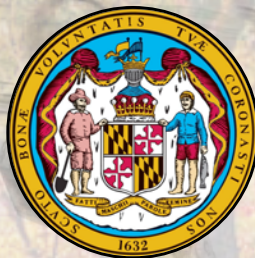


# *Maryland State Treasurer's Office*

ANNUAL REPORT 2022



INVESTING FOR MARYLAND'S FUTURE





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## BIOGRAPHY OF THE HONORABLE DERECK E. DAVIS, TREASURER OF MARYLAND



*Dereck E. Davis, State Treasurer*

### THANK YOU FOR YOUR INTEREST IN THE MARYLAND STATE TREASURER'S OFFICE 2022 ANNUAL REPORT—INVESTING FOR MARYLAND'S FUTURE.

With the retirement of former Treasurer Nancy Kopp, I was proud to be elected as the 24th Maryland State Treasurer on December 9, 2021. As a former legislator with the Maryland House of Delegates for nearly 30 years, including serving as the chairman of the Economic Matters committee for 19 years, I have unique insight into the workings of state government.

As one of seven statewide Constitutional officers, and the only one elected by the Maryland General Assembly, my duties and responsibilities are multifaceted and extend throughout the state. In my capacity as Treasurer, I am the chief representative of the state, dealing with financial rating agencies and banking institutions. As a member of the three-member Board of Public Works, I am a voice for legislators and the constituents they represent across the state. Additionally, I serve on more than two dozen key state boards and financial planning committees.

With our divisions within the Maryland State Treasurer's Office—Executive, Operations, Accounting, Legal, Treasury Management, Debt Management, Information Technology, and Insurance—this past year, our office remained hard at work to ensure our state remained in good fiscal standing. Maryland retained the coveted AAA bond rating, despite the challenges of our continued recovery of the pandemic, as well as an uncertain national economy. As we move forward, the Maryland State Treasurer's Office remains committed to continuing to strike the careful balance between social responsibility and fiscal prudence.

I encourage you to read this report to learn more about the important work that we have accomplished this past year. We appreciate your continued support and hope you enjoy looking back at the past year of the Maryland State Treasurer's Office.

Thank you,

A handwritten signature in black ink that reads "Dereck E. Davis". The signature is written in a cursive, flowing style.

Dereck E. Davis  
Treasurer





## HISTORICAL REVIEW

### DURING THE EXPLORATION

and settlement period of North America (1492-1607), European powers competed to settle the New World. England laid claim to large tracts of land along the East Coast and successfully colonized the Chesapeake Bay area. England's first official colony, settled in Jamestown, Virginia, in 1607 (the Jamestown Colony), included what we now know as Maryland. In 1632, King Charles I of England granted the Charter of Maryland to Cecil Calvert. Calvert was granted extensive autocratic powers over the Maryland colony. Among those powers was the right to appoint government officials.

Soon after his appointment as Governor of Maryland, Sir Francis Nickelson appointed Maryland's first two state Treasurers in 1694. At that time, there were two Treasurers appointed for the state – a Treasurer for the Eastern Shore and a Treasurer for the Western Shore. Maryland's first Treasurers were Colonel William Whittington (Eastern Shore) and Captain Thomas Tasker

(Western Shore). The primary duty of the state Treasurers at that time was to manage and disburse state funds. The governor held the task of appointing state Treasurers throughout the 18th century. This responsibility was ultimately transferred to the legislature with the adoption of the Maryland Constitution in 1776.

In 1843, the two-Treasurer system was abolished with the duties of the Eastern Shore Treasurer being assumed by the Treasurer of the Western Shore. The Maryland Constitution of 1851 finally established a single office of Treasurer for the entire state to be elected by joint ballot of both houses of the General Assembly. Historically, the Treasurer's position was appointed for a term of two years as a part-time position. In 1922, the Treasurer's term was extended from two years to four years and became a full-time position in 1973. In addition to having authority over custody, safeguarding, investment and disbursement of state funds, the Maryland State Treasurer is considered

among the most powerful Treasurers in the country due to membership on the Board of Public Works, which reviews and approves all major state procurements. It is the Treasurer's job to brief members of the General Assembly on issues regarding the financial operation and condition of the state. The Treasurer maintains the state's ongoing relationship with financial rating agencies and conducts outreach with state agencies and other appropriate offices. The Treasurer also produces this annual report in keeping with his statutory responsibility to provide the General Assembly with current information regarding the state's financial condition. ■



Frederick Douglass Statue, Easton



Charles Calvert

## TREASURERS OF THE PAST

### TREASURERS OF THE EASTERN SHORE

1694-1695	Col. William Whittington	1778-1779	Edward Hindman
1695-1714	Maj. Thomas Smithson	1779-1789	Henry Dickinson
1714-1727	Robert Ungle	1789-1802	William Richardson
1727-1747	Col. James Hollyday	1802-1813	William Chambers
1747-1766	Col. Edward Lloyd	1813-1825	William Richardson
1766	John Leeds	1825-1826	John K.B. Emory
1766-1769	Bedingfield Hands	1826-1840	William K. Lambdin
1769-1775	William Hemsley, Jr.	1840-1841	Perry Robinson
1775-1777	William Hindman	1841-1842	John H. Harris
1777-1778	James Hindman	1842-1843	Perry Robinson

### TREASURERS OF THE WESTERN SHORE

1694-1695	Capt. Thomas Tasker	1775-1804	Thomas Harwood, Jr.
1695-1698	Robert Mason	1804-1826	Benjamin Harwood
1699-1700	Robert Mason	1826-1843	George MacKubin
1700-1736	Col. Samuel Young	1843-1844	James Owens
1736-1772	Col. Charles Hammond	1844-1852	Dennis Claude
1772-1775	Col. William Fitzhugh		

### MARYLAND STATE TREASURERS *(BEGINNING OF SINGLE-TREASURER SYSTEM)*

1852-1854	James Owens	1900-1916	Murray Vandiver
1854-1860	Dennis Claude	1916-1918	John M. Dennis
1860-1862	Sprigg Harwood	1918-1920	William P. Jackson
1862-1870	Robert Fowler	1920-1935	John M. Dennis
1870-1872	John Merryman	1935-1963	Hooper S. Miles
1872-1874	John W. Davis	1963-1973	John A. Luetkemeyer
1874-1885	Barnes Compton	1973-1975	J. Millard Tawes
1885-1886	John Gittings	1975-1987	William S. James
1886-1890	Stevenson Archer	1987-1996	Lucille D. Maurer
1890-1892	Edwin Brown	1996-2002	Richard N. Dixon
1892-1896	Spencer C. Jones	2002-2021	Nancy K. Kopp
1896-1900	Thomas J. Shryock	2021-	Dereck E. Davis

## MARYLAND'S BOARD OF PUBLIC WORKS

**AS THE STATE'S ULTIMATE** policymaking and oversight board for state procurements, expenditures of capital appropriations, and the acquisition, use and transfer of state assets, the Maryland Board of Public Works is an entity with wide-ranging jurisdiction over many facets of state government. It is composed of the Governor, the State Treasurer, and the Comptroller.

Created by the Constitutional Convention of 1864 based on predecessor boards dating back to 1825, the Board of Public Works is the only constitutionally mandated government body of its type in the nation. Over the years, the General Assembly has increased this body's responsibilities and autonomy. Therefore, in a state with a strong governor who proposes the budget and therefore sets policy priorities, and a legislature that can only cut, not increase the budget, the Board of Public Works provides a valuable check on executive actions. The board has a unique insight into the operations of state government and ensures that final decisions on procurements provide accountability and are transparent and open to public discussion.

Recognizing that the Treasurer is elected by joint ballot of both houses of the General Assembly, the Treasurer's participation on the board provides the legislature with a voice throughout the year in the post-appropriations management of public funds. As an adjunct to this role, the State Treasurer's Office provides outreach to legislators, informing them of board items that pertain to their districts and providing a mechanism for feedback from legislators on particular projects.

The breadth of items to come before the Board of Public Works is vast. The powers and duties of the board are set forth in the State Constitution and state statute and include:

- Certification of the state property tax rate necessary to meet the debt service requirements during the next taxable year on all state bonds anticipated to be outstanding during the year;
  - Approval of the expenditure of any general obligation bond proceeds;
  - Issuance of licenses to dredge and fill state wetlands;
  - Approval of the acquisition of land and easements in support of Program Open Space, the Conservation Reserve Enhancement Program, the Rural Legacy Program, and the Agricultural Land Preservation Program; and
  - Approval of most state agency procurement contracts for goods and services in excess of \$200,000.
- In addition to authorizing state general obligation bond issuances and the Capital-Lease and Energy Performance Lease financings discussed in more detail in the Debt Management Division Section of this annual report, the following actions of the Board of Public Works are worthy of note among those taken during fiscal year 2022 (July 1, 2021, through June 30, 2022):
- Approved the Maryland Environmental Service's request to award the following natural gas conversion contracts at the Eastern Correctional Institute:
    - Furnish and install a new natural gas service distribution pipeline to the facility and convert equipment from propane fired to natural gas fired.
    - Provide both inspection and engineering design support services during construction.
  - Approved the Maryland Stadium Authority's request to award the following contracts for the Department of Legislative Services Razing and Replacement Project:
    - Pre-construction services.
    - Bid Package 1, comprised of demolition, abatement, structural concrete, structural steel, elevators, sheeting and shoring, and select earthwork services.
    - Bid Package 2 comprised of construction packages for masonry, waterproofing, fireproofing, overhead doors and loading dock equipment, drywall/framing/ceilings, fixed audience seating, fire protection, mechanical/electrical/plumbing), AV/telecom, public safety DAS, tunnel excavation, and final site utilities.
  - Approved the Historic Annapolis Foundation's request to sublet the Shaw House to the Department of Legislative Services until the new building is completed.
  - Approved the Jefferson Patterson Park and Museum's request to award the following:
    - A design package contract for the renovation and expansion of its Maryland Archaeological Conservation Lab.
    - A contract to transform the historical Jefferson Patterson Park and Museum, Patterson Center, residential complex into a modern, public museum and even facility.
  - Approved the Maryland College Investment Plan Program Manager's request to modify a contract to provide participants with an additional investment option, which will focus on environmental, social and governance screening criteria.



MARYLAND BOARD OF PUBLIC WORKS *continued from page 5*

- Approved the Maryland Department of Health's request to award a contract to provide WIC program services to approximately 30,000 eligible participants in Montgomery County and targeted areas of Prince George's County.
- Approved the State Board of Elections' request to award the following contracts for:
  - Ballot packet printing and mailing services.
  - Monitoring, detecting, alerting, and responding to potential cyber threats to minimize risks to digital information.
  - Software license and custom development hours for 7,892 electronic pollbooks used statewide.
  - The Statewide Voter Education Campaign.
- Approved the Maryland Department of the Environment's request to award a contract to provide program implementation and development services to support the State of Maryland's participation in the Regional Greenhouse Gas Initiative and regulations for the Maryland Carbon Budget Trading Program.
- Approved the BPW General Counsel's recommendation to award supplemental compensation to the following:
  - Kirk Bloodsworth
  - Leslie Vass
  - Michael Austin
  - Bernard Webster

All four gentlemen are eligible under the new "Walter Lomax Act" to receive supplemental compensation to the grant they received from BPW before 2005.
- Approved the use of \$500,000 in general obligation bonds to purchase and collect oyster shell and plant hatchery-reared oysters for oyster reef construction in targeted sanctuaries.
- Approved the Maryland Vehicle Administration's request to award a contract to provide digital facial image capturing and conversion for drivers' licenses, business licenses, and identification cards.
- Approved the Secretary of Transportation's request for the adoption of a resolution authorizing the issuance and sale by Maryland Department of Transportation (to occur on or before September 30, 2021) of:
  - Up to \$300,000,000 of new money bonds (2021 Series A Competitive Bonds) to provide a portion of the capital funds needed for MDOT's capital program; and
  - Up to \$385,000,000 in refunding bonds (\$150,000,000 2021A refunding bonds, \$65,000,000 2022 Series A Forward Refunding Bonds and \$170,000,000 2022 Series B Forward Refunding Bonds).
- Approved the Maryland Aviation Administration's request to lease 26.92 acres to Southwest Airlines Co. in order to construct an airline maintenance facility.
- Approved the Maryland Transit Administration's request to modify the following Items related to the Public-Private Partnership Agreement for the Purple Line:
  - Extend the deadline for the replacement design-build contractor selection to February 17, 2022.
  - Terms and Conditions related to termination provisions.
  - Payment of up to \$375 million from MDOT to the P3 concessionaire to pay off certain debt associated with the project for work already constructed as part of the light rail line development.
  - Agreement between Purple Line Transit Partners and the new contractor, Maryland Transit Solutions.
- Approved the Maryland Stadium Authority's request of the following items related to the Hagerstown Multi-Use Sports and Events Facility:
  - Issue not to exceed \$59,500,000 bonds in a principal amount to partially finance the acquisition, construction, and renovation costs, and related expenses and to pay financing costs.
  - Acquisition of Real Property.
  - Award a design and preconstruction services contract.
- Approved the Department of Public Safety and Correctional Services' request to award a \$67,601,456.72 contract offering statewide dental services for inmates in the custody of the Department of Public Safety and Correctional Services.
- Approved the MDOT's request to award a contract to provide consulting services to prepare comprehensive availability and utilization studies for minority and women-owned businesses in the state.
- Approved the Department of General Services' request to award a contract for construction management services to restore the exterior of the Maryland State House and the grounds within State Circle. This includes the stabilization and restoration of the Old Treasury Building.
- Approved the Maryland Stadium Authority's request to award Bid Package 2 covering earthwork, site utilities, concrete, structural steel, and elevators for the Cross Country Elementary/Middle School renovation/addition project.

MARYLAND BOARD OF PUBLIC WORKS *continued from page 6*

- Approved the Maryland Stadium Authority's request to issue Built to Learn Act Revenue Bonds, Series 2022A in an amount not to exceed \$458,500,000, the proceeds of which will be used to partially finance the construction of public school facilities in Anne Arundel County, Baltimore City, and Baltimore, Frederick, Harford, Howard, Montgomery, and Wicomico Counties.
- Approved the Maryland Department of Health's request to declare 458 +/- acres with 69 buildings known as the Crownsville Hospital Center, as surplus. The property is located at 1520 Crownsville Road, in Crownsville.
- Approved the use of general obligation bond proceeds to pay a portion of funding for the Washington Metropolitan Area Transit Authority's fiscal year 2022-2027 Capital Improvement Program.
- Approved the Department of General Services' request to award a design and construction management services for the new Baltimore Therapeutic Treatment Center (BTTC) in Baltimore City.
- Approved the Commission on State Debt's recommendation that the state property tax rate for fiscal year 2023 will continue to be 11.2 cents per \$100 of assessed value of real property (except for public utilities) and 28 cents per \$100 of assessed value of real property of public utilities.
- Approved the Department of Natural Resources' request to commit \$4,298,250 to acquire 5.16 acres for a new waterfront park in the City of Annapolis (the Elktonia/ Carr's Beach Park). The project will preserve a historical site where African Americans gathered in the 1930s through the 1960s for concerts by world-renowned artists, cultural events, and family outings.
- Approved the University of Maryland College Park's request to award a contract for the new Central Maryland Research and Education Center Headquarters in Clarksville for the College of Agriculture and Natural Resources. The building will contain offices, meeting rooms and restroom facilities. This will help meet the growth needs of the Maryland Agricultural Experiment Station and the University of Maryland Extension.
- Approved the Department of General Services' request to lease new office space for the department of Human Services' headquarters. The Department is transitioning from their state-owned headquarters building located at 311 W. Saratoga Street to leased space at 25 S. Charles Street in accordance with the initiative to relocate State agencies into the Baltimore City central business district.
- Approved the Maryland Department of Health's request for the following related to the Spring Grove Hospital Campus:
  - Transfer Spring Grove Hospital Center property from MDH to UMBC (175 acres with 77 buildings and minor structures totaling 1 million square feet).
  - Lease back the Spring Grove Hospital campus to MDH for 10 years (with two five-year options) to give MDH time to transition both patients and medical personnel to other locations.
- Approved the Department of Commerce's Office of Tourism's request to award an advertising, creative media placement, and social media services contract.
- Approved the Department of Emergency Management's request to award a contract to provide continued staffing for COVID-19 operations, logistics, planning, and support including public assistance staff for cost recovery for the American Rescue Plan Act.
- Approved the Department of Labor, Division of Unemployment Insurance's request to award a contract to provide staffing support for the Beacon System that administers benefits and implements the Unemployment Insurance Tax program.
- Approved the Maryland Institute for Emergency Medical Services Systems' request to award a contract to support, maintain, upgrade, and house the statewide electronic emergency medical services data system. This license provides every public safety ambulance responding to a 911 call, including State Police Medevacs, a secure web-based system to record prehospital patient care data. The data record is included in the patient's hospital record and provides guidance in measuring and improving the effectiveness of EMS response. ■



*Prettyboy Reservoir, Baltimore County*

## SCHEDULE OF SELECTED FINANCIAL DATA

### COLLATERAL BALANCES AS OF JUNE 30, 2022

Bank	\$ 1,366,993,258
Insurance	\$ 91,920,981

### TOTAL INVESTMENT PORTFOLIO COMPOSITION AS OF JUNE 30, 2022

Repurchase Agreements (Term & Overnight)	\$ 4,066,831,000
Money Market Funds	\$ 3,933,108,185
Government Sponsored Agencies	\$ 6,199,352,886
Supra Sovereigns	\$ 1,361,013,489
Commercial Paper	\$ 1,793,786,908
US Treasuries	\$ 125,000,000
Other Investments	\$ 407,051,025
Total Portfolio	\$ 17,886,143,493

### GENERAL OBLIGATION DEBT ACTIVITY AS OF JUNE 30, 2022

Tax-Exempt General Bond Issuances	\$ 1,440,000,000
Taxable General Obligation Bond Issuances	\$ 225,000,000
Tax-Exempt Forward Refunding General Obligation Bond Issuances	\$ 237,125,000
Total	\$ 1,902,125,000
Interest Payments	\$ 423,045,342
Principal Payments	\$ 950,732,333

### LOCAL GOVERNMENT INVESTMENT POOL FUND BALANCE AS OF JUNE 30, 2022

Balance as of June 30, 2022	\$ 9,665,212,221
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### STATE INSURANCE TRUST FUND BALANCE AS OF JUNE 30, 2022

Beginning Balance	\$ 30,653,585
Ending Balance	\$ 28,102,728



## EXECUTIVE DIVISION

**THE EXECUTIVE DIVISION PROVIDES** direct support to the Treasurer in the execution of his wide-ranging Constitutional responsibilities. As the chief banker for the State, the Treasurer is responsible for receiving, depositing, investing, and distributing state funds, as well as anticipating the monetary needs of the state. While these activities are delegated to various divisions, the Executive Division coordinates and manages the day-to-day operations of the office to ensure that the activities remain effective and efficient.

