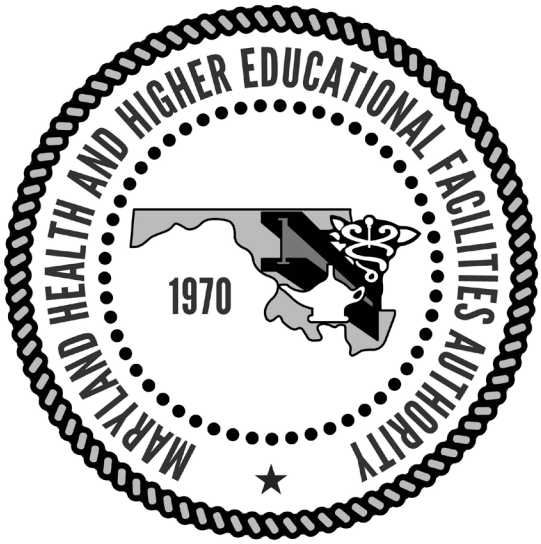
Maryland Health and Higher Educational Facilities Authority



2026 ANNUAL REPORT



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The mission of the Maryland Health and Higher Educational Facilities Authority ("Authority") is to assist non-profit educational institutions and hospitals and related healthcare organizations in financing the construction and acquisition of capital projects. In the pursuit of this goal, the Authority strives to keep abreast of opportunities to reduce the cost of capital in order to meet the changing needs of our borrowing institutions and assure their strength as vital assets of the state. The Authority utilizes its professional resources and broad capital markets expertise to facilitate tax-exempt financings, to provide input on bond compliance and tax matters and to be a value-added resource to the institutions and organizations that the Authority serves.

The Authority is empowered to perform a variety of functions on behalf of its constituents, including the following:

- *Issuing fixed and variable rate bonds and notes, including commercial paper.*
- *Financing and refinancing construction, renovation and equipping of facilities for nonprofit hospitals, colleges, universities, non-collegiate schools, life plan communities, nursing homes, assisted living facilities and other long-term care facilities.*
- *Entering into leases and subleases of projects and contracts for the operation and management of projects for these institutions.*
- *Making loans to participating institutions to finance projects, including hospital facilities, ambulatory care centers and other outpatient facilities, parking garages, research facilities, academic buildings, dormitories, dining halls, libraries and athletic facilities.*
- *Establishing and administering pooled loan programs to reduce financing costs and provide enhanced access to the capital markets.*

As an instrumentality of the State of Maryland providing financing for key institutional projects, the Authority is proud of its role in improving the health and wellbeing of the residents of our State.

AUTHORITY MEMBERS

ARNOLD WILLIAMS, *Chairman*

Term expires July 1, 2029; resident of Baltimore County; Managing Director - Abrams, Foster, Nole & Williams, P.A.; Immediate Past Chairman of the Board - Baltimore Development Corporation; Chairman - Neighborhood Impact Investment Fund; Vice Chair - Baltimore City Board of Finance; Qlarant, Inc.; and The Greater Baltimore Committee; Member - Maryland Association of Certified Public Accountants; American Institute of Certified Public Accountants; and National Association of Black Accountants; former Board Chairman - Bon Secours Health Systems, Inc. and Liberty Medical Center; former Member - Baltimore City Chamber of Commerce; Past Chair and former Member - Maryland State Board of Public Accountancy; and Emeritus Member - The Presidents' Roundtable.

DERECK E. DAVIS, *ex officio*

Resident of Prince George's County; Treasurer of the State of Maryland; Chair - Maryland Capital Debt Affordability Committee, Commission on State Debt, and Board of Trustees of the Maryland State Retirement and Pension System; Member - Board of Trustees of the Maryland Teachers and State Employees Supplemental Retirement Plans; Maryland Environmental Service Board of Directors; and Board of Revenue Estimates.

GRANVILLE TEMPLETON, III, ESQ., *Vice Chairman*

Term expires July 1, 2031; resident of Baltimore City; Managing Law Partner - Templeton Firm; Commissioner - Baltimore City Board of Liquor License Commissioners; Vice Chairman of the Board - Beloved Community Services Corporation; former Chairman of the Board - Boys and Girls Clubs Advisory Board of Directors - Baltimore Area Salvation Army; former Chairman of the Board-Project Pneuma Board of Directors; former Chairman of the Board- Monumental City Bar Association; former Member - Monumental City Bar Foundation; former Member - National Academy Foundation; former first Vice Chairman of the Board - Associated Black Charities; former Member - Business Law Section Council Member, Maryland State Bar Association; former Vice Chairman of the Board- International Law Committee, Maryland State Bar Association.

BISMA BEG, M.B.B.S, M.D., MPH, PMP, *Member*

Term expires July 1, 2028; resident of Howard County; M.D.; MPH - Bloomberg School of Public Health-The Johns Hopkins University; Member - Board of Health Howard County, Maryland; Associate Medical Director/Administrator - Surgery & Trauma Center; Program Lead (Curriculum & Program Developer & Implementor) Women's Health Education Program for Maryland Department of Public Safety & Corrections; Adjunct Faculty Professor Nursing and Applied Health - Baltimore City Community College, MD; Chair Membership Committee - APPNA Maryland - Association of Pakistan Physicians of North American Descent; former OB-GYN - IVF & ICSI; Chief Medical Officer – Tertiary Care Center and teaching hospital (Pakistan).

CALE L. CHRISTENSEN, *Member*

Term expires July 1, 2030; resident of Baltimore County; Senior Vice President and Member of the Board of Directors - The Whiting-Turner Contracting Company; a trustee on The Consortium of Franciscan Centers for Special Education and YMCA Central Maryland Board Member (Spring 2026). He has previously served as Chair of the Board of Woodbourne Center; Chair of the Board of Trustees at St. Elizabeth School, a member on the Baltimore County Economic Development Advisory Board, a graduate of GBC Leadership Class of 2023 and a member of various subcommittees with local organizational committees.

JAMES M. DUGAN, CFA, *Member*

Term expires July 1, 2029; resident of Talbot County; Retired Partner and Portfolio Manager at Brown Advisory; Board and Finance Committee Member - Critchlow-Adkins Children's Center; Finance Committee - Carmelite Sisters of Baltimore; Member - CFA Society Baltimore and CFA Institute; Former Member - Investment Committee, Catholic Community Foundation, Archdiocese of Baltimore; Former Board Member - Sisters Academy of Baltimore; Mount Saint Agnes Theological Center for Women.

FREDERICK W. MEIER, JR., *Member*

Term expires July 1, 2025*; resident of Baltimore County; Former Advisor and President - Lord Baltimore Capital Partners; former Executive Vice President - First Maryland Bancorp; Director - Rodney Trust Company; Attransco; and AMA Capital Partners; Member - Board of Finance of the City of Baltimore; former Vice President and Trustee - The Baltimore Museum of Art; Honorary Trustee and former President of Board of Trustees - The Boys' Latin School of Maryland; former Director and Board Member - Provident Bankshares; former Member of Board of Governors - The Center Club; and former Director - Forestal San Jose (Chile); Jugos delSur (Argentina); Norden A/S (Denmark); and Empresas Navieras, S.A. (Chile).

ARTHUR S. VARNADO, *Member*

Term expires July 1, 2028; resident of Howard County; former Vice President of T. Rowe Price Group; Board Member - Stanford University Athletics; National Multiple Sclerosis Society (DC/MD Chapter); Kappa Alpha Psi Foundation of Metropolitan Baltimore; former Board Member - St. Ignatius Loyola Academy; Notre Dame Preparatory High School; and Junior Achievement of Central Maryland; Student sponsor - St. Ignatius Loyola Academy and Sisters of Academy of Baltimore; GBC Leadership Class of 2004.

LYN M. WHITE, *Member*

Term expires July 1, 2027; resident of Baltimore City; Vice President, Senior Credit Analyst - PNC Capital Advisors; Member - CFA Society Baltimore and CFA Institute; Former Partner - Brown Advisory; Former Senior Investment Analyst - Fidelity & Guaranty Life; Former Portfolio Manager - Standard Insurance; Former Assistant Vice President, Fixed Income Specialist - Christiana Bank & Trust Company; Former Board Member - Maryland Science Center.

**By the terms of the Authority's enabling act, members continue to serve until their successors are appointed.*

AUTHORITY STAFF

BARLOW T. SAVIDGE
Executive Director

LYNN GORMAN-LEPSON
Chief Financial Officer

STEPHANIE BURRELL
Office Manager

LENA PRINCE
Senior Account Manager

STEPHANIE KERCHER
Project and Account Manager

MARY JANE LUPUS
Account Manager

AUTHORITY CONSULTANTS

McKENNON SHELTON & HENN LLP
Bond Counsel

PFM FINANCIAL ADVISORS LLC
Financial Advisor

FIRST TRYON ADVISORS, LLC
Financial Advisor

COHNREZNICK LLP
Independent Auditors

PFM ASSET MANAGEMENT
Investment Advisor

MANAGEMENT CONSULTING SERVICES
Management Consultant

ANNETTE ANSELMI
Community Outreach Consultant

Independent Auditor's Report

To the Authority Members
Maryland Health and Higher Educational Facilities Authority

Opinion

We have audited the financial statements of the business-type activities of Maryland Health and Higher Educational Facilities Authority (the "Authority"), as of and for the years ended June 30, 2026 and 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the business-type activities of the Authority as of June 30, 2026 and 2025, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting 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 Authority'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.

Auditor's 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 auditor's report that includes our opinion. 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 GAAS 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 GAAS, 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 Authority'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 Authority'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 and Schedules of Required Pension Related Supplementary Information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic 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 basic financial statements, and other knowledge we obtained during our audit of the basic 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and additional information but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does 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 basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic 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.

CohnReznick LLP

Sacramento, California
September 15, 2026

Introduction

This discussion and analysis of the financial performance of the Maryland Health and Higher Educational Facilities Authority (the "Authority") is supplementary information required by the Governmental Accounting Standards Board. It introduces the basic financial statements and provides a brief overview of the Authority's financial activities. It should be read in conjunction with the financial statements that follow this discussion.

The Authority is an instrumentality of the State of Maryland which assists non-profit educational institutions and hospitals and related healthcare organizations in financing the acquisition and construction of capital projects.

The Authority does not receive any appropriations from the State of Maryland and is funded entirely from fees charged to participating borrowers and interest earnings on investments. Neither the State of Maryland, nor any subdivision thereof, nor the Authority shall be obligated to pay principal or interest on bonds or notes issued by the Authority except from payments from participating institutions and revenues of the related projects.

Overview of the Financial Statements

The three basic statements presented within the financial statements are as follows:

- Statement of Net Position - This statement presents information reflecting the Authority's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position. Net position is equal to total assets and deferred outflows of resources less total liabilities and deferred inflows of resources.

- Statement of Revenues, Expenses and Changes in Net Position - This statement reflects the operating revenues and expenses, as well as non-operating revenues and expenses for the fiscal year. Operating revenue is generated from annual administrative fees charged to borrowers. Operating expenses include staff salaries, professional fees and other expenses. The change in net position is similar to net profit or loss for a business enterprise.

- Statement of Cash Flows - The statement of cash flows is presented using the direct method of reporting which reflects cash flows from operating, capital and related financing and investing activities. Cash collections and payments are reflected in this statement to arrive at the net increase or decrease in cash for the fiscal year.

Summary of Activities

- During fiscal years 2026 and 2025, the Authority issued 25 and 16 bond issues totaling approximately $2,184 million and $1,531 million, respectively. The $653 million increase in fiscal year 2026 from the total issued in fiscal year 2025 was primarily due to four large public issues in fiscal year 2026 as well as the increase in the number of bonds issued in 2026 compared to 2025. During fiscal years 2025 and 2024, the Authority issued 16 and 11 bond issues totaling approximately $1,531 million and $156 million, respectively. The $1,375 million increase in fiscal year 2025 from the total issued in fiscal year 2024 was primarily due to four large public issues in fiscal year 2025 as well as the increase in the number of bonds issued in 2025 compared to 2024.

- In fiscal year 2026, operating revenues increased $243,000 due to an increase of approximately $653 million in bonds issued in fiscal year 2026 compared to fiscal year 2025. In fiscal year 2025, operating revenues decreased by $394,000 due to the Authority reducing its annual administrative fee charged to borrowers to 2.5 basis points compared to the 3 basis points charged in fiscal year 2024. The Authority funds its operations using administrative fees and non-operating investment income. Administrative fees may be set at a maximum of one tenth of one percent of the par amount of debt issued.

