

Maryland State Treasurer's Office

ANNUAL REPORT 2021



INVESTING FOR MARYLAND'S FUTURE

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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, 2015, and 2019, 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 both the Board of Trustees of the Maryland State Retirement and Pension Systems and the Maryland 529 College Savings Board, and is a member of the Maryland Supplemental Retirement Board, the Maryland Health and Higher Education Financing Authority, the Maryland Agricultural Land Preservation Foundation Board, the Hall of Records Commission, the Maryland Small Business Retirement Savings Board, the Financial Education and Capability Commission, the Procurement Improvement Council, the Maryland Commission on Climate Change, the Maryland Environmental Service Board of Directors, and the Coast Smart Council. 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 State's procurement contracts.

Treasurer Kopp represented the Bethesda 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, the Subcommittee on Pensions, the 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 ten most effective members of the House of Delegates. Treasurer Kopp has been active in numerous national, regional, and state organizations and boards during her career, primarily focused on finance, education, and fiscal matters. Appointed by President Clinton to the National Assessment Governing Board, Treasurer Kopp also served as Treasurer of the Southern Regional Education Board, chairing its Commission on Educational Quality, and on the Executive Committee of the National Conference of State Legislatures, chairing its Assembly on Legislative Issues and Committees on Federal Budget Issues, State Fiscal Issues, and Capital Budgeting Procedures. Treasurer Kopp also was Vice-Chair of the National Commission on State and Local Budget and Finance Procedures and has served as President of the National Association of State Auditors, Comptrollers and Treasurers and as a Trustee of the Financial Accounting Foundation.

A graduate of Wellesley College, Treasurer Kopp holds a master's degree in Government from the University of Chicago. In 2012, Treasurer Kopp was inducted into the Maryland Women's Hall of Fame and, in 2015, received the Wellesley College Alumnae Achievement Award, 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 three 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. ■



The first recreation of the Maryland Dove, St. Mary's City



Charles Calvert

TREASURERS OF THE PAST

TREASURERS OF THE EASTERN SHORE

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

TREASURERS OF THE WESTERN SHORE

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

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

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

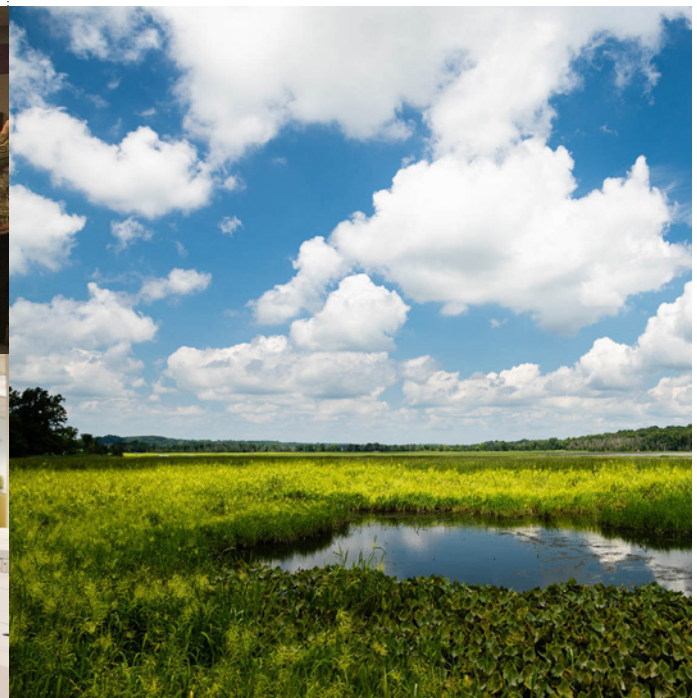
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MARYLAND BOARD OF PUBLIC WORKS continued from page 5

In addition to authorizing State General Obligation Bond issuances and the Capital-Lease and Energy Performance Lease financings discussed in more detail in the Debt Management Division Section of this Annual Report, the following actions of the Board of Public Works are worthy of note among those taken during Fiscal Year 2021 (July 1, 2020 through June 30, 2021):

- Approved the Maryland Stadium Authority's (MSA) request to issue a third series of bonds not to exceed \$754,310,000 in the following ways:
 - \$220,245,000 to finance, design, replace, renovate, equip and furnish the 2020 projects;
 - \$50,000,000 to finance, design, replace, renovate equip and furnish Northwood Elementary School; and
 - Up to \$484,065,000 to advance refund certain maturities from the 2016 Program Bonds and Series 2018A Program Bonds
- Approved \$413,176,573 in cuts from the FY2021 budget 2-1 with the Treasurer voting against:
 - \$394,915,718: General Funds;
 - \$6,608,343: Special Funds; and
 - \$3,397,041: Reimbursable Funds
- Approved the expenditure of \$4,383,908 of general obligation bond proceeds to the Oyster Recovery Partnership to rehabilitate oyster habitat.
- Approval of Maryland Transit Administration's (MTA) request to award a contract to provide professional staff, supervision, and training to operate and maintain MTA's Americans with Disabilities Act certification process for the Paratransit Program.
- Approval of Maryland Department of Transportation's (MDOT) request to adopt a resolution authorizing the issuance and sale by MDOT of its Consolidated Transportation Bonds, Series 2020 Issue in the amount not to exceed \$300,000,000.
- Approved the Historic St. Mary's Commission's request to award a contract to replace the Maryland Dove a reproduction seventeenth century sailing ship in Historic St. Mary's City.
- Approved the Department of Public Safety and Correctional Services' (DPSCS) request to award a contract to improve the statewide status of the 911 telephone emergency system in all counties and Baltimore City. This contract is a result of the passage of the 2019 Carl Henn's Law which required establishing minimum standards for the 9-1-1 system related to records security and retention, training, cyber security, as well as requirements for the interoperability and interconnection of 9-1-1- service systems, including surrounding states and the District of Columbia.
- Approved the Department of Labor's request to award a contract for a program manager to modernize critical



MARYLAND BOARD OF PUBLIC WORKS *continued from page 6*

- applications within the Division of Unemployment Insurance (UI). Maryland applied for and was granted federal funds to proceed with the modernization effort.
- Approval of Morgan State University (MSU) borrowing \$69.75 million from the Historically Black College and University (HBCU) Financing Federal Program.
 - Approval of a Ground Lease with the Maryland Economic Development Corporation (MEDCO) to facilitate the financing of the Thurgood Marshall Housing and Dining Services Project.
 - Approval of the Maryland Military Department's request for a new 10 +/- acre 50-year ground lease to the United States Marine Corps Reserves at Camp Fretttard in order to construct and operate a Marine Corps Reserve Center.
 - Approved DPSCS's request to award a contract to implement, operate and maintain a correctional-based Electronic Patient Health Record System to replace an existing legacy system. DPSCS says that a robust, functional system to meet the needs of the Department, medical providers, and the offenders served is extremely important.
 - Approved the Maryland State Police's (MSP) request to modify a forensic biology casework sample analysis contract to add a streamlined testing approach to address sexual assault kit processing to minimize sexual assault casework backlogs.
 - Approval of Department of Natural Resources (DNR) request to transfer 67-71 Prince George's Street (known as the Burtis House and pier) to the City of Annapolis. The City wants to advance ongoing program and to bring residents and tourists to the historic location.
 - Approved a Wetlands License to allow for horizontal drilling underneath the South Prong of the Wicomico County, related to the Eastern Shore Natural Pipeline project in Somerset County.
 - Approved a Letter Agreement with Southwest Airlines to temporarily relocate five gates in Terminal A to complete rehabilitation work.
 - Approved a request from Maryland Supplemental Retirement Plans (MSRP) to award a contract to provide audit services for the Plans. The audit provides additional tests to ensure that any errors or irregularities, which fall below a standard audit scope, are detected.
 - Approved a request from the Comptroller of Maryland to award a contract that will provide services for the sale of unclaimed stock certificates.
 - Approved the Board of Public Works (BPW) General Counsel's recommendation to grant Melvin Thomas compensation, to be paid over 7 fiscal years (ending July 31, 2026). Mr. Thomas was also awarded additional funding for financial and other appropriate counseling.
 - Approved a request from the Maryland Port Authority (MPA) to transfer property to CSX Transportation as part of an economic development package related to the expansion of the Howard Street Tunnel.
 - Approved a request from the Maryland State Police (MSP) to award a contract which will provide analyses of seized drug and toxicology evidence for its Forensic Science Division.
 - Approved a request from the Maryland Cannabis Commission (MCC) to award a contract to:
 - provide a financial and corporate structure investigation;
 - determine whether medical cannabis license applicants meet the qualifications for licensure; and
 - determine whether any current licensee proposed transfer of ownership or control or corporate restructuring may implicate a statutory violation
 - Approved a request by MDOT to adopt a resolution authorizing the issuance and sale by MDOT of \$250,000,000 in Special Transportation Project Revenue Bonds by September 30, 2021. The proceeds will be used to fund the Concourse A/B Connector and Baggage Handling System Replacement Project at Baltimore Washington International Airport (BWI).
 - Approved a request from the University of Maryland Eastern Shore (UMES) to award a contract to construct a natural gas distribution system to allow refueling of existing boilers at fourteen building locations throughout its campus. ■

SCHEDULE OF SELECTED FINANCIAL DATA

COLLATERAL BALANCES AS OF JUNE 30, 2021

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

TOTAL INVESTMENT PORTFOLIO COMPOSITION AS OF JUNE 30, 2021

Repurchase Agreements	\$ 3,523,110,000
U.S. Treasuries	\$ 9,527,000
U.S. Government Agencies	\$ 2,435,459,000
Money Market Funds	\$ 5,680,420,000
Supra Sovereigns	\$ 511,297,000
Commercial Paper	\$ 649,886,000
Other Investments	\$ 1,796,000
Total Portfolio	\$12,811,495,000

GENERAL OBLIGATION DEBT ACTIVITY AS OF JUNE 30, 2021

Tax-Exempt Refunding Bond Issuances	\$ 115,770,000
Taxable Refunding Bond Issuances	\$ 355,620,000
Tax Exempt General Bond Issuances	\$ 965,000,000
Taxable General Obligation Bond Issuances	\$ 50,000
Interest Payments	\$ 418,835,077
Principal Payments	\$ 858,781,120

LOCAL GOVERNMENT INVESTMENT POOL FUND BALANCE AS OF JUNE 30, 2021

Balance as of June 30, 2021	\$ 9,722,107,828
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STATE INSURANCE TRUST FUND BALANCE AS OF JUNE 30, 2021

Beginning Balance	\$ 33,218,001
Transfers In	\$ 23,199,167
Transfers Out	\$ (23,702,134)
Ending Balance	\$ 32,715,034

EXECUTIVE DIVISION

BERNADETTE T. BENIK

Chief Deputy Treasurer
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JOANNA KILLE

Board of Public Works Liaison
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THE EXECUTIVE DIVISION

direct support to the Treasurer in the execution of her wide-ranging Constitutional responsibilities. As the State's Chief Financial Officer, the Treasurer is responsible for receiving, depositing, investing, and distributing State funds, as well as anticipating the monetary needs of the State. While these activities are delegated to various divisions, the Executive Division coordinates and manages the day-to-day operations of the Office to ensure that the activities remain effective and efficient.

Additionally, on behalf of the Board of Public Works, the Treasurer conducts several bond sales each year to ensure the State's ability to meet its fiscal

obligations. The State Treasurer also provides lease-purchase financing of capital and energy equipment for State agencies and handles insurance needs for the State.

The Executive Division also coordinates legislation within the Office, reviewing bills, preparing fiscal notes, written testimony, and proposed legislation, and following the course of bills through the legislative process. 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. Another critical function of the Chief Deputy is coordinating operational functions with other State agencies, such as the Comptroller's Office and the Department of Budget and Management.

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

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EXECUTIVE DIVISION continued from page 9

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

BOARD OF PUBLIC WORKS LIAISON

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

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

OFFICE OF HUMAN RESOURCES

The Human Resources (HR) division is an indispensable component of the State Treasurer's Office operations. Human Resources interacts with countless facets of the Office's most valuable asset - its people. The division spearheads personnel management in various forms including recruitment, classification and compensation, benefits administration, employee relations, personnel database management and position control, pension and supplemental retirement benefits, performance evaluation, leave accounting, and staff development. The division provides interpretation and guidance on State personnel laws, policies and procedures, and coordinates the development and implementation of office policies and guidelines. In addition, the division is also responsible for overseeing compliance with the Americans with Disabilities Act (ADA), and interacts with the agency's Equal Employment Opportunity (EEO) Officer to ensure a safe, fair and equal work environment for everyone.

