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A Good Record.

What Has Been Accomplished by the Republican State Administration.

Extract from a Speech Delivered by Hon. M. A. Kendall,
State Treasurer of West Virginia.

Hon. M. A. Kendall, State Treasurer, in a late speech, discussing State issues, said: A Spanish officer returning to his native land undertook to explain why it was that they lost the battle of Santiago. He said it was all because the U. S. troops would not conform to the recognized rules of modern warfare. Said he, according to those rules, when a regiment is fired on it falls back, but when we opened fire on those fellows they just kept on coming, and would not go. Now, my friends, the Democrats have opened fire on the State administration, and we are coming, and we intend to keep on coming until we have chased them to the red brush. Something over eighteen months ago they left your State house, after having held continuous possession for over twenty-five years. When they departed they left behind them the Capitol building, in a dilapidated condition, to be sure, and a few fragmentary records and now they seem to think they are entitled to a vote, of thanks for not carrying these off.

At the close of their last fiscal year they were able to report \$233,446.74 in the State fund (see Hon. J. M. Rowan's last report and deduct therefrom $\frac{1}{3}$ of the unavailable balance reported lost). Over against this stood old debts and deficiencies aggregating over \$240,000.00.

The State's obligations were not being paid and some of them were being discounted as much as 50 per cent. They excuse themselves by saying that previous sessions of the legislature had not made the appropriations sufficiently large. We charge back that the money that was put at their disposal was not properly handled. But they could not have kept the money and spent it at the same time, so they can take either horn of the dilemma and it proves what we claim, that our legacy from them was an empty treasury and a deficit.

The issue is now squarely drawn. Did they do as well as they might have done? Have the Republicans done any better?

To begin with, there are no unpaid debts now; the old deficiencies have all been paid and all the new obligations have been promptly met, and to-day we look the whole world in the face, for we owe not any man; and we closed our fiscal year on the 30th day of September with \$424,641.17 in the State fund alone; this is all available cash, and every dollar of it is drawing interest.

One of the Democratic organs in its desperate effort to lodge some damaging charge against the present administration, claimed that there had been friction and strife and misunderstandings, and a general lack of harmony between the different branches of the State government. I want to say to you that there have been no serious differences, and those which have arisen are only such as naturally arise when honest men hold different views in regard to business propositions. But speaking of harmony, that reminds me, that there has been harmony in your State house for the last twenty-five years. I think I never heard of such harmony. Thousands and thousands of dollars of the people's money being worse than wasted, and yet there was harmony in the State house. Commissioners of school lands and delinquent sheriffs all over the State pocketing the people's money and never being called upon to settle, and yet there was harmony in the State house. Tons and tons of worthless documents being ground through the public press, at an enormous cost to the State, only to lie and rot in the vaults and cellars of that building, and yet there was harmony in the State house. Printers' and stationers' contracts which smacked of all kinds of fraud and jobbery and out of which printers and stationers were getting rich at the State's expense and yet there was harmony in the State house. Hundreds of foreign

corporations doing business in this State and only paying one-fifth the amount of tax the law requires, and yet there was harmony in the State house. A fifty thousand dollar shortage in the Secretary of State's office, concerning which the auditor and all the other departments were fully advised and yet there was harmony in the State house. A trusted clerk in the treasurer's office holding up the state depositories, and robbing them of thousands of dollars, and yet there was harmony in the State house. I'm sure I never heard of such harmony.

A prominent Democrat said to me some time ago, "Why don't you fellows send Bill Chilton to the penitentiary?" I said, "My friend, don't you think, after all that has been going on for the last twenty-five years, if we were to send William up, all by his lonesome, don't you think it would kind o' spoil the harmony?"

Now my friends, I have been indulging in some pretty plain talk for the last few minutes, but I want to say to you that I am not talking merely for my health, nor for your amusement. I have come from headquarters and am talking by the books, and if you will send a disinterested party to the capitol, and I can't convince him that every charge I have made is absolutely true, I will resign my office.

I spoke of a fifty thousand dollar shortage in the Secretary of State's office. The time I refer to was the time of the election two years ago. On the 4th day of March, '97, the shortage was not that large. It fell to my lot to investigate that matter after the present administration came in. I reported to my colleagues on the board of public works that the amount of the shortage, concerning which no sort of a defence could be made, was, in round numbers \$27,000.00. These figures Mr. Chilton himself never disputed and they have been made the basis of the proceedings which have been had in this case.

