



INVESTING FOR MARYLAND'S FUTURE

# Maryland

State Treasurer's Annual Report

2016



*Maryland*

# TABLE OF CONTENTS



BIOGRAPHY OF THE HONORABLE NANCY K. KOPP .....2

HISTORICAL REVIEW .....3

MARYLAND STATE TREASURER'S OF THE PAST .....4

MARYLAND'S BOARD OF PUBLIC WORKS .....5

SCHEDULE OF SELECTED FINANCIAL DATA .....8

EXECUTIVE DIVISION .....9

BUDGET AND FINANCIAL ADMINISTRATION DIVISION ..... 12

TREASURY MANAGEMENT DIVISION..... 14

DEBT MANAGEMENT DIVISION.....20

INSURANCE DIVISION .....25

INFORMATION TECHNOLOGY DIVISION .....29

OFFICE OF THE ATTORNEY GENERAL—LEGAL DIVISION.....31

APPENDIX A—INVESTMENT INVENTORY .....32

# BIOGRAPHY OF THE HONORABLE NANCY K. KOPP, TREASURER OF MARYLAND



Nancy K. Kopp, State Treasurer

ELECTED IN FEBRUARY 2002, and re-elected to full four-year terms in 2003, 2007, 2011, and 2015, Nancy K. Kopp is the 23rd Maryland State Treasurer since the adoption of the Constitution of 1851. She is the second woman ever to serve as Maryland's State Treasurer and is presently the only woman serving Maryland in a

Constitutional Office. In addition to her responsibilities for managing the Office of State Treasurer, as a Constitutional Officer and a representative of the General Assembly, the Treasurer serves on a number of key State Boards and financial planning committees.

Treasurer Kopp chairs both the Capital Debt Affordability Committee and the Commission on State Debt, and is a member of Maryland's Board of Revenue Estimates. She is the chief representative of the State dealing with financial rating agencies and investment banking firms. The Treasurer also serves as Chair of the Board of Trustees of the Maryland State Retirement and Pension Systems, as Chair of the College Savings Plans of Maryland (now called Maryland 529) and as a member of the Maryland Supplemental Retirement Board, the Maryland Health and Higher Education Financing Authority, the Maryland Agricultural Land Preservation Foundation Board, the Small Business Development Financing Authority and the Hall of Records Commission. Unique among the Treasurer's responsibilities is her position on the Board of Public Works with the Governor and the Comptroller of the State. This Board oversees a substantial portion of the procurement contracts of the State.

Treasurer Kopp represented the Bethesda, Maryland area in the Maryland House of Delegates for 27 years prior to her election as Treasurer. As a member of the House of Delegates, Treasurer Kopp chaired the Joint Committee on Spending Affordability, as well as the Appropriations Subcommittee on Education and Economic Development. She also served on the Capital Budget Subcommittee, Subcommittee on Pensions,

and Joint Committee on Budget and Audit, and, at various times, as Deputy Majority Leader and Speaker Pro Tem. During her legislative career, Treasurer Kopp was named by her colleagues as the most effective woman legislator and one of the 10 most effective members of the House.

Treasurer Kopp has been active in numerous national, regional and state organizations and boards over the years, primarily focused on finance, education, and fiscal matters. She is presently a Trustee of the Financial Accounting Foundation (FAF), co-chairs the FAF Standard-Setting Process oversight Committee, and serves on the FAF Executive Committee. During her term as State Treasurer, Treasurer Kopp has served as President of the National Association of State Auditors, Comptrollers and Treasurers, and on the Executive Committee of the National Association of State Treasurers. She has served also a member of the Executive Committee of the Council of State Governments/Eastern State Region. While a member of the Maryland General Assembly, Kopp served on the Executive Committee of the National Conference of State Legislatures and chaired its Assembly on Legislative Issues, and Committees on Federal Budget Issues, State Fiscal Issues, and Capital Budgeting Procedures. She was Vice-Chair of the National Commission on State and Local Budget and Finance Procedures. A strong supporter of public education, Kopp was appointed by President Clinton to the National Assessment Governing Board, which oversees the National Assessment of Educational Progress (the "Nation's Report Card"), and also served as Treasurer of the Southern Regional Education Board, chairing its Commission on Educational Quality

A graduate of Wellesley College, Treasurer Kopp holds a master's degree in Government from the University of Chicago. She also has received honorary degrees from several institutions of higher education. In March 2012, Treasurer Kopp was inducted into the Maryland Women's Hall of Fame. Treasurer Kopp has been selected to receive the Wellesley College Alumnae Achievement Award for 2015. This Award is the highest honor given to alumnae for excellence and distinction in their fields of endeavor. Treasurer Kopp and her husband, Robert Kopp, live in Bethesda and have two adult children and two grandchildren. ♦

# HISTORICAL REVIEW

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

Soon after his appointment as Governor of Maryland, Sir Francis Nickelson appointed Maryland's first two State Treasurers in 1694. At that time, there were two Treasurers appointed for the State – a Treasurer for the Eastern Shore and a Treasurer for the Western Shore. Maryland's first Treasurers were Colonel William Whittington (Eastern Shore) and Captain Thomas Tasker (Western Shore). The primary duty of the State Treasurers at that time was to manage and disburse State funds. The Governor held the task of appointing State Treasurers throughout the 18th century. This responsibility was ultimately transferred to the Legislature with the adoption of the Maryland Constitution in 1776.

In 1843, the two-Treasurer system was abolished with the duties of the Eastern Shore Treasurer being assumed by the Treasurer of the Western Shore. The

Maryland Constitution of 1851 finally established a single office of Treasurer for the entire State to be elected by joint ballot of both houses of the General Assembly. Historically, the Treasurer's position was appointed for a term of two years as a part-time position. In 1922, the Treasurer's term was extended from two years to four years and became a full-time position in 1973.

In addition to having authority over custody, safeguarding, investment and disbursement of State funds, the Maryland State Treasurer is considered among the most powerful treasurers in the country due to membership on the Board of Public Works, which reviews and approves all major State procurements. It is the Treasurer's job to brief members of the General Assembly on issues regarding the financial operation and condition of the State. The Treasurer maintains the State's ongoing relationship with financial rating agencies and conducts outreach with State agencies and other appropriate offices.

The Treasurer also produces this annual report in keeping with her statutory responsibility to provide the General Assembly with current information regarding the State's financial condition. ♦



Annapolis, Maryland



Commemorative coin released by the United States Mint

# TREASURER'S OF THE PAST

## TREASURERS OF THE EASTERN SHORE

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

## TREASURERS OF THE WESTERN SHORE

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

## MARYLAND STATE TREASURERS *(Beginning of Single-Treasurer System)*

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

# MARYLAND'S BOARD OF PUBLIC WORKS

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

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

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

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

- Certification of the State property tax rate necessary to meet the debt service requirements during the next taxable year on all State bonds anticipated to be outstanding during the year;
  - Approval of the expenditure of any general obligation bond proceeds;
  - Approval of the allocation of funds to each county for school construction;
  - Issuance of licenses to dredge and fill State wetlands;
  - Approval of the acquisition of land and easements in support of Program Open Space, the Conservation Reserve Enhancement Program, the Rural Legacy Program and the Agricultural Land Preservation Program; and
  - Approval of most State agency procurement contracts for goods and services in excess of \$200,000.
- In addition to authorizing State General Obligation Bond issuances and the Capital-Lease and Energy Performance Lease financings discussed in more detail in the Debt Management Division Section of this Annual Report, the following actions of the Board of Public Works (BPW) are worthy of note among those taken during fiscal year 2016 (July 1, 2015 through June 30, 2016):
- Approval of the Maryland Water Quality Financing Administration's request to issue up to \$180 million in Bay Restoration Fund Revenue Bonds to provide grants for the upgrade of wastewater treatment plants with enhanced nutrient removal technologies.
  - Adoption of resolutions authorizing the issuance and sale by the Maryland Department of Transportation of its Consolidated Transportation Bonds, Series 2015 (Third Issue) in an amount not exceeding \$450 million.
  - Approval of the Maryland Stadium Authority's request to issue \$320 million in Baltimore City Public Schools Construction and Revitalization Program Revenue Bonds, Series 2015 to finance a portion of the costs to design, construct, renovate, rehabilitate, equip, and furnish the first group of public school facilities under the Baltimore City 21st Century Public School Construction Initiative.
  - Set the State Real Property Tax Rate for fiscal year 2017 based upon the recommendation of the Commission on State Debt. The Rate remained unchanged at 11.2 cents per \$100 of the full assessed value of real property other than that of public utilities and 28.0 cents per \$100 of the full assessed value of real property of public utilities.
  - Approval of the State School Construction – Capital Improvement Program (CIP) for fiscal year 2017 totaling

*continued on page 6*

MARYLAND BOARD OF PUBLIC WORKS *continued from page 5*

\$368.4 million in public school construction funding, including:

- › \$280 million of new bond authorizations;
  - › \$43.4 million from fiscal year 2016 and fiscal year 2017 allocations for enrollment growth and relocatable classrooms contained in the Supplemental Capital Grant Program for Local School Systems; and
  - › \$45 million in reverted funds from the statewide Contingency Account.
- Took the following steps to continue implementation of a Small, Minority and Women-Owned Business grant program funded by video-lottery-terminal proceeds.
    - › Approval of additional grant funding of over \$22 million to seven incumbent fund managers to provide investment capital and loans to small, minority and women-owned businesses across the State; and
    - › Approval of the award of a contract and \$2 million in grant funding to one additional fund manager to provide capital and loans to small, minority and women-owned businesses across the State.
  - Approval of the creation of eight positions within the “Rule of 100” (the State’s fiscal year 2016 Operating Budget authorized the BPW to create up to 100 State-funded positions within the Executive Branch outside of the position ceiling contained in the fiscal year 2016 State Budget):
    - › Office of Administrative Hearings: five positions: Converted five long-term contractual positions to full-time equivalent (FTE) positions in order to facilitate recruitment and retention of an Administrative Law Judge, a staff attorney and three docket clerks;
    - › Office of the Secretary of State: one position: Creation on an Assistant Attorney General position to support the administration and enforcement of the Maryland Solicitations Act;
    - › Office of the Attorney General: two positions: In furtherance of the creation of the Public Information Act Compliance Board, the position of the Public Access Ombudsman was created to mediate disputes under the Public Information Act. An administrative aide position was also created to provide support to the Ombudsman.
  - In fiscal year 2016, the BPW approved the creation of one position outside of the “Rule of 100” within the Department of Health and Mental Hygiene (DHMH). This position will be supported with federal funds and will serve as the Project Director for the Medication Assisted Treatment-Prescription Drug and Opioid Addiction federal grant. This position will be abolished when the specific funding is no longer available.
  - Approval of a request of the Department of Budget and Management to abolish 657 FTE positions, effective July 1, 2016, and reduce Executive Branch agency appropriations by \$20 million in general funds and \$5 million in special funds for fiscal year 2017. The fiscal year 2017 State Budget (Chapter 143 of the Acts of 2016) requires the abolition of these positions.
  - Approval of a Public-Private Partnership (P3) Agreement for the Purple Line Light Rail Transit project using a Design, Build, Finance, Operate, and Maintain (DBFOM) delivery model. The \$5.59 billion project involves a long-term performance-based agreement between the Maryland Department of Transportation/Mass Transit Administration and the concessionaire, Purple Line Transit Partners. The P3 Agreement includes a six-year design and construction period and a 30-year operating period.



St. Clement's Island Marker

*continued on page 7*



MARYLAND BOARD OF PUBLIC WORKS *continued from page 6*

- Approval of a Memorandum of Understanding between the State and British Airways to facilitate daily non-stop service from BWI Thurgood Marshall Airport to London-Heathrow Airport using Boeing 787 Dream Liner aircraft.
- Approval of a request of the University of Maryland College Park to subdivide and sell 3.337 acres of land to Prince George's County for construction of a crossing over the CSX right-of-way that will allow the public to traverse the right-of-way and provide access from the University's M Square Research Park to the Riverdale Park Station Project.
- Approval of a request of the Attorney General to compensate outside litigation counsel with a portion of damages that the State recovers in litigation concerning MTBE (methyl tertiary butyl ether). The amount of the contingency fee will be based upon a sliding scale of net recovery and the stage of the MTBE litigation achieved at the time of the recovery.
- Approval of a \$7.1 million grant to the Maryland Stadium Authority (MSA) for a Strategic Demolition and Smart Growth Impact Fund project in Baltimore City. These grant funds will be used by MSA to support the demolition and stabilization of targeted blighted properties in the City in furtherance of Project CORE (Creating Opportunities for Renewal and Enterprise).
- Approval of the issuance of a notice to proceed to implement Region 5 (Prince George's, Montgomery and Southern Maryland Counties) for the statewide Public Safety Wireless Communications System for First Responders.
- Granted a State tidal wetlands license to K. Hovnanian's Four Seasons at Kent Island, LLC to construct a residential development project in Queen Anne's County involving horizontal directional drilling in navigable waters of the State, discharging fill from the project's stormwater management system into tidal wetlands, and constructing a pier.
- Granted a State tidal wetlands license to Swan Point Development Co., LLC to construct a Potomac River marina, observation piers, shoreline stabilization measures, and create marshlands in Charles County.
- Granted a 30-year State tidal wetlands license to the Maryland Port Administration authorizing the construction and operation of Phase III of the Paul S. Sarbanes Ecosystem Restoration Project at Poplar Island. This Phase creates an additional 575 acres of mixed-use habitat through depositing clean dredged materials from Baltimore Harbor approach channels. Phase III will accommodate 28 million cubic yards of clean dredged materials. ♦



Rockville, Maryland B&amp;O Station



Baltimore Checkerspot Butterfly

# SCHEDULE OF SELECTED FINANCIAL DATA

## COLLATERAL BALANCES AS OF JUNE 30, 2016

Bank	\$694,877,542
Insurance	\$117,481,881

## TOTAL INVESTMENT PORTFOLIO COMPOSITION AS OF JUNE 30, 2016

Repurchase Agreements	\$2,174,823,019
U.S. Treasuries	\$895,000
U.S. Government Agencies	\$4,943,770,000
Other Investments	\$405,791,836
Total Portfolio	\$7,525,279,855

## SECURITIES LENDING PROGRAM ACTIVITY AS OF JUNE 30, 2016

Gross Income	\$94,252
Net Income	\$70,689

## GENERAL OBLIGATION DEBT ACTIVITY AS OF JUNE 30, 2016

Tax Exempt General Bond Issuances	\$1,490,625,000
Interest Payments	\$377,976,358
Principal Payments	\$743,018,641

## LOCAL GOVERNMENT INVESTMENT POOL FUND BALANCE AS OF JUNE 30, 2016

Balance as of June 30, 2016	\$3,779,521,886
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## STATE INSURANCE TRUST FUND BALANCE AS OF JUNE 30, 2016

Beginning Balance	\$26,589,855
Transfers In	\$20,137,051
Transfers Out	(\$17,264,119)
Less Operating Transfer to General Fund	\$0
Ending Balance	\$29,462,787

# EXECUTIVE DIVISION

## BERNADETTE T. BENIK

Chief Deputy Treasurer  
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## SUSANNE BROGAN

Deputy Treasurer for Public Policy  
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THE EXECUTIVE DIVISION PROVIDES direct support to the Treasurer in the execution of her wide-ranging Constitutional responsibilities. The State Treasurer is responsible for receiving, depositing, investing and distribution of State funds, anticipating the monetary needs of the State and, on behalf of the Board of Public Works, conducting bond sales several times a year to ensure the State's financial ability to meet its fiscal obligations. The State Treasurer also provides lease-purchase financing of capital equipment for State agencies and handles insurance needs for State government.

The Executive division coordinates legislation within the Maryland State Treasurer's Office, reviewing bills, preparing fiscal notes and written testimony and following the course of bills through the legislative process. The Division is responsible for coordinating any draft legislation to be introduced to the General Assembly with the Legal and Division directors of the State Treasurer's Office. Each proposed bill requires extensive preparation including a determination of the fiscal and economic impact to the Office, the State and private industry.

## CHIEF DEPUTY TREASURER

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

The Chief Deputy Treasurer works closely with members of the General Assembly and its Standing Committees such as the Senate Budget & Taxation and House Appropriations Committees regarding the Office's budget. The Chief Deputy Treasurer also prepares reports and updates the Office's progress throughout the year for the Statutory Committees of the House and Senate. These Committees include Spending Affordability, Joint Committee on the Management of Public funds, Legislative Policy Committee and the Joint Audit Committee; as well as serving as the Treasurer's designee on task forces, commissions and other committees of the General Assembly, as required.

The Chief Deputy Treasurer, in coordination with the Deputy Treasurer for Public Policy, supports the Treasurer in her service on State

boards and commissions, such as the Supplemental Retirement Plan Board and the Maryland 529 Board and its various committees, as well as in her participation in the National Association of State Treasurers.

