

# STATE OF CONNECTICUT

2022 SHORT-TERM INVESTMENT FUND  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

The Office of  
Treasurer Shawn T. Wooden



# FUND FACTS AT JUNE 30, 2022

Basis of Presentation: Amortized Cost

**DATE OF INCEPTION: 1972**

**TOTAL NET POSITION: \$ 17.5**

**INTERNALLY MANAGED**

**EXTERNAL MANAGEMENT FEES: NONE**

## **INVESTMENT STRATEGY/GOALS:**

To provide a safe, liquid, and effective investment vehicle for the operating cash of the State, municipalities, and other Connecticut political subdivisions.

## **PERFORMANCE OBJECTIVE:**

As high a level of current income as is consistent with, first, the safety of principal and, second, the provision of liquidity.

## **BENCHMARKS:**

iMoneyNet Money Fund Average™ - Rated First Tier Institutional Average (MFR) Index, Three-Month U.S. Treasury Bills.

## **EXPENSE RATIO:**

Approximately 1-4 basis points (includes all costs associated with the management and operations of the Fund)

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SHAWN T. WOODEN  
TREASURER

State of Connecticut  
Office of the Treasurer

DARRELL V. HILL  
DEPUTY TREASURER

December 30, 2022

To the Participants in Connecticut's Short-Term Investment Fund:

I am pleased to submit this Annual Comprehensive Financial Report for the State of Connecticut Short-Term Investment Fund (STIF or Fund) for the fiscal year ended June 30, 2022, which documents how the STIF outperformed its benchmark, thereby providing significant incremental income for the State, its municipalities, and ultimately Connecticut taxpayers.

Responsibility for both the accuracy of the data and the completeness and fairness of this report rests with management. All disclosures necessary and required to enable investors and the financial community to gain an understanding of the STIF's financial activities have been included. We believe the enclosed financial statements and data are presented fairly in all material respects and are reported in a manner designed to accurately present the financial position and results of the STIF's operations.

The STIF was created by legislation enacted in 1972 and is a State and local government investment pool managed by the Treasurer of the State of Connecticut. Investors in the Fund include the State, state agencies and authorities, municipalities, and other political subdivisions of the State. The primary objective of the Fund is to provide the greatest possible return while, first, protecting principal and, second, providing liquidity for investors. The Fund's investment policy is designed to achieve these objectives by selecting high quality, very liquid securities with relatively short maturities and diversifying the portfolio by sector, security type, and issuer. In addition, the Fund maintains a designated surplus reserve roughly equivalent to one percent of the STIF's assets to protect against security defaults, or the erosion of security values due to significant unforeseen market changes. The STIF's reserves are an important pillar of our investment pool, and the STIF is one of the few government investment pools to maintain a reserve.

#### Financial Information

For Fiscal Year 2022 (FY2022), the STIF generated a return of 0.29 percent, outperforming its benchmark by 12 basis points (0.12%). This solid performance resulted in additional interest income of \$20 million for the State, local governments, and ultimately Connecticut taxpayers. The STIF has consistently outperformed its benchmark on an annual basis for more than twenty-seven years. The overall soundness of the STIF was recognized by S&P Global Ratings (S&P), which affirmed and maintained the STIF's "AAAm" rating — the highest rating issued by S&P for money market funds and investment pools. As of June 30, 2022, the STIF had \$17.5 billion in assets under management (AUM). Municipalities had 554 active accounts, an increase of 24 accounts from the

165 CAPITOL AVENUE, HARTFORD, CONNECTICUT 06106, TELEPHONE: (860) 702-3000  
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prior fiscal year, demonstrating the continued confidence in the Fund as a sound investment vehicle.

### **Internal Control Structure**

Management is responsible for maintaining a system of adequate internal accounting controls designed to provide reasonable assurance that transactions are (i) executed in accordance with management's general or specific authorization; and (ii) recorded as necessary to maintain accountability for assets and to permit preparation of financial statements consistent with generally accepted accounting principles. We believe the internal controls in effect during FY2022 adequately safeguarded the STIF's assets and provided reasonable assurance regarding the proper recording of financial transactions.

The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

S&P monitors the STIF's portfolio on a weekly basis to ensure that it maintains the safety and liquidity investors expect.

### **Independent Audit**

The State of Connecticut's independent Auditors of Public Accounts (Auditors) conducted an annual audit of this Annual Comprehensive Financial Report in accordance with Generally Accepted Auditing Standards (GAAS). The Auditors' report on the basic financial statements is included in the Financial Section of this report.

### **Management Discussion and Analysis**

The Government Accounting Standards Board (GASB) requires that the STIF provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal and overview is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found in the Financial Section immediately following the report of the Auditors.

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Fund a Certificate of Achievement for Excellence in Financial Reporting for its Annual Comprehensive Annual Financial Report for the fiscal year ended June 30, 2021. The Certificate is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

### **Additional Information**

A section of the Treasury website is dedicated to the STIF investors, and features information such as the current daily rate, the Monthly Manager Report, monthly portfolio listings, historical data, and links to annual and quarterly financial reports aimed at providing investors information regarding Fund characteristics and returns. The website also contains forms, instructions and an investor's guide that are designed to help investors better understand the products and services offered by the Treasury including Grant Express, Debt Service Express, and Clean Water Fund Express. The STIF website and copies of this report may be accessed through the Treasury's

website, <https://portal.ct.gov/OTT>. In addition, the STIF Express—a secure online system—allows investors to view account balances and transaction histories as well as initiate deposits and withdrawals.

We appreciate your participation in the STIF, and hope that this Annual Comprehensive Financial Report will prove both informative and useful. Questions concerning any of the information contained in this report, or requests for additional financial information, should be addressed to the Office of the Treasurer, 165 Capitol Avenue, 2<sup>nd</sup> Floor, Hartford, Connecticut 06106, or by calling (860) 702-3000.

Sincerely,

A handwritten signature in blue ink that reads "Shawn T. Wooden".

Shawn T. Wooden  
*Treasurer*



SHAWN T. WOODEN  
TREASURER

**State of Connecticut**  
Office of the Treasurer

DARRELL V. HILL  
DEPUTY TREASURER

December 30, 2022

This Annual Comprehensive Financial Report was prepared by the Office of the Treasurer, which manages the assets of the Short-Term Investment Fund (STIF). The State Street Bank & Trust Company was appointed custodian for the STIF on December 1, 2021, and accordingly served as the custodian for the STIF as of June 30, 2022. All investments are made in instruments authorized by Connecticut General Statutes Sections 3-27c through 3-27f.

The Office of the Treasurer is responsible for the accuracy of the data contained herein, the completeness and fairness of the presentation, and all disclosures. We present the STIF's financial statements as being accurate in all material respects and prepared in conformity with generally accepted accounting principles. The financial statements are audited annually by the State's independent Auditors of Public Accounts.

To carry out its responsibility, the Office of the Treasurer maintains financial policies, procedures, accounting systems, and internal controls which management believes provide reasonable, but not absolute, assurance that accurate financial records are maintained, and investments and other assets are safeguarded.

It is our belief that the contents of this Annual Comprehensive Financial Report make evident the Treasury's commitment to the safe custody and conscientious stewardship of the STIF.

In management's opinion, the internal control structures of the Office of the Treasurer and of the STIF are adequate to ensure that the financial information in this report fairly presents the STIF's operational and financial condition.

It has been an honor and a pleasure to serve the State of Connecticut in Treasurer Wooden's administration.

Sincerely,



Darrell V. Hill  
Deputy Treasurer

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Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Connecticut State Treasurer's  
Short-Term Investment Fund**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO





## MISSION STATEMENT

The Connecticut State Treasurer's Office's mission is to perform in the highest professional and ethical manner to safeguard the state's public resources. Our office policy, investment, and borrowing decisions, encourage greater financial literacy, education, job and economic growth, and equal opportunity for all who call Connecticut home, a place to do business, and invest.

### Constitutional and Statutory Responsibilities

The Office of the Treasurer was established following the adoption of the fundamental orders of Connecticut in 1638. The Treasurer shall receive all funds belonging to the State and disburse the same only as may be directed by law, as described in Article Fourth, Section 22 of the Connecticut Constitution and in Title 3 of the Connecticut General Statutes.

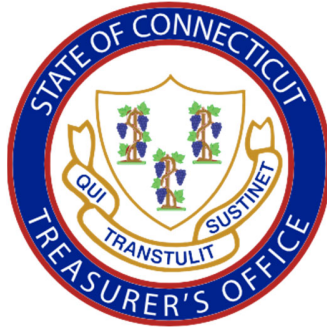
The Treasurer, as chief elected financial officer for the State, oversees the prudent preservation and management of State funds, including the investment of a \$41.7 billion portfolio of pension and trust fund assets, \$17.5 billion in total state

and local short-term investments, and \$4.7 billion of assets in the Connecticut Higher Education Trust. The Treasurer maintains an accurate account of all funds through sophisticated security measures and procedures.

### Public Service

The Office of the Treasurer includes an Executive Office as well as six divisions, each with specific responsibilities: Cash Management, Debt Management, Management Services, Pension Funds Management, Second Injury Fund, and Unclaimed Property.

# THE OFFICE OF THE TREASURER

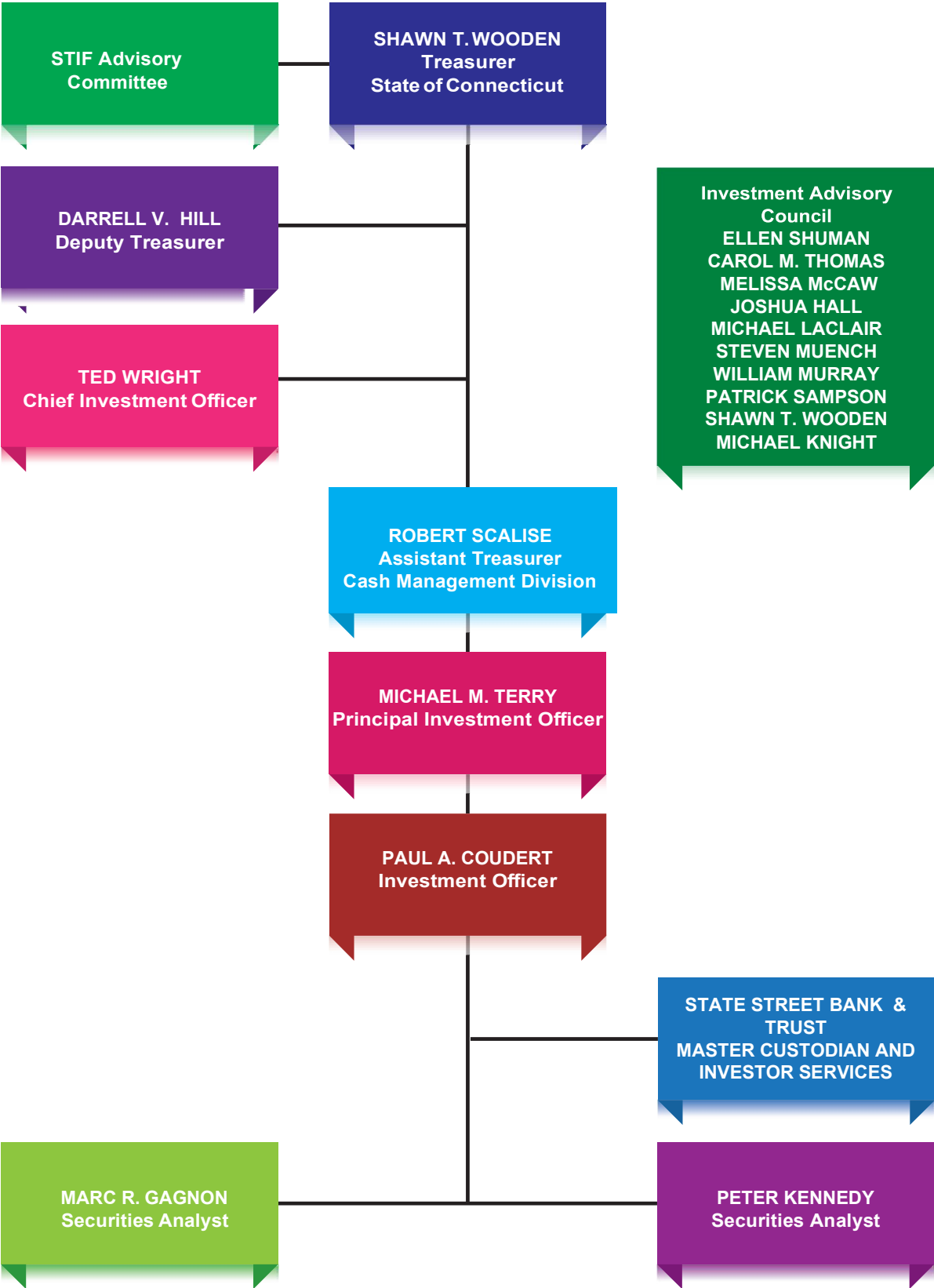


**TREASURER**

**EXECUTIVE  
OFFICE**



# SHORT-TERM INVESTMENT FUND ADMINISTRATION



# LIST OF PRINCIPAL OFFICIALS

## SHORT-TERM INVESTMENT FUND

165 Capitol Avenue, 2nd Floor

Hartford, CT 06106-1666

Telephone: (860) 702-3118

Facsimile: (860) 702-3048

[portal.ct.gov/ott](http://portal.ct.gov/ott)

Treasurer, State of Connecticut SHAWN T. WOODEN (860) 702-3001

Deputy Treasurer, State of Connecticut DARRELL V. HILL (860) 702-3070

Assistant Treasurer, Cash Management

ROBERT SCALISE (860) 702-3126

Chief Investment Officer

TED WRIGHT (860) 702-3195

## STIF INVESTMENT MANAGEMENT

Principal Investment Officer

MICHAEL M. TERRY, CFA (860) 702-3255

Investment Officer

PAUL A. COUDERT (860) 702-3254

Securities Analyst

MARC R. GAGNON (860) 702-3158

Securities Analyst

PETER KENNEDY (860) 702-3047

## STIF INVESTOR SERVICES

Investment Technician II

DANIELLE THOMPSON (860) 702-3118

Custodian and Investor Services

STATE STREET BANK & TRUST

# Financial Section



# STATE OF CONNECTICUT



## AUDITORS OF PUBLIC ACCOUNTS

JOHN C. GERAGOSIAN

State Capitol  
210 Capitol Avenue  
Hartford, Connecticut 06106-1559

CLARK J. CHAPIN

### INDEPENDENT AUDITORS' REPORT

Governor Ned Lamont  
Members of the General Assembly:

#### Report on the Audit of the Financial Statements

##### Opinions

We have audited the accompanying financial statements of the Short-Term Investment Fund, which comprise the statement of net position as of June 30, 2022, the statement of changes in net position and the related notes to the financial statements, for the fiscal year ended June 30, 2022, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Short-Term Investment Fund as of June 30, 2022, and the changes in financial position for the fiscal year then ended, in accordance with accounting principles generally accepted in the United States of America.

##### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Office of the Treasurer and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

##### Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to in the first paragraph are intended to present only the Short-Term Investment Fund administered by the Office of the Treasurer. They do not purport to, and do not, present fairly the financial position of the State of Connecticut as of June 30, 2022, and the changes in financial position for the fiscal year end June 30, 2022, in conformity with generally accepted accounting principles in the United States of America. Our opinion is not modified with respect to this matter.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Office of the Treasurer's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Office of the Treasurer's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Office of the Treasurer's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the Short-Term Investment Fund financial statements, and other knowledge we obtained during our audit of the Short-Term Investment Fund financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Short-Term Investment Fund. The list of investments as of June 30, 2022 is presented for purposes of additional analysis and is not a required part of the financial statements of the Short-Term Investment Fund. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements of the Short-Term Investment Fund and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, list of investments is fairly stated, in all material respects, in relation to the Short-Term Investment Fund financial statements taken as a whole.

