



MSRP

Annual Comprehensive Financial Report

MARYLAND STATE

EMPLOYEES SUPPLEMENTAL RETIREMENT PLANS

401(k), 457(b), 403(b), 401(a) Plans, A Fiduciary Component Unit Trust Fund in the State of Maryland

For the calendar years ended December 31, 2024 and 2023



Annual Comprehensive Financial Report

Maryland State Employees Supplemental Retirement Plans

A Fiduciary Component Unit Trust Fund in the State of Maryland

For the Calendar Years Ended
December 31, 2024 and 2023

401(k) Savings and Investment, 457(b) Deferred Compensation, 403(b) Tax Sheltered
Annuity, and 401(a) Match Plans

Prepared by:

Maryland State Employees Supplemental Retirement Plans
William Donald Schaefer Tower
6 Saint Paul Street, Suite 200
Baltimore, MD 21202

INTRODUCTORY SECTION (UNAUDITED)	Letter from the Board Chair	6	
	Letter of Transmittal	11	
	Professional Service Providers	16	
FINANCIAL SECTION	Report of the Independent Auditor	20	
	Management's Discussion and Analysis (Unaudited)	23	
	Basic Financial Statements		
	Statement of Fiduciary Net Position	29	
	Statement of Combining Fiduciary Net Position 2024	30	
	Statement of Combining Fiduciary Net Position 2023	30	
	Statement of Changes in Fiduciary Net Position	31	
	Statement of Combining Changes in Fiduciary Net Position 2024	32	
	Statement of Combining Changes in Fiduciary Net Position 2023	33	
	Notes to the Financial Statements	35	
	Supplemental Information		
	Schedule of Administrative Expenses	55	
	INVESTMENT SECTION (UNAUDITED)	Summary of Investment Policy	59
		Investment Option Analysis 2024	61
Investment Performance Report		66	
STATISTICAL SECTION (UNAUDITED)	Report on Plan Statistics	71	
	Ten Year History of Changes in Net Position	72	
	Ten-Year History of Board Income and Expenses	73	
	Ten-Year Plan Statistics	74	
	Stable Value Manager Diversification Chart	75	
	MSRP Contribution Limits 2024	76	
	Roth/IRA Highlights	77	
GLOSSARY	Glossary	81	
	Participant Data Definitions	83	
	Investment Contract Pool	86	





Introductory Section

(Unaudited)

Annual Comprehensive Financial Report 2024



MSRP

*Maryland
State Employees
Supplemental Retirement Plans*

457 • 401(k) • 403(b) • Match

BOARD OF TRUSTEES

Hon. T. Eloise Foster
Chair

Hon. Dereck E. Davis
Lynne M. Durbin, Esq.
Jaelyn Hartman
Thomas P. Hickey
Scott A. Nicewarner
Zachary D. Shankman, Esq.
Johnathan R. West

• • •

Ronda Butler Bell, MPA
*Executive Director
& Board Secretary*

Nakeia C. Smith
*Deputy Executive Director &
Chief Financial Officer*

Tonya M. Toler, CRC®, CPM
Director of Member Services

• • •

*William Donald Schaefer Tower
Suite 200
6 Saint Paul Street
Baltimore, Maryland
21202-1608*

*Telephone: 410-767-8740
Toll-Free: 1-800-543-5605*

*TTY: Use 711 in MD
Or 1-800-735-2258*

Fax: 410-659-0349

Visit the MSRP website at
MSRP.maryland.gov

Call About the Plans
or to enroll
1-833-272-0093
or enroll online at
mysrp.com

A letter from Board Chair T. Eloise Foster

On behalf of the Board of Trustees of the Maryland Supplemental Retirement Plans (MSRP), I am pleased to present our Annual Comprehensive Financial Report (ACFR) for the calendar year ended December 31, 2024. This is our fourteenth year using this expanded report format. We believe this format continues to deliver quality information and demonstrates that the Plans are worthy of our participants' confidence.

MSRP ended the 2024 calendar year with an estimated \$5.9 billion in assets, representing an 11.0% increase from 2023. This increase reflects both favorable financial market performance driven by gains in technology, AI, and healthcare sectors and steady economic conditions that supported long-term investment returns. Despite elevated interest rates and cautious consumer sentiment, employees remained committed to retirement savings, contributing \$226 million throughout the year. The combination of solid market gains, increased employee participation, and gradual easing of inflation strengthened the Plan's financial position.

In 2024, we strengthened participant education through new, innovative strategies designed to support retirement readiness. The team's commitment and innovation were honored with three national awards: a Pensions & Investments Eddy Award, as well as two NAGDCA Awards, a "Leadership" distinction and the peer-voted "Members' Choice" Award. Details of these awards are provided on page 7 of this report.

By the end of 2024, the Match Program continued to demonstrate its value as a powerful financial incentive for State employees, generating over \$15 million in matching contributions and supporting thousands of workers in strengthening their retirement readiness. Since its launch, the program has also driven over 14,000 new enrollments, underscoring its effectiveness and the strong employee engagement it has inspired. This benefit remains a cornerstone of the State's commitment to supporting employees' long-term financial well-being and remains one of the most widely recognized and appreciated enhancements to the Plans in recent years.

Sincerely,

T. Eloise Foster, Chair

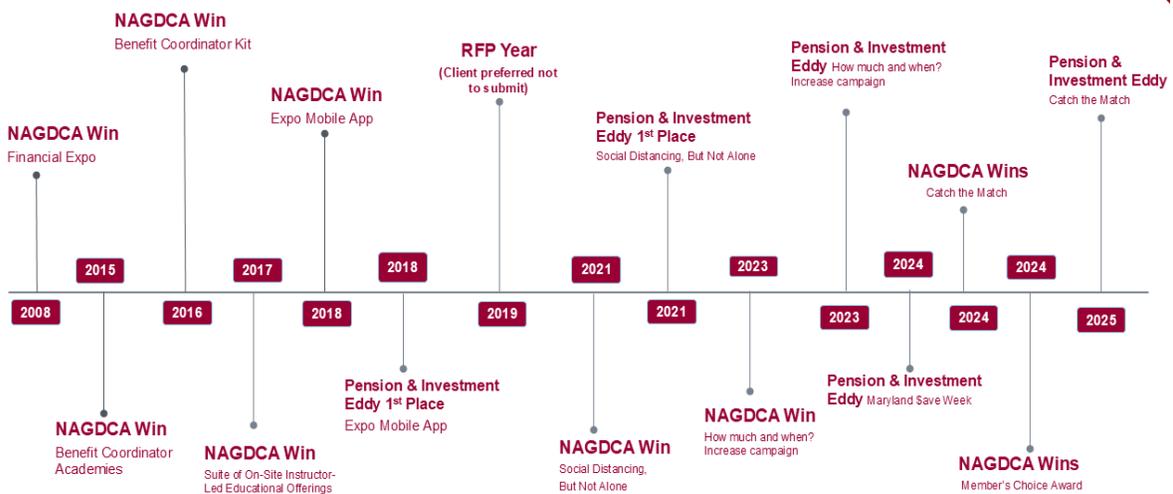
Member Services Continues to Deliver Award Winning Education in 2024

In 2024, the Member Services Education Team continued to offer innovative strategies to empower State employees with the knowledge and tools to enhance their financial literacy and security through exceptional financial and retirement education.

The team’s dedication and creativity were recognized with 3 National Awards in 2024: a Pension & Investments EDDY Award for the “Maryland Saves” campaign and 2 NAGDCA Awards: a "Leadership" and a “Members’ Choice” Award” (selected by peers) - for the “Catch the Match” campaign. MSRP has been a proud recipient of many of these prestigious Awards in recent years, as noted in the chart below.

These campaigns involved targeted outreach including webinars, emails, and in-person workshops, resulting in significant increases in enrollments and contributions.

MSRP industry recognitions



Our mission is to demonstrate our commitment to State employees by providing them with the best in financial and retirement education.



Leadership Award and a Members' Choice Award

MSRP sincerely thanks our fellow State employees for their high levels of engagement and enthusiastic participation in our webinars and events. Your support has helped MSRP earn two prestigious **National Awards in 2024.**

ATTEND OUR WEBINARS and EVENTS and secure YOUR financial future!



MSRP MONTHLY EDUCATIONAL WEBINARS

In 2024, the Member Services team offered 15 to 20 monthly financial webinars and events with approximately 34,500 State employees in attendance. MSRP's webinars encompassed a wide array of topics including budgeting, credit and debt management, and more. The newest webinar addition included the "Walk Me Through: Online Enrollment Tutorial," and we continued to offer our foundational "Take Control" series that included "Success in Planning with MSRP: Financial Knowledge," and "Countdown to Retirement" which was offered twice monthly.

MARYLAND STATE EMPLOYEES SAVINGS AWARENESS MONTH



*Take Control of Your Future
Through Financial Literacy!*

**Maryland State Employee
Savings Awareness Month**

In recognition of Financial Literacy Month, MSRP offered its third "Maryland State Employee Savings Awareness Month" throughout April 2024. This annual initiative aims to raise awareness about financial wellness and encourage employees to take action, such as enrolling in plans, increasing contributions, or attending webinars. The campaign featured weekly educational and engaging videos that inspired employees to act.

Each Monday in April, employees received a video designed to be both educational and entertaining, and to inspire them to follow through with a call of action such as enrolling, increasing their plan contributions or attending MSRP educational webinars. Nationwide, Maryland Supplemental Retirement Plan's third party Administrator, provided "Accessible" informational videos for the campaign.

The platform was expanded in 2024 and included guest speakers who gave webinars on popular topics that are important to State employees. MSRP also presented 3 webinars. 4,850 employees attended the webinars, an 18% increase in participation compared to 2023, reflecting the success of our expanded outreach efforts.

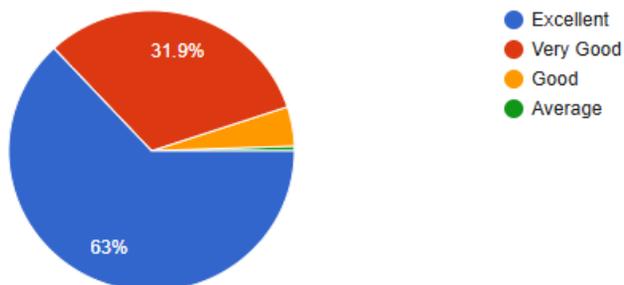
ANNUAL VIRTUAL SAVINGS SYMPOSIUM



MSRP hosted the 2024 Virtual Savings Symposium in October, continuing the successful virtual format that has allowed us to reach a broader audience across the State compared to previous in-person events. The theme of the Symposium, “Plan Today for A Better Tomorrow,” aligned with National Retirement Security Month, which promotes the importance of retirement saving.

The event spanned six days over 2 weeks, from October 8-10 and 22-24, featuring 24 highly relevant and in-demand topics hosted by Fund families, State agencies and other local entities, the Social Security Administration, and Nationwide. Additionally, MSRP presented our popular “Taxes in Retirement” webinar.

This year’s Symposium saw more than 6700 attendees—a 20% increase from the previous year. The pie chart below was created using data from the survey responses collected via Google Forms:







MSRP

*Maryland
State Employees
Supplemental Retirement Plans*

457 • 401(k) • 403(b) • Match

BOARD OF TRUSTEES

Hon. T. Eloise Foster
Chair

Hon. Dereck E. Davis
Lynne M. Durbin, Esq.
Jaelyn Hartman
Thomas P. Hickey
Scott A. Nicewarner
Zachary D. Shankman, Esq.
Johnathan R. West

• • •

Ronda Butler Bell, MPA
*Executive Director
& Board Secretary*

Nakeia C. Smith
*Deputy Executive Director &
Chief Financial Officer*

Tonya M. Toler, CRC®, CPM
Director of Member Services

• • •

*William Donald Schaefer Tower
Suite 200
6 Saint Paul Street
Baltimore, Maryland
21202-1608*

*Telephone: 410-767-8740
Toll-Free: 1-800-543-5605*

*TTY: Use 711 in MD
Or 1-800-735-2258*

Fax: 410-659-0349

Visit the MSRP website at
MSRP.maryland.gov

Call About the Plans
or to enroll
1-833-272-0093
or enroll online at
mymrsp.com

**December 18, 2025
Letter of Transmittal**

Honorable Chair and Members of the Board of Trustees:

It is our pleasure to present the 2024 Annual Comprehensive Financial Report (ACFR) of the Maryland State Employees Supplemental Retirement Plans (the "Plans"). The Plans consist of four separate defined contribution plans: the 457 Deferred Compensation, 401(k) Savings and Investment, 403(b) Tax Sheltered Annuity, and 401(a) Match Plans. Together, the Plans constitute fiduciary trust funds in the State of Maryland, overseen and administered by the Board of Trustees of the Maryland Teachers and State Employees Supplemental Retirement Plans (the "Board").

Management assumes full responsibility for the completeness and reliability of the information contained in this annual report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free of any material misstatement.

RSM US, LLP, a firm of licensed certified public accountants, has issued an unmodified ("clean") opinion on the Plans' financial statements for the calendar year ended December 31, 2024. The independent auditor's report is located at the front of the Financial Section of this ACFR.

For financial reporting purposes, the Plans follow generally accepted accounting principles as set forth by the Governmental Accounting Standards Board. In addition to this letter of transmittal, narrative, overview, and analysis can be found in the Management's Discussion and Analysis in the Financial Section of the ACFR.

The Plans are authorized and established by legislation as indicated in the notes to the basic financial statements. Summaries of Plan provisions are presented as well. The purpose of the Plans is to serve as a supplemental benefit that works in conjunction with the State pension benefit. MSRP provides retirement savings options to all eligible State of Maryland employees who have elected to participate. All work performed by MSRP staff is done in support of this objective.

At the end of 2024, the Plans' assets totaled \$5.9 billion, an increase from calendar 2023 year-end of \$5.3 billion. The increase can be attributed to a strong Q4 performance from equity and fixed income markets.

Economic Outlook and Conditions

At the close of 2024, the U.S. economy showed steady but moderate growth, supported by a stable labor market and continued though more cautious consumer spending. Inflation continued to ease toward the Federal Reserve's target, prompting signals of potential rate cuts after a year of restrictive policy. Higher interest rates, however, weighed on housing activity and business investment. Financial markets posted solid gains, led by strong performance in technology, AI, and healthcare, despite periods of volatility driven by geopolitical and policy uncertainties.

A comparative analysis of rates of return of MSRP investments and their respective benchmarks is presented in the Investment Section of this ACFR, along with schedules of management fees and information relevant to evaluation of asset quality.

Revenues and Expenses – Board & Staff

The resources necessary to oversee and manage the Plans are funded by fees collected from MSRP participant accounts. The Board collects participant fees which include a 0.0425% asset fee and a monthly \$0.50 per account fee charged to all accounts over \$500 other than accounts in the 401(a) Match Plan. Expenses to operate the Plans include costs associated with investment consulting, plan administration services, audits, staff, and educational activities. MSRP maintains a reserve balance to accommodate fluctuations and timing differences between revenues and expenses. The Board reserve balance at the end of December 31, 2024, was \$374,251.

Investments

The Plans are long-term retirement savings vehicles and are intended as a source of retirement income for voluntary participants. A summary of the Statement of Investment Policy for the Plans is included in the Investment Section of this ACFR. The following charts set forth the asset allocation for the Plans as of December 31, 2024, and 2023, respectively. See the Investment Section of the ACFR for a more detailed analysis and additional information.

Professional Services

The Board contracts for the services of various independent plan administrative/recordkeeping, consulting, investment advisory, and financial professionals to assist in carrying out its responsibility to manage the Plans. Nationwide Retirement Solutions provides MSRP's plan administration and recordkeeping services for the Plans. Additionally, through JP Morgan Chase, Nationwide provides custodial banking services for payroll deductions received in participant accounts and distributions made from their accounts for the 403(b) Tax Sheltered Annuity Plan. T. Rowe Price provides fund investment management services for the investment contract pool. NFP Retirement and Financial Resources Integrity Management (FIRM) co-partner to provide investment advisor and general Plan consultant services.

The independent auditor's report on the MSRP basic financial statements is included in the Financial Section of this ACFR. The Investment Advisor's Report prepared by NFP Retirement is included in the Investment Section beginning on page 56.

Awards

In recognition of the team's dedication and innovative efforts, MSRP was honored with three national awards in 2024: a Pensions & Investments Eddy Award, and two NAGDCA Awards for Leadership and Members' Choice. These honors continue a multi-year tradition of recognition for MSRP's achievements.

Acknowledgements

Preparation of this ACFR would not have been possible without the dedicated and efficient service of the entire MSRP staff and the Audit Committee. We express our appreciation to all staff that assisted in the preparation of this ACFR. Credit must also be given to the Board for its unfailing support and high standards of professionalism in the management of the Plans.

Very truly yours,



Ronda Butler Bell, MPA
Executive Director
Secretary to the Board of Trustees



Nakeia C. Smith
Deputy Executive Director
Chief Financial Officer

ABOUT THE BOARD

The Maryland State Employees Supplemental Retirement Plans are overseen and administered by a nine-member Board of Trustees whose members are appointed by the Governor of Maryland to staggered four-year terms. Of the nine members:

- Three members must be from any of the following units of State government:
 - the Department of Budget and Management;
 - the Maryland State Department of Education;
 - the Comptroller of the Treasury;
 - the Office of the State Treasurer;
 - the Maryland State Retirement Agency; or
 - the Maryland Higher Education Commission;
- Three members must be eligible to participate in one or more of the Plans, at least one of whom is eligible to participate in the 403(b) Plan; and
- Three members from the public who are not eligible to participate in the Plans, at least one of whom has experience with defined contribution and salary reduction plans.

MSRP Board of Trustees



T. Eloise Foster, *Board Chair*
Former Secretary, Department of
Budget and Management
Eligible Member



Dereck E. Davis
Treasurer
State Agency Member



Johnathan R. West
Eligible Member
Audit Committee Member



Thomas M. Brandt, Jr.
Public Member
Audit Committee Chair



Lynne M. Durbin, Esq.
Public Member
Investment Committee
Member



Jaclyn D. Hartman
Eligible Member



Thomas P. Hickey
Chief Procurement Officer
University System of Maryland
Eligible 403(b) Member



John D. Lewis
Public Member
Investment Committee Chair

Vacant
Eligible Member

PROFESSIONAL SERVICE PROVIDERS

Plan Administration

Nationwide Retirement Solutions, a subsidiary of Nationwide Financial Services, Inc.

Independent Investment Advisors

NFP Retirement, Inc (NFP)

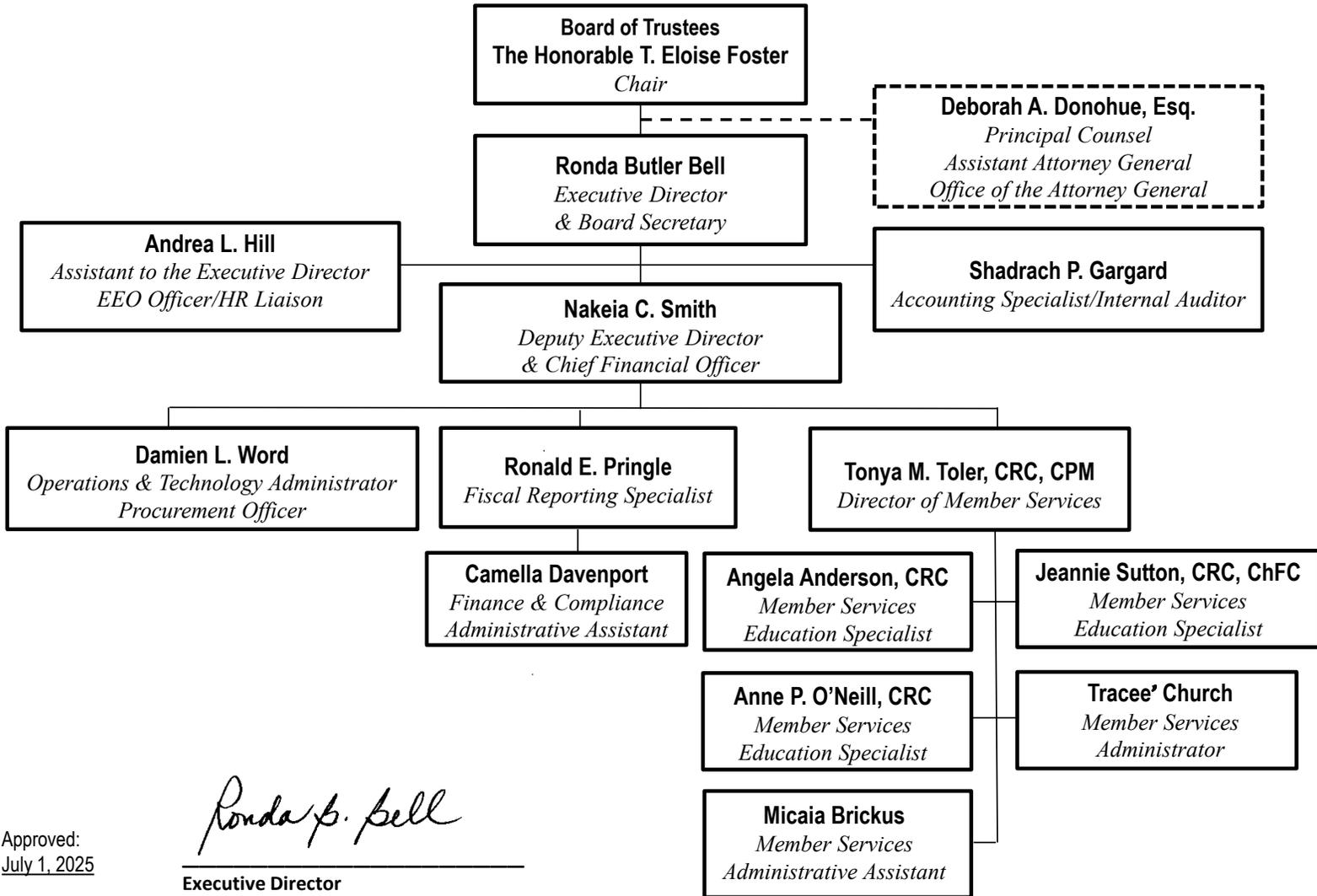
Financial Resources Integrity Management (FIRM)

T. Rowe Price & Associates, Inc.

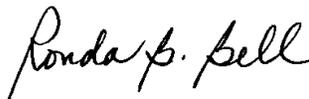
Independent Auditor

RSM US LLP

Maryland State Employees Supplemental Retirement Plans



Approved:
July 1, 2025


Executive Director





Financial Section

Annual Comprehensive Financial Report 2024

Independent Auditor's Report

Board of Trustees
Maryland State Employees Supplemental Retirement Plans

Opinions

We have audited the financial statements of the Maryland State Employees Supplemental Retirement Plans (MSRP), a component unit of the State of Maryland, which comprise the statements of fiduciary net position as of December 31, 2024 and 2023, the related statements of changes in fiduciary net position for the years then ended, and the related notes to the financial statements. We also have audited the financial statements of each of the plans presented in the combining statements of fiduciary net position as of December 31, 2024 and 2023, the related combining statements of changes in fiduciary net position for the years then ended, and the related notes to the combining financial statements. These statements collectively comprise MSRP's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the fiduciary net position of MSRP, as of December 31, 2024 and 2023, and the changes in its fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective fiduciary net position of each plan of MSRP, as of December 31, 2024 and 2023, and the respective changes in fiduciary net position thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audits of the Financial Statements section of our report. We are required to be independent of MSRP, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about MSRP's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that audits conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of MSRP's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about MSRP's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise MSRP's basic financial statements. The schedules of administrative expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of administrative expenses are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory section, investment section, and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audits of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

RSM US LLP

Baltimore, Maryland
December 18, 2025

Management's Discussion and Analysis (Unaudited)

The Board of Trustees of the Maryland State Employees Supplemental Retirement Plans (MSRP) has prepared this narrative as an explanatory supplement to the audited financial statements of the Plans for calendar years ended December 31, 2024 and 2023. The financial statements appear on page 25 of this report. This narrative should be read in conjunction with the financial statements and accompanying notes.

