

DEMOCRATIC WATCHMAN: SUPPLEMENT.

BELLEVILLE, PENNA., FRIDAY, OCTOBER 16, 1891.

PATTISON TO THE SENATE.

The Subjects to Be Considered in the Extraordinary Session Explained at Length.

STATE OFFICIALS TO BE REMOVED.

CHARGES AND EVIDENCE AGAINST THEM GIVEN IN DETAIL.

Millions Lost to Taxpayers by Neglect or Collusion—Conclusions Drawn From the Checkbook Stubs—Showing Up the Rebate Stal—After Mercantile Appraisers and Magistrates.

Governor Pattison's message to the senate is given below in full. It is upon this document that the senate is expected to inaugurate an investigation which will result in request to the governor from two-thirds or more of the senators that he remove from office Auditor General McCamant and State Treasurer Boyer. The message also asks the senate to consider the propriety of removing certain magistrates and constables of Philadelphia, who are alleged to have been in a conspiracy to defraud the commonwealth in connection with the collection of delinquent mercantile taxes.

The Address to the Senate.
EXECUTIVE DEPARTMENT OF THE COMMONWEALTH OF PENNSYLVANIA,
HARRISBURG, Pa. October 13, 1891.

GENTLEMEN: By virtue of the authority vested in me by the constitution, I have convened you in extraordinary session by proclamation for the transaction of executive business. In my judgment, conditions exist in the commonwealth to warrant and require the exercise of this power. The constitution provides that all officers elected by the people, other than some especially excepted, shall be removed by the governor for reasonable cause, after due notice and full hearing, on the address of two-thirds of the senate. Having convened you in order to give you an opportunity to take appropriate action, under your constitutional powers, with relation to the alleged misconduct of the heads or two departments of the state government as well as of other elective officers, I deem it my duty to briefly review the course of events which have led to the call for this session of the senate, and to refer to such sources as I know of for further information.

On or about May 21, 1891, John Barsley, treasurer of the city and county of Philadelphia, elected in 1888, and whose term would not have expired until the end of the present year, practically retired from the active discharge of the duties of his office, and tendered his resignation of the same, to take effect May 30. It was soon disclosed that very large sums of money which he had from time to time collected for the commonwealth of Pennsylvania, had not been paid over by him, and that no adequate security for the same existed or had ever been given to the state.

Several Investigations on Foot.

For the several months succeeding the retirement of John Barsley from his office, various investigations have been in progress with a view to ascertain the character and extent of his malfeasance, the complicated transactions in which he was engaged, using the public moneys for private speculation and other unlawful personal purposes; and to discover, if possible, the connection and complicity of other persons, official or private, in his illegal and criminal acts. One committee of the council of Philadelphia and another is in charge of experts, duly appointed and acting under the authority of the mayor of Philadelphia. Representatives of the treasury department of the United States have been engaged, for many weeks in examining the books of at least two of the national banks in which John Barsley deposited city and state funds. A commission, assisted by expert accountants, of my own appointment, has been likewise engaged in investigating the accounts of John Barsley with the banks and has been inquiring generally into the relations of the accounts of John Barsley with the commonwealth and his transactions with its moneys. The present treasurer of Philadelphia, city and county, is also actively and earnestly engaged in investigating the practices and in uncovering the abuses which have prevailed in the former administrations of his office, especially touching its relations to the commonwealth.

Criminal prosecutions were begun against John Barsley by the district attorney of Philadelphia, and terminated with a plea of guilty and sentence to fifteen years imprisonment in the Eastern penitentiary for the conversion of public moneys to his own use and for loaning them for interest.

Barsley Refused to Testify.

In a preliminary hearing before two judges of the courts of Philadelphia, conducted by the district attorney of that county, John Barsley was called as a witness to testify to his relations with the state officials, whose duty it was to require from him an accounting for and payment of the money collected by him for the commonwealth. He persistently and defiantly refused to testify, whereupon it was held by the court and by the district attorney that no warrant for the arrest of the state officials could, under the circumstances, properly issue.

At that hearing, and subsequently, a large number of letters were produced, substantially admitted to be genuine, written to John Barsley by officers of the commonwealth, whose duty under the law it was to have required accounting for and payment to the commonwealth of the public moneys coming into his hands.

A joint committee of the two branches of the legislature, appointed January 19, 1891, authorized to inquire into the administration of the offices of auditor general and state treasurer, and instructed to report to the executive at the earliest time possible, has held sessions from time to time since the adjournment of the legislature, and the evidence which it has taken will be accessible to you, I assume.