## DEPUTY TREASURER FOR PUBLIC POLICY

The Deputy Treasurer for Public Policy serves as the Treasurer's primary liaison/advisor to the Board of Public Works (BPW), conducting extensive research (including site visits), preparing detailed analyses for the Treasurer for the bi-weekly meetings, and working closely with the Treasurer's counsel, representatives of the Governor's, Comptroller's and the Board of Public Works' Offices and State agency secretaries and contacts. As part of the BPW preparation process, the Deputy Treasurer for Public Policy serves as the primary liaison with members of the Maryland General Assembly informing the State Legislators of upcoming Board actions that affect their districts, as well as the final decisions.

The Deputy Treasurer for Public Policy represents the Treasurer as a voting designee on the Procurement Advisory Council, the State Retirement and Pension Systems' Administrative Committee, the Maryland Agricultural Land Preservation Foundation's Board of Trustees, the Hall of Records Commission, and the Maryland Small Business Development Financing Authority.

*continued on page 10*

EXECUTIVE DIVISION continued from page 9



St. Mary's County



Maryland Oysters

The Deputy Treasurer for Public Policy, in coordination with the Chief Deputy Treasurer, supports the Treasurer in her service on State boards and commissions, such as the State Retirement and Pension System Board and the Maryland 529 Board and its various committees, as well as in her participation in the National Association of State Treasurers.

Also, the Deputy Treasurer for Public Policy represents the Treasurer on the Maryland Higher Education Committee when it prepares its State Plan for Higher Education every four years. This position also entails participation on legislatively created commissions such as the Council for the Procurement of Health, Education and Social Services and the Financial Education and Capability Commission.

Additional duties include: serving as the Office's public information officer; preparing news releases; responding to media inquiries; responding to queries sent to the Office's website; writing speeches; serving as the Treasurer's designee on task forces, commissions and other committees of the General Assembly, as required, in coordination with the Chief Deputy Treasurer; monitoring various legislative committees, including the Spending Affordability Committee and the Joint Committee on Pensions; and representing the Treasurer at public events, as required.

## INTERNAL AUDIT

The Internal Auditor plans, controls, directs and implements a comprehensive annual audit designed to evaluate internal controls, add value, improve operations and minimize risk at the State Treasurer's Office. The Auditor reviews programs, operations, and conducts special projects in accordance with generally accepted auditing standards and all legal statutory requirements. The Auditor helps safeguard assets by ensuring that the mission, objectives, and key goals of the Office are carried out. The Auditor directs systematic, periodic examinations of the accounts and records of the State Treasurer's Office to provide assurance that appropriate policies and procedures are in place and functioning as intended.

The Internal Auditor also serves as the focal point for all financial, productivity, and compliance audit activities and is the liaison between the State Treasurer's Office and the external auditors, legislative auditors, and federal auditors. The Internal Auditor is responsible for coordinating the response to all audit findings. The Auditor evaluates and monitors the corrective action plans taken to ensure that they are sufficient to resolve the findings. The Internal Auditor also reviews potential problem areas to prevent future audit findings.

continued on page 11

EXECUTIVE DIVISION continued from page 10

## OFFICE OF HUMAN RESOURCES AND PERSONNEL MANAGEMENT

The Office of Human Resources (HR) and Personnel Management provide service and support to the employees in the office with a dedication to the Treasurer's mission and goals. The unit manages all personnel related functions including: recruitment, leave accounting, employee benefits, State pension and supplemental retirement benefits, performance evaluation and employee relations. These tasks are carried out in accordance with Federal, State and office personnel policies and procedures.

Several things have changed recently in the area of Human Resources. In an effort to fulfill innovation, a new Statewide Personnel System has been introduced to all State agencies that fall within the guiding principles of the Office of Personnel Services and Benefits. The system, Workday, which is intended to replace agency individual personnel databases, has been introduced in phases in order to capture the most important personnel components. Preparation for the new system began in fiscal year 2011 and has an estimated completion date scheduled for fiscal year 2018. Since agency involvement is a critical factor in the success of the new system, our agency has played a vital part in the progression by offering our HR staff members to act as liaisons to the project. These liaisons have played a pivotal role in preparing the State's organizations for the SPS changes, as well as serving as volunteers in user

testing. Prior to implementation of the first two phases, STO HR served as the State expert in many training sessions providing invaluable information to the outside contractors, thereby relating the new Workday system to the current State processes and procedures.

Additionally, in October 2015, all State HR employees were responsible for passing a Human Resources competency test in order to demonstrate their ability to provide efficient personnel service to their agencies. STO HR staff successfully completed this competency test with outstanding results.

Finally, similar to cases in prior years, the State Treasurer's Office Human Resource staff was asked to serve as a resource for other agency HR offices. With the implementation of the SPS system and agencies losing staff to the Voluntary Separation Program of 2015, there have been several agencies looking for guidance in a number of personnel related areas. The STO staff has graciously shared their knowledge while continuing to support the Treasurer's Office staff.

While HR is a dynamic field, what remains an agency's most important asset is the workforce devoted to carrying out the mission of the agency. That and recognizing the importance of serving the public is what motivates the HR Unit to invest in a recruitment and retention system built on equality and integrity. That investment as well as encouraging employees to take advantage of training and career

development opportunities has resulted in the highest quality workforce possible. It is through orientation and professional development that we manage to foster the values of loyalty, camaraderie and teamwork. In all areas of work, the Office of Human Resources and Personnel Management uphold the tenets of confidentiality, accountability and trust.

As of June 30, 2016, the State Treasurer's Office was assigned 60 positions as follows:

- Executive Division – 8
- Administration Division – 8
- Treasury Management Division – 15
- Debt Management – 4
- Information Technology Division – 8
- Insurance Division – 13
- Legal Division – 4 ♦



Annapolis, Maryland

# BUDGET & FINANCIAL ADMINISTRATION DIVISION

JESSICA PAPALEONTI

Director

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THE BUDGET & FINANCIAL Administration Division oversees agency administered procurements, including agency specific small procurements as well as larger delegated Statewide procurements related to banking and financial services, insurance and insurance services. In addition, the Division provides daily fiscal support to the operational needs of the State Treasurer's Office through the execution of essential accounting and fiscal administrative services specific to the State Treasurer's mission and in support of its ongoing operations.

## BUDGET & ACCOUNTING DEPARTMENT

The Department is responsible for developing and implementing the annual budget for the State Treasurer's Office, which in fiscal year 2016 was over \$37 million. The Department provides general accounting services for the State Treasurer's Office in the form of fund balance reconciliations, preparation of year-end closing records, maintenance of all financial records, preparation and posting of all Office financial transactions and the development and implementation of all accounting controls and procedures. Centralized ordering and tracking of office supplies to ensure cost effective purchasing is also managed by the Department.

Working collaboratively with the Office of Human Resources and Personnel Management, the Department processes biweekly payroll and maintains the personnel files within the State's centralized budget software. During 2016, we migrated to using the SPMS payroll system.

Within the State Treasurer's Office, in fiscal year 2016, State debt and sinking fund payments totaling \$1.1 billion and lease payments and agency recoveries of almost \$24 million were processed for the Debt Management Division.

Working with the Insurance Division, the annual State Insurance Trust Fund (SITF) premium calculation was prepared and all SITF claim payment requests and agency reimbursement requests were processed. On behalf of the

Insurance Division, SITF premium recoveries of \$18.8 million and Commercial Premium payments and recoveries in excess of \$13.4 million were completed. In addition, the Division processed the annual premiums for the Injured Workers' Insurance Fund totaling almost \$83 million and related recoveries of these assessments from 122 State agencies and departments.

With assistance from the Treasury Management Division, over 3,900 requests for check reissues and agency recoveries from the Undeliverable and Unpresented Check Funds were processed, totaling over \$3 million. This is a significant increase from the prior year, with total number of reissues and recoveries up over 200% from 1,813 in fiscal year 2015. The significant increase was due primarily to an increase in State agency efforts to clean up outstanding checks sitting in these funds. We are continuing to explore new opportunities to streamline & automate these check reissues while investigating opportunities to strengthen controls and mitigate potential fraud.

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

The Department continues its efforts to be eco-friendly by reducing the usage & duplication of paper where possible; including submitting electronic archive transmittals to the Comptroller's General Accounting Division for invoice & disbursement processing as well as agency-wide documents needed for the annual audit of Statewide Financial Reports, working with other State agencies on obtaining inter-office insurance coding & invoice approvals, and by encouraging agencies to submit CMIA related annual reporting documents electronically via email vs standard mail. We look forward to taking advantage of opportunities to automate and streamline processes and proactively reach out to other State agencies to work collaboratively in achieving greater

*continued on page 13*

*BUDGET AND FINANCIAL ADMINISTRATION DIVISION continued from page 12*

efficiencies through increased utilization of automated processes.

## **PROCUREMENT DEPARTMENT**

Pursuant to Section 12-101(4) and Section 12-107(b)(1) of the State Finance and Procurement Article, Annotated Code of Maryland, the State Treasurer is a designated procurement control authority for Statewide banking and financial services, as well as insurance, and insurance services.

During the fiscal year, the Office procured the following services:

**E-WIC Processing Services for the Women, Infants, and Children Program for the Department of Health and Mental Hygiene** - The Office, on behalf of the Maryland Women, Infants and Children ("WIC") Program awarded a contract to a firm to provide electronic processing services for WIC-EBT systems. WIC provides nutrition screening and education, referrals to preventive health care programs, and access to selected foods to supplement the diets of low income, pregnant, lactating and postpartum women, infants and children up to age five who are at nutritional risk.

**Financial Advisor for the Maryland State Treasurer's Office** - Contracts were awarded to a select a pool of financial advisors to assist the Office and, from time to time, the Board and other State agencies in carrying out duties related to the sale of State of Maryland general obligation bonds and other bonds, capital leases and public finance transactions as provided by law. One firm will serve as financial advisor with three firms serving as part of a pool to provide advisory services for the sale of Certificates of Participation and for a broad range of issues in the area of public finance.

**Investment Advisor for Maryland 529** - The Office, on behalf of the Board of Trustees for Maryland 529 awarded a contract to a firm to provide investment advisory services that include periodic asset allocation reviews, investment policy updates, investment performance reviews, and other research projects as requested by Maryland 529.

**Financial Advisor to the Maryland Department of Transportation** - The Office, on behalf of the Maryland Department of Transportation ("MDOT"), awarded contracts to two financial advisor firms to assist MDOT in the development of the agency's financial strategies to meet its capital investment needs at an acceptable cost; assist in the technical aspects of designing financial arrangements and instruments, to include the sale of Consolidated Transportation Bonds, County Transportation Revenue Bonds, other innovative debt financings such as Certificates of Participation and Grant Anticipation Revenue Vehicles, and represent MDOT's interest in financial markets.

**Industrial Printer** - The Office procured a high speed industrial printer and pressure sealer to print State issued checks on behalf of the State's General Accounting Division, the State Retirement Agency and the Department of Human Resource's Child Support & CARES.

**Equipment Lease Financing** - The Office has continued to solicit new equipment lease financing bids which are based on actual equipment lease financing needs for State agencies on a quarterly basis. Equipment leases were awarded in October, January, April and June.

**Energy Lease Financing** - In November, the Office solicited financial institutions to provide lease financing of energy systems and equipment purchases related to facility energy improvements. ♦



Martin's Mountain Allegany County, Maryland

# TREASURY MANAGEMENT DIVISION

MARY CHRISTINE JACKMAN

Director

mcjackman@treasurer.state.md.us

THE TREASURY MANAGEMENT DIVISION was created during Fiscal Year 2013 by the Maryland State Treasurer's Office. This Division amalgamates the Banking Services Division and the Investment Division. The merged Department has already accomplished many advances in computerization and streamlined processes. The goal is to become a paperless work environment with all records and processes in electronic format. This will provide total documentation of all workflow and transactions without the expense of paper records storage.

## BANKING SERVICES DEPARTMENT

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

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

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

- Agency-specific depository accounts. Individual depository accounts are maintained for all State agencies, and balances are consolidated at the end of each day into the State's main depository account. This allows for accurate agency-level transaction reporting with automatic concentration of funds for cash management effectiveness;

- Disbursement accounts. Disbursement accounts are maintained for vendor payments, payroll, and income tax refunds;
- Lockbox account services;
- Merchant account services (credit, debit and payment card receipts);
- Agency working fund, trust, and escrow accounts; and
- All other Agency banking and financial needs.

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

For fiscal year 2016, total cash receipts exceeded \$281 billion and total disbursements exceeded \$284 billion. The State's bank accounts are reconciled daily to the State's general ledger. Once again, there were no un-reconciled differences.

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

- Processing the drawdown of funds from federal grants and programs;
- Initiating Fed Wire payments;
- Managing foreign currency transactions;

*continued on page 15*



TREASURY MANAGEMENT DIVISION *continued from page 14*

**BEGINNING CASH BALANCE OF FISCAL YEAR 2016 (2,531,156,207.79)**

<b>RECEIPTS:</b>	<b>NET RECEIPTS</b>	
July-15	6,225,419,600.00	
August-15	6,197,163,768.06	
September-15	6,670,549,771.06	
October-15	9,874,678,216.35	
November-15	13,105,059,492.20	
December-15	64,021,277,757.49	
January-16	9,918,024,129.70	
February-16	10,616,145,047.75	
March-16	9,263,116,320.54	
April-16	23,398,935,099.30	
May-16	29,937,651,812.25	
June-16	42,739,071,973.83	
<b>Total Receipts Fiscal Year 2016</b>	<b>231,967,092,988.53</b>	<b>281,233,164,698.89</b>

<b>DISBURSEMENTS:</b>	<b>NET DISBURSEMENTS</b>	
July-15	(5,916,882,883.81)	
August-15	(5,036,614,545.64)	
September-15	(7,744,820,731.46)	
October-15	(9,655,731,144.21)	
November-15	(17,800,433,121.89)	
December-15	(59,954,452,911.84)	
January-16	(9,898,488,413.19)	
February-16	(9,856,854,066.35)	
March-16	(10,863,073,264.36)	
April-16	(22,712,078,602.22)	
May-16	(30,856,829,942.04)	
June-16	(45,055,689,146.06)	
<b>Total Disbursements Fiscal Year 2016</b>	<b>(235,351,948,773.07)</b>	<b>(284,618,020,483.43)</b>

**ENDING CASH BALANCE OF FISCAL YEAR 2016 (5,916,011,992.33)**

- Processing check stop payments, cancellations and reissues, as well as requests for photocopies of paid checks;
- Initiating replacement checks for failed ACH payments;
- Providing transaction research assistance to State Agencies;

- Managing the Unpresented Check Fund and the Undeliverable Check Fund;
- Reconciliation of all agency cash deposits between the bank and R\*STARS;
- Recordation in R\*STARS of all bank adjustments and corrections; and
- Maintenance of tables to allow for accurate posting of all electronic receipts.

Section 6-209 of the State Finance and Procurement Article of the Annotated Code of Maryland requires that State money on deposit with financial institutions must have collateral pledged to the State that equals or exceeds the amount on deposit not covered by the Federal Deposit Insurance Corporation. The collateral must be held by a third party custodian and be of the types enumerated in Section 6-202 of the State Finance and Procurement Article. The BSD monitors collateral for almost 2,000 depository, disbursement, and registered agency working fund accounts. The Department also has oversight for State trust and escrow accounts. Account balances and collateral data is submitted monthly by financial institutions and collateral custodians and is cross checked to account information maintained in the Treasurer's Bank Account Information System (TBAIS). The data is analyzed to ensure that the pledged collateral is sufficient to cover the applicable bank balances. If the collateral is insufficient, the financial institution is required to

*continued on page 16*

TREASURY MANAGEMENT DIVISION *continued from page 15*

increase the collateral pledged. The collateral reported by the financial institution is also compared to the collateral reported by the independent third party custodian to ensure accuracy. The collateral balance held for all State bank accounts at June 30, 2016, was \$694,877,542.

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

BSD actively works with Agencies to develop and strengthen their internal financial and accounting processes and discern efficient banking services necessary for efficient Agency business processes. Furthermore, BSD works with State Agencies to improve their reconciliation practices and

procedures. As always, the BSD strives to increase efficiency, productivity and reduce costs for accounting, safety and accuracy of all state financial transactions.

### INVESTMENT DEPARTMENT

Fiscal Year 2016 was not uneventful for fixed income investors. Equity investors had even more excitement. The Dow Jones Industrial Average increased from 17,757.91 on July 1, 2015 to 17,929.99 on June 30, 2016. The low point was February 11, 2016 when the average was 15,660.18 and the high was on July 16, 2015 at 18,120.25 and in between was a heart stopping roller coaster ride. August had a roller coaster like death drop only exceeded by the drop in January. The 10 year constant maturity treasury averaged 2.01% and the 5 year constant maturity treasury averaged 1.43% this fiscal year as compared to the previous fiscal year when the averages were 2.22% and 1.57% respectively. The unemployment rate dropped from 5.3% in July 2015 to 4.9% for June 2016. This was despite the best efforts of the Fed to increase inflation.