Overview of the Financial Statements

The financial statements for MSRP are prepared in accordance with accounting principles generally accepted in the United States, as interpreted and applied for governmental defined contribution pension plans by the Governmental Accounting Standards Board (GASB). The statements consist of the Statements of Fiduciary Net Position and Statements of Changes in Fiduciary Net Position, together with related note disclosures (where necessary or appropriate), to explain a particular item or its context. Each Plan – the 457(b) Deferred Compensation, 401(k) Savings and Investment, 403(b) Tax Sheltered Annuity, and 401(a) Match Plan – has a separate, stand-alone financial statement. A combining statement of Fiduciary Net Position that consolidates the assets and transactions of all four Plans begins on page 30 of this report.

The Statement of Changes in Fiduciary Net Position is intended to show the major categories of additions to the Plans from participant contributions and investment earnings and deductions from the Plans for administrative expenses and distributions to participants.

The note disclosures are provided as an integral component of the financial statements to help explain, in narrative form, some of the more complex or less obvious elements of the statements. The notes provide additional information (e.g., significant accounting policies and types of investment risk) that is essential for a comprehensive understanding of the financial condition of the Plans and the results of their operations.

Financial Highlights – Consolidated

- Net position available for Plan benefits increased by \$584.6 million, or 11.0%, to \$5.92 billion at December 31, 2024, from \$5.34 billion at December 31, 2023. Net position available for Plan benefits increased by \$656.2 million, or 14.0%, to \$5.34 billion at December 31, 2023, from \$4.68 billion at December 31, 2022.
- Employee deferrals/contributions into the Plans increased by \$15.9 million, or 7.6%, to \$226 million for the year ended December 31, 2024, from \$210.1 million for the year ended December 31, 2023. Employee contributions into the Plans increased by \$20.2 million, or 10.6%, to \$210.1 million for the year ended December 31, 2023, from \$190.0 million for the year ended as of December 31, 2022. Employer contributions into the Plans increased by \$2.78 million or 22.7%, to \$15.0 million for the year ended December 31, 2024.
- Due to the suspension of the funding for the State Match program in State Fiscal Year 2010, employer contributions had been virtually eliminated as a source of contributions to the Plans for the majority of the State; however, certain non-elective employer contributions, or “matches,” are funded by State agencies and instrumentalities with, among other things, independent salary-setting and budget authority, which direct such contributions to be made on behalf of such agencies' personnel into the Plans (special match programs). The State Match program was reinstated as of July 1, 2023. A State higher education student loan payment match for deferring/contributing participants was authorized as of January 1, 2024.
- In calendar year 2024, participant distributions increased by \$66.8 million, or 21.0% to \$383.5 million, from \$316.7 million for the year ended December 31, 2023. At December 31, 2023, participant distributions increased by \$30.9 million, or 14.0% to \$316.7 million from \$277.7 million at December 31, 2022.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the combined financial statements for the Plans.

Supplemental Information

The report includes detailed statistical information on the Plans, the participants in the Plans, comparison schedules on the Plans, and information regarding administrative fees and expenses. This statistical information immediately follows the Investment Section of the ACFR.

The chart located on the following page illustrates a summary of the changes in the four Plans from calendar year 2023 to calendar year 2024, with the most recent year presented on the left.

The grouped bar for each year reflects a balance of assets that is increased that year by contributions from participant payroll deductions and transfers into the Plans. The bar also shows the amounts (negative) paid out in distributions to participants and the amounts of outstanding loans (positive, to be paid back by participants). Finally, the bar indicates the net 12-month investment gain or loss for all Plans as of the respective year end.

Request for Information

The Board of Trustees are fiduciaries of the Maryland State Employees Supplemental Retirement Plans and, as such, are charged with the responsibility of ensuring that the Plans' assets are used exclusively for the benefit of Plan participants and their beneficiaries. This ACFR is designed to provide an overview of the Plans' finances and to demonstrate accountability for the resources entrusted to the Plans for the benefit of all the Plans' stakeholders. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Maryland State Employees Supplemental Retirement Plans

Attn: Andrea L. Hill

Public Information Act Representative

6 St Paul Street, Suite 200

Baltimore, Maryland 21202-1600

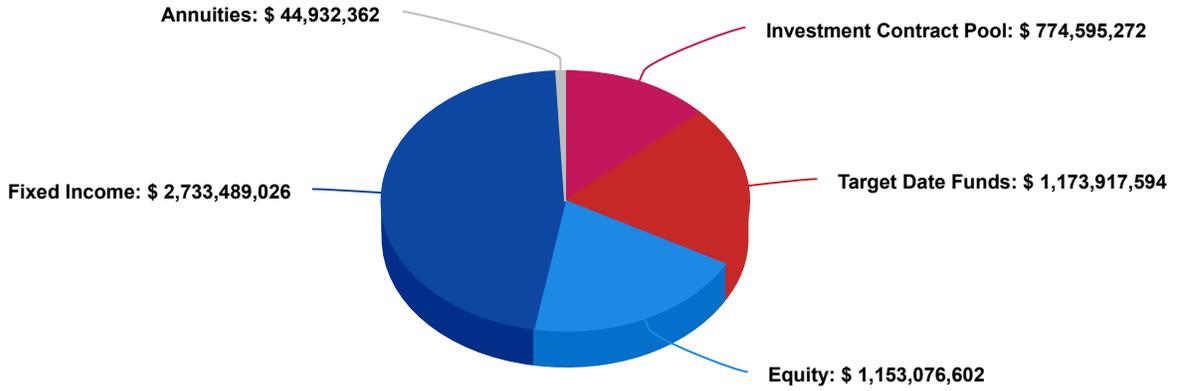
Condensed Summary of Fiduciary Net Position

	2024	2023	2022
Assets			
Investments	\$ 5,880,010,856	\$ 5,291,153,113	\$ 4,635,669,492
Total investments	<u>5,880,010,856</u>	<u>5,291,153,113</u>	<u>4,635,669,492</u>
Cash surrender value of life insurance contracts	2,740,550	2,740,550	2,753,016
Cash	374,251	251,485	592,401
Receivables:			
Loans receivable	39,124,067	37,397,793	37,488,595
Other receivable	<u>1,121,311</u>	<u>7,206,842</u>	<u>6,071,526</u>
Fiduciary Net Position	<u>\$ 5,923,371,035</u>	<u>\$ 5,338,749,783</u>	<u>\$ 4,682,575,030</u>

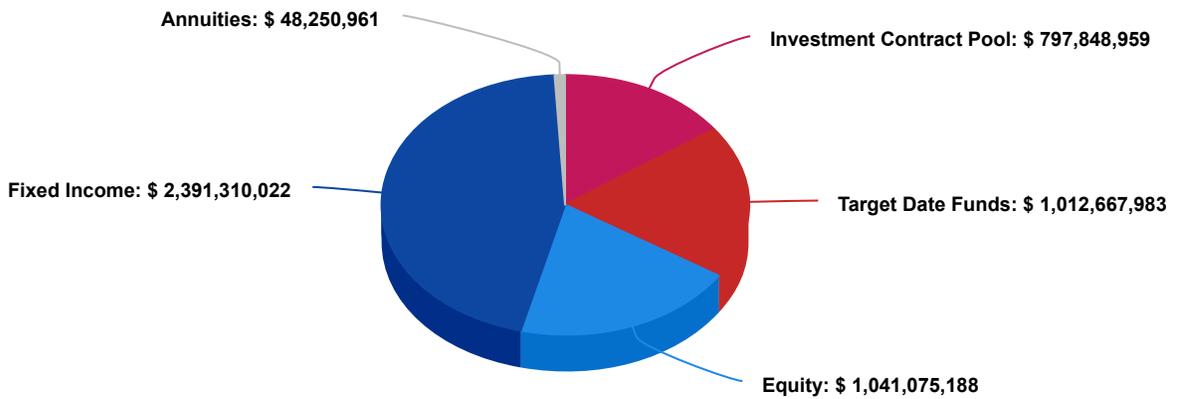
Condensed Summary of Change in Fiduciary Net Position

	2024	2023	2022
Additions			
Employee contributions	\$ 226,034,502	\$ 210,142,202	\$ 189,971,046
Employer contributions	15,033,178	12,249,128	-
Participant Fees	2,855,222	1,861,220	1,336,367
Variable earnings reimbursements	1,342,806	1,672,728	1,671,106
Investment income:			
Variable earnings investment (loss)/Income	705,705,240	731,401,137	(818,461,864)
Other income	<u>29,937,411</u>	<u>25,844,778</u>	<u>19,851,311</u>
Total Additions	<u>980,908,359</u>	<u>983,171,193</u>	<u>(605,632,034)</u>
Deductions			
Distributions to participants	383,475,538	316,670,165	277,699,840
Fees taken from participants	10,100,350	8,302,798	7,762,224
Net administrative expenses - Board	2,710,689	2,022,047	2,194,577
Life insurance premiums	530	1,430	1,430
Total Deductions	<u>396,287,107</u>	<u>326,996,440</u>	<u>287,658,071</u>
Net Change	584,621,252	656,174,753	(893,290,105)
Fiduciary Net position			
Beginning of the year	<u>5,338,749,783</u>	<u>4,682,575,030</u>	<u>5,575,865,135</u>
Fiduciary Net Position End of Year	<u>\$ 5,923,371,035</u>	<u>\$ 5,338,749,783</u>	<u>\$ 4,682,575,030</u>

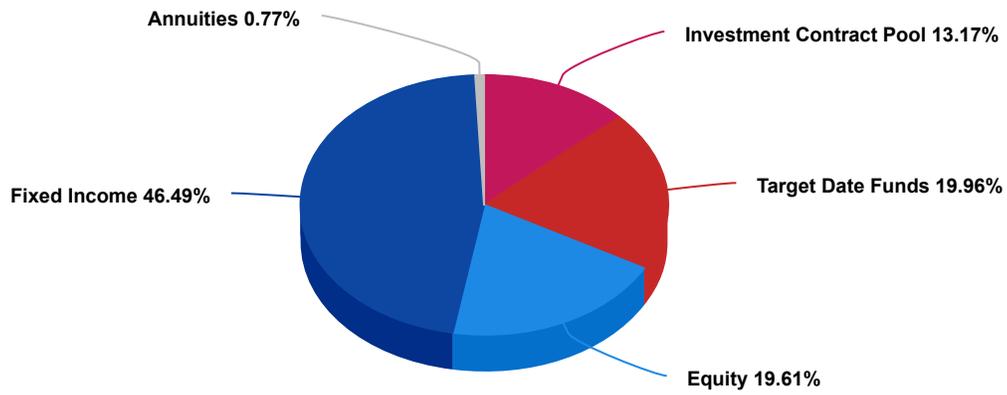
Plans Investments by Category 2024



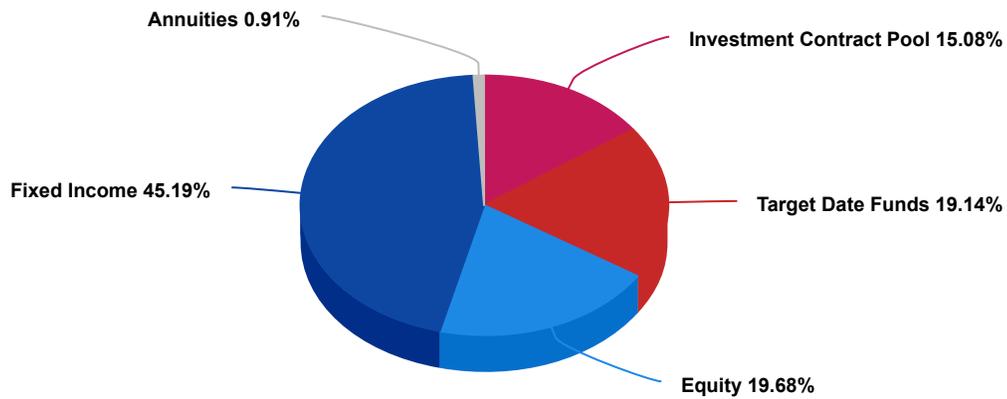
Plans Investments by Category 2023



Investment Allocation % (CY 2024)



Investment Allocation % (CY 2023)





Basic Financial Statements

Annual Comprehensive Financial Report 2024

Statement Of Fiduciary Net Position
As of December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Assets and Net Position		
Investments		
Investment contract pool	\$ 774,595,272	\$ 797,848,959
Mutual funds/Collective Investment Trusts:		
Equity funds	1,153,076,602	1,041,075,188
Target date funds	1,173,917,594	1,012,667,983
Fixed income funds	2,733,489,026	2,391,310,022
Annuities	44,932,362	48,250,961
Total Investments	<u>5,880,010,856</u>	<u>5,291,153,113</u>
Cash surrender value of life insurance contracts	2,740,550	2,740,550
Cash	374,251	251,485
Receivables:		
Employee deferrals/contributions	919,454	7,026,752
Participant loans receivable	39,124,067	37,397,793
Other receivable	201,857	180,090
Fiduciary Net Position	<u>\$ 5,923,371,035</u>	<u>\$ 5,338,749,783</u>

The accompanying notes are an integral part of the financial statements

Statement Of Combining Fiduciary Net Position
December 31, 2024

	Deferred Compensation 457(b) Plan	Savings and Investment Plans 401(k)	Match Plan and Trust 401(a) Plan	Tax Sheltered Annuity Plan 403(b) Plan	Total
Investments					
Investment contract pool	\$ 386,329,598	\$ 359,503,288	\$ 28,762,386	\$ -	\$ 774,595,272
Mutual funds/Collective Investment Trusts					
Equity funds	486,713,251	534,428,763	52,992,514	78,942,074	1,153,076,602
Target date funds	542,273,068	568,396,376	46,976,251	16,271,899	1,173,917,594
Fixed income funds	1,099,731,373	1,447,069,088	153,415,481	33,273,084	2,733,489,026
Annuities	44,932,362	-	-	-	44,932,362
Total Investments	<u>2,559,979,652</u>	<u>2,909,397,515</u>	<u>282,146,632</u>	<u>128,487,057</u>	<u>5,880,010,856</u>
Cash surrender value of life insurance contracts	2,740,550	-	-	-	2,740,550
Cash	374,251	-	-	-	374,251
Receivables:					
Employee deferrals/contributions	373,702	461,622	9,422	74,708	919,454
Participant loans receivable	22,512,844	16,413,678	-	197,545	39,124,067
Other receivables	201,857	-	-	-	201,857
Fiduciary Net Position	<u>\$ 2,586,182,856</u>	<u>\$ 2,926,272,815</u>	<u>\$ 282,156,054</u>	<u>\$ 128,759,310</u>	<u>\$ 5,923,371,035</u>

Statement of Combining Fiduciary Net Position
December 31, 2023

	Deferred Compensation 457(b) Plan	Savings and Investment Plans 401(k)	Match Plan and Trust 401(a) Plan	Tax Sheltered Annuity Plan 403(b) Plan	Total
Investments					
Investment contract pool	\$ 398,057,549	\$ 371,092,421	\$ 28,698,989	\$ -	\$ 797,848,959
Mutual funds/Collective Investment Trusts					
Equity funds	439,625,330	481,891,777	47,762,086	71,795,995	1,041,075,188
Target date funds	463,968,176	499,801,589	34,588,157	14,310,061	1,012,667,983
Fixed income funds	961,519,833	1,266,464,937	131,869,082	31,456,170	2,391,310,022
Annuities	48,250,961	-	-	-	48,250,961
Total Investments	<u>2,311,421,849</u>	<u>2,619,250,724</u>	<u>242,918,314</u>	<u>117,562,226</u>	<u>5,291,153,113</u>
Cash surrender value of life insurance contracts	2,740,550	-	-	-	2,740,550
Cash	251,485	-	-	-	251,485
Receivables:					
Employee deferrals/contributions	3,516,929	3,178,569	215,897	115,357	7,026,752
Participant loans receivable	21,164,990	15,979,742	-	253,061	37,397,793
Other receivables	180,090	-	-	-	180,090
Fiduciary Net Position	<u>\$ 2,339,275,893</u>	<u>\$ 2,638,409,035</u>	<u>\$ 243,134,211</u>	<u>\$ 117,930,644</u>	<u>\$ 5,338,749,783</u>

The accompanying notes are an integral part of the financial statements

**Statements Of Changes In Fiduciary Net Position
For The Year Ended December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
Additions To Net Position Attributed To:		
Employee deferrals/contributions	\$ 226,034,502	\$ 210,142,202
Employer contributions	15,033,178	12,249,128
Participant fees	2,855,222	1,861,220
Variable earnings reimbursements	1,342,806	1,672,728
Variable earnings investment income	705,705,240	731,401,137
Interest income	29,937,411	25,844,778
Total Additions	<u>980,908,359</u>	<u>983,171,193</u>
Deductions From Net Position Attributed To:		
Distributions to participants	383,475,538	316,670,165
Fees taken from participants	10,100,350	8,302,798
Net administrative expenses - Board	2,710,689	2,022,047
Life insurance premiums	530	1,430
Total Deductions	<u>396,287,107</u>	<u>326,996,440</u>
Net Change	584,621,252	656,174,753
Fiduciary Net position		
Beginning of the year	<u>5,338,749,783</u>	<u>4,682,575,030</u>
Fiduciary Net Position End of Year	<u>\$ 5,923,371,035</u>	<u>\$ 5,338,749,783</u>

The accompanying notes are an integral part of the financial statements

**Statements Of Combining Changes In Fiduciary Net Position
For The Year Ended December 31, 2024**

	Deferred Compensation 457(b) Plan	Savings and Investment Plan 401(k) Plan	Match Plan and Trust 401(a) Plan	Total Sheltered Annuity Plan 403(b) Plan	Total
Additions:					
Employee deferrals/contributions	\$ 110,616,399	\$ 112,487,685	\$ -	\$ 2,930,418	\$ 226,034,502
Employer contributions	-	-	15,033,178	-	15,033,178
Participant fees	2,855,222	-	-	-	2,855,222
Variable earnings reimbursements	590,810	649,291	61,604	41,101	1,342,806
Investment income:					
Variable earnings investment income	293,676,727	355,183,305	38,083,726	18,761,482	705,705,240
Interest income	16,078,984	12,836,669	919,382	102,376	29,937,411
Total Additions	423,818,142	481,156,950	54,097,890	21,835,377	980,908,359
Deductions:					
Distributions to participants	169,632,525	188,335,763	14,660,020	10,847,230	383,475,538
Fees taken from participants	4,567,435	4,957,407	416,027	159,481	10,100,350
Net administrative expenses - Board	2,710,689	-	-	-	2,710,689
Life insurance premiums	530	-	-	-	530
Total Deductions	176,911,179	193,293,170	15,076,047	11,006,711	396,287,107
Net Change	246,906,963	287,863,780	39,021,843	10,828,666	584,621,252
Fiduciary Net position					
Beginning of the year	2,339,275,893	2,638,409,035	243,134,211	117,930,644	5,338,749,783
Fiduciary Net Position End of Year	\$ 2,586,182,856	\$ 2,926,272,815	\$ 282,156,054	\$ 128,759,310	\$ 5,923,371,035

The accompanying notes are an integral part of the financial statements

**Statements Of Combining Changes In Fiduciary Net Position
For The Year Ended December 31, 2023**

	Deferred Compensation 457(b) Plan	Savings and Investment Plan 401(k) Plan	Match Plan and Trust 401(a) Plan	Total Sheltered Annuity Plan 403(b) Plan	Total
Additions:					
Employee deferrals/contributions	\$ 104,474,900	\$ 102,892,866	\$ -	\$ 2,774,436	\$ 210,142,202
Employer contributions	-	-	12,249,128	-	12,249,128
Participant fees	1,861,220	-	-	-	1,861,220
Variable earnings reimbursements	743,121	790,640	80,915	58,052	1,672,728
Investment income:					
Variable earnings investment income	304,380,835	371,786,565	36,725,581	18,508,156	731,401,137
Interest income	14,159,378	10,820,140	750,127	115,133	25,844,778
Total Additions	<u>425,619,454</u>	<u>486,290,211</u>	<u>49,805,751</u>	<u>21,455,777</u>	<u>983,171,193</u>
Deductions:					
Distributions to participants	134,633,849	160,744,431	11,911,757	9,380,128	316,670,165
Fees taken from participants	3,769,696	4,070,054	325,144	137,904	8,302,798
Net administrative expenses - Board	2,022,047	-	-	-	2,022,047
Life insurance premiums	1,430	-	-	-	1,430
Total Deductions	<u>140,427,022</u>	<u>164,814,485</u>	<u>12,236,901</u>	<u>9,518,032</u>	<u>326,996,440</u>
Net Change	<u>285,192,432</u>	<u>321,475,726</u>	<u>37,568,850</u>	<u>11,937,745</u>	<u>656,174,753</u>
Fiduciary Net position					
Beginning of the year	2,054,083,461	2,316,933,309	205,565,361	105,992,899	4,682,575,030
Fiduciary Net Position End of Year	<u>\$ 2,339,275,893</u>	<u>\$ 2,638,409,035</u>	<u>\$ 243,134,211</u>	<u>\$ 117,930,644</u>	<u>\$ 5,338,749,783</u>

The accompanying notes are an integral part of the financial statements



Notes to Financial Statements

Annual Comprehensive Financial Report 2024

1. General Description of the Plans:

The Maryland State Employees Supplemental Retirement Plans originated from three sources. In 1963, the Board of Trustees of the Teachers Retirement System established the Maryland Teachers' Tax Deferred Annuity Plan under section 403(b) of the Internal Revenue Code. In 1974, the Maryland Governor initiated the 457 Deferred Compensation Plan by executive order (01.01.1974.19), which was codified by the Maryland General Assembly in Chapter 433, Acts of 1974. In 1984, the Maryland General Assembly established the 401(k) Savings and Investment Plan in Chapter 746, Acts of 1984.