### **Other Information**

Management is responsible for the other information included in the *STIF Annual Comprehensive Financial Report*. The other information comprises the introduction, investment, and statistical sections but does not include the financial statements and our auditors' report thereon. Our opinion on the Short-Term Investment Fund financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the Short-Term Investment Fund financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material



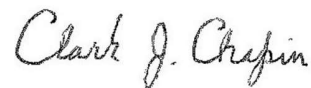
misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2022, on our consideration of the Office of the Treasurer's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office of the Treasurer's internal control over financial reporting or on compliance. That report will be issued under separate cover in the *Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements for the Fiscal Year Ended June 30, 2022*, and is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office of the Treasurer's internal control over financial reporting and compliance.

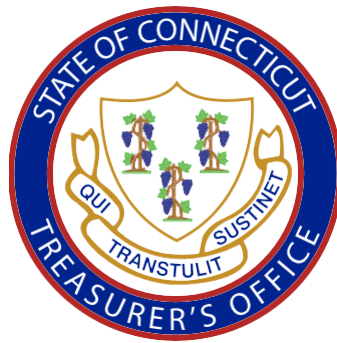


John C. Geragosian  
State Auditor



Clark J. Chapin  
State Auditor

December 30, 2022  
State Capitol  
Hartford, Connecticut



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# SHORT-TERM INVESTMENT FUND MANAGEMENT'S DISCUSSION AND ANALYSIS

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## Management's Discussion and Analysis

This section presents Management's Discussion and Analysis (MD&A) of the Comprehensive Annual Financial Report (CAFR) of the Connecticut State Treasurer's Short-Term Investment Fund's (STIF) financial position and performance for the fiscal year ended June 30, 2022. It is presented as a narrative overview and analysis. Management of the Office of the Treasurer encourages readers to review it in conjunction with the transmittal letter included in the Introductory Section at the front of this report and the financial statements in the Financial Section that follow.

STIF serves as an investment vehicle for the operating cash of the State Treasury, State agencies and authorities, municipalities, and other political subdivisions of the State. STIF is a AAAm rated investment pool of high-quality, short-term money market instruments and is managed for the sole benefit of the participants. All income is distributed monthly after deducting operating costs of approximately two to four basis points.

The STIF Financial statements reported by the Treasurer's Office for which the Treasurer has fiduciary responsibility for the investment thereof follow this MD&A and provide detailed information about the Fund.

## Net Position and Changes in Net Position

The net position in the Short-Term Investment Fund at the close of Fiscal Year 2022 was approximately \$17.5 billion, versus \$8.9 billion the previous year.

General financial market conditions resulted in an annual total return of 0.29 percent, net of operating expenses in fiscal 2022. The return on the fund was 19 basis points higher than the annual total return in fiscal 2021 due to increases in the Federal Funds rate during the course of the fiscal year. The annual total return exceeded that achieved by its benchmark, which was 0.17 percent, by 12 basis points, resulting in \$20 million in additional interest income for Connecticut governments and their taxpayers.

General financial market conditions resulted in an annual total return of 0.10 percent, net of operating expenses and allocations to Fund reserves in fiscal 2021, higher than the annual total return in fiscal 2020. The annual total return exceeded that achieved by its benchmark, which was 0.04 percent, by 6 basis points, resulting in \$4.9 million in additional interest income for Connecticut governments and their taxpayers while also adding \$5.9 million to the Fund's reserves.

Designated Surplus Reserve - In order to support the creditworthiness of the Fund and provide some additional protection against potential credit losses, a designated surplus reserve (reserve) is maintained. The amount historically transferred to the reserve was equal to the annualized rate of 0.1 percent of the end-of-day investment balances. Generally, no transfer was made if the reserve account was equal to or greater than 1.0 percent of the daily investment balance. The reserve account was valued at \$82.9 million at the end of the fiscal year. Transfers to the reserve account were suspended in June 2021 as a result of market conditions and the lower risk profile of the fund.

## Overview of the Financial Statements

This discussion and analysis is an introduction to the Office of the Treasurer's STIF basic financial statements, which are comprised of: 1) Statement of Net Position, 2) Statement of Changes in Net Position and 3) Notes to the Financial Statements.

The Statement of Net Position and the Statement of Changes in Net Position are two financial statements that report information about the STIF. These statements include all assets and liabilities using the accrual basis of accounting. The current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position presents all of the Fund's assets and liabilities, with the difference between the two reported as "net position."

The Statement of Changes in Net Position presents information showing how the Fund's net position changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying events giving rise to the change occur, regardless of the timing of related cash flows.

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the Fund's financial statements.

## Economic Conditions and Outlook

Economic growth in the United States, as measured by Gross Domestic Product (GDP), averaged 3.9 percent during the fiscal year, up two percentage points from the prior fiscal year. The majority of the increase took place in the first half of the fiscal year, with the second half averaging 5.2 percent, up from the

## SHORT-TERM INVESTMENT FUND MANAGEMENT DISCUSSION & ANALYSIS

first half average of 2.6 percent. During the same period, the Eurozone GDP averaged 4.5 percent, with the majority of the gain coming in the second and third fiscal quarter. As a result of the continued supply and logistics constraints, pandemic related closures within China, and the Russian invasion of Ukraine, it is expected that domestic GDP growth will slow significantly to 1.7 percent in 2022 and 1.1 percent in 2023. Within the global developed economies, GDP is expected to increase approximately 2.3 percent in 2022 and 1.2 percent in 2023.

Domestic inflation significantly increased during the fiscal year. Inflation, as measured by the year-over-year change in the consumer price index ("CPI"), averaged 7.2 percent during the fiscal year, nearly five percentage points higher than the prior fiscal year. The majority of the increase in consumer inflation took place in the second half of the fiscal year, with inflation averaging 8.3 percent. As the CPI increased to its highest level since the early 1980s, inflation became the primary focus of the Federal Reserve and policy makers within the United States government. Increases in prices were evident in nearly all sectors, with energy

a large contributor to the increase. As a result, global central banks began tightening monetary policy, increasing overnight rates in order to control demand. In the United States, the Federal Funds rate increased 150 basis points (1.5 percent) from zero to 1.5 percent. Producer prices, or inflation at the producer level, as measured by the Producer Price Index ("PPI") increased by an average of 13.6 percent during the fiscal year, also impacted by supply and logistics constraints, energy prices, and commodity prices. Using a market based inflation expectation, specifically the two year breakeven inflation rate (the difference between two year real yields and nominal yields in the US Treasury market), the expectations for inflation over the next two years averaged 3.4 percent and ended the fiscal year at 3.34 percent after having peaked at approximately five percent. This reflects expectations that a slowing economy and higher rates will help control and reduce inflationary pressures. Similarly, average Eurozone inflation was significantly above the European Central Bank's (ECB) target of two percent as well. Eurozone inflation averaged 5.4 percent for fiscal 2022, starting off at 2.2 percent and ending at 8.6 percent during the fiscal year.

### Condensed Statement of Net Position Fiscal Year Ended June 30:

Assets	2022	Increase (Decrease)	2021
Investment in Securities, at Amortized Cost (Note 7)	\$17,470,651,963	\$8,535,995,902	\$8,934,656,061
Receivables and Other	17,030,362	15,292,774	1,737,588
Total Assets	17,487,682,325	8,551,288,675	8,936,393,649
Liabilities	16,491,546	16,288,926	202,620
<b>Net Position</b>	<b>\$17,471,190,779</b>	<b>\$8,534,999,750</b>	<b>\$8,936,191,030</b>

### Condensed Statement of Changes in Net Position Fiscal Year Ended June 30:

ADDITIONS	2022	Increase (Decrease)	2021
Net Interest Income	\$ 46,530,983	\$ 30,207,349	\$ 16,323,634
Net Realized Gains	-	(1,512)	1,512
Net Increase Resulting from Operations	46,530,983	30,205,837	16,325,146
Purchase of Units by Participants	25,469,571,474	10,320,629,953	15,148,941,521
<b>TOTAL ADDITIONS</b>	<b>25,516,102,457</b>	<b>10,350,835,789</b>	<b>15,165,266,667</b>
<b>DEDUCTIONS</b>			
Distribution of Income to Participants	(45,128,051)	(36,178,579)	(8,949,473)
Redemption of Units by Participants	(16,934,571,892)	(1,194,256,781)	(15,740,315,111)
Operating Expenses	(1,402,762)	73,268	(1,476,030)
<b>TOTAL DEDUCTIONS</b>	<b>(16,981,102,706)</b>	<b>(1,230,362,092)</b>	<b>(15,750,740,614)</b>
Change in Net Position	8,534,999,751	9,120,473,697	(585,473,947)
Net Position - Beginning of year	8,936,191,029	(585,473,947)	9,521,664,976
<b>NET POSITION - End of year</b>	<b>\$ 17,471,190,779</b>	<b>\$ 8,534,999,750</b>	<b>\$ 8,936,191,029</b>

**SHORT-TERM INVESTMENT FUND  
STATEMENT OF NET POSITION  
JUNE 30, 2022**

	<u>2022</u>
<b>Assets</b>	
Investment in Securities, at Amortized Cost (Note 7)	\$ 17,470,651,963
Accrued Interest and Other Receivables	16,984,449
Prepaid Assets	45,913
<b>Total Net Positions</b>	<u>\$ 17,487,682,325</u>
<b>Liabilities</b>	
Distribution Payable	(16,491,546)
<b>Total Liabilities</b>	<u>\$ (16,491,546)</u>
<b>NET POSITION - Held in Trust for Participants (includes reserve)</b>	<u>\$ 17,471,190,779</u>

**SHORT-TERM INVESTMENT FUND  
STATEMENT OF CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>2022</u>
<b>ADDITIONS</b>	
<b>Operations</b>	
Interest Income	\$ 46,530,983
Interest Expense on Reverse Repurchase Agreements	
Net Investment Income	46,530,983
Net Realized Gains	-
<b>Net Increase in Net Position Resulting from Operations</b>	46,530,983
<b>Share Transactions at Net Position Value of \$1.00 per Share</b>	
Purchase of Units	25,469,571,474
<b>TOTAL ADDITIONS</b>	<u>25,516,102,457</u>
<b>DEDUCTIONS</b>	
<b>Distribution to Participants (Notes 2 &amp; 6)</b>	
Distributions to Participants	(45,128,051)
Total Distributions Paid and Payable	(45,128,051)
<b>Share Transactions at Net Position Value of \$1.00 per Share</b>	
Redemption of Units	(16,934,571,892)
<b>Operations</b>	
Operating Expenses	(1,402,762)
<b>TOTAL DEDUCTIONS</b>	<u>(16,981,102,706)</u>
<b>CHANGE IN NET POSITON</b>	8,534,999,751
<b>Net Position Held in Trust for Participants</b>	
Beginning of Year	\$ 8,936,191,029
End of Year	<u>\$ 17,471,190,779</u>

The accompanying notes are an integral part of the financial statements

# NOTES TO FINANCIAL STATEMENTS

## **Note 1: Introduction and Basis of Presentation**

The Short-Term Investment Fund (STIF or the Fund) is a money market investment pool managed by the Treasurer of the State of Connecticut. Section 3-27 of the Connecticut General Statutes (CGS) created STIF. Pursuant to CGS 3-27a - 3-27f, the State, municipal entities, and political subdivisions of the State are eligible to invest in the Fund. Securities in which the State Treasurer is authorized to invest monies of STIF include United States government and agency obligations, certificates of deposit, commercial paper, corporate bonds, saving accounts, bankers' acceptances, repurchase agreements, and asset-backed securities. STIF is authorized to issue an unlimited number of units.

For State of Connecticut financial reporting purposes, STIF is considered to be a mixed investment pool – a pool having external and internal portions. The internal portion (i.e., the portion that belongs to investors that are part of the State's financial reporting entity) is not displayed in the State's basic financial statements. Instead, each fund type's investment in STIF is reported as "cash equivalents" in the Statement of Net Position. The external portion (i.e., the portion that belongs to investors which are not part of the State's financial reporting entity) is recorded in an investment trust fund in the basic financial statements.

The fund is considered a "2a7-like" pool and reports the investments at amortized cost (which approximates fair value). A 2a7-like pool is not necessarily registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that is similar to the SEC's requirements of rule 2a7 of the Investment Company Act of 1940. The Fund reports net assets at amortized cost for financial reporting purposes and the determination of net asset value, consistent with Government Accounting Standards Board (GASB) financial reporting standards, while SEC rule 2a7 requires a floating rate, market price-based valuation for institutional prime money market funds.

## **Related Party Transactions**

STIF had no related party transactions during the fiscal year with the State of Connecticut and its component units including leasing arrangements, the performance of administrative services and the execution of securities transactions.

## **Note 2: Summary of Significant Accounting Policies**

### **Financial Reporting Entity**

The Fund is a Fiduciary Investment Trust Fund. A fiduciary fund is used to account for governmental activities that are similar to those found in the private sector where the determination of net

income is necessary or useful to sound financial administration. The generally accepted accounting principles (GAAP) used for fiduciary funds are generally those applicable to similar businesses in the private sector. The Fund uses the accrual basis of accounting.

### **Security Valuation of Financial Instruments**

The assets of the Fund are carried at amortized cost (which approximates fair value). All premiums and discounts on securities are amortized or accreted on a straight line basis. The Fund's custodian calculates the fair value of investments daily and the Fund calculates a fair value shadow price once a month (at a minimum) in compliance with GASB 79.

As of June 30, 2022 the shadow price of the Fund was \$1.0047, the NAV at amortized cost was \$1.0047 and the ratio of fair market value to amortized cost was 0.9996.

### **Security Transactions**

Purchases and sales of investments are recorded on a trade date basis. Gains and losses on investments are realized at the time of the sales and are calculated on the basis of an identified block or blocks of securities having an identified amortized cost. Bond cost is determined by identified lot.

### **Interest Income**

Interest income, which includes amortization of premiums and accretion of discounts, is accrued as earned.

### **Expenses**

Operating and interest expenses are accounted for on an accrual basis.

### **Fiscal Year**

The fiscal year of STIF ends on June 30, 2022.

### **Distributions to Investors**

Distributions to investors are earned on units outstanding from date of purchase to date of redemption. Income is calculated daily based upon the actual earnings of the Fund net of administrative expenses and, if applicable, an allocation to the designated surplus reserve. Distributions are paid monthly within two business days of the end of the month, and are based upon actual number of days in a year. Shares are sold and redeemed at a constant \$1.00 net asset value per share, which is consistent with the per share net asset value of the Fund, excluding the designated surplus reserve.

## NOTES TO FINANCIAL STATEMENTS (Continued)

### Designated Surplus Reserve

While STIF is managed prudently to protect against losses from credit and market changes, the Fund is not insured or guaranteed by any government. Therefore, the maintenance of capital cannot be fully assured. In order to provide some protection to the share- holders of STIF from potential credit and market risks, the Treasurer had designated that a portion of each day's net earnings be transferred to the designated surplus reserve (reserve). Such amounts are restricted in nature and are not available for current distribution to shareholders. The amount transferred daily to the designated surplus reserve was equal to 0.1 percent of end-of-day investment balance divided by the actual number of days in the year until the reserve account was equal to or greater than 1.0 percent of the daily investment balance. If net losses significant to the aggregate portfolio are realized, the Treasurer is authorized to transfer funds from the reserve to Participants with Units Outstanding. The transfer to the reserve was suspended in June 2021 due to market conditions, specifically, interest rates paid on money market securities.

As of June 30, 2022, the balance in the designated surplus reserve was \$82,802,345.

