

MAINE STATE LEGISLATURE

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DOCUMENTS

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THE LEGISLATURE

OF THE

STATE OF MAINE,

DURING ITS SESSION

A. D. 1845.

AUGUSTA:

WM. T. JOHNSON, PRINTER TO THE STATE.

1845.

REPORT

OF THE

TREASURER OF MAINE,

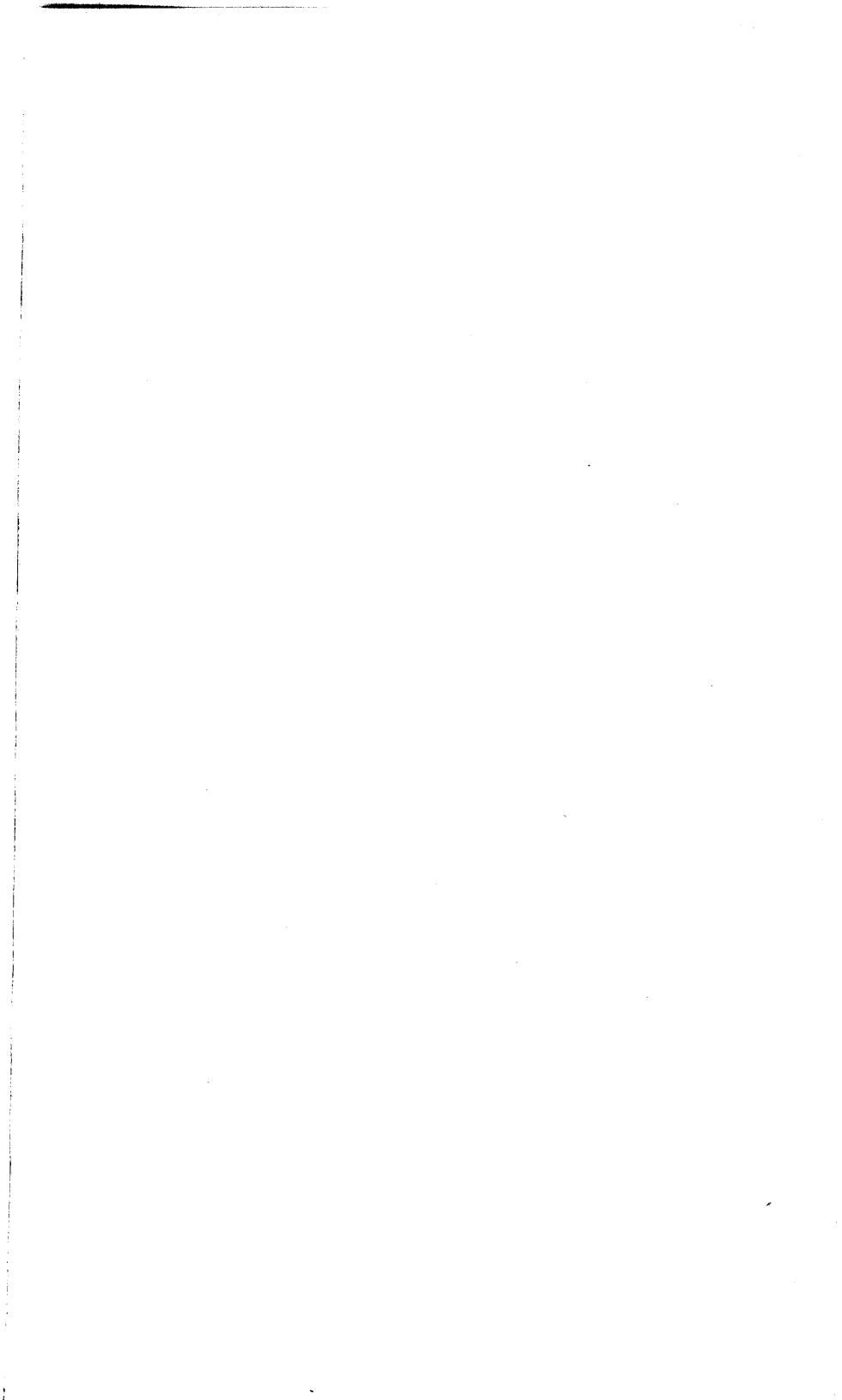
ON THE

STATE OF THE TREASURY,

DECEMBER 31, 1844.

