

B. General Fixed Assets:

General fixed assets activity by asset classification for the year ended June 30, 1999, are as follows (amounts expressed in thousands).

Classification	Balance July 1, 1998	Additions	Deletions	Transfers in (out)	Balance June 30, 1999
Land and improvements	\$ 1,357,733	\$ 59,359	\$ 5,436	\$ 50,090	\$ 1,461,746
Structure and improvements	6,528,279	141,959	196,813	181,166	6,654,591
Equipment	1,689,025	195,419	68,765	(350)	1,815,329
Construction in progress	561,430	71,812		(230,906)	402,336
Total	\$10,136,467	\$468,549	\$271,014	\$ —	\$10,334,002

C. Component Units:

Property, plant and equipment of the discretely presented Component Units, as of June 30, 1999, consists of the following (amounts expressed in thousands).

	Higher Education Fund	Proprietary Funds
Land and improvements (proprietary funds include \$2,569 of land held for development)	\$ 64,900	\$ 5,642
Structure and improvements	2,532,734	48,580
Equipment	649,285	14,319
Construction in progress	200,007	281
	3,446,926	68,822
Less: Accumulated depreciation		41,852
Total	\$3,446,926	\$26,970

9. Long-Term Obligations:

A. General Long-Term Debt:

Changes in general long-term debt, for the year ended June 30, 1999, are as follows (amounts expressed in thousands).

	General Obligation Bonds	Transportation Bonds	Maryland Transportation Authority Bonds	Accrued Self- Insurance Costs	Accrued Annual Leave	Obligations Under Capital Leases	Obligations Under Capital Leases with Component Units	Total Long-Term Obligations
Balance, July 1, 1998	\$3,270,525	\$850,145	\$374,944	\$127,920	\$152,788	\$210,238	\$312,895	\$5,299,455
Bond issuances	475,000							475,000
Bond accretion			3,720					3,720
New obligations under capital leases						81,592 ^d	18,409 ^j	100,001
Reduction in bond principal	(245,297)	(95,410)	(34,175)					(374,882)
Retirements of obligations under capital leases						(40,571)	(20,991)	(61,562)
Net increase in accrued self- insurance costs				7,066				7,066
Net increase in accrued annual leave					15,618			15,618
Balance, June 30, 1999	\$3,500,228	\$754,735	\$344,489	\$134,986	\$168,406	\$251,259	\$310,313	\$5,464,416

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 education 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 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 loans for particular objects or purposes. Thereafter, the Board of Public Works, a constitutional body comprised of the Governor, the Comptroller of the Treasury and the State Treasurer, by resolution, authorizes the issuance of bonds in specified amounts for part or all of the loans authorized by particular enabling acts.

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, 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