### Uninsured Bank Accounts

**FY 2022**  
**Uninsured Bank Accounts**

Bank	Amortized Cost	Uninsured/Uncollateralized
DZ BANK NY	\$ 850,000,000	\$ 850,000,000
ROYAL BANK OF CANADA NY	850,000,000	850,000,000
ANZ Bank	850,000,000	850,000,000
SVENSKA HANDELSBANKEN NY	800,000,000	800,000,000
NORINCHUKIN BANK NY	700,000,000	700,000,000
US BANK	650,635,608	650,635,608
NORDEA BANK ABP NEW YORK	650,000,000	650,000,000
MUFG BANK LTD/NY	600,000,000	600,000,000
COOPERATIEVE RABOBANK UA	450,000,000	450,000,000
SCOTIA BANK	650,000,000	650,000,000
TORONTO DOMINION BANK	500,451,729	450,156,556
NATIONAL BANK OF CANADA NYC TIME DEPOSIT	300,000,000	300,000,000
DNB NOR BK ASA	300,000,000	300,000,000
CITIZENS BANK N.A. CD	200,000,000	0
COMMONWEALTH BK AUSTR NY	150,000,000	150,000,000
<b>TOTAL</b>	<b>\$ 8,501,087,337</b>	<b>\$ 8,250,792,164</b>

### Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities in the financial statements as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### Note 3: Deposit And Investment Disclosures

A formal investment policy (as adopted August 21, 1996 and revised June 16, 2008, April 17, 2009, November 19, 2019, and May 10, 2022) specifies policies and guidelines that provide for the systematic management of STIF and prudent and productive investment of funds. All securities of STIF are registered under the State Street Bank & Trust nominee name, DEEPBLUFF & CO.

#### Custodial Credit Risk – Deposits

The custodial credit risk for deposits is the risk that in the event of a bank failure, the STIF's deposits may not be recovered. The STIF follows policy parameters that limit deposits in any one entity to a maximum of ten percent of total assets with a ten-business-day cure period. Further, the certificates of deposits must be issued from commercial banks whose short-term debt is rated at least A-1 by S&P Global Ratings and F-1 by Fitch and whose long-term debt is rated at least A- by S&P and Fitch, or backed by a letter of credit issued by a Federal Home Loan Bank.

Deposits in FDIC insured banks are insured up to \$250,000 (as of June 30, 2022); any amount above this limit is considered uninsured. Additionally, state banking regulation requires all Connecticut public depositories to segregate collateral against public deposits in an amount equal to at least ten percent of the outstanding deposit. As of fiscal year-end, deposit instruments in STIF totaled \$8,501,087,337. Of that amount, \$8,250,792,164 was exposed to custodial credit risk representing the portion that was uninsured, uncollateralized or not backed by a letter of credit.

#### Interest Rate Risk – Investments

Interest rate risk is the risk that changes in the general level of interest rates will adversely affect the fair value of an investment. The STIF's policy for managing interest rate risk is to limit investments to a very short weighted average maturity, not to exceed 90 days, and to comply with S&P Global Ratings' requirement that the weighted average maturity not exceed 60 days. The weighted-average maturity is calculated daily and

## NOTES TO FINANCIAL STATEMENTS (Continued)

### Investment Maturity in Years

#### Investment Maturity in Years

Investment Type	Amortized Cost	Less than one	One - five
<b>Bank Deposit Instruments</b>			
Fixed	\$ 7,801,087,337	\$ 7,801,087,337	
Floater	700,000,000		700,000,000
<b>Treasury Securities</b>			
Fixed	75,041,885	75,041,885	
Floater			
<b>Federal Agency Securities</b>			
Fixed	1,065,989,135	1,065,989,135	
Floater	1,184,986,678	1,184,986,678	
<b>Non-Financial Commercial Paper</b>			
Fixed	2,377,268,275	2,377,268,275	
Floater	50,000,000	50,000,000	
<b>Repurchase Agreements</b>	2,030,000,000	2,030,000,000	
<b>Money Market Funds</b>	2,186,219,320	2,186,219,320	
<b>TOTAL</b>	<b>\$ 17,470,592,630</b>	<b>\$ 17,470,592,630</b>	<b>-</b>

reported to S&P Global Ratings weekly to ensure compliance. As of June 30, 2022 the weighted average maturity of STIF was 29 days. The breakdown of STIF's maturity profile is outlined above.

Additionally, STIF is allowed by policy to invest in floating-rate debt securities. Further, investment in floating rate securities with maturities greater than two years is limited to no more than 20 percent of the overall portfolio. For purposes of the weighted average maturity calculation and classification in the chart above, variable-rate securities are calculated using their interest rate reset dates. Because these securities reset frequently to

prevailing market rates, interest rate risk is substantially reduced. As of fiscal year-end, the STIF portfolio held \$1.935 billion in variable rate securities.

#### Credit Risk of Debt Securities

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Concentration of credit risk is the risk of loss attributed to the magnitude of the investment in a single issuer.

Investment credit risk and concentration of credit risk of debt securities will be managed as follows:

#### STIF's Credit Quality were as follows at June 30, 2022:

Credit Quality Rating	Amortized Cost	Percentage of Amortized Cost
A-1+	\$ 6,573,552,313	37.6%
A-1	5,334,803,298	30.5%
A-2*	1,050,000,000	6.0%
AAAm	2,186,219,320	12.5%
U.S. Government Agency Securities	2,250,975,813	12.9%
United States Treasury Securities	75,041,885	0.4%
<b>Total</b>	<b>\$ 17,470,592,630</b>	<b>100.0%</b>

\*Securities with a LOC guarantee from the Federal Home Loan Bank are carried at the guarantors rating.

NOTE: Investments backed by securities or a letter of credit with implicit government guarantees such as repurchase agreements are carried under their respective credit rating of A 1+.

- The STIF will purchase short-term, high-quality fixed income securities as allowed by CGS 3-27c - 3-27e and further defined within Connecticut State Treasurer's Short-Term Investment Fund Investment Policy, S&P Global Ratings' AAAM Principal Stability Fund Guidelines and the Governmental Accounting Standards Board Statement Number 79. To be considered high-quality, a security must be rated in the highest short-term rating category by one or more Nationally Recognized Statistical Rating Organizations ("NRSRO").

- STIF will perform a fundamental credit analysis to develop and approve a database of issuers that meet the Fund's standard for minimal credit risk. STIF will monitor the credit risks of all portfolio securities on an ongoing basis by reviewing the financial data, issuer news and developments, and ratings of designated NRSROs.
- STIF generally will comply with the following diversification limitations that are additional to those set forth in SEC Rule 2a-7, GASB Statement Number 79 and S&P Global Ratings' AAAM Principal Stability Fund



## NOTES TO FINANCIAL STATEMENTS (Continued)

Guidelines. First, at least 60 percent of fund assets will be invested in securities rated "A-1+" or equivalent. Second, exposure to any single non-governmental issuer's securities will not exceed 5 percent (at the time a security is purchased), exposure to any single money market mutual fund (rated AAAM) will not exceed 5 percent of fund assets and exposure to money market mutual funds in total will not exceed 15 percent.

Level 3 – Investments reflect prices based upon unobservable inputs for an asset.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

Debt securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

**As of June 30, 2022, the table below list issuers with concentrations of greater than 5%:**

Issuer	Fair Value	Percent of Total Portfolio
Federal Home Loan Bank	\$ 1,307,745,425	7.5%

\*Investments with explicit government guarantees are excluded from this disclosure

### Investments, Fair Value Hierarchy

STIF investments are carried at amortized cost, but fair value is reported in certain note disclosures as required by GAAP. STIF investments are measured and reported at fair value and classified according to the following hierarchy:

Level 1 – Investments reflect unadjusted quoted prices in active markets for identical assets.

Level 2 – Investments reflect prices that are based on inputs that are either directly or indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered to be active.

Debt securities classified in Level 2 of the fair value hierarchy are valued using a pricing methodology that uses evaluation models, such as matrix pricing, to value securities based on a security's relationship to benchmark quoted prices. Debt securities classified in Level 3 of the fair value hierarchy are subject to being priced by an alternative pricing source utilizing discounted cash flow models and broker bids, or may have an estimated fair value equal to cost, due to the absence of an independent pricing source.

Certain investments, such as bank deposit instruments, money market funds and repurchase agreements, are not included in the following tables because they are not negotiable instruments and are valued at cost.

**STIF has the following fair value measurements as of June 30, 2022:**

Fair Value by Input Level	6/30/2022	Quoted Prices in Active Market for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
<b>Investments by fair value level:</b>				
Federal Agency Securities	\$ 2,250,580,173	--	\$ 2,250,580,173	--
US Treasury Securities	74,375,977	74,375,977		
Non-Financial Commercial Paper	2,425,617,402	--	2,425,617,402	--
Bank Yankee CDs	3,945,938,946		3,945,938,946	
<b>Total debt securities measured at fair value</b>	<b>\$ 8,696,512,497</b>	<b>\$ 74,375,977</b>	<b>\$ 8,622,136,520</b>	<b>--</b>

Certain investments, such as bank deposit instruments, money market funds and repurchase agreements, are not included in the following tables because they are not negotiable instruments and are valued at cost.

## NOTES TO FINANCIAL STATEMENTS (Continued)

### **Note 4: Custodian**

State Street Bank & Trust was appointed as custodian for STIF effective December 1, 2021.

### **Note 5: Administration**

STIF is managed and administered by employees of the State of Connecticut Treasury. Salaries and fringe benefit costs as well as operating expenses are charged directly to the Fund.

### **Note 6: Distributions to Investors**

The components of the distributions to investors are as follows for the income earned during the twelve months ended:

**Distributions to Participants  
(Earnings Summary or Trail's Income Payable)  
June 30, 2022**

<b>Distributions:</b>	<b>2022</b>	<b>2021</b>
July	\$ 826,677	\$ 1,683,853
August	908,604	1,027,684
September	861,508	716,193
October	875,385	552,809
November	904,315	482,851
December	976,682	523,890
January	1,155,029	1,005,599
February	1,376,207	825,998
March	3,327,102	859,976
April	5,679,215	781,500
May	11,745,782	286,502
June (Payable at June 30)	16,491,546	202,620
<b>Total Distribution Paid &amp; Payable</b>	<b>\$ 45,128,051</b>	<b>\$ 8,949,473</b>

### **Note 7: Investments in Securities**

The following is a summary of investments in securities, at amortized cost and fair value as of June 30, 2022:

**INVESTMENTS IN SECURITIES**

<b>Investment Type</b>	<b>Amortized Cost</b>	<b>Fair Value</b>
Bank Deposits	\$ 8,301,087,337	\$ 8,297,026,282
Deposits with Government Backing	200,000,000	200,000,000
Non-Financial Credit Instruments	2,427,268,275	2,425,617,402
Government Agency Securities	2,250,975,813	2,250,580,173
U.S. Treasury Securities	75,041,885	74,375,977
Repurchase Agreements	2,030,000,000	2,030,000,000
Money Market Funds	2,186,219,320	2,186,219,320
<b>Total</b>	<b>\$ 17,470,592,630</b>	<b>\$ 17,463,819,154</b>

## NOTES TO FINANCIAL STATEMENTS (Continued)

Repurchase agreements are agreements to purchase securities from an entity for a specified amount of cash and to resell the securities to the entity at an agreed upon price and time. They are used to enhance returns with minimal risk on overnight investments of the Fund. Such transactions are only entered into with counterparties who report directly to the Federal Reserve Bank of New York and commercial banks that meet certain quality standards. All repurchase agreements are collateralized at between 100 percent and 102 percent of the securities' value. As of fiscal year end, STIF held \$2 billion in repurchase agreements.

In response to changes to SEC rule 2a-7 and in an effort to enhance comparability of financial statements among governments the Government Accounting Standards Board (GASB) issued GASB Statement No. 79, Certain External Investment Pools and Pool Participants, effective December 15, 2015. Statement 79 addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity; and (3) calculation and requirements of a shadow price. Significant noncompliance would prevent the external investment pool from measuring all of its investments at amortized cost for financial reporting purposes. If an external investment pool meets the criteria in this Statement and measures all of its investments at amortized cost, the pool's participants also should measure their investments in that external investment pool at amortized cost for financial reporting purposes. STIF is in compliance with GASB Statement No. 79 and has elected to measure its investments on an amortized cost basis.

In an effort to improve disclosures associated with derivative contracts, the Government Accounting Standards Board (GASB) issued GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, effective for the fiscal years beginning after June 15, 2009. Statement No. 53 requires that all derivatives be reported on the Statement of Net Position and defines a derivative instrument as a financial instrument or other contract that has all of the following characteristics: a) Settlement factors. It has (1) one or more reference rates and (2) one or more notional amounts or payment provisions or both, b) Leverage. It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors, and c) Net settlement. Its terms require or permit net settlement, it can readily be settled net by a means outside the contract, or it provides for delivery of

an asset that puts the recipient in a position not substantially different from net settlement.

For the fiscal year ended June 30, 2022 STIF held adjustable-rate securities whose interest rates vary directly with short-term money market indices and are reset either daily, weekly, monthly or quarterly. Such securities allow the Fund to earn higher interest rates as market rates increase, thereby increasing fund yields and protecting against the erosion of market values from rising interest rates. These adjustable rate securities have similar risks as fixed-rate securities from the same issuers.

### **Note 8: Credit Rating of the Fund**

Throughout the year ended June 30, 2022 STIF was rated AAAM, its highest rating, by S&P Global Ratings (S&P). In December 2021, following a review of the portfolio and STIF's investment policies, management and procedures, S&P reaffirmed STIF's AAAM rating and has continued to maintain this high rating throughout the current fiscal year. In order to maintain an AAAM rating, STIF adheres to the following guidelines:

- Weekly portfolio and market value calculations;
- Maintenance of credit quality standards for portfolio securities with at least 50% of such securities rated A-1+ or invested in overnight repurchase agreements with dealers or banks rated A-1;
- Ensuring adequate portfolio diversification standards with no more than 5% of the portfolio invested in an individual security and no more than 5% invested in an individual issuer, with a ten-business day cure period, excluding one and two day repurchase agreements and U.S. government agency securities; and
- A limit on the overall portfolio weighted average maturity (currently no more than 60 days).
- It is the Treasurer's intention to take any and all such actions as are needed from time to time to maintain the AAAM rating.

### **Note 9: Subsequent Events**

The STIF has performed an evaluation of subsequent events through December 30, 2022, the date the basic financial statements were available to be issued.

In accordance with Connecticut General Statutes (CGS) § 4-30a related to the Budget Reserve Fund (BRF) exceeding its statutory maximum 15% of the net General Fund appropriations for the fiscal year ending June 30, 2022, approximately \$4.1B was transferred in September and December 2022 to the Connecticut Retirement Plans and Trust Funds for investment in the Teachers Retirement and the State Employees Retirement Plans.

# Investment Section

## Description of the Fund

The Treasurer's Short-Term Investment Fund (STIF or the Fund) is an AAAm rated investment pool of high-quality, short-term money market instruments managed by the Treasurer's Cash Management Division. Created in 1972, it serves as an investment vehicle for the operating cash of the State Treasury, State agencies and authorities, municipalities, and other political subdivisions of the State (See Figure 1-1). STIF's objective is to provide as high a level of current income as is consistent with, first, the safety of principal and, second, the provision of liquidity to meet participants' daily cash flow requirements. During the 2022 fiscal year, STIF's portfolio averaged \$13.4 billion.

STIF employs a top-down approach to developing its investment strategy for the management of its assets. Starting with the objectives of the Fund, STIF considers constraints outlined in its investment policy, which include among other parameters: liquidity management, limitations on the portfolio's weighted average maturity and permissible investment types. Next, an asset allocation is developed to identify securities that are expected to perform well in the current market environment. Over the long-term, STIF continually analyzes expectations of future interest rate movements and changes in the shape of the yield curve to ensure the most prudent and effective short-term money management for its clients. Ongoing credit analysis enables STIF to enhance its yield by identifying high-quality credits in undervalued sectors of the economy.

STIF pays interest monthly based on the daily earnings of the Fund less Fund expenses and an allocation to the Fund's designated surplus reserve. The daily reserve allocations equal one-tenth of one percent of the Fund's daily balances divided by the number of days in the year, until the reserve totals one percent of the Fund's daily balance. The reserve transfer was suspended for fiscal year 2022. The reserve on June 30, 2022, totaled \$82.8 million.

