

COUNCIL WILL INVEST SINKING FUND IN PAPER

NEWLY-ISSUED WARRANTS TO BE TAKEN WITHOUT INTEREST PAYMENT

KNOTTY PROBLEM TALKED

Situation of City's Finances Gone In to Detail—Deadlock Between the Mayor and Council Continues to Exist—Various Topics Relative to Finance Are Brought up.

COUNCIL PROCEEDINGS IN TABLOID.

- Met and partially solved problem of preventing compound interest on improvement warrants.
- City to invest in general warrants.
- Telephone franchise returned for remedy of discrepancies existing in draft.
- Deadlock between mayor and council over appointments broken and reopened in less than five minutes.
- Foreclosures on delinquents on interest ordered.
- New method of assessing property for improvements introduced.
- Salary bills paid week ahead of last orders.
- Three of council object to paying Host and Walden wages.
- Appraisers of city assets appointed.

Finding relief in the very paper that has deteriorated in value of late, the city of La Grande will invest sinking funds in general warrants having not less than 95 cents on the dollar and holding them until called, thereby stopping interest on \$8,000, general fund warrants at the very start, and increase the amount as the progresses. This action was taken last night after a long session of the council wherein the deadlock between Mayor Hall and the council over certain appointments, and financial problems of the city were the chief items of public interest.

The franchise question came up but was speedily sent back to committees. The street committee reported to the council that it had met with the Eastern Oregon Co-Operative Telephone company and requested that concern to draft its tentative ordinance, and the committee presented that draft with the report. Hence the council was forced to have read, for information only, the franchise as the farmers' firm had drafted it, and but one fault was found with it in the cursory examination and that was there was no mention whatever of a revenue tax to the city. The general franchise provisions covering poles, conduits and the like were covered in detail and the maximum charges of \$1.50 and \$1.25 were fixed to suit the farmers, and practically every phase going with a franchise excepting the revenue question, was touched upon. This discrepancy was discovered however and the franchise ordinance has been sent back to committee, the judiciary this time, to be remedied, and will come up at the next meeting. Informal discussion of what this revenue shall be, came up, some favoring 3 per cent on gross income straight through the life of the 19-year franchise and others favoring the new company pay the same as the Home company, to wit, there, four and five per cent for the last 15 years divided into five-year periods.

Finances Real Problem.

Questions of finance came up early in the evening and occupied a greater portion of the session's time. There are now and have been frequent times in the past when the improvement warrants are called in and no interest money at hand. This arises from the fact that when certain improvements are carried out, the contractor is paid by the city with improvement fund warrants which run with six per cent interest until the bonds covering that particular pro-

ject are floated. Then the warrants and interests are stopped automatically and it has come to pass in the past and again right now in two instances, that the city has been liable for interest money which usually runs about two months—from time of construction until the bonds are liquidated—and there is no fund other than the general fund to pay these interest claims from. This consequently creates compound interest for the city to bear and all the pros and cons of the difficult situation were discussed. Councilman Sargent offered a partial solution in asking that the contingency fund which warrants are always dollar for dollar, be increased to provide for this contingency. It is believed this will eventually solve this situation.

To repair and enhance the cash value of general fund warrants was a subject long discussed. A resolution was finally presented by Councilman Halsten which met with the approval of the council along this matter and brings to a focus a matter which the council has long had under consideration, namely, the investment of the Beaver creek pipe line sinking fund now amounting to some \$5,000.00, and growing rapidly.

The Financial Plan.
It will not be possible, under the resolution, to pay any interest on warrants, therefore the Beaver creek pipe line bond fund cannot be used to call in warrants. Concisely stated the plan is this: The city will buy warrants as it can with this fund taking only newly-issued warrants such as labor certificates, salary bills and what other general fund warrants that may be issued from time to time. The city must not pay less than 95 cents on the dollar, though the market now is 92 in most cases. The city will then hold these warrants as any individual or bank would and when, in due course of time, they are turned in, the city will collect the face value but pay no interest, turning the profits of 5 per cent back to the Beaver creek pipe line bond fund. In this way the city, as an investor, is a nearby situation. It goes a good way toward solving the situation but the council has only \$5000 to handle a general fund indebtedness of some \$83,000.