Hon. George S. Graham, district attorney of Philadelphia county, and Hon. E. S. Stuart, mayor of Philadelphia, Francis B. Reeves, chairman of the commission appointed by the executive of the commonwealth, and Mr. William Van Osten, chairman of the committee of council, have freely offered to furnish all the evidence in their possession bearing on the subject of the present inquiry.

Barsley's Big Stealings.

From these various sources of information it appears to be the undisputed fact, that during

most of his official term John Barsley was permitted to retain and to use a very large amount of money collected for and payable into the state treasury, for which he neither made, nor was ever called upon and required to make, the account directed by law. For the collection of the moneys so retained by him no such legal steps were ever taken as are mandatory upon the state treasurer and auditor general; and he is shown to have embezzled them to the amount of more than a million and a quarter dollars.

The memoranda and entries made in his books at the time by John Barsley, and when he had no apparent reason to expect public disclosure or adverse use of them, indicate that apart from the salary, fees and commissions of his office, to which he was entitled by law, he made an interest, dividends and bribes nearly \$300,000. The greater part of this was paid to him for the use of the state moneys which he was allowed to retain in his possession, and for his exercise and abuse of powers in association with and under the control of the auditing and fiscal departments of the state.

The stubs of his check book and the entries upon his private memoranda, made at the time, show that he paid to a clerk of the auditor general's office a one-half share of moneys criminally received by him from the magistrates of Philadelphia in whose hands he placed the suits for the collection of delinquent mercantile taxes. The magistrates have testified that they paid John Barsley these moneys to the amount of \$350 each, in each year, he deducting it from their warrants on the state treasury, which the auditor general testifies he sent to John Barsley, and not to the persons in whose favor they were drawn.

Livsey's Remarkable Absence.

These same memoranda and stubs show that John Barsley regularly received large sums of money from the publishers of newspapers, which obtained the advertisement of the mercantile appraisal lists, and were paid by the commonwealth for this advertising. The selection of these newspapers was the duty and right of the auditor general and John Barsley, acting conjointly. It is admitted by some of the newspaper publishers that they paid these moneys to a clerk in the office of Auditor General Thomas McCamant, and the books of John Barsley indicate that he divided the bribes thus received with Auditor General Thomas McCamant, or with some as yet undiscovered person of the same initials. The auditor general has denied under oath that he received any share of these moneys, and his clerk is dead.

In the volume of testimony already taken and from the reports of the different authorities engaged in the work of investigation, other significant and serious matters appear.

William Livsey, three times state treasurer, familiar with the office, and the cashier of State Treasurer Henry K. Boyer, has been absent from the state almost continuously since the first Barsley exposures. He is reported as being beyond the reach of all officials and investigators. Committees who have desired his presence for some months past. The state treasurer has testified that he has no knowledge of Mr. Livsey's whereabouts, and that since July last he has had no communication with or from him, except to receive and accept his resignation.

Among the books and papers of John Barsley appear evidence and memoranda made by him, which effect the certain days and dates he received large sums of money for interest from banks, depositories and individuals to whom he had loaned the funds of the state, which he was permitted to retain or which was transferred to him by the consent, permission, confederation and connivance of State Treasurer Henry K. Boyer, Cashier William Livsey and Auditor General Thomas McCamant.

Somebody Shared in the Spoils.

These same memoranda and check books show payments by John Barsley of money to William Livsey, cashier of the state treasury, and presumably to Auditor General Thomas McCamant, from time to time during the period that he was permitted by these officials to retain the enormous amounts of state moneys which he had in his hands.

Regularly, for a considerable period, on or about the first of each month, after receiving in about the afternoon, Barsley appears to have drawn checks for a portion of it for the benefit of some person or persons whose names cannot be ascertained by reason of the mutilation of the stubs of his check books. With like regularity and at dates quickly following his receipts of interest, as will appear from the letters, of which admittedly correct copies are accessible to you, Auditor General Thomas McCamant wrote, gratefully acknowledging favors received from John Barsley. His statements as to the meaning of these letters will also be accessible to you.

In like terms of acknowledgments for favors sent him, at dates corresponding with John Barsley's checks, William Livsey wrote frequent letters to him.

For example John Barsley received interest monthly for the state moneys he was permitted by the auditor general and state treasurer to retain and use, instead of paying them into the state treasury, as directed by law.

