



State of North Carolina,
Treasury Department,

7.

Raleigh,

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Dictated by

under the law is, about \$12,000. I say "about" because no report has been made for 1894. Surely that Corporation should contribute to the support of government as other tax payers.

The past two years and notably the last, have been distinguished for "hard times" -entailing great inconvenience, loss and often distress upon our people; and yet they have paid their taxes with unusual promptness. The Sheriffs and Tax Collectors have settled in full with two single exceptions of insignificant amounts, and these only because of some allowances not adjusted- less than \$200. all told. Such promptness and fidelity, under the circumstances, is unprecedented and beyond praise.

I desire to make grateful acknowledgment to your Excellency for uniform kindness and unflinching support in my efforts to protect the States interests in my keeping.

I have the honor to be

Your Obedient Servant,

Saml. W. D. Tate

State Treasurer.



State of North Carolina,
Treasury Department,

Raleigh, December 1894

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His Excellency Governor Elias Carr.

Sir:- It becomes my duty to report to you the operations of this Department for the fiscal years ended the 30th November 1893 and 30th November 1894, and the present condition of the State Treasury, with such other information as may be of use for the General Assembly in relation thereto.

The cash balances by the Ledger at the close of the fiscal year, 30th, November 1894 were:

Public Fund.....	\$303,239.38
Educational Fund.....	8,037.72
	<u>\$311,327.10</u>

The details of receipts and disbursements during the past two fiscal years are set forth in the tables used in this office and hereto appended. These, with the books and vouchers have been examined and verified by the Legislative Committee whose report is also attached.

It may be observed that my predecessor, who was Receiver of the dividends from the N.C.R.R. only carried upon the Treasury accounts the amounts needful to discharge the interest upon the "Construction bonds", \$81,600. semi-annually, whereas the States dividend was \$96,000. This semi-annual surplus was held as a trust fund for protection of bondholders, which had accumulated for two years to \$33,600. The money was turned over to me, which I reported two



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years ago, but it seemed to me the proper way was to have all dividends received entered upon the books of the Treasury and carried with the States other funds. Hence, since then the total revenue derived from that source has been regularly entered as a State receipt, and during the past year the \$33,600. turned over from the Receiver has been credited on the books, as also the amount reported as derived from the sale of bonds, \$30,800. There are now \$ 10,300. bonds carried in the cash which can be converted into a permanent investment, which I advise.

The apparent increase in revenues for 1894 over 1893 is occasioned mainly, by the entries upon the books above referred to.

From the balance of Public Fund.....	\$303,239.38
Should be deducted:	
Amt. due and since paid	
A. & M. College,.....	\$ 8,750.
Pensions due and being paid, ..	110,958.23
Disabled Firemen,.....	2,500
Inst. on 4% bonds due Jan'y.	
1st, and now being deposited..	66,500. \$188,708.23
leaving a balance of,.....	\$114,531.15

applicable to present and future needs,

Remembering, however, that in this is included the "trust funds" derived from dividends on N.C.R.R. Stock, in excess of 6% interest, balances of 8 dividends of \$8,400. ea, equal to \$67,200. which should not be used for appropriations, unless only temporarily - and



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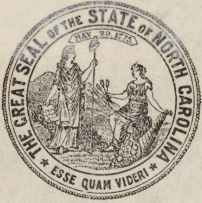
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if we consider the \$30,800. received from sale of bonds, it is found that ~~that~~ the present Revenue Bill on the existing valuations has yielded less than the disbursements for the past two years, for we started with a surplus of \$85,202.63.

Section 2364 of the Code requires the Treasurer to "furnish the General Assembly, at the commencement of each session, with estimates of the expenses of the State Government and the rates of taxation necessary to pay the same for the two years next succeeding the close of the last fiscal year, with a scheme in the form of a complete revenue bill to sustain such estimates".

The following are such estimates for the two fiscal years ending 30th, November 1895 and 30th, November 1896:

Expenses General Assembly, one year,.....	\$ 63,000.
Executive Department,.....	26,000
Judiciary,.....	57,000.
Railroad Commission,	10,000.
Bureau Immigration,	150.
" Labor Statistics,.....	3,500.
Agricultural Societies,.....	2,250.
Capitol Square,.....	600.
Conveying Convicts to Penitentiary,.....	8,000.
Fugitives, rewards and advng. for.....	2,000.
Interest on 4% State Debt,.....	133,000.
College Agriculture & Mechanic Arts,....	17,500.
Normal Schools,.....	8,500.
Oxford Orphan Asylum,.....	10,000.
Institution Deaf, Dumb, and Blind,.....	40,000.
School for Deaf and Dumb, Morganton,....	40,000.
Normal & Ind. School for Girls,.....	12,500.
Colored Orphan Asylum,.....	1,500.



