

OFFICIAL STATEMENT DATED FEBRUARY 18, 2026

New Issues – Book-Entry Only

In the opinion of Bond Counsel, (i) under existing statutes, regulations and decisions the Tax-Exempt Bonds, their transfer, the interest payable on them, and any income derived from the, including any profit realized in their sale or exchange, shall be exempt from taxation of any kind by the State of Maryland, any of its political subdivision, or any other public entity; no opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Tax-Exempt Bonds or the interest thereon; (ii) under existing law, interest on the Taxable Bonds and profit realized from the sale or exchange of the Taxable Bonds will be exempt from State of Maryland income taxation; no opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Taxable Bonds or the interest thereon; and (iii) assuming compliance with certain covenants described herein, under existing statutes, regulations and decisions, interest on the Tax-Exempt Bonds will be excludable from gross income for federal income tax purposes. Interest on the Taxable Bonds will be includable in gross income for federal income tax purposes. Under existing law, interest on the Tax-Exempt Bonds for federal income tax purposes is not includable in alternative minimum taxable income of individuals as an enumerated item of tax preference or other specific adjustment; however, for taxable years beginning after December 31, 2022, interest on the Tax-Exempt Bonds will be part of adjusted financial statement income in computing the alternative minimum tax on applicable corporations. Additionally, interest on the Tax-Exempt Bonds will be subject to the branch profits tax imposed on certain foreign corporations engaged in a trade or business in the United States of America. See "Tax Matters."

\$148,225,000 General Obligation Bonds



RATINGS: (See the section "RATINGS")
Fitch RatingsAAA
Moody's Investors ServiceAaa
S&P Global Ratings..... AAA

\$70,880,000 Consolidated Public Improvement Project Bonds, 2026 Series A (Tax-Exempt)
\$19,685,000 Metropolitan District Project Bonds, 2026 Series B (Tax-Exempt)
\$40,300,000 Consolidated Public Improvement Refunding Bonds, 2026 Series C (Tax-Exempt)
\$17,360,000 Consolidated Public Improvement Project Bonds, 2026 Series D (Taxable)

Dated: Date of Delivery **Due:** As shown herein

Payable: Interest on and principal of the Bonds will be paid by the County to The Depository Trust Company ("DTC"), New York, New York, as securities depository. Disbursement of such payments will be made by DTC to its Participants which in turn will provide for payment to the Beneficial Owners of the Bonds, all as described herein. Beneficial Owners will not receive certificates evidencing their interests in Bonds purchased.

Redemption: The Series A, Series B and Series D Bonds maturing on and after August 15, 2036 are subject to optional redemption on or any time after August 15, 2035 as set forth herein. The Series C Bonds are not subject to optional redemption.

Purpose: Proceeds of the Bonds are being used to (1) pay or reimburse the County for the cost of certain Public Improvements, (2) repay all or a portion of the County's outstanding general obligation bond anticipation notes, (3) provide funds, together with investment earnings thereon, that will be sufficient to refund certain general obligation bonds as described herein, and (4) pay costs of issuance related to the Bonds.

Security: The Bonds are general obligations of the County, and its full faith and credit and unlimited taxing power are irrevocably pledged to the punctual payment of principal of and interest on the Bonds when due.

Denomination: Integral multiples of \$5,000

Interest Payable: February 15 and August 15

First Interest Payment Due: August 15, 2026

FOR MATURITY SCHEDULES SEE INSIDE COVER

This cover page contains information for quick reference only. It is not a summary of the Bonds. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

The Bonds are offered for delivery when, as and if issued, subject to the approving opinions of McKennon Shelton & Henn LLP, Baltimore, Maryland, Bond Counsel, and certain other conditions. Davenport & Company, Towson, Maryland, served as municipal advisor to the County in connection with the issuance of the Bonds. The Bonds in definitive form will be available for delivery through the facilities of DTC on or about March 4, 2026.

Maturity Schedules

\$70,880,000 Consolidated Public Improvement Project Bonds, 2026 Series A (Tax-Exempt)

Due Aug. 15	Principal Amount	CUSIP**	Interest Rate Yield		Due Aug. 15	Principal Amount	CUSIP**	Interest Rate Yield					
2026	\$ 2,300,000	44256QAA9	5.000	%	2.230	%	2034	\$ 3,180,000	44256QAJ0	5.000	%	2.370	%
2027	2,240,000	44256QAB7	5.000		2.060		2035	3,340,000	44256QAK7	5.000		2.480	
2028	2,355,000	44256QAC5	5.000		2.060		2036	3,515,000	44256QAL5	5.000		2.580	*
2029	2,475,000	44256QAD3	5.000		2.070		2037	3,695,000	44256QAM3	5.000		2.680	*
2030	2,600,000	44256QAE1	5.000		2.100		2038	3,880,000	44256QAN1	5.000		2.810	*
2031	2,735,000	44256QAF8	5.000		2.150		2039	4,080,000	44256QAP6	5.000		2.960	*
2032	2,875,000	44256QAG6	5.000		2.240		2040	4,290,000	44256QAQ4	5.000		3.010	*
2033	3,025,000	44256QAH4	5.000		2.280		2041	4,485,000	44256QAR2	4.000		3.450	*
\$9,515,000 Term Bond due August 15, 2043; CUSIP** 44256QAT8; Interest Rate: 3.875%; Yield: 3.875% \$10,295,000 Term Bond due August 15, 2045; CUSIP** 44256QAV3; Interest Rate: 4.000%; Yield: 4.000%													

\$19,685,000 Metropolitan District Project Bonds, 2026 Series B (Tax-Exempt)

Due Aug. 15	Principal Amount	CUSIP**	Interest Rate Yield		Due Aug. 15	Principal Amount	CUSIP**	Interest Rate Yield					
2026	\$ 350,000	44256QAW1	5.000	%	2.090	%	2041	\$ 645,000	44256QBM2	4.000	%	3.500	%*
2027	320,000	44256QAX9	5.000		2.090		2042	670,000	44256QBN0	4.000		3.650	*
2028	340,000	44256QAY7	5.000		2.090		2043	695,000	44256QBP5	4.000		3.800	*
2029	355,000	44256QAZ4	5.000		2.100		2044	725,000	44256QBQ3	4.000		3.900	*
2030	375,000	44256QBA8	5.000		2.130		2045	755,000	44256QBR1	4.000		4.000	
2031	390,000	44256QBB6	5.000		2.180		2046	785,000	44256QBS9	4.000		4.050	
2032	410,000	44256QBC4	5.000		2.280		2047	820,000	44256QBT7	4.000		4.100	
2033	435,000	44256QBD2	5.000		2.330		2048	850,000	44256QBU4	4.000		4.150	
2034	455,000	44256QBE0	5.000		2.420		2049	885,000	44256QBV2	4.000		4.200	
2035	480,000	44256QBF7	5.000		2.530		2050	925,000	44256QBW0	4.125		4.230	
2036	505,000	44256QBG5	5.000		2.630	*	2051	960,000	44256QBX8	4.125		4.260	
2037	530,000	44256QBH3	5.000		2.730	*	2052	1,000,000	44256QBY6	4.125		4.280	
2038	555,000	44256QBJ9	5.000		2.870	*	2053	1,045,000	44256QBZ3	4.125		4.300	
2039	585,000	44256QBK6	5.000		3.010	*	2054	1,090,000	44256QCA7	4.250		4.320	
2040	615,000	44256QBL4	5.000		3.120	*	2055	1,135,000	44256QCB5	4.250		4.330	

\$40,300,000 Consolidated Public Improvement Refunding Bonds, 2026 Series C (Tax-Exempt)

Due Feb. 15	Principal Amount	CUSIP**	Interest Rate Yield		Due Feb. 15	Principal Amount	CUSIP**	Interest Rate Yield					
2027	\$ 1,495,000	44256QCC3	5.000	%	2.050	%	2032	\$ 4,275,000	44256QCH2	5.000	%	2.210	%
2028	3,515,000	44256QCD1	5.000		2.070		2033	4,495,000	44256QCJ8	5.000		2.300	
2029	3,695,000	44256QCE9	5.000		2.080		2034	4,715,000	44256QCK5	5.000		2.380	
2030	3,880,000	44256QCF6	5.000		2.110		2035	4,955,000	44256QCL3	5.000		2.480	
2031	4,075,000	44256QCG4	5.000		2.150		2036	5,200,000	44256QCM1	5.000		2.570	

* Yield to August 15, 2035, the first optional call date.

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\$17,360,000 Consolidated Public Improvement Project Bonds, 2026 Series D (Taxable)

Due Aug. 15	Principal Amount	CUSIP**	Interest		Due Aug. 15	Principal Amount	CUSIP**	Interest	
			Rate	Yield				Rate	Yield
2026	\$ 595,000	44256QCN9	5.000 %	3.600 %	2036	\$ 850,000	44256QCY5	4.300 %	4.300 %
2027	580,000	44256QCP4	4.000	3.620	2037	890,000	44256QCZ2	4.400	4.400
2028	605,000	44256QCQ2	4.000	3.670	2038	930,000	44256QDA6	4.450	4.450
2029	630,000	44256QCR0	5.000	3.700	2039	970,000	44256QDB4	4.550	4.570
2030	660,000	44256QCS8	5.000	3.750	2040	1,015,000	44256QDC2	4.650	4.650
2031	695,000	44256QCT6	4.000	3.900	2041	1,065,000	44256QDD0	4.700	4.730
2032	720,000	44256QCU3	4.000	3.950	2042	1,115,000	44256QDE8	4.800	4.800
2033	750,000	44256QCV1	4.000	4.000	2043	1,170,000	44256QDF5	4.850	4.870
2034	780,000	44256QCW9	4.050	4.050	2044	1,230,000	44256QDG3	4.900	4.940
2035	815,000	44256QCX7	4.250	4.250	2045	1,295,000	44256QDH1	4.950	4.990

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Howard County, Maryland

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County Executive

Calvin Ball

County Council

Opel Jones, *Chairperson*
Christiana Rigby, *Vice Chairperson*
Deb Jung, *Council Member*
Liz Walsh, *Council Member*
David Yungmann, *Council Member*

Certain Appointed Officials

Rafiu O. Ighile, *Director of Finance*
Gary Kuc, *County Solicitor*
Brandee Ganz, *Chief Administrative Officer*
Michelle Harrod, *Administrator to the County Council*
Dr. Holly Sun, *Budget Administrator*

Municipal Advisor

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www.investdavenport.com

Bond Counsel

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Independent Auditor

CliftonLarsonAllen LLP
1966 Greenspring Drive, Suite 300
Timonium, Maryland 21093
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No dealer, broker, salesman or other person has been authorized by the County to give any information or to make any representations with respect to the County or the Bonds, other than those contained in this Official Statement. If given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy, nor shall there be any sale of, the Bonds described herein by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

All quotations from and summaries and explanations of provisions of laws and documents herein do not purport to be complete and reference is made to such laws and documents for full and complete statements of their provisions. The County believes that the information contained in this Official Statement is complete and accurate and that information obtained from other sources is reliable. However, the County does not guarantee the accuracy or completeness of information obtained from other sources and such information should not be considered to be a representation of the County. Any statements made in this Official Statement involving estimates or matters of opinion, whether or not expressly so stated, are intended merely as estimates or opinion and not as representations of fact. The information and expressions of opinion contained herein are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds shall under any circumstances create any implication that there has been no change in the affairs of the County since the respective dates as of which such information is given herein. This Official Statement is not to be construed as a contract or agreement between the County and the purchasers or holders of any of the Bonds. Furthermore, this Official Statement does not contain any investment advice for purchasers or holders of any of the Bonds. Such persons should consult their own financial advisors regarding possible financial consequences of ownership of the Bonds.

The cover page hereof, the list of officials, this page and the appendices attached hereto are part of this Official Statement. The order and placement of materials in this Official Statement, including the appendices, are not to be deemed a determination of relevance, materiality or importance, and this Official Statement, including the appendices, must be considered in its entirety. The captions and headings in this Official Statement are for convenience only and in no way define, limit or describe the scope or intent, or affect the meaning or construction, of any provisions or sections of this Official Statement. The offering of the Bonds is made only by means of this entire Official Statement.

In connection with the offering of the Bonds, the Underwriter may over-allot or effect transactions that stabilize or maintain the market price of the Bonds at levels above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Underwriter has reviewed the information in this Official Statement in accordance with and as part of its responsibility to investors under federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein are provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by FactSet Research Systems Inc., and the County takes no responsibility for the accuracy thereof. These data are not intended to create a database and do not serve in any way as a substitute for CUSIP Global Services.

No registration statement relating to the Bonds has been filed with the United States Securities and Exchange Commission (the "SEC") or with any state securities agency. The Bonds have not been approved or disapproved by the SEC or any state securities agency nor has the SEC or any state securities agency passed upon the accuracy or adequacy of this Official Statement. Any representation to the contrary may be a criminal offense.

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Appendix C

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Howard County Regional Location



The Bonds

Purpose of Official Statement

This Official Statement provides information regarding Howard County, Maryland (the “County”) and the offering of its \$148,225,000 general obligation bonds (the “Bonds”). The Bonds consist of the following:

- \$70,880,000 Consolidated Public Improvement Project Bonds, 2026 Series A (Tax-Exempt) (the “Public Improvement Bonds” or the “Series A Bonds”);
- \$19,685,000 Metropolitan District Project Bonds, 2026 Series B (Tax-Exempt) (the “Metropolitan District Bonds” or the “Series B Bonds”);
- \$40,300,000 Consolidated Public Improvement Refunding Bonds, 2026 Series C (Tax-Exempt) (the “Refunding Bonds” or the “Series C Bonds”) (the Series A Bonds, the Series B Bonds and the Series C Bonds collectively the “Tax-Exempt Bonds”); and
- \$17,360,000 Consolidated Public Improvement Project Bonds, 2026 Series D (Taxable) (the “Taxable Bonds” or the “Series D Bonds”);

The County

Howard County is 251 square miles in area and is home to approximately 336,001 residents. The County is located in the State of Maryland (the “State”) between Baltimore, Maryland and Washington, D.C., and at its closest point is less than four miles from the former and 13 miles from the latter. The County was formed in 1851 and bears the name of Colonel John Eager Howard, the fifth Governor of Maryland. The County was predominately agricultural until 1966, when construction began on the master-planned community of Columbia. The County’s population has grown an average of 1.55% annually since 2000, and is the sixth wealthiest County in the United States. Under a home rule charter since 1968, the County is governed by an elected county executive (the “County Executive”) and five-member council (the “Council”).

Authorization

The Public Improvement Bonds and the Taxable Bonds are being issued pursuant to the authority of Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume, as supplemented) (“Section 10-203”), Section 19-101 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume, as supplemented) (“Section 19-101”), the Howard County Charter (the “Charter”), certain bond enabling bills of County Council of Howard County, Maryland (the “Council”), and in accordance with Council Bill No. 65-2025 enacted during the 2025 Legislative Session (the “Bond Ordinance”).

The Metropolitan District Bonds are being issued pursuant to the authority of Section 10-203, the Charter, Chapter 991 of the Acts of the General Assembly of Maryland 1943, as amended, Chapter 609 of the Acts of the General Assembly of Maryland of 1945, as amended, Chapter 369 of the Acts of the General Assembly of Maryland of 1963, as amended and Chapter 356 of the Acts of the General Assembly of Maryland of 1965, as amended (collectively, the “Acts”), certain bond enabling bills of the Council, and in accordance with the Bond Ordinance.

The Refunding Bonds are being issued pursuant to the authority of Section 10-203, Section 19-101, Section 19-207 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume, as supplemented), the Charter, certain bond enabling bills of the Council and in accordance with Council Bill No. 55-2024 enacted during the 2024 Legislative Session (the “Refunding Ordinance”).

Description

The Bonds are dated and bear interest from their date of delivery (the “Closing Date”), and pay interest on February 15 and August 15 of each year, beginning August 15, 2026, at the interest rates set forth on the inside cover page of this Official Statement. Interest is calculated on the basis of a 360-day year consisting of twelve 30-day months. The Bonds are issued as fully-registered bonds without coupons, book-entry form only, and are denominated in integral multiples of \$5,000. The Bonds mature, subject to prior redemption as described herein, on the dates and in the amounts set forth on the inside cover page of this Official Statement.

Registration, Payment and Transfer

Registration through Securities Depository

The information contained in the following paragraphs of this subsection “Registration Through Securities Depository” has been extracted from a schedule prepared by The Depository Trust Company (“DTC”) entitled “SAMPLE OFFERING DOCUMENT LANGUAGE DESCRIBING BOOK-ENTRY ONLY ISSUANCE.” The County makes no representation as to the completeness or the accuracy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each maturity of the Bonds in principal amount equal to the aggregate principal amount of the Bonds of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited,

which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments and any premium on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct and Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Direct or Indirect Participant and not of DTC, DTC's nominee, the Paying Agent or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest or premium to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or its Paying Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

THE COUNTY CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO BENEFICIAL OWNERS OF THE BONDS (1) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM ON THE BONDS; (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE BONDS; OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE BONDS OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT OR ANY RULES AND PROCEDURES OF DTC.

Neither the County nor its agents will have any responsibility or obligation to Direct or Indirect Participants or to any Beneficial Owner with respect to 1) the accuracy of any records maintained by DTC or any Direct or Indirect Participant; 2) the payment by DTC or any Direct or Indirect Participant of any amount with respect to the principal of, premium, if any, or interest on the Bonds; 3) any notice which is permitted or required to be given to Beneficial Owners; 4) any consent given by DTC or other action taken by DTC as bondholder; or 5) the selection by DTC or any Direct or Indirect Participant of any Beneficial Owner to receive payment in the event of a partial redemption of Bonds.

Termination of Book-Entry System

DTC may discontinue providing its services with respect to the Bonds at any time by giving reasonable notice to the County or the Director of Finance of the County (the "Director of Finance"), or his or her successor as registrar for the Bonds (the "Bond Registrar"). In addition, the County Executive may discontinue the book-entry system with DTC. If the County Executive fails to identify another qualified securities depository to replace DTC, the County will deliver replacement Bonds in the form of fully registered certificates, and payments of principal of and interest on such replacement Bonds will be paid in accordance with the terms of the Bond Ordinance and the Refunding Ordinance. Each Beneficial Owner, upon registration of certificates held in such Beneficial Owner's name, will become a Bondholder. Subject to the further conditions contained in the Bond Ordinance and the Refunding Ordinance, the Bonds may be transferred or exchanged for one or more Bonds in different authorized denominations upon surrender thereof by the registered owners or their duly authorized representatives. For every transfer and

exchange of the Bonds, the registered owner may be charged a sum sufficient to cover any tax or other governmental charge required to be paid in connection with such exchange or transfer.

Record Dates

The record dates for the Bonds will be the fifteenth day preceding each interest payment date for the Bonds and the fifteenth day preceding the date of publication of any notice of redemption.

Redemption

Mandatory Sinking Fund Redemption

The Series A Bonds maturing on August 15, 2043 and 2045, are subject to mandatory sinking fund redemption by the County at a redemption price equal to 100% of the principal amount thereof, together with interest accrued to the date fixed for redemption from sinking fund installments becoming due on August 15 of the following years and in the following amounts:

Consolidated Public Improvement Bonds Mandatory Sinking Fund Redemption

Term Bonds due August 15, 2043			
<u>Year</u>	<u>Sinking Fund Installment</u>	<u>Year</u>	<u>Sinking Fund Installment</u>
2042	\$ 4,665,000	2043*	\$ 4,850,000
*Final Maturity			

Term Bonds due August 15, 2045			
<u>Year</u>	<u>Sinking Fund Installment</u>	<u>Year</u>	<u>Sinking Fund Installment</u>
2044	\$ 5,045,000	2045*	\$ 5,250,000
*Final Maturity			

Optional Redemption

The Series C Bonds are not subject to optional redemption prior to maturity.

The Series A Bonds, the Series B Bonds and the Series D Bonds maturing on or before August 15, 2035 are not redeemable prior to their stated maturities. The Series A Bonds, Series B Bonds and Series D Bonds maturing on and after August 15, 2036 are subject to redemption prior to their respective maturities, at the option of the County, on or at any time after August 15, 2035, in whole or in part, at a redemption price of 100% of the principal amount thereof, together with interest accrued to the redemption date.

If less than all of the outstanding Bonds of any series are called for optional redemption, the County will choose the maturities to be redeemed and the principal amount of each such maturity to be redeemed, in its sole discretion. If less than all of such Bonds of any one maturity are called for redemption, then the particular Bonds of such maturity or portions of such Bonds to be redeemed will be chosen by DTC in accordance with its normal and customary procedures (so long as the Bonds are in book-entry form), or by the Bond Registrar, by lot (if the book-entry system has been discontinued). For an optional redemption of term Bonds, the County will choose the mandatory sinking fund redemption installments of such term Bonds to be reduced and the amount of each such reduction, in its sole discretion. The Bonds are redeemable only in integral multiples of \$5,000.

On the Redemption Date, if sufficient money to pay the redemption price of Bonds called for redemption and accrued interest on the Bonds are held by the Bond Registrar, such Bonds called for redemption will become due and payable, interest on such Bonds will cease to accrue and the registered owners of such Bonds will have no rights in respect thereof except to receive payment of the redemption price thereof, plus accrued interest thereon to the Redemption Date.

Notice of Redemption

A notice calling for redemption of any Bonds will be delivered to DTC not less than 20 days prior to the date fixed for redemption (the “Redemption Date”), and otherwise as provided in the Bond Ordinance. If the book-entry system has been discontinued for the Bonds, a notice calling for redemption of any Bonds will be mailed, not less than 20 days prior to the Redemption Date, to all registered owners of the Bonds to be redeemed (in whole or in part), at their last addresses appearing on the registration books kept by the Bond Registrar, by first-class mail, postage prepaid. Failure to mail or deliver any such notice or any defect in the notice or its mailing or delivery will not affect the validity of any redemption proceedings. Any redemption notice will specify the series, CUSIP numbers, maturities and interest rates of any Bonds to be redeemed, the date of the notice, the Redemption Date, the redemption price, the name, address and telephone number of the Bond Registrar, and, for a partial redemption, the principal amount of each maturity of the Bonds to be redeemed. Such notice will further state that, on the Redemption Date, the Bonds called for redemption will be due and become payable, if sufficient funds are available, at the office of the Bond Registrar, and that, from and after the Redemption Date, interest thereon shall cease to accrue.

Security and Sources of Payment

General Obligation

The Bonds are general obligations of the County, and the County’s full faith and credit and unlimited taxing power are irrevocably pledged to the punctual payment of principal and interest on such Bonds when due and payable.

Public Improvement Bonds, Refunding Bonds and Taxable Bonds

In each and every fiscal year during which any of the Public Improvement Bonds, the Refunding Bonds or the Taxable Bonds are outstanding, the County will levy or cause to be levied ad valorem taxes on real and tangible personal property and on intangible property subject to taxation by the County in an amount sufficient, together with other available funds, to pay the annual interest on the outstanding Public Improvement Bonds, Refunding Bonds and Taxable Bonds and to pay the principal of the Public Improvement Bonds, the Refunding Bonds and the Taxable Bonds due and payable during the succeeding fiscal year. Without limiting the foregoing, portions of the Public Improvement Bonds and the Refunding Bonds are expected to be paid from transfer tax and fire tax revenues, school facilities surcharges, building excise taxes on new construction, broadband fees, tax increment revenues, and environmental service charges.

Metropolitan District Bonds

The principal of and the interest on the Metropolitan District Bonds are payable from revenues obtained from: (1) special front foot benefit assessments collected by the County on all property in the Metropolitan District (described in more detail under “Government and Infrastructure, Water and Sewer System” herein) directly benefited by water and sewer facilities, (2) special annual ad valorem taxes levied by the County upon assessable property within the Metropolitan District, (3) water and sewer service charges for the use of utilities and charges for the upkeep of water and sewer systems that have a connection with water mains or sewers and (4) water and sewer connection charges. However, in the event such revenues in any fiscal year are insufficient to pay the annual interest on the outstanding Metropolitan District Bonds and to pay the principal of the Metropolitan District Bonds due and payable, the County will levy ad valorem taxes on real and tangible personal property and on intangible property subject to taxation by the County in an amount sufficient, together with other available funds, to pay such annual interest and to pay the principal of such Metropolitan District Bonds. The County has never had to levy ad valorem taxes to pay the interest or principal due on any other Metropolitan District bonds.

Purpose of Financing

Public Improvement Bonds

The County is issuing the Public Improvement Bonds to repay all or a portion of the County's outstanding Master General Obligation Bond Anticipation Note, Series 2025A (Tax-Exempt), to pay or reimburse the County for the cost of Public Improvement projects and to pay costs of issuance of the Public Improvement Bonds.

Metropolitan District Bonds

The County is issuing the Metropolitan District Bonds to repay all or a portion of the County's outstanding Master General Obligation Bond Anticipation Note, Series 2025A (Tax-Exempt), to reimburse the County for the cost of Water and Sewer projects and to pay costs of issuance of the Metropolitan District Bonds.

Refunding Bonds

The County is issuing the Refunding Bonds to provide funds that, together with investment earnings thereon, will be sufficient to refund the "Refunded Bonds" at their optional redemption date and to pay costs of issuance related to the Refunding Bonds.

Refunded Bonds

Dated Date	Principal Amount Outstanding	Principal Amount Being Refinanced	Maturities Being Refinanced	Redemption Date	Optional Redemption Price (%)
3/30/2016	\$ 45,990,000	\$ 45,990,000	2/15/2027 - 2/15/2036	4/3/2026	100

Taxable Bonds

The County is issuing the Taxable Bonds to repay all or a portion of the County's outstanding Master General Obligation Bond Anticipation Note, Series 2025B (Taxable), to pay or reimburse the County for the cost of Public Improvement projects and to pay costs of issuance of the Taxable Bonds.

Sources and Uses

The following table identifies the sources and uses of funds in this financing.

Sources	CPI 2026 Series A	Metro 2026 Series B	CPI 2026 Series C	CPI 2026 Series D	Total
Par Amount.....	\$70,880,000	\$19,685,000	\$40,300,000	\$17,360,000	\$148,225,000
Premium.....	7,316,323	878,997	5,933,226	55,820	14,184,367
Total	\$78,196,323	\$20,563,997	\$46,233,226	\$17,415,820	\$162,409,367
Uses					
Project Fund Deposit.....	\$77,803,890	\$20,326,802	-	\$17,331,000	\$115,461,692
Escrow Fund Deposit.....	-	-	46,061,465	-	46,061,465
Issuance Costs ⁽¹⁾	389,344	235,719	168,151	83,312	876,526
Other Uses of Funds.....	3,090	1,476	3,610	1,508	9,684
Total	\$78,196,323	\$20,563,997	\$46,233,226	\$17,415,820	\$162,409,367

(1) Issuance costs include Rating Agency Fees, Underwriters' Discount, Municipal Advisor Fees, Bond Counsel Fees, and other costs of issuance. Table may not add due to rounding.

Deposits to Escrow Deposit Account

On the Closing Date, a portion of the proceeds of the Refunding Bonds will be deposited by the Director of Finance with Manufacturers and Traders Trust Company (the “Escrow Deposit Agent”) in a single trust fund (the “Escrow Deposit Account”) to be established under an Escrow Deposit Agreement to be entered into between the County and the Escrow Deposit Agent (the “Escrow Deposit Agreement”). The Escrow Deposit Agent will apply all or part of the funds so deposited in the Escrow Deposit Account to purchase United States Treasury obligations or obligations guaranteed by United States of America (hereinafter referred to as the “Government Obligations”).

The Government Obligations on deposit in the Escrow Deposit Account will mature in stated fixed amounts as to principal and interest at such times as will, together with cash on hand, be sufficient, without reinvestment to redeem the Refunded Bonds on their optional redemption date. Also see “Verification of Mathematical Computations” herein. The Government Obligations and cash, if any, on deposit in the Escrow Deposit Account will be used for the payment of the principal of and interest on the Refunded Bonds, and are not available for the payment of the principal of, redemption premium, if any, or interest on the Bonds or any other obligations of the County.

Additional Information

This Official Statement speaks only as of the date appearing on the cover page, and the information contained herein is subject to change. Questions regarding this Official Statement should be directed to the Director of Finance at the address and telephone number listed on the inside of the cover page. The full text of the Bond Ordinance and the Refunding Ordinance, the County’s latest comprehensive annual financial report and budget are available from the Director of Finance for the cost of reproducing such material or at www.howardcountymd.gov or on the MSRB’s EMMA website.

Financial Information

Financial Reporting

Basis of Accounting

The County's audited basic financial statements for the fiscal year ended June 30, 2025 can be found at <https://www.howardcountymd.gov/finance/finance-audits>. These statements were audited by CliftonLarsonAllen LLP, independent certified public accountants, and have been included in reliance upon the qualification of the firm to issue the report. The accounting and financial reporting policies of the County conform to generally accepted accounting principles ("GAAP") as applicable to governmental units.

The County's accounts are organized on the basis of funds. Fund types include (1) the General Fund, which is the general operating fund of the County, (2) Special Revenue Funds, which account for specific revenues that by law are designated for particular activities, (3) Proprietary Funds, which include the enterprise funds that account for the County's water and sewer, broadband, storm water and golf course operations, (4) Capital Projects Funds, which account for construction or acquisition of fixed assets, (5) Debt Service Funds, which account for the accumulation of resources which have been restricted, committed or assigned, (6) Internal Service Funds used to account for goods and services furnished by one County department to another, and (7) Trust and Custodial Funds used to account for resources held in a custodial capacity.

The financial data for the Board of Education of Howard County (the "Board of Education"), the Howard County Library System (the "Library"), Howard Community College (the "Community College") and the Howard County Housing Commission (the "Housing Commission," and collectively, the "Component Units") are discretely presented in the government-wide statements to emphasize their legal separation from the County. However, the County is responsible for levying taxes and has budgetary control over the Component Units.

The County's annual comprehensive financial report ("ACFR") for the fiscal year ended June 30, 2024 was awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada ("GFOA"). To receive this highest recognition from GFOA, a government unit's ACFR must be easily readable, efficiently organized and satisfy both GAAP and legal requirements. The County has received this Certificate of Achievement for Excellence for each fiscal year since 1976 and submitted its ACFR for the fiscal year ended June 30, 2025 to GFOA for another certificate.

Budget

The County's budget includes an operating and a capital budget. The operating budget is derived from programs detailing the nature, volume and cost of work to be performed by each of the County's agencies. This element of the budget includes revenues estimated to be received and expenditures authorized for the ensuing fiscal year, surpluses or deficits estimated for the current fiscal year. The operating and capital budgets also project summaries of revenues and expenditures for the ensuing five fiscal years.

The capital budget describes each capital project proposed in the ensuing fiscal year and receipts anticipated from all borrowings and other sources for such projects. The capital budget also proposes capital projects to be undertaken in the ensuing five fiscal years and the means of financing such projects. (See "Capital Requirements and Debt Management, Capital Budget and Program" herein.)

The County's budget for the fiscal year ended June 30, 2026 was awarded the Distinguished Budget Presentation Award by GFOA. To receive this award, a government unit must publish a budget document that meets program criteria as a policy document, operations guide, financial plan and communication device. The County has received this distinguished GFOA Award for each fiscal year since 1992 and submitted its budget for the fiscal year ended June 30, 2027 to GFOA for another award.

The County Executive must submit a capital budget and an operating budget to the Council by April 1 and April 21, respectively. The Council may decrease or delete any budgetary item, except those mandated by State law and provisions to pay outstanding debt service or eliminate cash deficits. The Council has no power to alter revenue estimates or increase any recommended expenditures, except as expressly provided in State law. After enacting the operating budget and adopting the capital budget, the Council must then levy taxes required to balance budget revenues and expenditures. If a new operating budget is not enacted by the Council before June 2 in any fiscal year, the operating budget proposed by the County Executive stands adopted and funds for expenditures stand appropriated.

No agency of the County may incur any liability in excess of the amounts appropriated for the same general classification of expenditure in the budget. Any such liability incurred, except for small purchases, must first have funds for the designated purpose certified as available by the Director of Finance. The Council, upon the request of the County Executive, may approve transfers between projects in the capital budget and supplemental operating budgets funded from the contingency reserve and from unappropriated funds in emergencies. After April 1 of each year, the Council, upon the request of the County Executive, may approve transfers between departments in the operating budget; the County Executive has authority to make operating budget transfers within a department at any time without approval of the Council.

Surplus revenues in any fiscal year must be appropriated into the budget stabilization account, also known as the Rainy-Day Fund, until its balance equals seven percent of the audited General Fund expenditures for the prior fiscal year. Money in the fund may be used only for emergencies or to cover significant revenue shortfalls during a fiscal year that the County Executive determines cannot be offset by reducing expenditures. Surplus revenues not required for the Rainy-Day Fund must be used to fund capital projects, reduce existing County debt or fund appropriations for non-recurring expenses, unless otherwise determined by a vote of two-thirds of the members of the Council.

To finance capital projects from borrowing, the Council adopts a bond issue authorization ordinance pursuant to enabling laws. Such ordinances are not subject to referendum, nor to executive veto. Any contract, lease or other obligation providing for payment of funds after the end of the fiscal year in which such obligation is made must be approved by ordinance. No contract for the purchase of real or leasehold property may be entered into unless funds therefor are included in the capital budget. No obligations of the County may be authorized in any fiscal year for any capital project not included in the capital budget.

Government-Wide Full Accrual Reporting

The positive total net position shown below as of June 30, 2025, reflects the County’s commitment to maintaining infrastructure assets and its tradition of providing substantial pay-go funding for capital outlays.

Summary of Net Position

	Governmental Activities	Business-type Activities	Total
NET POSITION			
Invested in capital assets, net of related debt	\$1,011,342,876	\$449,352,310	\$1,460,695,186
Restricted	369,759,623	8,903,642	378,663,265
Unrestricted	(348,659,101)	204,070,758	(144,588,343)
Total net position	\$1,032,443,398	\$662,326,710	\$1,694,770,108

It is important to note that although counties in the State of Maryland issue debt for the construction of schools, the school buildings are owned by each county’s Public School System. The County also funds projects for Howard Community College and for intersection improvements to State-owned roads. As of June 30, 2025, the outstanding debt for its public school buildings was \$400.0 million and \$128.1 million for its community college buildings. The negative unrestricted net position for governmental activities reflects the imbalance of liabilities, without corresponding assets, as well as the governmental activities’ net OPEB liability of \$213.4 million. Ownership of school buildings no longer needed for educational purposes reverts to the County. As of June 30, 2025, net value of buildings, improvements and construction in progress owned by the Board of Education was \$1.3 billion and \$330.7 million for those owned by the Community College.

The schedule below shows the value of net assets resulting from operations in fiscal year 2025 for governmental and business activities combined.