The Fiscal Year had some other noteworthy events. July 1st Greece became the first advanced country to miss a payment to the International Monetary Fund in its 71 year history. July 14th NASA spacecraft New Horizons performed the first close flyby of Pluto. And on July 20th the USA and Cuba reestablished full diplomatic relations after 54 years of hostility. On August 17th the Erawan

Shrine in Bangkok, Thailand was bombed. On September 10th Scientists announced the discovery of Homo Naledi, an early human species in South Africa. NASA announced that liquid water had been found on Mars on September 28th. October 23rd brought Hurricane Patricia, the most intense storm recorded in the Western Hemisphere with winds over 200 miles per hour. October also brought the Trans-Pacific Partnership, the largest regional trade deal in history. October was when China announced an end to the one child policy, families may now have two children. November 30th was the opening of the 2015 United Nations Climate Change Conference in Paris with leaders from 147 nations. On December 22nd SpaceX landed a Falcon 9 rocket, the first reusable rocket to successfully enter orbital space and return. January 28th the World Health Organization announced an outbreak of the Zika virus. February 12th Pope Francis and Patriarch Kirill signed an ecumenical declaration in the first meeting between Catholic and Russian Orthodox Churches since 1054. March 14th the ESA and Roscosmos launched the joint ExoMars Trace Gas Orbiter on a mission to Mars. On April 3rd The International Consortium of Investigative Journalists published 11.5 million confidential documents from the Panamanian Corporation Mossack Fonseca that provided detailed information on offshore tax sheltered companies and the leaders of many nations who had invested. June 1st saw

*continued on page 17*

TREASURY MANAGEMENT DIVISION *continued from page 16*

the opening of the Gotthard Base Tunnel, the world's longest and deepest railway tunnel after two decades of construction. On June 23rd, the United Kingdom voted in a referendum to leave the European Union which caused havoc in the financial markets. The world continues to be a very unsettled place.

World events notwithstanding, the Investment Department of the State Treasurer's Office continued to invest in accordance with established laws, policies and procedures throughout Fiscal 2016. Section 6-222 of the State Finance and Procurement Article governs the investment of the State's unexpended or surplus money. Furthermore, the State Treasurer's Investment Policy provides additional guidance for investments. The conservative stance of the Office may have limited interest earnings but it ensured the safety of principal invested.

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

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

Interest earnings on investments under the stewardship of the State Treasurer accrue to the General Fund unless State law or regulation directs that the interest should accrue to a specific fund. During the 1990 session, the General Assembly enacted legislation, sponsored by the Treasurer's Office, to allow all

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

**PORTFOLIO COMPOSITION AT JUNE 30, 2016**

INVESTMENT TYPE	DOLLAR AMOUNT	PERCENTAGE
Repurchase Agreements	2,174,823,019	28.93%
U.S. Treasuries	895,000	0.00%
U.S. Government Agencies	4,943,770,000	65.69%
Other Investments	405,791,836	5.38%
<b>Total Portfolio</b>	<b>\$7,525,279,855</b>	<b>100.00%</b>

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

U.S. government agency investment securities are procured competitively through approved brokerage firms. To be approved, a firm (1) must be a primary dealer reporting to the Federal Reserve or a registered member of the New York Stock Exchange, or (2) file financial statements exhibiting financial resources considered adequate by the Investment Department and approved by the Treasurer, and (3) provide competitive bids to the Investment Department on a regular basis.

The Treasurer's policy is to make sure that local, regional and minority firms have an opportunity to bid on a portion of the State's investable funds. Please be advised that this is a highly competitive process. The fiduciary responsibility to Maryland residents requires scrupulously seeking the best prices for all investments. Inclusion on the list of approved broker dealers grants the privilege of submitting bids and offers but does not guarantee a transaction.

*continued on page 18*

## TREASURY MANAGEMENT DIVISION continued from page 17

The investment portfolio is designed to meet the cash flow needs of the State (i.e., have funds available to cover disbursements). During Fiscal Year 2016, the Investment Department invested in repurchase agreements with maturities of 90 days or less. These repurchase agreements were collateralized 102% by U.S. Treasuries and federal agency securities. The collateral provided safety, and the repurchase agreements had short duration and rates of return that were generally higher than individual Treasury and agency securities with comparable maturity dates. Treasury and federal agency securities with a maturity of up to five years were also purchased in order to provide portfolio diversification, liquidity and a higher rate of return. This maturity extension was well within the guidelines of prudent portfolio management. For a complete list of the June 30, 2016 investment portfolio, please see appendix A.

On June 30, 2016, the total of all portfolios under the active management of the State Treasurer's Office was \$7,525,279,855. The General Fund portfolio was \$6,808,765,345.

The average rate of return on the General Fund was 1.04%. The State Treasurer's investment program surpassed the benchmark three-month Constant Maturity Treasury Bill, which averaged 0.17% for the same time period.

In spite of the continued low interest rate environment, the return on the portfolio increased over 12 million dollars for the fiscal year 2016.

### LOCAL GOVERNMENT INVESTMENT POOL

The State Legislature created the Maryland Local Government Investment Pool with the passage of Article 95 Section 22G, of the Annotated Code of

### PORTFOLIO BALANCES

FISCAL YEAR	GENERAL FUND	TOTAL PORTFOLIO
2000	4,043,592,678	4,341,640,537
2001	4,734,087,661	4,983,070,473
2002	4,007,351,370	4,338,575,761
2003	3,393,570,110	3,582,550,645
2004	4,212,322,055	4,469,538,542
2005	5,403,757,921	5,685,280,744
2006	6,480,959,704	6,867,711,888
2007	6,719,444,969	7,116,500,896
2008	6,455,858,210	6,557,395,702
2009	4,909,433,669	5,088,853,273
2010	4,770,485,256	5,111,305,375
2011	5,092,307,428	5,322,943,280
2012	4,788,811,949	5,062,936,083
2013	5,841,495,771	6,190,816,363
2014	5,196,101,472	5,630,056,930
2015	5,930,355,096	6,342,494,086
2016	6,808,765,345	7,525,279,855

### AVERAGE ANNUAL INTEREST RATES

FISCAL YEAR	GENERAL FUND	3 MONTH TREASURY BILL RATE
2000	5.61%	5.38%
2001	5.93%	5.27%
2002	2.92%	2.18%
2003	1.94%	1.32%
2004	1.28%	0.97%
2005	2.26%	2.26%
2006	4.06%	4.17%
2007	5.16%	4.74%
2008	4.89%	1.89%
2009	3.39%	0.56%
2010	2.07%	0.12%
2011	2.00%	0.11%
2012	1.10%	0.05%
2013	1.12%	0.08%
2014	1.03%	0.04%
2015	1.03%	0.02%
2016	1.04%	0.17%

### TOTAL INTEREST EARNED

FISCAL YEAR	NET GENERAL FUND	ALLOCATED TO STATE AGENCIES	TOTAL
2000	121,951,720	103,173,287	225,125,007
2001	136,981,074	144,249,899	281,230,973
2002	82,641,807	66,399,769	149,041,576
2003	37,205,637	42,240,523	79,446,160
2004	25,037,345	29,053,449	54,090,794
2005	52,886,074	54,538,463	107,424,537
2006	149,613,238	109,222,108	258,835,346
2007	150,798,001	205,589,917	356,387,918
2008	155,170,184	207,179,098	362,349,282
2009	102,768,740	142,619,087	245,387,827
2010	44,190,425	87,921,654	132,112,079
2011	53,178,733	87,900,159	141,078,892
2012	23,207,535	48,647,954	71,855,489
2013	8,646,595	40,710,863	49,357,458
2014	23,551,662	48,183,298	71,734,961
2015	7,064,094	55,460,767	62,524,861
2016	14,928,545	60,075,483	75,004,028

TREASURY MANAGEMENT DIVISION continued from page 18

Maryland and more recently defined by Title 17, subtitle 3 of the Local Government Article of the Maryland Annotated Code. The legislation assigns to the State Treasurer's Office the responsibility for administering the Pool. The actual management of the Pool has been contracted out to The PNC Financial Services Group, Inc. The MLGIP is annually audited by RSM US.

The Treasurer has encouraged local governments and eligible authorities to participate in the Pool, a Standard and Poors "AAAm" rated money market account. At the end of Fiscal Year 2016, there were 303 participants. The fund balance as of June 30, 2016, was \$3,779,521,886. The actual yield for Fiscal Year 2016 was .22% as compared to the benchmark S&P LGIP Index of .22%.

To ensure that the Pool is responsive to the needs of the participants, the Treasurer created an Advisory Board consisting of representatives of the Pool's members. The Board meets semi-annually, reviews the fund's activities and makes

**LOCAL GOVERNMENT INVESTMENT POOL FUND BALANCE**

FISCAL YEAR	FUND BALANCE AS OF JUNE 30	NUMBER OF PARTICIPANTS	ACTUAL YIELD PREV. 12 MONTHS	\$ INC (DEC) PREV. YEAR
2000	813,759,289	252	5.73%	2.07%
2001	1,141,544,255	270	5.69%	40.28%
2002	1,422,684,869	276	2.53%	24.62%
2003	1,674,169,653	282	1.45%	17.67%
2004	1,797,814,980	285	1.03%	7.38%
2005	1,951,361,257	287	2.15%	8.50%
2006	1,900,127,809	289	4.19%	(2.69%)
2007	2,100,327,613	292	5.30%	10.54%
2008	2,420,372,782	294	4.04%	15.24%
2009	2,759,769,583	298	1.41%	14.02%
2010	2,795,956,544	300	0.21%	1.31%
2011	2,739,057,335	300	0.09%	(2.07%)
2012	2,478,730,050	300	0.10%	(9.50%)
2013	2,847,048,217	301	0.12%	14.86%
2014	3,127,026,184	302	.05%	9.83%
2015	3,424,585,598	302	.05%	9.51%
2016	3,779,521,886	303	.22%	10.36%

recommendations to the Pool's administrator. The Pool administrator produces a quarterly newsletter to keep participants informed about the

MLGIP. This newsletter acts as an effective marketing tool for potential participants and a valuable update for members. ♦



Susquehanna State Park, Maryland

# DEBT MANAGEMENT DIVISION

## CHRISTIAN LUND

Director

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AS A MEMBER OF the Board of Public Works, the Treasurer has the lead role in the Board's activity relating to the issuance and oversight of State debt and under Article VI, Section 3, of the State Constitution, is responsible for arranging for the payment of principal and interest on State debt.

### GENERAL OBLIGATION BONDS

The State finances State-owned capital improvements, such as prisons and colleges, and various State capital grants to local governments and private non-profit organizations through the issuance of general obligation debt. Projects funded include local public schools, local jails, water treatment facilities, museums, rehabilitation of historic structures, and private treatment centers for the developmentally and physically disabled.

General obligation debt is backed by a pledge of the full faith and credit of the State. Moody's Investors Service, Inc. (Aaa), Standard and Poor's (AAA) and Fitch Ratings, Inc. (AAA) have all assigned their highest credit rating, Triple-A, to the State's General Obligation bonds. Maryland is one of only eleven states in the nation to hold a Triple-A credit rating from all three major credit rating agencies during fiscal year 2016, attributable to Maryland's relatively strong financial and economic position during fiscal year 2016.



Shiplap House



Frederick, Maryland

The Treasurer recommends the size, timing, and terms of sale for the General Obligation bonds. This entails periodic analysis and surveys to determine the monthly cash balances of bond proceeds and project anticipated cash needs of State agencies and grantees for authorized capital projects. In recent years, the State has held sales semi-annually although if there are time-sensitive needs or opportune market conditions, the State may issue more frequently. The Debt Management Division, in conjunction with the State's Financial Advisor, the Treasurer's Principal Counsel, and the State's Bond Counsel, coordinates the sale and all activities prior to the actual sale, including liaison with the bond rating agencies, the preparation and publication of statutorily required notices and advertisements, and the preparation and distribution of Official Statements. The preparation of Official Statements is primarily performed in-house, resulting in substantial savings to the State.

The State Treasurer's Office monitors market conditions and arranges the details of the actual sale including the selection of the method of sale. In competitive sales which are done at a Board of Public Works meeting, bids are transmitted electronically by underwriting syndicates, verified by the State Treasurer's Office and the winning bid is then ratified at the meeting. In negotiated sales, underwriters, who are selected in a competitive procurement process, negotiate bond prices with the State Treasurer's Office. Final pricing is incorporated in the Bond Purchase Agreement which must also be approved at a Board of Public Works meeting.

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

There were two public General Obligation bond sales in Fiscal Year 2016 totaling \$1,536.0 million and one privately placed issuance of Qualified Zone Academy Bonds totaling \$4.6 million. During fiscal year 2016, market conditions continued to be very favorable for high quality and highly rated bonds like Maryland General Obligation Bonds. The following table summarizes debt issued by the State during fiscal year 2016.

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DEBT MANAGEMENT DIVISION continued from page 20

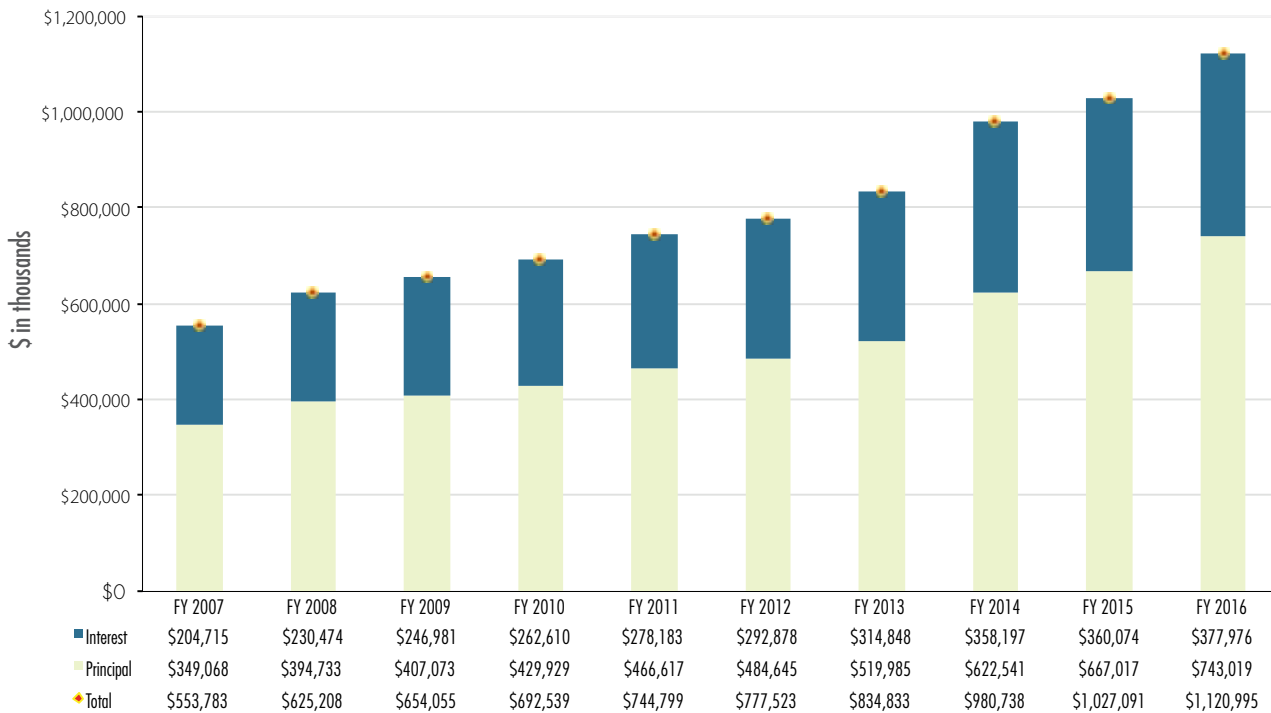
**SUMMARY OF FISCAL YEAR 2016 GENERAL OBLIGATION BOND ISSUES (\$ IN MILLIONS)**

SERIES	DATES OF SALES	TAX-EXEMPT COMPETITIVE	TAX-EXEMPT NEGOTIATED	TAXABLE	TAXABLE FEDERAL TAX CREDIT	TAX-EXEMPT REFUNDING	OVERALL TIC
2015 Second Series A	07/16/15	\$450.0					2.831%
2015 Second Series B	07/16/15			\$50.0			1.363%
2015 QZAB	12/17/15				\$4.6		NA (a)
2016 First Series	06/08/16	\$1,036.0					2.175%

The General Obligation Qualified Zone Academy Bonds (QZABs) are special, federally-authorized tax credit bonds where the holder of the bonds earns federal tax credits equal to the tax credit rate as determined by the U.S. Treasury on the bonds as established at the time of the sale.

