also made a defendant herein, was and is a farm hand employed by the defendant Ernest V. Blanchard.

VII
That Gusta Hedberg, who is also made a defendant herein, was a housekeeper working for the defendant, Ernest V. Blanchard, and on the 11th day of September, A. D. 1931 owned a savings account No. 55 in said bank, in the amount of Seven Hundred Seventy-nine Dollars and Fifty-eight Cents (\$779.58).

VIII
That Ernest V. Blanchard, defendant herein, on September 11, A. D. 1931, was the owner of savings account No. 497, in said bank, in the amount of Two Thousand Three Hundred Forty-five Dollars and Ninety Cents (\$2,345.90) and also owned a certificate of deposit No. 3813 issued by said Peoples State Bank of Farmington in the sum of Eight Hundred Fifty-four Dollars and Fifty-five Cents (\$854.55) with interest due on the same in the sum of Twenty-five Dollars and Sixty-five Cents (\$25.65).

IX
That on September 11, A. D. 1931, the defendant, Ernest V. Blanchard, knowing the insolvent condition of said bank and as a part of the scheme on his part to reduce his deposit in the said bank, as well as that of other friends, withdrew from his savings account above mentioned the sum of One Thousand Eight Hundred Forty-six Dollars and Forty Cents (\$1,846.40), wrote checks on the account of Evar P. Hedberg in the sum of Five Hundred (\$500.00) Dollars and against the account of Gusta Hedberg in the sum of Seven Hundred Fifty (\$750.00) Dollars, which, with the certificate of deposit above mentioned, made a total of Three Thousand Nine Hundred and Sixty Cents (\$3,976.60), being the balance due for interest and principal on said mortgage and thereby fraudulently obtained a discharge of said mortgage at a time when withdrawals of said amounts were not permitted with a view to the preference of one creditor of said bank over another.

X
That the said defendant, Ernest V. Blanchard, having obtained a discharge of the mortgage on said lands and in order to defraud his creditors and particularly the Peoples State Bank of Farmington, conveyed said premises on June 1, A. D. 1933 to his father, Volney Blanchard, his sister, Vera L. Blanchard, his sister, Genevieve Forsythe, his housekeeper, Gusta Hedberg and farm hand Evar P. Hedberg, all of which parties are hereby made defendants hereto which warranty deed was recorded July 28, A. D. 1933 in the office of the Register of Deeds of Wayne County in Liber 3,998 of Deeds on Page 239.

XI
Plaintiff further shows that on November 9, A. D. 1931 the defendant, Ernest V. Blanchard was indebted to said bank of the sum of \$2,013.38 and that defendant, Volney Blanchard, was the owner of a savings deposit in said bank being No. 49

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Answer Filed By Defendants In Blanchard Case

Replying in detail to charges made, the answer of defendants in the case of John N. Daley, Receiver of Peoples State Bank of Farmington against Ernest V. Blanchard and others, was filed in Circuit Court at Pontiac Thursday morning by Clinton McGee, attorney for the respondents. Positive denial is made of any intent or attempt to obtain a preference over other creditors of the bank, or that there were any acts detrimental to the bank or its creditors; in addition the answer contains a detailed resume of the circumstances surrounding the mortgage for \$3,900 which is the chief basis of the suit. Reply is also made regarding the note of \$2,013.38 which also is a basis of contention.

Coincident with the filing of his answer in the suit, Mr. Blanchard made the following statement to the Enterprise:

"I wish to not only invite but urge every depositor and stockholder in the bank, and the general public also, to attend the trial when the matter comes up. I will be only too glad to have the people know the facts and then judge for themselves where the truth and the right lies in this matter."

"In regard to the charges made by Mr. Daley concerning the mortgage matter, I wish to make it clear that there was not a dollar withdrawn.

Further, I might say that between my father, sister, myself and the school district of which I was treasurer, there was over \$12,000 in the bank at the time it closed. This might have been withdrawn but was left on deposit.

The defendants' answer follows in full:

I
Answering Paragraph One, these defendants admit the allegations therein contained.

II
Answering Paragraph Two, this defendant, Ernest V. Blanchard, admits that the ninety (90) day clause, so-called, was invoked but as to the date thereof this defendant has no definite knowledge and therefore leaves plaintiff to his proofs. The other defendants, answering the same allegation, have no knowledge thereof and leave plaintiff to his proofs.

Answering the allegation in Paragraph Two as to the authorization of the officers of the bank in regard to closing the doors of the bank, these defendants have no definite knowledge, and therefore can neither safely admit or deny the same but leave plaintiff to his proofs.

Answering the other allegations in said paragraph, contained, these defendants have no knowledge as to when a custodian was appointed, nor as to the length of time that the custodian served, and therefore must leave plaintiff to his proofs.

III
Answering Paragraph Three, this defendant, Ernest V. Blanchard, admits he was a Director of the said bank and was chairman of the Board at the time the bank closed its doors and for a short time prior thereto. This defendant, further answering, denies that the said bank was in an insolvent condition on the 25th day of June, A. D. 1931, and denies that the Directors of said bank so regarded it. The remaining defendants, answering said Paragraph Three, have no knowledge as to the matters set forth in said paragraph and therefore can neither admit nor deny the same, but leave plaintiff to his proofs of each and every allegation in said Paragraph Three contained, except they admit Ernest V. Blanchard was a Director of said Bank and for a short time was Chairman of the Board.

IV
Answering Paragraph Four, these defendants other than Ernest V. Blanchard have no knowledge as to the matters therein set forth and therefore leave plaintiff to his proofs.

