

REPORT
of
TREASURER
STATE OF TENNESSEE



JOHN W. HARTON
Treasurer

1942

REPORT
of the
TREASURER
of
STATE OF TENNESSEE
for the
YEAR ENDING JUNE 30, 1942



JOHN W. HARTON
Treasurer
NASHVILLE, TENN.

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STATE OF TENNESSEE

TREASURY DEPARTMENT

July 1, 1942

To His Excellency,
PRENTICE COOPER, *Governor*
State of Tennessee,
Nashville, Tennessee

Sir:

In compliance with the State Law, I submit to you my report as Treasurer of the State of Tennessee for the period ending June 30th, 1942.

Respectfully,

JOHN W. HARTON, *Treasurer*

STATE OFFICIALS

PRENTICE COOPER, *Governor*

CONSTITUTIONAL OFFICERS

JOE C. CARR	<i>Secretary of State</i>
ROBERT W. LOWE	<i>Comptroller</i>
JOHN W. HARTON	<i>Treasurer</i>

COMMISSIONERS

C. C. FLANNERY	<i>Agriculture</i>
J. CHARLES POE	<i>Conservation</i>
B. O. DUGGAN	<i>Education</i>
GEORGE McCANLESS	<i>Finance and Taxation</i>
W. C. WILLIAMS	<i>Health</i>
C. W. PHILLIPS	<i>Highways</i>
W. O. BAIRD	<i>Institutions</i>
JAMES McCORMICK	<i>Insurance & Banking</i>
S. E. BRYANT	<i>Labor</i>
PAUL SAVAGE	<i>Welfare</i>

TREASURERS OF TENNESSEE

MILLER FRANCIS	1836—1843
MATTHEW NELSON	1843—1845
ROBERT B. TURNER	1845—1847
ANTHONY DIBRELL	1847—1855
G. C. TORBETT	1855—1857
W. Z. MCGREGOR	1857—1865
R. L. STANFORD	1865—1866
JOHN R. HENRY	1866—1868
W. H. STILWELL	1868—1869
J. E. RUST	1869—1871
WILLIAM MORROW	1871—1877
M. T. POLK	1877—1883
ATHA THOMAS	1883—1885
J. W. THOMAS	1885—1886
ATHA THOMAS	1886—1889
M. F. HOUSE	1889—1893
E. B. CRAIG	1893—1901
REAU E. FOLK	1901—1911
G. T. TAYLOR	1911—1913
W. P. HICKERSON	1913—1915
PORTER DUNLAP	1915—1919
HILL McALISTER	1919—1927
JOHN F. NOLAN	1927—1931
HILL McALISTER	1931—1933
J. J. BEAN	1933—1937
GROVER KEATON	1937—1939
JOHN W. HARTON	1939—

I AM AGAIN GLAD TO REPORT to you the satisfactory condition of the State Treasury which shows a further reduction in the State debt and the low rate of interest that was secured in our last bond sale.

This shows that the credit of the State of Tennessee is still in good condition. On November 23, 1942, an issue of bonds was sold at the all time low interest rate of 1.41%.

Out of the increased revenues, the State had, on June 30, 1942, made excess contributions to its Sinking Fund of \$4,200,000 which will meet all requirements in order to protect the payment of its debt service obligations in lean years which may develop due to gasoline rationing or other war emergency measures.

In addition to the increased money set aside in the Sinking Fund, we still had an increase in surpluses for the year 1941-42. The unexpended appropriations as shown in the General Fund and the Highway Fund have neither curtailed or decreased the activity or efficiency of the State government, nor prevented it from meeting any of its obligations.

In addition to the State revenues apportioned to the different funds there was apportioned to counties and cities \$8,601,362 as their share in the gasoline tax, income tax, beer tax, motor fuel tax and alcoholic beverage tax.

From January 1, 1939 to June 30, 1942, \$31,197,326 of the State's debt has matured and has been retired and there are net assets in the Sinking Fund amounting to \$12,033,000 to meet future maturing bonds and Sinking Fund Retirement Certificates. All maturing bonds will be paid when due.

All National and State banks have been designated as depositories and all deposits are fully covered by bonds and securities according to the laws of the State.