On April 1, 1890, John Barsley drew a check, of which the stub is missing, for \$600. On April 2, 1890, he sent a registered letter to Auditor General Thomas McCamant and another to Cashier William Livsey, of which they acknowledge the receipt.

For Favors Received.

On May 1, 1890, John Barsley drew a similar check for \$600. In a letter of May 3, 1890, Auditor General Thomas McCamant says: "Please accept my thanks for favors received this morning."

On June 2, 1890, John Barsley drew a like check for \$600. In a letter to him, dated June 4, 1890, Auditor General Thomas McCamant says: "Your favor of yesterday received and you will accept my thanks."

On July 5, 1890, John Barsley drew a check for some unknown person for \$700. On July 6, 1890, he received a letter in which Auditor General Thomas McCamant says: "I have your favor and you will please accept my thanks."

On August 5, 1890, John Barsley's check, of which the stub has disappeared, was drawn for \$700. Auditor General McCamant's letter of the same date says: "You will please accept my thanks for favors received." On August 5, 1890, Cashier William Livsey wrote: "Your complimentary note received, many thanks."

On September 4, 1890, John Barsley drew a check, of which the stub has been torn from his check book, for \$600. On September 5, 1890, Auditor General McCamant wrote him this acknowledgment: "I have your letters this morning and you will please accept my thanks."

On October 2, 1890, John Barsley drew a check for \$600. The letter to him from Auditor General Thomas McCamant, under date of October 3, 1890, says: "I am in receipt of your favors yesterday, and you will please accept my thanks for the information therein contained." In a letter dated October 3, 1890, Cashier William Livsey says: "Compliments of yesterday duly received. Accept thanks for same."

On October 31, 1890, John Barsley drew a check for \$600. William Livsey writes under

date of November 5, 1890: "Am obliged for your kind note and compliments of 1st inst."

The Contents Were Damaged.

On November 29, 1890, John Barsley drew a check for \$600. On November 29, 1890, Auditor General Thomas McCamant telegraphed to John Barsley: "Letter received, damaged but I trust not very seriously; ascertain if you can from trustworthy sources what probabilities are and write me so that it will be received to-morrow morning. Confidential." On November 30, 1890, Auditor General Thomas McCamant wrote to him: "Your letter received and I am much obliged for your kindness." On December 2, 1890, William Livsey wrote to John Barsley: "Your note was duly received. I hope Keystone will pull through."

On December 24, 1890, John Barsley drew a check of the same kind for \$600. On December 26, 1890, William Livsey wrote him: "Your kind note received." On December 21, 1890, Thomas McCamant telegraphed to John Barsley: "Cannot leave to-day, but will be at your office to-morrow at twelve o'clock m."

On December 21, 1889, Barsley drew a check "to the order of myself" for W. L., \$500 "on stub of this check—not torn out of the book—appears the following: 'William Livsey, for his kindness to me during the year.'" In a letter from William Livsey to John Barsley, dated December 31, 1889, he wrote: "I received your letter in Pittsburgh on Saturday last when I arrived home. Thanks for your kindly consideration."

On February 28, 1891, a check was drawn by John Barsley for \$1,000, and upon the stub of it he wrote: "For L. & M. January, February, \$1,000."

On March 17, 1891, John Barsley drew a check for \$75; and on the stub wrote: "Cash; half of \$750 Mc. \$75."

The Rebate Stal.

On May 31, 1890, Auditor General McCamant approved the bills of the Philadelphia newspapers for advertising the mercantile appraisals for \$40,722.60. On the same day, according to John Barsley's memoranda, he paid them and received \$16,288.04 from the newspapers in which he and Auditor General Thomas McCamant had jointly directed the mercantile appraisals to be advertised. Of these bribes John Barsley's books represent that he paid \$2,000 to H. N. Grafton, a clerk in the auditor general's office, and \$7,144.52 to Auditor General Thomas McCamant. The telegrams show an appointment of Grafton with Barsley on May 31, 1890.

On June 2, 1890 Auditor General Thomas McCamant approved the bill for the mercantile appraisals which he and John Barsley had jointly directed to be published in four Philadelphia newspapers. These bills aggregated \$42,895.00 and John Barsley's memoranda indicate that he got \$17,076 from the publishers of the newspapers and paid \$7,108.50 of it, in "large" bills, to some person unknown. The stub of the check on which the money was drawn is missing. It was paid on the 20th. In a letter dated June 6, 1890, Auditor General Thomas McCamant made an appointment to meet John Barsley at the office of the latter at 6:30 p. m., on the 11th of June. On July 6, 1890, Auditor General Thomas McCamant directed John Barsley to invest \$10,000 in railroad bonds for him.