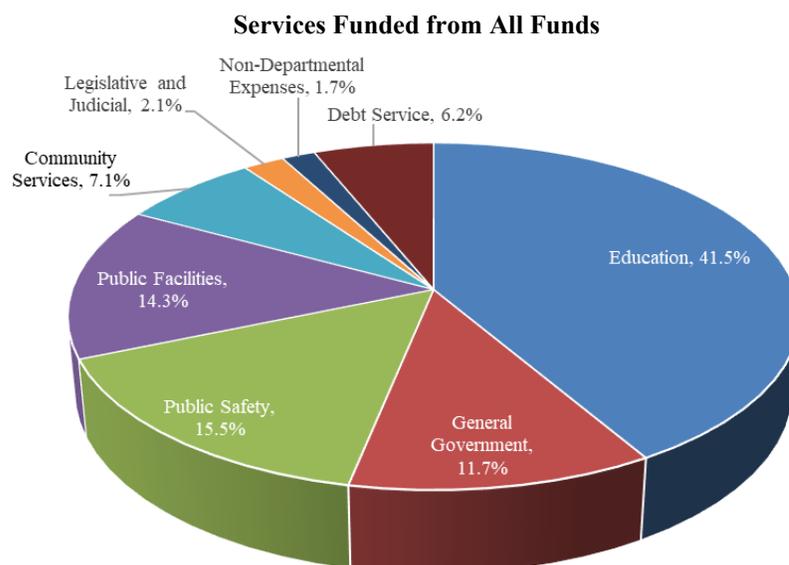
	Governmental Activities	Business-type Activities	Total
Revenues	\$2,036,639,853	\$167,687,703	\$2,204,327,556
Expenses	1,864,294,943	141,410,903	2,005,705,846
Increase in net position before transfers	172,344,910	26,276,800	198,621,710
Transfers	1,442,241	(1,442,241)	-
Increase in net position after transfers	173,787,151	24,834,559	198,621,710
Net Position - July 1, 2024, as restated	858,656,247	637,492,151	1,496,148,398
Net Position - June 30, 2025	\$1,032,443,398	\$662,326,710	\$1,694,770,108

Overview of Revenues and Expenditures

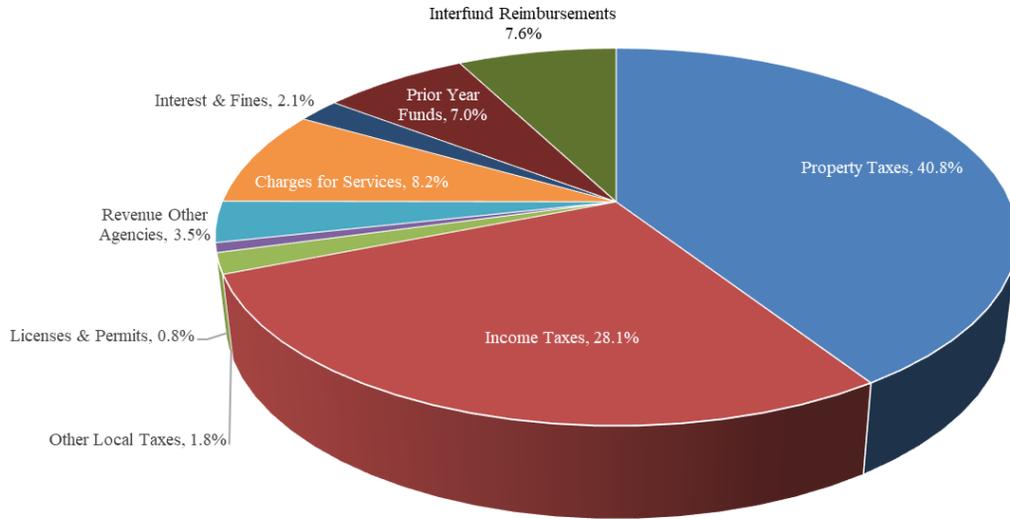
The largest fund in the County’s basic financial statements, the General Fund, records receipt of taxes and other revenues not directed by law into other funds and payment of all operating costs of County government and services. Transfers from the General Fund and revenues from other government agencies (particularly the State) provide most of the revenues for the County’s Board of Education, Library, Community College and Housing Commission, each of which is a Component Unit.

Special Revenue Funds account for specific revenues that by law are designated for particular functions or activities. The County uses Special Revenue Funds as a way of linking fees or taxes paid by residents with benefits or services received by them. Special Revenue Funds deal with management and construction of public housing, preservation of agricultural land, account for fire district activities, record categorical grants received from federal, State and local sources, support user-funded recreation and parks programs, account for speed enforcement programs, watershed protection and restoration projects, and provide for the collection and disposal of solid waste, including the County landfill.

The following charts present the composition of services funded from all Funds budgeted in fiscal year 2026, and the sources of funding for such services.



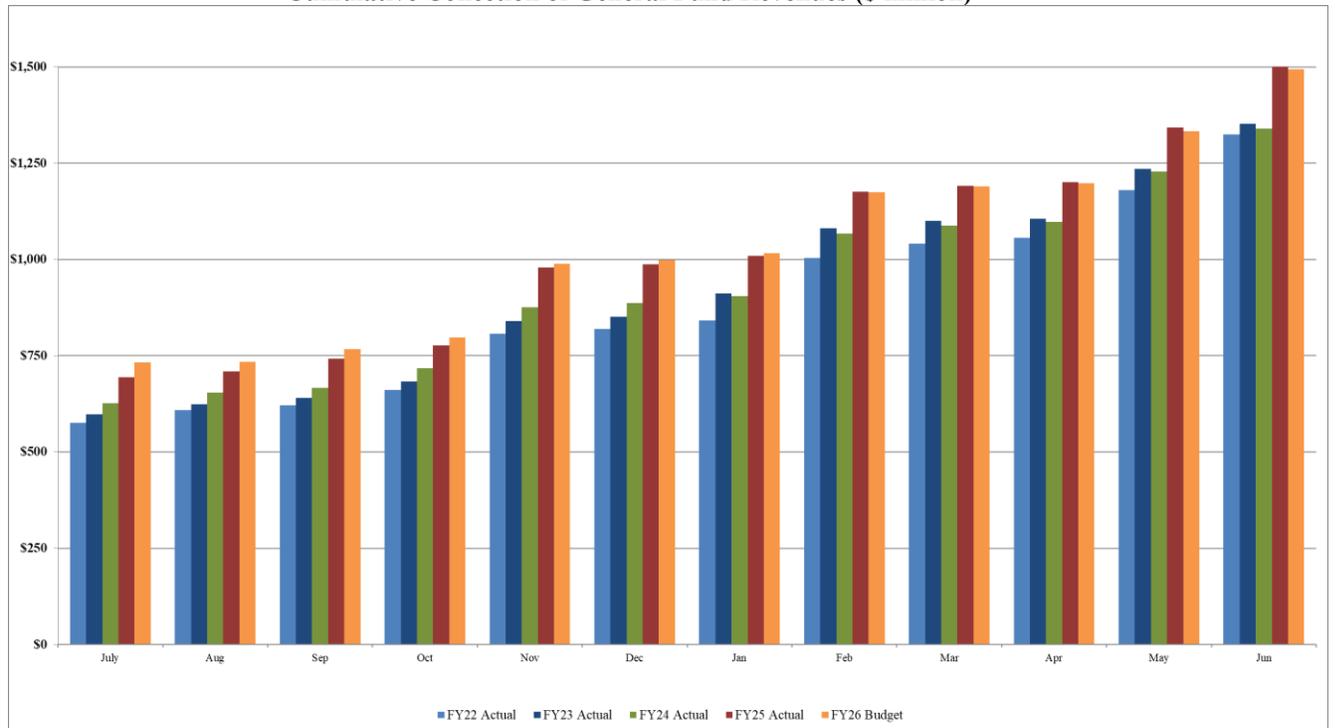
Sources of Revenue for All Funds



Please note that sources may not add to 100% due to rounding.

The revenues collected by the County each month are determined by the tax rates and fee levels established at the beginning of the fiscal year and the value of the bases during the year on which taxes and fees are collected. Property taxes are collected primarily during the County’s first and second quarters; income taxes are received from the State following the end of each quarter. The chart below presents General Fund revenues received for the past four fiscal years and as budgeted for fiscal year 2026.

Cumulative Collection of General Fund Revenues (\$ million)



The following table presents the activity in the General Fund for fiscal years 2021 through 2025 on a budgetary basis, along with the annual budget adopted for fiscal year 2026.

Statement of General Fund Revenues and Expenditures (Budgetary Basis) (\$000) ⁽¹⁾

	Fiscal Year Ended June 30					Budget
	2021	2022	2023	2024	2025	2026
Tax Revenues						
Local property taxes	\$590,630	\$607,807	\$629,371	\$650,564	\$701,951	\$729,855
Local income taxes	577,099	603,890	663,803	623,796	693,577	662,200
Other local taxes	33,035	40,889	33,490	29,243	31,216	27,926
State shared taxes	3,731	3,879	4,093	4,571	5,339	6,147
Total Taxes	\$1,204,495	\$1,256,466	\$1,330,756	\$1,308,175	\$1,432,083	\$1,426,128
Other Revenues						
State grants	9,438	9,847	11,028	13,786	15,497	13,379
Charges for services	11,971	11,084	10,323	11,175	10,198	8,575
Interest on investments	726	(5,424)	21,783	43,238	42,890	24,106
Licenses and permits	6,295	6,583	5,664	5,596	5,632	7,763
Interfund reimbursements	60,795	54,358	21,888	20,635	23,332	48,298
Fines and forfeitures	2,297	3,141	3,116	3,423	3,059	4,250
Appropriation from fund balance	-	-	-	18,134	87,966	111,770
Return of funding from component units	496	463	426	387	368	-
Miscellaneous revenues	2,213	2,355	2,506	7,309	3,052	-
Total Revenues	\$1,298,727	\$1,338,875	\$1,407,491	\$1,431,857	\$1,624,077	\$1,644,269
Expenditures						
General government	35,735	30,862	32,147	38,598	48,586	46,265
Legislative, Judicial, and Inspector General	28,656	30,430	35,328	37,590	41,450	48,139
Public works	74,795	85,201	90,364	96,631	106,062	108,005
Public safety	136,887	143,992	155,475	165,253	179,208	188,450
Recreation and parks	23,175	25,334	26,760	29,193	31,586	34,053
Health	9,996	11,757	13,666	15,664	17,271	15,829
Community services	37,090	25,526	28,218	31,443	33,489	51,231
Education	656,860	678,311	715,938	763,587	810,500	861,840
Libraries	21,880	22,449	24,020	25,221	26,480	27,274
Debt service:						
Principal payment on debt	73,269	84,612	96,577	100,813	105,481	110,759
Interest payment on debt	46,474	55,472	53,423	52,182	52,783	54,800
Non-Departmental	6,282	8,568	20,279	10,862	52,301	84,125
OPEB funding ⁽²⁾	11,000	11,000	13,500	13,500	13,500	13,500
Total Expenditures	\$1,162,098	\$1,213,514	\$1,305,695	\$1,380,536	\$1,518,698	\$1,644,269
Excess Revenues over Expenditures	136,629	125,361	101,796	\$51,320	\$105,379	-
Transfers In/(Out)	(15,266)	(48,607)	(21,060)	(49,548)	(104,978)	-
Plus Lapsed Encumbrances	1,566	6,016	2,514	636	-	-
Capital Related Debt Issued	874	-	-	-	-	-
Less Appropriation from Fund Balance	-	-	-	(18,134)	(87,966)	(111,770)
Beginning Fund Balance	192,402	316,205	398,975	482,226	466,500	378,936
Adjustment to Beginning Balance	-	-	-	-	-	-
Ending Fund Balance	\$316,205	\$398,975	\$482,226	\$466,500	\$378,936	\$267,165

(1) The information in this table is presented in the same format as set forth in the County's Operating Budget and should be read in conjunction with the audited basic financial statements available at <https://www.howardcountymd.gov/finance/finance-audits>.

(2) Funding was in addition to annual pay-go budget.

The following table presents the activity in all Special Revenue Funds for fiscal years 2021 through 2025 on a budgetary basis, along with the annual budget adopted for fiscal year 2026.

Statement of Special Revenue Funds Revenues and Expenditures (Budgetary Basis)(\$000)⁽¹⁾

	Fiscal Year Ended June 30					Budget 2026
	2021	2022	2023	2024	2025	
Revenues						
Property taxes ⁽²⁾	\$145,760	\$150,615	\$155,138	\$163,656	\$146,791	\$154,150
Other local taxes	19,732	22,346	14,843	13,519	14,639	13,615
Revenues from other governmental agencies	63,776	63,136	39,911	31,888	32,688	-
Charges for services	48,808	66,055	70,992	73,669	88,065	87,704
Interest on investments	99	(803)	1,219	2,146	1,868	191
Rental of property	-	-	-	-	-	-
Miscellaneous revenues	7,632	6,323	11,085	6,788	8,939	1,791
Total Revenues	\$285,807	\$307,672	\$293,189	\$291,665	\$292,991	\$257,451
Other Sources of Financial Resources						
Operating transfers in	-	3,307	5,000	229	16,033	2,424
Capital lease proceeds / IPA	-	(72)	-	2,854	9,893	24,546
Total Revenues and Other Sources of Financial Resources	\$285,807	\$310,907	\$298,189	\$294,748	\$318,917	\$284,421
Expenditures and Encumbrances						
Public safety	123,822	127,343	135,766	140,654	157,935	152,881
Recreation and parks	13,093	17,890	20,893	21,986	23,611	28,552
Public Works	36,008	39,149	44,455	34,847	38,678	42,255
Community services and intergovernmental	60,484	67,049	40,035	54,045	66,536	30,584
Capital improvements	2,165	14,593	1,649	3,224	97	8,291
Debt service:						
Principal payment on debt ⁽³⁾	18,154	7,971	4,707	15,391	5,695	6,113
Interest payment on debt	6,558	5,453	5,266	5,239	4,037	4,151
Total Expenditures and Encumbrances	\$260,284	\$279,449	\$252,770	\$275,386	\$296,590	\$272,828
Other Uses of Financial Resources						
Operating transfers out	9,801	3,401	5,849	19,063	3,359	11,594
Total Expenditures and Other Uses of Financial Resources	\$270,086	\$282,850	\$258,620	\$294,449	\$299,949	\$284,421
Excess Revenues and Other Sources of Financial Resources over Expenditures and Encumbrances and Other Uses of Financial Resources	15,722	28,057	39,569	299	18,968	-
Beginning Fund Balance	209,019	224,741	252,798	292,367	292,667	311,635
Ending Fund Balance	\$224,741	\$252,798	\$292,367	\$292,667	\$311,635	\$311,635

(1) The information in this table is presented in the same format as set forth in the County's Operating Budget and should be read in conjunction with the audited basic financial statements available at <https://www.howardcountymd.gov/finance/finance-audits>.

(2) The real property and personal property tax rates for the dedicated Fire & Rescue Fund are \$0.236 and \$0.590, respectively.

(3) Principal payments increased due to the change to equal annual principal payments in Agricultural Land Preservation Program Installment Purchase Agreements.

The following table presents the Component Units' activity for the fiscal years 2021 through 2025 on a GAAP basis, which is not comparable to General Fund and Special Revenue Funds statements prepared on a budgetary basis.

Statement of Component Units Revenues and Expenses (GAAP Basis)(\$000)⁽¹⁾

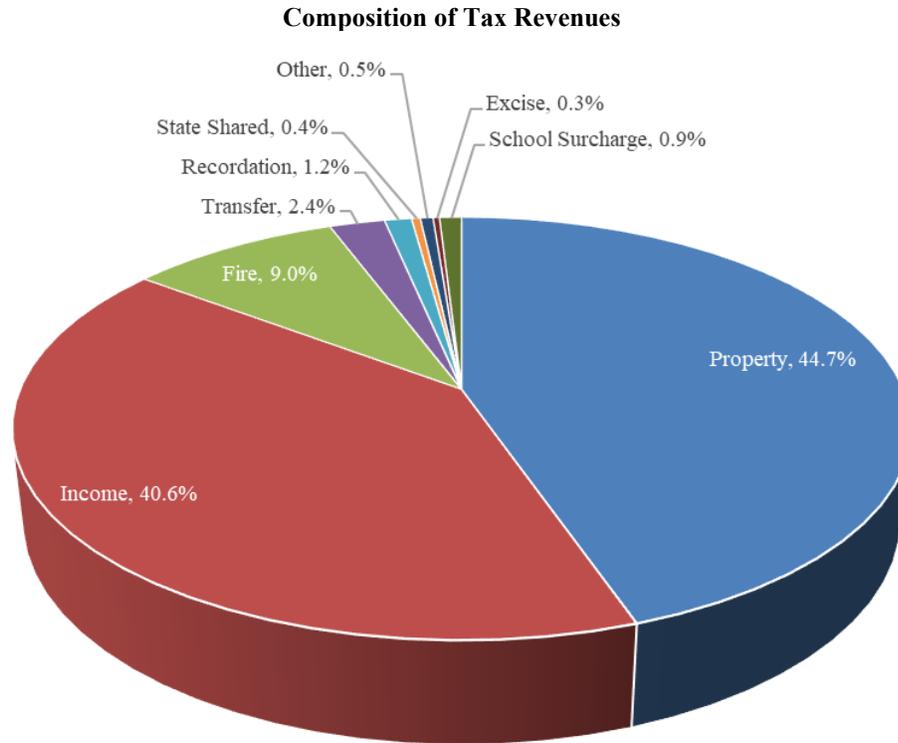
	Fiscal Year Ended June 30				
	2021	2022	2023	2024	2025
Revenues:					
Revenues from other agencies	\$524,712	\$724,080	\$699,027	\$720,234	\$758,225
Charges for services	8,050	67,902	80,004	84,979	86,105
Interest on investments	51	(139)	10,965	17,856	20,923
Miscellaneous	20,466	53,585	46,977	52,360	47,784
Total Revenues	\$553,280	\$845,428	\$836,974	\$875,429	\$913,037
Other Sources of Financial Resources:					
Operating transfers from primary government	620,300	700,760	739,958	788,811	838,807
Total Revenues and Other Sources of Financial Resources	\$1,173,580	\$1,546,188	\$1,576,932	\$1,664,240	\$1,751,844
Expenditures:					
Education	1,149,383	1,429,550	1,441,786	1,522,118	1,633,898
Libraries	-	29,659	27,640	29,064	29,078
Housing	-	53,957	56,533	64,743	78,862
Total Expenditures	\$1,149,383	\$1,513,165	\$1,525,960	\$1,615,925	\$1,741,838
Excess (Deficiency) of Revenues and Other Sources of Financial Resources over Expenditures	28,798	33,022	50,972	48,317	10,007
Beginning Net Position	646,512	681,684	714,706	765,678	813,695
Adjustment to restate net position	6,374	-	-	(300)	-
Ending Net Assets, GAAP Basis	\$681,684	\$714,706	\$765,678	\$813,695	\$823,702

(1) Excludes the Internal Service Funds.

Sources of Revenue

Overview of Tax Revenues

The chart below presents the composition of the County’s budgeted tax revenues in all funds for fiscal year 2026.



Please note that sources may not add to 100% due to rounding.

Local Property Taxes

Assessments

The assessment of all real and tangible personal property for purposes of property taxation by the County is solely the responsibility of the State Department of Assessment and Taxation, an independent State agency. Assessment records and tax rolls are maintained in each county seat and in Baltimore City. Real property is valued at market value (“full cash value”) and active farm property is assessed at \$500 per acre. Personal property owned by a business is assessed annually by the State based on returns filed by April 15 for property owned as of January 1 of that year.

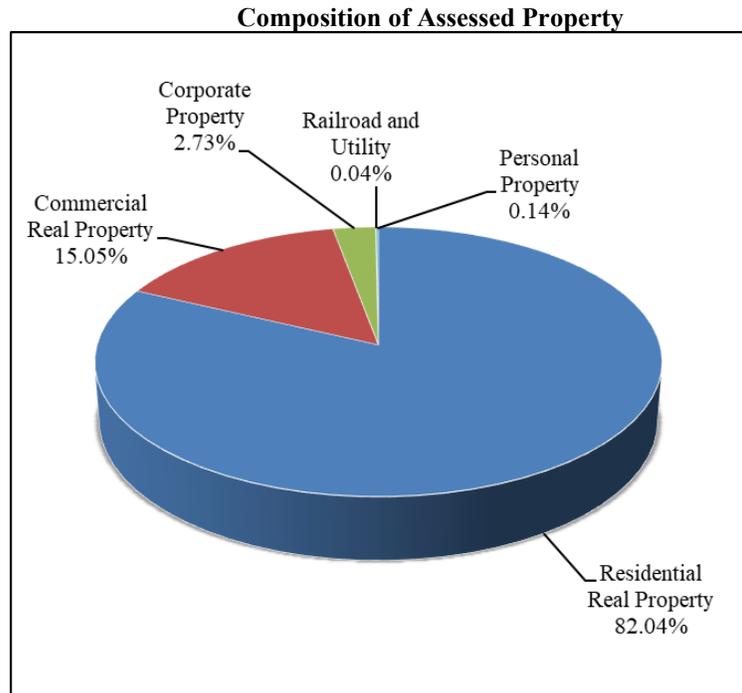
Property Tax Credit Programs

Under State law, certain owners who occupy residential property receive tax credits against local property taxes. The effect of the homestead property tax credit is to limit property tax increases payable as a result of increases in assessed values. State law permits a maximum increase of 10 percent in assessed value annually, but the County has elected to reduce that percentage to five percent. The County granted \$12.5 million of such tax credits in fiscal year 2025 and estimates \$20.4 million was to be granted in fiscal year 2026.

A State-mandated tax credit is granted to certain property owners with lower incomes. The credit is calculated using a scale that establishes a maximum property tax liability for various income levels. The credit is reimbursed to the County by the State; for fiscal year 2025, the County received \$2,780,087. In fiscal year 2025, the County granted a supplemental credit to certain property owners with lower incomes. The County did not grant a supplemental credit in fiscal year 2025. The County also grants a tax credit for homeowners 70 years of age and older who fall into certain income and asset categories. In the fiscal year 2025, senior credits were issued in the amount of \$563,096.

Assessed Value, Property Tax Rates and Property Tax Levies

The chart below presents the composition of the County’s assessable base of both real and personal property in fiscal year 2025.



The following table presents the assessed value of all taxable property in the County for the fiscal years 2021 through 2025, the County tax rates and the tax levy in each of those years. The County has exempted manufacturers’ and warehousing inventories and manufacturers’ machinery, tools and equipment from local property taxation. Assessed values of tax-exempt properties owned by federal, State and County governments, churches, charities, schools, fraternal organizations, cemeteries, fire companies, disabled veterans, and the blind, aggregating approximately \$5.8 billion as of June 30, 2025, are not included in the table below.

Assessed Values, Tax Rates and Tax Levies

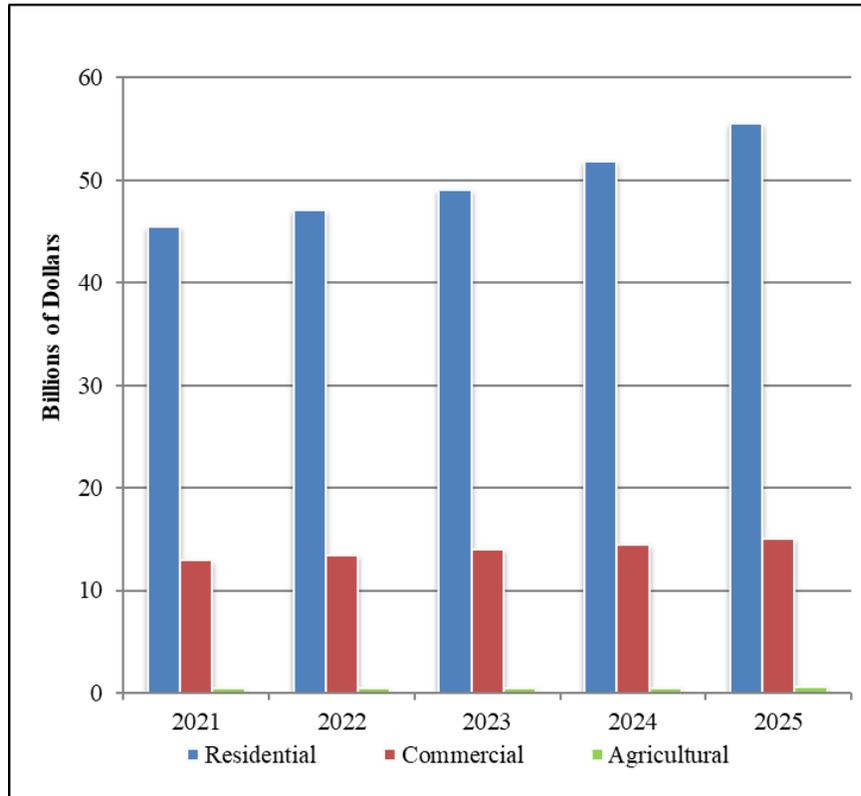
	Fiscal Year Ended June 30				
	2021	2022	2023	2024	2025
Assessed Value (\$000)					
Real property	\$55,084,014	\$57,017,183	\$59,017,065	\$62,197,939	\$65,735,245
Personal property	68,196	76,369	82,719	85,096	95,803
Railroads and public utilities	40,834	37,651	31,750	27,494	25,556
Corporations	1,801,746	1,768,839	1,810,301	1,712,416	1,850,782
Total Assessable Base	\$56,994,790	\$58,900,042	\$60,941,835	\$64,022,945	\$67,707,385
County Tax Rate:					
Real Property	1.014	1.014	1.014	1.014	1.014
Personal Property	2.535	2.535	2.535	2.535	2.535
County Tax Levy (\$000)⁽¹⁾	\$604,716	\$622,499	\$628,566	\$674,502	\$735,498
Fire District Tax Rate					
Real property	0.176	0.176	0.176	0.176	0.176
Personal property	0.440	0.440	0.440	0.440	0.440
Fire Tax Levy (\$000)	\$140,743	\$145,142	\$146,296	\$156,985	\$145,128

(1)Excludes payments in lieu of taxes, additions and abateements, interest on taxes, discounts on taxes, various tax credits and tax levies on any tax- exempt property.

The fire district tax is levied on the assessable base within the County’s fire district. Proceeds of the tax are distributed to the Fire Tax Reserve Fund, a Special Revenue Fund, to fund operations, equipment and buildings.

As presented in the following chart, the value of commercial/industrial property increased approximately 16.4% between fiscal year 2021 and 2025, agricultural property and residential real property values increased by over 20.0%.

Value of Assessable Base by Type of Property



The assessed value of all taxable property in the County for the fiscal year ending June 30, 2025 was \$67.7 billion. The County’s real property tax rate for fiscal year 2025 is \$1.014 per \$100 of full cash value for real property and \$2.535 per \$100 of assessed value for personal property owned by businesses. In fiscal year 2026, the total property tax revenue budgeted for the General Fund is \$729.9 million, or a 4.6% increase from the amount budgeted in fiscal year 2025.

Property Tax Collection

County taxes are due and payable as of July 1 of each fiscal year, except that real property taxes on principal residences and on small business properties are due and payable in two installments as of July 1 and December 1 of each fiscal year. A discount of 0.5% is allowed on payments made in July. The County records property tax revenues as the taxes are billed. Over the last five years, the County has collected virtually all of the property taxes levied.

When taxes become delinquent, combined interest and penalty at the rate of 1.5% per month are charged for each month or fraction thereof that taxes due remain unpaid for the current year. Delinquent taxes are satisfied, after prior notice of delinquency, at public auction conducted by the Director of Finance prior to the last Wednesday in August annually. The 2025 tax sale occurred on August 6, 2025. The net receivables uncollected 60 days after year-end are recorded as deferred revenues. Personal property taxes receivables are charged off as uncollectible after all collection means are exhausted.

The table below presents information with respect to the County’s tax levies and tax collections for fiscal years 2021 through 2025.

Total Property Tax Levies and Collections (\$000)

Fiscal Year Ended June 30	Total Tax Levy ⁽¹⁾	Current Year's Taxes		Taxes Collected		Delinquent Taxes Amount	As % of Current Year's Tax Levy
		Collection Year of Levy		(Current and Delinquent)			
		Amount	%	Amount	%		
2025	\$880,625	\$873,358	99.17%	\$873,358	99.17%	\$7,267	0.83%
2024	831,331	821,003	98.76	824,662	99.20	10,328	1.24
2023	774,873	768,981	99.24	774,042	99.89	831	0.11
2022	767,640	762,776	99.37	766,641	99.87	1,000	0.13
2021	697,366	690,343	98.99	696,130	99.82	1,236	0.18

(1) Total tax levy represents the original property tax levy, and excludes fire district taxes levied, payments in lieu of taxes, additions and abatements, interest on taxes, discount on taxes and various tax levies on any tax-exempt property.

Major Property Taxpayers

The following table presents the County’s ten largest property taxpayers on June 30, 2025, the total taxes paid by such taxpayers during fiscal year 2025 and the assessed value of real and personal property owned by each taxpayer during fiscal year 2025.

Ten Largest Property Taxpayers ⁽¹⁾

Name of Taxpayer	Type of Business	Total Taxes	Taxable Assessed	Percentage of Total
		Paid (\$000)	Valuation Amount (\$000)	Assessed Valuation
Baltimore Gas & Electric Company	Gas and Electric Utility	\$21,871	\$693,893	1.02%
Mall in Columbia Business Trust	Rental Real Estate	4,840	322,772	0.48
Transcontinental Gas Pipeline	Natural Gas	3,550	113,091	0.17
Verizon - Maryland	Telephone Communicatons	2,626	83,580	0.12
Howard Properties Howard Crossing	Apartment Rentals	2,616	177,489	0.26
9220 Old Lantern Way Owner LLC	Apartment Rentals	2,574	175,502	0.26
Johns Hopkins APL	Research & Development	1,873	129,881	0.19
Renaissance Hills	Apartment Rentals	1,814	123,386	0.18
Columbia 531 LLC	Apartment Rentals	1,703	114,397	0.17
Annapolis Galaxy DE LLC	Rental Real Estate	1,609	110,415	0.16
Totals		\$45,074	\$2,044,405	3.02%

(1) The information set forth above was compiled from tax rolls on which the names of owners are not always recorded in the same manner.

Local Income, Transfer and Other County Taxes

Local Income Taxes

The State imposes an income tax on the adjusted income of individuals as determined for federal income tax purposes, subject to certain adjustments. For tax year 2025, Maryland's personal tax rates begins at 2% on the first \$1,000 of taxable net income and increases up to a maximum of 6.5% on incomes exceeding \$1,000,000 (or \$1,200,000 for taxpayers filing jointly, heads of household, or qualifying widows/widowers). In addition, a 2% capital gains surtax applies to individuals with a federal adjusted gross income exceeding \$350,000. Nonresidents are subject to a special tax rate of 1.75%, in addition to the state income tax rate.

Pursuant to State law, each county and Baltimore City may levy a local income tax at the rate of at least 1.75%, but not more than 3.3%, of the State taxable income of individuals domiciled in their respective jurisdictions. Howard County’s local income tax rate remains unchanged at 3.2% in 2025.

The following table presents the total amount of income tax budgeted for the last six fiscal years and received for fiscal years 2021 through 2025.

Fiscal Year Ended	Budget	Actual
June 30		
2026	\$662,200	-
2025	635,858	\$693,577
2024	622,051	623,796
2023	540,870	663,803
2022	492,337	603,890
2021	464,277	577,099

Local Transfer Taxes

The County levies and collects a transfer tax on the actual consideration paid for the conveyance of title, which tax is imposed upon all transfers of real property within the County. Pursuant to Council Resolution 84-2020, the rate increased from 1.0% to 1.25%. Of the first 1.0% of the tax imposed, twenty-five percent of proceeds are distributed for school construction and site acquisition, 25% for Recreation and Parks, 12.5% for Fire Service Buildings and Equipment Capital Project Funds, 25% for the Agricultural Land Preservation Program, and 12.5% to the Community Renewal Special Revenue Funds. The additional 0.25% rate is distributed, 25% to school land acquisition and construction, 25% to park construction and development, 25% to housing and community development and 25% for fire and rescue services. In fiscal year 2025, the total amount of transfer tax collected was \$41.7 million. The amount of transfer tax budgeted for fiscal year 2026 is \$38.9 million.

Building Excise Tax

The County levies and collects a building excise tax on all construction in the County. The tax is levied at the time a building permit is issued and the amount of tax paid is determined by the square footage of the construction project. The County uses this money to fund road construction projects as well as to pay debt service on general obligation bonds whose proceeds fund such projects. The County has issued \$170.9 million of these general obligation bonds since 2000. In addition, \$51.9 million of excise tax collected has been appropriated as pay-go funding on road construction projects since fiscal year 1995. The total amount of excise taxes collected was \$5.6 million in fiscal year 2025 with \$4.5 million budgeted in fiscal year 2026.

School Facilities Surcharge

The County levies and collects a surcharge on all residential construction in the County. The surcharge is levied at the time a building permit is issued. The County uses this money to fund public school construction projects as well as to pay debt service on general obligation bonds whose proceeds fund such projects. Prior capital budgets included \$102 million of County general obligation bonds whose debt service will be paid from the surcharge. The County has issued all of these general obligation bonds. The total amount of school facilities surcharge collected in fiscal year 2025 was \$13.6 million, with \$15.5 million budgeted in fiscal year 2026.

Maryland House Bill 1409, enacted in 2019, gave the County the authority to increase the School Surcharge rate effective July 1, 2019. The school surcharge is paid when a building permit is applied for. All revenue raised from this surcharge is dedicated to school construction for the Howard County Public School System.

On November 4, 2019, the Howard County Council voted unanimously to pass Council Bill 42-2019, which raised the school facilities surcharge paid in Howard County to fund school construction effective January 6, 2020. The bill set phased-in rates for the school facilities surcharge over the course of two years. Subject to inflation, the surcharge is set at \$4.75 per square foot through December 31, 2020, \$6.25 per square foot through December 31, 2021, and \$7.50 per square foot for all years thereafter. The increased rates are projected to generate more than \$200 million in additional revenues over the next 20 years.

Other County Taxes

The County levies and collects other miscellaneous taxes, the largest of which is the recordation tax on instruments conveying title to property and securing debt. In fiscal year 2025, the total amount of other taxes collected was \$31.6 million. Of this amount, \$20.2 million was attributable to the recordation tax. The fiscal year 2026 recordation tax budget is \$19.0 million.

Local Charges for Services, Licenses and Permits, and Fines

The County and its Component Units collect charges for various services as well as fees for licenses and permits. The largest of these constituting General Fund revenues are rental housing inspection fees, development-review fees, cable television franchise fees and charges for boarding prisoners. In fiscal year 2025, the total amount of charges and fees collected in the General Fund were \$10.1 million. The fiscal year 2026 budget is \$8.6 million.

The largest charges and fees credited to Special Revenue Funds are charges for use of recreational facilities and programs and fees and charges for trash collection and use of the County landfill. The total amount of charges and fees collected in Special Revenue Funds in fiscal year 2025 was \$88.1 million with \$87.7 million budgeted in fiscal year 2026.

State-Shared Taxes

The State shares certain taxes collected in the County with the County. These taxes are primarily collected on gasoline sales and used for construction and maintenance of highways. The State is not required to share such taxes and has changed the amount that it shares from year to year. The total amount of State-shared taxes collected in fiscal year 2025 was \$5.3 million, with \$6.1 million budgeted for fiscal year 2026.

State and Federal Grant Assistance

The County receives and accrues grant revenues from the federal and State governments. The largest of these grants constituting General Fund revenues is from the State for police protection. The total amount of grants received in the General Fund in fiscal year 2025 was \$15.5 million, with \$13.4 million budgeted in fiscal year 2026.

Revenues in the Grants Special Revenue Fund are primarily categorical grants from the federal government funding special programs, such as housing, senior services, transit and homeland security.