But I have discovered another very peculiar circumstance. The books in my office show that beginning with the sixth day of November, 1896, and ending with the third day of March, 1897, \$26,930.00 was actually paid in on this account. Prior to November 6th, 1896, nothing had been paid for months. Do you think it was a coincidence that these payments began on the 6th of November? No, my friends, it was not a coincidence. The election was held on the 3rd, by the 6th the returns were all in, and they knew beyond a question that the State was lost to them and it would only be a few months until the books must be turned over and the whole situation exposed and they rushed out on the streets and into the banks in their scramble to raise the money to fill that hole, and actually raised \$26,930.00 and paid, on that account. The present administration believing that it was its first duty to try to save this money to the State, subjected William to a tremendous pressure and have succeeded in squeezing nearly \$15,000.00 more out of him. The balance we believe is secure and we expect to get it. But if it should never be paid I want to say to you that the taxpayers of this State are \$40,000.00 better off on that one account alone than they would have been if they had voted the Democratic State ticket in 1896.

During the last four years of their administration they used up their entire appropriation for public printing, binding and stationery, and "fetched up" with a deficit amounting to \$45,398.12. The deficit reported, and the bills presented were much larger than this, but a committee of the legislature checked them over and scaled them down to the above mentioned figure, which amount was paid by the present administration. I checked the money out myself, and have the cancelled checks to show for it. The present administration, with the same sized appropriation printed every document that was necessary, and at the end of the second year, instead of a deficiency, actually turned back into the treasury from the amount appropriated for these purposes, \$44,608.41.

They are apologizing for this sorry showing by saying that the last legislature passed a bill prohibiting the abuse of their privileges, by State institutions. Now, it might be interesting to inquire why it was necessary for the legislature to pass a special act compelling the commissioners and superintendent of public printing to do their duty. Or again, it might be interesting to inquire, if an act of that kind was so important, why a Democratic legislature didn't pass it long ago; why did they leave it for the Republican legislature of 1897 to attend to? But I can prove to you that that is not the explanation. The law governing the printing in the department of free schools has not been changed, and yet your efficient Superintendent of Schools, Prof. Trotter, furnished, not only as good but a better class of printed matter than his predecessors, and saved a clean \$10,000 in one year. This saving is not included in

the saving mentioned above, for it is kept in a separate account and paid out of a separate fund.

I want to say to you, my friends, that barring the Treasurer, who is commonly supposed to have nothing to do, and is not expected to know how to do it if he had, you have a full set of efficient, hard working, painstaking officials. In every department the good work is going on. Leaks have been stopped and collections have been looked after, and the result is, we closed our fiscal year on the 30th day of September with \$424,641.17 in the State fund alone, and every obligation is paid to date, and no man, woman or child within our borders can produce an obligation against the State of West Virginia which has been returned to them unpaid, in the last 18 months, because there was no money with which to pay it. Our obligations are all paid, remember that, and a \$424,000.00 surplus in the State fund alone.

During all these years the Democrats has been apologizing for their enormous outlay of money by telling you that they were spending it on the State institutions.

Now our people are patriotic and sympathetic and they didn't complain when they thought their money was being spent for this purpose.

They said, of course we must have State institutions. We must have a Capitol building and University buildings and Normal school buildings, and our poor unfortunates must be kindly treated, and if the hospital for insane at Weston is too small it must be enlarged, and if that won't answer the purpose, we must have another one. And there must be an asylum for the blind and a training school for the deaf, and a reform school in which to correct our bad boys, and a penitentiary with which to protect ourselves against the criminal classes, and while the people were being led to believe that the money was being used for these purposes, they bore the burden of taxation uncomplainingly. But I want to say to you that you were being deceived, and that no considerable proportion of your money was being used for those purposes.

I began some time ago to prepare a table which would show the actual amount expended by the State on her institutions, each year since the beginning of our State history. I had not gone very far until I discovered that such a table was allready in existence. It was prepared by no less an authority than the Hon. Wm. A. Cracraft, who for nearly twenty years was the chief clerk and disbursing agent in the Auditor's office. An old Jacksonian Democrat who came through all those years without a breath of suspicion being lodged against his good name and without the smell of fire on his garments. He told me himself that he prepared the table and then I threw my work in the waste basket and said, "Mr. Cracraft, I will accept your statements and your table." You will find it printed on page 103 of Ex-Auditor I. V. Johnson's last report, and that is the table which I shall use for purposes of comparison. And if these figures hurt don't blame me; it is their own record, faithfully kept by their one faithful servant. There is one point I want to develop, however, before I begin on these comparisons. You will remember that during the first six years of our history the Republican party was in control. During their first two years they had the war on their hands. Half of the territory was overrun by Confederates and they could only command a part of the revenues. But the men in charge were heroes. They perfected the State organization, and not only kept her in the channel but cut the channel in which she must go. They found time however, during those first two years to raise \$200,000.00 as a special war tax and pay it into the treasury at Washington, which amount was returned in the Spring of 1895, \$46,000 of it to some of our eastern counties and the other \$154,000 was paid into the State fund at Charleston, and came just in time to save the MacCorkle administration from plunging into a deep, dark, financial hole.