In 1985, the Maryland General Assembly created the Board of Trustees of the Maryland State Employees Supplemental Retirement Plans to oversee and administer the three existing Plans in Chapter 741, Acts of 1985.

These defined contribution Plans are a component unit of the State and reported as a fiduciary trust fund in the State and reflect transactions and account balances, with those transactions being accounted for using the economic resources measurement focus. The Plans, which are reported as of and for the year ended December 31, account for participant earnings deferred/contributed in accordance with Internal Revenue Code Sections 457, 403(b), 401(a), and 401(k). Amounts that are deferred/contributed are invested and are not subject to federal income taxes until paid to the participant upon termination or retirement from employment, death, or for an unforeseeable emergency. After-tax Roth accounts were authorized for participants in the 457 Deferred Compensation Plan and the 401(k) Savings and Investment Plan effective in January of 2011. Deferrals or contributions to these accounts have already been taxed, so are not taxed again upon distribution. The Fiduciary Trust Fund is overseen and administered by the Board of Trustees, who are appointed by the Governor, and each member serves a staggered 4-year term.

Effective July 1, 1999, the Maryland General Assembly authorized the Match program, which makes a dollar-for-dollar matching contribution for eligible State employees who voluntarily defer/contribute to one of the State-sponsored supplemental retirement plans. If funded in the State budget, State matching contributions are limited to \$600 per eligible employee, per year. The State matching contributions for MSRP participants are paid into a separate qualified plan, the 401(a) Match plan, which was established by the Maryland General Assembly in Chapter 530, Acts of 1998.

Under Plan provisions eligible employees of the State of Maryland may voluntarily elect to defer or contribute a portion of their compensation into a Plan through payroll deductions. Beginning January 1, 2002, upon enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA), a participant's contribution to a Plan is limited to the lesser of 100% of taxable compensation, net of IRC Section 457 deferrals, or \$19,500. EGTRRA also provides certain catch-up contribution provisions for participants aged 50 or over, and for participants within three years of their Normal Retirement Age. Subsequent federal legislation and regulations, including the Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act), and SECURE 2.0 (signed into law on December 29, 2022) have increased deferral/contribution and catch-up limits. Amounts contributed by employees are deferred for federal and State income tax purposes until benefits are paid to the employees, with the exception of Roth contributions. In January 2011, the Board approved an after-tax Roth contribution option for the 457 and 401(k) Plans. In October 2014, the Roth conversion feature became effective.

Under provisions of the Small Business Job Protection Act of 1996 (SBJPA), which became effective for plan years beginning after December 31, 1996, assets of IRC section 457 plans must be held in a trust, custodial account, or annuity contract, for the exclusive benefit of employees and beneficiaries. On December 31, 2024 and 2023, the Plan met the requirements of the SBJPA.

- A.** Employees electing to defer/contribute to the 457 Deferred Compensation Plan have the option of investing their contributions in the following options:
- Fixed earnings investment consisting of investment contract pools underwritten by various insurance companies and other financial institutions.
 - Variable earnings investments consisting of various mutual funds.
 - Life insurance contracts underwritten by Unum Life (Unum Life) Insurance Company of America, formerly Commercial Life Insurance Company. As of June 1988, this option was no longer actively promoted for new enrollments in the 457 plan.

1. General Description of the Plans (continued):

- B.** The fixed earnings investment underwritten by Nationwide Life Insurance Company (Nationwide) was previously available. A portion of the 457 Plan's investments is still held at this company, however, this investment option is not available for current enrollments or deferrals.

Employees may withdraw the current value of funds deferred/contributed to the 457 Plan upon termination of employment with the State or due to financial hardship.

Employees who have deferred/contributed to the Plans receive benefits under the Plans at the time of their retirement or upon a determination of disability in accordance with the retirement laws of the State of Maryland.

Upon retirement or disability, employees may select various payout options including lump sum payments or payments over various periods. The employees may also elect to have the value of their account at retirement converted into fixed or variable life annuities or joint and survivor annuities.

2. Summary of Significant Accounting Policies:

MSRP consists of the following four defined contribution plans that are generally available to all eligible employees and officials of the State of Maryland (the "State"): (1) the Deferred Compensation Plan under Internal Revenue Code (the Code or "IRC") Section 457(b); (2) the Savings and Investment Plan under IRC Section 401(k); (3) the Match Plan under IRC Section 401(a); and (4) the Tax Sheltered Annuity Plan under IRC Section 403(b) (each a Plan and collectively, the Plans). MSRP had 69,442 participants as of December 31, 2024. MSRP operates pursuant to the provisions of Titles 21, subtitle 2; 32; and 35 of the State Personnel and Pensions Article of the Annotated Code of Maryland and is governed by a nine-member Board of Trustees (the "Board").

The Deferred Compensation Plan (the "457 Plan") was established by an executive order of the Governor of the State of Maryland on August 15, 1974, which was codified by the Maryland General Assembly in Chapter 433, Acts of 1974. The 457 Plan operates pursuant to the provisions of Title 35 of the State Personnel & Pensions Article of the Annotated Code of Maryland and a Plan document adopted by the Board.

The Savings and Investment Plan (the "401(k) Plan") was established by the State pursuant to statute effective on July 1, 1985 in Chapter 746, Acts of 1984, and is designed to be a tax-qualified 401(k) profit sharing plan.

The Match Plan and Trust (the "401(a) Match Plan") was established July 1, 1999, by the State, pursuant to Chapter 530, Acts of 1998, and is designed to be a tax-qualified 401(a) defined contribution plan.

In 1963, the Board of Trustees of the Teachers Retirement System established the Maryland Teachers' Tax-Sheltered Annuity Plan under section 403(b) of the Internal Revenue Code. In 1985, the Board was authorized to oversee and administer the 403(b) Tax Sheltered Annuity Plan (the "403(b) Plan"), which it operates pursuant to the provisions of Title 35 of the State Personnel & Pensions Article of the Maryland Code and a Plan document adopted by the Board.

A. Basis of Accounting

The accompanying financial statements have been prepared using the economic resources measurement focus and are prepared using accrual method of accounting, in accordance with accounting principles generally accepted in the United States for governments as prescribed by Governmental Accounting Standards Board (GASB).

B. Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

C. Risks and Uncertainties

MSRP invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, there is a reasonable expectation that changes in the value of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net position held in trust for defined contribution benefits.

2. Summary of Significant Accounting Policies (continued):

D. Investments

The Investment Contract Pool (ICP) Investment Option – The ICP is shown in the statements under the category of investments, and is valued at contract value. The ICP is managed by T. Rowe Price Associates under a management services contract with the Board. Interest rates are reset monthly.

As of October 1996, a master trust (the Master Trust) was established to hold all assets of the Plans under Board Trusteeship and administration, including the ICP. Under the Master Trust arrangement, assets of participants who participate in the 457 Plan, the 401(k) Plan, and/or the 401(a) Match Plan are combined and held in the Master Trust. Each Plan has an undivided but measurable interest in the assets held by the Master Trust. The practice is permitted by IRC Rev. Rul. 81-100 and Rev. Rul. 2011-1. Mutual fund assets held in the 403(b) Plan are held in a master custodial account as required by IRC 403(b)(7).

The ICP is valued at contract value, which represents contributions received plus interest earned to date, less applicable charges and amounts withdrawn.

Mutual Funds – Mutual fund investments are presented at fair value based on net asset value, as reported by the investment carrier. All purchases and sales of investments are recorded on a trade date basis.

Earnings are accrued to an individual participant's account based upon the investment performance of the specific options selected.

Collective Investment Trust. A Collective Investment Trust (CIT) is an investment vehicle like a US mutual fund that is available to qualified retirement plans. CITs are institutional products sold only to plan sponsors and/or plan fiduciaries. CITs consist of assets of retirement, pension, profit sharing, stock bonus, or other tax-qualified retirement accounts and governmental plans that are exempt from federal income tax. CITs are excluded from the definition of a registered security and an investment company. CITs are a legal trust administered by a bank or trust company that combines assets for multiple investors who meet specific requirements set forth in the fund's declaration of trust. By definition, a collective trust pools assets from corporate and governmental profit sharing, pension and stock bonus plans, and charitable and other tax-exempt trusts. On November 25, 2019, the Board approved the transition from mostly passively managed mutual fund and target date vehicles to non-securities lending collective investment trust vehicles managed by State Street. Further transitions of passively managed mutual fund vehicles to CIT vehicles occurred in 2020 (managed by T. Rowe Price and William Blair) and 2023 (managed by Janus Henderson, Putnam, T. Rowe Price, and Fidelity Institutional AM).

Annuities Assets held for annuity payout reserves are valued at the actuarially determined present value of estimated future distributions.

E. Participant Loans Receivable

Participants may borrow from their accrued benefit balance, in accordance with Plan provisions and applicable IRC regulations; however, loans are not available from the 401(a) Match Plan. The maximum amount a participant may borrow is equal to the lesser of: (a) 50% of the value of his or her account or (b) \$50,000. Interest on loans is determined by a reference rate set by the Board.

In accordance with IRC requirements, all loans must be repaid on a periodic basis, not less than quarterly, over a period not to exceed five years. Loans used to acquire, construct, reconstruct, or substantially rehabilitate a dwelling that is to be used as a principal residence may extend for a longer term.

The Plans' general loan provisions for the 457(b) Plan, 403(b) Plan and 401(k) Plan allow participants to borrow up to 50% of the Plan account, but not more than \$50,000. Principal and interest payments are credited to the participant's account. General repayment terms have a maximum repayment of five years, except for loans used to purchase a primary residence. These loans have an extended repayment period up to 15 years. The 401(a) Match Plan does not offer a loan provision.

On January 23, 2023, the Board approved updated administrative procedures on loans and offsetting events. The administrative procedures clarified language specific to defaulted loans, updated procedural changes in administration of such loans, and clarified the loan default process. The changes were implemented on July 1, 2023.

2. Summary of Significant Accounting Policies (continued):

F. Employee Contributions Receivable

Employee contributions receivable represents amounts withheld from employees' pay but not remitted to the investment carriers as of December 31. Deferral/contributions are credited to the applicable investment option upon receipt from the State. Employee deferral/contributions are fully vested at all times. The State does not make any contributions to the 457 Plan, 401(k) Plan, or 403(b) Plan, but the State *does* make certain matching contributions to a separate tax qualified 401(a) Match Plan, as previously noted.

Employees electing to defer/contribute to the Plans have the following investment options:

- The investment contract pool (the ICP). The ICP is a book value/constant principal investment fund that periodically adjusts the rates paid to participants in order to account for the income, gains and losses of the portfolio. It is made up of the following collection of book value investments: 1) a money market fund; 2) STIFs and 3) separate account synthetic guaranteed investment contracts written by insurance companies and other financial institutions. This option is not available in the 403(b) Plan.
- Mutual funds. A mutual fund is a professionally managed investment fund that pools money from many investors to purchase securities.

G. Employee Deferrals/Contributions

Eligible State employees may defer/contribute to the 457 Plan, 401(k) Plan, or the 403(b) Plan through payroll deductions. Employee deferrals/contributions are recognized as revenue in the period in which the deferral/contributions are withheld from the employees' compensation. As required by the IRC, MSRP limits the amount of an individual's annual deferrals/contributions to an amount not to exceed the lesser of \$23,000 and \$22,500 for the years ended December 31, 2024 and 2023, respectively, or 100% of their annual compensation, as defined by the IRC. Additional "catch-up" contributions are available for those age 50 and over across all Plans. In addition, participants who defer to the 457 Plan may, under certain circumstances, contribute additional sums in the three years prior to retirement. The limits are subject to an annual cost of living adjustment. Amounts contributed by employees are deferred for federal and State income tax purposes until benefits are paid to the employees. The Plans also provide participants the ability to make Roth contributions. These contributions are post-tax and subject to provisions on tax-free distributions. Roth contributions do not reduce current taxable income and cannot be used for Supplemental Guaranteed Lifetime Income. Roth contributions are eligible for employer match. Contributions of \$8.2 million were made to the Roth accounts by approximately 12,634 participants in the 457 Plan and the 401(k) Plan during the year ended December 31, 2024. Contributions of \$6.6 million were made to the Roth accounts by approximately 10,724 participants in the 457 Plan and the 401(k) Plan during the year ended December 31, 2023.

Under Title 32 of the State Personnel & Pension Article, and to the extent funds are provided in the State budget, the State may contribute to each participant's 401(a) Match Plan account an amount equal to the participant's deferrals/contributions to one of the Plans during the same plan year. The statutory maximum contribution is \$600 per participant for each State fiscal year. Deferrals/contributions are credited to the investment option selected by the employee/Plan participant. For the period July 1, 2009 through June 30, 2024, the State suspended the match contribution.

H. Investment Income (Loss)

Net appreciation or decrease in Plan net position is determined by calculating the change in the fair value of investments between the beginning of the year and the end of the year. Other investment income or loss is recognized when earned, primarily consisting of interest and dividends. Investment expenses consist of external expenses directly related to MSRP investment options.

I. Variable Earnings Investment Income Reimbursements

Variable earnings investment income represents amounts received from mutual fund investment providers for the benefit of the participants under expense reimbursement arrangements with MSRP. Amounts recorded are those reimbursements actually received during the year. These amounts are periodically redistributed on a pro-rata basis to current participants invested in the mutual fund that paid the reimbursement.

2. Summary of Significant Accounting Policies (continued):

J. Cash Surrender Value of Life Insurance Contracts

Participants have made premium payments on life insurance contracts held in the 457 Plan through salary deferral. The cash surrender value of these contracts is based on reporting by the life insurance company. This option is no longer available to new participants, but participants with policies may continue to make contributions.

K. Deduction and Expenses

Benefit payments, including refunds, and distributions of employee contributions, are recognized when due and payable in accordance with IRC requirements. Internal administrative expenses are recognized when due and payments made.

L. Distribution to Participants

Employees investing in the Plans may or, under certain circumstances, shall withdraw the value of their accounts, in accordance with IRC rules and the terms of the respective Plan. Distributions are generally available upon termination of employment or financial hardship. Additionally, employees are eligible to collect distributions from the 401(k) and 403(b) Plans upon reaching age 59 ½.

Employees eligible to receive benefits may select various payout options, which include lump sum, periodic, or annuity payments. Purchased annuity payout options are offered by Nationwide Life Insurance Company and Metropolitan Life Insurance Company.

At retirement or termination of State employment, employees investing in life insurance contracts (which are *closed* to additional participants) may continue to make premium payments directly to the insurance carrier. At the time of death of an employee, the face value of the insurance contract is payable to the beneficiary.

Amounts in the participant's account are paid to the designated beneficiary at the employee's death. Distributions to participants are recorded at the time withdrawals are made from participant accounts.

M. Suspense

Employee deferral/contributions are recognized when such amounts are withheld from employees' pay. Deferrals/contributions are credited by the applicable investment carriers upon receipt of a valid trade order. Deferrals/contributions receivable represent amounts withheld but not remitted to the investment carriers at year-end. As such, some timing differences occur to specific accounts that are not yet recognized and are held in the suspense account. These immaterial balances are moved to participant accounts within a reasonable time frame.

N. Investment Valuation

Other fixed earnings investments are valued at contract value, which represents deferrals/contributions received plus interest earned to date less applicable charges and amounts withdrawn.

Variable earnings investments are presented at fair values based on published quotations or net asset value as provided by the investment provider. Purchases and sales of variable earnings investments are recorded on a trade date basis.

O. Cash

Cash represents amounts withheld from participants and remitted to the Board of Trustees for the Maryland State Employees Supplemental Retirement Plans, reduced by amounts disbursed to vendors providing services to the Plans. These amounts are presented in the financial statements in accordance with the plan administration services contract discussed in note 6 and note 7. The cash and accounts payable balances and the administrative expense amount may change due to expenses incurred or paid by the Board when reported to Nationwide Retirement Solutions, the Administrator of the Plans ("NRS"), for inclusion in these financial statements. Cash is held on deposit in a State of Maryland Treasurer's Office bank account for the benefit of the Plans.

P. Interest Income

Interest income from investments in fixed annuities underwritten by Nationwide is recorded as earned on an accrual basis. Beginning in 1982, Nationwide initiated a plan for paying different interest rates to specific pools of money based upon the date of the deferral/contributions. Interest income for funds in the Investment Contract Pool is determined based upon a blended interest rate of the guaranteed contract rates of all contracts.

2. Summary of Significant Accounting Policies (continued):**Q. Mutual Fund Income**

Mutual fund investment income consists of dividends earned, which are recorded on the ex-dividend date, and realized and unrealized gains and losses on the various mutual fund shares owned by the Board of Trustees of the Maryland State Employees Supplemental Retirement Plans.

R. Subsequent Events

On February 18, 2025, the MSRP Board voted to award the Plan Administrator Contract to Empower. The Board of Public Works approved this contract award on April 23, 2025.

The remainder of this page is intentionally left blank.