AUGUSTA:
W_M. T. JOHNSON, PRINTER.

1845.



STATE OF MAINE.

TREASURER'S OFFICE, }
Augusta, December 31, 1844. }

*To the President of the Senate,
 and Speaker of the House of Representatives :*

THE Treasurer has prepared a statement of the receipts and expenditures of all public money, and an account of the state of the treasury, as required by law to be laid before the two houses of the legislature at their annual session, which he respectfully submits in the following

REPORT :

| | | | | |
|--|---|--|---|-------------|
| Receipts of the treasury in January, 1844, | . | | . | \$62,703 15 |
| “ “ “ February, “ | . | | . | 33,916 43 |
| “ “ “ March, “ | . | | . | 46,252 53 |
| “ “ “ April, “ | . | | . | 29,731 39 |
| “ “ “ May, “ | . | | . | 8,931 76 |
| “ “ “ June, “ | . | | . | 15,586 92 |
| “ “ “ July, “ | . | | . | 18,488 88 |
| “ “ “ August, “ | . | | . | 34,388 46 |
| “ “ “ September, “ | . | | . | 31,109 63 |
| “ “ “ October, “ | . | | . | 14,871 06 |
| “ “ “ November, “ | . | | . | 5,828 81 |
| “ “ “ December, “ | . | | . | 65,075 99 |

| | | |
|---|--|--------------|
| Total amount of receipts during the year 1844, | | \$366,885 01 |
| Balance of cash in the treasury, January 1, 1844, | | 388,595 88 |

\$755,480 89

TREASURER'S REPORT.

| | | |
|---------------------------------|----------------|------------|
| Expenditures of the treasury in | January, 1844, | \$9,381 67 |
| “ “ “ | February, “ | 57,505 09 |
| “ “ “ | March, “ | 93,529 85 |
| “ “ “ | April, “ | 45,678 12 |
| “ “ “ | May, “ | 10,462 09 |
| “ “ “ | June, “ | 41,817 70 |
| “ “ “ | July, “ | 13,831 68 |
| “ “ “ | August, “ | 5,342 30 |
| “ “ “ | September, “ | 6,760 44 |
| “ “ “ | October, “ | 18,338 65 |
| “ “ “ | November, “ | 2,389 71 |
| “ “ “ | December, “ | 58,021 35 |

Total amount of expenditure during the year 1844, \$363,058 65

Leaving a balance in the treasury, December 31,
1844, of \$392,422 24

STATE OF MAINE *in account with* JAMES WHITE, *Treasurer.*

Dr.

| | |
|--|------------|
| Military purposes, | \$1,413 87 |
| Militia pensions | 1,764 00 |
| Postage, | 1,064 95 |
| Baring and Houlton road, | 400 00 |
| Insane hospital, | 778 93 |
| School fund, No. 10, | 763 84 |
| Bank commissioners, | 886 07 |
| Roll of accounts, No. 24, | 93 30 |
| Deaf, dumb and blind, | 4,970 01 |
| Contingent fund of governor and council, | 5,221 33 |
| Miscellaneous items, | 2,186 67 |
| Cash, | 392,422 24 |
| Public debt, | 72,500 00 |
| Premium on public debt, | 2,676 36 |
| Penobscot Indian fund, | 3,644 11 |
| Maine Reports, | 1,772 00 |
| Agricultural societies, | 1,805 20 |
| Furniture and repairs, | 700 00 |

TREASURER'S REPORT.