- In fiscal year 2026 operating expenses increased $145,000 primarily due to a $120,000 increase in salaries and benefits expense, a $45,000 increase in professional fees and a $28,000 increase in contract services, offset by a $59,000 decrease in pension expense. The increase in salaries and benefits was due to a full year of expenses for the Project and Account Manager. Professional fees and contracts services increased due to several projects performed in fiscal year 2026 including several technology upgrades. During fiscal year 2026, there was a $24,000 decrease in the Authority's portion of the net pension liability. Combined with a decrease in the amortization of the various pension related deferred inflows and outflows, this resulted in decrease of pension expense for the year. In fiscal year 2025 operating expenses increased $218,000 compared to fiscal year 2024 primarily due to a $72,000 increase in salaries and benefits expense and a $174,000 increase in pension expense offset by a $37,000 decrease in contracted services. Salaries and benefits expenses increased in fiscal year 2025 primarily due to the hiring of a Project and Account Manager in May 2025. During fiscal year 2025, there was a $146,000 increase in the Authority's portion of the net pension liability which resulted in the increase in pension expense for the year.

- The Authority had approximately $10.2 billion and $9.1 billion of conduit debt outstanding at June 30, 2026 and June 30, 2025, respectively. A schedule of debt outstanding is included in the additional information that accompanies these financial statements. All bonds and notes issued by the Authority are limited obligations payable solely from amounts payable by participating institutions under the respective loan or lease agreements. The Authority has no outstanding debt constituting a general obligation of the Authority or a pledge of its faith and credit.

- The Authority's Community Outreach Program's (Program) purpose is to assist eligible nonprofit health and educational institutions in obtaining financing for facilities in underserved Maryland areas. The Program's assistance is not intended to be a grant but rather could be structured as a loan, guaranty or debt service reserve fund to facilitate financing with at least one other financial partner. In fiscal year 2026 the Authority partnered with Park West Health System (PWHS), a federally qualified health center, that has been providing healthcare, behavioral health and dental services for more than 45 years in the Park Heights community. PWHS is expanding and renovating its existing health center and the Authority participated in the Neighborhood Investment Impact Fund's $1,362,500 term loan in the amount of $500,000 to help fund construction costs. The project is in a medically underserved neighborhood, and the Authority was able to help PWHS advance its mission.

Currently known facts and conditions

- The Authority recognizes that our healthcare and education institutions face economic, governmental and fiscal policy uncertainty. The Authority will continue to leverage its professional resources and broad capital markets expertise to provide low-cost tax-exempt financing options for its borrowers while maintaining strong relationships with the institutions it serves. It is a privilege to assist our institutions to evaluate financing options and to efficiently fund capital improvements which increase operational efficiency, enhance their market position and advance their critical missions.

Financial Highlights

The following summarizes the financial position and results of operations of the Authority for the fiscal years ended June 30, 2026, 2025 and 2024 (in thousands of dollars):

	June 30, 2026	June 30, 2025	June 30, 2024
Assets:			
Current and other assets	$40,018	$38,265	$35,559
Capital assets	662	188	284
Total Assets	40,680	38,453	35,843
Deferred outflows of resources - pension	186	235	302
Liabilities:			
Non-current liabilities	1,522	1,127	1,079
Other liabilities	250	238	219
Total Liabilities	1,772	1,365	1,298
Deferred inflows of resources – pension	60	2	43
Total Net Position	$39,034	$37,321	$34,804
Operating Revenues	$ 2,663	$ 2,420	$ 2,814
Operating Expenses	2,219	2,074	1,856
Operating Income	444	346	958
Non-Operating Revenues (Expenses):			
Interest expense	(11)	(11)	(14)
Net income from investments	1,000	1,202	671
Unrealized gain (loss) on investments	(283)	1,000	914
Realized gain (loss) on sale of investments	563	(20)	-
Total Non-Operating Revenues	1,269	2,171	1,571
Increase in Net Position	1,713	2,517	2,529
Net Position, beginning of year	37,321	34,804	32,275
Net Position, end of year	$39,034	$37,321	$34,804

Summary of Financings

During fiscal years 2026, 2025, and 2024, the Authority issued:

	2026	2025	2024
Public Issues	$1,987,455,000	$1,250,030,000	$ 17,140,000
Private Placements & Limited Offerings	197,026,000	281,025,000	139,010,000
	$2,184,481,000	$1,531,055,000	$156,150,000

The following is a list of bonds issued during fiscal year 2026:

HEALTHCARE FINANCINGS:

$41,260,000 LifeBridge Health Issue (2025A)
$22,964,000 LifeBridge Health Issue (2025B)

A private placement to refund a Taxable Note that was used to advance refund certain maturities of the Authority's Revenue Bonds, LifeBridge Health Issue, Series 2015.

$127,580,000 TidalHealth Issue, Series 2025C

A public offering to finance the construction of a medical office building and certain hospital improvements and refund TidalHealth Atlantic's three series of tax-exempt, bank held bonds.

$359,755,000 The Johns Hopkins Health System Issue, Series 2025A
$50,430,000 The Johns Hopkins Health System Issue, Series 2025B
$109,530,000 The Johns Hopkins Health System Issue, Series 2025C
$50,305,000 The Johns Hopkins Health System Issue, Series 2025D

Public offerings to refinance all of the Authority's Revenue Bonds, The Johns Hopkins Health System Issue, Series 2015A, a taxable bank loan (2017A), a portion of an existing Commercial Paper program and finance the construction of a new patient care facility and certain expansion/renovations for Johns Hopkins All Children's Hospital.

$80,835,000 Kennedy Krieger Institute Issue, Series2025A
$13,960,000 Kennedy Krieger Institute Issue, Series2025B (Taxable)

Public offerings to refinance the Authority's Revenue Bonds, Kennedy Krieger Institute Issue, Series 2017A, 2017B, 2020, 2023, a taxable term loan (2020), outstanding amounts on a construction line of credit and finance various capital projects.

$491,280,000 MedStar Health Issue, Series 2026A
$117,215,000 MedStar Health Issue, Series 2026B-1
$116,275,000 MedStar Health Issue, Series 2026B-2
$187,265,000 MedStar Health Issue, Series 2026C

Public offerings to finance various capital projects, equipment and renovations and refund all or a portion of the Authority's Revenue Bonds, MedStar Health Issue, Series 2013A, 2013B and 2015 bonds.

$183,025,000 Luminis Health System Issue, Series 2026A
$100,000,000 Luminis Health System Issue, Series 2026B

Public offerings to refund the Authority's Revenue Bonds, Luminis Health Sytem Issue, Series 2022A and finance various capital projects.

NON-COLLEGIATE SCHOOL FINANCING:

$6,000,000 Severn School Issue (2025A)
$14,000,000 Severn School Issue (2025B)

A private placement to finance construction costs for certain campus capital improvement projects.

$16,000,000 St. Andrew's Episcopal School Issue (2025)

A private placement to refinance a bank loan and finance various campus improvement projects.

$29,002,000 Chesapeake Lighthouse Foundation Issue (2025)

A private placement to refund a Taxable Note that was used to advance refund tax-exempt bonds issued by Prince George's County.

$5,000,000 Summit School Issue (2026)

A private placement to finance construction costs for a new Middle School facility.

$30,800,000 Bishop McNamara High School Issue (2026A)
$4,000,000 Bishop McNamara High School Issue (2026B)

A private placement to refund all of the Authority's Revenue Bonds, Bishop McNamara High School Issue, Series 2016 and 2019A&B and to finance certain campus improvement projects.

$7,500,000 The Key School Issue (2026A)
$2,500,000 The Key School Issue (2026B)

A private placement to finance construction costs for certain campus capital improvement projects.

$18,000,000 Torah Institute of Baltimore Issue (2026)

A private placement to finance construction costs for a new academic facility.

Total Principal of Bonds Outstanding (in thousands of dollars)

	2026	2025	2024
Public Offerings	$ 7,555,550	$6,283,170	$5,422,860
Private Placements & Limited Offerings	2,663,616	2,799,330	3,000,451
Total	$10,219,166	$9,082,500	$8,423,311

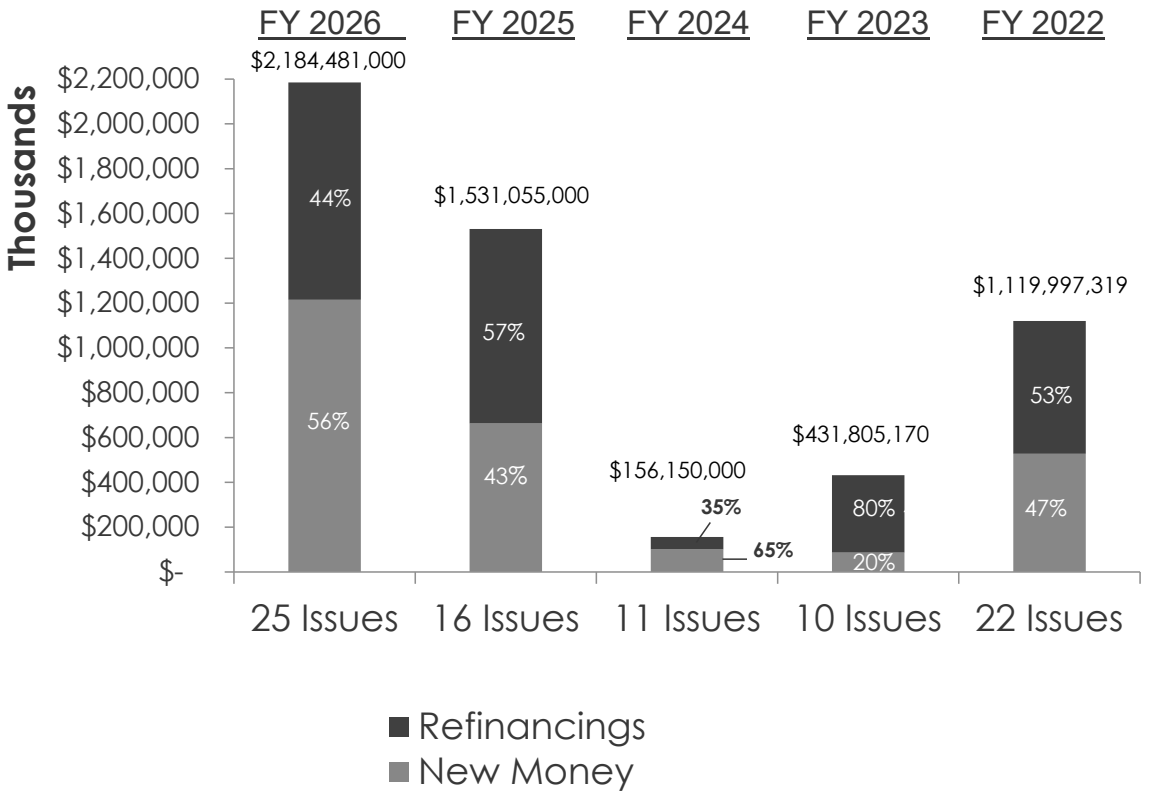
Refer to pages 48-52 for a detailed list of the bonds outstanding for each borrower or obligated group.

