

MAINE STATE LEGISLATURE

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SEVENTY-FIFTH LEGISLATURE

HOUSE

NO. 479

STATE OF MAINE

To the Seventy-fifth Legislature of Maine:

The Special Committee appointed by this Legislature to investigate the actual condition of the finances of Maine and to report thereon beg leave to present the following report:—

The Net Debt of Maine on January 1, 1909, was \$1,187,326.15 according to the following statement made up by Chas. P. Hatch, State Auditor.

Pages 16 and 17 of the Auditor's Report for 1907 and 1908.

RESOURCES.

	Jan. 1, 1909.
Cash on hand (See Schedule No. 1	\$568,534 44
State taxes due and unpaid:	
1908, see Schedule No. 2	1,038,598 28
1907, see Schedule No. 2	1,961 51
Trust Funds invested (see Schedule No. 3):	
Maine State College of Agriculture and the Mechanic Arts, Abner Coburn Fund	100,000 00
Maine State College of Agriculture and the Mechanic Arts, Land Scrip Fund	118,300 00
Maine Insane Hospital, Abner Coburn Fund, in custody of trustees	50,000 00
Union Mutual Life Insurance Co., Portland	102,000 00
Maine Insurance Co., Portland	110,000 00
Maine State Relief Association, Portland	37,405 02
Maine Live Stock Insurance Co., Portland.....	10,100 00

National Casualty Co., Portland	1,827 74
Fraternities Health & Accident Asso., Richmond,	3,487 00
American Royal Circle, Augusta	1,100 00
The Loyal Protective Association, Boston	1,000 00
The Sagamore Health & Accident Asso., Sanford,	500 00
The Portland Casualty Co., Portland	500 00
Total	<u>\$2,145,314 99</u>

LIABILITIES.

	Jan. 1, 1909.
Bonded debt, (see Schedule No. 4)	\$698,000 00
Trust funds, interest bearing, (see Schedule 5) ..	874,643 97
Trust Funds, non-interest bearing and invested, (see Schedule No. 6)	540,883 32
Continuing accounts, see Schedule No. 7	1,087,335 86
Unpaid bills, reported to Legislature Jan. 15th and 19th, 1909	131,777 99
Total	<u>\$3,332,641 14</u>

RECAPITULATION JANUARY 1, 1909.

Total liabilities	\$3,332,641 14
Total assets	<u>2,145,314 99</u>
Net liability	\$1,187,326 15

On January 1, 1911, the net debt of the State according to Mr. Hatch's report was \$2,206,460.68 as appears in detail in the following table, (pages 11, 12, 13, 14 and 15 of the Auditor's report for 1910).

RESOURCES.

	Jan. 1, 1911.
Cash on hand, (see Schedule No. 1)	\$135,722 26
State taxes due and unpaid:	
1910, see Schedule No. 2	1,771,649 68
1909, see Schedule No. 2	218 90
1907, see Schedule No. 2	40 93

1910, Maine Forestry District, see Schedule No. 2,	8,461	35
Trust Funds, invested, see Schedule No. 3:		
Maine State College of Agriculture and the Me-		
chanic Arts (University of Maine) Abner Co-		
burn Fund	100,000	00
Maine State College of Agriculture and the Me-		
chanic Arts (University of Maine) United		
States Land Scrip Fund	118,300	00
Union Mutual Life Insurance Co., Portland	102,000	00
Maine Insurance Co., Portland	110,000	00
Maine State Relief Association, Portland	38,906	02
National Casualty Co., Portland	1,800	00
Fraternities Health & Accident Asso., Richmond,	3,487	00
Prudential Health & Accident Insurance Co....	500	00
The Brotherhood Accident Co.....	1,000	00
The Sagamore Health & Accident Asso., Sanford,	1,500	00
The Portland Casualty Co., Portland	500	00
<i>Accounts Receivable.</i>		
County of Aroostook, expenses Deputy Enforce-		
ment Commissioners	1	25
County of Androscoggin, expenses Deputy En-		
forcement Commissioners	9,825	39
County of Cumberland, expenses Deputy En-		
forcement Commissioners	4,791	12
County of Knox, expenses Deputy Enforcement		
Commissioners	1,011	15
County of Penobscot, expenses Deputy Enforce-		
ment Commissioners	21,296	69
County of Piscataquis, expenses Deputy Enforce-		
ment Commissioners	16	31
County of Washington, expenses Deputy Enforce-		
ment Commissioners	409	87
County of York, expenses Deputy Enforcement		
Commissioners	293	09
City of Auburn, sale of liquors	1,729	38
City of Bath, sale of liquors	1,320	35
Town of Bethel, sale of liquors	371	61
Town of Farmington, sale of liquors	412	98
City of Gardiner, sale of liquors	366	87
City of Lewiston, sale of liquors	5,738	64

City of Portland, sale of liquors	3,381 08
Town of Randolph, sale of liquors	707 74
City of Rockland, sale of liquors.....	435 42
Town of Wiscasset, sale of liquors	414 28
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Total resources	\$2,446,609 36

LIABILITIES.