Additionally, on behalf of the Board of Public Works, the Treasurer conducts bond sales each year to ensure the state's ability to meet its fiscal obligations. The Treasurer also provides lease-purchase financing of capital equipment and energy for state agencies and handles insurance needs for the state.

The Executive Division coordinates legislation for the office, reviewing bills and preparing information for fiscal notes, written testimony, and proposed legislation.

### CHIEF DEPUTY TREASURER

The Chief Deputy Treasurer coordinates and leads the operations of the State Treasurer's Office, including the Budget and Financial Administration, Treasury Management, Debt Management, Insurance, and Information Technology Divisions. The Chief Deputy Treasurer advises the Treasurer on matters regarding legislative policy, planning, new technologies and long-term operational challenges, opportunities, and strategies. Another critical function of the Chief Deputy is coordinating operational functions with other state agencies, such as the Comptroller's Office and the Department of Budget and Management.

The Chief Deputy Treasurer works closely with members of the General Assembly and its Standing Committees, such as the Senate Budget & Taxation and House Appropriations Committees, regarding the office's budget. The Chief Deputy Treasurer also prepares reports and provides updates on the office's progress throughout the year for

the Statutory Committees of the House and Senate, including the Spending Affordability Committee, the Joint Committee on the Management of Public Funds, Legislative Policy Committee, and the Joint Audit Committee; as well as serving as the Treasurer's designee on task forces, commissions, and other committees of the General Assembly, as required.

Additionally, the Chief Deputy Treasurer supports the Treasurer in his service on state boards and commissions, such as the State Retirement & Pension Systems Board of Trustees, the Maryland 529 Board, Maryland Teachers & State Employees Supplemental Retirement Plan Board of Trustees, the Maryland Health and Higher Educational Facilities Authority, the Maryland Environmental Service Board of Directors, and Revenue Bond Advisory Board, as well as in participation with the National Association of State Treasurers.

*continued on page 10*



*Fort Washington, Maryland*

EXECUTIVE DIVISION *continued from page 9*

## BOARD OF PUBLIC WORKS LIAISON

The Board of Public Works (BPW) Liaison serves as the primary advisor to the Treasurer regarding BPW-related activity. The liaison conducts extensive research and works closely with the Treasurer's counsel and representatives of the Governor, Comptroller and cabinet members and their staff, and the BPW Office to prepare a detailed analysis for the Treasurer for each meeting. The liaison serves as the primary contact for members of the Maryland General Assembly for all issues related to the BPW and as such, informs state legislators of upcoming board actions that affect their districts, and provides a status update once the board has rendered its final vote.

The BPW Liaison also monitors public policy issues and advises the Treasurer on topics as they arise. Additionally, this person represents the Treasurer on the Maryland Agricultural Land Preservation Foundation and the Green Purchasing Committee.

## OFFICE OF HUMAN RESOURCES

The Human Resources (HR) Division interacts with countless facets of the office's most valuable asset - its people. The division spearheads personnel management in various forms including recruitment, classification and compensation, benefits administration, employee relations, personnel database management and position control, pension and supplemental retirement benefits, performance evaluation, leave accounting, and staff development. The division provides interpretation and guidance on state personnel

laws, policies, and procedures, and coordinates the development and implementation of office policies and guidelines. In addition, the division is also responsible for overseeing compliance with the American with Disabilities Act and interacts with the agency's Equal Employment Opportunity (EEO) Officer to ensure a safe, fair, and equal work environment for everyone.

Human Resources strives to promote employee appreciation for civil service, at the early stage of recruitment and on through orientation and daily service, by teaching employees about the duties of serving the public and the unique role that the agency fulfills. The office's goal is to promote integrity and provide valuable, effective services to management and staff alike.

On July 1, 2021, state employees were officially allowed to return to their office environment full-time. The new fiscal year brought the "Great Resignation," and the Treasurer's Office was no exception, as employers across the state and nation were experiencing unprecedented turnover. The post-pandemic employment arena became employee-driven, with demand for full-time teleworking and higher salaries mocking what employers were able to offer, and this led to nationwide recruitment difficulties. Within the first six months, the Treasurer's Office lost 17 members of its small staff primarily to retirement, including the agency head and the agency's only delegated appointing authority, for a total of approximately 187 years of institutional knowledge and expertise. Recruitment became a critical priority so that the constitutional and statutory functions

of the office could continue without interruption. At its peak, turnover had reached slightly over one-third of the agency's total staff. Turnover also effectively reduced Human Resources to a staff of one. HR had to navigate new authority structuring as the new Treasurer and the new Chief Deputy Treasurer took office in the new calendar year. Under the direction of Treasurer Davis and the Chief Deputy Treasurer, HR and Operations were able to develop and finalize the agency's telework policy and began re-conceptualizing the agency's unique classification series in an effort to update and enhance key tools necessary to attract a competitive new workforce. By the end of the fiscal year, positions were steadily filled, reducing the vacancy rate to a manageable 15%.

As of June 30, 2022, the State Treasurer's Office maintained 60 permanent positions which were allocated as follows:

- Budget & Financial Administration Division – 5
- Debt Management Division - 4
- Executive Division - 11
- Information Technology Division - 8
- Insurance Division - 13
- Legal Division - 4
- Treasury Management Division – 15







*Great Falls, Maryland*



# BUDGET & FINANCIAL ADMINISTRATION DIVISION

**THE BUDGET & FINANCIAL ADMINISTRATION DIVISION** provides daily fiscal support to the operational needs of the State Treasurer's Office through the execution of essential accounting and fiscal administrative services specific to the State Treasurer Office's mission and in support of its ongoing operations. On behalf of the Board of Public Works, the division also oversees the State's Workers' Compensation contract administered by the Injured Workers' Insurance Fund (IWIF).

## BUDGET & ACCOUNTING DEPARTMENT

The division is responsible for developing and implementing the annual budget for the State Treasurer's Office, which in fiscal year 2022 was over \$59 million. The division provides general accounting services for the State Treasurer's Office in the form of fund balance reconciliations, preparation of year-end closing records, maintenance of all financial records, preparation and posting of all office financial transactions, and the development and implementation of all accounting controls and procedures. Centralized ordering and tracking of office supplies to ensure cost effective purchasing is also managed by the department.

Working collaboratively with the Office of Human Resources and Personnel Management, the division processes biweekly payroll. The office retains personnel files within the state's centralized budget software and the Workday payroll system that can be utilized for projections and budget forecasting.

Within the State Treasurer's Office, in fiscal year 2022, state debt and sinking fund payments totaled \$1.4 billion and lease payments and agency recoveries of approximately \$22.1 million were processed for the Debt Management Division.

Working with the Insurance Division, the annual State Insurance Trust Fund (SITF) premium calculation was prepared and all SITF claim payment requests and agency reimbursement requests were processed. On behalf of the Insurance Division, SITF premium recoveries of approximately \$25.2 million and Commercial Premium payments and recoveries totaling \$21.2 million were completed. In addition, the division processed the annual premiums for the Injured Workers' Insurance Fund totaling over \$91 million and related recoveries of these assessments from 180 state agencies and departments.

With assistance from the Treasury Management Division, approximately 2,750 requests for check reissues and agency recoveries from the Undeliverable and Unpresented Check Funds were processed, totaling over \$12.4 million.

This department is also responsible for required statewide filings outlined in the Federal Cash Management Improvement Act of 1990 (CMIA), including the annual federal Treasury-State Agreement and the CMIA Annual Report. The primary goal of CMIA is to minimize the time between the transfer of funds to the state and the payout of those funds for program purposes specific to federally funded programs carried out by the state.

## WORKERS' COMPENSATION CONTRACT MANAGEMENT

The State Treasurer's Office (STO) is the contract administrator for the statewide workers' compensation contract between the Board of Public Works and IWIF. STO is responsible for the oversight of the Third-Party Administrator (TPA) contract, monitoring claims activity/trends, and ensuring accurate accounting for the fund balance. The oversight of the TPA includes defining and communicating expectations, development of action plans, and assurance of the adherence to the terms of the contracted agreement. The STO employs a Workers' Compensation Program Manager who is responsible for evaluating the usage, services, coverage and effectiveness of current benefits, studying the cost plan history, evaluating competitive trends in other similar benefit programs, and evaluating the best methods for obtaining these services for the state. In addition, the program manager serves as a resource for state agencies to utilize for process improvements, developing managed return to work programs, increasing communication, training, and working as a liaison between the TPA and state agencies.

Another responsibility of the program manager is monitoring legislation efforts that impact the state's program and provide input when requested. The program manager also serves as a committee member for the State Employees' Risk Management Administration (SERMA). ■



*Gilpin's Falls Covered Bridge, Cecil County*



*Maryland State Flower, Black-Eyed Susan*



*Maryland State Bird, Baltimore Oriole*



## TREASURY MANAGEMENT DIVISION

### THE TREASURY MANAGEMENT DIVISION

is comprised of the Banking Services Department and the Investment Department. Collectively, the division is responsible for managing all banking needs of the state regarding the deposit and disbursement of state funds and managing daily cash flow needs to ensure sufficient funds are available to cover state disbursements while ensuring unexpended funds are appropriately invested.

### BANKING SERVICES DEPARTMENT

Article VI, Section 3 of the State Constitution and Titles 6 and 7 of the State Finance and Procurement Article of the Annotated Code of Maryland outline the Treasurer's authority as the constitutional officer responsible for the deposit and disbursement of state funds.

The overall mission of the Banking Services Department (BSD) is to provide efficient, accurate, and timely banking services and information to all state agencies and external customers. This is achieved by managing and controlling relationships with financial vendors providing the primary banking services for the State of Maryland. The BSD further attempts to anticipate agency banking and financial requirements and provide timely responses to agency requests.

BSD is directly responsible for procuring and managing the banking and financial services needed for all agencies of the State of Maryland. This includes:

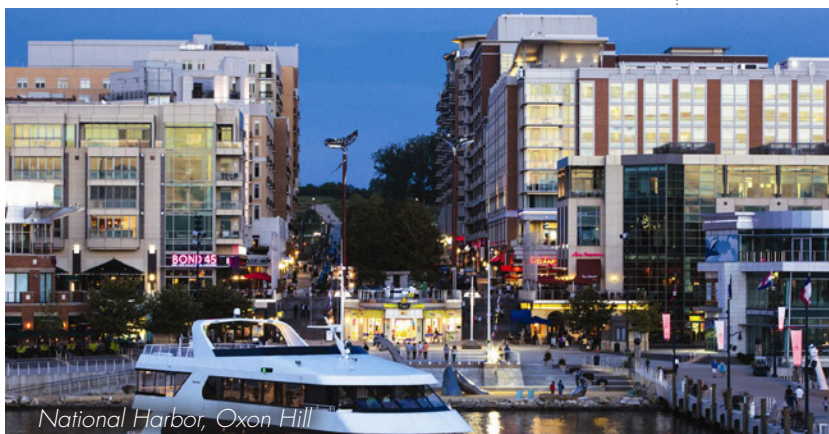
- Agency-specific depository accounts. Individual depository accounts are maintained for all state agencies, and balances are consolidated at the end of each day into the state's main depository account. This allows for:

- accurate agency-level transaction reporting with automatic concentration of funds for cash management effectiveness;
- Disbursement accounts. Disbursement accounts are maintained for vendor payments, payroll, and income tax refunds;
- Lockbox account services;
- Merchant account services (credit, debit, and payment card receipts);
- Agency working fund, trust, and escrow accounts; and
- All other agency banking and financial needs.

Two primary responsibilities of the BSD are the accurate and timely recordation of state funds and the reconciliation of the state's bank accounts to the state's R\*STARS general ledger accounting system. The department must account for the receipt of all warranted deposits and the disbursement of all warranted payments. To meet these responsibilities, the department performs a comprehensive daily cash reconciliation, which allows the Treasurer's Office to be proactive in identifying and solving agency banking issues. Even as the volume of transactions has increased, the processes and controls developed by BSD continue to result in a timely, accurate, and completely documented reconciliation of the state's cash accounts. Maintaining pace with changes in the banking and financial environment also necessitates continual refinement of the reconciliation processes and ensures maximum efficiency in the balancing of bank information to the R\*STARS accounting system.

For FY2022, total cash receipts exceeded \$244 billion and total disbursements exceeded \$245 billion. The state's bank accounts are reconciled daily to the state's general ledger. Once again, there were no unreconciled differences.

*continued on page 15*



National Harbor, Oxon Hill



Maryland Crabcake



*TREASURY MANAGEMENT DIVISION continued from page 14*

On behalf of state agencies, the BSD performs daily functions that are critical to the movement of funds in and out of the State's bank accounts and to the accurate recordation of these transactions in R\*STARS. These include:

- Processing the drawdown of funds from federal grants and programs;
- Initiating Fed Wire payments;
- Managing foreign currency transactions;
- Processing check stop payments, cancellations and reissues, as well as requests for photocopies of paid checks;
- Initiating replacement checks for failed ACH payments;
- Providing transaction research assistance to state agencies;
- Managing the Unpresented Check Fund and the Undeliverable Check Fund;
- Reconciliation of all agency cash deposits between the bank and R\*STARS;
- Recordation in R\*STARS of all bank adjustments and corrections; and
- Maintenance of tables to allow for accurate posting of all electronic receipts.

Section 6-209 of the State Finance and Procurement Article of the Annotated Code of Maryland requires that state money on deposit with financial institutions must have collateral pledged to the state that equals or exceeds the amount on deposit not covered by the Federal Deposit Insurance Corporation. The collateral must be held by a third party custodian and be of the types enumerated in Section 6-202 of the State Finance and Procurement Article. The BSD monitors collateral for over 850 depository, disbursement, and registered agency working fund accounts. The department also has oversight for state trust and escrow accounts. Account balances and collateral data are submitted monthly by financial institutions and collateral custodians and is cross checked to account information maintained in the Treasurer's Bank Account Information System (TBAIS). The data is analyzed to ensure that the pledged collateral is sufficient to cover the applicable bank balances. If the collateral is insufficient, the financial institution is required to increase the collateral pledged. The collateral reported by the financial institution is also compared to the collateral reported by the independent third party custodian to ensure accuracy. The collateral balance held for all state bank accounts on June 30, 2022, was \$1,366,993,258.

The BSD serves as the state's authority for the development, control, and maintenance of statewide policies and

procedures for banking products and services. The department continually strives to stay at the forefront of changes in banking products and services offered in the financial industry. The department continues to explore new financial products and improved data delivery methods that will increase its ability to provide efficient cost-saving banking services to the Maryland state agencies. In addition, the department continuously monitors the financial health and safety of all financial services providers. BSD strives to enhance its ability to respond in the event a change in banks is required by market conditions or the procurement process. The department must anticipate future banking service evolution and the growing diverse needs of the state while containing costs of complex banking transactions.

BSD actively works with agencies to develop and strengthen their internal financial and accounting processes, procedures and controls. The BSD continually strives to streamline and improve processes and productivity, reduce costs, and mitigate risk for all state financial transactions.

## INVESTMENT DEPARTMENT

The Investment Department of the State Treasurer's Office primarily invests the cash balances that are temporarily idle between the time revenue is collected and the time budgeted amounts are disbursed. The department is also responsible for several longer-term investment activities associated with the purchase of 20-year development easements on agricultural land and the payment of lottery prizes. The department manages the investment of General Obligation bond proceeds and directs the short-term and long-term investments of several trustee accounts under state agency revenue bond indentures.