To help the Fund and its investors evaluate performance, STIF

compares its returns to various benchmarks. The primary benchmark is the iMoneyNet Money Fund Average™ - Rated First Tier Institutional Average (MFR) Index. This index represents an average of institutional money market mutual funds rated AAAm that invest primarily in first-tier (securities rated A-1, P-1) taxable securities. While STIF's investment policy allows for somewhat greater flexibility than these SEC-registered funds, the MFR Index is the most appropriate benchmark against which to judge STIF's performance. During the past year, STIF's actual investment strategy has been considerably more conservative than most private money funds and its own investment policy would permit. (See Figure 1-3)

STIF's yields also are compared to the average three-month Treasury Bill rate. The Treasury Bill rate is used to measure STIF's effectiveness in achieving yields in excess of a "risk-free" investment. It is important to note that the 90-day benchmark exceeds STIF's shorter average maturity. In order to maintain its AAAm rating, the STIF cannot exceed a 60-day weighted average maturity (WAM) limit. Furthermore, these benchmarks are "unmanaged" and are not affected by management fees or operating expenses.

Among the Fund's several achievements during the 2022 fiscal year was the reaffirmation and continuation of its AAAm rating by S&P Global Ratings (S&P). In S&P's view, "a fund rated 'AAAm' demonstrates extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit risk."

## Portfolio Characteristics

During Fiscal Year 2022, the STIF portfolio continued its conservative investment approach of balancing liquidity and stability while maximizing yield for investors. STIF's conservative investment practices include maintaining abundant liquidity, a well-diversified portfolio, and significant holdings of securities issued, guaranteed, or insured by the U.S. government and federal agencies.

Accordingly, at year-end STIF held 52 percent of Fund assets in overnight investments or investments that are available on a same day basis. During the fiscal year, the Fund's WAM fluctuated between a low of 24 days and a high of 44 days and ended the year at 29 days. 71 percent of the Fund's assets were invested in securities with maturities, or interest rate reset dates for adjustable rate securities, of less than 30 days. (See Figure 1-2)

The Fund ended the year with a 39 percent concentration in securities issued, guaranteed, or insured by the U.S. government or federal agencies (including deposit instruments backed by irrevocable Federal Home Loan Bank letters of credit) or in repurchase agreements backed by such securities. In total, 63.5 percent of STIF's assets are rated A-1+, AAAM, or have some form of government support. The Fund's three largest sector weightings included bank deposits (48 percent), non-financial credit (14 percent), and government agency securities (13 percent). (See Figure 1-5)

## Market Review

Fiscal 2022 witnessed new challenges introduced into the market, ranging from geopolitical conflict to a generational high in inflation. While none of the challenges were as great as those witnessed during the height of the COVID-19 pandemic, they were, and continue to be, significant in the direction of the markets.

Economic growth in the United States, as measured by Gross Domestic Product (GDP), averaged 3.9 percent during the fiscal year, up two percentage points from the prior fiscal year. The majority of the increase took place in the first half of the fiscal year where GDP averaged 5.2 percent which fell to a second half growth rate of 2.6 percent and ended the fiscal year at 1.7 percent. During the same period, the Eurozone GDP averaged 4.5 percent, with the majority of the gain coming in the second and third fiscal quarter. As a result of the continued supply and logistics constraints, pandemic related closures within China, and the Russian invasion of Ukraine, it is expected that domestic GDP growth will slow significantly to 1.7 percent in 2022 and 1.1 percent in 2023. Within the global developed economies, GDP is expected to increase approximately 2.3 percent in 2022 and 1.2 percent in 2023.

Domestic inflation significantly increased during the fiscal year. Inflation, as measured by the year-over-year change in the consumer price index ("CPI"), averaged 7.2 percent during the fiscal year, nearly five percentage points higher than the prior fiscal year. Inflation accelerated during the second half of the fiscal year, with the CPI averaging 8.3 percent, the highest level since the early 1980s, and became the primary focus of the Federal Reserve and policy makers within the United States government. Increases in prices were evident in nearly all sectors, with energy a large contributor to the increase. Producer prices, or inflation at the producer level, as measured by the Producer Price Index ("PPI") increased by an average of 13.6 percent during the fiscal

year, also impacted by supply and logistics constraints, energy prices, and commodity prices. Using a market based inflation expectation, specifically the two year breakeven inflation rate (the difference between two year real yields and nominal yields in the US Treasury market), the expectations for inflation over the next two years averaged 3.4 percent and ended the fiscal year at 3.34 percent after having peaked at approximately five percent. This reflects expectations that a slowing economy and higher rates will help control and reduce inflationary pressures over the intermediate term. Similarly, average Eurozone inflation was significantly above the European Central Bank's (ECB) target of two percent as well. Eurozone inflation averaged 5.4 percent for fiscal 2022, starting off at 2.2 percent and ending at 8.6 percent during the fiscal year.

The rate of inflation became the primary focus of central banks and policy makers globally. As a result, global central banks began tightening monetary policy, increasing overnight rates in order to control demand. In the United States, the Federal Funds rate increased 150 basis points (1.5 percent) from zero to 1.5 percent. The one-year bill fell from 16 basis points (0.16 percent) to seven basis points (0.07 percent) during the fiscal year.

As a result of the changes in economic conditions, and the expected central bank reaction to these changes, interest rates across the yield curve increased. Interest rate increases were most significant in the short-end of the yield curve with maturities of two years and less. Shorter-term securities increase more due to the changes in the Federal Funds rate. One-year and two-year U.S. Treasuries increased by 2.7 percent (270 basis points) during fiscal 2022, outpacing the 1.5 percent (150 basis points) change in the ten-year U.S. Treasury rate. The broader fixed income market (as measured by the Bloomberg US Aggregate Index) produced negative returns of over ten percent during the fiscal year, as all sectors produced negative results.

While moderate levels of demand driven inflation is traditionally beneficial for equities, the supply driven component of inflation is not, as it is more difficult to contain and the interest rate increases necessary to help contain it are typically larger. In order to control supply driven inflation, the Federal Reserve must increase interest rates enough to significantly reduce demand, and this scenario often leads to a recessionary environment, which is negative for equities. This became apparent as the MSCI All Country World Index ("ACWI") produced a negative return of 15.4 percent for the fiscal year, with the largest impact in the second half of the year where the ACWI produced a negative return of 36 percent.

STIF, as a money-market type fund which is bought and sold at a constant \$1 dollar, saw its rate increase from just above zero percent to 1.5 percent at the end of the fiscal year, benefitting all of its investors.

## Performance Summary

For the one-year period ending June 30, 2022 STIF reported an

annual total return of 0.29 percent, net of all expenses. Annual total return measures the total investment income a participant would earn with monthly compounding at the Fund's monthly net earned rate during the year. This figure exceeded that achieved by its benchmark, the MFR Index, which equaled 0.17 percent, by 12 basis points. STIF's performance fell short of three-month T-Bills by eight basis points, which yielded 0.37 percent. STIF's relative performance was limited by the Fund's more cautious investment strategy that is focused on safety and liquidity.

The principal reasons for STIF's continued strong performance, despite its cautious strategy, was the selective addition of more bank deposit instruments and the active management of maturities within the portfolio, as well as the low overall expense rate.

Over the long-term, STIF has performed exceptionally well. For the trailing three-, five-, seven-, and ten-year periods, STIF's compounded annual total return was 0.64 percent, 1.12 percent, 0.93 percent, and 0.69 percent, net of all expenses and contributions to reserves, exceeding returns of its primary benchmark for all time periods. Viewed on a dollar-for-dollar basis, had one invested \$10 million in STIF ten years ago, that investment would have been worth \$10.7 million on June 30, 2022, versus \$10.57 million for a hypothetical investment in the

MFR Index (See Figure 1-6). During the past ten years, STIF has earned \$89 million above its benchmark while adding \$35 million to its reserves

### Risk Profile

STIF is considered extremely low risk for several reasons. First, its portfolio is comprised of high-quality, highly liquid securities, which insulate the Fund from default and liquidity risk. (See Figure 1-4) Second, its relatively short average maturity reduces the Fund's price sensitivity to changes in market interest rates. Third, STIF has a strong degree of asset diversification by security type and issuer, as required by its investment policy, strengthening its overall risk profile. And finally, STIF's reserves are available to protect against security defaults or the erosion of security values due to dramatic and unforeseen market changes. As the primary short-term investment vehicle for the operating cash of the State, STIF has the ultimate confidence of the State government.

While STIF is managed diligently to protect against losses from credit and market changes, the Fund is not insured or guaranteed by any government. Therefore, the maintenance of capital cannot be fully assured.

FIG 1-1 SHORT-TERM INVESTMENT FUND (STIF)  
OWNERSHIP ANALYSIS AT JUNE 30, 2022

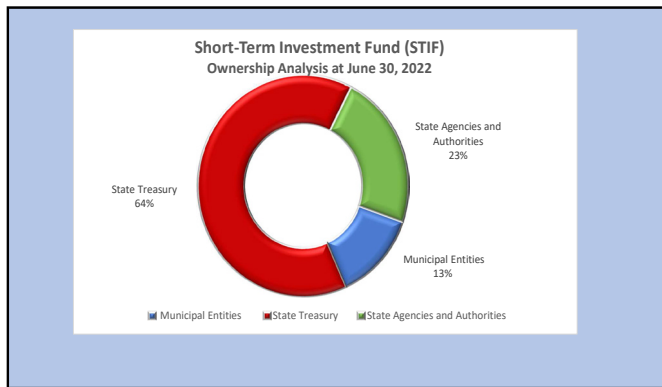


FIG 1-2 SHORT-TERM INVESTMENT FUND (STIF)  
MATURITY ANALYSIS AT JUNE 30, 2022

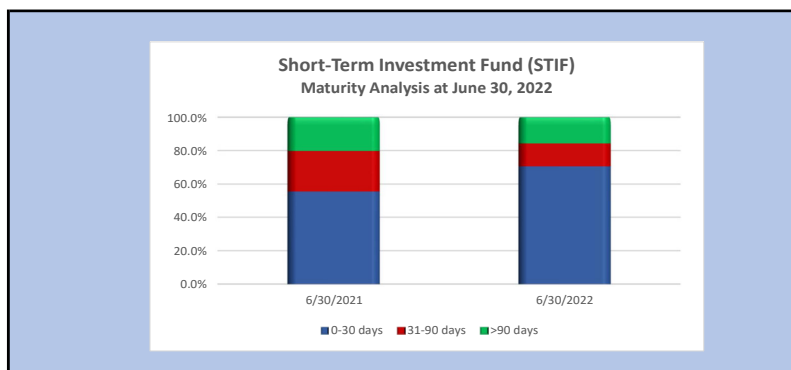


FIG 1-3 SHORT-TERM INVESTMENT FUND  
 QUARTERLY YIELD VS BENCHMARK JUNE 30, 2022

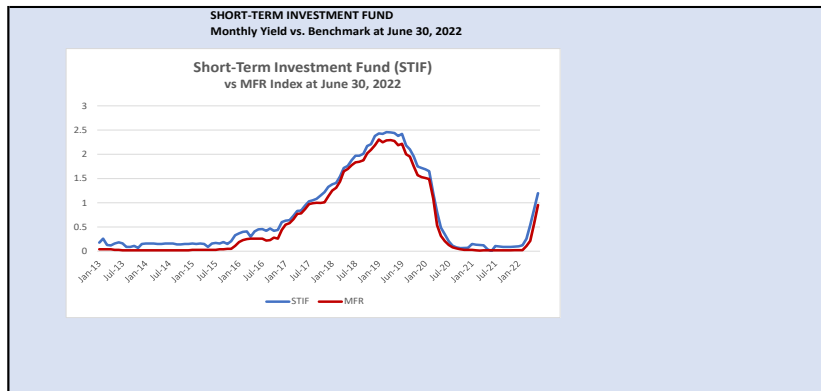


FIG 1-4 SHORT-TERM INVESTMENT FUND (STIF)  
 SECTOR ALLOCATION AT JUNE 30, 2022

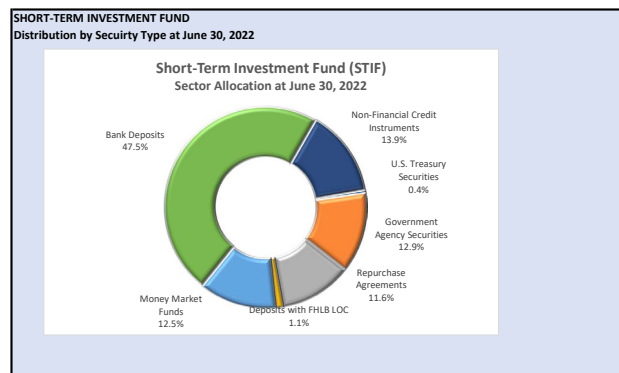
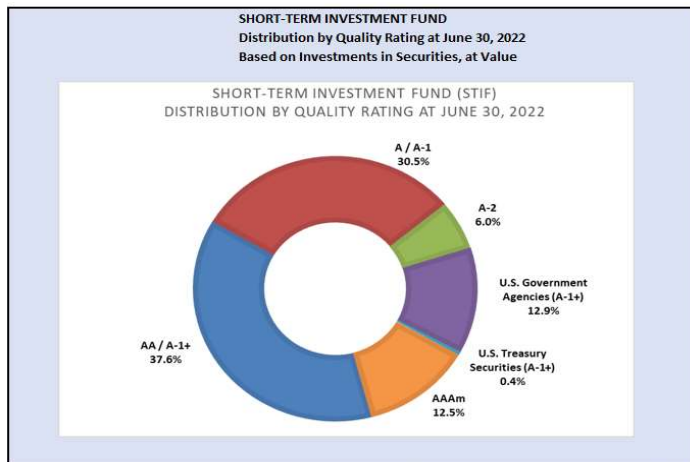


FIG 1-5 SHORT-TERM INVESTMENT FUND (STIF)  
 DISTRIBUTION BY QUALITY RATING AT JUNE 30, 2022.



\* A-2 securities are backed by irrevocable standby letters of credit provided by federal home loan banks.  
 \*\* AA/A-1+ Includes federal agency and repurchase agreements backed by U.S. Govt Guaranteed Securities

FIG 1-6 SHORT-TERM INVESTMENT FUND (STIF)  
 vs MFR INDEX AT JUNE 30, 2022

SHORT-TERM INVESTMENT FUND					
Period ending June 30, 2022					
	1 YEAR	3 YEARS	5 YEARS	7 YEARS	10 YEARS
<b>Fiscal Year 2022</b>					
<b>Compounded Annual Total Return (%)</b>					
STIF	0.29	0.64	1.12	0.93	0.69
MFR Index*	0.17	0.53	1.06	0.81	0.58
Fed. Three-Month T-Bill	0.37	0.56	1.08	0.88	0.63
<b>Cumulative Total Return (%)</b>					
STIF	0.29	1.93	5.72	6.68	7.16
MFR Index*	0.17	1.59	5.13	5.81	5.92
Fed. Three-Month T-Bill	0.37	1.69	5.50	0.88	6.45

STIF uses a time-weighted linked rate of return formula to calculate rates of return.  
 \* Represents iMoneyNet Money Fund Average TM - Rated first Tier Institutional Average (MFR) Index.

**CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND**  
**LIST OF INVESTMENTS AS OF JUNE 30, 2022**

Par	Issuer	YTM	Reset / Maturity	Amortized Cost	Rating
<b>Bank Deposit Instruments</b>					<b>47.5%</b>
\$150,000,000	ANZ BANK	1.59	7/1/2022	\$150,000,000	A-1+
100,000,000	ANZ BANK	1.58	7/1/2022	100,000,000	A-1+
50,000,000	ANZ BANK	0.35	7/11/2022	50,000,000	A-1+
50,000,000	ANZ BANK	1.07	7/18/2022	50,000,000	A-1+
50,000,000	ANZ BANK	0.53	8/1/2022	50,000,000	A-1+
50,000,000	ANZ BANK	0.72	8/10/2022	50,000,000	A-1+
50,000,000	ANZ BANK	0.85	8/23/2022	50,000,000	A-1+
50,000,000	ANZ BANK	0.81	8/24/2022	50,000,000	A-1+
50,000,000	ANZ BANK	1.35	9/21/2022	50,000,000	A-1+
50,000,000	ANZ BANK	1.50	10/12/2022	50,000,000	A-1+
50,000,000	ANZ BANK	1.53	10/18/2022	50,000,000	A-1+
50,000,000	ANZ BANK	1.65	10/20/2022	50,000,000	A-1+
50,000,000	ANZ BANK	1.95	11/16/2022	50,000,000	A-1+
50,000,000	ANZ BANK	2.05	11/21/2022	50,000,000	A-1+
50,000,000	COMMONWEALTH BANK AUSTRALIA	1.93	7/1/2022	50,000,000	A-1+
50,000,000	COMMONWEALTH BANK AUSTRALIA	1.95	7/1/2022	50,000,000	A-1+
50,000,000	COMMONWEALTH BANK AUSTRALIA	1.94	7/1/2022	50,000,000	A-1+
50,000,000	DNB BANK ASA	0.36	7/13/2022	50,000,000	A-1+
50,000,000	DNB BANK ASA	0.40	7/18/2022	50,000,000	A-1+
50,000,000	DNB BANK ASA	1.22	8/8/2022	50,000,000	A-1+
50,000,000	DNB BANK ASA	1.27	9/26/2022	50,000,000	A-1+
50,000,000	DNB BANK ASA	1.87	11/8/2022	50,000,000	A-1+
50,000,000	DNB BANK ASA	1.93	11/16/2022	50,000,000	A-1+
250,000,000	DZ BANK NY	1.57	7/1/2022	250,000,000	A-1
100,000,000	DZ BANK NY	1.55	7/1/2022	100,000,000	A-1
50,000,000	DZ BANK NY	0.89	7/5/2022	50,000,000	A-1
50,000,000	DZ BANK NY	1.19	7/25/2022	50,000,000	A-1
50,000,000	DZ BANK NY	1.34	8/3/2022	50,000,000	A-1
50,000,000	DZ BANK NY	1.39	8/4/2022	50,000,000	A-1
100,000,000	DZ BANK NY	1.44	8/16/2022	100,000,000	A-1
50,000,000	DZ BANK NY	1.20	9/21/2022	50,000,000	A-1
50,000,000	DZ BANK NY	2.18	9/21/2022	50,000,000	A-1
50,000,000	DZ BANK NY	1.57	10/21/2022	50,000,000	A-1
50,000,000	DZ BANK NY	2.00	11/21/2022	50,000,000	A-1
50,000,000	MUFG BANK LTD/NY	0.35	7/11/2022	50,000,000	A-1
50,000,000	MUFG BANK LTD/NY	0.43	7/18/2022	50,000,000	A-1
50,000,000	MUFG BANK LTD/NY	0.46	7/27/2022	50,000,000	A-1
50,000,000	MUFG BANK LTD/NY	1.23	7/29/2022	50,000,000	A-1
50,000,000	MUFG BANK LTD/NY	0.56	8/11/2022	50,000,000	A-1
50,000,000	MUFG BANK LTD/NY	0.79	8/25/2022	50,000,000	A-1
50,000,000	MUFG BANK LTD/NY	1.28	8/30/2022	50,000,000	A-1
50,000,000	MUFG BANK LTD/NY	0.81	8/30/2022	50,000,000	A-1
50,000,000	MUFG BANK LTD/NY	1.83	11/1/2022	50,000,000	A-1
50,000,000	MUFG BANK LTD/NY	0.72	7/1/2022	50,000,000	A-1
50,000,000	MUFG BANK LTD/NY	1.98	11/7/2022	50,000,000	A-1
50,000,000	MUFG BANK LTD/NY	2.30	12/14/2022	50,000,000	A-1
300,000,000	NATIONAL BANK OF CANADA (2)	1.64	7/1/2022	300,000,000	A-1
50,000,000	NORDEA BANK ABP NEW YORK	0.32	7/5/2022	50,000,000	A-1+
50,000,000	NORDEA BANK ABP NEW YORK	0.33	7/7/2022	50,000,000	A-1+
50,000,000	NORDEA BANK ABP NEW YORK	1.00	7/15/2022	50,000,000	A-1+
50,000,000	NORDEA BANK ABP NEW YORK	0.80	8/25/2022	50,000,000	A-1+
50,000,000	NORDEA BANK ABP NEW YORK	1.36	9/19/2022	50,000,000	A-1+
50,000,000	NORDEA BANK ABP NEW YORK	1.40	10/5/2022	50,000,000	A-1+
50,000,000	NORDEA BANK ABP NEW YORK	1.46	10/12/2022	50,000,000	A-1+



**CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND**  
**LIST OF INVESTMENTS AS OF JUNE 30, 2022 (Continued)**

50,000,000	NORDEA BANK ABP NEW YORK	0.63	7/1/2022	50,000,000	A-1+
50,000,000	NORDEA BANK ABP NEW YORK	0.61	7/1/2022	50,000,000	A-1+
50,000,000	NORDEA BANK ABP NEW YORK	1.58	10/21/2022	50,000,000	A-1+
50,000,000	NORDEA BANK ABP NEW YORK	1.65	10/25/2022	50,000,000	A-1+
50,000,000	NORDEA BANK ABP NEW YORK	1.19	7/1/2022	50,000,000	A-1+
50,000,000	NORDEA BANK ABP NEW YORK	2.25	12/7/2022	50,000,000	A-1+
100,000,000	NORINCHUKIN BANK NY	1.58	7/21/2022	100,000,000	A-1
50,000,000	NORINCHUKIN BANK NY	1.58	7/22/2022	50,000,000	A-1
100,000,000	NORINCHUKIN BANK NY	1.20	7/25/2022	100,000,000	A-1
50,000,000	NORINCHUKIN BANK NY	1.20	7/25/2022	50,000,000	A-1
100,000,000	NORINCHUKIN BANK NY	1.59	7/27/2022	100,000,000	A-1
50,000,000	NORINCHUKIN BANK NY	1.42	8/15/2022	50,000,000	A-1
100,000,000	NORINCHUKIN BANK NY	1.63	9/6/2022	100,000,000	A-1
50,000,000	NORINCHUKIN BANK NY	1.73	9/14/2022	50,000,000	A-1
50,000,000	NORINCHUKIN BANK NY	0.65	7/1/2022	50,000,000	A-1
50,000,000	NORINCHUKIN BANK NY	0.63	7/1/2022	50,000,000	A-1
50,000,000	COOPERATIEVE RABOBANK UA/NY	0.35	7/1/2022	50,000,000	A-1
50,000,000	COOPERATIEVE RABOBANK UA/NY	0.91	9/1/2022	50,000,000	A-1
50,000,000	COOPERATIEVE RABOBANK UA/NY	1.41	10/5/2022	50,000,000	A-1
50,000,000	COOPERATIEVE RABOBANK UA/NY	0.65	7/1/2022	50,000,000	A-1
50,000,000	COOPERATIEVE RABOBANK UA/NY	1.94	11/4/2022	50,000,000	A-1
50,000,000	COOPERATIEVE RABOBANK UA/NY	2.11	11/23/2022	50,000,000	A-1
50,000,000	COOPERATIEVE RABOBANK UA/NY	2.22	12/5/2022	50,000,000	A-1
50,000,000	COOPERATIEVE RABOBANK UA/NY	2.25	12/7/2022	50,000,000	A-1
50,000,000	COOPERATIEVE RABOBANK UA/NY	2.30	12/12/2022	50,000,000	A-1
200,000,000	ROYAL BANK OF CANADA NY	1.56	7/1/2022	200,000,000	A-1+
400,000,000	ROYAL BANK OF CANADA NY	1.69	7/28/2022	400,000,000	A-1+
50,000,000	ROYAL BANK OF CANADA NY	1.50	10/3/2022	50,000,000	A-1+
50,000,000	ROYAL BANK OF CANADA NY	1.63	10/18/2022	50,000,000	A-1+
50,000,000	ROYAL BANK OF CANADA NY	1.86	10/21/2022	50,000,000	A-1+
50,000,000	ROYAL BANK OF CANADA NY	2.05	11/10/2022	50,000,000	A-1+
50,000,000	ROYAL BANK OF CANADA NY	2.13	11/17/2022	50,000,000	A-1+
50,000,000	SCOTIA BANK	1.64	7/1/2022	50,000,000	A-1
50,000,000	SCOTIA BANK	1.35	9/16/2022	50,000,000	A-1
350,000,000	SCOTIA BANK (2)	1.73	7/1/2022	350,000,000	A-1
50,000,000	SCOTIA BANK	1.71	7/1/2022	50,000,000	A-1
50,000,000	SCOTIA BANK	1.62	10/17/2022	50,000,000	A-1
50,000,000	SCOTIA BANK	1.90	7/1/2022	50,000,000	A-1
50,000,000	SCOTIA BANK	2.10	11/28/2022	50,000,000	A-1
200,000,000	SVENSKA HANDELSBANKEN NY	1.53	7/1/2022	200,000,000	A-1+
50,000,000	SVENSKA HANDELSBANKEN NY	0.41	7/18/2022	50,000,000	A-1+
50,000,000	SVENSKA HANDELSBANKEN NY	1.27	8/16/2022	50,000,000	A-1+
50,000,000	SVENSKA HANDELSBANKEN NY	0.81	8/24/2022	50,000,000	A-1+
50,000,000	SVENSKA HANDELSBANKEN NY	0.87	9/2/2022	50,000,000	A-1+
50,000,000	SVENSKA HANDELSBANKEN NY	1.37	9/15/2022	50,000,000	A-1+
25,000,000	SVENSKA HANDELSBANKEN NY	1.37	9/16/2022	25,000,000	A-1+
50,000,000	SVENSKA HANDELSBANKEN NY	1.38	10/3/2022	50,000,000	A-1+
50,000,000	SVENSKA HANDELSBANKEN NY	1.46	10/11/2022	50,000,000	A-1+
50,000,000	SVENSKA HANDELSBANKEN NY	1.57	10/19/2022	50,000,000	A-1+
50,000,000	SVENSKA HANDELSBANKEN NY	1.73	10/26/2022	50,000,000	A-1+
50,000,000	SVENSKA HANDELSBANKEN NY	1.89	7/1/2022	50,000,000	A-1+
25,000,000	SVENSKA HANDELSBANKEN NY	2.08	11/23/2022	25,000,000	A-1+
50,000,000	SVENSKA HANDELSBANKEN NY	2.96	12/20/2022	50,000,000	A-1+
300,451,729	TORONTO DOMINION BANK(2)	1.53	7/1/2022	300,451,729	A-1+
50,000,000	TORONTO DOMINION BANK	0.70	8/12/2022	50,000,000	A-1+
50,000,000	TORONTO DOMINION BANK	0.82	8/15/2022	50,000,000	A-1+
50,000,000	TORONTO DOMINION BANK	1.35	9/21/2022	50,000,000	A-1+
50,000,000	TORONTO DOMINION BANK	1.98	11/3/2022	50,000,000	A-1+
650,635,608	US BANK (2)	1.53	7/1/2022	650,635,608	A-1+
<u>\$8,301,087,337</u>				<u>\$8,301,087,337</u>	
<b>200,000,000</b>	<b>CITIZENS BANK (2,3)</b>	<b>1.20</b>	<b>7/1/2022</b>	<b>200,000,000</b>	<b>A-2</b>
<u>\$200,000,000</u>				<u>\$200,000,000</u>	

**CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND**  
**LIST OF INVESTMENTS AS OF JUNE 30, 2022 (Continued)**

**Commercial Paper and Corporate Notes** **13.9%**

100,000,000	APPLE INC	1.55	7/28/2022	99,883,750	A-1+
100,000,000	APPLE INC	1.55	7/29/2022	99,879,444	A-1+
150,000,000	APPLE INC	1.55	7/29/2022	149,819,167	A-1+
50,000,000	APPLE INC	1.01	8/2/2022	49,955,111	A-1+
50,000,000	LVMH MOET HENNESSY	0.92	7/11/2022	49,987,222	A-1
50,000,000	LVMH MOET HENNESSY	0.95	7/20/2022	49,974,931	A-1
48,000,000	LVMH MOET HENNESSY	1.05	7/1/2022	47,970,600	A-1
50,000,000	LVMH MOET HENNESSY	1.00	7/1/2022	49,955,556	A-1
25,000,000	LVMH MOET HENNESSY	1.22	8/4/2022	24,971,194	A-1
25,000,000	LVMH MOET HENNESSY	1.22	7/1/2022	24,970,347	A-1
50,000,000	LVMH MOET HENNESSY	1.03	8/8/2022	49,945,639	A-1
40,000,000	LVMH MOET HENNESSY	1.04	8/9/2022	39,954,933	A-1
63,400,000	LVMH MOET HENNESSY	1.08	9/12/2022	63,261,154	A-1
50,000,000	LVMH MOET HENNESSY	2.05	9/19/2022	49,772,222	A-1
30,000,000	LVMH MOET HENNESSY	2.05	9/21/2022	29,859,917	A-1
25,000,000	LVMH MOET HENNESSY	1.65	10/25/2022	24,867,083	A-1
50,000,000	LVMH MOET HENNESSY	1.80	11/14/2022	49,660,000	A-1
50,000,000	LVMH MOET HENNESSY	1.80	11/17/2022	49,652,500	A-1
100,000,000	NATL SEC CLEARING CORP	1.53	7/1/2022	100,000,000	A-1+
100,000,000	NATL SEC CLEARING CORP	1.03	7/7/2022	99,982,833	A-1+
73,000,000	NATL SEC CLEARING CORP	1.60	7/15/2022	72,954,578	A-1+
50,000,000	NATL SEC CLEARING CORP	1.23	7/19/2022	49,969,250	A-1+
150,000,000	NATL SEC CLEARING CORP	1.67	7/28/2022	149,812,125	A-1+
50,000,000	NATL SEC CLEARING CORP	0.73	8/2/2022	49,967,556	A-1+
24,300,000	NATL SEC CLEARING CORP	1.50	8/12/2022	24,257,475	A-1+
8,388,000	NATL SEC CLEARING CORP	1.58	8/25/2022	8,367,752	A-1+
50,000,000	TOYOTA MOTOR CREDIT CORP	1.94	7/1/2022	50,000,000	A-1+
50,000,000	TOYOTA MOTOR CREDIT CORP	0.57	10/14/2022	49,916,875	A-1+
50,000,000	TOYOTA MOTOR CREDIT CORP	0.90	11/4/2022	49,842,500	A-1+
50,000,000	TOYOTA MOTOR CREDIT CORP	2.05	11/23/2022	49,587,153	A-1+
50,000,000	TOYOTA MOTOR CREDIT CORP	1.15	7/1/2022	50,000,000	A-1+
50,000,000	TOYOTA MOTOR CREDIT CORP	1.75	10/24/2022	49,720,486	A-1+
44,125,000	WAL-MART	1.54	7/13/2022	44,102,349	A-1+
40,000,000	WAL-MART	1.54	7/13/2022	39,979,467	A-1+
100,000,000	WAL-MART	1.23	7/25/2022	99,918,000	A-1+
75,000,000	WAL-MART	1.23	7/25/2022	74,938,500	A-1+
60,000,000	WAL-MART	1.40	8/1/2022	59,927,667	A-1+
70,000,000	WAL-MART	1.66	8/1/2022	69,899,939	A-1+
60,000,000	WAL-MART	1.40	8/1/2022	59,927,667	A-1+
60,000,000	WAL-MART	1.40	8/1/2022	59,927,667	A-1+
60,000,000	WAL-MART	1.40	8/1/2022	59,927,667	A-1+
<u>\$2,431,213,000</u>				<u>\$2,427,268,275</u>	