The County's Component Units receive and accrue grants from other government agencies, primarily the State, in addition to operating transfers received from the County. In fiscal year 2025, the total amount of grants collected by the Component Units was \$320.7 million. Of that amount \$293.9 million was used for operations by the Board of Education, \$0.8 million funded the Howard County Library System, \$20.0 million was used for operations by the Community College and \$6.0 million funded the Howard County Housing Commission.

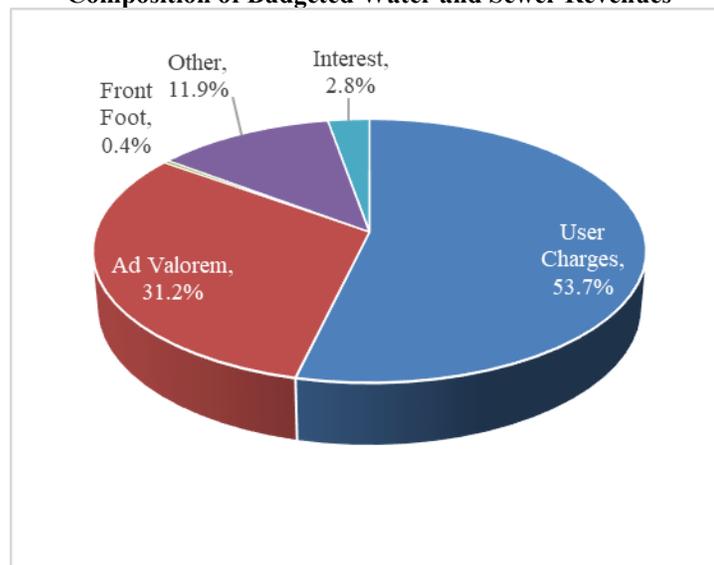
Water and Sewer Enterprise Fund

The County provides water and sewer services primarily to areas of heavy residential and commercial demand in the eastern part of the County (the “Metropolitan District”). The Metropolitan District and the County’s water and sewer facilities are described in more detail under “Government and Infrastructure, Water and Sewer System” herein. Financial accounting for the County’s water and sewer operations is consolidated in an enterprise fund.

Water and sewer service charges are recorded as revenues when they are billed. At each fiscal year-end, revenue is accrued for the amount of unbilled water and sewage service provided. Other revenues are recorded as payments when received, except at fiscal year-end, when all other revenues are also accrued. Unpaid water and sewer service charges and assessments are a lien on the real property served and are collectible in the same manner as real property taxes at tax sale.

The water and sewer enterprise fund’s largest source of operating revenues are water and sewer user charges. These charges are based on the amount of water used. Commercial and residential properties connecting into the water and sewer system also pay connection charges. The average quarterly bill for a family of four in fiscal year 2025 was approximately \$300.

Composition of Budgeted Water and Sewer Revenues



The chart above presents the costs related to provision of water and sewer services are financed primarily with ad valorem, front-foot charges, and user fees. For fiscal year 2026, an ad valorem charge of \$0.08 per \$100 assessed value was levied upon all property located within the Metropolitan District. Property abutting a road under which the County has built a water or sewer main is charged a fixed amount annually for 30 years (front foot), with such amount established in the year in which water or sewer service becomes available to each specific property. An in-aid-of-construction charge is collected for each connection of an equivalent dwelling unit.

The County has entered into certain agreements with Baltimore City, Baltimore County and the Washington Suburban Sanitary Commission for water supply services and/or sewage disposal services. Under the terms of such agreements, the County is to reimburse these governmental units for their costs of providing water and sewer service. The County provides for annual accrual of its liability under these agreements. Under the terms of several other agreements with these governmental units as well as Anne Arundel County, the County is obligated to fund a portion of capital improvements to certain existing and proposed water and sewer facilities. The County estimates that its remaining commitment under these agreements over the next five fiscal years is \$2.3 million and such obligation is included in the County’s capital program.

The following table presents the revenues, expenses and changes in net position of the water and sewer enterprise fund for fiscal years 2021 through 2025.

Water & Sewer Enterprise Fund Statement of Revenues, Expenses & Changes in Net Position (\$000)⁽¹⁾

	Fiscal Year Ended June 30				
	2021	2022	2023	2024	2025
Operating Revenues:					
User charges	\$62,840	\$62,981	\$63,046	\$69,641	\$75,132
Miscellaneous sales and services	2,186	2,226	2,179	4,366	3,102
Total Operating Revenues	\$65,027	\$65,207	\$65,225	\$74,007	\$78,233
Operating Expenses:					
Salaries and employee benefits	16,207	14,174	15,959	17,378	15,857
Contractual services	21,794	17,636	22,868	23,296	24,173
Supplies and materials	3,675	3,145	4,644	4,753	6,462
Business, travel and vehicle expenses	1,848	1,751	1,854	2,718	3,141
Purchased water and transmission charges	24,059	28,777	29,679	29,693	18,524
Sewage treatment charges	6,802	4,312	8,995	7,156	7,486
Share of county administrative expense	6,748	6,717	7,308	7,256	7,882
Other	1,994	2,527	5	33	57
Depreciation expense	26,591	30,418	30,728	30,872	31,177
Less: House connection and capitalized overhead costs	(13)	(11)	(14)	(12)	(18)
Total Operating Expenses	\$109,705	\$109,447	\$122,025	\$123,143	\$114,742
Operating Loss	(44,678)	(44,240)	(56,800)	(49,136)	(\$36,508)
Nonoperating Revenues (Expenses):					
Ad valorem charges	38,160	40,162	41,100	43,088	45,582
Water and sewer assessment charges	941	903	807	749	642
Interest on investments	253	957	5,490	10,085	9,978
Interest expense	(13,342)	(15,774)	(12,865)	(13,383)	(13,825)
Gain (loss) on sale of capital assets	3	(171)	(147)	(344)	(31)
Grant	2,405	349	515	557	-
Other revenue (expense)	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	\$28,421	\$26,426	\$34,901	\$40,751	\$42,346
Net Income before Contributions and Transfers	(16,258)	(17,814)	(21,899)	(8,385)	\$5,838
Capital contributions	12,144	10,376	5,441	3,912	2,843
Change in Net Position	(\$4,114)	(\$7,438)	(\$16,458)	(\$4,472)	\$8,681
Net Position at Beginning of Period	\$563,005	\$558,891	\$551,453	\$534,995	\$530,523
Adjustment to Beginning Net Position ⁽²⁾	-	-	-	-	(1,071)
Net Position at End of Period	\$558,891	\$551,453	\$534,995	\$530,523	\$538,134

(1) This information should be read in conjunction with the audited basic financial statements available at <https://www.howardcountymd.gov/finance/finance-audits>.

(2) Restatement is due to implementation of GASB Statement No. 101.

Special Recreation Facility Enterprise Fund

The County owns an 18-hole public golf course. The County accounts for the operations of the golf course in an enterprise fund. The County has a multi-year contract through December 31, 2027 with a sports management company to lease the course.

The following table presents the revenues, expenses and changes in net assets of the special recreation facility enterprise fund for fiscal years 2021 through 2025.

Special Recreation Facility Enterprise Fund Statement of Revenues, Expenses & Changes in Net Position (\$000)⁽¹⁾

	Fiscal Year Ended June 30				
	2021	2022	2023	2024	2025
Operating Revenues:					
Greens & cart fees ⁽²⁾	-	-	-	-	-
Miscellaneous sales & services	\$734	\$766	\$780	\$741	\$663
Total Operating Revenues	\$734	\$766	\$780	\$741	\$663
Operating Expenses:					
Contractual services	-	-	\$4	-	-
Supplies and Materials	-	-	-	-	-
Depreciation expense	144	144	141	\$141	\$137
Total Operating Expenses	\$144	\$144	\$145	\$141	\$137
Operating Income/(Loss)	\$590	\$622	\$635	\$600	\$526
Nonoperating Expenses:	(\$50)	(\$25)	(\$20)	(\$14)	(\$13)
Income before contributions & transfers	540	597	615	586	513
Operating transfers in (out)	8	(5)	(29)	26	(22)
Change in Net Position	\$548	\$592	\$586	\$613	\$491
Net Position at Beginning of Period	5,866	6,414	7,005	7,592	8,204
Total Net Position	\$6,414	\$7,005	\$7,592	\$8,204	\$8,695

(1) The information in this table should be read in conjunction with the audited basic financial statements available at <https://www.howardcountymd.gov/finance/finance-audits>.

(2) The course is now leased as of January 1, 2018. Lease revenue is now received instead of greens and cart fees.

Broadband Enterprise Fund

The Broadband Fund accounts for broadband services to private sector businesses as well as non-County government agencies and County departments and component units.

The following table presents the revenues, expenses and changes in net position of the broadband enterprise fund for fiscal years 2021 through 2025.

Broadband Enterprise Fund Statement of Revenues, Expenses & Changes in Net Position ⁽¹⁾

	Fiscal Year Ended June 30				
	2021	2022	2023	2024	2025
Operating Revenues:					
User charges	\$1,913,468	\$1,988,051	\$2,034,237	\$2,121,213	\$1,850,954
Miscellaneous sales & services	4,078	7,069	3,642	12,310	15,065
Total Operating Revenues	\$1,917,546	\$1,995,120	\$2,037,879	\$2,133,523	\$1,866,019
Operating Expenses:					
Salaries and employee benefits	486,497	468,318	574,577	664,291	758,738
Contractual services	733,733	682,833	812,963	1,132,928	618,032
Supplies and materials	88,317	1,499	15,375	60,065	189,724
Business, travel and vehicle expenses	2,332	883	3,175	1,453	1,258
Depreciation expense	850,991	880,761	947,094	949,827	948,998
Total Operating Expenses	\$2,161,870	\$2,034,294	\$2,353,184	\$2,808,564	\$2,516,750
Operating Income/(Loss)	(\$244,324)	(\$39,174)	(\$315,305)	(\$675,041)	(\$650,731)
Nonoperating Revenues (Expenses):					
Interest on investments	4,873	(46,572)	193,071	388,867	474,560
Interest expense	(108,404)	(60,915)	(48,707)	(60,076)	(120,988)
Gain (loss) on sale of capital assets	-	1,899	1,185	(11,634)	669
Total Nonoperating Revenues (Expenses)	(\$103,531)	(\$105,588)	\$145,549	\$317,157	\$354,241
Net Income before Contributions and Transfers	(\$347,855)	(\$144,762)	(\$169,756)	(\$357,884)	(\$296,490)
Capital contributions	447,794	886,583	-	-	-
Operating transfers in (out)	575,000	575,000	750,000	750,000	800,000
Change in Net Position	\$674,939	\$1,316,821	\$580,244	\$392,116	\$503,510
Net Position at Beginning of Period	\$11,745,544	\$12,420,483	\$13,737,304	\$14,317,548	\$14,709,664
Adjustment to Beginning Net Position ⁽²⁾	-	-	-	-	(\$82,276)
Net Position at End of Period	\$12,420,483	\$13,737,304	\$14,317,548	\$14,709,664	\$15,130,898

(1) This information should be read in conjunction with the audited basic financial statements available at <https://www.howardcountymd.gov/finance/finance-audits>.

(2) Restatement is due to implementation of GASB Statement No. 101.

Watershed Protection and Restoration Enterprise Fund

The County passed legislation to create a Watershed Protection and Restoration fund as a dedicated, non-lapsing, enterprise fund. The legislation allowed for the collection of a watershed protection and restoration fee to allocate the cost of the program to all owners of improved real property based on impervious surface measurement. The fee was included, as a separate item, on a supplemental real property tax bill, for each property subject to the fee.

The following table presents the revenues, expenses and changes in net position of the watershed protection and restoration enterprise fund for fiscal years 2021 through 2025.

Watershed Protection and Restoration Enterprise Fund
Statement of Revenues, Expenses & Changes in Net Position (\$000)⁽¹⁾

	Fiscal Year Ending June 30				
	2021	2022	2023	2024	2025
Operating Revenues:					
User charges	\$9,811	\$9,840	\$10,085	\$10,251	\$25,330
Miscellaneous sales and services	16	69	23	25	46
Total Operating Revenues	\$9,826	\$9,910	\$10,108	\$10,276	\$25,376
Operating Expenses:					
Salaries and employee benefits	1,217	1,232	1,367	1,409	1,622
Contractual services	2,060	2,274	3,635	4,643	4,320
Supplies and materials	20	23	28	46	161
Business, travel and vehicle expenses	8	4	9	28	28
Share of county administrative expense	706	757	792	749	1,100
Other	91	95	100	106	93
Depreciation expense	825	1,143	1,194	1,533	1,699
Total Operating Expenses	\$4,927	\$5,528	\$7,126	\$8,515	\$9,024
Operating Income/(Loss)	\$4,899	\$4,381	\$2,982	\$1,761	\$16,353
Nonoperating Revenues (Expenses):					
Interest on investments	(5)	(119)	636	1,434	1,812
Gain (loss) on sale of capital assets	-	-	-	-	(1,192)
Interest expense	(822)	(766)	(843)	(1,036)	-
Other	141	168	175	201	229
Total Nonoperating Revenues (Expenses)	(\$686)	(\$717)	(\$32)	\$598	850
Net Income before Contributions and Transfers	4,213	3,664	2,950	2,359	17,202
Capital contributions	20,825	5,554	13,355	14,873	5,780
Operating transfers in (out)	(14,391)	-	-	(8,090)	(8,000)
Change in Net Position	\$10,647	\$9,218	\$16,305	\$9,142	\$14,982
Net Position at Beginning of Period	\$35,297	\$45,944	\$55,162	\$71,467	\$80,610
Adjustment to Beginning Net Position ⁽²⁾	-	-	-	1	(74)
Net Position at End of Period	\$45,944	\$55,162	\$71,467	\$80,610	\$95,519

(1) This information should be read in conjunction with the audited basic financial statements available at <https://www.howardcountymd.gov/finance/finance-audits>

(2) Restatement is due to implementation of GASB Statement No. 101.

Retirement and Pension Programs

Overview of Programs

Each fully benefited employee of the County is provided retirement benefits through and must be a member of (1) the Police and Fire Employees' Retirement Plan ("Police/Fire Plan"), (2) the Howard County Retirement Plan ("County Plan") or (3) the Employee Retirement and Pension Systems of the State of Maryland ("State Systems"). The State Systems are cost-sharing multiple-employer defined benefit systems; the Police/Fire Plan and the County Plan are single-employer defined benefit public employee retirement plans administered by the County. Fully benefited employees of the Component Units are provided retirement benefits through the State Systems; most contributions to the State Systems for these employees are made directly by the State according to State statute. The Governor's fiscal year 2013 budget authorized the counties to share the cost of funding teachers' pensions. As of this date, the General Assembly has not adopted statutory changes to the current obligation of the State to pay pension costs or regarding any costs or responsibilities for unfunded actuarial liabilities that might be passed on to the counties. The Component Units' financial reports for the year ended June 30, 2025 present information related to their participation in the State Systems.

The following table presents the enrollment (as of July 1, 2025) and payroll in fiscal year 2025 for County employees covered by the State Systems (excluding Component Unit employees), Police/Fire Plan and County Plan.

July 1, 2025	Enrollment			Payroll (\$000)
	Inactive	Active Vested	Active Non-Vested	
State Systems	-	31	-	\$3,408
Police/Fire Plan	630	760	297	114,395
County Plan	1,463	1,250	742	173,156
Non-Covered Payroll	-	-	-	31,478
Total	2,093	2,041	1,039	\$322,437

Information regarding these retirement and pension programs is contained in Note 15 of the notes to the County's audited basic financial statements.

Funding of Payments

Retirement and pension payments are funded from three sources: County contributions, member contributions and investment earnings. The following table presents the County's total pension contributions for fiscal years 2021 through 2025.

Total Pension Contributions (\$000)			
Fiscal Year Ended June 30	Police/Fire		Total County Contribution
	Plan Contribution	County Plan Contribution	
2025	\$40,463	\$23,822	\$64,284
2024	36,751	20,246	56,997
2023	33,885	16,094	49,978
2022	33,226	16,347	49,573
2021	31,923	15,889	47,812

Pension Liability

The County's funding policies provide for periodic employer contributions at rates determined actuarially to accumulate sufficient assets to pay for benefits when due. The County had a net pension liability of \$80.0 million and \$110.7 million, as of June 30, 2025 for the County Plan and the Police/Fire Plan respectively. The County has always made its annual required contributions. The following tables present the computation of contribution requirements for the Police/Fire Plan and the County Plan through the most recent actuarial valuations.

The Police/Fire Plan was only 37% funded when it was established in 1990. The increase in unfunded accrued liabilities of the Police/Fire Plan and the County Plan is primarily the result of a reduction in the assumed rate of return from 8.0% on a gross basis to 7.15% on a net basis. Investment gains and losses are smoothed over five years and actuarial gains and losses are amortized over 15 years for both plans.

Computation of Contribution Requirements

Police/Fire Plan for the Fiscal Year Ended June 30					
	2021	2022	2023	2024	2025
	Valuation	Valuation	Valuation	Valuation	Valuation
Total Pension Liability (\$000)	828,261	884,800	958,520	1,026,889	1,105,833
Net Position (\$000)	825,834	754,157	816,272	899,988	993,919
Actuarial Value of Assets (\$000)	825,834	754,157	816,272	899,988	993,919
Net Pension Liability (\$000)	(2,427)	(130,643)	(142,248)	(126,901)	(111,914)
Percentage Funded ⁽¹⁾	99.7	85.2	85.2	87.6	89.9
Annual Covered Payroll (\$000)	90,179	92,810	97,370	104,110	112,396
Net Pension Liability as % of Annual Covered Payroll ⁽¹⁾	2.7	140.8	146.1	121.9	99.6
County Plan for the Fiscal Year Ended June 30					
	2021	2022	2023	2024	2025
	Valuation	Valuation	Valuation	Valuation	Valuation
Total Pension Liability (\$000)	575,977	614,805	676,364	742,185	801,345
Net Position (\$000)	627,069	564,138	604,278	658,202	720,481
Actuarial Value of Assets (\$000)	627,069	564,138	604,278	658,202	720,481
Net Pension (Liability) Asset (\$000)	51,092	(50,667)	(72,086)	(83,983)	(80,864)
Percentage Funded ⁽¹⁾	108.9	91.8	89.3	88.7	89.9
Annual Covered Payroll (\$000)	134,649	138,538	149,016	164,605	181,846
Net Pension Liability (Asset) as % of Annual Covered Payroll ⁽¹⁾	(37.9)	36.6	48.4	51.0	44.5
⁽¹⁾ Based on Actuarial Value of Assets					
Source: Bolton Partners, Inc., Actuarial Valuation					

Other Post-Employment Benefits

In the financial statements for fiscal year 2018, the County implemented the provisions of Governmental Accounting Standards Board (GASB) Statement 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

The County's OPEB plan is a Cost-Sharing Multiple Employer Defined Benefit Healthcare Plan. Per Section 1.406B of Howard County Bill No. 14-2008, the County established an irrevocable trust for administering the plan assets and paying healthcare costs on behalf of the participants. The Plan includes the County (consisting of the County government and Howard County Soil Conservation District) and its component units: Howard County Housing Commission, Howard Community College, Howard County Library, Howard County Economic Development Authority and Howard County Public School System.

The County provides a post-employment health insurance program in addition to pension benefits. These post-employment benefits are subject to change at any time. All employees who retire from the County may participate in the program. In order to be eligible, the retiree must have a minimum of fifteen years of County service and, immediately preceding retirement, have been enrolled in a medical, vision or prescription drug insurance plan offered to active employees of the County. The County will pay a percentage of the retiree's health insurance premium based upon these criteria. This percentage varies with the number of years of service attained by the employee. Other retirees who do not meet the eligibility criteria are permitted to participate in the retirees' health insurance program by paying the full premium at the group rate. The component units provide medical benefits to eligible employees who retire from employment with the entity. The eligibility requirements vary among different entities. Each entity pays a percentage of the health insurance premium based on certain criteria. In addition to medical benefits, the school system offers life insurance benefits to eligible retirees who have provided ten years of service with the school system and have retired from the Howard County Public School System.

The Plan's funding policy provides for the County to contribute to the trust the actuarially determined annual required contribution. During fiscal year 2025, the County contributed \$13.5 million to the trust. The County budget for fiscal year 2026 includes funding for pay-as-you go OPEB costs as well as \$11 million to the trust.

Based on the most recent actuarial valuation which was prepared as of January 1, 2023 and rolled forward to June 30, 2024, the actuarially calculated proportionate share of total OPEB liability as of the measurement date of June 30, 2024 was \$286.6 million and there was \$60.5 million of actuarial plan assets; therefore, the net OPEB liability for the County was \$226.1 million. The plan fiduciary net position as a percentage of the OPEB liability was 18.57%.

	Howard County Government *	Howard County Public Schools	Howard Community College	Howard County Library	Howard County Housing Commission **	Howard County Economic Development Authority (EDA) **	Total
As of June 30, 2025:							
Total proportion of net OPEB liabilities	\$ 226,141,587	\$ 842,237,563	\$ 17,328,502	\$ 9,644,120	\$ 223,345	\$ 57,832	\$ 1,095,632,949
Total proportion of OPEB assets	60,478,886	225,246,450	4,634,302	2,579,206	59,731	15,466	293,014,041
Total deferred outflows of resources from OPEB	83,689,378	418,633,532	6,021,176	3,576,908	115,245	57,734	512,093,973
Total deferred inflows of resources from OPEB	267,756,291	603,695,578	24,632,342	12,418,562	1,217,565	482,346	910,202,684
For the year ended June 30, 2025:							
Total OPEB expense	\$ (25,359,027)	\$ 51,535,237	\$ (6,656,952)	\$ (1,849,096)	\$ (442,133)	\$ (218,903)	\$ 17,009,126

* Enterprise fund share of net OPEB liability, OPEB assets, deferred outflows, and deferred inflows is \$12,715,043, \$3,400,487, \$5,547,340, and \$15,518,911, respectively. The portion allocated to the Howard County Soil Conservation District for net OPEB liability, OPEB assets, deferred outflows, and deferred inflows is \$8,087, \$2,163, \$70,398, and \$376,259, respectively.

** EDA is not included in the ACFR due to immateriality and the Housing Commission has a different fiscal year end.

Actuarial Assumptions

The actuarial methods and significant assumptions used by the actuary are summarized in this note to conform to the disclosure requirements for GASB Statements 75.

Actuarial Assumptions

Actuarial Cost Method	Entry Age Normal
Projected Cash Flows	Discount rate of 4.80% applied to investments in fiscal years 2024 through 2044.
Municipal Bond Rate	4.21% as of 6/30/24 based on S&P's Municipal Bond 20-year high-grade rate index
Interest Assumption	Equivalent single discount rate of 4.80% as of 6/30/24
Inflation	2.65%
Long-term Expected Real Rate of Return, Based on Geometric Means	4.85% for Equity investments (based on 45% target allocation), 2.46% for Fixed Income investments (based on 23% target allocation), 6.21% for Alternative investments (based on 26% target allocation), and 4.33% for Real Asset investments (based on 6% target allocation), or a total of 4.60%
Healthcare Cost Trend Rate	4.09%

Accounting for Annual and Disability Leave

As of June 30, 2025, County employees paid from the General Fund, Special Revenue Funds, and Internal Service Funds accrued unused annual leave of \$74.0 million. Unused annual leave for County employees paid from the water and sewer enterprise fund was \$2.7 million. Under GASB 101, a liability is recognized when earned leave is attributable to past service and the benefit is more likely than not to be used or paid. The liability is measured at the pay rate in effect as of the financial statement date and includes salary-related payments. The required changes, if required, are reflected in the County's financial statements..

Insurance and Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; environmental exposures; and natural disasters. The County, excluding the Howard County Public School System, has established two internal service funds to account for and finance its risks of loss. The County's risk-financing techniques include a combination of risk retention through self-insurance and risk transfer using a risk pool and commercial insurance. The Employee Benefits Self Insurance Fund is administered by the Office of Human Resources (Department of County Administration) and provides full coverage for employee benefits programs, outside of plans that are fully insured. Stop loss protections are also utilized to limit the County's responsibility. Some health policies are also fully insured. The Risk Management Self Insurance Fund is administered by Risk Management & Safety, a Division of the Office of Human Resources. The self-insurance fund provides protection for up to \$1 million for each liability claim, subject to Maryland tort cap limits. The self-insurance fund also provides up to \$100,000 in coverage per each property and first party vehicle claim, and full coverage of workers' compensation claims.

For additional protections, the County belongs to the Local Government Insurance Trust ("LGIT"), a Maryland governmental insurance pool, which provides excess commercial insurance for claims more than coverage provided by the County's Risk Management Fund. The County pays an annual premium to LGIT for this coverage. The County participates in LGIT in the areas of excess property, general and automobile liability coverages. LGIT was created to provide more competitive and broader insurance coverages than those available through direct purchase from commercial insurers as well as providing coverages which would otherwise be unavailable, and other loss control and risk management services. The County's Commercial insurance provides additional protection in excess of the self-insured coverage amounts, to include \$5 million in additional on liability coverage and up to \$1 billion in aggregate coverage for first party property claims.

In calendar year 2025, the County did not incur any new claims that exceed its self-insurance coverage. Over the past five fiscal years the county utilized commercial coverage through excess carrier, LGIT for claims involving a mobile equipment fire, vehicle accidents, and a law enforcement liability claim when they exceeded our self-insurance coverage. This excess coverage paid a total of \$645,117.80 for claims during this period.

All funds and component units of the County, excluding the Howard County Public School System, participate in the risk management program and make annual payments to the internal service fund, based on an actuarial analysis. These amounts are needed to pay administrative costs, prior and current year claims and to establish a reserve for future claims and catastrophic losses.

At fiscal year 2025 end, the combined Net Position for the two self-insurance internal service funds was (\$1,505,677). The combined claims liability of the two funds, \$27,227,329, is based on generally accepted accounting principles, which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Investment Policy

The County has established an investment policy that applies to all of its financial assets and can be found at <https://www.howardcountymd.gov/finance/investment-policy-reports>. This policy invests public funds in a manner that conforms to all applicable State and County statutes while meeting the County's investment objectives. The three prioritized objectives of the County's investment activities are (1) safety of principal through (a) diversification, (b) third-party collateralization and safekeeping and (c) delivery versus payment; (2) liquidity sufficient to meet all reasonably anticipated operating requirements; and (3) return on investment at least equal to the yield on U.S. Treasury bills of comparable duration. The Director of Finance is required to develop and maintain written administrative procedures as well as a system of controls to regulate the operation of the investment program. Compliance with these procedures and controls is audited as part of the County's annual financial audit.

As of June 30, 2025, the County had investments totaling approximately \$1.2 billion. All investments were purchased to be held to maturity, and interest is paid throughout the term except as previously noted. The County has never entered into reverse repurchase transactions, and does not invest in derivatives. The County has purchased stripped-coupon U.S. Treasury securities to provide for the payment of the final installments under its agricultural land preservation installment-purchase agreements which are not included in this total.

The County's investment policy was updated in October 2025 and has submitted its policy for a Certificate of Excellence from the Association of Public Treasurers of the United States and Canada. The County is a member of the Investment and Treasury Affinity Group of the Maryland GFOA, which periodically brings together public investment officers from large Maryland counties, Baltimore City and the State.

Capital Requirements and Debt Management

Capital Projects Funds

The following table presents the sources and uses of funds in the County's Capital Projects Funds for the fiscal years 2021 through 2025.

Sources and Uses of Capital Projects Funds (\$000)⁽¹⁾

	Fiscal Year Ended June 30				
	2021	2022	2023	2024	2025
Source of Funds:					
Proceeds of bonds and notes	\$ 132,311	\$ 50,083	\$ 68,043	\$ 91,386	\$ 107,448
Proceeds of refunding bonds	83,053	-	-	15,640	22,653
Bond Premium	19,937	4,589	6,203	12,128	8,947
Capital Leases	-	-	-	-	-
Other Local Taxes	43,776	47,743	31,744	30,305	32,681
Pay-as-you-go funding	-	-	-	-	-
Revenues from other governmental agencies	10,943	7,157	8,331	21,822	83,170
Charges for services	-	-	18,411	-	-
Developer contributions	705	849	1,426	1,601	1,355
Other	9,955	17,648	4,541	24,700	22,186
Operating transfers in	42,465	30,945	48,690	94,310	124,840
Total Sources	\$343,144	\$159,015	\$187,389	\$291,891	\$403,280
Use of Funds:					
Capital projects expenditures	137,670	265,188	172,495	186,710	241,076
Operating transfers out	45,835	25,680	26,051	25,881	26,965
Payment to refunded bond escrow agent	95,237	-	-	16,504	24,118
Total Uses	\$278,742	\$290,867	\$198,546	\$229,095	\$292,159
Excess (Deficit) of Sources over Uses	64,402	(131,853)	(11,157)	62,796	111,121
Fund Balance at Beginning of Period	49,835	114,237	(17,616)	(28,773)	34,023
Fund Balance (Deficit) at End of Period	\$114,237	(\$17,616)	(\$28,773)	\$34,023	\$145,145

(1) The information in this table should be read in conjunction with the audited basic financial statements available at <https://www.howardcounty.md.gov/finance/finance-audits>.

Board of Education Capital Projects

The following table presents the sources and uses of funds for the Board of Education’s capital projects for the fiscal years 2021 through 2025.

Sources and Uses of Funds for Board of Education Capital Projects (000) ⁽¹⁾

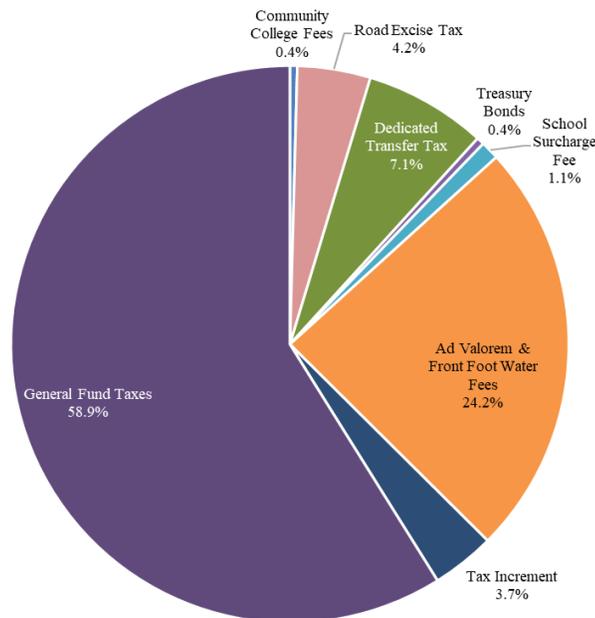
	2021	2022	2023	2024	2025
Sources of Funds:					
Proceeds of County bonds and notes	\$ 59,196	\$ 77,299	\$ 57,858	\$ 44,570	\$ 40,120
Revenues from County and State	25,387	45,738	22,723	3,828	6,978
Other	17	20	422	1,009	1,280
Total Sources	\$ 84,600	\$ 123,056	\$ 81,003	\$ 49,407	\$ 48,378
Uses of Funds:					
Capital projects expenditures	89,716	122,142	76,864	40,950	42,430
Total Uses	\$ 89,716	\$ 122,142	\$ 76,864	\$ 40,950	\$ 42,430
Excess (Deficit) of Sources over Uses	(5,115)	914	4,139	8,457	5,948
Fund Balance at Beginning of Period	8,062	2,947	3,861	8,000	16,457
Fund Balance at End of Period	\$ 2,947	\$ 3,861	\$ 8,000	\$ 16,457	\$ 22,405

⁽¹⁾ This table should be read in conjunction with the audited basic financial statements of the Board of Education.
 Source: Howard County Public School System Office of Finance

Composition of Debt

The chart below presents how proceeds of outstanding County bonds were used as of June 30, 2025.

**Debt by Funding Source as of 6/30/2025
(Principal Only)**



Capital Budget and Program

The following table presents the County’s adopted capital budget for fiscal year 2026 and program for fiscal years 2027 through 2031.

Program Title	Authorization			FY2027	FY2028	FY2029	FY2030	FY2031	5 Year Total
	Prior	FY2026	Subtotal						
Agricultural Preservation	\$185,608	\$0	\$185,608	-	-	-	-	-	-
Bridge Improvements	42,866	3,664	46,530	2,200	2,200	2,200	2,200	2,200	11,000
Community College	137,641	21,532	159,173	6,200	2,000	2,000	2,500	5,900	18,600
Fire	56,587	4,530	61,117	2,245	9,000	6,500	2,000	2,500	22,245
General County	949,082	93,649	1,042,731	102,966	54,387	89,536	34,520	33,506	314,915
Library	9,808	3,500	13,308	9,781	3,890	33,860	2,940	-	50,471
Police	6,945	400	7,345	2,120	100	100	350	-	2,670
Recreation & Parks	235,412	12,842	248,254	12,175	6,550	7,050	7,550	6,000	39,325
Road Construction	223,792	10,562	234,354	10,840	6,379	5,124	4,365	57,370	84,078
Road Resurfacing	121,347	15,090	136,437	22,650	23,150	22,650	23,150	22,650	114,250
School System	618,294	100,644	718,938	120,659	110,831	133,025	120,291	118,738	603,544
Sewer	303,629	46,590	350,219	92,720	34,565	31,695	30,950	18,800	208,730
Sidewalk/Curb Projects	69,114	15,785	84,899	14,600	12,120	10,300	12,150	8,600	57,770
Storm Drainage	164,110	21,700	185,810	28,525	28,725	28,100	27,700	28,200	141,250
Traffic Improvements	47,426	3,045	50,471	7,045	5,435	4,150	1,750	1,750	20,130
Water	155,514	14,560	170,074	20,480	17,890	23,280	33,510	20,298	115,458
Total	\$3,327,175	\$368,093	\$3,695,268	\$455,206	\$317,222	\$399,570	\$305,926	\$326,512	\$1,804,436

Debt Management Policy

Section 17-207 of the Local Government Article of the Annotated Code of Maryland requires each local government unit to adopt by resolution, motion or ordinance a local debt policy consistent with the Maryland Constitution, State law and the Howard County Charter. On October 5, 2009, the County adopted an updated debt management policy that establishes the processes employed in the management of its short- and long-term debt. The policy sets the parameters for issuing debt and managing outstanding debt. It provides guidance to decision makers regarding the timing and purposes for which debt may be issued, types and amounts of permissible debt, method of sale that may be used and structural features that may be incorporated. The County added long-term variable rate debt as an approved type of debt that can be issued. By establishing a debt policy, the County has recognized its binding commitment to full and timely repayment of all debt. The policy ensures that the County maintains a sound debt position and that its credit quality is protected. The policy is available on the County’s website at <https://www.howardcountymd.gov/finance/bonds>.

In addition, the County adopted Build America Bonds (“BABs”) – Direct Pay Procedures in March 2010 and Tax-Exempt Issuance Procedures in February 2012. The procedures ensure that the County does not expend bond proceeds for non-eligible costs or projects and establish document retention, semi-annual filing and on-going compliance guidelines.