REPORT OF STATE TREASURER

CONDITION OF TREASURY—STATE OF TENNESSEE
JUNE 30, 1942

RESOURCES

CASH	
Treasurer's Cash	\$18,196,701.21
Board of Claims Cash	\$ 372,884.15
Board of Liquidation Cash	9,052,241.61
Sinking Fund Board Cash	5,319,248.44
Total Sinking Fund Cash	14,744,874.20
Unemployment Compensation Clearing Account	21,464.72
TRUST FUNDS	
Unemployment Compensation Federal Treas.	23,876,900.61
Toll Bridge—Highway	14,814.20
A. & I. Normal	317,678.34
DEFERRED CASH	
Banks in Liquidation	494,519.15
TOTAL RESOURCES	\$57,666,452.43

OBLIGATIONS

GENERAL FUND	
Regular	\$ 2,866,376.66
SPECIAL ACCOUNTS	
Game and Fish	\$ 55,728.96
Hotel and Restaurant Inspection	7,180.97
SPECIAL DEPOSIT ACCOUNTS	
Unemployment Compensation—Administrative	\$ 19,573.21
Unemployment Compensation—Employment Service	3,160.48
Unemployment Compensation—Clearing Account	21,464.72
Unemployment Compensation—Benefit Fund	140,969.86
Old Age Assistance—Federal	113,308.18
Old Age Assistance—Counties	5,178.92
Aid to Blind—Federal	5,719.45
Aid to Blind—Counties	254.69
Aid to Dependent Children—Federal	2,542.47
Aid to Dependent Children—Counties	2,717.33
Child Welfare Services	11,292.46
Public Welfare—Administrative	84,376.05
Crippled Children Services—Federal	22,826.71
Crippled Children Services—Local	18,828.49
Tuberculosis Control	40,181.97
Department of Health	147,799.83
State aid to Counties—Health	152,241.54
Veneral Disease Control	54,442.78
Vocational Education	1,662.50
Vocational Education—Defense Workers	487,895.36
Food Stamp Program Administration—Counties	11,183.30
SPECIAL LIABILITY ACCOUNTS	
Insurance Fund	\$50,732.68
Supreme Court Building	2,550.44
HIGHWAY FUND	7,190,796.67
SINKING FUND	14,405,261.65
BOND FUND	2,189,733.73
DUE COUNTIES AND CITIES (Income Tax)	468,546.50
DUE MUNICIPALITIES (Beer Tax)	64,583.33
DUE COUNTIES (Beer Tax)	64,511.11
DUE COUNTIES (Alcoholic Beverage Stamps)	110,757.77
DUE COUNTIES (Two cents gasoline tax)	570,482.60
OUTSTANDING CHECKS	
Social Security	\$ 85,217.96
Confederate Pension	23,460.27
Unemployment Compensation—Trust Fund	115,418.13
Reserve for Garnishments	37.74
OUTSTANDING WARRANTS	3,368,013.71
RESERVES	
Warrants Outstanding	\$ 222.69
Banks in Liquidation	494,519.15
A. & I. Normal	317,678.34
Unemployment Compensation—Trust	23,876,900.61
National Guard—Armories	714.78
	24,690,035.57
	\$57,666,452.43

REPORT OF STATE TREASURER

CONSOLIDATED BALANCE SHEET

SINKING FUNDS—STATE OF TENNESSEE

JUNE 30, 1942

ASSETS

Cash Sinking Fund Board.....	\$ 5,315,501.46
Cash Board of Liquidation.....	8,961,156.61
Cash Board of Claims.....	128,603.58
Total.....	<u>\$14,405,261.65</u>

LIABILITIES

Reserve for unpaid bonds—Board of Liquidation.....	\$ 911,000.00
Reserve for unpaid coupons—Board of Liquidation....	896,807.32
Reserve for unpaid coupons—Sinking Fund Board....	446,603.13
Reserve for bonds due 1942—Board of Claims.....	128,603.58
Reserve for Interest due counties—Board of Claims....	0
Unallocated Reserve—Board of Claims.....	0
Reserve for bonds due 1943 & 1944—Board of Liquidation.....	7,247,000.00
Accumulations for future use.....	4,775,247.62
Total.....	<u>\$14,405,261.65</u>

REPORT OF STATE TREASURER

THE BONDED INDEBTEDNESS OF THE STATE OF TENNESSEE

JUNE 30, 1942

(After payment July 1, 1942)