3. Investments

Part 1: 457(b) Plan

Investments held including a discontinued group annuity contract and annuity reserves held by Nationwide Life and Metropolitan Life, as of December 31, 2024 and 2023, were as follows:

	2024	2023
Fixed Investments - Investment Contract Pool	\$ 386,329,598	\$ 398,057,549
Equity Funds:		
Fidelity ® Puritan® Fund	166,145,564	148,831,960
Large Cap Value Fund Fee Class I1	112,176,305	97,281,019
T Rowe Price Institutional Small Cap Stock Fund, Inc.	83,503,819	79,160,797
T Rowe Price Mid Cap Value Fund, Inc.- Retail Shrs	58,277,805	51,994,766
Mid Cap Growth Fund II I1	38,468,113	35,700,762
Parnassus Core Equity Fund-Inst Shrs	28,682,688	26,839,673
Suspense	(541,043)	(183,647)
Total Equity Funds	<u>486,713,251</u>	<u>439,625,330</u>
Target Date Funds:		
Wilmington Trust T. Rowe Price Retirement Date 2030 Trust I1	83,479,842	73,274,337
Wilmington Trust T. Rowe Price Retirement Date 2035 Trust I1	76,360,728	63,845,437
Wilmington Trust T. Rowe Price Retirement Date 2040 Trust I1	75,177,762	62,951,446
Wilmington Trust T. Rowe Price Retirement Date 2045 Trust I1	62,213,377	50,182,406
Wilmington Trust T. Rowe Price Retirement Date 2025 Trust I1	57,267,386	54,422,573
Wilmington Trust T. Rowe Price Retirement Date 2050 Trust I1	55,881,390	44,103,292
Wilmington Trust T. Rowe Price Retirement Date 2055 Trust I1	40,669,023	31,430,614
Wilmington Trust T. Rowe Price Retirement Date 2020 Trust I1	39,971,483	38,641,627
Wilmington Trust T. Rowe Price Retirement Date 2015 Trust I1	19,974,286	20,112,806
Wilmington Trust T. Rowe Price Retirement Date 2060 Trust I1	13,522,742	9,647,052
Wilmington Trust T. Rowe Price Retirement Date 2010 Trust I1	10,773,149	10,388,894
Wilmington Trust T. Rowe Price Retirement Date 2005 Trust I1	5,110,838	3,961,085
Wilmington Trust T. Rowe Price Retirement Date 2065 Trust I1	1,871,062	1,006,607
Total Target Date Funds	<u>542,273,068</u>	<u>463,968,176</u>
Fixed Income Funds:		
State Street S&P 500 Index Non-Lending Series Fund Class K	368,458,479	307,191,020
William Blair Large Cap Growth Collective Inv Fund-Class 5	162,062,409	137,915,412
T Rowe Price Structured Research Common Trust Fund	124,737,273	101,795,871
State Street S&P MidCap Index Non-Lending Series Fund Class M	103,596,245	98,616,353
State Street International Index Non-Lending Series Fund Class M	81,098,385	69,173,187
American Funds-EuroPacific Growth Fund® -Class R6	73,862,762	72,290,983
TCW Core Fixed Income Fund - I Class	73,661,220	68,516,297
State Street U.S. Bond Index Non-Lending Series Fund Class M	65,596,030	61,648,366
State Street Russell Small Cap Index Non-Lending Series Fund Class K	46,658,570	44,372,344
Total Fixed Income Funds	<u>1,099,731,373</u>	<u>961,519,833</u>
Nationwide Fixed Annuities	39,268,936	41,648,252
Nationwide Life annuity payout reserves	3,715,111	4,341,853
Metropolitan Life annuity payout reserves	1,948,315	2,260,856
Total Annuities	<u>44,932,362</u>	<u>48,250,961</u>
Total Investments	<u>\$ 2,559,979,652</u>	<u>\$ 2,311,421,849</u>

3. Investments (continued)

Part 2: 401(k) Plan

Investments held as of December 31, 2024 and 2023, were as follows:

	2024	2023
Fixed Investments - Investment Contract Pool	\$ 359,503,288	\$ 371,092,421
Equity Funds:		
Fidelity @ Puritan@ Fund	176,377,335	156,209,211
T Rowe Price Institutional Small Cap Stock Fund, Inc.	109,029,091	104,922,474
Large Cap Value Fund Fee Class I1	105,590,610	91,633,689
T Rowe Price Mid Cap Value Fund, Inc.- Retail Shrs	67,117,651	58,831,831
Mid Cap Growth Fund II I1	43,604,892	40,749,315
Parnassus Core Equity Fund-Inst Shrs	32,744,764	29,487,820
Suspense	(35,580)	57,437
Total Equity Funds	<u>534,428,763</u>	<u>481,891,777</u>
Target Date Funds:		
Wilmington Trust T. Rowe Price Retirement Date 2025 Trust I1	112,055,654	102,651,620
Wilmington Trust T. Rowe Price Retirement Date 2030 Trust I1	110,350,890	95,229,646
Wilmington Trust T. Rowe Price Retirement Date 2020 Trust I1	85,660,501	83,466,649
Wilmington Trust T. Rowe Price Retirement Date 2035 Trust I1	68,088,583	57,725,340
Wilmington Trust T. Rowe Price Retirement Date 2040 Trust I1	51,309,398	41,550,377
Wilmington Trust T. Rowe Price Retirement Date 2015 Trust I1	42,690,485	41,065,151
Wilmington Trust T. Rowe Price Retirement Date 2045 Trust I1	30,062,487	23,781,779
Wilmington Trust T. Rowe Price Retirement Date 2050 Trust I1	24,348,085	18,211,055
Wilmington Trust T. Rowe Price Retirement Date 2010 Trust I1	14,672,488	14,254,649
Wilmington Trust T. Rowe Price Retirement Date 2055 Trust I1	14,180,942	10,735,147
Wilmington Trust T. Rowe Price Retirement Date 2060 Trust I1	5,616,941	4,171,675
Wilmington Trust T. Rowe Price Retirement Date 2065 Trust I1	5,555,059	3,570,373
Wilmington Trust T. Rowe Price Retirement Date 2005 Trust I1	3,804,863	3,388,128
Total Target Date Funds	<u>568,396,376</u>	<u>499,801,589</u>
Fixed Income Funds:		
State Street S&P 500 Index Non-Lending Series Fund Class K	527,734,420	441,940,048
William Blair Large Cap Growth Collective Inv Fund-Class 5	214,483,057	183,614,490
T Rowe Price Structured Research Common Trust Fund	149,059,195	121,512,506
State Street S&P MidCap Index Non-Lending Series Fund Class M	133,103,740	125,292,084
TCW Core Fixed Income Fund - I Class	97,335,672	91,996,561
American Funds-EuroPacific Growth Fund@ -Class R6	91,915,666	90,399,854
State Street U.S. Bond Index Non-Lending Series Fund Class M	89,495,918	79,426,321
State Street International Index Non-Lending Series Fund Class M	79,520,980	70,745,695
State Street Russell Small Cap Index Non-Lending Series Fund Class K	64,420,440	61,537,378
Total Fixed Income Funds	<u>1,447,069,088</u>	<u>1,266,464,937</u>
Total Investments	<u>\$ 2,909,397,515</u>	<u>\$ 2,619,250,724</u>

3. Investments (continued)

Part 3: 401(a) Plan

Investments held as of December 31, 2024 and 2023, were as follows:

	2024	2023
Fixed Investments - Investment Contract Pool	\$ 28,762,386	\$ 28,698,989
Equity Funds:		
Fidelity ® Puritan® Fund	19,683,595	17,550,963
Large Cap Value Fund Fee Class I1	12,851,834	11,212,886
T Rowe Price Institutional Small Cap Stock Fund, Inc.	12,787,077	12,147,605
T Rowe Price Mid Cap Value Fund, Inc.- Retail Shrs	4,469,853	3,941,152
Mid Cap Growth Fund II I1	2,187,156	2,021,355
Parnassus Core Equity Fund-Inst Shrs	1,023,962	902,319
Suspense	-	(14,194)
Suspense	(10,963)	-
Total Equity Funds	52,992,514	47,762,086
Target Date Funds:		
Wilmington Trust T. Rowe Price Retirement Date 2030 Trust I1	8,058,567	6,330,202
Wilmington Trust T. Rowe Price Retirement Date 2035 Trust I1	6,847,042	4,886,017
Wilmington Trust T. Rowe Price Retirement Date 2025 Trust I1	6,760,083	5,799,008
Wilmington Trust T. Rowe Price Retirement Date 2040 Trust I1	5,735,575	4,051,557
Wilmington Trust T. Rowe Price Retirement Date 2020 Trust I1	5,213,536	4,936,183
Wilmington Trust T. Rowe Price Retirement Date 2045 Trust I1	3,951,466	2,376,482
Wilmington Trust T. Rowe Price Retirement Date 2050 Trust I1	3,132,113	1,582,003
Wilmington Trust T. Rowe Price Retirement Date 2055 Trust I1	2,330,770	967,294
Wilmington Trust T. Rowe Price Retirement Date 2015 Trust I1	2,160,542	2,098,748
Wilmington Trust T. Rowe Price Retirement Date 2060 Trust I1	1,308,109	512,777
Wilmington Trust T. Rowe Price Retirement Date 2010 Trust I1	775,941	732,622
Wilmington Trust T. Rowe Price Retirement Date 2065 Trust I1	528,832	194,191
Wilmington Trust T. Rowe Price Retirement Date 2005 Trust I1	173,675	121,073
Total Target Date Funds	46,976,251	34,588,157
Fixed Income Funds:		
State Street S&P 500 Index Non-Lending Series Fund Class K	72,012,607	60,278,612
William Blair Large Cap Growth Collective Inv Fund-Class 5	21,068,243	17,567,728
T Rowe Price Structured Research Common Trust Fund	17,653,498	14,608,131
State Street S&P MidCap Index Non-Lending Series Fund Class M	16,044,513	14,773,279
American Funds-EuroPacific Growth Fund® -Class R6	6,763,595	6,522,734
TCW Core Fixed Income Fund - I Class	6,429,633	5,965,726
State Street Russell Small Cap Index Non-Lending Series Fund Class K	4,767,408	4,512,478
State Street International Index Non-Lending Series Fund Class M	4,394,662	3,816,702
State Street U.S. Bond Index Non-Lending Series Fund Class M	4,281,322	3,823,692
Total Fixed Income Funds	153,415,481	131,869,082
Total Investments	\$ 282,146,632	\$ 242,918,314

3. Investments (continued)

Part 4: 403(b) Plan

Investments held as of December 31, 2024 and 2023, were as follows:

	2024	2023
Equity Funds:		
Fidelity ® 500 Index Fund	\$ 28,586,550	\$ 25,476,096
Fidelity ® Puritan® Fund	14,032,436	11,708,085
Vanguard ® Mid Cap Index Fund-Inst Plus Shrs	9,405,235	9,039,620
Putnam Large Cap Value Fund - Class Y	8,880,092	7,758,936
Vanguard ® Small Cap Index Fund-Inst Shrs	4,620,573	4,103,308
T Rowe Price Institutional Small Cap Stock Fund, Inc.	4,032,780	4,135,301
T Rowe Price Mid Cap Value Fund, Inc.- Retail Shrs	3,187,178	2,965,758
Vanguard ® Total International Stock Index Fund-Inst Shrs	2,685,299	2,543,547
Janus Henderson Enterprise Fund-N Shrs	2,671,111	3,315,161
Parnassus Core Equity Fund-Inst Shrs	840,820	750,183
Total Equity Funds	78,942,074	71,795,995
Target Date Funds:		
T Rowe Price Retirement I 2030 - I Class	3,134,418	2,443,969
T Rowe Price Retirement I 2020 - I Class	3,082,301	2,859,915
T Rowe Price Retirement I 2025 - I Class	2,761,765	2,488,681
T Rowe Price Retirement I 2040 - I Class	1,427,241	1,157,449
T Rowe Price Retirement I 2035 - I Class	1,374,568	1,091,342
T Rowe Price Retirement I 2015 - I Class	1,349,360	1,349,909
T Rowe Price Retirement I 2045 - I Class	1,126,080	992,869
T Rowe Price Retirement I 2010 - I Class	786,410	824,570
T Rowe Price Retirement I 2050 - I Class	715,164	561,512
T Rowe Price Retirement I 2005 - I Class	207,400	204,025
T Rowe Price Retirement I 2055 - I Class	201,983	131,296
T Rowe Price Retirement I 2060 - I Class	67,641	174,034
T Rowe Price Retirement I 2065 - I Class	37,568	30,490
Total Target Date Funds	16,271,899	14,310,061
Fixed Income Funds:		
William Blair Large Cap Growth Fund - Class R6	8,291,344	7,699,315
T Rowe Price U.S. Equity Research Fund - I Class	6,765,581	5,777,462
Vanguard ® Federal Money Market Fund-Investor Class	5,906,116	5,777,853
Vanguard ® Total Bond Market Index Fund-Inst Shrs	4,079,107	3,450,272
American Funds-EuroPacific Growth Fund® -Class R6	3,067,767	3,475,119
TCW Core Fixed Income Fund - I Class	2,965,871	2,916,026
Great West Life Assurance Company	2,197,298	2,360,123
Total Fixed Income Funds	33,273,084	31,456,170
Total Investments	\$ 128,487,057	\$ 117,562,226

3. Investments (continued)

Part 5: MSRP – All Plans Summary

Investments held including a discontinued group annuity contract and annuity reserves held by Nationwide Life, Metropolitan Life, and Great West Life as of December 31, 2024 and 2023, were as follows:

	2024	2023
Fixed Investments - Investment Contract Pool	\$ 774,595,273	\$ 797,848,959
Equity Funds:		
Fidelity ® Puritan® Fund	\$ 376,238,930	\$ 334,300,219
Large Cap Value Fund Fee Class I1	230,618,749	200,127,594
T Rowe Price Institutional Small Cap Stock Fund, Inc.	209,352,767	200,366,177
T Rowe Price Mid Cap Value Fund, Inc.- Retail Shrs	133,052,487	117,733,508
Mid Cap Growth Fund II I1	84,260,161	78,471,432
Parnassus Core Equity Fund-Inst Shrs	63,292,234	57,979,995
Fidelity ® 500 Index Fund	28,586,550	25,476,096
Vanguard ® Mid Cap Index Fund-Inst Plus Shrs	9,405,235	9,039,620
Putnam Large Cap Value Fund - Class Y	8,880,092	7,758,936
Vanguard ® Small Cap Index Fund-Inst Shrs	4,620,573	4,103,308
Vanguard ® Total International Stock Index Fund-Inst Shrs	2,685,299	2,543,547
Janus Henderson Enterprise Fund-N Shrs	2,671,111	3,315,161
Suspense	(587,586)	(140,405)
Total Equity Funds	1,153,076,602	1,041,075,188
Target Date Funds:		
Wilmington Trust T. Rowe Price Retirement Date 2030 Trust I1	201,889,299	174,834,185
Wilmington Trust T. Rowe Price Retirement Date 2025 Trust I1	176,083,123	162,873,200
Wilmington Trust T. Rowe Price Retirement Date 2035 Trust I1	151,296,353	126,456,794
Wilmington Trust T. Rowe Price Retirement Date 2040 Trust I1	132,222,735	108,553,380
Wilmington Trust T. Rowe Price Retirement Date 2020 Trust I1	130,845,520	127,044,459
Wilmington Trust T. Rowe Price Retirement Date 2045 Trust I1	96,227,330	76,340,667
Wilmington Trust T. Rowe Price Retirement Date 2050 Trust I1	83,361,588	63,896,351
Wilmington Trust T. Rowe Price Retirement Date 2015 Trust I1	64,825,313	63,276,704
Wilmington Trust T. Rowe Price Retirement Date 2055 Trust I1	57,180,735	43,133,056
Wilmington Trust T. Rowe Price Retirement Date 2010 Trust I1	26,221,578	25,376,165
Wilmington Trust T. Rowe Price Retirement Date 2060 Trust I1	20,447,792	14,331,504
Wilmington Trust T. Rowe Price Retirement Date 2005 Trust I1	9,089,376	7,470,286
Wilmington Trust T. Rowe Price Retirement Date 2065 Trust I1	7,954,953	4,771,171
T Rowe Price Retirement I 2030 - I Class	3,134,418	2,443,969
T Rowe Price Retirement I 2020 - I Class	3,082,301	2,859,915
T Rowe Price Retirement I 2025 - I Class	2,761,765	2,488,681
T Rowe Price Retirement I 2040 - I Class	1,427,241	1,157,449
T Rowe Price Retirement I 2035 - I Class	1,374,568	1,091,342
T Rowe Price Retirement I 2015 - I Class	1,349,360	1,349,909
T Rowe Price Retirement I 2045 - I Class	1,126,080	992,869
T Rowe Price Retirement I 2010 - I Class	786,410	824,570
T Rowe Price Retirement I 2050 - I Class	715,164	561,512
T Rowe Price Retirement I 2005 - I Class	207,400	204,025
T Rowe Price Retirement I 2055 - I Class	201,983	131,296
T Rowe Price Retirement I 2060 - I Class	67,641	174,034
T Rowe Price Retirement I 2065 - I Class	37,568	30,490
Total Target Date Funds	1,173,917,594	1,012,667,983

3. Investments (continued)

Part 5: MSRP – All Plans Summary (Continued)

	2024	2023
Fixed Income Funds:		
State Street S&P 500 Index Non-Lending Series Fund Class K	968,205,506	809,409,679
William Blair Large Cap Growth Collective Inv Fund-Class 5	397,613,709	339,097,630
T Rowe Price Structured Research Common Trust Fund	291,449,966	237,916,509
State Street S&P MidCap Index Non-Lending Series Fund Class M	252,744,498	238,681,718
TCW Core Fixed Income Fund - I Class	180,392,396	169,394,610
American Funds-EuroPacific Growth Fund® -Class R6	175,609,790	172,688,689
State Street International Index Non-Lending Series Fund Class M	165,014,027	143,735,583
State Street U.S. Bond Index Non-Lending Series Fund Class M	159,373,270	144,898,379
State Street Russell Small Cap Index Non-Lending Series Fund Class K	115,846,418	110,422,200
William Blair Large Cap Growth Fund - Class R6	8,291,344	7,699,315
T Rowe Price U.S. Equity Research Fund - I Class	6,765,581	5,777,462
Vanguard ® Federal Money Market Fund-Investor Class	5,906,116	5,777,853
Vanguard ® Total Bond Market Index Fund-Inst Shrs	4,079,107	3,450,272
Great West Life Assurance Company	2,197,298	2,360,123
Total Fixed Income Funds	<u>2,733,489,026</u>	<u>2,391,310,022</u>
Nationwide Fixed Annuities	39,268,936	41,648,252
Nationwide Life annuity payout reserves	3,715,111	4,341,853
Metropolitan Life annuity payout reserves	1,948,315	2,260,856
Total Annuities	<u>44,932,362</u>	<u>48,250,961</u>
Total Investments	<u>\$ 5,880,010,856</u>	<u>\$ 5,291,153,113</u>

3. Investments (continued)

Investment Contract Pool (ICP)

The purpose and objective of the ICP is to provide participants in the Plans with an investment vehicle that:

- emphasizes safety through preservation of principal and accrued income;
- provides benefit responsiveness for qualifying participant withdrawals at book value;
- credits a rate of interest that exhibits low volatility and tracks the general direction of interest rates;
- delivers as high a return as possible subject to these constraints;
- exceeds the returns on money market investments by 100 - 200 basis points per year over a full market cycle: and diversifies portfolio holdings by product, security, and issuer;

ICP interest income in the 457, 401(k) and 401(a) Match Plans is recorded based upon a blended rate of the contractual interest of all investment contracts in effect during the period. These amounts are credited to the participants' accounts prior to charges for administrative expenses charged by NRS and the Board. The blended gross interest rate was 3.42% as of December 31, 2024, and ranged from 3.03% to 3.42% during the year ended December 31, 2024. The blended gross interest rate was 2.87% as of December 31, 2023, and ranged from 2.30% to 2.87% during the year ended December 31, 2023. The contract value as of December 31, 2024 and 2023, was \$774,595,272 and \$797,848,959, respectively. The fair market value as of December 31, 2024 and 2023, was \$774,595,272 and \$797,848,959 respectively.

The Nationwide Life fixed annuities in the 457 Plan reflect investments made under a fixed group annuity contract with Nationwide Life. That contract has been closed to new contributions since January 1, 1987.

Interest income on investments in Nationwide Life fixed annuities and annuity payout reserves are recorded as earned on an accrual basis. Beginning in 1982, based upon the date of contribution, Nationwide Life initiated a plan for paying different rates to specific pools of money. The gross interest rate paid on fixed annuity contributions was 3.5% as of December 31, 2024 and 2023.

The 403(b) Plan includes a closed fixed earnings investment with the Great-West Fixed Investment Fund and is valued at contract value, which represents costs plus interest credited at guaranteed rates (subject to quarterly market adjustments, as reported by Great-West as of December 31). These amounts are credited to the participants' accounts prior to charges for administration expenses charged by NRS and the Board. The gross interest rate paid on contributions to this investment was 4.0% in both 2024 and 2023. This option is not open for new contributions or exchanges.

Mutual fund investment income consists of dividends earned and realized and unrealized gains and losses attributable to the underlying investments.

MSRP discloses investment risks below, in accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, which defines these risks as follows:

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates adversely affect the fair value of the investments.

Average Maturities. The investments and weighted average maturities as of December 31, 2024 and 2023, were as follows:

3. Investments (continued)

	December 31, 2024	
	Valuation	Weighted Average Maturity
Investment Contract Pool	\$ 774,595,272	3.24 years
TCW Core Fixed Income Fund - I Class	\$ 180,392,396	7.19 years
Vanguard Federal Money Market Fund - Investor Class	\$ 5,906,116	0.06 years
Great-West Fixed Investment Fund	\$ 2,197,298	6.23 years
	December 31, 2023	
	Valuation	Weighted Average Maturity
Investment Contract Pool	\$ 797,848,959	3.02 years
TCW Core Fixed Income Fund - I Class	\$ 169,394,610	7.55 years
Vanguard Federal Money Market Fund - Investor Class	\$ 5,777,853	0.07 years
Great-West Fixed Investment Fund	\$ 2,360,123	6.19 years

Note: The ICP is only available in the 457, 401(k) and 401(a) Match Plans. The Great-West Fixed Investment Fund (closed to new participants) and the Vanguard Prime Money Market Fund are only available in the 403(b) Plan.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to an investment in a single issuer.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Plan, and are held by either (a) the counterparty, or (b) the counterparty trust department or agent but not in MSRP's name.

Foreign Currency Risk. Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. Consistent with the Plans' investment Policy, all funds are measured using US dollars and the Plans do not have any foreign currency risks associated with any investments within the total portfolio.

Interest rate risk, credit risk and concentration of credit risk – Since all investments are participant-directed, all risks are at the participant level. Each participant has the ability to liquidate his/her positions on demand and has responsibility for managing his/her exposure to fair value loss. Participants have the option to change their investment options at any time and to any investment available to alter their interest rate and concentration risk. Therefore, funds made available to participants are subject to the limitations contained within the MSRP Investment Policy Statement.

