

OFFICIAL REPORT OF AUDITOR PRESENTS INTERESTING FACTS

Here is the full report of the auditors who have been looking over the books of the city of Missoula. It presents some interesting facts and suggestions, and is well worth reading: To the Mayor and City Council, City of Missoula, Mont.

Gentlemen: Carrying out our contract with you under date of May 5, 1914, and later amended, we have audited the books of the city of Missoula for the period beginning January 1, 1912, and ending April 30, 1914, and herewith submit our report supported by exhibits and schedules as per index.

Your attention is directed to the general financial condition of the city as shown in exhibit A, under the caption "Current Balance Sheet—General and Road Funds." The current assets are shown to be as follows: Treasurer's cash, \$5,789.23; Due on bond covering warrant No. 10889, \$100.00; Advances to special improvement districts, \$3,322.61; Delinquent taxes (2-3 of total), \$60.82.

Total, \$15,172.79. The current liabilities are shown as follows: Warrants payable, general fund, \$211,834.39; Warrants payable, road fund, 1,379.13; Interest accrued on above, 14,907.72; Accounts payable, 7,557.97.

Total, \$229,615.48. Deducting current assets from current liabilities, a current deficit of \$209,615.48 is shown.

Warrant No. 10889 for \$150 was paid twice. It appears that this warrant was lost and a surety bond to cover the amount was filed with the city clerk in February, 1912, and the warrant paid. In May, 1912, the warrant was again paid, the treasurer overlooking the prior payment. The interest on this warrant amounted to \$10.98. Steps should be taken to recover on the bond covering this warrant.

The item in the current balance sheet "Advances to Special Improvement Districts, \$3,322.61" is composed largely of preliminary expenses paid out of the general fund for the construction of the projected south side sewer system.

The clerk's ledger account with general fund warrants outstanding as of April 30, 1914, totaled \$220,299.15, while the actual amount of outstanding warrants amounted to \$211,834.39, a difference of \$8,464.76. For the most part, this large difference was occasioned by an error made in opening the books as of January 1, 1912. The road fund warrant account was also incorrectly opened as of above date, and the balance on April 30, 1914, should have been \$1,379.18 instead of \$1,422.46 as shown by the ledger, a difference of \$43.27.

Note that in the current balance sheet we have included accounts payable amounting to \$7,557.97. This item covers April claims for which warrants were issued in May.

Capital Account Balance Sheet. This balance sheet shows the following assets: Cash and sinking fund investments, \$17,200.78; Accrued interest on sinking fund investments, 344.25; Lands, buildings and equipment, 170,826.43.

Total, \$188,371.46. And the following liabilities: 4 1/2 per cent refunding bridge and sewer bonds, \$53,000.00; Interest accrued thereon, 1,743.75.

Total, \$54,743.75. Leaving a capital surplus of \$33,627.71, of which amount \$17,545.03 is reserved for retirement of the bonded debt.

The inventory of lands, buildings and equipment was submitted to us by the mayor and does not include special improvements paid for by special improvement districts. These special improvements should be included in the city's assets and we suggest that the city engineer prepare an inventory of all such improvements and the same be set up on the clerk's ledger.

In order to provide a sinking fund sufficient to retire the bonded debt by the time it is due the levy for sinking fund should be increased to 1 3/4 mills.

Special Improvement Districts Balance Sheet. In connection with this balance sheet your attention is directed to the item of \$15 and \$500 set up as assets. These items represent overpayments of interest coupons of special improvement district warrants. Steps should be taken by the city treasurer to recover these amounts.

Included in the liabilities on this balance sheet is an item "Advances from Sinking Fund, \$3,324.55." This item consists of a warrant issued against improvement district "No. XA" and covers advances made in the month of August, 1913, for preliminary expenses. No such district as "XA" has been created and the issuance of this warrant appears to have been to avoid spending this money out of the general fund, as is customary. Your attention is called to this unusual use of the sinking fund.

