

gregating \$11,070,356.08, leaving a balance in the Treasury September 30th, 1913, of \$1,475,956.78. A comparison of these expenditures with those of former years will show a very large increase, not only on account of larger appropriations, but principally by reason of bond issues, the moneys arising therefrom being paid as therein directed.

This balance of \$1,475,956.78 carried over into the next fiscal year, viz, October 1st, appears large, but it is well to bear in mind the proper charges against this amount, and I desire to submit herewith another statement showing clearly the demands thereupon.

Balance in Treasury Proper September 30th, 1913.....		\$1,475,956 78
Due Public Schools, Free Books, etc.....	\$839,841 89	
" Consolidated Loan of 1913.....	1,850 12	
" State Loan of 1912.....	505 65	
" State Loan of 1902.....	194 26	
" Public Buildings Loan.....	1,016 00	
" Motor Vehicle Licenses.....	31,700 18	
" Oyster Fund.....	5,739 51	
" Road Repair Fund.....	49,496 84	
" State Tobacco Warehouse Fund.....	12,251 46	
		<u>942,195 91</u>
Balance Applicable for Ordinary Expenses, October 1st, 1913	\$533,760 87	
Balance Applicable for Ordinary Expenses, October 1st, 1912	529,155 88	

SINKING FUNDS.

The operation of the funds accounts is shown in detail in Statement "E," to which your attention is respectfully invited. In this statement will be found the following new accounts: Maryland State Normal School Loan, Technical School Loan of 1912, Second Insane Hospital Loan, Consolidated Loan of 1913, and the State Loan of 1912, necessarily opened to meet the issue of these loans. During the year there was purchased, as therein shown, \$78,000 of the Consolidated Loan of 1899 and \$400,000 of the State Loan of 1912, Series "F," while the large cash balance of \$678,023.85 was carried down into the next fiscal year, viz, October 1st. On October 2nd, 1913, the State offered for sale \$1,174,000 of its own bonds. Therefore the Treasury officials deemed it wise to bring this balance down, not only in order to protect the sale of its bonds to this extent, which had been selling at a low price owing to the condition of the money market, but, if possible, invest therein.

It is gratifying to state that the wisdom of this course was fully justified, the State being enabled to purchase \$600,000