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

**STATE OF MARYLAND GENERAL OBLIGATION BONDS DEBT SERVICE FISCAL YEARS 2007–2016**

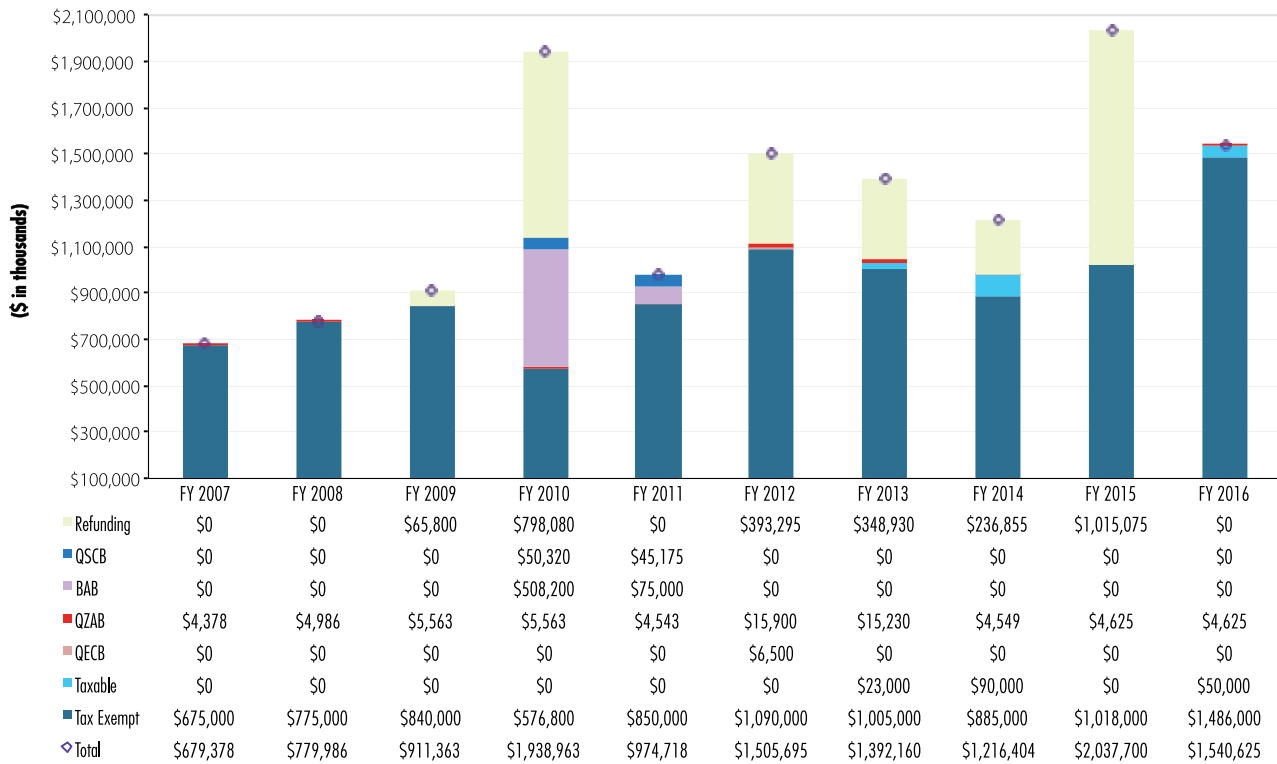


Note: Principal also includes sinking fund payments on QZAB bonds.

continued on page 22

DEBT MANAGEMENT DIVISION continued from page 21

STATE OF MARYLAND ISSUANCES OF GENERAL OBLIGATION BONDS FISCAL YEARS 2007–2016



EQUIPMENT LEASES

The State Treasurer's Office finances equipment for State agencies and Higher Education Institutions through the administration of the Capital Lease-Purchase Program. Eligible State entities initiate requests for lease funding of

certain assets. At several predetermined times during the fiscal year the State Treasurer's Office then procures a Lessor in accordance with the Lease Purchase Financing Guidelines established by the Office and the Lessor finances equipment needs, usually for a term of either three or five years. Leases are paid semi-annually (January 1 and July 1) from funds transferred at the beginning of each fiscal year to the State Treasurer's Office from the respective State entities that have financed assets through the lease program.

During fiscal year 2016, State agencies financed \$8.6 million of equipment under various Lease-Purchase Agreements. Details on the Capital Lease-Purchase Program are depicted in the following charts.



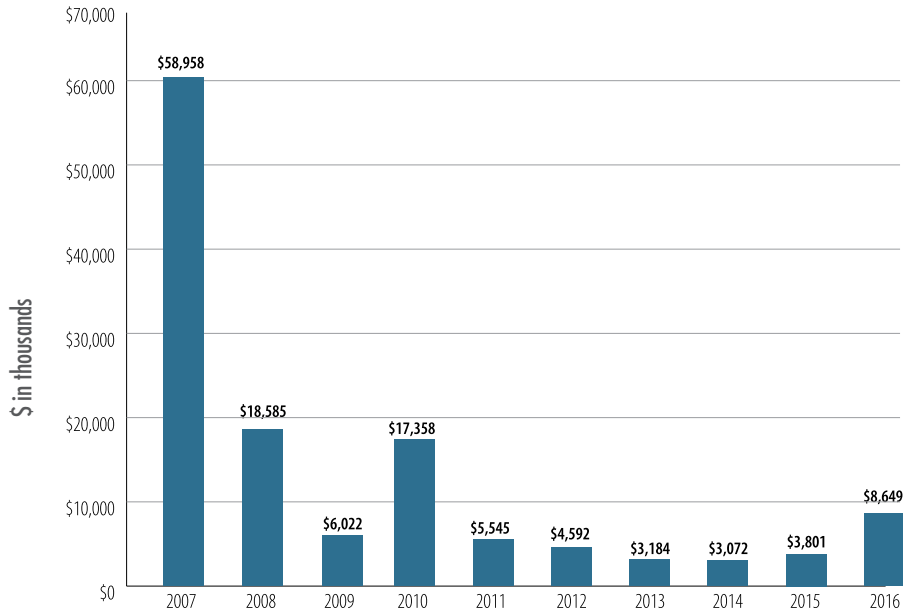
Wild Assateague Island Ponies.

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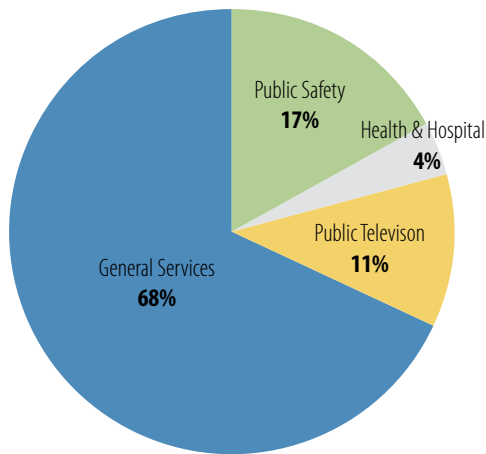


DEBT MANAGEMENT DIVISION continued from page 22

**EQUIPMENT LEASE – PURCHASE FINANCING HISTORY: FISCAL YEARS 2007 – 2016**

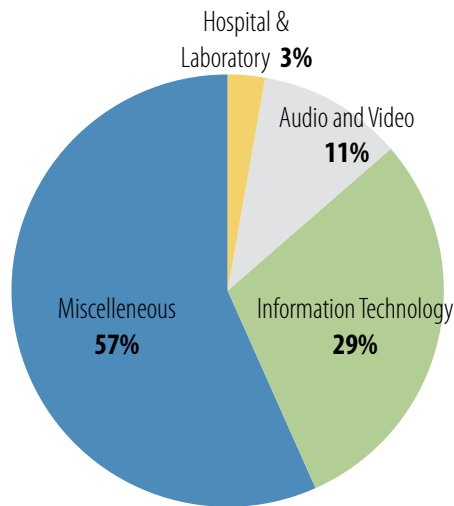


**GOVERNMENT USE – FISCAL YEAR 2016  
EQUIPMENT LEASE-PURCHASE FINANCINGS**



Public Safety	1,505,899.07	17%
Health & Hospital	354,929.46	4%
Public Television	918,332.44	11%
General Services	5,870,146.09	68%
Environmental		0%
<b>TOTAL</b>	<b>8,649,307.06</b>	<b>100%</b>

**EQUIPMENT CLASSIFICATION – FISCAL YEAR 2016  
EQUIPMENT LEASE-PURCHASE FINANCINGS**



Hospital & Laboratory	227,429.46	3%
Audio and Video	918,332.44	11%
Marine		0%
Information Technology	2,554,024.16	29%
Miscellaneous	4,949,521.00	57%
Transportation Related		0%
<b>TOTAL</b>	<b>8,649,307.06</b>	<b>100%</b>

continued on page 24

DEBT MANAGEMENT DIVISION continued from page 23

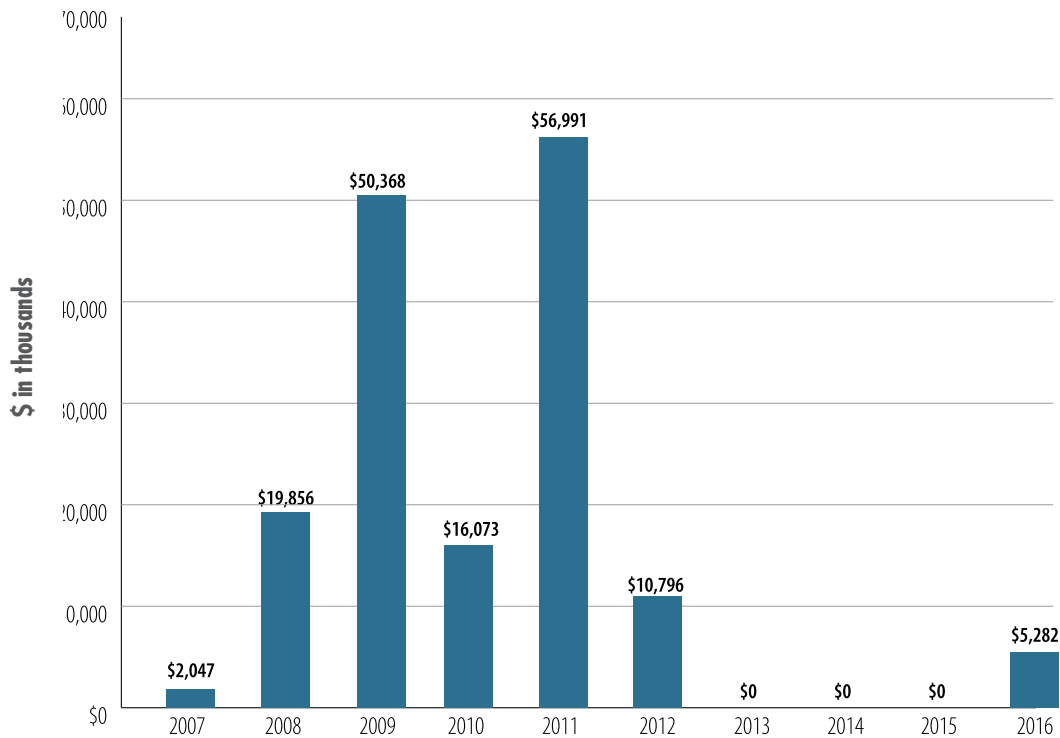
**ENERGY LEASES**

The State Treasurer's Office finances energy efficiencies for State agencies and Higher Education Institutions through the administration of the Energy Performance Lease-Purchase Program. Leases are generally structured for terms of 13, 14, or 15 years and savings from the Energy Performance Contracts are used to make the lease payments. Lessors are procured by the Treasurer's Office and paid semi-annually

(January 1 and July 1) from funds transferred at the beginning of each fiscal year from the using agencies.

During fiscal year 2016, State agencies financed \$5.3 million of energy improvements. The history of the Energy Lease-Purchase Program for the last ten years is depicted in the following chart. ♦

**ENERGY PERFORMANCE LEASE – PURCHASE FINANCING HISTORY: FISCAL YEARS 2007 – 2016**



# INSURANCE DIVISION

## JOYCE MILLER

Director

[jmiller@treasurer.state.md.us](mailto:jmiller@treasurer.state.md.us)

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

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

## UNDERWRITING

The mission of the Underwriting Unit is to manage the insurance needs of the State with self-insurance or through the procurement of commercial insurance. Commercial insurance protects the State Insurance Trust Fund from catastrophic losses and fulfills certain statutory requirements and agency contractual agreements. The Underwriting Unit analyzes commercial coverage offerings, prices, limits, and deductibles and then recommends to the Treasurer the combination that best protects the State of Maryland's assets. The Underwriting Unit continues to serve as a resource for all State agencies for their insurance questions or concerns.

The Maryland Transit Administration's excess liability coverage renewed effective July 1, 2015, with ridership up ½ % and a basically flat renewal rate, the renewal premium increased by \$67.

The Maryland Transit Administration's rail car floater coverage renewed effective July 1, 2015, with an increase in rail car values of 4%, the renewal premium increased by \$20,649.

The Allied Health Professional Liability coverage for student interns renewed with no change in coverage effective September 1, 2015. There was a decrease of one hundred and sixty-one (161) participating students, saving the participating schools \$11,870.

The three Terrorism policies providing coverage for State-owned property exposures were renewed October 13, 2015, with the same coverage and

limits. One policy renewed at the expiring premium, and the two other policies generated a combined savings of \$161,553.

The Maryland Port Administration's auto coverage renewed effective January 1, 2016, with three (3) fewer autos, and an approximate 2% rate reduction, resulting in a premium savings of \$2,856.

The Maryland Port Administration's liability and terrorism coverages renewed effective January 31, 2016. Cargo was up by 83% and cruise passengers up by 42%, after the Carnival's "Pride" cruise ship resumed service. Even with losses, and the exposure increases, the renewal generated a premium savings of \$7,124.

Maryland Institute for Emergency Medical Services Systems' liability coverage for radio towers renewed effective February 18, 2016, with an approximate rate reduction of 20%, resulting in a premium savings of \$500.

Maryland's Department of Housing and Community Development's bond coverage for their HUD operations renewed effective March 1, 2016, with an approximate 15% rate reduction, leading to a premium savings of \$2,879.

The State's Blanket Excess Property insurance coverage renewed effective April 1, 2016. Our property values went up 6.9% (\$2,277,010,080), but the broker was able to negotiate a 1.5997% rate reduction. With slight coverage improvements, and a considerable value increase, the State's premium only went up \$254,284.

*continued on page 26*

INSURANCE DIVISION continued from page 25

The Underwriting Unit continues to offer guidance on minimum insurance requirements for contracts and RFPs. This year, the unit worked with the Maryland Insurance Administration, the Department of Budget and Management, Maryland Health Benefit Exchange, the Department of Natural Resources, the Department of Information Technology, the Department of Health and Mental Hygiene, and the State Highway Administration to name a few.

The Underwriting Unit also continued to conduct annual meetings with some larger State agencies, most for whom we buy commercial insurance policies, including the Maryland Port Administration, the Maryland Aviation Administration, the Maryland Transit Administration, and the Maryland State Police Aviation Command. Representatives from the insurance agency and carrier are present, allowing us to discuss open claims, loss control needs, operational changes, and answer any questions agencies might have about their coverage.

**CLAIMS AND TORT LITIGATION**

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

which may cause damage to State structures, equipment, and contents.

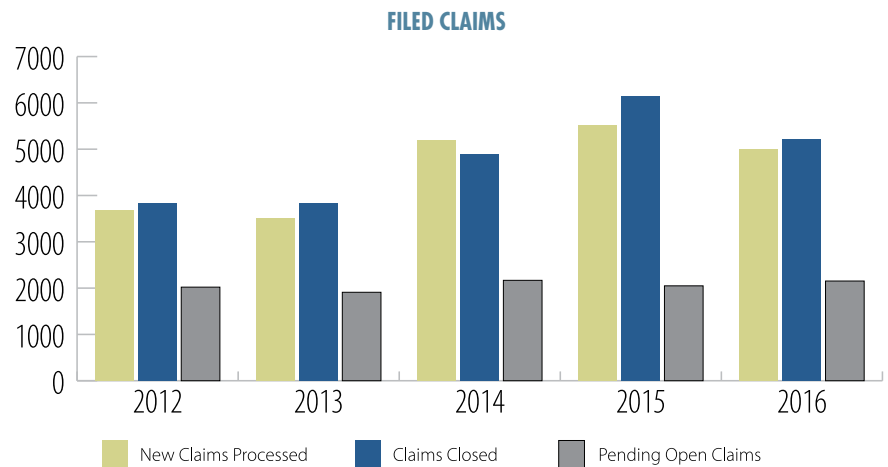
The State encountered one significant weather event this year, the blizzard of January 2016. The State incurred the largest loss with the Department of Public Safety and Correctional Services, when the roof collapsed, due to snow. Although the brunt of the storm did directly strike Maryland, effective mitigating efforts still helped to prevent extensive additional damage to other State owned property.

The State of Maryland incurred one large loss involving significant water damage to the building and equipment at the School of Pharmacy at the University of Maryland, Baltimore in December 2015. The excess Property policy has a self-insured deductible of \$2.5 million. The Boiler and Machinery policy has a \$100,000 self-insured deductible. This claim was actually covered under the Boiler and Machinery policy, reducing the State's exposure to \$100,000.

The open and closed claims are tracked to gauge activity, inventory and to identify any trends. From July 1, 2015 through June 30, 2016, there were 5,004 claims opened, and 5,204 claims were closed; which reflects a .96:1 open to close ratio.