Sinking Trust Funds Balance Sheet. This balance sheet shows the condition of each of the trust funds in the possession of the city. The cemetery fund has a balance of \$2,352.50 which consists of cash in the possession of the city treasurer and the secretary of the cemetery board, less outstanding warrants amounting to \$429.28. The park fund has a surplus of \$3,493.42 consisting of cash in the possession of the city treasurer. The library fund surplus of \$2,359.82 consists of cash in the possession of the city treasurer and the city librarian. The firemen's disability fund surplus amounting to \$5,101, consists of cash and warrants in the possession of the Firemen's Relief Association.

Heretofore warrants issued by officials other than the city clerk have not been entered on the clerk's records until paid by the city treasurer. All transactions of the city, whether of the city corporate, or of the trust funds should be recorded by the city clerk, so that the clerk's ledger would show at all times the condition of all the city's affairs.

General Revenue and Expenditure. In exhibit "B" we present a statement of the city's general revenues and expenditures by fiscal years. Inasmuch as the first period covered by our examination comprises but the last four months of the fiscal year ending April 30, 1912, the results for this period may not be compared with the fiscal year ending April 30, 1913, and April 30, 1914. The revenue for this period of four months is much greater than it ordinarily is as advances to the amount of \$18,875.80 made to the special improvement districts prior to January 1, 1912, were returned to the general fund during this period. On the other hand, most of the general taxes levied during the year ending April 30, 1912, were collected prior to January 1, 1912. For comparative purposes, therefore, the statement of revenues and expenditures for this period of four months is of little value.

Proceeding to a comparison of the two years ending April 30, 1913, and April 30, 1914, we subjoin the following statement:

	Year Ending April 30, 1913	Year Ending April 30, 1914	Increase	Decrease
Revenue—				
General taxes	\$64,982.00	\$62,841.10	\$2,120.81	
Road poll taxes	3,354.00	2,091.00	1,263.00	
Miscellaneous	48,733.34	42,716.23	6,017.11	
Total revenue	\$117,069.34	\$108,648.42	\$8,420.92	
Expenditures—				
Accounts, finance and public property	\$32,700.53	\$15,256.11	\$17,454.42	
Public safety and charity	61,500.78	57,221.59	4,279.19	
Streets, public improvements and curbs	3,065.77	7,569.71	(4,503.94)	
Road fund	11,191.68	3,954.74	7,236.94	
Judgments and damages		1,549.00	1,549.00	
Election expenses	1,087.23	1,702.33	(615.09)	
Auditing by state		200.00	200.00	
Advances to special improvement districts	13,660.28	680.12	12,980.16	
Total exclusive of int.	\$128,215.83	\$94,333.65	\$33,882.18	
Interest on road fund and general fund warrants	10,529.53	10,058.38	471.15	
Total	\$138,744.86	\$104,392.03	\$34,352.83	

From the foregoing statement you will observe that with few exceptions, both revenues and expenditures show a decrease for the year 1913-1914. The decrease in miscellaneous revenue is largely due to the fact that the special improvement districts returned to the general fund, \$6,577.75, during the year 1912-1913, and but \$1,149.40 during the year 1913-1914.

The decrease in expenditures for accounts, finance and public property is due to the fact that salaries were decreased from \$9,134.11 to \$7,823.35; supplies and expenses were decreased from \$1,542.20 to \$424.98; repairs to buildings were decreased from \$1,441.83 to \$31; purchase of public property from \$11,205.22 to \$183.10, and miscellaneous expenditures from \$6,336.17 to \$2,788.66.

A decrease of \$4,279.19 is noted in expenditures for public safety and charity. For the items making up this decrease we refer you to schedule "B" of exhibit "B."

It will be noted that advances to special improvement districts in the year 1912-1913 amounted to \$13,660.28 and to \$680.12 for the year 1913-1914.

