

The Maryland Transportation Authority (Authority) has issued Transportation Facilities Projects Revenue Bonds, Series 1991 and 1992, which are payable solely from the revenues of the transportation facilities projects.

The Series 1991 Revenue Bonds, the bonds maturing after July 1, 2001, are subject to redemption, at the Authority's option on or after July 1, 2001. The redemption prices range from 100% to 102% of the principal amount. The debt service reserve requirement for the 1991 Revenue Bonds, in the amount of \$9,989,700, has been satisfied through a surety bond.

With respect to the 1992 Revenue Bonds, \$13,130,000 of the current interest term bonds stated to mature on July 1, 2015, are subject to mandatory sinking fund redemption on July 1, 2014, at a redemption price equal to the principal amount, plus accrued interest. The debt service reserve requirement for these bonds, in the amount \$21,075,000, has been satisfied through the deposit of cash with the trustee and is included in the debt service fund on the balance sheet. The current interest serial bonds stated to mature on July 1, 2013, and the balance of the current interest term bonds stated to mature on July 1, 2015, are subject to redemption at the option of the authority on or after July 1, 2002, without premium. The capital appreciation bonds are not subject to early redemption. Capital appreciation bonds payable as of June 30, 1999, include an accreted amount of \$21,329,000.

During 1998, the Authority issued \$16,380,000 in revenue refunding bonds to advance refund \$15,240,000 of certain outstanding 1991 series revenue bonds with interest rates ranging from 6.0% to 6.5%. These bonds are considered to be defeased and the liability for these bonds has been removed from the general long-term debt account group.

During the year ended June 30, 1994, the Authority issued \$162,580,000 of Special Obligation Revenue Bonds, to finance a portion of the Airport Facilities Projects located at Baltimore/Washington International Airport.

The Special Obligation Revenue Bonds are payable as to principal and interest solely from Passenger Facility Charges (PFCs) received by the Maryland Aviation Administration (MAA) and deposited with the Trustee (Signet Trust Company) and amounts deposited in the general account maintained by the Authority under the Trust Agreement. The Series 1994 Bonds issued in accordance with the provisions of the 1985 Trust Agreement, as supplemented, and interest thereon, do not constitute a debt or pledge of the faith and credit of the State of Maryland, the Maryland Department of Transportation or the MAA, but are payable solely from PFCs.

Subsequent to year end, in July 1999, the Authority made \$13,905,000 in principal redemption payments.

As of June 30, 1999, Maryland Transportation Authority Bond debt service requirements for principal and interest in future years are as follows (amounts expressed in thousands).

Years Ending June 30,	Total	Years Ending June 30,	Total
2000	\$32,352	2012	\$28,480
2001	32,367	2013	28,477
2002	32,389	2014	28,484
2003	32,413	2015	28,477
2004	37,196	2016	18,887
2005	38,388	2017	1,125
2006	38,421	2018	948
2007	38,102	2019	7,501
2008	28,484	2020	13,013
2009	28,475		
2010	28,478		
2011	28,479		

Obligations Under Capital Leases —

Obligations under capital leases as of June 30, 1999, bore interest at annual rates ranging from 3.4% to 7.7%. Capital Lease Obligations with third parties in fiscal year 1999 increased by \$81,592,000 of which \$28,089,000 was for master equipment leases entered into by the general fund and \$53,503,000 for a Department of Transportation—Certification of Participation. The capital leases with component units include capital leases with the Maryland Stadium Authority, which are being paid with the net proceeds transferred from certain Lottery games and capital leases with the Maryland Environmental Service. Following is a schedule of annual future minimum payments