Interest	Description	Date	Maturity	Amount
4%	Refunding, Series "A" _____	7-1-15	7-1-43;55	\$ 2,044,000.00
4½%	Refunding, Series "B" _____	7-1-15	7-1-43;55	3,841,000.00
5½%	Normal School _____	10-1-20	10-1-60	623,000.00
5½%	Capitol Improvement _____	7-1-21	7-1-43;45	15,000.00
5%	Victory Memorial _____	1-1-21	1-1-61	941,500.00
4½%	Refunding of 1923, Series "A" _____	5-1-23	7-1-43	20,000.00
4½%	Refunding of 1923, Series "B" _____	5-1-23	7-1-44;5-1-53	250,000.00
4½%	Memorial _____	7-1-25	7-1-44;59	160,000.00
4½%	University of Tennessee _____	7-1-17	7-1-43;59	495,000.00
5½%	Hospital Renewals _____	2-1-34	2-1-49	360,000.00
6%	General Fund Obligation _____	6-1-33	6-1-48	135,000.00
3½%	General Fund _____	9-1-35	9-1-42;43	356,000.00
3½%	General Fund _____	10-1-35	10-1-43	50,000.00
3½%	Refunding Highway _____	9-1-35	9-1-42	1,200,000.00
3½%	Refunding _____	9-1-35	9-1-44;45	2,500,000.00
3%	Funding _____	9-1-35	9-1-46	1,950,000.00
3½%	Court Building _____	4-1-36	4-1-56	450,000.00
2½%	Refunding _____	7-1-36	7-1-44	250,000.00
3%	Refunding _____	7-1-36	7-1-45	121,000.00
2½%	Refunding _____	10-1-36	10-1-45	81,000.00
4%	Rural Public School _____	7-1-27	7-1-47	980,000.00
4%	University of Tennessee _____	7-1-28	7-1-43	500,000.00
4½%	University of Tennessee _____	7-1-29	7-1-44	490,000.00
4½%	University of Tennessee _____	7-1-30	7-1-45	460,000.00
4½%	University of Tennessee _____	7-1-31	7-1-46	500,000.00
4½%	Smoky Mountain Park _____	2-1-29	2-1-43;49	859,000.00
6%	Funding _____	7-1-33	7-1-43	10,000,000.00
4%	Bridge _____	6-1-29	6-1-44	6,983,000.00
4%	Bridge _____	1-1-30	1-1-45	2,189,000.00
3.90%	Highway Refunding, Series "A" _____	9-1-35	9-1-55	7,199,000.00
3.90%	Highway Refunding, Series "A" _____	9-1-35	9-1-58	509,000.00
3½%	Highway Refunding _____	12-1-36	9-1-55	3,400,000.00
6%	Highway _____	4-15-32	4-15-46;47	9,000,000.00
3½%	Con. Bonds for Co. Reim. _____	6-1-37	6-1-45;12-1-48	5,887,000.00
3½%	" " " " " _____	6-1-37	6-1-48;12-1-49	4,199,000.00
3½%	" " " " " _____	12-1-37	12-1-48	1,313,000.00
2½%	" " " " Funding _____	12-1-37	12-1-47;48	2,286,000.00
3½%	" " " " Refunding _____	6-1-38	12-1-49	750,000.00
2½%	Institutional _____	6-1-38	12-1-48;49	1,500,000.00
2½%	Con. Bonds for Co. Reim. _____	6-1-38	12-1-49	218,000.00
3½%	" " " " " _____	6-1-38	12-1-49;52	220,000.00
3½%	" " " " " _____	6-1-38	12-1-49;52	172,500.00
3½%	" " " " " _____	6-1-38	12-1-49;52	280,000.00
3½%	Con. Bonds for Co. Reim. _____	7-1-38	12-1-51;53	65,000.00
3½%	" " " " " _____	7-1-38	12-1-51;53	32,000.00
3½%	" " " " " _____	7-1-38	12-1-50;53	497,000.00
2½%	" " " " " _____	12-1-38	12-1-49	580,000.00
2½%	" " " " " _____	12-1-38	12-1-49	500,000.00
3½%	" " " " " _____	12-1-38	12-1-49;53	47,500.00
3½%	" " " " " _____	12-1-38	12-1-52	55,500.00
3½%	" " " " " _____	12-1-38	12-1-52	114,500.00
2½%	Armory _____	6-1-39	6-1-55	350,000.00
1½%	Con. Bonds for Co. Reim. _____	6-1-39	12-1-50	1,083,000.00
2½%	" " " " " _____	7-1-39	12-1-50	4,000.00
3%	" " " " " _____	7-1-39	12-1-50;51	31,500.00
3½%	" " " " " _____	7-1-39	12-1-50;52	30,500.00
3½%	" " " " " _____	7-1-39	12-1-50;54	425,000.00
2½%	Institutional _____	10-1-39	12-1-56	250,000.00
2½%	Charitable & Penal Institutions _____	10-1-39	12-1-56	750,000.00

