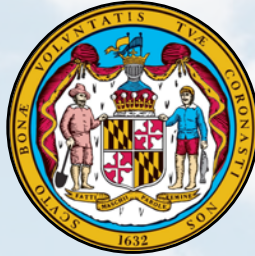
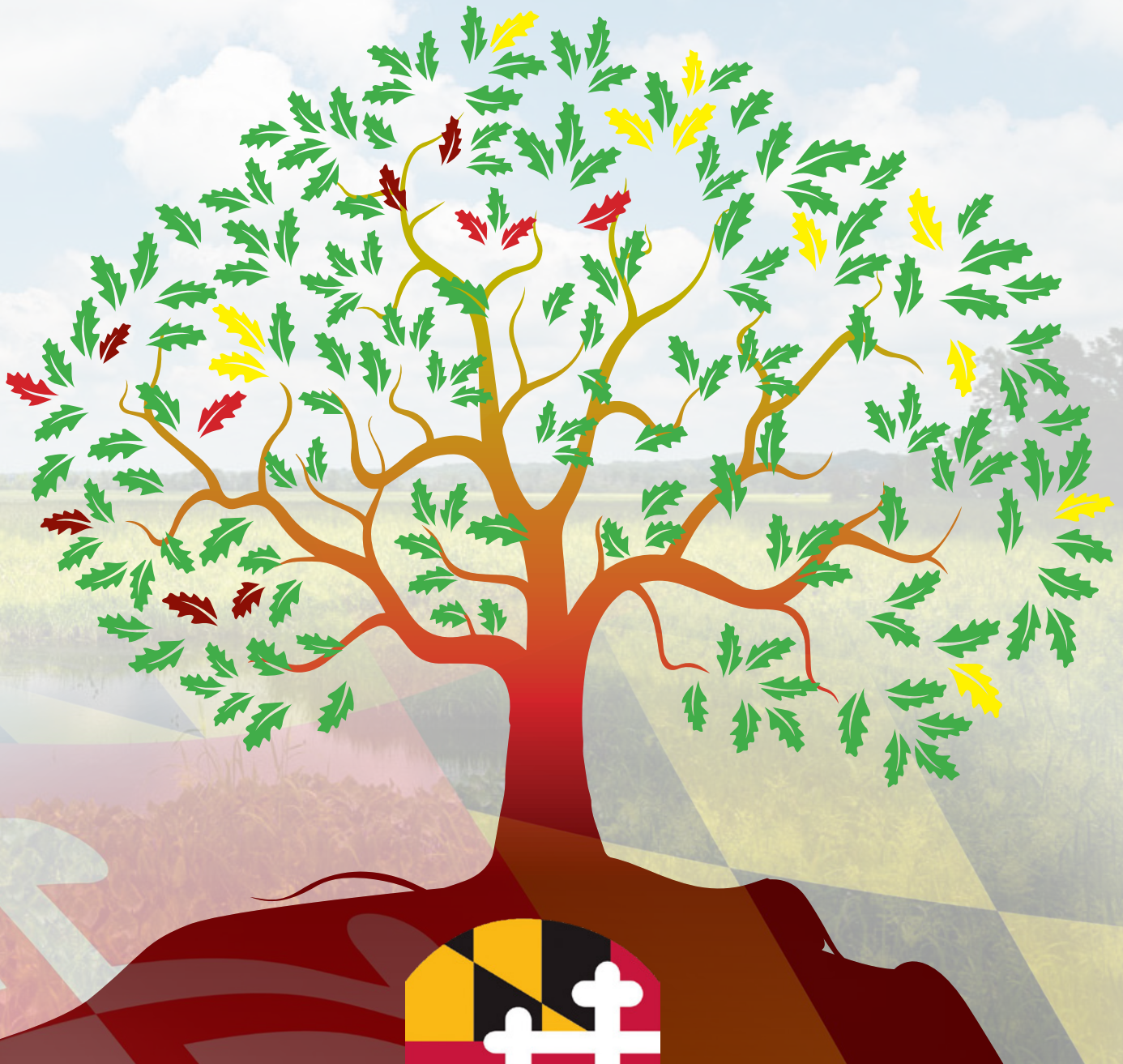


# MARYLAND STATE TREASURER'S OFFICE

ANNUAL REPORT 2023



INVESTING FOR MARYLAND'S FUTURE





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



*Dereck E. Davis, State Treasurer*

## THANK YOU FOR YOUR INTEREST IN THE MARYLAND STATE TREASURER'S OFFICE 2023 ANNUAL REPORT—INVESTING FOR MARYLAND'S FUTURE.

I was honored to be reelected as the 24th Maryland State Treasurer on February 21, 2023. During this past year, I strove to achieve the priorities I outlined in my reelection speech: preserving Maryland's AAA bond rating, supporting minority businesses; encouraging financial literacy; and modernizing our office's policies and practices.

Our divisions within the Maryland State Treasurer's Office—Executive, Budget & Finance, Operations, Treasury Management, Debt Management, Insurance, Legal, and Information & Technology - worked hard this past year to fulfill the demands of our office. Additionally, legislation was passed by the Maryland General Assembly that transferred Maryland 529, formerly an independent state agency, to the State Treasurer's Office.

This past legislative session, we passed three pieces of legislation that facilitate the work of our office. Additionally, for fiscal year 2024, our office gained additional positions and additional funding to support our operations, as well as additional funding for Maryland 529. As we move forward, the Maryland State Treasurer's Office remains committed to doing our best to ensure that Maryland dollars are invested prudently and spent wisely.

It is my hope that this annual report highlights the important work that my office has accomplished. We appreciate your continued support and hope you enjoy looking back at the past year at the Maryland State Treasurer's Office.

Thank you,

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

Dereck E. Davis  
Treasurer





## HISTORICAL REVIEW

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

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

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

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

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



*Frederick Douglass Statue, Easton*



*Charles Calvert*

## TREASURERS OF THE PAST

### TREASURERS OF THE EASTERN SHORE

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

### TREASURERS OF THE WESTERN SHORE

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

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

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

## MARYLAND'S BOARD OF PUBLIC WORKS

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

Created by the Constitutional Convention of 1864 based on predecessor boards dating back to 1825, the Board of Public Works is the only constitutionally mandated government body of its type in the nation. Over the years, the General Assembly has increased this body's responsibilities and autonomy. The board has a unique insight into the operations of state government and ensures that final decisions on procurements provide accountability and are transparent and open to public discussion.

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

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

- Certification of the state property tax rate necessary to meet the debt service requirements during the next taxable year on all state bonds anticipated to be outstanding during the year;
- Approval of the expenditure of any general obligation bond proceeds;
- Issuance of licenses to dredge and fill state wetlands;
- Approval of the acquisition of land and easements in support of Program Open Space, the Conservation Reserve Enhancement Program, the Rural Legacy Program, and the Agricultural Land Preservation Program; and
- Approval of most state agency procurement contracts for goods and services in excess of \$200,000.

In addition to authorizing state general obligation bond issuances and the Capital-Lease and Energy Performance Lease financings discussed in more detail in the Debt Management Division Section of this Annual Report, the following actions of the Board of Public Works are worthy of note among those taken during fiscal year 2023 (July 1, 2022 through June 30, 2023):

- Approved the Maryland Stadium Authority's (MSA) request for approval of the following items related to the Football Stadium at the Camden Yards Sports Complex:
  - A new lease agreement between the MSA and the Baltimore Ravens Limited Partnership; and
  - The issuance of Series 2023 revenue bonds in a principal aggregate amount not to exceed \$450 million. In addition, authorize those bonds to be used for stadium capital improvement projects, a contingency reserve, and additional funding for emergency repairs and capital works required under the new lease.
- Approved MSA's request to approve the issuance of a fourth series of revenue bonds (2022 Program Bonds) not to exceed \$305,900,000 and architectural/engineering design services and pre-construction services contracts related to the 21st Century Baltimore City Schools Program.
- Approved the Office of Administrative Hearings' request, based on the criteria under the "Walter Lomax Act," to award compensation, lawyers' fees, and benefits to four erroneously convicted individuals.
- Approved the Maryland Department of Health's (MDH) request to award the following COVID-19 contracts:
  - To establish a community network of urgent care sites, ambulatory care sites, community providers, and pharmacies to provide access to COVID-19 testing, treatment, and vaccination; and
  - To maintain MDH's COVID-19 website and maintain contact tracing and testing initiatives.
- Accepted the State Board of Elections' (SBE) emergency procurement report for a contract to print and ship 162,400 voter registration applications for use and distribution by the State Board of Elections and local boards of elections.
- Approved request to award the following contracts to:
  - Purchase 9,000 election pollbooks and related software to be used during the 2024 election cycle;



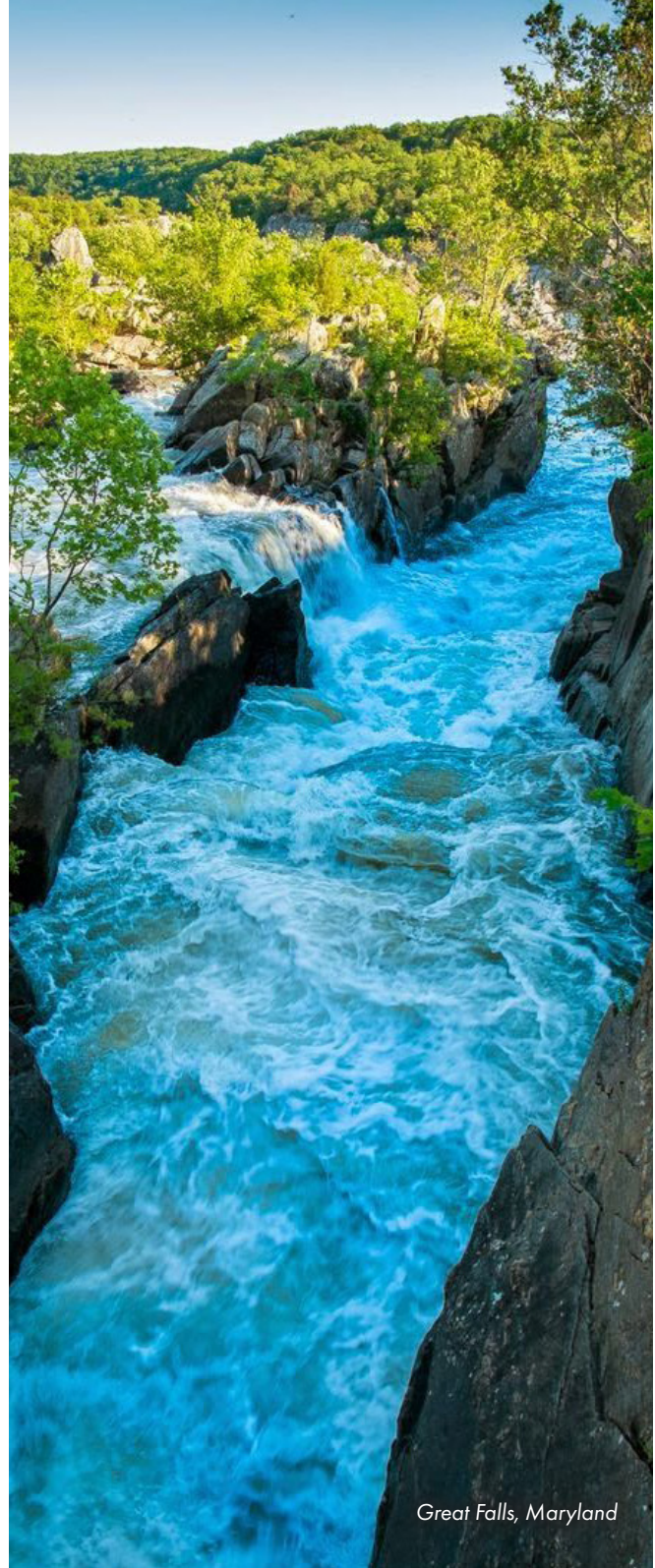
MARYLAND BOARD OF PUBLIC WORKS *continued from page 5*

- Provide temporary staffing services for a variety of election-specific jobs up to and during the 2024 election cycle; and
- Provide logistical and transportation project management services for the statewide voting system equipment.
- Approved the State Lottery and Gaming Control Agency's request to award a contract for a Random Number Generator (RNG) System used to conduct lottery drawings. This contract will replace the current system of using ball-style drawing machines for five of its draw games.
- Approved the Maryland Teachers & State Employees Supplemental Retirement Plans' request to award a contract to provide investment advisor services for its Defined Compensation Plans.
- Approved the Maryland Port Administration's request to enter into a 50-year Project Partnership Agreement between the Department of the Army and the State of Maryland to construct the Mid-Chesapeake Bay Island Ecosystem Restoration Project.
- Approved the Maryland Department of the Environment's request of \$65,000,000 in new loan funding from the Water Quality State Revolving Loan Fund for stormwater improvements in Prince George's County.
- Approved the Department of Natural Resources' request to allocate \$27,100,477 in FY 2023 Rural Legacy Program Grants to the 26 Maryland Rural Legacy Areas.
- Approved the Department of Natural Resources' request to award a contract to conduct surveys of submerged areas of the state to map oyster habitats and plant hatchery-reared oysters in the Eastern Bay sanctuaries of the Chesapeake Bay.
- Approved the Maryland Department of the Environment's request to award new funding up to \$25,000,000 in loans and grants to the Washington Suburban Sanitary Commission (WSSC) for the design and construction of bio-energy facilities at the WSSC Piscataway Wastewater Treatment Plant (WWTP) in Prince George's County which will receive and process sludge from the other WSSC WWTPs.
- Approved the University of Maryland College Park's request to demolish the Old Leonardtown complex in order to build new affordable graduate student housing.
- Approved Morgan State University's (MSU) request to enter into a ground lease with the new Maryland College of Osteopathic Medicine, which will be located on MSU's campus.
- Approved Towson University's request to purchase .624 acres, including a 27,416 square foot building, for \$8,600,000.
- Approved a request from the University of Maryland Global Campus to sell a 232,038 square foot building at 1616 McCormick Drive, a 63,500 square foot building at 1601 McCormick Drive and a 6.8-acre vacant parcel at 1440 McCormick Drive to the Maryland-National Capital Park and Planning Commission for \$75,000,000. The building and land will eventually serve as the Commission's Prince George's County headquarters.
- Approved the Department of General Services' request to transfer 458.98 +/- acres with 69 buildings and minor structures at the Crownsville Hospital Center from the State of Maryland to Anne Arundel County.
- Approved the Department of General Services' request to approve new building leases for the following state agencies to relocate to Downtown Baltimore City:
  - Department of Planning;
  - Department of Aging;
  - Office of the Comptroller;
  - Department of Health;
  - Department of Budget and Management;
  - Department of Labor; and
  - Department of Information Technology.
- Approved an operating grant to the Baltimore City Department of Planning for the creation of a redevelopment plan for State Center.
- Approved the Maryland State Police's (MSP) request to award a contract to provide maintenance and repair services on MSP's Aviation Command fleet of 10 AW139 helicopters.
- Approved the Public Service Commission's request for approval to award a contract for a study of the capacity of each utility's gas and electric distribution systems in order to serve customers under a managed transition to a highly electrified building sector. This is a requirement under the Climate Solutions Now Act of 2022.



*MARYLAND BOARD OF PUBLIC WORKS continued from page 6*

- Approved a recommendation of the BPW Procurement Advisor for BPW to take the following actions:
  - Direct the Department of General Services to initiate and conduct a new procurement for Statewide Fuel Supply and Maintenance Services, with the new procurement solicitation published within 90 days of BPW's approval of the recommendation;
  - Propose amendments to COMAR Title 21, State Procurement Regulations, to clarify Minority Business Enterprise (MBE) policies.
- Approved the Maryland Department of Veterans Affairs' request to award a contract for the design of the new Sykesville Veterans Home.
- Accepted emergency procurement reports for the following Charlotte Hall Veterans Home contracts to:
  - Provide baseline physical and mental assessments of residents to ensure their safety and wellness; and
  - Manage and provide a broad range of quality long-term care and assisted living services.
- Approved the Maryland State Department of Education's request to award a contract for a commercial distributor to receive, issue, deliver, and store USDA-donated food to be allocated to designated locations in Eastern and Western Maryland.
- Approved the Department of Budget and Management's request to award a contract for a technology platform and associated professional services to conduct the upcoming Pharmacy Benefit Management reverse auction.
- Approved the MSA's request to sign an Memorandum of Understanding between MSA and Prince George's County as the first step toward MSA issuing bonds to develop and construct facilities in the Prince George's County Blue Line Corridor.
- Approved the Maryland Transit Authority's request to award a contract to replace the north- and south-bound platforms at MARC's Laurel Station.
- Approved the Maryland Port Administration's request to award a contract for the demolition and reconstruction of Pier 4 at Fairfield Marine Terminal where automobiles and light trucks are loaded and unloaded.
- Ratified an Emergency Wetlands License to free up and refloat the M/V Ever Forward cargo ship. In addition, approved \$676,200 to the Department of Natural Resources for the enhancement/seeding of oyster bars to mitigate 624,485 sf of impacts to a Natural Oyster Bar and open water habitat. ■

*Great Falls, Maryland*

## SCHEDULE OF SELECTED FINANCIAL DATA

### COLLATERAL BALANCES AS OF JUNE 30, 2023

Bank	\$ 1,247,788,170
Insurance	\$ 91,660,980

### TOTAL INVESTMENT PORTFOLIO COMPOSITION AS OF JUNE 30, 2023

Repurchase Agreements	\$ 5,515,332,894
U.S. Treasuries	\$ 331,244,437
U.S. Government Agencies	\$ 6,658,544,685.
Other Investments	\$ 9,528,618,739
Total Portfolio	\$ 22,033,740,756

### GENERAL OBLIGATION DEBT ACTIVITY AS OF JUNE 30, 2023

Tax-Exempt General Bond Issuances	\$ 350,000,000
Taxable General Obligation Bond Issuances	\$ 50,000,000
Interest Payments	\$ 441,580,122
Principal Payments	\$ 987,355,332

### LOCAL GOVERNMENT INVESTMENT POOL FUND BALANCE AS OF JUNE 30, 2023

Balance as of June 30, 2023	\$ 9,535,581,163
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### STATE INSURANCE TRUST FUND BALANCE AS OF JUNE 30, 2023

Beginning Balance	\$ 29,028,509
Ending Balance	\$ 27,302,275



# EXECUTIVE DIVISION

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

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

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

**CHIEF DEPUTY TREASURER**  
The Chief Deputy Treasurer coordinates and leads the operations of the State Treasurer's Office, including the Budget and Financial Administration Operations, 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, the Joint Committee on the Management of Public Funds, the Legislative Policy Committee, and the Joint Audit Committee; as well as serving as the Treasurer's designee on task forces, commissions, and other committees of the General Assembly, as required.

