

Beginning with 1872, large appropriations were made to "canal and ditch account." The amount so appropriated annually, from June 1, 1873, to June 1, 1877, was as follows:

1873.....	\$ 22,397 25
1874.....	33,594 06
1875.....	37,120 45
1876.....	16,303 47
1877.....	13,369 66

Total	\$117,734 89
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These appropriations, with other large sums of money diverted from the road account, were advances made to various canal enterprises owned and controlled by private individuals among whom, and the chief actors in which were members of the county court, including the probate judge and its clerk.

County officers were stockholders and officers in these canal companies. As such county officers they misappropriated and diverted the county funds to the building of these canals upon the pretense that it was a benefit to the county. They charged upon the county books these large sums of money against the canal companies as advances and loans, and after a while, when the statute of limitations had run against the debt, as officers and stockholders of the canal companies, backed by the legal opinion of their creature, the county attorney, they refused payment.

The only canal company that has returned to the county any portion of the money so advanced was the South Jordan Canal company, which appears to have repaid the sum of \$12,250 on an indebtedness of \$22,622.50.

On October 1, 1889, the county treasurer reports cash on hand, \$36,703.38.

□ The assessment roll for 1889 is \$119,359.02.

City Affairs.

We have examined the city records and accounts so far as opportunity would permit, and submit the following:

Balance in treasury December 1, 1885.	\$ 22,242 63
1886, received.....	200,106 68

Total	\$222,349 31
1886, disbursements	219,579 02

Balance	\$ 2,770 29
1887, receipts	225,739 15

Total	\$228,609 44
1887, disbursements	213,635 82

Balance	\$ 14,873 62
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During December, 1887, dis-	
bursed.....	\$29,462 04
During December, 1887, re-	

Balance.....	\$ 3,644 39
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1888, received.....	699,819 69
Total	\$613,464 08

1888, disbursements.....	555,238 59
Balance in treasury January 1, 1889.	\$ 58,205 49

AN ITEMIZED STATEMENT

showing the sources from which this revenue was derived and for what expended is hereto attached marked exhibit A. Reference to that statement will show that after deducting amounts borrowed and amounts paid on all loans, bonds, etc., that the receipts for 1886 exceed disbursements, \$18,273.68 and in 1887, \$34,912.38.

* But in 1888, after making such deductions the disbursements exceed the receipts in the sum of \$29,200 76, notwithstanding the fact that during that year the income from licenses exceeded that of 1886 in the sum of \$8,928.43 and from city taxes \$33,122.80 and water rates, \$9,681.75, making a total of \$51,732.98.

In looking into the cause of this we find a large portion of it consists of the following items, to-wit:

Parley's creek canal, including purchase of mill properties.....	\$45,635 02
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Purchase of hydraulic canal rights.....	5,657 94
Amounting to.....	\$55,332 96

The fact that almost sixty-five thousand dollars has been expended on new water supplies in 1888, and that the water supply of the city during 1889 was less than dur-

ing any time for years past, caused us to wonder what results had been accomplished by this unusual outlay of city funds.

In this investigation we find the city owned a canal which was supposed to conduct to the city one-sixth of the water of the Jordan river, a supply which, if the title was good, was of great value to the city.

For reasons best known to themselves, a majority of the city council favored an exchange of this water supply with the farmers for their interest in Parley's creek, with the understanding that they (the city council) would guarantee the farmers as much water for their use as they were then obtaining from Parley's creek, the measure of the water in said Parley's creek to be taken on a certain day in the spring. This exchange was consummated, and then the council

MADE A DISCOVERY.

viz. : that Mr. Jennings, Bishop Smoot and others owned two mill properties on Parley's creek, with which they claimed certain water rights, and in order that the city might receive the water for which it had traded, it became necessary to pay the mill owners about \$40,000 for their claims. This being done, the water was measured, a new canal was dug from Parley's cañon to the city, and the sum of \$45,635.02 expended thereon; then the council made another discovery, viz. : that all the water in the canal they had traded off together with all they obtained from Parley's creek would not, in the summer season when it was needed, amount to as much as they had guaranteed to the farmers, estimated by the measurements taken in the spring-time. So for the canal the city once owned, which conveyed one-sixth of the water of the River Jordan, and \$45,635 cash, the city is the happy possessor of a dry ditch on East Bench and two mill properties, which are hardly worth the powder necessary to blow them up with.