On April 14, 1891, Auditor General Thomas McCamant approved the bills of the Philadelphia newspapers for advertising the mercantile appraisals lists. They aggregated \$46,656. They were paid by John Barsley out of the state funds in his hands on April 15, 1891; and on the same day he made a deposit in cash to his own account of \$17,320; on April 18 he drew a check to the order of himself on this fund for \$8,064.40 and made an entry on its stubs: "Mc. myself in full, \$8,064.40."

The Mercantile Appraisals Conspiracy.

On January 1, 1891, referring to an inquiry of a then member of your body as to the amounts paid to the Philadelphia newspapers for this advertising, Auditor General Thomas McCamant wrote to John Barsley that he had withheld the information desired and advising Barsley before going to first consult the newspapers that made the publication.

The auditor general in his testimony has admitted that the five mercantile appraisers for Philadelphia, appointed by John Barsley and Auditor General McCamant, have, during each of the years in which they have exercised the duties of their office, returned for advertisement and appraisal a large list of fictitious names, of persons not residing at the places designated, of persons from whom they had received no orders, and of persons whose names whom they themselves had, from year to year, exempted, and persons against whom, again and again, the commonwealth, at enormous cost, had brought fruitless suits for collection; so that out of a total appraisal of \$229,790 for retail merchants, brokers, auctioneers and eating houses, billiards, &c., for the years 1889 and 1890, the deficiency for uncollectible taxes, half the cost of publishing the list (the other half being charged to the liquor licenses) and the costs paid to magistrates and constables in cases in which the commonwealth recovered nothing, amounted to nearly \$250,000, or about half the entire assessment. Indeed, for the years 1885-1890, inclusive, the costs of advertising the mercantile appraisal lists in Philadelphia alone aggregated \$270,000, although the auditor general testified that no public advantage whatever resulted from this publication, and that it was an utter waste of public moneys. For the same years the costs in delinquent cases aggregated over \$200,000, for which not a dollar was realized to the commonwealth; and the credits given for uncollectible taxes footed up \$425,000.

The Auditor General's Admissions.

The auditor general in his testimony has admitted, in substance, that no effort has ever been made to determine the accuracy or the honesty of these returns. These enormous bills of expenses have been promptly and unquestioningly paid out of the state treasury. Yet a searching investigation, begun and in progress under the present treasurer of Philadelphia city and county, has already disclosed wholesale padding of the lists for the purpose of defrauding the state, and endless ramifications of a corrupt system.

Indubitable proof is furnished that the state has been defrauded out of its just revenues. The mercantile appraisal books of the past three years present evidence of this on their face; while those of the four preceding administrations have entirely disappeared from the office; and the auditor general and ex-city treasurer report utter ignorance of their whereabouts.

So-called "suits" to recover delinquent mercantile taxes appear to have been simply schemes to raid the state treasury. By contrast, under improved methods, instituted this year under direction of the treasurer of Philadelphia, thousands of dollars have already been saved by not engaging the state in costly and fruitless litigation and by honestly pressing to recovery judgments against persons who have been heretofore permitted to evade their debts to the commonwealth. More has already been collected in this way for 1891 than in any previous year, though less than one-tenth of the cases have been heard. In view of the relations which are admitted and shown to have existed between the ap-

praisers, the magistrates, the city treasurer, and the auditor general's department, this condition of things becomes of significant import.

Proceedings are now pending in the criminal courts against the mercantile appraisers and the delinquent, charged with conspiracy to cheat and defraud the commonwealth of Pennsylvania.

In this connection careful inquiry should be made to ascertain whether there is "reasonable cause" for the removal of any of the magistrates or constables of Philadelphia because of faithless or dishonest conduct in the performance of their official duties.

Embezzled Over a Million.