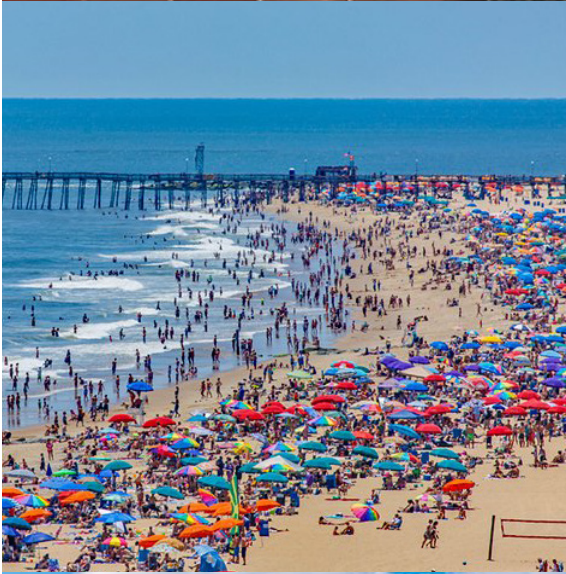
State employees continued to perform their jobs in a telework environment for FY2021, as mandated by the Governor. The apprehension over COVID as well as Federal incentives for the unemployed continued to affect staffing difficulties, limiting applicant interest and response to recruitments. Fortunately, the Office suffered only five new losses in FY2021, three to resignation and two to retirement. As the State and the employment arena continued to change in the pandemic world, Human Resources identified

and implemented best practices in order to attract and retain a competent workforce and a safe working environment, so that the Constitutional and Statutory functions of the Office could continue without interruption. Priorities seemed to be redefined for all departments during FY2021, and HR shifted its focus towards keeping staff safe and productive, and treated in a fair and consistent manner. Guidance from the State Office of Personnel and Benefits was proactively sought and promulgated on new and unique HR matters due to the pandemic environment. HR issues were able to be addressed timely thanks to virtual technology such as Microsoft Teams meetings.

HR staff endorse the concept of civil service from new employee orientation through daily operations. Our goal is to promote integrity and provide valuable, effective services to management and staff alike. As of June 30, 2021, the State Treasurer's Office maintained 60 permanent positions which were allocated as follows:

- Budget & Financial Administration Division – 9
- Debt Management Division - 4
- Executive Division - 7
- Information Technology Division - 8
- Insurance Division - 13
- Legal Division - 4
- Treasury Management Division – 15

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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. On behalf of the Board of Public Works, the Division also oversees the State's Workers' Compensation contract administered by the Injured Workers' Insurance Fund (IWIF).

BUDGET & ACCOUNTING DEPARTMENT

The Division is responsible for developing and implementing the annual budget for the State Treasurer's Office, which in FY2021 was over \$50 million. The Division provides general accounting services for the State Treasurer's Office in the form of fund balance reconciliations, preparation of year-end closing records, maintenance of all financial records, preparation and posting of all Office financial transactions and the development and implementation of all accounting controls and procedures. Centralized ordering and tracking of office supplies to ensure cost effective purchasing is also managed by the Department.

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

Within the State Treasurer's Office, in FY2021, State debt and sinking fund payments totaled \$1.3 billion and lease payments and agency recoveries of approximately \$23 million were processed for the Debt Management Division.

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

the Insurance Division, SITF premium recoveries of approximately \$27 million were completed. In addition, the Division processed the annual premiums for the Injured Workers' Insurance Fund totaling over \$91 million and related recoveries of these assessments from 180 State agencies and departments.

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.

PROCUREMENT

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:

Broker Services for Property Package and Ocean Marine – The Office awarded a contract to an insurance broker services firm to market, manage and service insurance policies and related documents for property/package insurance coverage needs included in Category A-Excess Blanket Property and Related Coverages and Category B –Bridges and Tunnels Property for the State of Maryland in September.

Financial Advisor Services – The Office awarded contracts to four firms to serve as a rotating pool for financial advisory services related to the sale, issuance and refunding of general obligation bonds, sale of Certificates of Participation and for a broad range of issues in the area of public finance in February.

BUDGET & FINANCIAL ADMINISTRATION DIVISION continued from page 12

WORKERS' COMPENSATION CONTRACT MANAGEMENT

The State Treasurer's Office is the contract administrator for the statewide workers' compensation contract between the BPW and IWIF. STO is responsible for the oversight of the Third-Party Administrator (TPA) contract, monitoring claims activity/trends and ensuring accurate accounting for the fund balance. The oversight of the TPA includes defining and communicating expectations, development of action plans and assurance of the adherence to the terms of the contracted agreement. The STO employs a Workers' Compensation Program Manager who is responsible for evaluating the usage, services, coverage and effectiveness of current benefits, studying the cost plan history, evaluating competitive trends in other similar benefit programs and

evaluating the best methods for obtaining these services for the State. In addition, the Program Manager serves as a resource for State Agencies to utilize for process improvements, developing managed return to work programs, increasing communication, training and working as a liaison between the TPA and State Agencies.

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

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TREASURY MANAGEMENT DIVISION

NANCY CLARK

Director
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THE TREASURY MANAGEMENT DIVISION

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

BANKING SERVICES DEPARTMENT

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

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

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

- Agency-specific depository accounts. Individual depository accounts are maintained for all State agencies, and balances are consolidated at the end of each day into

the State's main depository account. This allows for:

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

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

For FY2021, total cash receipts exceeded \$244 billion and total disbursements exceeded \$245 billion. The State's bank accounts are reconciled daily to the State's general ledger. Once again, there were no un-reconciled differences.

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TREASURY MANAGEMENT DIVISION continued from page 14

BEGINNING CASH BALANCE OF FISCAL YEAR 2021				(2,458,183,409.44)
RECEIPTS:	NET RECEIPTS	TRANSFERS	TOTAL	
July-20	14,607,961,634.89	6,309,112,668.32	20,917,074,303.21	
August-20	24,152,633,569.49	5,301,820,066.80	29,454,453,636.29	
September-20	17,422,777,318.50	5,483,813,819.65	22,906,591,138.15	
October-20	15,286,765,804.01	4,917,615,831.76	20,204,381,635.77	
November-20	13,551,825,036.51	3,281,768,906.14	16,833,593,942.65	
December-20	13,954,083,742.01	5,483,804,463.88	19,437,888,205.89	
January-21	16,956,201,899.59	6,014,228,214.30	22,970,430,113.89	
February-21	19,826,445,952.67	4,730,057,397.68	24,556,503,350.35	
March-21	17,314,221,040.62	5,096,443,959.39	22,410,665,000.01	
April-21	7,356,962,729.34	6,374,536,838.75	13,731,499,568.09	
May-21	6,026,499,882.05	4,494,358,139.77	10,520,858,021.82	
June-21	11,056,076,928.95	9,281,173,413.58	20,337,250,342.53	
Total Receipts Fiscal Year 2021	177,512,455,538.63	66,768,733,720.02	244,281,189,258.65	244,281,189,258.65
DISBURSEMENTS:	NET DISBURSEMENTS	TRANSFERS	TOTAL	
July-20	(17,179,879,209.73)	(6,309,112,668.32)	(23,488,991,878.05)	
August-20	(21,625,418,602.16)	(5,301,820,066.80)	(26,927,238,668.96)	
September-20	(20,009,748,552.76)	(5,483,813,819.65)	(25,493,562,372.41)	
October-20	(12,693,601,992.51)	(4,917,615,831.76)	(17,611,217,824.27)	
November-20	(15,908,944,563.08)	(3,281,768,906.14)	(19,190,713,469.22)	
December-20	(11,060,681,551.77)	(5,483,804,463.88)	(16,544,486,015.65)	
January-21	(19,376,025,650.95)	(6,014,228,214.30)	(25,390,253,865.25)	
February-21	(20,207,126,535.27)	(4,730,057,397.68)	(24,937,183,932.95)	
March-21	(15,330,163,427.01)	(5,096,443,959.39)	(20,426,607,386.40)	
April-21	(6,945,540,327.14)	(6,374,536,838.75)	(13,320,077,165.89)	
May-21	(8,193,509,376.29)	(4,494,358,139.77)	(12,687,867,516.06)	
June-21	(9,884,414,216.76)	(9,281,173,413.58)	(19,165,587,630.34)	
TOTAL DISBURSEMENTS FISCAL YEAR 2021	(178,415,054,005.43)	(66,768,733,720.02)	(245,183,787,725.45)	(245,183,787,725.45)
ENDING CASH BALANCE OF FISCAL YEAR 2021				(3,360,781,876.24)

TREASURY MANAGEMENT DIVISION continued from page 15

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

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

Section 6-209 of the State Finance and Procurement Article of the Annotated Code of Maryland requires that State money on deposit with financial institutions must have collateral pledged to the State that equals or exceeds the amount on deposit not covered by the Federal Deposit Insurance Corporation. The collateral must be held by a third party custodian and be of the types enumerated in Section 6-202 of the State Finance and Procurement Article. The BSD monitors collateral for over 850 depository, disbursement, and registered agency working fund accounts. The Department also has oversight for State trust and escrow accounts. Account balances and collateral data are submitted monthly by financial institutions and collateral custodians and is cross checked to account information maintained in the Treasurer's Bank Account Information System (TBAIS). The data is analyzed to ensure that the pledged collateral is sufficient to cover the applicable bank balances. If the collateral is insufficient, the financial institution is required to increase the collateral pledged. The collateral reported by the financial institution is also compared to the collateral reported by the independent third party custodian to ensure accuracy. The collateral balance held for all State bank accounts on June 30, 2021, was \$1,366,993,258.

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

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

INVESTMENT DEPARTMENT

During Fiscal Year 2021 interest rates generally moved modestly higher throughout the year. The low in rates corresponded with the start of the Fiscal Year in July 2020. Rates peaked in April 2021 before falling back some yet still closing FY2021 higher (with fixed income securities cheaper). Extreme Fiscal and Monetary stimulus, abating of the worst of the pandemic, pent up demand and the economic "re-opening" pushed market participants to a risk on mentality. Risk assets all outperformed safer rate products like Treasuries and T-Bills. Equities, commodities and credit spreads had a strong 2nd half of our FY2021. The yield curve at first steepened with longer rates cheapening faster as the degree of economic strength was debated, and abundant cash kept short rates in check. As the fiscal year wore along front rates backed up very modestly while longer rates cheapened further. During FY2021 2yr Treasuries cheapened by less than 10 basis points (bps), 5yrs approximately 30bps and 10yrs 70bps. Debate over the speed of Fed tightening and stimulus withdrawal has picked up in FY2022 and front rates have shot higher with that.

TREASURY MANAGEMENT DIVISION *continued from page 16*

The State’s portfolio expanded throughout FY2021 as stimulus from various Pandemic related programs, higher revenues and less expenditures than generally first expected combined to increase assets. FY2021 started with the General Fund’s portfolio at approximately \$6.6 billion and grew to \$13.8 billion in June of 2021. The average size of the portfolio during the year was approximately \$9.2 billion with a return of approximately .32%. The 3-month Treasury Bill over that time averaged approximately 0.063%. Short liquidity needs were paramount given the uncertainty around the pandemic. Excess investments in short maturities were countered with longer maturity Treasury, GSE and Supra Sovereign Debt out to the maximum maturity of 5 years.

The Investment Department of the State Treasurer’s Office continued to invest in accordance with established laws, policies and procedures throughout FY2021. 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 Investment Department of the State Treasurer’s Office primarily invests the cash balances that are temporarily idle between the time revenue is collected and the time budgeted amounts are disbursed. The Department is also responsible for several longer-term investment activities associated with the purchase of 20-year development easements on agricultural land and the payment of lottery prizes. The Department manages the investment of General Obligation (GO) bond proceeds and directs the short-term and long-term investments of several trustee accounts under State agency revenue bond indentures.

