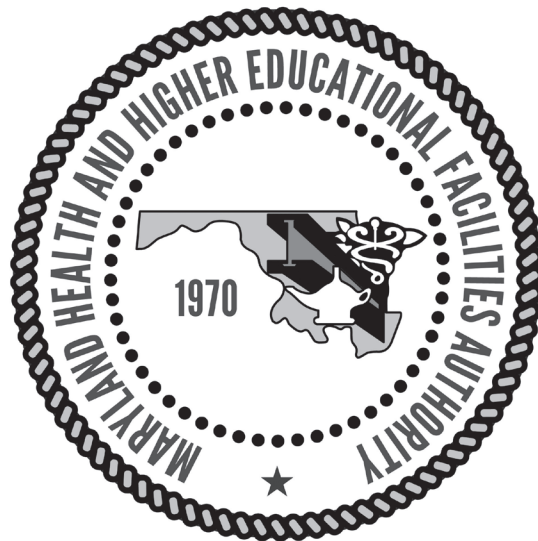


Maryland Health and Higher Educational Facilities Authority



2024 ANNUAL REPORT



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Maryland Health and Higher Educational Facilities Authority

The mission of the Maryland Health and Higher Educational Facilities Authority (Authority) is to assist non-profit educational institutions and hospitals and related healthcare organizations in financing the construction and acquisition of capital projects. In the pursuit of this goal, the Authority strives to keep abreast of opportunities to reduce the cost of capital in order to meet the changing needs of our borrowing institutions and assure their strength as vital assets of the state.

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

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

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

AUTHORITY MEMBERS

ARNOLD WILLIAMS, *Chairman*

Term expires July 1, 2024*; resident of Baltimore County; Managing Director - Abrams, Foster, Nole & Williams, P.A.; Immediate Past Chairman of the Board - Baltimore Development Corporation; Chairman - Neighborhood Impact Investment Fund; Vice Chair - Baltimore City Board of Finance; Qlarant, Inc.; and The Greater Baltimore Committee; Member - Maryland Association of Certified Public Accountants; American Institute of Certified Public Accountants; and National Association of Black Accountants; former Board Chairman - Bon Secours Health Systems, Inc. and Liberty Medical Center; former Member - Baltimore City Chamber of Commerce; Past Chair and former Member - Maryland State Board of Public Accountancy; and Emeritus Member - The Presidents' Roundtable.

DERECK E. DAVIS, *ex officio*

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

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

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

FREDERICK W. MEIER, JR., *Member*

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

MAMIE JOHNS PERKINS, *Member*

Term expires July 1, 2027; resident of Howard County; Retired Deputy Superintendent of Howard County Public Schools; former Interim Superintendent of Anne Arundel County Public School System; Chair and former Member - Board of Trustees of Howard County Community College; former Member of Horizon Foundation of Howard County and Grassroots Board of Howard County; former Board Member of numerous educational and non-profit organizations; and Leadership Coach - Anne Arundel County Public School System.

Maryland Health and Higher Educational Facilities Authority

JOHN PHELPS, *Member*

Term expires July 1, 2024*; resident of Baltimore County; President and CEO - Carroll Independent Fuel Company/Highs of Baltimore LLC.; former Member and Chairman - Citgo Petroleum National Distributor Council; former member - Mobil Oil National Jobber Council; British Petroleum U.S. Distributor Council; and Sunoco Refining Jobber Council; Chairman Board of Trustees - Saint Frances Academy; Member - M&T Bank Mid Atlantic Advisory Board; and Chairman - Parish Council Our Lady of Grace Catholic Church.

ARTHUR S. VARNADO, *Member*

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

W. DANIEL WHITE, *Member*

Term expires July 1, 2025; resident of Baltimore County; retired Executive Vice President, Assistant Secretary, Assistant Treasurer and Member of the Board of Directors - The Whiting-Turner Contracting Company; Board Member - Notre Dame Preparatory High School; and Maryland Family Network; former Board Member of numerous educational, economic development and non-profit organizations.

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

AUTHORITY STAFF

BARLOW T. SAVIDGE
Executive Director

LYNN GORMAN-LEPSON
Chief Financial Officer

STEPHANIE BURRELL
Office Manager

LENA PRINCE
Senior Account Manager

MARY JANE LUPUS
Account Manager

KATHY RECH
Account Manager

AUTHORITY CONSULTANTS

McKENNON SHELTON & HENN LLP
Bond Counsel

PFM FINANCIAL ADVISORS LLC
Financial Advisor

FIRST TRYON ADVISORS, LLC
Financial Advisor

COHNREZNICK LLP
Independent Auditors

MANAGEMENT CONSULTING SERVICES
Management Consultant

ANNETTE ANSELM
Community Outreach Consultant

Independent Auditor's Report

To the Authority Members
Maryland Health and Higher Educational Facilities Authority

Opinion

We have audited the financial statements of the business-type activities of Maryland Health and Higher Educational Facilities Authority (the "Authority"), as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the business-type activities of the Authority, as of June 30, 2024 and 2023, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and additional information but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

CohnReznick LLP

Charlotte, North Carolina
September 5, 2024

Introduction

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

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

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

Overview of the Financial Statements

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

- **Balance Sheet** - This statement presents information reflecting the Authority's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position. Net position is equal to total assets and deferred outflows of resources less total liabilities and deferred inflows of resources.
- **Statement of Revenues, Expenses and Changes in Net Position** - This statement reflects the operating revenues and expenses, as well as non-operating revenues and expenses for the fiscal year. Operating revenue is generated from annual administrative fees charged to borrowers. Operating expenses include staff salaries, professional fees and other expenses. The change in net position is similar to net profit or loss for a business enterprise.
- **Statement of Cash Flows** - The statement of cash flows is presented using the direct method of reporting which reflects cash flows from operating, capital and related financing and investing activities. Cash collections and payments are reflected in this statement to arrive at the net increase or decrease in cash for the fiscal year.

