government.

The whole amount of the sinking fund will be detailed in the report of the Commissioner of Finance. It is of the first importance that nothing should be permitted to interfere hereafter with the regular employment of the proceeds of this fund towards the reduction of the public debt.

Stock in the name of the Commissioners of Finance, City Debt Sinking Fund January 1st 1856.

Six per cent stock	. . . . .	$139.325.66,
Five per cent stock,	$16.025.19,	
Purchased for the sinking fund during the year 1856,		
Six per cent,	. . . . .	11.990. 14.
Five per cent,	34.986.40	
Stock now held January 1857. . .	51.011.59	$151.315.80

Recapitulation;

Six per cent.	$151.315.80
Five per cent.	51.011.59
Total.	202.327.39

Ground rent per annum, to be applied to Sinking Fund, about $16.000.

The House of Refuge I am glad to report, is fast developing its usefulness, and promises the most important results to the morals of our community. An official report has been made to his excellency, the Governor of the State, comprising many interesting details, which will be distributed in due season for your information. An institution so much needed as this has been, and commencing its career under such flattering auspices, cannot fail to commend itself to the fostering aid of both State and City, and I cordially recommend it to your most liberal patronage.

The report of the Commissioners of Public Schools contains much valuable information. There is no object to which I could direct the attention of your honorable bodies, which makes a stronger appeal to your liberality, than the establishment and support of a proper system of education. The moral and intellectual power of a community depends upon the proper training of its youths; and no system of laws can be made effectual without the influence of a well directed mental culture. If we would fortify ourselves against vice and lawlessness, it must be through the medium of Public Schools, and much will depend, in my judgement, upon the multiplicity and universality of the facilities thus afforded, so as to bring them within reach of every poor man's door, than the particular modes or forms upon which the Primary School system shall be organized. The good results of this Department of the municipal charge are long felt from year to year, and it is a cause of congratulation, that the mechanic and laboring man receives under this system, for those who would otherwise be charged upon his limited earning privileges, which, in the earlier history of our government were only accessible to the most favored classes.

In connection with the subject of education and the Public Schools, it has been my earnest desire at the earliest practicable day to make available the noble bequest of the late John O'Donogh, amounting to more than one million dollars. With this view I address an official communication to the Council, asking authority to consult legal advice in an effort to bring about an immediate partition of the estate between the two cities of New Orleans and Baltimore.

The gentlemen to whom I had reference in that communication having returned to the city, and brought with him the fullest information in regard to the practibility of the movement contemplated by me, and the legal rights of the parties, I am authorized to say that the most confident opinion is entertained, that by proper activity on the part of the city authorities the estate may be finally settled at a much earlier day than we at first anticipated. In view of this aspect of affairs, and the absolute necessity in my opinion, for a legal adviser upon the ground, who shall consult as to the steps proper to be taken to protect the city against all possible contingencies, I would recommend that the Committee lose no time in satisfying themselves and reporting to your honorable bodies