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STATE OF MAINE *in account with* JAMES WHITE, *Treasurer.*

Dr.

| | |
|--|--------------|
| Fuel and lights, | 700 00 |
| Roll of accounts, No. 21, | 7 50 |
| Pay roll of council, | 2,500 00 |
| " senate, | 6,490 50 |
| " house, | 26,424 00 |
| Binding and stitching, | 500 00 |
| Printing, | 1,051 00 |
| Clerks, | 2,600 00 |
| Inspectors of state prison, | 1,015 37 |
| Indexes to public journals, | 150 00 |
| Contingent fund of secretary, | 150 00 |
| Commissioners under resolve of March 3, 1832, | 2,250 00 |
| Library, | 300 00 |
| State prison, | 5,400 00 |
| Subordinate officers of state prison, | 4,200 00 |
| Literary institutions, | 100 00 |
| School fund, Nos. 1 and 2, | 271 09 |
| Porter and messenger, | 143 00 |
| Valuation clerks, | 1,201 00 |
| Indian annuities, | 1,500 00 |
| Stationery, | 1,000 00 |
| Trustees insane hospital, | 478 40 |
| Contingent fund of treasurer, | 1,000 00 |
| School fund, No. 11, | 27,194 74 |
| Salaries, | 21,462 20 |
| Roll of accounts, No. 25, | 23,412 52 |
| School fund, No. 6, | 19 39 |
| County taxes, | 10,002 94 |
| Interest, | 97,886 68 |
| School fund, No. 9, | 7 69 |
| Canada road, | 300 00 |
| Costs in criminal prosecutions, | 16,036 46 |
| Instruction in Madawaska, | 250 00 |
| Military road, | 3,319 17 |
| Moosehead lake road, | 300 00 |
| Agent for settling claims against United States, | 2,000 00 |
| | <hr/> |
| | \$756,686 53 |

TREASURER'S REPORT.

STATE OF MAINE *in account with* JAMES WHITE, *Treasurer.**Cr.*

| | |
|----------------------------------|---------------------|
| State of Maine, | \$388,595 88 |
| Land agent, | 92,151 02 |
| Permanent school fund, | 15,307 53 |
| Miscellaneous items, | 3,129 69 |
| Duty on commissions, | 1,879 00 |
| State tax, 1840, | 72 08 |
| " 1841, | 238 48 |
| " 1842, | 2,305 92 |
| " 1843, | 190,857 84 |
| " 1844, | 20,207 37 |
| Penobscot Indian fund, | 95 00 |
| School fund, No. 12, | 26,131 88 |
| Bank dividends, | 550 00 |
| Bank stock, | 3,309 00 |
| Interest on deposits, | 4,624 54 |
| County taxes, | 6,808 26 |
| Interest, | 423 04 |
| | <hr/> |
| | <u>\$756,686 53</u> |

RESOURCES OF THE STATE.

| | |
|--|--------------|
| Cash in the treasury, January 1, 1845, | \$392,422 24 |
| Balance due on state tax of 1840, | 196 53 |
| " " " 1841, | 700 87 |
| " " " 1842, | 1,301 51 |
| " " " 1843, | 4,446 41 |
| " " " 1844, | 131,171 75 |

BALANCE OF COUNTY TAXES.

| | |
|---|----------|
| County of Hancock, 1841 and '44, | 47 53 |
| " Washington, 1842, '43 and '44, | 5,383 93 |
| " Oxford, 1840, '41, '42, '43 and '44, | 1,542 32 |
| " Somerset, 1840, '41, '42, '43 and '44, | 2,385 28 |
| " Penobscot, 1836, '40, '41, '42, '43 and '44, | 4,680 96 |
| " Piscataquis, 1840, '41, '42, '43 and '44, | 540 61 |
| " Franklin, 1842, '43 and '44, | 124 86 |

TREASURER'S REPORT.

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|--|--------------|
| County of Aroostook, 1841, '42, '43 and '44, | 5,178 80 |
| Securities in the land office, | 217,743 88 |
| Notes receivable in the treasury office, | 19,986 77 |
| 100 shares in Augusta bank, Augusta, | 10,000 00 |
| | <hr/> |
| | \$797,854 25 |

One third part of the Massachusetts claim against the United States, for disbursements made during the last war.