Subsequent Bond Activity

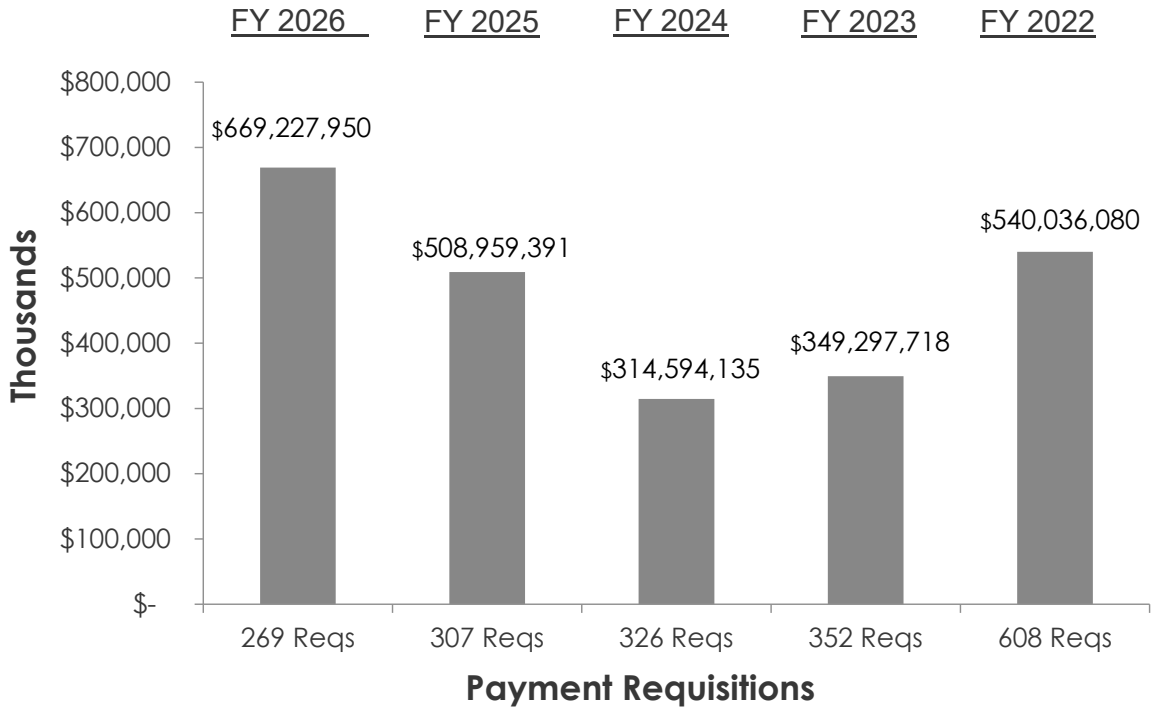
The following bonds had been authorized but not issued as of June 30, 2026:

- Chesapeake Lighthouse Foundation (2026)
- Luminis Health, Series 2027A

5 Year Bond Issuance Comparison



5 Year Construction Fund Requisitions Comparison



Maryland Health and Higher Educational Facilities Authority
Statements of Net Position
As of June 30, 2026 and June 30, 2025
(in thousands of dollars)

	2026	2025
ASSETS		
Current assets:		
Cash and cash equivalents	$ 161	$ 155
Investments at fair value	5,562	8,072
Interest receivable	309	246
Prepaid insurance and all other prepayments	37	44
Total current assets	6,069	8,517
Non-current assets:		
Investments at fair value	33,949	29,748
Capital assets (net of accumulated depreciation & amortization of $276 and $698, respectively)	662	188
Total non-current assets	34,611	29,936
Deferred outflows of resources - pension related	186	235
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 40,866	$ 38,688
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	$ 36	$ 26
Accrued salaries and benefits	51	45
Lease liability	79	101
Accrued vacation	84	66
Total current liabilities	250	238
Non-current liabilities:		
Lease liability	529	107
Accrued vacation	66	69
Net pension liability	927	951
Total non-current liabilities	1,522	1,127
Deferred inflows of resources - pension related	60	2
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	1,832	1,367
NET POSITION		
Net investment in capital assets	54	(20)
Unrestricted:		
Designated for operations	4,438	4,149
Designated for community outreach program	6,908	6,638
Designated for contingencies	27,634	26,554
TOTAL NET POSITION	39,034	37,321
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 40,866	$ 38,688

The accompanying notes are an integral part of these financial statements

Maryland Health and Higher Educational Facilities Authority
Statements of Revenues, Expenses and Changes in Net Position
For the years ended June 30, 2026 and June 30, 2025
(in thousands of dollars)

	2026	2025
OPERATING REVENUES		
Administrative fees	$ 2,663	$ 2,420
TOTAL OPERATING REVENUES	2,663	2,420
OPERATING EXPENSES		
Salaries	1,095	988
Employees' insurance and other fringe benefits	95	82
Pension expenses	220	279
Payroll taxes	69	62
Professional fees	357	312
Contract services	190	162
Insurance	37	35
Depreciation and amortization	84	99
Other	72	55
TOTAL OPERATING EXPENSES	2,219	2,074
OPERATING INCOME	444	346
NON-OPERATING REVENUES (EXPENSES)		
Interest expense	(11)	(11)
Net income from investments	1,000	1,202
Unrealized gain (loss) on investments	(283)	1,000
Realized gain (loss) on sale of investments	563	(20)
TOTAL NON-OPERATING REVENUES	1,269	2,171
INCREASE IN NET POSITION	1,713	2,517
Net position, beginning of year	37,321	34,804
Net position, end of year	$ 39,034	$ 37,321

The accompanying notes are an integral part of these financial statements

Maryland Health and Higher Educational Facilities Authority
Statements of Cash Flows
For the years ended June 30, 2026 and June 30, 2025
(in thousands of dollars)

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from administrative and other fees	$ 2,663	$ 2,420
Cash payments to employees and employee benefits	(1,373)	(1,224)
Cash payments to suppliers for goods and services	(639)	(542)
Net cash provided by operating activities	651	654
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(61)	(3)
Cash payments on lease liability	(108)	(106)
Net cash used in capital and related financing activities	(169)	(109)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	1,575	437
Purchases of investments	(48,209)	(30,306)
Sales and maturities of investments	46,158	29,317
Net cash used in investing activities	(476)	(552)
Net decrease in cash and cash equivalents	6	(7)
Cash and cash equivalents, beginning of year	155	162
Cash and cash equivalents, end of year	$ 161	$ 155
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	$ 444	$ 346
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Pension related - proportionate share of state expense	220	279
Pension related - actual cash contribution paid	(137)	(106)
Depreciation	20	13
Amortization	64	86
Prepaid insurance and other prepayments	8	19
Accounts payable and accrued expenses	32	17
Net cash provided by operating activities	$ 651	$ 654
SIGNIFICANT NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Increase in capital assets and in lease liability	$ 497	$ -

The accompanying notes are an integral part of these financial statements

NOTE 1: ORGANIZATION AND ACCOUNTING POLICIES

Organization

The Maryland Health and Higher Educational Facilities Authority (the "Authority") was established to assist non-profit educational institutions, hospitals and related healthcare institutions in the financing and refinancing of projects authorized by the Authority's enabling legislation. Income of the Authority is derived from fees from institutions and projects that have financing provided by the Authority. Neither the State of Maryland, nor any subdivision thereof, nor the Authority shall be obligated to pay principal or interest on bonds or notes issued by the Authority except from payments from participating institutions and revenues of the related projects. Neither the faith and credit nor the taxing power of the State of Maryland, of any political subdivision thereof or of the Authority is pledged to the payment of the principal or interest on bonds or notes outstanding. The Authority is exempt from federal and state income taxes. The Authority has no taxing power.

Accounting Policies

Reporting Entity – The Authority's reporting entity has been defined in accordance with Governmental Accounting Standards Board ("GASB") standards. The financial statements include all operations for which the Authority is financially accountable.

Basis of Presentation, Revenue and Expense Recognition – The Authority follows GASB guidance for proprietary fund accounting and financial reporting. As such, the accompanying financial statements are prepared on the accrual basis of accounting where revenues are recognized when earned and expenses are recorded when incurred. The Authority reports its financial activities by applying Standards of Governmental Accounting and Financial Reporting as promulgated by the GASB. Proprietary funds distinguish operating revenues and expenses from non-operating items. During 2025, the Authority adopted GASB Statement No. 103 which, among other things, amended the definition and categorization of operating and non-operating revenues and expenses. Statement No. 103 was adopted retroactively effective July 1, 2023 and the adoption did not have a significant impact on the Authority's financial statements. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations. The Authority's operating revenues are annual administrative fees. Operating expenses for the Authority include staff salaries, professional fees and other expenses. Non-operating revenues and expenses include net investment income, realized and unrealized gain or loss on investments and interest expense.

Cash and Cash Equivalents – Cash and cash equivalents consist of short term, highly liquid investments that are readily convertible to known amounts of cash and have original maturities of three months or less. Cash and cash equivalents are carried at cost which approximates fair value. Custodial credit risk for deposits is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. As of June 30, 2026, all of the Authority's deposits were either covered by federal depository insurance or were covered by collateral

held by the Authority's agent in the Authority's name. The amount of the Authority's deposits collateralized at June 30, 2026 was $0.

Investments – The Authority's investment objective is to invest in a manner which will provide the highest return with the maximum security while meeting cash flow needs. Allowable investments are governed by the Authority's investment policy which is reviewed annually with the Authority Members. Permissible investments under the investment policy include U.S. Treasury obligations; obligations of federal agencies and instrumentalities; federal agency mortgage-backed securities; repurchase agreements for U.S. Treasury obligations and obligations of federal agencies and instrumentalities; asset-backed securities; corporate bonds; commercial paper; and money market funds operated in accordance with Rule 2a-7 of the Investment Company Act of 1940. Investments are reported at fair value with net unrealized gains and losses reported as non-operating revenue in the statement of revenues, expenses and changes in net position. Fair values of investment securities are determined according to prices as furnished by an independent pricing service, except that fixed income securities with remaining maturities of less than 60 days at the time of purchase (e.g., money market funds) are valued at amortized cost provided such amount approximates fair value. Interest income is accrued on coupon securities from the last coupon date or purchase date and for discount securities (e.g., U.S. Treasury Bills) on the effective yield method. Realized gains and losses are recorded on the specific identification method and are computed as the difference between the proceeds of the sale and the original cost of the investments sold. Investments may be liquidated in the event there are unanticipated cash flow requirements or based upon the investment advisor's optimization of the portfolio.

Net Position – Net position represents the residual interest in the Authority's assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted. For external reporting purposes, net position is classified in the following categories:

Net investment in capital assets – capital assets, net of accumulated depreciation and amortization less the outstanding lease liability used to finance those assets plus capital-asset related deferred outflows of resources less capital-asset related deferred inflows of resources.

Unrestricted net position – net position that is not subjected to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Authority or may otherwise be limited by contractual agreements with outside parties. The Authority's unrestricted net position includes an internal designation for operations, maintained at two times the annual operating expenses of the Authority. On June 30, 2026 and June 30, 2025, the designation for operations was $4,438,000 and $4,149,000, respectively. Beginning in fiscal year 2020, the Authority internally designated an amount for its Community Outreach Program. The Community Outreach Program's guidelines stipulate an amount that may not exceed 20% of the total net position available for contingencies. After the designation for operations, the total net position available for contingencies was $34,542,000 and $33,192,000 as of June 30, 2026 and June 30, 2025, respectively. Of the total net position available for contingencies, $6,908,000 and $6,638,000 was designated for the

Community Outreach Program as of June 30, 2026 and June 30, 2025, respectively. The remaining unrestricted net position designated for contingencies as of June 30, 2026 and June 30, 2025, was $27,634,000 and $26,554,000, respectively. This designation is subject to a limitation equal to 1% of total bonds outstanding. These amounts do not exceed the limitations for June 30, 2026 and June 30, 2025, which were $102,191,660 and $90,825,000, respectively.

Capital Assets – Capital assets are recorded at cost and defined as assets with an individual cost of $1,000 or more and an estimated useful life of more than one year. Depreciation is calculated on a straight-line basis over the asset's estimated useful life.

Estimated useful lives are as follows:

• Furniture, fixtures and equipment	5 to 10 years
• Computer equipment and software	3 to 5 years
• Office equipment	5 to 10 years
• Leasehold improvements	4 to 7 years

Amortization of the lease asset is calculated on a straight-line basis over the lease term of 88 months for fiscal year 2025 and through April of 2026. In May of 2026 a Third Amendment to the Lease agreement was executed which extended the lease term to June 1, 2032. A new leased asset and lease liability amount was calculated. Beginning in May of 2026, interest expense is calculated on a straight-line basis over the new lease term of 74 months.

Compensated Absences – The liability for accrued vacation reported on the statement of net position consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash. Vacation benefits are earned by employees of the Authority based on time in service. The right to such vacation benefit is vested and recorded as a liability for amounts due to employees for future absences. Sick leave is also earned and accumulated by employees. However, sick leave does not vest and is not paid unless sickness causes the employee to be absent. During 2025, the Authority adopted GASB Statement No. 101 which, among other things, standardizes when liabilities should be recognized for different types of leave. Statement No. 101 was adopted retroactively effective July 1, 2023 and the adoption did not have a significant impact on the Authority’s financial statements.

Interest Expense – Interest expense is calculated by multiplying the previous month’s remaining lease liability amount by 1/12 of the discount rate of 4% that was used to initially calculate the leased asset and lease liability. In May of 2026 a Third Amendment to the Lease agreement was executed and, as such, a new leased asset and lease liability amount was calculated. Beginning in May of 2026, interest expense is now calculated by multiplying the previous months remaining lease liability amount by 1/12 of the new discount rate of 5.5% used in this calculation.

Use of Estimates – The preparation of these financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management, where necessary, to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Accounting and Financial Reporting for Pensions – For purposes of measuring the Authority's net pension liability, pension expense and deferred outflows of resources and deferred inflows of resources related to pensions, the Authority relies on information provided by the Maryland State Retirement and Pension System as to the Authority's proportionate share. Refer to Note 7.