The Investment Department is not responsible for the investment and management of all funds for all agencies, as other state agencies are responsible for specific funds. For example, the Maryland State Retirement & Pension Systems (MSRPS), the Maryland Automobile Insurance Fund (MAIF), the Injured Workers Insurance Fund (IWIF), the Maryland 529 Programs, and certain endowment funds at public colleges and universities are managed independently.

Interest earnings on investments under the stewardship of the State Treasurer accrue to the General Fund unless state law or regulation directs that the interest should accrue to a specific fund. During the 1990 session, the General Assembly enacted

*continued on page 16*

*TREASURY MANAGEMENT DIVISION continued from page 15*

legislation, sponsored by the Treasurer's Office, to allow all operating funds invested by the Treasurer to be invested in a common pool. Interest earned from this pool is allocated to the various state agencies and to the General Fund on a pro-rata basis. This legislation was updated during the 2010 session in recognition of the fact that many of the individual funds were already receiving support from the General Fund.

Under state law, investments by the State Treasurer's Office are limited to secured bank accounts, full faith and credit obligations of the federal government, obligations of certain federal agencies or instrumentalities, repurchase agreements collateralized by those securities, certain money market mutual funds, and limited amounts of highest rated commercial paper.

U.S. government agency investment securities are procured through approved brokerage firms. To be approved, a firm (1) must be a primary dealer reporting to the Federal Reserve or a registered member of the New York Stock Exchange, or (2) file financial statements exhibiting financial resources considered adequate by the Investment Department and approved by the Treasurer, and (3) provide competitive bids to the Investment Department on a regular basis. The Treasurer's policy is to make sure that local, regional, and minority firms have an opportunity to bid on a portion of the state's investable funds. This is a highly competitive process. The fiduciary responsibility to Maryland residents requires scrupulously seeking the best prices for all investments. Inclusion on the list of approved broker dealers grants the privilege of submitting bids and offers but does not guarantee a transaction.

The investment portfolio is designed to meet the cash flow needs of the state so that funds are available to cover disbursements. During fiscal year 2022, the Investment Department invested in repurchase agreements with maturities of 90 days or less. These repurchase agreements were collateralized 102% by U.S. Treasuries and Federal Agency Securities (GSEs). The collateral provided safety, and the repurchase agreements had short duration and rates of return that were generally higher than individual Treasury and agency securities with comparable maturity dates. Treasury and GSEs with a maturity of up to two years were also purchased in order to provide portfolio diversification, liquidity, and a higher rate of return. For a complete list of the June 30, 2022 investment portfolio, please see appendix A.

On June 30, 2022, the total of all portfolios under the active management of the State Treasurer's Office was \$19,226,233,423. The General Fund portfolio was \$17,886,143,493.

**PORTFOLIO BALANCES**

Fiscal Year	General Fund	Total Portfolio
2012	\$ 4,788,811,949	\$ 5,062,936,083
2013	\$ 5,841,495,771	\$ 6,190,816,363
2014	\$ 5,196,101,472	\$ 5,630,056,930
2015	\$ 5,930,355,096	\$ 6,342,494,086
2016	\$ 6,808,765,345	\$ 7,525,279,855
2017	\$ 6,219,709,820	\$ 6,542,842,871
2018	\$ 6,791,343,280	\$ 7,157,098,873
2019	\$ 8,404,280,100	\$ 8,742,823,303
2020	\$ 6,515,168,590	\$ 6,909,212,409
2021	\$12,258,375,417	\$12,811,493,029
2022	\$17,886,143,493	\$19,226,233,423

The average rate of return on the General Fund was 0.32%. The State Treasurer's investment program exceeded the three-month Constant Maturity Treasury Bill benchmark, which averaged just 0.06% for the same time period. This is primarily attributed to maintaining a high degree of liquid front end assets and diversifying as the market provided opportunities in longer maturity securities to augment the overall return.

**AVERAGE ANNUAL INTEREST RATES**

Fiscal Year	General Fund	3 Month Treasury Bill Rate
2012	1.10%	0.05%
2013	0.88%	0.08%
2014	1.03%	0.04%
2015	1.03%	0.02%
2016	1.04%	0.18%
2017	1.47%	0.56%
2018	1.56%	1.42%
2019	1.82%	2.29%
2020	1.43%	1.22%
2021	0.29%	0.06%
2022	0.50%	0.36%

TREASURY MANAGEMENT DIVISION *continued from page 16*

**TOTAL INTEREST EARNED**

Fiscal Year	Net General Fund*	Allocated to State Agencies	Total
2012	\$23,207,534.91	\$48,647,953.56	\$71,855,488.47
2013	\$ 8,646,595.12	\$40,710,863.09	\$49,357,458.21
2014	\$19,232,799.33	\$52,602,770.79	\$71,835,570.12
2015	\$ 7,127,482.88	\$55,460,767.19	\$62,588,250.07
2016	\$15,915,627.41	\$60,075,482.99	\$75,991,110.40
2017	\$ 3,351,825.70	\$84,108,491.92	\$87,460,317.62
2018	\$20,963,584.77	\$94,860,659.60	\$115,824,244.37
2019	\$34,438,222.00	\$116,577,195.00	\$151,015,417.00
2020	\$35,634,539.82	\$96,214,619.04	\$131,849,158.86
2021	\$10,912,718.92	\$18,608,563.57	\$29,521,282.49
2022	\$36,353,279.46	\$34,359,271.67	\$70,712,551.13

During fiscal year 2022, interest rates were flat from July 1, 2021 through March 2022 when the Federal Reserve started to raise rates. Rates increased from March through June 2022 by 150 basis points. The Federal Reserve is reacting to an extremely elevated inflationary problem. The economy overall as well as the state’s revenues, expenses, and investments were all still under the influence of the waning pandemic. That changed late in fiscal year 2022 as the economy rebounded strongly and the Federal Reserve had to adjust their focus and worries from sustaining a flailing economy to fighting an overheated one. The financial markets were ahead of the Federal Reserve anticipating the first hike in rates in years as the economy was rebounding strongly from the pandemic. Two-year treasuries from July 1, 2021 moved higher in yield (lower in price) steadily increasing by over 100 bps from July 1, 2021 through March 15, 2022 when the Federal Reserve started their hiking process. Two-year securities moved from ~1.35% in March up to 3.50% on June 15, 2022 pre closing the month and our fiscal year 2022 around 3%. Two-year Treasury Bonds are currently trading in excess of 4.60%. Longer securities like the US Treasury 10-Year Bond moved in a similar pattern increasing in yield (lower prices) from 1.40% through 1.70% on June 15, 2022 pre-rallying with yields settling back into the end of fiscal year 2022 at the end of June 2022. Since then, 10-year Treasury bonds have traded well through 4% before rallying back some.

The rate increase has affected all parts of the financial markets from very short- term overnight rates through long term bonds and mortgage related securities. In addition to affecting the US markets it has been a global event. The equity and commodity markets have been extremely volatile as the Federal Reserve persistently has raised rates and reduced excess liquidity in the system. The re-pricing of the cost of capital has all kinds of ramifications for the state’s investments, the return on the investments as well as the need for cash and expenses the state funds are used for.

The state’s portfolio expanded throughout fiscal year 2022 as stimulus from various pandemic related programs, higher revenues and less expenditures than generally first expected combined to increase assets. Fiscal year 2022 started with the General Fund’s portfolio at approximately \$12.258 billion and grew to \$17.886 billion in June 2022. The average size of the portfolio during the year was approximately \$15.0 billion with a return of approximately 0.50% on average. That included approximately nine months of 0.00-0.25% and then three months of 0.25%-1.35%. The three-month Treasury Bill over that time averaged approximately 0.36%. Short liquidity needs were paramount given the uncertainty around exiting the pandemic and the Federal Reserve’s response. The start of the rate-hiking process by the Federal Reserve was the first in many years and a major regime change from low interest rates. The State Treasurer’s Office maintained a short duration maturity profile riding the higher short-term rates with an occasional purchase slightly longer term maturities to offset some past low-income securities in the portfolio.

The Investment Department of the State Treasurer’s Office continued to invest in accordance with established laws, policies, and procedures throughout fiscal year 2022. Section 6-222 of the State Finance and Procurement Article governs the investment of the state’s unexpended or surplus money. Furthermore, the State Treasurer’s Investment Policy provides additional guidance for investments.





Maryland Heights Trail Overlooking Harpers Ferry

TREASURY MANAGEMENT DIVISION continued from page 17

### LOCAL GOVERNMENT INVESTMENT POOL

The Maryland General Assembly created the Maryland Local Government Investment Pool with the passage of Article 95 section 22G, of the Annotated Code of Maryland and defined by Title 17, subtitle 3 of the Local Government Article of the Maryland Annotated Code. The law assigns to the State Treasurer’s Office the responsibility for administering the pool; however, the actual management of the pool has been contracted out to The PNC Financial Services Group, Inc. The MLGIP is annually audited by RSM US.

The Treasurer has encouraged local governments and eligible authorities to participate in the pool, a Standard and Poor’s “AAA” rated money market account. At the end of fiscal year 2022, there were 275 participants. The fund balance as of June 30, 2022, was \$9,665,212,221. The actual yield for fiscal year 2022 was an average of 0.27%, which was just slightly lower than the S&P LGIP Index benchmark of 0.11%. Note that because of the unknown response of the Federal Reserve coming out of COVID-19, a decision was made to keep liquidity a priority for participating governments.

To ensure that the pool is responsive to the needs of the participants, the Treasurer created an advisory board consisting of representatives of the pool’s members. The board meets semi-annually, reviews the fund’s activities, and

makes recommendations to the pool’s administrator. The pool administrator produces a quarterly newsletter to keep participants informed about the MLGIP. This newsletter acts as an effective marketing tool for potential participants and a valuable update for members. ■

#### LOCAL GOVERNMENT INVESTMENT POOL FUND BALANCE

Fiscal Year	Fund Balance as of June 30	Number of Participants	Actual Yield Prev. 12 Months	\$ Inc (Dec) Prev. Year
2012	\$2,480,304,770	300	0.10%	-9.48%
2013	\$2,848,875,911	301	0.12%	14.86%
2014	\$3,127,026,184	302	0.05%	9.76%
2015	\$3,424,585,598	302	0.05%	9.52%
2016	\$3,779,521,886	303	0.22%	10.36%
2017	\$3,727,516,877	305	0.56%	-1.38%
2018	\$5,251,410,838	305	1.34%	29.02%
2019	\$6,050,482,835	305	2.27%	15.22%
2020	\$8,924,858,860	305	1.49%	47.51%
2021	\$9,722,107,828	305	0.09%	11.19%
2022	\$9,665,212,221	275	0.27%	

## DEBT MANAGEMENT DIVISION

**AS A MEMBER OF THE BOARD OF PUBLIC WORKS**, the Treasurer has the lead role in the board's activity relating to the issuance and oversight of state debt. Under Article VI, Section 3, of the Maryland Constitution, the Treasurer is responsible for arranging for the payment of principal and interest on state debt.

### GENERAL OBLIGATION BONDS

The state finances state-owned capital improvements, such as public schools and state buildings, and various state capital grants to local governments and private non-profit organizations through the issuance of general obligation debt. Projects funded include, but are not limited to local public schools, water treatment facilities, museums, rehabilitation of historic structures, and private treatment centers for the developmentally and physically disabled.

General obligation debt is backed by a pledge of full faith and credit of the state. Moody's Investors Service, Inc. (Aaa), Standard and Poor's (AAA) and Fitch Ratings, Inc. (AAA) have all assigned their highest credit rating, Triple-A, to the state's general obligation bonds. Maryland is one of only thirteen states in the nation to hold a Triple-A credit rating from all three major credit rating agencies, attributable to Maryland's relatively strong financial and economic position during fiscal year 2022.

The Treasurer recommends the size, timing, and terms of sale for the general obligation bonds. This entails periodic analysis and surveys to determine the monthly cash balances of bond proceeds and project anticipated cash needs of state agencies and grantees for authorized capital projects. In recent years, the state has held sales semi-annually, although if there are time-sensitive needs or opportune market conditions, the state may issue more or less frequently.

The Debt Management Division, in conjunction with the state's financial advisor, the Treasurer's principal counsel, and the state's bond counsel, coordinate the sale and all activities prior to the actual sale. This includes acting as a liaison with the bond rating agencies, preparing and publishing statutorily required notices and advertisements, and preparing and distributing official statements. The preparation of official statements is primarily performed in-house, resulting in substantial savings to the state.

The State Treasurer's Office (STO) monitors market conditions and arranges the details of the actual sale including the selection of the method of sale. In competitive sales, which are done at a Board of Public Works meeting, bids are transmitted electronically by underwriting syndicates, verified by the STO and the winning bid is then ratified at the meeting.

In negotiated sales, underwriters, who are selected in a competitive procurement process, negotiate bond prices with the office. Final pricing is incorporated in the Bond Purchase Agreement, which must also be approved at a Board of Public Works meeting.

Finally, the STO supervises all activities of post-sale settlement, the investment of the bond proceeds, compliance with Internal Revenue Service requirements for tax-exempt bonds, continuing disclosure, and payment of debt service.

In fiscal year 2022, there were two public general obligation bond sales totaling approximately \$1.9 billion. Overall market conditions continued to be favorable for high quality and highly rated bonds like Maryland general obligation bonds. The following table summarizes debt issued by the state during fiscal year 2022.

*continued on page 20*



Fort Frederick State Park



Underground Railroad Experience Trail  
in Sandy Spring

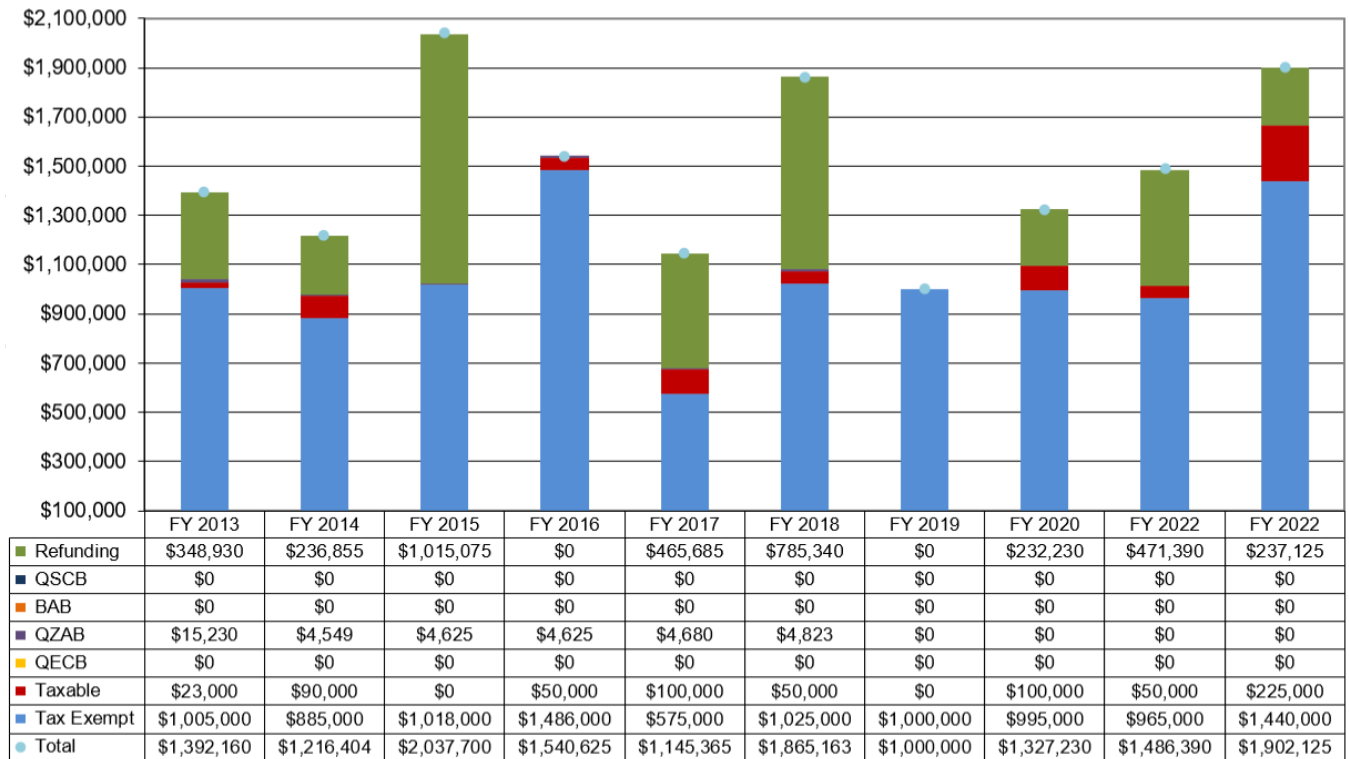
DEBT MANAGEMENT DIVISION continued from page 19

**SUMMARY OF FISCAL YEAR 2022 GENERAL OBLIGATION BOND ISSUES (\$ IN MILLIONS)**

Series	Dates of Sales	Tax-Exempt Competitive	Tax-Exempt Negotiated	Taxable Competitive	Tax-Exempt Forward Refunding	Overall TIC
2021 Second Series	08/11/21	\$540.0		\$75.0	\$237.1	1.313%
2022 First Series	06/08/22	\$900.0		\$150.0		2.915%

The history of General Obligation bond issuance and debt service for the last 10 years is depicted in the following charts.