The Investment Department is not responsible for the investment and management of all funds for all agencies, as other State agencies are responsible for specific funds. For example, the Maryland State Retirement & Pension Systems (MSRPS), the Maryland Automobile Insurance Fund (MAIF), the Injured Workers Insurance Fund (IWIF), the Maryland 529 Programs and certain endowment funds at public colleges and universities are managed independently. Interest earnings on investments under the stewardship of the State Treasurer accrue to the General Fund unless State law or regulation directs that the interest should accrue to a specific fund. During the 1990 session, the General Assembly enacted

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, 2021

Investment Type	Dollar Amount	Percentage
Repurchase Agreements	\$3,523,110,000	27.50%
Money Market Funds	\$5,680,420,000	44.34%
Government Sponsored Agencies	\$2,435,459,000	19.01%
Supra Sovereigns	\$511,297,000	4.00%
Commercial Paper	\$649,886,000	5.07%
US Treasuries	\$9,527,000	0.07%
Other Investments	\$1,796,000	0.01%
Total	\$12,811,495,000	100.00%

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

TREASURY MANAGEMENT DIVISION continued from page 17

broker dealers grants the privilege of submitting bids and offers but does not guarantee a transaction.

The investment portfolio is designed to meet the cash flow needs of the State so that funds are available to cover disbursements. During Fiscal Year 2021, 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. For a complete list of the June 30, 2021 investment portfolio, please see appendix A.

On June 30, 2021, the total of all portfolios under the active management of the State Treasurer's Office was \$12,811,493,029. The General Fund portfolio was \$12,258,375,417.

PORTFOLIO BALANCES

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

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

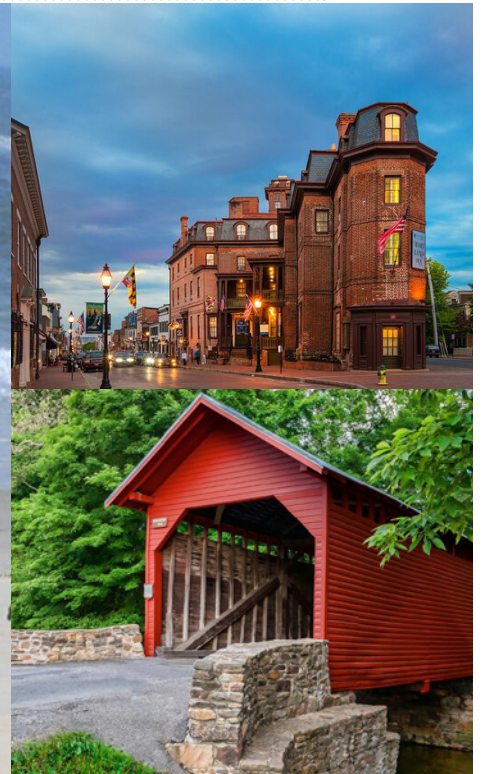
AVERAGE ANNUAL INTEREST RATES

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

TOTAL INTEREST EARNED

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

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TREASURY MANAGEMENT DIVISION continued from page 18

LOCAL GOVERNMENT INVESTMENT POOL

The State Legislature created the Maryland Local Government Investment Pool (MLGIP) with the passage of Article 95 section 22G, of the Annotated Code of Maryland and defined by Title 17, subtitle 3 of the Local Government Article of the Maryland Annotated Code. The 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 Poor’s “AAA” rated money market account. At the end of Fiscal Year 2021, there were 305 participants. The fund balance as of June 30, 2021, was \$9,722,107,827.56. The actual yield for Fiscal Year 2021 was an average of 0.0903%. which was just slightly lower than the S&P LGIP Index benchmark of 0.1100%. Note that because of the unknown COVID-19 consequences, a decision was made to keep liquidity a priority for participating governments.

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

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

LOCAL GOVERNMENT INVESTMENT POOL FUND BALANCE

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

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. Under Article VI, Section 3, of the State Constitution, the Treasurer is responsible for arranging for the payment of principal and interest on State debt.

GENERAL OBLIGATION BONDS

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

General obligation debt is backed by a pledge of full faith and credit of the State. Moody's Investors Service, Inc. (Aaa), Standard and Poor's (AAA) and Fitch Ratings, Inc. (AAA) have all assigned their highest credit rating, Triple-A, to the State's General Obligation bonds. Maryland is one of only thirteen states in the nation to hold a Triple-A credit rating from all three major credit rating agencies, attributable to Maryland's relatively strong financial and economic position during fiscal year 2021.

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 dependent upon market conditions, the State

may issue more or less frequently. The Debt Management Division, in conjunction with the State's Financial Advisor, the Treasurer's Principal Counsel, and the State's Bond Counsel, coordinate the sale and all activities prior to the actual sale. This includes acting as a liaison with the bond rating agencies, preparing and publishing statutorily required notices and advertisements, and preparing and distributing Official Statements. The preparation of Official Statements is primarily performed in-house, resulting in substantial savings to the State.

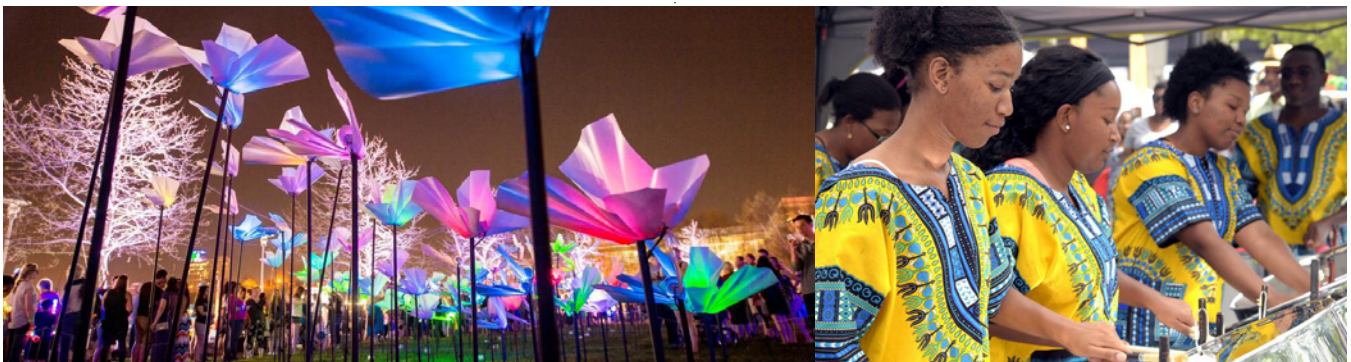
The State Treasurer's Office monitors market conditions and arranges the details of the actual sale including the selection of the method of sale. In competitive sales, which are done at a Board of Public Works meeting, bids are transmitted electronically by underwriting syndicates, verified by the State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

In fiscal year 2021, there were two public General Obligation bond sales totaling approximately \$1.5 billion. Overall 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 2021.

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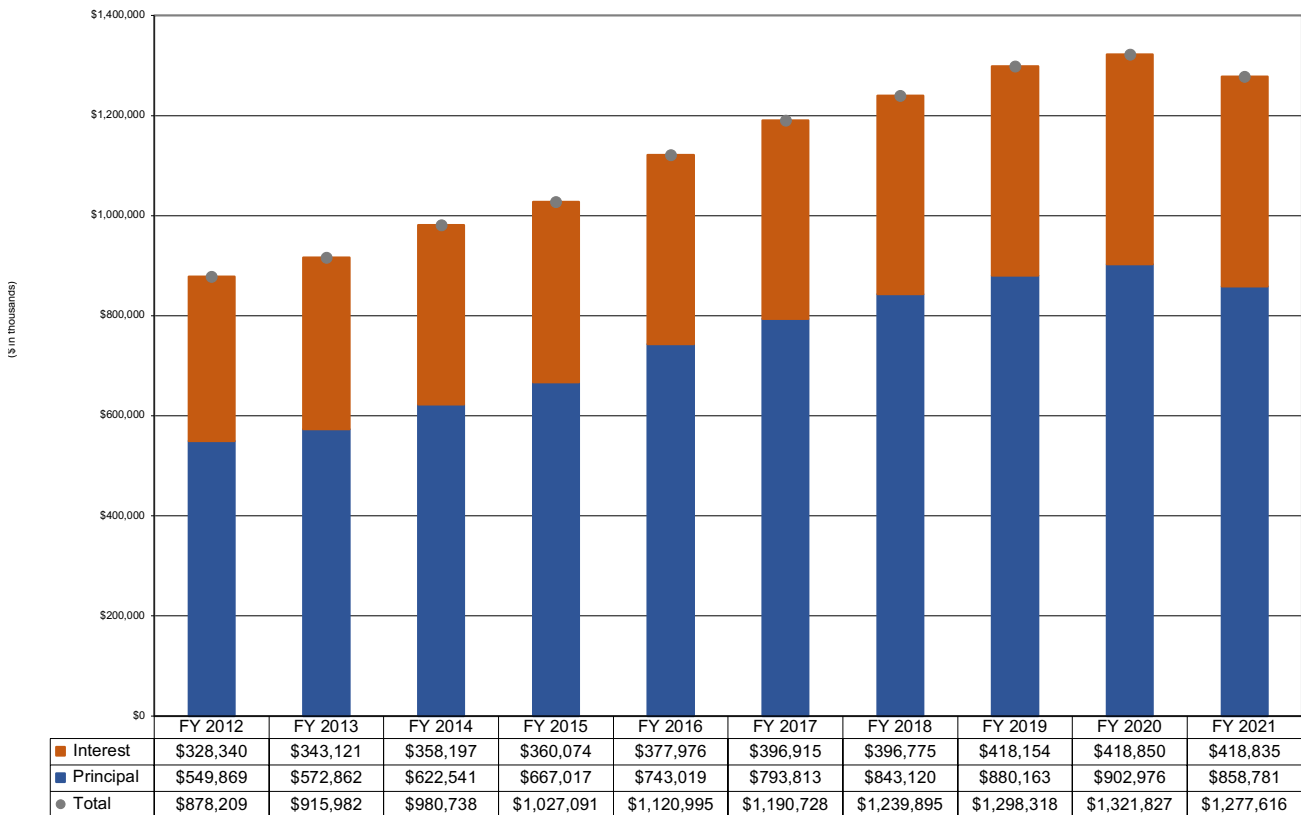
DEBT MANAGEMENT DIVISION continued from page 20

SUMMARY OF FISCAL YEAR 2021 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
2020 Second Series	07/22/20	\$540.0			\$355.6	\$115.8	1.115%
2021 First Series	02/24/21	\$425.0		\$50.0			1.599%

