and office work, not included in the foregoing statement, a further annual saving of \$20,000 can without difficulty he effected.

The jucidental expense account of the city, which is now estimated at \$27,600, should be cut by at least \$15,-000

On the lighting of streets and city office, \$4,800 can be saved, and on street sprinkling, \$5,000. The total estimated eaving, therefore, would amount to at least \$65,320, based on conservative eswhich can be readily verified.

timates, which can be readily verified. The Mayor next recommends the creation of an electrical department with a competent supervisor.

Opposition to the existence of the fire and police hoard is made at length an arguments directed against it. AB the laws against Sunday liquor selling, gambling and presitution, the Mayor says they should either be entorced or repealed.

The report of the city engineer contains much valuable information as to the work conducted by the department during the past year upon the gravity outlet sower and the expenditures thereon. In connection with this report, I desire to call your attention to the manifest advisability of extending the sewer laterals throughout the city as rapialy as the condition of our finances will admit. This matter is one which affects the entire community directly and its importance is unquestionable.

The catch basius, which have proven so nauseous hitherto, should be removed or provided with proper sewer connections for frequent or constant urainage, which the sewer extensions referred to should supply.

The waterworks department should be given authority to replace the small main now serving the northeast bench section of this city with larger pipe. The water is drawn from the **C**it v Creek stream and the capacity of the present service is insufficient. During the last dry season this section of the city was at times almost without water, and much of the city's growth is tak ing place in that vicinity. It should not he hindered for lack of water.

A change in the method of collection and payment of water rates is desirable. Assessments are now made by the waterworks department and payment is required to be made to the city Where rates are delintressurer. quent the assessment rolls are returned to the waterworks department for the collection of these delinquent rates. More than \$20,000 of iast year's water rates are now defin-quent and the city will proba-bly lose a large amount of this sum. I suggest the creation of a special office for the collection of water rates and licenses of all kinds. The officer should give a proper boad for the faithful discharge of his duties and he required to turn into the tressury these collections at the end of every week or oftener if required.

The recommendations cantained in the report of the hoard of health have my approval.

The burial of nighteoli in the ground west of the Jordan river is usither desirable nor necessary;such refuse may be treated at the crematory without appreciable increase of expense, and that is the proper method for its disnosal.

Reference on my part to the city jall is almost superfluous. Sufficient agitation of this matter has already been raised to render its outrageous condition familiar to every citizen. T trust that your bonorable mody will manifest a more beneficial interest in providing new accommodations for the city prisoners toan has bitherto been shown.

The law department is reviewed al length and concludes with the recom-mendation that the office of clerk of the police court he abolished and that a second assistant attorney be provided for to be appointed by the Mayor or city attorney, with the approval of the Couocil. Such officer should be a member of the har and should be assigned to duty at the police court, unver the direction of the city attorney. He ought to be respinsible to the city for all fines and forfeitures paid into that court and give honds for the faithful discharge of his duties.

In conclusion, I have not entered upon my term of office with the view not entered that the Mayor alone constitutes the city government.

I fully appreciate the duties and responsibilities resting upon the Council and other departments of the public service, and recognize the fact that the co-operation of all the departments with each other is necessary to accomplish the best service, and, therefore, the greatest good to the inhabitants of this city.

I cannot too strongly emphasize the fact to this council (nat vast fetrenchment in the operating expenses of the You city government must be made. will no doubt regard it as an astounding statement, when I say that, from investigation already made by me covering this subject, that the fixed sal-aries of the officials and employes in all departments of the city government, under the present organization, from Mayor down to the official grave digger, amount to the stupendous sum of \$180,883.50 per annum.

Administrative experience in municipal offairs throughout the country, in cities of this size and of much larger growth, has demonstrated the necessity of repostng in the executive whatever power is necessary to carry into effect such reforms and execute such laws and ordinances as become bis duty in the premises.

In this city, while the Mayor is charged with the execution of the laws, his power in that respect is merely nominal, and the result of this inability is to bring the office into contempt, whereas he ought to be clothed with the authority to compel obedience to every duty required of subordinates, and to this end, he ought to he given the power to appoint all beads of departments and subordinate officers, subject to confirmation by the council, with power-to suspend or remove them for cause.

The citizens might then justly demand of him full responsibility for the proper conduct of all executive concerns, and if grievances exist, they would know to whom to apply fur the remedy, or upon whom to fix the blame. I am, most respectfully, JAMES GLENDINNING, Mayor.

ALBANY, Oregon. Jan. 31.-Lloyd Montgomery was banged here today. He exhibited a wonderful pluck and died unfitochingly.

TELEGRAPHIC NEWS.

NEW YORK, Jan. 27.-Detaiced on Ellis island are two Armenians who, under the immigration laws, will have to be deported unless they can give the necessary bonds which will entitle them to land. They say that deports tion will simply mean starvation and death.

The immigrants are Peter de Garaba dim, 22 years old, and D. M. Charchetdornan, 30 years old. 'They arrived at this port on the Servia on January 20th, and they came from Karput, near Alexandretta. Both men tell tales of horrible cruelties to which they have been subjected at the hands of the Turks and give details of the wholesale murders of Armentans. Charcherdorrian, four months ago, bad a wife and three children. He is today without them. All the members of his family were slaughtered hefore his eyes by the Turks and he was compelled to look on and see his wife first outraged and then killed. De Garabadim has also seen many of his relatives killed.

The Armenian colony in the city will probably take steps to secure the necessary bonds which will permit of their remaining in this country.

WHITING, Ind., Jan. 28. --George Banygylj waa shot and killed at East Chicago by Officer Winters while be was making his escape from Justice Cheney's court, where he was having a bearing for participating in a riot at a Polish wedding the night before. Officer Winters said he fired the fatal shot to frighten the .ugitive.

PORTLAND, Ogn., Jan. 28.-After several months spont looking into the accounts presented by the five receivers of the Union Pacific system and the counter claims of Receiver Neill of the O. R. & N. Co. J Mrd-Co. Judge MoArthur, referee, has filed his report. which is almost wholly in favor of the O. R. & N. The five Union Pacific receivers presented claims against the O. R. & N. amounting in the aggreor h. & h. antoining in the log that gate to shout \$500,000 contending that they were receivers of the O. R. & N. Co. praperties, and, as such, had the right to look to Receiver McNeill or the fundein his hands for payment of any deficits artsing by the operation of the property while in their hands.

TACOMA, Wash., Jan. 28.-Latest advices from China tell of the uttering hy Chinese forgers, on the island of Java, of \$3,000,000 of Java hank notes. In order to get the notes accepted, lorged notary acceptances were placed on them. Already six bundred thous-and of forged and discounted notes have been discovered, and mauy prominent Chinese merchante have been placed under arrest, including Capt. China, one of the wealthlest China-men in Java. It is helleved by the police that the forgertes were compieted in Singapore. Kwee Obe Boe, a native of Chiua, now a resident of Sourabaya, and a band of native Bourabaya, and etchers have been arrested. Soe has confessed to having committed the forgeries, and implicates many others, all of whom insist they are innocent.

BERLIN, Jan. 28.—Funetal services were held over the remains of Theo-dore Runyon, the late ambaseador of the United States to Germany, at 3 o'clock this afternoon. Only the family and officials of the embassy were pres ent.