NEW ASSESSMENT METHOD.

Parallel Property in Quarter Blocks Not to Pay All Hereafter.

New methods of making improvement assessments on abutting and contiguous property are embraced in an ordinance read last night for information and to come up for final passage shortly. To best illustrate the working principle a quarter block of any block may be taken. If the lots in that block have their long axis North and South, it follows that they front on East and West streets. When the East and West street is paved, the abutting property pays the costs, and in the payment of the intersections, the lots pay 40, 30, 20 and 10 per cent respectively of this cost. However, there is little change in that but the new method provides that when the North and South streets which lie parallel to the long way of the corner 1-4 block is paved the quarter block shall be divided into 4 zones along the East-West street and pay 40, 30, 20 and 10 per cent. This removes a portion of the burden from the man who owns the abutting property and distributes it on contiguous property which benefits by the fact that there is paving on the North and South property. The sidewalk and curb expense is paid entirely by abutting property.

Minor Business Heavy.

During the evening various minor business matters came up for consideration. Among them was the petition of the Eastern Oregon Power company for a main to the power plant which was recommended denied by the committee and so ended up in the council.

Orders that 25 per cent of contract price be deposited with the city by property owners who are in improvement districts but wish to let their sidewalk contracts to individuals outright, were rescinded insofar as they pertain to the particular section on East Adams avenue where the first application of this rule was to be made. Contractor P. J. Lilly presented agreements with a big number of owners and there remains only a little over 200 feet uncontracted for in that district. It is likely the street committee will either eliminate the district entirely or have it cut down so that there will be no superfluous advertising of bids.

Salary Bills Paid.

Undoing in a measure what had been done at the last regular meeting, action was taken to pay salary warrants, which were ordered held up at the last meeting, until the next regular meeting two weeks from then. Considerable discussion has been

FEARFUL LOSS OF LIFE ATTENDS BATTLE BEING FOUGHT WITHOUT ATTENTION GIVEN TO DEAD OR WOUNDED THAT LITTER CITY

Mexico City, Feb. 13.—Mexico City's battle raging since Sunday was resumed at 8:10 this morning. Except for the fact that the belligerents have drawn a little closer, the positions are at the same as yesterday. Bladere has assumed the aggressive with additional ammunition at hand. He has pressed heavier guns into service but Diaz has replied with cannon and machine guns. Shells are still falling in the territory outside of the fighting zone, endangering Americans.

Dead Not Moved.

Practically no effort is being made to move the dead and wounded from the blood-spattered streets. Some of the streets are literally choked with torn and dismembered bodies. Many of the wounded lack medical attention and the city is threatened with pestilence because of the decomposing bodies. The loss of life is fearful but the exact number will never be known.

COURT HOLDS NIGHT SESSION

ADDED FREIGHT CHARGES ARE DENIED

Replevin Case Before the Court Today for Consideration.

In the case of Bruun against the Apple City Liquor company the jury has returned a verdict for the defendant. The defendant was sued on an account, and the verdict means that the defendant does not owe the additional sum required by the brewing firm of the company for a recent sale.

Most of yesterday and last night was taken up in a hearing of the case of David Zimmerle vs. Frank Childers. The object of this suit is to recover 24 hogs and 18½ bales of hay or their value, attached by J. B. Weaver and taken possession of by the sheriff, Mr. Childers at the time.

Mr. Zimmerle claims ownership of the property, although it was thought to be the property of the Grande Ronde Orchard company. The amount sued for in the event the property cannot be delivered, is \$750.

Hearing evidence is still in progress. Green and Ivanhoe are attorneys for the plaintiff and Turner Oliver is representing the defendant.

The next case to come up is that of the state against Geo. W. Buchanan, who is charged with the crime of assault with a dangerous weapon. Buchanan was arraigned the other day and pleaded not guilty.

Jack McGlothlin Here.

"The man who owns the Illinois Central railroad," is the way many of Jack McGlothlin's friends speak of him, but today he denied emphatically that he owns the entire system and stated that, according to his best information, there were several small stockholders scattered over the country that he had not yet been able to deal with in order to have the system in its entirety.

Jack is here "glomming" all the freight he can get over his line from the east. He is the Oregon agent for that railroad.

Basketball Tonight.