Debt Capacity

Pursuant to Article VI of the County Charter and State law, the aggregate amount of bonds and other indebtedness of the County outstanding at any one time may not exceed 4.8 percent of the full market value of real property and personal property located within the County. In computing this percentage under the County Charter and State law, the following are excluded: (1) tax anticipation notes or other debts having a maturity not in excess of 12 months, (2) bonds or other debts issued or guaranteed by the County payable primarily or exclusively from taxes levied on or in, or other revenues of, special taxing areas or districts and (3) bonds and other debts issued for self-liquidating and other projects payable primarily or exclusively from the proceeds of assessments or charges for special benefits or services. Metropolitan District debt, which is payable primarily from water and sewer charges, does not constitute general obligation debt for the purpose of computing such percentage, and there are no other debt limitations applicable to Metropolitan District debt. For the purpose of determining whether refunding bonds issued under such

statute are within the legal debt limitation of the County, the amount of bonds refunded is subtracted from, and the amount of refunding bonds issued is added to, the aggregate of the County’s outstanding bonds.

Shown below is a calculation of the County’s legal debt capacity as of June 30, 2025, based on the County’s estimated assessable base.

Legal Debt Capacity (\$000)	
Assessable Base at 6/30/2025	\$67,707,385,173
Assessable base limit on general obligation debt	\$3,249,954,488
Total outstanding debt to be applied against County Charter limit	\$1,245,347,000
Additional legal debt capacity	\$2,004,607,488

Description of Debt

Public Improvement Debt

The County issues public improvement debt to defray the costs of general County capital projects, including storm drainage, fire service, police, road construction, bridge, library, recreation and parks, school, community college, sidewalk and curb, intersection and signal improvement, and community renewal capital projects. Such debt is a general obligation of the County, and the County’s full faith and credit and unlimited taxing power are irrevocably pledged to the punctual payment of principal of and interest on such debt when due and payable. Debt service on public improvement debt is payable primarily from general tax revenues; however, building excise taxes, school surcharge, broadband fees, environmental service fees, fire and transfer taxes are also used to pay debt service for certain types of capital projects.

Short-Term Construction Financing Program

The County issues tax-exempt bond anticipation notes (BANs) in order to provide interim financing for a portion of the cost of its ongoing capital projects. The notes are currently in the form of a line of credit and repaid with proceeds of the County’s long-term bonds. The County typically issues its long-term bonds once a year in an amount corresponding to the amount expended for capital projects since its last bond sale and uses such bond proceeds to redeem outstanding notes and reimburse the capital projects fund. The outstanding amount of such notes as of December 31, 2025 was approximately \$93.3 million. The County intends to refund the outstanding BANs with the proceeds of the Bonds.

Landfill Closure and Post-Closure Care Cost

State and federal laws and regulations require the County to place a final cap on closed landfill cells and to perform certain maintenance and monitoring functions at cells for 30 years after closure. The County recognizes a portion of these estimated closure and post-closure care costs in each operating budget, based on cell capacity used.

The County ceased using the Alpha Ridge landfill as its primary waste disposal site in 1997, and now exports waste to a regional landfill in Virginia. The closure cap for a 70-acre cell at Alpha Ridge was completed and paid for in 2001. The County does not expect to use the remaining capacity in the foreseeable future.

Closure costs for the existing cell and post-closure care cost for the closed and existing cells at the Alpha Ridge landfill will approximate \$34.8 million. Actual costs may differ due to inflation or future design changes. As of June 30, 2025, the County has recognized \$27.5 million of these costs. The County intends to fund the remaining costs from bond proceeds and its annual Environmental Services Fund budget.

Metropolitan District

The County issues Metropolitan District debt to finance the costs of the County's water and sewer capital projects as well as its share of Baltimore City water and sewer capital projects. Such debt is a general obligation of the County, and its full faith and credit and unlimited taxing power are irrevocably pledged to the punctual payment of principal of and interest on such debt when due and payable. Debt service on Metropolitan District debt is payable from water and sewer revenues and other revenues.

WIFIA Loan

In May 2022, the County entered into a Loan Agreement with the United States Environmental Protection Agency (the "WIFIA Lender") for a loan up to \$75,000,000 (the "WIFIA Loan") to finance a portion of the costs of the Ellicott City Safe & Sound Plan project. The County has drawn \$30,205,107 to date. The County has delivered a general obligation bond to the WIFIA Lender to evidence the WIFIA Loan. This debt is a general obligation of the County, and its full faith and credit and unlimited taxing power is irrevocably pledged to the punctual payment of principal of and interest on such debt when due and payable.

Maryland Water Infrastructure Financing Administration

Under the Maryland Water Infrastructure Financing Administration's revolving loan program, the State has four outstanding loans to the County at interest rates that are below market. To date, \$2.1 million has been drawn. The loans are tax-exempt obligations that were primarily used to finance the Extended North Tunnel, expansion of the Little Patuxent Wastewater Treatment Plant and one financed the Holiday Hills sewer project. As with Metropolitan District debt, such debt is payable from water and sewer revenues and other revenues, but the full faith and credit of the County is also pledged to the payment thereof.

Maryland Department of Emergency Management

Under the Maryland Department of Emergency Management's revolving loan program, the State has two outstanding loans in the amount of \$10.0 million to the County at interest rates that are below market. The loans are tax-exempt obligations that were primarily used to finance the Extended North Tunnel and Maryland Ave Culvert. As with Metropolitan District debt, such debt is payable from water and sewer revenues and other revenues, but the full faith and credit of the County is also pledged to the payment thereof.

Agricultural Land Preservation Program

Through its agricultural land preservation program, the County finances the acquisition of development rights to a particular parcel of agricultural property by entering into an installment-purchase agreement with the property owner. Historically, under the terms of the installment-purchase agreement, the County paid the property owner semiannual interest payments for up to 30 years, and minimal portions of the installment-purchase price biennially until maturity. The rest of the purchase price for the development rights is paid at the end of the term with a balloon payment. Upon execution of an installment-purchase agreement, the County purchased stripped-coupon United States Treasury obligations in amounts sufficient to equal the balloon payment at the maturity of the installment purchase.

Under the current program, the County pays up to fifteen percent of the purchase price at closing, with equal annual principal payments over 15 or 20 years with interest. The County acquires the development rights to the land in perpetuity. The County is using the 25 percent portion of the local transfer tax that is dedicated to agricultural land preservation and the County's share of the State transfer tax on agricultural land to fund this program.

Capital Leases

The County maintains a leasing agreement with JP Morgan Chase Bank, N.A. for financing the acquisition of equipment. In 2021, the County issued Certificates of Participation to refinance the acquisition of equipment used in governmental programs. These lease agreements qualify as capital leases for accounting purposes and have been recorded at the present value of their future minimum lease payments as of the inception date. The future minimum lease obligations total \$11,884,553, and the net present value of these minimum lease payments as of June 30, 2025 was \$10,801,999.

Overlapping Debt

There are no incorporated towns, villages, municipalities or other subdivisions within the County boundaries having separate taxing authority. Thus there is no overlapping municipal debt in the County. However, the Columbia Association does have authority to issue debt which is funded via a fee. (See “Demography and Economy, Columbia” herein.)

Tax Increment Financing

Annapolis Junction

On March 11, 2014, the County issued its first Special Obligation Tax Increment Financing Bonds (the “2014 TIF Bonds”) in the amount of \$17 million, with an overall true interest cost of 6.148%. The proceeds were used to construct a 704-space parking garage on 12.73 acres of land dedicated for commuter rail patrons. The County had previously designated the 12.73 acres as a Tax Increment Financing (TIF) District, at the site of the MARC Savage Commuter Rail Station. The land is state-owned, thus no real property taxes were paid to the County for this property. However, County management anticipated opportunities for local economic development by putting tax-exempt property on the local tax roll while improving transportation infrastructure.

A special tax district was created as a backup revenue source for the 2014 TIF Bonds and any refunding bonds. Special taxes have been and will continue to be imposed on property owners located within the special tax district in any year where the tax increment collections are lower than the next year’s debt service obligation and TIF District expenses. The special taxes are also to be pledged for the repayment of the 2014 TIF Bonds. On June 27, 2024, the County issued its Special Obligation Refunding Bonds (Annapolis Junction Town Center Project), 2024 Series (the “2024 TIF Refunding Bonds”) to fully refund the 2014 TIF Bonds with an overall true interest cost of 4.704%.

The 2024 TIF Refunding Bonds are not general obligation bonds of the County; rather they are special obligations of the County payable solely from the real property tax increment to be realized from the TIF District, and any special taxes imposed and collected from the companion Special Tax District. The total amount of pledged revenue is \$22,883,750. An initial reserve fund in the amount of \$1,564,500 was established as part of the refunding. This reserve will not be available for other purposes until the final maturity of the bonds in fiscal year 2044. Additionally, as of the end of fiscal year 2025, \$27,018 was held by an escrow agent for fiscal year 2026 debt service. Pledged revenues of \$1,423,414 were recognized in fiscal year 2025. The outstanding debt of \$15,045,000 is included in the primary government’s long-term debt on the Statement of Net Position.

The bond offering financed a portion of a Public Private Partnership (P3) development project known as Annapolis Junction Town Center, a comprehensive mixed-use State Transit-Oriented Development (TOD). The development includes approximately 100,000 square feet of Class A office space, 416 luxury apartment units with 624 structured parking spaces, approximately 5,400 square feet of retail space and a 704-space parking garage.

Downtown Columbia

On October 19, 2017, the County issued \$48,225,000 of Howard County, Maryland Special Obligation Bonds (Downtown Columbia Project), Series 2017 A. The total amount of pledged revenue is \$71,391,780. A reserve fund in the amount of \$3,921,283 was established as part of the debt issuance. This reserve will not be available for other purposes until the final maturity of the bonds in fiscal year 2047. Additionally, as of the end of fiscal year 2025, \$67,033 is being held by an escrow agent for fiscal year 2026 debt service. Pledged revenues of \$4,837,589, were recognized in fiscal year 2025. The outstanding debt of \$46,875,000 is included in the primary government’s long-term debt on the Statement of Net Position.

The development project consists of the redevelopment of a portion of the downtown area in the unincorporated master-planned community of Columbia, Maryland, one of the first master-planned communities in the United States. Downtown Columbia consists of an approximately 391-acre downtown area in Columbia designated by the County Council and the County Executive of the County for development in the Downtown Columbia Plan, on February 3, 2010. Recognizing that additional housing in Downtown Columbia is fundamental to the economic future of Columbia, the Downtown Columbia Plan recommends the development of an aggregate total of up to 6,244 additional residential units of which, 656 to 2,296 units have been allocated to the Initial Stage of the Downtown Columbia Plan. The Downtown Columbia Plan also recommends the development of an aggregate total of 1.25 million square feet of retail (of which 300,000 to 676,446 square feet have been allocated to the Initial Stage of the Downtown Columbia

Plan), 4.3 million square feet of office (of which amount 1,000,000 to 1,513,991 square feet have been allocated to the Initial Stage of the Downtown Columbia Plan), and 640 additional hotel rooms (at least 100 of which have been allocated to the Initial Stage of the Downtown Columbia Plan) to serve the present and future needs of the community, as well as connected street networks, upgraded major intersections, and structured parking to accommodate future uses and promote a “park-once” approach.

Conduit Debt

From time to time, the County has issued Industrial Revenue Bonds, Economic Revenue Development Bonds, Multi-family Rental Housing Revenue Bonds, Retirement Community Revenue Bonds and Recovery Zone Facility Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the State nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the County’s financial statements.

At fiscal year-end June 30, 2025, there were 13 series of conduit debt outstanding. The aggregate principal amount outstanding for the nine series issued after July 1, 1996 was \$68,813,333. The aggregate principal amount outstanding for the four series issued prior to June 30, 1996 could not be determined; however, their original issue amounts totaled \$23,880,000.

The Howard County Housing Commission issued its \$13,655,000 Lease Revenue Bonds (Roger Carter Recreation Center), Series 2011 (the “Series 2011 Bonds”) in December 2011. The Commission used the proceeds of the Bonds to finance a portion of the costs of the design, development, construction, and equipping of a recreation center, an indoor swim center facility, and parking deck and related structures and site improvements (the “2011 Commission Project”) located on Ellicott Mills Drive in Ellicott City in the County. The 2011 Commission Project was constructed on an approximately 4.8-acre parcel of land owned by the Commission. The Commission and the County entered into a Lease Agreement dated as of December 1, 2011 (the “2011 Lease Agreement”), under which the Commission leased the 2011 Commission Project and the Leased Premises (as defined in the 2011 Lease Agreement) to the County.

The Howard County Housing Commission refunded its Series 2011 Bonds in May 2021, issuing \$10,860,000 Lease Revenue Refunding Bonds, Series 2021 (the “Series 2021 Bonds”). Lease payment revenues received under the 2011 Lease Agreement, as amended and supplemented by a First Amendment to Lease Agreement dated May 1, 2021 between the Housing Commission and the County, associated with the leasing of the Project and the Leased Premises to the County are pledged to pay debt service under the Trust Agreement. The amended Lease Agreement requires the County to make lease payments, which are calculated to be sufficient to pay when due the principal of and interest on the Series 2021 Bonds. The Lease Agreement is subject to appropriation and is not a general obligation of the County and does not constitute a pledge of the faith and credit or the taxing powers of the County.

Public Private Partnership (P3) Agreement

On October 16, 2018, the County executed a Project Agreement with Edgemoor-Star America Judicial Partners (ESJP) for the demolition of the Dorsey Building located at 9250 Judicial Way in Ellicott City and the construction and 30-year maintenance of an approximately 240,000 square foot Circuit Court courthouse and a 690-space parking garage. The County took occupancy in July 2021. Annual availability payments, consisting of a fixed capital charge of \$6.6 million and a \$3.3 million facility management charge, subject to CPI escalation, will be made in fiscal year 2022 through fiscal year 2057. The facility management charge is subject to unavailability and performance failure deductions. As of October 2023, ESJP has assigned their P3 Courthouse equity stake to international asset manager, Bestinver.

Outstanding Long-Term Debt

As of June 30, 2025, the County had outstanding long-term debt presented in the table below.

Outstanding Long-Term Debt as of June 30, 2025

	Dated Date	Issued (\$000)	Outstanding (\$000) ⁽¹⁾	Interest Rates (%)	Final Maturity
Consolidated Public Improvement BABs, Series C ⁽²⁾	03/16/10	39,405	5,430	5.00 - 5.55	02/15/30
Consolidated Public Improvement Project and Refunding, Series A	03/30/16	96,040	53,670	3.00 - 5.00	02/15/36
Consolidated Public Improvement, Series A	04/25/17	133,925	93,350	3.00 - 5.00	02/15/37
Consolidated Public Improvement Refunding, Series B	04/25/17	140,385	66,995	5.00	02/15/37
Consolidated Public Improvement Refunding, Series D	12/21/17	184,440	147,355	3.00 - 5.00	02/15/34
Consolidated Public Improvement Refunding, Series A	04/04/18	140,980	100,090	3.00 - 5.00	02/15/38
Consolidated Public Improvement Project and Refunding, Series A	05/29/19	133,630	86,410	2.75 - 5.00	08/15/38
Consolidated Public Improvement Project, Series A	05/07/20	117,230	96,605	4.00 - 5.00	08/15/39
Consolidated Public Improvement Project and Refunding, Series C	05/07/20	63,050	28,405	1.22 - 3.11	08/15/39
Consolidated Public Improvement Refunding, Series E	10/06/20	83,280	69,485	0.50 - 3.00	08/15/34
Consolidated Public Improvement Project, Series A	02/17/21	125,825	112,095	1.75 - 5.00	08/15/40
Consolidated Public Improvement Project, Series A	03/01/22	51,865	46,495	2.25 - 5.00	08/15/41
Consolidated Public Improvement Project, Series A	03/07/23	73,320	68,480	4.00 - 5.00	08/15/42
Consolidated Public Improvement Project, Series A	03/12/24	96,615	93,395	4.00 - 5.00	08/15/43
Consolidated Public Improvement Project, Series C	03/12/24	2,255	2,180	5.00 - 5.40	08/15/43
Maryland Water Infrastructure Financing Administration ⁽³⁾	01/24/25	2,075	2,075	1.90	02/01/54
Water Infrastructure Finance and Innovation Act ⁽⁴⁾	03/12/25	18,031	18,031	3.17	08/15/54
Consolidated Public Improvement Project, Series A	03/19/25	96,615	80,640	4.00 - 5.00	08/15/44
Consolidated Public Improvement Project, Series C	04/09/25	22,865	22,865	5.00	02/15/30
Maryland Department of Emergency Management Series A	05/13/25	5,000	5,000	1.00	02/01/45
Maryland Department of Emergency Management Series B	05/13/25	5,000	5,000	1.00	02/01/45
Total Long-Term Public Improvement Debt			\$1,204,050		
Maryland Water Infrastructure Financing Administration	10/01/08	1,089	246	2.30	02/01/29
Maryland Water Infrastructure Financing Administration	11/19/09	3,500	1,068	1.00	02/01/31
Metropolitan District Project and Refunding, Series A	03/30/16	26,190	21,400	3.00 - 5.00	02/15/46
Metropolitan District Project and Refunding, Series C	04/25/17	81,515	63,520	3.00 - 5.00	02/15/47
Metropolitan District Refunding, Series E	12/21/17	56,075	38,050	3.00 - 5.00	02/15/44
Metropolitan District Project and Refunding, Series C	04/04/18	38,150	32,780	2.50 - 5.00	02/15/48
Metropolitan District Project and Refunding, Series B	05/29/19	66,605	57,405	3.00 - 5.00	08/15/48
Metropolitan District Project, Series B	05/07/20	51,130	46,115	3.00 - 5.00	08/15/49
Metropolitan District Refunding, Series D	05/07/20	24,060	20,445	1.22 - 3.16	08/15/41
Metropolitan District Refunding, Series F	10/06/20	25,905	24,220	1.70 - 3.00	08/15/44
Metropolitan District Project, Series B	02/17/21	26,400	24,255	2.00 - 5.00	08/15/50
Metropolitan District Project, Series B	03/01/22	18,445	17,370	2.375 - 5.00	08/15/51
Metropolitan District Project, Series B	03/07/23	16,385	15,795	4.00 - 5.00	08/15/52
Metropolitan District Project, Series B	03/12/24	24,285	23,830	4.00 - 5.00	08/15/53
Metropolitan District Project, Series B	03/19/25	21,705	21,705	4.00 - 5.00	08/15/54
Total Water and Sewer Enterprise Fund Debt⁽⁵⁾			\$408,204		
Agricultural Land Preservation Program ⁽⁶⁾	1989-2025	94,194	36,434	1.00 - 8.60	08/15/42
Special Obligation (Annapolis Junction TIF)	06/27/24	15,640	15,045	5.00	02/15/44
Special Obligation (Downtown Columbia TIF)	10/19/17	48,225	46,875	4.00 - 4.50	02/15/47
Total Special Revenue Funds, Other Enterprise Fund and Special Obligation Debt			\$98,354		

(1) The outstanding amounts do not include bonds to be redeemed with the proceeds of refunding bonds previously issued by the County; such bonds to be redeemed are not considered as outstanding debt of the County for debt limitation purposes.

(2) The gross interest rate and debt service are shown, the County expects to receive a Federal Subsidy of \$46,596.

(3) As of June 30, 2025, the County had drawn \$2.1 million through the MD Water and Infrastructure Financing Administration (MWIFA) with a maximum aggregate draw amount of \$23.5 million currently authorized.

(4) As of June 30, 2025, the County had drawn \$18.0 million through the WIFIA Program with a maximum aggregate draw amount of \$75M currently authorized.

(5) The payment of the principal of and interest on this debt is to be made first from certain charges the County is authorized to levy within the Metropolitan District, but the full faith and credit of the County are also unconditionally pledged to such payment.

(6) This amount does not include a portion of these obligations in the aggregate principal amount of \$7,427,000, which will be paid in fiscal years 2026-2028 with proceeds of U.S. Treasury obligations purchased by the County.

Schedules of Long-Term Debt Principal and Interest Payments

The following table presents the principal and interest payments for the County's long-term public improvement debt as of June 30, 2025. Debt service on the Public Improvement Bonds is shown in Appendix C.

Debt Service on Long-Term Consolidated Public Improvement Debt (\$000)

Fiscal Year	Principal ⁽¹⁾	Interest	BAB Subsidy ⁽²⁾	Total
2026	\$ 96,245	\$ 45,984	\$ (47)	\$ 142,182
2027	93,795	42,287	-	136,082
2028	91,715	38,055	-	129,770
2029	89,020	33,795	-	122,815
2030	87,605	29,825	-	117,430
2031	85,045	25,956	-	111,001
2032	80,440	22,174	-	102,614
2033	75,345	19,160	-	94,505
2034	71,645	16,245	-	87,890
2035	66,565	13,751	-	80,316
2036	61,625	11,625	-	73,250
2037	58,370	9,410	-	67,780
2038	50,670	7,265	-	57,935
2039	42,655	5,436	-	48,091
2040	36,405	4,000	-	40,405
2041	28,560	2,807	-	31,367
2042	20,865	1,893	-	22,758
2043	18,135	1,135	-	19,270
2044	13,225	506	-	13,731
2045	6,015	120	-	6,135
Totals	\$ 1,173,945	\$ 331,430	\$ (47)	\$1,505,328

(1) Includes mandatory sinking fund redemption payments on term bonds.
(2) BABs subsidy is subject to a reduction of 5.7% due to sequestration as described below.

The Internal Revenue Service released guidance stating that due to federal budget sequestration, federal direct credit subsidies for ARRA bonds are subject to reduction beginning October 1, 2020 and extending until September 30, 2030. The amount of the reduction is 5.7% of the August 15, 2025 and February 15, 2026 interest payments, or approximately \$36,296.

The following table presents the principal and interest payments for the County’s self-liquidating long-term debt, as of June 30, 2025. Debt service on the Metropolitan District Bonds is shown in Appendix C.

Debt Service on Self-Liquidating Long-Term Debt (\$000)

Fiscal Year	Water and Sewer Enterprise Fund (Metropolitan District and Maryland Water Infrastructure Financing Administration) ⁽¹⁾			Agricultural Land Preservation Program ⁽²⁾		
	Principal ⁽³⁾	Interest	Total	Principal	Interest	Total
2026	\$ 16,130	\$ 14,328	\$ 30,458	\$ 4,707	\$ 1,245	\$ 5,952
2027	16,584	13,657	30,241	9,371	947	10,317
2028	16,477	12,894	29,371	6,284	672	6,955
2029	17,207	12,130	29,337	4,126	437	4,562
2030	15,960	11,409	27,369	3,712	343	4,055
2031	16,511	10,754	27,265	3,712	257	3,969
2032	16,755	10,075	26,830	1,785	192	1,977
2033	17,155	9,385	26,540	1,518	160	1,678
2034	17,430	8,764	26,194	1,518	131	1,650
2035	17,850	8,179	26,029	1,409	104	1,513
2036	18,270	7,608	25,878	1,168	79	1,247
2037	18,905	7,041	25,946	1,168	58	1,226
2038	17,720	6,457	24,177	943	40	983
2039	16,325	5,935	22,260	788	26	814
2040	16,855	5,408	22,263	656	15	672
2041	17,420	4,858	22,278	482	8	490
2042	15,190	4,293	19,483	434	3	437
2043	14,620	3,814	18,434	82	1	82
2044	15,105	3,341	18,446	-	-	-
2045	14,865	2,849	17,714	-	-	-
2046	13,950	2,381	16,331	-	-	-
2047	13,255	1,910	15,165	-	-	-
2048	12,415	1,465	13,880	-	-	-
2049	10,690	1,050	11,740	-	-	-
2050	7,790	754	8,544	-	-	-
2051	5,280	539	5,819	-	-	-
2052	4,220	371	4,591	-	-	-
2053	3,430	222	3,652	-	-	-
2054	2,595	102	2,697	-	-	-
2055	1,245	25	1,270	-	-	-
	\$ 408,204	\$ 172,000	\$ 580,203	\$ 43,861	\$ 4,718	\$ 48,579

(1) Excludes administrative fees of five percent of total debt service over the total loan period for the Maryland Water Infrastructure Financing Administration debt.

(2) This amount includes obligations in the aggregate principal amount of \$7,427,000 which will be paid in fiscal years 2026 - 2028 with proceeds of U.S. Treasury obligations purchased by the County.

(3) Includes mandatory sinking fund redemption payments on term bonds rounded to the nearest dollar.

The following table presents the principal and interest payments for the County’s special obligation long-term debt, as of June 30, 2025.

Debt Service on Special Obligation Long-Term Debt (\$000)						
Special Obligation (Annapolis Junction TIF)				Special Obligation (Downtown Columbia TIF)		
Fiscal						
Year	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 285	\$ 752	\$ 1,037	\$ 875	\$ 2,048	\$ 2,923
2027	325	738	1,063	1,100	2,013	3,113
2028	365	722	1,087	1,175	1,969	3,144
2029	410	704	1,114	1,250	1,922	3,172
2030	455	683	1,138	1,325	1,871	3,196
2031	510	660	1,170	1,400	1,816	3,216
2032	560	635	1,195	1,475	1,758	3,233
2033	615	607	1,222	1,575	1,697	3,272
2034	675	576	1,251	1,650	1,632	3,282
2035	735	542	1,277	1,750	1,564	3,314
2036	800	506	1,306	1,850	1,488	3,338
2037	870	466	1,336	1,925	1,407	3,332
2038	950	422	1,372	2,050	1,323	3,373
2039	1,025	375	1,400	2,725	1,233	3,958
2040	1,110	323	1,433	2,900	1,114	4,014
2041	1,195	268	1,463	3,125	983	4,108
2042	1,285	208	1,493	3,350	843	4,193
2043	1,385	144	1,529	3,600	692	4,292
2044	1,490	75	1,565	3,850	530	4,380
2045	-	-	-	4,125	357	4,482
2046	-	-	-	3,650	171	3,821
2047	-	-	-	150	7	157
	\$ 15,045	\$ 9,403	\$ 24,448	\$ 46,875	\$ 28,438	\$ 75,313

Rapidity of Long-Term Debt Principal Repayment

The following table analyzes how much of the County’s long-term public improvement debt outstanding as of June 30, 2025 is scheduled to be repaid over 20 years. This excludes \$76.6 million in short-term construction financing currently outstanding.

Rapidity of Consolidated Public Improvement Debt Principal Repayment					
Before Issuance of 2026A, 2026C & 2026D Bonds			After Issuance of 2026A, 2026C & 2026D Bonds		
On or before Fiscal Year	Amount (\$000)	% of Outstanding	On or before Fiscal Year	Amount (\$000)	% of Outstanding
2030	\$ 458,380	39.05%	2030	\$ 466,305	37.11%
2035	837,420	71.33%	2035	861,635	68.57%
2040	1,087,145	92.61%	2040	1,134,220	90.27%
2045	1,173,945	100.00%	2046	1,256,495	100.00%

The following table analyzes how much of the County’s long-term water and sewer enterprise fund debt outstanding as of June 30, 2025 is scheduled to be repaid over a maximum of 30 years. Note that this excludes Maryland Water Infrastructure Financing Administration loans and the \$16.7 million in short-term construction financing currently outstanding.

Rapidity of Metropolitan District Debt Principal Repayment

On or before Fiscal Year	Before Issuance of 2026B Bonds		On or before Fiscal Year	After Issuance of 2026B Bonds	
	Amount (\$000)	% of Outstanding		Amount (\$000)	% of Outstanding
2030	\$ 81,180	19.95%	2030	\$ 82,545	19.35%
2035	166,745	40.98%	2035	170,175	39.89%
2040	254,820	62.63%	2040	260,905	61.16%
2045	332,020	81.60%	2045	341,455	80.05%
2050	390,120	95.88%	2050	403,650	94.63%
2055	406,890	100.00%	2056	426,575	100.00%

Long-Term Debt Ratios

The following table presents the County’s net long-term public improvement debt per capita and ratios of net long-term public improvement debt to assessed value and to per capita personal income at the end of the last five fiscal years.

Long-Term Consolidated Public Improvement Debt Ratios

Fiscal Year Ended June 30	Net Long-Term Debt (\$000)	Estimated Population (000) ⁽¹⁾	Assessed Value (\$000)	Per Capita	Net Long-Term Debt	
					As % of Assessed Value	As % of Personal Income ⁽²⁾
2025	\$ 1,245,347	336	\$ 67,707,385	\$ 3,706	1.84	3.88
2024	1,296,254	335	64,022,945	3,869	2.02	4.05
2023	1,263,216	335	60,941,835	3,771	2.07	3.95
2022	1,383,714	335	58,900,042	4,130	2.35	4.59
2021	1,312,240	332	56,994,790	3,953	2.30	4.57

(1) Source: Howard County Department of Planning and Zoning.
(2) Source: Howard County Budget Office

The following table presents the County’s debt service expenditures for long-term public improvement debt as a percentage of current revenues. The County policy is to limit debt service to 10% or less of current revenues in the General, Environmental Services and Fire Tax Funds.

Long-Term Debt Service as Percentage of Current Revenues

Fiscal Year Ended June 30	Public Improvement Debt Principal (\$000)	Public Improvement Debt Interest (\$000)	Public Improvement Debt Service (\$000)	Current Revenues (\$000)	Debt Service as % of Current Revenues
2026 Budget	\$ 110,759	\$ 54,800	\$ 165,558	\$ 1,849,436	8.95
2025	105,481	52,783	158,264	1,738,171	9.11
2024	100,813	52,182	152,994	1,620,036	9.44
2023	96,577	53,423	150,000	1,606,537	9.34
2022	84,612	55,472	140,083	1,493,832	9.38
2021	73,269	46,474	119,743	1,436,393	8.34

Future Financing Plans

The County's debt policy is circumscribed by the legal debt margin for general obligation indebtedness established in the County Charter. In addition, the County's budget policy is reviewed annually by a committee of financially experienced residents that recommends the amount of debt that the County can afford. As of June 30, 2025, the County had authorized the following unissued debt: General County Bonds of \$366,696,728, Metropolitan District Bonds of \$217,367,382 and special obligation bonds secured by tax increment revenues of \$41,775,000. These amounts include bonds authorized to redeem the \$93.3 million in outstanding short-term construction financing debt. It is the County's intent to use such unissued bonds to fund future capital projects. The County currently expects to authorize \$70 to \$90 million of public improvement bonds annually for new capital projects identified in the annual Capital Budget and annually issue approximately \$40 to \$65 million of Metropolitan District bonds. Where direct benefits from capital improvements can be identified to specific users, the County intends to finance such improvements from user charges.

Government and Infrastructure

General

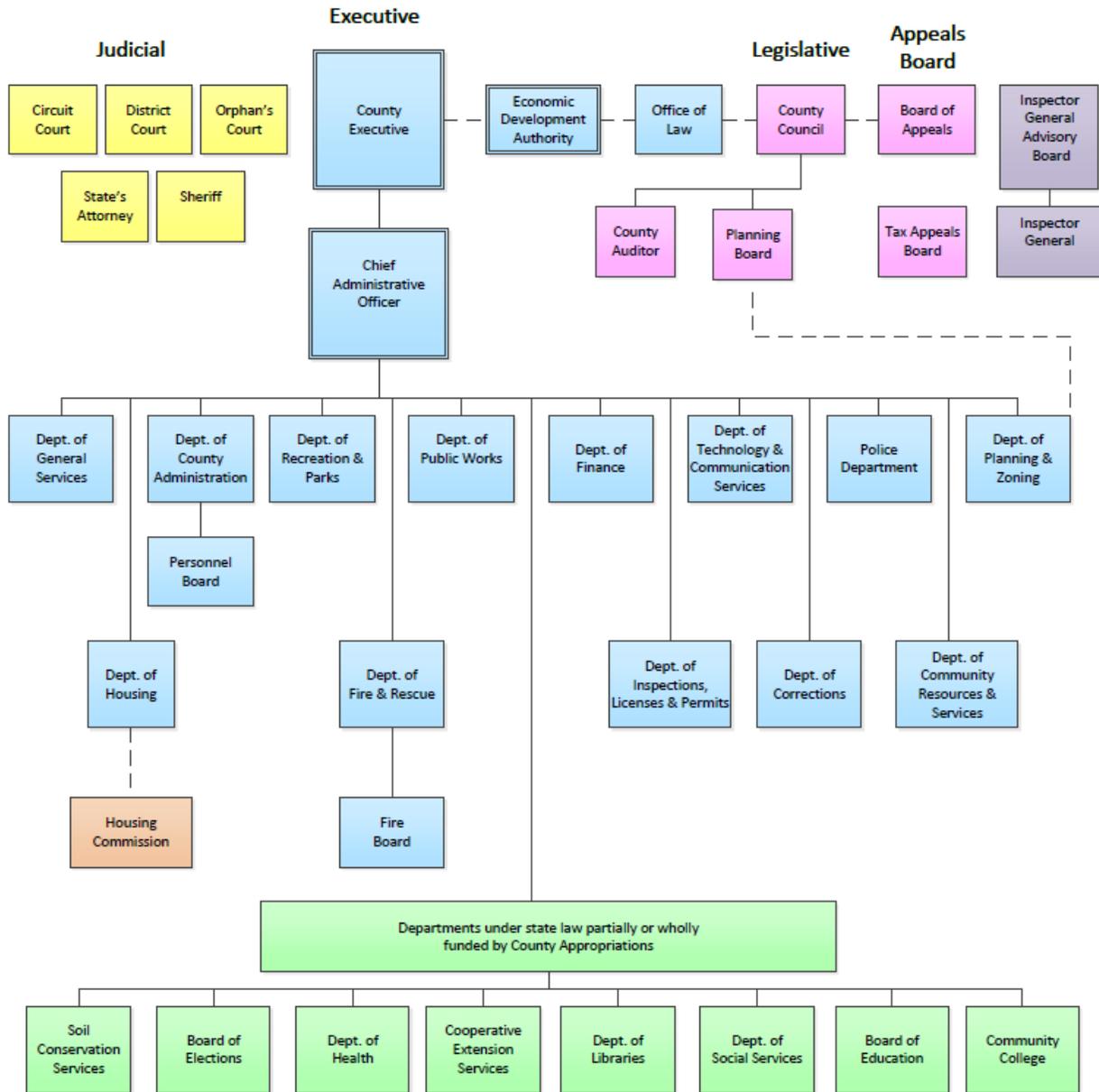
Under the County Charter adopted in 1968, the County's executive functions are vested in the elected County Executive, who is the chief executive officer of the County and is responsible for the proper and efficient administration of the affairs of the County. The Council, which consists of five members elected by district, is the County's legislative body. The County Executive is limited to two consecutive four-year terms, and Council members are limited to three consecutive four-year terms.

Each Council member has one vote, and a simple majority vote is sufficient to pass ordinary legislation. Emergency bills require the vote of two-thirds of the members of the Council as do Council actions to override a veto by the County Executive. A majority of the members of the Council constitute a quorum for the transaction of business, except that for emergency sessions two-thirds of the members of the Council are required. Except as otherwise provided in the County Charter, all laws stand enacted upon approval by the County Executive and take effect 60 days after their enactment, unless by affirmative vote of two-thirds of the members of the Council any such law is declared to be effective on a later date or is declared an emergency measure affecting the public health, safety and welfare, in which event it is effective from the date of its enactment. The Council elects a Chairperson and a Vice Chairperson from its membership at its first meeting in December of each year.