Although the credit ratings for the securities held in the ICP are provided by Moody's Standard & Poor's and Fitch and converted to the Standard & Poor's nomenclature, the ICP itself is not rated by any of those agencies. The equity, target date, and fixed income funds (mutual funds) are also not rated at the fund level.

Custodial credit risk for deposits – Is the risk that, in the event of a bank failure, MSRP's deposits may not be returned to it. Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are: (a) uncollateralized; (b) collateralized with securities held by the pledging financial institution; or (c) collateralized with securities held by the pledging financial institution's trust department or agent, but not in MSRP's name.

All deposits of MSRP, consisting of amounts held by the agency for an administrative expense, are held on behalf of MSRP by the State in accordance with the formal deposit policy for custodial credit risk of the State.

4. Investment Fair Value Measurements

Government Accounting Standards Board Statement No. 72 (“GASB 72”), *Fair Value Measurement and Application*, clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosures about the use of fair value measurements. GASB 72 established a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date.

The three levels are defined as follows:

Level 1 – observable market inputs that are unadjusted quoted prices for identical assets or liabilities in active markets that a government can access at the measurement date.

Level 2 – inputs other than quoted prices included within Level 1 – that are observable for the asset or liability, either directly or indirectly (e.g., quoted prices for similar assets or liabilities in active markets).

Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement.

MSRP categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Plans have the following recurring fair value measurements as of December 31, 2024 and 2023:

Bond and Equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. The Plans have no investments classified as Level 2 or Level 3.

The table below summarizes MSRP bond and equity securities measured at fair value as of December 31, 2024 and 2023, presented in the fair value hierarchy. Also shown are investments measured at the net asset value (NAV).

Investments valued at NAV consist of investments which provide safety, similar to mutual funds, with a lower cost to participants. There are no unfunded commitments or participant redemption restrictions for these investments.

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
As of December 31, 2024				
Investments by fair value level				
Bond and Equity Securities				
Balanced	\$ 376,238,930	\$ 376,238,930	\$ -	\$ -
Small-Cap Stocks	213,973,340	213,973,340	-	-
Bonds	184,471,503	184,471,503	-	-
International Stocks	178,295,089	178,295,089	-	-
Mid-Cap Stocks	145,128,833	145,128,833	-	-
Large-Cap Stocks	106,935,709	106,935,709	-	-
Target Date Retirement Funds	16,271,899	16,271,899	-	-
Total Investments by fair value level	\$ 1,221,315,303	\$ 1,221,315,303	\$ -	\$ -
Investments measured at the net asset value (NAV)				
Equities	\$ 2,514,633,126			
Collective Investment Trusts	1,157,645,695			
Investment Contract Pool (ICP)*	774,595,272			
Bonds	159,373,270			
Annuities*	44,932,362			
Money Markets	5,906,116			
Contracts (Certificate investments)*	2,197,298			
Suspense	(587,586)			
Total Investments measured at the net asset value	\$ 4,658,695,553			

*Reported at contract value consistent with Footnote 2D

4. Investment Fair Value Measurements (continued)

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
As of December 31, 2023				
Investments by fair value level				
Bond and Equity Securities				
Balanced	\$ 334,300,220	\$ 334,300,220	\$ -	\$ -
Small-Cap Stocks	204,469,484	204,469,484	-	-
International Stocks	175,232,237	175,232,237	-	-
Bonds	172,844,882	172,844,882	-	-
Mid-Cap Stocks	130,088,288	130,088,288	-	-
Large-Cap Stocks	96,932,868	96,932,868	-	-
Target Date Retirement Funds	14,310,061	14,310,061	-	-
Total Investments by fair value level	\$ 1,128,178,041	\$ 1,128,178,041	\$ -	\$ -
Investments measured at the net asset value (NAV)				
Equities	\$ 2,165,621,280			
Collective Investment Trusts	998,357,922			
Investment Contract Pool (ICP)*	797,848,959			
Bonds	144,898,379			
Annuities*	48,250,961			
Money Markets	5,777,853			
Contracts (Certificate investments)*	2,360,123			
Suspense	(140,404)			
Total Investments measured at the net asset value	\$ 4,162,975,072			

*Reported at contract value consistent with Footnote 2D

Fair Value Determination and Strategy

- Collective Investment Trusts** – Eighteen funds comprise the investments within this category. These funds are combined and managed in partnership with other trusts and retirement plans that provide fee cost savings. This category aims to facilitate a lower-cost option for participants with measurable tracking to oversee performance. The value of the fund is determined using the NAV per share.
- Bonds** – The category invests primarily in fixed-income obligations of the U. S. Government, corporate securities, mortgages, and asset-backed securities. The objective is to limit exposure to high-yielding non-US securities.
- Equities** – Investments in this category include large, medium, and small capitalized US organizations with above-average growth potential. The funds within this category track their applicable index, and value is determined using the NAV per share of the investment.
- Money Markets** – Vanguard Federal Money Market Fund's investment objective is to seek to provide current income while maintaining liquidity and a stable share price of \$1. The fund invests at least 99.5% of its total assets in cash, U.S. government securities, and/or repurchase agreements that are collateralized solely by U.S. government securities or cash (collectively, government securities).

5. Roth:

Maryland State Employees Supplemental Retirement Plans

Year ended December 31, 2024 Roth disclosures, by plan type

The 457(b) Deferred Compensation and 401(k) Savings & Investment Plans offer participants the opportunity to make post-tax contributions. During 2024 and 2023, Roth account contributions increased by \$1.6 million or 25% and the number of participants increased by 1,910 or a 18%.

	457	401k	Total
Assets	\$ 105,836,973	\$ 99,799,239	\$ 205,636,212
Contributions	4,159,088	4,066,873	8,225,961
Distributions	(558,309)	(1,093,952)	(1,652,261)
# Participants	6,206	6,428	12,634

Maryland State Employees Supplemental Retirement Plans

Year ended December 31 2023, Roth disclosures, by plan type

	457	401k	Total
Assets	\$ 80,242,019	\$ 76,516,123	\$ 156,758,142
Contributions	3,424,076	3,178,046	6,602,122
Distributions	(539,242)	(604,582)	(1,143,824)
# Participants	5,346	5,378	10,724

6. Life Insurance:

Participants in the 457 Deferred Compensation Plan contributed \$530 and \$1,430 towards premiums for life insurance contracts offered by UNUM Life during the years ended December 31, 2024 and 2023, respectively. The amount of life insurance in force under these contracts was \$5,261,961 at December 31, 2024.

Unum Life paid \$74,432 and \$58,298 in claims during the years ended December 31, 2024 and 2023 for death benefits from life insurance contracts in force. The payment of death benefits is not included in these financial statements.

At the time of retirement or termination of employment from the State, employees have the option of continuing to make the life insurance premium payments.

7. Contract with Plan Administrator and Related Party Relationship:

The Board has entered into a contract with Nationwide Retirement Solutions, Inc. (NRS) for plan administration and recordkeeping services. NRS is a subsidiary Nationwide Financial Services, Inc., which also owns Nationwide, the provider of certain fixed annuities to the Plan.

8. Participant Fees - MSRP/NRS

NRS also provides certain 457 fixed annuities that are no longer available to new participants or for exchanges from other plan investments.

The current contract between the Board and NRS, pursuant to which NRS provides plan administration and recordkeeping services to MSRP, became effective October 1, 2020. Under the contract, NRS provides plan administration and recordkeeping services, such as account statements, financial statement monitoring, participant relations, and general management. Under the current contract, NRS charges an annual rate of 0.0775%. This is the rate that was effective from October 1, 2020 through December 31, 2020. The fee is charged against the mutual fund, collective investment trust, ICP, and fixed annuity assets.

An additional charge of 0.0325%, down from 0.0425% starting with March 31, 2022 asset fee and continuing through November 30, 2023, is imposed by the Board for its expenses (*i.e.*, staff, auditors, consultants, and other administrative expenses). Effective December 1, 2023, the Board approved reverting the fees back to 0.0425%, based on the level of the Board's required reserve funds. The Board fee is collected directly from participants' accounts on a monthly basis.

During 2024 and 2023, an additional fee of \$0.50 per month was charged for each account with a balance greater than \$500 in the 457, 401(k), and 403(b) Plans. The fee was used to stabilize the revenue for Board operations. The annual cap on participant charges remained at a maximum of \$2,000 for 2024 and 2023.

Participants choosing to exercise loan options are assessed an origination fee of \$50 and an annual loan maintenance fee of \$50. And, if repayments are not made timely, a \$50 default fee will be assessed with a continued annual loan maintenance fee until all repayments are received.

9. Tax Status:

The United States Treasury Department advised on January 17, 1975, that the 457 Deferred Compensation Plan conforms with provisions of Section 457 of the Internal Revenue Code and, therefore, the amounts of compensation deferred by employees participating in the Plan are not subject to federal income tax withholding nor are they includable in taxable income until actually paid or otherwise made available to the participant, his beneficiary, or his estate. The Treasury Department similarly advised on August 18, 1978 that the 403(b) Tax Sheltered Annuity Plan conforms with the provisions of Section 403(b) and reaffirmed this on August 23, 1982. The Treasury Department additionally similarly advised on December 19, 1988 that the 401(k) Savings and Investment Plan conforms with the provisions of Section 401(k).

The Department of Health, Education and Welfare advised on September 26, 1974, that amounts deferred/contributed under the Plans represent remuneration for employment, therefore, constitute wages under Section 209 of the Social Security Act. Consequently, the amounts deferred are subject to Social Security taxes in the year deferred/contributed. The Department of Health, Education and Welfare further advised that under Section 203(b) of the Social Security Act, benefit payments under the Plan do not constitute earnings and thus are not subject to Social Security taxes in the year received.

10. Related Parties:

Because of the Maryland statutory requirements, certain members of the Board are participants in one or more Plans in MSRP.





Supplemental Information

Annual Comprehensive Financial Report 2024

Schedule of Administrative Expenses
For the Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Plan Administrator		
Fees taken from participants	\$ 10,100,350	\$ 8,302,798
MSRP - Plan Sponsor State Personnel, etc.		
Salaries, wages and fringe benefits	1,814,555	1,364,929
Contractual services	486,024	559,130
Rent, Insurance, and other	333,336	25,287
Supplies and materials	44,114	32,590
Travel	10,447	17,546
Equipment and furnishings	-	6,191
Technical and special fees	8,894	1,290
Communications	13,319	15,084
MSRP Plan Sponsor Expenses	<u>2,710,689</u>	<u>2,022,047</u>
Total Administrative Expenses (Fees and Plan Administrator)	<u>\$ 12,811,039</u>	<u>\$ 10,324,845</u>

*See Note 8 for more information.



Investment Section

(Unaudited)

Annual Comprehensive Financial Report 2024

PLAN SUMMARY REPORT

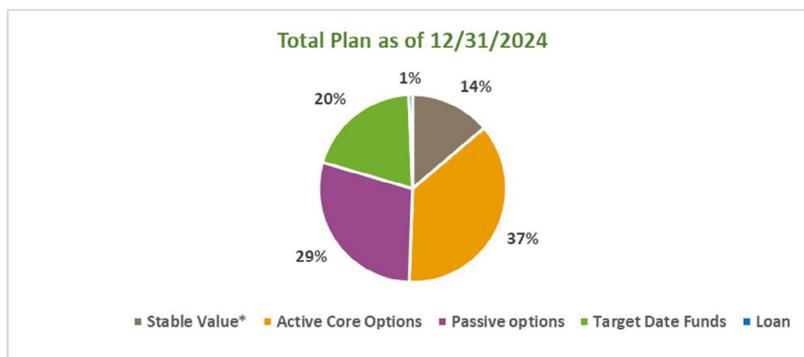
For period ended December 31, 2024

Prepared by NFP and FIRM

The Maryland State Employees Supplemental Retirement Plans (the “Plans”) are long-term retirement savings vehicles and are intended as sources of retirement income for eligible participants. The Plans vehicles are available for voluntary participation for those eligible participants who wish to bridge the gap between the State Pension Plan, Social Security and their own retirement needs. The investment options available from the Plans cover a broad range of investment risk and rewards appropriate for this kind of retirement savings program. Participants bear the risk and reap the rewards of investment returns that result from the investment options they select.

Assets of the Plans totaled \$5.92 billion as of December 31, 2024. This reflected an increase of approximately \$584.6 million from the prior calendar year-end. During 2024 the Plans received \$241.0 million in total contributions including deferrals and transfer-ins and paid \$383.4 million in distributions including transfer-outs to participants, which accounted for a \$142.4 million decrease in Plans' assets.

The Plans consisted of 37% in active core options and 29% in passive options, along with 20% in target dates, 14% in stable value, and 1% in loans.

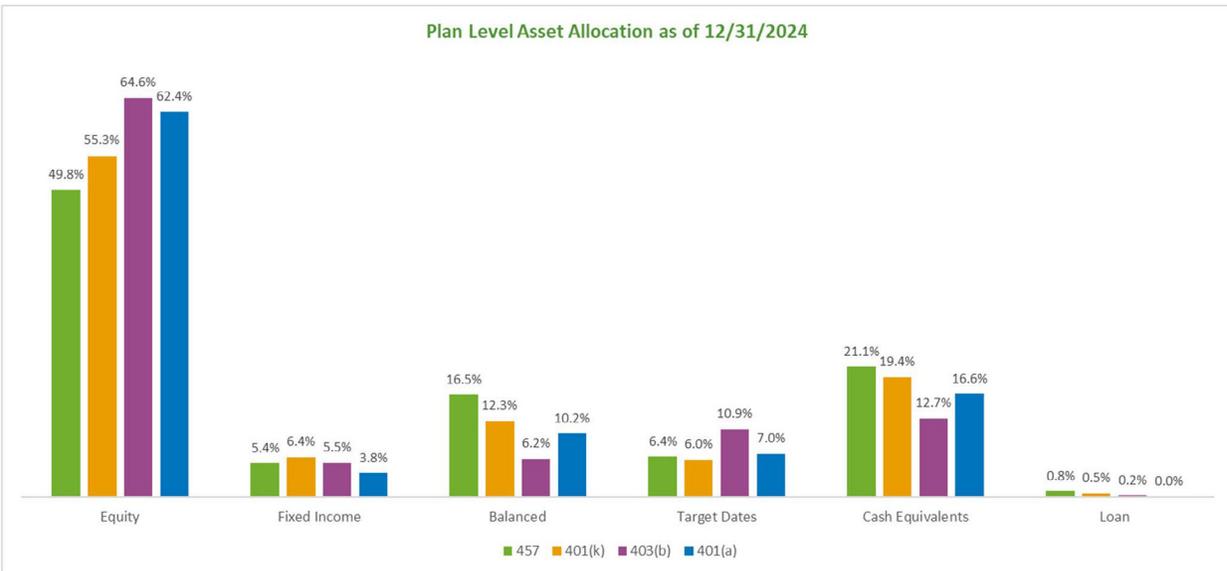


*Stable Value represents ICP, GW Daily Interest Guarantee, GW 36 Month CD, GW 60 Month CD, and GW 84 Month CD, Nationwide Fixed Acct.

The largest investment option was the State Street S&P 500 Index Non-Lending K CIT, which comprised 16% of Plans' assets.

Top 5 Holdings	% of Total
State Street S&P 500 Index Non-Lending K	16%
Investment Contract Pool	13%
William Blair Large Cap Growth CIF 5	7%
Fidelity Puritan	6%
T. Rowe Price Structured Research Common Tr Fund D	5%
Subtotal	47%

Plan Level Asset Allocation



- The 401(k) Savings and Investment Plan comprised the largest portion of the Plans at 49.5%, with \$2.93 billion in assets as of December 31, 2024. The largest investment option is State Street S&P 500 Index Non-Lending Series with 18.1% of participant assets. The second largest option is the Investment Contract Pool with 12.4% of participant assets.
- The assets of the 457 Deferred Compensation Plan were valued at \$2.58 billion as of December 31, 2024, comprising 43.5% of the total plan. The largest investment option was the Investment Contract Pool with 15.1% of participant assets, followed by State Street S&P 500 Index Non-Lending Series with 14.4% of participant assets.
- As of December 31, 2024, the 401(a) Match Plan was valued at \$282.2 million, which accounted for 4.8% of the Plans' assets. The largest investment option was the State Street S&P 500 Index Non-Lending Series with 25.5% of participant assets, with the Investment Contract Pool coming in second, holding 10.2% of participant assets.
- The 403(b) Tax Sheltered Annuity Plan comprised the smallest portion of the overall Plans, with \$128.5 million in assets, which accounted for 2.2% of the Plans' assets. The largest investment option in the 403(b) Plan, by participant assets, was the Fidelity 500 Index Fund at 22.2%, followed by Fidelity Puritan Fund with 10.9% of participant assets.

SUMMARY OF THE INVESTMENT POLICY STATEMENT

Objectives of the Plans

The Plans are long-term retirement savings vehicles and are intended as a source of retirement income for eligible participants. The investment options available cover a broad range of investment risk and rewards appropriate for these kinds of retirement savings programs. Participants bear the risk and reap the rewards of investment returns that result from the investment options they select.

The Board of Trustees work together with staff and third-party advisors to update the menu of plan participant investment options, considering evolving market trends, best practices, investment constraints on specific plans due to laws and regulations, and opportunities for efficiencies in generating net returns to participants. The Plans' investment policy statement was most recently approved on January 21, 2024. A Statement of Investment Policy has been adopted by the Plans' Board of Trustees and serves the following purposes:

- To ensure that a broad range of investment options are offered to participants in the Plans;
- To establish an investment program that will allow Plans participants the opportunity to structure an investment strategy that meets their individual return objectives and risk tolerances;
- To define the investment categories offered by the Plans;
- To establish investment objectives and guidelines for each investment category offered within the Plans;
- To establish benchmarks and performance standards for each investment category and to evaluate each option's performance against appropriate benchmarks and standards;
- To establish a procedure for reporting and monitoring of the various strategies/funds;
- To define the selection criteria for the Plans' investment options;
- To define the procedures for investment strategy/fund evaluation and formal strategy/fund review; and
- To set guidelines and procedures for withdrawal of an investment option which, in the Board's opinion, does not, or will not, fulfill the Plans' objectives for which it was selected and replace the option with an appropriate substitute.

The Investment Policy Statement is intended to be dynamic and should be reviewed periodically and revised when appropriate.

Investment Categories

The Plans may, but are not limited to offering the following investment categories:

- Cash Equivalent
- Bond
- Balanced
- Lifecycle/Target Date
- Domestic Large Cap
- Domestic Mid Cap
- Domestic Small Cap
- Non-U.S. Equity

Within each category of investment, between one and five investment options may be offered. For some of the categories, both actively managed and passively managed investment options are available. Additionally, there may be multiple styles (e.g., value, growth, blend) offered.

Each investment option offered under the Plans shall:

- Operate in full accordance with its current published prospectus, “fact sheet”, or investment guidelines; and
- Have its performance results measured against the applicable performance standards described in the Investment Policy Statement for that investment category.

If the Board determines an investment option no longer meets the performance criteria and best interests of the Plans’ participants, it may remove and/or replace that option with a suitable alternative pursuant to an investment option evaluation procedure outlined in the Investment Policy Statement. From time-to-time, investment options/categories may be added to the current core line-up.

INVESTMENT OPTION ANALYSIS

Asset Allocation

- **T. Rowe Price Retirement Funds:** The T. Rowe Price Retirement Funds are the Plans' target date options. Target date funds consist of mixed portfolios of equities and debt/fixed income securities. As target date funds automatically "rebalance" accounts to equity/debt mixes considered best suited to a participant's age, the share of total plans' assets in target date funds has steadily grown over the past 11 years. The T. Rowe Price Retirement Trust Class B was replaced with Great Gray T. Rowe Price Retirement Date Trust Series in May 2023 due to lower expense ratio across all vintages. These funds are included in all plans except the 403(b) Plan, which continues to hold the T. Rowe Price Retirement Funds mutual fund. Participants' assets invested in the Great Gray T. Rowe Price target date funds were valued at \$1.16 billion as of December 31, 2024. Participants' assets invested in the T. Rowe Price Retirement Funds (403(b) Plan only) were valued at \$16.3 million as of December 31, 2024.

These funds have varied asset allocations, based upon the projected retirement date of a participant, with more conservative allocations as the "targeted" retirement date approaches. For 2024, the most conservative fund (GG T. Rowe Price Retirement Date 2005 Trust I1) had a return of 8.30%, while the most aggressive fund (GG T. Rowe Price Retirement Date 2065 Trust I1), designed for participants approximately 40+ years from retirement, returned 14.57%. On an annualized 1-year basis, the funds designed for participants that are in or close to retirement with earlier vintages (GG T. Rowe Price Retirement Date 2005 to 2025) produced returns ranging from approximately +8.30% to approximately +9.97%, whereas the fund designed for those younger participants (GG T. Rowe Price Retirement Date 2050 to 2065) earned approximately +14.61%. The following table illustrates the broad asset allocation of each of the specific lifecycle funds for the period ending December 31, 2024.

