Which has been expended as follows:

Real estate and water rights including		
Jurors. Sheriff and legal fees	$174301.15	
Construction of new works	196251.80	
Discount on sale of water stock	10469.97	
Incidental expenses, including Clerks Salary	956.36	
Balance in City Register's hands		
for use of Water Board	43705.82	$425675.10

The total expenditures on account of the water works, under the supervision of the Board, exclusive of the new works in progress - present an amount of $1795488.81

The completion of the new water works will add greatly to the comfort of our citizens, besides giving enhanced value to property in many districts where the supply of water has been heretofore limited or entirely cut off. The total issue of bonds for the purchase of the works and property of the old water company, and in prosecution of the enlarged plan, amounts at this time to a total of $2003151.90

It will be gratifying also to know that the annual receipts for water rents amount to $137897. being more than the interest on the entire cost up to this time, relieving the city from any burden on this account. The indications at present point to the belief that these works will be self-sustaining, and the establishment of a proper sinking fund, as required by the existing law, will relieve the Treasury from all future anxiety growing out of this improvement

The great interest felt in the operations of the Board, has induced me to make this detailed statement, with a view to a proper understanding of the plan, and the success which has attended the progress of the work up to the present time. It is with some satisfaction I recur to the fact, that in the midst of the heavy disbursements required to be paid in cash, the bonds placed at the disposal of the Board, in the prosecution of the enterprise, have been kept out of the hands of contractors, and with the other securities of the city, have steadily advanced to a point within a fraction of their full par value

The report of the President and Directors of the Baltimore and Ohio Railroad Company, shows the gross earnings of the main stem to have been $3856485.77 being a decrease of $760513.16. compared with the results of the preceding year. The expenses are stated at 65.63 per cent

On the Washington branch the gross earnings amounted to $469422.92, and the expenses to $202453.64

On the North Western Virginia Branch, the gross earnings were $248004.06, and the working expenses $253252.79.

The flattering condition of the Baltimore and Ohio Railroad company, as shown in the annual exhibit, notwithstanding the severe ordeal through which it has passed, growing out of the general depression of all branches of trade, cannot be otherwise than gratifying. There is no work to which the city looks with more interest; and the reason for this anxiety is sufficiently manifest when we consider the extent to which she has become involved on this account.

Experience in the practical workings of our railroad system, especially in its relation to other and rival works, satisfies me that too much credit cannot be awarded to those who, more than a quarter of a century ago, marked out the true line of policy for the protection of the trade of our city. There are three prominent lines of communication contending with the Baltimore and Ohio Railroad, for the trade of the West - The New York central - New York and Erie and Central Pennsylvania Railroads. Between these opposing interests the competition has been fierce, and at times destructive. The acceptance of the charter passed by the legislature of Virginia in 1847, did not satisfy our people. The effort of this city had been from the earliest period, to form her connection with the Ohio river by the most direct line, and at the most southern practicable point, and it was not without reason that these efforts were steadily persevered in - until the completion of the North Western Virginia Railroad, familiarly called the Parkersburg Railroad.

This road was undertaken as a measure of necessity. It has been so viewed for twenty years past. The city of Baltimore cannot maintain her commercial ascendency without it. If it prove a failure now, our business men are all alike deceived in their calculations. It strikes the Ohio river 94 miles below Wheeling, and offers just that advantage, against an ascending current, in our combination with Cincinnati by the river. The Baltimore and Ohio Railroad has been heretofore sustained by its heavy tonnage, and the river has been her principal feeder. Its completion was expected to give to our commercial community a drawback of fifty cents to one dollar per ton over the Northern arm of the Baltimore and Ohio Railroad. That is to say, it was expected to work always that much cheaper.

The prominent centers of trade west of the Ohio river, upon our own parallel of latitude, are Cincinnati and St. Louis. These cities are nearer Baltimore, throug Parkersburg by rail than through Wheeling or Benwood