

The Maryland Penitentiary shows a substantial increase, turning into the State Treasury the sum of \$36,492.07, as the net earnings for the fiscal year. This institution is a subject for congratulation by every tax payer of this State. Every expense incidental to its operation, including salaries, is borne out of its own earnings and yet it turned into the State Treasury last year the above sum of \$36,492.07.

DISBURSEMENTS.

The expenditures of the State are shown in detail in Statement "B," together with the Acts of Assembly authorizing payment of the same. These disbursements are shown to be \$4,516,828.77, exceeding even that of last year by \$54,127.35, which up to that time was unprecedented, yet leaving a balance in the Treasury proper of \$1,529,513.08, a sum greater than that of the year previous, so that while our disbursements have been large, yet our revenues have increased and been sufficient to maintain them.

These heavy payments are incidental, however, to a greater or less degree by reason of the Legislative year, which means the cost of the Legislature and the special appropriations enacted. Other large disbursements were made on account of the Public Schools, Public Buildings Loan and Public Highways.

FREE SCHOOL FUND.

In Statement "E" is shown the detailed receipts and disbursements on account of this Fund. The receipts for the year, together with the balance on hand at the close of the last fiscal year of \$8,508, aggregate \$83,420.64, while the disbursements are shown to be \$73,680.14, leaving a balance on hand of \$9,740.50, or a slight increase over that of last year.

SINKING FUNDS.

In Statements "E" and "F" you will find in detail the several transactions of these funds. Notwithstanding the heavy demands upon the Treasury during the fiscal year, the Treasury officials were enabled to not only carry a sufficient sum to the credit of these funds