NOTE 2: FAIR VALUE MEASUREMENTS

Fair Value - The Authority has adopted GASB Statement No. 72 – Fair Value Measurement and Application. This statement establishes a hierarchy of inputs to valuation techniques used to measure fair value:

- Level 1 – quoted market prices in active markets
- Level 2 – inputs other than quoted market prices that are observable either directly or indirectly
- Level 3 – unobservable inputs

The Authority has investments in securities that are measured at fair value on a recurring basis in the financial statements. The Authority uses a three level hierarchy for determining fair value and a financial asset or liability classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement. The fair value of these financial assets was determined using Level 2 inputs (inputs other than quoted market prices that are observable either directly or indirectly) as of June 30, 2026 and June 30, 2025. The following tables present the financial assets that the Authority measured at fair value (in thousands of dollars).

June 30, 2026	*Level 1*	*Level 2*	*Level 3*	*Total*
Obligations of U. S. Treasury	$ -	$15,443	$ -	$15,443
Obligations of U.S. government agencies and instrumentalities	-	12,186	-	12,186
Asset-Backed Securities	-	1,187	-	1,187
Corporate Bonds	-	9,470	-	9,470
Commercial Paper	-	-	-	-
Money market fund	1,225	-	-	1,225
Total	$1,225	$38,286	$ -	$39,511

June 30, 2025	*Level 1*	*Level 2*	*Level 3*	*Total*
Obligations of U.S. Treasury	$ -	$12,817	$ -	$12,817
Obligations of U.S. government agencies and instrumentalities	-	19,238	-	19,238
Asset-Backed Securities	-	91	-	91
Corporate Bonds	-	3,427	-	3,427
Commercial Paper	-	785	-	785
Money market fund	1,462	-	-	1,462
Total	$1,462	$36,358	$ -	$37,820

NOTE 3: INVESTMENTS

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses from rising interest rates, the Authority's Investment Policy requires that the maturities of the investment portfolio be scheduled to meet the cash requirements for ongoing operations.

As of June 30, 2026 and June 30, 2025, the amortized cost and fair value of investments were as follows (in thousands of dollars):

June 30, 2026	***AMORTIZED COST***	***GROSS UNREALIZED GAINS***	***GROSS UNREALIZED LOSSES***	***FAIR VALUE***
Obligations of U.S. Treasury	$ 15,445	$ 51	$ (53)	$ 15,443
Obligations of U.S. government agencies and instrumentalities	12,254	7	(75)	12,186
Asset-Backed Securities	1,190	-	(3)	1,187
Corporate Bonds	9,507	3	(40)	9,470
Commercial Paper	-	-	-	-
Money market fund	1,225	-	-	1,225
Total	$ 39,621	$ 61	$ (171)	$ 39,511

June 30, 2025	***AMORTIZED COST***	***GROSS UNREALIZED GAINS***	***GROSS UNREALIZED LOSSES***	***FAIR VALUE***
Obligations of U.S. Treasury	$ 12,644	$ 173	$ -	$ 12,817
Obligations of U.S. government agencies and instrumentalities	19,269	96	(127)	19,238
Asset-Backed Securities	90	1	-	91
Corporate Bonds	3,400	27	-	3,427
Commercial Paper	781	4	-	785
Money market fund	1,462	-	-	1,462
Total	$ 37,646	$ 301	$ (127)	$ 37,820

The amortized cost and fair value of investments at June 30, 2026 and June 30, 2025, by contractual maturity, are shown below (in thousands of dollars). Expected maturities will differ from contractual maturities because issuers may have the right to call or prepay obligations with or without penalties.

June 30, 2026	***AMORTIZED COST***	***FAIR VALUE***
Due in one year or less	$ 5,623	$ 5,562
Due after one year through five years	33,998	33,949
	$39,621	$39,511

June 30, 2025	***AMORTIZED COST***	***FAIR VALUE***
Due in one year or less	$ 8,146	$ 8,072
Due after one year through five years	29,500	29,748
	$37,646	$37,820

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank or other counterparty failure, the Authority will not be able to recover its deposits or the value of its collateral securities that are in the possession of an outside party. As of June 30, 2026 and June 30, 2025, the Authority's investments were not subject to custodial credit risk under GASB Statement No. 40. The Authority's investments are held under a safekeeping agreement, kept separate from the assets of the bank and from other trust accounts and are held in the Authority's name.

Credit Risk and Concentration of Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Authority's investment policy is to invest in a manner which will provide the highest return with the maximum security while meeting cash flow needs. Permissible investments currently utilized include U.S. Treasury obligations; obligations of federal agencies and instrumentalities; federal agency mortgage-backed securities; repurchase agreements for U.S. Treasury obligations and obligations of federal agencies and instrumentalities; asset-backed securities; corporate bonds; commercial paper; and money market funds operated in accordance with Rule 2a-7 of the Investment Company Act of 1940 and rated in the highest rating category of a nationally recognized statistical rating organization.

As of June 30, 2026 and June 30, 2025, the Authority's investment holdings by issuer were as follows (in thousands of dollars):

June 30, 2026	*Fair Value*	*Percentage of Total*
Obligations of U. S. Treasury	$ 15,443	39.09%
Obligations of U.S. Government Agencies:		
Federal Farm Credit Banks	955	2.41
Federal Home Loan Banks	6,059	15.34
Federal National Mortgage Association	2,426	6.13
Federal Agency Mortgage-Backed Securities	2,746	6.94
Asset-Backed Securities	1,187	3.01
Corporate Bonds	9,470	23.97
Money Market Fund:		
JPMorgan U.S. Government Money Market Fund	1,161	2.94
Federated U.S. Government Money Market Fund	64	.17
Total	$ 39,511	100.00%

June 30, 2025	*Fair Value*	*Percentage of Total*
Obligations of U. S. Treasury	$ 12,817	33.89%
Obligations of U.S. Government Agencies:		
Federal Farm Credit Banks	3,852	10.19
Federal Home Loan Mortgage Corporation	1,046	2.76
Federal Home Loan Banks	11,968	31.64
Federal National Mortgage Association	2,372	6.27
Asset-Backed Securities	91	.24
Corporate Bonds	3,427	9.06
Commercial Paper	785	2.08
Money Market Fund:		
JPMorgan U.S. Government Money Market Fund	1,407	3.72
Federated U.S. Government Money Market Fund	55	.15
Total	$ 37,820	100.00%

As of June 30, 2026 and June 30, 2025, the credit ratings by issuer were as follows:

Asset	*Rating*	*Rating Agency*
Obligations of U.S. Treasury:	Aa1	Moody's
Obligations of U.S. Government Agencies:		
Federal Farm Credit Banks	Aa1	Moody's
Federal Home Loan Mortgage Corporation	Aa1	Moody's
Federal Home Loan Banks	Aa1	Moody's
Federal National Mortgage Association	Aa1	Moody's
Federal Agency Mortgage-Backed Securities	Aa1	Moody's
Asset-Backed Securities	Aaa	Moody's
Corporate Bonds	A3-Aa2	Moody's
Money Market Fund:		
JPMorgan U.S. Government Money Market Fund	Aaamf	Moody's
Federated U.S. Government Money Market Fund	Aaamf	Moody's

NOTE 4: COMMITMENTS AND CONTINGENCIES

In May of 2026 a third amendment to the lease agreement was executed and the Authority has a lease commitment for office space through June 30, 2032. The minimum rental commitment for office space for each of the next 5 years and thereafter is as follows:

2027	$110,040
2028	114,651
2029	118,080
2030	121,633
2031-2032	254,280
	$718,684

For the years ended June 30, 2026 and 2025, rental payments required under the terms of the lease totaled $107,900 and $105,801, respectively.

Annual requirements to amortize lease obligations and related interest are as follows:

Year Ending June 30	Principal	Interest
2027	$ 78,551	$ 31,489
2028	87,726	26,925
2029	96,191	21,889
2030	105,261	16,372
2031-2032	240,175	14,105
	$607,904	$110,780

In fiscal year 2026, the Authority partnered with PWHS, a federally qualified health center. The Authority made a $500,000 commitment to participate in the Neighborhood Investment Impact Fund's (NIIF) $1,362,500 term loan to help fund construction costs. As of June 30, 2026, there were no amounts outstanding on this commitment to participate in the loan to PWHS.

NOTE 5: CAPITAL ASSETS

A summary of capital asset activity for the year ended June 30, 2026 is as follows:

	Beginning Balance June 30, 2025	Additions	Reductions	Ending Balance June 30, 2026
Capital assets:				
Furniture and Equipment	$ 255,701	$ 61,202	$ -	$ 316,903
Leased Asset - Building	630,013	620,437	(630,013)	620,437
Total capital assets	885,714	681,639	(630,013)	937,340
Less accumulated depreciation for:				
Furniture and Equipment	(239,100)	(19,634)	-	(258,734)
Less accumulated amortization for:				
Leased Asset - Building	(458,192)	(64,260)	505,683	(16,769)
Total accumulated depreciation & amortization	(697,292)	(83,894)	505,683	(275,503)
Total capital assets, net	$ 188,422	$597,745	$(124,330)	$ 661,837

A summary of capital asset activity for the year ended June 30, 2025 is as follows:

	Beginning Balance June 30, 2024	Additions	Reductions	Ending Balance June 30, 2025
Capital assets:				
Furniture and Equipment	$ 252,941	$ 2,760	$ -	$ 255,701
Leased Asset - Building	630,013	-	-	630,013
Total capital assets	882,954	2,760	-	885,714
Less accumulated depreciation for:				
Furniture and Equipment	(226,375)	(12,725)	-	(239,100)
Less accumulated amortization for:				
Leased Asset - Building	(372,281)	(85,911)	-	(458,192)
Total accumulated depreciation & amortization	(598,656)	(98,636)	-	(697,292)
Total capital assets, net	$ 284,298	$(95,876)	$ -	$ 188,422

NOTE 6: NON-CURRENT LIABILITIES

A summary of non-current liabilities activity for the year ended June 30, 2026 is as follows:

	Beginning Balance June 30, 2025	Additions	Reductions	Ending Balance June 30, 2026	Due within one year
Lease liability	$ 208,342	$ 620,437	$ (220,873)	$ 607,906	$ 78,552
Accrued vacation	134,801	156,499	(141,647)	149,653	83,559
Net pension liability	951,366	-	(24,328)	927,038	-
	$ 1,294,509	$ 776,936	$ (386,848)	$ 1,684,597	$ 162,111

A summary of non-current liabilities activity for the year ended June 30, 2025 is as follows:

	Beginning Balance June 30, 2024	Additions	Reductions	Ending Balance June 30, 2025	Due within one year
Lease liability	$ 303,720	$ -	$ (95,378)	$ 208,342	$ 101,402
Accrued vacation	127,330	141,647	(134,176)	134,801	66,007
Net pension liability	804,989	146,377	-	951,366	-
	$ 1,236,039	$ 288,024	$ (229,554)	$ 1,294,509	$ 167,409

NOTE 7: PENSION PLAN

Summary

The Authority has adopted GASB No. 68 – Accounting and Financial Reporting for Pensions ("GASB 68"). The Authority participates in the Maryland State Retirement and Pension System, (the "System") and qualifies as a Participating Governmental Unit ("PGU"). The State Retirement Agency (the "Agency") is the Plan administrator and fiduciary. GASB No. 68 requires that a PGU recognize its proportionate share of the System's net pension liability (i.e., unfunded pension liability) and pension expense. The Authority's proportionate share is based on total System contributions and approximated 0.0036063% and 0.0036167% as of the measurement dates of June 30, 2025 and 2024, respectively. The Authority's proportionate share from the measurement date June 30, 2024 to June 30, 2025 remained the same and there was a 3% increase from the measurement date June 30, 2023 to June 30, 2024.

The Authority has adopted GASB No. 71 – Pension Transition for Contributions Made Subsequent to the Measurement Date-An Amendment of GASB No. 68. GASB No. 71, which is only applicable during the year GASB No. 68 was adopted, requires that contributions to the pension plan subsequent to the beginning measurement date be recognized as the beginning deferred outflow of resources.

The Authority's employees contributed seven percent of their compensation during fiscal years 2026 and 2025 as stipulated by the System. The Authority contributed $136,596 and $106,295 to the System for fiscal years 2026 and 2025, respectively, which was actuarially determined based on statutory provisions. The Authority has also recognized in Pension Expense its proportionate share of the System's deferred inflows of resources (an increase in Pension Expense) attributable to the changes in assumptions, the difference between actual and expected experience, the net difference between projected and actual investment earnings, and change in proportion and its proportionate share of the System's deferred outflows of resources (a decrease in Pension Expense) attributable to the changes in assumptions, the difference between actual and expected experience, the net difference between projected and actual investment earnings, and change in proportion.