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 2012-2021

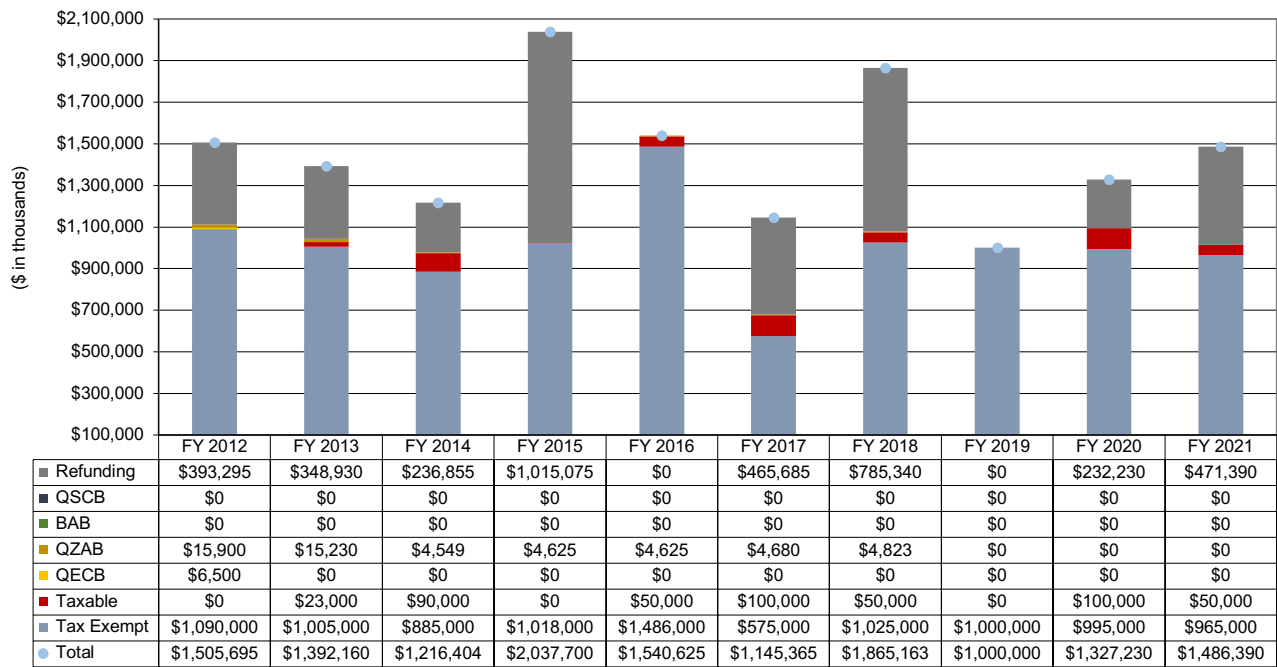


Note: Debt Service also includes sinking fund payments on QZAB bonds



DEBT MANAGEMENT DIVISION continued from page 21

STATE OF MARYLAND ISSUANCES OF GENERAL OBLIGATION BONDS FISCAL YEARS 2012-2021



CAPITAL EQUIPMENT LEASES

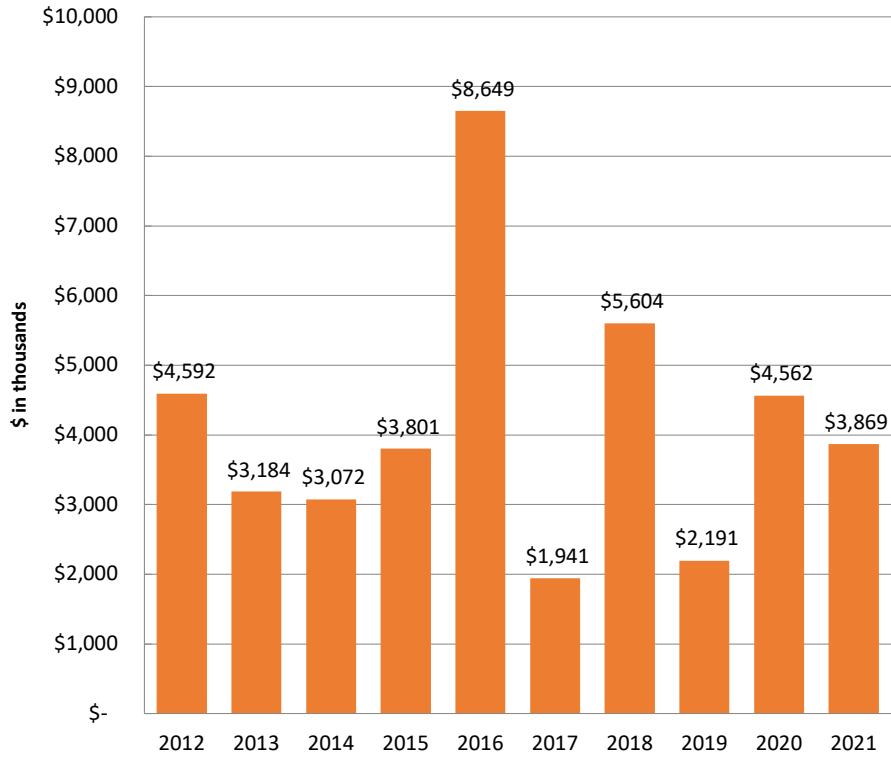
The State Treasurer’s Office finances capital equipment for State agencies and higher education institutions through the administration of the Capital Equipment Lease-Purchase Program. Eligible State entities initiate requests for lease funding of certain assets. At several times during the fiscal year 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 capital equipment, usually for a term of either three or five years.

Leases are paid semi-annually from funds transferred at the beginning of each fiscal year to the State Treasurer’s Office from the respective State entities that have financed assets through the lease program.

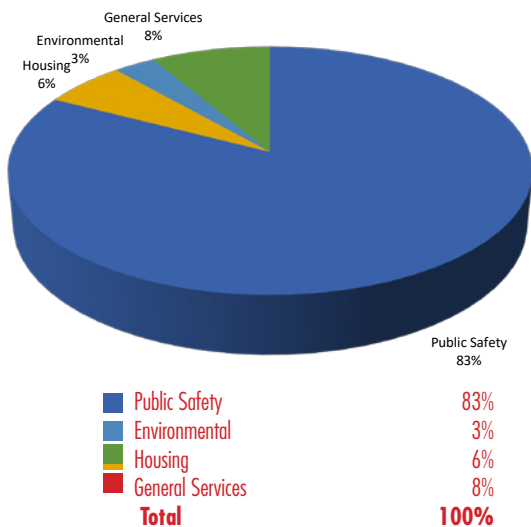
During fiscal year 2021, State agencies financed \$3.9 million of equipment under a Lease–Purchase Agreement. Details on the Capital Lease-Purchase Program, including the history of the program for the last ten years, are depicted in the following charts.

DEBT MANAGEMENT DIVISION continued from page 22

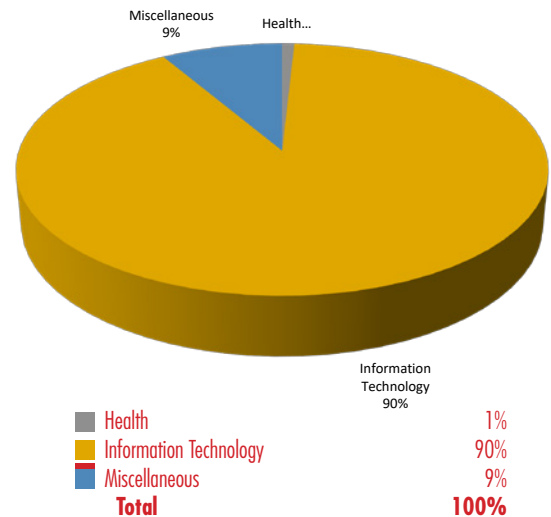
EQUIPMENT LEASE – PURCHASE FINANCING HISTORY: FISCAL YEARS 2012-2021



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



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



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DEBT MANAGEMENT DIVISION *continued from page 23*

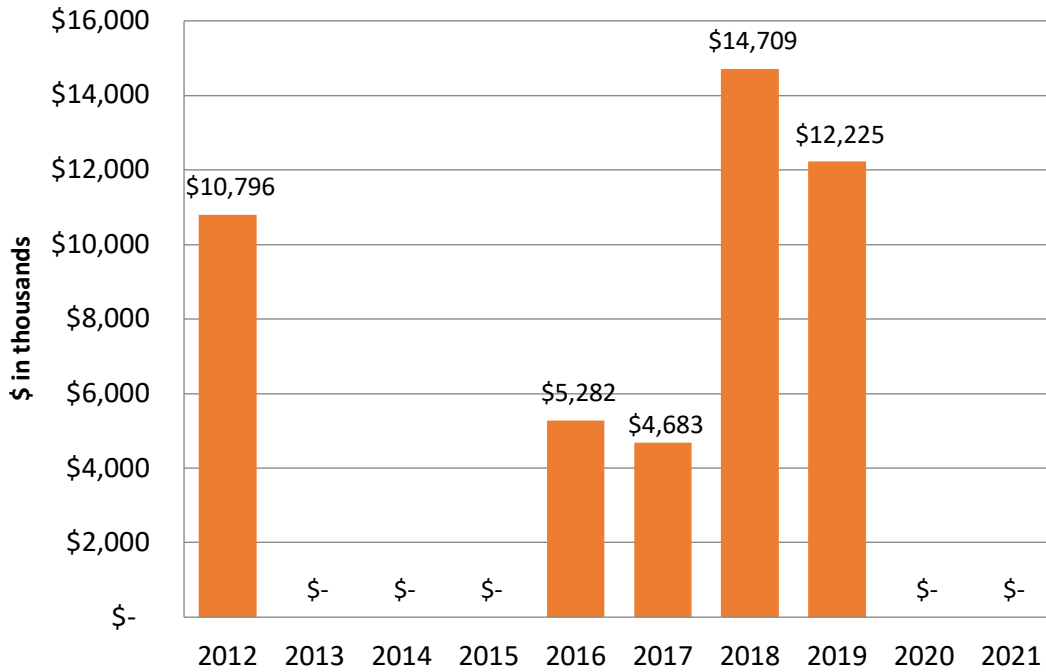
ENERGY LEASES

The State Treasurer’s Office finances energy efficiency projects for State agencies and higher education institutions through the Energy Performance Lease-Purchase Program. Leases are generally structured for terms of 13, 14, or 15 years, and the savings generated by the projects used to fund the lease payments. Lessors are procured by the Treasurer’s

Office and paid semi-annually from funds transferred at the beginning of each fiscal year from the applicable agencies.

During fiscal year 2021, there were no energy leases financed. The history of the Energy Performance Lease-Purchase Program for the last ten years is depicted in the following chart. ■

ENERGY PERFORMANCE LEASE – PURCHASE FINANCING HISTORY: FISCAL YEARS 2011 - 2020



INSURANCE DIVISION

JOYCE MILLER

Director

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THE INSURANCE DIVISION

is responsible for administering the State's Insurance Program which is comprised of both commercial and self-insurance. Commercial insurance policies are procured to cover catastrophic property and liability losses, and obligations derived from State contracts, statutes and regulations. Among exposures covered by commercial policies are State maintained toll bridges and tunnels, Baltimore Washington International Thurgood Marshall Airport (BWI), Port of Baltimore, Maryland Transit Administration liability, assorted professional liability exposures and student athlete accident insurance. The commercial policies are listed on the Treasurer's website at www.treasurer.state.md.us. 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 makes recommendations to the Treasurer as to the combination that best protects the State of Maryland's assets. The Underwriting Unit continues to serve as a resource to all State agencies for their insurance questions or concerns.

CURRENT MARKET CONDITIONS

The volatile market conditions continued through FY2021, producing rising premiums and tightening underwriting standards. Many factors contributed, including catastrophic natural events, worldwide pandemic and economic uncertainty, the capacity of insurance carriers to write new policies, and a litigious legal environment. As a result of the volatile market, certain coverages continue to be difficult to secure and fewer insurers are competing to write policies even for low-risk insureds. Premiums continue to increase in low single-digit to low double-digit ranges, and insurers have declined to negotiate terms. As a result, certain types of coverages are resulting in higher cost and additional premiums.

Property coverage was affected as insurance companies sought to recover losses from hurricanes, hailstorms, and

wildfires. The risk profile of the State, with significant values in wind and flood exposed areas and inventory of older buildings, limited the opportunity for more competitive pricing.

Transit and Aviation were impacted by unfavorable claims, resulting in some vendors to withdraw from the market or reduce their participation in FY2021. The combination of diminishing global capacity and poor results produced slightly higher rates and increased deductibles for many state agencies.

Similar trends are expected through FY2022, although hopeful premium increases may level for some lines of commercial insurance. Investment results, underwriting profitability and entry of new capital are beginning to shape the direction of commercial insurance markets and ultimately, the availability and cost of future coverage.

COMMERCIAL INSURANCE PROGRAM

In September 2020, a new commercial insurance program for cyber, network security and privacy liability insurance were placed for the State, its agencies and higher education institutions. This was the culmination of efforts by Maryland Department of IT, University Systems of Maryland, independent Schools, Judicial, Legislative and Executive branches. Unfortunately, market conditions have since deteriorated, as ransomware and similar attacks spiked against private industry and public entities. These events are likely to impact renewal opportunities in FY2022.