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

Year-to-date subrogation recoveries for FY 2016 total \$1,251,439. The current subrogation recoveries have exceeded the \$1 million target by 1.31%. This is a continued area of focus and is a priority within the Claims Unit. The



continued on page 27

INSURANCE DIVISION continued from page 26

total recovery for 2015 was \$952,429 which was just short of the \$1 million objective, but fell short of the prior fiscal year's collections by .83%. The total recovery for FY 2014 was \$1,147,263, which surpassed both FY 2013's recovery total of \$1,138,168 by 0.8% and FY 2012's recovery total of \$880,929 by over 30.2%.

**TORT LITIGATION:**

The Litigation Manager works closely with the Office of the Attorney General to proactively resolve cases in litigation. The Litigation Manager investigates, evaluates and extends settlement authority to the Assistant Attorneys General on behalf of the Treasurer. In cases valued over \$100,000 (\$200,000 effective October 1, 2015), the Litigation Manager briefs the Insurance Review Committee which is comprised of the Chief Deputy Treasurer, the Supervising Tort Attorney, and other stakeholders.

The Litigation Manager also attends settlement conferences and other court mandated activities, along with providing updates on the status of certain litigation claims of interest. The Litigation Manager provides feedback to adjusters during the discovery process, upon resolution to help improve the adjusters' investigation and develop strategies on similar claims that may arise.

The Tort Unit handles a rolling docket of approximately 110 to 130 open litigation claim files. The Litigation Manager actively monitors trial verdicts and appeals and assesses the

potential impact on the State Insurance Trust Fund. The Litigation Manager also analyzes the data in order to track the litigation outcomes.

In FY2016, 113 new cases were received by the Tort Litigation unit. During FY2016, 93 cases were resolved; of these 93 cases, 19 cases were settled before judgment, 37 were dismissed, 1 resulted in judgment against the State, which is on appeal, and 11 resulted in a defendant's (State) verdict; 1 closed at Trial; 3 closed in favor the Plaintiff and 21 closed before Trial.

In an effort to more accurately reflect what costs are associated with the defense of a claim, mid-way through FY2016, tracking of Expenses and Litigation Costs was initiated. The Litigation Manager will begin to report this data on a Quarterly Basis in an effort to effectively manage those costs associated with defending cases in suit.

**LOSS PREVENTION**

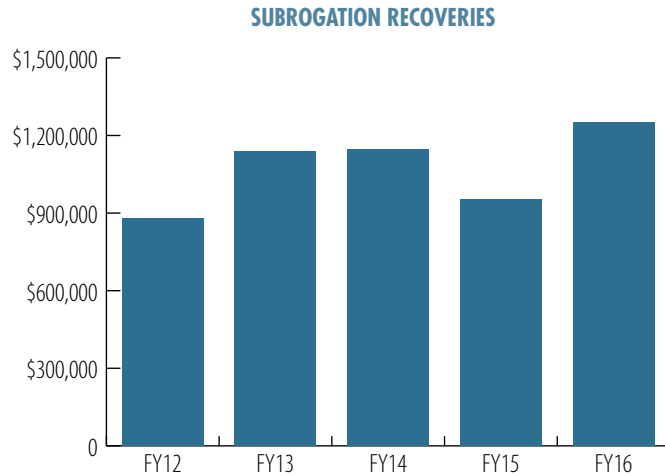
The aim of loss prevention is to help State agencies develop specific action

plans and safety practices to mitigate or eliminate State agencies' most frequent or severe sources of preventable losses.

The Insurance Division tracks losses reported to the State Treasurer's Office. The practice has increased monthly reporting and trending of claims. Monthly reports were provided to agencies and universities with a high frequency of reported claims. Quarterly comparisons of reported and potentially preventable losses were also provided for trending.

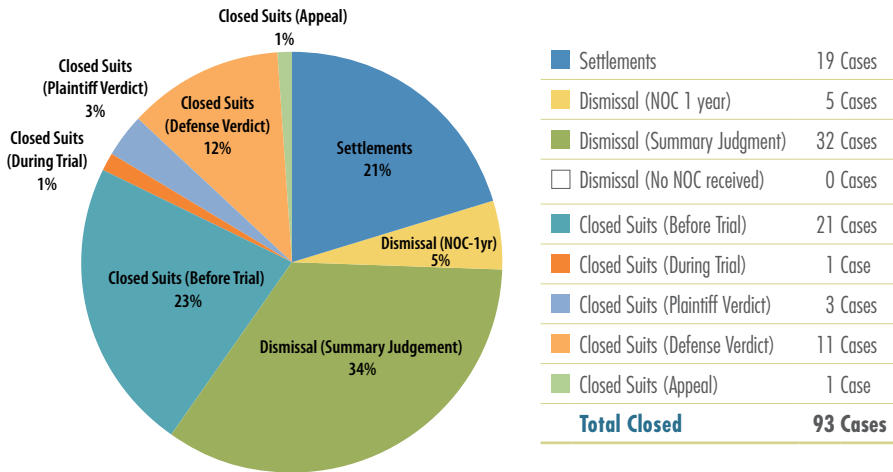
Pre-loss prevention and preventative maintenance strategies are provided to assist agencies and universities with asset protection in advance of weather related events. To ensure agencies are adequately represented and informed information is furnished to facility directors, insurance and fleet coordinators, safety officers, inventory control, and finance personnel. These efforts are expected to significantly reduce loss frequency and the severity of damage sustained to State-owned property.

*continued on page 28*



INSURANCE DIVISION continued from page 27

**TORT LITIGATION CASES RESOLVED IN FY2016**



Over the last several years, Loss Prevention has participated in the Department of Natural Resource's annual training for the Conservation Job Corps (CJC). This summer program hires temporary workers who must attend and successfully pass the mandatory drivers training program. This year, Loss Prevention's main focus was accident reporting, pre and post trip vehicle inspections, and preventable accidents.

Throughout FY2016, the Loss Prevention Manager met with the following State agencies and universities; the Department of Health and Mental Hygiene - Clifton T. Perkins, Springfield and Western Maryland Hospital Centers, Department of Juvenile Services - Charles Hickey School and University of Maryland Baltimore County. Topics included preventive maintenance, pre and post loss activities and strategies aimed to prevent or mitigate property damage losses caused by water (frozen and broken pipes), rain, snow

and windstorms, and extreme cold temperatures.

Loss Prevention also presented at the 2016 State Employee Risk Management Administration (SERMA) Annual Conference and Awards Program, highlighting data relating to the "State of Maryland Weather Related Losses - Loss Prevention and Mitigation Activities."

**COLLABORATIVE UNIT EFFORTS**

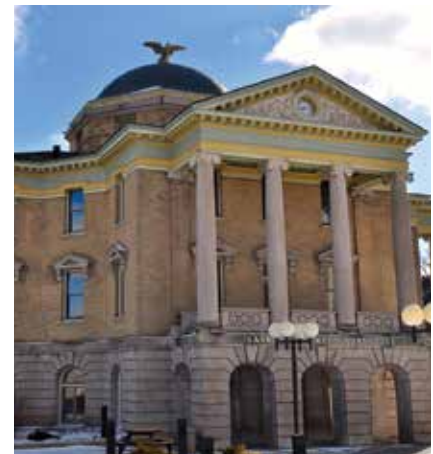
**Underwriting, Loss Prevention and Claims**

The Insurance Division hosted two Insurance Workshops in September 2015 which were open to all State agencies. The Workshops were offered as we were approaching the October 1, 2015, increase in the Maryland Tort Claims Act cap to \$400,000 per claimant. The objective was to inform State Agency employees of the impending change and its potential impact. The agenda also included an overview of the Insurance Division's

operations; we had guest speakers from our vendors, Element, and the Boiler and Machinery insurance carrier. Our legal staff also participated; we discussed the commercial policy procurement process, agency Notice of Claim reporting requirements; and the Loss Prevention strategies.

**Loss Prevention and Claims:**

Loss Prevention and the Claims Units met with State Highway Administration's District Shops to discuss the road pavement and maintenance programs, road hazard claims, and strategies to reduce losses and address constituent concerns. Meetings were also held with Maryland State Police, University of Maryland College Park, University of Baltimore, and Maryland Department of Natural Resources. These meetings entailed discussions regarding accident reporting, frequency, preventable losses, agency fleet management, drivers training and improvement programs, and strategies to reduce claims frequency and severity. ♦



Garrett County Court House

# INFORMATION TECHNOLOGY DIVISION

## BRYAN HAYNES

Director

bhaynes@treasurer.state.md.us

### THE INFORMATION

TECHNOLOGY (IT) Division plans, builds, programs, manages and supports all of the technology platforms that are used by the Maryland State Treasurer's Office. These systems run programs developed in-house in tandem with commercially developed software, providing the agency with highly customized applications that address our specific needs.

Services provided to State agencies include electronic funds transfer, check printing, payee positive pay and account reconciliation process services for the Comptroller's General Accounting Division, Revenue Administration Division and Central Payroll Bureau, the State Retirement System, as well as the Department of Human Resources' Child Support & CARES.

### SYSTEMS AND SERVICES

The IT Division strives to support all enhancements to our in-house systems, as well as new services available from our business partners.

The IT Division worked closely with Treasury Management and the Bank to modify and create in-house operations' programs, redesign the State check, reduce paper through secure file transfers between State Agencies, and enhance the physical security of our IT resources.

In an effort to ensure that new technology can more rapidly be introduced to STO, the IT Division has undergone significant datacenter upgrades that include complete virtualization of the server environment with high throughput backbone infrastructure.

### ACH PROCESSING

The Office receives and processes daily ACH deposits and manual wire files that are transmitted via an automated fax to all State agencies. This process provides agencies with a report of the deposits, one day in advance of those deposits being posted to our State accounting system. The early notice helps streamline their disbursement, receipt and reconciliation processes. IT presently extracts and transmits a file of the deposit data for some of the larger State agencies.

### ELECTRONIC FUNDS TRANSFER (EFT)

The State Treasurer's Office, like many agencies in the State, has recognized the need to support, where possible, movement away from paper checks to electronic funds transfer (EFT). The State Treasurer, however, is ultimately responsible for all disbursements made by the State and must transmit EFT's in a standard format. Payments are sent in these formats to the State's disbursement bank, which then forwards them to the Federal Reserve's Automated Clearing House. The payments can then be deposited to any payee's bank account in the United States.

### CHECK PAYMENT PROCESSING

The IT Division services include the electronic retrieval of warranted check disbursement files that feed a high speed, customized, check printing process for General Accounting, Retirement and the Department of Human Resource's Child Support & CARES. The IT Division provides for a unique agency check design, signature, MICR encoding and the delivery of an electronic positive pay file to the State disbursement bank.

This past year the IT Division procured a next generation check printer that will reduce or eliminate fees associated with bad checks, provide greater fraud protection, and enhance check research activities.

### RECEIPT PROCESSING

The Office's receipt processing system complements the payment processing system by allowing any State agency to receive electronic payments from taxpayers, credit card processors and federal programs. Currently, many of the taxes collected by the State, all credit card receipts, lockbox (used for high-volume, mail-in collections) and all federal funds come in through the "Depository Plus" process.

### TECHNICAL SYSTEMS

The IT Division hosts as supports a wide variety of back office systems used for the productivity of the STO Staff. Systems include Commercial off the Shelf (COTS), in-house developed and open source solutions that support Treasury Management, Operations,

*continued on page 30*

*INFORMATION TECHNOLOGY DIVISION continued from page 29*

Administration, and Insurance. Also maintained is a public facing website that provides constituents and partners with a portal to access information about the services provided by STO.

### **CONTINGENCY PLANNING**

The IT Division has worked closely with internal divisions and external State and local Agencies to develop Disaster Recovery plans. Through the use of Memorandums of Agreement (MOA) the IT Division has secured locations in western Maryland to

ensure the operational capabilities of its high availability systems.

The Office's plan is tested annually at an offsite location in the event of a catastrophic failure. Currently STO is in the midst of rewriting the DR plan in accordance with the new site location and new technology being used by STO.

Alternate hardware is available at the offsite location for recovery and resumption of critical daily processing such as the retrieval and processing

of disbursement files from General Accounting, Payroll, Child Support, CARES and the State Retirement Agency. IT then transmits the test EFT files for these agencies to the State's disbursement bank. Check printing functions are tested and include a transmission of a Payee Positive Pay file to the bank. These processes are deemed critical because they post deposits and payments to the State accounting system and generate payments to vendors and employees. ♦



Cumberland, Maryland



# OFFICE OF THE ATTORNEY GENERAL – LEGAL DIVISION

## CATE ALLEN

Director

callen@treasurer.state.md.us

WHILE THE ENTIRE OFFICE of the Attorney General (OAG) serves as a resource to the Treasurer, four Assistant Attorneys General have been assigned to the State Treasurer's Office to provide direct, full-time legal support on a full range of services including:

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

## GENERAL LEGAL ADVICE

### Board of Public Works

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

### General Obligation Bonds

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

General Assembly on annual enabling legislation and individual bond bills.

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

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

### Procurement

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

### Tort Claims Litigation

The Office of the Attorney General oversees and coordinates the State's legal representation under the

Maryland Tort Claims Act (MTCA).

The goal of the Tort Claims Litigation Unit is to bring consistency to the defense and resolution of cases brought against the State and its agencies under the MTCA by employing effective defense strategies, controlling State risk and containing litigation costs.

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

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

### Miscellaneous

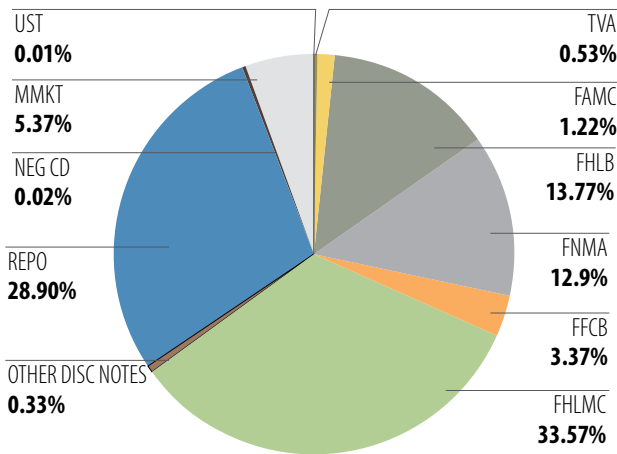
The Legal Division advises the Treasurer and Office staff on a variety of issues affecting the Office and its interaction with federal, State and local government agencies, contractors and the public. Advice, counsel and legal analysis on matters before various boards and commissions on which the Treasurer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

# APPENDIX A – INVESTMENT INVENTORY

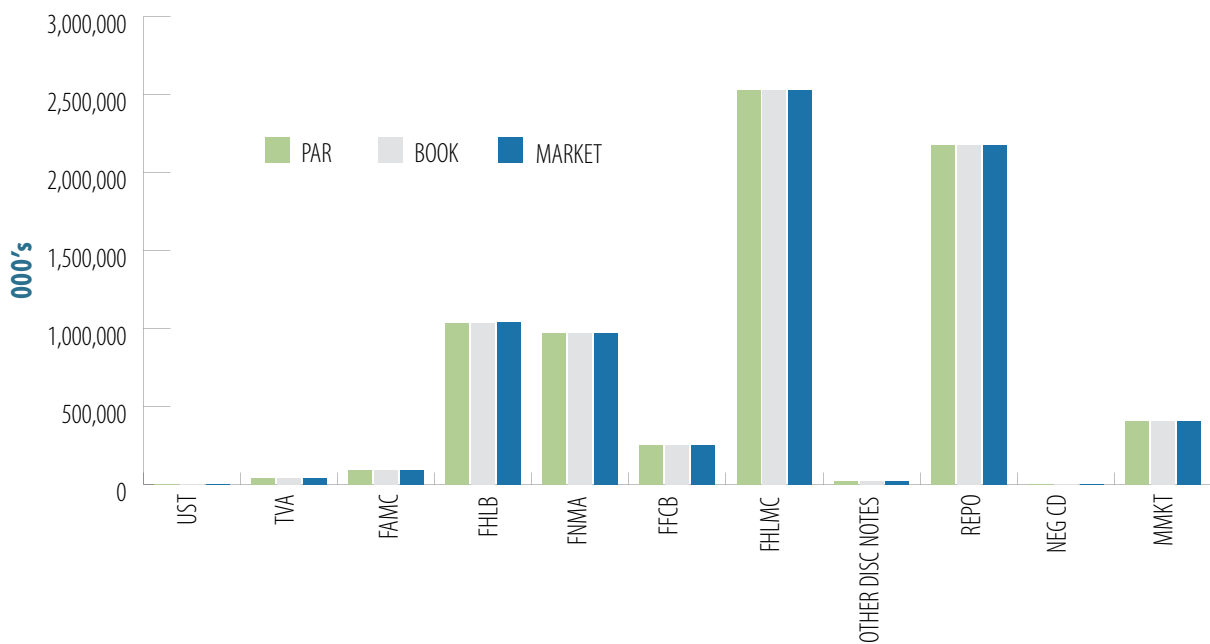
## STATE OF MARYLAND INVENTORY BY MARKET VALUE