Such a transaction by a body of men, whose first duty should be to protect the city's interests and promote its welfare, admits of no reasonable explanation and for poor judgment, misappropriation of city funds, and willful betrayal of trusts, this transaction cannot be surpassed, unless it be by the "Purchase of Hydraulic Canal Rights," an account of which appears elsewhere in this report.

We here desire to state that owing to the fact that the city auditor's ledger was not posted to a later date than October 31, 1884, our duties were rendered very arduous, but through the courtesy of Mr. H. M. Wells, recorder, who was always ready and willing to render any assistance desired, we think the examination has been as thorough as could be made with the limited time given us. We attach hereto, marked Exhibit "B," a statement of the entire cost to June 30, 1889, of the water supply of the city, including Parley's creek canal and the Hydraulic canal purchases; the aggregate amount being \$858,677.97; also costs of sewers, including mains and laterals, to October 1, 1889, \$66,878.62.

We also call your attention to exhibit C, showing the amounts paid by the city to Taylor, Romney & Armstrong for

LUMBER AND WORK

from April, 1886, to October, 1889, showing a total of \$31,642.90; the prices paid being from 10 to 18 per cent. in excess of the market price.

Mayor Armstrong, when questioned on this matter, said that he had no connection with this firm, other than as a partner that he owns about one-third of the entire stock of that company. He also states that he knows nothing about what prices were charged for lumber, whether wholesale or retail; that he never ordered lumber from this firm himself, but that the heads of the different departments ordered it and that he did not object to their doing it for the reason that he had no objection to the city dealing with any firm of which he, the mayor of the city, was a member. This matter of city officers dealing directly or

indirectly with themselves seems to be a common and favorite practice, and we think cannot be too strongly censured nor prohibited any too soon. It is in open violation of law, that they be allowed thus to deal with themselves to the exclusion of other firms, and we believe in all cases without contract, to say the least, a very loose manner of conducting business and cannot but result in great waste of city funds. There seems to be no case where bids to furnish these supplies, which amount to many thousands of dollars annually, have been advertised for as they should be, if those having charge of these matters had the best interests of the taxpayers at heart.

In the examination of the department of

CITY MARSHAL AND POLICE.

we find very loose methods in conducting the business relating thereto. There are two matters to which we wish to call particular attention.

First—The supply of shoes, etc. to the prisoners. For illustration we copy one item:

April 14, 1886,	6 pair stoga shoes,	@ \$2.....	\$12 00
" 15, "	2 " " "	@ \$2.....	4 00
" 17, "	2 brushes	@ 80c.....	1 60

Total.....	\$17 60
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We find invoices of a similar nature to the above from Solomon Bros. & Gold, of which firm City Marshal Solomon is a member, in amounts from \$15 to \$30 per month, covering various descriptions of merchandise, all apparently without any agreement as to price of articles furnished. It is a matter worthy of note, that although Mayor Armstrong and Chief of Police Solomon claim not to have ordered any supplies themselves, that the bulk of supplies furnished to the several departments under their management, are invariably obtained from firms of which they are members. As before stated, this method of city officers dealing with themselves cannot, in our opinion, be too strongly censured. Such supplies should be furnished by contract, by the lowest responsible bidder, and no contract should be let until notice for bids had been given by publication in at least two of the leading papers of the city. That

THE PURCHASE OF SUPPLIES

necessary to carry on the city business should be managed in a manner wholly foreign to the rules followed in conducting private enterprises or public business elsewhere than in Utah, is, to say the least, not calculated to inspire confidence in the sincerity of those governing and controlling Salt Lake city.

Second—Exhibit "D" constitutes a list of vouchers for "Detective Services," given from March 18th, 1886, to May 30th, 1889, a period of three years, amounting to \$3,748.80 of this amount \$3,263, are Alfred Solomon's individual receipts. These vouchers as a rule read "for Detective Services," with nothing to show who performed the services or what was done. We were at first informed by Mayor Armstrong and Chief of Police Solomon, that they considered it the best plan not to keep a record of any kind, as to who performed such work nor of what work was done and that that no record had been kept in this department of the city government. That Mr. Solomon, after consultation with the Mayor, employed such detectives as he thought proper. That usually the party so employed, again employed such person or persons as he wished, and who were not known to Mr. Solomon in connection with the matter. The first employee reported to Mr. Solomon and gave him a receipt for the money he claimed to have expended; that upon this voucher Mr. Solomon paid out the city funds. At the end of the quarter Mr. Solomon turned in with his quarterly report his own individual vouchers for the amount so expended and that the original vouchers were seen by no one but himself and the mayor, and that as soon as his quarterly report was approved by the mayor, all such original