Fiduciary liability insurance was another new commercial coverage placed in FY2021. Fiduciary liability

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INSURANCE continued from page 25

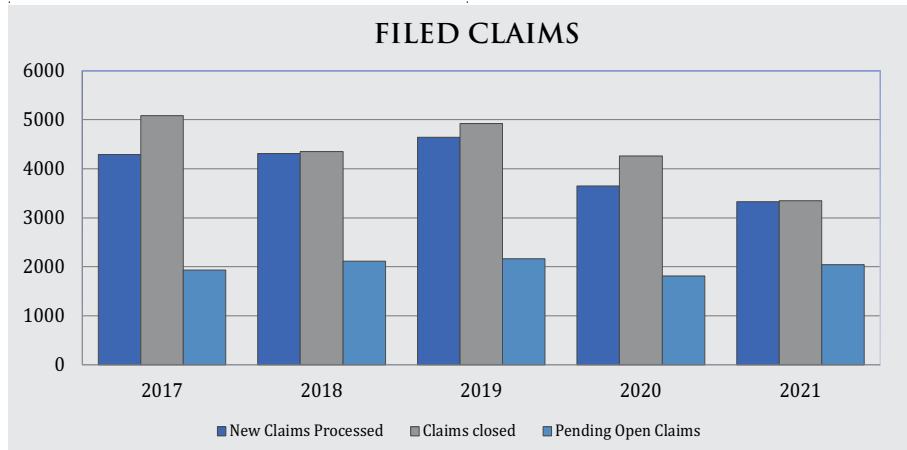
coverage affords protection for the State Retirement and Pension System, its trustees and employees, against claims brought by current or past plan participants, their families and heirs. Numerous commercial policies renewed during FY2021 and there were significant changes due to the hardening insurance markets. This impacted overall pricing for some of our placements. Below referenced is an overview of renewals this year:

- Maryland Transit Administration excess liability insurance renewed effective July 1, 2020-2021. Renewal includes drop-down liability coverage limit \$200 million. In addition, terrorism is included up to the total limit of \$500 million if a MARC related event. As required by underwriters, the bus retention increased from \$7.5 million to \$10 million. Renewal pricing was up from \$4,681,890 to \$9,470,829.
- Maryland Transit Administration rail car floater renewed effective July 1, 2020-2021. The incumbent carrier withdrew from the market, requiring two new carriers to provide replacement coverage. The deductible increased from \$500,000 to \$1 million, except for MARC and Metro collision or derailment, which is \$5 million with one carrier. Renewal pricing increased from \$473,665 to \$883,371.
- Maryland Transit Administration bus fleet physical damage renewed effective July 1, 2020-2021 with total values down approximately 5% and overall rate is up by 18%. The overall pricing increased from \$243,827 to \$269,275.
- Athletic Participants basic coverage for 10 schools was renewed effective August 1, 2020-2021. Renewal pricing remained flat at \$1,036,879.
- Maryland Aviation Administration's airport liability insurance renewed effective August 15, 2020-2021. Due to hard insurance market conditions, there were unfavorable changes to coverage limits and terms. In addition, pricing was significantly affected on this placement. Renewal pricing was up from \$379,500 to \$1,130,000.
- Allied Health professional liability coverage for various schools renewed effective September 1, 2020-2021 with number of enrolled students up by approximately 5%. In addition, because the incumbent insurer no longer writes this type of business, we were renewed with a different company at a slightly higher premium. Renewal pricing was up from \$84,765 to \$97,695.
- Blanket boiler & Machinery coverage for the State renewed effective September 30, 2020-2021. The State's overall values increased by approximately 5%; however, the incumbent market slightly reduced their rates. Renewal pricing was up from \$564,239 to \$585,449.
- Blanket terrorism coverage for State property, including bridges and tunnels, renewed effective October 13, 2020-2021. Renewal pricing was \$220,596. This remained the same.
- Maryland Transportation Authority bridges and tunnels liability insurance renewed October 17, 2020-2021. Renewal pricing was up from \$505,933 to \$750,869.
- Maryland Port Administration's cranes property/marine program renewed effective November 25, 2020-2021. The carrier implemented a named windstorm deductible of 3% with minimum of \$500,000 this renewal compared to the previous \$250,000 deductible. Overall values were up 2% from prior year. Renewal pricing increased from \$63,700 to \$68,884.
- Maryland Transportation Authority bridges and tunnels property program renewed December 1, 2020-2021. Renewal pricing was up from of \$3,299,447 to \$3,752,467.
- Maryland Fire and Rescue Institute professional and general liability policies renewed December 5, 2020-2021. Renewal pricing increased from \$21,868 to \$53,621.
- Maryland Port Administration's commercial auto coverage renewed effective January 1, 2021-2022. The overall pricing was down from \$83,070 to \$81,545.
- State-owned vessel's Protection and Indemnity (P&I) liability coverage renewed effective January 1, 2021-2022. The overall pricing was down from \$48,947 to \$43,287.
- Maryland Port Administration's liability and terrorism coverages renewed effective January 31, 2021-2022. The overall pricing was up from \$523,783 to \$537,814.
- Maryland Department of Health Willow Brook Square Patient's Trust Fund Surety Bond was renewed January 1, 2021-2022. The renewal pricing remained flat at \$350.
- University of Maryland Global Campus – Tuition Surety Bond as required by Washington State was renewed effective January 1, 2021-2022. The renewal pricing remained flat at \$625.

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INSURANCE continued from page 26

- University of Maryland, College Park Custom Bond renewed effective January 3, 2021-2022. The overall pricing decreased from \$750 to \$650.
- Maryland Institute for Emergency Medical Services Systems general liability for Radio Towers renewed effective February 18, 2021-2022. The overall pricing remained the same as expiring, \$3,850.
- Maryland Department of Housing & Community Development crime policy associated with U.S. Housing and Urban Development (HUD) contract was renewed effective March 1, 2021-2022. The renewal pricing remained flat at \$16,611.
- State of Maryland Blanket Fine Art on Loan renewed effective March 1, 2020-2021. It was noted that overall values on loan have steadily decreased over the last three years, so the policy coverage limit was reduced from \$20 million to \$10 million. The reduction in policy limit resulted in an overall pricing decreased from \$17,475 to \$10,424
- Maryland Department of Human Services (DHS) and Department of Juvenile Services (DJS) Foster Parent liability coverage renewed March 15, 2021-2022. The overall pricing increased from \$198,930 to \$222,745.
- State Blanket excess property insurance renewed effective April 1, 2021-2022. Values increased by approximately 7%. Due to an extremely difficult global insurance market, the overall pricing increased from \$8,559,987 to \$10,049,641.
- Maryland 529 Crime policy renewed effective April 1, 2021-2022. The overall pricing increased from \$1,962 to \$2,077.



- Maryland Department of Commerce Foreign Liability insurance renewed May 1, 2021-2022. The renewal pricing remained flat at \$3,500.
- Aviation Liability & Hull insurance renewed effective June 30, 2021-2022. Values for Maryland State Police helicopters were reduced from \$18.5 million per unit to \$9 million per unit and this resulted in significant savings. Additionally, University of Maryland Shore (UMES) entered a lease for four aircraft for flight school operations. This resulted in higher premiums for UMES; however, the overall renewal pricing decreased from \$1,499,424 to \$1,336,474.

The Underwriting Unit responded to various insurance inquires, provided Certificates of Insurance (COIs) and offered guidance on minimum insurance recommendations for contracts and request for proposals (RFPs). State agencies that were provided the information, included Department of Budget and Management, Maryland Public Television, Morgan State University, University of Maryland, College Park, Maryland Energy Administration,

Towson University, and Maryland Transportation Authority (MDTA).

Due to COVID restrictions affecting the State overall, the Underwriting Unit conducted mainly virtual meetings with key agencies to discuss marketing efforts and anticipated challenges associated with renewals. These key agencies included Maryland Transit Administration, Maryland State Police, Maryland Aviation Administration, and Maryland Port Administration. These meetings were generally attended by representatives from various units within the Insurance Division of the Treasurer's Office as well as commercial insurance company representatives. General topics of concern included discussions of open claims, loss control needs, operational changes, and answers to questions agencies might have about their coverage.

CLAIMS

In addition to adjusting claims filed under the Maryland Tort Claims Act, the Unit is also charged with recovering the cost of damage to State automobiles and property caused by others. This subrogation recovery process helps to offset State Insurance Trust Fund

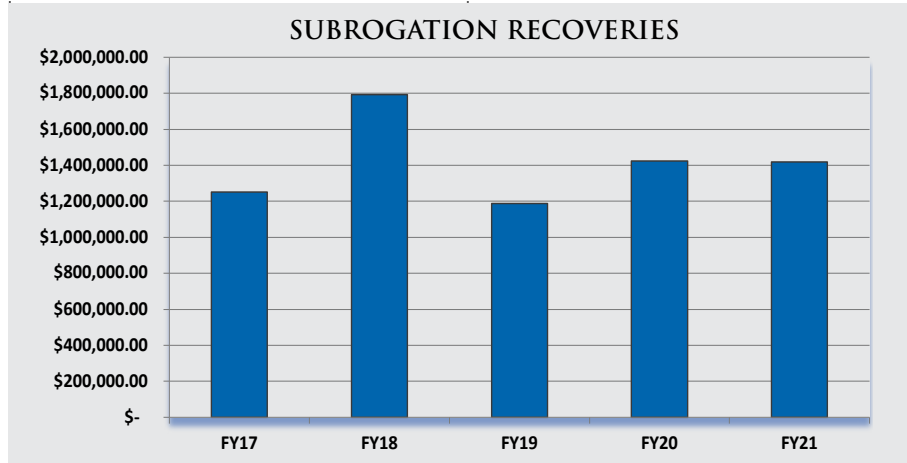
INSURANCE continued from page 27

liabilities and positively affects the Fund's solvency. Since 2007, the Claims Unit has renewed its focused on increasing subrogation recoveries by designating specific claims personnel to pursue these debts.

Subrogation recoveries for FY2021 totaled \$1,247,360.65. The subrogation recoveries for FY2021 exceeded the targeted goal of \$1 million by 25%. The total subrogation recovery for FY2020 was \$1,419,166.12. This is a continued area of focus and is a priority within the Claims Unit.

TORT LITIGATION

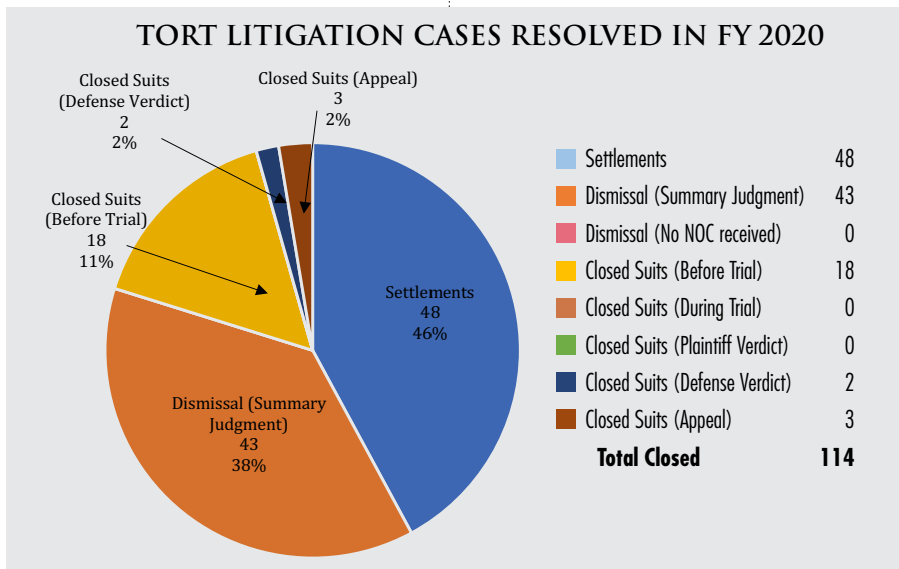
The Litigation Manager works closely with the Office of the Attorney General to proactively resolve cases in litigation. The Litigation Manager investigates, evaluates, and extends settlement authority to the Assistant Attorneys General on behalf of the Treasurer. In cases valued over \$200,000, effective 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 and provides updates on the status of litigation in certain claims of interest. The Litigation Manager provides feedback during the discovery process to help improve the adjusters' investigative skills and develop strategies for future claims handling.

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

In FY2021, 149 new suits were received by the Tort Litigation Unit. 114 cases on the rolling docket of open litigation claim files were resolved; 43 were dismissed by summary judgment; 48 cases were settled; 18 closed before trial; 2 resulted in a defendant's verdict (favorable to the State), and 3 closed following an appeal in the State's favor.



In an effort to more accurately reflect what costs are associated with the defense of a case, tracking of expenses and litigation costs was initiated. In FY2021, \$61,784.62 was paid in litigation expenses; total settlement payments were \$2,77,876.85, for a total of \$2,834,661.47. The average litigation cost per case in FY2021 at \$24,865.45. The overall costs represents an increase of \$764,554.68 from FY2020 when

INSURANCE continued from page 28

the total costs were \$2,088,106.79. The Litigation Manager will continue to monitor these costs in an effort to effectively manage and mitigate total litigation expenses and payments.

LOSS PREVENTION

The goal of the Loss Prevention Unit is to help State agencies develop specific action plans and safety practices to mitigate or eliminate the most frequent or severe sources of preventable losses. The Insurance Division tracks losses reported to the State Treasurer's Office. This practice involves quarterly reporting and trending of claims. Reports have been and will continue to be provided to State agencies and universities with a high frequency of reported losses.

Inspections, pre-loss prevention, and preventative maintenance strategies are provided to assist agencies and universities in advance of incidents or losses involving property and boiler maintenance. To ensure agencies are adequately represented and informed, loss control recommendations are provided to facility CEO's, directors and managers, maintenance personnel, insurance and fleet coordinators, risk and safety officers, and finance personnel. Follow-up on recommendations and program updates are conducted to reduce loss frequency and the severity of damage sustained by State-owned property.

