

Fiduciary fund types include the expendable trust fund, pension trust funds and agency funds. Agency funds are custodial in nature and do not report fund balances. All other fiduciary fund types reported fund balances of \$25,388,805,000 at June 30, 1997, compared to \$21,529,390,000 at June 30, 1996.

The State Retirement and Pension System of Maryland was established to provide pension benefits for State employees and employees of 128 participating political subdivisions and 98 participating municipal corporations within the State. The Mass Transit Administration Pension Plan was established to provide pension benefits for all Mass Transit Administration employees covered by a collective bargaining agreement and all those management employees who were employed by the Baltimore Transit Company. The annual actuarial valuation continues to reflect a positive trend in the government's and employees' funding of the pension plans.

The total fund balance for the higher education component units was \$2,877,398,000 at June 30, 1997 compared to \$2,625,704,000 at June 30, 1996. Retained earnings for the proprietary component units totaled \$212,562,000 for June 30, 1997. This represents an increase from 1996 of \$24,074,000, \$1,551,000 and \$352,000 for the Maryland Stadium Authority, the Maryland Food Center Authority and the Maryland Environmental Service, respectively, and a \$1,669,000 decrease for the Maryland Industrial Development Financing Authority.

DEBT ADMINISTRATION

The ratios of net bonded debt to assessed property value, debt to present market value, and bonded debt per capita are considered to be useful indicators of the State's debt position to State management, citizens and investors. Data for fiscal years 1996 and 1997 are shown as follows:

	<u>Amount (expressed in thousands)</u>	<u>Ratio of Net Bonded Debt to Assessed Value (46.4% of Present Market)</u>	<u>Ratio of Debt to Present Market Value</u>	<u>Bonded Debt Per Capita</u>
General obligation bonds:				
1996	\$2,859,939	2.10%	.97	\$567.17
1997	3,025,394	2.18%	1.01	596.49

Additionally, outstanding limited obligation bonds of the Department of Transportation and the Maryland Transportation Authority amounted to \$935,355,000 and \$391,938,000 respectively, at June 30, 1997. Debt service on the Department of Transportation bonds is provided principally by excise taxes levied by statute. Debt service on the Maryland Transportation Authority is payable from revenues of the projects of the Authority. Self-supporting revenue bonds outstanding at June 30, 1997 amounted to \$3,343,532,000. Long-term obligations for accrued annual leave of \$144,340,000 represent the value of accumulated earned but unused annual leave for general government employees at June 30, 1997.

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 effective for 1997 were within the limits established by the Committee. For the fiscal year 1997, new general obligation bond authorizations amounted to \$399,991,000 (net of deauthorization of prior projects of \$12.1 million).