

(C) SHOWS THE PRESENT VALUE OF THE MEMBER'S ANNUITY; AND

(D) EXPLAINS ANY MATERIAL MODIFICATIONS TO THIS PENSION SYSTEM DURING THE PERIOD OF THE REPORT.

148. MANAGEMENT OF FUNDS.

(1) THE BOARD OF TRUSTEES SHALL BE THE TRUSTEES OF THE SEVERAL FUNDS CREATED BY THIS SUBTITLE AND MAY INVEST AND REINVEST THESE FUNDS, SUBJECT TO THE TERMS, CONDITIONS, LIMITATIONS, AND RESTRICTIONS IMPOSED BY THE LAW OF MARYLAND ON DOMESTIC LIFE INSURANCE COMPANIES IN THE MAKING AND DISPOSING OF THEIR INVESTMENTS; EXCEPT THAT THE BOARD MAY INVEST A MAXIMUM OF 50 PERCENT OF THE TOTAL FUNDS OF THIS PENSION SYSTEM IN COMMON STOCKS, OF WHICH NOT MORE THAN 5 PERCENT MAY BE IN NONDIVIDEND PAYING COMMON STOCKS AND MAY INVEST A MAXIMUM OF 40 PERCENT OF THE TOTAL FUNDS IN MORTGAGES AND DEEDS OF TRUST ON PROPERTIES LOCATED IN THE STATE OF MARYLAND; AND SUBJECT TO LIKE TERMS, CONDITIONS, LIMITATIONS, AND RESTRICTIONS, THE TRUSTEES MAY HOLD, PURCHASE, SELL, ASSIGN, TRANSFER, AND DISPOSE OF ANY OF THE SECURITIES AND INVESTMENTS IN WHICH ANY OF THE FUNDS CREATED UNDER THIS SECTION HAVE BEEN INVESTED, AS WELL AS THE PROCEEDS OF THESE INVESTMENTS AND ANY MONEY BELONGING TO THESE FUNDS. NOTWITHSTANDING ANY OTHER PROVISION OF LAW, GROUND RENT REDEMPTION DEEDS, RELEASES OR REASSIGNMENTS OF MORTGAGES, SATISFACTIONS OR REASSIGNMENTS OF NOTES, CONVEYING, RELEASING, OR REASSIGNING ANY INTEREST OWNED BY THE STATE OF MARYLAND FOR THE USE OF THIS PENSION SYSTEM SHALL BE EXECUTED BY ANY TWO OF THE FOLLOWING: (I) THE ASSISTANT SECRETARY OF PERSONNEL FOR RETIREMENT SYSTEMS; OR (II) THE INVESTMENT ADMINISTRATOR; OR (III) THE MORTGAGE ATTORNEY.

(2) "INTEREST" FOR THE PURPOSES OF THE ACTUARIAL VALUATIONS MEANS THE PERCENT RATE TO BE COMPOUNDED ANNUALLY AS DETERMINED BY THE BOARD OF TRUSTEES ANNUALLY AFTER TAKING INTO CONSIDERATION THE ACTUAL EARNINGS OF THIS SYSTEM FOR THE PRECEDING YEARS AND THE PROBABLE EARNINGS OF THIS SYSTEM TO BE MADE IN THE FUTURE.

(3) THE STATE TREASURER SHALL BE THE CUSTODIAN OF THE SEVERAL FUNDS. ALL PAYMENTS FROM THESE FUNDS SHALL BE MADE BY HIM OR BY A DEPUTY TREASURER, ONLY ON VOUCHERS SIGNED BY TWO PERSONS DESIGNATED BY THE BOARD OF TRUSTEES. AN ATTESTED COPY OF A RESOLUTION OF THE BOARD OF TRUSTEES DESIGNATING THESE PERSONS AND BEARING SPECIMEN SIGNATURES OF THESE PERSONS SHALL BE FILED WITH THE TREASURER AS HIS AUTHORITY FOR MAKING PAYMENTS ON THESE VOUCHERS. A VOUCHER MAY NOT BE DRAWN UNLESS IT PREVIOUSLY HAS BEEN AUTHORIZED BY RESOLUTIONS OF THE BOARD OF TRUSTEES.

(4) TO MEET DISBURSEMENTS FOR ALLOWANCES AND OTHER PAYMENTS, CASH MAY BE KEPT AVAILABLE, NOT EXCEEDING 10 PERCENT OF THE TOTAL AMOUNT IN THE SEVERAL FUNDS OF THIS