**Government Agency Securities** **12.9%**

\$32,758,000	FANNIE MAE	2.38	1/19/2023	\$33,049,109	A-1+
50,000,000	FEDERAL FARM CREDIT BANK	1.55	7/1/2022	50,000,000	A-1+
50,000,000	FEDERAL FARM CREDIT BANK	0.97	7/1/2022	49,980,450	A-1+
25,000,000	FEDERAL FARM CREDIT BANK	1.13	7/1/2022	25,000,000	A-1+
50,000,000	FEDERAL FARM CREDIT BANK	0.92	7/1/2022	50,000,000	A-1+
50,000,000	FEDERAL FARM CREDIT BANK	1.22	7/1/2022	50,000,000	A-1+
50,000,000	FEDERAL FARM CREDIT BANK	0.97	7/1/2022	50,000,000	A-1+
15,000,000	FEDERAL FARM CREDIT BANK	1.04	7/1/2022	15,000,000	A-1+
25,000,000	FEDERAL FARM CREDIT BANK	1.09	7/1/2022	24,999,950	A-1+
50,000,000	FEDERAL FARM CREDIT BANK	1.68	7/1/2022	50,000,000	A-1+
25,000,000	FEDERAL FARM CREDIT BANK	1.11	7/1/2022	24,999,228	A-1+
12,000,000	FEDERAL FARM CREDIT BANK	1.10	7/1/2022	12,000,000	A-1+
58,000,000	FEDERAL FARM CREDIT BANK	1.55	7/1/2022	57,997,929	A-1+
50,000,000	FEDERAL FARM CREDIT BANK	1.59	7/1/2022	50,000,000	A-1+
50,000,000	FEDERAL FARM CREDIT BANK	1.01	7/1/2022	49,997,286	A-1+
50,000,000	FEDERAL FARM CREDIT BANK	1.39	7/1/2022	50,000,000	A-1+
50,000,000	FEDERAL FARM CREDIT BANK	1.65	7/1/2022	50,000,000	A-1+
50,000,000	FEDERAL FARM CREDIT BANK	1.55	7/1/2022	50,000,000	A-1+
500,000,000	FEDERAL HOME LOAN BANK	1.50	7/1/2022	499,791,667	A-1+
500,000,000	FEDERAL HOME LOAN BANK	1.50	7/12/2022	499,770,833	A-1+
175,000,000	FEDERAL HOME LOAN BANK	1.55	7/1/2022	174,997,551	A-1+
34,000,000	FEDERAL HOME LOAN BANK	0.13	6/2/2023	33,377,526	A-1+

**CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND**  
**LIST OF INVESTMENTS AS OF JUNE 30, 2022 (Continued)**

25,000,000	FEDERAL HOME LOAN BANK	1.15	7/1/2022	25,000,000	A-1+
25,000,000	FEDERAL HOME LOAN BANK	1.52	7/1/2022	25,000,000	A-1+
25,000,000	FEDERAL HOME LOAN BANK	1.52	7/1/2022	25,000,000	A-1+
25,000,000	FEDERAL HOME LOAN BANK	1.62	7/1/2022	25,000,000	A-1+
<u>200,000,000</u>	<u>FREDDIE MAC</u>	<u>1.09</u>	<u>7/1/2022</u>	<u>200,014,285</u>	<u>A-1+</u>
\$2,251,758,000				\$2,250,975,813	
<b>US Treasury Securities</b>					<b>0.4%</b>
\$25,000,000	U.S. TREASURY BILL/NOTE	0.13	11/30/2022	\$24,975,816	A-1+
<u>50,000,000</u>	<u>U.S. TREASURY BILL/NOTE</u>	<u>1.38</u>	<u>2/15/2023</u>	<u>50,066,069</u>	<u>A-1+</u>
\$75,000,000				\$75,041,885	
<b>Money Market Funds</b>					<b>12.5%</b>
\$650,000,000	FEDERATED MONEY MARKET FUND	1.43	7/1/2022	\$650,000,000	AAAm
150,000,000	FEDERATED MONEY MARKET FUND	1.43	7/1/2022	150,000,000	AAAm
650,552,320	INVESCO MMKT FUND - CAVU SHARES	1.42	7/1/2022	650,552,320	AAAm
650,000,000	MORGAN STANLEY MMKT FUND - CASTLEOA	1.38	7/1/2022	650,000,000	AAAm
<u>85,667,000</u>	<u>MORGAN STANLEY MMKT FUND - CASTLEOA</u>	<u>1.38</u>	<u>7/1/2022</u>	<u>85,667,000</u>	<u>AAAm</u>
\$2,186,219,320				\$2,186,219,320	
<b>Repurchase Agreements</b>					<b>11.6%</b>
\$850,000,000	NATWEST CAPITAL MARKETS REPO	1.44	7/1/2022	\$850,000,000	A-2
450,000,000	SCOTIA BANK REPO	1.48	7/1/2022	450,000,000	A-1
580,000,000	BANK OF AMERICA SECURITIES REPO	1.55	7/1/2022	580,000,000	A-1
<u>150,000,000</u>	<u>MIZUHO SECURITIES REPO</u>	<u>1.43</u>	<u>7/1/2022</u>	<u>150,000,000</u>	<u>A-1</u>
\$2,030,000,000				\$2,030,000,000	
<b>\$ 17,475,277,657</b>				<b>\$ 17,470,592,630</b>	

**Fund Summary Statistics and Notes**

Amortized Cost	\$ 17,470,592,630
Fair market value	\$ 17,463,819,154
Shares Outstanding	\$ 17,388,388,434
Fund Net Asset Value (4)	\$1.00
Effective 7-Day Net Yield (5)	1.470%
Effective 7-Day Gross Yield	1.480%
WAM(R) (6)	29 Days
WAM(F) (7)	57 Days
Ratio of Fair Market Value to Amortized Cost	0.9996
Government and Government Backed Securities (percent of total)	39%

(1) Securities rounded to the nearest dollar.

(2) Issues have a daily put option, and thus are calculated as 1 day for WAL and WAM purposes.

(3) Citizens Bank N.A. deposits are backed by irrevocable standby letter of credit provided by the Federal Home Loan Bank of Boston guaranteeing principal amount.

(4) Includes designated surplus reserve. NAV is calculated as the total amortized cost / participant shares.

(5) End of Month. Includes approximately 1-4 basis points of expenses and a 10 basis point contribution to the designated surplus reserve each day the size of the reserve is less than one percent of the size of the Short-Term Investment Fund (currently suspended) . Gross Yield is prior to reserve transfers, after operating expenses.

(6) Weighted average maturity to the next reset date.

(7) Weighted average maturity to final maturity date.

**CONNECTICUT STATE TREASURER'S SHORT TERM INVESTMENT FUND**  
**SCHEDULE OF MANAGEMENT FEES**  
**JUNE 30, 2022**

Category	Amount
Internal Management Fees	\$ 1,180,009
Professional & Other Miscellaneous Expenses	222,753
<b>Total:</b>	<b>\$ 1,402,762</b>

*Note: Internal management fees include payroll, lease service, subscriptions, supplies, telephone and other. External professional fees include custodian and investor services.*

**CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND**  
**SCHEDULE OF PARTICIPANTS BY CONCENTRATION**  
**JUNE 30, 2022**

TYPE	NUMBER OF ACCTS	TOTAL SHARES
Municipalities and Local Entities	554	2,269,037,932
State Treasury	60	11,165,628,470
State Agencies and Authorities	374	3,953,722,032
<b>TOTAL:</b>	<b>988</b>	<b>17,388,388,434</b>
Participant Net Asset Value, Offering Price and Redemption Price per Share (\$17,487,622,992 in Net Assets divided by 17,388,388,434 shares)		<b>\$ 1.00</b>

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# INVESTMENT POLICY STATEMENT SHORT-TERM INVESTMENT FUND

As adopted August 21, 1996 and revised June 16, 2008, April 17, 2009, November 2019, and May 2022

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## A. Background

The Treasurer's Short-Term Investment Fund (STIF) is an investment pool of high-quality, short-term money market instruments for state and local governments. Operating since 1972 in a manner similar to a money market mutual fund, STIF's purpose is to provide a safe, liquid and effective investment vehicle for the operating cash of the State Treasury, state agencies and authorities, municipalities, and other political subdivisions of the state.

All State, local and political subdivisions of the State are authorized to invest in STIF by (CGS) 3-27a and 3-27b.

## B. Purpose

The purpose of this document is to specify the policies and guidelines that provide for the systematic management of STIF and the prudent and productive investment of funds.

## C. Investment Objectives

STIF seeks as high a level of current income as is consistent with, first, the safety of principal invested by the State, municipalities and others, and, second, the provision of liquidity to meet participants' daily cash flow requirements.

## D. Safety of Principal

Safety of principal, STIF's primary objective, shall be pursued in a number of ways.

1. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio by protecting against credit risks (from security defaults) and the erosion of market prices (from rising interest rates).
2. The Fund's investments shall be made in conformance with prudent guidelines for allowable instruments, credit quality and maturities. See Section H.
3. STIF shall maintain adequate diversification of instruments, issuers, industries and maturities to protect against significant losses from credit risks and market changes. See Section H.
4. All securities shall be held by a third-party custodian.
5. All transactions shall be handled on the basis of delivery vs. payment to a custodian bank with the

exception of bank investments and money market funds, which are settled by Fed wire. In instances where DTC is closed and delivery/settlement still needs to take place, free deliveries are acceptable as long as deliveries occur before payment.

6. All repurchase agreements shall be fully collateralized, with a custodian bank receiving delivery of the collateral.

7. Reverse repurchase agreements may be used only to meet temporary liquidity requirements of the Fund and may not exceed five percent of total Fund assets. See Section H.

8. STIF shall maintain a designated surplus reserve equal to one percent of net investable assets ("NIA") to provide an added layer of security. For any periods where the designated surplus reserve falls below one percent, daily allocations to the designated surplus reserve will be paid from investment returns and will equal, on an annualized basis, one-tenth of one percent of the fund's NIA until the reserve equals one percent of NIA. If net losses significant to the aggregate portfolio are realized, they shall be charged against the designated surplus reserve, as discussed in Section Q. The Treasurer may, however, modify or suspend the transfer to the designated surplus reserve based on market conditions and other fund considerations.

While STIF — which consists predominantly of funds for which the Treasurer is sole trustee — is managed diligently to protect against losses from credit and market changes, and though deposits are backed by high-quality and highly-liquid short-term securities, the Fund is not insured or guaranteed by any government and the maintenance of capital cannot be fully assured.

## E. Liquidity

The portfolio shall be structured to ensure complete liquidity for participants through sufficient investments in overnight and highly-marketable securities. In addition, reverse repurchase agreements totaling up to five percent of Fund assets may be used to meet temporary liquidity requirements.

Participants shall have full and timely access to all of their funds. Participants may make same-day (normally up to 10:30 a.m.) deposits and withdrawals of any size. Withdrawals generally

are sent via Fed wire, thus funds are available for use on the day of withdrawal.

In addition, deposits and withdrawals may be made through the ACH system on a next-day basis, deposits may be made by check through the mail, and withdrawals may be made by check. No transaction fees are charged on deposits or withdrawals by wire or ACH.

## F. Yield

STIF's investment portfolio shall be designed to attain a rate of return consistent with similar funds throughout budgetary and economic cycles, taking into account investment risk constraints and the liquidity requirements of the Fund.

The portfolio shall be managed with the objective of exceeding a designated benchmark which reflects an average of funds with similar portfolio objectives and characteristics as well as the average of three-month U.S. Treasury Bill rates for the equivalent period. Treasury Bills are considered a proxy for near-riskless short-term investment yields and, therefore, are used as a basis of comparison between the fund and a risk free benchmark. The investment program shall seek to augment returns above this threshold, consistent with stated risk limitations and prudent investment principles.

While STIF shall not make investments for the purpose of trading or speculating as the dominant criterion, STIF shall seek to enhance total portfolio return through active portfolio management. The prohibition on speculative investments precludes pursuit of gain or profit through unusual risk. Trading in response to changes in market value or market direction, however, is warranted under active portfolio management.

## G. Prudence

Investments shall be made with the care, skill, prudence, and diligence — under circumstances then prevailing — that prudent persons acting in like capacities and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by STIF's investment officials shall be the "prudent expert" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion in writing and appropriate action is taken to control adverse developments.

## H. Investment Guidelines

All investments must be made in instruments authorized by

CGS 3-27c - 3-27e. In addition, the Treasurer has adopted the investment guidelines that follow. Unless otherwise indicated, references to credit ratings are to those of Standard & Poor's.

1. STIF may invest in the following securities:

- a. Instruments issued, guaranteed or insured by the U.S. government or federal agencies including U.S. Treasury Separate Trading of Registered Interest and Principal Securities ("STRIPS").
- b. Deposit instruments of commercial banks domiciled in the United States whose short-term rating of at least A-1 and whose long-term rating of at least A- or the equivalent by a NRSRO.
- c. Deposit instruments of U.S. branches of foreign banks with short-term ratings of at least A-1 and long-term ratings of at least A or the equivalent by a NRSRO.
- d. Deposit instruments of banks with ratings below the criteria established in b. and c. above, but guaranteed by, or backed with, a letter of credit from a US Government sponsored enterprise ("GSE") shall be permissible. The rating of such deposit instruments shall be considered to be at parity with the GSE and recorded as such.
- e. Fully-collateralized repurchase agreements with counterparties which have short-term ratings of at least A-2 (or equivalent), or qualified commercial banks meeting the criteria in b. above, with possession of collateral by a custodian bank. Fully-collateralized repurchase agreements with counterparties which have short-term ratings of at least A-2 (or equivalent), or qualified commercial banks meeting the criteria in b. above, with possession of collateral by a custodian bank.
- f. Commercial paper of companies that have short-term ratings of at least A-1 (or an equivalent rating) or, if no short-term rating is available, long-term debt rated at least A (or equivalent).
- g. Corporate securities rated at least A-1/P-1 and A or the equivalent by a NRSRO.
- h. Asset-backed securities (bonds or commercial paper) with final maturities under thirteen months rated at A-1+ (or equivalent) and AAA (or equivalent).
- i. Money market mutual funds or similar investment pools managed to maintain a constant share value, rated AAAm..
- j. Debt instruments of supranational organizations in which the United States of America is a participant rated A1/P1 and/or A+ or the equivalent by a NRSRO.
- k. US dollar denominated issues of Canada and its provinces rated A1/P1 and/or A+ or the equivalent by a NRSRO.

- I. Debt securities of US states and the agencies or authorities backed by such states rated A+/A1 or better.

Notwithstanding the approved investments enumerated above, STIF may hold securities or other assets received as a result of a restructuring of securities that were, when originally purchased, among the list of approved investments set forth herein, following consultation with an outside investment advisor. The Treasurer will notify investors of such situations within two (2) business days of the receipt of such securities or assets.

2. Reverse repurchase agreements, in the aggregate, may not exceed five percent of net assets at the time of execution. While any reverse repurchase agreement is outstanding, new investments must match the maturity of the shortest-term outstanding reverse repurchase agreement. Reverse repurchase agreements are to be used only to meet temporary liquidity requirements of the Fund.

3. No investments may be made in "derivative" securities such as futures, swaps, options, and interest-only or principal-only mortgage-backed securities., inverse floaters, CMT floaters, leveraged floaters, dual index floaters, COFI floaters, and range floaters.

Investments may be made in adjustable rate securities whose interest rates move in the same direction and in the same amount as standard short-term money market interest rate benchmarks including, but not limited to, Fed Funds, SOFR, Treasury bills and the prime rate, and conform with STIF's other credit and maturity standards. Interest rate reset periods may not exceed six months.

4. All investments must be made in U.S. dollar-denominated securities which are settled versus payment via Fed wire, DTC or Euroclear settlement systems with the exception noted in D.5.

5. The dollar-weighted average portfolio maturity (including interest rate reset periods) may not exceed 90 days. Individual maturities may not exceed five years with the exception of government or government agency securities where the fund has the ability to put the security back to the issuer within 13 months.