Now get this fact in your mind; Gov. Boreman's administration furnished Gov. MacCorkle's administration \$154,000.00. By the year 1866 the war was over and the Republican party begun to cast about to provide some State institutions, and during the next four years actually spent for that purpose, \$492,912.00 or an average of \$123,230.00 per year. This they did with the limited resources at their command and never borrowed \$1.00. Then comes 25 years of Democratic rule during which, with the ever increasing facilities at their command, they were only able to spend an average of \$75,560 per year on the State institution. Nor does this tell the whole story, for if you will refer again to their own records, (Auditor's reports '71 to '74), you will find that during their first four years they laid a special levy for Insane Asylum which netted them \$246,852,61; and again in the years '86-7-8 (see Auditor's

reports for said years) they laid another special levy for public buildings which netted them \$161,957.97, but in spite of all this they had re-assessments and supplemental assessments and sent their tax inquisitors round to count the chickens, the pigs, the ducks and the geese, and a thousand and one other things that are ordinarily exempt. And on top of all that they borrowed money, as their own records show, every year from '71 to '95, and were only saved from borrowing that year by the timely arrival of the \$154,000.00, which I mentioned awhile ago.

In the year 1894, Gov. MacCorkle borrowed \$100,000, from the irreducible school fund to tide him over, this he did, and the State had to pay six per cent. interest, while during those very months, members of his own administration had thousands of dollars of the State's money in their pockets and were paying neither principal nor interest.

Now my friends, I have confined my remarks principally to the State fund, because this is the only fund that is ever available for the contingent expenses of the State, and when this fund is exhausted the State is financially embarrassed. No deficit can possibly be created in the other two funds, for you are never called upon to spend more than you have.

I said that we closed our fiscal year with \$424,641.17 in the State fund. In addition to this we had lying in the treasury on that date \$367,026.10, to the credit of the general school fund and \$271,193.21 to the credit of the irreducible school fund, uninvested, or a total cash balance in the treasury of \$1,062,860.48. In addition to this we have invested in bonds and other securities to the credit of the irreducible school fund \$658,800.00. On retiring from office on the 4th of March, 1897, our Democratic friends undertook some sharp practice, as they supposed which consisted in holding a lot of this outside money in the treasury and requiring me to receipt for it, and they are now exhibiting my receipt for something over \$1,100,000.00; but if they should show it to you ask them to kindly tell you what kind of money that was, and then if they tell you the truth they will have to confess that \$400,000.00 of it was R. R. money belonging to the counties, districts and municipalities, which should have been distributed before they went out, and that \$300,000.00 belonged to the irreducible school fund, and another big slice to the general school fund, and aside from the amount I have mentioned, not one dollar of it could have been used to pay the contingent expenses of the State unless they had borrowed it or stolen it.

I wish now to make just a brief reference to the manner in which the two school funds are being handled, and thus to show you that improvements have been made along those lines.

Take for instance the fines which are assessed for misdemeanors. This money goes into the general school fund, but we found in numerous instances that local officers were compromising with offenders by collecting their own fees and letting the State lose her portion. This practice has been stopped and the receipts, from this source have increased over fifty per cent. this year.

The money received from the sale of waste, delinquent, and unappropriated lands goes into the irreducible school fund, but we found that a large number of commissioners of school lands had pocketed these moneys, and were not being compelled to settle. The present administration has brought them up with a sharp turn. A number of them have settled, and before we are done with this thing, more of them will be compelled to "walk Spanish," some of whom are high up in the councils of the Democratic party. As a result of our efforts we have added to the principal of this fund this year \$56,531.34, which is as much as they added in any two years of their history. Now, my friends, the public does not care for bombast and fine spun theories. What they are interested in is a course that will bring the answer, and show satisfactory results, and so it's the results we are giving you.

Result No. 1. A \$424,000 surplus in the State fund. Result No. 2. More money distributed from the general school fund than than has ever been distributed in a corresponding period during the entire history of the State. Result No. 3. Nearly \$100,000.00 added to the principal of your irreducible school fund, and all this accomplished in less than two years. Friends, are you satisfied with the results? I believe you are. And after what you know now I believe you will agree that all too long our Democratic friends were allowed to remain in the State house, and that none too soon did you bid them go and warned them not to tarry on the order of their going. And I venture to predict that it will be many a long day before you invite them back.