The Union picked stars will battle with the Y. M. C. A. team this evening at the rink commencing at 8 o'clock.

Foreigner in Terror.

Liberated convicts roam the streets spreading terror in a terror stricken city. Many homes are burned by these convicts and Americans spent a night of terror.

American Building Wrecked.

The Library-American club was wrecked at noon when shrapnel was fired directly into the building.

Fighting Rules Ignored.

Both armies are ignoring the fighting rules of civilized nations. There was a lull in the firing at 10 o'clock although shells fell intermittently in remote districts and killed people who had fled to places they thought safe. Fewer women and children are being slain than the first day.

At 5 o'clock this morning Diaz issued a statement that he would not accept an official position in Mexico and regretted the loss of several men and while wanting peace was prepared to carry on a supreme struggle.

SECOND DAY HAS REVERSES

FINAL AND CONCLUDING CHAPTER TONIGHT.

All Contributors to Baseball Fund Should Be on Hand Early.

With the city covered by solicitors in a very thorough manner, and all the larger subscriptions obtained, reports from this committee will be filed tonight at the Commercial club room when the final situation will be discussed. The committees admit that the second day didn't bring the results contemplated and after the \$1900 mark was passed, donations came very slowly. At the present situation there is need of careful preparation and every contributor to this fund is very urgently requested to be



(Copyright by Powers Eng. Co., N. Y.) Miss Helen Taft (incidentally her famous "bonnet" daughter, of the president, whose engagement to marry Dr. C. N. Grayson, United States navy, it is expected, will be announced in the near future. Intimate friends who are supposed to know positively of the betrothal, are speculating as to whether Mrs. Taft is planning a white house wedding as the last social function of the outgoing administration.

TRANSPORTS WELL LOADED READY TO GO

CUBAN BATTLESHIP ORDERED INTO FIGHTING ZONE BY UNCLE SAM.

ENGLISH DEMAND ACTION

Word Received From Interior Points Indicate Entire Country in Rebellion—Dispatches Censored by Mexican Government Very Closely—Americans Are in Terror.

Washington, Feb. 13.—Secretary of State Knox has notified the Cuban battleship Cuba, with 200 troops aboard, to land a force at Vera Cruz and to go to Mexico City to protect the Cuban legation.

General Steever, commanding the American troops in Texas, has wired that all is quiet at Jauerez, but adds, "Jauerez is peaceful but lightning will generally strike there from a clear sky."

General Wood declared today that the government has not made request for the state militia to hold itself in readiness.

Four Transports Fitted up. Instead of two transports preparing for quick trips to Mexico from Newport News, four are being fitted out. They can accommodate 3,000 troops and carry 30 days provisions.

American residents are sleeping on their arms prepared to defend their lives and property if need arises. A dispatch from official sources says the censorship of the Mexican government over dispatches is increasing. Officials believe here that order will never be restored until Taft orders intervention. It will require the government two weeks to fit itself for proper intervention.

Interior in Disorder.

El Paso, Feb. 13.—Refugees reaching here say interior cities and towns are ready to revolt, and that garrisons along the way will try to prevent intervention of American soldiers. Word received here says that 7000 regulars will cross the line at one time, if the order comes, and that militiamen will take the regulars' places on the patrol line.

Alarm is felt for Americans in Sonora state. Drunken Mexicans are making life dangerous there.

London Wants Intervention.

London, Feb. 13.—Radical newspapers are demanding American intervention to effect a settlement of the Mexican crisis.

ALL TALKING PANAMA FAIR.

William Ash Says "1915" Is Popular Date in 'Frisco.

Wm. Ash, who has recently returned from San Francisco, where he went to consult a specialist regarding a condition of the heart, says Frisco is vigorously talking the Panama fair. Every place he went the fair was the all-important subject. While a great deal has not been done to the physical exterior of the fair grounds Mr. Ash says things are gradually taking shape and with such energy behind the movement as the Frisco people are displaying there is little doubt that it will be all that is claimed for it in the way of an exposition. The date "1915" is the established date on everything in Frisco, and said Mr. Ash, "One almost forgets that this is 1913 and believes he is living two years later."

Mr. Ash was pleased to learn that his heart condition was not serious and improvement is certain by following a diet prescribed.