

The ordinary receipts for the fiscal year in which we are now working should somewhat exceed those of last year, since the Tax on Gross Receipts of Corporations for the fiscal year just closed, owing to the financial depression through which we have passed, shows a shrinkage of \$73,000. Business activities having been revived, those corporations should show larger receipts and consequently we may reasonably expect from this source a larger revenue for the year upon which we have entered.

DISBURSEMENTS.

In Statement "B" you will find the expenditures of the State, exclusive of the Fund's accounts, and the Acts of Assembly authorizing such payments, amounting to \$5,310,687.43, or the largest sum ever disbursed by the State for a like period, exceeding that of last year by \$671,203.52, and of the year previous by \$1,170,824.41. While our ordinary receipts have shown a small but steady increase, yet the demands upon the Treasury have far exceeded such revenues. The balance in the Treasury proper September 30, 1909, was \$1,328,069.66, or in excess of that of the year previous by \$89,417.26, nevertheless the specific funds chargeable against said balance are the largest ever carried down, viz:

Balance in Treasury September 30, 1909.....	\$1,328,069.66
Due Public Schools and Free Books.....	\$591,652.19
Due State Roads Loan.....	469,465.45
Due Tobacco Warehouse Fund.....	170,792.18
Due Oyster Fund.....	4,795.38
Due Public Buildings Loan.....	4,272.93
Due State Loan of 1902.....	1,428.76
	<hr/>
	\$1,242,406.89
Balance applicable for ordinary expenses October 1, 1909...	\$ 85,662.77
Balance applicable for ordinary expenses October 1, 1908...	330,520.93

Therefore the narrow margin applicable to meet the heavy demands at the beginning of the new fiscal year becomes apparent, and I therefore advise that the utmost retrenchment must be made in future appropriations.