

to the manner in which, under the then existing laws, these apportionments were being made, directed the Comptroller "to equalize, as far as may be possible, the sums to be apportioned so as to apportion and distribute the same amount as far as may be practicable" on each apportionment-day. These apportionments are made four times a year. The law is still somewhat indefinite, but I have endeavored to conform strictly to it and at the same time to give to the Schools all of their money I can under it. The School Tax is one of those "Special Funds," and is, of course, hard to manage. The receipts on account of it are short during the quarters ending in March and June, and hence a balance has always to be kept on hand to equalize the distributions of these quarters with those of the other quarters. This will explain why the \$76,034.31 mentioned in the foot-note to "Statement L," was retained in the apportionment of October 1st, 1878.

The State Debts and the amount of each Class and the time when each becomes due will be found in "Statement J." The Debt therein referred to as reduced is the Sterling Debt. This reduction was made by the redemption of overdue Sterling Bonds from the money realized from the sale of the Maryland State Loan, and by the exchange of a portion of this Loan for some of these Bonds.

This process of taking up one debt by creating another, does not much increase or decrease the indebtedness of the State. The aggregate Debt is larger than it was at the end of the last fiscal year, on account of the issue of the Treasury Relief Bonds.

Having submitted this brief and general, but, I trust, faithful view of the operations and condition of the State Treasury during the Fiscal Year ended September 30th, 1878, I invite the attention of your Excellency to the full and important details set forth in the Statements and Tables published in the Appendix. The Index will afford a ready reference to them. Permit me to say in closing that notwithstanding the embarrassments, both in law and in fact, under which the Treasury Officers, with your sympathy, have con-