AS OF DATE: 06/30/2016 • DATE BASIS: SETTLEMENT • RUN: 07/15/2016 10:12:36 AM REPORTING CURRENCY: LOCAL

### ASSET ALLOCATION



ASSETS (000'S)	CURRENT PAR	CURRENT BOOK	MARKET	UN GAIN/LOSS
UST	895	886	1,172	286
TVA	40,000	39,810	39,810	0
FAMC	91,800	91,784	92,591	808
FHLB	1,036,255	1,036,249	1,040,085	3,837
FNMA	971,205	970,882	971,990	1,107
FFCB	253,350	253,273	253,611	337
FHLMC	2,526,160	2,526,088	2,528,778	2,690
OTHER DISC NOTES	25,000	24,833	24,958	28
REPO	2,174,823	2,174,823	2,174,823	0
NEG CD	1,709	1,709	1,709	0
MMKT	404,083	404,083	404,083	0
<b>TOTAL</b>	<b>7,525,280</b>	<b>7,524,419</b>	<b>7,533,609</b>	<b>9,093</b>



**STATE OF MARYLAND INVENTORY BY MARKET VALUE**

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Inv. No.	Description	CUSIP	Purchase Maturity	Coupon YTM TR	Current Par/Share Current Book	Market Value Market Price	Curr Accr Int Price Source	Unrealized Gain Unrealized Loss
<b>FUND 2 GENERAL FUND</b>								
16182	TVA	880591EQ1	09/27/2013	1.750000	40,000,000.00	39,809,600.00	147,777.78	0.00
			10/15/2018	1.849070	39,809,600.00	99.524000	BOOK	0.00
<b>Inv Type: 25 TVA</b>				1.750000	40,000,000.00	39,809,600.00	147,777.78	0.00
				1.849070	39,809,600.00	99.524000		0.00
15189	FAMC	31315PQR3	07/03/2012	1.100000	8,000,000.00	8,000,400.00	43,511.11	64,000.00
			07/03/2017	1.115464	7,994,000.00	100.005000	IDC-FIS	0.00
15693	FAMC	31315PNZ8	01/30/2013	1.050000	22,800,000.00	22,936,344.00	100,415.00	142,044.00
			01/30/2018	1.055146	22,794,300.00	100.598000	IDC-FIS	0.00
15765	FAMC	31315PRF8	03/06/2013	1.050000	9,000,000.00	9,004,230.00	30,187.50	4,230.00
			03/06/2018	1.050000	9,000,000.00	100.047000	IDC-FIS	0.00
16031	FAMC	31315PM48	06/27/2013	1.300000	23,000,000.00	23,215,510.00	3,322.22	215,510.00
			06/27/2018	1.300000	23,000,000.00	100.937000	IDC-FIS	0.00
16170	FAMC	31315P3U1	09/18/2013	2.000000	10,000,000.00	10,266,300.00	56,958.22	268,800.00
			09/18/2018	2.005280	9,997,500.00	102.663000	IDC-FIS	0.00
16732	FAMC	31315P6E4	01/08/2015	2.020000	8,000,000.00	8,002,960.00	77,657.78	2,960.00
			01/08/2020	2.020000	8,000,000.00	100.037000	IDC-FIS	0.00
17762	FAMC	3132X0GW5	06/07/2016	1.460000	11,000,000.00	11,165,660.00	10,706.67	167,860.00
			06/07/2021	1.464163	10,997,800.00	101.506000	IDC-FIS	0.00
<b>Inv Type: 31 FAMC</b>				1.354155	91,800,000.00	92,591,404.00	322,758.50	807,804.00
				1.357854	91,783,600.00	100.862096		0.00
15427	FHLB	313380TD9	10/16/2012	1.000000	15,300,000.00	15,300,000.00	31,875.00	765.00
			10/16/2017	1.001028	15,299,235.00	100.000000	IDC-FIS	0.00
15923	FHLB	313383W9	06/06/2013	1.100000	50,000,000.00	49,981,000.00	38,194.44	0.00
			06/06/2018	1.100000	50,000,000.00	99.962000	IDC-FIS	-19,000.00
16022	FHLB	313383AU5	06/13/2013	1.200000	26,900,000.00	26,925,286.00	16,140.00	25,286.00
			06/13/2018	1.200000	26,900,000.00	100.094000	IDC-FIS	0.00
17000	FHLB	3130A5ZP7	08/19/2015	2.000000	15,720,000.00	15,750,654.00	115,280.00	30,654.00
			08/19/2020	2.000000	15,720,000.00	100.195000	IDC-FIS	0.00
17390	FHLB	3130A6Y43	12/30/2015	2.000000	50,000,000.00	50,202,000.00	2,777.78	202,000.00
			12/30/2020	2.000000	50,000,000.00	100.404000	IDC-FIS	0.00
17391	FHLB	3130A6Y43	12/30/2015	2.000000	50,000,000.00	50,202,000.00	2,777.78	202,000.00
			12/30/2020	2.000000	50,000,000.00	100.404000	IDC-FIS	0.00
17486	FHLB	3130A7BT1	02/26/2016	1.730000	275,000.00	275,250.25	1,651.91	250.25
			02/26/2021	1.730000	275,000.00	100.091000	IDC-FIS	0.00
17531	FHLB	3130A7J55	04/29/2016	2.000000	50,000,000.00	50,057,500.00	172,222.22	57,500.00
			04/29/2021	2.000000	50,000,000.00	100.115000	IDC-FIS	0.00

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Inv. No.	Description	CUSIP	Purchase Maturity	Coupon YTM TR	Current Par/Share Current Book	Market Value Market Price	Curr Accr Int Price Source	Unrealized Gain Unrealized Loss
17531	FHLB	3130A7J55	04/29/2016	2.000000	50,000,000.00	100.091000	IDC-FIS	0.00
			04/29/2021	2.000000	50,000,000.00	50,057,500.00	172,222.22	57,500.00
17532	FHLB	3130A7J55	04/29/2016	2.000000	50,000,000.00	100.115000	IDC-FIS	0.00
			04/29/2021	2.000000	50,000,000.00	50,057,500.00	172,222.22	57,500.00
17533	FHLB	3130A7J55	04/29/2016	2.000000	50,000,000.00	100.115000	IDC-FIS	0.00
			04/29/2021	2.000000	50,000,000.00	50,057,500.00	172,222.22	57,500.00
17534	FHLB	3130A7J55	04/29/2016	2.000000	50,000,000.00	100.115000	IDC-FIS	0.00
			04/29/2021	2.000000	50,000,000.00	50,057,500.00	172,222.22	57,500.00
17535	FHLB	3130A7J55	04/29/2016	2.000000	50,000,000.00	100.115000	IDC-FIS	0.00
			04/29/2021	2.000000	50,000,000.00	50,057,500.00	172,222.22	57,500.00
17536	FHLB	3130A7J55	04/29/2016	2.000000	50,000,000.00	100.115000	IDC-FIS	0.00
			04/29/2021	2.000000	50,000,000.00	50,057,500.00	172,222.22	57,500.00
17537	FHLB	3130A7J55	04/29/2016	2.000000	10,000,000.00	100.115000	IDC-FIS	0.00
			04/29/2021	2.000000	10,000,000.00	10,011,500.00	34,444.44	11,500.00
17538	FHLB	3130A7J55	04/29/2016	2.000000	5,000,000.00	100.115000	IDC-FIS	0.00
			04/29/202	2.000000	5,000,000.00	5,005,750.00	17,222.22	5,750.00
17545	FHLB	3130A7J55	04/29/2016	2.000000	20,350,000.00	100.115000	IDC-FIS	0.00
			04/29/2021	2.000000	20,350,000.00	20,373,402.50	70,094.44	23,402.50
17552	FHLB	3130A7J55	04/29/2016	2.000000	5,200,000.00	100.115000	IDC-FIS	0.00
			04/29/2021	2.000000	5,200,000.00	5,205,980.00	17,911.11	5,980.00
17665	FHLB	3130A7Y25	06/01/2016	2.000000	100,000,000.00	100.115000	IDC-FIS	0.00
			06/01/2021	2.000000	100,000,000.00	100,066,000.00	166,666.67	66,000.00
17707	FHLB	3130A85L3	06/30/2016	2.000000	100,000,000.00	100.066000	IDC-FIS	0.00
			06/30/2021	2.000000	100,000,000.00	100,169,000.00	5,555.56	169,000.00
17742	FHLB	3130A8AH6	06/22/2016	1.500000	50,000,000.00	100.169000	IDC-FIS	0.00
			06/22/2021	1.500000	50,000,000.00	50,685,000.00	18,750.00	685,000.00
17747	FHLB	3130A8AH6	06/22/2016	1.500000	50,000,000.00	101.370000	IDC-FIS	0.00
			06/22/2021	1.500000	50,000,000.00	50,685,000.00	18,750.00	685,000.00
17748	FHLB	3130A8AH6	06/22/2016	1.500000	50,000,000.00	101.370000	IDC-FIS	0.00
			06/22/2021	1.500000	50,000,000.00	50,685,000.00	18,750.00	685,000.00
17749	FHLB	3130A8AH6	06/22/2016	1.500000	50,000,000.00	101.370000	IDC-FIS	0.00
			06/22/2021	1.500000	50,000,000.00	50,685,000.00	18,750.00	685,000.00
17805	FHLB	3130A8J20	06/28/2016	1.650000	63,035,000.00	101.370000	8,667.31	0.00
			06/28/2021	1.651046	63,031,848.25	63,041,933.85	IDC-FIS	10,085.60
17857	FHLB	3130A8HR7	06/28/2016	1.540000	9,750,000.00	9,752,145.00	1,251.25	4,582.50
			12/28/2020	1.545772	9,747,562.50	100.022000	IDC-FIS	0.00

## STATE OF MARYLAND INVENTORY BY MARKET VALUE

AS OF DATE: 06/30/2016 • DATE BASIS: SETTLEMENT • RUN: 07/15/2016 10:12:36 AM • REPORTING CURRENCY: LOCAL

Inv. No.	Description	CUSIP	Purchase Maturity	Coupon YTM TR	Current Par/Share Current Book	Market Value Market Price	Curr Accr Int Price Source	Unrealized Gain Unrealized Loss
<b>Inv Type: 32 FHLB</b>				1.795953	1,021,530,000.00	1,025,346,901.60	1,638,843.23	3,842,255.85
				1.796088	1,021,523,645.75	100.373646		-19,000.00
15533	FNMA	313560SH7	12/12/2012	1.000000	50,000,000.00	50,050,000.00	26,388.89	75,000.00
			12/12/2017	1.010280	49,975,000.00	100.100000	IDC-FIS	0.00
15543	FNMA	313560SJ3	12/26/2012	1.000000	50,000,000.00	50,018,500.00	6,944.44	23,500.00
			12/26/2017	1.002056	49,995,000.00	100.037000	IDC-FIS	0.00
15580	FNMA	313560TD5	12/31/2012	1.000000	55,000,000.00	55,009,900.00	4,583.33	9,900.00
			12/28/2017	1.000000	55,000,000.00	100.018000	IDC-FIS	0.00
15581	FNMA	313560TD5	12/31/2012	1.000000	50,000,000.00	50,009,000.00	4,166.67	9,000.00
			12/28/2017	1.000000	50,000,000.00	100.018000	IDC-FIS	0.00
15653	FNMA	313560TV5	01/30/2013	1.030000	50,000,000.00	50,003,500.00	216,013.89	3,500.00
			01/30/2018	1.030000	50,000,000.00	100.007000	IDC-FIS	0.00
15656	FNMA	313661BK4	02/05/2013	1.000000	16,500,000.00	16,502,475.00	66,916.67	5,775.00
			02/05/2018	1.004111	16,496,700.00	100.015000	IDC-FIS	0.00
15679	FNMA	313560UD3	02/14/2013	1.010000	50,000,000.00	50,022,500.00	192,180.56	85,000.00
			02/14/2018	1.035718	49,937,500.00	100.045000	IDC-FIS	0.00
15735	FNMA	313661EN5	03/13/2013	1.100000	50,000,000.00	50,382,500.00	165,000.00	390,000.00
			03/13/2018	1.103092	49,992,500.00	100.765000	IDC-FIS	0.00
15794	FNMA	313661HW2	04/05/2013	1.125000	50,000,000.00	50,002,000.00	137,500.00	12,000.00
			04/03/2018	1.129133	49,990,000.00	100.004000	IDC-FIS	0.00
15807	FNMA	313661EN5	03/13/2013	1.100000	14,330,000.00	14,439,624.50	47,289.00	111,057.50
			03/13/2018	1.102061	14,328,567.00	100.765000	IDC-FIS	0.00
15847	FNMA	313661K57	04/30/2013	1.100000	22,725,000.00	22,729,772.25	42,356.88	7,044.75
			04/30/2018	1.102061	22,722,727.50	100.021000	IDC-FIS	0.00
15865	FNMA	313661KE8	05/09/2013	1.100000	50,000,000.00	49,997,000.00	80,972.22	0.00
			05/08/2018	1.100000	50,000,000.00	99.994000	IDC-FIS	-3,000.00
15922	FNMA	313560WM1	05/08/2013	1.000000	50,000,000.00	50,010,000.00	84,722.22	10,000.00
			04/30/2018	1.000000	50,000,000.00	100.020000	IDC-FIS	0.00
15924	FNMA	313661MJ5	06/06/2013	1.100000	50,000,000.00	50,004,000.00	38,194.44	4,000.00
			06/06/2018	1.100000	50,000,000.00	100.008000	IDC-FIS	0.00
15970	FNMA	313560XG3	05/23/2013	1.000000	50,000,000.00	50,009,000.00	55,555.56	209,500.00
			05/21/2018	1.082694	49,799,500.00	100.018000	IDC-FIS	0.00
16041	FNMA	313560TD5	12/31/2012	1.000000	50,000,000.00	50,009,000.00	4,166.67	14,000.00
			12/28/2017	1.002061	49,995,000.00	100.018000	IDC-FIS	0.00
17462	FNMA	313662X51	02/26/2016	1.500000	50,000,000.00	50,039,500.00	260,416.67	39,500.00
			08/26/2019	1.500000	50,000,000.00	100.079000	IDC-FIS	0.00

## STATE OF MARYLAND INVENTORY BY MARKET VALUE

AS OF DATE: 06/30/2016 • DATE BASIS: SETTLEMENT • RUN: 07/15/2016 10:12:36 AM • REPORTING CURRENCY: LOCAL

Inv. No.	Description	CUSIP	Purchase Maturity	Coupon YTM TR	Current Par/Share Current Book	Market Value Market Price	Curr Accr Int Price Source	Unrealized Gain Unrealized Loss	
17463	FNMA	313662X51	02/26/2016	1.500000	50,000,000.00	50,039,500.00	260,416.67	39,500.00	
			08/26/2019	1.500000	50,000,000.00	100.079000	IDC-FIS	0.00	
17483	FNMA	313662YJ0	02/24/2016	1.000000	50,000,000.00	50,047,500.00	176,388.89	47,500.00	
			02/24/2021	1.000000	50,000,000.00	100.095000	IDC-FIS	0.00	
17489	FNMA	313662YK7	02/26/2016	1.350000	7,000,000.00	7,002,380.00	32,812.50	2,380.00	
			08/26/2019	1.350000	7,000,000.00	100.034000	IDC-FIS	0.00	
17492	FNMA	313662YM3	02/26/2016	1.000000	25,000,000.00	25,002,500.00	86,805.56	2,500.00	
			02/26/2021	1.000000	25,000,000.00	100.010000	IDC-FIS	0.00	
17493	FNMA	313662YM3	02/26/2016	1.000000	25,000,000.00	25,002,500.00	86,805.56	2,500.00	
			02/26/2021	1.000000	25,000,000.00	100.010000	IDC-FIS	0.00	
17496	FNMA	313662YM3	02/26/2016	1.000000	25,000,000.00	25,002,500.00	86,805.56	2,500.00	
			02/26/2021	1.000000	25,000,000.00	100.010000	IDC-FIS	0.00	
17497	FNMA	313662YM3	02/26/2016	1.000000	25,000,000.00	25,002,500.00	86,805.56	2,500.00	
			02/26/2021	1.000000	25,000,000.00	100.010000	IDC-FIS	0.00	
17523	FNMA	313662YK7	02/26/2016	1.350000	5,650,000.00	5,651,921.00	26,484.38	1,921.00	
			08/26/2019	1.350000	5,650,000.00	100.034000	IDC-FIS	0.00	
<b>Inv Type: 34 FNMA</b>					1.083821	971,205,000.00	971,989,572.75	2,276,692.79	1,110,078.25
					1.090647	970,882,494.50	100.080783	-3,000.00	
17487	FFCB	3133EFZU4	02/16/2016	1.350000	14,700,000.00	14,700,294.00	74,418.75	294.00	
			08/16/2019	1.350000	14,700,000.00	100.002000	IDC-FIS	0.00	
17488	FFCB	3133EFZU4	02/16/2016	1.350000	35,300,000.00	35,300,706.00	178,706.25	706.00	
			08/16/2019	1.350000	35,300,000.00	100.002000	IDC-FIS	0.00	
17491	FFCB	3133EFV2	02/18/2016	1.570000	14,000,000.00	14,000,420.00	26,253.89	420.00	
			05/18/2020	1.570000	14,000,000.00	100.003000	IDC-FIS	0.00	
17559	FFCB	3133EFP43	03/24/2016	1.650000	15,000,000.00	15,000,600.00	9,625.00	600.00	
			06/17/2020	1.650000	15,000,000.00	100.004000	IDC-FIS	0.00	
17704	FFCB	3133EGCB9	06/01/2016	1.740000	50,250,000.00	50,283,667.50	72,862.50	73,867.50	
			06/01/2021	1.756783	50,209,800.00	100.067000	IDC-FIS	0.00	
17804	FFCB	3133EGEV3	06/17/2016	1.620000	50,900,000.00	51,114,289.00	38,938.50	214,289.00	
			06/14/2021	1.620000	50,900,000.00	100.421000	IDC-FIS	0.00	
17806	FFCB	3133EGHC2	06/23/2016	1.600000	55,000,000.00	55,006,050.00	19,555.56	33,550.00	
			06/23/2021	1.610496	54,972,500.00	100.011000	IDC-FIS	0.00	
17841	FFCB	3133EGGY5	06/23/2016	1.490000	14,700,000.00	14,704,704.00	6,084.16	13,524.00	
			09/21/2020	1.504808	14,691,180.00	100.032000	IDC-FIS	0.00	
<b>Inv Type: 36 FFCB</b>					1.577025	249,850,000.00	250,110,730.50	426,444.61	337,250.50
					1.583579	249,773,480.00	100.104355	0.00	