The Chief Administrative Officer performs such duties and exercises such general supervision over the offices and departments of the County government as the County Executive may direct and the Charter specifies. The Chief Administrative Officer acts as the chief budget officer, personnel officer, purchasing agent and central services officer of the County. In addition, the Chief Administrative Officer has been designated to perform the duties of the County Executive during the temporary inability of the County Executive to perform by reason of absence from the County or disability. County financial matters are administered through the Department of Finance by the Director of Finance. The Director of Finance is charged with the administration of the financial affairs of the County, which generally include the collection of State and County taxes, special assessments, Metropolitan District charges, fees and other revenues and funds of every kind due to the County; the enforcement of the collection of taxes in the manner provided by law; the custody and safekeeping of all funds and securities belonging to or by law deposited with, distributed to or handled by the County; the disbursement of County funds; the keeping and supervision of all accounts; the control of all expenditures on the basis of budgetary appropriations and allotments; the preparation of bond sales and advising on debt management; and such other functions as may be prescribed by directive of the County Executive or by legislative act of the Council.

The County Solicitor is appointed by the County Executive subject to confirmation by the Council. The Inspector General is appointed by the Inspector General Advisory Board. All other officials of the County government are appointed by, and serve at the pleasure of, the County Executive.

Howard County Government Organizational Chart



Executive, Administrative, Legislative and Education Officials

Executive

The Honorable *Dr. Calvin Ball* is a Maryland native and resident of Columbia for over 20 years. He and his wife Shani Ball, RN, M.S., are proud parents of two daughters who graduated from Howard County Public Schools and Howard Community College. He made history in 2006 when he was elected as the youngest Council Chairperson in Howard County history. He made history again in 2018 by becoming the first African American to be elected as Howard County Executive.

Re-elected in 2022, Dr. Ball remains dedicated to ensuring our communities are safe, strong, and accessible for all. Howard County continues to be a regional, national, and global leader, as County Executive Ball continues to champion economic development, education, environmental conservation, the health and well-being of our residents, investments in public safety and fiscal responsibility. Transformational vision builds the best communities, and his team has implemented innovative programs and policy solutions that are data-informed and people driven. He and his team have prioritized growing ready and successful students, fostering safe and engaged communities, creating a clean and sustainable environment, supporting thriving and healthy residents, building reliable and accessible infrastructure, promoting a strong and prosperous business climate, and leading an innovative and efficient government.

During his first term as Howard County Executive, he and his team led a robust and nationally recognized response to COVID-19 pandemic. Now, in his second term, he continues to innovatively lead a transformative pandemic recovery to ensure Howard County's best days are ahead. He achieves these by positioning himself as a world leader for industries such as cybersecurity, including speaking in Germany at the it-sa conference, the largest cybersecurity conference in the world, during Toronto Tech Week in Ontario, Canada, and at Quantum World Congress in Washington D.C. In addition, a national environmental leader, Ball secured the largest Solar Power Purchasing Agreement in the State of Maryland, which now powers more than half of all County Government operations. County Executive Ball served as president of Maryland Association of Counties (MACo) in 2023, where he was a part of a six-member Executive Committee. This committee oversees its fiscal, personnel, and management concerns as well as advocating for the shared legislative agenda for all 24 jurisdictions across the state. In 2012, he founded the Diversity Caucus of MACo, the first statewide caucus for county elected officials of color. He also participated in the National Association of Counties and Gates Foundation "Economic Mobility Leadership Network" to explore the role counties can play to positively affect economic mobility. Ball was also the 2023 Chair of the Baltimore Metropolitan Council (BMC). He is also engaged with the National Association of Counties (NACo) and recently participated in a county executive's roundtable at Harvard University, where leaders across the nation discussed best practices and policy implementation.

During Howard County Executive Calvin Ball's tenure, Howard County achieved numerous accolades, including Best Place to Live, Best City for Jobs, Best City in Maryland for People Living with Disabilities, Safety City in Maryland, Strongest Complete Streets Policy, Columbia Received a Perfect Score on Human Rights Campaign Index, and first County in the nation to receive LEED Platinum certification.

County Executive Ball, who is a certified mediator, holds a Bachelor of Arts in Philosophy and Religion from Towson State University, a Master of Arts in Legal and Ethical Studies from the University of Baltimore, where he was nominated for the Spirit of Excellence Award, and a Doctor of Education from Morgan State University.

Angela Cabellon serves as Chief of Staff and was the County's first Chief Innovation Officer. As Chief of Staff, Ms. Cabellon has the budget, public education, economic development, workforce, and human rights as major portfolio areas, and handles emergency issues. Ms. Cabellon initiated and oversaw the development of the county's first performance dashboard, the Howard County Data Analytics and Statistics Hub (HoCo DASH). She was the incident commander for the COVID-19 pandemic on behalf of the County Executive, ensuring a data-informed, people-driven response. Recently, she chaired the County Executive's Economic Competitiveness and Opportunity Now (ECON) Task Force.

Ms. Cabellon served as the Social Services Officer for Montgomery County, and was the Assistant Secretary for Policy and Program Management at Department of Health and Human Services, overseeing strategic initiatives on child welfare, child support, workforce development, the Affordable Care Act, and economic assistance.

As Senior Analyst in the Governor's Office of Policy, Ms. Cabellon prepared all education policy briefings for former Governor O'Malley. Ms. Cabellon was a Teach for America Corps Member in San Jose, California teaching Special

Education English at Independence High School. She earned her Bachelor's degree from the University of Maryland, College Park and Master's in Public Policy from Harvard University's Kennedy School of Government.

Gary W. Kuc was first appointed Howard County Solicitor effective July 1, 2015 and was most recently reappointed effective April 3, 2023. Prior to that, Mr. Kuc was a Senior Assistant County Solicitor in the Howard County Office of Law for six years, during which time he advised both branches of County government on a variety of subjects, and represented Howard County before federal and State courts and various administrative bodies. Before joining the County's Office of Law, Mr. Kuc was a Senior Assistant Attorney General for the State of Maryland for five years, and handled complex civil litigation in the Civil Division of the Attorney General's Office. Prior to his public service, Mr. Kuc was in private practice, as an associate attorney and then partner at Whiteford, Taylor & Preston, LLP, for seven years, and as an associate attorney at Semmes, Bowen & Semmes for three years. Mr. Kuc also was a law clerk to the Honorable Irma S. Raker, Supreme Court of Maryland. Mr. Kuc holds a Bachelor of Arts in Political Science, Public Service Emphasis, from the University of California, Santa Barbara, and a Juris Doctor, *Magna Cum Laude*, from the Catholic University of America. He is admitted to practice in the Court of Appeals of Maryland, and is admitted to practice in the U.S. District Court for the District of Maryland, the U.S. Court of Appeals for the Fourth Circuit, and the U.S. Supreme Court.

Administrative

Brandee Ganz has served as the County's Chief Administrative Officer since March 1, 2023. She previously served as the County's Chief Information Officer for four years, where she managed more than 100 employees with the Department of Technology and Communication Services. During that time, she oversaw numerous projects and initiatives, helping to ensure the County's Information Technology (IT) needs and standards were met and maintained.

During her tenure at the Department, her team's focus was to ensure the safety of employees during the COVID-19 pandemic, while keeping all County services safe and secure. Ganz led efforts to move the County's workforce to a remote environment, without service interruption to staff or residents.

With the need to move all government meetings online during quarantine, but still allow for transparency and public input, her team quickly built a digital platform allowing all meetings and events to be hosted virtually. This included County Council meetings, budget meetings, board meetings, and several townhall events to provide crucial information to the community.

Also, during this time, her team partnered with County Administration to launch the Transform Howard Initiative, which continues to bridge the digital divide within the County. This was evident as her team worked closely with the Howard County Public School System to enhance and build out their internet services, allowing all students the ability to connect into the classroom virtually.

Ms. Ganz is a life-long resident of Howard County. She attended Penn State and the University of Phoenix (MBA). She is a certified Project Management Professional and has her certifications in ITIL and Scrum master. She is a recent graduate of Leadership Howard County and is active in the community and coaches her daughter's softball team.

Rafiu O. Ighile was appointed Director of Finance effective September 7, 2020. Mr. Ighile is a Certified Public Accountant with an MBA who has more than 30 years of accounting experience in government, not-for-profit and for-profit organizations. He was previously the Director of Finance and Administration for the City of Gaithersburg, where he oversaw the Finance, Budget and Procurement functions. Before joining the City of Gaithersburg, Mr. Ighile worked for Howard County Public School System (HCPSS) as their Chief Financial Officer. While working as CFO for the Howard County Public School System, he managed Finance, Budget, Benefits, and Technology functions. He also previously served as the Deputy Director of Finance for Howard County Government where he established a Debt and Cash Management function for the County to effectively manage the debt issuance and investment portfolio with total assets of over \$1 billion. Mr. Ighile attended the University of Pennsylvania and The Wharton School for the Advanced Investment Management Program. He also serves on the Executive Board of both the Government Finance Officers Association (GFOA) and the Maryland GFOA Board of Directors.

Dr. Holly Sun became Howard County's Budget Administrator in January 2015. Dr. Sun has more than two decades of budget management experience at local governments, including revenues, operating budget, capital budget, and performance management. She previously served as Deputy Director of the Office of Management and Budget, Prince George's County and Budget Manager of the Maryland National Capital Park and Planning Commission. She has a PhD in Public Policy and Public Administration from George Washington University, and a Master in Public Policy

from Duke University. She served on the Committee on Governmental Budgeting and Fiscal Policy of the Government Finance Officers Association (GFOA) for six years and was a member of the Board of Directors of Maryland GFOA.

Legislative

Opel Jones is a loving husband and dedicated father. Dedicated to the community, Opel mentors, tutors, volunteers, and is a former coach in both youth football and youth baseball. He has a background in mathematics, higher education, computer science, and engineering, and is a published author. He served formerly as Second Vice President of the Howard County Democratic Central Committee as well as Human Rights Commissioner for Howard County, appointed by then County Executive, Ken Ulman. He is currently the Chair of the Howard County Council, and the Chair of the Howard County Zoning Board.

Throughout the years, Opel has worked as an engineer, mathematics and statistics lecturer, development officer, and computer scientist, at several institutions and the federal government. He also served as Director of the Leadership Institute for several years at Hampton University, teaching leadership studies and developing leaders in addition to teaching mathematics and honors seminars. Currently, he is a mathematician and analyst, and lectures all over the United States at mathematical conferences and universities.

Opel graduated from High Point High School in Prince George's County, earned the B.S. in mathematics from Hampton University, the M.S. in mathematics from Howard University, and the Ph.D. in mathematics also from Howard University. He is a Life Member of Alpha Phi Alpha Fraternity, Inc., and former president of the local Howard County chapter. His professional associations include the American Mathematical Society, the Mathematical Association of America, and the National Association of Mathematicians. Opel loves music, football and baseball, reading, Sudoku puzzles, supporting all of their kids' sports and activities, and downtime with family and friends. He and his wife, Shaundra, are extremely proud parents of three, Opel II, Ivan, and Whitley!

Deb Jung has served as the District 4 Councilmember since 2018. Columbia has been her home for more than three decades and it is where she raised a successful Wilde Lake graduate (Go Cats!). Deb brings to the Council her professional background as an attorney, years of civic engagement, and a passion for the community. Deb obtained a Bachelor of Arts in Political Science from Duke University and a Juris Doctorate from the University of Maryland School of Law.

Prior to serving on the County Council, Deb was a private practice attorney providing legal advice, training, and consulting to nonprofit organizations throughout Maryland. Earlier in her career, Deb was a litigation associate at Whiteford Taylor Preston in Baltimore, Maryland; General Counsel to the Close-Up Foundation, a civic education organization for high school students and teachers; and General Counsel to the Maryland Association of Nonprofit Organizations in Baltimore.

A longtime community leader, Deb served as Co-Chair of the Howard County Sesquicentennial Celebration Committee, Co-Chair of the Martin Luther King, Jr. Holiday Commission, as well as a five-year member of the Howard County Human Rights Commission. Deb served as President and helped found the Executive's Charity for the Arts, which was established to raise money for arts-related scholarships for Howard County residents.

In addition to her community work, Deb was an active parent volunteer in the Howard County Public Schools System (HCPSS), having spent many hours assisting with PTA activities and serving two years as the Booster Club President at Wilde Lake High School. She was a member of the HCPSS School Health Council and helped lead the Start School Later effort in Howard County to change high school start times.

Deb has been active in the women rights movement for decades and worked for the National Organization for Women in the 1980s. She is also an outspoken advocate for our environment, public schools, and aging community.

Howard County Councilwoman *Christiana Rigby* is a dedicated public servant and lifelong resident of Howard County. She was born and raised in District 3, growing up in the Columbia Village of Kings Contrivance.

After graduating from the Howard County Public School System, Rigby went on to study Environmental Science at the University of Maryland – Baltimore County (UMBC), with a focus on environmental policy. After graduating from UMBC, she started her career as a community organizer, where she honed her skills leading consumer protection

initiatives, strengthening environmental regulations, and fighting to safeguard employment opportunities for the LGBTQ+ community.

In 2018, Rigby was elected to serve on the Howard County Council for District 3, representing communities in Columbia, Savage, Jessup, Guilford, and North Laurel. In her first year, Councilwoman Rigby was unanimously elected Chair of the Howard County Council, the youngest woman ever to hold that position. During her time on the County Council, Rigby has advocated for critical neighborhood investments and passed landmark legislation, particularly in the areas of educational equity, affordable housing, climate resiliency, accessible transportation, and other community-enhancing efforts. In 2022, Councilwoman Rigby was re-elected to a second term on the County Council, where she continues to focus on promoting sound fiscal policy and strengthening the County's assessable base.

Rigby lives in Columbia with her spouse and their two children. As a parent and public servant, she is deeply committed to the wellbeing, success, and future of Howard County.

Liz Walsh is a Mount Hebron Viking, Class of '89—just in time to be part of Hebron's first-ever girls' lacrosse team. She attended Georgia Tech on scholarship as a National Merit Scholar and graduated with honors in 1993 with a degree in Civil Engineering. After graduation Liz became a project engineer for a national general contractor where she bid and ran construction projects in the field. If all her projects had been like her last one—rebuilding an old-time swinging bridge over the Cedar Creek in Slaughter Beach, Delaware—Liz probably never would have applied to law school. But she did. Liz graduated from Georgetown Law, also with honors, in 2000. For nearly 20 years, she was a construction lawyer in practice at large, global law firms. She drafted and negotiated contracts to design, build and manage mega-construction projects and advised her general contractor and project owner clients as to their rights and responsibilities under those contracts and applicable law. She also tried cases, typically in arbitration. Since 2009 Liz has lived in historic Ellicott City. When it came time to raise her own family, she returned to her hometown, where her parents still live in their same house behind the old Enchanted Forest. She found a century-old four-square in the hills above Main Street and lives there now with her two children and their rescue German Shepherd. In 2018, Liz was elected to represent District One, which includes nationally-designated historic districts in Ellicott City and Elkridge, vast acreages of state park and other dedicated forestlands, and miles of streambanks along the Patapsco River and its smaller tributaries. Liz is serving her second term on the Council.

David Yungmann has represented District 5 on the Howard County Council since 2018. He is one of five council members re-elected to a second term in 2022 and is the sole Republican in Howard County elected office.

In addition to serving on the County Council, David is a Realtor based in Ellicott City. The Yungmann Group was formed in 2003 with a focus on residential sales in and around Howard County. During the prior 15 years, he worked in commercial banking, acquisitions and development, corporate and project finance, and management including two startup companies. David's 25 years of public service encompasses leadership roles in local schools, sports leagues, county non-profits and professional organizations.

David has lived in Howard County since 1972. He attended public schools and graduated from Mt. Hebron High School, followed by Loyola University in where he majored in Finance.

Christopher Ashman was appointed County Auditor effective February 10, 2025. Mr. Ashman was previously an Audit Director at Sikich, LLC. Prior to that he held senior leadership roles in corporate finance, enterprise risk management and public accounting across different industries. Mr. Ashman is a Certified Public Accountant, a Certified Internal Auditor, and is a member of the American Institute of Certified Public Accountants, and the Institute of Internal Auditors. Mr. Ashman has more than 20 years of auditing, finance, and management consulting experience within the private and public sectors.

Education

William J. Barnes is the Howard County Public School System Superintendent. He began his term July 1, 2024, after serving as Acting Superintendent from Jan. 10-June 30, 2024.

As the HCPSS Chief Academic Officer since 2017, Barnes oversaw the departments of Special Education, Curriculum, Instruction, and Assessment, and Program Innovation and Student Well-Being. He prioritized recruiting, developing and retaining leaders throughout those departments. He began his career with HCPSS in 2008, serving as the Coordinator of Secondary Mathematics and Director of Secondary and Pre-K-12 Curricular Programs. Prior to

that, he served as a high school math teacher. Throughout his extensive career in education, he has held multiple leadership roles on state and national committees, panels, and groups; primarily focused on mathematics education. He has committed his entire career to enhancing educational outcomes for all students.

As a teacher, Barnes received National Board Certification and was awarded Maryland’s prestigious Presidential Award for Excellence in Mathematics and Science Teaching in 2003, the highest award bestowed upon a mathematics teacher in Maryland.

Responsibilities and Services

County and Department of Education Employees

The following table presents the number of County (including Library, Community College and Housing Commission) and Board of Education full-time and permanent part-time employees for fiscal years 2021 - 2025 as authorized in the County budget.

County and Board of Education Employees

Fiscal Year	Public Safety	Other County	Board of Education	Total
2025	1,540	3,083	8,975	13,598
2024	1,544	2,510	9,491	13,545
2023	1,512	2,681	9,195	13,388
2022	1,480	2,601	8,866	12,947
2021	1,467	2,736	8,561	12,764

The County has experienced no work stoppages due to labor difficulties and considers its relationship with employees to be satisfactory. The County currently has collective bargaining with the following exclusive representatives and their bargaining units: (1) American Federation of State, County and Municipal Employees (“AFSCME”), which represents correctional officers and correctional dietary officers of the County’s Department of Corrections (Local 3080), a separate unit representing skilled trades positions assigned to various County departments (Local 3085), Local 3888 representing operations supervisors assigned to various County departments, and Local 1810 which represents Office/Technical positions assigned to various County departments; (2) International Association of Firefighters Local 2000, representing sworn firefighters below the rank of captain; (3) Howard County Police Officers’ Association Lodge 21, representing sworn police officers below the rank of police sergeant; (4) Howard County Police Supervisors’ Association Lodge 143, representing police sergeants, (5) Howard County Public Safety Dispatchers Association Lodge 107, which represents 911 dispatchers, and (6) Fraternal Order of Police, Howard County Sheriffs, Lodge 131, representing sworn deputy sheriffs under the rank of deputy sergeant. The County has successfully negotiated contracts with unions. The agreements with the Howard County Sheriffs (Lodge 131), Police Supervisors (Lodge 143), and Howard County Public Safety Dispatchers Association (Lodge 107) expire on June 30, 2026. The agreements with the AFSCME Office and Technical Workers (Local 1810), Corrections Officers (Local 3080), Skilled Trades (Local 3085), Operations Supervisors (Local 3888), and Howard County Police Officers’ Association Police Officers (Lodge 21) expire on June 30, 2027. The agreement with the (Local 2000) expires on July 1, 2027.

The majority of Howard County Public School System employees are represented by a bargaining unit. In total there are five bargaining units in HCPSS. The Howard County Education Association (HCEA), affiliated with the Maryland State Education Association and the National Education Association, has two bargaining units. The first, HCEA-Certificated represents teachers and other certificated non-supervisory personnel. The second, Howard County Education Association–Education Support Professionals (HCEA ESP) represents non-certificated, non-supervisory personnel such as clerical, secretarial, instructional support, student assistants, food and nutrition service, health, security assistants, educational interpreters, and central office non-supervisory staff. The American Federation of State, County and Municipal Employees (AFSCME - Local 1899) has one bargaining unit that represents non-certificated, non-supervisory personnel such as custodial, grounds, maintenance and warehouse staff. The Howard County Association of Supervisors and Administrators (HCASA) has two bargaining units. The first, HCASA-Certificated represents certificated supervisory personnel such as school-based administrators, leadership interns, athletics and activities managers, coordinators and instructional facilitators. The second, HCASA-Non-Certificated Staff (NCS) represents supervisory nurses, cafeteria managers and as well as central office non-certificated directors,

coordinators, managers, and supervisors. The county has approximately 30 unrepresented employees including chiefs, an executive officer, and executive directors.

Board of Education of Howard County

The Board of Education is a Component Unit of the County. The educational policies, procedures and programs of the public schools in the County are the responsibility of the Board of Education, which includes seven members elected by county residents and a student member, working with the County Superintendent of Schools appointed by the Board of Education. The County program is governed by the State Board of Education. Daily functions within the schools are the responsibility of the County Superintendent of Schools and his staff.

The Howard County Public School System offers a comprehensive education program, kindergarten through grade 12, with pre-kindergarten programs available in some schools. Academic support services and gifted programs are available in all schools and in all grades. Special education services are provided for identified students from birth through age 21.

For the 2025-2026 school year, the Board of Education exercises responsibility for 42 elementary schools, 20 middle schools, 13 high schools, and three education centers that accommodate approximately 57,600 students. The teacher-to-student ratio is presented in the following table.

Teacher to Student Ratio	
Kindergarten	1 professional to 22 students
Grades 1-2	1 professional to 20 students
Grades 3-5	1 professional to 26 students
Middle school	1 professional to 19.8 students
High school	1 professional to 21.1 students

Howard Community College

Howard Community College (HCC) is a public community college serving nearly 30,000 credit and noncredit students at its main campus in Columbia, Maryland, and in other locations. Since 1970, HCC has been helping build the workforce of the future by educating the students who will contribute to the businesses and organizations within Howard County.

HCC offers associate degrees and certificates built around academic areas such as arts, humanities, health sciences, engineering, business, and cyber technology. With associate degrees or related coursework, students have the opportunity to transfer to four-year colleges or universities to complete their baccalaureate degrees. Students also attend HCC to sharpen job skills, prepare for a new career, pursue professional training, or explore personal interests. HCC offers flexible scheduling with day, evening, and weekend courses, as well as online, hybrid, and accelerated learning formats.

HCC is governed by a board of trustees appointed by the Governor of Maryland. For fiscal year 2026, HCC’s unrestricted budget reflects the following sources: 29% from tuition and fees, 29% from the County, 22% from the State, and 20% from auxiliary operations and other sources. HCC is a Component Unit of the County. In addition, the college was the winner of the 2020 Bellwether Award at the Community College Futures Assembly for the cloud migration of HCC’s administrative system. The award is given for programs or activities that have been designed and successfully implemented to improve efficiency and effectiveness at a community college.

Howard County Library System

An educational institution and allied agency alongside Howard County Public School System and Howard Community College, Howard County Library System (HCLS) is the community’s place to learn, connect, and grow.

HCLS' strategic plan for 2024 through 2030 outlines three key result areas: 1) all children enter kindergarten ready to learn, 2) teens and young adults feel a sense of agency and belonging, and 3) an inclusive, connected community where everyone feels they belong. Libraries are uniquely positioned to work toward these results – as children's first public learning spaces and as places where everyone is welcome regardless of age, means, or background.

HCLS' six branches feature a collection of materials available in print, audio and electronic formats; tools; artwork; literacy and STEAM activity kits; educational toys and video games; and a DIY center and makerspace. HCLS instructors and local experts teach classes for people of all ages and facilitate conversations about topics of interest to the community. Notable author events and signature events such as Evening in the Stacks, Spelling Bee, Battle of the Books, and Longest Table bring people to learn and strengthen community bonds.

HCLS is governed by a seven-member Board of Trustees, as noted in Maryland Education Code (§ 23-401). The HCLS Board forwards nominees to the County Executive, who appoints members to the Board of Trustees subject to approval by the County Council. HCLS' Operating Budget is funded by the County (90%), HCLS/grants (6%), and the Maryland State Library Agency (4%). Capital projects are funded chiefly by the County, potentially supplemented with grant funding from the Maryland State Library Agency.

In fiscal year 2025, people of all ages, means, and backgrounds visited HCLS' six branches 1.5 million times to borrow 5.1 million items including artwork, tools, toys and video games, and learning activity kits. Attendance at classes and events totaled more than 234,000.

Public Safety

The County Department of Police (the "Police Department"), administered by the Chief of Police, is responsible for enforcing State and County laws, rules, and regulations. The Police Department employs approximately 800 people (which includes 510 sworn officers, 236 civilian employees, 61 school crossing guards) and has a fleet of 665 vehicles. These vehicles include: Two armored rescue vehicles, two command posts, one bus, one negotiator van, fourteen motorcycles, two traffic support vehicles, nine electric motorcycles, and three all-terrain vehicles. The number of officers per 1,000 residents is approximately 1.5. Additionally, the Police Department has nine (9) Volunteer Auxiliary Officers, eight (8) non-sworn Volunteer Chaplains (all non-sworn), and eighty (80) Animal Control volunteers.

The Howard County Department of Fire and Rescue Services (the "Fire Department") integrates highly trained career and volunteer personnel to provide continuous, 24-hour emergency services to residents, businesses, and visitors within Howard County and surrounding areas. The Department operates under the leadership of a Fire and EMS Chief appointed by the County Executive. Its statutory and operational responsibilities encompass fire suppression; basic and advanced life support emergency medical services; technical rescue operations; hazardous materials mitigation; fire investigations; code enforcement; and comprehensive community outreach and education. The Department maintains operations from fourteen stations strategically located throughout the County, seven of which are jointly staffed in partnership with the County's six volunteer fire corporations.

In 2025, the Fire Department responded to nearly 45,000 incidents, approximately 75 percent of which involved the provision of emergency medical care. The Department also furnishes stand-by medical coverage for major concerts, athletic tournaments, and other large public events.

The Fire Department administers an extensive portfolio of community risk-reduction initiatives, including enforcement of a localized fire code; the County's crowd manager program; commercial and residential fire safety inspection services; the "Kids Safety House" elementary fire-prevention curriculum; and a highly successful community CPR program, which includes instruction integrated into the public school system. Additional programs supported by the Department include the Public Access Automated External Defibrillator program, public Stop-the-Bleed training, and a comprehensive Mobile Integrated Health program. The Department is also the first ground-based EMS system in the State of Maryland to carry whole blood for patients with traumatic or medical conditions requiring its use.

Pursuant to County Code, the Fire Department is designated as the lead agency for the Office of Emergency Management and is responsible for county-wide emergency planning, preparedness, and coordinated response activities.

The Howard County Department of Corrections is responsible for the operation of the Howard County Detention Center, Howard County Central Booking Facility, and the Howard County Pre-Trial Community Supervision Program. In partnership with the Serenity Center of Howard County, the Department manages the Community Services Program. The Detention Center has a bed capacity of 361. The Detention Center houses inmates with sentences up to 18 months as well as pre-trial defendants committed by the court. It also houses detainees from the U. S. Marshal Service. The Central Booking Facility processes anyone arrested in Howard County by State and Local law enforcement. After arrest processing, detainees are presented to a District Court Commissioner for an initial appearance hearing. The facility processes more than 3,000 arrestees annually. The Pre-Trial Community Supervision Program screens all offenders committed to the Detention Center for possible supervision in the community. The program supervises up to 70 offenders and uses a variety of supervision methods to include phone checks, in person reporting and GPS tracking. The Howard County Community Services Program supervises approximately 230 offenders annually ordered by the court to perform community service for a government or non-profit agency. The program places, supervises and reports on the progress of each person placed in the program. The Department of Corrections has 159 authorized personnel and 24 contractual personnel working in medical services. The Department also employs five contingent employees. The Department is accredited by the Maryland Commission on Correctional Standards and the American Correctional Association.

Planning and Zoning

The Howard County Department of Planning and Zoning (DPZ) is responsible for comprehensively planning for growth, development, and conservation in the County. To accomplish this, DPZ undertakes many diverse activities: long-range comprehensive planning; preparing growth projections; managing growth based on the adequacy of public facilities; engaging communities in neighborhood revitalization planning; facilitating redevelopment through updates to plans, regulations and design guidelines; agricultural and historic preservation, environmental planning; development review; and the administration of zoning and subdivision regulations.

The County's General Plan, HoCo By Design, adopted in October of 2023, establishes a clear, long-range vision on how and where the County will develop and grow as it adjusts to evolving economic, environmental, and social conditions over the next 20 years. It focuses most future commercial and residential growth into activity centers, areas targeted for mixed-use, compact redevelopment while prioritizing community character in other areas of the County, strengthening the County's commitment to environmental preservation and conservation and creating opportunities for diverse housing choices, such as missing middle housing and accessory dwelling units. The Plan reaffirms the County's commitment to multi-modal transportation, open space, agriculture, historic preservation, exceptional community facilities and a great quality of life for all.

The rural western 60% of the County is zoned to protect agriculture and environmental resources, promote the agricultural economy, and cluster limited residential development. HoCo By Design anticipates that the Rural West will largely be preserved, maintain its rural character and will continue to see the same pace of development that has occurred in the past; however, the Plan seeks opportunities to facilitate rural, mixed-use development in the "Rural Crossroads" and diverse housing options, such as accessory dwelling units, throughout the West. In the urban eastern 40% of the County, planning policies encourage higher intensity employment areas and increased housing densities through mixed-use redevelopment in targeted activity centers located in Downtown Columbia, Gateway, certain Columbia Village Centers and the U.S. Route 1, Route 100 and Route 40 corridors. Many activity centers are currently large, under-utilized single-use shopping centers which are envisioned to be redeveloped with a mix of residential and commercial uses. While new residential development is still expected to occur outside of activity centers, it will likely be through infill development and smaller subdivisions as most the County's land has already been developed or permanently preserved or protected.

The residential and commercial development anticipated from the Downtown Columbia Plan, a 30-year Plan adopted in 2010 that proposed an urban center for the County, is in progress with approximately one-third of planned residential development and 12% of commercial development for Downtown built. Upon completion, Downtown Columbia will yield 6,244 new residences, 640 new hotel rooms, 1.25 million square feet of retail and 4.3 million square feet of office space. Development is expected to continue through 2040.

HoCo By Design identified the Gateway area – generally north and west of Interstate 95 and Route 32 and south and east of Route 175 and Snowden River Parkway – as one of the last large regional growth centers in Howard County (along with Downtown Columbia). This area comprises approximately 1,100 acres and is primarily an office and industrial park with some commercial uses. In October 2025, the County adopted a Master Plan to guide Gateway's redevelopment as an innovation district with a mix of residential, commercial, light industrial and office uses, along with open space and multi-modal transportation connections. The Master Plan recognized, according to a 2024 market

analysis, that Gateway has the potential to add 4,500 – 6,600 new multifamily units, 1,200 – 1,800 new townhomes and 4,711-8,126 new jobs, 1.0 million to 1.8 million square feet new commercial office, and innovation/flex office space and new retail opportunities over the next 30 years. The next steps in implementing the Gateway Master Plan will be to implement its recommended zoning changes and determine the appropriate pacing for Gateway’s future residential development so that Gateway’s infrastructure can keep pace with new growth.

Between 2006 and 2020, the Route 1 Corridor saw significant residential growth and an increase of more than 8,000 units. To achieve a better balance between residential and nonresidential growth in this area, the County adopted the Route 1 Corridor Plan alongside HoCo by Design. This Plan envisions supporting and retaining the Corridor’s industrial and manufacturing base while targeting two strategic activity center locations for new commercial, light industrial, and residential development. It also features a future civic district for South Elkridge.

Infrastructure in Howard County supports the daily needs of the community and delivery of essential services. HoCo By Design also provides direction for maintaining and enhancing the County’s supporting infrastructure so that all of its residents can continue to enjoy a great quality of life. Infrastructure categories covered in the Plan include police protection, fire and rescue services, recreation and parks, county facilities, allied agency facilities (such as libraries, healthcare facilities and community colleges), drinking water supply and wastewater treatment, solid waste management and public school facilities.

Adequate Public Facilities regulations, adopted in 1992, require proposed development to be tested for adequate schools and roads as a condition of plan approval. Milestones, incorporated into the legislation, require properties to move in an orderly and predictable manner through the development process. The County in turn adopts a six-year plan for its infrastructure, particularly schools and roads, to serve this pace of development. Based on HoCo By Design and the County’s Adequate Public Facilities legislation, residential development including Downtown Columbia is restricted to an average of 1,620 units per year (this pace of growth does not include Gateway. All growth potential and development phasing will be determined through the master planning process). A cap of 100 units per year limits rural subdivisions and combined with an ambitious agricultural land preservation program, serves to redirect rural growth pressure into the County’s eastern Planned Service Area for Public Water and Sewer.

Overall, the County remains a desirable place to live, with high demand for residential and commercial development. HoCo By Design currently projects that future development potential could yield up to 27,000 residential units and 35,000 new jobs between 2020 and 2040. The market demand opportunities presented in the Gateway Master Plan could increase these yields. While some of this development potential is dependent upon a future comprehensive rezoning and market conditions, a fiscal analysis was completed for the Plan which yielded net positive fiscal results for the County.

Inspections, Licenses and Permits

The goal of the Howard County Department of Inspections, Licenses, & Permits (DILP) is “A Quality Product, Fast & Friendly.” A quality product ultimately means safe and healthy buildings and our aim is to achieve this in an efficient, customer-friendly manner.

DILP is responsible for the intake, processing, review and approval, issuance, and inspection of all licensing and permitting work related to the built and rental environment in the County. DILP accomplishes this through the cooperative and coordinated activities of four divisions within DILP: Operations, Licenses & Permits, Plan Review, and Inspections & Enforcement. This activity is done to ensure public safety through the adoption and enforcement of the Howard County Building Code. The Code includes the adoption of the International Building Code (IBC), the International Residential Code (IRC), the Life Safety Code (NFPA 101), the National Fire Prevention Code (NFPA 1), the National Electrical Code (NFPA 70), the International Energy Conservation Code, the Maryland Accessibility Code, and related Plumbing, Mechanical, Fuel Gas, and HVAC codes, as well as the Property Maintenance Code for Rental Housing (the International Property Maintenance Code).

By adopting up-to-date codes and standards, new buildings in the County will have better resilience and sustainability. Also, damage from hazards is mitigated before the hazard ever occurs because structures built to modern building codes and standards are better equipped and constructed to withstand the effects of natural and man-made disasters. Code-compliant structures are less likely to catch fire or be prematurely affected by decay, rot or the effects of nature and general wear and tear. Additionally, they are more energy efficient and environmentally friendly. Should the effects of nature (fire, flood, high-wind, etc.) come to the County, these structures are more likely to withstand damage than non-Code-compliant structures.

DILP is also responsible for the County Coordinating Function for Damage Assessment of the Howard County Comprehensive Emergency Response and Recovery Plan (CERRP). Following a disaster (e.g. fire, flood, tornado, etc.), DILP is responsible for assessing the level, nature and extent of the damage to individual structures. This process is known to the Federal and Maryland Emergency Management Agencies (FEMA and MEMA) as “individual assistance,” or “IA.” Additionally, DILP coordinates the damage assessments from public buildings and infrastructures, known as “public assistance,” or “PA.” This work is required to first determine the extent of an event, as well as to begin the process of hazard mitigation and planning for the recovery and rebuilding processes.

Recreation and Parks

The County Department of Recreation and Parks (DRP), administered by its Director, is responsible for the organization and conduct of recreational programs and the development and operation of parks and other recreational facilities in the County. County parks and programs are estimated to serve over two million visitors each year. In 2022 the County’s Land Preservation, Parks and Recreation Plan was completed and adopted by the County Executive and the County Council. The plan surveys current and expected needs for park facilities and recreation programs, outlines goals and offers strategies for implementation. Land acquisition for recreation areas and natural resource preservation is a critical element of the Plan. Land is purchased using federal, state and local dollars. DRP currently manages over 10,000 acres of parkland and open space, three community centers, two with an indoor pool, two community buildings, one nature center, one athletic center, one cultural center, an 18-hole golf course, and 28 historic sites. DRP is one of only 222 recreation and parks agencies accredited through the National Recreation and Parks Association’s Commission for Accreditation of Park and Recreation Agencies. Financial information regarding the golf course is shown under “Financial Information, Special Recreation Facility Enterprise Fund” herein.

