

**Volcano erupting**

Thousands flee as a thick column of ash blows across southern Chile. — International, 10A



**Twister damage tallied**

FEMA teams tour tornado-hit counties to decide aid. — Arkansas, 1B

# Arkansas Democrat Gazette

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**In the news**

■ **Philippe Quint**, a Grammy-nominated violinist who left a 285-year-old Stradivari in a taxi during a ride home from Newark Liberty International Airport, played a lunchtime concert for driver Mohamed Khalil, who returned the \$4 million instrument, and about 200 other cabbies.

■ **Gary Dodds**, 43, a former congressional candidate convicted of falsifying evidence and other counts for faking his disappearance after a car crash in New Hampshire two years ago, has been arrested in Portsmouth after his wife reported to area police that he threw her to the floor while on vacation in Florida.

■ **Jack Jordan**, 37, a former mental patient, has been convicted in New York of stalking and harassing *Pulp Fiction* actress Uma Thurman.

■ **Anna Kedzierszowska**, a Warsaw, Poland, police official, said the 23-year-old son of Kuwaiti Ambassador Khaled Al-Shaibani, identified only as Mohammad A., has been accused of holding three Jewish teenagers against their will.

■ **Bernie Marcus**, a co-founder of The Home Depot and founder of the Georgia Aquarium in Atlanta, announced that the world's largest aquarium is adding dolphins to the mix with a \$110 million expansion.

■ **Bertie Ahern**, 56, Ireland's prime minister who announced last month he would resign, spent his last day in office with Ian Paisley, the Protestant leader of Northern Ireland, at a ceremony for a new tourist center on the 1690 Battle of the Boyne, a Protestant triumph that has fueled centuries of conflict with Catholics.

■ **Martha Reeves**, 66, a Detroit City Council member who scored hits in the 1960s with Motown's Martha Reeves and the Vandellas, said thieves broke into her childhood home on Detroit's east side over the weekend and stole about \$1 million worth of uninsured recording equipment.

■ **Madhusudan Wadhwa**, 76, and his wife were locked inside their home for several hours after New Delhi, India, officials mistook their residence for a commercial business in violation of local zoning laws and padlocked their gate, an event that went unnoticed by the couple napping inside until their son visited and saw the municipal seal outside.

■ **Kody "Monster" Scott**, 44, also known as Sanyika Sakura, who wrote *Monster: The Autobiography of an L.A. Gang Member*, in which the South Los Angeles gang member said he killed, robbed and committed other crimes since being inducted into a street gang at age 11, has been sentenced to six years in state prison for a 2006 carjacking.



AP/MICHAEL CONROY  
**Hillary Rodham Clinton** acknowledges her supporters Tuesday at a rally in Indianapolis.

## Obama, Clinton each win a state

He takes N.C.; she just snags Indiana

BY DAVID ESPO AND LIZ SIDOTI  
THE ASSOCIATED PRESS

INDIANAPOLIS — Democratic front-runner Barack Obama won the North Carolina presidential primary Tuesday night and declared he was closing in on the Democratic presidential nomination. Hillary Rodham Clinton narrowly won Indiana as she struggled to make up lost ground, according to The Associated Press.

Obama won 56 percent of the vote in North Carolina, a triumph that mirrored earlier wins in Southern states with large black populations. "Tonight we stand less than 200 delegates away from winning the Democratic nomination for president of the United States," Obama told a raucous rally in Raleigh, N.C.

The North Carolina outcome made Indiana a must-win Midwestern state for the former first lady, hoping to counter Obama's persistent delegate advantage with a strong run through the late primaries.

"Tonight, we've come from behind. We've broken the tie, and thanks to you, it's full speed to the White House," Clinton told cheering supporters in Indianapolis, in a signal that she is determined to fight

See **PRIMARIES**, Page 7A



AP/JAE C. HONG  
**Barack Obama** talks at a primary election night rally in Raleigh, N.C., on Tuesday.

## Aid slowly getting into Burma



AP  
**A man cuts up a tree** Tuesday in Rangoon, Burma, where residents and soldiers used power saws, axes and their bare hands to clean up debris from Saturday's cyclone.

22,000 dead; electricity out to 6.5 million

DEMOCRAT-GAZETTE PRESS SERVICES

RANGOON, Burma — International aid began to trickle into Burma on Tuesday, but the stricken Irrawaddy delta, the nation's rice bowl where 22,000 people perished and twice as many are missing, remained cut off from the world.

In the former capital of Rangoon, soldiers from the military regime were out on the streets in large numbers for the first time since Cyclone Nargis hit over the weekend, helping to clear away rubble. Buddhist monks and Catholic nuns wielded axes and long knives to remove ancient, fallen trees that were once the city's pride.

However, coastal areas of the delta hit worst by the high winds and tidal surges were out of reach for aid workers, isolated by flooding and road damage.