**STATE OF MARYLAND GENERAL OBLIGATION BONDS DEBT SERVICE FISCAL YEARS 2013-2022**



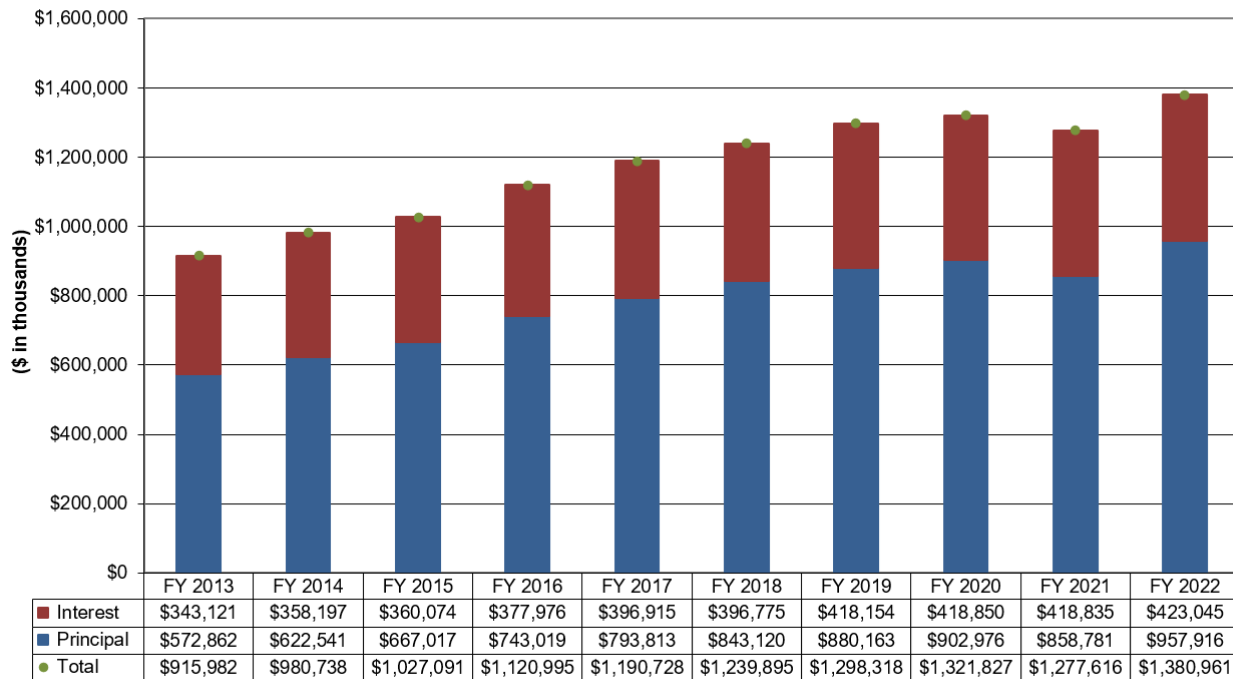
Note: Debt Service also includes sinking fund payments on QZAB bonds





DEBT MANAGEMENT DIVISION continued from page 20

STATE OF MARYLAND ISSUANCES OF GENERAL OBLIGATION BONDS FISCAL YEARS 2013-2022



Note: Principal also includes sinking fund payments on QZAB bonds.

CAPITAL EQUIPMENT LEASES

The State Treasurer’s Office finances capital equipment for state agencies and higher education institutions through the administration of the Capital Equipment Lease-Purchase Program. Eligible state entities initiate requests for lease funding of certain assets usually for a term of either three or five years. Leases are paid semi-annually from funds transferred at the beginning of each fiscal year to the State

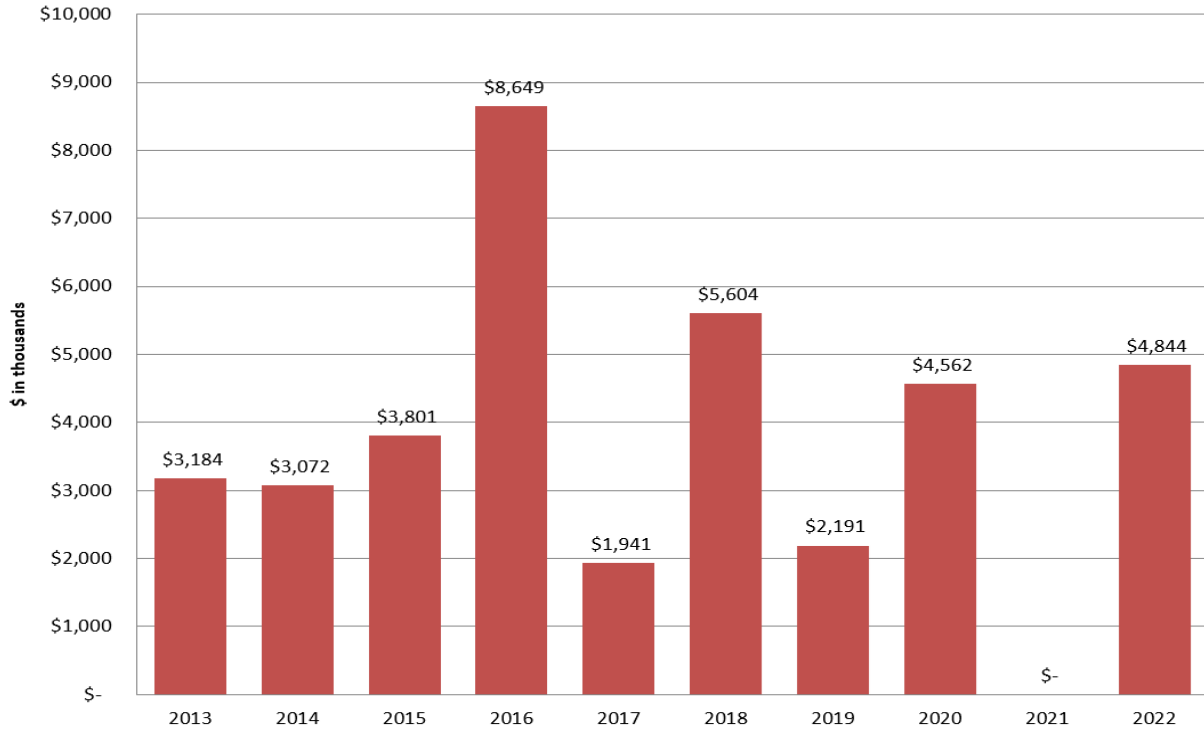
Treasurer’s Office from the respective state entities that have financed assets through the lease program.

During fiscal year 2022, state agencies financed \$4.8 million of equipment under a lease–purchase agreement. Details on the Capital Lease-Purchase Program, including the history of the program for the last 10 years, are depicted in the following charts.

continued on page 22

DEBT MANAGEMENT DIVISION continued from page 21

EQUIPMENT LEASE – PURCHASE FINANCING HISTORY: FISCAL YEARS 2012-2022



During fiscal year 2022, the Operations Division and Debt Management Division worked collaboratively to complete a much-needed Master Equipment Lease Purchase Agreement. This affords state agencies the ability to receive lease funding more promptly. Additionally, obtaining this agreement provides a more

consistent interest rate each time monies are drawn. This agreement is in effect until June 2023 when the STO will solicit another request to the Legislative Policy Committee for additional funding for the subsequent two years.



DEBT MANAGEMENT DIVISION continued from page 22

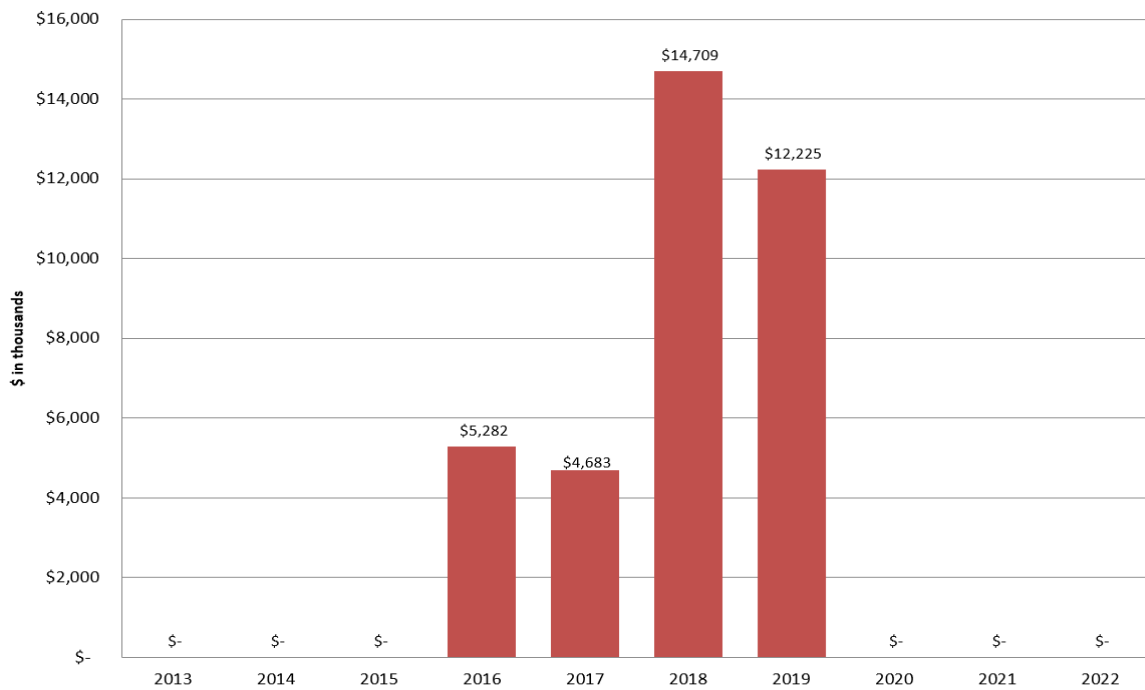
**ENERGY PERFORMANCE LEASES**

The State Treasurer’s Office finances energy efficiency projects for state agencies and higher education institutions through the Energy Performance Lease-Purchase Program. Leases are generally structured for terms of 13, 14, or 15 years, and the savings generated by the projects used to fund the lease payments. During the 2022 Legislative Session, SB 179 passed which enables these energy performance projects

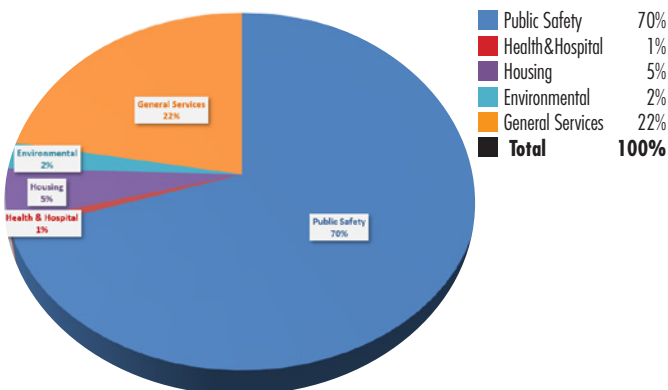
to extend their financing terms up to 30 years. Lessors are procured by the Treasurer’s Office and paid semi-annually from funds transferred at the beginning of each fiscal year from the applicable agencies.

During fiscal year 2022, there were no energy leases financed. The history of the Energy Performance Lease-Purchase Program for the last 10 years is depicted in the following chart. ■

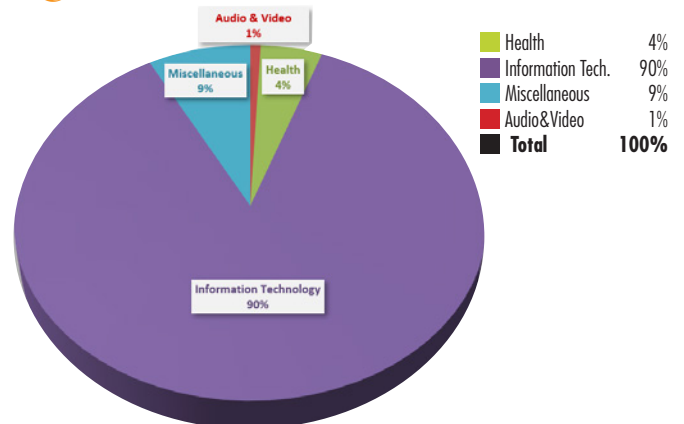
**ENERGY PERFORMANCE LEASE – PURCHASE FINANCING HISTORY: FISCAL YEARS 2013 - 2022**



**GOVERNMENT USE  
FISCAL YEAR 2021  
EQUIPMENT LEASE-PURCHASE FINANCINGS**



**EQUIPMENT CLASSIFICATION  
FISCAL YEAR 2021  
EQUIPMENT LEASE-PURCHASE FINANCINGS**



## INSURANCE DIVISION

### THE INSURANCE DIVISION IS RESPONSIBLE FOR

administering the state's insurance program, which is comprised of both commercial and self-insurance. Commercial insurance policies are procured to cover catastrophic property and liability losses, and obligations derived from state contracts, statutes, and regulations. Among exposures covered by commercial policies are state maintained toll bridges and tunnels, Baltimore Washington International Thurgood Marshall Airport (BWI), Port of Baltimore, Maryland Transit Administration liability, assorted professional liability exposures, and student athlete accident insurance. The commercial policies are listed on the Treasurer's website. The state self-insures a significant portion of its exposures and maintains the State Insurance Trust Fund (SITF) to pay claims and the costs associated with handling those claims. Self-insurance coverage includes state-owned real and personal property, vehicles, and liability claims covered under the Maryland Tort Claims Act.

The Insurance Division is comprised of three Units: Underwriting, Loss Prevention and Claims, which includes Tort Litigation. The division's goal is to provide statewide risk management through loss protection (Underwriting), loss control (Loss Prevention), and loss restoration (Claims and Tort Litigation).

### UNDERWRITING

The mission of the Underwriting Unit is to manage the insurance needs of the state with self-insurance or through the procurement of commercial insurance. Commercial insurance protects the

SITF from catastrophic losses and fulfills certain statutory requirements and agency contractual agreements.

The Underwriting Unit analyzes commercial coverage offerings, prices, limits, and deductibles and then makes recommendations to the Treasurer the combination that best protects the State of Maryland's assets. The Underwriting Unit continues to serve as a resource to all state agencies for their insurance questions or concerns.

### CURRENT MARKET CONDITIONS

Pandemic disruption, supply chain challenges, and conflict abroad contributed to volatility in global insurance markets. Persistent hard market conditions reflected in rising rates, tightened underwriting standards and reduced capacity, impacted several of the state's commercial insurance programs.

Frequency of windstorms, wildfires, and other natural events producing widespread damage is a major concern for property insurance underwriters. Higher costs for building materials and transportation resulted in more expensive claims for property insurers than for similar losses in prior years. The state's portfolio includes several locations in wind and flood exposed areas, and many with older buildings and structures. The combined dynamics produced upward rate pressure for the state's commercial property insurance program this year, with a similar result and potentially higher deductibles and increased scrutiny on insured values anticipated next cycle.