Housing and Community Development

The Department of Housing and Community Development (DHCD) strengthens communities through innovative programs, services and partnerships to create and preserve affordable housing opportunities for all. Through its use of the Community Renewal Program Fund, DHCD supports initiatives such as the Moderate-Income Housing Unit (MIHU) Rental and Homeownership Program, the Settlement Downpayment Loan Program (SDLP), the County Rehabilitation Loan Program (RRR) and homebuyer education to provide affordable housing opportunities for low- and moderate-income families who live or work in Howard County. DHCD also administers funding for several federal and state programs, including Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME), to provide loans and grants for special needs housing programs, rental assistance, rehabilitation loans and community facilities and programs, as well as Continuum of Care (CoC) grants to support the County’s response to homelessness. The County recently published The Path Toward Zero, a plan to insure that there is a system of housing and care that responds to the needs of homeless individuals and families in Howard County with the mission to make homelessness rare, brief and a one-time experience.

Community Resources and Services

As the human service arm of County government, the Department of Community Resources and Services consists of eight offices: the Office of ADA Coordination, Office on Aging and Independence, Office of Children and Families, Office of the Local Children’s Board, Office of Community Partnerships, Office of Veterans and Military Families, Office of Human Trafficking Prevention and Office of Disability Services. It serves as the County’s central coordinating unit for Human Trafficking prevention, manages the Community Service Partnership program, which provides County funding to non-profit human service agencies; and administers federal, state and private source grants that support services to individuals and families in the community, including older adults, youth and homeless persons. The Department is also the central planning and coordinating body for the Adult Use Cannabis and Opioid Restitution Funds. The Department provides input into the planning processes of other departments by providing subject matter expertise in areas that involve or may impact traditionally vulnerable populations including older adults, people with disabilities, children, and survivors of human trafficking.

The Department also serves as the lead agency for mass care and shelter in the event of disaster. In collaboration with local private and public agencies, it plays an integral role in strengthening the effectiveness and efficiency of the County’s overall human service delivery system. Staff support is provided to 11 boards and commissions: the Board to Promote Self-Sufficiency, Commission on Aging and Independence, Commission on Disabilities, Commission for Women, Local Children’s Board, Early Childhood Advisory Council, Commission for Transitioning Students, Human

Trafficking Prevention Coordination Council, the Veterans Commission, Adult Use Cannabis Advisory Panel, and the Opioid Restitution Fund Commission.

Public Works

The County Department of Public Works (DPW), administered by its Director through four bureaus, is responsible for the programming, design, construction, operation and maintenance of public works infrastructure in accordance with the County's General Plan. DPW provides for the administration, inspection and enforcement of site development construction activities.

The Bureau of Engineering is responsible for the planning, design, construction, and inspection of linear and vertical public works projects throughout the County. These projects include water and sewer pipelines, water and sewer pumping stations, drinking water tanks, process facilities and buildings at the Little Patuxent Water Reclamation Plant (LPWRP), roads, bridges, and all other transportation infrastructure. The Bureau of Engineering has been designated the responsibility of ensuring that both private developer and public capital projects in the County are constructed according to design guidelines and standards established by the County. The Bureau of Engineering manages all Underground Utility Permits and is the enforcement authority of Grading Permits for erosion and sediment control.

The Bureau of Highways is responsible for maintenance and repair of over 1,000 miles of County-owned roadways, bridges, drainage facilities, and other public roadway infrastructure. The Bureau of Highways responsibilities also include installation and maintenance of all traffic control devices, pavement markings, street signs, street lights, tree care, stormwater pond maintenance and snow removal. In addition, the Bureau oversees certain capital projects to rehab key transportation assets throughout the County.

The Bureau of Utilities is responsible for the day-to-day operation and maintenance of the County's water and sewer system within the Metropolitan District and Shared Sewerage Disposal Facilities. This system includes over 1,100 miles of water pipes, 1,000 miles of sewer pipes, 11 drinking water tanks, 35 sewer pumping stations, 15 water pumping stations, 29 shared septic facilities, one wastewater treatment plant, and approximately 85,000 residential and commercial accounts to whom water and sewer services are provided. The Bureau of Utilities is operated as a public utility and is financially a self-supporting operation. Financial information regarding the system is shown under "Financial Information, Water and Sewer Enterprise Fund" herein.

The Bureau of Environmental Services is responsible for an integrated solid waste management system and watershed management efforts in accordance with local, state, and federal laws. The integrated solid waste management system includes curbside trash and recycling and food scrap/yard waste collection; the County's Alpha Ridge Solid Waste Management Center including the landfill, transfer station, residential drop-off center, and recycling center as well as the perpetual maintenance and monitoring of the two closed landfills at New Cut and Carrs Mill Roads; the contracts associated with the collections, processing, and disposal of the solid waste and recyclables; and a composting operation that converts food scraps and yard waste into compost product for sale. The watershed management program includes inspection and oversight of maintenance of existing stormwater management facilities, floodplain studies, an illicit discharge elimination program, stream restorations, and retrofitting stormwater management facilities. All programs include education and outreach. Financial information regarding the system is shown under "Financial Information, Special Recreation Facility Enterprise Fund" herein.

The Director's Office is responsible for establishing the strategic direction of the department as well as providing support services to each of the bureaus. These support services include: budgeting preparation and fiscal monitoring; safety initiative; learning & development program; human resources support; and public outreach and engagement.

General Services

Real Estate Division is responsible for administering the purchase, lease, sale, or transfer of County buildings, land, easements, property and public improvements made through private development.

The Bureau of Facilities is responsible for maintaining the daily operations of all County-owned and leased facilities which fall under the direction of the Director of Public Works. This responsibility includes building service and maintenance, technical expertise, design and project management in the development of new facilities, existing space reallocation, control of energy use and costs, control of building service contracts, i.e. custodial services and corresponding costs to the County, and providing security guards and systems where necessary.

Water and Sewer System

The Metropolitan District is located in the eastern part of the County and encompasses over one third of the County's area. It functions as a single sanitary district for both water and sewer purposes. The County provides water and sewer services to 98.9% of the County residents located in areas of heavy residential and commercial population within the Metropolitan District. Little public water or sewer service is provided to County residents residing outside the Metropolitan District.

The County neither owns nor operates any water supply treatment facilities. Instead, it has entered into agreements with the City of Baltimore and the Washington Suburban Sanitary Commission for the purchase of water. The County currently purchases 82% of its potable water from Baltimore City and 18% from the Washington Suburban Sanitary Commission. Commitments from the County's water suppliers total over 41.5 million gallons per day (mgd) average daily flow and 62.7 mgd maximum daily flow. Improvements to the distribution system and storage facilities are under construction or included in the capital program in order to increase the service area within the Metropolitan District. The County signed a 40-year agreement with the City of Baltimore in 2017 guaranteeing water supply to the County. While the County's water system is being expanded to meet future demands, the County Department of Public Works closely monitors its water capacity.

The County is located in and served by two major watersheds: the Patapsco River watershed and the Patuxent River watershed. The sewer system is designed so that sewage from the northeastern part of the Metropolitan District flows into the Patapsco River watershed through four connections that lead to the Patapsco and Back River Treatment Plant in Baltimore City. Sewage from the southwestern part of the Metropolitan District flows into the Patuxent River watershed to the Little Patuxent Water Reclamation Plant. The Plant is located east of the community of Savage in the County, and provides tertiary treatment. A \$100+ million expansion/upgrade to the Plant was completed in 2012 to meet the State's requirements for Enhanced Nutrient Removal (ENR). The Plant completed another \$100+ million upgrade to its Biosolids Management Facilities in fiscal year 2021.

The following table summarizes the overall sewage treatment capacity for the County:

County Sewage Treatment Capacity

Watershed	Current Flow (mgd)	Current Treatment Capacity (mgd)	Projected Treatment Capacity (mgd)
Patuxent	18.6	29.0	29.0
Patapsco	7.6	11.6	11.6

The County's rate of development requires effective management of the allocation of water and sewer capacity. The County policy allocates service on a "first-come, first-served" basis. This policy commits capacity only to parcels ready to be developed, allowing more orderly development with known allocation priorities and recovery of costs in a more orderly and timely manner. All County sewage treatment facilities meet current State Department of the Environment standards, and State approval is being obtained for the sewage treatment facility expansion.

Technology and Communication Services

The mission of the Department of Technology and Communication Services is to empower all Howard County residents and employees by leading the way in innovation, collaboration, and intuitive technology to enhance community connection and improve lives. The Department has implemented a robust security program allowing for remote work while providing enhanced capabilities for Howard County Government. The Department ensures the confidentiality, integrity, and availability of our data using a defense-in-depth methodology measured against NIST guidelines and within HIPAA, CJIS, FERPA and PCI compliance. The program is also measured via tabletop and penetration exercises.

Overall, the Department is responsible for maintaining and updating all technology services within the County, including maintaining the network infrastructure, patching all servers and endpoints, and supporting all software systems. The Department maintains and supports multiple applications within the county, using cloud environments as needed. For resilience, the Department utilizes a remote disaster recovery site which allows for quick delivery and

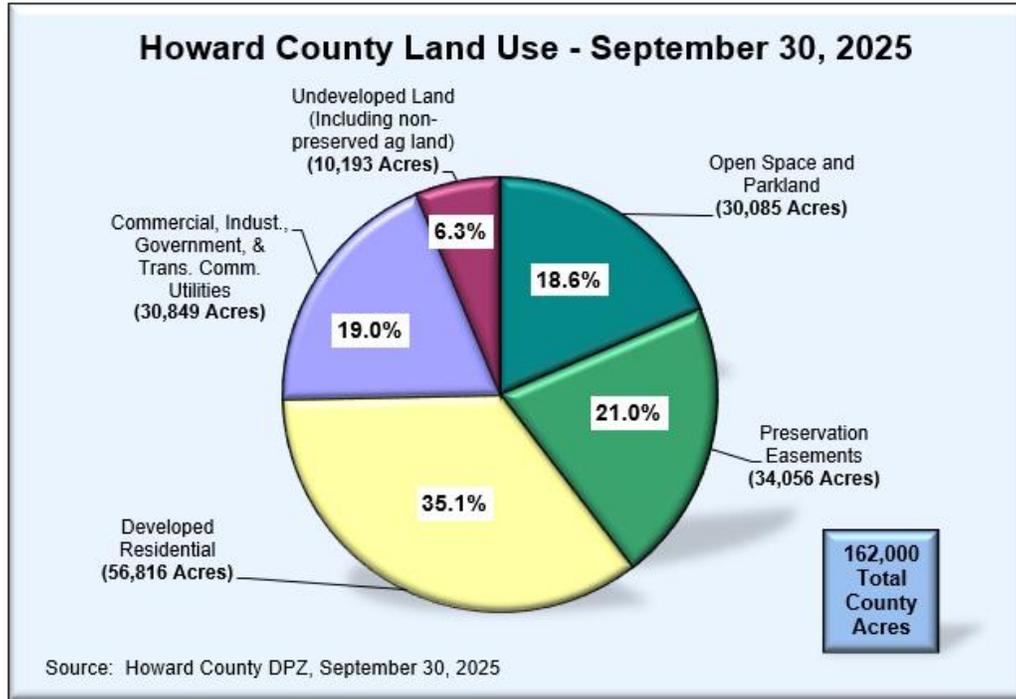
backup for critical applications. In addition, the Department also supports the phone system, maps, and cable administration for the public, as well as broadband infrastructure throughout the County.

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Economy and Demography

Size and Land Use

The County is 251 square miles in area, making it the second smallest in the State. The chart below presents the composition of land use in the County as of September 30, 2025.



Population

The County experienced rapid population growth beginning in the late 1960s with the development of the master-planned community of Columbia. The rate of growth has slowed over the last decade with the maturation of Columbia. The County’s population density has increased from 247 persons per square mile in 1970 to 1,300 persons per square mile in 2020. The following table presents data on the population of the County and the State in the years 1970, 1980, 1990, 2000, 2010, 2020 and 2024.

	Howard County	County Density Per Square Mile	State of Maryland	County as % of State
2024	339,668	1,353	6,263,220	5.4
2020	328,200	1,308	6,055,802	5.4
2010	287,085	1,144	5,773,552	5.0
2000	247,842	987	5,296,486	4.7
1990	187,328	746	4,781,468	3.9
1980	118,570	472	4,216,446	2.8
1970	61,910	247	3,923,897	1.6

Source: Maryland State Data Center, Department of Planning

A large part of the County’s recent growth has been the result of domestic and international migration. The following table presents population growth by component of change for selected larger counties and the State from 2020 to 2024. Compared to the counties listed and the State, the County has had the greatest percentage increase in population.

Net Migration

Place of Residence	2020 to 2024				Total Population		
	Natural Increase	Domestic Migration	International Migration	Total	2020	2024	Percent Change
Howard County	5,580	(1,271)	2,538	6,847	332,821	339,668	2.1%
Anne Arundel County	8,522	(2,032)	2,448	8,938	593,412	602,350	1.5%
Baltimore County	-4,289	(2,881)	6,257	(913)	853,338	852,425	-0.1%
Montgomery County	13,016	(9,380)	17,781	21,417	1,060,856	1,082,273	2.0%
Prince George's County	-5,828	(7,901)	14,960	1,231	965,398	966,629	0.1%
State of Maryland	50,694	(18,509)	53,100	85,285	6,177,935	6,263,220	1.4%

Source: U.S. Department of Commerce, Bureau of Census, Population Division

The following table presents data on the age and sex composition of the County’s population for the years 2010 and 2024.

Age and Sex Distribution

		2010				2024				
Age Group	Male	%	Female	%	Age Group	Male	%	Female	%	
Under 5	8,892	6.5%	8,554	6.0%	Under 5	8,012	4.8%	8,810	5.1%	
5-19	32,284	23.6%	30,225	21.2%	5-19	35,721	21.4%	33,167	19.2%	
20-44	44,869	32.8%	47,761	33.5%	20-44	54,917	32.9%	55,279	32.0%	
45-64	39,123	28.6%	41,060	28.8%	45-64	43,734	26.2%	44,914	26.0%	
Over 65	11,628	8.5%	14,970	10.5%	Over 65	24,538	14.7%	30,576	17.7%	
Total*	136,795	100.0%	142,571	100.0%	Total*	166,922	100.0%	172,746	100.0%	

*May not total 100 due to rounding
Source: U.S. Department of Commerce, Bureau of the Census, American Community Survey, 2024

Education

The County’s residents are among the best educated in the region. The following table presents the percentage of residents who are high school graduates or higher and college graduates or higher.

Level of Educational Attainment

County	% High School Graduate or Higher	% College Graduate or Higher
Howard County, Maryland	92.0%	67.7%
Anne Arundel County, Maryland	92.9%	47.4%
Baltimore County, Maryland	94.2%	47.3%
Montgomery County, Maryland	91.0%	59.2%
Prince George's County, Maryland	89.1%	40.1%
State of Maryland	92.7%	47.5%
United States	93.0%	40.9%

Source: U.S. Department of Commerce, Bureau of Census, American Community Survey, 2024

Income

The County's median household income is the highest in Maryland and sixth highest of all counties in the nation. The following table presents the median household income for selected counties in the State in 2024.

Median Household Income

Howard County	\$151,655
Montgomery County	140,837
Anne Arundel County	128,242
Prince George's County	99,180
Baltimore County	87,884

Source: U.S. Census Bureau, 2024 American Community Survey 1-Year Estimates

The following table presents the top 15 affluent counties in the nation by their national ranking for median household income in 2024.

National Rankings by Median Household Income

Rank	County, State	Median Household Income
1	Loudoun County, Virginia	\$177,567
2	Santa Clara County, California	168,154
3	San Mateo County, California	160,733
4	Fairfax County, Virginia	154,545
5	Douglas County, Colorado	151,659
6	Howard County, Maryland	151,655
7	Forsyth County, Georgia	151,031
8	Marin County, California	147,017
9	Williamson County, Tennessee	144,845
10	Nassau County, New York	143,144
11	Montgomery County, Maryland	140,837
12	San Francisco County, California	139,801
13	Norfolk County, Massachusetts	139,076
14	Stafford County, Virginia	138,093
15	Morris County, New Jersey	137,623

Source: U.S. Census Bureau, 2024 American Community Survey 1-Year Estimates

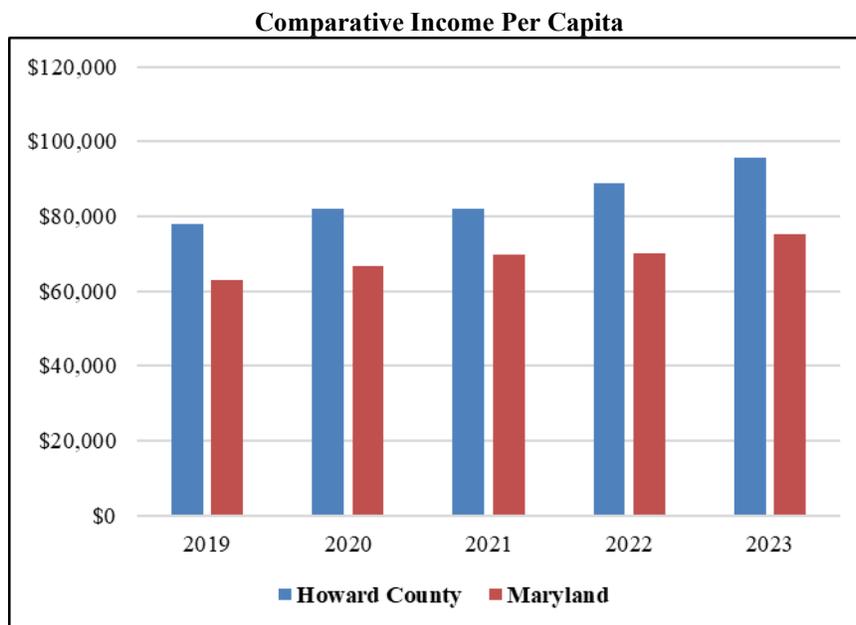
A comparison of County and Maryland personal income for the past five years available is presented in the following table.

Personal Income

Year	Howard County Personal Income from Previous Year (\$000,000)	Change Year	Maryland Personal Income from Previous Year (\$000,000)	Change Year	Howard County Proportion
2023	\$31,150	5.2%	\$452,839	4.5%	6.9%
2022	29,601	5.7%	433,160	4.7%	6.8%
2021	28,010	6.6%	413,577	5.9%	6.8%
2020	26,279	5.4%	390,512	4.4%	6.7%
2019	24,933	4.1%	374,139	3.4%	6.7%

Source: The Jacob France Institute, University of Baltimore.

The chart below presents the per capita income for the County and the State from 2019 through 2023.



Source: U.S. Department of Commerce, Bureau of Economic Analysis

Poverty is less of a problem in the County than in other counties in the Baltimore-Washington metropolitan region. The following table presents the percentage of the population living below the poverty level for selected jurisdictions in 2024.

Population Below Poverty Level

County	Percentage Below Poverty Level
Howard County	5.1%
Anne Arundel County	6.4%
Baltimore County	9.2%
Montgomery County	7.4%
Prince George's County	10.4%
State of Maryland	9.1%
United States	12.1%

Source: U.S. Census Bureau, 2024 American Community Survey 1-Year Estimates

Housing

The County's housing stock predominately consists of owner-occupied single-family houses. The following table presents the distribution of housing in the County by type of structure as of 2024.

Distribution of Housing by Type

Type of Structure	Number	Percent
Single-Family	93,466	73.7%
Multi-Family	33,323	26.3%
Total	126,789	100.0%

Source: U.S. Census Bureau, 2024 American Community Survey 1-Year Estimates

The following table presents the average and median sales price of housing in selected counties and the State as of November 2025. The median days on the market was eighteen.

Sales Price of Housing

County	Average Price	Median Price
Howard County	\$620,000	\$570,000
Anne Arundel County	499,900	490,000
Baltimore County	365,000	370,000
Montgomery County	630,000	635,000
Prince George's County	450,000	430,000
Maryland	521,146	430,000

Source: Bright MLS, 2025.

The following table presents the distribution of housing by year of construction in selected counties in the State through 2024.

Age of Housing

County	Year Structure Built				
	1939 or earlier	1940 to 1979	1980 to 1989	1990 to 1999	2000 or later
Howard County	1.9%	23.6%	21.4%	19.4%	33.7%
Anne Arundel County	4.7	40.2	14.8	13.9	26.2
Baltimore County	6.9	53.0	12.4	12.9	14.7
Montgomery County	4.2	45.0	18.3	9.9	22.7
Prince George's County	3.9	49.6	13.1	12.1	21.4

Note: Rows may not add due to rounding

Source: U.S. Census Bureau, 2024 American Community Survey 1-Year Estimates

The following table presents data regarding the size of housing in selected counties in the State in 2023.

Size of Housing

County	Percentage of Housing with		Median Number of Rooms
	Four to Seven Rooms	Eight or More Rooms	
Howard County	45.9%	43.4%	7.0
Anne Arundel County	56.8%	32.5%	6.3
Baltimore County	55.9%	31.5%	6.2
Montgomery County	44.8%	37.2%	6.2
Prince George's County	54.4%	30.5%	6.0

Source: U.S. Census Bureau, 2024 American Community Survey 1-Year Estimates

The following table presents new construction and renovation activity throughout the County from 2021 through 2025, as illustrated by the number of building permits issued and their estimated cost.

Building Permits

Calendar Year	Commercial		Residential		Non-Taxable	
	Permits Issued	Estimated Construction	Permits Issued	Estimated Construction	Permits Issued	Estimated Construction
		Cost (\$000)		Cost (\$000)		Cost (\$000)
2025	2,436	\$701,918	17,174	\$302,418	66	\$92,470
2024	2,616	1,240,806	15,994	338,718	49	195,827
2023	3,684	579,113	15,859	343,685	29	14,515
2022	2,607	508,724	16,665	481,199	30	32,704
2021	2,331	473,445	13,276	315,347	46	33,600

Source: Howard County Department of Inspections, Licenses and Permits

Economy

Jobs in the County

In the past four decades the County has changed from a farming community into a community of urban, suburban and rural components. This is due, in part, to the County's close proximity to the cities of Washington, D.C. and Baltimore, as well as to the County's active promotion of economic development. The following table presents full- and part-time jobs located in the County and the State, regardless of worker's place of residence. The first segment of the Services category, Trade, Transportation, and Utilities includes utilities, wholesale and retail, couriers and transit. The fourth, Professional and Business, includes professional and technical services, management and administrative services and waste management and remediation services.

Jobs in County and State

Employment Categories	Howard County		State of Maryland	
	2025	2021	2025	2021
Construction	11,334	10,715	166,719	161,603
Manufacturing	6,847	7,710	113,910	110,322
Natural Resources and Mining	312	330	7,787	7,943
Services				
Trade, Transp. and Utils.	33,971	32,503	459,017	458,784
Information	2,402	3,332	34,678	33,070
Financial Activities	8,321	9,145	126,209	129,047
Professional and Business	48,727	47,750	472,066	458,806
Education and Health	22,171	18,454	487,761	422,205
Leisure and Hospitality	17,683	13,264	289,246	246,666
Other	4,656	4,355	93,912	82,514
Government	18,308	16,253	530,827	490,290
Other	-	-	-	-
Total	<u>174,732</u>	<u>163,811</u>	<u>2,782,132</u>	<u>2,601,250</u>

Source: Maryland Department of Labor, Licensing and Regulation

Workers Living in the County

The following table presents employment statistics, by employee’s place of residence, for the County and the State in the last five years. The most recent statistics are through September 2025. The 2021 – 2024 County and State statistics are as of December.

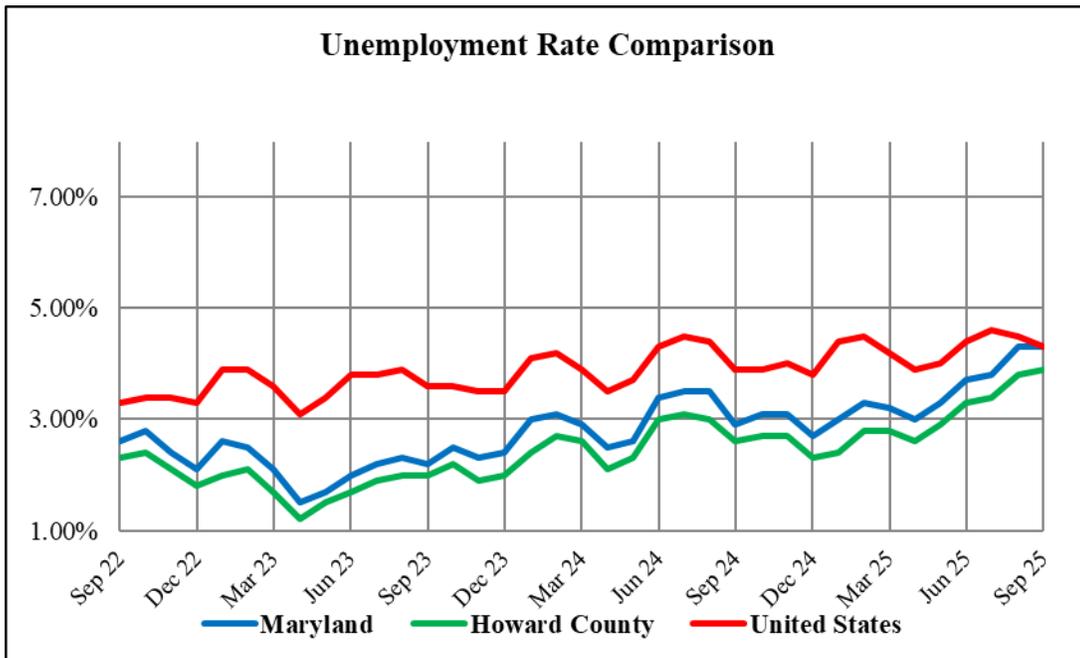
Employment by Residence

Year	Howard County		State of Maryland	
	Employment	Labor Force	Employment	Labor Force
2025	175,499	182,557	3,116,011	3,238,293
2024	185,423	189,488	3,132,458	3,232,810
2023	184,844	187,981	3,111,141	3,177,071
2022	182,927	186,691	3,065,836	3,161,834
2021	177,734	183,268	3,015,271	3,187,023

Source: Maryland Department of Labor, Licensing and Regulation

Unemployment

The chart below compares the unemployment rates in the County of the last three years with the rates in the Baltimore metropolitan region, Maryland and the United States.



Local Firms and Employers

Listed below are the County’s ten largest private employers in 2025.

Ten Largest Private Employers

Employer	Products or Activities	Employment
Johns Hopkins Applied Physics Laboratory	Research & Development Systems Engineering	8,000
Johns Hopkins Howard County Medical Center	Medical Services	1,800
Verizon	Telecommunications	1,700
Howard Community College	Higher Education	1,400
The Columbia Association	Non-Profit Civic Organization	1,200
Lorien Health Systems	Nursing Care	1,190
Sysco	Food Products Distribution	1,565
Nestle Dreyer's Ice Cream	Frozen Desserts	890
Wells Fargo	Financial Services	810
Maxim Healthcare Services	Medical Staffing/Wellness	650

Source: Howard County Economic Development Authority, 2025.

Listed below are representative examples of other major private employers located in the County and the employment size in 2025. This list is presented for the purposes of demonstrating the diversity of employment opportunities in the County and is not intended to be a ranking of employers or an exhaustive list of all major private employers in the County.

Other Major Private Employers

Employer	Products or Activities	Employment
Oracle	Software Development	650
W.R. Grace & Co.	Chemical Research & Development	600
Enterprise Community Partners	Community Development	505
Tenable Network Security	Cyber Security	500
KBR Wyle	Consulting, Technology and Engineering	400

Source: Howard County Economic Development Authority, 2025.

Economic Development

The County is a major commercial center for the Washington-Baltimore region, with over 2,000 properties offering 80 million square feet of space to over 11,000 establishments. Several of the largest office and business parks in the Washington-Baltimore region are located in the County, including the Columbia Gateway Innovation District with 1,100 acres, Maryland Wholesale Food Center with 400 acres and Rivers Corporate Park with 350 acres. A new Gateway Master Plan was passed and signed into law October 2025, which puts in place a plan for the future development of the Gateway Innovation District, including new retail, residential, and office space. The County is also home to Emerson Corporate Commons with 570 acres and Maple Lawn with 506 acres, both mixed-use developments with over 3 million square feet of office space. Downtown Columbia is experiencing substantial reinvestment by the County and Howard Hughes Holdings, Inc., adding 4.3 million square feet of office space.

The following table presents statistics for the industrial and commercial space available in the metropolitan area of the County as of December 31, 2025.

Industrial and Commercial Space

Type of Space	Number of Buildings	Total Square Footage (000)	Total Available Square Footage (000)	Vacancy Rate	2025 Sq. Ft. Absorption (000)
Flexible	219	11,133	372	3.3%	(127)
Industrial	453	34,999	3,274	9.4%	(567)
Office	549	20,153	2,445	12.1%	107
Retail	840	12,895	298	2.3%	104
Total	2,061	79,181	6,390	8.1%	(484)

Source: CoStar Realty Inc.

Retail Sales

The fourth-largest shopping center in the region, the Mall in Columbia, is located in the County. At 1.4 million square feet, the Mall in Columbia features approximately 200 retail spaces, as well as both fast-casual and sit-down dining options. The property also includes four major department stores and a 14-screen movie theater. Ten village centers throughout Columbia feature over 1 million square feet of retail space. Other shopping centers in the County in excess of 100,000 square feet are Columbia Crossing, Long Gate Shopping Center, Chatham Station Shopping Center, Dobbin Center, Normandy Shopping Center, Savage Mill, Enchanted Forest Shopping Center, Snowden Square, Gateway Overlook I and Gateway Overlook II. These centers offer over 4 million additional square feet of leasable space. Downtown Columbia reinvestment is bringing an additional 1.2 million square feet of experiential retail to the area.

Columbia

The Howard Research and Development Corporation, which was formed by James W. Rouse and Company, began the development of Columbia with initial land purchases in 1962. Today, Columbia is an unincorporated city built on 14,000 acres in the east-central portion of the County. Columbia has approximately 105,000 residents, 86,000 jobs, 3,700 employer firms, and another 10,500 non-employer firms located in over 29 million square feet of commercial space. Ten village centers, each providing a variety of day-to-day shopping needs and community and professional facilities and services, are now in operation. In addition, the Mall in Columbia, Columbia Crossing, Dobbin Center and Snowden Square provide 3.5 million square feet of retail stores, shops and restaurants. The redevelopment of the Wilde Lake Village Center is complete. Howard Hughes Holdings, Inc. is continuing a \$2.2 billion, 20-year redevelopment of downtown Columbia surrounding the Mall in Columbia that will include up to 6,200 residential units, 1.25 million square feet of retail space, 4.3 million square feet of office space and a hotel. To date, four office buildings totaling over 900,000 sf of office and retail space, and five apartment buildings, have been completed.

If Columbia were to become a municipality, the Maryland Constitution provides that the County’s assessable base would not be affected. Services provided by the Columbia Association for Columbia residents, which include primarily provision of recreational facilities and maintenance of open space areas, are separate and distinct from the services provided by the County and are paid for through separate assessments made annually by the Columbia Association against residential and commercial property located in Columbia and facility user fees.

As of June 30, 2025, the Columbia Association had long-term debt of \$16.2 million in aggregate principal amount, with \$5.3 million due within one year. As additional facilities are constructed, the amount of debt of the Columbia Association may increase. The interest on the Columbia Association’s debt is not tax-exempt. Payments on such property assessments are not deductible for federal income tax purposes, and liens for such property assessments are subordinate to liens for State and County real property taxes.

Legal and Miscellaneous

Approval of Legal Proceedings

All legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approval of McKennon Shelton & Henn LLP, Bond Counsel. Delivery of the Bonds is conditioned upon delivery by Bond Counsel of opinions substantially in the forms included in Appendix A of this Official Statement.

Tax Matters

The following is only a general summary of certain provisions of the Internal Revenue Code of 1986, as amended (the "Code") as enacted and in effect on the date hereof and does not purport to be complete; holders of the Bonds should consult their own tax advisors as to the effects, if any, of the Code (and any proposed or subsequently enacted amendments to the Code) in their particular circumstances.

Maryland Income Taxation

In the opinion of Bond Counsel, under existing statutes, regulations and decisions, the Bonds, their transfer, the interest payable on them, and any income derived from them, including any profit realized in their sale or exchange shall be exempt from taxation of any kind by the State of Maryland, any of its political subdivision, or any other public entity; no opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Bonds or the interest thereon. Under existing law, interest on the Bonds may be subject to state or local income taxes in jurisdictions other than the State of Maryland under applicable state or local tax laws. Purchasers of the Bonds should consult their own tax advisors with respect to the taxable status of the Bonds in jurisdictions other than the State of Maryland.

Tax-Exempt Bonds

Federal Income Taxation

In the opinion of Bond Counsel, assuming compliance with certain covenants described herein and under existing statutes, regulations, and decisions, interest on the Tax-Exempt Bonds will be excludable from gross income for federal income tax purposes.

Under the provisions of the Code, there are certain restrictions that must be met subsequent to the delivery of the Tax-Exempt Bonds, including restrictions that must be complied with throughout the term of the Tax-Exempt Bonds in order that the interest thereon be excludable from gross income. These include the following: (i) a requirement that certain earnings received from the investment of the proceeds of the Tax-Exempt Bonds be rebated to the United States of America under certain circumstances (or that certain payments in lieu of rebate be made); (ii) other requirements applicable to the investment of the proceeds of the Tax-Exempt Bonds; and (iii) other requirements applicable to the use of the proceeds of the Tax-Exempt Bonds and the facilities financed or refinanced with such proceeds. Failure to comply with one or more of these requirements could result in the inclusion of the interest payable on the Tax-Exempt Bonds in gross income for federal income tax purposes, effective from the date of their issuance. The County has covenanted to regulate the investment of the proceeds of the Tax-Exempt Bonds and to take such other actions as may be required to maintain the excludability from gross income for federal income tax purposes of interest on the Tax-Exempt Bonds.

Further, under existing statutes, regulations and decisions, Bond Counsel is of the opinion that interest on the Tax-Exempt Bonds is not included in the alternative minimum taxable income of individuals as an enumerated item of tax preference or other specific adjustment. Interest on the Tax-Exempt Bonds will be part of adjusted financial statement income, 15% of which is included in the computation of the corporate alternative minimum tax imposed on applicable corporations. For this purpose, in general, applicable corporations are corporations with more than one billion dollars in average annual adjusted financial statement income determined over a three-year period. In addition, interest

income on the Tax-Exempt Bonds will be subject to the branch profits tax imposed by the Code on certain foreign corporations engaged in a trade or business in the United States of America.

In rendering its opinion, Bond Counsel will rely, without independent investigation on the representations of certain officials of the County made on behalf of the County in its Tax and Section 148 Certificate with respect to certain material facts within the knowledge of the County relevant to the tax-exempt status of interest on the Tax-Exempt Bonds.