The total general fund revenues and expenditures for the two fiscal years ending April 30, 1913 and April 30, 1914, respectively, is as follows:

	1912-1913	1913-1914
Revenues	\$117,069.34	\$108,648.42
Expenditures	138,744.86	104,392.03
Revenues exceed expenditures	4,266.39	4,256.39
Excess rev. s	21,695.52	

If it may be assumed that the expenditures for 1912-1913 for the purchase of public property and advances to special improvement districts were, abnormally large, and that the year 1913-1914 may be taken for a criterion, the present revenue of the city appears to be ample to care for the expenditures, as the year 1913-1914 shows an excess of revenues over expenditures amounting to \$4,256.39.

Whether or not the city has exceeded its legal limit of indebtedness is of particular interest. Answering our inquiry as to which items of debt should be considered as being limited by constitutional restrictions, the city attorney in a letter dated June 24, 1914, says:

"Answering your request for information as to what indebtedness of the city of Missoula is proper as a charge against the 3 per cent constitutional limit as of April 30, 1914, I desire to suggest the following items: "All outstanding general fund warrants."

"All outstanding road fund warrants."

"All outstanding bridge and sewer bonds or refunding bonds which constitute a charge against the entire city."

"Accrued interest on above items."

"Items to be considered as reducing the indebtedness as a charge against the 3 per cent constitutional limit are: "General fund cash on hand and all items under this head carried as cash."

"Road fund cash on hand."

"Sinking fund, cash on hand and investments and accrued interest thereon."

"Advances to special improvement districts ought properly to be included as such advances are merely temporary loans from the general fund until the tax levy for special improvement district indebtedness becomes available."

Following the suggestions as quoted above, the following result is obtained:

	General fund warrants payable	Road fund warrants payable	Bridge and sewer bonds	Accrued interest on above	Total
General fund warrants payable	\$211,934.39				\$211,934.39
Road fund warrants payable		1,379.18			1,379.18
Bridge and sewer bonds			35,000.00		35,000.00
Accrued interest on above				16,657.48	16,657.48
Total	\$211,934.39	1,379.18	35,000.00	16,657.48	\$224,971.05

Less the following items:

	General fund cash	Road fund cash	Sinking fund cash and investments	Interest on sinking fund investments	Advances to special improvement districts	Total
General fund cash	5,170.50					5,170.50
Road fund cash		598.88				598.88
Sinking fund cash and investments			17,200.78			17,200.78
Interest on sinking fund investments				344.25		344.25
Advances to special improvement districts					3,322.61	3,322.61
Total	\$5,170.50	\$598.88	\$17,200.78	\$344.25	\$3,322.61	\$26,737.02

Net indebtedness to charge against constitutional limit, \$224,971.05

Constitutional limit, \$231,268.03

3 per cent of assessed valuation year 1913, \$6,389,988 191,699.94

Indebtedness exceeds limit, \$93,568.09

Warrants Paid in Advance of Call. In exhibit "I" we have detailed the general fund warrants that were given preference by being ahead of call. With respect to the warrants issued to the Seagrave company, August 23, 1911, and paid to John M. Evans, February 6, 1912, your attention is called to the item of "Sundry discounts, \$152.69" appearing as a miscellaneous revenue in exhibit "B" schedule "I." From this it would appear that the city received a consideration from the Seagrave company for giving their warrants preference. As a matter of justice to other holders of warrants aside from any legal question involved such transactions cannot be condoned. As to the other warrants paid in advance of call, it does not

appear that the city received consideration for giving them preference. That the city should pay outstanding warrants in their sequence as called cannot be questioned.

City Library Records. The present method in use by the librarian for handling petty disbursements is not satisfactory. Instead of making such disbursements and deducting same from remittances, and deducting a warrant should be issued each month for the disbursements of that month. This warrant should be included with payments to treasurer. In this way no disbursements would be made without a warrant.

Fire Department Petty Disbursements. The present method of handling these is likewise unsatisfactory. Instead of allowing the fire chief \$25 per month, a revolving fund of \$25 should be given the fire chief. The fire chief should be required to file a claim each month accompanied by vouchers for his disbursements. The clerk would then issue a warrant for same restoring the revolving fund to the original amount.

Warrants Not Indorsed. Many general fund warrants have been paid without having been indorsed. The city treasurer should require all persons cashing warrants to indorse the same.