Basis of presentation and basis of accounting

1. Employers participating in the System's cost-sharing multiple-employer defined benefit plans are required to report pension information in their financial statements for fiscal periods beginning on or after June 15, 2014, in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions. The Schedule of Employer Allocations and Schedule of Pension Amounts by Employer (pension allocation schedules) provide employers with the required information for financial reporting. The System's financial statements are prepared on the accrual basis of accounting and are prepared in accordance with accounting principles generally accepted in the United States of America that apply to governmental accounting for fiduciary funds.

2. Actual employer contributions billed to participating government units for the years ended June 30, 2025 and 2024 were used as the basis for determining each employer's proportionate share of the collective pension amounts reported in the related Schedule of Employer Allocations. Because the State of Maryland contributed 100% of the actuarial determined contributions, there were no adjustments for the years ended June 30, 2025 and June 30, 2024.

3. The components of the calculation of the net pension liability for the System as of the measurement dates of June 30, 2025 and 2024, calculated in accordance with GASB Statement No. 67, are shown in the following table:

(Expressed in millions)

	Measurement Date June 30, 2025	Measurement Date June 30, 2024
Total Pension Liability	$98,946.6	$94,214.1
Less: Plan Fiduciary Net Position	73,240.8	67,909.7
Net Pension Liability	$25,705.8	$26,304.4
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.0%	72.1%

Actuarial Assumptions

Assumption	Measurement Date June 30, 2025	Measurement Date June 30, 2024
Actuarial	Entry Age Normal	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed	Level Percentage of Payroll, Closed
Inflation	2.5% General; 3% Wages	2.5% General; 3% Wages
Salary Increases	3% to 22.5%	3% to 22.5%
Discount Rate	6.80%	6.80%
Investment Rate of Return	6.80%	6.80%
Mortality	Various versions of the Public Sector 2010 Mortality Tables for males and females with projected generational mortality improvements based on the MP-2021 fully generational mortality improvements scale for males and females.	Various versions of the Public Sector 2010 Mortality Tables for males and females with projected generational mortality improvements based on the MP-2021 fully generational mortality improvements scale for males and females.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2025 valuation pursuant to the 2025 experience study for the period July 1, 2018 to June 30, 2023.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2025 valuation pursuant to the 2025 experience study for the period July 1, 2018 to June 30, 2023.

Investments

The long-term expected rate of return on pension plan investments was determined using a building–block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return were adopted by the System's Board after considering input from the System's investment consultant(s) and actuary(s). For each major asset class that is included in the System's target asset allocation, these best estimates are summarized in the following table:

	June 30, 2025			June 30, 2024	
Asset Class	Target Allocations	Long-Term Expected Real Rate of Return		Target Allocations	Long-Term Expected Real Rate of Return
Public Equity	34%	5.9%		34%	6.0%
Private Equity	16%	8.5%		16%	8.5%
Rate Sensitive/Fixed Income	20%	3.0%		20%	2.4%
Credit Opportunity	9%	5.4%		9%	5.4%
Real Assets	15%	5.9%		15%	5.5%
Absolute Return	6%	3.8%		6%	3.9%
Total	100%			100%	

The above was the Board of Trustees' adopted asset allocation policy and best estimate of geometric real rates of return for each major asset class as of June 30, 2025 and 2024, respectively.

For the years ended June 30, 2025 and 2024, the annual money-weighted rate of return on pension plan investments, net of the pension plan investment expense, was 9.83% and 6.89%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

A single discount rate of 6.80% was used to measure the total pension liability as of June 30, 2025 and 2024. This single discount rate was based on the expected rates of return on pension plan investments of 6.80% as of June 30, 2025 and 2024. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability

The following presents the sensitivity of the System's net pension liability to changes in the discount rates and the Authority's proportionate share of the System's net pension liability (expressed in thousands), calculated using a discount rate of 6.80%, a discount rate that is 1-percentage point lower (i.e., 5.80%) and a discount rate that is 1-percentage point higher (i.e., 7.80%):

$ expressed in thousands

2025	1% Lower – 5.80%	Current Rate – 6.80%	1% Higher – 7.80%
The System's Net Pension Liability	$38,219,876	$25,705,821	$15,275,295
The Authority's Proportionate Share of Net Pension Liability	$1,379	$927	$551

2024	1% Lower – 5.80%	Current Rate – 6.80%	1% Higher – 7.80%
The System's Net Pension Liability	$38,229,418	$26,304,436	$16,364,123
The Authority's Proportionate Share of Net Pension Liability	$1,383	$951	$592

Pension Plan Description

Organization

The State Retirement Agency (the "Agency") is the administrator of the System. The System was established by the State Personnel and Pensions Article of the Annotated Code of Maryland to provide retirement allowances and other benefits to State employees, teachers, police, judges, legislators, and employees of participating governmental units. Responsibility for the System's administration and operation is vested in a 15-member Board of Trustees. The System is made up of two cost-sharing employer pools: the "State Pool" and the "Municipal Pool". The "State Pool" consists of the State agencies, boards of education, community colleges, and libraries. The "Municipal Pool" consists of the participating governmental units that elected to join the System. Neither pool shares in each other's actuarial liabilities, thus participating governmental units that elect to join the System (the "Municipal Pool") share in the liabilities of the Municipal Pool only. The State of Maryland is the statutory guarantor for the payment of all pensions, annuities, retirement allowances, refunds, reserves, and other benefits of the System. The Agency is legally authorized to use all assets accumulated for the payment of benefits to pay such obligations to any plan member or beneficiary as defined by the terms of the plan. Consequently, the System is accounted for as a single plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 67, "Financial Reporting for Pension Plans - An Amendment of GASB Statement No.25." Additionally, the System is fiscally dependent on the State by virtue of the legislative and executive controls exercised with respect to its operations, policies, and administrative budget. Accordingly, the System is included in the State's reporting entity and disclosed in its financial statements as a pension trust fund. The System is comprised of the Teachers' Retirement and Pension Systems, Employees' Retirement and Pension Systems, State Police Retirement System, Judges' Retirement System, and the Law Enforcement Officers' Pension System. The Authority's employees participate in the Employees' Retirement and Pension System.

Covered Members

On October 1, 1941, the Employees' Retirement System was established to provide retirement allowances and other benefits to State employees, elected and appointed officials and the employees of participating governmental units. Effective January 1, 1980, the Employees' Retirement System was essentially closed to new members and the Employees' Pension System was established. As a result, State employees (other than correctional officers) and employees of participating governmental units hired after December 31, 1979, became members of the Employees' Pension System as a condition of employment, while all State correctional officers and members of the Maryland General Assembly continue to be enrolled as members of the Employees' Retirement System. On or after January 1, 2005, an individual who is a member of the Employees' Retirement System may not transfer membership to the Employees' Pension System. Currently, more than 150 governmental units participate in the Employees' Retirement System.

Summary of Significant Plan Provisions

All plan benefits are specified by the State Personnel and Pensions Article of the Annotated Code of Maryland. For all individuals who were members of the System on or before June 30, 2011, pension allowances are computed using both the highest three consecutive years' Average Final Compensation (AFC) and the actual number of years of accumulated creditable service. For any individual who became or becomes a member of one of the pension systems on or after July 1, 2011, pension allowances are computed using both the highest five consecutive years' AFC and the actual number of years of accumulated creditable service. Various retirement options are available under each system which ultimately determine how a retiree's benefit allowance will be computed. Some of these options require actuarial reductions based on the retiree's and designated beneficiary's attained age and similar actuarial factors. The member contribution rate was increased for members of the Employees' Pension System from 5% to 7% on July 1, 2011. In addition, the benefit attributable to service on or after July 1, 2011 in many of the pension systems now will be subject to different cost-of-living adjustments (COLA) that are based on the increase in the Consumer Price Index (CPI) and capped at 2.5% or 1.0% based on whether the market value investment return for the preceding calendar year was higher or lower than the investment return assumption used in the valuation. A brief summary of the retirement eligibility requirements of and the benefits available under the various systems in effect during fiscal years 2025 and 2024, is as follows:

Service Retirement Allowances

A member of the Employees' Retirement System is generally eligible for full retirement benefits upon the earlier of attaining age 60 or accumulating 30 years of creditable service regardless of age. The annual retirement allowance equals 1/55 (1.81%) of the member's AFC multiplied by the number of years of accumulated creditable service. An individual who was a member of the Employees' Pension System on or before June 30, 2011, is eligible for full retirement benefits upon the earlier of attaining age 62, with specified years of eligibility service, or accumulating 30 years of eligibility service

regardless of age. An individual who became or becomes a member of the Employees' Pension System on or after July 1, 2011, is eligible for full retirement benefits if the member's combined age and eligibility service equals at least 90 years or if the member is at least age 65 and has accrued at least 10 years of eligibility service. For most individuals who retired from the Employees' Pension System on or before June 30, 2006, the annual pension allowance equals 1.2% of the member's AFC, multiplied by the number of years of creditable service accumulated prior to July 1, 1998, plus 1.4% of the member's AFC, multiplied by the number of years of creditable service accumulated subsequent to June 30, 1998. With certain exceptions, for individuals who are members of the Employees' Pension System on or after July 1, 2006, the annual pension allowance equals 1.2% of the member's AFC, multiplied by the number of years of creditable service accumulated prior to July 1, 1998, plus 1.8% of the member's AFC, multiplied by the number of years of creditable service accumulated subsequent to June 30, 1998. Beginning July 1, 2011, any new member of the Employees' Pension System shall earn an annual pension allowance equal to 1.5% of the member's AFC multiplied by the number of years of creditable service accumulated as a member of the Employees' Pension System. Exceptions to these benefit formulas apply to members of the Employees' Pension System, who are employed by a participating governmental unit that does not provide the 1998 or 2006 enhanced pension benefits or the 2011 reformed pension benefits. The pension allowance for these members equals 0.8% of the member's AFC up to the social security integration level (SSIL), plus 1.5% of the member's AFC in excess of the SSIL, multiplied by the number of years of accumulated creditable service. For the purpose of computing pension allowances, the SSIL is the average of the social security wage bases for the past 35 calendar years ending with the year the retiree separated from service.

Vested Allowances

Any individual who was a member of the State Retirement and Pension System on or before June 30, 2011 (other than a judge or a legislator), and who terminates employment before attaining retirement age but after accumulating 5 years of eligibility service is eligible for a vested retirement allowance. Any individual who joined the State Retirement and Pension System on or after July 1, 2011 (other than a judge or a legislator), and who terminates employment before attaining retirement age but after accumulating 10 years of eligibility service is eligible for a vested retirement allowance. A member who joined after June 30, 2011 and terminates employment prior to attaining retirement age and before vesting receives a refund of all member contributions and interest.

Early Service Retirement

A member of the Employees' Retirement System may retire with reduced benefits after completing 25 years of eligibility service. Benefits are reduced by 0.5% per month for each month remaining until the retiree either attains age 60 or would have accumulated 30 years of creditable service, whichever is less. The maximum reduction for an

Employees' Retirement System member is 30%. An individual who was a member of the Employees' Pension System on or before June 30, 2011, may retire with reduced benefits upon attaining age 55 with at least 15 years of eligibility service. Benefits are reduced by 0.5% per month for each month remaining until the retiree attains age 62. The maximum reduction for these members of the Employees' Pension System is 42%. An individual who became or becomes a member of the Employees' Pension System on or after July 1, 2011, may retire with reduced benefits upon attaining age 60 with at least 15 years of eligibility service. Benefits are reduced by 0.5% per month for each month remaining until the retiree attains age 65. The maximum reduction for these members of the Employees' Pension System is 30%.

Disability and Death Benefits

Generally, a member covered under retirement plan provisions who is permanently disabled after 5 years of service receives a service allowance based on a minimum percentage (usually 25%) of the member's AFC. A member covered under pension plan provisions who is permanently disabled after accumulating 5 years of eligibility service receives a service allowance computed as if service had continued with no change in salary until the retiree attained age 62. A member (other than a member of the Maryland General Assembly or a judge, both of whom are ineligible for accidental disability benefits) who is permanently and totally disabled as the result of an accident occurring in the line of duty receives 2/3 (66.7%) of the member's AFC plus an annuity based on all member contributions and interest. Death benefits are equal to a member's annual salary as of the date of death plus all member contributions and interest.