### COMMERCIAL INSURANCE PROGRAM

Numerous commercial policies renewed during fiscal year 2022 and there were significant changes due to the hardening insurance markets. This impacted overall pricing for some of the state's placements. An overview of renewals this year:

- Maryland Transit Administration excess liability insurance renewed effective July 1, 2021-2022. Renewal pricing was up from \$9,470,829 to \$10,176,591. This is an increase of \$705,762 or approximately 7.5% compared to the expiring term.
- Maryland Transit Administration Rail Car floater renewed effective July 1, 2021-2022. Renewal pricing decreased from \$883,371 to \$709,779. This is a savings of \$173,592 or approximately 20% compared to the expiring term.
- Maryland Transit Administration Bus & Mobility Fleet Physical Damage renewed effective July 1, 2021-2022 with total values up approximately 4%. The overall pricing increased from \$269,275 to \$323,290. This is an increase of \$54,015 or approximately 20% compared to the expiring term.
- Athletic Participants basic coverage for 10 schools was renewed effective August 1, 2021-2022. The overall pricing was down from \$1,036,879 to \$973,193. This was a savings of \$63,686 or approximately 6% compared to the expiring term.
- MAA's airport liability insurance renewed effective August 15, 2021-2022. Renewal pricing was up from \$1,130,000 to \$1,240,500. This is an increase of \$110,500 or



INSURANCE *continued from page 24*

- approximately 10% compared to the expiring term.
- Allied Health professional liability coverage for thirteen institutions renewed effective September 1, 2021-2022. The number of enrolled students increased by 20%, in part because University of Maryland, Global Campus became a participant in the program. Renewal pricing was up from \$100,462 to \$126,489. This is an increase of \$26,027 or approximately 26% compared to the expiring term.
- Maryland State Retirement & Pension System Fiduciary Liability insurance renewed effective 9/1/2021-2022. The overall pricing increased from \$239,644.25 to \$251,627. This is an increase of \$11,981.75 or approximately 5% compared to the expiring term.
- Blanket Boiler & Machinery coverage for the state renewed effective September 30, 2021-2022. The state's overall property values increased by approximately 6%. Renewal pricing was up from \$585,449 to \$623,974. This is an increase of \$38,551 or approximately 6% compared to the expiring term.
- Blanket Cyber Insurance coverage for the state renewed effective September 30, 2021-2022. Renewal pricing increased from \$885,360 to \$1,392,000, a difference of \$506,640 or approximately 57% higher compared to the expiring term.
- Blanket terrorism coverage for state property including bridges and tunnels renewed effective October 13, 2021-2022. Renewal pricing was up from \$220,596.90 to \$221,406.25. This is an increase of \$809.35 or less than 1% compared to the expiring term.
- Maryland Transportation Authority Bridges and Tunnels liability insurance renewed October 17, 2021-2022. Renewal pricing was up from \$750,869 to \$960,869. This is an increase of \$210,000 or approximately 28% compared to the expiring term.
- Maryland Port Administration's Cranes property/marine program renewed effective November 25, 2021-2022. Renewal pricing increased from \$68,884 to \$72,994. This is an increase of \$4,110 or approximately 6% compared to the expiring term.
- Maryland Transportation Authority Bridges and Tunnels property program renewed December 1, 2021-2022. Renewal pricing was up from of \$3,752,467 to \$3,780,900. This is an increase of \$28,433 or less than 1% compared to the expiring term.
- Maryland Fire and Rescue Institute professional and general liability policy renewed December 5, 2021-2022. Renewal pricing increased from \$54,134 to \$61,957. This is an increase of \$7,823 or approximately 14% compared to expiring.
- Maryland Port Administration's commercial auto coverage renewed effective January 1, 2022-2023. The overall pricing was up from \$81,545 to \$83,702. This was an overall increase of \$2,157 or approximately 3% compared to expiring.
- State-owned watercraft Protection and Indemnity Liability (P&I) coverage renewed effective January 1, 2022-2023. The overall pricing was up from \$43,611.30 to \$48,059.63 This was an overall increase of \$4,448.33 or approximately 10% compared to expiring.
- Maryland Port Administration's liability and terrorism coverages renewed effective January 31, 2022-2023. The overall pricing was up from \$537,814.25 to \$606,613.75. This was an overall increase of \$68,799.50 or approximately 13% compared to expiring.
- Maryland Institute for Emergency Medical Services Systems General Liability for Leased Radio Towers renewed effective February 18, 2022-2023. The overall pricing remained the same as expiring term, \$3,850.
- Blanket Fine Art on Loan renewed effective March 1, 2022-2023. Values on loan to state agencies rose steadily over the past year, as a result, the policy limit was increased. The increase in policy limit resulted in an overall pricing increase from \$10,424 to \$14,480. This was an increase of \$4,056 or approximately 39% compared to expiring term.
- Maryland DHS and Maryland DJS Foster Parent Liability coverage renewed March 15, 2022-2023. The overall pricing increased from \$222,745 to \$252,659. This was an overall increase of \$29,914. or approximately 14% compared to expiring term.
- Blanket Excess Property insurance renewed effective April 1, 2022-2023. Property values reported on the annual survey were approximately 6% higher than expiring, most for recently completed construction projects. Overall pricing increased from \$10,049,641 to \$11,335,503. This was an increase of \$1,285,862 or approximately 13% compared to expiring term.

*continued on page 26*

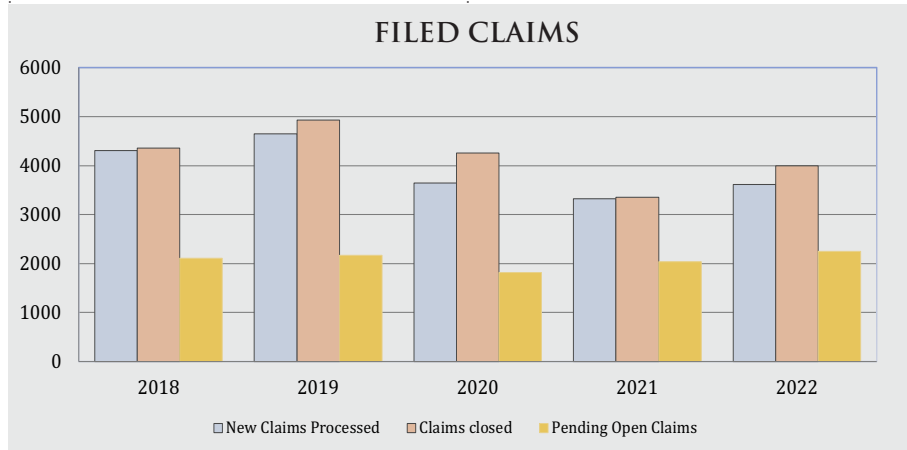
INSURANCE continued from page 25

- Maryland 529 Crime policy renewed effective April 1, 2022-2023. The overall pricing increased from \$2,077 to \$2,103. This was an increase of \$26 or approximately 2% compared to expiring term.
- Maryland Department of Commerce Foreign Liability insurance renewed May 1, 2022-2023. The overall pricing remained the same as expiring, \$3,500.
- State Aviation Liability & Hull insurance renewed effective June 30, 2022-2023. Important coverage terms were retained, such as agreed hull value for MSPAC helicopters and liability protection for leased aircraft of UMES Flight School. The overall pricing increased from \$1,336,474 to \$1,403,260. This was an increase of \$66,786 or approximately 5% compared to expiring term.

The Underwriting Unit responded to various insurance inquires, produced certificates of insurance for self-insured and commercial insurance programs, and offered guidance for insurance requirements in contracts and RFPs. Most agencies required certificates during the past year, including state universities and colleges.

During the past year, several meetings were conducted with state agencies related to commercial insurance programs. While most meetings were virtual, two were held at agency sites.

On April 14, 2022, Maryland State Police Air Command, University of Maryland Eastern Shore, commercial broker, prospective aviation underwriters, and Insurance Division staff met at Martin State Airport to



discuss the Maryland State Police Air Command rotorcraft fleet and expansion of UMES flight school.

On June 14, 2022, staff of Maryland Fire & Rescue Institute (MFRI), commercial broker and the Insurance Division met in College Park to discuss the agency's programs, with demonstrations of the firefighter training simulator and live burn facilities. Details gathered during this meeting will assist in marketing MFRI's liability coverage to insurance company underwriters.

**CLAIMS**

The Insurance Division's Claims Unit investigates and resolves liability claims filed under the Maryland Tort Claims Act, MD State Gov't Code Ann. Section 12-101 et seq. The Claims Unit also handles any claims for damage to state-owned property arising from collision and comprehensive losses to autos, and other perils such as fire, hail, lightning, and wind, which may cause damage to state structures, equipment, and contents.

The open and closed claims are tracked to gauge activity, inventory and to identify any trends. From July 1, 2021

through June 30, 2022, there were 3,618 claims opened and 3,994 claims.

In addition to adjusting claims filed under the Maryland Tort Claims Act, the unit is also charged with recovering the cost of damage to state automobiles and property caused by others. This subrogation recovery process helps to offset SITF liabilities and positively affects the fund's solvency. Since 2007, the Claims Unit has renewed its focused on increasing subrogation recoveries by designating specific claims personnel to pursue these debts.

Year-to-date subrogation recoveries for fiscal year 2022 total \$950,919.64, which did not exceed the yearly targeted goal of \$1 million. Subrogation recoveries for fiscal year 2022 were impacted by lingering effects of the COVID-19 pandemic. Delayed response to the state's subrogation requests, supply chain challenges for auto parts or other repairs and staffing issues which are hindering the insurance industry and are hampering recoveries. The total subrogation recovery for fiscal year 2021 was \$1,247,630.65. This is a

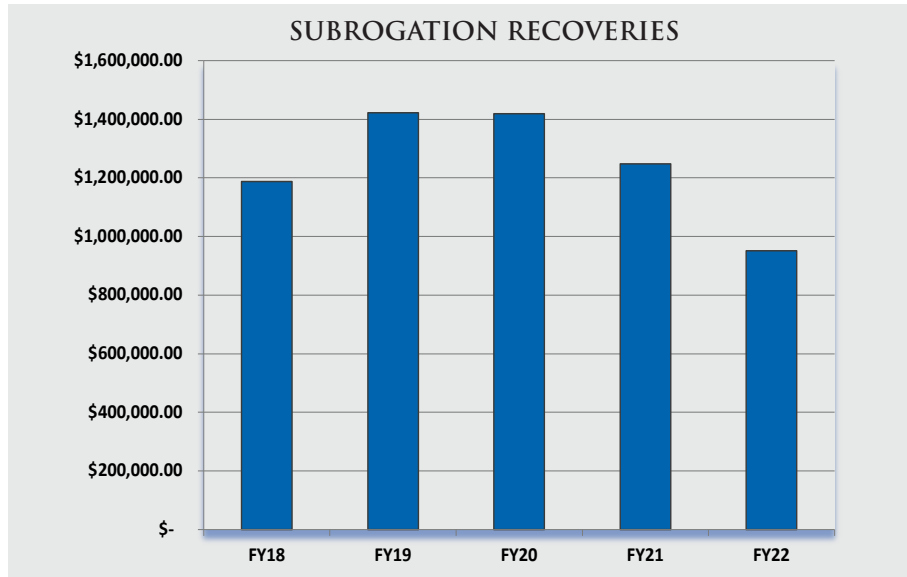


*INSURANCE continued from page 26*

continued area of focus and is a priority within the Claims Unit.

**TORT LITIGATION**

The litigation specialist works closely with the Office of the Attorney General to proactively resolve cases in litigation. The litigation specialist investigates, evaluates, and extends settlement authority to the Assistant Attorneys General on behalf of the Treasurer. In cases valued over \$200,000, effective October 1, 2015, the litigation specialist briefs the Insurance Review Committee, which is comprised of the Chief Deputy Treasurer, the supervising tort attorney, and other stakeholders. The litigation specialist also attends settlement conferences and other court-mandated activities and provides updates on the status of litigation in certain claims of interest. The litigation specialist provides feedback during the discovery process to help improve the adjusters' investigative skills and develop strategies for future claims handling.

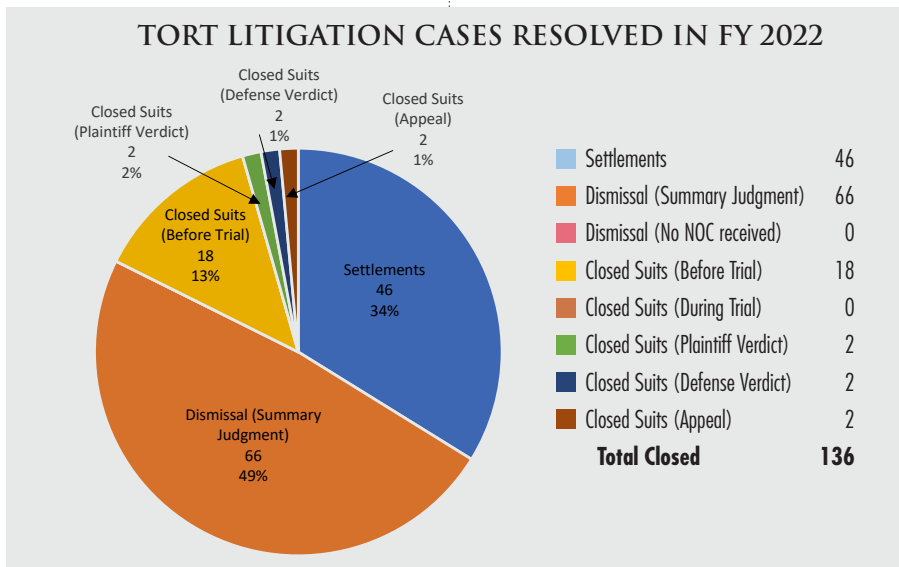


The Tort Unit handles a rolling docket of approximately 125 to 170 open litigation claim files. The litigation specialist actively monitors trial verdicts and appeals, to assess the potential impact on the SITE. Additionally, the litigation specialist also analyzes the data to track the litigation outcomes.

In fiscal year 2022, 123 new suits were received by the Tort Litigation Unit. 136 cases on the rolling docket of open litigation claim files were resolved; 66

were dismissed by summary judgment; 46 cases were settled; 18 closed before trial; two resulted in a plaintiff's verdict (unfavorable to the state), two resulted in a defendant's verdict (favorable to the state), and two closed following an appeal in the state's favor.

To more accurately reflect costs associated with the defense of a case, tracking of expenses and litigation costs was initiated. In fiscal year 2022, \$87,158.05 was paid in litigation expenses; total settlement payments were \$3,056,809.58, for a total of \$3,143,967.63. The average litigation cost per case in fiscal year 2022 at \$23,117.41. The overall costs represent an increase of \$309,306.16 from fiscal year 2021 when the total costs were \$2,834,661.47. The litigation specialist will continue to monitor these costs to effectively manage and mitigate total litigation expenses and payments.



*INSURANCE continued from page 27*

### LOSS PREVENTION

The goal of the Loss Prevention Unit is to help state agencies develop action plans and safety practices to mitigate or eliminate the most frequent or severe sources of preventable losses.

The Insurance Division tracks losses reported to the State Treasurer's Office. This practice involves quarterly reporting and trending of claims. Reports are provided to state agencies and universities with a high frequency of reported losses.

During fiscal year 2022, meetings were held with several agencies to provide information for preventive maintenance and achieving post-loss objectives. Discussions also included strategies to prevent loss or mitigate damage caused by frozen or broken pipes, rain, windstorm, or extreme cold temperatures. The agency claims reporting process and other functions of the Insurance Division were addressed. Other topics included development of management programs and documentation for impairment procedures, flood preparation, and hot work procedures.

Claim inspections were completed for property losses reported by University of Maryland, College Park, Salisbury University, Department of Human Services, Maryland Stadium Authority, Maryland Judiciary, Morgan State University, and the Department of General Services.

The chief boiler inspector for the Department of Labor, commercial boiler carrier, Travelers, and Insurance Division staff completed inspections at the Department of Public Safety and Correctional Services - Patuxent Institution. For the state's portfolio of objects, open violations decreased in fiscal year 2022 from 103 to 51. A portion of the decrease is attributed to restored access to facilities after social distance restrictions eased.

Insurance Division staff assisted engineers of the commercial property carrier, American International Group (AIG), scheduling facility inspections. Pre-inspection meetings were conducted with state agencies and universities to orient them on the process, expectations, and documentation required prior to the carrier's visit. Pre-inspections include review of building condition and maintenance, boiler and fire pump conditions, fire safety, and general security.

The insurance company engineers provide reports with construction, occupancy, protection, and exposure information, as well as recommendations intended to mitigate or prevent future loss. The report is reviewed by the Insurance Division and shared with the agency's facility staff. Open recommendations are tracked, and compliance reported to the insurance carrier as required. ■

## INFORMATION TECHNOLOGY DIVISION

### THE INFORMATION TECHNOLOGY (IT) DIVISION

develops the strategic vision and goals that drive technological innovation across the organization. Some of the technological advancements being made are enabling more services to be available over the web, developing new systems that meet the growing financial demands on the agency, transitions to Public Cloud Infrastructure, and Platform services. The IT Division is focused on developing systems that can transform how the organization conducts its core business functions in a more streamlined and efficient manner. The IT Department provides services in concert with partner agencies and banks to include electronic funds transfer, check printing services, fraud protection, and account reconciliation process services for the Comptroller's General Accounting Division (GAD), Revenue Administration Division (RAD), and Central Payroll Bureau (CPB).

### MARYLAND STATE TREASURER ELECTRONIC PORTAL (MSTEP)

The State Treasurer's Office is adding more web services to its portfolio with the recent launch of the MSTEP portal. MSTEP was created to provide the citizens of Maryland and partnering agencies a way to carry out business with the Treasurer's Office in self-service web portals. Significant progress has been made in the development of the portals with new features to be released in the next 6 – 12 months. The Maryland Notice of Claims (NOC) forms and the Unpresented and Undelivered Checks database are available now at the following links: Notice of Claims

– Notice of Claims Customer Self-Service Portal and Unpresented and Undelivered Checks - Unpresented and Undelivered State of Maryland Agency Check Search. Prior to rolling out MSTEP, citizens who wished to file a claim against the state for damages covered by the Maryland Tort Claims Act (MTCA) had to mail or fax a Notice of Claim (NOC) form into the STO Insurance Division. The MSTEP portal has significantly reduced the number of paper notices, saved time, and simplified internal processes.

