

REPORT

OF

R. L. STANFORD,

Treasurer of the State of Tennessee,

TO THE

GENERAL ASSEMBLY OF THE STATE,

OCTOBER, 1865.

NASHVILLE:

S. C. MERCER,.....PRINTER TO THE STATE.

1865.

TENNESSEE STATE LIBRARY

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TREASURER'S REPORT.

TREASURER'S OFFICE,)
Nashville, Tenn., Oct. 1, 1863. }

To the General Assembly of the State of Tennessee:

In compliance with the law regulating the Treasury Department of the State, the Treasurer has the honor to submit the following Special Report, ending the 30th day of September, 1865:

When the Treasurer entered upon his duties in May last, he was unable to find any monies deposited to the credit of the Treasurer who immediately preceded him as the civil Treasurer of the State; nor could he find, from any record in his office, the management of the Treasury subsequent to the commencement of the rebellion.

The Treasurer's office was found to have been robbed of all its books, blank forms, and all its papers, of every kind, except some very old files, and in consequence of which your present Treasurer is utterly unable to give you any information touching the state of the Treasury at the commencement of the rebellion, or during its existence until crushed out. The ruthless hand of the rebellion ceased not at robbing the Treasurer's office of its books of record, blank forms and file records, but seized upon and carried away every species of furniture belonging to the office, except a case built in the wall.

The office is now pretty well furnished; new and suitable books have been made, blank forms have been printed and furnished, so that the business of the Treasury is advancing regularly and properly.

The Treasurer would call the attention of your honorable body to the important and deeply lamentable fact that no tabular statement exhibiting a distribution of the School Fund will be found in this report. The School Fund entire was placed in the Bank of Tennessee, and has all been lost to the State by

the deep corruption and dishonesty of those who had control of it.

The Treasurer would most earnestly recommend that your honorable body take immediate steps to replace this Fund. He would suggest the propriety of appropriating every dollar of the assets of the Bank returned to the State, and all other means belonging to the Bank which may hereafter be discovered, where manifest injustice would not be done to individuals. The Constitution, and the laws in harmony with it, have been violated by laying wicked hands upon this sacred Fund. The Constitution declares that it shall never be appropriated or diverted to any other purpose than that of Common Schools. Those who had control of this Fund not only violated the Constitution and the laws, but the sacred trust reposed in them, and should meet with exemplary punishment.

The whole people of the State are anxiously awaiting your action on the subject of Common Schools. Their children have been deprived of the means of public education for more than four years. During this long period of fearful human strife, more wicked in its origin and prosecution than any other civil war known to the annals of history, in this or any other section of the globe, from Adam to the present hour. Deeply do they feel the loss of the amount of money heretofore distributed to Common Schools, and loudly will they rejoice on learning that your action has resulted in creating a fund to be distributed among the several counties of the State, at least as large as that distributed before the rebellion, for Common School purposes. The appalling fact that the native faculties of the minds of the children of the State have not received the slightest polish from education for more than four years, calls on the Legislature, bedewed with the weeping of parents numbered by thousands, to make some provision for lighting up once more the orb of knowledge in the minds of the youth of the State.

It is well known to you, as to all lovers of republican government, that the safety and stability of free government must, for its security, rest on the basis of virtue and intelligence; and if this or any other form of free government ever becomes so strong as to remain a perpetuity, it must educate its citizens and teach them virtue. If a few years shall pass without provisions being made for the education of the children of the State, they will pass into a hopeless state of ignorance, and it is feared that they will not be much better off in morals.

This urges for immediate action on the part of the Legislature. Knowing that you are fresh from the people, the Treasurer will make no suggestions as to how money may be raised, but will leave the subject to be managed by your wisdom and good judgment.

The Common School law should be amended, or repealed—and if repealed, another should be passed in its stead that will give better satisfaction. The present law is a very lengthy and loose one, and never did, I believe, give general satisfaction. But in the space allotted for this report, the Treasurer cannot give the particular changes that should be made or suggest the main features or minutiae of a new system, but would leave the whole matter to your better qualifications and judgment. Below you will find the disbursements and receipts from May 9th to October, 1865, in monthly tabular statements;

RECEIPTS—MAY, 1865.

From Clerks of County Courts,.....	*\$ 71,000 00
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DISBURSEMENTS—MAY, 1865.

Legislative Expenses,.....	\$ 8,111 56
Capitol Expenses,.....	1,417 40
Executive Expenses,.....	792 22
Tennessee Hospital for the Insane,.....	1,983 87
Expenses of Governor's Staff,.....	449 00
State Printing,	1,391 15
Judicial Salaries,.....	1,075 00
Enrolling Male Inhabitants,.....	52 75
Conveying Convicts to the Penitentiary,.....	50 20
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	\$15,323 15

*The amount of the Comptroller's Warrant of money to be paid into the Treasury of the County Court Clerk of Shelby county, was \$60,000. The Clerk was compelled to get Exchange, the cost of which was \$300, consequently the amount actually paid into the Treasury was \$59,700.