Great Gray T. Rowe Price Retirement Date Trust Series Asset Allocation Breakdown As of December 31, 2024

Vintage	Domestic Equity	International Equity	Hedged Equity	Real Assets	Fixed Income	Other
GG T. Rowe Price Retirement Date 2005 Trust I1	24.86%	10.17%	4.36%	2.63%	57.97%	0.00%
GG T. Rowe Price Retirement Date 2010 Trust I1	27.19%	11.16%	4.76%	2.86%	54.04%	0.00%
GG T. Rowe Price Retirement Date 2015 Trust I1	28.92%	11.94%	5.06%	3.07%	50.45%	0.56%
GG T. Rowe Price Retirement Date 2020 Trust I1	30.74%	12.73%	5.37%	3.28%	47.34%	0.54%
GG T. Rowe Price Retirement Date 2025 Trust I1	33.76%	13.94%	5.39%	3.61%	42.48%	0.83%
GG T. Rowe Price Retirement Date 2030 Trust I1	42.17%	17.56%	2.94%	4.24%	32.06%	1.03%
GG T. Rowe Price Retirement Date 2035 Trust I1	52.10%	21.62%	0.00%	5.02%	20.64%	0.62%
GG T. Rowe Price Retirement Date 2040 Trust I1	58.67%	24.26%	0.00%	5.62%	10.93%	0.51%
GG T. Rowe Price Retirement Date 2045 Trust I1	63.51%	26.43%	0.00%	6.07%	3.85%	0.14%
GG T. Rowe Price Retirement Date 2050 Trust I1	64.93%	26.86%	0.00%	6.14%	2.06%	0.02%
GG T. Rowe Price Retirement Date 2055 Trust I1	65.57%	27.13%	0.00%	6.16%	1.48%	-0.34%
GG T. Rowe Price Retirement Date 2060 Trust I1	65.65%	27.16%	0.00%	6.14%	1.41%	-0.36%
GG T. Rowe Price Retirement Date 2065 Trust I1	65.72%	27.09%	0.00%	6.15%	1.05%	0.00%

- Fidelity Puritan Fund:** As of December 31, 2024, \$376.2 million of participant assets were invested in this fund, one of the Plans' balanced options. For the year, the Fidelity Puritan Fund outperformed its blended benchmark. Over the 3-, 5- and 10- year periods, the fund outperformed its blended benchmark and was ranked above the median in the top quartile in its peer group.

Equities

- Putnam Large Cap Value Fund:** The commingled fund, Large Cap Value I1 (included in the 457, 401(a) and 401(k) Plans), outperformed the Russell 1000 Value Index for the 1-year period. The mutual fund (Class Y-share class) (included in 403(b) Plan only) also outperformed for the 2024 calendar year. As of December 31, 2024, participant assets invested in this investment option were valued at \$230.6 million (commingled fund; included in the 457, 401(a) and 401(k) Plans) and \$8.9 million (R6-share class; included in 403(b) Plan only).
- T. Rowe Price U.S. Equity Research:** For the calendar year 2024, both the actively managed large cap blend commingled fund (included in the 457, 401(a) and 401(k) Plans) and the mutual fund (Class I-share class) (included in 403(b) Plan only) fund outperformed the S&P 500 Index and ranked above the median in its peer group for the 1-year period. Both share classes outperformed the Index for the trailing 3-, 5-, and 10-year periods. As of December 31, 2024, participant assets invested in the commingled fund and mutual fund were valued at \$291.4 million and \$6.8 million respectively.
- Parnassus Equity Income Instl:** The large cap blend equity, socially responsible option, underperformed the S&P 500 Index during 2024. The fund underperformed the market index during the trailing 3-,5-,10-year period. As of December 31, 2024, participants' assets invested in this fund were valued at \$63.3 million.

- William Blair Large Cap Growth:** Both the commingled fund (included in the 457, 401(a) and 401(k) Plans) and the mutual fund (R6-share class) (included in 403(b) Plan only) underperformed the Russell 1000 Growth Index in 2024 and for the annualized 3-, 5- and 10-year periods. As of December 31, 2024, participant assets invested in this investment option were valued at \$397.6 million (commingled fund; included in the 457, 401(a) and 401(k) Plans) and \$8.3 million (R6-share class; included in 403(b) Plan only).
- T. Rowe Price Mid Cap Value:** The Plans' actively managed mid cap value equity fund outperformed the Russell Mid Cap Value Index and ranked above the median of the mid cap value equity mutual fund universe for the quarter. For the trailing 1-, 3-, 5-, and 10-year periods the fund also outperformed the Index. As of December 31, 2024, participant assets invested in this fund were valued at \$133.1 million.
- Janus Henderson Enterprise Fund:** Both the commingled fund (included in the 457, 401(a) and 401(k) Plans) and the mutual fund (N-share class) (included in 403(b) Plan only) underperformed the Russell Mid-Cap Growth Index in the fourth quarter of 2024. The mutual fund (N-share class) outperformed the Index for the trailing 3- and 10-year periods but underperformed the Russell Mid-Cap Growth Index for the 5-year period. As of December 31, 2024, participant assets invested in this investment option were valued at \$84.3 million (commingled fund; included in the 457, 401(a) and 401(k) Plans) and \$2.7 million (N-share class; included in 403(b) Plan only).
- T. Rowe Price Small Cap Stock:** The Plans' actively managed small cap blend equity fund outperformed the Russell 2000 Index for the quarter and for the trailing 1-year period. The fund outperformed the benchmark during the trailing 5-, and 10- year periods but underperformed the benchmark for the trailing 3-year period. As of December 31, 2024, participant assets invested in this fund were valued at \$209.4 million.
- American Funds EuroPacific Growth Fund:** During the quarter, the Plans' actively managed international equity fund outperformed the MSCI ACWI ex-US Index for the quarter but underperformed the index for the trailing 1-, 3- and 5-year periods. As of December 31, 2024, participant assets invested in the fund were valued at \$175.6 million.
- Fidelity 500 Index:** This passively managed large cap blend fund is offered in the 403(b) Plan only. The fund tracks the S&P 500 Index and produced results consistent with the index for the 1-, 3-, 5-, and 10-year periods. Participant investments in this fund were valued at \$28.6 million as of December 31, 2024.
- State Street S&P 500 Index:** This passively managed large cap blend strategy is included in the 457, 401(a) and 401(k) Plans. The strategy tracks the S&P 500 Index and performed in line with the index for the 1-, 3-, 5-, and 10-year periods. Participant investments in this strategy were valued at \$968.2 million as of December 31, 2024, making it the second largest option in the Plans in terms of assets.
- Vanguard Mid Cap Index Institutional Plus:** This passively managed mid cap blend equity fund is offered in the only in the 403(b) Plan and tracks the CRSP U.S. Mid Cap TR Index. The fund performed in line with its custom policy index for the 1-, 3-, 5-, and 10-year periods. Participant investments in this fund were valued at \$9.4 million as of December 31, 2024.
- State Street S&P Mid Cap Index:** This passively managed mid cap blend equity strategy is included in the 457, 401(a) and 401(k) Plans. The strategy tracks S&P MidCap 400 Index and performed in line with the index for the 1-, 3-, 5-, and 10-year periods. Participant investments in this strategy were valued at \$252.7 million as of December 31, 2024.

- **Vanguard Small Cap Index Institutional:** This passively managed small cap blend equity fund is offered in the 403(b) Plan and tracks the CRSP U.S. Small Cap Index. The fund produced results consistent with its custom policy index for the 1-, 3-, 5-, and 10-year periods. Participant investments in this fund were valued at \$4.6 million as of December 31, 2024.
- **State Street Russell Small Cap Index:** This passively managed small cap blend equity strategy is included in the 457, 401(a) and 401(k) Plans. The fund tracks the Russell 2000 Index. The fund performed in line with the index for the 1-, 3-, 5-, and 10-year periods. Participant investments in this strategy were valued at \$115.8 million as of December 31, 2024.
- **Vanguard Total International Stock Institutional:** This passively managed international blend fund is offered only in the 403(b) Plan and tracks the FTSE Global ex USA ALL Cap Index. The fund underperformed marginally relative to its custom policy index for the 1-, 3-, 5-, and 10-year periods. Participant investments in this fund totaled \$2.7 million as of December 31, 2024.
- **State Street International Index:** This passively managed international developed blend strategy is included in the 457, 401(a) and 401(k) Plans. The strategy tracks the MSCI EAFE index. The fund marginally underperformed for the trailing 1-year period, however marginally outperformed the index for the 3-, 5- and 10-year periods. Participant investments in this strategy totaled \$165.0 million as of December 31, 2024.

Fixed Income

- **TCW Core Fixed Income Fund:** As of December 31, 2024, participant assets invested in this fund were valued at \$180.4 million. This total includes assets of participants from each of the four Plans. The fund underperformed the Barclays Capital Aggregate Bond Index for the 1-, 3-, 5- and 10-year periods and ranked below the median in its peer group. This fund is being replaced with the Fidelity Total Bond (K6-share class) for the 403(b) Plan and the Great Gray Trust Fidelity Institutional AM Core Plus Fixed Income Collective Investment Trust (Class N) for the 457, 401(k) and 401(a) Plans on April 11, 2025.
- **Vanguard Total Bond Market Fund:** This passively managed core bond fund is offered in the 403(b) Plan. It tracks the Bloomberg Aggregate Float Adjusted Index and on an annualized basis marginally underperformed the index for the 1-, 3-, 5-, and 10-year periods. Participant investments in this fund were valued at \$4.1 million as of December 31, 2024.
- **State Street U.S. Bond Index:** This passively managed core bond strategy included in the 457, 401(a) and 401(k) Plans. The bond fund tracks the Bloomberg Aggregate Bond Index and produced results consistent with the index for the 1-, 3-, 5-, and 10-year periods. The fund had \$159.4 million in participant investments as of December 31, 2024.

Cash Equivalents

- **Investment Contract Pool (ICP):** As the largest option in terms of Plans' assets, this stable value option was valued at \$774.6 million as of December 31, 2024. This investment option is not available on the 403(b) Plan. Effective January 1, 2022, T. Rowe Price commenced managing the ICP. The 2024 calendar year return was 3.26%, as compared to Morningstar US CIT Stable Value Index which returned 3.03%.
- **Nationwide Fixed Annuity:** This option is only included in the investment line-up of the 457 Plan. Additionally, this option is frozen to new participants; however, legacy account holders

can continue additional contributions. As of December 31, 2024, the value of the option was \$39.3 million.

- **GW Daily Interest Guarantee, GW 36 Month Certificate of Deposit (CD), GW 60 Month CD, GW 84 Month CD:** These frozen investment options were previously offered in the 403(b) Plan. As of December 31, 2024, the largest fund by participant assets was the 84-month CD, which was valued at \$1.5 million. The 36-month CD, 60-month CD, and the Daily Interest Guarantee were valued at approximately \$0.20 million, \$0.21 million, and \$0.14 million, respectively.
- **Vanguard Federal Money Market:** Another option only offered in the 403(b) Plan, this option had approximately \$5.9 million in assets as of December 31, 2024. Over the 1-year period, the Fund earned 5.23%, underperforming the 90 Day U.S Treasury Bill Index by 9 basis points.



Investment Performance Information - October 1, 2024 to December 31, 2024

The results shown represent past performance and do not represent expected future performance or experience. Past performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's units or shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the data quoted. Performance data current to the most recent month-end may be obtained by visiting: WWW.MARYLANDDC.COM. Please consider the fund's investment objectives, risks, and charges and expenses carefully before investing. Both the underlying fund prospectuses and informational brochure contain this and other information about the investment company. Prospectuses are available by calling 1-800-545-4730. Read carefully before investing. The rates of return do not reflect a maximum deduction of a 0.120% annual plan asset fee, which, if reflected, would reduce the performance shown. No account will be charged more than \$2000 for the year. The rates for the Investment Contract Pool are after the deduction of any carrier charges. Please see other important disclosures at the end of this report.

VRU #	Fixed Investment Option	Jan '25	Dec '24	Nov '24					
283	Investment Contract Pool	3.360%	3.420%	3.450%					
VRU #	Variable Investment Options	Morningstar Category	Average Annual Return				Since Inception	Inception Date	Gross Expense Ratio
			1 Year	3 Year	5 Year	10 Year			
Asset allocation									
3298	WimnTrTRowePrRtrmt 2005 I1 (b)	Target-Date 2000-2010	8.34%	N/A	N/A	N/A	8.14%	09/01/22	0.33%
3299	WimnTrTRowePrRtrmt 2010 I1 (b)	Target-Date 2000-2010	8.71%	N/A	N/A	N/A	8.52%	09/01/22	0.33%
3473	TRowePr Rtrmt 2005 I (b)	Target-Date 2000-2010	8.22%	1.52%	4.69%	5.08%	5.57%	02/27/04	0.34%
3475	TRowePr Rtrmt 2010 I (b)	Target-Date 2000-2010	8.71%	1.69%	5.06%	5.45%	6.94%	09/30/02	0.34%
3300	WimnTrTRowePrRtrmt 2015 I1 (b)	Target-Date 2015	8.96%	N/A	N/A	N/A	9.93%	09/01/22	0.33%
3476	TRowePr Rtrmt 2015 I (b)	Target-Date 2015	8.98%	1.86%	5.44%	5.89%	6.32%	02/27/04	0.35%
3301	WimnTrTRowePrRtrmt 2020 I1 (b)	Target-Date 2020	9.33%	N/A	N/A	N/A	10.27%	09/01/22	0.33%
3477	TRowePr Rtrmt 2020 I (b)	Target-Date 2020	9.29%	1.91%	5.76%	6.41%	7.94%	09/30/02	0.37%
3302	WimnTrTRowePrRtrmt 2025 I1 (b)	Target-Date 2025	9.97%	N/A	N/A	N/A	10.15%	09/01/22	0.33%
3478	TRowePr Rtrmt 2025 I (b)	Target-Date 2025	9.91%	2.05%	6.40%	7.00%	7.13%	02/27/04	0.38%
3303	WimnTrTRowePrRtrmt 2030 I1 (b)	Target-Date 2030	10.99%	N/A	N/A	N/A	11.36%	09/01/22	0.33%
3479	TRowePr Rtrmt 2030 I (b)	Target-Date 2030	10.92%	2.31%	7.10%	7.60%	8.86%	09/30/02	0.40%
3304	WimnTrTRowePrRtrmt 2035 I1 (b)	Target-Date 2035	12.28%	N/A	N/A	N/A	12.81%	09/01/22	0.33%
3480	TRowePr Rtrmt 2035 I (b)	Target-Date 2035	12.15%	2.78%	7.90%	8.18%	7.84%	02/27/04	0.42%
3305	WimnTrTRowePrRtrmt 2040 I1 (b)	Target-Date 2040	13.42%	N/A	N/A	N/A	13.98%	09/01/22	0.33%
3481	TRowePr Rtrmt 2040 I (b)	Target-Date 2040	13.38%	3.24%	8.62%	8.68%	9.44%	09/30/02	0.43%
3306	WimnTrTRowePrRtrmt 2045 I1 (b)	Target-Date 2045	14.25%	N/A	N/A	N/A	14.82%	09/01/22	0.33%
3482	TRowePr Rtrmt 2045 I (b)	Target-Date 2045	14.21%	3.64%	9.13%	9.01%	8.39%	05/31/05	0.44%
3307	WimnTrTRowePrRtrmt 2050 I1 (b)	Target-Date 2050	14.61%	N/A	N/A	N/A	15.03%	09/01/22	0.33%
3483	TRowePr Rtrmt 2050 I (b)	Target-Date 2050	14.39%	3.76%	9.24%	9.06%	7.73%	12/29/06	0.45%
3308	WimnTrTRowePrRtrmt 2055 I1 (b)	Target-Date 2055	14.64%	N/A	N/A	N/A	15.09%	09/01/22	0.33%
3484	TRowePr Rtrmt 2055 I (b)	Target-Date 2055	14.55%	3.79%	9.23%	9.05%	7.72%	12/29/06	0.46%
3309	WimnTrTRowePrRtrmt 2060 I1 (b)	Target-Date 2060	14.62%	N/A	N/A	N/A	15.08%	09/01/22	0.33%
3485	TRowePr Rtrmt 2060 I (b)	Target-Date 2060	14.53%	3.77%	9.22%	9.04%	8.60%	06/23/14	0.46%
3310	WimnTrTRowePrRtrmt 2065 I1 (b)	Target-Date 2065+	14.53%	N/A	N/A	N/A	15.08%	09/01/22	0.33%
3486	TRowePr Rtrmt 2065 I (b)	Target-Date 2065+	14.46%	3.75%	N/A	N/A	9.48%	10/13/20	0.46%
International									
883	Vngrd Ttl IntlStkIdx Inst	Foreign Large Blend	5.19%	0.69%	4.31%	5.09%	4.91%	11/29/10	0.09%
2819	SSgA Intl Indx NLndg M	Foreign Large Blend	3.68%	1.80%	4.91%	6.69%	8.61%	11/30/08	0.05%
835	AmFds Euro Pacfc Gr R6	Foreign Large Growth	5.04%	-1.97%	3.95%	5.66%	10.05%	04/16/84	0.47%
Small Cap									
891	Vngrd SmCap Indx Inst	Small Blend	14.23%	3.63%	9.31%	9.10%	9.07%	07/07/97	0.04%
2820	SSgA RssllSmCaplndxNLndg K	Small Blend	11.54%	1.24%	7.38%	7.74%	7.98%	09/30/96	0.04%
1533	TRowePr Inst SmCap Stk	Small Growth	11.75%	0.25%	8.02%	9.78%	10.05%	03/31/00	0.66%
Mid cap									
899	Vngrd MdCap Indx Inst Pls	Mid-Cap Blend	15.25%	2.82%	9.87%	9.57%	11.24%	12/15/10	0.03%
2821	SSgA SPMdCap Indx NLndg M	Mid-Cap Blend	13.93%	4.84%	10.30%	9.65%	10.13%	09/30/97	0.03%
1291	JnsHndrsn Entrp N	Mid-Cap Growth	15.39%	4.63%	10.14%	12.35%	11.34%	09/01/92	0.66%
3311	MdCap Gr II I1	Mid-Cap Growth	14.62%	N/A	N/A	N/A	15.20%	04/24/23	0.43%
802	TRowePr MdCap Val Rtl	Mid-Cap Value	6.30%	9.77%	12.59%	10.00%	11.30%	06/28/96	0.85%
Large cap									
856	Parnassus Cor Eq Inst	Large Blend	18.75%	6.64%	13.49%	12.25%	11.63%	04/28/06	0.62%
1749	TRowePr US Eq Rsrch I	Large Blend	26.56%	10.15%	15.47%	13.83%	10.32%	11/30/94	0.35%
2078	Fid 500 Indx	Large Blend	25.00%	8.93%	14.51%	13.09%	11.04%	02/17/88	0.02%
2823	SSgA SP 500 Indx NLndg K	Large Blend	25.01%	8.93%	14.50%	13.08%	9.48%	04/30/97	0.01%
2896	TRowPr StrcdRsrch Cmn Tr	Large Blend	26.70%	10.24%	15.72%	14.11%	11.55%	05/02/05	0.28%
2626	WimBlr LgCap Gr CIF 5	Large Growth	25.22%	5.94%	N/A	N/A	10.04%	02/12/21	0.37%
2627	WimBlr LgCap Gr R6	Large Growth	26.14%	6.22%	16.04%	N/A	16.69%	05/02/19	0.65%
1297	Ptnm LgCap Val Y	Large Value	19.34%	10.27%	12.59%	11.03%	10.68%	06/30/77	0.65%
2619	WimnTR LgCap Val I1	Large Value	19.64%	10.48%	12.79%	N/A	13.47%	12/03/18	0.29%

Investment Performance Information - October 1, 2024 to December 31, 2024

Average Annual Return

VRU #	Variable Investment Options	Morningstar Category	Average Annual Return				Since Inception	Inception Date	Gross Expense Ratio
			1 Year	3 Year	5 Year	10 Year			
199	Balanced Fid Puritan	Moderate Allocation	18.85%	5.75%	11.14%	9.60%	10.91%	04/16/47	0.48%
786	Bonds Vngrd Ttl Bd Mkt Indx Inst	Intermediate Core Bond	1.25%	-2.40%	-0.30%	1.34%	4.18%	09/18/95	0.04%
1641	TCW Cor Fxd Inc I	Intermediate Core Bond	0.75%	-3.01%	-0.40%	1.21%	4.47%	02/26/93	0.50%
2822	SSgA US Bd Indx NLndg M	Intermediate Core Bond	1.37%	-2.40%	-0.32%	1.34%	2.60%	04/30/09	0.03%
1340	Short term Vngrd Fed Mny Mkt Inv (c) CURRENT YIELD: 3.76%	Money Market-Taxable	5.23%	3.94%	2.44%	1.72%	3.94%	07/13/81	0.11%

Match the market index below to the Morningstar Category listed for your fund.

Market Indices

	Total Return	Average Annual Return			
		1 Year	3 Year	5 Year	10 Year
Small Cap Growth Index					
CRSP US Small Cap Growth Index	16.48%	0.36%	7.66%	9.05%	
Small Cap Blend Index					
Russell 2000	11.54%	1.24%	7.40%	7.82%	
Small Cap Value Index					
CRSP US Small Cap Value Index	12.42%	5.74%	9.89%	8.67%	
International Index					
FTSE Global All Cap ex US Index	5.86%	1.16%	4.73%	5.44%	
MSCI ACWI Ex USA NR USD	6.09%	1.35%	4.61%	5.31%	
Mid Cap Growth Index					
Russell Midcap Growth	22.10%	4.04%	11.47%	11.54%	
Mid Cap Value Index					
Russell Midcap Value	13.07%	3.88%	8.59%	8.10%	
Mid Cap Blend Index					
S&P 400 MidCap Index	13.93%	4.87%	10.34%	9.68%	
Large Cap Blend Index					
Standard & Poor's 500 Index	25.02%	8.94%	14.53%	13.10%	
Large Cap Growth Index					
Russell 1000 Growth	33.36%	10.47%	18.96%	16.78%	
Large Cap Value Index					
CRSP US Large Cap Value Index	16.00%	7.46%	9.93%	10.01%	
Russell 1000 Value	14.37%	5.63%	8.68%	8.49%	
Balanced Index (use for Moderate Allocation Funds)					
60% S&P 500/40% Barclays Capital Aggregate Bond	15.04%	4.46%	8.67%	8.52%	
Government Bond Index					
Bloomberg US Govt Intern TR USD	2.44%	-0.47%	0.49%	1.24%	
Intermediate Term Bond					
Bloomberg US Agg Bond TR USD	1.25%	-2.41%	-0.33%	1.35%	
Money Market Index					
FTSE Treasury Bill 3 Mon USD	5.45%	4.05%	2.54%	1.79%	

Get the most current fund performance, fund fact sheets, and fund line up on MarylandDC.com

Investment Performance Information - October 1, 2024 to December 31, 2024

Match the market index below to the Morningstar Category listed for your fund.

