

THE FRONTIER.

VOLUME XXV.

O'NEILL, NEBRASKA, THURSDAY, DECEMBER 1, 1904.

NUMBER 23.

Remember our sale has been running since October 22. Goods purchased anytime during the sale before November 1 must be settled for before Saturday, Dec 10, or the discount will be forfeited, as thirty days and the few days to give notice is positively all the time that will be allowed at these prices. The cut on winter lines that must be closed out is deeper than ever. All staple lines 20 per cent discount. Do not overlook the terms: Cash or thirty days time, with ten days extra for notice. Yours truly,

J. P. MANN.

HAGERTY BANK CLOSED

President and Cashier Leave Town Without Saying Goodbye.

MANY SORRYING DEPOSITORS

Ten Cents in Cash and \$21.10 in Checks Found in the Vault by the Examiner.

President Bernard McGreevy and Cashier Patrick Hagerty, until recently the respected and beloved officials of the Elkhorn Valley bank, have skipped out, leaving behind reposing in the bolted vault the generous sum of ten cents.

This bit of information would seem like a fairy tale to the depositors of the institution, and personal friends of the departed cashier and president, were they not now up against the cold, hard proposition of being broke.

Patrick Hagerty, the first postmaster and first store keeper of O'Neill, who never before was out of the county since he first came here thirty years ago, whose hair is now whitened by the frosts of seventy winters, and for whom nearly everybody showed the utmost respect, made his departure on a Northwestern train in the darkness of early morning on Thanksgiving day, leaving his family, a wrecked bank and many sorrowing depositors behind.

Bernard McGreevy, his partner and president of the bank, went on the Sunday or Monday previous.

Mrs. Hagerty's Story.

The first information of the insolvency of the bank was Friday morning when the doors were not opened for business after the Thanksgiving holiday. Mrs. Hagerty, wife of the cashier, was seen and in explanation of the closing said that her husband had gone to Sioux City to consult an attorney and would be back that evening, when an explanation would be made. This proved to be a play for time, and then Mrs. Hagerty claimed she had a statement from her husband that would be made public as soon as she had submitted it to her attorney, M. F. Harrington. This also proved disappointing. The statement was merely a letter addressed by Mr. Hagerty to Mr. Harrington saying he was going away and appealing to Mr. Harrington to care for his family. It also spoke of three notes that were

missing from the bank, expressing the belief that McGreevy took them. The notes referred to are held as collateral by an Omaha bank.

Mortgages for School and City Funds

Mrs. McGreevy was also seen. She claims to not know where her husband is, but avers he had not taken a dollar of the money belonging to the bank. Mr. McGreevy was treasurer of the school district and city of O'Neill. To protect these funds, she says, which were on deposit at the bank, he left a mortgage on a section of land a mile and a half from O'Neill. These mortgages were executed on the 19th and were filed on the 25th by Mrs. McGreevy. They are: To school district No. 7, \$2,711; to city of O'Neill, \$779. On the same date three previous mortgages were given on the same land as follows: \$2,000 to First National bank of Sioux City, \$1,583 to Blair State bank, and \$1,300 to E. E. Halstead of Ponca. Mrs. McGreevy says her husband valued the land at \$13,000 and considers it ample for these various obligations.

McGreevy Leaves Statement.

Mr. McGreevy left this statement for the public:

To whom it may concern: The bank for which I have been working commenced business in December, 1888. During that year Mr. Hagerty came to me with a proposition, stating that he was going to start a bank and wanted to know what wages I would want to work in the bank for him. As I was engaged in selling machinery at that time, I agreed to work for him for \$40 per month and one half the profit from the sale of machinery. I did not have any money at that time to put into a bank and was not asked to put up any money. In January, 1892, the bank was incorporated, and at that time, without consulting me about it, Mr. Hagerty issued \$5,000 of the stock in my name and asked me to sign notes for the amount, assuring me that it was simply a matter of form. I have never been asked to pay those notes. They are long since outlawed and yet in the bank. During the whole of this time Mr. Hagerty conducted the bank entirely to suit himself and I have simply been an employe, working for wages and that less than \$600 a year.

For several years I was about the bank but very little of the time, being engaged in selling machinery, feeding cattle and buying and selling live stock. In the year 1896 I was called on to devote more time to the bank. I then noticed that Mr. Hagerty's account was overdrawn several hundred dollars. He paid off his overdraft by giving his note to the bank. At a later period his account was again overdrawn, he then paid it in the same manner. At the end of the year these notes were destroyed and

replaced by fictitious notes. This was a great surprise to me but Mr. Hagerty assured me that he would be able to take up the paper in a short time. This was the first transaction of the kind that came to my notice. Instead of these notes being taken up, they have been increased from time to time until I have despaired of him ever being able to meet them.

This thing has caused me a considerable amount of worry for years and I will not rest under it longer. Mr. Hagerty has drawn \$2,000 to \$3,000 a year from the bank for his support and approximately 40 per cent of this money belong to the depositors. As evidence of the truth of the above assertions I refer anyone to the books of the bank, also to a few of the notes hereto attached.

Signed: Bernard McGreevy.

Five notes signed "Patrick Hagerty" are attached to the statement. The amounts and dates are as follows:

\$500, September 24, 1902.
\$500, September 9, 1901.
\$500, July 2, 1901.
\$500, May 7, 1902.
\$210, April 15, 1901.

Examiner Takes Charge.

Bank Examiner Fred Whittemore of Lincoln arrived in the city Saturday afternoon and is now in charge of the bank. He found 10 cents in the vault, checks on other banks for \$21.10 and notes aggregating \$25,000, the books showing there should be \$65,000 in notes. The books of the bank had not been posted since November 18, and on that date there was on deposit \$57,000.