During, FY2021, meetings were held with several agencies to provide reports and communication regarding such topics as: preventive maintenance; pre and post loss activities; and strategies aimed to prevent or mitigate property damage losses caused by frozen or broken pipes, rain, snow and windstorms, auto accidents, extreme cold temperatures, claims reporting, communication and other insurance related topics and concerns. Additionally, discussions regarding developing management programs and supporting documentation for impairment procedures, flood preparation, hot work procedures, planned preventive maintenance, and fire and security programs were performed.

The Loss Management Specialist performs regular follows up for proper and prompt response to loss control reports on boiler and machinery violations and recommended measures. Open violations increased in FY2021 from 67 violations to 103 open violations. The increase is attributed to COVID and the State of Maryland's social distance guidelines. The Loss Management Specialist and Property Risk Engineers for the commercial carrier, The American International Group, Inc. (AIG), completed 10 facility and/or property inspections. Prior to the inspections, the Loss Management Specialist scheduled property pre-inspection meetings with various State agencies and universities to orient them

on the process, expectations, and documentation required during the property inspection. Pre-inspections include: initial reviews of building condition and maintenance, boiler and fire pump condition, fire safety and security.

The Property Risk Engineers completed the following reports: Construction, Occupancy, Protection and Exposure (COPE) Report, Property Risk Improvement Report and the Loss Estimate Report. The reports are reviewed by the Insurance Division and then forwarded to the respective agency. Open recommendations are tracked and followed up by Loss Management and then forwarded to the insurance carrier, as required. ■

INFORMATION TECHNOLOGY DIVISION

CHARLES SIMPSON

Director

csimpson@treasurer.state.md.us

THE INFORMATION TECHNOLOGY (IT) DIVISION

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

MARYLAND STATE TREASURER ELECTRONIC PORTAL (MSTEP)

The Treasurer is adding more web services to its portfolio with the recent launch of the MSTEP portal. MSTEP was created to provide the citizens of Maryland and partnering agencies a way to carry out business with the Treasurer's Office in self-service web portals. Significant progress has been made in the development of the portals with new features to be released in the

next 6 – 12 months. The Maryland Notice of Claims (NOC) forms and the Unpresented and Undelivered Checks database are now available on the Treasurer's website, main page. Prior to rolling out MSTEP, citizens who wished to file a claim against the State for damages covered by the Maryland Tort Claims Act (MTCA) had to mail or fax a Notice of Claim (NOC) form into the State Treasurer's Office Insurance Division. The MSTEP portal has significantly reduced the number of paper notices, saved time and simplified internal processes.

DIGITAL TRANSFORMATION

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

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

CUSTOMER SERVICE

The IT Division strives to deliver first class customer service and application delivery to our constituents and business partners.

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INFORMATION TECHNOLOGY DIVISION *continued from page 30*

ACH PROCESSING

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

ELECTRONIC FUNDS TRANSFER (EFT)

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

CHECK PAYMENT PROCESSING

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

RECEIPT PROCESSING

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

"Depository Plus" process.

CONTINGENCY PLANNING

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

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 UNIT

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

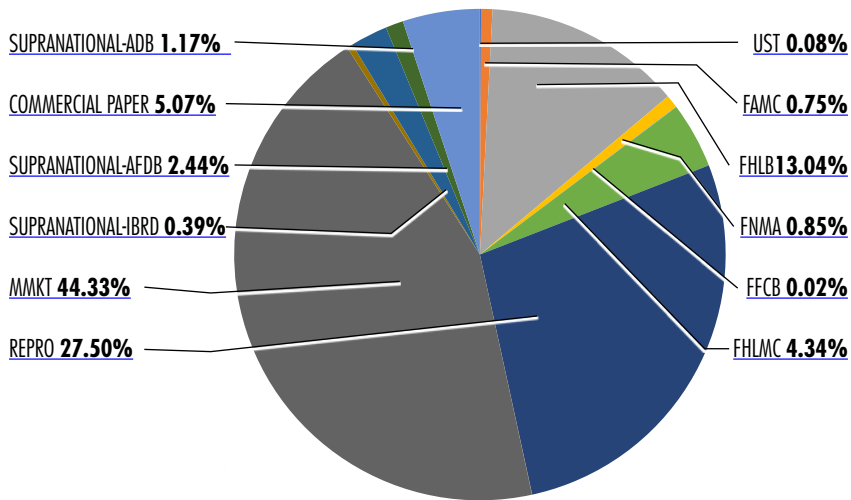
The Legal Division advises the Treasurer and Office staff on a variety of issues affecting the Office and its interaction with federal, State and local government agencies, contractors and the public. Advice, counsel and legal analysis on matters before various boards and commissions on which the Treasurer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

APPENDIX A – INVESTMENT INVENTORY

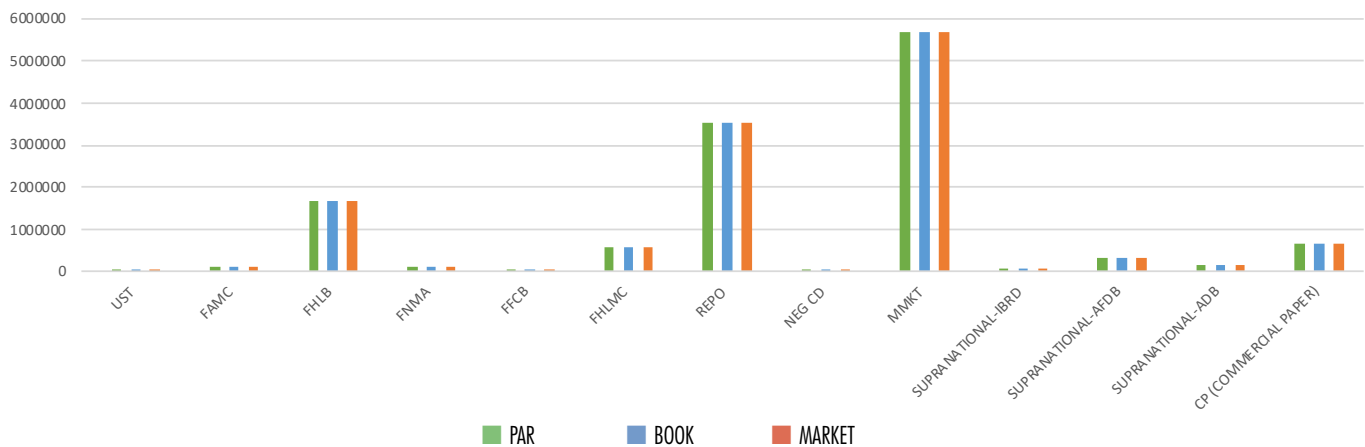
STATE OF MARYLAND INVENTORY BY MARKET VALUE

AS OF DATE: 06/30/2021 • DATE BASIS: SETTLEMENT • REPORTING CURRENCY: LOCAL

ASSET ALLOCATION



Assets (000's)	CURRENT PAR	CURRENT Book	Market	UN Gain/Loss
UST	9,706	9,527	9,529	2
FAMC	95,827	95,803	96,607	804
FHLB	1,671,300	1,671,147	1,668,247	-2,900
FNMA	109,500	109,500	108,747	-753
FFCB	3,000	3,000	3,165	165
FHLMC	556,009	556,009	552,763	-3,246
REPO	3,523,110	3,523,110	3,523,110	0
NEG CD	1,796	1,796	1,796	0
MMKT	5,680,420	5,680,420	5,680,420	0
SUPRANATIONAL-IBRD	50,000	49,709	50,135	426
SUPRANATIONAL-AFDB	312,000	311,588	312,009	421
SUPRANATIONAL-ADB	150,000	150,000	150,000	0
CP (COMMERCIAL PAPER)	650,000	649,886	649,893	-8
Totals(000's)	12,812,667	12,811,493	12,806,420	-5,088



STATE OF MARYLAND INVENTORY BY MARKET VALUE

AS OF DATE: 06/30/2021 • DATE BASIS: SETTLEMENT • 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	
FUND: 2 GENERAL FUND									
18369	ADB	045167DWO	01/30/2017	2.150000	50,000,000.00	50,000,000.00	450,902.78	0.00	
			01/30/2022	2.150000	50,000,000.00	100.000000	BOOK	0.00	
18370	ADB	045167DWO	01/30/2017	2.150000	50,000,000.00	50,000,000.00	450,902.78	0.00	
			01/30/2022	2.150000	50,000,000.00	100.000000	BOOK	0.00	
18371	ADB	045167DWO	01/30/2017	2.150000	50,000,000.00	50,000,000.00	450,902.78	0.00	
			01/30/2022	2.150000	50,000,000.00	100.000000	BOOK	0.00	
Inv Type: 22 SUPRANATIONALS-ADB-30/360 SA					2.150000	150,000,000.00	150,000,000.00	1,352,708.34	0.00
				2.150000	150,000,000.00	100.000000		0.00	
18215	IBRD (Quoted rate o	459058FP3	10/31/2016	1.376000	50,000,000.00	50,135,000.00	191,111.10	426,434.50	
			09/20/2021	1.500066	49,708,565.50	100.270000	IDC-FIS	0.00	
Inv Type: 23 SUPRANATIONALS-IBRD-					1.376000	50,000,000.00	50,135,000.00	191,111.10	426,434.50
				1.500066	49,708,565.50	100.270000		0.00	
18200	AFDB	00828EBU2	10/31/2016	1.500000	100,000,000.00	100,000,000.00	254,166.67	0.00	
			10/31/2021	1.500000	100,000,000.00	100.000000	BOOK	0.00	
18201	AFDB	00828EBU2	10/31/2016	1.500000	50,000,000.00	50,000,000.00	127,083.33	0.00	
			10/31/2021	1.500000	50,000,000.00	100.000000	BOOK	0.00	
18202	AFDB	00828EBU2	10/31/2016	1.500000	50,000,000.00	50,000,000.00	127,083.33	0.00	
			10/31/2021	1.500000	50,000,000.00	100.000000	BOOK	0.00	
18277	AFDB	00828EBP3	12/09/2016	1.250000	12,000,000.00	12,009,360.00	64,583.33	421,200.00	
			07/26/2021	2.030161	11,588,160.00	100.078000	IDC-FIS	0.00	
18617	AFDB	00828EBVO	02/01/2017	2.180000	100,000,000.00	100,000,000.00	908,333.33	0.00	
			02/01/2022	2.180000	100,000,000.00	100.000000	BOOK	0.00	
Inv Type: 24 SUPRATIONALS-AFDB					1.708939	312,000,000.00	312,009,360.00	1,481,249.99	421,200.00
				1.737954	311,588,160.00	100.003000		0.00	
18322	FAMCA	3132XOMY4	01/06/2017	2.100000	31,000,000.00	31,324,880.00	316,458.33	327,980.00	
			01/06/2022	2.102117	30,996,900.00	101.048000	IDC-FIS	0.00	
18350	FAMCA	3132XONM9	01/13/2017	2.000000	9,988,000.00	10,091,176.04	93,221.33	108,170.04	
			01/13/2022	2.010561	9,983,006.00	101.033000	IDC-FIS	0.00	
18388	FAMCA	3132XONZO	01/30/2017	2.100000	15,000,000.00	15,154,650.00	155,750.00	162,150.00	
			01/03/2022	2.110892	14,992,500.00	101.031000	IDC-FIS	0.00	
18389	FAMCA	3132XONZO	01/30/2017	2.100000	15,000,000.00	15,154,650.00	155,750.00	162,150.00	
Inv Type: 31 FAMC					2.085932	70,988,000.00	71,725,356.04	721,179.66	760,450.04
				2.092945	70,964,906.00	101.038705		0.00	
18267	FHLB	3130AABG2	11/30/2016	1.875000	35,000,000.00	35,260,050.00	58,333.33	413,350.00	
			11/29/2021	1.967463	34,846,700.00	100.743000	IDC-FIS	0.00	
21355	FHLB	3130ALCG7	03/09/2021	.670000	100,000,000.00	98,910,000.00	208,444.44	0.00	
			03/09/2026	.670000	100,000,000.00	98.910000	IDC-FIS	-1,090,000.00	
21364	FHLB	3130ALCU6	02/25/2021	.700000	100,000,000.00	98,914,000.00	245,000.00	0.00	
			02/25/2026	.700000	100,000,000.00	98.914000	IDC-FIS	-1,086,000.00	
21365	FHLB	3130ALE59	03/16/2021	.800000	100,000,000.00	99,684,000.00	233,333.33	0.00	
			03/16/2026	.800000	100,000,000.00	99.684000	IDC-FIS	-316,000.00	
21373	FHLB	3130ALG17	03/23/2021	1.000000	97,500,000.00	97,500,000.00	265,416.67	0.00	
			03/26/2026	1.000000	97,500,000.00	100.000000	IDC-FIS	0.00	
21522	FHLB	3130AMK27	05/26/2021	1.100000	100,000,000.00	99,922,000.00	106,944.44	0.00	
			05/26/2026	1.100000	100,000,000.00	99.922000	IDC-FIS	-78,000.00	
21523	FHLB	3130AMK35	05/26/2021	1.060000	100,000,000.00	99,921,000.00	103,055.56	0.00	
			05/26/2026	1.060000	100,000,000.00	99.921000	IDC-FIS	-79,000.00	
21524	FHLB	3130AMK68	05/27/2021	1.100000	100,000,000.00	100,021,000.00	103,888.89	21,000.00	
			05/27/2026	1.100000	100,000,000.00	100.021000	IDC-FIS	0.00	
21525	FHLB	3130AMKD3	05/26/2021	1.060000	100,000,000.00	99,890,000.00	103,055.56	0.00	