Balance of claims against the United States for expenses incurred in protecting the disputed territory, and other claims under the late treaty in relation to the boundary line of the state.

Proceeds of the sales of timber and the public lands.

LIABILITIES OF THE STATE.

PUBLIC FUNDED DEBT.

| | |
|------------------------------------|----------------|
| There is now due and uncalled for, | \$400 00 |
| There will become due in 1845, | 222,146 22 |
| " " " 1846, | 1,500 00 |
| " " " 1847, | 55,800 00 |
| " " " 1848, | 260,400 00 |
| " " " 1850, | 22,000 00 |
| " " " 1851, | 416,685 00 |
| " " " 1852, | 129,000 00 |
| " " " 1854, | 10,000 00 |
| " " " 1855, | 277,000 00 |
| " " " 1856, | 132,500 00 |
| " " " 1860, | 63,500 00 |
| | <hr/> |
| Amount of funded debt, | \$1,590,931 22 |
| Penobscot Indian fund, | 60,249 61 |
| Permanent school fund, | 57,629 51 |
| Balance due on rolls of accounts, | 548 11 |
| Balance due on school funds, | 416 81 |
| Interest due, uncalled for, | 5,504 00 |
| Warrants unpaid, | 5,125 63 |

TREASURER'S REPORT.

AMOUNT DUE FOR COUNTY TAXES.

| | |
|--|-----------------------|
| County of Hancock, for ordinary expenses, | 72 81 |
| “ Washington, for ordinary expenses, | 430 60 |
| “ “ for roads, | 1,800 00 |
| “ Oxford, for ordinary expenses, | 86 63 |
| “ Somerset, for ordinary expenses, | 256 67 |
| “ “ for roads, | 1,908 25 |
| “ Penobscot, for ordinary expenses, | 425 77 |
| “ “ for roads, | 3,906 31 |
| “ Piscataquis, for ordinary expenses, | 396 83 |
| “ Franklin, for ordinary expenses, | 96 44 |
| “ Aroostook, for ordinary expenses, | 984 44 |
| “ “ for roads, | 1,328 00 |
| Total liabilities of the state, Dec. 31, 1844, | <u>\$1,732,097 64</u> |

ESTIMATED EXPENDITURES FOR THE YEAR 1845.

| | |
|--|--------------|
| Public debt, | \$222,146 22 |
| Interest, | 100,000 00 |
| Council, | 3,000 00 |
| Senate, | 6,500 00 |
| House, | 27,000 00 |
| Salaries, | 27,000 00 |
| County taxes, | 11,692 75 |
| Clerks, | 2,600 00 |
| Contingent fund of governor and council, | 5,000 00 |
| Costs of criminal prosecutions, | 16,000 00 |
| Penobscot Indian fund, | 4,000 00 |
| Furniture and repairs of public buildings, | 2,000 00 |
| Fuel and lights, | 400 00 |
| Agricultural societies, | 2,000 00 |
| Stationery, | 1,000 00 |
| Inspectors of state prison, | 300 00 |
| Library, | 300 00 |
| Trustees of insane hospital, | 400 00 |
| Postage, | 900 00 |

TREASURER'S REPORT.

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| | |
|---|---------------------|
| Deaf, dumb and blind, | 4,000 00 |
| Contingent fund of treasurer, | 1,000 00 |
| Printing, | 7,000 00 |
| Subordinate officers of state prison, | 5,000 00 |
| Contingent fund of secretary, | 150 00 |
| Bank commissioners, | 600 00 |
| Indian annuities, | 1,500 00 |
| Reports of judicial decisions, | 1,000 00 |
| Miscellaneous items, | 2,500 00 |
| Balance due on school funds, | 416 81 |
| Balance due on rolls of accounts, | 548 11 |
| School fund No. 12, | 26,131 88 |
| Warrants unpaid, | 5,125 63 |
| Roads, | 1,000 00 |
| Binding and stitching, | 800 00 |
| Bounty on silk, | 100 00 |
| Bounty on animals, | 2,000 00 |
| Militia pensions, | 2,000 00 |
| Military purposes, | 1,500 00 |
| Sheriffs and coroners, | 800 00 |
| | <hr/> |
| | <u>\$495,411 40</u> |