Interest	Description	Date	Maturity	Amount
3%	Con. Bonds for Co. Reim.	10-1-39	12-1-50	673,000.00
2 3/4%	" " " " " "	12-1-39	12-1-50	5,000.00
3%	" " " " " "	12-1-39	12-1-51	3,500.00
3 1/4%	" " " " " "	12-1-39	12-1-52	1,500.00
3 1/2%	" " " " " "	12-1-39	12-1-50 ;53	636,500.00
2 3/4%	" " " " " "	1-1-40	12-1-50	164,000.00
3%	" " " " " "	1-1-40	12-1-51	9,000.00
3 1/4%	" " " " " "	1-1-40	12-1-52	145,500.00
3 1/2%	" " " " " "	1-1-40	12-1-50 ;54	418,000.00
2 3/4%	Charitable & Penal Institutions	4-1-40	12-1-56	1,715,000.00
2%	Institutional	4-1-40	12-1-56	785,000.00
2 1/2%	Con. Bonds for Co. Reim.	4-1-40	12-1-50	344,000.00
2 3/4%	" " " " " "	6-1-40	12-1-50	14,000.00
3%	" " " " " "	6-1-40	12-1-51	1,000.00
3 1/4%	" " " " " "	6-1-40	12-1-52	9,500.00
3 1/2%	" " " " " "	6-1-40	12-1-53 ;54	124,500.00
2 3/4%	" " " " " "	7-1-40	12-1-50	16,000.00
3%	" " " " " "	7-1-40	12-1-51	3,000.00
3 1/4%	" " " " " "	7-1-40	12-1-51 ;52	112,000.00
3 1/2%	" " " " " "	7-1-40	12-1-53 ;54	516,500.00
1 1/2%	" " " " " "	12-1-40	12-1-50	368,000.00
2 3/4%	" " " " " "	12-1-40	12-1-50	154,000.00
3%	" " " " " "	12-1-40	12-1-51	449,000.00
3 1/4%	" " " " " "	12-1-40	12-1-51 ;53	854,500.00
3 1/2%	" " " " " "	12-1-40	12-1-50 ;54	794,000.00
2 3/4%	" " " " " "	1-1-41	12-1-50	10,000.00
2 3/4%	" " " " " "	1-1-41	12-1-50 ;51	89,000.00
3%	" " " " " "	1-1-41	12-1-51 ;52	71,500.00
3 1/4%	" " " " " "	1-1-41	12-1-52 ;53	166,500.00
3 1/2%	" " " " " "	1-1-41	12-1-53 ;54	493,500.00
1 3/4%	Tuberculosis Hospital	4-1-41	12-1-56	500,000.00
1 3/4%	Defense Bonds	4-1-41	12-1-56	355,000.00
2 1/2%	Con. Bonds for Co. Reim.	4-1-41	12-1-50	145,000.00
2 3/4%	" " " " " "	7-1-41	12-1-50	5,000.00
2 3/4%	" " " " " "	7-1-41	12-1-51	12,000.00
3%	" " " " " "	7-1-41	12-1-52	35,000.00
3 1/2%	" " " " " "	7-1-41	12-1-54	183,500.00
2 1/2%	" " " " " "	7-1-41	12-1-50	8,000.00
2 3/4%	" " " " " "	7-1-41	12-1-51	22,000.00
3%	" " " " " "	7-1-41	12-1-52	8,500.00
3 1/4%	" " " " " "	7-1-41	12-1-53	13,000.00
3 1/2%	" " " " " "	7-1-41	12-1-54	260,000.00
2 1/2%	" " " " " "	7-1-41	12-1-50	32,500.00
2 3/4%	" " " " " "	7-1-41	12-1-51	55,500.00
3%	" " " " " "	7-1-41	12-1-52	146,500.00
3 1/4%	" " " " " "	7-1-41	12-1-53	200,000.00
3 1/2%	" " " " " "	7-1-41	12-1-54	374,000.00
1 1/2%	Charitable & Penal Institutions	12-1-41	12-1-57	535,000.00
1 1/2%	Institutional	12-1-41	12-1-57	365,000.00
1 1/2%	State Defense	12-1-41	12-1-57	240,000.00
1 1/2%	State Guard	12-1-41	12-1-57	200,000.00
3%	Con. Bonds for Co. Reim.	12-1-41	12-1-50	182,000.00
1 3/4%	State Guard	12-1-41	12-1-51	300,000.00
3%	Con. Bonds for Co. Reim.	1-1-42	12-1-52	10,000.00
3 1/4%	" " " " " "	1-1-42	12-1-53	2,500.00
3 1/2%	" " " " " "	1-1-42	12-1-54	84,000.00
1 1/2%	State Defense	6-1-42	12-1-52	405,000.00
2 3/4%	Con. Bonds for Co. Reim.	6-1-42	12-1-52	85,000.00
TOTAL				\$94,394,000.00

COUNTY HIGHWAY REIMBURSEMENT DEBT 7/1/42

The Highway Reimbursement debt due the Counties at June 30, 1942, amounted to \$13,770,104.75. This is to be paid from the State's Sinking Fund.