Additionally, the Chief Deputy Treasurer supports the Treasurer in his service on other state boards and commissions, such as the State Retirement & Pension System Board of Trustees, the Maryland Health and Higher Educational Facilities Authority, and the Revenue Bond Advisory Board, as well as in participation with the National Association of State Treasurers.

*continued on page 10*



Washington Monument, Baltimore



Fort Frederick State Park



Maryland State Bird, Baltimore Oriole

EXECUTIVE DIVISION *continued from page 9*

## BOARD OF PUBLIC WORKS LIAISON

The Board of Public Works (BPW) Liaison serves as the primary advisor to the Treasurer regarding BPW-related activity. The liaison conducts extensive research and works closely with the Treasurer's counsel and representatives of the Governor, cabinet members and their agencies, the Comptroller, and the BPW Office to prepare a detailed analysis for the Treasurer for each meeting as well as make recommendations to the Treasurer about the agenda items. 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.

## OFFICE OF HUMAN RESOURCES

The Human Resources (HR) division is an integral part of agency operations and is fortunate to have the privilege to interact with every employee who works at the State Treasurer's Office (STO). The division spearheads personnel management in various forms including recruitment, classification and compensation, benefits administration, employee relations, personnel database management and position control, pension and supplemental retirement benefits, performance evaluation, leave accounting, and staff development. The division provides interpretation and guidance on state personnel laws, policies, and procedures, and coordinates the development and implementation of office policies and guidelines. In addition, the division

is also responsible for overseeing compliance with the American with Disabilities Act and interacts with the agency's Equal Employment Opportunity (EEO) Officer to ensure a safe, fair, and equal work environment for everyone.

Fiscal year 2023 continued to center around recruitment and retention. With the inauguration of a new governor came a new mission to rebuild a strong workforce in public service. As Governor Moore eloquently expressed in his State of the State Address, "Our workforce is the key to our state's future." From July 2022 to June 2023, HR pushed to think outside the box and utilize creative strategies to attract and retain strong candidates, reducing existing agency vacancies by over 50%. HR continued to enhance advertising resources, resulting in noticeable increases for a richly diverse and skilled workforce.

Human Resources also recognized that the agency-unique classification series which had been in place for over 30 years in the Insurance Division and over 50 years in the Treasury Management Division needed revision. Working closely with the Department of Budget and Management through the Annual Salary Review process, new agency-unique class series were developed, published, and implemented, providing market-competitive increases for staff that were sorely needed. The two classification categories changed college requirements to substitutions and preferred qualifications instead of minimum qualifications, allowing for more access into candidate pool fields that traditionally came through experience vs. education. The new series also incorporated a more defined

pathway for career advancement through supervision or through subject matter expertise, providing two avenues for incumbent staff to explore higher level career opportunities and find reward in continual employment with the STO.

Fiscal year 2023 saw increased staffing for STO, with the addition of 3 newly budgeted positions, 11 inherited staff members from Maryland 529 and the anticipation of 15 new positions for the following fiscal year. Emergency legislation in the 2023 General Assembly Session mandated that effective June 1, 2023, the Maryland 529 Board of Directors be dissolved, and the programs be absorbed and administered by the State Treasurer. The transition of staff created unique challenges, such as the creation of new agency program codes for budget and payroll, as well as ensuring a smooth transition of personnel data and benefits with the abolishment of Maryland 529 as an independent agency.

Staffing also increased for HR, which officially became its own department with the addition of a new dedicated HR position which was successfully filled before the close of the fiscal year, and another dedicated HR position with the upcoming fiscal year. The HR department's goals for the upcoming fiscal year incorporate focusing on agency reorganization as warranted, expediting transactions related to structural changes, ensuring consistency and equity through agency policy and practices, and implementing streamlined and enhanced HR-related practices and resources for staff and management, in response to the growth of our workforce.



*EXECUTIVE DIVISION continued from page 10*

As of June 30, 2023, the State Treasurer's Office possessed 63 state/regular positions which were allocated as follows:

- Budget & Financial Administration Division – 5
- Debt Management Division - 4
- Executive Division - 10
- Information Technology Division - 8
- Insurance Division - 13
- Legal Division - 4
- Operations - 2
- Treasury Management Division – 17



*Eastern Shore, Maryland*



©M.ROSATO-19

*Harriet Tubman Mural, Cambridge, Maryland*

## BUDGET & ACCOUNTING

### THE BUDGET & ACCOUNTING DIVISION

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

The division is responsible for developing and implementing the annual budget for the State Treasurer's Office, which in fiscal year 2023 was over \$61 million. The division provides general accounting services for the State Treasurer's Office in the form of fund balance reconciliations, preparation of year-end closing records, maintenance of all financial records, preparation and posting of all office financial transactions and the development and implementation of all accounting controls and procedures. Centralized ordering and tracking of office supplies to ensure cost effective purchasing is also managed by the department.

Working collaboratively with the Office of Human Resources and Personnel Management, the division processes biweekly payroll. The office retains personnel files within the state's centralized budget software and the Workday payroll system that can be utilized for projections and budget forecasting. Within the State Treasurer's Office, in fiscal year 2023, state debt and sinking fund payments totaled \$1.43 billion and lease payments and agency recoveries of approximately \$37.78 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 \$31 million and Commercial Premium payments and recoveries totaling \$44.8 million were completed. In addition, the division processed the annual premiums for the Injured Workers' Insurance Fund, totaling over \$85.8 million and related recoveries of these assessments from 194 state agencies and departments.

With assistance from the Treasury Management Division, approximately 3,125 requests for check reissues and agency recoveries from the Undeliverable and Unpresented Check Funds were processed, totaling under \$13.6 million.

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.

### WORKERS' COMPENSATION CONTRACT MANAGEMENT

The State Treasurer's Office is the contract administrator for the statewide workers' compensation contract between the Board of Public Works and IWIF. STO is responsible for the oversight of the Third-Party Administrator (TPA) contract, monitoring claims activity and 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 and training and to work as a liaison between the TPA and state agencies.

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



## OPERATIONS DIVISION

**THE OPERATIONS DIVISION** is an integral part of STO and serves as a conduit between STO and agencies as well as a liaison between the Executive Division and all other divisions of the agency to achieve streamlined business processes and quick resolutions.

In fiscal year 2022, the Executive Division recognized a need to prioritize procurement and contract management as the office retains delegated authority for Financial and Insurance Services procurements under the authority of the State Finance and Procurement Article. With the ever-changing laws and business processes of the banking and insurance industries, contract negotiations have become much more challenging and there is a greater need for resources to support this area. Some of the statewide contracts that fall under STO purview include banking contracts, financial advisors, underwriters, insurance brokerage services, armored courier services and capital equipment and energy lease agreements. These services are procured by STO for utilization by all state agencies. In addition to the management of all statewide finance and insurance related contracts, Operations also performs all agency procurements from purchase of supplies to procurement of agency specified services. Operations staff represent the Treasurer on several procurement councils and groups to stay apprised of current trends and challenges in the procurement arena.

In FY 23, the Operations Division completed the following statewide procurements:

- Broker contract for auto coverage – In October, the office awarded a contract to an insurance broker services firm to market, manage and service insurance policies for automobile insurance coverages for the state.
- Agency Designated Depository Contracts – In February, the office executed contracts with 15 local banks which agencies can utilize as small business accounts for working funds.
- Broker contract for liability coverage – In June, the office awarded a contract to three brokerage firms to market, manage and service insurance policies for cyber liability, general liability, and liability coverage specific to the Maryland Transportation Authority and the Maryland Port Administration.

Along with the statewide procurements, the office also procured the following for specific agency needs: Major Information Technology Development Project (MITDP) modification approved by the Board of Public Works, emergency procurement for the i5 payment processing system replacement, check paper, and numerous renewals and modifications for existing contracts.

Additionally, this division is responsible for submitting monthly, quarterly, and annual reports such as the Procurement Agency Activity Report (PAAR) and the Minority Business Enterprise Report (MBE). Over the past several years, policies and procedures related to MBE, Small Business Reserve (SBR), and Veteran-Owned Small Business Enterprise (VSBE) have been promulgated to ensure agency compliance with the Governor's initiatives. Many of these policies require establishing goals and additional reporting by agencies. Throughout this fiscal year, the division performed regular outreach to MBE, SBR and VSBE businesses to engage with and generate interest in doing business with our state. As a result, the office was able to increase both SBR and MBE participation in FY 23 over FY 22. The office remains focused on improving participation levels and will continue to focus on outreach in future years.

Lastly, the division provides centralized support for travel coordination, fleet management, and surplus property. The division orders and tracks office supplies and equipment to ensure cost effective purchasing and close inventory control. Preparation of several statutorily required reports including record retention schedules, fixed asset materials, and supplies inventory also fall under the direction of the Operations Division. ■

# TREASURY MANAGEMENT DIVISION

## THE TREASURY MANAGEMENT DIVISION

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

## BANKING SERVICES DEPARTMENT

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

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

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

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

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

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

For fiscal year 2023, total cash receipts exceeded \$520 billion and total disbursements exceeded \$521 billion. The state's bank accounts are reconciled daily to the state's general ledger. Once again, there were no unreconciled differences.

*continued on page 15*



*Oyster Fisherman, Chesapeake Bay*



*Maryland State Flower, Black-Eyed Susan*



*TREASURY MANAGEMENT DIVISION continued from page 14*

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

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

Section 6-209 of the State Finance and Procurement Article of the Annotated Code of Maryland requires that state money on deposit with financial institutions must have collateral pledged to the state that equals or exceeds the amount on deposit not covered by the Federal Deposit Insurance Corporation. The collateral must be held by a third-party custodian and be of the types enumerated in Section 6-202 of the State Finance and Procurement Article. The BSD monitors collateral for over 840 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) 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, 2023, was \$1,257,788,170.

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 Maryland state agencies. In addition, the department continuously monitors the financial health and safety of all financial services providers. BSD strives to enhance its ability to respond in the event a change in banks is required by market conditions or the procurement process. The department must anticipate future banking service evolution and the growing diverse needs of the state while containing costs of complex banking transactions.

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

## INVESTMENT DEPARTMENT

The Investment Department of the State Treasurer's Office continued to invest in accordance with established laws, policies, and procedures throughout Fiscal Year 2023. Section 6-222 of the State Finance and Procurement Article governs the investment of the state's unexpended or surplus money.

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

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

*continued on page 16*

TREASURY MANAGEMENT DIVISION *continued from page 15*

(MAIF), the Injured Workers Insurance Fund (IWIF), 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.

STO's Investment Policy was last updated in 2006 when the portfolio was significantly smaller and needed modernization to accommodate the growth and changes in the markets. Changes were brought up in the legislative process and voted into law at the end of the 2023 legislative session. The policy is currently undergoing regulatory review and is due to be posted in FY24. Overall, the State Treasurer's Investment Policy provides additional guidance for investments and highlights all legal investments including the percentage of allowable investments and minimum credit standards.

The state's investment portfolio is posted on the Treasurer's website shortly after the closing of the preceding month. All securities in the fund are listed and returns on the fund are available in both a graphic and tabular form. All investments are procured through approved brokerage firms. To be approved, a firm (1) must be a primary dealer reporting to the Federal Reserve or a registered member of the New York Stock Exchange, or (2) file financial statements exhibiting financial resources considered adequate by the Investment Department and approved by the Treasurer, and (3) provide competitive bids to the Investment Department as requested. Approved brokers are reviewed annually to insure financial data and their ongoing business relevance to the state's operations.

The state has added and will continue to pursue engagement with the minority business community that continues the state's need for safety and security of the fund. The Treasurer's policy is to make sure that local, regional, and minority firms have an opportunity to bid on a portion of the state's

investable funds. This is a highly competitive process. The fiduciary responsibility to Maryland residents requires scrupulously seeking the best prices for all investments. Inclusion on the list of approved broker dealers grants the privilege of submitting bids and offers but does not guarantee a transaction.

**PORTFOLIO BALANCES**

Fiscal Year	General Fund	Total Portfolio
2013	\$ 5,841,495,771	\$ 6,190,816,363
2014	\$ 5,196,101,472	\$ 5,630,056,930
2015	\$ 5,930,355,096	\$ 6,342,494,086
2016	\$ 6,808,765,345	\$ 7,525,279,855
2017	\$ 6,219,709,820	\$ 6,542,842,871
2018	\$ 6,791,343,280	\$ 7,157,098,873
2019	\$ 8,404,280,100	\$ 8,742,823,303
2020	\$ 6,515,168,590	\$ 6,909,212,409
2021	\$12,258,375,417	\$12,811,493,029
2022	\$17,886,143,493	\$19,226,233,423
2023	\$20,752,046,898	\$22,033,740,757

The investment portfolio is designed to meet the cash flow needs of the state so that funds are available to cover disbursements. For a complete list of the June 30, 2023, investment portfolio, please see appendix A. On June 30, 2023, the total of all portfolios under the active management of the State Treasurer's Office was \$22,033,740,757. The General Fund portfolio was \$20,752,046,898.

**AVERAGE ANNUAL INTEREST RATES**

Fiscal Year	General Fund	3 Month Treasury Bill Rate
2013	0.88%	0.08%
2014	1.03%	0.04%
2015	1.03%	0.02%
2016	1.04%	0.18%
2017	1.47%	0.56%
2018	1.56%	1.42%
2019	1.82%	2.29%
2020	1.43%	1.22%
2021	0.29%	0.06%
2022	0.50%	0.36%
2023	4.71%	4.15%

TREASURY MANAGEMENT DIVISION *continued from page 16*

**TOTAL INTEREST EARNED**

Fiscal Year	Net General Fund*	Allocated to State Agencies	Total
2013	\$ 8,646,595.12	\$40,710,863.09	\$49,357,458.21
2014	\$19,232,799.33	\$52,602,770.79	\$71,835,570.12
2015	\$ 7,127,482.88	\$55,460,767.19	\$62,588,250.07
2016	\$15,915,627.41	\$60,075,482.99	\$75,991,110.40
2017	\$ 3,351,825.70	\$84,108,491.92	\$87,460,317.62
2018	\$20,963,584.77	\$94,860,659.60	\$115,824,244.37
2019	\$34,438,222.00	\$116,577,195.00	\$151,015,417.00
2020	\$35,634,539.82	\$96,214,619.04	\$131,849,158.86
2021	\$10,912,718.92	\$18,608,563.57	\$29,521,282.49
2022	\$36,353,279.46	\$34,359,271.67	\$70,712,551.13
2023	\$251,709,239.00	\$361,330,338.00	\$613,039,577.00

During fiscal year 2023, interest rates rose at the fastest pace in decades as the Federal Reserve raised rates 7 times to fight extremely elevated inflation. Rates started FY23 in July of 2022 near 1½% and ended FY23 at a little over 5%. The average for Fed Funds for the FY was 3.80%. During the FY23 period inflation as measured by the Consumer Price Index (CPI) moved from over 9% to the low 4% range. The Federal Reserve has continued their rate hiking process into FY24 and appears set to keep rates at the current levels for an extensive period.

The adjustment in rates has taken place among one of the strongest employment markets in multiple decades. The unemployment rate remains at a record low and hiring was robust every month during FY23. The state's own unemployment rate reached under 1.8%, the second lowest in the country (Vermont ranked #1 @ 1.7%) toward the end of FY23. Consumer demand and spending, elevated home prices, solid job growth, industrial production, and technological advances (AI) all aided the economic outlook and kept interest rates moving higher.

Away from the direct rate hikes by the Federal reserve the market was also impacted by the potential for a debt default, which saw several regional banks get forced into receivership and mergers. The turmoil in the banking world did not preclude the rate markets from an extremely violent "flight to quality" trade that lasted for much of the month of March. Two-year US Treasury notes range from approximately 2.80%

in July 2022 to 4.90% in July of 2023. The average for the year was ~ 4.10%. Front rates, those directly impacted by the Federal Reserve's rate moves, were significantly more volatile. That volatility and the rate hikes provided the STO with solid returns on very short-term maturity investments. For comparison, 5-year US Treasury securities ranged between 2.65% and 4.50% with an average of 3.68% and 10-Year US Treasuries fell between 2.55% and 4.25% with an average of 3.35%. The lower yield on the longer maturity instruments was a reflection by financial markets that the US economy would be pushed into a recession due to the Federal Reserve rate hikes. The economy has rejected that so far and ended FY23 in solid shape.