RECEIPTS—JUNE, 1865.

DISBURSEMENTS—JUNE, 1865.	
Executive Expenses,.....	\$ 1,084 22
Executive Salaries,.....	487 85
Legislative Expenses,	25,498 14
Capitol Expenses,.....	4,507 20
Tennessee Hospital for the Insane,.....	2,658 52
State Printing,.....	3,290 53
Conveying Convicts to Penitentiary,.....	277 13
Penitentiary Appropriation,.....	3,000 00
Judicial Salaries,.....	2,900 00
Expenses of Governor's Staff,.....	1,291 00
Costs and Prosecutions,.....	945 75
Adjutant General's Office,.....	437 45
Salary of Road Commissioner,.....	333 33
Services of Elector,	8 00
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	\$46,719 12

RECEIPTS—JULY, 1865.

From State Tax on Insurance Company,.....	\$ 2,500 00
“ Clerks of County Courts,.....	15,000 00
“ Sale of Old Carpet,.....	15 00
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	\$17,515 00

DISBURSEMENTS—JULY, 1865.

Judicial Salaries,.....	\$ 6,880 00
Capitol Expenses,.....	19,847 69
Executive Salaries,.....	1,398 33
Penitentiary Appropriation,.....	1,000 00
Expenses of Governor's Staff,.....	1,079 50
Tennessee Hospital for the Insane,.....	2,636 57
Conveying Convicts to Penitentiary,.....	339 65
Adjutant General's Office,.....	490 60
Legislative Expenses,.....	385 00
State Printing,.....	2,337 93
Executive Expenses,.....	250 05
State Library,.....	266 66
Guarding State Bank Funds,.....	45 00
Costs and Prosecutions,.....	483 26
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	\$37,439 64

RECEIPTS—AUGUST, 1865.

From County Court Clerks.....	\$11,250 00
From State Tax on Express Company.....	1,000 00
From sale of old Carpet.....	50 00
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	\$12,300 00

DISBURSEMENTS—AUGUST, 1865.

Judicial Salaries.....	\$ 936 75
Expenses of Governor's Staff.....	1,608 00
Expenses of Adjutant General's Office.....	426 00
Expenses of Capitol.....	1,576 85
Tennessee Hospital Insane.....	3,317 31
Conveying Convicts to Penitentiary.....	758 55
Costs and Prosecutions.....	62 00
State Printing.....	702 50
State Library.....	415 11
Bank Commissioners.....	563 50
Guarding State Bank Funds.....	75 00
Refitting Supreme Court Room, Knoxville.....	144 30
Blind School of Tennessee.....	1,100 00
Legislative Expenses.....	147 40
Executive Expenses.....	474 52
Salary Bank Supervisor.....	750 00
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	\$13,057 79

RECEIPTS—SEPTEMBER, 1865.

From County Court Clerks.....	\$29,044 66
“ Chancery “ “	28 77
“ Circuit “ “	102 95
	\$29,176 38

DISBURSEMENTS—1865.

Insane Hospital.....	\$ 2,492 99
Penitentiary Appropriation.....	4,000 00
Adjutant General's Office.....	843 88
State Printing.....	2,048 69
Executive Expenses.....	802 09
Capitol “	2,267 65
Expenses of Governor's Staff.....	476 00
Convicts to Penitentiary.....	423 78
Judicial Salaries.....	1,875 00
Superior Court Expenses.....	803 33
Safe for Treasurer, per Appropriation.....	1,117 50
Bank Commissioners.....	491 32
Commissioner of Roads.....	444 44
Costs and Prosecutions.....	2,070 30
Countersigning Licenses.....	28 75
Making Tax Aggregates.....	18 75
Governor's Requisition.....	151 03
	\$20,355 50

RECAPITULATION—RECEIPTS.

May.....	\$ 71,000 00	
June.....		
July.....	17,515 00	
August.....	12,300 00	
September.....	34,045 03	
	\$134,860 03	
Less Warrants not paid in.....	4,868 65	
		\$129,991 38

RECAPITULATION—DISBURSEMENTS.

May.....	\$ 15,323 15	
June.....	46,719 12	
July.....	37,439 64	
August.....	13,057 79	
September.....	20,355 50	
	\$132,895 20	
Less outstanding Warrants.....	2,225 05	
		\$130,670 15

FINAL RECAPITULATION.