From the testimony given by Thomas McCamant, auditor general, and by Henry K. Boyer, state treasurer, before the legislative investigating committee, it appears further that of the moneys collected by John Barsley for the commonwealth of Pennsylvania he has failed to pay over the following amounts:

Personal property tax (1890).....	\$62,013 11
License taxes (1891).....	282,222 96
License taxes (1890).....	367,604 18
..... (1891).....	1,497 54
Municipal loans tax (1890).....	56,630 89
Total.....	\$1,366,378 59

Of this total no portion has been secured to the commonwealth except \$150,000, the entire amount of the license tax bond given by Barsley, leaving due to the state about a million and a quarter dollars. In addition to this sum there was paid to John Barsley out of the state treasury, on December 30, 1890, \$420,000 for the public schools of the city of Philadelphia, no portion of which was applied by him for that purpose, and for the whole amount of which the authorities of Philadelphia claim to have a legal and moral obligation against the commonwealth. In what proportion the losses of the public moneys shall be divided between the city and the state is the subject of litigation not yet concluded. But, in any event, it appears that a total of \$1,786,378.59 of money belonging to the commonwealth of Pennsylvania has been misapplied, misappropriated, embezzled and stolen. The subject of your inquiry should be whether or not the responsibility of this loss lies with the fiscal and auditing officers of the state, or either of them, or of the subordinates for whose acts they are officially responsible.

Barsley Kindly Treated.

From the testimony of Thomas McCamant, auditor general, given before the joint legislative investigating committee, and from an examination of the books of the state department in the treasurer's office of Philadelphia city and county, it appears that nearly all the moneys collected for the commonwealth on account of personal property tax are received by the city and county treasurer, and were in particular received by John Barsley before the first of August in each year. The act of June 1, 1889, (p. 1, 427), under which these taxes are levied, prescribed that the several counties and cities collecting them "on the first Monday of September shall pay into the state treasury all such sums or sums of money as may then have been collected, and shall on the second Monday of November immediately following, in each year, complete and pay into the said state treasury the whole amount remaining unpaid, and in default thereof it shall be the duty of the auditor general to add ten per cent. penalty to each county or city on all taxes remaining unpaid on the second Monday of November of each year." Of the moneys thus collected for the personal property tax of 1889 by John Barsley, (the commonwealth's share, amounting to \$510,044.27), only \$200,000 were paid in before the second Monday of November. The sum of \$124,500 was paid in January, 1890, and the balance, \$170,895, was retained by John Barsley for his own personal use until November 25, 1890, more than a year after the same was due and payable to the state, and several months after the collections for the ensuing year were in his hands. This money of the commonwealth was allowed to remain in his possession and under his control, with the knowledge, consent and permission of the auditor general and state treasurer. No settlement of the same was ever transmitted to the attorney general for collection, no penalties nor interest were charged against John Barsley and no commissions were abated by reason of his default.

Holding Back Taxes.

Of the taxes collected for 1890, amounting to \$785,733.27, no portion was paid on the first Monday of September, nor on the second Monday of November following. On December 31, 1890, \$150,000 was remitted to the commonwealth by John Barsley, but on the same day this was returned to him by the fiscal and auditing officers of the state. On January 13, 1891, it was again paid into the state treasury by Barsley, and after that time no portion of the personal property taxes collected for 1890 were paid into the state treasury, and \$632,012.11 of public moneys have on this account been embezzled, stolen and lost. Among the papers of John Barsley is found a letter from the state treasurer, Henry K. Boyer, dated Harrisburg, December 22, 1890, in which that official says: "I find I can get along without any money this month from you," Barsley having in his hands at that time, of state moneys, \$1,456,758.06, nearly all of which had been collected by him prior to August 1, 1890, and most of which had been embezzled, stolen and lost. In a letter dated November 24, 1890, Auditor General Thomas McCamant advises John Barsley to "allow the city share of the 1890 tax" to remain in his hands until December.

From the beginning of the year 1891 until he quit his office, John Barsley collected for the commonwealth, of personal property taxes, \$289,226.64, most of which was paid by him into the state treasury, and most of which has been embezzled, stolen and lost.

Of the license moneys collected by Barsley for the commonwealth in 1889, amounting to \$572,339.36, most of which was collected before July 1, 1889, he was permitted to retain in his possession and for his own private use for more than a year, \$257,078.48, for which no settlement against him was ever transmitted to the attorney general for collection, no interest or penalties were imposed upon him and there was no abatement of his commission for his default.

The Commonwealth's Slim Security.

Of the \$387,604.18 collected by him on the same account for the year 1890, most of which was paid to him before June 1, 1890, he was permitted by the fiscal and auditing authorities to retain the whole amount in his hands until February 27, 1891, when he made a payment of \$100,000, and on March 13, 1891, he made a balance of \$287,604.18 of the commonwealth's money, for all of which he was indebted to it at the time of his imprisonment; and for no part of which, except by the \$120,000 bond, is the commonwealth secured.

