

Unreserved fund balances in the major operating funds were maintained at adequate levels. Although General Fund revenues were greater than expenditures by \$319,103,000, the General Fund unreserved fund balance for 1982 of \$91,267,000 was down \$54,757,000 from last year. This compares with a decrease of \$96,032,000 from the previous year. The Special Revenue unreserved fund balance of \$129,422,000 was down \$25,121,000 from the preceding year because federal revenues decreased while overall expenditures increased slightly. The Debt Service unreserved fund balance of \$402,282,000 increased \$35,997,000 from the prior year. This increase, which is consistent with prior years, is occurring to meet future debt service requirements.

Debt Administration

The ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita are considered to be useful indicators of the State's debt position to state management, citizens and investors. These data for fiscal years 1981 and 1982 were as follows:

	Amount (expressed in thousands)	Ratio of Debt to Assessed Value (46.8% of Present Market)	Ratio of Debt to Present Market Value	Debt Per Capita
General				
obligation bonds:				
1981	\$2,204,055	4.72%	2.55%	\$522.78
1982	\$2,207,660	4.62%	2.16%	\$517.87

Additionally, outstanding limited obligation bonds of the Department of Transportation amounted to \$744,950,000 at June 30, 1982. Debt service on these bonds are provided principally by excise taxes levied by statute. Self-supporting revenue bonds outstanding at June 30, 1982 were \$662,194,000. Other long-term obligations of \$481,081,000 are pension liabilities which represent the excess of retirement costs over retirement expenditures since 1978 and are being funded on a long-term basis through annual contributions, principally from General Fund revenue.

In 1978, the Capital Debt Affordability Committee was created to study the State's debt structure and to recommend maximum limitations on annual debt authorizations. Although the recommendations of the Committee are not binding on the State's General Assembly, the amounts of annual general obligation bond authorizations have declined substantially since the formation of the Committee. For the fiscal year 1982, new general obligation bond authorizations amounted to \$184,998,000.

The following tabulation shows the general obligation bonds issued during the past three fiscal years and the first six months of fiscal year 1983.

State of Maryland—General Obligation Bonds

Date of Issue	Amount	Average Life in Years	Effective Interest Rate	Interest Cost Per Borrowed Dollar
February 15, 1980	\$117,310,000	9.7	6.19%	60.3¢
July 1, 1980	121,970,000	10.1	6.10	61.4
March 1, 1981	149,095,000	6.9	8.19	56.3
July 1, 1981	91,915,000	10.1	9.20	93.0
November 15, 1981	96,265,000	10.2	11.30	115.6
July 1, 1982	140,495,000	10.4	11.10	115.6
December 1, 1982	126,735,000	10.3	8.37	86.0

Maryland's general obligation bonds have been rated Aaa by Moody's Investors Service and AAA by Standard and Poor's for a number of years.

Cash Management

During the year, temporary surpluses of cash in general governmental funds were invested in repurchase agreements ranging from one to 181 days to maturity and in time deposits ranging from 180 to 365 days to maturity. For the fiscal year ended June 30, 1982 the State's cash resources for general governmental funds were invested as follows: in repurchase agreements, 47.9 percent; in United States' Governmental Securities, 31.3 percent; in United States' Government Agency Securities, 17.3 percent; and in Certificates of Deposits, 3.5 percent. The average yield on maturing investments during the year was 14.5 percent, and the amount of interest received was \$124,999,000, which was \$9,641,000 more than the previous year.

Capital Projects Fund

Proceeds of general obligation bond issues are accounted for in the Capital Projects Fund until projects are completed. Completed projects and uncompleted construction in progress at year end which are assets of the State are capitalized in the General Fixed Assets Account Group, the appropriate Enterprise Fund for self-supporting projects or the Higher Education