

Government on account of the expenses of the war. Before making said statement, I addressed an inquiry to the Hon. L. Allison Wilmer, Adjutant General, asking what sum, in his opinion, would be returned to the State by reason of such expenditures. A part of his reply is as follows: "The net result of which is that we should receive from the Government under the rules already established, leaving out the (about) \$12,000.00 above referred to, \$93,186.88; and we are as fairly and equitably entitled to the remaining \$26,963.84. Claim will be made for the entire amount of \$120,150.72."

To this aggregate \$2,912,829.18 must be added the balance on hand September 30, 1898, of \$566,351.30, making \$3,479,180.48, from which must be deducted the probable disbursements, aggregating \$2,795,779.56, all of which, if realized, would leave the very comfortable balance, September 30, 1899, of \$683,400.92.

FREE SCHOOL FUND.

The condition of the Free School Fund at the close of the fiscal year, is fully shown in Statement "E." By reference thereto the gross receipts and balance from last year are shown to be \$77,415.57, or a gain of \$9,156.43, but \$9,125.00 of this increase was occasioned by a reduction during the year of the capital stock of the Central National Bank of Frederick, of which bank the State held \$22,800.00 of its stock for the benefit of the counties of Carroll, Frederick and Washington, and through the payment into the Treasury by said bank of this sum, viz., \$9,125.00, the State's holdings have been reduced from \$22,800.00, to \$13,675.00, this difference of \$9,125.00 being now in the Treasury to the credit of those counties, all of which will more fully appear by reference to Statement "F." This amount being small, the Treasury officials were unable to secure a safe investment therefor; but it is the present intention to place this sum in an equal amount of the "Consolidated Loan of 1899," now about to be issued, thus securing a safe and secure investment. The disbursements on account of said fund to the several counties and city of Baltimore amounted to \$64,848.77, leaving a balance on hand of \$12,566.80, in which balance is included the amount of \$9,125.00 above mentioned.

The Common Free School Fund now holds, and has since the year 1878, \$118,100.00 of the Preferred 6 per cent. Stock of the Baltimore & Ohio R. R. Co., the dividends upon which have been passed for several consecutive periods, occasioning a loss to this fund, which has been very sorely felt. Exercising the authority contained in the Constitution and statutes of this State, the Board of Public Works has advertised said stock for sale, with every pros-