During so much of the year 1891 as John Barsley was the exercise of the duties of the office of city treasurer, of the moneys he collected for licenses, he claims a credit of the greater part for expenses and fees of mercantile appraisements.

For the tax on municipal loans, payable from the city to the state, John Barsley received from the city of Philadelphia, on June 26, 1889, \$40,680.49, and on December 30, 1889, \$29,254.77, a total of \$69,935.26, which he was permitted to retain in his own hands and for his own

personal use until September 30, 1890, when it was paid over.

On June 6, 1890, he received from the city of Philadelphia, for like purposes, \$47,448.80, and on December 5, 1890, he received \$43,127.75, making a total of \$90,612.63, all of which he was allowed to retain for his own personal use, all of which he embezzled, and no portion of which was ever paid into the state treasury.

In all the foregoing instances it appears from the testimony of Messrs. Boyer and McCamant that neither of them made any attempt to enforce any of the provisions of the act of May 7, 1889, to which, as follows, I now direct your particular attention:

A Law That Was Not Enforced.

An act providing for quarterly returns and payments by county and city officers of moneys received by them for the use of the commonwealth.

Section 1. Be it enacted, &c., That on the first Monday of July next, and quarterly thereafter, it shall be the duty of each county and city officer to render to the auditor general and state treasurer, under oath or affirmation, quarterly returns of all moneys received for the use of the commonwealth, designating under proper heads the sources from which said moneys were received, and to pay the said moneys into the state treasury.

Section 2. Any officer who shall refuse or neglect for the period of thirty days after the same shall become due, to make any return or payment as required by the preceding section of this act, shall forfeit his fees and commissions on the whole amount of money collected during the quarter, and shall be subject to a penalty of ten per centum, which shall be added to the amount of the tax found due.

Section 3. The state treasurer and auditor general, or either of them, or any agent appointed by them or either of them, are hereby authorized to examine the books and accounts of any county or city officer who shall refuse or neglect to make any return required by the first section of this act, and from the information obtained from such examination the auditor general and state treasurer shall settle an account against such officer, in the usual manner for the settlement of public accounts, and in the settlement of such accounts shall not exceed fifty per centum, to the amount of the tax to provide for any losses which might otherwise result to the commonwealth, from neglect or refusal of the said officer to furnish the return.

The State's Safeguard.

Section 4. If the amount of any account settled in accordance with the preceding section of this act shall not be paid into the state treasury within fifteen days from the date of said account then the same shall be placed in the hands of the attorney general for collection and shall bear interest from fifteen days after date of settlement at the rate of twelve per centum per annum, and if the auditor general and state treasurer, or either of them, shall deem it conducive to the public interest to proceed immediately upon said account against the sureties of said officer, they shall so instruct the attorney general, who shall proceed in accordance with such direction received from them or either of them.

Section 5. All acts or parts of acts inconsistent herewith, or which are substantially re-enacted hereby, shall be, and the same are hereby repealed, saving, preserving and excepting unto the commonwealth the right to collect any taxes accrued or accruing under said repealed acts or parts of acts.

In his testimony before the legislative committee, State Treasurer Henry K. Boyer admitted that he understood this to be the law, and that quarterly returns and settlements ought to be made, Auditor General Thomas McCamant testified that the law was impracticable, but conceded that under John Barsley's successor, the present treasurer of Philadelphia, the law has been at least partly complied with, more than a million for the year 1890 on account of Philadelphia county's share in the personal property tax of 1890, though at that time no portion of the said tax, except \$150,000, which seems to have been simultaneously paid out of the state treasury, had been paid to or received by the commonwealth. Under the sixteenth section of the act of June 1, 1889, it is prescribed that the one-third of the personal property tax which is collected by the state treasury shall be returned by the state treasurer to the county paying it, and it has been testified that the board of revenue commissioners decided that under this act the several counties of the commonwealth were required to pay into the state treasury the entire amount of the personal property tax and until after the whole amount had been paid in, Mr. McCamant, auditor general, testified that, at the time he drew and remitted the warrant for the before mentioned \$150,000 to John Barsley, there was then owing from him to the commonwealth \$627,013.11 for tax on personal property, and \$227,604.18 on account of licenses, a total of \$854,617.29, all of which facts appear upon the books of the auditing and fiscal departments of the commonwealth.