Market Indices	Total Return	Average Annual Return			
		1 Year	3 Year	5 Year	10 Year
Asset Allocation Index					
Combined Index Portfolio 2005	6.54%	1.45%	3.62%	4.14%	
Combined Index Portfolio 2005 (CIT)	6.54%	1.45%	3.62%	4.14%	
Combined Index Portfolio 2010	6.74%	1.55%	4.17%	4.66%	
Combined Index Portfolio 2010 (CIT)	6.74%	1.55%	4.17%	4.66%	
Combined Index Portfolio 2015	7.25%	1.62%	4.56%	5.11%	
Combined Index Portfolio 2015 (CIT)	7.25%	1.62%	4.56%	5.11%	
Combined Index Portfolio 2020	8.09%	1.91%	4.88%	5.52%	
Combined Index Portfolio 2020 (CIT)	8.09%	1.91%	4.88%	5.52%	
Combined Index Portfolio 2025	8.44%	2.10%	5.55%	6.14%	
Combined Index Portfolio 2025 (CIT)	8.44%	2.10%	5.55%	6.14%	
Combined Index Portfolio 2030	9.90%	2.77%	6.46%	6.87%	
Combined Index Portfolio 2030 (CIT)	9.90%	2.77%	6.46%	6.87%	
Combined Index Portfolio 2035	11.38%	3.37%	7.44%	7.60%	
Combined Index Portfolio 2035 (CIT)	11.38%	3.37%	7.44%	7.60%	
Combined Index Portfolio 2040	12.87%	4.04%	8.27%	8.19%	
Combined Index Portfolio 2040 (CIT)	12.87%	4.04%	8.27%	8.19%	
Combined Index Portfolio 2045	13.58%	4.43%	8.75%	8.54%	
Combined Index Portfolio 2045 (CIT)	13.58%	4.43%	8.75%	8.54%	
Combined Index Portfolio 2050	14.30%	4.72%	9.06%	8.77%	
Combined Index Portfolio 2050 (CIT)	14.30%	4.72%	9.06%	8.77%	
Combined Index Portfolio 2055	14.32%	4.74%	9.11%	8.84%	
Combined Index Portfolio 2055 (CIT)	14.32%	4.74%	9.11%	8.84%	
Combined Index Portfolio 2060	14.44%	4.80%	9.14%	8.91%	
Combined Index Portfolio 2060 (CIT)	14.44%	4.80%	9.14%	8.91%	
Combined Index Portfolio 2065	14.83%	4.97%	N/A	N/A	
Combined Index Portfolio 2065 (CIT)	14.83%	4.97%	N/A	N/A	
Combined Index Portfolio Income	6.54%	1.45%	3.62%	4.14%	
Combined Index Portfolio Income (CIT)	6.54%	1.45%	3.62%	4.14%	

FEE DISCLOSURES

The Standardized illustration represents performance based on a \$10,000 hypothetical investment. Fees and expenses listed are in addition to the fees disclosed in the underlying fund prospectus.

Gross expense ratios represent the fund's total operating expenses expressed as a percentage of the assets held in the fund. For more information about gross expense ratios, read the fund's prospectus.

Some mutual funds may impose a short term trade fee. Some funds may be subject to a trade restriction policy. Please read the underlying prospectus carefully.

FOOTNOTES

b) These funds are designed to provide diversification and asset allocation across several types of investments and asset classes, primarily by investing in underlying funds. Therefore, in addition to the fund's expenses, you are indirectly paying a proportionate share of the applicable fees and expenses of the underlying funds.

c) The money market current yield is the annualized historical yield for the 7-day period ending on the last day of the calendar quarter. Yield quotation more closely reflects the current earnings of the money market fund than the total return quotation.

RISK DISCLOSURES

Government Money Market Funds: The Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund is open to all investors. Although the Fund seeks to preserve the value of the investment at \$1.00 per share, it cannot guarantee it will do so. You could lose money by investing in the Fund. The Fund may impose a fee upon sale of shares or temporarily suspend the ability to sell shares if the Fund's liquidity falls below required minimums because of market conditions or other factors. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time. The Fund may invest in shares of other government money market mutual funds, including those advised by the Fund's subadviser, to provide additional liquidity or to achieve higher yields. Please refer to the most recent prospectus for a more detailed description of the Fund's principal risks.

International/emerging markets funds: Funds that invest in international stocks face risks that funds investing only in U.S. stocks do not. Currency fluctuation, political risk, differences in accounting standards and the limited availability of information may make these funds less stable.

Small company funds: Small and emerging companies may have less liquidity than larger, established companies. Therefore, funds investing in stocks of small or emerging companies may face greater price volatility and risk.

High-yield bond funds: Funds that invest in high-yield securities may have more credit risk and changes in price than funds that invest in higher-quality securities.

Non-diversified funds: Funds that invest in a single industry or small number of securities may be more volatile than those that invest more broadly.

Government bond funds: These funds invest mainly in securities of the U.S. government and its agencies; however, these entities do not guarantee the value of the funds.

Investment Performance Information - October 1, 2024 to December 31, 2024

Real estate funds: Funds that invest mainly in real estate are sensitive to economic and business cycles, changing demographic patterns and government actions.

IMPORTANT DISCLOSURES

Investment Contract Pool available for 457, 401(k) and 401(a) plans only.

Vanguard Federal Money Market Fund available through 403(b) plan only.

Investing may involve market risk, including the possible loss of principal. Certain underlying funds discussed here are only available as investment options in group variable annuity contracts issued by life insurance companies. They are not offered or made available directly to the general public. These portfolios contain different investment than similarly named mutual funds offered by the money manager and investment returns may be higher or lower.

Inception Date is the date the underlying fund was established. Non-Standardized performance for UIO's includes hypothetical performance for periods before the UIO was available in the group annuity, where applicable, applying contract charges to actual fund NAVs to determine the performance the UIO would have achieved inside the separate account.

Fund category data provided by Morningstar®. © 2024 Morningstar, Inc. All Rights Reserved. The Morningstar information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Although data is gathered from reliable sources, data accuracy and completeness cannot be guaranteed.

Distributions of contributions and earnings from the Roth account are tax free if contributions have been in the Roth elective deferral account for a period of at least five (5) tax years and the participant is at least 59½ years old at the time of the distribution.

Retirement Specialists are Registered Representatives of Nationwide Investment Services Corporation, member FINRA. In MI only: Nationwide Investment Svcs. Corporation

Market Indices have been provided for comparison purposes only; they are unmanaged and no fees or expenses have been reflected here. Individuals cannot invest directly in an index.

Nationwide, the Nationwide N and Eagle, Nationwide is on your side, and other marks displayed in this message are service marks of Nationwide Mutual Insurance Company or its affiliates, unless otherwise disclosed. © 2025 Nationwide.



Enroll online MarylandDC.com

MARYLAND TEACHERS & STATE EMPLOYEES Supplemental Retirement Plans

Log in

Schedule appointment

Contact us

Get a more detailed view of your projected retirement income.

Log in to My Interactive Retirement PlannerSM

Text to enroll
Send **MSRPready** to **877697**

Need to enroll in your retirement plan? [Enroll now](#)



MSRP



Statistical Section

(Unaudited)

Annual Comprehensive Financial Report 2024

2024 Plan Statistics

2024 Totals for All Plans

Average Combined Plan Assets by Participant	92,296
TOTAL Participants	71,054
TOTAL Deferring/Contributing Participants	36,610
Average Roth Assets by Participant	17,775
Participants in Multiple Plans	62,694
Total Roth Accounts	11,569
TOTAL Participants with Systematic Payouts	7,295
Participants with Multiplan Deferrals	36,488
Average Annual Deferrals per Participant	4,912

457(b) Deferred Compensation Plan

	2024	2023	2022
Participants	36,598	36,183	35,613
Deferring Participants	19,585	19,204	19,187
Systematic Payouts	3,393	3,313	7,072
Loans	2,272	2,288	2,384
Annuitants	-	-	1
Net New Enrollments	1,828	1,988	1,110

401(k) Savings and Investment Plan

	2024	2023	2022
Participants	33,519	32,386	31,343
Contributing Participants	16,642	15,673	15,048
Systematic Payouts	3,759	3,577	5,810
Number of Loans	1,619	1,713	1,888
Annuitants	-	-	-
Net New Enrollments	2,491	2,407	932

403(b) Tax Sheltered Annuity Plan

	2024	2023	2022
Participants	937	873	804
Contributing Participants	383	363	265
Systematic Payouts	143	141	191
Number of Loans	15	20	3
Annuitants	-	-	-
Net New Enrollments	129	130	42

401(a) Match Plan

	2024	2023	2022
Participants	40,276	38,470	24,796

Statement of Changes in Fiduciary Net Position 10 Year History

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
ADDITIONS TO NET POSITION ATTRIBUTED TO:										
Employee contributions	\$ 226,034,502	\$ 210,142,202	\$ 189,971,046	\$ 190,217,444	\$ 179,872,866	\$ 182,405,999	\$ 164,038,436	\$ 167,321,062	\$ 155,632,594	\$ 163,723,479
Employer contributions	15,033,178	12,249,128	-	-	-	16,554	35,822	70	16,363	9,750
Variable earnings reimbursements	1,342,806	1,672,728	1,671,106	1,786,049	1,990,832	2,666,215	3,057,487	2,102,082	2,096,422	2,206,440
Investment income:										
Participant fee income	2,855,222	1,861,220	1,336,367	1,766,789	2,035,000	2,029,000	-	-	-	-
Variable earnings investment (loss) income	705,705,240	731,401,137	(818,461,864)	733,896,717	605,341,098	711,776,796	(165,557,554)	491,695,469	231,765,315	(6,641,027)
Interest income	29,937,410	25,844,778	19,851,311	18,292,463	22,356,074	22,656,096	21,104,108	18,923,831	18,431,370	18,549,979
Total Additions	980,908,359	983,171,193	(605,632,034)	945,959,462	811,595,870	921,550,660	22,678,299	680,042,514	407,942,064	177,848,621
DEDUCTIONS FROM NET POSITION ATTRIBUTED TO:										
Distributions to participants	383,475,538	316,670,166	277,699,840	300,550,087	252,429,639	268,869,648	238,492,183	241,714,809	205,568,155	214,590,958
Administrative expenses	12,811,039	10,324,845	9,956,801	9,897,560	8,752,776	8,805,494	6,264,365	5,537,415	5,243,677	4,609,909
Life insurance premiums	530	1,430	1,430	1,440	2,375	3,520	5,350	6,644	7,982	11,725
Total Deductions	396,287,107	326,996,440	287,658,071	310,449,087	261,184,790	277,678,662	244,761,898	247,258,868	210,819,814	219,212,592
Net (decrease) increase	584,621,252	656,174,753	(893,290,105)	635,510,375	550,411,080	643,871,998	(222,083,599)	432,783,646	197,122,250	(41,363,971)
Fiduciary Net Position beginning of year	5,338,749,783	4,682,575,030	5,575,865,135	4,940,354,760	4,389,943,680	3,746,071,682	3,968,155,281	3,535,371,635	3,338,249,385	3,379,613,356
Fiduciary Net Position End of Year	<u>\$ 5,923,371,035</u>	<u>\$ 5,338,749,783</u>	<u>\$ 4,682,575,030</u>	<u>\$ 5,575,865,135</u>	<u>\$ 4,940,354,760</u>	<u>\$ 4,389,943,680</u>	<u>\$ 3,746,071,682</u>	<u>\$ 3,968,155,281</u>	<u>\$ 3,535,371,635</u>	<u>\$ 3,338,249,385</u>

Ten Year History Of Administrative Charges And Expenditures

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Plan Charges	\$ 2,855,222	\$ 1,861,220	\$ 1,851,811	\$ 525,589	\$ 1,924,298	\$ 2,518,517	\$ 1,290,459	\$ 2,084,562	\$ 1,580,828	\$ 1,693,232
Technical & Special fees	8,894	1,290	2,500	-	-	-	6,813	-	-	2,427
Benefits	1,814,555	1,364,929	1,335,270	1,221,029	1,221,029	1,466,342	1,239,426	1,236,248	1,252,561	1,179,268
Contractual Services	486,024	559,130	461,097	308,157	301,178	231,874	197,903	373,298	279,367	298,242
Office Rent and Insurance	333,336	25,287	320,491	173,289	163,361	170,768	168,675	152,415	248,648	298,486
Supplies and Materials	44,114	32,590	40,506	31,164	31,164	16,237	18,075	6,249	10,404	8,794
Equipment/Furnishings	-	6,191	16,176	9,991	9,991	11,808	1,339	15,545	10,986	78
Communications	13,319	15,084	11,099	5,379	5,379	28,999	18,874	39,751	19,279	16,823
Travel	10,447	17,546	7,435	-	-	22,558	25,102	22,483	20,659	19,823
Expenditures										
Salaries, Wages and Fringe										
Total Expenditures	<u>2,710,689</u>	<u>2,022,047</u>	<u>2,194,574</u>	<u>1,749,009</u>	<u>1,732,102</u>	<u>1,948,586</u>	<u>1,676,207</u>	<u>1,845,989</u>	<u>1,841,904</u>	<u>1,823,941</u>
Plan Charges Less Expenditures	144,533	(160,827)	(342,763)	(1,223,420)	192,196	569,931	(385,748)	238,573	(261,076)	(130,709)
Reserve Balance	<u>\$ 374,251</u>	<u>\$ 251,485</u>	<u>\$ 592,401</u>	<u>\$ 1,023,856</u>	<u>\$ 405,986</u>	<u>\$ 418,608</u>	<u>\$ 418,608</u>	<u>\$ 448,833</u>	<u>\$ 210,260</u>	<u>\$ 471,336</u>

Ten Year Plan Statistics by Plan

(\$ In Thousands)

457(b) PLAN SUMMARY

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Additions: Contributions	\$ 110,616	\$ 104,475	\$ 95,978	\$ 91,857	\$ 85,588	\$ 83,004	\$ 74,579	\$ 72,953	\$ 66,817	\$ 66,812
Additions: Investment Return	293,677	304,381	(334)	308	258	301	(56)	210	104	8,959
Loan Amount	\$ 22,513	\$ 21,165	\$ 20,528	\$ 20,261	\$ 20,755	\$ 21,731	\$ 20,922	\$ 19,733	\$ 18,772	\$ 18,077
Mutual Fund Reimbursements	591	743	738,626	787,066	873,126	1,159	1,338	888	893	937
Participant Accounts	37	36	35,613	35,954	36,147	35,557	38	34	33	32
Deferring Participants	19	19	19,187	19,187	21,129	20,907	20,907	19	19	18
Number of Loans	2	2	2	2	2	3	3	2	2	2
Total Fiduciary Net Position	2,586,183	2,339,276	2,054	2,407	2,140	1,916	1,649	1,741	1,572	1,498,891
Plan Administration Fees	(4,422)	(3,931)	(4,362)	(5,483)	(2,696)	(2,731)	(3,048)	(2,203)	(1,942)	(1,942)
Withdrawals	(169,633)	(134,633)	122,600	(1,292)	(20,755)	(121,417)	(108,390)	(112,576)	(96,552)	(99,281)

401(k) PLAN SUMMARY

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Additions: Contributions	112,488	102,893	96	89	96,379	87,096	91,833	85,852	94,255	89,860
Additions: Investment Returns	355,183	371,787	374	374	322	373,789	(76,379)	257,286	124,407	4,757
Loan Amount	16,414	15,980	16,663	15,048	16,626	19,960	19,528	19,841	19,231	19,071
Mutual Fund Reimbursements	649	791	792	374	933	1,309	1,469	1,054	1,030	1,062
Participant Accounts	33	32	35,613	39,954	36,147	32,548	33	32	33	34
Deferring Participants	16	16	19,187	19,187	211,219	17,230	18	18	18	19
Number of Loans*	2	2	5	4	3	2	2	2	3	3
Total Fiduciary Net Position	2,926,273	2,638,409	2,316	2,778	2,454	2,165	1,827	1,931	1,698	1,585
Plan Administration Fees	(4,957)	(4,070)	(3,816)	(3,935)	(3,578)	(3,583)	(2,842)	(2,927)	(2,349)	(2,331)
Withdrawals	(188,335)	(160,744)	(136,477)	(150,175)	(119,796)	(129,392)	(113,827)	(1,138,166)	(96,555,381)	(99,554,689)

403(b) PLAN SUMMARY

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Additions: Contributions	2,930	2,774	2,551	4,727	3,024	2,363	2,535	2,664	2,656	2,761
Additions: Investment Returns	18,761	18,508	415	418	15,419,860	20,198	(4,284)	14,660	7,100	(77)
Loan Amount	197	253	86	416	494	464	413	369	363	344
Mutual Fund Reimbursements	41	58	105	88	4	72	91	54	56	79
Participant Accounts*	937	873	804	804	775	784	782	780	777	784
Deferring Participants*	383	363	265	265	324	339	346	346	0.32	0.329
Number of Loans*	15	20	29	29	29	29	32	32	32	32
Total Fiduciary Net Position	128,759	117,931	105,992	131,311	117,365	103,325	91,038	99,330	88,029	82,506
Plan Administration Fees	(159)	(138)	(136)	(149)	(140)	(152)	(128)	(143)	(116)	(118)
Withdrawals	(10,847)	(9,380)	9,285	6,789	6,037	10,955	6,333	6,103	4,191	6,451

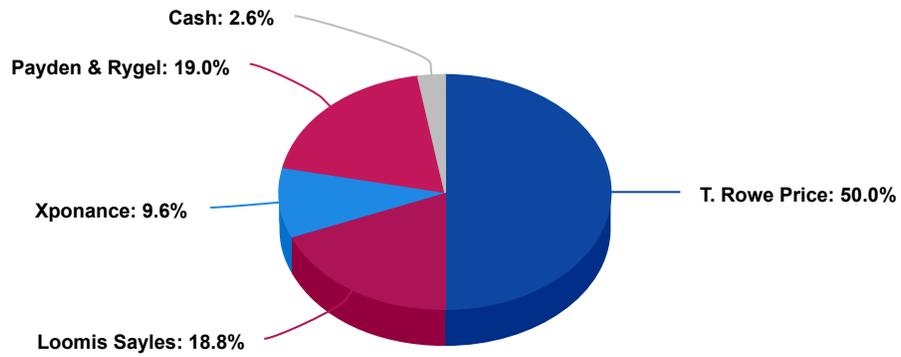
401(a) PLAN SUMMARY

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Additions: Contributions	15,033	12,249	-	33,118	16,554	35,822	35,822	16,363	97,500	28,148
Additions: Investment Returns	38,083	36,725	31,568	41,285	31,640	39,321	(7,568)	27,750	14,140	567
Mutual Fund Reimbursements	61	81	81,018	88,034	112,313	127	159	107	117	128
Participant Accounts	40	38	24,796	25,580	26,973	28,755	29,397	29,397	32,175	33,681
Deferring Participants	9	10	-	-	-	-	-	-	-	-
Total Fiduciary Net Position	282,156	243,134	205,565	257,775	228,529	207,508	178,289	195,848	176,934	171,152
Plan Administration Fees	(416)	(325)	(308,081)	(327,983)	(112,313)	(310,357)	(245,674)	(264,863)	(827,950)	(218,807)
Withdrawals	(14,660)	(11,912)	11,935	(11,820)	(10,641)	(9,935,402)	(9,940,434)	(9,218,727)	(8,279,501)	(930,318)

* actual number, not in thousands

Due to a modification of the reporting format of this schedule implemented for calendar year 2023, the historical data for calendar years 2015 through 2022 may not conform to the updated reporting format. Please see the audited financial statements for those years, available on the MSRP website, for the most accurate data.

Stable Value Manager Diversification



MSRP Contribution Limits

For Calendar Year 2024

PLAN	Calendar Year 2024 LIMIT
457(b) Deferred Compensation Plan	Up to 100% of compensation, but not more than \$23,000
403(b) Tax Sheltered Annuity Plan	Up to 100% of compensation, but not more than \$23,000
401(k) Savings & Investment Plan	Up to 100% of compensation, but not more than \$23,000
When participating in <i>both</i> the 457(b) Plan and the 401(k) Plan [or 403(b)], one may contribute \$23,000 a year to each Plan for a potential combined contribution of \$46,000.	

CATCH-UP PROVISION	Calendar Year 2024 LIMIT
Catch-Up for Age 50 and Over	Employees over 50 years old may make catch-up contributions to the 457(b), 403(b) and 401(k) Plans over and above the 401(k) and other limits. The amount of these contributions is \$7,500 per Plan in 2024.
Special 457(b) Catch-Up	Assuming prior years of employment contributing less than the maximum, the limit on special catch-up contributions in the 457(b) Plan is double the \$23,000 regular deferral limit, or \$46,000 in 2024.