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Amount forward,.....	\$435,500.
Colored A. & M. College, Greensboro,.....	2,500.
State Hospital	102,000.
Eastern Hospital,.....	37,500.
N.C. Insane Asylum,.....	52,500.
" " " Special,.....	10,000.
" University,.....	20,000.
Geological Survey,.....	10,000.
Pensions,.....	100,000.
Public Printing,.....	15,000.
Quarantine Regulations,.....	2,400.
Sheriffs for settling taxes,.....	1,000.
State Board of Health,.....	2,000.
State Guard,.....	16,000.
State Library,.....	500.
Soldiers home,.....	8,000.
Disabled Firemen,	2,500.
Guilford Battle Ground,.....	500.
General Contingent Account,.....	30,000.
Penitentiary,.....	<u>12,500.</u>
Total estimated expenses,.....	\$850,400.

The Penitentiary has had only \$12,500 annually the past two years and can, possibly, live with such an allowance, if loans are made to the Institution while making the crops. Much depends upon the seasons and the prices of their products, as to the outcome. The management has been ~~XXXXXXXX~~ exceptionally good.

The foregoing estimates have been based upon what I understand to be the needs of the objects named. Public Printing will probably cost more than \$15,000 for 1895, but less for 1896.

The Auditor reports the aggregate valuations of property, both real and personal, including Railroads, as \$262,927,119,87. Each one cent on the hundred dollars value would yield free of cost of collection, about \$25,000.

The required tax rate will be dependent upon the amount of appropriations and the new valuations to be made next Spring. It is probably safe to assume that there will be no material, if any, reduction in the valuations. On the present assessment and revenue law, it may be safely counted as yielding \$815,000 which, with the dividend from the Atlantic & N C Railroad, would give annually not less than \$840,000, but I learn we cannot count certainly on a dividend from that Railroad this year.



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The estimated expenses for the current year are \$860,400. and the same for the next year less \$63,000. for the Legislature, *or an average of \$828,900 per annum.*
State Bonded Debt.

Under the Act to "Compromise, commute and settle the State Debt" \$3,322,800. have been issued in exchange for the old valid debt of the State. It would require \$292,970. more of 4% bonds to take up the remainder of the old bonds outstanding, making the whole possible debt \$3,615,770. bearing 4% interest.

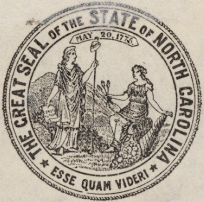
The State owns, as an investment, \$136,750. of these bonds and the Board of Education owns \$143,250., and also \$2,000. of the six per cent. bonds.

The 6% "Construction" bonds, upon which interest is paid out of the N.C. Railroad dividends, amounts to \$2,720,000.

There is no other bonded debt.

I respectfully renew my recommendation of two years ago to invest all surplus revenues in the 4% bonds.

How to secure a fair and reasonable valuation of the property in the State is a problem worthy of the best thought of the General Assembly. At present there is neither, and in view of the fact that our Constitution fixes a limit to ad valorem taxation, this wrong may bring about serious consequences hereafter.



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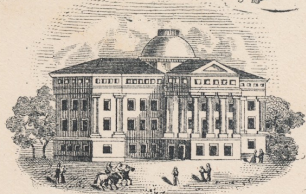
I should have earlier mentioned that under the Act of 1891 chapter 40I the County of Alexander is allowed to discharge its debt of \$13,750 to the State by annual payments of one thousand dollars, without interest, payable on the first day of January 1892 and successively until all is paid. Three such payments- November 1891, December '92, and December '93 have been made. The remaining ~~seven~~^{eleven} are maturing.

I found a deposit of \$6,889.41 in the Citizens Nat'l Bank of Raleigh, in the name of D. W. Bain, Receiver, which ~~was~~^{was} ~~to have~~ ~~been~~ turned over to him by S. F. Phillips, former Receiver, in the Swasey suit. I now have it transferred to the credit of the State to be accounted for as the other "trust funds".

Mr Phillips, in turning over the funds in his hands, as Receiver, was found to be "short" in his accounts \$9,884.08. At November Term ~~xxx~~ 1890 of U. S. Circuit Court, at Raleigh, Judgment was taken against him and his bondsmen for that amount with interest from that date. On 21st September 1891, Mr Phillips paid \$2,000 to Mess'rs Battle & Mordecai, the States counsel. The balance is still due and unpaid, although continued effort has been made to enforce its collection.

The North Carolina Railroad Company having refused longer to pay the tax upon Gross Receipts, suit was brought to enforce its collection and is now pending in the Courts. The amount now due

State of North Carolina



Treasury Department.

Treasurers Report.

If not delivered in 10 days return to this office.