ESTIMATED RECEIPTS FOR THE YEAR 1845.

| | |
|---|---------------------|
| Cash in the treasury, January 1, 1845, | \$392,422 24 |
| State tax (balances) for 1840, '41, '42, '43 and '44, | 137,817 07 |
| County taxes (bal's) for 1836, '40, '41, '42, '43, '44, | 19,884 29 |
| Land office, | 60,000 00 |
| Bank tax, | 26,090 00 |
| Duty on commissions, | 1,500 00 |
| Bank dividends, | 600 00 |
| Notes receivable in the treasury office, | 2,110 67 |
| | <hr/> |
| | <u>\$640,424 27</u> |

AMOUNT PAID FOR CLAIMS PRIOR TO 1844.

| | |
|---|--------------------|
| Military purposes, | \$264 07 |
| Salaries, | 1,640 42 |
| Militia pensions, | 558 00 |
| Postage, | 180 11 |
| Costs in criminal prosecutions, | 3,146 42 |
| Roads, | 200 00 |
| Insane hospital, | 228 93 |
| Bank commissioners, | 556 57 |
| Deaf, dumb and blind, | 708 32 |
| Contingent fund of governor and council, | 306 50 |
| County taxes, | 9,974 94 |
| Commissioners under resolve of March 3, 1832, | 2,250 00 |
| School funds, No. 1 to 10 inclusive, | 1,062 01 |
| Rolls of accounts No. 21 to 24 inclusive, | 100 80 |
| | <hr/> |
| | <u>\$21,177 09</u> |

By a resolve of the legislature approved January 22, 1844, the treasurer was authorized to purchase stock of this state at public or private sale, and the money which had been or which might be thereafter received from the United States, was set apart for such investment.

The sum of \$433,721 52 had been received from the United States on account of the northeastern boundary in 1843, prior to the foregoing resolve; and the sum of \$61,931 45, having been expended in payment of that amount of the public debt the same year, being deducted, there remained in the treasury at the time of its passage, \$371,790 07, which was understood to be the sum intended by the resolve as having been received from the United States, and which was to be applied in the purchase of stock.

In pursuance of the authority contained in the resolve, there has been bought up, during the past year \$72,500,00 of Maine stock. The most favorable terms on which it could be obtained, were the payment of all interest that had accumulated thereon, and a premium, or a certain amount of interest, which had not accrued amounting to the sum of \$2,676,36.

No further sum has been received from the United States, and if it was proper to consider \$371,790,07 the sum specially set apart towards extinguishing the public debt, there has then been expended of that sum \$75,176,36, which leaves in the treasury specially appropriated towards payment of the funded debt, a balance of \$296,613,71.

In 1845 there will become due \$222,146,22 and it is understood, that that sum will go to diminish the foregoing special appropriation. If no farther sum should be received applicable to that purpose, after the payment of so much of the debt as becomes due in 1845, there will remain a balance of that appropriation of \$74,467,49.

Money has been unusually abundant during the past year, and has been loaned at low rates of interest which has kept sound stocks out of the market. The ruling rate of interest in the money market where the value of stocks is determined, has not exceeded on an average four and one half per cent. Holders of good stocks were enabled to obtain loans at that rate, on pledging their certificates as security, and therefore they were not obliged to sell them to raise funds.

Maine stock, for a year or two past, has seldom been offered in the market. It seems to be retained by holders as a permanent investment, and whenever it has been sold it has commanded a high premium. To have obtained a greater amount of stock during the past year, would have been gratifying, yet one can hardly regret the cause which has prevented it, although by delay in applying the surplus funds remaining in the treasury towards the extinguishment of an equal amount of the principal of her debt, a trifling temporary loss may ensue to the state in the accumulation of interest, still that is a minor consideration in comparison with the importance of a firmly established credit.