Calendar Year 2024	Maximum Deferral/ Contribution Limit	Deferral/ Contribution Limit plus Age 50 Catch-Up	Special 457(b) Catch-Up Deferral Limit
	If you're <i>less than age 50</i> this year, you may defer as much as...	If you're <i>at least age 50</i> this year, you may defer as much as...	If you have <i>three years before the year you will retire</i> , you may defer as much as...
457(b) Plan	\$23,000	\$30,500	\$46,000
401(k) Plan or 403(b) Plan	\$23,000	\$30,500	\$30,500 (Use Age 50 Catch-Up)
TOTAL	\$46,000	\$61,000	\$76,500



Roth 457(b) and Roth 401(k) highlights

If you are or become a participant in the MSRP 457(b) and/or 401(k) Plan and you are actively employed by the state of Maryland, you may choose to make designated Roth 457(b) and/or 401(k) contributions.

- You may make Roth 457(b) and/or 401(k) contributions regardless of your income.
- Contributions are made through payroll deductions just like your other MSRP account(s), except your Roth contributions are deducted “after-tax”.
- You may divide your 457(b) and/or 401(k) Plan contributions between Traditional and Roth accounts.
- You may select different investment allocations for pre-tax and Roth balances in your plan.
- Whether you make pre-tax or Roth contributions, the total amount you may contribute to either the 457(b) or 401(k) plan is \$17,500 in 2014 (\$23,000 if you are at least age 50).
- You cannot recharacterize Roth contributions after the contribution is made. Designating a contribution to the 457(b) or 401(k) plan as a Roth contribution is irrevocable.
- Because your Roth 457(b) and/or 401(k) contribution is taxed differently, your Roth 457(b) and/or 401(k) contributions and any earnings are accounted for separately.
- Any matching employer contributions are always made on a pre-tax basis, regardless of whether you are contributing on a pre-tax or after-tax basis.
- Similar to traditional pre-tax 401(k) plan accounts, payout from a Roth 401(k) account may begin at 59½ or after retirement, whichever comes first. The difference is that no federal or Maryland income taxes are due on the earnings if 1) the Roth account was established more than five years ago (five-year period begins Jan. 1 of the year you first make a Roth 401(k) contribution into the plan) and 2) you are age 59½, or become disabled, or die.
- Similar to traditional pre-tax 457(b) plan accounts, payout from a Roth 457(b) account may begin after separation from State service, regardless of age. The difference is that no federal or Maryland income taxes are due on the earnings if 1) the Roth account was established more than five years ago (five-year period begins Jan. 1 of the year you first make a Roth contribution into the plan) and 2) you are age 59½ and have separated from service, or become disabled, or die.
- Required minimum distributions (RMD) begin at age 72 (73 if you reach age 72 after Dec. 31, 2022).

Note: Roth conversions

A Roth conversion feature will be added in the future so that any eligible distribution from the tax-deferred portion of the 401(k) plan may be converted to the Roth 401(k) at the participant’s direction. Likewise, any eligible distribution from the tax-deferred portion of the 457(b) plan may be converted to the Roth 457(b). As with a distribution to the participant, the conversion amounts become taxable in the year converted.

Tax-deferred eligible distributions

A payout from a 457(b) plan is an eligible distribution after the participant separates from State service, becomes disabled, or dies.

A payout from a 401(k) plan is an eligible distribution after the participant attains age 59½, or separates from service at age 55 or more, or becomes disabled, or dies.

Roth qualified distributions

Generally, a Roth account distribution is a qualified distribution if: 1) the Roth account has been in existence for a five-year period (five-year period begins Jan. 1 of the year a participant first makes a Roth contribution into the plan), and 2) a participant is age 59½, or has died or become disabled under IRC Section 72(m)(7). Distributions made prior to these requirements being met are non-qualified distributions, and earnings may be taxable.

Should you elect to establish a designated Roth account, the account will not be subject to federal or Maryland income taxes.

Other qualified retirement plans can differ, including fees and when you can access funds. Assets rolled over from another qualified plan may be subject to both surrender charges from the original plan and a 10% penalty tax if withdrawn before age 59½.

Investing involves market risk including possible loss of principal.

Call to get started today

11350 McCormick Road
Executive Plaza 1, Suite 400
Hunt Valley, MD 21031

1-800-545-4730
MarylandDC.com

Nationwide Retirement Solutions, Inc. (NRS) is the administrator for MSRP. Nationwide Investment Services Corporation (member, FINRA), an affiliate of NRS, provides educational and enrollment services on behalf of MSRP. Financial & Realty Services, LLC may provide education and marketing support services on behalf of NRS. Its Retirement Consultants are registered representatives of FSC Securities Corporation (FSC), member FINRA, SIPC. FSC and Financial & Realty Services, LLC are not affiliated with MSRP, NRS or NISC.

Nationwide Retirement Solutions and Nationwide Life Insurance Company (collectively "Nationwide") have endorsement relationships with the National Association of Counties, The United States Conference of Mayors, and the International Association of Fire Fighters-Financial Corporation. More information about the endorsement relationships may be found online at www.nrsforu.com.





MSRP



Glossary

Annual Comprehensive Financial Report 2024

Rates of Returns

Rates of Returns. The rates of returns are the net of the fund's annual operating expenses before the deduction of plan administration asset fees.

Betas

Five-Year Beta. The beta coefficient is a statistical measure of a stock's relative volatility (or risk). For comparative purposes, the fund's betas are measured relative to the S&P 500 Index, a measure of broad market activity. The Standard & Poor's 500 Index ("S&P 500") has a beta coefficient of 1.00. A stock with a higher beta is more volatile than the S&P 500. A stock with a lower beta is less volatile than the S&P 500.

Indices

91-Day Treasury Bill. A negotiable debt obligation issued by the U.S. Government and backed by its full faith and credit, having a maturity of three months. These are exempt from state and local taxes.

Standard & Poor's 500 Index ("S&P 500"). The S&P 500 is a broad-based measurement of stock market conditions; 70% of U.S. equity is tracked by this index, which consists of 500 stocks chosen for market size, liquidity, and industry group representation. It is a market value weighted index, with each stock's weight proportionate to its market value.

50% S&P/50% Lehman Brothers Aggregate Bond Index. This is the 50% S&P 500 and 50% Lehman Brothers Aggregate Bond Index. The Lehman Brothers Aggregate Bond Index is a mix of government, corporate, mortgage-backed, asset-backed, and Yankee bonds.

60% S&P/40% Lehman Brothers Aggregate Bond Index. This is the 60% S&P 500 and 40% Lehman Brothers Aggregate Bond Index.

S&P BARRA Growth Index and S&P BARRA Value Index. These indices take the stocks in the S&P 500 and portion them into equal halves based on their price-to-book ratios.

Lehman Brothers Intermediate Government Bond Index. Includes Government Index Issues with a time to maturity between 1 and 10 years.

Morgan Stanley Capital International Europe, Australia, and the Far East (MSCI EAFE) Index. The MSCI EAFE Index is an international equity index. It consists of 1,030 securities from the following 20 countries: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Italy, Japan, Malaysia, the Netherlands, New Zealand, Norway, Singapore, Spain, Sweden, Switzerland, and the United Kingdom.

Russell 2000 Index. This index is a small-capitalization index that consists of the 2,000 smallest stocks in the Russell 2000 Index, representing 10% of the total U.S. equity market.

Medians

Fixed Income - Short Term Median. This universe includes funds defined by Morningstar as Short-Term Bond funds; these funds have an average duration of more than one but less than 3.5 years, or an average effective maturity of more than one but less than four years.

Foreign Equity Non-U.S. Median. This universe includes funds defined by Morningstar as Foreign Stock funds which have no more than 10% of stocks invested in the United States. The median return represents the midpoint of this universe.

Large Cap Blend Median. This universe includes funds defined by Morningstar as Large Blend funds; these funds invest in a combination of Large Cap Growth and Large Cap Value stocks. The return represents the midpoint of this universe. Market caps greater than \$10 billion are considered large cap.

Managed Balanced Median. This universe includes funds defined by Morningstar as Balanced, which includes funds with stock holdings of greater than 20% but less than 70% of the portfolio. The return represents the midpoint of this universe.

Mid Cap Growth Median. This universe includes funds defined by Morningstar as Mid-Cap Growth funds; these funds primarily invest in stocks of mid-sized companies which are growing at faster than average rates. The return represents the midpoint of this universe. Market caps greater than or equal to \$2 billion but less than or equal to \$10 billion are considered mid-cap funds.

Small Cap Core Median. This universe includes funds defined by Morningstar as Small Blend funds; these funds invest in a combination of Small-Cap Growth and Small-Cap Value stocks. The return represents the midpoint of this universe. All funds with market caps less than \$2 billion are considered small-cap funds.

Participant Data Definitions

Participants. Those who have an account value (including those who are receiving systematic withdrawals and those who have recently enrolled in the Plans) and are awaiting their first deferral/contribution.

Deferring/Contributing Participants. Those participating employees who made a deferral/contribution to the Plans by payroll deduction at the end of the reporting period.

Net New Enrollments. The net change of State employee participants from year to year. New enrollments and restarted contributors are reduced by retirement and transfer withdrawals, death claims, and other full distributions.

Annuitants. Participants who are receiving withdrawals from purchased annuity contracts.

Systematic Payouts. These occur when participants receive withdrawals from the Plans with remaining balances invested in the Plans.

Average Deferrals/Contributions Per Participant. Calculated by dividing the dollar value of "TOTAL Deferrals/Contributions" in all Plans combined by the number of "TOTAL Deferring/Contributing Participants" at year-end.

Average Combined Plan Assets by Participants. Calculated by dividing the dollar value of Plan Assets in all Plans by the number of "TOTAL Participants" in all Plans.

Asset Allocation. As the Plans are intended as voluntary sources of retirement income for eligible participants, asset allocation in this document represents the combined assets allocated to each broad category (equities, fixed income, balanced and target date).

Passive Options. (Sometimes called indexed options) May appeal to investors who are looking for investment options that track the markets per their selected index to create a diversified portfolio and normally carry lower than average investment fees.

Active Options. May appeal to investors who prefer to take an active role in their investment selection and like picking and choosing individual funds and fund managers to create a diversified portfolio.

Mutual funds. Are diversified portfolios of stocks, bonds, and other investments chosen by an investment manager to achieve a stated objective. Each mutual fund is assigned a five-letter symbol that helps investors find information via financial websites and publications. In addition, each mutual fund publishes a prospectus: a formal legal document filed with the SEC that provides details about its investment object, fees, charges and expenses, and related information.

Commingled/Collective Investment trusts (CITs). Are similar to mutual funds, offering many of the same diversification and management services as mutual funds but generally at a lower cost. Specific information about a CIT may be available solely through the Plan that offers it.

Money market investments. Primarily invest in high quality fixed income/bond instruments with maturities of less than one year. These may include instruments issued by financial institutions, non-financial corporations, the U.S. government and federal agencies.

Stable value. An investment category with an objective to preserve principal and provide stable, competitive rate of return. An investment option in this category invests primarily in guaranteed investment contracts and other fixed income/bond instruments that may be covered by a principal guarantee wrap agreement.

Bonds. Invest in fixed income obligations to corporations, municipalities, the federal government or other issuers. Most bonds pay interest until the bond matures. Bonds investment options are portfolios of various bonds that are acquired, held, and sold by the investment manager to achieve the investment objective. Bond investment options have the same interest rate, inflation, and credit risks that are associated with the underlying bonds; an investment manager may acquire and hold many different issues of bonds to comprise a given bond investment option.

Balanced funds. Invest in both bonds and stocks. Investment returns are expected to be derived from both current income and capital appreciation. The purpose is to achieve higher returns than bonds but with less volatility or price fluctuation than most stock funds.

Domestic equity. (also known as U.S. equity) Investment options represents a share of ownership in a corporation or certain partnerships. This category is further broken down by capitalization (cap), which essentially means the size of the companies that are being invested in. Domestic equity investment options are portfolios of various stocks that are acquired, held and sold by the investment manager to achieve its investment objective.

- **Domestic large-cap** equity invests primarily in the stocks of the largest companies (generally \$10 billion and greater in market capitalization) in the U.S. These companies tend to be well established with long track records of success and experienced management. Investment returns are expected to be derived primarily from capital appreciation and, to a lesser degree, dividend income.
- **Domestic mid cap equity** invests in medium size companies (generally \$2 billion to \$10 billion in market capitalization). Stocks of mid size companies can experience more volatility than those of larger companies because these companies may have less experienced management, fewer resources and may not be well established in their marketplace.
- **Domestic small cap equity** often consists of young companies generally with a market capitalization of \$2 billion or less. Small cap equities are often more volatile than stocks of larger, more established companies. Smaller companies do not always have the resources and management experience to weather downturns in business cycles.

International or non-U.S. equity. Own shares of companies that are headquartered outside of the U.S. and are listed on foreign exchanges. International investments may be subject to several additional risk factors, such as government instability, currency valuation and market regulation. Despite these added risks, these investments can be an important diversifier to portfolios because foreign or non-U.S. developed stock markets do not always move in the same direction as U.S. markets.

Lifecycle/Target Date. Designed to provide diversification and asset allocation across several types of investments and asset classes. Each vintage represents an inclusive portfolio that is managed for people planning on retiring or using the money in the account at or around the target year named in the specific investment option. These funds have varied asset allocations, based upon the projected retirement date of a participant, with more conservative allocations as the “targeted” retirement date approaches.



MSRP

Maryland State Teachers and State Employees Supplemental Retirement Plans Master Trust

William Donald Schaefer Tower ~ 6 Saint Paul Street ~ Suite 200 ~ Baltimore, Maryland 21202-1608
Phone 410-767-8740 or 1-800-543-5605 Fax 410-659-0349

All information as of December 31, 2024

Category

Stable Value — The Investment Contract Pool (the "ICP") of the Maryland Teachers & State Employees Supplemental Retirement Plans (the "MSRP") is a stable value investment option offered under the Plan and is structured as a separately managed portfolio. The ICP is not a registered mutual fund, therefore there is no prospectus.

Management

T. Rowe Price Associates, Inc. (TRPA)

Objective

The purpose and objective of the ICP is to provide participants in the Maryland Teachers & State Employees Supplemental Retirement Plans (the "MSRP") with an investment vehicle that, among other things, seeks to:

- emphasize safety through preservation of principal and accrued income;
- provide benefit responsiveness for qualifying participant withdrawals at book value;
- credit a rate of interest that exhibits low volatility and tracks the general direction of interest rates.

Approach

The ICP primarily invests in synthetic investment contracts ("SICs"). SICs are commonly referred to as wrap contracts or wraps. The ICP invests across a number of contracts with high quality contract issuers in order to help diversify the ICP's credit risk with respect to any one counterparty. With respect to SICs, these wrap contracts are supported by underlying high-quality fixed income portfolios (such assets are commonly referred to as "wrapped assets"). The wrapped assets are generally managed to a target duration not more than 3.5 years with the objective of enhancing the ICP's crediting rate. SICs provide a guarantee of principal and interest payment for routine participant transactions permitted under the MSRP regardless of the market value of the wrapped assets.

Reserve Segment (2.6% of ICP)

This segment is invested in an unwrapped short-term investment fund to help facilitate liquidity for routine participant transactions.

SIC Actively Managed Portfolio Segment (97.4% of ICP)

This segment is invested across five high quality SIC contracts and is intended to enhance the ICP's crediting rate while remaining benefit responsive for routine participant transactions.

SIC Contract Issuers	% of ICP	Credit Quality Rating
American General Life Insurance Company	20.4%	A
Transamerica Life Insurance Company	20.4	A+
State Street Bank and Trust Company	19.0	AA-
Metropolitan Tower Life Insurance Company	18.8	AA-
The Prudential Insurance Company of America	18.8	AA-

The above issuers represent 97.4% of the ICP as of December 31, 2024.

Total Return Performance ¹ Figures are Calculated in U.S. Dollars	One Month	Two Months	Three Months	One Year	Since Inception ² 1 January 2022
Investment Contract Pool ("ICP")	0.29%	0.56%	0.86%	3.26%	2.58%
FTSE 3-Month Treasury Bill Index	0.39	0.79	1.23	5.45%	4.05
3-year Constant Maturity Treasury	0.36	0.70	1.04	4.33	3.96

Past performance is not a guarantee or a reliable indicator of future performance.

¹Performance is reported from the inception date of TRPA appointment as an investment manager of the Fund on January 01, 2022, and is gross of trustee fees, net of 14.6 bps wrap fees. Prior to January 01, 2022 the Fund was managed by other investment advisers not affiliated with TRPA. During the reported periods, other stable value portfolios may have performed better or worse than the Fund. Periods greater than one year are annualized.

²"Since Inception" return is from inception of management by TRPA. Please contact the Plan for performance data relating to prior periods. The Fund is not insured by the FDIC or any other government agency. There is no assurance that the Fund will be able to maintain a stable net asset value of 1 USD a share and it is possible to lose money by investing in the Fund.

Sector Breakdown (%)	% of ICP	Credit Quality (%)	% of ICP
Credits	42.2%	U.S. Government Agencies/AAA	49.7%
U.S. Treasuries	21.0	AA	8.6
U.S. Agencies	1.4	A	20.0
ABS	10.7	BBB or Lower	17.9
CMBS	4.6	Reserves/Cash Equivalents	3.8
Mortgage Back Securities (MBS)	16.3		
Reserves/Cash Equivalents	3.8		

ICP Characteristics

Assets (Millions USD)	\$776.02
Average Crediting Rate (gross of trustee fees, net of 14.6 bps wrap fees)	3.42%
Market-to-Book Ratio	95.34%
Duration	3.24 Years
Yield	4.92%

Underlying Fixed Income Portfolios (% of ICP)

T. Rowe Price	50.0%
Payden	19.0
Loomis	18.8
Xponance	9.6

FOR MARYLAND (MSRP) ONLY. NOT FOR FURTHER DISTRIBUTION.

Maryland State Teachers and State Employees Supplemental Retirement Plans Master Trust

ADDITIONAL DISCLOSURES

Visit <https://www.troweprice.com/en/us/glossary> for a glossary of financial terminology.

FTSE/Russell, Moody's, Fitch and S&P Global Market Intelligence do not accept any liability for any errors or omissions in the indexes or data, and hereby expressly disclaim all warranties of originality, accuracy, completeness, timeliness, merchantability, and fitness for a particular purpose. No party may rely on any indexes or data contained in this communication. Visit <https://www.troweprice.com/en/us/market-data-disclosures> for additional legal notices & disclaimers.

Credit ratings for the securities held in the Portfolio are provided by Moody's, Standard & Poor's and Fitch and are converted to the Standard & Poor's nomenclature. A rating of "AAA" represents the highest-rated securities, and a rating of "D" represents the lowest-rated securities. If the rating agencies differ, the highest rating is applied to the security. If a rating is not available, the security is classified as Not Rated (NR). T. Rowe Price uses the rating of the underlying investment vehicle to determine the creditworthiness of credit default swaps and sovereign securities. The Portfolio is not rated by any agency. U.S. Government Agency securities, if any, may include conventional pass-through securities and collateralized mortgage obligations. This category may include rated and unrated securities.

The FTSE 3-Month Treasury Bill Index provides a monthly return based on a rolling three-month average of U.S. Treasury bills.

The 3-year Constant Maturity Treasury Index provides a monthly return based on a rolling three-year average of U.S. Treasury bills.

Certain numbers in this report may not equal stated totals due to rounding. Unless otherwise stated, all data is as of the report date. Unless indicated otherwise the source of all data is T. Rowe Price.

IMPORTANT INFORMATION

This material being furnished for general informational and/or marketing purposes only and is not intended to be investment advice or a recommendation to take any particular investment action. The material does not constitute or undertake to give advice of any nature, including fiduciary investment advice. Prospective investors are recommended to seek independent legal, financial and tax advice before making any investment decision. T. Rowe Price group of companies including T. Rowe Price Associates, Inc. and/or its affiliates receive revenue from T. Rowe Price investment products and services. **Past performance is not a guarantee or a reliable indicator of future performance.** The value of an investment and any income from it can go down as well as up. Investors may get back less than the amount invested.

The material does not constitute a distribution, an offer, an invitation, a personal or general recommendation concerning investments, investment strategies, or account types, advice of any kind or solicitation to sell or buy any securities in any jurisdiction or to conduct any particular investment activity. The material has not been reviewed by any regulatory authority in any jurisdiction. Please consider your own circumstances before making an investment decision.

Information and opinions presented have been obtained or derived from sources believed to be reliable and current; however, we cannot guarantee the sources' accuracy or completeness. There is no guarantee that any forecasts made will come to pass. The views contained herein are as of the date noted on the material and are subject to change without notice; these views may differ from those of other T. Rowe Price group companies and/or associates. Under no circumstances should the material, in whole or in part, be copied or redistributed without consent from T. Rowe Price.

The material is not intended for use by persons in jurisdictions which prohibit or restrict the distribution of the material and in certain countries the material is provided upon specific request.

For more information on the non-T. Rowe Price products, please visit the company websites.

T. Rowe Price, Loomis Sayles & Company, Payden and Rygel, LLC and Xponance, Inc. are not affiliated companies.

© 2025 T. Rowe Price. All Rights Reserved. T. ROWE PRICE, INVEST WITH CONFIDENCE, and the Bighorn Sheep design are, collectively and/or apart, trademarks of T. Rowe Price Group, Inc.

202412- 4103847

FOR MARYLAND (MSRP) ONLY. NOT FOR FURTHER DISTRIBUTION.