The state's portfolio expanded throughout fiscal year 2023 from a combination of generally prudent spending, higher than anticipated revenues and solid investment returns based on the higher interest rates. Fiscal year 2023 started with the General Fund's portfolio at approximately \$17.625 billion and grew to \$22.035 billion in June 2023. The average size of the portfolio during the year was approximately \$19.85 billion and ranged between approximately \$16 to \$24.5 billion. The return on the portfolio was approximately 4.70%. The three-month Treasury Bill over that time averaged approximately 4.15%. The overall return in the portfolio was handicapped somewhat due to extremely low coupon securities that had been purchased several years ago but were still active. The securities present no credit risk as they are highly rated AAA US Treasury and Agency securities and will return their full value at maturity but did reduce the performance of the portfolio.

Per our mandate, short liquidity needs were paramount. The State Treasurer's Office maintained a short duration maturity profile riding the higher short-term rates with an occasional purchase slightly further out the maturity spectrum to offset some past low-income securities in the portfolio. As the Federal Reserve slows its rate hiking (as they have done in early FY24) it will likely be time to length out some of the purchases in the portfolio to lock in the higher interest rate structure.





*Gilpin's Falls Covered Bridge, Cecil County*

TREASURY MANAGEMENT DIVISION continued from page 17

### LOCAL GOVERNMENT INVESTMENT POOL

The Maryland General Assembly 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 law assigns to the State Treasurer's Office the responsibility for administering the pool; however, the actual management of the pool has been contracted out to The PNC Financial Services Group, Inc. The MLGIP is annually audited by RSM US.

The Treasurer has encouraged local governments and eligible authorities to participate in the pool, a Standard and Poor's "AAA" rated money market account. At the end of fiscal year 2023, there were 275 participants. The fund balance as of June 30, 2023 was \$9,665,212,221. The actual yield for fiscal year 2023 was an average of 3.803%, which was just higher than the S&P LGIP Index benchmark of 3.49%. The overall amount of funds in the pool declined by approximately 1.35% and likely reflects some usage of pandemic related funds that were still available to some of the entities in the fund.

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
2013	\$2,848,875,911	301	0.12%	14.86%
2014	\$3,127,026,184	302	0.05%	9.76%
2015	\$3,424,585,598	302	0.05%	9.52%
2016	\$3,779,521,886	303	0.22%	10.36%
2017	\$3,727,516,877	305	0.56%	-1.38%
2018	\$5,251,410,838	305	1.34%	29.02%
2019	\$6,050,482,835	305	2.27%	15.22%
2020	\$8,924,858,860	305	1.49%	47.51%
2021	\$9,722,107,828	305	0.09%	11.19%
2022	\$9,665,212,221	275	0.27%	-0.57%
2023	\$9,535,581,163	275*	3.803%	-1.35%

\*Number of distinct entities - some have multiple accounts



## DEBT MANAGEMENT DIVISION

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

### GENERAL OBLIGATION BONDS

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

General obligation debt is backed by a pledge of full faith and credit of the state. Moody's Investors Service, Inc. (Aaa), Standard and Poor's (AAA), and Fitch Ratings, Inc. (AAA) have all assigned their highest credit rating, Triple-A, to the state's general obligation bonds. Maryland is one of only 13 states in the nation to hold a Triple-A credit rating from all three major credit rating agencies, attributable to Maryland's strong fiscal management and stable financial and economic position during fiscal year 2023.

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

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

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

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

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

In fiscal year 2023, there was one public general obligation bond sale totaling \$400 million. Overall market conditions continued to be favorable for high quality and highly rated bonds like Maryland general obligation bonds. The following table summarizes debt issued by the state during fiscal year 2023.

*continued on page 20*



*Fort Washington, Maryland*

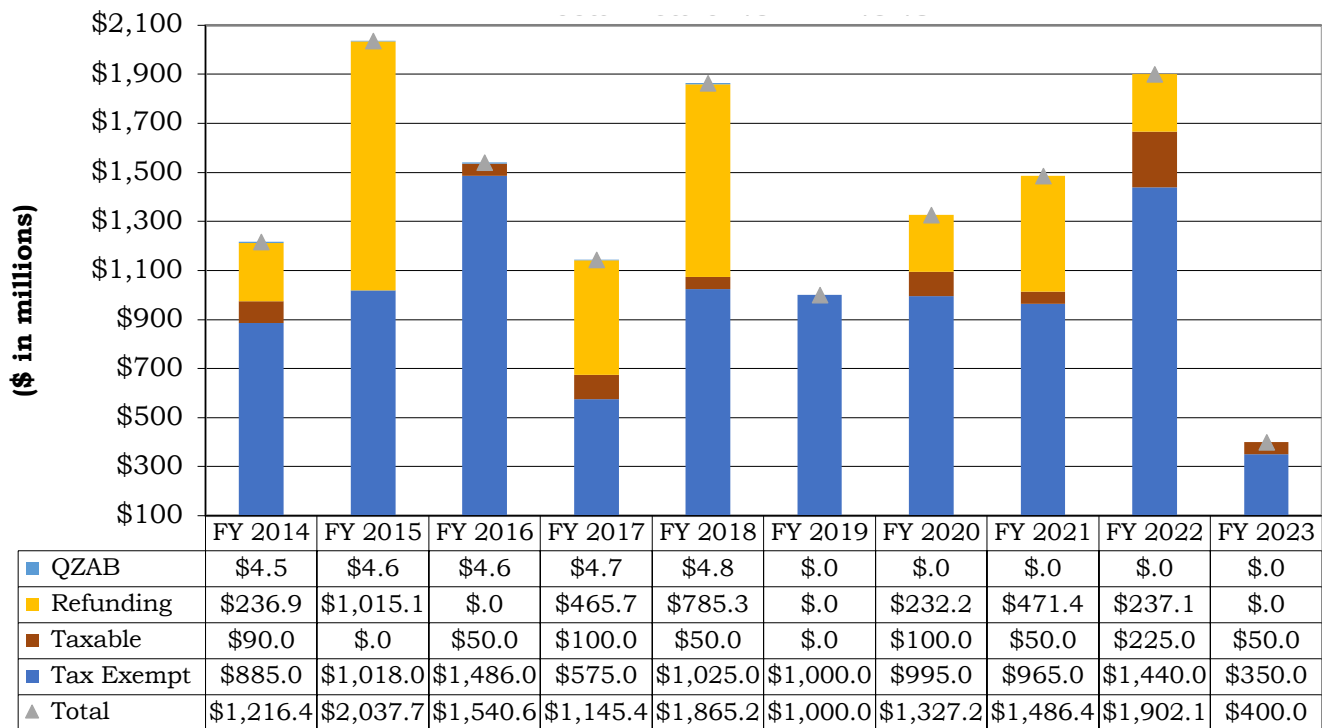
DEBT MANAGEMENT DIVISION continued from page 19

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

Series	Dates of Sales	Tax-Exempt Competitive	Tax-Exempt Negotiated	Taxable Competitive	Tax-Exempt Forward Refunding	Overall TIC
2023 First Series	03/15/23	\$350.0		\$50.0		2.968%

The history of general obligation bond issuance and debt service for the last 10 years is depicted in the charts below. Issuances were significantly lower in fiscal year 2023 to better match cash flow demands for capital projects, as the state's commitment of historically high cash balances to funding capital projects combined with slower capital expenditures attributable to supply chain issues reduced the immediate need to issue general obligation debt to support the overall capital program.

**STATE OF MARYLAND GENERAL OBLIGATION BONDS DEBT SERVICE FISCAL YEARS 2014-2023**



Note: Principal also includes sinking fund payments on QZAB bonds



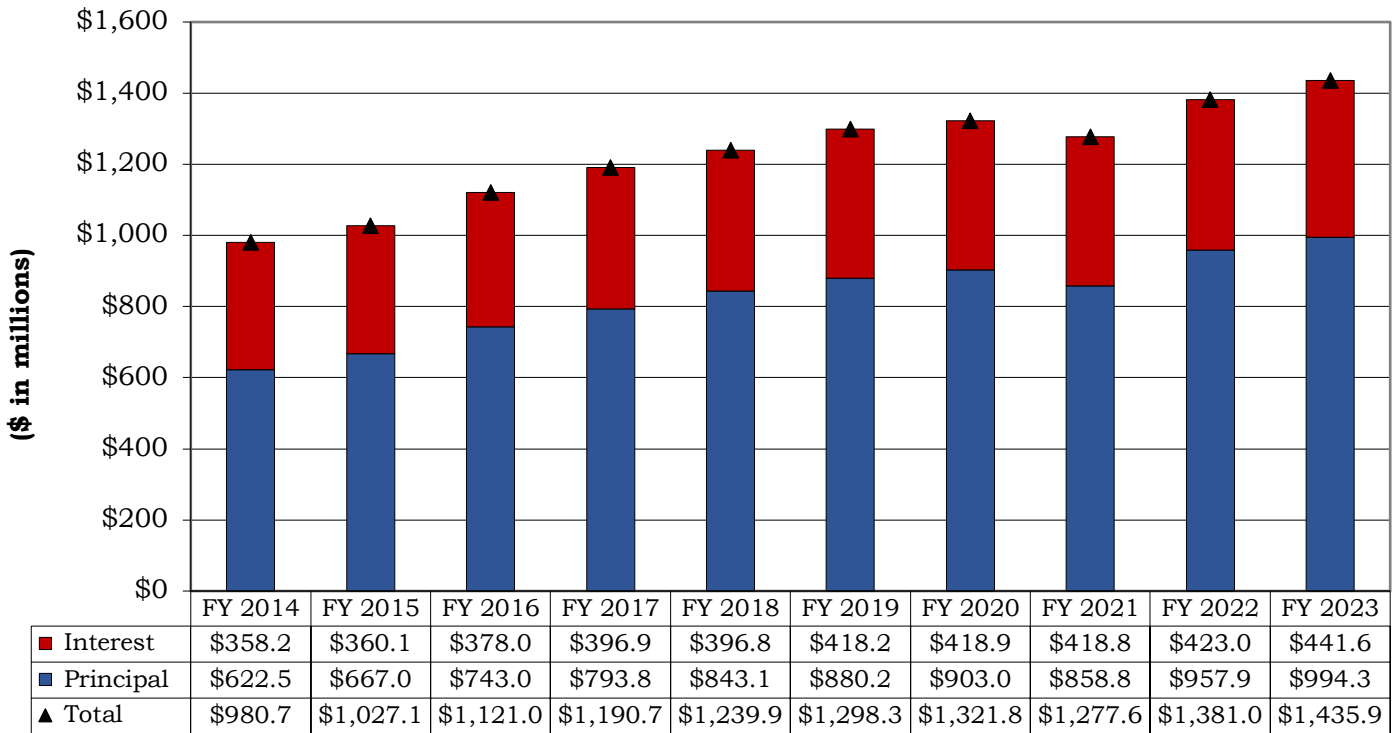
CIAA Fan Festival



Light City - On The Wings Of Freedom by Aether and Hemera

DEBT MANAGEMENT DIVISION continued from page 20

STATE OF MARYLAND ISSUANCES OF GENERAL OBLIGATION BONDS FISCAL YEARS 2014-2023



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

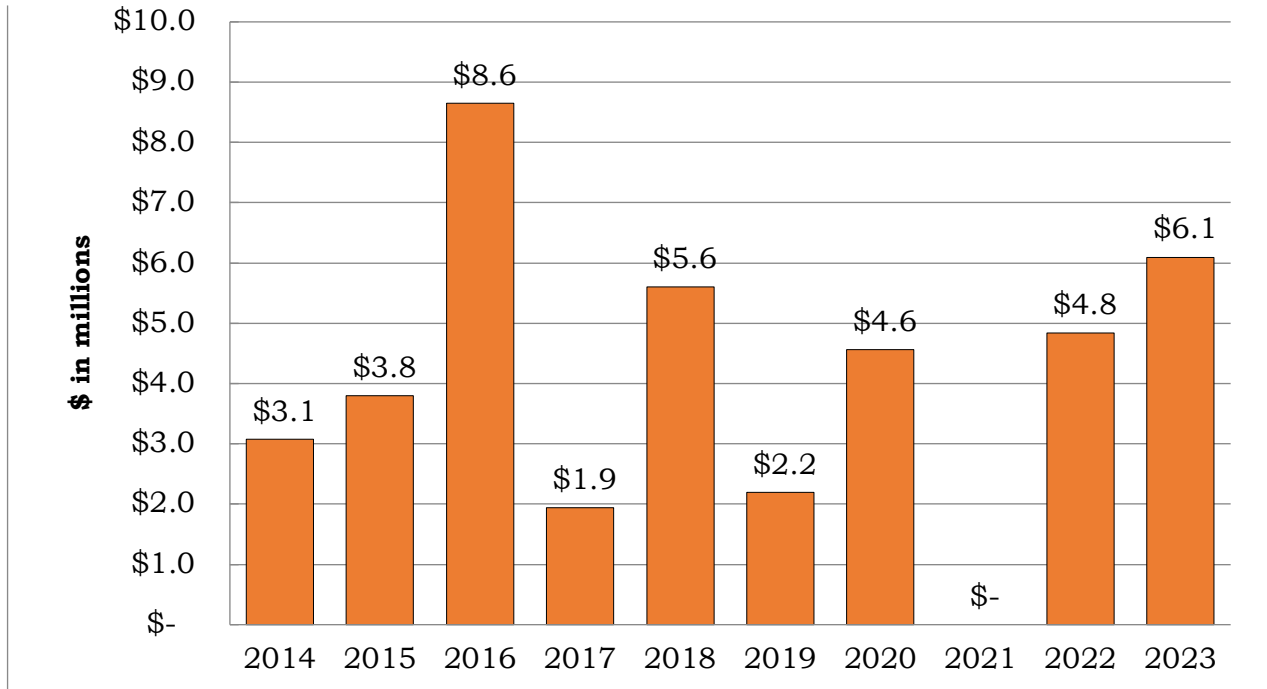
CAPITAL EQUIPMENT LEASES

The State Treasurer’s Office finances capital equipment for state agencies and higher education institutions through the administration of the Capital Equipment Lease-Purchase Program. Eligible state entities initiate requests for lease funding of certain assets usually for a term of either three or five years. Beginning in fiscal year 2022, STO procured a master lessor, which allows for the draw

of funds as needed from the master lease throughout the fiscal year in accordance with the master lease-purchase financing agreement. This affords state agencies the ability to receive lease funding more promptly with more interest rate consistency. Leases are paid semi-annually from funds transferred to STO from the respective state entities that have financed assets through the lease program.

DEBT MANAGEMENT DIVISION continued from page 21

**EQUIPMENT LEASE - PURCHASE FINANCING HISTORY: FISCAL YEARS 2014-2023**



During fiscal year 2023, the Operations Division and Debt Management Division again worked collaboratively to complete a Master Equipment Lease Purchase Agreement. The agreement is in effect until June 2025 when the STO will solicit another request to the Legislative Policy Committee for additional funding for the subsequent two years.

State agencies financed \$6.1 million of equipment under a lease-purchase agreement in fiscal year 2023. Details on the Capital Lease-Purchase Program, including the history of the program for the last ten years, are depicted in the charts below.

**ENERGY PERFORMANCE LEASES**

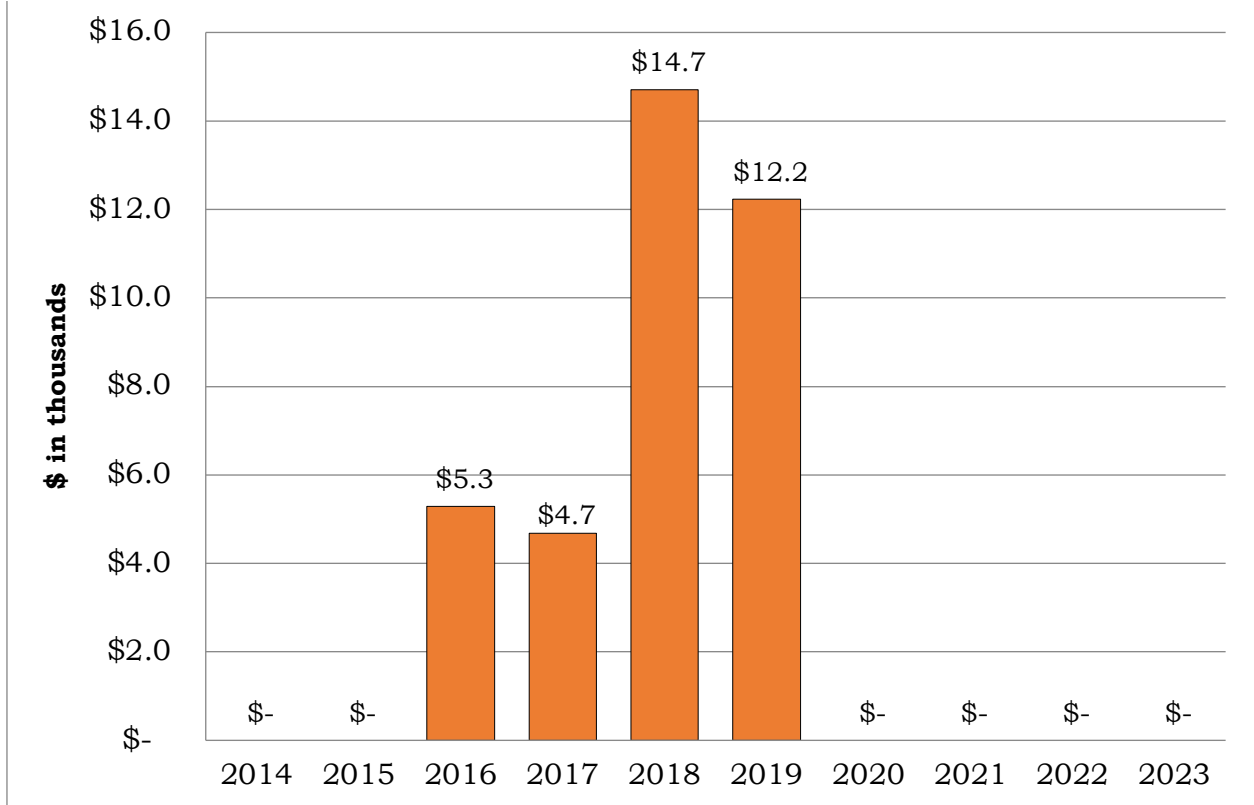
Energy efficiency projects for state agencies and higher education institutions are financed by STO through the Energy Performance Lease-Purchase Program. Leases are generally structured for terms of 13, 14, or 15 years, and the savings generated by the projects are used to fund the lease payments. Chapter 247 of 2022 enables these energy performance projects to extend their financing terms up to 30 years. Lessors are procured by STO and paid semi-annually from funds transferred at the beginning of each fiscal year from the applicable agencies.