Adjusted Retirement Allowances (as applicable)

The annual increases to pension allowances for Employees' Pension System retirees who were employed by a participating governmental unit that does not provide enhanced pension benefits are limited to 3% of the initial allowance. However, beginning July 1, 2011, for benefits attributable to service earned on or after July 1, 2011, in all of the systems except the judges' and legislators' systems, the adjustment is capped at the lesser of 2.5% or the increase in CPI if the most recent calendar year market value rate of return was greater than or equal to the assumed rate. The adjustment is capped at the lesser of 1% or the increase in CPI if the market value return was less than the assumed rate of return. In years in which COLAs would be less than zero due to a decline in the CPI, retirement allowances will not be adjusted. COLAs in succeeding years are adjusted until the difference between the negative COLA that would have applied and the zero COLA is fully recovered.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2026 and 2025, the Authority reported a liability of $927,038 and $951,365, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2025 and 2024, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024 and rolled forward to June 30, 2025, using the entry age normal actuarial cost method. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental units, actuarially determined. At June 30, 2025 and 2024, the Authority's proportion was approximately 0.0036063% and 0.0036167%, respectively.

For the years ended June 30, 2026 and 2025, the Authority recognized pension expense of $219,699 and $279,552, respectively. At the measurement dates of June 30, 2025 and 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Measurement Date of June 30, 2025	Deferred Outflows	Deferred Inflows
Changes in assumptions	$ -	$ -
Difference between actual and expected experience	49,183	-
Net difference between projected and actual earnings on pension plan investments	-	58,062
Change in proportion	-	2,242
Contributions subsequent to the measurement date	136,596	-
Total	$ 185,779	$ 60,304

Measurement Date of June 30, 2024	Deferred Outflows	Deferred Inflows
Changes in assumptions	$ 29,674	$ -
Difference between actual and expected experience	75,578	-
Net difference between projected and actual earnings on pension plan investments	-	1,472
Change in proportion	22,832	-
Contributions subsequent to the measurement date	106,295	-
Total	$ 234,379	$ 1,472

The deferred outflows of resources of $136,596 and $106,295 relating to contributions subsequent to the measurement dates of June 30, 2025 and 2024, respectively, will be recognized as a reduction of the Authority's net pension liability during the fiscal years ending June 30, 2027 and 2026, respectively. The deferred outflows and inflows of resources due to changes in assumptions, differences between actual and expected experience, change in proportion, and net differences between projected and actual investment earnings represent

the Authority's proportionate share of the unamortized portions of the System's original amounts. The deferred inflows and outflows related to non-investment activity for 2025, 2024, 2023, 2022 and 2021 are being amortized over the remaining service lives ranging from 5.45 to 5.50 years. The deferred outflows and inflows related to net differences in investment earnings for 2025, 2024, 2023, 2022 and 2021 are being amortized over a closed 5-year period. These unamortized amounts will be ratably recognized in pension expense over these service lives and the closed 5-year period.

The following table shows the aggregate amortization of these deferred outflows and inflows balances by year:

Total Amortizations by Year

Fiscal Year Ended June 30	Deferred Outflows	Deferred Inflows	Net
2027	$ 10,931	$ 15,015	$ (4,084)
2028	10,931	15,015	(4,084)
2029	10,931	15,015	(4,084)
2030	10,931	15,015	(4,084)
2031	5,459	244	5,215
Total	$ 49,183	$ 60,304	$ (11,121)

Net Pension Liability

The components of the Authority's proportionate share of the System's net pension liability as of the measurement dates of June 30, 2025 and 2024 were as follows (expressed in thousands):

	June 30, 2025	June 30, 2024
Total pension liability	$3,568	$3,407
Less: Plan fiduciary net position	2,641	2,456
Net pension liability	$ 927	$ 951
Plan fiduciary net position as a percentage of total pension liability	74.0%	72.1%

The Pension Plan Fiduciary

Plan Information as well as the Comprehensive Annual Financial Report of the Maryland State Retirement and Pension System for the years ended June 30, 2025 and 2024 are available from:

State Retirement & Pension System of Maryland
120 East Baltimore Street
Baltimore, MD 21202

http://sra.maryland.gov/Agency/Downloads/CAFR/CAFR_FullReport.pdf

NOTE 8: CONDUIT DEBT

The Authority issues indebtedness on behalf of participating institutions. This indebtedness is generally in the form of bonds, notes or financing leases. Funds related to these financings are held in trust by various financial institutions. In general, bonds mature serially in varying annual installments. Certain issues include term bonds payable from annual sinking fund requirements. Notes generally consist of commercial paper that is expected to be paid with proceeds of refunding obligations. The lease and loan payments receivable by the Authority from the institutions correspond to the amortization of the respective bond and note issues. Under the Authority's capital lease financings, institutions may borrow funds to finance equipment and other purchases. Funds disbursed to participating institutions are repayable by the individual institutions and may be collateralized by security interests in the assets financed. The Authority may hold legal title to or a mortgage on the buildings and other assets financed by bonds for the benefit of institutions. Title to any buildings and other assets reverts to the institutions upon final payment of the respective bond issues or leases. Information pertaining to outstanding indebtedness is included in the additional information attached to these financial statements. The Authority is not obligated to pay principal or interest on bonds and notes issued by the Authority except from payments from participating institutions or revenues of the related projects.

The following is a summary of conduit debt activity for the years ended June 30, 2026 and June 30, 2025 (in thousands of dollars):

	2026	2025
Bonds outstanding at beginning of the fiscal year	$ 9,082,500	$8,423,311
Plus: Bonds issued during fiscal year	2,184,481	1,531,055
Less: Redemptions and refundings during fiscal year	(1,047,815)	(871,866)
Bonds outstanding as of June 30, 2026 and June 30, 2025	$10,219,166	$9,082,500

NOTE 9: SUBSEQUENT EVENTS

Events that occur after the statement of net position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of net position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of net position date require disclosure in the accompanying notes. Management evaluated the activity of the Authority through September 15, 2026 (the date these financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

Additional Information – Schedules of Required Pension Related Supplementary Information

Schedule of the Authority's Proportionate Share of the Net Pension Liability

	FY2026	FY2025	FY2024	FY2023	FY2022	FY2021	FY 2020	FY 2019	FY 2018	FY 2017
Authority's proportion (%) of collective net pension liability	0.0036%	0.0036%	0.0035%	0.0035%	0.0031%	0.0035%	0.0022%	0.0024%	0.0024%	0.0025%
Authority's proportionate share ($) of collective net pension liability	$927,038	$951,365	$804,989	$703,500	$459,052	$784,383	$450,631	$505,371	$509,313	$595,776
Authority's covered payroll ($)*	$1,028,580	$888,010	$836,554	$779,950	$759,183	$874,306	$1,017,707	$721,265	$784.160	$809,354
Authority's proportionate share of collective net pension liability as a percentage of its covered payroll	90.13%	107.13%	96.23%	90.20%	60.47%	89.72%	44.28%	70.07%	64.95%	73.61%
Pension plan's fiduciary net position as a percentage of the total pension liability	74.02%	72.08%	73.81%	76.27%	81.81%	70.72%	72.34%	71.18%	69.38%	65.79%

* In accordance with GASB 82, amounts shown represent the payroll on which contributions to the pension plan are based.

The above schedule is presented to illustrate the requirement for specified information for 10 years.

Schedule of the Authority's Pension Plan Contributions
Last 10 Fiscal Years

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	$ 136,596	$ 106,295	$ 94,699	$ 85,248	$ 80,245	$ 67,425	$ 74,411	$ 44,865	$ 48,030	$ 47,939
Contributions in relation to the contractully required contribution	136,596	106,295	94,699	85,248	80,245	67,425	74,411	44,865	48,030	47,939
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's Covered Payroll	$ 1,028,580	$ 888,010	$ 836,554	$ 779,950	$ 759,183	$ 874,306	$ 1,017,707	$ 721,265	$ 784,160	$ 809,354
Contributions as a percentage of covered-employee payroll	13.28%	11.97%	11.32%	10.93%	10.57%	7.71%	7.31%	6.22%	6.13%	5.92%

Notes to Required Supplementary Information

Actuarial Assumptions and Trends

	Change from Fiscal Year 2019 to 2020	Change from Fiscal Year 2020 to 2021	Change from Fiscal Year 2021 to 2022	Change from Fiscal Year 2022 to 2023	Change from Fiscal Year 2023 to 2024	Change from Fiscal Year 2024 to 2025	Change from Fiscal Year 2025 to 2026
Inflation General	2.65% to 2.60%	2.60% to 2.25%	No Change	No Change	No Change	2.25% to 2.50%	No Change
Inflation Wages	3.15% to 3.10%	3.10% to 2.75%	No Change	No Change	No Change	2.75% to 3.00%	No Change
Covered Employees	Increase of 2 covered employees due to position overlap	Decrease of 1 covered employee due to retirement of employee	No Change	No Change	No Change	Increase of 1 covered employee due to new hire	No Change
Discount Rate	No Change	7.40% to 6.80%	No Change	No Change	No Change	No Change	No Change
Investment rate of return	No Change	7.40% to 6.80%	No Change	No Change	No Change	No Change	No Change

Additional Information – Funds Held by Third Party Trustees and Escrow Agents

The Authority is including the following additional information relating to funds held by third party trustees and escrow agents.

Trustees are appointed under the terms of the financing documents. Trustee responsibilities may include, but are not limited to: creation of funds to be held for bonds, notes or leases, disbursements of proceeds, deposit of payments received from institutions, and payment of principal and interest on bonds, notes and leases. The Authority self-directs the investment of bond proceeds pursuant to the governing documents.

The Authority maintains books of accounts for the Debt Principal Funds and the required Trusteed Funds of each of the issues of bonds, notes and leases outstanding. Trusteed Funds are maintained by third party trustees or other fiscal agents in accordance with the requirements of the respective bond, note and lease documents. The financial statements included in this additional information combine the Trusteed accounts of all bond, note and lease issues outstanding during the year. Interfund activity is eliminated in the combination.

The following is a description of the sources and uses of amounts held in the various Trusteed Funds:

Construction Funds – Account for the receipt of bond proceeds and other amounts, if any, and disbursement of monies held to pay for project costs, including construction and equipment purchases of participating institutions. All Construction, Cost of Issuance and Capitalized Interest Funds are included as Construction Funds.

Program Funds – Account for the receipt of bond proceeds and disbursement of monies specified as Program Funds in the Pooled Loan Program Series 1985A & B documents.

Debt Service Funds – Account for the receipt and disbursement of monies for the payment of interest and principal on bonds, notes and leases.

Debt Service Reserve Funds – Account for the receipt of bond proceeds and disbursement of monies held in reserve in compliance with certain bond resolutions and indentures. The fund balances are generally required to be maintained at amounts established under the respective resolutions or indentures.

Project Reserve Funds – Account for the receipt and disbursement of monies held in reserve for improvements, major repairs, operations and arbitrage/rebate. The fund balances are established by the bond indentures and resolutions of certain issues. All Renewal and Replacement and Arbitrage Rebate Funds are included as Project Reserve Funds.

Redemption Funds – Account for the accumulation of monies not required by other funds for the eventual redemption or repurchase of bonds.

