

to the welfare of our State to be treated in other than a broad and liberal manner ;” and in this statement I most heartily concur.

#### ASSETS.

Statement “I” will show you the productive and unproductive assets of the State, as of September 30, 1898, and many marked changes will be noted therein. The large amount of \$550,000.00 stock of the Washington Branch of the Baltimore & Ohio R. R. Co., was forced into the unproductive column, while the large amount of Baltimore City Stock heretofore held by the State was sold during the year. One very gratifying exhibit, however, is made in the amounts due the State by collectors and other receivers of public money, amounting this year to \$615,375.25, as against \$821,914.14 for the year previous, or a reduction of \$206,538.89. Even this balance appears large, but to the collection of which I shall devote my best energies and care.

#### STATE DEBT.

In Statement “J” is clearly shown the total State debt, as of September 30, 1898, aggregating \$9,284,986.24, or the same as last year. From this sum, however, should be deducted the available and productive assets of the State, as therein set forth, aggregating \$1,587,470.00, as well as the amount of stocks, bonds and cash to the credit of the Sinking Funds of \$4,664,488.75, making the total amount \$6,251,958.75, hence leaving as the net debt of the State at the close of the fiscal year, \$3,033,027.49, as against \$2,949,078.13 for the corresponding period of last year, or an increase of \$83,949.36. This apparent increase is made possible by the loss of \$550,000.00 of the stock of the Washington Branch of the Baltimore & Ohio R. R. Co., which, by reason of its unproductiveness, cannot now be entered as a credit against the State debt, although permissible last year. By deducting this apparent increase of \$83,949.36 from the \$550,000.00, would give the sum of \$466,050.64 as the actual reduction of the State debt during the year. The other change noticed will be in the accretion of \$30,000.00 stock of the Annapolis Water Company, the same having become productive during the year.

The last Legislature, per Chapter 219, provided for the refunding and consolidation of the entire State debt, aggregating \$9,284,986.24, save and except the Penitentiary and Insane Asylum Loans, amounting to \$600,000.00, but not maturing until 1911, as well as issuing a new loan to the extent of \$900,000.00, hereinbefore mentioned. The Defence Redemption Loan, maturing January 1, 1899, could not be entirely liquidated, although its Sinking Fund ex-