The state is responsible for the value of its stock. Holders rely solely upon its faith publicly pledged to redeem its promises, for there is no power to enforce the fulfillment of its obligations. Its honor and integrity then, no less than the interests of the holders, are involved in the preservation of its certificates at their par value.

It is great injustice on the part of government to suffer its promises to be made the subject of speculation through its own neglect to preserve them inviolate.

That which would be either dishonorable or criminal in an individual in the management of his pecuniary concerns, is still more so in government, inasmuch as inability and other circumstances may be set down in extenuation of the act in the former, which do not exist in the latter.

An appropriation to purchase stocks, when holders choose to surrender their certificates before they are due, will protect the interests of holders and maintain the faith of the state.

Another advantage derived to the state, would be the gradual reduction of the debt, so that there would be no further occasion for creating new stock to redeem it, as it shall become due and payable.

The debt falling due in 1845 will become payable as follows, to wit,

| | |
|-------------------------------------|--------------|
| February 1, at the treasury office, | \$6,000 00 |
| " 1, in Boston, | 22,000 00 |
| March 7, " " | 109,000 00 |
| April 1, at the treasury office, | 43,600 00 |
| " 1, in Boston, | 25,000 00 |
| " 16, at the treasury office, | 2,046 22 |
| May 1, " " | 10,000 00 |
| July 15, " " | 4,500 00 |
| | <hr/> |
| | \$222,146 22 |

When that portion of the debt shall have been paid and deducted, there will remain \$1,188,385 of six per cent. stock, \$66,000 of 5½, and \$114,400 of 5 per cent., making a total amount of funded debt \$1,368,785, on which the annual interest will be \$80,812.10.

It may be well to remark in this place that in order to liquidate a debt of \$1,300,000 bearing interest at the rate of six per cent per annum, by a fixed yearly instalment, it would require \$130,000 to be paid annually for fifteen years to meet both principal and interest, and there would remain unpaid at the expiration of the term about \$90,000.

From this it would seem, that the debt of this state might be nearly or quite paid off and discharged, by an annual appropriation exceeding a very little the sum of \$130,000, in the course of fifteen years; and it is a subject worthy of consideration, whether it is not the duty of government to adopt measures for the purpose of relieving the people from the annual draft made upon their means, which is required to meet the demand on their treasury for the payment of the interest yearly accruing on its indebtedness; for if it would be deemed unwise and impolitic for the state to contract a debt payable at the expiration of a century, at the low rate of three per cent. per annum, much more evident then, it would seem, would be the impolicy of permitting a debt bearing an annual interest of six per cent. to burden the resources and energies of the people for an unlimited time, thereby making it virtually perpetual.

The resolve heretofore referred to, which authorized the investment of certain money in the purchase of stock, conferred on the treasurer also an authority to deposit the money in specie paying banks, on such terms as he should judge for the interest of the state. As it was found difficult to procure stock, it was thought advisable under that authority to enter into arrangements with such banks, believed to be safe depositories, as were willing to allow interest upon deposits; and there has been derived from that source and carried to the credit of the state the sum of \$4,624 54.

The Maine bank having surrendered its charter, its capital has been partially distributed among the stockholders. The state held fifty shares in that bank amounting to \$5,000; and there has been received from that source several dividends amounting to \$3,309, which sum is also included among the items of credit.

The state was also the holder of sixty shares in the Mercantile bank. That bank having become insolvent, applied to the legislature for a reduction of its capital; and authority was granted it to reduce its capital from \$100,000 to \$50,000, and it would seem, that it was deficient to that amount as no dividend of stock has been made since the reduction was authorized.

Application was made at the last session of the legislature for an agent to be appointed with authority in behalf of the state to exchange the sixty shares of stock owned by the state originally valued at \$6,000, for such real estate owned by the bank as should be deemed a fair equivalent. The application was granted, and an agent appointed, who, in discharge of the trust confided in him, concluded an arrangement for an exchange of the interest of the state in the bank, for a pledge of certain real estate in Bangor valued at \$3,000, the interest payable thereon semi-annually at the rate of six per cent., and the principal at the expiration of two years from April 26, 1844.