Additional Federal Tax Considerations

There are other federal income tax consequences of ownership of obligations such as the Tax-Exempt Bonds under certain circumstances, including the following: (i) deductions are disallowed for certain expenses of taxpayers allocable to interest on tax-exempt obligations, as well as interest on indebtedness incurred or continued to purchase or carry tax-exempt obligations and interest expense of financial institutions allocable to tax-exempt interest; (ii) for property and casualty insurance companies, the amount of the deduction for losses incurred must be reduced by 25% of the sum of tax-exempt interest income and the deductible portion of dividends received by such companies; (iii) interest income that is exempt from tax must be taken into account for the purpose of determining whether, and what amount of, social security or railroad retirement benefits are includable in gross income for federal income tax purposes; (iv) for S corporations having Subchapter C earnings and profits, the receipt of certain levels of passive investment income, which includes interest on tax-exempt obligations such as the Tax-Exempt Bonds, can result in the imposition of tax on such passive investment income and, in some cases, loss of S corporation status; (v) net gain realized upon the sale or other disposition of the Tax-Exempt Bonds generally must be taken into account when computing the 3.8% Medicare tax with respect to net investment income or undistributed net income, as applicable, imposed on certain high income individuals and specific trusts or estates; and (vi) receipt of certain investment income, including interest on the Tax-Exempt Bonds, is considered when determining qualification limits for obtaining the earned income credit provided by Section 32(a) of the Code.

Tax Accounting Treatment of Tax-Exempt Discount Bonds

Certain maturities of the Tax-Exempt Bonds may be issued at an initial public offering price which is less than the amount payable on such Tax-Exempt Bonds at maturity (the "Tax-Exempt Discount Bonds"). The difference between the initial offering price at which a substantial amount of the Tax-Exempt Discount Bonds of each maturity was sold, and the principal amount of such Tax-Exempt Discount Bonds payable at maturity constitutes original issue discount. In the case of any holder of Tax-Exempt Discount Bonds, the amount of such original issue discount that is treated as having accrued with respect to such Tax-Exempt Discount Bonds is added to the original cost basis of the holder in determining, for federal income tax purposes, gain or loss upon disposition (including sale, early redemption or repayment at maturity).

For federal income tax purposes (a) any holder of a Tax-Exempt Discount Bond will recognize gain or loss upon the disposition of such security (including sale, early redemption or payment at maturity) in an amount equal to the difference between (i) the amount received upon such disposition and (ii) the sum of (1) the holder's original cost basis in such Tax-Exempt Discount Bond, and (2) the amount of original issue discount attributable to the period during which the holder held such Tax-Exempt Discount Bond, and (b) the amount of the basis adjustment described in clause (a)(ii)(2) will not be included in the gross income of the holder.

Original issue discount on Tax-Exempt Discount Bonds will be attributed to permissible compounding periods during the life of any Tax-Exempt Discount Bonds in accordance with a constant rate of interest accrual method. The yield to maturity of the Tax-Exempt Discount Bonds of each maturity is determined using permissible compounding periods. In general, the length of a permissible compounding period cannot exceed the length of the interval between debt service payments on the Tax-Exempt Discount Bonds and must begin or end on the date of such payments. Such yield then is used to determine an amount of accrued interest for each permissible compounding period. For this purpose, interest is treated as compounding periodically at the end of each applicable compounding period. The amount of original issue discount that is treated as having accrued in respect of a Tax-Exempt Discount Bond for any particular compounding period is equal to the excess of (a) the product of (i) the yield for such Tax-Exempt Discount Bond (adjusted as necessary for an initial short period) divided by the number of compounding periods in a year multiplied by (ii) the amount that would be the tax basis of such Tax-Exempt Discount Bond at the beginning of such period if held by an original purchaser who purchased at the initial public offering price, over (b) the amount actually payable as interest on such Tax-Exempt Discount Bond during such period. For purposes of the preceding sentence the tax basis of a Tax-Exempt Discount Bond, if held by an original purchaser, can be determined by adding to the initial public offering price of such Tax-Exempt Discount Bond the original issue discount that is treated as having

accrued during all prior compounding periods. If a Tax-Exempt Discount Bond is sold or otherwise disposed of between compounding dates, then interest which would have accrued for that compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Holders of Tax-Exempt Discount Bonds should note that, under the tax regulations, the yield and maturity of a Tax-Exempt Discount Bond is determined without regard to commercially reasonable sinking fund payments, and any original issue discount remaining unaccrued at the time that a Tax-Exempt Discount Bond is redeemed in advance of stated maturity will be treated as taxable gain. Moreover, tax regulations prescribe special conventions for determining the yield and maturity of certain debt instruments that provide for alternative payment schedules applicable on the occurrence of certain contingencies. The prices or yields furnished by the successful bidders for the Tax-Exempt Bonds as shown on the inside cover of this Official Statement may not reflect the initial issue prices for the purpose of determining the original issue discount for federal income tax purposes.

The foregoing summarizes certain federal income tax consequences of original issue discount with respect to the Tax-Exempt Discount Bonds but does not purport to deal with all aspects of federal income taxation that may be relevant to particular investors or circumstances, including those set out above. Prospective purchasers of Tax-Exempt Discount Bonds should consider possible state and local income, excise or franchise tax consequences arising from original issue discount on Tax-Exempt Discount Bonds. In addition, prospective corporate purchasers should consider possible federal tax consequences arising from original issue discount on such Tax-Exempt Discount Bonds under the alternative minimum tax or the branch profits tax. The amount of original issue discount considered to have accrued may be reportable in the year of accrual for state and local tax purposes or for purposes of the alternative minimum tax or the branch profits tax without a corresponding receipt of cash with which to pay any tax liability attributable to such discount. Purchasers with questions concerning the detailed tax consequences of transactions in the Tax-Exempt Discount Bonds should consult their tax advisors.

Purchase, Sale and Retirement of Tax-Exempt Bonds

Except as noted below in the case of market discount, the sale or other disposition of a Tax-Exempt Bond will normally result in capital gain or loss to its holder. A holder's initial tax basis in a Tax-Exempt Bond will be its cost.

Upon the disposition of a Tax-Exempt Bond (including sale, early redemption, purchase or payment at maturity), for federal income tax purposes, a holder will recognize capital gain or loss upon the disposition of such security in an amount equal to the difference between (a) the amount received upon such disposition and (b) the tax basis in such Tax-Exempt Bond, determined by adding to the original cost basis in such Tax-Exempt Bond the amount of original issue discount that is treated as having accrued as described above under "*Tax Matters — Tax-Exempt Bonds - Tax Accounting Treatment of Tax-Exempt Discount Bonds.*" Such gain or loss will be a long-term capital gain or loss if at the time of the sale or retirement the Tax-Exempt Bond has been held for more than one year. Present law taxes both long and short-term capital gains of corporations at the rates applicable to ordinary income. For noncorporate taxpayers, however, short-term capital gains are taxed at the rates applicable to ordinary income, while net capital gains are taxed at lower rates. Net capital gains are the excess of net long-term capital gains (gains on capital assets held for more than one year) over net short-term capital losses.

Market Discount

If a holder acquires a Tax-Exempt Bond (other than a bond with a maturity of one year or less from its date of issuance) after its original issuance at a discount below its principal amount (or in the case of a Tax-Exempt Bond issued at an original issue discount, at a price that produces a yield to maturity higher than the yield to maturity at which such Tax-Exempt Bond was first issued), the holder will be deemed to have acquired the Tax-Exempt Bond at "market discount," unless the amount of market discount is *de minimis*, as described in the following paragraph. If a holder that acquires a Tax-Exempt Bond with market discount subsequently realizes a gain upon the disposition of the Tax-Exempt Bond, such gain shall be treated as taxable interest income to the extent such gain does not exceed the accrued market discount attributable to the period during which the holder held such Tax-Exempt Bond, and any gain realized in excess of such market discount will be treated as capital gain. Potential purchasers should consult their tax advisors as to the proper method of accruing market discount.

In the case of a Tax-Exempt Bond not issued at an original issue discount, market discount will be *de minimis* if the excess of the Tax-Exempt Bond's stated redemption price at maturity over the holder's cost of acquiring the Tax-Exempt Bond is less than 0.25% of the stated redemption price at maturity multiplied by the number of complete years between the date the holder acquires the Tax-Exempt Bond and its maturity date. In the case of a Tax-Exempt Bond issued with original issue discount, market discount will be *de minimis* if the excess of the Tax-Exempt Bond's

revised issue price over the holder's cost of acquiring the Tax-Exempt Bond is less than 0.25% of the revised issue price multiplied by the number of complete years between the date the holder acquires the Tax-Exempt Bond and its stated maturity date. For this purpose, a "revised issue price" is the sum of (i) its original issue price and (ii) the aggregate amount of original issue discount that is treated as having accrued with respect to the Tax-Exempt Bond during the period between its original issue date and the date of acquisition by the holder.

Amortizable Bond Premium

A Tax-Exempt Bond will be considered to have been acquired at a premium if, and to the extent that, immediately after the acquisition of such Tax-Exempt Bond, the holder's tax basis in the Tax-Exempt Bond exceeds the amount payable at maturity (or, in the case of a Tax-Exempt Bond callable prior to maturity, an amount payable on the earlier call date, as described). Under tax regulations applicable to the Tax-Exempt Bonds, the amount of the premium would be determined with reference to the amount payable on that call date (including for this purpose the maturity date) which produces the lowest yield to maturity on the Tax-Exempt Bond. The holder will be required to reduce his tax basis in the Tax-Exempt Bond for purposes of determining gain or loss upon disposition of the Tax-Exempt Bond by the amount of amortizable bond premium that accrues, determined in the manner prescribed in the regulations. Generally, no deduction (or other tax benefit) is allowable in respect of any amount of amortizable bond premium on the Tax-Exempt Bonds.

U.S. Federal Backup Withholding and Information Reporting

In general, information reporting requirements apply with respect to payments to certain non-corporate United States holders of interest and original issue discount on, and payments to such holder of the proceeds of the sale, exchange, redemption, retirement or other disposition of a Tax-Exempt Bond. If a United States holder of a Tax-Exempt Bond (other than a corporation or other specified exempt entity) fails to satisfy applicable information reporting requirements imposed by the Code, payments to such holder will be subject to "backup withholding", which means that the payor is required to deduct and withhold a tax equal to 24% of the payments. In general, the information reporting requirements (where applicable) are satisfied if the holder completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification." Backup withholding should not occur if a holder purchases a Tax-Exempt Bond through a brokerage account with respect to which a Form W-9 has been provided, as generally can be expected. Any amounts withheld pursuant to backup withholding would be subject to recovery by the holder through proper refund or credit.

Taxable Bonds

General

Many factors may impact the application of federal income tax laws pertaining to the Taxable Bonds and the receipt of interest on Taxable Bonds, including the status of the beneficial owner of the Taxable Bonds as a United States holder or non-United States holder under the Code, whether Taxable Bonds are held as capital assets or in some other context and whether the status of the beneficial owner or the financial context in which it is operating represents a special tax situation, such as an S corporation, insurance company, tax-exempt organization, financial institution, regulated investment company, real estate investment trust or broker-dealer or trader in securities. Persons considering the purchase of the Taxable Bonds should consult their tax advisors concerning the application of federal income tax laws to their particular situations.

The following is a summary of certain federal income tax consequences of the ownership of Taxable Bonds held as capital assets by United States holders. The discussion below is based upon the provisions of the Code and regulations, rulings and judicial decisions as of the date of this Official Statement. Those provisions may be changed, in some cases retroactively, so as to result in federal income tax consequences different from those discussed below.

As used herein, "United States holder" means a beneficial owner of a Taxable Bond who or that, for United States federal income tax purposes, is (i) a citizen or resident of the United States, (ii) an entity taxable as a corporation created or organized in or under the laws of the United States or any political subdivision of the United States, (iii) an estate, the income of which is subject to federal income taxation regardless of its source or (iv) a trust, if it is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or if it has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

If a partnership, or other entity classified as a partnership for federal income tax purposes, holds Taxable Bonds, the tax treatment of a partner will generally depend upon the status of the partner and upon the activities of the partnership. A partner of a partnership holding Taxable Bonds should consult its tax advisor.

Payment of Interest

Interest on a Taxable Bond will be taxable to a United States holder as ordinary income at the times accrued or paid in accordance with the United States holder's method of accounting for federal income tax purposes.

Tax Accounting Treatment of Taxable Discount Bonds

Certain maturities of the Taxable Bonds may be issued at an initial public offering price that is less than the stated redemption price at maturity of such Taxable Bonds (the "Taxable Discount Bonds"). If the stated redemption price at maturity of Taxable Discount Bonds of a particular maturity exceeds the first price at which a substantial amount of such Bonds was sold for money (excluding sales to bond houses, brokers or similar persons acting as underwriters, placement agents or wholesalers) by more than a *de minimis* amount, the Taxable Discount Bonds will be treated as having original issue discount. A holder of Taxable Discount Bonds (whether a cash or accrual method taxpayer) is required to include in gross income as interest the amount of such original issue discount which is treated as having accrued during a taxable year with respect to such Bonds, in advance of the receipt of some or all of the related cash payments. Accrued original issue discount is added to the original cost basis of the holder in determining, for federal income tax purpose, gain or loss upon disposition (including sale, early redemption or repayment at maturity).

Original issue discount on Taxable Discount Bonds will be attributed to permissible compounding periods during the life of any Taxable Discount Bonds in accordance with a constant rate of interest accrual method. The yield to maturity of the Taxable Discount Bonds of each maturity is determined using permissible compounding periods. In general, the length of a permissible compounding period cannot exceed the length of the interval between debt service payments on the Taxable Discount Bonds and must begin or end on the date of such payments. The amount of original issue discount allocable to any compounding period is equal to the excess, if any, of (a) the Taxable Discount Bond's adjusted issue price at the beginning of the compounding period multiplied by its yield to maturity, determined on the basis of compounding at the close of each compounding period and properly adjusted for the length of the compounding period, over (b) the aggregate of all qualified stated interest allocable to the compounding period. Original issue discount allocable to a final compounding period is the difference between the amount payable at maturity, other than a payment of qualified stated interest, and the adjusted issue price at the beginning of the final compounding period. Special rules apply for calculating original issue discount for an initial short compounding period. The "adjusted issue price" of a Taxable Discount Bond at the beginning of any compounding period is equal to its issue price increased by the accrued original issue discount for each prior compounding period (determined without regard to the amortization of any acquisition or bond premium, as described below) and reduced by any payments made on the Taxable Discount Bond (other than qualified stated interest) on or before the first day of the compounding period. Under these rules, a holder of a Taxable Discount Bond will have to include in income increasingly greater amounts of original issue discount in successive compounding periods. The amount of original issue discount accrued on Taxable Discount Bonds held of record by persons other than corporations and other exempt holders will be reported to the Internal Revenue Service. If a Taxable Discount Bond is sold or otherwise disposed of between compounding dates, then interest that would have accrued for that compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

The term "qualified stated interest" means stated interest that is unconditionally payable in cash or in property, other than debt instruments of the issuer, if the interest to be paid is payable at least once per year, is payable over the entire term of the Taxable Discount Bond and is payable at a single fixed rate or, subject to certain conditions, based on one or more interest indices.

Holders of Taxable Discount Bonds should note that, under applicable regulations, the yield and maturity of a Taxable Discount Bond is determined without regard to commercially reasonable sinking fund payments and any original issue discount remaining unaccrued at the time that a Taxable Discount Bond is redeemed in advance of stated maturity will be treated as taxable gain. Moreover, tax regulations prescribe special conventions for determining the yield and maturity of certain debt instruments that provide for alternative payment schedules applicable upon the occurrence of certain contingencies.

The prices or yields furnished by the successful bidder for the Taxable Bonds as shown on the inside cover of this Official Statement may not reflect the initial issue prices for the purposes of determining the original issue discount for federal income tax purposes.

The foregoing summarizes certain federal income tax consequences of original issue discount with respect to the Taxable Discount Bonds but does not purport to deal with all aspects of federal income taxation that may be relevant to particular investors or circumstances, including those set out above. Prospective purchasers of Taxable Discount Bonds should consider possible state and local income, excise or franchise tax consequences arising from original issue discount on Taxable Discount Bonds. In addition, prospective foreign corporate purchasers should consider possible federal tax consequences arising from original issue discount on such Bonds under the branch profits tax. The amount of original issue discount considered to have accrued may be reportable in the year of accrual for state and local tax purposes or for purposes of the branch profits tax without a corresponding receipt of cash with which to pay any tax liability attributable to such discount. Purchasers with questions concerning the detailed tax consequences of transactions in the Taxable Discount Bonds should consult their tax advisors.

Purchase, Sale and Retirement of Taxable Bonds

Except as noted below in the case of market discount, the sale or other disposition of a Taxable Bond will normally result in capital gain or loss. A United States holder's initial tax basis in a Taxable Bond will be its cost. Upon the disposition of a Taxable Bond (including sale, early redemption, purchase or payment maturity), for federal income tax purposes, a United States holder will recognize capital gain or loss upon the disposition of such security in an amount equal to the difference between (a) the amount received upon such disposition (less an amount equal to any accrued qualified stated interest, which will be treated as a payment of interest) and (b) the tax basis in such Bond, determined by adding to the original cost basis in such Bond the amount of any original issue discount and any market discount previously included in such holder's income, and by subtracting any amortized premium and any cash payments on the Taxable Bond other than qualified stated interest, as more fully described above under "Tax Accounting Treatment of Taxable Discount Bonds." Such gain or loss will be long-term capital gain or loss if at the time of the sale, redemption or retirement, the Taxable Bond has been held for more than one year. Under present law, both long and short-term capital gains of corporations are taxed at the rates applicable to ordinary income. For noncorporate taxpayers, however, short-term capital gains are taxed at the rates applicable to ordinary income, while net capital gains are taxed at lower rates. Net capital gains are the excess of net long-term capital gains (gains on capital assets held for more than one year) over net short-term capital losses.

If a United States holder acquires a Taxable Bond after its original issuance at a cost which is less than its stated redemption price at maturity (or, in the case of a Taxable Bond having original issue discount, its revised issue price) by more than a certain *de minimis* amount, such holder will be deemed to have acquired the Taxable Bond at "market discount." The amount of market discount treated as having accrued will be determined either on a ratable basis, or, if the holder so elects, on a constant interest method. Upon any subsequent disposition (including a gift, redemption or payment at maturity) of such Taxable Bond (other than in connection with certain nonrecognition transactions), the lesser of any gain on such disposition (or appreciation, in the case of a gift) or the portion of the market discount that accrued while the Taxable Bond was held by such holder will be treated as ordinary income at the time of the disposition. In lieu of including accrued market discount in income at the time of disposition, a holder may elect to include market discount in income currently. Unless a holder so elects, a holder may be required to defer deductions for a portion of such holder's interest expense with respect to any indebtedness incurred or maintained to purchase or carry such Bond until the holder disposes of the Taxable Bond. The election to include market discount in income currently, once made, is irrevocable and applies to all market discount obligations acquired on or after the first day of the first taxable year to which the election applies and may not be revoked without the consent of the Internal Revenue Service.

Acquisition Premium

A subsequent United States holder of a Taxable Bond is generally subject to rules for accruing original issue discount described above. However, if such holder's purchase price for a Taxable Bond exceeds the adjusted issue price (the sum of the issue price of the Taxable Bond and the aggregate amount of the original issue discount includable in the gross income of all holders for periods before the acquisition of the Taxable Bond by such holder, and reduced by any payments previously made on the Taxable Bond other than payments of qualified stated interest, the excess (referred to as "acquisition premium") is offset ratably against the amount of original issue discount otherwise includable in such holder's taxable income (*i.e.*, such holder may reduce the daily portion of original issue discount by a fraction, the numerator of which is the excess of such holder's purchase price for the Taxable Bond over the adjusted issue price, and the denominator of which is the excess of the sum of all amounts payable on the Taxable Bond after the purchase date other than qualified stated interest over the Taxable Bond's adjusted price).

Amortizable Bond Premium

If a United States holder's basis in a Taxable Bond exceeds the sum of all amounts payable on the Taxable Bond after the date on which the holder acquires it other than qualified stated interest, such excess will constitute amortizable bond premium with respect to the Taxable Bond and, in the case of a Taxable Discount Bond, such holder will not have to account for original issue discount with respect to such Bond. The holder of a Taxable Bond having amortizable bond premium generally may elect to amortize the premium over the remaining term of the Taxable Bond on a constant yield method as an offset to interest when includable in income under its regular accounting method. In the case of instruments that provide for alternative payment schedules, bond premium amortization is calculated by assuming that (a) the holder will exercise or not exercise options in a manner that maximizes its yield and (b) the issuer will exercise or not exercise options in a manner that minimizes the holder's yield (except that the issuer will be assumed to exercise call options in a manner that maximizes the holder's yield). In addition, bond premium amortization is calculated without regard to commercially reasonable sinking fund payments. If the holder does not elect to amortize bond premium, that premium will decrease the gain or increase the loss that would otherwise be recognized on disposition of the Taxable Bond. An election to amortize premium on a constant yield method will also apply to all debt obligations held or subsequently acquired by the holder on or after the first day of the first taxable year to which the election applies. The holder may not revoke the election without the consent of the Internal Revenue Service. Holders of Taxable Bonds having amortizable bond premium should consult with their own tax advisors before making this election.

Election to Use Original Discount Method with Respect to a Taxable Bond

The holder of a Taxable Bond may elect to treat all interest on the Taxable Bond as original issue discount and calculate the amount includable in gross income under the constant yield method described above. For the purposes of this election, interest includes stated interest, acquisition discount, original issue discount, *de minimis* original issue discount, market discount, *de minimis* market discount and unstated interest, as adjusted by any amortizable bond premium or acquisition premium. The holder must make this election for the taxable year in which the Taxable Bond is acquired and may not revoke the election without the consent of the Internal Revenue Service. Holders of Taxable Bonds should consult with their own tax advisors about this election.

Medicare Tax

Interest income from the Taxable Bonds (including accrued original issue discount and market discount) and net gain realized on the sale or other disposition of property such as the Taxable Bonds generally must be taken into account when computing the 3.8% Medicare tax with respect to net investment income imposed on certain high income individuals and specified trusts and estates.

U.S. Federal Backup Withholding and Information Reporting

In general, information reporting requirements apply with respect to payments to certain non-corporate United States holders of interest and original issue discount on, and payments to such holder of the proceeds of the sale, exchange, redemption, retirement or other disposition of a Taxable Bond. If a United States holder of a Taxable Bond (other than a corporation or other specified exempt entity) fails to satisfy applicable information reporting requirements imposed by the Code, payments to such holder will be subject to "backup withholding", which means that the payor is required to deduct and withhold a tax equal to 24% of the payments. In general, the information reporting requirements (where applicable) are satisfied if the holder completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification." Backup withholding should not occur if a holder purchases a Taxable Bond through a brokerage account with respect to which a Form W-9 has been provided, as generally can be expected. Any amounts withheld pursuant to backup withholding would be subject to recovery by the holder through proper refund or credit.

Foreign Investors

Subject to the discussion in the following paragraph, payments with respect to the Taxable Bonds to a non-United States holder that has no connection with the United States other than holding its Taxable Bonds generally will be exempt from United States income tax and will be made free of withholding tax, as long as that holder has complied with certain tax identification and certification requirements. Non-United States holders should consult their tax advisors regarding the possible United States income tax implications of their ownership and disposition of the Taxable Bonds.

Sections 1471 through 1474 of the Code and related federal income tax guidance, collectively referred to as FATCA, generally impose United States federal withholding tax at a rate of 30% on certain types of payments to certain foreign entities, unless various information reporting and diligence requirements are satisfied. This tax generally would apply in the case of Taxable Bonds held through foreign financial institutions that do not satisfy such requirements. Generally, the 30% United States federal withholding tax under FATCA will apply to United States-source interest (such as interest and original issue discount on the Taxable Bonds) and, under current guidance, would apply to certain “passthru” payments no earlier than the date that is two years after publication of final regulations defining the term “foreign passthru payments.” Non-United States holders should consult their tax advisors regarding the possible implications of FATCA on their ownership and disposition of the Taxable Bonds.

Legislative Developments

Legislative proposals could adversely affect the market value of the Bonds. Further, if enacted into law, any such legislation could cause the interest on the Bonds to be subject, directly or indirectly, to federal or state income taxation, as applicable, and could otherwise alter or amend one or more of the provisions of federal or state tax law described above or their consequences, as applicable. Prospective purchasers of the Bonds should consult with their tax advisors as to the status and potential effect of any pending or future legislative proposals, as to which Bond Counsel expresses no opinion.

Cybersecurity

The mission of the Department of Technology and Communication Services is to safeguard critical systems while pioneering innovative, resilient technologies that enable government to lead with trust, adaptability, and vision for the future. Our motto is “Secure Today, Innovate for Tomorrow.”

While it is impossible to have 100% protection against cyber-attacks, Howard County has taken numerous steps to improve its security posture and safeguard its data. In addition to standard protective measures:

- The County regularly reviews and updates its security tactics, techniques and procedures TTPs to address emerging threats.
- The County has implemented continuous monitoring to detect and respond to potential security incidents promptly.
- The County provides ongoing cybersecurity training to its employees to ensure they are aware of the latest risks and best practices.
- The County leverages a Defense in Depth strategy.

As cybersecurity threats continue to evolve, the County may be required to allocate additional resources to enhance and maintain its security measures. Any successful cyber-attack could impact the County’s operations and result in significant costs for remediation and recovery.

Federal Policy Actions

Federal policies involving taxation, appropriations, borrowing, trade, immigration, education, environmental matters and other topics can shift, sometimes dramatically, from one presidential administration or Congress to another. From time to time, such shifts may be followed by material increases or decreases in the levels of federal funding directly affecting federal agencies and authorities and indirectly affecting state and local recipients of such funding. Recently, the current presidential administration has proposed policy shifts that involve, among other things, proposed delays in grants and appropriations, reductions in the federal workforce, and elimination of certain federal agencies and departments. Federal government employee reductions may impact residents of the County. In this regard, the County is actively putting in place programming and resources to address federal workforce reductions involving County residents. The County may have some exposure to potential federal funding freezes or cuts, which could reduce operating revenue. However, the County is well positioned to effectively mitigate the effects of any such cuts through budget adjustments.

In addition, federal government is subject to federal funding approvals and a statutory debt ceiling that limits the amount of debt that may be issued by the United States Treasury. In recent years, political disputes have resulted in government shutdowns. Government sequestration and the impacts of a government shutdown may impact

residents of the County. The impact would depend on the duration and depth of such a shutdown and, therefore, is difficult to quantify.

Ratings

Fitch Ratings, Moody's Investors Service and S&P Global Ratings have given the Bonds the ratings indicated on the cover page of this Official Statement. An explanation of the significance of any rating may be obtained from the appropriate rating agency. The County furnished to each rating agency the information contained in a preliminary Official Statement and other materials and information. Generally, rating agencies base their ratings on such materials and information, as well as their own investigations, studies and assumptions. Each rating may be changed at any time and no assurance can be given that it will not be revised downward or withdrawn by the applicable rating agency if, in the judgment of such rating agency, circumstances should warrant such action. Any such downward revision or withdrawal of any rating could have an adverse effect on the market price of the Bonds.

Litigation

The County is a party to numerous legal proceedings of the type that normally occur in governmental operations. The pending legal proceedings are not, in the opinion of the County Solicitor, likely to have a material adverse impact on the County's financial condition. In addition, the County is currently reviewing and adjusting a number of claims through its self-insurance program. In the opinion of the County Solicitor, none of these pending matters is likely to have a material adverse impact on the County's financial condition, nor should there be any substantial recovery against the County in amounts in excess of reserved funds.

Independent Auditors

The basic financial statements of Howard County, Maryland for the year ended June 30, 2025 have been audited by CliftonLarsonAllen LLP, independent certified public accountants, and have been included in the reliance upon the qualification of the firm to issue the report. The independent accountants were not requested to review or update such financial statements or their report in connection with the issuance of the Bonds. Such report speaks only as of its date and is available at <https://www.howardcountymd.gov/finance/finance-audits>.

Municipal Advisor

Davenport & Company LLC of Towson, Maryland, has acted as municipal advisor to the County in connection with the issuance of the Bonds. Davenport & Company LLC is not obligated to undertake, and has neither undertaken an independent verification of, or assumed responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

Sales at Public Bidding

The Bonds were offered for sale by the County at public bidding on February 18, 2026, in accordance with the official Notices of Sale. Hilltop Securities Inc. was awarded the Public Improvement Bonds at a price of \$78,196,323.40 (less an underwriter's discount of \$178,437.42). Robert W Baird & Co., Inc. was awarded the Metropolitan District Bonds at a price of \$20,563,997.35 (less an underwriter's discount of \$176,162.21). BofA Securities, Inc. was awarded the Refunding Bonds at a price of \$46,233,225.75 (less an underwriter's discount of \$45,942.00). Huntington Securities, Inc. was awarded the Taxable Bonds at a price of \$17,415,820.20 (less an underwriter's discount of \$30,983.97). The initial public reoffering prices set forth on the inside cover page are based on information furnished to the County by the successful bidder of such series and may be changed by the successful bidder. The successful bidder of each series may reoffer and sell the Bonds that it has purchased to certain dealers (including dealers depositing bonds into investment trusts) and others at prices lower than the reoffering prices set forth on the cover page. Any other information concerning the terms of reoffering of the Bonds of each series, if any, including yields or prices, should be obtained from the successful bidder therefor and not from the County.

Verification of Mathematical Computations

The arithmetical accuracy of certain computations included in the schedules provided by the Municipal Advisor on behalf of the County relating to (a) computation of forecasted receipts of principal and interest on the Government Obligations and cash held uninvested in the Escrow Deposit Fund and the forecasted payments of principal, redemption premium (if any) and interest on the Refunded Bonds, and (b) computation of the yields on the Bonds and such Government Obligations was examined by Bingham Arbitrage Rebate Services, Inc. (“Bingham”). Such computations were based solely upon assumptions and information supplied by the Municipal Advisor on behalf of the County. Bingham has restricted its procedures to examining the arithmetical accuracy of certain computations and has not made any study or evaluation of the assumptions and information upon which the computations are based and accordingly, has not expressed an opinion on the date used, the reasonableness of the assumptions, or the achievability of the forecasted outcome.

Certificate of County Officials

Simultaneously with or before delivery of and payment for the Bonds, the County will furnish to the purchasers of the Bonds a certificate of the County Executive, the Chief Administrative Officer and the Director of Finance that will state that, to the best of their knowledge and belief, this Official Statement (and any amendment or supplement hereto) as of the date of sale and as of the date of delivery of the Bonds does not contain any untrue statement of material fact and does not omit to state a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, and that between the date of sale and the date of delivery of the Bonds there has been no material adverse change in the financial position or revenues of the County, except as reflected or contemplated in this Official Statement (and any amendment or supplement hereto).

Continuing Disclosure

In order to enable the Underwriters to comply with the requirements of paragraph (b)(5) of Securities and Exchange Commission Rule 15c2-12 (“Rule 15c2-12”), the County will execute and deliver, on or before the date of issuance and delivery of the Bonds, a Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”). The form of this agreement is included in Appendix B of this Official Statement. Certain of the events listed in Section 4(a) of the Continuing Disclosure Agreement have been included for purposes of compliance with Rule 15c2-12 but are not relevant for the Bonds. Those events relate to debt service reserves, credit enhancements and liquidity providers, and property or other collateral. Except as otherwise disclosed herein, during the last five years, the County has not failed to comply in any material respect with the terms and provisions of previous continuing disclosure agreements entered into in order to comply with the requirements of Rule 15c2-12. Although the County has timely filed complete information required by its continuing disclosure undertakings, in certain instances, the County may not have associated all filings with all outstanding issues for which such filings may have been required. The County has subsequently made supplemental filings with EMMA to provide information to correct these filings.

Miscellaneous

Any statements made in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are set forth as such and not as representations of fact, and no representation is made that any estimates will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holders of any of the Bonds.

The execution and delivery of this Official Statement have been approved by Howard County, Maryland.

HOWARD COUNTY, MARYLAND

By: /s/ Calvin Ball
CALVIN BALL
County Executive

and

By: /s/ Rafiu O. Ighile
RAFIU O. IGHILE
Director of Finance

Appendix A

Forms of Bond Counsel Opinions

[Closing Date]

County Executive and County Council
of Howard County, Maryland
3430 Court House Drive
Ellicott City, Maryland 21043

County Executive and Council Members:

We have examined a record of proceedings relating to the issuance by Howard County, Maryland (the “County”) of its Consolidated Public Improvement Project Bonds, 2026 Series A (Tax-Exempt) (the “Bonds”).

The Bonds are dated on their date of delivery and are issued in fully registered in form in the denomination of \$5,000 each or any integral multiple thereof. The Bonds are consolidated and issued pursuant to Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2025 Supplement) (collectively, the “Enabling Law”), Section 19-101 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2025 Supplement) (the “Consolidating Act”), the County Charter (the “Charter”), certain bond enabling ordinances of the County Council of the County (the “Enabling Ordinances”), Council Bill No. 65-2025 enacted during the 2025 Legislative Session (the “Bond Ordinance”) and Executive Order No. 2026-03, executed and delivered on February 5, 2026 (the “Executive Order”).

With respect to the executed and authenticated Bond that we have examined, and the Bonds similarly executed and identical thereto in form except for numbers, interest rates, denominations, and maturities, and under existing statutes, regulations, and decisions, we are of the opinion that:

(a) The County is a validly created and existing body politic and corporate and political subdivision of the State of Maryland, possessing authority under the Enabling Law, the Consolidating Act, the Charter, the Enabling Ordinances, the Bond Ordinance and the Executive Order to issue the Bonds.

(b) The Bonds are valid and legally binding obligations of the County to which its full faith and credit and taxing power are pledged, and for the payment of which the County is empowered and directed to levy ad valorem taxes unlimited as to rate and amount upon all real and tangible personal property and certain intangible personal property subject to assessment for unlimited County taxation.

(c) To provide for the payment of the principal of and interest on the Bonds, the County has covenanted to levy or cause to be levied ad valorem taxes upon all the assessable property within the corporate limits of the County, in rate and amount sufficient for that purpose in each fiscal year in which provision must be made for the payment of such principal and interest.

(d) The Bonds, their transfer, the interest payable on them, and any income derived from them, including any profit realized in their sale or exchange, shall be exempt from taxation of any kind by the State of Maryland, any of its political subdivision, or any other public entity. No opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Bonds or the interest thereon.

(e) Assuming compliance with certain covenants referred to herein, interest on the Bonds will be excludable from gross income for federal income tax purposes. It is noted that under the provisions of the Internal Revenue Code of 1986, as amended (the “Code”), there are certain restrictions that must be met subsequent to the delivery of the Bonds, including restrictions that must be complied with throughout the term of the issue of bonds of which the Bonds are a part in order that the interest thereon be excludable from gross income. These include the following: (i) a requirement that certain earnings received from the investment of the proceeds of the issue of bonds of which the Bonds are a part be rebated (or that certain payments in lieu of rebate be made) to the United States of America under certain circumstances; (ii) other requirements applicable to the investment of the proceeds of the issue of bonds of which the Bonds are a part; and (iii) requirements applicable to the use of the proceeds of the issue of bonds of which

the Bonds are a part and the use of the facilities financed or refinanced with such proceeds. Failure to comply with one or more of these requirements could result in the inclusion of the interest payable on the Bonds in gross income for federal income tax purposes, effective from the date of their issuance. The County has covenanted to regulate the investment of the proceeds of the issue of bonds of which the Bonds are a part and to take such other actions as may be required to maintain the excludability of interest on the Bonds from gross income for federal income tax purposes.