Maryland Health and Higher Educational Facilities Authority
Additional Information - Combined Balance Sheets of Trusteed Conduit Debt Funds
As of June 30, 2026
(in thousands of dollars)

	Construction Funds	Program Funds	Debt Service Funds
Assets			
Cash and cash equivalents	$2.1	$0.0	$164.0
Investments	1,133,531.8	14,212.2	158,395.6
Interest receivable	343.5	0.0	0.0
Due from other funds	0.0	42.6	1,260.3
Due from institutions	0.0	0.0	47,513.3
Total Assets	**$1,133,877.4**	**$14,254.8**	**$207,333.2**
Liabilities and Net Position			
Liabilities			
Accounts payable and accrued expenses	0.0	0.0	58.0
Principal payable	0.0	0.0	97,736.1
Interest payable	0.0	0.0	98,709.3
Due to other funds	320.6	42.6	939.7
Total Liabilities	**$320.6**	**$42.6**	**$197,443.1**
Restricted Net Position			
Reserved for debt service	0.0	0.0	9,890.1
Reserved for loans under Pooled Loan Program	0.0	14,212.2	0.0
Designated for specific projects	0.0	0.0	0.0
Designated for projects under bond resolution or indenture	1,133,556.8	0.0	0.0
Total Net Position	**$1,133,556.8**	**$14,212.2**	**$9,890.1**
Total Liabilities and Net Position	**$1,133,877.4**	**$14,254.8**	**$207,333.2**

Maryland Health and Higher Educational Facilities Authority
Additional Information - Combined Balance Sheets of Trusteed Conduit Debt Funds
As of June 30, 2026
(in thousands of dollars)

Debt Service Reserve Funds	Project Reserve Funds	Redemption Funds	Total
$0.0	$0.0	$0.0	$166.1
53,045.5	613.8	0.0	1,359,798.9
0.7	0.0	0.0	344.2
0.0	0.0	0.0	1,302.9
0.0	0.0	0.0	47,513.3
$53,046.2	**$613.8**	**$0.0**	**$1,409,125.4**
0.0	0.0	0.0	58.0
0.0	0.0	0.0	97,736.1
0.0	0.0	0.0	98,709.3
0.0	0.0	0.0	1,302.9
$0.0	**$0.0**	**$0.0**	**$197,806.3**
53,046.2	0.0	0.0	62,936.3
0.0	0.0	0.0	14,212.2
0.0	613.8	0.0	613.8
0.0	0.0	0.0	1,133,556.8
$53,046.2	**$613.8**	**$0.0**	**$1,211,319.1**
$53,046.2	**$613.8**	**$0.0**	**$1,409,125.4**

Maryland Health and Higher Educational Facilities Authority
Additional Information - Combined Statements of Changes in Net Position
of Trusteed Conduit Debt Funds
For the year ended June 30, 2026
(in thousands of dollars)

	Construction Funds	Program Funds	Debt Service Funds
ADDITIONS			
Proceeds from sale of bonds and notes:			
Gross proceeds	$2,050,770.6	$0.0	$0.0
Underwriter's discount	(4,683.5)	0.0	0.0
Net original issuance - premium	152,006.4	0.0	0.0
Insurance premium	(1,035.5)	0.0	0.0
Payments, contributions, equity contributions	(1,918.0)	0.0	3,489.0
Lease and loan payments	0.0	0.0	255,049.4
Debt service interest	0.0	0.0	344,952.5
Income from investments	28,991.8	708.3	1,239.6
Transfer from escrow agent	0.0	0.0	5.9
Transfer from other issuer	0.0	0.0	93,226.0
Total Additions	**$2,224,131.8**	**$708.3**	**$697,962.4**
DEDUCTIONS			
Project and financing costs	672,604.2	0.0	3,715.8
Loans to institutions	0.0	0.0	0.0
Debt service:			
Principal	14,116.6	0.0	347,310.4
Interest	0.0	0.0	368,134.0
Required payments to institutions	20.3	0.0	339.8
Arbitrage rebate expense	0.0	0.0	0.0
Retirement of bonds	0.0	10,000.0	653,413.7
Transfer to other issuer	218,989.4	0.0	0.0
Total Deductions	**$905,730.5**	**$10,000.0**	**$1,372,913.7**
Net Interfund Transfers In/(Out)	(686,773.0)	15,977.0	674,149.8
Beginning of Year Net Position	**$501,928.5**	**$7,526.9**	**$10,691.6**
Ending Net Position	**$1,133,556.8**	**$14,212.2**	**$9,890.1**

Maryland Health and Higher Educational Facilities Authority
Additional Information - Combined Statements of Changes in Net Position
of Trusteed Conduit Debt Funds
For the year ended June 30, 2026
(in thousands of dollars)

Debt Service Reserve Funds	Project Reserve Funds	Redemption Funds	Total
$0.0	$0.0	$0.0	$2,050,770.6
0.0	0.0	0.0	(4,683.5)
0.0	0.0	0.0	152,006.4
0.0	0.0	0.0	(1,035.5)
0.0	20.0	0.0	1,591.0
0.0	0.0	0.0	255,049.4
0.0	0.0	0.0	344,952.5
2,447.3	22.5	0.0	33,409.5
0.0	0.0	0.0	5.9
0.0	0.0	0.0	93,226.0
$2,447.3	**$42.5**	**$0.0**	**$2,925,292.3**
0.0	0.0	0.0	$676,320.0
0.0	0.0	0.0	0.0
0.0	0.0	0.0	361,427.0
0.0	0.0	0.0	368,134.0
0.0	0.0	0.0	360.1
0.0	0.0	0.0	0.0
0.0	0.0	0.0	663,413.7
0.0	0.0	0.0	218,989.4
$0.0	**$0.0**	**$0.0**	**$2,288,644.2**
(3,353.8)	0.0	0.0	0.0
$53,952.7	**$571.3**	**$0.0**	**$574,671.0**
$53,046.2	**$613.8**	**$0.0**	**$1,211,319.1**

Maryland Health and Higher Educational Facilities Authority
Additional Information - Conduit Debt Outstanding

As of June 30, 2026 the principal amount of bonds and notes outstanding is as follows (in thousands of dollars):	ISSUE DATE	AMOUNT ISSUED	FINAL MATURITY	BONDS AND NOTES PAYABLE JUNE 30, 2026
Adventist HealthCare Issue, Series 2016A	December 14, 2016	269,750	2046	254,075
Adventist HealthCare Issue (2016B)	December 14, 2016	126,395	2046	110,995
Adventist HealthCare Issue (2017)	December 14, 2017	40,000	2042	30,245
Adventist HealthCare Issue, Series 2020	December 30, 2020	18,725	2038	13,600
Adventist HealthCare Issue, Series 2021A	October 7, 2021	48,120	2036	29,750
Adventist HealthCare Issue, Series 2021B	October 13, 2021	138,660	2051	138,660
Adventist HealthCare Issue, Series 2021C (Taxable)	October 13, 2021	69,835	2043	47,180
		711,485		624,505
Annapolis Life Care Issue (2018A)	August 21, 2018	38,981	2048	32,955
Annapolis Life Care Issue (2018B)	August 21, 2018	10,000	2048	8,747
		48,981		41,702
Anne Arundel Health System Issue, Series 2017A	November 1, 2017	42,485	2034	39,145
Anne Arundel Health System Issue, Series 2017B (Taxable)	November 1, 2017	17,760	2027	4,670
		60,245		43,815
Archdiocese of Baltimore Schools Issue (2007)	June 21, 2007	24,165	2037	20,038
Beth Tfiloh Dahan Community School Issue (2019)	August 28, 2019	8,600	2044	6,797
Bishop McNamara High School Issue (2026A)	April 28, 2026	30,800	2054	14,529
Bishop McNamara High School Issue (2026A)	April 28, 2026	4,000	2031	50
		34,800		14,579
Broadmead Issue, Series 2018A	October 18, 2018	60,555	2048	55,320
Bryn Mawr School Issue (2017A)	June 13, 2017	8,045	2042	6,120
Bryn Mawr School Issue (2017B)	June 13, 2017	4,000	2042	2,797
		12,045		8,917
Bullis School Issue (2023A)	March 20, 2023	48,000	2056	46,253
Bullis School Issue (2023B)	March 20, 2023	20,000	2030	8,697
		68,000		54,950
Calvert Hall College Issue (2017)	December 21, 2017	16,000	2038	10,425
Calvert Health System Issue (2021)	April 15, 2021	16,539	2035	11,068
Calvert Health System Issue (2023)	July 3, 2023	31,169	2038	29,815
		47,708		40,883
Charlestown Community Issue, Series 2016A	November 2, 2016	89,600	2045	72,640
Charlestown Community Issue (2016B)	November 2, 2016	30,000	2045	23,265
Charlestown Community Issue (2016C)	December 1, 2016	25,000	2045	20,701
Charlestown Community Issue (2024)	August 28, 2024	30,000	2054	14,199
		174,600		130,805
Chesapeake Lighthouse Foundation Issue (2024)	December 10, 2024	19,315	2048	18,564
Chesapeake Lighthouse Foundation Issue (2025)	November 10, 2025	29,002	2045	28,542
		48,317		47,106
City Neighbors Schools Issue (2023)	December 12, 2023	8,649	2043	7,955
Connelly School of the Holy Child Issue (2017A)	March 28, 2017	3,980	2037	2,575
DeMatha Catholic High School Issue (2014)	November 13, 2014	17,750	2039	11,742
Doctors Community Hospital Issue (2016)	June 29, 2016	31,945	2030	24,550
Doctors Community Hospital Issue, Series 2017A	February 23, 2017	64,165	2038	64,165
		96,110		88,715
Edenwald Issue, Series 2015	October 14, 2015	49,030	2037	32,310
Edenwald Issue (2024)	February 29, 2024	17,000	2054	12,905
		66,030		45,215
Frederick Health System Issue, Series 2020	June 25, 2020	62,645	2050	62,645
Frederick Health System Issue (2022)	July 1, 2022	93,550	2038	85,130
Frederick Health System Issue, Series 2023	June 29, 2023	69,975	2050	64,115
		226,170		211,890
French International School Issue (2021)	October 26, 2021	70,200	2051	63,498

Maryland Health and Higher Educational Facilities Authority
Additional Information - Conduit Debt Outstanding

As of June 30, 2026 the principal amount of bonds and notes outstanding is as follows (in thousands of dollars):	*ISSUE DATE*	*AMOUNT ISSUED*	*FINAL MATURITY*	*BONDS AND NOTES PAYABLE JUNE 30, 2026*
Friends Community School Issue (2021)	November 10, 2021	5,600	2051	5,041
Friends School of Baltimore Issue (2024)	May 16, 2024	16,700	2056	16,610
Gilman School Issue (2014)	October 16, 2014	35,500	2050	35,500
Goucher College Issue, Series 2017A	June 22, 2017	57,565	2044	55,705
Goucher College Issue (2022)	August 11, 2022	48,854	2052	45,371
		106,419		101,076
Greater Baltimore Medical Center Issue (2017)	March 8, 2017	73,720	2034	59,005
Greater Baltimore Medical Center Issue, Series 2021A	September 1, 2021	104,095	2051	104,095
Greater Baltimore Medical Center Issue (2021B)	September 1, 2021	25,000	2031	21,957
Greater Baltimore Medical Center Issue (2023)	October 19, 2023	29,000	2049	28,210
		231,815		213,267
Green Street Academy Issue, Series 2017A	June 27, 2017	21,040	2052	20,315
Hebrew Home of Greater Washington Issue (2012)	December 20, 2012	21,308	2032	8,121
Imagine Andrews Public Charter School Issue, Series 2022A	May 10, 2022	7,335	2052	7,335
Imagine Andrews Public Charter School Issue, Series 2022B (Taxable)	May 10, 2022	1,165	2031	660
		8,500		7,995
Indian Creek School Issue (2015)	August 27, 2015	12,810	2030	7,821
Integrace Issue (2020A)	February 6, 2020	87,110	2049	87,110
Integrace Issue (2020B) (Taxable)	February 6, 2020	12,195	2027	4,330
		99,305		91,440
Kennedy Krieger Institute Issue, Series 2025A	December 23, 2025	80,835	2056	80,835
Kennedy Krieger Institute Issue, Series 2025B (Taxable)	December 23, 2025	13,960	2035	13,960
		94,795		94,795
Keswick Multi-Care Center Issue (2007)	August 9, 2007	11,520	2037	7,955
Landon School Issue (2022A)	March 3, 2022	46,000	2055	44,585
Landon School Issue (2022B)	March 3, 2022	20,000	2032	15,690
		66,000		60,275
Legends Charter School Issue, Series 2020A	March 12, 2020	25,000	2055	25,000
Legends Charter School Issue, Series 2020B (Taxable)	March 12, 2020	1,000	2027	255
		26,000		25,255
LifeBridge Investments Issue (2022) (Taxable)	March 17, 2022	75,000	2052	75,000
Lifebridge Health Issue, Series 2015	July 30, 2015	159,685	2047	85,970
LifeBridge Health Issue, Series 2016	November 9, 2016	120,695	2047	112,905
LifeBridge Health Issue, Series 2017	November 9, 2017	118,120	2044	95,780
LifeBridge Health Issue (2021)	July 1, 2021	42,857	2027	7,143
LifeBridge Health Issue (2022A)	July 1, 2022	48,335	2037	38,780
LifeBridge Health Issue, Series 2024	November 7, 2024	116,100	2054	116,100
LifeBridge Health Issue (2025A)	July 1, 2025	41,260	2040	38,554
LifeBridge Health Issue (2025B)	July 1, 2025	22,964	2040	21,457
		670,016		516,689
Loyola University Maryland Issue, Series 2014	October 30, 2014	60,365	2045	32,435
Loyola University Maryland Issue, Series 2019A	December 19, 2019	43,640	2049	24,330
Loyola University Maryland Issue, Series 2019B (Taxable)	December 19, 2019	34,775	2039	33,660
Loyola University Maryland Issue, Series 2025	January 29, 2025	89,170	2054	89,170
		227,950		179,595
Luminis Health System Issue (2022B)	July 1, 2022	49,100	2034	36,830
Luminis Health System Issue (2024)	July 1, 2024	108,895	2043	104,600
Luminis Health System Issue, Series 2026A	June 24, 2026	183,025	2044	183,025
Luminis Health System Issue, Series 2026B	June 24, 2026	100,000	2056	100,000
		441,020		424,455
Maryland Institute College of Art Issue, Series 2016	October 6, 2016	37,990	2042	33,335
Maryland Institute College of Art Issue, Series 2024	July 31, 2024	40,235	2047	40,065
		78,225		73,400
Maryland School for the Blind Issue (2019)	September 25, 2019	20,713	2049	16,998