## STATE OF MARYLAND INVENTORY BY MARKET VALUE

AS OF DATE: 06/30/2016 • DATE BASIS: SETTLEMENT • RUN: 07/15/2016 10:12:36 AM • REPORTING CURRENCY: LOCAL

Inv. No.	Description	CUSIP	Purchase Maturity	Coupon YTM TR	Current Par/Share Current Book	Market Value Market Price	Curr Accr Int Price Source	Unrealized Gain Unrealized Loss
15219	FHLMC	3134G3YY0	07/25/2012	1.000000	3,300,000.00	3,314,850.00	14,300.00	16,500.00
			07/25/2017	1.010280	3,298,350.00	100.450000	IDC-FIS	0.00
15349	FHLMC	3134G3H94	09/20/2012	1.000000	40,000,000.00	40,079,600.00	112,222.22	89,600.00
			09/20/2017	1.005139	39,990,000.00	100.199000	IDC-FIS	0.00
15657	FHLMC	3134G34K3	01/30/2013	1.000000	20,000,000.00	20,003,600.00	83,888.89	3,600.00
			01/30/2018	1.000000	20,000,000.00	100.018000	IDC-FIS	0.00
15903	FHLMC	3134G43V8	05/15/2013	1.050000	24,900,000.00	24,905,727.00	33,407.50	8,217.00
			05/15/2018	1.052058	24,897,510.00	100.023000	IDC-FIS	0.00
15904	FHLMC	3134G43V8	05/15/2013	1.050000	40,000,000.00	40,009,200.00	53,666.67	12,400.00
			05/15/2018	1.051647	39,996,800.00	100.023000	IDC-FIS	0.00
15912	FHLMC	3134G43V8	05/15/2013	1.050000	11,000,000.00	11,002,530.00	14,758.33	2,530.00
			05/15/2018	1.050000	11,000,000.00	100.023000	IDC-FIS	0.00
17555	FHLMC	3134G8U23	03/30/2016	1.500000	50,000,000.00	50,040,500.00	2,083.33	40,500.00
			12/30/2019	1.500000	50,000,000.00	100.081000	IDC-FIS	0.00
17580	FHLMC	3134G8VK2	04/28/2016	1.500000	18,600,000.00	18,633,108.00	48,825.00	33,108.00
			10/28/2019	1.500000	18,600,000.00	100.178000	IDC-FIS	0.00
17581	FHLMC	3134G8WN5	04/28/2016	1.600000	50,000,000.00	50,017,500.00	140,000.00	17,500.00
			04/28/2021	1.600000	50,000,000.00	100.035000	IDC-FIS	0.00
17582	FHLMC	3134G8W54	04/28/2016	1.550000	7,000,000.00	7,010,150.00	18,987.50	10,150.00
			01/28/2020	1.550000	7,000,000.00	100.145000	IDC-FIS	0.00
17583	FHLMC	3134G8W54	04/28/2016	1.550000	7,000,000.00	7,010,150.00	18,987.50	10,150.00
			01/28/2020	1.550000	7,000,000.00	100.145000	IDC-FIS	0.00
17595	FHLMC	3134G8XB0	04/29/2016	1.400000	22,500,000.00	22,503,150.00	54,250.00	3,150.00
			10/29/2019	1.400000	22,500,000.00	100.014000	IDC-FIS	0.00
17612	FHLMC	3134G8Z69	04/29/2016	1.500000	10,000,000.00	10,002,800.00	25,833.33	2,800.00
			04/29/2020	1.500000	10,000,000.00	100.028000	IDC-FIS	0.00
17613	FHLMC	3134G8Z69	04/29/2016	1.500000	15,000,000.00	15,004,200.00	38,750.00	4,200.00
			04/29/2020	1.500000	15,000,000.00	100.028000	IDC-FIS	0.00
17614	FHLMC	3134G8Z69	04/29/2016	1.500000	5,000,000.00	5,001,400.00	12,916.67	1,400.00
			04/29/2020	1.500000	5,000,000.00	100.028000	IDC-FIS	0.00
17664	FHLMC	3134G9FT9	05/24/2016	1.875000	20,025,000.00	20,035,413.00	38,589.84	10,413.00
			05/24/2021	1.875000	20,025,000.00	100.052000	IDC-FIS	0.00
17706	FHLMC	3134G9MT1	06/30/2016	1.500000	50,000,000.00	50,023,500.00	2,083.33	23,500.00
			03/30/2020	1.500000	50,000,000.00	100.047000	IDC-FIS	0.00
17708	FHLMC	3134G9MT1	06/30/2016	1.500000	50,000,000.00	50,023,500.00	2,083.33	23,500.00
			03/30/2020	1.500000	50,000,000.00	100.047000	IDC-FIS	0.00

## STATE OF MARYLAND INVENTORY BY MARKET VALUE

AS OF DATE: 06/30/2016 • DATE BASIS: SETTLEMENT • RUN: 07/15/2016 10:12:36 AM • REPORTING CURRENCY: LOCAL

Inv. No.	Description	CUSIP	Purchase Maturity	Coupon YTM TR	Current Par/Share Current Book	Market Value Market Price	Curr Accr Int Price Source	Unrealized Gain Unrealized Loss
17709	FHLMC	3134G9PH4	06/30/2016	1.600000	50,000,000.00	50,044,000.00	2,222.22	44,000.00
			03/30/2020	1.600000	50,000,000.00	100.088000	IDC-FIS	0.00
17743	FHLMC	3134G9NZ6	06/30/2016	1.750000	10,450,000.00	10,456,792.50	507.99	6,792.50
			06/30/2021	1.750000	10,450,000.00	100.065000	IDC-FIS	0.00
17744	FHLMC	3134G9QJ9	06/30/2016	1.875000	9,195,000.00	9,202,723.80	478.91	7,723.80
			06/30/2021	1.875000	9,195,000.00	100.084000	IDC-FIS	0.00
17745	FHLMC	3134G9QJ9	06/30/2016	1.875000	14,850,000.00	14,862,474.00	773.44	12,474.00
			06/30/2021	1.875000	14,850,000.00	100.084000	IDC-FIS	0.00
17746	FHLMC	3134G9QJ9	06/30/2016	1.875000	25,000,000.00	25,021,000.00	1,302.08	21,000.00
			06/30/2021	1.875000	25,000,000.00	100.084000	IDC-FIS	0.00
17763	FHLMC	3134G9QJ9	06/30/2016	1.875000	11,575,000.00	11,584,723.00	602.86	9,723.00
			06/30/2021	1.875000	11,575,000.00	100.084000	IDC-FIS	0.00
17764	FHLMC	3134G9QA8	06/30/2016	1.800000	6,600,000.00	6,611,550.00	330.00	14,850.00
			06/30/2021	1.810505	6,596,700.00	100.175000	IDC-FIS	0.00
17765	FHLMC	3134G9PN1	06/30/2016	1.875000	5,465,000.00	5,469,535.95	284.64	4,535.95
			06/30/2021	1.875000	5,465,000.00	100.083000	IDC-FIS	0.00
17766	FHLMC	3134G9NR4	06/30/2016	1.500000	6,250,000.00	6,254,437.50	260.42	4,437.50
			12/30/2019	1.500000	6,250,000.00	100.071000	IDC-FIS	0.00
17767	FHLMC	3134G9SP3	06/30/2016	1.850000	24,600,000.00	24,619,926.00	1,264.17	19,926.00
			06/30/2021	1.850000	24,600,000.00	100.081000	IDC-FIS	0.00
17768	FHLMC	3134G9NR4	06/30/2016	1.500000	25,000,000.00	25,017,750.00	1,041.67	17,750.00
			12/30/2019	1.500000	25,000,000.00	100.071000	IDC-FIS	0.00
17769	FHLMC	3134G9NR4	06/30/2016	1.500000	25,000,000.00	25,017,750.00	1,041.67	17,750.00
			12/30/2019	1.500000	25,000,000.00	100.071000	IDC-FIS	0.00
17779	FHLMC	3134G9NE3	06/14/2016	1.200000	20,100,000.00	20,138,994.00	11,390.00	38,994.00
			06/14/2019	1.200000	20,100,000.00	100.194000	IDC-FIS	0.00
17780	FHLMC	3134G9LD7	06/09/2016	1.250000	29,445,000.00	29,453,833.50	37,828.65	8,833.50
			05/24/2019	1.250000	29,445,000.00	100.030000	IDC-FIS	0.00
17781	FHLMC	3134G9LD7	06/09/2016	1.250000	30,000,000.00	30,009,000.00	38,541.67	9,000.00
			05/24/2019	1.250000	30,000,000.00	100.030000	IDC-FIS	0.00
17782	FHLMC	3134G9NS2	06/30/2016	1.550000	13,305,000.00	13,317,107.55	572.85	12,107.55
			03/30/2020	1.550000	13,305,000.00	100.091000	IDC-FIS	0.00
17817	FHLMC	3134G9XQ5	06/30/2016	2.250000	50,000,000.00	50,124,500.00	3,125.00	129,500.00
			06/30/2021	2.252126	49,995,000.00	100.249000	IDC-FIS	0.00
17818	FHLMC	3134G9XP7	06/30/2016	2.000000	50,000,000.00	50,088,500.00	2,777.78	88,500.00
			06/30/2021	2.000000	50,000,000.00	100.177000	IDC-FIS	0.00
17819	FHLMC	3134G9XM4	06/30/2016	2.250000	50,000,000.00	50,128,000.00	3,125.00	128,000.00
			06/30/2021	2.250000	50,000,000.00	100.256000	IDC-FIS	0.00



## STATE OF MARYLAND INVENTORY BY MARKET VALUE

AS OF DATE: 06/30/2016 • DATE BASIS: SETTLEMENT • RUN: 07/15/2016 10:12:36 AM • REPORTING CURRENCY: LOCAL

Inv. No.	Description	CUSIP	Purchase Maturity	Coupon YTM TR	Current Par/Share Current Book	Market Value Market Price	Curr Accr Int Price Source	Unrealized Gain Unrealized Loss
17820	FHLMC	3134G9XL6	06/29/2016	2.000000	100,000,000.00	100,185,000.00	11,111.11	195,000.00
			06/29/2021	2.002612	99,990,000.00	100.185000	IDC-FIS	0.00
17821	FHLMC	3134G9XF9	06/30/2016	2.000000	100,000,000.00	100,178,000.00	5,555.56	178,000.00
			06/30/2021	2.000000	100,000,000.00	100.178000	IDC-FIS	0.00
17822	FHLMC	3134G9XE2	06/30/2016	2.000000	100,000,000.00	100,192,000.00	5,555.56	192,000.00
			06/30/2021	2.000000	100,000,000.00	100.192000	IDC-FIS	0.00
17823	FHLMC	3134G9XT9	06/30/2016	2.250000	100,000,000.00	100,230,000.00	6,250.00	230,000.00
			06/30/2021	2.250000	100,000,000.00	100.230000	IDC-FIS	0.00
17824	FHLMC	3134G9XV4	06/30/2016	2.300000	100,000,000.00	100,263,000.00	6,388.89	278,000.00
			06/30/2021	2.303193	99,985,000.00	100.263000	IDC-FIS	0.00
17825	FHLMC	3134G9XX0	06/30/2016	2.000000	100,000,000.00	100,159,000.00	5,555.56	159,000.00
			06/30/2021	2.000000	100,000,000.00	100.159000	IDC-FIS	0.00
17850	FHLMC	3134G9ZS9	06/30/2016	2.200000	100,000,000.00	100,521,000.00	6,111.11	521,000.00
			06/30/2021	2.200000	100,000,000.00	100.521000	IDC-FIS	0.00
17851	FHLMC	3134G9ZP5	06/30/2016	2.150000	100,000,000.00	100,212,000.00	5,972.22	212,000.00
			06/30/2021	2.150000	100,000,000.00	100.212000	IDC-FIS	0.00
17852	FHLMC	3134G9ZM2	06/30/2016	2.000000	100,000,000.00	100,175,000.00	5,555.56	181,000.00
			06/30/2021	2.001267	99,994,000.00	100.175000	IDC-FIS	0.00
17853	FHLMC	3134G9ZG5	06/30/2016	2.000000	100,000,000.00	100,172,000.00	5,555.56	172,000.00
			06/30/2021	2.000000	100,000,000.00	100.172000	IDC-FIS	0.00
17854	FHLMC	3134G9ZF7	06/30/2016	1.700000	100,000,000.00	100,043,000.00	4,722.22	43,000.00
			06/30/2021	1.700000	100,000,000.00	100.043000	IDC-FIS	0.00
17855	FHLMC	3134G9ZF7	06/30/2016	1.700000	100,000,000.00	100,043,000.00	4,722.22	43,000.00
			06/30/2021	1.700000	100,000,000.00	100.043000	IDC-FIS	0.00
17856	FHLMC	3134G9ZF7	06/30/2016	1.700000	100,000,000.00	100,043,000.00	4,722.22	43,000.00
			06/30/2021	1.700000	100,000,000.00	100.043000	IDC-FIS	0.00
17871	FHLMC	3134G9D61	06/30/2016	2.000000	100,000,000.00	99,766,000.00	5,555.56	0.00
			06/30/2021	2.000000	100,000,000.00	99.766000	IDC-FIS	-234,000.00
17872	FHLMC	3134G9E29	06/30/2016	2.050000	100,000,000.00	99,766,000.00	5,694.44	0.00
			06/30/2021	2.050000	100,000,000.00	99.766000	IDC-FIS	-234,000.00
17873	FHLMC	3134G9E37	06/30/2016	2.000000	100,000,000.00	99,766,000.00	5,555.56	0.00
			06/30/2021	2.003168	99,985,000.00	99.766000	IDC-FIS	-219,000.00
17900	FHLMC	3134G9QJ9	06/30/2016	1.875000	25,000,000.00	25,021,000.00	1,302.08	21,000.00
			06/30/2021	1.875000	25,000,000.00	100.084000	IDC-FIS	0.00
<b>Inv Type: 37 FHLMC</b>				1.849261	2,526,160,000.00	2,528,778,475.80	918,989.89	3,377,115.80
				1.84987	2,526,088,360.00	100.103654		-687,000.00
17213	FRMDN	31315KR69	12/02/2015	.000000	23,382,000.00	23,342,250.60	90,878.09	25,837.14
			12/01/2016	.664447	23,225,535.37	99.830000	IDC-FIS	0.00