STATE OF MARYLAND INVENTORY BY MARKET VALUE

AS OF DATE: 06/30/2021 • DATE BASIS: SETTLEMENT • 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	
21537	FHLB	3130AML83	05/26/2026	1.060000	100,000,000.00	99.890000	IDC-FIS	-110,000.00	
			05/28/2021	1.110000	100,000,000.00	99,782,000.00	101,750.00	0.00	
			05/28/2026	1.110000	100,000,000.00	99.782000	IDC-FIS	-218,000.00	
21544	FHLB	3130AMNL2	06/15/2021	1.180000	100,000,000.00	99,827,000.00	52,444.44	0.00	
			06/15/2026	1.180000	100,000,000.00	99.827000	IDC-FIS	-173,000.00	
21547	FHLB	3130AMNL2	06/15/2021	1.180000	10,000,000.00	9,982,700.00	5,244.44	0.00	
			06/15/2026	1.180000	10,000,000.00	99.827000	IDC-FIS	-17,300.00	
21587	FHLB	3130AMXR8	06/30/2021	1.125000	100,000,000.00	99,963,000.00	3,125.00	0.00	
			06/26/2026	1.125000	100,000,000.00	99.963000	IDC-FIS	-37,000.00	
21588	FHLB	3130AMXR8	06/30/2021	1.125000	100,000,000.00	99,963,000.00	3,125.00	0.00	
			06/26/2026	1.125000	100,000,000.00	99.963000	IDC-FIS	-37,000.00	
21589	FHLB	3130AMXR8	06/30/2021	1.125000	100,000,000.00	99,963,000.00	3,125.00	0.00	
			06/26/2026	1.125000	100,000,000.00	99.963000	IDC-FIS	-37,000.00	
21612	FHLB	3130AN3S7	06/30/2021	1.100000	150,000,000.00	150,001,500.00	4,583.33	1,500.00	
			07/02/2026	1.100000	150,000,000.00	100.001000	IDC-FIS	0.00	
21613	FHLB	3130AN3S7	06/30/2021	1.100000	150,000,000.00	150,001,500.00	4,583.33	1,500.00	
			07/02/2026	1.100000	150,000,000.00	100.001000	IDC-FIS	0.00	
Inv Type: 32 FHLB					1.047366	1,642,500,000.00	1,639,505,750.00	1,605,452.76	437,350.00
				1.049328	1,642,346,700.00	99.817702		-3,278,300.00	
21222	FNMA	3135GA6E6	12/23/2020	.670000	100,000,000.00	99,246,000.00	14,888.89	0.00	
			12/23/2025	.670000	100,000,000.00	99.246000	IDC-FIS	-754,000.00	
Inv Type: 34 FNMA					.670000	100,000,000.00	99,246,000.00	14,888.89	0.00
				.670000	100,000,000.00	99.246000		-754,000.00	
18505	FHLMC	3134GBLJ9	05/17/2017	2.000000	50,000,000.00	50,826,500.00	122,222.22	826,500.00	
			05/17/2022	2.000000	50,000,000.00	101.653000	IDC-FIS	0.00	
21091	FHLMC	3134GWX92	09/30/2020	.550000	100,000,000.00	99,004,000.00	139,027.78	0.00	
			09/30/2025	.550000	100,000,000.00	99.004000	IDC-FIS	-996,000.00	
21108	FHLMC	3134GWZ64	10/20/2020	.600000	50,000,000.00	49,506,500.00	59,166.67	0.00	
			10/20/2025	.600000	50,000,000.00	99.013000	IDC-FIS	-493,500.00	
21145	FHLMC	3134GW6U5	11/19/2020	.625000	50,000,000.00	49,155,000.00	36,458.33	0.00	
			11/19/2025	.625000	50,000,000.00	98.310000	IDC-FIS	-845,000.00	
21180	FHLMC	3134GXCT9	12/16/2020	.635000	100,000,000.00	99,707,000.00	26,458.33	0.00	
			12/16/2025	.635000	100,000,000.00	99.707000	IDC-FIS	-293,000.00	
21197	FHLMC	3134GXFL3	12/23/2020	.645000	100,000,000.00	99,173,000.00	14,333.33	0.00	
			12/23/2025	.645000	100,000,000.00	99.173000	IDC-FIS	-827,000.00	
21199	FHLMC	3134GXFA7	11/30/2020	.650000	56,009,000.00	55,685,267.98	35,394.58	0.00	
			11/26/2025	.650000	56,009,000.00	99.422000	IDC-FIS	-323,732.02	
21221	FHLMC	3134GXHL1	12/30/2020	.700000	50,000,000.00	49,706,000.00	972.22	0.00	
			12/30/2025	.700000	50,000,000.00	99.412000	IDC-FIS	-294,000.00	
Inv Type: 37 FHLMC					.747570	556,009,000.00	552,763,267.98	434,033.46	826,500.00
				.747570	556,009,000.00	99.416245		-4,072,232.02	
21621	Overnight		06/30/2021	.040000	410,739,000.00	410,739,000.00	456.38	0.00	
			07/01/2021	.040000	410,739,000.00	100.000000	BOOK	0.00	
Inv Type: 60 REPO OPEN					.040000	410,739,000.00	410,739,000.00	456.38	0.00
				.040000	410,739,000.00	100.000000		0.00	
21553	Term		05/27/2021	.020000	100,000,000.00	100,000,000.00	1,944.44	0.00	
			07/30/2021	.020000	100,000,000.00	100.000000	BOOK	0.00	
21556	Term		06/02/2021	.030000	100,000,000.00	100,000,000.00	2,416.67	0.00	
			07/30/2021	.030000	100,000,000.00	100.000000	BOOK	0.00	
21557	Term		06/02/2021	.030000	100,000,000.00	100,000,000.00	2,416.67	0.00	
			07/30/2021	.030000	100,000,000.00	100.000000	BOOK	0.00	
21560	Term		06/03/2021	.030000	100,000,000.00	100,000,000.00	2,333.33	0.00	
			07/30/2021	.030000	100,000,000.00	100.000000	BOOK	0.00	
21563	Term		06/04/2021	.030000	100,000,000.00	100,000,000.00	2,250.00	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	
21565	Term		07/30/2021	.030000	100,000,000.00	100.000000	BOOK	0.00	
			06/07/2021	.025000	200,000,000.00	200,000,000.00	3,333.33	0.00	
			07/30/2021	.025000	200,000,000.00	100.000000	BOOK	0.00	
21566	Term		06/07/2021	.020000	100,000,000.00	100,000,000.00	1,333.33	0.00	
			07/30/2021	.020000	100,000,000.00	100.000000	BOOK	0.00	
21572	Term		06/10/2021	.025000	198,392,000.00	198,392,000.00	2,893.22	0.00	
			07/30/2021	.025000	198,392,000.00	100.000000	BOOK	0.00	
21573	Term		06/11/2021	.020000	252,472,000.00	252,472,000.00	2,805.24	0.00	
			07/06/2021	.020000	252,472,000.00	100.000000	BOOK	0.00	
21577	Term		06/15/2021	.030000	300,000,000.00	300,000,000.00	4,000.00	0.00	
			08/30/2021	.030000	300,000,000.00	100.000000	BOOK	0.00	
21578	Term		06/15/2021	.020000	241,049,000.00	241,049,000.00	2,142.66	0.00	
			07/06/2021	.020000	241,049,000.00	100.000000	BOOK	0.00	
21582	Term		06/16/2021	.025000	173,533,000.00	173,533,000.00	1,807.64	0.00	
			07/30/2021	.025000	173,533,000.00	100.000000	BOOK	0.00	
21584	Term		06/17/2021	.040000	100,000,000.00	100,000,000.00	1,555.56	0.00	
			07/30/2021	.040000	100,000,000.00	100.000000	BOOK	0.00	
21586	Term		06/17/2021	.040000	100,000,000.00	100,000,000.00	1,555.56	0.00	
			08/30/2021	.040000	100,000,000.00	100.000000	BOOK	0.00	
21605	Term		06/25/2021	.060000	300,000,000.00	300,000,000.00	3,000.00	0.00	
			07/02/2021	.060000	300,000,000.00	100.000000	BOOK	0.00	
21606	Term		06/25/2021	.060000	100,000,000.00	100,000,000.00	1,000.00	0.00	
			07/07/2021	.060000	100,000,000.00	100.000000	BOOK	0.00	
21607	Term		06/25/2021	.060000	100,000,000.00	100,000,000.00	1,000.00	0.00	
			07/09/2021	.060000	100,000,000.00	100.000000	BOOK	0.00	
Inv Type: 61 REPO TERM									
				.032703	2,665,446,000.00	2,665,446,000.00	37,787.65	0.00	
				.032703	2,665,446,000.00	100.000000		0.00	
21538	ULVR CP	90477DUW4	05/20/2021	.000000	50,000,000.00	49,995,972.22	2,333.33	0.00	
			07/30/2021	.040003	49,996,055.56	99.991944	IDC-FIS	-2,416.67	
21551	ULVR CP	90477DUS3	05/28/2021	.000000	100,000,000.00	99,993,055.56	2,833.34	0.00	
			07/26/2021	.030001	99,995,083.33	99.993056	IDC-FIS	-4,861.11	
21568	STENA CP	78476GWH4	06/14/2021	.000000	50,000,000.00	49,989,166.67	1,180.56	0.00	
			09/17/2021	.050007	49,993,402.78	99.978333	IDC-FIS	-5,416.67	
21569	ANGLES CP	0347M2UW4	06/10/2021	.000000	75,000,000.00	74,993,958.33	2,187.50	0.00	
			07/30/2021	.050003	74,994,791.67	99.991944	IDC-FIS	-3,020.84	
21576	ANGLES CP	0347M2VX1	06/16/2021	.000000	75,000,000.00	74,987,291.67	2,187.50	0.00	
			08/31/2021	.070010	74,988,916.67	99.983056	IDC-FIS	-3,812.50	
21592	SOCGEN CP	83369BVT0	06/22/2021	.000000	75,000,000.00	74,988,125.00	1,503.41	0.00	
			08/27/2021	.080194	74,988,975.00	99.984167	IDC-FIS	-2,353.41	
21602	CMSERB CP	20632KWH8	06/25/2021	.000000	75,000,000.00	74,983,750.00	1,750.00	6,500.00	
			09/17/2021	.140046	74,975,500.00	99.978333	IDC-FIS	0.00	
21604	BARCCP CP	06742XJVO	06/28/2021	.000000	75,000,000.00	74,980,833.33	750.00	3,833.33	
			10/01/2021	.120038	74,976,250.00	99.974444	IDC-FIS	0.00	
21616	ICBCAS CP	45581BWW3	06/30/2021	.000000	75,000,000.00	74,981,041.67	250.00	3,791.67	
			09/30/2021	.120037	74,977,000.00	99.974722	IDC-FIS	0.00	
Inv Type: 66 CP DISCOUNT									
				.000000	650,000,000.00	649,893,194.45	14,975.64	14,125.00	
				.078496	649,885,975.01	99.983568		-21,881.20	
11456	MLGIP		06/30/2008	.028740	2,010,921,394.22	2,010,921,394.22	51,228.77	0.00	
			07/01/2021	.028740	2,010,921,394.22	100.000000	BOOK	0.00	
19552	Fidelity Investmetn		01/30/2019	.010001	390,721,372.03	390,721,372.03	2.26	0.00	
			07/01/2021	.010001	390,721,372.03	100.000000	BOOK	0.00	
21571	Academy JGAXX		06/10/2021	.025992	3,250,044,344.53	3,250,044,344.53	0.00	0.00	
			07/01/2021	.025992	3,250,044,344.53	100.000000	BOOK	0.00	
Inv Type: 98 MONEY MARKET FUNDS									
				.025864	5,651,687,110.78	5,651,687,110.78	51,231.03	0.00	
				.025864	5,651,687,110.78	100.000000		0.00	
Subtotal					.287475	12,259,369,110.78	12,253,150,039.25	5,905,074.90	2,886,059.54
					.293181	12,258,375,417.29	99.949271	-8,126,413.22	

