

General Fixed Assets:

General fixed assets activity by asset classification for the year ended June 30, 1988, was as follows (amounts expressed in thousands):

Classification	Balance July 1, 1987	Additions	Deletions	Transfers in (out)	Balance June 30, 1988
Land and improvements	\$ 512,641	\$ 11,353	\$ 210	\$ 35,874	\$ 559,658
Structure and improvements	1,978,106	56,698	12,335	137,139	2,159,608
Equipment	639,262	59,848	21,502	38,172	715,780
Construction in progress	313,311	188,149		(211,185)	290,275
Total	\$3,443,320	\$316,048	\$34,047	\$ -0-	\$3,725,321

Higher Education Fund:

Property, plant and equipment, as of June 30, 1988, consisted of the following (amounts expressed in thousands):

Land	\$ 54,088
Building and improvements	883,695
Contents	429,446
Construction in progress	69,847
Total	\$1,437,076

9. General Obligation Bonds:

General obligation bonds are authorized and issued primarily to provide funds for state owned capital improvements, including facilities for institutions of higher learning, and the construction of public schools in political subdivisions. Bonds have also been issued for local government improvements, including grants and loans for water quality improvement projects and correctional facilities, and to provide funds for repayable loans or outright grants to private, not-for-profit cultural or educational institutions. Under constitutional requirements and practice, the Maryland General Assembly, by a separate enabling act, authorizes a loan for a particular object or purpose. Thereafter the Board of Public Works, a constitutional body composed of the Governor, the Comptroller of the Treasury and the State Treasurer, by resolution authorizes the issuance of bonds in a specified amount for part or all of the loan authorized by a particular enabling act.

General obligation bonds, which are paid from the general obligation debt service fund, are backed by the full faith and credit of the State and, pursuant to the State Constitution, they must be fully paid within 15 years from the date of issue. Property taxes, debt service fund loan repayments and general fund appropriations provide the resources for repayment of general obligation bonds.

During the year, general obligation bonds aggregating \$160,000,000 were issued with a discount of \$1,574,000.

General obligation bonds outstanding and bonds authorized but unissued, as of June 30, 1988, were as follows (amounts expressed in thousands):

Purpose	Outstanding		Authorized But Unissued
	Interest Rates	Amount	Amount
General construction	4.9 % to 11.3 %	\$ 817,313	\$355,537
Public school construction	4.9 to 11.0	701,715	100,010
Water quality	4.9 to 11.8	144,335	139,619
Sanitary facilities and sewage treatment	4.7 to 11.0	12,770	3,300
Hospitals and nursing homes	4.7 to 6.75	30,390	5,150
Community colleges and vocational schools	4.7 to 6.0	26,235	20,000
Housing loans	4.7 to 6.75	56,815	6,503
Jails and correctional institutions	4.75 to 6.75	78,862	34,596
Private colleges	4.75 to 11.0	25,745	12,057
Social, cultural and historical	4.75 to 11.0	62,352	30,267
Savings and loan association insurance loan			100,000
Other	4.7 to 11.3	134,288	63,460
		\$2,090,820	\$870,499