(f) Interest on the Bonds is not includable in the alternative minimum taxable income of individuals as an enumerated item of tax preference or other specific adjustment. Interest on the Bonds will be part of adjusted financial statement income, fifteen percent of which is included in the computation of the corporate alternative minimum tax imposed on applicable corporations. Interest income on the Bonds will be subject to the branch profits tax imposed by the Code on foreign corporations engaged in a trade or business in the United States of America.

We express no opinion with respect to any other federal or state tax consequences under the present law or any proposed legislation resulting from the receipt of interest on, or the acquisition or disposal of the Bonds.

The opinions expressed above are limited to the matters set forth above, and no other opinions should be inferred beyond the matters expressly stated. We assume no obligation to supplement this opinion if any applicable laws or interpretations thereof change after the date hereof or if we become aware of any facts or circumstances that might change the opinions expressed herein after the date hereof.

Very truly yours,

[Closing Date]

County Executive and County Council
of Howard County, Maryland
3430 Court House Drive
Ellicott City, Maryland 21043

County Executive and Council Members:

We have examined a record of proceedings relating to the issuance by Howard County, Maryland (the “County”) of its Metropolitan District Project Bonds, 2026 Series B (Tax-Exempt) (the “Bonds”).

The Bonds are dated on their date of delivery and are issued in fully registered in form in the denomination of \$5,000 each or any integral multiple thereof. The Bonds are consolidated and issued pursuant to Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2025 Supplement) (collectively, the “Enabling Law”), the County Charter (the “Charter”), Chapter 991 of the Acts of the General Assembly of Maryland of 1943, as amended, Chapter 609 of the Acts of the General Assembly of Maryland of 1945, as amended, Chapter 369 of the Acts of the General Assembly of Maryland of 1963, as amended and Chapter 356 of the Acts of the General Assembly of Maryland of 1965, as amended (collectively, the “Acts”), certain bond enabling ordinances of the County Council of the County (the “Enabling Ordinances”), Council Bill No. 65-2025 enacted during the 2025 Legislative Session (the “Bond Ordinance”) and Executive Order No. 2026-03, executed and delivered on February 5, 2026 (the “Executive Order”).

With respect to the executed and authenticated Bond that we have examined, and the Bonds similarly executed and identical thereto in form except for numbers, interest rates, denominations, and maturities, and under existing statutes, regulations, and decisions, we are of the opinion that:

(a) The County is a validly created and existing body politic and corporate and political subdivision of the State of Maryland, possessing authority under the Enabling Law, the Charter, the Acts, the Enabling Ordinances, the Bond Ordinance and the Executive Order to issue the Bonds.

(b) The Bonds are valid and legally binding obligations of the County to which its full faith and credit and taxing power are pledged, payable primarily from ad valorem taxes, unlimited in rate and amount, which the County is empowered to levy upon all taxable property within the Metropolitan District of the County, together with benefit assessments and other available funds, but if not so paid, are payable as to both principal and interest, as general obligations, ultimately from ad valorem taxes, unlimited in rate and amount, which the County is empowered to levy upon all real and tangible personal property and certain intangible personal property subject to assessment for unlimited County taxation.

(c) To provide for the payment of the principal of and interest on the Bonds, the County has covenanted to levy or cause to be levied ad valorem taxes upon all the assessable property within the corporate limits of the County, in rate and amount sufficient for that purpose in each fiscal year in which provision must be made for the payment of such principal and interest.

(d) The Bonds, their transfer, the interest payable on them, and any income derived from them, including any profit realized in their sale or exchange shall be exempt from taxation of any kind by the State of Maryland, any of its political subdivision, or any other public entity. No opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Bonds or the interest thereon.

(e) Assuming compliance with certain covenants referred to herein, interest on the Bonds will be excludable from gross income for federal income tax purposes. It is noted that under the provisions of the Internal Revenue Code of 1986, as amended (the “Code”), there are certain restrictions that must be met subsequent to the delivery of the Bonds, including restrictions that must be complied with throughout the term of the issue of bonds of which the Bonds are a part, in order that the interest thereon be excludable from gross income. These include the following: (i) a requirement that certain earnings received from the investment of the proceeds of the issue of bonds of which the Bonds are a part be rebated (or that certain payments in lieu of rebate be made) to the United States of America under certain circumstances; (ii) other requirements applicable to the investment of the proceeds of the issue of bonds of which the Bonds are a part; and (iii) requirements applicable to the use of the proceeds of the issue of bonds of which the Bonds are a part and the use of the facilities financed or refinanced with such proceeds. Failure to comply with one or more of these requirements could result in the inclusion of the interest payable on the Bonds in gross income for federal income tax purposes, effective from the date of their issuance. The County has covenanted to regulate the

investment of the proceeds of the issue of bonds of which the Bonds are a part and to take such other actions as may be required to maintain the excludability of interest on the Bonds from gross income for federal income tax purposes.

(f) Interest on the Bonds is not includable in the alternative minimum taxable income of individuals as an enumerated item of tax preference or other specific adjustment. Interest on the Bonds will be part of adjusted financial statement income, fifteen percent of which is included in the computation of the corporate alternative minimum tax imposed on applicable corporations. Interest income on the Bonds will be subject to the branch profits tax imposed by the Code on foreign corporations engaged in a trade or business in the United States of America.

We express no opinion with respect to any other federal or state tax consequences under the present law or any proposed legislation resulting from the receipt of interest on, or the acquisition or disposal of the Bonds.

The opinions expressed above are limited to the matters set forth above, and no other opinions should be inferred beyond the matters expressly stated. We assume no obligation to supplement this opinion if any applicable laws or interpretations thereof change after the date hereof or if we become aware of any facts or circumstances that might change the opinions expressed herein after the date hereof.

Very truly yours,

[Closing Date]

County Executive and County Council
of Howard County, Maryland
3430 Court House Drive
Ellicott City, Maryland 21043

County Executive and Council Members:

We have examined a record of proceedings relating to the issuance by Howard County, Maryland (the “County”) of its Consolidated Public Improvement Refunding Bonds, 2026 Series C (Tax-Exempt) (the “Bonds”).

The Bonds are dated on their date of delivery and are issued in fully registered in form in the denomination of \$5,000 each or any integral multiple thereof. The Bonds are consolidated and issued pursuant to Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2025 Supplement) (collectively, the “Enabling Law”), Section 19-207 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2025 Supplement) (the “Refunding Act”), Section 19-101 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2025 Supplement) (the “Consolidating Act”), the County Charter (the “Charter”), certain bond enabling ordinances of the County Council of the County (the “Enabling Ordinances”), Council Bill No. 55-2024 enacted during the 2024 Legislative Session (the “Refunding Ordinance”) and Executive Order No. 2026-03, executed and delivered on February 5, 2026 (the “Executive Order”).

With respect to the executed and authenticated Bond that we have examined, and the Bonds similarly executed and identical thereto in form except for numbers, interest rates, denominations, and maturities, and under existing statutes, regulations, and decisions, we are of the opinion that:

(a) The County is a validly created and existing body politic and corporate and political subdivision of the State of Maryland, possessing authority under the Enabling Law, the Consolidating Act, the Refunding Act, the Charter, the Enabling Ordinances, the Refunding Ordinance and the Executive Order to issue the Bonds.

(b) The Bonds are valid and legally binding obligations of the County to which its full faith and credit and taxing power are pledged, and for the payment of which the County is empowered and directed to levy ad valorem taxes unlimited as to rate and amount upon all real and tangible personal property and certain intangible personal property subject to assessment for unlimited County taxation.

(c) To provide for the payment of the principal of and interest on the Bonds, the County has covenanted to levy or cause to be levied ad valorem taxes upon all the assessable property within the corporate limits of the County, in rate and amount sufficient for that purpose in each fiscal year in which provision must be made for the payment of such principal and interest.

(d) The Bonds, their transfer, the interest payable on them, and any income derived from them, including any profit realized in their sale or exchange, shall be exempt from taxation of any kind by the State of Maryland, any of its political subdivision, or any other public entity. No opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Bonds or the interest thereon.

(e) Assuming compliance with certain covenants referred to herein, interest on the Bonds will be excludable from gross income for federal income tax purposes. It is noted that under the provisions of the Internal Revenue Code of 1986, as amended (the “Code”), there are certain restrictions that must be met subsequent to the delivery of the Bonds, including restrictions that must be complied with throughout the term of the issue of bonds of which the Bonds are a part in order that the interest thereon be excludable from gross income. These include the following: (i) a requirement that certain earnings received from the investment of the proceeds of the issue of bonds of which the Bonds are a part be rebated (or that certain payments in lieu of rebate be made) to the United States of America under certain circumstances; (ii) other requirements applicable to the investment of the proceeds of the issue of bonds of which the Bonds are a part; and (iii) requirements applicable to the use of the proceeds of the issue of bonds of which the Bonds are a part and the use of the facilities financed or refinanced with such proceeds. Failure to comply with one or more of these requirements could result in the inclusion of the interest payable on the Bonds in gross income for federal income tax purposes, effective from the date of their issuance. The County has covenanted to regulate the investment of the proceeds of the issue of bonds of which the Bonds are a part and to take such other actions as may be required to maintain the excludability of interest on the Bonds from gross income for federal income tax purposes.

(f) Interest on the Bonds is not includable in the alternative minimum taxable income of individuals as an enumerated item of tax preference or other specific adjustment. Interest on the Bonds will be part of adjusted financial statement income, fifteen percent of which is included in the computation of the corporate alternative minimum tax imposed on applicable corporations. Interest income on the Bonds will be subject to the branch profits tax imposed by the Code on foreign corporations engaged in a trade or business in the United States of America.

We express no opinion with respect to any other federal or state tax consequences under the present law or any proposed legislation resulting from the receipt of interest on, or the acquisition or disposal of the Bonds.

The opinions expressed above are limited to the matters set forth above, and no other opinions should be inferred beyond the matters expressly stated. We assume no obligation to supplement this opinion if any applicable laws or interpretations thereof change after the date hereof or if we become aware of any facts or circumstances that might change the opinions expressed herein after the date hereof.

Very truly yours,

[Closing Date]

County Executive and County Council
of Howard County, Maryland
3430 Court House Drive
Ellicott City, Maryland 21043

County Executive and Council Members:

We have examined a record of proceedings relating to the issuance by Howard County, Maryland (the “County”) of its Consolidated Public Improvement Project Bonds, 2026 Series D (Taxable) (the “Bonds”).

The Bonds are dated on their date of delivery and are issued in fully registered in form in the denomination of \$5,000 each or any integral multiple thereof. The Bonds are consolidated and issued pursuant to Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2025 Supplement) (collectively, the “Enabling Law”), Section 19-101 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2025 Supplement) (the “Consolidating Act”), the County Charter (the “Charter”), certain bond enabling ordinances of the County Council of the County (the “Enabling Ordinances”), Council Bill No. 65-2025 enacted during the 2025 Legislative Session (the “Bond Ordinance”) and Executive Order No. 2026-03, executed and delivered on February 5, 2026 (the “Executive Order”).

With respect to the executed and authenticated Bond that we have examined, and the Bonds similarly executed and identical thereto in form except for numbers, interest rates, denominations, and maturities, and under existing statutes, regulations, and decisions, we are of the opinion that:

(a) The County is a validly created and existing body politic and corporate and political subdivision of the State of Maryland, possessing authority under the Enabling Law, the Consolidating Act, the Charter, the Enabling Ordinances, the Bond Ordinance and the Executive Order to issue the Bonds.

(b) The Bonds are valid and legally binding obligations of the County to which its full faith and credit and taxing power are pledged, and for the payment of which the County is empowered and directed to levy ad valorem taxes unlimited as to rate and amount upon all real and tangible personal property and certain intangible personal property subject to assessment for unlimited County taxation.

(c) To provide for the payment of the principal of and interest on the Bonds, the County has covenanted to levy or cause to be levied ad valorem taxes upon all the assessable property within the corporate limits of the County, in rate and amount sufficient for that purpose in each fiscal year in which provision must be made for the payment of such principal and interest.

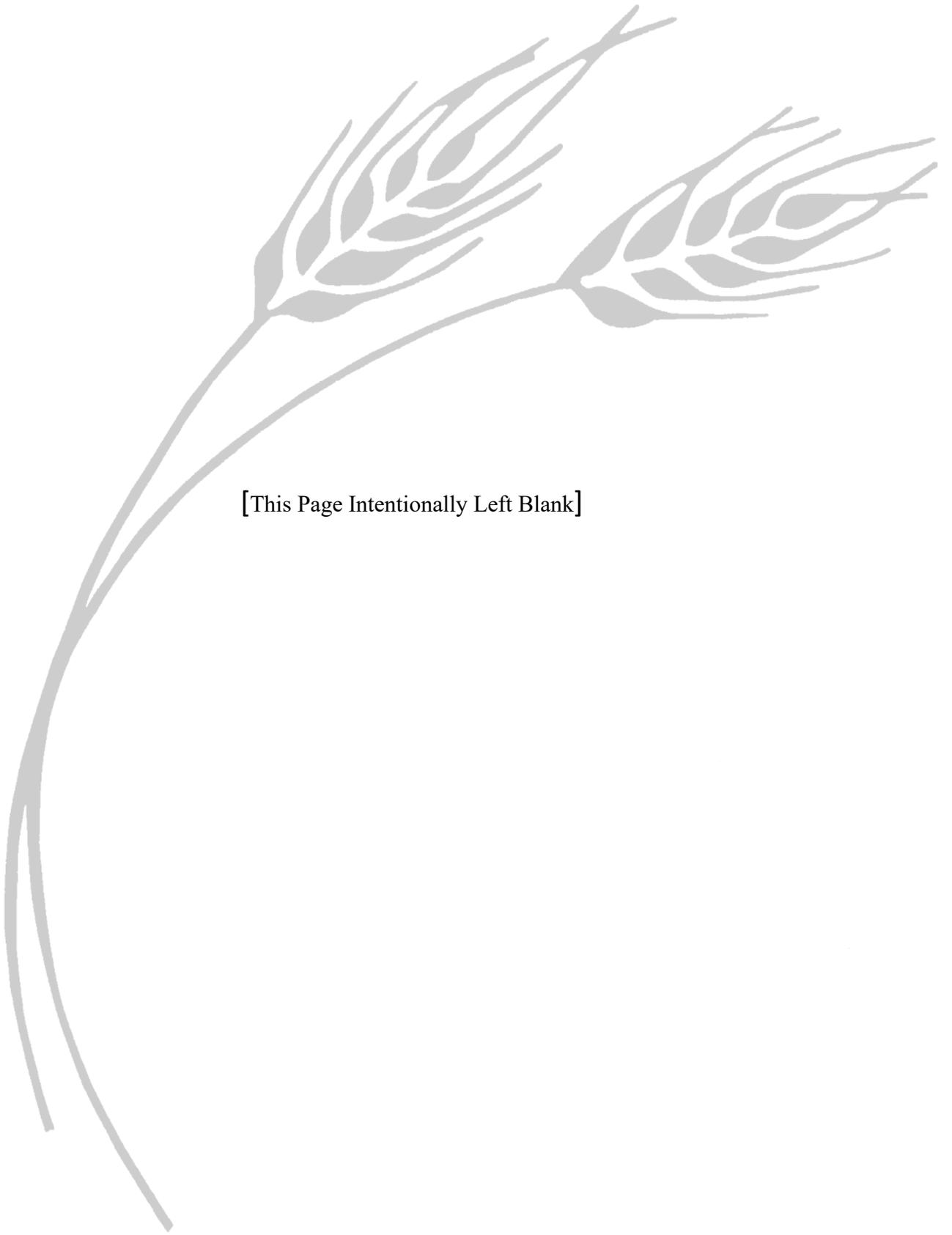
(d) The Bonds, their transfer, the interest payable on them, and any income derived from them, including any profit realized in their sale or exchange, shall be exempt from taxation of any kind by the State of Maryland, any of its political subdivision, or any other public entity. No opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Bonds or the interest thereon.

(e) Interest on the Bonds will be includable in gross income for federal income tax purposes..

We express no opinion with respect to any other federal or state tax consequences under the present law or any proposed legislation resulting from the receipt of interest on, or the acquisition or disposal of the Bonds.

The opinions expressed above are limited to the matters set forth above, and no other opinions should be inferred beyond the matters expressly stated. We assume no obligation to supplement this opinion if any applicable laws or interpretations thereof change after the date hereof or if we become aware of any facts or circumstances that might change the opinions expressed herein after the date hereof.

Very truly yours,



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Continuing Disclosure Agreement

This CONTINUING DISCLOSURE AGREEMENT (the “Disclosure Agreement”) is executed and delivered by Howard County, Maryland (the “County”) in connection with the issuance of its Consolidated Public Improvement Project Bonds, 2026 Series A (Tax-Exempt), its Metropolitan District Project Bonds, 2026 Series B (Tax-Exempt), its Consolidated Public Improvement Refunding Bonds, 2026 Series C (Tax-Exempt) and its Consolidated Public Improvement Project Bonds, 2026 Series D (Taxable) (collectively, the “Bonds”). The County, intending to be legally bound hereby and in consideration of good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby covenant and agree as follows:

Section 1. Purpose of the Disclosure Agreement.

This Disclosure Agreement is being executed and delivered by the County for the benefit of the beneficial owners of the Bonds and in order to assist the Participating Underwriters in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

Section 2. Definitions.

In addition to the definitions set forth above, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Dissemination Agent**” shall mean the County, acting as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the County.

“**EMMA**” shall mean Electronic Municipal Market Access System maintained by the MSRB. For more information on EMMA, see www.emma.msrb.org.

“**Financial Obligation**” shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“**Listed Events**” shall mean any of the events listed in Section 4(a) of this Disclosure Agreement.

“**MSRB**” shall mean the Municipal Securities Rulemaking Board, established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended.

“**Participating Underwriter**” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“**Rule**” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“**State**” shall mean the State of Maryland.

Section 3. Provision of Annual Financial Information, Operating Data and Audited Information.

(a) The County shall provide to the MSRB annual financial information and operating data set forth in the “Financial Information” Section of the Official Statement under the heading “Total Property Tax Levies and Collections,” and information regarding assessed accrual value of and county direct tax rate on real and personal property set forth in the “Financial Information” section of the Official Statement under the heading “Assessed Values, Tax Rates and Tax Levies”, each to be updated as of the end of the preceding fiscal year, utilizing the same accounting principles as were used in preparing such information for the Official Statement subject to changes in Generally Accepted Accounting Principles, and shall be made available within 275 days after the end of the County’s fiscal year.

(b) The County shall provide to the MSRB annual audited financial statements for the County, such information to be made available within 275 days after the end of the County's fiscal year, unless the audited financial statements are not available on or before such date, in which event said financial statements will be provided promptly when and if available. In the event that audited financial statements are not available within 275 days after the end of the County's fiscal year, the County will provide unaudited financial statements within said time period.

(c) The presentation of the financial information referred to in paragraph (a) and in paragraph (b) shall be made in accordance with the same accounting principles as utilized in connection with the presentation of applicable comparable financial information included in the final official statement for the Bonds, provided that the County may modify the accounting principles utilized in the presentation of financial information by amending this Disclosure Agreement pursuant to the provisions of Section 7 hereof. Changes in Generally Accepted Accounting Principles, where applicable to financial information to be provided by the County, shall not require the County to amend this Disclosure Agreement.

(d) If the County is unable to provide the annual financial information and operating data within the applicable time periods specified in (a) and (b) above, the County shall send in a timely manner a notice of such failure to the MSRB.

Section 4. Reporting of Significant Events.

(a) This Section 4 shall govern the giving of notices of the occurrence of any of the following events with respect to the Bonds:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of Bondholders, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the County;¹
- (13) appointment of a successor or additional trustee or the change of name of a trustee, if material;

¹ For the purposes of the event identified in clause (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the County in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the County or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County

- (14) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (15) incurrence of a Financial Obligation of the County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the County, any of which affect bondholders, if material; and
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the County, any of which reflects financial difficulties.

(b) In a timely manner, not in excess of ten business days after the occurrence of an event listed in Section 4(a) above, the County shall file a notice of such occurrence with the MSRB.

Section 5. Filing with EMMA.

Unless otherwise required by the MSRB, all filings with the MSRB shall be made with EMMA and shall be accompanied by identifying information as prescribed by the MSRB.

Section 6. Termination of Reporting Obligation.

The County obligations under this Disclosure Agreement shall terminate upon the payment in full of all of the Bonds either at their maturity or by early redemption. In addition, the County may terminate its obligations under this Disclosure Agreement if and when the County no longer remains an obligated person with respect to the Bonds within the meaning of Securities and Exchange Commission Rule 15c2-12.

Section 7. Amendment.

The County may provide further or additional assurances that will become part of the County's obligations under this Disclosure Agreement. In addition, this Disclosure Agreement may be amended by the County in its discretion provided that (i) the amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the County as the obligated person with respect to the Bonds, or type of business conducted; (ii) this Disclosure Agreement, as amended, would have complied with the requirements of the Rule at the time of the issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (iii) the amendment does not materially impair the interests of holders of the Bonds, as determined either by counsel selected by the County that is expert in federal securities law matters, or by an approving vote of the holders of 25% of the outstanding aggregate principal amount of Bonds. The reasons for the County agreeing to provide any further or additional assurances or for any amendment and the impact of the change in the type of operating data or financial information being provided will be explained in information provided with the annual financial information containing the additional or amended operating data or financial information.

Section 8. Additional Information.

Nothing in this Disclosure Agreement shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any disclosure made pursuant to Section 4(a) or (b) hereof or notice of occurrence of a Listed Event in addition to that which is required by this Disclosure Agreement. If the County chooses to include any information in any disclosure made pursuant to Section 4(a) or (b) hereof or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the County shall have no obligation under this Disclosure Agreement to update such information or include it in any future disclosure made pursuant to Section 4(a) or (b) hereof or notice of occurrence of a Listed Event.

Section 9. Dissemination Agent.

The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the County pursuant to this Disclosure Agreement. If at any time there is not any other designated Dissemination Agent, the County shall be the Dissemination Agent.

Section 10. Law of Maryland.

This Disclosure Agreement, and any claim made with respect to the performance by the County of its obligations hereunder, shall be governed by, subject to, and construed according to the laws of the State.

Section 11. Limitation of Forum.

Any suit or other proceeding seeking redress with regard to any claimed failure by the County to perform its obligations under this Disclosure Agreement must be filed in the Circuit Court of Howard County, Maryland.

Section 12. Limitation on Remedies.

The County shall be given written notice at the address set forth below of any claimed failure by the County to perform its obligations under the Disclosure Agreement, and the County shall be given 15 days to remedy any such claimed failure. Any suit or other proceeding seeking further redress with regard to any such claimed failure by the County shall be limited to specific performance as the adequate and exclusive remedy available in connection with such action. Written notice to the County shall be given to the Director of Finance at 3540 Court House Drive, Ellicott City, Maryland 21043 or at such alternate address as shall be specified by the County with disclosures made pursuant to Section 4(a) or 4(b) hereof or a notice of occurrence of a Listed Event.

Section 13. Relationship to Bonds.

This Disclosure Agreement constitutes an undertaking by the County that is independent of the County's obligations with respect to the Bonds; any breach or default by the County under this Disclosure Agreement shall not constitute or give rise to a breach or default under the Bonds.

Section 14. Beneficiaries.

This Disclosure Agreement shall inure solely to the benefit of the beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF this Continuing Disclosure Agreement is being executed on behalf of Howard County, Maryland by the Director of Finance, as of this ____ day of _____, 2026.

HOWARD COUNTY, MARYLAND

By: _____
Rafiu O. Ighile
Director of Finance

Appendix C

Bond Amortization Tables

\$70,880,000 Consolidated Public Improvement Project Bonds, 2026 Series A (Tax-Exempt)

Date	<u>Principal Maturity</u>	<u>Interest Rate</u>	<u>Semiannual Interest</u>	<u>Semiannual Debt Service</u>	<u>Annual Debt Service</u>
8/15/2026	\$ 2,300,000	5.000%	\$ 1,470,984	\$ 3,770,984	
2/15/2027			1,587,078	1,587,078	\$ 5,358,062
8/15/2027	2,240,000	5.000%	1,587,078	3,827,078	
2/15/2028			1,531,078	1,531,078	5,358,156
8/15/2028	2,355,000	5.000%	1,531,078	3,886,078	
2/15/2029			1,472,203	1,472,203	5,358,281
8/15/2029	2,475,000	5.000%	1,472,203	3,947,203	
2/15/2030			1,410,328	1,410,328	5,357,531
8/15/2030	2,600,000	5.000%	1,410,328	4,010,328	
2/15/2031			1,345,328	1,345,328	5,355,656
8/15/2031	2,735,000	5.000%	1,345,328	4,080,328	
2/15/2032			1,276,953	1,276,953	5,357,281
8/15/2032	2,875,000	5.000%	1,276,953	4,151,953	
2/15/2033			1,205,078	1,205,078	5,357,031
8/15/2033	3,025,000	5.000%	1,205,078	4,230,078	
2/15/2034			1,129,453	1,129,453	5,359,531
8/15/2034	3,180,000	5.000%	1,129,453	4,309,453	
2/15/2035			1,049,953	1,049,953	5,359,406
8/15/2035	3,340,000	5.000%	1,049,953	4,389,953	
2/15/2036			966,453	966,453	5,356,406
8/15/2036	3,515,000	5.000%	966,453	4,481,453	
2/15/2037			878,578	878,578	5,360,031
8/15/2037	3,695,000	5.000%	878,578	4,573,578	
2/15/2038			786,203	786,203	5,359,781
8/15/2038	3,880,000	5.000%	786,203	4,666,203	
2/15/2039			689,203	689,203	5,355,406
8/15/2039	4,080,000	5.000%	689,203	4,769,203	
2/15/2040			587,203	587,203	5,356,406
8/15/2040	4,290,000	5.000%	587,203	4,877,203	
2/15/2041			479,953	479,953	5,357,156
8/15/2041	4,485,000	4.000%	479,953	4,964,953	
2/15/2042			390,253	390,253	5,355,206
8/15/2042	4,665,000	3.875%	390,253	5,055,253	
2/15/2043			299,869	299,869	5,355,122
8/15/2043	4,850,000	3.875%	299,869	5,149,869	
2/15/2044			205,900	205,900	5,355,769
8/15/2044	5,045,000	4.000%	205,900	5,250,900	
2/15/2045			105,000	105,000	5,355,900
8/15/2045	5,250,000	4.000%	105,000	5,355,000	5,355,000
TOTAL	\$ 70,880,000		\$ 36,263,121	\$ 107,143,121	\$ 107,143,121

\$19,685,000 Metropolitan District Project Bonds, 2026 Series B (Tax-Exempt)

<u>Date</u>	<u>Principal Maturity</u>	<u>Interest Rate</u>	<u>Semiannual Interest</u>	<u>Semiannual Debt Service</u>	<u>Annual Debt Service</u>
8/15/2026	\$ 350,000	5.000%	\$ 386,791	\$ 736,791	
2/15/2027			423,688	423,688	\$ 1,160,479
8/15/2027	320,000	5.000%	423,688	743,688	
2/15/2028			415,688	415,688	1,159,375
8/15/2028	340,000	5.000%	415,688	755,688	
2/15/2029			407,188	407,188	1,162,875
8/15/2029	355,000	5.000%	407,188	762,188	
2/15/2030			398,313	398,313	1,160,500
8/15/2030	375,000	5.000%	398,313	773,313	
2/15/2031			388,938	388,938	1,162,250
8/15/2031	390,000	5.000%	388,938	778,938	
2/15/2032			379,188	379,188	1,158,125
8/15/2032	410,000	5.000%	379,188	789,188	
2/15/2033			368,938	368,938	1,158,125
8/15/2033	435,000	5.000%	368,938	803,938	
2/15/2034			358,063	358,063	1,162,000
8/15/2034	455,000	5.000%	358,063	813,063	
2/15/2035			346,688	346,688	1,159,750
8/15/2035	480,000	5.000%	346,688	826,688	
2/15/2036			334,688	334,688	1,161,375
8/15/2036	505,000	5.000%	334,688	839,688	
2/15/2037			322,063	322,063	1,161,750
8/15/2037	530,000	5.000%	322,063	852,063	
2/15/2038			308,813	308,813	1,160,875
8/15/2038	555,000	5.000%	308,813	863,813	
2/15/2039			294,938	294,938	1,158,750
8/15/2039	585,000	5.000%	294,938	879,938	
2/15/2040			280,313	280,313	1,160,250
8/15/2040	615,000	5.000%	280,313	895,313	
2/15/2041			264,938	264,938	1,160,250
8/15/2041	645,000	4.000%	264,938	909,938	
2/15/2042			252,038	252,038	1,161,975
8/15/2042	670,000	4.000%	252,038	922,038	
2/15/2043			238,638	238,638	1,160,675
8/15/2043	695,000	4.000%	238,638	933,638	
2/15/2044			224,738	224,738	1,158,375
8/15/2044	725,000	4.000%	224,738	949,738	
2/15/2045			210,238	210,238	1,159,975
8/15/2045	755,000	4.000%	210,238	965,238	
2/15/2046			195,138	195,138	1,160,375
8/15/2046	785,000	4.000%	195,138	980,138	
2/15/2047			179,438	179,438	1,159,575
8/15/2047	820,000	4.000%	179,438	999,438	
2/15/2048			163,038	163,038	1,162,475
8/15/2048	850,000	4.000%	163,038	1,013,038	
2/15/2049			146,038	146,038	1,159,075
8/15/2049	885,000	4.000%	146,038	1,031,038	
2/15/2050			128,338	128,338	1,159,375
8/15/2050	925,000	4.125%	128,338	1,053,338	
2/15/2051			109,259	109,259	1,162,597
8/15/2051	960,000	4.125%	109,259	1,069,259	
2/15/2052			89,459	89,459	1,158,719
8/15/2052	1,000,000	4.125%	89,459	1,089,459	
2/15/2053			68,834	68,834	1,158,294
8/15/2053	1,045,000	4.125%	68,834	1,113,834	
2/15/2054			47,281	47,281	1,161,116
8/15/2054	1,090,000	4.250%	47,281	1,137,281	
2/15/2055			24,119	24,119	1,161,400
8/15/2055	1,135,000	4.250%	24,119	1,159,119	1,159,119
TOTAL	\$ 19,685,000		\$ 15,124,848	\$ 34,809,848	\$ 34,809,848

\$40,300,000 Consolidated Public Improvement Refunding Bonds, 2026 Series C (Tax-Exempt)

<u>Date</u>	<u>Principal Maturity</u>	<u>Interest Rate</u>	<u>Semiannual Interest</u>	<u>Semiannual Debt Service</u>	<u>Annual Debt Service</u>
8/15/2026			\$ 901,153	\$ 901,153	
2/15/2027	\$ 1,495,000	5.000%	1,007,500	2,502,500	\$ 3,403,653
8/15/2027			970,125	970,125	
2/15/2028	3,515,000	5.000%	970,125	4,485,125	5,455,250
8/15/2028			882,250	882,250	
2/15/2029	3,695,000	5.000%	882,250	4,577,250	5,459,500
8/15/2029			789,875	789,875	
2/15/2030	3,880,000	5.000%	789,875	4,669,875	5,459,750
8/15/2030			692,875	692,875	
2/15/2031	4,075,000	5.000%	692,875	4,767,875	5,460,750
8/15/2031			591,000	591,000	
2/15/2032	4,275,000	5.000%	591,000	4,866,000	5,457,000
8/15/2032			484,125	484,125	
2/15/2033	4,495,000	5.000%	484,125	4,979,125	5,463,250
8/15/2033			371,750	371,750	
2/15/2034	4,715,000	5.000%	371,750	5,086,750	5,458,500
8/15/2034			253,875	253,875	
2/15/2035	4,955,000	5.000%	253,875	5,208,875	5,462,750
8/15/2035			130,000	130,000	
2/15/2036	5,200,000	5.000%	130,000	5,330,000	5,460,000
TOTAL	\$ 40,300,000		\$ 12,240,403	\$ 52,540,403	\$ 52,540,403

\$17,360,000 Consolidated Public Improvement Project Bonds, 2026 Series D (Taxable)

<u>Date</u>	<u>Principal Maturity</u>	<u>Interest Rate</u>	<u>Semiannual Interest</u>	<u>Semiannual Debt Service</u>	<u>Annual Debt Service</u>
8/15/2026	\$ 595,000	5.000%	\$ 352,231	\$ 947,231	
2/15/2027			378,924	378,924	\$ 1,326,155
8/15/2027	580,000	4.000%	378,924	958,924	
2/15/2028			367,324	367,324	1,326,248
8/15/2028	605,000	4.000%	367,324	972,324	
2/15/2029			355,224	355,224	1,327,548
8/15/2029	630,000	5.000%	355,224	985,224	
2/15/2030			339,474	339,474	1,324,698
8/15/2030	660,000	5.000%	339,474	999,474	
2/15/2031			322,974	322,974	1,322,448
8/15/2031	695,000	4.000%	322,974	1,017,974	
2/15/2032			309,074	309,074	1,327,048
8/15/2032	720,000	4.000%	309,074	1,029,074	
2/15/2033			294,674	294,674	1,323,748
8/15/2033	750,000	4.000%	294,674	1,044,674	
2/15/2034			279,674	279,674	1,324,348
8/15/2034	780,000	4.050%	279,674	1,059,674	
2/15/2035			263,879	263,879	1,323,553
8/15/2035	815,000	4.250%	263,879	1,078,879	
2/15/2036			246,560	246,560	1,325,439
8/15/2036	850,000	4.300%	246,560	1,096,560	
2/15/2037			228,285	228,285	1,324,845
8/15/2037	890,000	4.400%	228,285	1,118,285	
2/15/2038			208,705	208,705	1,326,990
8/15/2038	930,000	4.450%	208,705	1,138,705	
2/15/2039			188,013	188,013	1,326,718
8/15/2039	970,000	4.550%	188,013	1,158,013	
2/15/2040			165,945	165,945	1,323,958
8/15/2040	1,015,000	4.650%	165,945	1,180,945	
2/15/2041			142,346	142,346	1,323,291
8/15/2041	1,065,000	4.700%	142,346	1,207,346	
2/15/2042			117,319	117,319	1,324,665
8/15/2042	1,115,000	4.800%	117,319	1,232,319	
2/15/2043			90,559	90,559	1,322,878
8/15/2043	1,170,000	4.850%	90,559	1,260,559	
2/15/2044			62,186	62,186	1,322,745
8/15/2044	1,230,000	4.900%	62,186	1,292,186	
2/15/2045			32,051	32,051	1,324,238
8/15/2045	1,295,000	4.950%	32,051	1,327,051	1,327,051
TOTAL	\$ 17,360,000		\$ 9,138,606	\$ 26,498,606	\$ 26,498,606

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Official Statement

\$70,880,000 Consolidated Public Improvement Project Bonds, 2026 Series A (Tax-Exempt)

\$19,685,000 Metropolitan District Project Bonds, 2026 Series B (Tax-Exempt)

\$40,300,000 Consolidated Public Improvement Refunding Bonds, 2026 Series C (Tax-Exempt)

\$17,360,000 Consolidated Public Improvement Project Bonds, 2026 Series D (Taxable)