During fiscal year 2023, 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. ■

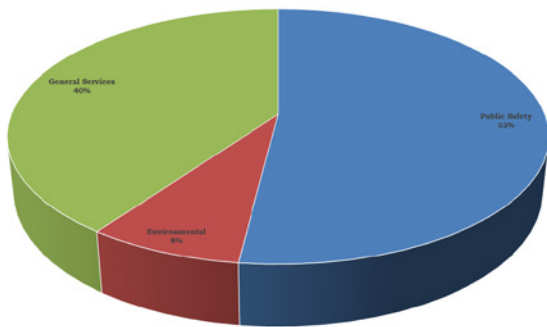


DEBT MANAGEMENT DIVISION continued from page 22

**ENERGY PERFORMANCE LEASE - PURCHASE FINANCING HISTORY: FISCAL YEARS 2014 - 2023**

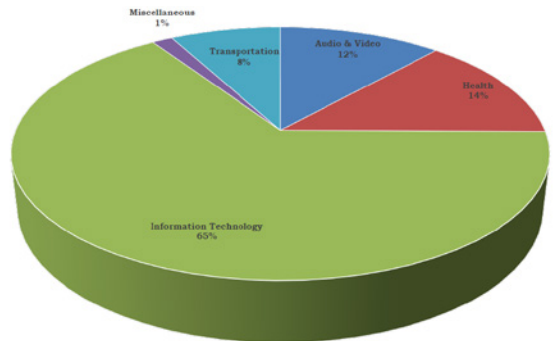


**GOVERNMENT USE  
FISCAL YEAR 2023 EQUIPMENT LEASE  
PURCHASE FINANCINGS**



Public Safety	52%
Environmental	8%
General Services	40%

**EQUIPMENT CLASSIFICATION  
FISCAL YEAR 2023 EQUIPMENT LEASE  
PURCHASE FINANCINGS**



Health	14%	Audio & Video	12%
Information Tech.	65%	Transportation	8%
Miscellaneous	1%		

# INSURANCE DIVISION

## THE INSURANCE DIVISION IS RESPONSIBLE FOR

administering the state's Insurance Program which is comprised of both commercial and self-insurance. Commercial insurance policies are procured to cover catastrophic property and liability losses, and obligations derived from state contracts, statutes, and regulations. Among exposures covered by commercial policies are state maintained toll bridges and tunnels, Baltimore Washington International Thurgood Marshall Airport (BWI), Port of Baltimore, Maryland Transit Administration liability, assorted professional liability exposures, and student athlete accident insurance. The commercial policies are listed on the Treasurer's website, [www.treasurer.state.md.us](http://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 four units: Underwriting, Loss Prevention, Claims and Tort Litigation, and Workers' Compensation. The Division's goal is to provide statewide risk management through loss protection (Underwriting), loss control (Loss Prevention), loss restoration (Claims and Tort Litigation) plus contract administration and advocacy (Workers' Compensation).

## 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

Commercial insurance markets showed signs of improvement in 2022, as underwriters sought more modest rate increases for certain lines of coverage. Unfortunately, global property insurance markets moved in the opposite direction. Consecutive years of poor loss results, driven by catastrophic natural events and the rising cost of replacement building materials, culminated in 2023 as commercial underwriters demanded major rate increases to renew property coverage. Public entities and organizations with buildings in flood and wind exposed areas were among the hardest hit by the property insurance market volatility.

Winter Storm Elliott produced freezing, wind, flooding, and power outages in December 2022. Designated a catastrophic event (CAT 2273) for several states including Maryland, nine agencies and universities sustained damage, estimated to be \$10,000,000 or more. The state anticipates recovery from the commercial property carriers for a significant portion of this loss.

## MEETINGS AND ACTIVITIES

On February 22, 2023, a meeting was held with the Maryland Transportation Authority, Insurance Company Underwriter and Broker, and Insurance Division staff, to review the bridges & tunnels property program. MDTA's financial condition, major structure valuations, maintenance plans, and insurance program options were discussed.

On March 1, 2023, a meeting was held with the Maryland Ports Administration, Insurance Company, Broker, and Insurance Division staff to introduce the new Ports Liability carrier and to gain a better understanding of MPA's operations, including the agency's outside legal counsel and surveyor relationships.

A meeting with Maryland Institute for Emergency Management Systems Services (MIEMSS) was held on May 8, 2023, to learn about the agency and discuss claim reporting procedures under the state's commercial and self-insured programs. MIEMSS operates EMRC/SYSCOM 24/7/365 connecting emergency medical providers to hospitals and resources, including dispatch of Maryland State Police Air Command (MSPAC) helicopters for rescue and transport. MSPAC's helicopters are among state aircraft covered by the commercial aviation hull and liability insurance program. On May 18, 2023, Maryland Transit Administration, Broker, and Insurance Division staff conducted a virtual meeting with underwriters in London and Bermuda to review operations of Bus, MARC, Metro and Light Rail Divisions. The meeting was instrumental in negotiating renewal terms for MTA's excess liability

*continued on page 25*

*INSURANCE continued from page 24*

insurance program effective July 1, 2023.

Additionally, the Underwriting Unit responded to various insurance inquiries, produced certificates of insurance for self-insured and commercial insurance programs, and offered guidance for insurance requirements in contracts and RFPs.

### COMMERCIAL INSURANCE PROGRAM

Numerous commercial policies were renewed during fiscal year 2023 and there were significant changes due to the hardening insurance markets. This impacted overall pricing for some of the state's placements. An overview of renewals this year:

- Maryland Transit Administration's excess liability program renewed effective July 1, 2022-2023 with the same limits and retentions as expiring. Overall pricing increased from \$10,176,591.48 to \$10,786,668. This was an increase of \$610,081.52, or approximately 6% compared to expiring cost.
  - Maryland Transit Administration's rolling stock floater renewed effective July 1, 2022-2023. The overall pricing increased from \$709,779 to \$985,100. This was an increase of \$275,321, or approximately 38.8% compared to expiring cost.
  - Maryland Transit Administration's bus fleet physical damage program renewed effective July 1, 2022-2023. The overall pricing increased from \$323,290 to \$336,154. This was an increase of \$12,864, or approximately 4% compared to expiring cost.
  - Department of Agriculture's liability program for farmers markets renewed effective July 1, 2022-2023.
- The overall pricing decreased from \$4,586 to \$4,402. This was a decrease of \$184, or approximately 4% less than expiring cost.
- Department of Human Services' (DHS) and Department of Juvenile Services' (DJS) volunteer accident & excess liability program for foster grandparents renewed effective July 1, 2022-2023. The pricing remained the same as expiring, \$534.60.
  - Maryland State Retirement & Pension System crime fidelity bond renewed effective July 1, 2022-2023. The overall pricing increased from \$4,016 to \$4,064. This was an increase of \$48, or approximately 1.2%.
  - Athletic Participants Accident basic program covering ten Universities and Colleges renewed effective August 1, 2022-2023. The overall pricing increased from \$983,554 to \$1,030,749, however, the expiring premium was reduced due to COVID restrictions impacting athletics. This was an increase of \$47,195, or approximately 4.8% over expiring cost.
  - Baltimore City Community College's athletic participants accident program (catastrophic) renewed effective August 1, 2022-2023. The overall pricing stayed the same, \$4,967.
  - St. Mary's College of Maryland's athletic participants accident program (catastrophic) renewed effective August 1, 2022-2023. The overall pricing stayed the same, \$800.
  - Maryland Aviation Administration's airport liability insurance renewed effective August 15, 2021-2022. Renewal pricing was \$1,273,800 compared to expiring cost of \$1,240,500, an increase of \$33,300 or about 2.7%.
  - Allied Health professional liability policy covering thirteen participating Universities and Colleges renewed effective September 1, 2022-2023. The overall pricing decreased from \$126,489 to \$126,375. This was a decrease of \$114, a reduction of less than 1% compared to expiring cost.
  - Maryland State Retirement & Pension System fiduciary liability policy renewed effective September 1, 2022-2023. The overall pricing increased from \$251,627 to \$262,211. This was an increase of \$10,584, or approximately 4.2% compared to expiring cost.
  - Blanket boiler and machinery policy renewed September 30, 2022-2023. Values insured increased by about 5%. The overall pricing increased from \$623,974 to \$661,309. This was an increase of \$37,335, or about 6% over expiring cost.
  - Cyber, network security & privacy liability policies renewed effective September 30, 2022-2023. The overall pricing increased from \$1,392,000 to \$2,442,000. This was an increase of \$1,050,000 or approximately 75.4% compared to expiring cost.
  - University of Maryland Baltimore and University of Baltimore professional liability coverage for law clinics renewed effective October 10, 2022-2023. The overall pricing increased from \$20,230 to \$22,790. This was an increase of \$2,560, approximately 12.7% more than the expiring cost.
  - Maryland Public Television general liability, umbrella, and Errors & Omissions (E&O) policies renewed effective October 11, 2022-2023. The overall pricing increased from

*continued on page 26*



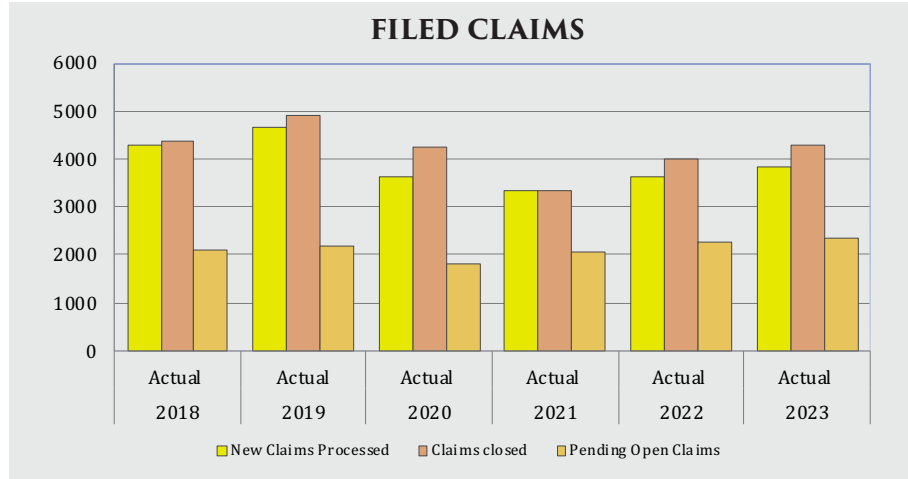
INSURANCE *continued from page 25*

- \$29,892 to \$32,530. This was an increase of \$2,638, 8.8% over expiring cost.
- Blanket terrorism and chemical, biological, radiological and nuclear (CBRN) property coverage renewed effective October 13, 2022-2023. The overall pricing increased from \$221,406.75 to \$226,625. This was an increase of \$5,218.75, or 2.4% over expiring cost.
  - Maryland Transportation Authority Bridges & Tunnels Liability program renewed effective October 17, 2022-2023. The existing carrier exited this line of insurance, a new carrier was required for a second consecutive year. Total cost increased from \$960,869 expiring to \$1,287,067 for renewal. This was an increase of \$326,190, or approximately 33.9%.
  - The bond for Legislative Auditor Gregory A. Hook renewed effective November 7, 2022-2023. Total cost remained the same as expiring, \$850.
  - Crane physical damage policy for Maryland Port Administration renewed effective November 25, 2022-2023. Overall pricing rose from \$72,994 to \$89,181, an increase of \$16,187 or approximately 22.2%.
  - The Maryland Transportation Authority crime policy renewed effective December 1, 2022-2023. The overall pricing increased from \$7,194 to \$7,305. This was an increase of \$111, or approximately 1.5% compared to the expiring term.
  - The Maryland Transportation Authority Bridges & Tunnels Property policy renewed effective December 1, 2022. Values for major structures increased 15% over last year; national indices rose to account for inflation. Total cost for renewal was \$4,631,360 compared to \$3,780,900 expiring, an increase of \$850,460 or 22.5%.
  - Maryland Fire and Rescue Institute professional and general liability policy renewed December 5, 2022-2023. Renewal pricing increased from \$61,957 to \$86,732. This is an increase of \$24,775 or approximately 40% compared to expiring.
  - Deer's Head Center resident trust fund bond renewed effective December 18, 2022-2023. Total cost remained the same as expiring, \$740.
  - Western Maryland Center resident trust fund bond renewed effective December 18, 2022-2023. Total cost remained the same as expiring, \$740.
  - Department of Housing & Community Development's Fannie Mae crime bond renewed effective 12/31/2022-2023. Renewal pricing increased from \$3,540 to \$3,830. This is an increase of \$290, or approximately 8.2% compared to the expiring term.
  - Maryland Port Administration's auto policy renewed effective January 1, 2023-2024. The overall pricing increased from \$83,702 to \$92,240. This was an increase of approximately 10.2%.
  - Blanket state-owned vessel protection & indemnity liability policy for state-owned vessels renewed effective January 1, 2023-2024. The overall pricing increased from \$48,060 to \$52,659. This was an increase of \$4,599 or about 9.57% compared to expiring cost.
  - The resident fund bond for the Maryland Department of Health Willow Brook Square renewed effective January 1, 2023-2024. The overall pricing remained the same, \$350.
  - University of Maryland Global Campus's tuition bond for the State of Washington renewed effective January 1, 2023-2024. The overall pricing remained the same as last year, \$625.
  - The University of Maryland College Park's customs bond renewed effective January 3, 2023-2024. The overall pricing remained the same as last year, \$400.
  - The bond required by statute for the Comptroller, Brooke Lierman, was written effective January 16, 2023-2027. The total cost for the four-year term was \$3,411.
  - Maryland Port Administration's liability and terrorism coverages renewed effective January 31, 2023-2024. The state changed primary liability carriers from Ascot to National Union (AIG), as the new carrier offered a more competitive premium. Overall pricing was down from \$607,891 to \$598,530. This was a decrease of \$9,361 or approximately -1.5% compared to expiring cost.
  - The \$1,000,000 bond for Dereck E. Davis as Treasurer renewed effective February 1, 2023-2027. The total cost for the four-year term was \$6,466.
  - The \$25,000 bond for Treasurer Dereck E. Davis as Custodian of Unemployment Insurance Fund renewed effective February 1, 2023-2027. The total cost for the four-year term was \$590.
  - Maryland Institute for Emergency Medical Services Systems' general liability policy for radio towers and transmission equipment renewed effective February 18, 2023-2024. The overall pricing was up from \$3,850 to \$3,950. This was an increase of \$100,

*continued on page 27*

INSURANCE continued from page 26

- or approximately 2.6% compared to expiring cost.
- A new bond was placed for Maryland Insurance Administration Acting Deputy Commissioner Tammy Longan effective 2/28/2023-2/28/2025. The overall pricing for this bond was \$2,075.
- Maryland Department of Housing & Community Development's HUD crime policy renewed effective March 1, 2023-2024. The overall pricing was down from \$19,413 to \$19,250. This was a decrease of \$163, or approximately -0.8% compared to expiring cost.
- State of Maryland Blanket fine art on loan policy renewed effective March 1, 2023-2024. Overall pricing increased from \$14,480 to \$18,394. This was an increase of \$3,914, or approximately 27% compared to expiring cost.
- University of Maryland Global Campus's tuition bond for the State of Colorado renewed effective March 1, 2023-2024. The overall pricing remained the same as expiring, \$930.
- Maryland Transit Administration's crime policy renewed effective March 10, 2023-2024. The overall pricing was up from \$15,962 to \$17,749. This was an increase of \$1,787, or approximately 11.2% compared to expiring cost.
- Maryland Department of Agriculture's special event policy for the Boston Seafood Festival was issued effective March 12, 2023 – March 15, 2023. The overall pricing remained the same as last year, \$676.
- Maryland DHS and DJS foster parent general liability coverage renewed March 15, 2023-2024. The overall pricing increased from \$252,659



to \$290,615. This was an increase of \$37,956, or approximately 15% compared to expiring cost.