At the same session of the legislative investigating committee it was admitted by Henry K. Boyer, state treasurer, and it appears by the records of the auditor general's, state treasurer's and school departments—that on December 30, 1890, in accordance with the agreement and confederation of himself and the cashier of his office, William Livsey,

Without Any Solicitation

on the part of the municipal or school authorities of Philadelphia, or of any one connected with the school department of the state, he instructed and procured the superintendent of public instruction to draw warrants on the state treasury on account of the schools appropriation for Philadelphia county, amounting to \$430,000; that he had these warrants drawn five months in advance of the ending of the school year, seven before the warrants of any one of the other twenty-three hundred school districts were drawn, for the express purpose of reducing the balance of money in the general fund below the limit of \$1,500,000, and in order to make the execution of the law which required him, on the first day of January, 1891, to apply all sums in the general fund exceeding that amount to the sinking fund for investing in interest-bearing securities.

He further testified that he carried these warrants himself to Philadelphia and delivered them to John Barsley; before he left Harrisburg, however, he charged them up as cash paid out of the state treasury before January 1, 1891, in order to prevent the money from being paid into the sinking fund. John Barsley, in his statement in court, testified that he received the warrants on January 3 or 4. It thus appears that State Treasurer Boyer, himself a commissioner of the sinking fund, sworn to obey and charged with the execution of the law regulating the sinking

fund, deliberately, and for the express purpose of defeating the law, diverted \$430,000 into the hands of John Barsley.

He further testified that when William Livsey, cashier of the treasury, wrote to John Barsley, under date of December 23, 1890, that this was done to reduce the general fund, and under date of December 29, that "the warrants must be charged not later than the thirty-first; also checks drawn to get our account down;" that such letters were written to John Barsley by the authority and in pursuance of an agreement made between Henry K. Boyer, state treasurer, and his cashier, William Livsey, to evade and defeat the operations of the law regulating the management of the state funds.

Never Reached its Destination.

It also appears that no portion of this \$430,000, thus improperly and unlawfully paid to John Barsley by the state treasurer, was ever paid into the school fund of the city of Philadelphia; but that the whole of it has been stolen and lost; and that no portion of this loss would have been incurred had the warrant been drawn at the regular time, in accordance with law, and at the same date that the school appropriation became effective for the other districts of the state.

I submit this summary of the facts touching the administration of these two departments, admitted and testified to by their chief officers before a joint committee of the legislature, in order that the senate may determine the action appropriate in the premises.

I regret the necessity which has arisen to summon you from your homes and accustomed avocations to this extraordinary session. I have availed the resort to and the exhaustion of the processes of the criminal laws. Their frustration has only intensified the righteous demand of the people that their servants, sworn to obey and enforce the laws and to protect and defend the interests of the commonwealth, shall answer for neglect of duty or complicity in crime. I am responsible of determining whether reasonable cause exists for the removal of them rests with you. The public expects that it will be met and discharged without regard to partisan advantage or detriment, and with a single concern for the good name and honor of the commonwealth. I invoke for your session that deliberation of counsel, joined with prompt dispatch of public business which every requirement of the occasion demands.

ROBERT E. PATTISON.

CROPS IN THIS STATE.

AN AVERAGE OF SEVENTEEN AND ONE-HALF BUSHELS OF WHEAT PER ACRE.

Impossible to Estimate the Yield of Potatoes in Some Localities—Secretary Edge's Latest Bulletin.

The reports received by the state board of agriculture, since the threshing of the wheat crop was commenced, warrant Secretary Edge in increasing his estimate of the yield slightly. The final crop reports of the board indicate that the wheat crop of 1891 will amount to 22,500,000 bushels from 1,300,000 acres, or at the average rate of seventeen and a half bushels per acre. In Chester, Lancaster and other southeastern counties crops of over thirty-five bushels per acre have been reported. Of this crop fully 2,500,000 was used for seed, leaving 20,000,000 for home use and for sale. At present prices it is safe to estimate the money value of the crop at \$22,500,000. This is the largest crop for a number of years and may be compared with that of 1872 which was estimated at 11,500,000 bushels.

The board estimates the oats crop of the past year at 31,500,000 bushels from 1,200,000 acres, or at the rate of an average yield of 20 1/2 bushels per acre.

The yield of potatoes is estimated at 13,250,000 bushels from 142,000