Electricity remained off for See **BURMA**, Page 8A

## Fannie Mae posts loss, will raise capital

Mortgage giant bleeds \$2.2 billion in quarter as home prices fall more than expected

DEMOCRAT-GAZETTE PRESS SERVICES

WASHINGTON — The steeper slide in home prices is accelerating the pace of foreclosures, Fannie Mae reported Tuesday as it outlined plans for shoring up its finances after a \$2.2 billion first-quarter loss.

While the nation's largest buyer of home loans will slice its dividend and attempt to raise \$6 billion in capital, mostly by issuing new shares, federal regulators loosened Fannie's capital requirements as the government looks for ways to bolster the housing market.

Fannie Mae's first-quarter loss contrasts with a profit of

\$961 million in the January-March period last year. The company reported Tuesday that its early 2008 loss was equivalent to \$2.57 a share, far heavier than the 81 cents per share that analysts polled by Thomson Financial had expected it to lose. Fannie Mae earned 85 cents a share a year earlier.

Revenue rose 38 percent in the first quarter, to \$3.8 billion, bolstered by increases in fees that Fannie Mae charges lenders to guarantee mortgages and in interest income.

On Tuesday, Fannie Mae said it would cut its dividend, starting in the third quarter, from 35

cents to 25 cents a share, freeing up around \$390 million a year. The company already had slashed the dividend 30 percent in December when it also raised \$7 billion in capital in a special stock sale.

Moody's Investors Service downgraded the company's financial-strength rating because of the potential for further losses from soured home loans over the next two years, but investors pushed Fannie Mae's shares higher in anticipation of the bigger role it will play in the mortgage market.

After an initial steep decline Tuesday, shares jumped 8.9 per-

cent, or \$2.52, to close at \$30.81 in New York Stock Exchange trading. They are at roughly half their value of a year ago.

Fannie Mae — the nickname for the Federal National Mortgage Association — was created in 1938 by Congress at a time when millions of families could not become homeowners or risked losing their homes, according to the company's Web site. It was established to provide a source of mortgage funding throughout the United States and to help lower the cost of buying a home.

The company was rechartered See **FANNIE MAE**, Page 4A

## Costly gas has more riding bus

BY JAKE SANDLIN  
ARKANSAS DEMOCRAT-GAZETTE

It took a while for Andre Johnson of Maumelle to realize he had a cheaper way of making the 36-mile round-trip drive to work in Little Rock each day.

Rising gasoline costs and the daily sight of the Maumelle Express bus converted Johnson into a bus rider.

"I'm saving \$150 per month easy," Johnson said Tuesday while waiting for the 7:05 a.m. bus that stops beside the Maumelle Community Center parking lot. "I've only been doing this for two weeks. I've been kicking myself for not doing it five or six months ago."

As a daily bus rider on the 23-passenger Maumelle Express, he pockets the difference See **BUSES**, Page 9A



Arkansas Democrat-Gazette/STEVE KEESEE  
**Andre Johnson** boards the Maumelle Express bus Tuesday morning as he heads to work in Little Rock.

**WEATHER**

**LITTLE ROCK**  
**Today** Cloudy with a chance of showers and thunderstorms.  
**High** 78 with south winds at 10 to 15 mph.  
**Tonight** Showers and thunderstorms likely.  
**Low** 63.

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## PB School District worker facing 1,100 counts in theft of \$884,712

BY MIKE LINN  
ARKANSAS DEMOCRAT-GAZETTE

PINE BLUFF — Prosecutors filed more than 1,100 felony charges against a secretary for the Pine Bluff School District on Tuesday and accused her of stealing \$884,712 from the district by depositing fraudulent business checks.

Lynda King, 39, is charged with 576 counts of felony forgery, 551 counts of felony theft of

property and 25 counts of misdemeanor theft of property.

Authorities said the longtime secretary/data analyst concocted a "brazen" scheme to defraud the district over seven years, from Jan. 10, 2001, to March 30.

She turned herself in to authorities Tuesday afternoon and was being held in lieu of \$100,000 cash-only bond in the Jefferson County jail, said Steven Dalrymple, the prosecuting

attorney for the 11th Judicial District-West.

"I'm professionally saddened because this goes against everything that I've tried to teach and model during my tenure as superintendent," Pine Bluff School District Superintendent Frank Anthony said Tuesday evening.

"My heart and sympathy goes out to her family. She disrupted the trust that the administration had placed in her."

A spokesman for Robinson & Associates, the Pine Bluff law firm representing King, declined to comment on the charges Tuesday evening.

Anthony said most of the missing money involved purchase orders to a fictitious vendor with the name MTC, the same as a technology company that used to do business with the district.

He said MTC Inc. was es-

tablished, using the same name as the technology company, to complete the scheme.

Doug Brown, director of business and finance at the district, discovered that money was missing April 3, and the district notified authorities.

He declined to comment Tuesday, referring all calls to Dalrymple.

"This is a tremendous amount See **THEFT**, Page 4A