6. STIF shall diversify its investments to avoid incurring unreasonable risks inherent in overinvesting in specific instruments, industry segments, individual issuers or maturities. Diversification strategies shall include:

- a. At the time of purchase, no more than 5 percent of the overall portfolio may be invested in an individual security, other than overnight or two-business-day repurchase agreements and U.S. government and agency securities.
- b. At the time of purchase, no more than 5 percent of the overall portfolio may be invested in securities of a single bank or corporation, other than overnight one to fourteen business day repurchase agreements and U.S. government and agency securities.

c. There is no limitation on the percentage of assets that may be invested in securities of the United States government, its agencies or instrumentalities, or in overnight or two week repurchase agreements.

d. At time of purchase, no more than 50 percent of repurchase agreements will mature beyond 2 business days.

e. At the time of purchase, no more than 25 percent of the overall portfolio may be invested in any industry other than the financial services industry.

f. At the time of purchase, no more than 50 percent of the overall portfolio may be invested in the combined total of corporate securities (notes and commercial paper) and asset-backed securities (notes and commercial paper).

g. At the time of purchase, no more than 20 percent of the overall portfolio may be invested in floating rate securities with final maturities in excess of two years.

h. At the time of purchase, no more than five percent of the overall portfolio may be invested in an individual money market mutual fund or similar investment pool.

i. At the time of purchase, no more than 15 percent of the overall portfolio may be invested in money market mutual funds and similar investment pools.

j. At the time of purchase, investments in securities that are not readily marketable, other than securities that mature within seven days, may not exceed 10 percent of the fund's overall portfolio with the exception of bank investments.

k. At least 60 percent of the overall portfolio shall be invested in securities rated A-1+ or in overnight repurchase agreements with dealers or banks rated A-1.

7. The Treasurer intends to operate STIF in such a manner as to maintain its AAAM credit rating from Standard & Poor's, or a similar rating from another nationally-recognized credit rating service recognized by the State Banking Commissioner.

8. Investment decisions shall be based on the relative and varying yields and risks of individual securities and the Fund's liquidity requirements.

## I. Interest Payments

STIF declares and accrues investor interest daily based on actual STIF earnings (including gains and losses), less expenses and transfers to the designated surplus reserve. Interest is paid monthly through direct distribution or reinvestment. Earned rates are available on a next-day basis. All rates are calculated and quoted on the basis of the actual number of days in a year (an "actual-over-actual" basis) and reported in accordance with guidelines of the Chartered Financial Analyst Institute ("CFAI").

## J. Administrative Costs

STIF is provided to participants without sales or management fees. Administrative costs are paid from investment earnings, and all STIF participants (including the state and local entities) share in covering the Fund's expenses in proportion to the size of their investments. Costs have historically been between one and five basis points (or \$1-5 per \$10,000 invested).

## K. Delegation of Authority

The Short-Term Investment Unit within the Treasury's Pension Funds Management Unit manages STIF's investments. Deposits, withdrawals, participant record-keeping and the distribution of interest are handled by the transfer agent under contract with the Treasurer's office under the supervision of the STIF Administration Unit within the Treasury's Pension Funds Management Unit.

## L. Daily Confirmations

Confirmations of daily deposits and withdrawals are sent immediately after the transaction.

## M. Monthly Statements

Monthly statements of balances, account activity, and paid interest are available to participants on the STIF Express portal (<https://www.your-fundaccount.com/SOC/Login.aspx>) typically by the 5th business day of each month.

## N. Reports

Quarterly and annual reports describing STIF's yields, performance relative to its primary benchmark ("IBC First Tier Institutions-Only Rated Money Fund Index" or the "benchmark"), and investments shall be provided to all participants. A detailed portfolio listing, data on the benchmark, 90-day Treasury bills and commentary on economic conditions shall be provided with each report. The reports are available on the Treasury website at: <https://portal.ct.gov/OTT>

## O. Participant Manual

A manual describing STIF's operating procedures, instructions for opening and closing accounts and making deposits and withdrawals, and methods of distributing interest, is available on the Office of the State Treasurer's website (About the Short-Term Investment Fund (ct.gov) ). There currently are no restrictions on the size or number of accounts or transactions.

## P. Audit

The Auditors of Public Accounts audit STIF's financial statements and operating procedures annually. Copies of audit opinions and reports will be provided to participants upon request.

## Q. Portfolio Valuation

STIF's values and yields are accounted for on an amortized-cost basis. Market values of all securities, except for those securities

listed in Sections H.1.j and H.1.k, above, are calculated on a weekly basis. Significant deviations of market values to amortized costs shall be reported as follows:

1. **First Level Notification.** If the market value of the overall investment portfolio, based on reports from the custodian, drops below 99.75 percent of the amortized cost value of the overall investment portfolio, or if the ratio of the market value of the overall portfolio to the outstanding participant units drops below 100.50 percent, the Principal Investment Officer would notify the Assistant Treasurer for Cash Management, the Chief Investment Officer, and the STIF Advisory Committee at the first weekly meeting following such determination.
2. **Second Level Notification.** If the market value of the overall investment portfolio, based on reports from the custodian, drops below 99.50 percent of the amortized cost value of the overall investment portfolio, or if the ratio of the market value of the overall portfolio to the outstanding participant units drops below 100.25 percent, the Principal Investment Officer would notify, as soon as practical, the Treasurer, Deputy Treasurer, Assistant Treasurer for Cash Management, Chief Investment Officer, and the STIF Advisory Committee. The STIF Advisory Committee would then meet in special session to review the circumstances surrounding the fall in one or both ratios, and it would review every security held by the fund. If this second level notification resulted from a significant increase in fund size that resulted in a proportionate decrease in the relative size of the designated surplus reserve, then portfolio or other changes may not be required. If this second level notification resulted from the decline in market values of securities, then the STIF Advisory Committee would consider selling securities that had fallen in value and making use of the designated surplus reserve.
3. **Investor Notification.** If the ratio of the market value of the overall portfolio to the outstanding participant units drops below 99.75 percent, the Treasurer would notify all STIF investors of the situation and the actions being undertaken to protect against further reductions.

## R. Internal Controls

The Treasury shall establish and maintain a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed by the Auditors of Public Accounts. The controls shall be designed to prevent and control losses of public funds arising from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees and officers.

## S. Cash Management Advisory Board

STIF's investment practices and performance, including the



documentation discussed in Section O, shall be reviewed on a quarterly basis by the Treasurer's STIF Advisory Committee.

## T. Financial Dealers and Institutions

STIF Investment personnel shall develop criteria for selecting brokers and dealers. All repurchase agreement transactions will be conducted through counterparties (as defined in Sections H.1.b and H.1.f) which have executed master repurchase agreements with the Treasury.

## U. Ethics

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose in writing to the Treasurer, or the Treasurer's compliance officer, any material financial interests in financial institutions that conduct business with STIF, and they shall further disclose any large personal financial/investment positions that could be related to the performance of STIF's portfolio, particularly with regard to the time of purchases and sales.

## V. Bond Proceeds

Bond proceeds may be deposited in STIF. Accounting and arbitrage rebate calculations are the responsibility of participants. STIF's investment program is not designed to restrict yield in order to avoid arbitrage rebates.

## W. Conformance with Guidelines

A nationally-recognized credit rating service recognized by the State Banking Commissioner shall monitor the STIF portfolio on a weekly basis to determine compliance with this policy. The Auditors of Public Accounts review compliance annually.

## X. Conformance with National Standards

These guidelines, together with the participant manual, were designed to meet the May 2016 guidelines of the National Association of State Treasurers for local government investment pools.

## Y. Investment Guideline Revisions

These guidelines may be revised by the Treasurer due to market changes or regulatory, legislative or internal administrative initiatives. Attempts will be made to provide all STIF investors with at least 30 days of notice before any changes to the investment policy become effective.

The Treasurer reserves the right to make changes immediately to respond to market conditions. In such circumstances, revisions

will be sent to all STIF investors within two business days of the revision.

## Definitions

**Net Investable Assets (NIA):** Net Investable Assets equals the difference of total assets at amortized cost and the value of the designated surplus reserve.

**NRSRO:** Nationally Recognized Statistical Rating Organization. A nationally recognized statistical rating organization is a credit rating agency that issues credit ratings that the U.S. Securities and Exchange Commission permits other financial firms to use for certain regulatory purposes. The SEC's Office of Credit Ratings administers the SEC's rules relating to NRSROs, in addition to performing various other functions with respect to NRSROs.

**Repurchase Agreement:** A repurchase agreement, also known as a repo, RP, or sale and repurchase agreement, is the sale of securities together with an agreement for the seller to buy back the securities at a later date.

**Supranational Organization:** An organization that exists in multiple countries. The organizations are often international government or quasi-government organizations. Examples include the World Bank and the International Monetary Fund.

**Asset-Backed Securities:** An asset-backed security is a security whose income payments and value are derived from and collateralized by a specified pool of underlying assets. The pool of assets is typically a group of small and illiquid assets which are unable to be sold individually. Pooling the assets into financial instruments allows them to be sold to general investors, a process called securitization, and allows the risk of investing in the underlying assets to be diversified because each security will represent a fraction of the total value of the diverse pool of underlying assets.

**DTC:** The Depository Trust & Clearing Corporation is an American post-trade financial services company providing clearing and settlement services to the financial markets. It performs the exchange of securities on behalf of buyers and sellers and functions as a central securities depository by providing central custody of securities.

**Euroclear:** A global provider of Financial Market Infrastructure (FMI) services designed to settle domestic and cross-border securities transactions.

# Glossary of Terms

**Agency Securities** - Securities issued by U.S. Government agencies, such as the Federal Home Loan Bank. These securities have high credit ratings but are not backed by the full faith and credit of the U.S. Government.

**Asset Backed Notes** - Financial instruments collateralized by one or more types of assets including real property, mortgages, and receivables.

**Banker's Acceptance (BA)** - A high-quality, short-term negotiable discount note, drawn on and accepted by banks which are obligated to pay the face amount at maturity.

**Basis Point (bp)** - The smallest measure used in quoting yields or returns. One basis point is 0.01% of yield, 100 basis points equals 1%. A yield that changed from 8.75% to 9.50% increased by 75 basis points.

**Benchmark** - A standard unit used as the basis of comparison; a universal unit that is identified with sufficient detail so that other similar classifications can be compared as being above, below, or comparable to the benchmark.

**Capital Gain (Loss)** - Also known as capital appreciation (depreciation), capital gain (loss) measures the increase (decrease) in value of an asset over time.

**Certificates of Deposit (CDs)** - A debt instrument issued by banks, usually paying interest, with maturities ranging from seven days to several years.

**Commercial Paper** - Short-term obligations with maturities ranging from 1 to 270 days. They are issued by banks, corporations, and

other borrowers to investors with temporarily idle cash.

**Compounded Annual Total Return** - Compounded annual total return measures the implicit annual percentage change in value of an investment, assuming reinvestment of dividends, interest, and realized capital gains, including those attributable to currency fluctuations. In effect, compounded annual total return "smoothes" fluctuations in long-term investment returns to derive an implied year-to-year annual return.

**Consumer Price Index (CPI)** - A measure of change in consumer prices, as determined by a monthly survey of the U.S. Bureau of Labor Statistics. Components of the CPI include housing costs, food, transportation, electricity, etc.

**Cumulative Rate of Return** - A measure of the total return earned for a particular time period. This calculation measures the absolute percentage change in value of an investment over a specified period, assuming reinvestment of dividends, interest income, and realized capital gains. For example, if a \$100 investment grew to \$120 in a two-year period, the cumulative rate of return would be 20%.

**Derivative** - Derivatives are generally defined as contracts whose value depends on, or derives from, the value of an underlying asset, reference rate, or index. For example, an option is a derivative instrument because its value derives from an underlying stock, stock index, or future.

**Discount Rate** - The interest rate that the Federal Reserve charges banks for loans, using government securities or eligible paper as collateral.

**Expense Ratio** - The amount, expressed as a percentage of total investment, which shareholders pay for mutual fund operating expenses and management fees.

**Federal Funds Rate** - The interest rate charged by banks with excess reserves at a Federal Reserve district bank to banks needing overnight loans to meet reserve requirements. The federal funds rate is one of the most sensitive indicators of the direction of interest rates since it is set daily by the market.

**Federal Reserve Board** - The governing body of the Federal Reserve System (12 regional Federal banks monitoring the commercial and savings banks in their regions). The board establishes FRS policies on such key matters as reserve requirements and other regulations, sets the discount rate, and tightens or loosens the availability of credit in the economy.

**Gross Domestic Product** - Total final value of goods and services produced in the United States over a particular period or time, usually one year. The GDP growth rate is the primary indicator of the health of the economy.

**Index** - A benchmark used in executing investment strategy which is viewed as an independent representation of market performance. An index implicitly assumes cost-free transactions; some assume reinvestment of income. Example: S&P 500 index.

**Inflation** - A measure of the rise in price of goods and services, as happens when spending increases relative to the supply of goods on the market, i.e. too much money chasing too few goods.

**Investment Income** - The equity dividends, bond interest, and/or cash interest paid on an investment. **Liability** — The claim on the assets of a company or individual — excluding ownership equity. The obligation to make a payment to another.

**Market Value** - The price at which buyers and sellers trade similar items in an open marketplace. Stocks are considered liquid and are therefore valued at a market price. Real estate is illiquid and valued on an appraised basis.

**Master Custodian** - An entity, usually a bank, used as a place for safekeeping of securities and other assets. The bank is also responsible for many other functions which include accounting, performance measurement, and securities lending.

**Maturity Date** - The date on which the principal amount of a bond or other debt instrument becomes payable or due.

**MFR Index (Formerly IBC)** - An index which represents an average of the returns of institutional money market mutual funds that invest primarily in first-tier (securities rated A-1, P-1) taxable securities.

**Money Market Fund** - An open-ended mutual fund that invests in commercial paper, bankers' acceptances, repurchase agreements, government securities, certificates of deposit, and other highly liquid and safe securities and pays money market rates of interest. The fund's net asset value remains a constant \$1 per share — only the interest rate goes up or down.

**Moody's (Moody's Investors Service)** - A financial services company which is one of the best-known bond rating agencies in the country. Moody's investment grade ratings are assigned to certain municipal short-term debt securities, classified as MIG-1, 2, 3, and 4 to signify best, high, favorable, and adequate quality, respectively. All four are investment grade or bank quality.

**Net Asset Value (NAV)** - The total assets minus liabilities, including any valuation gains or losses on investments or currencies, and any accrued income or expense. NAV is similar to Shareholders' Equity.

**Par Value** - The stated or face value of a stock or bond. It has little significance for common stocks, however, for bonds it specifies the payment amount at maturity.

**Principal** - Face value of an obligation, such as a bond or a loan, which must be repaid at maturity.

**Prudent Expert Rule** - The standard adopted by some entities to guide those fiduciaries with responsibility for investing money of others. Such fiduciaries must act as a prudent expert would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investment. This is a higher standard than the "prudent person" rule.

**Realized Gain (Loss)** - A gain (loss) that has occurred financially. The difference between the principal amount received and the cost basis of an asset realized at sale.

**Relative Volatility** - A ratio of the standard deviation of the Fund to the standard deviation of its selected benchmark. A relative volatility greater than 1.0 suggests comparatively more volatility in Fund returns than those of the benchmark.

**Repurchase Agreements ("Repos")** - An agreement to purchase securities from an entity for a specified amount of cash and to resell the securities to the entity at an agreed upon price and time. Repos are widely used as a money market instrument.

**Reverse Repurchase Agreements ("Reverse Repos")** - An agreement to sell securities to an entity for a Specified amount of cash and to repurchase the securities from the entity at an agreed upon price and time.

## **S&P Ratings –**

**AAA** - Debt having the highest rating assigned by Standard & Poor's. It has the highest capacity to pay interest and its ability to repay principal is extremely strong.

**AA** - Debt having a very strong capacity to pay interest and repay principal. AA rated debt differs from the higher rated issues by only a small degree.

**A** - Debt which has a strong capacity to pay interest and repay principal although it is somewhat more susceptible to the adverse effects of change in circumstances and economic conditions than debt in higher rated categories.

**BBB** - Debt regarded as having an adequate capacity to pay interest and repay principal. BBB is the lowest rating assignable to investment grade securities. Although debt rated BBB normally exhibits adequate protection parameters, adverse economic conditions or changing circumstances are more likely to lead to weakened capacity to pay interest and repay principal for debt in this category than in higher rated categories.

**BB, B, CCC, and CC** - These ratings are regarded, on balance, as predominantly speculative with respect to capacity to pay interest and repay principal in accordance to the terms of the obligation.

