

its face value of \$1,500,000.00, far below its intrinsic worth. Hence, a conservative estimate of the value of the securities included in said credit would nearly, if not entirely, extinguish the gross debt of the State.

PUBLIC SCHOOLS.

In Statement "L" you will find the receipts and disbursements on account of the public schools, showing the largest payments ever made to the public schools of this State for a like period—\$1,411,690.86. This was made possible only by augmenting the public school tax of 12½ cents on each \$100.00, which had been reduced from the year previous by a direct appropriation of \$206,250 from the Treasury proper, as authorized by Chapter 254 of the Acts of 1908. This large appropriation was made in order that the schools should suffer no diminution of their revenue. Nevertheless, such a heavy drain upon the Treasury proper was sorely felt during the year, especially a legislative one. Therefore, in my judgment, the Legislature of 1910 acted with wisdom in making the tax rate for future years sufficient to carry the expenses of the public schools.

MISCELLANEOUS.

Your careful perusal is requested of all the other statements and tables contained in this report, and especially those giving in detail the legislative expenses of the session of 1910. The expenses of the State during the fiscal year from its ordinary receipts have been exceedingly heavy, among which may be mentioned the following:

Cash transfer to public schools.....	\$206,250.00
Legislative expenses.....	199,881.65
Public Highways (Shoemaker roads).....	177,702.20
State Road No. 1.....	74,000.00
Manual Training and Industrial Schools.....	46,500.00
Approved High Schools.....	40,000.00
	<hr/>
Total.....	\$744,333.85

The above demands were met from the ordinary revenues of the State, not one cent of which was paid from the direct levy