- State Blanket excess property policy renewed effective April 1, 2023-2024. The overall pricing was up from \$11,335,504 to \$17,961,804. This was an overall increase of \$6,626,300, or approximately 58.9% compared to expiring cost.
- Maryland 529 crime policy renewed effective April 1, 2023-2024. The overall pricing remained the same as last year, \$2,103.
- Maryland Department of Commerce foreign liability policy renewed effective May 1, 2023-2024. The overall pricing remained the same as last year, \$3,500.
- State Blanket Aviation Hull & Liability for state-owned and leased aircraft renewed effective June 30, 2023-2024. Overall pricing increased from \$1,403,260 to \$1,476,411. This was an increase of \$73,151, or approximately 5.2%.

**CLAIMS**

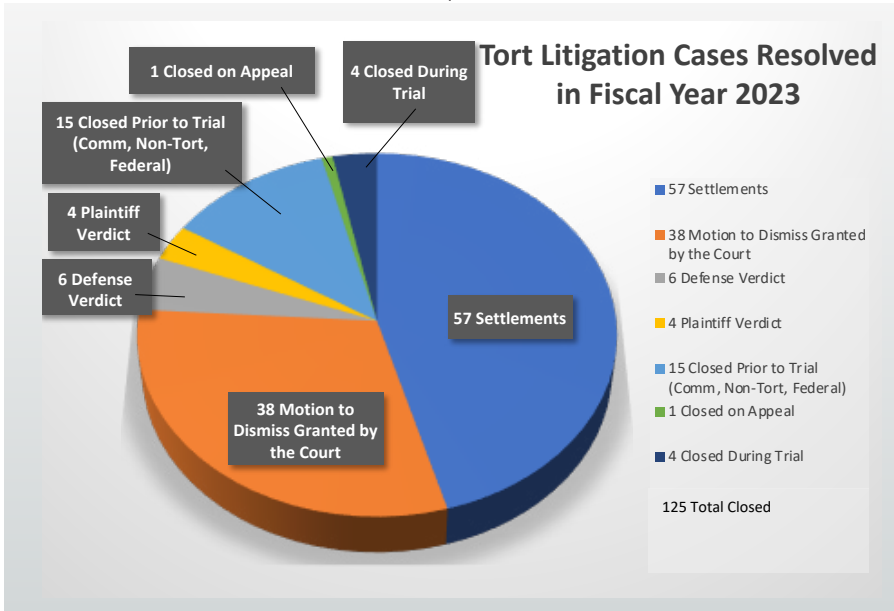
The Insurance Division's Claims Unit investigates and resolves liability claims

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

The open and closed claims are tracked to gauge activity, inventory and to identify any trends. From July 1, 2022, through June 30, 2023, there were 3,818 claims opened and 4,298 claims closed.

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

INSURANCE continued from page 27



Year-to-date subrogation recoveries for fiscal year 2023 total \$1,203,430.58, which did exceed the yearly targeted goal of \$1 million. Subrogation recoveries for fiscal year 2023 are still being impacted by lingering effects of the COVID-19 pandemic. Delayed response to the state’s subrogation requests, supply chain challenges for auto parts, or other repairs in the insurance industry continue to hamper recoveries. The total subrogation recovery for fiscal year 2022 was \$950,919.64. This is a continued area of focus and is a priority within the Claims Unit.

**TORT LITIGATION**

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

Chief Deputy Treasurer, the Supervising Tort Attorney, and other stakeholders. The Litigation Specialist also attends settlement conferences and other court-mandated activities and provides updates on the status of litigation in certain claims of interest. The Litigation Specialist provides feedback during the discovery process to help improve the adjusters’ investigative skills and develop strategies for future claims handling.

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

In fiscal year 2023, 101 new suits were received by the Tort Litigation Unit. 125 cases on the rolling docket of open litigation claim files were resolved; 38 were dismissed by summary judgment; 57 cases were settled; 15 closed before trial; 4 resulted in a plaintiff’s verdict (unfavorable to the state), 6 resulted in

a defendant’s verdict (favorable to the state), and 1 closed following an appeal in the state’s favor.

To more accurately reflect costs associated with the defense of a case, tracking of expenses and litigation costs was initiated. In fiscal year 2023, \$160,699.19 was paid in litigation expenses; total settlement payments were \$4,529,394.95, for a total of \$4,690,094.14. The average litigation cost per case in fiscal year 2023 at \$37,520.75. The overall costs represent an increase of \$1,546,126.51 from fiscal year 2022 when the total costs were \$3,143,967.63. The Litigation Specialist will continue to monitor these costs in an effort to effectively manage and mitigate total litigation expenses and payments.

**LOSS PREVENTION**

The primary goal of the unit is to assist in the preservation of state-owned assets, including buildings, computers, machinery, and specialized equipment. Agencywide communications for weather threats, proactive site pre-inspections, and monitoring compliance with carrier recommendations are tools utilized to accomplish this objective.

The state’s boiler and machinery policy provides coverage for catastrophic loss; the boiler insurance company is also responsible for inspection of pressure vessels required by Maryland Department of Labor. Jurisdictional violations are reported to the agency and compliance is mandatory for certification. Additionally, the boiler carrier offers optional infrared scanning of electrical equipment to detect potential hotspots. In the past

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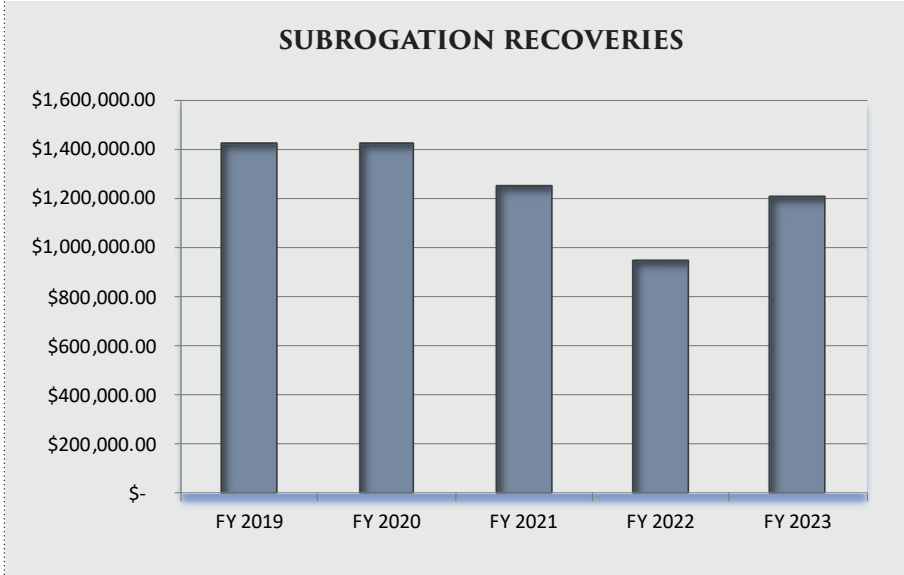


*INSURANCE continued from page 28*

12 months, thermographic testing was conducted at The Hippodrome and Clifton T. Perkins Hospital with no deficiencies found.

Each year, the state's commercial property insurance company inspects ten locations, typically those with higher values. The purpose is to assist in the identification of hazards that may lead to loss and provide recommendations to mitigate such losses. Insurance Division staff assist in the selection of the locations and coordinate inspections with the agencies and insurance company representatives.

Several agencies completed recommendations developed by the insurance company during the most recent inspection cycle. Western Maryland Hospital and University of Maryland Global Campus replaced elastomeric fire pump couplings in the first quarter of 2023. Elastomeric couplings contain plastic parts



which may fail without notice leaving sprinkler systems inoperable. Acceptable replacement couplings contain metal parts.

Reports generated by the insurance company are reviewed by the Insurance Division and agency staff. Open recommendations are tracked in the

Loss Management unit and compliance is reported to the insurance carrier as required.

Planned property inspections for FY24 include Maryland State Police Headquarters, State House, Miller Senate Building, Oriole Park at Camden

*continued on page 30*





*INSURANCE continued from page 29*

Yards, Bowie State University, Coppin State University, Frostburg State University, University of Baltimore and Deer's Head Hospital.

On February 3, 2023, a communication on Winter Weather Events was sent to universities and agencies impacted by Winter Storm Elliott (CAT 2273), as well as those who have experienced

similar property damage claims in the past. Recommendations included maintaining heat in buildings during winter breaks, closing windows during periods of unoccupancy, conducting daily facility inspections, and installing backup generators.

On April 12, 2023, training with Maryland Aviation Administration,

Airport Liability insurer and Insurance Division was conducted to review incident reporting obligations under FAA Safety Management Systems (SMS) requirements, among other topics. ■



Lock #75 on the C&O Canal Towpath Trail

# INFORMATION TECHNOLOGY DIVISION

## THE INFORMATION TECHNOLOGY (IT) DIVISION

develops the strategic vision and goals that drive technological innovation across the organization. Some of the technological advancements being made are enabling more services to be available over the web, developing new systems that meet the growing financial demands on the agency, and 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 division provides services in concert with partner agencies and banks to include electronic funds transfer, check printing services, fraud protection and account reconciliation process services for the Comptroller's General Accounting Division (GAD), Revenue Administration Division (RAD,) and Central Payroll Bureau (CPB).

## MARYLAND STATE TREASURER ELECTRONIC PORTAL (MSTEP)

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

available now online. 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 form into the STO Insurance Division. The MSTEP portal has significantly reduced the number of paper notices, saved time, and simplified internal processes.

## DIGITAL TRANSFORMATION

The IT division has several modernization projects underway. First is the release of the Microsoft Dynamics 365 (D365) Software-as-a-Service (SAAS) Enterprise Resource Planning (ERP) Finance and Operations module. This platform, built on Microsoft Azure Public Cloud, eliminates the need for managing infrastructure and provides a high level of data security. D365 Finance and Operations provides the Treasurer's accounting department a way to organize and maintain financial data that helps them adjust to constantly changing business environments. This platform has helped accounting move away from spreadsheets to a more business class application. The D365 platform comes with built-in disaster recovery, 24-hour technical support and data encryption.

Second, the IT division 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 division 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 division today takes a fiscally responsible approach while at the same time adopting a long-term strategy that provides a high degree of flexibility and scalability into the future. This approach will enable the agency to achieve short- and long-term business objectives while being good stewards of taxpayer resources. The primary objectives of moving server hosting to the cloud are to improve business continuity, time to market for new applications, and availability of server resources at a moment's notice.

Third, along with the transition to M365, the IT division has migrated email services to Exchange online. Exchange online allows access to email from anywhere anytime and improves business collaboration with tight integration into Teams, SharePoint and other Microsoft Office productivity tools, while at the same time providing faster recoverability of deleted data and increased system availability.

Fourth, the PBX phone system was antiquated and in need of replacement. The IT department completed the transition to Microsoft Teams VOIP phone system. Finally, the office's Wi-Fi system was upgraded to Juniper access point to provide better coverage inside the building for employees and visitors.

## ACH PROCESSING

The office receives and processes daily ACH deposits and manual wire files that are transmitted through an automated fax to all state agencies. This process provides agencies with a report of the deposits one day in advance of them being posted to the State R\*STARS accounting





*Underground Railroad Experience Trail in Sandy Spring*



*Lady Maryland, Annapolis*

*INFORMATION TECHNOLOGY DIVISION continued from page 30*

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

### **CHECK PAYMENT PROCESSING**

The IT Division services include the electronic retrieval of warranted check disbursement files that feed a high speed, customized, check printing process for the Comptroller's General Accounting Division, the Maryland State Retirement and Pension System, and the Department of Human Resource's Child Support & CARES. Additionally, the IT Division provides for a unique agency check design, signature, Magnetic Ink Character Recognition encoding and the delivery

of an electronic positive pay file to the state disbursement bank. Using a next-generation check printer, the IT Division has reduced or eliminated fees associated with bad checks, providing greater fraud delivery of an electronic positive pay file to the state disbursement bank.

### **RECEIPT PROCESSING**

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

### **CONTINGENCY PLANNING**

Currently, the IT division has established agreements with other state agencies to host disaster recovery services of on-premise servers and mainframes to an offsite location. The IT division has secured locations 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 has improved capabilities when it comes to server and application disaster recovery services. As the State Treasurer's Office transitions further

into the Microsoft Azure Cloud, it intends to take full advantage of the cloud technologies for real-time backup and disaster recovery. Cloud native tools will provide regional disaster recovery test and production server recovery for the recommencement of daily services. ■

# OFFICE OF THE ATTORNEY GENERAL – LEGAL DIVISION

**WHILE THE ENTIRE OFFICE OF THE ATTORNEY GENERAL (OAG)** serves as a resource to the Treasurer, six 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 and, if appropriate, attend Board of Public Works meetings to be available to the Treasurer for legal advice.

### Maryland 529 Program

The OAG provides legal advice with respect to the state's Maryland 529 program including that related to the newly created claims process and procurement, investment, disclosure, and employment matters.

### 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 also responsible for contract administration of its own contracts and agreements for banking, finance, investments, insurance and information technology, as well as for banking and finance contracts for other agencies. OAG is engaged in contract and procurement issues including contract formations and modifications, claims, protests, and appeals.

### TORT CLAIMS UNIT

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

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

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

## MISCELLANEOUS

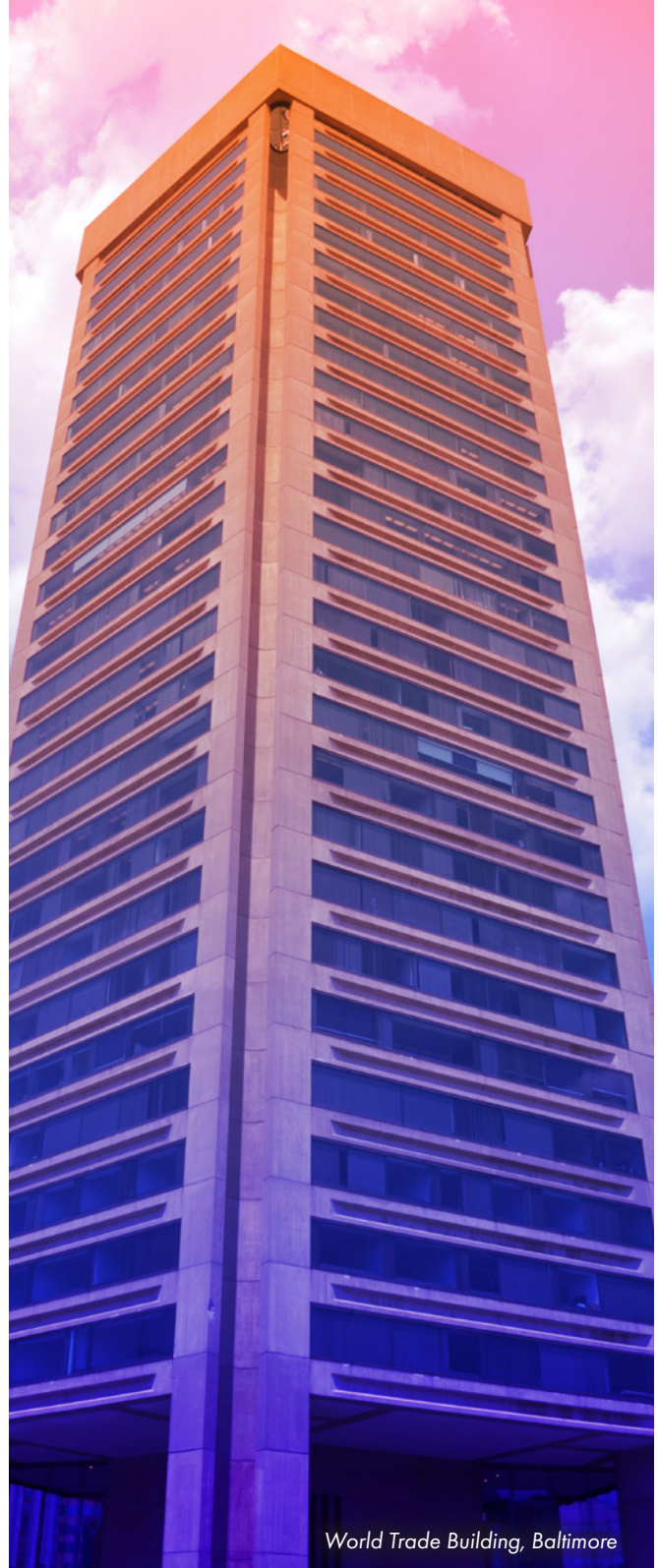
The Legal Division advises the Treasurer and office staff on a variety of issues affecting the office and its interaction with federal, state and local government agencies, contractors, and the public. Advice, counsel, and legal analysis on matters before various boards and commissions on which the Treasurer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

## MARYLAND 529 DIVISION

Maryland 529 consists of the Maryland Senator Edward J. Kasemeyer College Investment Plan (more commonly referred to as the Maryland College Investment Plan or MCIP), the Maryland ABLE Program, and the Maryland Senator Edward J. Kasemeyer Prepaid College Trust, which is closed to new enrollments. The State Treasurer's Office assumed responsibility for all programs on June 1, following passage of legislation by the Maryland General Assembly this past legislative session.