Mrs. Hagerty Gives Out Statement Monday Mrs. Hagerty gave out this statement:

The newspapers have said that Mr. Hagerty took away a large sum of money. This is untrue. He took only about \$400. Neither did he take any notes. Any one can see the notes would be no good to him. He could neither sell nor collect them under present conditions. The only papers he took were private papers, of no commercial value. Mr. Hagerty only left because he could not pay, and he had not the heart to meet the depositors, most of whom were old time friends who had placed implicit confidence in him.

It is a great misfortune that he went into the banking business. He was well off before he engaged in banking and he is the greatest sufferer by the failure. The bank had many heavy losses. Mr. Hagerty had confidence in customers who borrowed from him and who could not or would not pay. If the debts due the bank were all paid, nobody would lose anything. Those who criticize Mr. Hagerty, might also give some attention to those who borrowed and never paid the money back.

Many Depositors.

Just what condition the bank is in, how much of the securities and notes found are good, etc., can not be stated until the examiner completes his labors. Many unfortunate people, however, lost their savings by the collapse. Nora Sullivan, an aged woman who came here many years ago and lost her money when the Holt County bank failed several years ago was caught in this failure. During the last fourteen years she had saved up and deposited \$1,300 in the Elkhorn Valley bank. The money was earned by the hardest kind of work and saved

with a view of providing her in her last days, and is practically all she has in the world. J. A. Copperwaite had on deposit something like \$4,000, Mrs. Corrigan between \$4,000 and \$5,000, H. A. Polk \$2,000, Timothy Sullivan \$200, Thomas Tierney \$300, Peter Kelly \$1,400, John Dwyer \$1,500, Mrs. Golden \$160, Mrs. Patrick Coyne \$800, Fred Cliff received the intelligence while away on a wedding tour that \$900 of his money had gone up with the bank, P. F. Thompson and wife lost over \$200, James Early \$500, several lodge treasurers had money on deposit there, and many others. In all there were 183 depositors.

Public and Association Funds.

The public, lodge, church and other funds were: County, \$4,619.55; school, \$2,711.41; city, \$779.39; Golden Irrigation district, \$312.44; lodges and churches, \$800. The bond securing the county funds is signed by Patrick Hagerty and B. McGreevy as principals, and John McGreevy, Thomas Naughton, Pat Madden, Peter Donohoe, William Cronin, M. Slattery and J. H. Early as sureties.

Questionable Note

Notes of the Elkhorn Valley bank held as collateral by other banks are coming in and making some revelations as to the methods of the bank. One note held by an Omaha bank was sent here which looks suspicious. The note is for \$1,300, written on the margin "secured by 110 head of cattle" and the name of T. J. Cook signed to it. No such person is known here. The note was made out this year, those who have seen it saying the handwriting resembles that of B. McGreevy's.

The bank examiner compiles the following statement, showing the condition of the bank on November 18:

ASSETS.	
Bills receivable.....	\$65,061 02
Overdrafts.....	2,258 85
Due from banks.....	1,473 85
Banking house.....	3,500 00
Furniture and fixtures.....	1,500 00
Other real estate.....	2,500 00
Due from banks.....	1,303 53
Cash.....	2,184 08
Total.....	\$80,881 41
LIABILITIES.	
Capital.....	\$15,000 00
Surplus.....	1,500 00
Profits.....	3,238 26
Individual deposits.....	26,398 92
Certificates of deposits.....	32,076 33
Bills payable.....	2,500 00
Total.....	\$80,881 41

Warrants are out for the arrest of McGreevy and Hagerty but they have not yet been located. Hagerty is charged with receiving deposits after the bank was known to be insolvent and McGreevy with embezzling city funds.

EXAMINER'S REPORT

Assets and Liabilities of Defunct Bank.

Bank Examiner Whittemore today forwarded his report to the state banking board of the assets found and the liabilities to be paid therefrom in his examination of the defunct Elkhorn Valley bank.

The examiner's report is:

ASSETS.	
Bills receivable.....	\$62,147 12
Overdrafts.....	1,998 83
Due from banks.....	1,810 37
Cash.....	21 10
Checks.....	21 19
Banking house furniture and fixtures.....	5,000 00
Total.....	\$73,977 42
LIABILITIES.	
Deposits.....	\$63,781 28
Bills payable.....	2,500 00
Unpaid drafts.....	206 67
Total.....	\$66,487 95

Mr. Whittemore said this morning that he was unable to say what percentage of the assets were collectable. A number of notes on hand were found to be of no value. He has been devoting his time to bringing the books up to date and so had not yet investigated the value of the assets thoroughly. If the total amount could be turned into cash at 100 cents on the dollar creditors of the bank would realize a fair per cent. It is probable, however, the bills receivable will not materialize any great amount of cash.

Discount Sale!

From 20 to 50 Per Cent off

Dress goods, shoes, hats and caps, men's suits and overcoats, boys' suits and overcoats, children's suits and overcoats, ladies' cloaks and tailor suits, ladies' skirts and shirt waists, shower proof raglans and rubber clothing, trunks and valises, fur coats, my entire stock of shoes—everything goes in this sale except groceries.

P. J. McMANUS

M. DOWLING, President

JAS. F. O'DONNELL, Cashier

CAPITAL & SURPLUS..... \$40,000.00

O'Neill National Bank

5 Per Cent Paid on Time Certificates of Deposit

This Bank carries no indebtedness of Officers or Stockholders