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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
FUND: 8 CONSOLIDATED TRANS. BONDS								
12228	CTRB 2009 Debt Serv		06/19/2009	.025109	509.14	509.14	7,747.01	0.00
			07/01/2021	.025109	509.14	100.000000	BOOK	0.00
12229	CTRB 2009 Reserve		06/19/2009	.025117	4,409,133.10	4,409,133.10	219,572.95	0.00
			07/01/2021	.025117	4,409,133.10	100.000000	BOOK	0.00
Inv Type: 98 MONEY MARKET FUNDS				.025117	4,409,642.24	4,409,642.24	227,319.96	0.00
				.025117	4,409,642.24	100.000000		0.00
	Subtotal			.025117	4,409,642.24	4,409,642.24	227,319.96	0.00
				.025117	4,409,642.24	100.000000		0.00
FUND: 11 COUNTY TRANS. REVENUE BOND								
11461	CTRB 2007 Reserve		06/30/2008	.723621	0.00	0.00	2.95	0.00
			07/01/2021	.723621	0.00	.000000	BOOK	0.00
11462	CTRB 2007 Debt Serv		06/30/2008	.725379	0.00	0.00	4.23	0.00
			07/01/2021	.725379	0.00	.000000	BOOK	0.00
12197	CTRB 2009 Proceeds		06/05/2009	.010158	0.00	0.00	2.37	0.00
			07/01/2021	.010158	0.00	.000000	BOOK	0.00
19425	2018 CTRB Proceeds		11/28/2018	.025124	11,489,065.72	11,489,065.72	0.00	0.00
			07/01/2021	.025124	11,489,065.72	100.000000	BOOK	0.00
Inv Type: 98 MONEY MARKET FUNDS				.025124	11,489,065.72	11,489,065.72	9.55	0.00
				.025124	11,489,065.72	100.000000		0.00
	Subtotal			.025124	11,489,065.72	11,489,065.72	9.55	0.00
				.025124	11,489,065.72	100.000000		0.00
FUND: 15 BC CTRB DEBT SERVICE								
15473	CTRB 2012 BC Debt S		10/25/2012	.026780	0.00	0.00	705.53	0.00
			07/01/2021	.026780	0.00	.000000	BOOK	0.00
19508	2018 CTRB DEBT SERV		01/10/2019	.020427	415.36	415.36	-2.85	0.00
			07/01/2021	.020427	415.36	100.000000	BOOK	0.00
Inv Type: 98 MONEY MARKET FUNDS				.020427	415.36	415.36	702.68	0.00
				.020427	415.36	100.000000		0.00
	Subtotal			.020427	415.36	415.36	702.68	0.00
				.020427	415.36	100.000000		0.00
FUND: 16 BC CTRB RESERVE								
15472	CTRB 2012 BC Reserv		10/25/2012	.025135	2,367,072.00	2,367,072.00	0.00	0.00
			07/01/2021	.025135	2,367,072.00	100.000000	BOOK	0.00
19509	2018 CTRB RESERVE		01/10/2019	.025103	3,946,197.36	3,946,197.36	0.00	0.00
			07/01/2021	.025103	3,946,197.36	100.000000	BOOK	0.00
Inv Type: 98 MONEY MARKET FUNDS				.025115	6,313,269.36	6,313,269.36	0.00	0.00
				.025115	6,313,269.36	100.000000		0.00
	Subtotal			.025115	6,313,269.36	6,313,269.36	0.00	0.00
				.025115	6,313,269.36	100.000000		0.00
FUND: 18 2016 CTRB PROCEEDS								
17568	2016 CTRB PROCEEDS		03/30/2016	2.066180	0.00	0.00	0.00	0.00
			07/01/2021	2.066180	0.00	.000000	BOOK	0.00
Inv Type: 98 MONEY MARKET FUNDS				.000000	0.00	0.00	0.00	0.00
				.000000	0.00	.000000		0.00
	Subtotal			.000000	0.00	0.00	0.00	0.00
				.000000	0.00	.000000		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
FUND: 19 2016 CTB RESERVE								
17626	2016 CTB RESERVE		04/20/2016	.025136	6,520,147.25	6,520,147.25	0.00	0.00
			07/01/2021	.025136	6,520,147.25	100.000000	BOOK	0.00
Inv Type: 98 MONEY MARKET FUNDS				.025136	6,520,147.25	6,520,147.25	0.00	0.00
				.025136	6,520,147.25	100.000000		0.00
			Subtotal	.025136	6,520,147.25	6,520,147.25	0.00	0.00
				.025136	6,520,147.25	100.000000		0.00
FUND: 21 2016 CTB DEBT SERVICE								
17625	2016 CTB DEBT SERV		04/20/2016	.009881	101.19	101.19	-14.96	0.00
			07/01/2021	.009881	101.19	100.000000	BOOK	0.00
Inv Type: 98 MONEY MARKET FUNDS				.009881	101.19	101.19	-14.96	0.00
				.009881	101.19	100.000000		0.00
			Subtotal	.009881	101.19	101.19	-14.96	0.00
				.009881	101.19	100.000000		0.00
FUND: 74 MD WATER REVOLVING LOAN FUND								
18078	FFCB - WQFA	3133EGWB7	09/23/2016	2.020000	3,000,000.00	3,164,520.00	25,250.00	164,520.00
			02/01/2026	2.020000	3,000,000.00	105.484000	IDC-FIS	0.00
Inv Type: 36 FFCB				2.020000	3,000,000.00	3,164,520.00	25,250.00	164,520.00
				2.020000	3,000,000.00	105.484000		0.00
19451	WQFA Linked CD		12/12/2018	1.000000	1,646,000.00	1,646,000.00	9,061.81	0.00
			12/12/2028	1.000000	1,646,000.00	100.000000	BOOK	0.00
21603	WQFA Linked CD		06/24/2021	.010000	150,000.00	150,000.00	0.00	0.00
			07/01/2026	.010000	150,000.00	100.000000	BOOK	0.00
Inv Type: 75 NEG CD				.917316	1,796,000.00	1,796,000.00	9,061.81	0.00
				.917316	1,796,000.00	100.000000		0.00
			Subtotal	1.607068	4,796,000.00	4,960,520.00	34,311.81	164,520.00
				1.607068	4,796,000.00	103.430359		0.00
FUND: 2009 2009 QSCB SINKING FUND BNY								
21463	Sinking Fund	3130AKWM4	02/26/2021	.300000	3,800,000.00	3,755,806.00	3,958.33	0.00
			11/26/2024	.300000	3,800,000.00	98.837000	IDC-FIS	-44,194.00
21617	FHLB	3130AN3U2	06/30/2021	.562000	25,000,000.00	24,985,000.00	390.28	0.00
			12/13/2024	.562000	25,000,000.00	99.940000	IDC-FIS	-15,000.00
Inv Type: 32 FHLB				.527431	28,800,000.00	28,740,806.00	4,348.61	0.00
				.527431	28,800,000.00	99.794465		-59,194.00
21462	Sinking Fund	3136G4D67	07/29/2020	.500000	9,500,000.00	9,500,760.00	43,805.56	760.00
			07/29/2024	.500000	9,500,000.00	100.008000	IDC-FIS	0.00
Inv Type: 34 FNMA				.500000	9,500,000.00	9,500,760.00	43,805.56	760.00
				.500000	9,500,000.00	100.008000		0.00
			Subtotal	.520627	38,300,000.00	38,241,566.00	48,154.17	760.00
				.520627	38,300,000.00	99.847431		-59,194.00

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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
FUND: 2010 2010 QSCB SINKING FUND 080411								
21615	US Treasury Note	91282CAB7	06/29/2021	.250000	6,423,000.00	6,303,853.35	6,698.02	1,284.60
			07/31/2025	.716174	6,302,568.75	98.145000	IDC-FIS	0.00
Inv Type: 12 TREASURY NOTES				.250000	6,423,000.00	6,303,853.35	6,698.02	1,284.60
				.716174	6,302,568.75	98.145000		0.00
18676	FAMCA	3132XONM9	08/17/2017	2.000000	3,012,000.00	3,043,113.96	28,112.00	32,441.81
			01/13/2022	2.010324	3,010,672.15	101.033000	IDC-FIS	0.00
21410	FAMCA	31422XDA7	04/01/2021	.700000	21,691,000.00	21,702,062.41	37,959.25	11,062.41
			04/01/2025	.700000	21,691,000.00	100.051000	IDC-FIS	0.00
Inv Type: 31 FAMC				.858446	24,703,000.00	24,745,176.37	66,071.25	43,504.22
				.859704	24,701,672.15	100.170734		0.00
Subtotal				.734760	31,126,000.00	31,049,029.72	72,769.27	44,788.82
				.830527	31,004,240.90	99.752714		0.00
FUND: 2011 2010 QZAB SPECIAL SINKING FUND								
21614	US Treasury Note	91282CAZ4	06/29/2021	.375000	3,283,000.00	3,225,153.54	1,042.75	1,144.95
			11/30/2025	.789386	3,224,008.59	98.238000	IDC-FIS	0.00
Inv Type: 12 TREASURY NOTES				.375000	3,283,000.00	3,225,153.54	1,042.75	1,144.95
				.789386	3,224,008.59	98.238000		0.00
21409	FAMCA	31422XDA7	04/01/2021	.700000	136,000.00	136,069.36	238.00	69.36
			04/01/2025	.700000	136,000.00	100.051000	IDC-FIS	0.00
Inv Type: 31 FAMC				.700000	136,000.00	136,069.36	238.00	69.36
				.700000	136,000.00	100.051000		0.00
Subtotal				.388155	3,419,000.00	3,361,222.90	1,280.75	1,214.31
				.785768	3,360,008.59	98.310117		0.00
FUND: 2126 2020 2ND A TAX EXEMPT GO								
21579	QZAB Term		06/15/2021	.020000	20,747,106.00	20,747,106.00	184.42	0.00
			07/15/2021	.020000	20,747,106.00	100.000000	BOOK	0.00
Inv Type: 61 REPO TERM ACT				.020000	20,747,106.00	20,747,106.00	184.42	0.00
				.020000	20,747,106.00	100.000000		0.00
Subtotal				.020000	20,747,106.00	20,747,106.00	184.42	0.00
				.020000	20,747,106.00	100.000000		0.00
FUND: 2127 2021 1ST A TAX EXEMPT GO								
21580	QZAB Term		06/15/2021	.020000	425,000,000.00	425,000,000.00	3,777.78	0.00
			07/15/2021	.020000	425,000,000.00	100.000000	BOOK	0.00
Inv Type: 61 REPO TERM				.020000	425,000,000.00	425,000,000.00	3,777.78	0.00
				.020000	425,000,000.00	100.000000		0.00
Subtotal				.020000	425,000,000.00	425,000,000.00	3,777.78	0.00
				.020000	425,000,000.00	100.000000		0.00
FUND: 2128 2021 1ST B TAXABLE GO								
21581	QZAB Term		06/15/2021	.020000	1,177,616.00	1,177,616.00	10.47	0.00
			07/15/2021	.020000	1,177,616.00	100.000000	BOOK	0.00
Inv Type: 61 REPO TERM ACT-360				.020000	1,177,616.00	1,177,616.00	10.47	0.00
				.020000	1,177,616.00	100.000000		0.00
Subtotal				.020000	1,177,616.00	1,177,616.00	10.47	0.00
				.020000	1,177,616.00	100.000000		0.00
Grand Total			Count 96	.279856	12,812,667,473.90	12,806,419,740.99	6,293,580.80	3,097,342.67
				.285651	12,811,493,029.90	99.951238		-8,185,607.22

ACKNOWLEDGEMENTS

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