The MCIP launched in 2001 and is managed and distributed by T. Rowe Price, an investment management firm with more than 80 years' experience. MCIP is designed to help families give their children the freedom to pursue their dreams through saving for college, an apprenticeship, or trade school while helping limit the accumulation of debt.

The Maryland ABLE program launched in November 2017 and helps individuals with disabilities save money and pay for Qualified Disability Expenses without jeopardizing state or federal means-tested benefits such as SSI or Medicaid. The ABLE program is managed by Vestwell State Savings, LLC.



*World Trade Building, Baltimore*

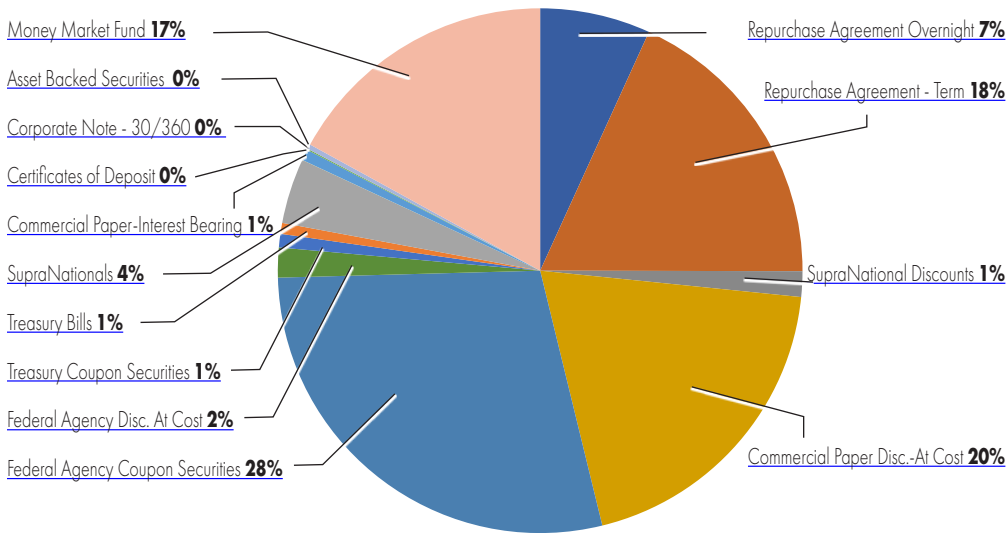


# APPENDIX A – INVESTMENT INVENTORY

## STATE OF MARYLAND INVENTORY BY MARKET VALUE

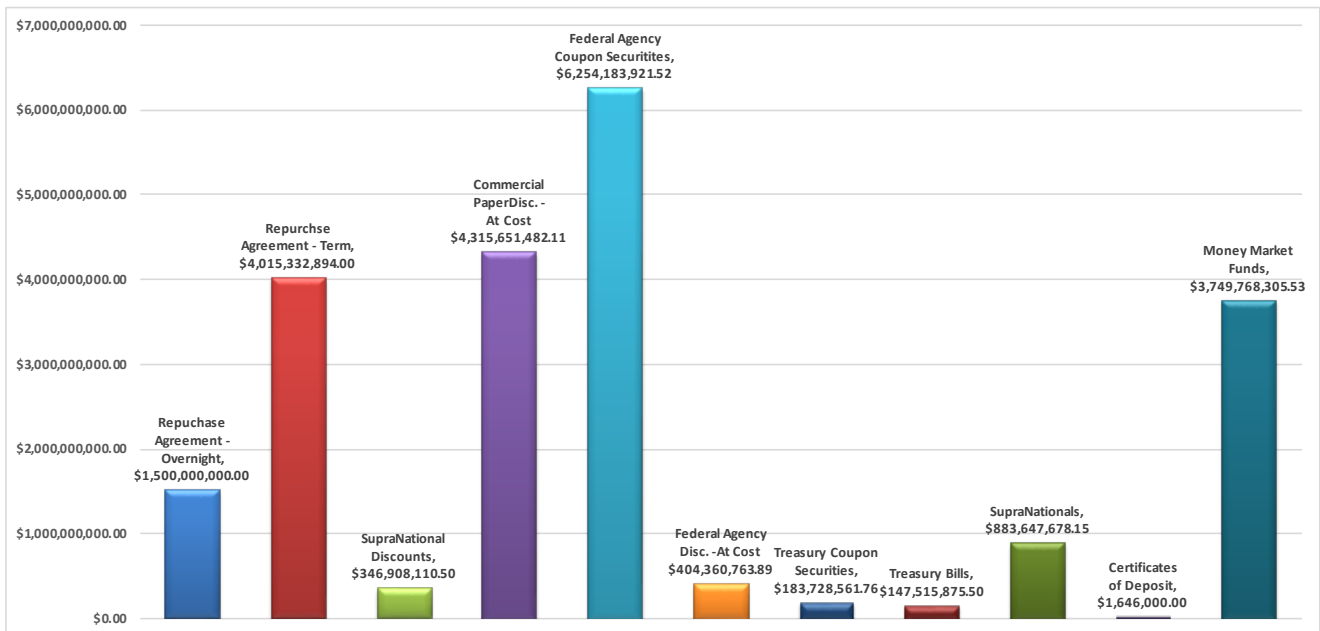
AS OF DATE: 06/30/2023 • DATE BASIS: SETTLEMENT • REPORTING CURRENCY: LOCAL

### ASSET ALLOCATION



INVESTMENTS VALUE	BOOK VALUE
Repurchase Agreement - Overnight	1,500,000,000.00
Repurchase Agreement - Term	4,015,332,894.00
SupraNational Discounts	346,908,110.50
Commercial Paper Disc. -At Cost	4,315,651,482.11
Federal Agency Coupon Securities	6,254,183,922.00
Federal Agency Disc. -At Cost	404,360,763.90
Treasury Coupon Securities	183,728,561.80
Treasury Bills	147,515,875.50
SupraNationals	883,647,678.15
Certificates of Deposit	1,646,000.00
Commercial Paper - Interest Bearing	150,000,000.00
Corporate Note - 30/360	15,000,000.00
Asset Backed Securities	80,997,163.20
Money Market Funds	3,749,768,305.33
<b>Total Investments</b>	<b>\$22,033,740,756.16</b>

### DISTRIBUTION OF HOLDINGS AS OF JUNE 30, 2023



## STATE OF MARYLAND INVENTORY BY MARKET VALUE

AS OF DATE: 06/30/2023 • DATE BASIS: SETTLEMENT • REPORTING CURRENCY: LOCAL

CUSIP	Investment Number	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated YTM	360YTM	365 Days	Maturity Date	
							Equiv.	Equiv.	to		
RPON063023ASL	24139	ASL CAPITAL	06/30/2023	\$1,000,000,000.00	\$1,000,000,000.00	\$1,000,000,000.00	5.150	5.150	5.222	2	07/03/2023
RPON063023SSTR	24138	South Street Securities	06/30/2023	\$500,000,000.00	\$500,000,000.00	\$500,000,000.00	5.160	5.160	5.232	2	07/03/2023
<b>O/N REPO</b>						<b>\$1,500,000,000.00</b>					
RPTR041823ASL	23831	ASL CAPITAL	04/18/2023	\$200,000,000.00	\$200,000,000.00	\$200,000,000.00	5.060	5.060	5.130	27	07/28/2023
RPTR051723ASL	23956	ASL CAPITAL	05/17/2023	\$250,000,000.00	\$250,000,000.00	\$250,000,000.00	5.170	5.170	5.242	30	07/31/2023
RPTR061423ASL	24074	ASL CAPITAL	06/14/2023	\$200,000,000.00	\$200,000,000.00	\$200,000,000.00	5.350	5.350	5.424	122	10/31/2023
RPTR062023ASL	24093	ASL CAPITAL	06/20/2023	\$125,000,000.00	\$125,000,000.00	\$125,000,000.00	5.350	5.350	5.424	152	11/30/2023
RPTR063023ASL	24140	ASL CAPITAL	06/30/2023	\$250,000,000.00	\$250,000,000.00	\$250,000,000.00	5.140	5.140	5.211	23	07/24/2023
RPTR062023DAIWA	24096	Daiwa	06/20/2023	\$100,000,000.00	\$100,000,000.00	\$100,000,000.00	5.330	5.330	5.404	152	11/30/2023
RPTR063023DAIWA	24141	Daiwa	06/30/2023	\$204,210,935.00	\$204,210,935.00	\$204,210,935.00	5.130	5.130	5.201	23	07/24/2023
RPTR063023DAIWA	24142	Daiwa	06/30/2023	\$10,365,976.00	\$10,365,976.00	\$10,365,976.00	5.130	5.130	5.201	23	07/24/2023
RPON063023DAIWA	24144	Daiwa	06/30/2023	\$565,845,000.00	\$565,845,000.00	\$565,845,000.00	5.150	5.150	5.222	4	07/05/2023
RPTR061223NATIX	24062	Natixis	06/12/2023	\$100,000,000.00	\$100,000,000.00	\$100,000,000.00	5.180	5.180	5.252	26	07/27/2023
RPTR062023NATIX	24095	Natixis	06/20/2023	\$175,000,000.00	\$175,000,000.00	\$175,000,000.00	5.340	5.340	5.414	152	11/30/2023
RPTR062223NATIX	24108	Natixis	06/22/2023	\$200,000,000.00	\$200,000,000.00	\$200,000,000.00	5.120	5.120	5.191	23	07/24/2023
RPTR042423SANCA	23865	SANTANDER CAPITAL [PV ARSEC]	04/24/2023	\$150,000,000.00	\$150,000,000.00	\$150,000,000.00	5.080	5.080	5.151	27	07/28/2023
RPTR052423SANCA	23982	SANTANDER CAPITAL [PV ARSEC]	05/24/2023	\$150,000,000.00	\$150,000,000.00	\$150,000,000.00	5.220	5.220	5.293	30	07/31/2023
RPTR053123SANCA	24008	SANTANDER CAPITAL [PV ARSEC]	05/31/2023	\$300,000,000.00	\$300,000,000.00	\$300,000,000.00	5.300	5.300	5.374	87	09/26/2023
RPTR062023SANCA	24097	SANTANDER CAPITAL [PV ARSEC]	06/20/2023	\$100,000,000.00	\$100,000,000.00	\$100,000,000.00	5.330	5.330	5.404	152	11/30/2023
RPTR042823SSTR	23888	South Street Securities	04/28/2023	\$235,000,000.00	\$235,000,000.00	\$235,000,000.00	5.080	5.080	5.151	31	08/01/2023
RPTR052423SSTR	23981	South Street Securities	05/24/2023	\$250,000,000.00	\$250,000,000.00	\$250,000,000.00	5.220	5.220	5.293	30	07/31/2023
RPTR053123SSTR1	24005	South Street Securities	05/31/2023	\$250,000,000.00	\$250,000,000.00	\$250,000,000.00	5.300	5.300	5.374	87	09/26/2023
RPTR062223SSTR	24107	South Street Securities	06/22/2023	\$150,000,000.00	\$150,000,000.00	\$150,000,000.00	5.120	5.120	5.191	23	07/24/2023
RPTR062223SSTR	24111	South Street Securities	06/22/2023	\$49,910,983.00	\$49,910,983.00	\$49,910,983.00	5.120	5.120	5.191	23	07/24/2023
<b>TERM REPO</b>						<b>\$4,015,332,894.00</b>					
45818KJFO	23922	Inter American Dev Bank	05/09/2023	\$100,000,000.00	\$99,018,667.00	\$99,018,667.00		5.243	5.315	16	07/17/2023
459516JW1	23944	International Finance Corp	05/16/2023	\$100,000,000.00	\$98,913,444.00	\$98,913,444.00	5.080	5.207	5.279	31	08/01/2023
459516JR2	24042	International Finance Corp	06/09/2023	\$150,000,000.00	\$148,975,999.50	\$148,975,999.50	5.120	5.227	5.299	26	07/27/2023
<b>SUPRA SOV DISC NOTE</b>						<b>\$346,908,110.50</b>					
0347M3ZM9	24134	Anglesa	06/29/2023	\$35,000,000.00	\$34,056,365.00	\$34,048,923.61	5.590	5.826	5.907	173	12/21/2023
0347M3U51	24143	Anglesa	06/30/2023	\$200,000,000.00	\$199,856,944.44	\$199,856,944.44	5.150	5.225	5.298	4	07/05/2023
05253CYW0	24115	ANZ BANK	06/23/2023	\$100,000,000.00	\$97,698,200.00	\$97,555,555.56	5.500	5.716	5.796	152	11/30/2023
0018A3YW8	24114	ANZ BANK INTL	06/23/2023	\$100,000,000.00	\$97,698,200.00	\$97,555,555.56	5.500	5.716	5.796	152	11/30/2023
06744HDC1	24032	Barclay's Capital	06/06/2023	\$150,000,000.00	\$148,873,750.00	\$148,873,750.00	5.300	5.414	5.489	26	07/27/2023
06744HECO	24059	Barclay's Capital	06/12/2023	\$100,000,000.00	\$98,386,444.44	\$98,386,444.44	5.480	5.647	5.726	87	09/26/2023
06945MUT1	24025	Barton Funding	06/05/2023	\$100,000,000.00	\$99,235,888.89	\$99,235,888.89	5.290	5.405	5.480	26	07/27/2023
07644BV17	23887	Bedford Funding	04/28/2023	\$100,000,000.00	\$98,640,972.22	\$98,640,972.22	5.150	5.293	5.367	31	08/01/2023
07644BYW6	24085	Bedford Funding	06/15/2023	\$125,000,000.00	\$122,053,625.00	\$121,797,500.00	5.490	5.713	5.792	152	11/30/2023
10924IWT3	24049	BrightHouse Finance	06/08/2023	\$75,000,000.00	\$73,753,562.50	\$73,753,562.50	5.390	5.557	5.634	88	09/27/2023
10924IYW4	24109	BrightHouse Finance	06/22/2023	\$100,000,000.00	\$97,540,277.78	\$97,540,277.78	5.500	5.717	5.796	152	11/30/2023
11042MX29	24136	Britannia Funding	06/29/2023	\$119,200,000.00	\$117,473,090.00	\$117,473,090.00	5.490	5.648	5.727	93	10/02/2023
22533UYW7	24080	Credit Agricole CIB NY	06/15/2023	\$100,000,000.00	\$97,657,800.00	\$97,442,666.67	5.480	5.702	5.781	152	11/30/2023
15963UUT1	24045	Chariot Funding LLC	06/07/2023	\$100,000,000.00	\$99,265,277.78	\$99,265,277.78	5.290	5.403	5.478	26	07/27/2023
16536JWS2	24006	CHESAM FINANCE	05/31/2023	\$100,000,000.00	\$98,203,777.78	\$98,203,777.78	5.480	5.658	5.736	87	09/26/2023
12623LUT0	24034	CNPC FINANCE LTD HK	06/06/2023	\$100,000,000.00	\$99,239,250.00	\$99,239,250.00	5.370	5.486	5.563	26	07/27/2023
19767DUT9	24026	Columbia Funding	06/05/2023	\$101,000,000.00	\$100,231,165.56	\$100,231,165.56	5.270	5.384	5.459	26	07/27/2023
19767DUT9	24030	Columbia Funding	06/06/2023	\$55,500,000.00	\$55,085,646.25	\$55,085,646.25	5.270	5.383	5.458	26	07/27/2023
27873KWS7	24007	EBURY FINANCE	05/31/2023	\$100,000,000.00	\$98,203,777.78	\$98,203,777.78	5.480	5.658	5.736	87	09/26/2023