Bonded debt (see Schedule No. 4):

Loan of June 1, 1864 refunded	\$182,000 00
Loan of Oct. 1, 1869 refunded	247,000 00
Municipal war debt loan	700 00
Maine Insane Hospital, Coburn Trust Fund loan,	50,000 00
University of Maine, Coburn Trust Fund loan...	100,000 00
University of Maine, U. S. Land Scrip Fund loan,	118,300 00

Temporary loan, (see Schedule No. 5):

Trust Funds, interest bearing, (see Schedule No. 6).

Permanent School Fund	446,103 44
Lands reserved for public uses	338,162 98
Penobscot Indians Fund	72,328 48
Passamaquoddy Indians Fund	35,249 25
Foxcroft Academy Fund	1,000 00
Hebron Academy Fund	1,000 00
Houlton Academy Fund	2,000 00
School District No. 2, Madison	1,000 00
Isaac Sanford Legacy to State School for Boys..	700 00
Helen A. Gilman Legacy to Maine Insane Hospi- tal	1,000 00
Joseph H. Williams Legacy to Maine Insane Hos- pital	1,000 00
Madawaska Territory School Fund.....	5,000 00
Jordan Forestry Fund	1,000 00
Maine Industrial School, Hallowell,	
Viz: Peter Lane Fund	1,156 65
Eliza Mustard Fund	3,912 50
Augustus Hopkins Fund	1,000 00
Nellie Shaw Fund	4,750 00

Trust Funds, non-interest bearing, see Schedule No. 7:	
Maine State College of Agriculture and the Mechanic Arts (University of Maine) Abner Cournburn Fund	100,000 00
Maine State College of Agriculture and the Mechanic Arts, (University of Maine) United States Land Scrip Fund	118,300 00
Isaac Sanford Legacy for Deaf, Dumb and Blind,	600 00
Auburn Trust Co., Auburn, Receiver's Fund	30 19
Richmond Savings Bank, Receiver's Fund	117 47
Maine Benefit Association, Receiver's Fund	275 76
Public Administrators' Fund	5,108 47
Union Mutual Life Insurance Co., Portland.....	102,000 00
Maine Insurance Co., Portland	110,000 00
Maine State Relief Association, Portland.....	38,906 02
National Casualty Co., Portland	1,800 00
Fraternities Health & Accident Insurance Co....	3,487 00
Prudential Health & Accident Insurance Co....	500 00
The Sagamore Health & Accident Asso., Sanford,	1,500 00
The Portland Casualty Co., Portland	500 00
The Brotherhood Accident Co.....	1,000 00
Sundry funds continuing by law, viz:	
See Schedule No. 8.	
Dog licenses received preceding year	30,879 96
Fines and licenses for protection of game	48,848 41
Fees organizing Trust Companies	345 10
Maine Forestry District Fund, unexpended	3,339 10
Appropriations unexpended but continuing by law, viz: (see Schedule No. 9).	
Improvement of state roads	132,505 60
Military Fund	8,335 13
Naval Militia Fund	345 39
Spanish War claims	1,753 46
Enlargement of State House	71 00
Town of Franklin for bridge	10,000 00
Other liabilities, viz: (See Schedule No. 10).	
School and Mill Fund apportioned preceding year	1,501,435 56

Railroad and Telegraph Tax due towns, apportioned preceding year	132,078	37
Unpaid warrants outstanding	384,644	75
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Total liabilities	\$4,653,070	04
Less total resources	2,446,609	36
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Net debt	\$2,206,460	68

To the amount reported by the Auditor should be added \$348,247.58 for unpaid bills of 1910, reported to the Legislature since January 1, 1911, making the total net debt of Maine as nearly as can be ascertained by this committee on January 1, 1911, \$2,554,708.26.

It may be that a further and fuller investigation than it is possible to make at the present time would disclose other liabilities than those which have been presented to the committee. But the committee believes this statement to be at least approximately correct. Comparing the net debt of the State on January 1, 1911, with the net debt on January 1, 1909, it will be seen that during the preceding two years the expenditures of the state exceeded its revenue by \$1,367,382.11.

It is imperative that some provision should be made by this Legislature for taking care of a large portion of the State's liabilities. Those liabilities consist in part of current unpaid bills amounting to \$348,247.58 and of unpaid warrants amounting to \$384,644.75, a total in these two items of \$732,892.33. These amounts are due now and should be paid at once; in fact many of them ought to have been paid long ago.

Entirely aside from this \$732,892.33 the State owes a temporary loan of \$300,000.00 which should be taken care of during the present administration, thus making it necessary for this Legislature to provide revenues sufficient to meet more than \$1,000,000.00 in excess of the expenditures authorized by it.

It is not a part of this committee's duty to make any suggestions to the Legislature with regard to raising revenue or curtailing expenses. Neither is it a part of our duty to make any comment upon the honesty or fidelity of any public officer who has appeared before us or to criticise business methods employed by any of the state departments or institutions. The commit-

tee does recommend, however, that the fuller investigation of state affairs proposed in the joint order recently passed by the Legislature be undertaken, and because of the extreme variance between the statement presented by this committee and that presented in the annual report of the State Treasurer, the committee deems it proper to state that the statement of liabilities in the State Treasurer's report is wholly inaccurate and admittedly incorrect.

The committee presents herewith a full stenographic report of the evidence taken before it.

Respectfully submitted,

CHAS. W. MULLEN,
GEO. H. SMITH,
W. M. OSBORN,
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