Interest Coupons Not Returned. Many special improvement district warrant coupons paid January 1, 1914, were not yet returned the first of June. The city treasurer should endeavor to have all interest coupons paid returned to the city as soon after January 1, as possible.

Treasurer's Receipts and Disbursements—Special Improvement Funds. The method of handling special improvement receipts and disbursements by entering same in one book and showing the receipts in black and disbursements in red has little to commend it. Transfers from one fund to

another should not be entered with receipts and disbursements. A journal for recording transfers has been provided and such items should be journalized.

All disbursements should be by check, and all warrants paid should be listed by number in the treasurer's disbursements.

Guarantee deposits to cover cost of repairing street openings should be kept intact and returned to making deposit when the city's bill for repairing is paid. A register of such deposits should be kept.

Improvements in System in Clerk's Office. Inasmuch as we have drafted and installed improved forms for the clerk's office it is not necessary to comment on the system which has been in force. The clerk's records have been well kept and we believe a simple and successful effort will be made to properly use the new methods.

We acknowledge the untiring courtesy accorded us by all the city officials and employes with whom we came into contact. Respectfully submitted,

ROWLAND THOMAS M'GOWAN & CO., INC.

By A. J. McGowan.

Chautauqua Jubilee Singers



This company, probably the most famous jubilee company in the world, will give two concerts here on the third day of the chautauqua. The company is composed of the following: Miss L. M. Brown, soprano; Mrs. Carolyn Dixon, alto; W. Woodfolk, first tenor; Noble Sissle, second tenor and entertainer; Charles Mason, baritone; W. A. Hann, basso and manager; and George Dunjill, accompanist and musical director.

This company has been together for years and is said to be one of the most versatile of its kind. They sing music of all grades, from the old plantation jubilee to grand opera, and they do it well. The humorous part is abundant, but it is clean and wholesome.

W. A. Hann, the big, jolly basso, is not only a remarkable singer, but he is a whole circus in himself. This company never fails to draw audiences that test the capacity of the tent or auditorium, and they put a world of "ginger" into everything.

Mrs. Alfred Oleson and Mrs. Fred Von Platen and there were also three children in the party. The ladies had a Dutch lunch Thursday evening served in a summer house on the lawn. Then followed a shunter party in a capacious tent and Friday morning an elaborate breakfast served on the lawn at 11 o'clock. Mrs. Ira McCallart and Mrs. Ole Bakke were additional guests at breakfast.

In Camp. Mr. and Mrs. John M. Orvis, Mr. and Mrs. Gilbert Reinhard, Dr. and Mrs. Edward H. Freese, Miss Helen Orvis and John Orvis are established in camp up the Rattlesnake valley at the summer home of Mr. and Mrs. Gilbert Reinhard. The gentlemen of the party spend the business hours of each day in town and enjoy the delights of camping after 6 o'clock.

Picnic Supper. Dr. and Mrs. E. G. Ellis with their guests, Mr. and Mrs. R. R. Norwood and Ralph Stiff, motored up the Rattlesnake valley Thursday evening and spread a picnic supper at sunset time.

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SOCIETY

Sharp-McClellan. Miss Ella R. Sharp of Orchard Homes and G. W. McClellan of Missoula were married at 10 o'clock yesterday morning at the home of Rev. and Mrs. E. D. Gallagher on South Second street. The ceremony was performed by Rev. Elmer D. Gallagher, pastor of the First Congregational church of this city in the presence of the bride's parents, Mr. and Mrs. Richard Sharp, her sister, Miss Gladys Sharp, and a friend, Miss Maclay. Mr. and Mrs. McClellan will make their home upon their ranch near Missoula.