### DIGITAL TRANSFORMATION

The IT Division has several modernization projects underway. First is the release of the Microsoft Dynamics 365 (D365) Software-as-a-Service (SAAS) Enterprise Resource Planning (ERP) Finance and Operations module. This platform built on Microsoft Azure Public Cloud eliminates the need for managing infrastructure and provides a high level of data security. D365 Finance and Operations provides the Treasurer's accounting department a way to organize and maintain financial data that helps them adjust to constantly changing business environments. This platform has helped accounting move away from spreadsheets to a more business class application. The D365 platform comes with built-in disaster recovery, 24-hour technical support and data encryption. Second, the IT Department has begun a transition to using Microsoft M365 cloud-based business productivity tools (Word, Excel, SharePoint, Teams, etc.) to allow employees greater access to business tools from anywhere. In addition, the IT Department is taking a Cloud Smart approach to Public Cloud for hosting its data

center servers. The computing and technology decisions being made by the IT Department today, takes a fiscally responsible approach while at the same time adopting a long-term strategy that provides a high degree of flexibility and scalability into the future. This approach will enable the agency to achieve short- and long-term business objectives while being good stewards of taxpayer resources. The primary objectives of moving server hosting to the cloud are to improve business continuity, time to market for new applications and availability of server resources at a moment's notice. Third, along with the transition to M365, the IT Department is migrating email services to Exchange online. Exchange online, allows access to email from anywhere anytime and improves business collaboration with tight integration into Teams, SharePoint and other Microsoft Office productivity tools, while at the same time providing faster recoverability of deleted data and increased system availability. Fourth, the PBX phone system is antiquated and needs to be replaced. The IT Department has plans to use the Department of Information Technologies Enterprise NEC VoIP phone system. This project is expected to be completed in the next year.

In an effort to support the success of the transition, the Operations Division has worked diligently with the IT Division to complete multiple procurements during fiscal year 2022. Preparing for a substantial implementation such as this requires additional resources. Some of the procurements completed during this fiscal year include the contract for project staffing resources with A&T

*continued on page 30*





Swallow Falls State Park, Garrett County



**INFORMATION TECHNOLOGY DIVISION** *continued from page 29*

Systems, Inc. which was renewed for an additional year; negotiations with Microsoft for an Enterprise Agreement which affords the office additional support during implementation were finalized in the spring of 2022; and a large procurement was solicited with the assistance of the Department of Information Technology to complete a refresh of workstations which will enable employees to easily access the new platforms.

### CUSTOMER SERVICE

The IT Division strives to deliver first class customer service and application delivery to the office and its business partners.

### ACH PROCESSING

The office receives and processes daily ACH deposits and manual wire files that are transmitted through an automated fax to all state agencies. This process provides agencies with a report of the deposits, one day in advance of them being posted to the state's R\*stars accounting system. This advanced notification helps to inform agencies of their impending disbursement, receipt, and reconciliation processes.

### ELECTRONIC FUNDS TRANSFER (EFT)

The State Treasurer's Office, like many agencies in the state, has recognized the need to support, where possible, movement away from paper checks to

electronic funds transfer (EFT). The State Treasurer, however, is ultimately responsible for all disbursements made by the state and must transmit EFTs in a standard format. Payments are sent in these formats to the state's disbursement bank, which are then forwarded to the Federal Reserve's Automated Clearing House. The payments can then be deposited to any payee's bank account in the United States.

### CHECK PAYMENT PROCESSING

The IT Division services include the electronic retrieval of warranted check disbursement files that feed a high speed, customized, check printing process for General Accounting, Retirement, and the Department of Human Resource's Child Support & CARES. Additionally, the IT Division provides for a unique agency check design, signature, MICR encoding and the delivery of an electronic positive pay file to the state disbursement bank. Using a next-generation check printer, the IT Division has reduced or eliminated fees associated with bad checks, providing greater fraud delivery of an electronic positive pay file to the state disbursement bank.

### RECEIPT PROCESSING

The office's receipt processing system complements the payment processing system by allowing any state agency

to receive electronic payments from taxpayers, credit card processors, and federal programs. Currently, many of the taxes collected by the state, all credit card receipts, lockbox (used for high-volume, mail-in collections), and all federal funds come in through the "Depository Plus" process.

### CONTINGENCY PLANNING

Currently, the IT Division has an agreement with another state agency to host disaster recovery services of on-premise servers and mainframes to an offsite location. The IT Division has secured locations in western Maryland to ensure that operational capabilities are maintained during an event that impacts the primary business location. With the implementation of Microsoft Azure Cloud Services, the IT Division will soon have improved capabilities when it comes to server and application disaster recovery services. As the State Treasurer's Office transitions further into the Microsoft Azure Cloud, it intends to take full advantage of the cloud technologies for real-time backup and disaster recovery. Cloud native tools will provide regional disaster recovery test and production server recovery for the commencement of daily services. ■

# OFFICE OF THE ATTORNEY GENERAL – LEGAL DIVISION

## WHILE THE ENTIRE OFFICE OF THE ATTORNEY GENERAL (OAG)

serves as a resource to the Treasurer, four assistant attorneys general have been assigned to the State Treasurer's Office to provide direct, full-time legal support on a full range of services including:

- Legal advice and opinions;
- Contract preparation and review;
- Preparing and editing rules, regulations, and policies;
- Drafting and review of legislation;
- Overseeing and coordinating the state's legal representation under the Maryland Tort Claims Act;
- Representation in various types of litigation, administrative and regulatory proceedings;
- Responding to citizen inquiries; and
- Provide legal training to the staff, as appropriate.

## GENERAL LEGAL ADVICE

### Board of Public Works

At the request of the Treasurer, the OAG attorneys review all agenda items that come before the Board of Public Works, raise any legal, procurement, or funding issues to a deputy treasurer, and, if appropriate, attend Board of Public Works meetings to be available to the Treasurer for legal advice.

### General Obligation Bonds

The OAG's involvement with bond sales begins with review and comment to both the Department of Budget and Management and to the staff of the

General Assembly on annual enabling legislation and individual bond bills.

The OAG participates in the preparation and review of official statements and other offering documents, including authorizing resolutions of the Board of Public Works. The director researches and drafts bond counsel opinions for joint signature with the attorney general.

Ongoing legal advice concerning federal tax code restrictions on use of bond proceeds and the proposed use of tax-exempt bond money for capital projects is provided, as needed, to various state agencies. Of particular concern are changes in use and private business use of facilities that have been financed with the proceeds of tax-exempt bonds.

## PROCUREMENT

As a delegated procurement unit, the State Treasurer's Office is generally responsible for the procurement of all state banking, finance, and insurance contracts. The Treasurer's Office is responsible for contract administration of its own contracts and agreements for banking, finance, investments, insurance, and information technology, as well as for banking and finance contracts for other agencies. OAG is engaged in contract and procurement issues including contract formations and modifications, claims, protests, and appeals.

## TORT CLAIMS UNIT

The OAG oversees and coordinates the state's legal representation under the Maryland Tort Claims Act (MTCA). The goal of the Tort Claims Litigation Unit is to bring consistency to the defense and resolution of cases brought against the state and its agencies under the MTCA by employing effective defense strategies, controlling state risk, and containing litigation costs.

Legal representation is provided to the state, its agencies and employees in federal and state courts in the defense of select cases brought under the MTCA. Litigation support is given to Assistant Attorney Generals throughout state agencies including the preparation of expert witnesses, writing and reviewing briefs, memoranda and motions, and advising on the litigation and settlement of these cases.

Advice and counsel to the Treasurer and Chief Deputy Treasurer is also provided on personnel matters, such as disciplinary issues.

## MISCELLANEOUS

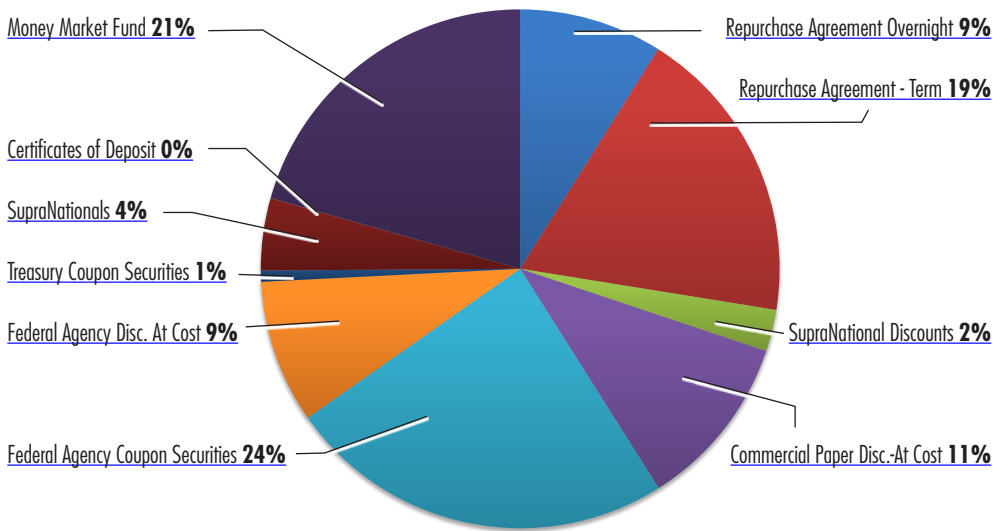
The Legal Division advises the Treasurer and office staff on a variety of issues affecting the office and its interaction with federal, state and local government agencies, contractors, and the public. Advice, counsel, and legal analysis on matters before various boards and commissions on which the Treasurer serves is also provided. ■

# APPENDIX A – INVESTMENT INVENTORY

## STATE OF MARYLAND INVENTORY BY MARKET VALUE

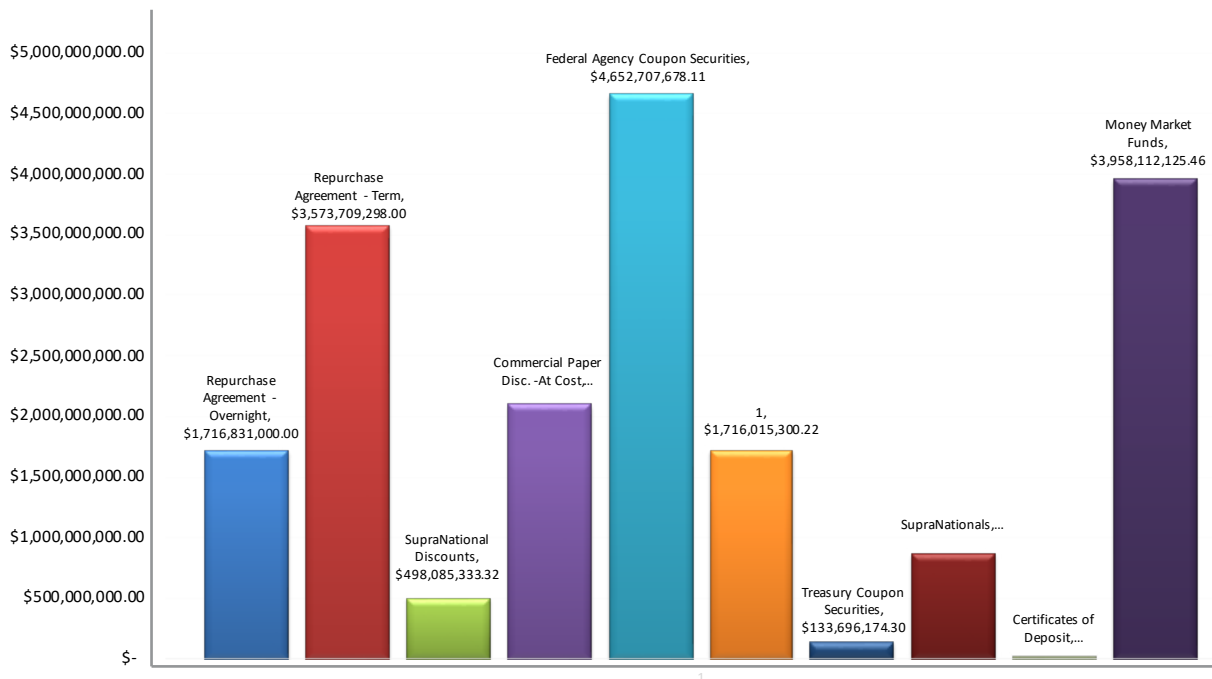
AS OF DATE: 06/30/2022 • DATE BASIS: SETTLEMENT • REPORTING CURRENCY: LOCAL

### ASSET ALLOCATION



INVESTMENTS	BOOK VALUE
Repurchase Agreement - Overnight	\$1,716,831,000.00
Repurchase Agreement - Term	\$3,573,709,298.00
SupraNational Discounts	\$498,085,333.32
Commercial Paper Disc. -At Cost	\$2,095,116,375.34
Federal Agency Coupon Securities	\$4,652,707,678.11
Federal Agency Disc. -At Cost	\$1,716,015,300.22
Treasury Coupon Securities	\$133,696,174.30
SupraNationals	\$862,928,156.04
Certificates of Deposit	\$1,796,000.00
Money Market Funds	\$3,958,112,125.46
<b>Total Investments</b>	<b>\$19,208,997,440.79</b>

