

the instalments on the loans can be anticipated, and leave an ample sufficiency of active capital, with surplus enough to enclose the additional lot, and make such other improvements as may be required within the year—if no misfortune shall happen to the institution by bad debts or otherwise.

The debts due to the Penitentiary are of a larger amount than is desirable—but our whole annual production is equal to about 85,000 dollars a year, and the present manner of doing business calls for extensive credits. If these be carefully as well as *fortunately* granted (for something depends on the last in the present state of the times), the increased sales of our goods makes up for any disadvantages sustained.

The whole interest of the state in its penitentiary may be thus shewn:

Lot and improvements,	-	-	\$194,386 85
Active capital, (deducting \$154 31 owing)			79,902 40
Tools, implements, clothing, bedding, &c.			12,011 26
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			286,300 51

All which belongs to the state, but is specially chargeable with the repayment of the monies loaned, now \$49,500, as well as the interest upon the loans. And the principal of these loans, after the next year, may be safely reduced \$5000 per annum, provided the establishment shall continue to hold its present successful operation.

And now, feeling that I have discharged my duty to the government and people, as a director of this institution, permit me to repeat, that the necessary attention to my own private affairs prevents my continuance in the place to which I have been appointed—a place of much responsibility, but without honor or profit, and productive chiefly of unpleasant sensations, softened only by the hope that some degree of good is rendered to the public, or from the indulgence of a desire to ameliorate or improve the condition of the unhappy persons under charge, so far as the same may be compatible with the ends of public justice. But in retiring, I feel a warm interest in the future success of this great establishment—that it may go on and prosper, for the correction or punishment of offences committed, without being burthensome to the state.

I am, sir, and gentlemen, with great respect, yours, &c.

H. NILES.