For Miss Van Hauser. Mrs. Van Derslice entertained informally at the Northern Pacific railway hospital Thursday evening in compliment to Miss Nita Van Hauser of Spokane, who is here visiting her mother, Mrs. Jarvis. The young people assembled to meet Miss Van Hauser were Misses Cass, Rose, Go-forth, O'Brien, King, McVey, Miller, Skoog, Winifred Woods, Edna Woods, Mrs. Corinne Apple, Mrs. Jarvis, Dr. and Mrs. Jennings, Walter McLeod, Dr. Paul Remington, Dr. John Decker and Dr. Paul Richardson. Among other enjoyable numbers of the impromptu musicals of the evening were delightful vocal solos by Miss Van Hauser. There were roses and sweet peas abundantly decorating the rooms and delicious refreshments were served by the hostess.

Bridge Club. Mrs. E. L. Bonner charmingly entertained the Bridge club Wednesday afternoon in her beautiful home on Gerald avenue. The one guest for the afternoon was Mrs. H. T. Wilkinson and the members present were Mesdames Lombard, Lask, Belford, Rodrick, Wilcox, Rowe, Rudd, Archie Price, Kenneth Ross, John Bonner, Tyler Thompson, Spotswood, Harry Parsons, Fitzgerald and Maloney.

The club will meet next Wednesday afternoon with Mrs. John Bonner at her home on West Spruce street.

Three Years Old. Mrs. T. N. Marlowe invited 30 little boys and girls to her home on University avenue Thursday afternoon in honor of her little daughter, Eleanor, who was three years old on that date. The small guests played games on the shaded lawn and had a dainty birthday supper served out of doors.

Misses Runyon and Herron. Miss Runyon and Miss Herron of the university summer school faculty entertained at dinner at the Palace hotel Thursday evening. Their guests for the delightful function were Dr. and Mrs. W. W. Kemp and Mr. and Mrs. S. R. Logan, also of the university faculty.

Informal Luncheon. Miss Edmee Deschamps was hostess at an informal luncheon Friday at her home on East Front street. Her guests were Misses Helen McLeod, Cecile and Charlie Johnson and Juliette Deschamps.

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Hot Point	Reg. Price	Sale Price
Six pound iron	\$3.50	\$2.50
7-inch disc stove	\$5.00	\$3.00
Toaster	\$4.00	\$2.25
Fireless cooker	\$30.00	\$20.00
Small bake oven	\$12.00	\$8.00
Allum. percolator	\$7.50	\$4.50
Westinghouse Toaster stove	\$6.50	\$4.25
Toaster stove	\$5.50	\$3.50

These devices can be operated on a lamp socket. For year-round cooking our Simplex electric range is steadily gaining in popularity. This range complete with \$15 worth of high-grade cooking utensils and the expense of installation, including the outside service connections, for \$65.

We also heat water for all purposes with the Simplex water heater. This heater completely installed costs only \$20.

The special rate of 3 cents per kilowatt hour takes care of cooking and water heating in a very economical manner.

The Only Range That Gives You a Cool Kitchen. Ask Our Customers.

Missoula Light & Water Co.

Catarrh is Often Deep Seated

Local Congestions May Indicate Much Internal Inflammation.

Just because catarrh affects the nose and throat, few people realize how deep-seated it may be until it creeps into the bronchial tubes and settles down into the lungs. The way to treat catarrh is to recognize the fact that it is in the blood.

And there is only one blood purifier that can be safely used. It is S. S. S., the most powerful, the most searching, the most assimilable blood remedy known today, for it is not a mineral, but a vegetable remedy. The medicinal components of S. S. S. are relatively just as essential to well-balanced health as the nutritive properties of the grains, meats, sugars and fats of foods. Any local irritating influence in the blood is rejected by the S. S. S. and eliminated by reason of the stimulating influence of S. S. S.

You will soon realize its wonderful influence by the absence of headache, a decided clearing of the air passages, a steadily improved nasal condition, and a sense of bodily relief that proves how completely catarrh often infests the entire system. You will find S. S. S. on sale at all drug stores. It is a remarkable remedy for all and all blood affections, such as eczema, rash, lupus, tetter, psoriasis, boils, and all other diseased conditions of the blood. For special advice on any blood disease write Medical Dept., The Swift Specific Co., 532 South Bigelow, Atlanta, Ga. Carefully avoid any and all substitutes for S. S. S. There is nothing "just as good."

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