### DISTRIBUTION OF HOLDINGS AS OF JUNE 30, 2022





## STATE OF MARYLAND INVENTORY BY MARKET VALUE

AS OF DATE: 06/30/2022 • DATE BASIS: SETTLEMENT • REPORTING CURRENCY: LOCAL

CUSIP	Investment Number	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated	YTM 360 Equiv.	YTM 365 Equiv.	Days to	Maturity Date
063022ONRPA5L	22606	ASL CAPITAL	06/30/2022	\$250,000,000.00	\$250,000,000.00	\$250,000,000.00	1.500	1.500	1.521	0	07/01/2022
063022ONRPA5WA	22601	Daiwa	06/30/2022	\$600,000,000.00	\$600,000,000.00	\$600,000,000.00	1.520	1.520	1.541	0	07/01/2022
063022ONRPA5W2	22610	Daiwa	06/30/2022	\$16,831,000.00	\$16,831,000.00	\$16,831,000.00	1.520	1.520	1.541	0	07/01/2022
063022ONRPS5STR	22600	South Street Securities	06/30/2022	\$750,000,000.00	\$750,000,000.00	\$750,000,000.00	1.500	1.500	1.521	0	07/01/2022
063022ONRPS5STR2	22602	South Street Securities	06/30/2022	\$100,000,000.00	\$100,000,000.00	\$100,000,000.00	1.500	1.500	1.521	0	07/01/2022
<b>ON REPOS</b>				<b>\$1,716,831,000.00</b>	<b>\$1,716,831,000.00</b>	<b>\$1,716,831,000.00</b>					
042822TRPA5SEC	22382	Amherst Pierpont	04/28/2022	\$150,000,000.00	\$150,000,000.00	\$150,000,000.00	0.950	0.950	0.963	28	07/29/2022
052522TRPAM5HERS	22467	Amherst Pierpont	05/25/2022	\$350,000,000.00	\$350,000,000.00	\$350,000,000.00	0.960	0.960	0.973	5	07/06/2022
062322TRPAMP	22563	Amherst Pierpont	06/23/2022	\$300,000,000.00	\$300,000,000.00	\$300,000,000.00	1.750	1.750	1.774	52	08/22/2022
063022TRPAMP	22603	Amherst Pierpont	06/30/2022	\$250,000,000.00	\$250,000,000.00	\$250,000,000.00	1.770	1.770	1.795	56	08/26/2022
050622TRPASL	22402	ASL CAPITAL	05/06/2022	\$100,000,000.00	\$100,000,000.00	\$100,000,000.00	1.030	1.030	1.044	28	07/29/2022
062322TRPASL	22569	ASL CAPITAL	06/23/2022	\$250,000,000.00	\$250,000,000.00	\$250,000,000.00	1.770	1.770	1.795	52	08/22/2022
062322TRPASL2	22572	ASL CAPITAL	06/23/2022	\$80,050,593.00	\$80,050,593.00	\$80,050,593.00	1.500	1.500	1.521	21	07/22/2022
062322TRPASL3	22573	ASL CAPITAL	06/23/2022	\$350,000,000.00	\$350,000,000.00	\$350,000,000.00	1.500	1.500	1.521	21	07/22/2022
063022TRPASL	22605	ASL CAPITAL	06/30/2022	\$250,000,000.00	\$250,000,000.00	\$250,000,000.00	1.780	1.780	1.805	56	08/26/2022
042822TRPDAIWA	22380	Daiwa	04/28/2022	\$200,000,000.00	\$200,000,000.00	\$200,000,000.00	0.900	0.900	0.913	28	07/29/2022
050522TRPMIZUHO	22399	Mizuho Bank	05/05/2022	\$150,000,000.00	\$150,000,000.00	\$150,000,000.00	1.010	1.010	1.024	28	07/29/2022
062322TRPMIZUHO	22571	Mizuho Bank	06/23/2022	\$400,000,000.00	\$400,000,000.00	\$400,000,000.00	1.500	1.500	1.521	21	07/22/2022
050922TRPS5STR	22405	South Street Securities	05/09/2022	\$150,000,000.00	\$150,000,000.00	\$150,000,000.00	1.050	1.050	1.065	26	07/27/2022
051022TRPS5STR	22409	South Street Securities	05/10/2022	\$100,000,000.00	\$100,000,000.00	\$100,000,000.00	1.050	1.050	1.065	26	07/27/2022
061722TRPQZ5STR	22543	South Street Securities	06/17/2022	\$243,658,705.00	\$243,658,705.00	\$243,658,705.00	1.510	1.510	1.531	17	07/18/2022
062322TRPS5STR	22570	South Street Securities	06/23/2022	\$250,000,000.00	\$250,000,000.00	\$250,000,000.00	1.500	1.500	1.521	21	07/22/2022
<b>TERM REPOS</b>				<b>\$3,573,709,298.00</b>	<b>\$3,573,709,298.00</b>	<b>\$3,573,709,298.00</b>					
45818LZW3	22422	Inter American Dev Bank	05/16/2022	\$50,000,000.00	\$49,908,000.00	\$49,908,000.00	0.920	0.934	0.947	26	07/27/2022
459053B29	22431	Intl Bk Recon & Develop	05/18/2022	\$50,000,000.00	\$49,910,100.00	\$49,874,722.22	1.100	1.118	1.134	38	08/08/2022
459053B29	22439	Intl Bk Recon & Develop	05/18/2022	\$100,000,000.00	\$99,820,200.00	\$99,760,833.33	1.050	1.067	1.082	38	08/08/2022
459515F80	22504	International Finance Corp	06/06/2022	\$100,000,000.00	\$99,599,300.00	\$99,643,694.44	1.270	1.292	1.310	76	09/15/2022
459053R22	22432	World Bank Disc Note	05/18/2022	\$50,000,000.00	\$49,502,300.00	\$49,568,888.89		1.636	1.658	150	11/28/2022
459053U77	22433	World Bank Disc Note	05/18/2022	\$50,000,000.00	\$49,344,400.00	\$49,473,472.22	1.700	1.739	1.763	179	12/27/2022
459053ZM9	22472	World Bank Disc Note	05/26/2022	\$100,000,000.00	\$99,855,722.22	\$99,855,722.22	0.980	0.995	1.009	17	07/18/2022
<b>SUPRA SOVS DNS</b>				<b>\$500,000,000.00</b>	<b>\$497,940,022.22</b>	<b>\$498,085,333.32</b>					
00850VHS4	21935	Agricultural Bank	11/30/2021	\$100,000,000.00	\$99,674,000.00	\$99,701,111.00	0.400	0.406	0.412	56	08/26/2022
0347M3G57	22591	Anglesa	06/28/2022	\$200,000,000.00	\$199,938,944.44	\$199,938,944.44	1.570	1.592	1.614	4	07/05/2022
06742XTZ0	21809	Barclays	10/04/2021	\$100,000,000.00	\$99,440,000.00	\$99,791,750.00	0.210	0.213	0.216	87	09/26/2022
06742XVZ7	21874	Barclays	11/05/2021	\$100,000,000.00	\$99,843,700.00	\$99,760,889.00	0.320	0.324	0.329	31	08/01/2022
07644BGV8	22384	Bedford Funding	04/28/2022	\$50,000,000.00	\$49,926,150.00	\$49,851,777.78	1.160	1.180	1.196	28	07/29/2022
07274MG58	22398	Bayerische Landesbank	05/05/2022	\$100,000,000.00	\$99,803,444.44	\$99,803,444.44	1.160	1.178	1.195	4	07/05/2022
16536JG50	22595	CHESAM FINANCE	06/29/2022	\$200,000,000.00	\$199,947,666.67	\$199,947,666.67	1.570	1.592	1.614	4	07/05/2022
31849MGT2	22490	FIRST ABU DHABI	06/01/2022	\$100,000,000.00	\$99,793,111.11	\$99,793,111.11	1.330	1.351	1.370	26	07/27/2022
31849MGS4	22496	FIRST ABU DHABI	06/02/2022	\$100,000,000.00	\$99,797,500.00	\$99,797,500.00	1.350	1.372	1.391	25	07/26/2022
31849MHP9	22580	FIRST ABU DHABI	06/24/2022	\$100,000,000.00	\$99,712,600.00	\$99,666,666.67	2.000	2.035	2.063	53	08/23/2022
31849MH12	22597	FIRST ABU DHABI	06/29/2022	\$100,000,000.00	\$99,847,300.00	\$99,848,291.67	1.655	1.681	1.704	31	08/01/2022
38150UJP7	21802	GOLDMAN SACHS INTL CP	10/01/2021	\$100,000,000.00	\$99,475,100.00	\$99,771,917.00	0.230	0.234	0.237	84	09/23/2022
50045WMF5	22581	Komatsu Finance America	06/24/2022	\$50,000,000.00	\$49,380,950.00	\$49,342,666.67	2.720	2.795	2.833	167	12/15/2022
78015DJL5	21782	Royal Bank of Canada	09/23/2021	\$100,000,000.00	\$99,477,900.00	\$99,819,000.00	0.180	0.183	0.185	81	09/20/2022
79490BHQ2	22486	Salisbury Receivable Corp	06/01/2022	\$50,000,000.00	\$49,852,950.00	\$49,819,166.67	1.550	1.577	1.599	54	08/24/2022
79490BGV2	22488	Salisbury Receivable Corp	06/01/2022	\$50,000,000.00	\$49,931,750.00	\$49,896,083.33	1.290	1.311	1.329	28	07/29/2022
85324UKC6	21839	Standard Chartered Bank	10/21/2021	\$100,000,000.00	\$99,343,400.00	\$99,733,000.00	0.270	0.274	0.278	103	10/12/2022

## STATE OF MARYLAND INVENTORY BY MARKET VALUE

AS OF DATE: 06/30/2022 • DATE BASIS: SETTLEMENT • REPORTING CURRENCY: LOCAL

CUSIP	Investment Number	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated	YTM 360 Equiv.	YTM 365 Equiv.	Days to	Maturity Date
82938CHQ4	22491	SINOPEC AMERICA	06/01/2022	\$100,000,000.00	\$99,675,300.00	\$99,603,333.33	1.700	1.730	1.755	54	08/24/2022
82938CHP6	22568	SINOPEC AMERICA	06/23/2022	\$50,000,000.00	\$49,841,300.00	\$49,827,166.67	2.040	2.076	2.104	53	08/23/2022
82938CHQ4	22578	SINOPEC AMERICA	06/24/2022	\$50,000,000.00	\$49,837,650.00	\$49,827,166.67	2.040	2.076	2.104	54	08/24/2022
82124MH11	22506	Sheffield Receivables Corp	06/06/2022	\$100,000,000.00	\$99,845,500.00	\$99,790,000.00	1.350	1.372	1.391	31	08/01/2022
78476HGV9	22489	Stena	06/01/2022	\$100,000,000.00	\$99,872,000.00	\$99,785,722.22	1.330	1.351	1.370	28	07/29/2022
<b>COMMERCIAL PAPER</b>				<b>\$2,100,000,000.00</b>	<b>\$2,094,258,216.66</b>	<b>\$2,095,116,375.34</b>					
31422XDA7	21409	Federal Agricultural Mtg Corp	04/01/2021	\$136,000.00	\$127,525.70	\$136,000.00	0.700	0.690	0.700	1,005	04/01/2025
31422XDA7	21410	Federal Agricultural Mtg Corp	04/01/2021	\$21,691,000.00	\$20,339,412.10	\$21,691,000.00	0.700	0.690	0.700	1,005	04/01/2025
31422XIE3	21595	Federal Agricultural Mtg Corp	07/21/2021	\$100,000,000.00	\$92,845,000.00	\$100,000,000.00	1.080	1.065	1.080	1,481	07/21/2026
31422XML3	21748	Federal Agricultural Mtg Corp	09/08/2021	\$30,000,000.00	\$27,761,010.00	\$29,971,325.00	0.600	0.622	0.630	1,165	09/08/2025
31422XMRO	21757	Federal Agricultural Mtg Corp	10/05/2021	\$50,000,000.00	\$45,861,950.00	\$50,000,000.00	1.000	0.986	1.000	1,557	10/05/2026
31422XNL2	21796	Federal Agricultural Mtg Corp	11/02/2021	\$25,000,000.00	\$23,239,950.00	\$25,000,000.00	1.200	1.184	1.200	1,585	11/02/2026
31422XNL2	21797	Federal Agricultural Mtg Corp	11/02/2021	\$25,000,000.00	\$23,239,950.00	\$25,000,000.00	1.200	1.184	1.200	1,585	11/02/2026
31422XNL2	21798	Federal Agricultural Mtg Corp	11/02/2021	\$25,000,000.00	\$23,239,950.00	\$25,000,000.00	1.200	1.184	1.200	1,585	11/02/2026
31422XNL2	21799	Federal Agricultural Mtg Corp	11/02/2021	\$25,000,000.00	\$23,239,950.00	\$25,000,000.00	1.200	1.184	1.200	1,585	11/02/2026
31422XPE6	21832	Federal Agricultural Mtg Corp	11/23/2021	\$50,000,000.00	\$46,567,600.00	\$50,000,000.00	1.300	1.282	1.300	1,606	11/23/2026
31422XPT3	21871	Federal Agricultural Mtg Corp	12/15/2021	\$50,000,000.00	\$46,975,300.00	\$50,000,000.00	1.400	1.381	1.400	1,628	12/15/2026
31422XPW6	21875	Federal Agricultural Mtg Corp	11/24/2021	\$50,000,000.00	\$47,355,250.00	\$50,000,000.00	0.720	0.710	0.720	877	11/24/2024
31422XR80	21953	Federal Agricultural Mtg Corp	01/12/2022	\$50,000,000.00	\$46,565,300.00	\$50,000,000.00	1.550	1.529	1.550	1,656	01/12/2027
31422XSJ2	22037	Federal Agricultural Mtg Corp	01/04/2022	\$50,000,000.00	\$46,848,350.00	\$50,000,000.00	1.450	1.430	1.450	1,648	01/04/2027
31422XSJ2	22038	Federal Agricultural Mtg Corp	01/04/2022	\$50,000,000.00	\$46,848,350.00	\$50,000,000.00	1.450	1.430	1.450	1,648	01/04/2027
31422XSP8	22057	Federal Agricultural Mtg Corp	01/10/2022	\$50,000,000.00	\$50,000,000.00	\$50,000,000.00	0.640	0.631	0.640	378	07/14/2023
31422XSR4	22061	Federal Agricultural Mtg Corp	01/18/2022	\$30,000,000.00	\$29,027,910.00	\$30,000,000.00	0.810	1.037	1.051	566	01/18/2024
31422XSX1	22085	Federal Agricultural Mtg Corp	01/27/2022	\$50,000,000.00	\$47,022,550.00	\$50,000,000.00	1.650	1.608	1.631	1,671	01/27/2027
31422XSZ6	22097	Federal Agricultural Mtg Corp	01/26/2022	\$25,000,000.00	\$24,171,850.00	\$25,000,000.00	1.070	1.056	1.070	665	04/26/2024
31422XWV0	22306	Federal Agricultural Mtg Corp	04/06/2022	\$50,000,000.00	\$50,000,000.00	\$50,000,000.00	2.440	2.407	2.440	644	04/05/2024
31422XZA3	22451	Federal Agricultural Mtg Corp	06/01/2022	\$50,000,000.00	\$49,643,300.00	\$50,000,000.00	2.350	2.319	2.351	427	09/01/2023
31422XZB8	22556	Federal Agricultural Mtg Corp	06/28/2022	\$100,000,000.00	\$99,965,200.00	\$100,000,000.00	2.930	2.824	2.864	304	05/01/2023
3133EGWB7	18078	Federal Farm Credit Bank	09/23/2016	\$3,000,000.00	\$2,892,606.00	\$3,000,000.00	2.020	1.992	2.020	1,311	02/01/2026
3133ENCA6	21837	Federal Farm Credit Bank	10/25/2021	\$9,684,000.00	\$9,175,299.48	\$9,680,260.90	0.700	0.707	0.717	847	10/25/2024
3133ENLA6	22089	Federal Farm Credit Bank	01/14/2022	\$25,000,000.00	\$24,999,046.30	\$24,999,046.30	0.370	0.378	0.383	105	10/14/2022
3133ENLDO	22096	Federal Farm Credit Bank	01/26/2022	\$50,000,000.00	\$47,316,150.00	\$50,000,000.00	1.530	1.509	1.530	1,305	01/26/2026
3133ENPG9	22196	Federal Farm Credit Bank	02/15/2022	\$25,000,000.00	\$24,177,475.00	\$24,941,663.35	1.750	1.817	1.842	959	02/14/2025
3133ENWLO	22435	Federal Farm Credit Bank	05/18/2022	\$14,700,000.00	\$14,653,639.47	\$14,702,384.67	2.920	2.880	2.920	685	05/16/2024
3130ALCG7	21355	Federal Home Loan Bank	03/09/2021	\$100,000,000.00	\$91,997,400.00	\$100,000,000.00	0.670	0.661	0.670	1,347	03/09/2026
3130ALCU6	21364	Federal Home Loan Bank	02/25/2021	\$100,000,000.00	\$92,329,400.00	\$100,000,000.00	0.700	0.690	0.700	1,335	02/25/2026
3130ALE59	21365	Federal Home Loan Bank	03/16/2021	\$100,000,000.00	\$92,383,600.00	\$100,000,000.00	0.800	0.789	0.800	1,354	03/16/2026
3130ALGJ7	21373	Federal Home Loan Bank	03/23/2021	\$97,500,000.00	\$87,955,335.00	\$97,500,000.00	1.000	0.986	1.000	1,361	03/23/2026
3130AKWM4	21463	Federal Home Loan Bank	02/26/2021	\$3,800,000.00	\$3,554,379.40	\$3,800,000.00	0.300	0.296	0.300	879	11/26/2024
3130AMK35	21523	Federal Home Loan Bank	05/26/2021	\$100,000,000.00	\$93,047,100.00	\$100,000,000.00	1.060	1.045	1.060	1,425	05/26/2026
3130AMKD3	21525	Federal Home Loan Bank	05/26/2021	\$100,000,000.00	\$93,047,100.00	\$100,000,000.00	1.060	1.045	1.060	1,425	05/26/2026
3130AN3S7	21612	Federal Home Loan Bank	06/30/2021	\$150,000,000.00	\$139,486,800.00	\$150,000,000.00	1.100	1.085	1.100	1,462	07/02/2026
3130AN3S7	21613	Federal Home Loan Bank	06/30/2021	\$150,000,000.00	\$139,486,800.00	\$150,000,000.00	1.100	1.085	1.100	1,462	07/02/2026
3130AN3U2	21617	Federal Home Loan Bank	06/30/2021	\$25,000,000.00	\$23,551,825.00	\$25,000,000.00	0.562	0.554	0.562	896	12/13/2024
3130ANDB3	21643	Federal Home Loan Bank	08/13/2021	\$100,000,000.00	\$92,812,700.00	\$100,000,000.00	1.110	1.095	1.110	1,504	08/13/2026
3130ANLJ7	21681	Federal Home Loan Bank	09/08/2021	\$100,000,000.00	\$93,362,900.00	\$100,000,000.00	1.100	1.085	1.100	1,530	09/08/2026
3130ANMC1	21687	Federal Home Loan Bank	09/14/2021	\$100,000,000.00	\$93,242,800.00	\$100,000,000.00	1.150	1.134	1.150	1,536	09/14/2026
3130ANMX5	21688	Federal Home Loan Bank	09/21/2021	\$100,000,000.00	\$93,384,900.00	\$100,000,000.00	1.150	1.134	1.150	1,543	09/21/2026
3130ANNV8	21691	Federal Home Loan Bank	09/15/2021	\$100,000,000.00	\$92,695,800.00	\$100,000,000.00	1.200	1.184	1.200	1,537	09/15/2026