**C** - These ratings are reserved for income bonds on which no interest is being paid.

**D** - These ratings are for debt which is in default. No interest or repayment of principal is being paid.

**Soft Dollars** - The value of research or other services that brokerage houses and other service entities provide to a client "free of charge" in exchange for the client's business.

**Standard Deviation** - A statistical measure showing the deviation of an individual value in a probability distributed from the mean (average) of the distribution. The greater the degree of dispersion from the mean rate of return, the higher the standard deviation; therefore, the higher the risk

**Treasury Bill (T-Bill)** - Short-term, highly liquid government securities issued at a discount from the face value and returning the face amount at maturity.

**Treasury Bond or Note** - Debt obligations of the Federal government that make semiannual coupon payments and are sold at or near par value in denominations of \$1,000 or more.

**Turnover** - The minimum of security purchases or sales divided by the fiscal year's beginning and ending market values for a given portfolio.

**Unrealized Gain (Loss)** - A profit (loss) that has not been realized through the sale of a security. The gain (loss) is realized when a security or futures contract is actually sold or settled.

**Variable Rate Note** - Floating rate notes with a coupon rate adjusted at set intervals, such as daily, weekly, or monthly, based on different interest rate indices, such as LIBOR, Fed Funds, and Treasury Bills.

**Volatility** - A statistical measure of the tendency of a market price or yield to vary over time. Volatility is said to be high if the price, yield, or return typically changes dramatically in a short period of time.

**Yield** - The return on an investor's capital investment.

# Statistical Section

This section of the Short-Term Investment Fund's (STIF's) Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial schedules and other supplementary information say about the overall financial health of STIF.

## Financial Trends

These schedules contain the ten-year trend information on the financial performance of STIF.

### Schedule (Pages)

- Schedule of rates of return(42-43)

## Revenue Capacity

Revenue capacity is not applicable to STIF.

## Borrowing Capacity

Section H 2. of the Short-Term Investment Fund's Investment Policy allow the fund to utilize reverse repurchase agreements to meet temporary liquidity requirements of the fund. The following statistics outline STIF's borrowing capacity as of June 30, 2022.

### Description

- Outstanding borrowing - \$0
- Maximum borrowing amount - Five percent of total assets
- Collateral requirement - Must be collateralized at a minimum of 100 percent

## Demographic and Economic Information

These schedules show the breakdown between state and municipal funds, growth of the fund and rate information.

### Schedule (Page)

- Participant units under management(44)
- Monthly and annual comparative yields (45)

## Operating Information

The summary of operations schedule outlines the expenses, additions and deductions associated with the management of STIF.

### Schedule (Page)

- Changes in Net Assets (46)
- Distributions to participants (47)

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Reports for the relevant year.

**CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND  
SCHEDULE OF ANNUAL RATES OF RETURN**

	SCHEDULE OF ANNUAL RATES OF RETURN										
Year Ended June 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	
STIF Total Rate of Return (%)	0.29	0.10	1.53	2.30	1.39	0.61	0.29	0.15	0.14	0.16	
First Tier Institutional-only Rated Money Fund Report Averages <sup>TM</sup> (MFR) Index (%) (1)	0.17	0.04	1.36	2.15	1.27	0.49	0.15	0.03	0.02	0.05	
Total Assets in STIF, End of Period (\$ - Millions)	\$ 17,504	8,937	9,522	8,096	6,797	6,470	4,903	5,037	4,211	4,427	
Percent of State Assets in Fund (3)	87%	83%	82%	82%	81%	82%	82%	84%	83%	83%	
Number of Participant Accounts in Composite, End of Year (2)											
State Treasury	60	58	54	55	55	54	52	53	58	67	
Municipal and Local Entities	554	530	545	537	523	546	541	551	475	685	
State Agencies and Authorities	374	347	361	361	342	329	330	335	341	428	
Total	988	935	960	953	920	929	923	939	874	1180	

(1) Represents iMoneyNet Money Fund Report Average <sup>^</sup>TM - Rated First Tier Institutional Average (MFR) Index.

(2) As of January 2014 and going forward, inactive accounts were closed and only active accounts containing balances were included in the total number of participant accounts.

(3) Represents the state and agencies and authorities of the state.

**See Notes to Schedules of Rates of Return.**

**CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND  
SCHEDULE OF QUARTERLY RATES OF RETURN**

<b>FISCAL YEAR</b>	<b>Rate of Return(%)</b>	<b>Institutional-only Rated Money Fund Report Averages TM (MFR) Index(%) (1)</b>
<b>2022</b>		
Sep-21	0.02	0.01
Dec-21	0.02	0.01
Mar-22	0.04	0.01
Jun-22	0.21	0.14
<b>YEAR</b>	<b>0.29</b>	<b>0.17</b>
<b>2021</b>		
Sep-20	0.03	0.03
Dec-20	0.02	0.01
Mar-21	0.03	0.01
Jun-21	0.02	0.01
<b>YEAR</b>	<b>0.10</b>	<b>0.04</b>
<b>2020</b>		
Sep-19	0.56	0.51
Dec-19	0.46	0.45
Mar-20	0.37	0.34
Jun-20	0.13	0.09
<b>YEAR</b>	<b>1.53</b>	<b>1.36</b>
<b>2019</b>		
Sep-18	0.50	0.47
Dec-18	0.57	0.53
Mar-19	0.60	0.58
Jun-19	0.61	0.56
<b>YEAR</b>	<b>2.30</b>	<b>2.15</b>
<b>2018</b>		
Sep-17	0.27	0.25
Dec-17	0.31	0.26
Mar-18	0.36	0.33
Jun-18	0.45	0.43
<b>YEAR</b>	<b>1.39</b>	<b>1.27</b>

<b>FISCAL YEAR</b>	<b>Rate of Return(%)</b>	<b>Institutional-only Rated Money Fund Report Averages TM (MFR) Index(%) (1)</b>
<b>2017</b>		
Sep-16	0.11	0.06
Dec-16	0.12	0.08
Mar-17	0.16	0.15
Jun-17	0.22	0.20
<b>YEAR</b>	<b>0.61</b>	<b>0.49</b>
<b>2016</b>		
Sep-15	0.04	0.01
Dec-15	0.05	0.02
Mar-16	0.10	0.06
Jun-16	0.09	0.06
<b>YEAR</b>	<b>0.29</b>	<b>0.15</b>
<b>2015</b>		
Sep-14	0.04	0.005
Dec-14	0.04	0.005
Mar-15	0.04	0.01
Jun-15	0.03	0.01
<b>YEAR</b>	<b>0.15</b>	<b>0.03</b>
<b>2014</b>		
Sep-13	0.03	0.01
Dec-13	0.03	0.01
Mar-14	0.04	0.01
Jun-14	0.04	0.01
<b>YEAR</b>	<b>0.14</b>	<b>0.02</b>
<b>2013</b>		
Sep-12	0.05	0.02
Dec-12	0.05	0.02
Mar-13	0.03	0.01
Jun-13	0.03	0.01
<b>YEAR</b>	<b>0.16</b>	<b>0.05</b>

**CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND  
PARTICIPANT UNITS UNDER MANAGEMENT**

<b>Date</b>	<b>Municipal</b>	<b>State*</b>	<b>Total</b>	<b>Variance</b>
Jun-22	\$2,269,037,932	\$15,119,350,502	\$17,388,388,434	96.40%
Jun-21	\$1,526,905,656	\$7,326,483,029	\$8,853,388,685	-6.26%
Jun-20	\$1,734,597,762	\$7,710,164,513	\$9,444,762,275	17.66%
Jun-19	\$1,470,452,052	\$6,556,973,706	\$8,027,425,759	19.18%
Jun-18	\$1,274,632,982	\$5,460,676,702	\$6,735,309,684	5.01%
Jun-17	\$1,159,115,714	\$5,254,855,313	\$6,413,971,027	32.20%
Jun-16	\$852,039,834	\$3,999,580,779	\$4,851,620,613	-2.72%
Jun-15	\$822,894,941	\$4,164,165,750	\$4,987,060,691	19.86%
Jun-14	\$716,188,027	\$3,444,696,758	\$4,160,884,785	-6.02%
Jun-13	\$746,279,063	\$3,681,000,173	\$4,427,279,236	-8.64%
Jun-12	\$818,542,160	\$4,027,669,000	\$4,846,211,160	8.95%
Jun-11	\$692,390,571	\$3,755,769,181	\$4,448,159,752	-2.09%
Jun-10	\$731,333,009	\$3,811,810,110	\$4,543,143,119	0.63%
Jun-09	\$836,895,704	\$3,677,900,952	\$4,514,796,656	-10.16%
Jun-08	\$853,181,810	\$4,172,196,059	\$5,025,377,869	1.46%
Jun-07	\$1,007,813,533	\$3,945,011,848	\$4,952,825,381	-7.99%

\*State includes State Treasury, agencies and authorities.



## CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND SCHEDULE OF MONTHLY AND ANNUAL YIELDS

**2022**

### Monthly Annualized Yields

	<b>STIF</b>	<b>iMoney Net</b>	<b>90 Day T-bill</b>
June-22	1.20	0.96	1.48
May-22	0.83	0.57	0.98
April-22	0.44	0.21	0.80
March-22	0.26	0.11	0.45
February-22	0.12	0.03	0.34
January-22	0.10	0.02	0.14
December-21	0.10	0.02	0.06
November-21	0.09	0.02	0.05
October-21	0.09	0.02	0.06
September-21	0.09	0.02	0.03
August-21	0.10	0.02	0.06
July-21	0.11	0.02	0.05
June-21	0.03	0.02	0.04

### Annual Comparative Yields

	<b>STIF</b>	<b>iMoney Net</b>	<b>90 Day T-bill</b>
2022	0.29	0.17	0.37
2021	0.10	0.04	0.07
2020	1.53	1.36	1.17
2019	2.30	2.15	2.27
2018	1.39	1.27	1.46
2017	0.61	0.49	0.57
2016	0.29	0.15	0.19
2015	0.15	0.03	0.02
2014	0.14	0.02	0.04
2013	0.16	0.05	0.05
2012	0.16	0.05	0.05

CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND  
 CHANGES IN NET POSITION  
 LAST TEN FISCAL YEARS (dollars in millions)

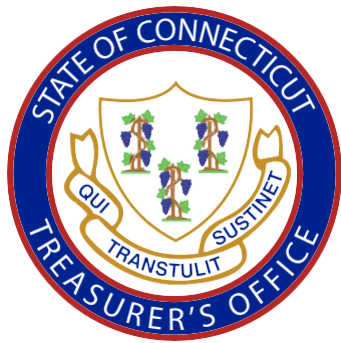
	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Additions</b>										
Net investment income	\$46.5	\$16.3	\$141.1	\$178.3	\$97.0	\$42.4	\$17.1	\$8.7	\$8.9	\$11.1
Net Realized gain	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.1)	0.1	0.0
Net decrease in fair value of investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchase of units by participants	25,469.6	15,148.9	20,954.2	20,313.1	17,231.4	15,482.1	11,391.9	13,390.6	11,719.0	11,187.4
Total additions to net position	<u>25,516.1</u>	<u>15,165.3</u>	<u>21,095.3</u>	<u>20,491.5</u>	<u>17,328.4</u>	<u>15,524.5</u>	<u>11,409.0</u>	<u>13,399.2</u>	<u>11,728.0</u>	<u>11,198.5</u>
<b>Deductions</b>										
Operating expenses	(1.4)	(1.5)	(1.6)	(2.0)	(1.9)	(1.9)	(1.9)	(2.0)	(2.0)	(1.5)
Income distributed to investors *	(45.1)	(8.9)	(130.9)	(169.3)	(89.9)	(35.7)	(14.3)	(6.5)	(6.3)	(7.3)
Redemption of units by participants	(16,934.6)	(15,740.3)	(19,536.9)	(19,021.0)	(16,910.1)	(13,919.8)	(11,527.3)	(12,564.4)	(11,985.1)	(11,606.6)
Total deductions from net position	<u>(16,981.1)</u>	<u>(15,750.7)</u>	<u>(19,669.4)</u>	<u>(19,192.3)</u>	<u>(17,001.9)</u>	<u>(13,957.4)</u>	<u>(11,543.5)</u>	<u>(12,573.0)</u>	<u>(11,993.4)</u>	<u>(11,615.4)</u>
Change in net position	<u>\$8,535.0</u>	<u>(\$585.5)</u>	<u>\$1,425.9</u>	<u>\$1,299.1</u>	<u>\$326.6</u>	<u>\$1,567.1</u>	<u>(\$134.5)</u>	<u>\$826.2</u>	<u>(\$265.4)</u>	<u>(\$416.9)</u>
Net Position - Beginning of Period	<u>\$8,936.6</u>	<u>\$9,521.7</u>	<u>\$8,095.8</u>	<u>\$6,796.7</u>	<u>\$6,470.1</u>	<u>\$4,903.0</u>	<u>\$5,037.5</u>	<u>\$4,211.3</u>	<u>\$4,476.7</u>	<u>\$4,893.6</u>
Net Position - End of Period	<u>\$17,471.6</u>	<u>\$8,936.6</u>	<u>\$9,521.7</u>	<u>\$8,095.8</u>	<u>\$6,796.7</u>	<u>\$6,470.1</u>	<u>\$4,903.0</u>	<u>\$5,037.5</u>	<u>\$4,211.3</u>	<u>\$4,476.7</u>
Designates Surplus Reserve Transfer	\$ -	\$ 5.9	\$ 8.6	\$ 7.0	\$ 5.2	\$ 4.7	\$ 0.9	\$ 0.2	\$ 0.6	\$ 2.3
Designates Surplus Reserve Transfer Balance	\$ 82.8	\$ 82.8	\$ 76.9	\$ 68.3	\$ 61.3	\$ 56.1	\$ 51.4	\$ 50.5	\$ 50.3	\$ 49.7

\* Net of designated reserve transfer contributions and expenses  
 Note: Details may not add up to totals due to rounding.

**CONNECTICUT STATE TREASURER'S SHORT-TERM INVESTMENT FUND**  
**DISTRIBUTION TO PARTICIPANTS (Note 6)**  
**(Earnings Summary or Trail's Income Payable)**  
**June 30, 2022**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Distributions:</b>										
July	826,677	1,683,853	16,926,801	10,982,199	5,374,620	1,888,124	673,376	550,845	589,887	715,740
August	908,604	1,027,684	17,968,727	12,104,100	5,998,212	1,822,366	664,417	551,303	407,061	698,925
September	861,508	716,193	15,919,057	11,599,059	5,605,317	1,948,752	766,461	519,748	271,572	884,348
October	875,385	552,809	14,161,568	12,616,522	5,668,566	2,016,150	624,944	536,039	552,704	732,683
November	904,315	482,851	11,294,077	12,274,971	5,474,579	2,176,315	815,409	529,685	489,583	825,425
December	976,682	523,890	10,908,861	12,680,419	5,834,846	2,522,404	1,129,298	548,778	572,477	684,328
January	1,155,029	1,005,599	11,863,524	14,272,953	7,124,016	3,120,576	1,560,619	536,230	607,051	608,181
February	1,376,207	825,998	12,021,912	14,538,418	7,840,017	3,125,857	1,585,420	503,800	558,172	454,326
March	3,327,102	859,976	8,712,351	15,864,106	9,233,470	3,852,470	1,707,678	577,432	591,688	336,432
April	5,679,215	781,500	5,229,300	16,883,025	10,052,118	4,137,077	1,539,998	538,179	550,054	333,745
May	11,745,782	286,502	3,422,261	18,957,547	11,021,818	4,514,219	1,475,869	570,928	577,896	349,361
June (Payable at June 30, 2018)	16,491,546	202,620	2,496,248	16,572,865	10,702,148	4,587,265	1,759,674	572,149	530,908	706,145
<b>Total Distribution Paid &amp; Payable</b>	<b>45,128,051</b>	<b>8,949,473</b>	<b>130,924,688</b>	<b>169,346,185</b>	<b>89,929,727</b>	<b>35,711,575</b>	<b>14,303,163</b>	<b>6,535,117</b>	<b>6,299,050</b>	<b>7,329,640</b>







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