**STATE OF MARYLAND INVENTORY BY MARKET VALUE**

AS OF DATE: 06/30/2016 • DATE BASIS: SETTLEMENT • RUN: 07/15/2016 10:12:36 AM • REPORTING CURRENCY: LOCAL

Inv. No.	Description	CUSIP	Purchase Maturity	Coupon YTM TR	Current Par/Share Current Book	Market Value Market Price	Curr Accr Int Price Source	Unrealized Gain Unrealized Loss
<b>Inv Type: 53 OTHER DISC NOTES</b>				.000000	23,382,000.00	23,342,250.60	90,878.09	25,837.14
				.664447	23,225,535.37	99.830000	IDC-FIS	0.00
17891	Overnight I		06/30/2016	.800000	500,000,000.00	500,000,000.00	11,111.11	0.00
			07/01/2016	.800000	500,000,000.00	100.000000	BOOK	0.00
17892	Overnight II		06/30/2016	.800000	500,000,000.00	500,000,000.00	11,111.11	0.00
			07/01/2016	.800000	500,000,000.00	100.000000	BOOK	0.00
17893	Overnight III		06/30/2016	.800000	530,292,000.00	530,292,000.00	11,784.27	0.00
			07/01/2016	.800000	530,292,000.00	100.000000	BOOK	0.00
<b>Inv Type: 60 REPO OPEN ACT-360</b>				.800000	1,530,292,000.00	1,530,292,000.00	34,006.49	0.00
				.800000	1,530,292,000.00	100.000000		0.00
11456	MLGIP		06/30/2016	.372205	354,546,345.53	354,546,345.53	1.33	0.00
			07/01/2016	.372205	354,546,345.53	100.000000	BOOK	0.00
<b>Inv Type: 98 MONEY MARKET FUNDS</b>				.372205	354,546,345.53	354,546,345.53	1.33	0.00
			07/01/2016	.372205	354,546,345.53	100.000000		0.00
<b>Subtotal</b>				<b>1.395773</b>	<b>6,808,765,345.53</b>	<b>6,816,807,280.78</b>	<b>5,856,392.71</b>	<b>9,500,341.54</b>
				<b>1.400132</b>	<b>6,807,925,061.15</b>	<b>100.118112</b>		<b>-709,000.00</b>
<b>FUND: 8 CONSOLIDATED TRANS. BONDS S/F</b>								
12228	CTRB 2009 Debt Serv		06/19/2009	.254642	3,364.77	3,364.77	2.22	0.00
			07/01/2016	.254642	3,364.77	100.000000	BOOK	0.00
12229	CTRB 2009 Reserve		06/19/2009	.273286	4,276,705.11	4,276,705.11	1.26	0.00
			07/01/2016	.273286	4,276,705.11	100.000000	BOOK	0.00
<b>Inv Type: 98 MONEY MARKET FUNDS</b>				.273271	4,280,069.88		3.48	0.00
				.273271	4,280,069.88			0.00
<b>Subtotal</b>					<b>4,280,069.88</b>	<b>4,280,069.88</b>	<b>3.48</b>	<b>0.00</b>
				<b>.273271</b>	<b>4,280,069.88</b>	<b>100.000000</b>		<b>0.00</b>
<b>FUND: 11 COUNTY TRANS. REVENUE BONDW</b>								
11458	Balt C BP 2004 Rese		06/30/2008	.000000	0.00	0.00	0.00	0.00
			07/01/2016	.000000	0.00	000000	BOOK	0.00
11461	CTRB 2007 Reserve		06/30/2008	.270531	1,349.49	1,349.49	3.07	0.00
			07/01/2016	.270531	1,349.49	100.000000	BOOK	0.00
11462	CTRB 2007 Debt Serv		06/30/2008	.273299	2,343,572.70	2,343,572.70	3.42	0.00
			07/01/2016	.273299	2,343,572.70	100.000000	BOOK	0.00
12197	CTRB 2009 Proceeds		06/05/2009	.010158	0.00	0.00	2.37	0.00
			07/01/2016	.010158	0.00	.000000	BOOK	0.00
<b>Inv Type: 98 MONEY MARKET FUNDS</b>				.273297	2,344,922.19	2,344,922.19	8.86	0.00
				.273297	2,344,922.19	100.000000		0.00
<b>Subtotal</b>				<b>273297</b>	<b>2,344,922.19</b>	<b>2,344,922.19</b>	<b>8.86</b>	<b>0.00</b>
				<b>273297</b>	<b>2,344,922.19</b>	<b>100.000000</b>		<b>0.00</b>

**STATE OF MARYLAND INVENTORY BY MARKET VALUE**

AS OF DATE: 06/30/2016 • DATE BASIS: SETTLEMENT • RUN: 07/15/2016 10:12:36 AM • REPORTING CURRENCY: LOCAL

Inv. No.	Description	CUSIP	Purchase Maturity	Coupon YTM TR	Current Par/Share Current Book	Market Value Market Price	Curr Accr Int Price Source	Unrealized Gain Unrealized Loss
<b>FUND: 14 BC 2012 CRTB BOND PROCEEDS</b>								
15392	CTRB 2012 BC Bond		09/20/2012	.273309	1,183,007.32	1,183,007.32	1.34	0.00
			09/19/2027	.273309	1,183,007.32	100.000000	BOOK	0.00
<b>Inv Type: 98 MONEY MARKET FUNDS</b>				.273309	1,183,007.32	1,183,007.32	1.34	0.00
				.273309	1,183,007.32	100.000000		0.00
			<b>Subtotal</b>	<b>.273309</b>	<b>1,183,007.32</b>	<b>1,183,007.32</b>	<b>1.34</b>	<b>0.00</b>
				<b>.273309</b>	<b>1,183,007.32</b>	<b>100.000000</b>		<b>0.00</b>
<b>FUND: 15 BC 2012 CRTB BOND PROCEEDS</b>								
15473	CTRB 2012 BC Debt S		10/25/2012	.263501	29.55	29.55	1.63	0.00
			09/20/2027	.263501	29.55	100.000000	BOOK	0.00
<b>Inv Type: 98 MONEY MARKET FUNDS</b>				.263501	29.55	29.55	1.63	0.00
				.263501	29.55	100.000000		0.00
			<b>Subtotal</b>	<b>.263501</b>	<b>29.55</b>	<b>29.55</b>	<b>1.63</b>	<b>0.00</b>
				<b>.263501</b>	<b>29.55</b>	<b>100.000000</b>		<b>0.00</b>
<b>FUND: 16 BC 2012 CTRB RESERVE</b>								
15472	CTRB 2012 BC Reserv		10/25/2012	.273282	5,143,469.16	5,143,469.16	1.09	0.00
			09/20/2027	.273282	5,143,469.16	100.000000	BOOK	0.00
<b>Inv Type: 98 MONEY MARKET FUNDS</b>				.273282	5,143,469.16	5,143,469.16	1.09	0.00
				.273282	5,143,469.16	100.000000		0.00
			<b>Subtotal</b>	<b>.273282</b>	<b>5,143,469.16</b>	<b>5,143,469.16</b>	<b>1.09</b>	<b>0.00</b>
				<b>.273282</b>	<b>5,143,469.16</b>	<b>100.000000</b>		<b>0.00</b>
<b>FUND: 18 BC 2016 CTRB RESERVE</b>								
17568	2016 CTRB PROCEEDS		03/30/2016	.273287	32,173,578.19	32,173,578.19	0.00	0.00
			03/29/2033	.273287	32,173,578.19	100.000000	BOOK	0.00
<b>Inv Type: 98 MONEY MARKET FUNDS</b>				.273287	32,173,578.19	32,173,578.19	0.00	0.00
				.273287	32,173,578.19	100.000000		0.00
			<b>Subtotal</b>	<b>.273287</b>	<b>32,173,578.19</b>	<b>32,173,578.19</b>	<b>0.00</b>	<b>0.00</b>
				<b>.273287</b>	<b>32,173,578.19</b>	<b>100.000000</b>		<b>0.00</b>
<b>FUND: 19 2016 CTRB RESERVE</b>								
17626	2016 CTRB PROCEEDS		04/20/2016	.273282	4,411,157.14	4,411,157.14	0.00	0.00
			04/20/2033	.273282	4,411,157.14	100.000000	BOOK	0.00
<b>Inv Type: 98 MONEY MARKET FUNDS</b>				.273282	4,411,157.14	4,411,157.14	0.00	0.00
				.273282	4,411,157.14	100.000000		0.00
			<b>Subtotal</b>	<b>.273282</b>	<b>4,411,157.14</b>	<b>4,411,157.14</b>	<b>0.00</b>	<b>0.00</b>
				<b>.273282</b>	<b>4,411,157.14</b>	<b>100.000000</b>		<b>0.00</b>
<b>FUND: 21 2016 CTRB RESERVE</b>								
17625	2016 CTRB DEBT SERV		04/20/2016	.263236	6.68	6.68	0.00	0.00
			04/20/2033	.263236	6.68	100.000000	BOOK	0.00
<b>Inv Type: 98 MONEY MARKET FUNDS</b>				.263236	6.68	6.68	0.00	0.00
				.263236	6.68	100.000000		0.00
			<b>Subtotal</b>	<b>.263236</b>	<b>6.68</b>	<b>6.68</b>	<b>0.00</b>	<b>0.00</b>
				<b>.263236</b>	<b>6.68</b>	<b>100.000000</b>		<b>0.00</b>

**STATE OF MARYLAND INVENTORY BY MARKET VALUE**

AS OF DATE: 06/30/2016 • DATE BASIS: SETTLEMENT • RUN: 07/15/2016 10:12:36 AM • REPORTING CURRENCY: LOCAL

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<b>FUND: 69 DHCD LINK DEPOSIT</b>									
12258	LD-004-01		06/10/2009	.250000	374,023.66	374,023.66	-1.81	0.00	
			06/10/2019	.250000	374,023.66	100.000000	BOOK	0.00	
12259	LD-004-02		06/10/2009	.250000	214,708.80	214,708.80	0.00	0.00	
			06/10/2019	.250000	214,708.80	100.000000	BOOK	0.00	
12260	LD-004-03		06/10/2009	.250000	84,265.97	84,265.97	0.00	0.00	
			06/10/2019	.250000	84,265.97	100.000000	BOOK	0.00	
13122	LD-082-01		02/19/2010	.250000	762,636.50	762,636.50	-11.49	0.00	
			02/19/2020	.250000	762,636.50	100.000000	BOOK	0.00	
13912	LD-0122-01		12/06/2010	.250000	42,742.38	42,742.38	0.00	0.00	
			09/17/2020	.250000	42,742.38	100.000000	BOOK	0.00	
14478	WLD-0149-01		08/15/2011	.250000	230,873.76	230,873.76	-16.03	0.00	
			05/23/2021	.250000	230,873.76	100.000000	BOOK	0.00	
<b>Inv Type: 75 NEG CD COMP ACT/365-6</b>					.352622	1,709,251.07	1,709,251.07	-29.33	0.00
				.352622	1,709,251.07	100.000000		0.00	
			<b>Subtotal</b>	<b>.352622</b>	<b>1,709,251.07</b>	<b>1,709,251.07</b>	<b>-29.33</b>	<b>0.00</b>	
				<b>.352622</b>	<b>1,709,251.07</b>	<b>100.000000</b>		<b>0.00</b>	
<b>FUND: 74 MD WATER REVOLVING LOAN FUND</b>									
11344	FFCB - WQFA	31331GBA6	09/09/2008	4.782000	3,500,000.00	3,500,000.00	258,711.30	0.00	
			02/01/2018	4.782000	3,500,000.00	100.000000	BOOK	0.00	
<b>Inv Type: 98 MONEY MARKET FUNDS</b>					4.782000	3,500,000.00	3,500,000.00	258,711.30	0.00
				4.782000	3,500,000.00	100.000000		0.00	
			<b>Subtotal</b>	<b>4.782000</b>	<b>3,500,000.00</b>	<b>3,500,000.00</b>	<b>258,711.30</b>	<b>0.00</b>	
				<b>4.782000</b>	<b>3,500,000.00</b>	<b>100.000000</b>		<b>0.00</b>	
<b>FUND: 634 RENTAL HOUSING CAPITAL APP.</b>									
152	UST	912810EE4	03/19/1990	8.500000	540,000.00	688,397.40	17,275.55	150,759.90	
			02/15/2020	8.539499	537,637.50	127.481000	IDC-FIS	0.00	
153	UST	912810EM6	08/25/1992	7.250000	355,000.00	483,382.20	9,686.92	135,371.21	
			08/15/2022	7.414245	348,010.99	136.164000	IDC-FIS	0.00	
<b>Inv Type: 12 TREASURY NOTES</b>					8.008819	895,000.00	1,171,779.60	26,962.47	286,131.11
				8.097336	885,648.49	130.925095		0.00	
			<b>Subtotal</b>	<b>8.008819</b>	<b>895,000.00</b>	<b>1,171,779.60</b>	<b>26,962.47</b>	<b>286,131.11</b>	
				<b>8.097336</b>	<b>885,648.49</b>	<b>130.925095</b>		<b>0.00</b>	
<b>FUND: 2010 2010 QSCB SINKING FUND 080411</b>									
17485	FHLB	3130A7BT1	02/26/2016	1.730000	14,725,000.00	14,738,399.75	88,452.26	13,399.75	
			02/26/2021	1.730000	14,725,000.00	100.091000	IDC-FIS	0.00	
<b>Inv Type: 98 MONEY MARKET FUNDS</b>					1.730000	14,725,000.00	14,738,399.75	88,452.26	13,399.75
				1.730000	14,725,000.00	100.091000		0.00	
			<b>Subtotal</b>	<b>1.730000</b>	<b>14,725,000.00</b>	<b>14,738,399.75</b>	<b>88,452.26</b>	<b>13,399.75</b>	
				<b>1.730000</b>	<b>14,725,000.00</b>	<b>100.000000</b>		<b>0.00</b>	

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AS OF DATE: 06/30/2016 • DATE BASIS: SETTLEMENT • RUN: 07/15/2016 10:12:36 AM • REPORTING CURRENCY: LOCAL

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<b>FUND: 2011 2010 QZAB SPECIAL SINKING FUND</b>								
17214	FRMDN	31315KR69	12/02/2015	.000000	1,618,000.00	1,615,249.40	6,288.63	1,787.89
			12/01/2016	.664446	1,607,172.88	99.830000	IDC-FIS	0.00
<b>Inv Type: 98 MONEY MARKET FUNDS</b>				.000000	1,618,000.00	1,615,249.40	6,288.63	1,787.89
				.664446	1,607,172.88	99.830000		0.00
			<b>Subtotal</b>	<b>.000000</b>	<b>1,618,000.00</b>	<b>1,615,249.40</b>	<b>6,288.63</b>	<b>1,787.89</b>
				<b>.664446</b>	<b>1,607,172.88</b>	<b>99.830000</b>		<b>0.00</b>
<b>FUND: 2090 2011 1ST B SERIES</b>								
17886	2013 3rd Bond Serie		06/29/2016	.520000	562,688.00	562,688.00	16.26	0.00
			07/15/2016	.520000	562,688.00	100.000000	BOOK	0.00
<b>Inv Type: 60 REPO OPEN ACT-360</b>				.520000	562,688.00	562,688.00	16.26	0.00
				.520000	562,688.00	100.000000		0.00
			<b>Subtotal</b>	<b>.520000</b>	<b>562,688.00</b>	<b>562,688.00</b>	<b>16.26</b>	<b>0.00</b>
				<b>.520000</b>	<b>562,688.00</b>	<b>100.000000</b>		<b>0.00</b>
<b>FUND: 2107 2014 3RD QZAB</b>								
17887	2014 3rd QZAB Repo		06/29/2016	.520000	2,115,624.00	2,115,624.00	61.12	0.00
			07/15/2016	.520000	2,115,624.00	100.000000	book	0.00
<b>Inv Type: 60 REPO OPEN ACT-360</b>				.520000	2,115,624.00	2,115,624.00	61.12	0.00
				.520000	2,115,624.00	100.000000		0.00
			<b>Subtotal</b>	<b>.520000</b>	<b>2,115,624.00</b>	<b>2,115,624.00</b>	<b>61.12</b>	<b>0.00</b>
				<b>.520000</b>	<b>2,115,624.00</b>	<b>100.000000</b>		<b>0.00</b>
<b>FUND: 2111 2015 - 3RD QZAB</b>								
17888	2015 3rd QZAB Repo		06/29/2016	.520000	4,380,652.00	4,380,652.00	126.55	0.00
			07/15/2016	.520000	4,380,652.00	100.000000	IDC-FIS	0.00
<b>Inv Type: 98 MONEY MARKET FUNDS</b>				.520000	4,380,652.00	4,380,652.00	126.55	0.00
				.520000	4,380,652.00	100.000000		0.00
			<b>Subtotal</b>	<b>.520000</b>	<b>4,380,652.00</b>	<b>4,380,652.00</b>	<b>126.55</b>	<b>0.00</b>
				<b>.520000</b>	<b>4,380,652.00</b>	<b>100.000000</b>		<b>0.00</b>
<b>FUND: 2112 2016 1ST A TAX EXEMPT</b>								
17889	2016 1st A Tax Exem		06/29/2016	.520000	337,472,055.00	337,472,055.00	9,749.19	0.00
			07/15/2016	.520000	337,472,055.00	100.000000	BOOK	0.00
17890	2016 1st A Tax Exem		06/29/2016	.520000	300,000,000.00	300,000,000.00	9,749.19	0.00
			07/15/2016	.520000	300,000,000.00	100.000000	BOOK	0.00
<b>Inv Type: 60 REPO OPEN ACT-360</b>				.520000	637,472,055.00	637,472,055.00	18,415.86	0.00
				.520000	637,472,055.00	100.000000		0.00
			<b>Subtotal</b>	<b>.520000</b>	<b>637,472,055.00</b>	<b>637,472,055.00</b>	<b>18,415.86</b>	<b>0.00</b>
				<b>.520000</b>	<b>637,472,055.00</b>	<b>100.000000</b>		<b>0.00</b>
<b>GRAND TOTAL</b>			<b>Count 153</b>	<b>1.315839</b>	<b>7,525,279,855.71</b>	<b>7,533,609,209.71</b>	<b>6,255,414.23</b>	<b>9,801,660.29</b>
				<b>1.319935</b>	<b>7,524,419,392.70</b>	<b>100.110685</b>		<b>-709,000.00</b>

# ACKNOWLEDGEMENTS



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# *Maryland*

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