The shares owned by the state in those banks, heretofore included in the resources of the state, are now omitted in the estimate.

In the estimate of receipts for the year 1845, balances of taxes assessed by the legislature, and of assessments ordered by the county commissioners prior to 1841 on unincorporated townships or tracts of land, have been included. They are not however receivable, for by the operation of law, such townships or tracts of land have become forfeited, and the title vested in the state. They are included in the estimate, as it is believed that the owners or proprietors of the townships or tracts of land which have become forfeited for the non-payment of taxes, will still be permitted to redeem the same.

It being understood that the next annual meeting of the legislature will be on the second Wednesday of May, 1846, instead of the first Wednesday of January, a farther estimate of expenditures is made to meet the demands on the treasury for a portion of that year.

ESTIMATED EXPENDITURES FOR 1846.

| | |
|-----------|------------|
| Council, | \$1,000 00 |
| Interest, | 65,000 00 |
| Salaries, | 6,000 00 |
| Clerks, | 1,200 00 |

TREASURER'S REPORT.

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|--|-------------|
| Contingent fund of governor and council, | 2,000 00 |
| Penobscot Indian fund, | 1,500 00 |
| Stationery, | 400 00 |
| Printing, | 1,000 00 |
| Deaf, dumb and blind, | 2,000 00 |
| Contingent fund of secretary, | 50 00 |
| Postage, | 250 00 |
| Costs in criminal prosecutions, | 5,000 00 |
| Public debt, | 1,500 00 |
| Militia pensions, | 1,500 00 |
| Subordinate officers of state prison, | 1,200 00 |
| Trustees insane hospital, | 200 00 |
| | <hr/> |
| | \$89,800 00 |

A satisfactory estimate of the receipts of the treasury for a like portion of the year 1846, cannot now be made. What the amount shall be, rests with the action of the legislature. A state tax is the only source which can be safely relied upon, and that remains to be assessed. The usual mode of proceeding in regard to a state tax, suggests the necessity of having two legislative acts of assessment passed at the present session. To delay making provision for a state tax for the year 1846, until the month of May of that year, would subject towns to inconvenience, if not additional expense.

The expectation, which was entertained at the commencement of the year, that a further sum would be received into the treasury on the claims of the state under the late treaty, has been disappointed. The settlement of those claims is in progress, but when it will be completed is yet uncertain.

There is, however, in the treasury of the United States, due to the state of Maine, the sum of \$19,716 23, being the amount of two appropriations of the proceeds of the public lands under an act of Congress, approved Sept. 4, 1841.

Although that sum is due the state, it has been omitted in estimating the receipts of the year, as the requisite authority has not been given to any one in compliance with the terms of the

act, which provides that payment shall be made to such person or persons as the legislature or governor shall authorize and direct to receive it.

It may appear to some at first, on looking at the present balance in the treasury, that there is not sufficient reason for continuing the usual state tax, as heretofore, but the necessity of such a tax will, on examination, be evident to every one. The land agent has paid into the treasury during the past year \$107,458 55, and that amount has been included in the balance of cash; and the state, as will be seen by the account, is made debtor to the permanent school fund in the sum of \$15,307 53, which is a part of the foregoing receipt from the land agent.

Any one, who may think it will be wise or politic to dispense with a state tax by reason of the present apparent prosperous condition of the treasury, on recurring to the year 1836 and reviewing the policy then adopted and for several years pursued, will be convinced of the inexpediency of such a change.

In 1835 there was paid into the treasury by the land agent \$133,567 55, and there was then a change of policy as it is supposed on that account. But the total amount of revenue from that source for the next five years, exclusive of the permanent school fund, was only \$93,607 98.

All experience confirms the opinion that there should be an annual assessment, sufficient to meet the ordinary expenditures of government; and on a careful estimate it will be found that \$200,000, at least, is required for that purpose.

JAMES WHITE, *Treasurer.*