## STATE OF MARYLAND INVENTORY BY MARKET VALUE

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CUSIP	Investment Number	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated	YTM 360 Equiv.	YTM 365 Equiv.	Days to	Maturity Date
3130ANTC4	21711	Federal Home Loan Bank	09/28/2021	\$50,000,000.00	\$46,308,250.00	\$50,000,000.00	1.100	1.085	1.100	1,550	09/28/2026
3130ANTC4	21712	Federal Home Loan Bank	09/28/2021	\$50,000,000.00	\$46,308,250.00	\$50,000,000.00	1.100	1.085	1.100	1,550	09/28/2026
3130ANTC4	21713	Federal Home Loan Bank	09/28/2021	\$50,000,000.00	\$46,308,250.00	\$50,000,000.00	1.100	1.085	1.100	1,550	09/28/2026
3130ANV98	21729	Federal Home Loan Bank	09/22/2021	\$50,000,000.00	\$46,562,300.00	\$50,000,000.00	1.115	1.100	1.115	1,544	09/22/2026
3130ANV98	21730	Federal Home Loan Bank	09/22/2021	\$50,000,000.00	\$46,562,300.00	\$50,000,000.00	1.115	1.100	1.115	1,544	09/22/2026
3130ANV98	21731	Federal Home Loan Bank	09/22/2021	\$50,000,000.00	\$46,562,300.00	\$50,000,000.00	1.115	1.100	1.115	1,544	09/22/2026
3130ANXH8	21749	Federal Home Loan Bank	10/15/2021	\$50,000,000.00	\$46,577,850.00	\$50,000,000.00	1.150	1.134	1.150	1,567	10/15/2026
3130AP4H5	21773	Federal Home Loan Bank	10/26/2021	\$100,000,000.00	\$93,012,700.00	\$100,000,000.00	1.150	1.134	1.150	1,578	10/26/2026
3130AP5J0	21775	Federal Home Loan Bank	10/22/2021	\$60,000,000.00	\$55,861,440.00	\$60,000,000.00	1.170	1.154	1.170	1,574	10/22/2026
3130AP5J0	21776	Federal Home Loan Bank	10/22/2021	\$60,000,000.00	\$55,861,440.00	\$60,000,000.00	1.170	1.154	1.170	1,574	10/22/2026
3130APAT2	21787	Federal Home Loan Bank	11/03/2021	\$50,000,000.00	\$46,726,850.00	\$50,000,000.00	1.200	1.184	1.200	1,586	11/03/2026
3130APE68	21800	Federal Home Loan Bank	11/10/2021	\$100,000,000.00	\$93,289,300.00	\$100,000,000.00	1.300	1.282	1.300	1,593	11/10/2026
3130APIR7	21831	Federal Home Loan Bank	11/24/2021	\$100,000,000.00	\$93,380,100.00	\$100,000,000.00	1.325	1.307	1.325	1,607	11/24/2026
3130APLZ6	21838	Federal Home Loan Bank	12/03/2021	\$100,000,000.00	\$100,000,000.00	\$100,000,000.00	1.440	1.420	1.440	1,616	12/03/2026
3130APHZ1	21843	Federal Home Loan Bank	11/17/2021	\$100,000,000.00	\$93,633,000.00	\$100,000,000.00	1.310	1.292	1.310	1,600	11/17/2026
3130APRG2	21862	Federal Home Loan Bank	12/10/2021	\$100,000,000.00	\$94,314,900.00	\$100,000,000.00	1.600	1.578	1.600	1,623	12/10/2026
3130APSF3	21892	Federal Home Loan Bank	12/14/2021	\$50,000,000.00	\$47,355,300.00	\$50,000,000.00	1.670	1.647	1.670	1,627	12/14/2026
3130APZT5	21917	Federal Home Loan Bank	12/28/2021	\$50,000,000.00	\$49,603,000.00	\$50,000,000.00	1.710	1.687	1.710	1,641	12/28/2026
3130AQ2K8	21921	Federal Home Loan Bank	01/04/2022	\$50,000,000.00	\$47,398,850.00	\$50,000,000.00	1.750	1.726	1.750	1,648	01/04/2027
3130AQ7J6	21948	Federal Home Loan Bank	12/29/2021	\$50,000,000.00	\$50,000,000.00	\$50,000,000.00	0.650	0.641	0.650	455	09/29/2023
3130AQBS1	21963	Federal Home Loan Bank	01/14/2022	\$50,000,000.00	\$47,298,300.00	\$50,000,000.00	1.800	1.775	1.800	1,658	01/14/2027
3134GWX92	21091	Federal Home Loan Mtg Corp	09/30/2020	\$100,000,000.00	\$91,948,800.00	\$100,000,000.00	0.550	0.542	0.550	1,187	09/30/2025
3134GWZG4	21108	Federal Home Loan Mtg Corp	10/20/2020	\$50,000,000.00	\$45,855,700.00	\$50,000,000.00	0.600	0.592	0.600	1,207	10/20/2025
3134GW6U5	21145	Federal Home Loan Mtg Corp	11/19/2020	\$50,000,000.00	\$46,336,900.00	\$50,000,000.00	0.625	0.616	0.625	1,237	11/19/2025
3134GXCT9	21180	Federal Home Loan Mtg Corp	12/16/2020	\$100,000,000.00	\$92,538,000.00	\$100,000,000.00	0.635	0.626	0.635	1,264	12/16/2025
3134GXL3	21197	Federal Home Loan Mtg Corp	12/23/2020	\$100,000,000.00	\$92,530,100.00	\$100,000,000.00	0.645	0.636	0.645	1,271	12/23/2025
3134GXFA7	21199	Federal Home Loan Mtg Corp	11/30/2020	\$56,009,000.00	\$51,464,541.76	\$56,009,000.00	0.650	0.641	0.650	1,244	11/26/2025
3134GXHL1	21221	Federal Home Loan Mtg Corp	12/30/2020	\$50,000,000.00	\$46,333,100.00	\$50,000,000.00		0.690	0.700	1,278	12/30/2025
3134GW4C7	22067	Federal Home Loan Mtg Corp	01/06/2022	\$50,000,000.00	\$45,216,750.00	\$48,611,195.84	0.800	1.448	1.468	1,579	10/27/2026
3134GWZV1	22101	Federal Home Loan Mtg Corp	01/13/2022	\$50,000,000.00	\$46,039,100.00	\$48,748,091.61	0.650	1.410	1.430	1,209	10/22/2025
3134GWZV1	22142	Federal Home Loan Mtg Corp	01/27/2022	\$19,800,000.00	\$18,231,483.60	\$19,182,489.97	0.650	1.603	1.625	1,209	10/22/2025
3135GA6E6	21222	Federal National Mtg Assn	12/23/2020	\$100,000,000.00	\$92,101,400.00	\$100,000,000.00	0.670	0.661	0.670	1,271	12/23/2025
3135GO6G3	21962	Federal National Mtg Assn	12/08/2021	\$50,000,000.00	\$45,926,377.78	\$49,735,220.47	0.500	0.664	0.673	1,225	11/07/2025
31315LD47	22378	Federal Agricultural Mtg Corp	04/29/2022	\$35,000,000.00	\$34,871,579.17	\$34,871,579.17		1.114	1.130	56	08/26/2022
31315LH68	22379	Federal Agricultural Mtg Corp	04/29/2022	\$65,000,000.00	\$64,691,705.00	\$64,668,500.00	1.200	1.206	1.223	90	09/29/2022
31315LYZ5	22551	Federal Agricultural Mtg Corp	06/21/2022	\$100,000,000.00	\$99,943,750.00	\$99,943,750.00		1.351	1.370	5	07/06/2022
31315LZH4	22552	Federal Agricultural Mtg Corp	06/21/2022	\$50,000,000.00	\$49,956,236.11	\$49,956,236.11	1.370	1.371	1.390	13	07/14/2022
313313ZA9	22000	Federal Farm Credit Bank	12/16/2021	\$28,000,000.00	\$27,947,360.00	\$27,979,474.32	0.130	0.132	0.133	6	07/07/2022
313313C89	22053	Federal Farm Credit Bank	01/03/2022	\$48,000,000.00	\$47,929,160.00	\$47,929,160.00	0.230	0.233	0.237	52	08/22/2022
313313D70	22054	Federal Farm Credit Bank	01/03/2022	\$50,000,000.00	\$49,920,666.67	\$49,920,666.67	0.240	0.244	0.247	59	08/29/2022
313313E20	22114	Federal Farm Credit Bank	01/19/2022	\$50,000,000.00	\$49,868,750.00	\$49,868,750.00	0.420	0.427	0.433	62	09/01/2022
313313E79	22139	Federal Farm Credit Bank	01/26/2022	\$45,000,000.00	\$44,841,015.00	\$44,877,350.00	0.440	0.447	0.453	67	09/06/2022
313313F78	22162	Federal Farm Credit Bank	02/01/2022	\$50,000,000.00	\$49,802,300.00	\$49,843,750.00	0.500	0.508	0.515	75	09/14/2022
313313L48	22181	Federal Farm Credit Bank	02/07/2022	\$46,000,000.00	\$45,692,398.00	\$45,764,480.00	0.720	0.733	0.743	112	10/21/2022
313313C22	22182	Federal Farm Credit Bank	02/07/2022	\$50,000,000.00	\$49,891,150.00	\$49,846,944.44	0.580	0.590	0.598	46	08/16/2022
313313G44	22206	Federal Farm Credit Bank	02/16/2022	\$35,000,000.00	\$34,852,405.00	\$34,822,326.39	0.850	0.866	0.878	80	09/19/2022
313313B56	22424	Federal Farm Credit Bank	05/16/2022	\$75,000,000.00	\$74,854,500.00	\$74,815,125.00	1.020	1.023	1.037	41	08/11/2022
313313B23	22438	Federal Farm Credit Bank	05/18/2022	\$70,000,000.00	\$69,874,140.00	\$69,837,366.67	1.020	1.022	1.037	38	08/08/2022
313313ZW1	22474	Federal Farm Credit Bank	05/26/2022	\$100,000,000.00	\$99,834,666.67	\$99,834,666.67	0.960	0.962	0.975	26	07/27/2022
313313R67	22499	Federal Farm Credit Bank	06/03/2022	\$50,000,000.00	\$49,435,450.00	\$49,582,916.67	1.650	1.664	1.687	154	12/02/2022



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313312CK4	22567	Federal Farm Credit Bank	06/23/2022	\$65,000,000.00	\$63,842,740.00	\$63,786,125.00	2.700	2.786	2.825	241	02/27/2023
313312AEO	22604	Federal Farm Credit Bank	06/30/2022	\$50,000,000.00	\$49,316,500.00	\$49,343,750.00	2.500	2.588	2.624	188	01/05/2023
313385U20	22122	Federal Home Loan Bank	01/21/2022	\$100,000,000.00	\$98,725,200.00	\$99,488,194.44	0.550	0.559	0.567	174	12/22/2022
313385ZY5	22386	Federal Home Loan Bank	04/29/2022	\$23,000,000.00	\$22,974,976.00	\$22,947,675.00		0.902	0.915	28	07/29/2022
313385ZG4	22437	Federal Home Loan Bank	05/18/2022	\$100,000,000.00	\$99,866,222.00	\$99,866,222.00	0.860	0.861	0.873	12	07/13/2022
313385ZG4	22557	Federal Home Loan Bank	06/22/2022	\$150,000,000.00	\$149,868,750.00	\$149,868,750.00	1.500	1.501	1.522	12	07/13/2022
313385C95	22607	Federal Home Loan Bank	06/30/2022	\$235,000,000.00	\$234,425,425.00	\$234,425,425.00		1.634	1.657	53	08/23/2022
313589ZP1	22473	Federal National Mtg Assn	05/26/2022	\$52,000,000.00	\$51,926,116.67	\$51,926,116.67	0.930	0.931	0.944	19	07/20/2022
<b>AGENCY SECURITIES</b>				<b>\$6,378,320,000.00</b>	<b>\$6,079,038,807.88</b>	<b>\$6,368,722,978.33</b>					
91282CAZ4	21614	U.S. Treasury	06/29/2021	\$3,283,000.00	\$2,998,557.60	\$3,237,414.07	0.375	0.779	0.789	1,248	11/30/2025
91282CAB7	21615	U.S. Treasury	06/29/2021	\$6,423,000.00	\$5,897,367.37	\$6,332,172.41	0.250	0.706	0.716	1,126	07/31/2025
91282CDQ1	22068	U.S. Treasury	01/06/2022	\$25,000,000.00	\$23,107,425.00	\$24,837,480.21	1.250	1.381	1.400	1,644	12/31/2026
91282CDQ1	22070	U.S. Treasury	01/06/2022	\$25,000,000.00	\$23,107,425.00	\$24,836,806.80	1.250	1.381	1.401	1,644	12/31/2026
91282CDQ1	22071	U.S. Treasury	01/06/2022	\$25,000,000.00	\$23,107,425.00	\$24,814,753.61	1.250	1.402	1.421	1,644	12/31/2026
91282CDQ1	22072	U.S. Treasury	01/07/2022	\$25,000,000.00	\$23,107,425.00	\$24,766,990.79	1.250	1.445	1.465	1,644	12/31/2026
91282CDN8	22091	U.S. Treasury	01/12/2022	\$25,000,000.00	\$23,807,625.00	\$24,870,556.41	1.000	1.198	1.215	898	12/15/2024
<b>US TREASURIES</b>				<b>\$134,706,000.00</b>	<b>\$125,133,249.97</b>	<b>\$133,696,174.30</b>					
045167ED1	22049	Asian Development Bank	12/31/2021	\$97,759,000.00	\$97,642,764.55	\$98,044,372.49	1.750	0.283	0.287	74	09/13/2022
045167ED1	22090	Asian Development Bank	01/12/2022	\$25,000,000.00	\$24,970,275.00	\$25,070,655.60	1.750	0.329	0.334	74	09/13/2022
00828EEG0	21790	African Development Bank	11/02/2021	\$50,000,000.00	\$50,000,000.00	\$50,000,000.00	1.060	1.045	1.060	1,585	11/02/2026
00828EEJ4	21884	African Development Bank	12/15/2021	\$100,000,000.00	\$92,408,400.00	\$99,973,266.67	1.200	1.190	1.206	1,628	12/15/2026
00828EEJ4	21891	African Development Bank	12/15/2021	\$40,000,000.00	\$36,963,360.00	\$39,853,857.78	1.200	1.267	1.285	1,628	12/15/2026
00828EEL9	22505	African Development Bank	06/10/2022	\$100,000,000.00	\$100,000,000.00	\$100,000,000.00	2.500	2.458	2.492	438	09/12/2023
00828EEM7	22525	African Development Bank	06/16/2022	\$100,000,000.00	\$100,000,000.00	\$100,000,000.00	2.980	2.939	2.980	714	06/14/2024
45818WDK9	21904	Inter American Dev Bank	11/29/2021	\$50,000,000.00	\$49,986,003.50	\$49,986,003.50	0.920	0.919	0.932	882	11/29/2024
45906M2Q3	21795	Intl Bk Recon & Develop	10/21/2021	\$50,000,000.00	\$46,348,150.00	\$50,000,000.00	1.150	1.134	1.150	1,573	10/21/2026
45906M2T7	21840	Intl Bk Recon & Develop	11/18/2021	\$100,000,000.00	\$93,162,700.00	\$100,000,000.00	1.070	1.055	1.070	1,236	11/18/2025
45906M2S9	21844	Intl Bk Recon & Develop	11/17/2021	\$50,000,000.00	\$50,000,000.00	\$50,000,000.00	1.230	1.213	1.230	1,600	11/17/2026
45950VQX7	22073	International Finance Corp	01/12/2022	\$50,000,000.00	\$48,504,800.00	\$50,000,000.00	0.810	1.050	1.065	560	01/12/2024
45950VQY5	22074	International Finance Corp	01/13/2022	\$50,000,000.00	\$47,733,050.00	\$50,000,000.00	1.075	1.259	1.276	927	01/13/2025
<b>SUPRA SOV NOTES</b>				<b>\$862,759,000.00</b>	<b>\$837,719,503.05</b>	<b>\$862,928,156.04</b>					
WQFACD26	21603	Community Bank of Chesapeake		05/24/2021	\$150,000.00	\$150,000.00	\$150,000.00	0.010	0.010	0.010	1,461
07/01/2026											
WQFACD28	19451	Sandy Springs Bankj	12/12/2018	\$1,646,000.00	\$1,646,000.00	\$1,646,000.00	1.000	0.987	1.001	2,356	12/12/2028
<b>CD'S SPECIAL PROGRAMS</b>					<b>\$1,796,000.00</b>	<b>\$1,796,000.00</b>	<b>\$1,796,000.00</b>				
ACADEMY	21571	Academy	07/01/2021	\$2,331,341,096.62	\$2,331,341,096.62	\$2,331,341,096.62		0.000	0.000	1	
12228-NEW	12228	Federated	06/01/2021	\$3,983.92	\$3,983.92	\$3,983.92		0.000	0.000	1	
FEDCTRB	12229	Federated	06/01/2021	\$4,413,441.78	\$4,413,441.78	\$4,413,441.78		0.000	0.000	1	
FEDCTRB	15472	Federated	06/01/2021	\$2,368,343.99	\$2,368,343.99	\$2,368,343.99		0.000	0.000	1	
FEDCTRB	15473	Federated	06/01/2021	\$10.04	\$10.04	\$10.04		0.000	0.000	1	
FEDCTRB	17625	Federated	06/01/2021	\$965.44	\$965.44	\$965.44		0.000	0.000	1	
FEDCTRB	17626	Federated	06/01/2021	\$3,670,158.85	\$3,670,158.85	\$3,670,158.85		0.000	0.000	1	
FEDCTRB	19425	Federated	06/01/2021	\$10,597,185.48	\$10,597,185.48	\$10,597,185.48		0.000	0.000	1	
FEDCTRB	19508	Federated	06/01/2021	\$877.35	\$877.35	\$877.35		0.000	0.000	1	
FEDCTRB	19509	Federated	06/01/2021	\$3,948,974.04	\$3,948,974.04	\$3,948,974.04		0.000	0.000	1	
FIDELITY	19552	Fidelity Inv	07/01/2021	\$30,751,195.02	\$30,751,195.02	\$30,751,195.02		0.000	0.000	1	
MLGIP	11456	MLGIP	06/01/2021	\$1,571,015,892.93	\$1,571,015,892.93	\$1,571,015,892.93	0.029	0.028	0.029	1	
<b>MMKT FUNDS</b>				<b>\$3,958,112,125.46</b>	<b>\$3,958,112,125.46</b>	<b>\$3,958,112,125.46</b>					
<b>TOTALS</b>				<b>\$19,226,233,423.46</b>	<b>\$18,884,538,223.24</b>	<b>\$19,208,997,440.79</b>					

## ACKNOWLEDGEMENTS

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