STATE OF MARYLAND INVENTORY BY MARKET VALUE

AS OF DATE: 06/30/2023 • DATE BASIS: SETTLEMENT • REPORTING CURRENCY: LOCAL

CUSIP	Investment Number	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated YTM	360YTM	365 Days	Maturity Date	
							Equiv.	Equiv	to		
29456DWF2	24033	Equitable Short Term Funding	06/06/2023	\$30,000,000.00	\$29,541,291.67	\$29,541,291.67	5.450	5.611	5.689	76	09/15/2023
29456DZF9	24037	Equitable Short Term Funding	06/07/2023	\$50,000,000.00	\$48,708,750.00	\$48,527,708.33	5.550	5.790	5.871	167	12/15/2023
29456DX2	24084	Equitable Short Term Funding	06/15/2023	\$50,000,000.00	\$48,949,666.67	\$48,949,666.67	5.480	5.675	5.754	122	10/31/2023
31849MYW5	24135	FIRST ABU DHABI	06/29/2023	\$100,000,000.00	\$97,637,800.00	\$97,651,500.00	5.490	5.700	5.779	152	11/30/2023
37828XVV8	23928	Glencove Financial	05/09/2023	\$75,000,000.00	\$73,770,333.33	\$73,770,333.33	5.270	5.432	5.508	59	08/29/2023
38346MWS9	24017	Gotham Funding Corp	06/01/2023	\$100,000,000.00	\$98,225,500.00	\$98,225,500.00	5.460	5.636	5.714	87	09/26/2023
38346MYT5	24090	Gotham Funding Corp	06/16/2023	\$60,000,000.00	\$58,602,480.00	\$58,502,133.33	5.480	5.698	5.778	149	11/27/2023
4820P3WS8	24060	Jupiter Sec Funding	06/12/2023	\$100,000,000.00	\$98,392,333.33	\$98,392,333.33	5.460	5.626	5.704	87	09/26/2023
5006E1YW8	24100	Korea Development Bank	06/21/2023	\$50,000,000.00	\$48,828,700.00	\$48,769,250.00	5.470	5.686	5.765	152	11/30/2023
54316UUX5	23999	LONGSHIP FUNDING	05/30/2023	\$100,000,000.00	\$99,099,277.78	\$99,099,277.78	5.230	5.351	5.425	30	07/31/2023
55458FWS2	23985	MACKINAC FUNDING	05/25/2023	\$172,500,000.00	\$169,309,325.00	\$169,309,325.00	5.370	5.547	5.624	87	09/26/2023
55458FUT2	24031	MACKINAC FUNDING	06/06/2023	\$72,100,000.00	\$71,558,649.17	\$71,558,649.17	5.300	5.414	5.489	26	07/27/2023
63873KYW1	24079	Natixis Corp	06/15/2023	\$100,000,000.00	\$97,664,600.00	\$97,442,666.67	5.480	5.702	5.781	152	11/30/2023
74457CUT1	24086	Prudential Insurance	06/15/2023	\$100,000,000.00	\$99,390,417.00	\$99,390,417.00	5.225	5.330	5.404	26	07/27/2023
74625UWS8	24019	Pure Grove	06/02/2023	\$100,000,000.00	\$98,237,444.44	\$98,237,444.44	5.470	5.645	5.724	87	09/26/2023
21687BYW5	24101	Cooperatieve Rabo Bank NY	06/21/2023	\$50,000,000.00	\$48,827,450.00	\$48,771,500.00	5.460	5.675	5.754	152	11/30/2023
78013WWN6	23046	Royal Bank of Canada	09/22/2022	\$100,000,000.00	\$95,295,555.56	\$95,295,555.56	4.640	4.877	4.945	83	09/22/2023
79490BUX2	24000	Salisbury Receivable Corp	05/30/2023	\$100,000,000.00	\$99,099,277.78	\$99,099,277.78	5.230	5.351	5.425	30	07/31/2023
79490BWS1	24011	Salisbury Receivable Corp	05/31/2023	\$100,000,000.00	\$98,203,777.78	\$98,203,777.78	5.480	5.658	5.736	87	09/26/2023
79490BWS1	24070	Salisbury Receivable Corp	06/13/2023	\$100,000,000.00	\$98,401,666.67	\$98,401,666.67	5.480	5.646	5.725	87	09/26/2023
05971SWS7	24071	Santander Bank	06/13/2023	\$100,000,000.00	\$98,381,250.00	\$98,381,250.00	5.550	5.720	5.799	87	09/26/2023
82124MV15	23927	Sheffield Receivables Corp	05/09/2023	\$100,000,000.00	\$98,775,000.00	\$98,775,000.00	5.250	5.389	5.464	31	08/01/2023
82124MUT5	24035	Sheffield Receivables Corp	06/06/2023	\$75,000,000.00	\$74,436,875.00	\$74,436,875.00	5.300	5.414	5.489	26	07/27/2023
86960KUD2	23116	SVENSKA HANDELSBANK	10/11/2022	\$50,000,000.00	\$48,159,028.00	\$48,159,028.00	4.820	5.031	5.101	12	07/13/2023
89119BU18	22691	Toronto Dominion Sec	07/20/2022	\$100,000,000.00	\$96,177,638.89	\$96,177,638.89	3.770	3.936	3.990	19	07/20/2023
89119BWT9	23060	Toronto Dominion Sec	09/27/2022	\$100,000,000.00	\$95,275,277.78	\$95,275,277.78	4.660	4.899	4.967	88	09/27/2023
92512MYT0	24068	Versailles Com Paper LLC	06/13/2023	\$100,000,000.00	\$97,687,500.00	\$97,448,611.11	5.500	5.722	5.802	149	11/27/2023
92646LYT1	24077	Victory Receivables	06/14/2023	\$100,000,000.00	\$97,675,000.00	\$97,468,500.00	5.490	5.711	5.790	149	11/27/2023
<b>COMMERCIAL PAPER</b>						<b>\$4,315,651,482.11</b>					
31422XDA7	21409	Federal Agricultural Mtg Corp	04/01/2021	\$136,000.00	\$125,913.83	\$136,000.00	0.700	0.690	0.700	640	04/01/2025
31422XDA7	21410	Federal Agricultural Mtg Corp	04/01/2021	\$21,691,000.00	\$20,082,330.37	\$21,691,000.00	0.700	0.690	0.700	640	04/01/2025
31422XIE3	21595	Federal Agricultural Mtg Corp	07/21/2021	\$100,000,000.00	\$89,835,200.00	\$100,000,000.00	1.080	1.065	1.080	1,116	07/21/2026
31422XML3	21748	Federal Agricultural Mtg Corp	09/08/2021	\$30,000,000.00	\$27,422,850.00	\$29,980,325.00	0.600	0.622	0.630	800	09/08/2025
31422XMRO	21757	Federal Agricultural Mtg Corp	10/05/2021	\$50,000,000.00	\$44,672,750.00	\$50,000,000.00	1.000	0.986	1.000	1,192	10/05/2026
31422XNL2	21796	Federal Agricultural Mtg Corp	11/02/2021	\$25,000,000.00	\$22,444,000.00	\$25,000,000.00	1.200	1.184	1.200	1,220	11/02/2026
31422XNL2	21797	Federal Agricultural Mtg Corp	11/02/2021	\$25,000,000.00	\$22,444,000.00	\$25,000,000.00	1.200	1.184	1.200	1,220	11/02/2026
31422XNL2	21798	Federal Agricultural Mtg Corp	11/02/2021	\$25,000,000.00	\$22,444,000.00	\$25,000,000.00	1.200	1.184	1.200	1,220	11/02/2026
31422XNL2	21799	Federal Agricultural Mtg Corp	11/02/2021	\$25,000,000.00	\$22,444,000.00	\$25,000,000.00	1.200	1.184	1.200	1,220	11/02/2026
31422XPE6	21832	Federal Agricultural Mtg Corp	11/23/2021	\$50,000,000.00	\$44,978,200.00	\$50,000,000.00	1.300	1.282	1.300	1,241	11/23/2026
31422XPT3	21871	Federal Agricultural Mtg Corp	12/15/2021	\$50,000,000.00	\$45,071,250.00	\$50,000,000.00	1.400	1.381	1.400	1,263	12/15/2026
31422XPW6	21875	Federal Agricultural Mtg Corp	11/24/2021	\$50,000,000.00	\$46,990,150.00	\$50,000,000.00	0.720	0.710	0.720	512	11/24/2024
31422XRBO	21953	Federal Agricultural Mtg Corp	01/12/2022	\$50,000,000.00	\$45,155,200.00	\$50,000,000.00	1.550	1.529	1.550	1,291	01/12/2027
31422XSJ2	22037	Federal Agricultural Mtg Corp	01/04/2022	\$50,000,000.00	\$45,024,700.00	\$50,000,000.00	1.450	1.430	1.450	1,283	01/04/2027
31422XSJ2	22038	Federal Agricultural Mtg Corp	01/04/2022	\$50,000,000.00	\$45,024,700.00	\$50,000,000.00	1.450	1.430	1.450	1,283	01/04/2027
31422XSP8	22057	Federal Agricultural Mtg Corp	01/10/2022	\$50,000,000.00	\$50,000,000.00	\$50,000,000.00	0.640	0.631	0.640	13	07/14/2023
31422XSR4	22061	Federal Agricultural Mtg Corp	01/18/2022	\$30,000,000.00	\$29,244,630.00	\$30,000,000.00	0.810	1.037	1.051	201	01/18/2024
31422XSX1	22085	Federal Agricultural Mtg Corp	01/27/2022	\$50,000,000.00	\$45,273,250.00	\$50,000,000.00	1.650	1.608	1.631	1,306	01/27/2027
31422XSZ6	22097	Federal Agricultural Mtg Corp	01/26/2022	\$25,000,000.00	\$24,110,000.00	\$25,000,000.00	1.070	1.056	1.070	300	04/26/2024
31422XVW0	22306	Federal Agricultural Mtg Corp	04/06/2022	\$50,000,000.00	\$48,833,450.00	\$50,000,000.00	2.440	2.407	2.440	279	04/05/2024



**STATE OF MARYLAND INVENTORY BY MARKET VALUE**

**AS OF DATE: 06/30/2023 • DATE BASIS: SETTLEMENT • REPORTING CURRENCY: LOCAL**

CUSIP	Investment Number	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated	YTM	360YTM	365 Days	Maturity
							Equiv.	Equiv	to	Date	
31422XZA3	22451	Federal Agricultural Mtg Corp	06/01/2022	\$50,000,000.00	\$49,643,300.00	\$50,000,000.00	2.350	2.319	2.351	62	09/01/2023
31422XB92	22683	Federal Agricultural Mtg Corp	07/28/2022	\$50,000,000.00	\$50,000,000.00	\$50,000,000.00	3.160	3.037	3.079	27	07/28/2023
31422XC59	22730	Federal Agricultural Mtg Corp	08/01/2022	\$150,000,000.00	\$150,000,000.00	\$150,000,000.00	3.085	3.043	3.085	31	08/01/2023
31422XE40	22800	Federal Agricultural Mtg Corp	08/19/2022	\$100,000,000.00	\$97,762,000.00	\$100,000,000.00	4.000	3.945	4.000	604	02/24/2025
31422XE73	22840	Federal Agricultural Mtg Corp	08/26/2022	\$50,000,000.00	\$48,822,650.00	\$50,000,000.00	3.320	3.275	3.320	422	08/26/2024
31422XE81	22848	Federal Agricultural Mtg Corp	08/29/2022	\$100,000,000.00	\$100,000,000.00	\$100,000,000.00	3.360	3.314	3.360	59	08/29/2023
31422XF49	22882	Federal Agricultural Mtg Corp	09/01/2022	\$50,000,000.00	\$49,570,550.00	\$50,000,000.00	3.450	3.351	3.398	153	12/01/2023
31422XG55	22975	Federal Agricultural Mtg Corp	09/15/2022	\$50,000,000.00	\$50,000,000.00	\$50,000,000.00	3.680	3.630	3.680	76	09/15/2023
31422XN57	23212	Federal Agricultural Mtg Corp	11/03/2022	\$100,000,000.00	\$99,699,100.00	\$100,000,000.00	4.750	4.685	4.750	125	11/03/2023
31422X2P6	23825	Federal Agricultural Mtg Corp	04/24/2023	\$50,000,000.00	\$49,510,250.00	\$50,000,000.00	5.070	4.930	4.999	663	04/24/2025
31422X2Y7	23931	Federal Agricultural Mtg Corp	05/15/2023	\$100,000,000.00	\$99,226,700.00	\$100,000,000.00	5.250	5.178	5.250	503	11/15/2024
31422X3N0	23996	Federal Agricultural Mtg Corp	06/02/2023	\$100,000,000.00	\$99,346,500.00	\$100,000,000.00	4.750	4.685	4.750	702	06/02/2025
3133EGWB7	18078	Federal Farm Credit Bank	09/23/2016	\$3,000,000.00	\$2,806,074.00	\$3,000,000.00	2.020	1.992	2.020	946	02/01/2026
3133ENCA6	21837	Federal Farm Credit Bank	10/25/2021	\$9,684,000.00	\$9,112,731.16	\$9,681,874.90	0.700	0.707	0.717	482	10/25/2024
3133ENLDO	22096	Federal Farm Credit Bank	01/26/2022	\$50,000,000.00	\$46,064,300.00	\$50,000,000.00	1.530	1.509	1.530	940	01/26/2026
3133ENPG9	22196	Federal Farm Credit Bank	02/15/2022	\$25,000,000.00	\$23,704,750.00	\$24,963,933.97	1.750	1.817	1.842	594	02/14/2025
3133ENWL0	22435	Federal Farm Credit Bank	05/18/2022	\$14,700,000.00	\$14,366,618.70	\$14,700,000.00	2.920	2.880	2.920	320	05/16/2024
3133ENJ84	22885	Federal Farm Credit Bank	08/26/2022	\$50,000,000.00	\$48,873,400.00	\$49,951,871.53	3.375	3.415	3.462	422	08/26/2024
3133ENK33	22918	Federal Farm Credit Bank	09/06/2022	\$50,000,000.00	\$49,380,000.00	\$49,995,689.81	3.625	3.588	3.638	249	03/06/2024
3133ENK33	22919	Federal Farm Credit Bank	09/06/2022	\$25,000,000.00	\$24,690,000.00	\$24,998,865.74	3.625	3.582	3.632	249	03/06/2024
3133ENK82	22949	Federal Farm Credit Bank	09/12/2022	\$50,000,000.00	\$48,813,000.00	\$50,000,000.00	4.125	4.035	4.091	895	12/12/2025
3133ENW97	23192	Federal Farm Credit Bank	11/01/2022	\$25,000,000.00	\$24,770,300.00	\$25,000,000.00	5.030	4.961	5.030	489	11/01/2024
3133ENW97	23193	Federal Farm Credit Bank	11/01/2022	\$25,000,000.00	\$24,770,300.00	\$25,000,000.00	5.030	4.961	5.030	489	11/01/2024
3133EN2X7	23319	Federal Farm Credit Bank	11/23/2022	\$50,000,000.00	\$49,779,650.00	\$50,000,000.00	5.040	4.977	5.046	237	02/23/2024
3133ENY46	23575	Federal Farm Credit Bank	01/20/2023	\$50,590,000.00	\$50,455,835.32	\$50,548,044.93	4.625	4.802	4.868	125	11/03/2023
3130ALCG7	21355	Federal Home Loan Bank	03/09/2021	\$100,000,000.00	\$89,702,800.00	\$100,000,000.00	0.670	0.661	0.670	982	03/09/2026
3130ALCU6	21364	Federal Home Loan Bank	02/25/2021	\$100,000,000.00	\$89,876,900.00	\$100,000,000.00	0.700	0.690	0.700	970	02/25/2026
3130ALE59	21365	Federal Home Loan Bank	03/16/2021	\$100,000,000.00	\$89,078,200.00	\$100,000,000.00	0.800	0.789	0.800	989	03/16/2026
3130ALGJ7	21373	Federal Home Loan Bank	03/23/2021	\$97,500,000.00	\$88,160,962.50	\$97,500,000.00	1.000	0.986	1.000	996	03/23/2026
3130AKWM4	21463	Federal Home Loan Bank	02/26/2021	\$3,800,000.00	\$3,538,932.40	\$3,800,000.00	0.300	0.296	0.300	514	11/26/2024
3130AMK35	21523	Federal Home Loan Bank	05/26/2021	\$100,000,000.00	\$90,193,900.00	\$100,000,000.00	1.060	1.045	1.060	1,060	05/26/2026
3130AMKD3	21525	Federal Home Loan Bank	05/26/2021	\$100,000,000.00	\$90,193,900.00	\$100,000,000.00	1.060	1.045	1.060	1,060	05/26/2026
3130AN3S7	21612	Federal Home Loan Bank	06/30/2021	\$150,000,000.00	\$135,028,050.00	\$150,000,000.00	1.100	1.085	1.100	1,097	07/02/2026
3130AN3S7	21613	Federal Home Loan Bank	06/30/2021	\$150,000,000.00	\$135,028,050.00	\$150,000,000.00	1.100	1.085	1.100	1,097	07/02/2026
3130AN3U2	21617	Federal Home Loan Bank	06/30/2021	\$25,000,000.00	\$23,407,750.00	\$25,000,000.00	0.562	0.554	0.562	531	12/13/2024
3130ANDB3	21643	Federal Home Loan Bank	08/13/2021	\$100,000,000.00	\$89,788,400.00	\$100,000,000.00	1.110	1.095	1.110	1,139	08/13/2026
3130ANLJ7	21681	Federal Home Loan Bank	09/08/2021	\$100,000,000.00	\$89,638,600.00	\$100,000,000.00	1.100	1.085	1.100	1,165	09/08/2026
3130ANMC1	21687	Federal Home Loan Bank	09/14/2021	\$100,000,000.00	\$89,743,400.00	\$100,000,000.00	1.150	1.134	1.150	1,171	09/14/2026
3130ANMX5	21688	Federal Home Loan Bank	09/21/2021	\$100,000,000.00	\$89,701,500.00	\$100,000,000.00	1.150	1.134	1.150	1,178	09/21/2026
3130ANNV8	21691	Federal Home Loan Bank	09/15/2021	\$100,000,000.00	\$89,881,100.00	\$100,000,000.00	1.200	1.184	1.200	1,172	09/15/2026
3130ANTC4	21711	Federal Home Loan Bank	09/28/2021	\$50,000,000.00	\$44,762,750.00	\$50,000,000.00	1.100	1.085	1.100	1,185	09/28/2026
3130ANTC4	21712	Federal Home Loan Bank	09/28/2021	\$50,000,000.00	\$44,762,750.00	\$50,000,000.00	1.100	1.085	1.100	1,185	09/28/2026
3130ANTC4	21713	Federal Home Loan Bank	09/28/2021	\$50,000,000.00	\$44,762,750.00	\$50,000,000.00	1.100	1.085	1.100	1,185	09/28/2026
3130ANV98	21729	Federal Home Loan Bank	09/22/2021	\$50,000,000.00	\$44,802,900.00	\$50,000,000.00	1.115	1.100	1.115	1,179	09/22/2026
3130ANV98	21730	Federal Home Loan Bank	09/22/2021	\$50,000,000.00	\$44,802,900.00	\$50,000,000.00	1.115	1.100	1.115	1,179	09/22/2026
3130ANV98	21731	Federal Home Loan Bank	09/22/2021	\$50,000,000.00	\$44,802,900.00	\$50,000,000.00	1.115	1.100	1.115	1,179	09/22/2026
3130ANXH8	21749	Federal Home Loan Bank	10/15/2021	\$50,000,000.00	\$44,880,250.00	\$50,000,000.00	1.150	1.134	1.150	1,202	10/15/2026
3130AP4H5	21773	Federal Home Loan Bank	10/26/2021	\$100,000,000.00	\$89,657,100.00	\$100,000,000.00	1.150	1.134	1.150	1,213	10/26/2026
3130APSJ0	21775	Federal Home Loan Bank	10/22/2021	\$60,000,000.00	\$53,844,480.00	\$60,000,000.00	1.170	1.154	1.170	1,209	10/22/2026
3130APSJ0	21776	Federal Home Loan Bank	10/22/2021	\$60,000,000.00	\$53,844,480.00	\$60,000,000.00	1.170	1.154	1.170	1,209	10/22/2026