Maryland Health and Higher Educational Facilities Authority
Additional Information - Conduit Debt Outstanding

As of June 30, 2026 the principal amount of bonds and notes outstanding is as follows (in thousands of dollars):	*ISSUE DATE*	*AMOUNT ISSUED*	*FINAL MATURITY*	*BONDS AND NOTES PAYABLE JUNE 30, 2026*
Medlantic/Helix Issue, Series 1998A	December 17, 1998	166,605	2038	82,055
Medlantic/Helix Issue, Series 1998B	December 17, 1998	116,910	2038	56,960
MedStar Health Issue, Series 2013A	March 21, 2013	117,785	2041	39,650
MedStar Health Issue, Series 2015	February 11, 2015	357,205	2045	77,385
MedStar Health Issue, Series 2017A	June 29, 2017	395,055	2047	395,055
MedStar Health Issue, Series 2026A	February 12, 2026	491,280	2054	491,280
MedStar Health Issue, Series 2026B-1	February 12, 2026	117,215	2056	117,215
MedStar Health Issue, Series 2026B-2	February 12, 2026	116,275	2056	116,275
MedStar Health Issue, Series 2026C	February 12, 2026	187,265	2042	187,265
		2,065,595		1,563,140
Mercy Medical Center Issue, Series 2006	August 3, 2006	35,000	2036	20,325
Mercy Medical Center Issue, Series 2016A	March 2, 2016	135,250	2042	135,250
Mercy Medical Center Issue (2016C)	May 19, 2016	65,450	2042	48,960
Mercy Medical Center Issue (2021)	April 21, 2021	46,680	2031	35,720
Mercy Medical Center Issue (2022A)	June 9, 2022	45,200	2031	34,900
Mercy Medical Center Issue (2022B)	June 29, 2022	35,335	2037	35,335
		362,915		310,490
Mercy Ridge Issue (2021)	July 8, 2021	29,915	2035	21,965
Meritus Health Issue, Series 2025	June 18, 2025	361,030	2055	361,030
Monocacy Montessori Communities Inc. Issue, Series 2023	July 11, 2023	17,140	2063	17,140
Mount St. Joseph Issue (2012A)	September 27, 2012	14,000	2042	9,131
Norwood School Issue (2020)	May 4, 2020	10,500	2050	9,354
Notre Dame of Maryland University Issue (2021)	September 16, 2021	8,256	2050	8,065
Notre Dame of Maryland University Issue (2022)	October 3, 2022	16,279	2050	15,900
		24,535		23,965
Notre Dame Preparatory School Issue (2018)	August 30, 2018	7,000	2048	3,677
Our Lady of Good Counsel Issue (2014A)	March 12, 2014	31,125	2045	20,753
Our Lady of Good Counsel Issue (2015B)	March 17, 2015	2,950	2045	2,035
		34,075		22,788
Park School Issue (2010)	December 1, 2010	14,590	2034	5,700
Patterson Park Public Charter School Issue (2023A)	November 2, 2023	11,680	2053	11,680
Patterson Park Public Charter School Issue (2023B)	November 2, 2023	2,190	2031	2,190
		13,870		13,870
Peninsula Regional Health System Issue, Series 2020A	May 13, 2020	95,995	2048	89,745
Pickersgill Issue (2012)	June 28, 2012	31,150	2033	13,698
Pooled Loan Program, Series 1985A & B	December 30, 1985	175,000	2035	75,000
Rockbridge Academy Issue (2019A)	January 16, 2019	5,250	2049	4,740
Roland Park Country School Issue (2020)	August 6, 2020	13,000	2050	13,000
Roland Park Place Issue (2017)	March 2, 2017	30,000	2042	27,144
Roland Park Place Issue (2019A)	July 31, 2019	20,000	2049	18,874
		50,000		46,018
Sandy Spring Friends School Issue (2018A)	September 20, 2018	14,462	2048	12,136
Sandy Spring Friends School Issue (2018B)	September 20, 2018	8,000	2048	6,903
		22,462		19,039
Severn School Issue (2016A)	August 31, 2016	12,500	2036	7,160
Severn School Issue (2025A)	September 17, 2025	6,000	2056	2,830
Severn School Issue (2025B)	September 17, 2025	14,000	2036	5,609
		32,500		15,599
Sheppard Pratt Issue (2017)	December 20, 2017	178,748	2048	142,284
St. Andrew's Episcopal School Issue (2021)	August 31, 2021	7,903	2051	6,930
St. Andrew's Episcopal School Issue (2022)	October 3, 2022	20,212	2051	18,272
St. Andrew's Episcopal School Issue (2025)	October 21, 2025	16,000	2045	15,757
		44,115		40,958

Maryland Health and Higher Educational Facilities Authority
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St. John's College Issue, Series 2020	July 27, 2020	8,430	2040	6,400
St. John's Episcopal Day School Issue (2001)	December 21, 2001	7,000	2032	2,512
St. Paul's Schools Issue (2019A)	July 24, 2019	5,000	2049	4,720
St. Paul's Schools Issue (2019B)	July 24, 2019	20,000	2029	4,230
		25,000		8,950
Stella Maris Issue, Series 2018	December 19, 2018	21,000	2050	15,700
Stevenson University Issue, Series 2021A	January 28, 2021	126,380	2055	126,380
Stevenson University Issue (2021B) (Taxable)	January 28, 2021	14,779	2028	3,509
Stevenson University Issue (2024)	May 23, 2024	10,000	2056	10,000
		151,159		139,889
Stone Ridge School Issue (2019A)	June 18, 2019	25,000	2049	22,304
Summit School Issue (2026)	February 5, 2026	5,000	2057	53
The Boys' Latin School of Maryland Issue (2020A)	January 16, 2020	14,000	2050	11,863
The Boys' Latin School of Maryland Issue (2020B)	January 16, 2020	12,000	2050	11,535
		26,000		23,398
The Diener School Issue (2023A)	November 21, 2023	9,500	2053	9,331
The Diener School Issue (2023B)	November 21, 2023	3,122	2029	699
		12,622		10,030
The Foundation Schools Issue (2012)	July 25, 2012	6,221	2037	3,256
The Johns Hopkins Health System Issue (2017B)	October 11, 2017	165,825	2038	124,145
The Johns Hopkins Health System Issue, Series 2024A	August 15, 2024	48,610	2048	48,610
The Johns Hopkins Health System Issue, Series 2024B	August 15, 2024	88,920	2046	88,920
The Johns Hopkins Health System Issue, Series 2024C	August 15, 2024	48,610	2042	48,610
The Johns Hopkins Health System Issue, Series 2025A	December 19, 2025	359,755	2055	356,375
The Johns Hopkins Health System Issue, Series 2025B	December 19, 2025	50,430	2053	50,430
The Johns Hopkins Health System Issue, Series 2025C	December 19, 2025	109,530	2053	109,530
The Johns Hopkins Health System Issue, Series 2025D	December 19, 2025	50,305	2053	50,305
		921,985		876,925
The Johns Hopkins Medical Institutions Parking Facilities Issue, Series 1996	March 28, 1996	42,425	2026	3,070
The Johns Hopkins Medical Institutions Parking Facilities Issue, Series 2001	August 29, 2001	28,030	2034	12,995
The Johns Hopkins Medical Institutions Parking Facilities Issue, Series 2004	May 26, 2004	35,665	2034	33,125
The Johns Hopkins Medical Institutions Parking Facilities Issue, Series 2004B	December 1, 2004	33,035	2038	14,655
		139,155		63,845
The Johns Hopkins Medical Institutions Utilities Issue, Series 2015A	May 12, 2015	19,505	2037	19,505
The Johns Hopkins University Issue, Series 2005A	March 3, 2005	69,265	2036	69,265
The Johns Hopkins University Issue, Series 2013B	June 20, 2013	99,625		65,250
		168,890		134,515
The Key School Issue (2016A)	July 21, 2016	15,999	2046	12,905
The Key School Issue (2026A)	May 19, 2026	7,500	2056	50
The Key School Issue (2026B)	May 19, 2026	2,500	2033	50
		25,999		13,005
The SEED School of Maryland Issue (2019)	October 17, 2019	20,500	2037	13,712
The Vestry of Holy Trinity Parish Issue (2017)	March 29, 2017	3,481	2027	2,657
Tidal Health Issue (2025A)	May 1, 2025	115,450	2045	110,745
Tidal Health Issue (2025B)	April 4, 2025	7,365	2045	7,055
TidalHealth Issue, Series 2025C	November 4, 2025	127,580	2055	127,580
		250,395		245,380
Torah Institute of Baltimore Issue (2026)	June 18, 2026	18,000	2056	360
Trinity Health Credit Group Series 2017MD	January 19, 2017	30,065	2046	30,065
Union Hospital of Cecil County Issue (2014)	December 10, 2014	30,778	2039	26,561
University of Maryland Faculty Physicians Issue (2015)	December 1, 2015	12,615	2031	4,510

Maryland Health and Higher Educational Facilities Authority
Additional Information - Conduit Debt Outstanding

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University of Maryland Medical System Issue, Series 2008D	May 21, 2008	50,000	2041	49,180
University of Maryland Medical System Issue, Series 2013B (Taxable)	April 2, 2013	115,055	2043	110,070
University of Maryland Medical System Issue, Series 2015	May 21, 2015	80,145	2041	62,830
University of Maryland Medical System Issue (2016B)	September 27, 2016	50,295	2041	49,470
University of Maryland Medical System Issue (2016C)	September 27, 2016	50,345	2041	49,515
University of Maryland Medical System Issue (2016E)	October 13, 2016	54,370	2039	37,375
University of Maryland Medical System Issue (2016F)	October 13, 2016	54,360	2039	40,085
University of Maryland Medical System Issue, Series 2017B	February 2, 2017	152,410	2039	122,540
University of Maryland Medical System Issue, Series 2017C (Taxable)	February 2, 2017	121,400	2029	52,640
University of Maryland Medical System Issue, Series 2017D	December 19, 2017	145,265	2048	145,265
University of Maryland Medical System Issue, Series 2017E (Taxable)	December 19, 2017	44,700	2048	44,700
University of Maryland Medical System Issue, Series 2020B-2	July 22, 2020	74,420	2045	74,420
University of Maryland Medical System Issue, Series 2020D (Taxable)	July 22, 2020	600,000	2050	600,000
University of Maryland Medical System Issue (2021A)	December 8, 2021	160,845	2041	150,175
University of Maryland Medical System Issue, Series 2025 A	February 12, 2025	234,725	2052	229,185
University of Maryland Medical System Issue, Series 2025 B	February 12, 2025	72,630	2045	72,630
University of Maryland Medical System Issue, Series 2025 C-1	February 12, 2025	75,000	2055	75,000
University of Maryland Medical System Issue, Series 2025 C-2	February 12, 2025	75,000	2055	75,000
		2,210,965		2,040,080
UPMC Issue, Series 2020B	April 29, 2020	190,955	2050	170,480
Washington Episcopal Day School Issue (2021)	October 21, 2021	10,946	2051	9,710
Total Outstanding		$ 11,999,726		$ 10,219,166.33

DEFEASED CONDUIT DEBT

Bonds have been issued for the purpose of refunding bonds that were issued by the Authority. In some cases, the proceeds of the refunding bonds were deposited into escrow to be applied in future years to retire the refunded bonds. The escrows are held by independent trustees and are invested in obligations of the United States Government which mature and bear interest in such amounts and payable at such times as will be sufficient to pay the principal and interest of the defeased bonds when due upon maturity or redemption.

Defeased bonds outstanding at June 30, 2026 are as follows (in thousands of dollars):

Helix Health Issue, Series 1997	$ 19,505
Total	$ 19,505

Requests for Information

This financial report is designed to provide interested parties with a general overview of the Authority's finances. If you have questions about this report or need additional financial information, please contact:

Maryland Health and Higher Educational Facilities Authority
Attention: Executive Director
401 East Pratt Street, Suite 1224
Baltimore, MD 21202

Telephone: (410) 837-6220

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