Answering Paragraph Four, this defendant, Ernest V. Blanchard, says that same was executed on or about the 17th day of January, A. D. 1931, but not in the manner as set forth in said Paragraph Four, but were a part of a transaction hereinafter set forth in Paragraph 18 herein, reference to which is made for further answer of this defendant to said Paragraph Four.

V
Answering Paragraph Five, this defendant, Ernest V. Blanchard, admits that he had a duty to perform toward said banking institution and that he did in all respects discharge his said duties; that during all the time this defendant was connected with said bank he gave considerable of his time in looking after the interests of the bank, all of which was done without charge or reward. Further answering said Paragraph Five, this defendant, Ernest V. Blanchard, denies that he in any way, at any time, violated any of his duties toward the said bank, legal or moral, and denies that he directly or indirectly at any time withdrew large sums of money from said bank in violation of any duty, either legal or moral.

The remaining defendants have no knowledge as to the matter set forth in Paragraph Five, and therefore can neither admit nor deny the same but leave plaintiff to his proofs of each and every allegation in said paragraph contained.

VI
Evar P. Hedberg, one of the defendants in answer to the allegation in Paragraph Six, admits that he had a savings account in the said bank. Further answering, this defendant says that he is not a farm hand and he is not employed by the defendant, Ernest V. Blanchard, but that he is an electrician and that he has at times performed other work of various kinds when he has not been able to obtain work as an electrician.

VII
Answering Paragraph Seven, Gusta Hedberg, named as a defendant, admits that she has been the housekeeper for defendant, Ernest V. Blanchard, and his father, Volney Blanchard for a number of years, and admits she owned a savings account in said bank; as alleged in said Paragraph Seven.

VIII
Answering Paragraph Eight, this defendant, Ernest V. Blanchard, admits he was the owner of a savings account No. 497 in said bank in the amount of \$2,345.90, and there was a certificate of deposit No. 3813 issued by the said Peoples State Bank of Farmington in the sum of \$854.55 in the name of Ernest V. Blanchard, but that in truth and in fact the moneys represented by the said certificate were the moneys of Genevieve Forsythe, my sister.

IX
Answering Paragraph Nine, this defendant Ernest V. Blanchard, denies that the said bank was insolvent as in said paragraph Nine alleged, and denies that the said moneys as set forth in Paragraph Nine were withdrawn in the manner, form, and sense as alleged in said paragraph. Further answering said paragraph, this defendant denies that he fraudulently obtained the discharge of said mortgage, and denies that he obtained any discharge of any mort-

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Officials Ponder On Problem Of Thefts By Boys

Admissions Of 17 Lads Uncover Long Record Of Stealing

Farmington authorities are pondering on how to dispose of one of the most difficult problems that has come to them in some time, with the uncovering of an amazing series of thefts from business places in the past few months by nearly a score of boys ranging in age from eight years to the early teens. Not one but several places of business were scenes of thefts and victimizing of the merchants, according to the confessions of the boys, who admitted taking a large variety of articles from the various stores.

Having ordered a group of boys first implicated to bring in all of their companions who had knowledge of the thefts, the authorities were astonished Tuesday afternoon to witness the gathering after school of 17 boys, all of whom admitted having done things themselves or having knowledge that the articles were stolen. As the session went on one reminded another of some theft that he had forgotten or failed to tell, until a lengthy story of one on the stores had been unfolded.

Meanwhile, led by one of the boys, the authorities recovered a large quantity of rifle shells from a cache on top of a Grand River store building, which had been used as a hiding-place for the goods by the boys. Although suspicion had been aroused and there had been careful watching for some time, the expose came after finding of two gunshells in the alley north of Grand River by two boys, who turned the shells over to Deputy Joseph DeVriendt.

Parents of the boys have been notified, and restitution is to be made to the merchants. Authorities are considering what steps to take that may serve as a corrective measure.

The officials learned that the boys had considered themselves somewhat as an organized gang, and it is reported that they called it "The Coppers' Club." Gang methods were used to bring boys into the practice, those who hesitated being told they were "sissies" if they did not join in the stealing.

Tricks used by older unscrupulous people were utilized such as having several boys go into a store and occupy the attention of the clerk while one or two others obtained what they could take. In one instance, it is reported empty bottles were obtained in this manner, and taken to the place just next door and "turned in" to the proprietor as "returned bottles," the boys getting the deposit money.

When store thefts slackened, the authorities learned, the boys fell to stealing the purloined articles from one another, going to hiding-places used by their companions and there getting them.

Officials expect to decide in a day or two what action may be taken in the matter. Some parents have taken the step of requiring the boys to work each day to earn the equivalent of their thefts. Parents of several boys have urged the authorities to mete out whatever punishment might be merited in the case.

Farmington Family Is Close To Drugging

Mr. and Mrs. Ralph Auten and three sons narrowly escaped being drowned last Sunday when they were marooned on an island in Pontiac Lake Sunday. They were fishing in Lake Pontiac when a terrific windstorm arose. The waves swept over the boat about four feet high, but they managed to reach an island and were stranded on the island all day without food or water.

There were seven boats caught out on the lake, but all managed to reach shore.

The Ladies Aid of the M. E. church met Thursday afternoon. A pot luck dinner was served, followed by the election of officers for the ensuing year.

Mrs. Mae West will act as president, Mrs. Glenn Green, 1st vice-president; Miss Mariah Andrews, 2nd vice-president; Mrs. Hattie DeVriendt, secretary and Mrs. Georgia Walters will be Treasurer.

Miss Mariah Andrews attended the M. E. Conference at Ypsilanti on Sunday.