STATE OF MARYLAND INVENTORY BY MARKET VALUE

AS OF DATE: 06/30/2023 • DATE BASIS: SETTLEMENT • REPORTING CURRENCY: LOCAL

CUSIP	Investment Number	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated YTM	360YTM Equiv.	365 Days Equiv.	Maturity Date	
3130APAT2	21787	Federal Home Loan Bank	11/03/2021	\$50,000,000.00	\$44,883,850.00	\$50,000,000.00	1.200	1.184	1.200	1,221	11/03/2026
3130APE68	21800	Federal Home Loan Bank	11/10/2021	\$100,000,000.00	\$90,032,300.00	\$100,000,000.00	1.300	1.282	1.300	1,228	11/10/2026
3130APIR7	21831	Federal Home Loan Bank	11/24/2021	\$100,000,000.00	\$90,026,700.00	\$100,000,000.00	1.325	1.307	1.325	1,242	11/24/2026
3130APLZ6	21838	Federal Home Loan Bank	12/03/2021	\$100,000,000.00	\$90,327,900.00	\$100,000,000.00	1.440	1.420	1.440	1,251	12/03/2026
3130APHZ1	21843	Federal Home Loan Bank	11/17/2021	\$100,000,000.00	\$90,023,400.00	\$100,000,000.00	1.310	1.292	1.310	1,235	11/17/2026
3130APRG2	21862	Federal Home Loan Bank	12/10/2021	\$100,000,000.00	\$90,772,900.00	\$100,000,000.00	1.600	1.578	1.600	1,258	12/10/2026
3130APSF3	21892	Federal Home Loan Bank	12/14/2021	\$50,000,000.00	\$45,481,450.00	\$50,000,000.00	1.670	1.647	1.670	1,262	12/14/2026
3130APZT5	21917	Federal Home Loan Bank	12/28/2021	\$50,000,000.00	\$45,503,750.00	\$50,000,000.00	1.710	1.687	1.710	1,276	12/28/2026
3130AQ2K8	21921	Federal Home Loan Bank	01/04/2022	\$50,000,000.00	\$45,481,850.00	\$50,000,000.00	1.750	1.726	1.750	1,283	01/04/2027
3130AQ7J6	21948	Federal Home Loan Bank	12/29/2021	\$50,000,000.00	\$50,000,000.00	\$50,000,000.00	0.650	0.641	0.650	90	09/29/2023
3130AQB51	21963	Federal Home Loan Bank	01/14/2022	\$50,000,000.00	\$45,532,150.00	\$50,000,000.00	1.800	1.775	1.800	1,293	01/14/2027
3134GWX92	21091	Federal Home Loan Mtg Corp	09/30/2020	\$100,000,000.00	\$90,818,200.00	\$100,000,000.00	0.550	0.542	0.550	822	09/30/2025
3134GWZG4	21108	Federal Home Loan Mtg Corp	10/20/2020	\$50,000,000.00	\$45,393,050.00	\$50,000,000.00	0.600	0.592	0.600	842	10/20/2025
3134GW6U5	21145	Federal Home Loan Mtg Corp	11/19/2020	\$50,000,000.00	\$45,376,800.00	\$50,000,000.00	0.625	0.616	0.625	872	11/19/2025
3134GXCT9	21180	Federal Home Loan Mtg Corp	12/16/2020	\$100,000,000.00	\$89,734,200.00	\$100,000,000.00	0.635	0.626	0.635	899	12/16/2025
3134GXFL3	21197	Federal Home Loan Mtg Corp	12/23/2020	\$100,000,000.00	\$90,352,300.00	\$100,000,000.00	0.645	0.636	0.645	906	12/23/2025
3134GXFA7	21199	Federal Home Loan Mtg Corp	11/30/2020	\$56,009,000.00	\$50,828,391.54	\$56,009,000.00	0.650	0.641	0.650	879	11/26/2025
3134GXHL1	21221	Federal Home Loan Mtg Corp	12/30/2020	\$50,000,000.00	\$45,213,800.00	\$50,000,000.00		0.690	0.700	913	12/30/2025
3134GW4C7	22067	Federal Home Loan Mtg Corp	01/06/2022	\$50,000,000.00	\$44,300,700.00	\$48,932,513.00	0.800	1.448	1.468	1,214	10/27/2026
3134GWZV1	22101	Federal Home Loan Mtg Corp	01/13/2022	\$50,000,000.00	\$45,438,400.00	\$49,126,502.21	0.650	1.410	1.430	844	10/22/2025
3134GWZV1	22142	Federal Home Loan Mtg Corp	01/27/2022	\$19,800,000.00	\$17,993,606.40	\$19,369,142.87	0.650	1.603	1.625	844	10/22/2025
3134GXF33	22632	Federal Home Loan Mtg Corp	07/12/2022	\$100,000,000.00	\$100,000,000.00	\$100,000,000.00	3.250	3.208	3.253	103	10/12/2023
3134GYCM2	23477	Federal Home Loan Mtg Corp	12/30/2022	\$100,000,000.00	\$99,346,300.00	\$100,000,000.00	5.075	7.507	7.611	363	06/28/2024
3135GA6E6	21222	Federal National Mtg Assn	12/23/2020	\$100,000,000.00	\$90,409,800.00	\$100,000,000.00	0.670	0.661	0.670	906	12/23/2025
3135GO6G3	21962	Federal National Mtg Assn	12/08/2021	\$50,000,000.00	\$45,315,850.00	\$49,799,157.56	0.500	0.664	0.673	860	11/07/2025
3135GACU3	22835	Federal National Mtg Assn	08/30/2022	\$100,000,000.00	\$97,746,600.00	\$100,000,000.00	4.000	3.945	4.000	608	02/28/2025
3135GAEU1	23638	Federal National Mtg Assn	02/13/2023	\$100,000,000.00	\$99,616,300.00	\$100,000,000.00	5.125	4.997	5.066	223	02/09/2024
3135GAF89	23658	Federal National Mtg Assn	02/21/2023	\$100,000,000.00	\$99,254,800.00	\$100,000,000.00	5.300	5.227	5.300	601	02/21/2025
313312KD1-B	22969	Federal Farm Credit Bank	09/09/2022	\$50,000,000.00	\$48,358,125.00	\$48,358,125.00	3.550	3.690	3.742	38	08/08/2023
313312LR9	22994	Federal Farm Credit Bank	09/14/2022	\$70,000,000.00	\$67,310,444.44	\$67,310,444.44	3.800	3.967	4.023	74	09/13/2023
313312KP4B	23018	Federal Farm Credit Bank	09/19/2022	\$100,000,000.00	\$96,216,750.00	\$96,216,750.00	4.090	4.269	4.328	48	08/18/2023
313312JG6	23162	Federal Farm Credit Bank	10/19/2022	\$100,000,000.00	\$96,600,000.00	\$96,600,000.00	4.500	4.692	4.757	17	07/18/2023
313312LY4NEW	23418	Federal Farm Credit Bank	12/16/2022	\$50,000,000.00	\$48,216,166.67	\$48,216,166.67	4.620	4.823	4.890	81	09/20/2023
313312QN3	23419	Federal Farm Credit Bank	12/16/2022	\$50,000,000.00	\$48,854,850.00	\$47,659,277.78	4.630	4.866	4.934	167	12/15/2023
<b>GOV AGENCIES</b>						<b>\$6,658,544,685.41</b>					
91282CAZ4	21614	U.S. Treasury	06/29/2021	\$3,283,000.00	\$2,963,419.65	\$3,250,746.49	0.375	0.779	0.789	883	11/30/2025
91282CAB7	21615	U.S. Treasury	06/29/2021	\$6,423,000.00	\$5,844,679.50	\$6,361,614.75	0.250	0.706	0.716	761	07/31/2025
91282CDG1	22068	U.S. Treasury	01/06/2022	\$25,000,000.00	\$22,500,000.00	\$24,873,562.77	1.250	1.381	1.400	1,279	12/31/2026
91282CDG1	22070	U.S. Treasury	01/06/2022	\$25,000,000.00	\$22,500,000.00	\$24,873,038.87	1.250	1.381	1.401	1,279	12/31/2026
91282CDG1	22071	U.S. Treasury	01/06/2022	\$25,000,000.00	\$22,500,000.00	\$24,855,881.91	1.250	1.402	1.421	1,279	12/31/2026
91282CDG1	22072	U.S. Treasury	01/07/2022	\$25,000,000.00	\$22,500,000.00	\$24,818,723.37	1.250	1.445	1.465	1,279	12/31/2026
91282CDN8	22091	U.S. Treasury	01/12/2022	\$25,000,000.00	\$23,528,325.00	\$24,923,169.90	1.000	1.198	1.215	533	12/15/2024
91282CHD6	23992	U.S. Treasury	05/31/2023	\$50,000,000.00	\$49,371,100.00	\$49,771,823.70	4.250	4.440	4.502	700	05/31/2025
912797GI0	23897	U.S. Treasury	05/02/2023	\$150,000,000.00	\$147,515,875.50	\$147,515,875.50	5.010	5.165	5.237	59	08/29/2023
<b>US TREASURIES</b>						<b>\$331,244,437.26</b>					
04517BPB6	23648	Asian Development Bank	02/13/2023	\$43,800,000.00	\$43,407,946.20	\$43,789,945.20	4.625	4.566	4.630	1,573	10/21/2027
00828EEG0	21790	African Development Bank	11/02/2021	\$50,000,000.00	\$50,000,000.00	\$50,000,000.00	1.060	1.045	1.060	1,220	11/02/2026
00828EEI4	21884	African Development Bank	12/15/2021	\$100,000,000.00	\$89,261,400.00	\$99,979,266.67	1.200	1.190	1.206	1,263	12/15/2026
00828EEI4	21891	African Development Bank	12/15/2021	\$40,000,000.00	\$35,704,560.00	\$39,886,657.78	1.200	1.267	1.285	1,263	12/15/2026
00828EEL9	22505	African Development Bank	06/10/2022	\$100,000,000.00	\$100,000,000.00	\$100,000,000.00	2.500	2.458	2.492	73	09/12/2023
00828EEM7	22525	African Development Bank	06/16/2022	\$100,000,000.00	\$98,045,200.00	\$100,000,000.00	2.980	2.939	2.980	349	06/14/2024
45818WDK9	21904	Inter American Dev Bank	11/29/2021	\$50,000,000.00	\$49,991,808.50	\$49,991,808.50	0.920	0.919	0.932	517	11/29/2024

## STATE OF MARYLAND INVENTORY BY MARKET VALUE

AS OF DATE: 06/30/2023 • DATE BASIS: SETTLEMENT • REPORTING CURRENCY: LOCAL

CUSIP	Investment Number	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated YTM	360YTM Equiv.	365 Days Equiv.	Maturity to	Maturity Date
45906M2Q3	21795	Intl Bk Recon & Develop	10/21/2021	\$50,000,000.00	\$44,562,000.00	\$50,000,000.00	1.150	1.134	1.150	1,208	10/21/2026
45906M2T7	21840	Intl Bk Recon & Develop	11/18/2021	\$100,000,000.00	\$90,748,800.00	\$100,000,000.00	1.070	1.055	1.070	871	11/18/2025
45906M2S9	21844	Intl Bk Recon & Develop	11/17/2021	\$50,000,000.00	\$50,000,000.00	\$50,000,000.00	1.230	1.213	1.230	1,235	11/17/2026
45906M4C2	24038	Intl Bk Recon & Develop	06/15/2023	\$25,000,000.00	\$24,808,775.00	\$25,000,000.00	5.750	5.671	5.750	1,080	06/15/2026
45906M4C2	24039	Intl Bk Recon & Develop	06/15/2023	\$25,000,000.00	\$24,808,775.00	\$25,000,000.00	5.750	5.671	5.750	1,080	06/15/2026
45906M4C2	24040	Intl Bk Recon & Develop	06/15/2023	\$25,000,000.00	\$24,808,775.00	\$25,000,000.00	5.750	5.671	5.750	1,080	06/15/2026
45906M4C2	24041	Intl Bk Recon & Develop	06/15/2023	\$25,000,000.00	\$24,808,775.00	\$25,000,000.00	5.750	5.671	5.750	1,080	06/15/2026
45950VQX7	22073	International Finance Corp	01/12/2022	\$50,000,000.00	\$48,866,550.00	\$50,000,000.00	0.810	1.050	1.065	195	01/12/2024
45950VQY5	22074	International Finance Corp	01/13/2022	\$50,000,000.00	\$46,852,000.00	\$50,000,000.00	1.075	1.259	1.276	562	01/13/2025
<b>SUPER SOV NOTES</b>						<b>\$883,647,678.15</b>					
WQFACD28	19451	Sandy Springs Bankj	12/12/2018	\$1,646,000.00	\$1,646,000.00	\$1,646,000.00	1.000	0.987	1.001	1,991	12/12/2028
<b>INT CD</b>						<b>\$1,646,000.00</b>					
46651VCR5	24013	JP Morgan	06/01/2023	\$150,000,000.00	\$150,000,000.00	\$150,000,000.00	5.750	5.750	5.830	153	12/01/2023
<b>INT BEARING COMM PAPER</b>						<b>\$150,000,000.00</b>					
064051AD3	23959	BONY MELLON	05/24/2023	\$15,000,000.00	\$14,905,710.00	\$15,000,000.00	5.148	5.078	5.148	1,056	05/22/2026
24703GAA2	24064	DELL Equipment Trust	06/22/2023	\$18,000,000.00	\$18,000,000.00	\$18,000,000.00	5.643	5.632	5.710	359	06/24/2024
477920AB8	24113	John Deere Owner Trust	06/28/2023	\$48,000,000.00	\$47,943,840.00	\$47,997,163.20	5.590	5.582	5.660	1,080	06/15/2026
<b>ASSET BACKED SEC</b>						<b>\$80,997,163.20</b>					
4812CA538	23201	One United Bank	10/25/2022	\$205,125,566.69	\$205,125,566.69	\$205,125,566.69	5.000	4.932	5.000	1	
ACADEMY	21571	Academy	07/01/2021	\$1,710,260,705.17	\$1,710,260,705.17	\$1,710,260,705.17	5.000	4.932	5.000	1	
38150C762	23303	Drexel Hamilton	11/16/2022	\$153,609,541.58	\$153,609,541.58	\$153,609,541.58	5.020	4.951	5.020	1	
12228	12228	Federated	06/01/2021	\$126,517.36	\$126,517.36	\$126,517.36	4.990	4.922	4.990	1	
15472	12229	Federated	06/01/2021	\$4,635,239.87	\$4,635,239.87	\$4,635,239.87	4.990	4.922	4.990	1	
15472	15472	Federated	06/01/2021	\$2,442,199.54	\$2,442,199.54	\$2,442,199.54	4.990	4.922	4.990	1	
15472	15473	Federated	06/01/2021	\$6,128.10	\$6,128.10	\$6,128.10	4.990	4.922	4.990	1	
15472	17625	Federated	06/01/2021	\$67,038.06	\$67,038.06	\$67,038.06	4.990	4.922	4.990	1	
15472	17626	Federated	06/01/2021	\$3,789,904.26	\$3,789,904.26	\$3,789,904.26	4.990	4.922	4.990	1	
15472	19425	Federated	06/01/2021	\$1,161,597.62	\$1,161,597.62	\$1,161,597.62	4.990	4.922	4.990	1	
15472	19508	Federated	06/01/2021	\$44,568.44	\$44,568.44	\$44,568.44	4.990	4.922	4.990	1	
15472	19509	Federated	06/01/2021	\$4,080,922.01	\$4,080,922.01	\$4,080,922.01	4.990	4.922	4.990	1	
FIDELITY	19552	Fidelity Inv	07/01/2021	\$31,790,146.91	\$31,790,146.91	\$31,790,146.91	5.030	4.961	5.030	1	
MLGIP	11456	MLGIP	06/01/2021	\$1,625,320,268.70	\$1,625,320,268.70	\$1,625,320,268.70	5.115	5.045	5.115	1	
X9USD MOR3	22983	Morgan Stanley Co	06/30/2022	\$7,307,961.22	\$7,307,961.22	\$7,307,961.22	0.000	0.000	0.000	1	
<b>MONEY MMKTS</b>						<b>\$3,749,768,305.53</b>					
<b>TOTALS</b>						<b>\$22,033,740,756.16</b>					



## ACKNOWLEDGEMENTS

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*Maryland Dove, Historic St. Mary's City*







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