Total Receipts.....	\$129,991 38
Total Disbursements.....	130,670 15
Amount overdrawn, October 1, 1865.....	\$678 77

It became manifest very soon after the adjournment of the Legislature in June last, that the sources whence revenue is derived would not furnish an amount equal to the demand upon the Treasury. No provision having been made to replenish the Treasury in case the demand should overreach the amount paid in under the operation of the Revenue Law, your Treasurer plainly saw that the machinery of the State could not be kept in motion without additional means. He therefore determined to borrow if possible, an amount sufficient to meet all demands that would come upon the Treasury until your honorable body should meet according to adjournment, on the first Monday in October, 1865. For this purpose he consulted Mr. Nelson, President of the Second National Bank in this city, and succeeded in making arrangements with him to honor the Treasurer's check, by paying it when there was no money on deposit to his credit in the Bank. In this way the Treasurer met all demands as presented. You will see by examining the monthly Receipts and Disbursements that considerable loans were made by the Bank to the Treasurer. Through the accommodation of Mr. Nelson this favor was extended without cost to the Treasury. The Treasurer did this believing that necessity required it, and that it would meet your approbation. Not being authorized to make such arrangement, he therefore asks that you approve it. The Treasurer has deposited all monies which have come into his hands belonging to the State in this Bank, has found it strictly correct in business and very accommodating, and he will continue to deposit in it until the Legislature designates the Bank or Banks in which the funds of the Treasury shall be deposited. It may be necessary to continue the foregoing arrangement with the Bank, if it can be done, for some time to come, as the revenue comes in slowly and not in sufficient amounts to meet the demands upon the Treasury. If you so direct, the Treasurer will continue, if possible, this arrangement until necessity no longer requires it.

The County Court Clerks and Tax Collectors are now, by law, only bound to pay into the Treasury once in twelve (12) months, at the end of which two (2) months are given, in which to make payment. In consequence of this they can, if they choose, hold large amounts of revenue during the year in their hands, which should be paid into the Treasury, to be used in meeting the demands upon it. The Clerks at Memphis and Nashville will receive, during the present year, several hundred thousand Dollars. The Clerks at Shelbyville, Murfreesboro and Knoxville will also receive large amounts. At many other points considerable amounts of money will be received, which, if paid into the Treasury quarterly or semi-annually, would certainly better enable the Treasury to meet at all times the demands made upon it. If these shall be compelled to pay

quarterly or semi-annually, the other revenue collectors, less conveniently situated to the Capital, might be allowed to pay annually, as they now do, if such distinction can be made.

Present necessities urge the immediate action of the Legislature upon this subject.

All of which is respectfully submitted.

R. L. STANFORD,

State Treasurer.

APPENDED REPORT.

The Treasurer, as Superintendent of Public Instruction, has the honor herewith to transmit the following statement showing whence the School Fund was derived before the rebellion. The sum total of this Fund was made up as follows:

- Of One Million Five Hundred Thousand Dollars (\$1,500,000) deposited in the Bank of Tennessee.
- Of the proceeds of sales or rents of escheated lands, or such as were bought in favor of taxes.
- Of Property given by Will, Deed or otherwise, for the use of Common Schools, to be paid by the person having charge of it, if given for the use of the State, to the Treasurer, if for the use of the County, to the County Trustee.
- Of the personal effects of intestates having no kindred entitled by the laws of distribution thereto.
- The Fund for Annual Distribution of Two Thousand Dollars (\$2,000) in lieu of land tax.
- A Tax of twenty-five (25) cents on polls.
- A Tax of Two and one-half ($2\frac{1}{2}$) cents on the Hundred Dollars (\$100) of all taxable property of the State.
- All Taxes on capital employed or to be employed in any mineral lands in this State, to be used for Common School purposes
- One-fourth ($\frac{1}{4}$) of the annual State Tax to go to Common Schools.
- All private Banks of the State, organized under the Banking Law, paid Twenty-five (25) cents to the Hundred Dollars (\$100) capital for School purposes.

Monies derived from Taxes on Privileges, Specific Taxes, Fines and Penalties, to be used for School purposes.

Bonuses of Banks, except the Union Bank, otherwise directed.

Bonuses of Companies incorporated by the State.

One Hundred Thousand Dollars (\$100,000) of the Dividend of the Bank of Tennessee.

You will see by examining the subjoined Tabular Statements that all the items set forth above for distribution to Schools may be collected now, as before the rebellion, and applied now, as then, for Schools.

The Treasurer would most earnestly recommend that the Bonuses of Banks, Taxes on Incorporated Companies, and every other item, as set forth in the foregoing statement, be collected for each year since the commencement of the rebellion, and be paid into the Treasury, as a Fund for distribution to Common Schools hereafter, as before the rebellion.

All of which is respectfully submitted.

TABULAR STATEMENT.

COMMON SCHOOL FUND AS FORMERLY DISTRIBUTED.

From the State Treasury.....	\$100,000 00
In lieu of Land Taxes.....	2,000 00
Bonuses from Banks and Insurance Companies.....	17,779 76
Tax on Polls.....	25,255 75
Tax on Property.....	78,656 42
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	\$223,691 93

Common Schools are entitled to this amount annually from the commencement of the rebellion, which multiplied by four (4) gives about the average amount \$894,767 72, to which Common Schools are now entitled, in consequence of the proper annual distribution not having been made during the war.