Summary of Activities

- During fiscal years 2024 and 2023, the Authority issued 11 and 10 bond issues totaling approximately \$156 million and \$432 million, respectively. The approximately \$276 million decrease in fiscal year 2024 from the total issued in fiscal year 2023 was primarily due to a decrease in refundings and new project funding in 2024 compared to 2023. There were also 3 large private placements in 2023 that refunded Taxable Notes used for advance refundings. During fiscal years 2023 and 2022, the Authority issued 10 and 22 bond issues totaling approximately \$432 million and \$1,120 million, respectively. The reduction in bonds issued in fiscal year 2023 was due to a decline in refinancings and new project funding due to less favorable market conditions.
- In fiscal year 2024 and 2023, operating revenues increased by \$6,000 and \$14,000, respectively, due to a slight increase in administrative fee billings each year. The Authority funds its operations using administrative fees and non-operating investment income. Administrative fees may be set at a maximum of one tenth of one percent of the par amount of debt issued. In fiscal years 2024, 2023 and 2022, the Authority continued to waive 75% of the administrative fees chargeable to borrowing institutions for financings that were in place prior to fiscal year 2008 and 70% for financings completed in fiscal year 2008 and after.
- In fiscal year 2024 operating expenses increased \$106,000 primarily due to a \$43,000 increase in salaries expense, a \$33,000 increase in pension expense and a \$23,000 increase in contracted services. During fiscal year 2024, there was a \$101,000 increase in the Authority's portion of the net pension liability. Combined with the amortization of the various pension related deferred inflows and outflows this resulted in a net pension expense of \$105,000 compared to \$72,000 in fiscal year 2023. Contract services expenses increased in fiscal year 2024 primarily due to expenses associated with software upgrades and migration and an IT security assessment performed during the year. In fiscal year 2023 operating expenses increased \$216,000 primarily due to a \$169,000 increase in pension expense and a \$50,000 increase in salaries expense. During fiscal year 2023, there was a \$245,000 increase in the Authority's portion of the net pension liability which resulted in the increase in pension expense for the year.
- The Authority had approximately \$8.4 billion and \$8.5 billion of conduit debt outstanding at June 30, 2024 and June 30, 2023, respectively. A schedule of debt outstanding is included in the additional information that accompanies these financial statements. All bonds and notes issued by the Authority are limited obligations payable solely from amounts payable by participating institutions under the respective loan or lease agreements. The Authority has no outstanding debt constituting a general obligation of the Authority or a pledge of its faith and credit.
- In fiscal year 2022, the Authority implemented Governmental Accounting Standards Board (GASB) Statement No. 87- *Leases*. GASB Statement No. 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are

Maryland Health and Higher Educational Facilities Authority Management's Discussion and Analysis

financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

- During fiscal year 2020, the Authority approved a Community Outreach Program ("Program"). The purpose of the Program is to assist nonprofit health and educational institutions in obtaining financing for facilities in underserved Maryland areas. The Program's guidelines stipulate that the support would be limited to \$500,000 per eligible institution. The Program's assistance is not intended to be a grant but rather could be structured as a loan, guaranty or debt service reserve fund to facilitate financing with at least one other financial partner. While the Authority has not made a financial commitment to an eligible institution, it continues to look for opportunities by engaging in community outreach.

Maryland Health and Higher Educational Facilities Authority
Management's Discussion and Analysis

Financial Highlights

The following summarizes the financial position and results of operations of the Authority for the fiscal years ended June 30, 2024, 2023 and 2022 (in thousands of dollars):

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Assets:			
Current and other assets	\$35,559	\$32,987	\$31,805
Capital assets	<u>284</u>	<u>367</u>	<u>438</u>
Total Assets	35,843	33,354	32,243
Deferred outflows of resources - pension	302	232	181
Liabilities:			
Non-current liabilities	1,079	1,065	900
Other liabilities	<u>219</u>	<u>181</u>	<u>169</u>
Total liabilities	1,298	1,246	1,069
Deferred inflows of resources – pension	<u>43</u>	<u>65</u>	<u>273</u>
Total net position	<u>\$34,804</u>	<u>\$32,275</u>	<u>\$31,082</u>
Operating Revenues	\$ 2,814	\$ 2,808	\$ 2,794
Operating Expenses	<u>1,856</u>	<u>1,750</u>	<u>1,534</u>
Operating Income	958	1,058	1,260
Non-Operating Revenues (Expenses):			
Interest Expense	(14)	(18)	(21)
Net income from investments	671	326	167
Unrealized gain (loss) on investments	<u>914</u>	<u>(173)</u>	<u>(1,505)</u>
Total Non-Operating Revenues (Expenses)	1,571	135	(1,359)
Increase (Decrease) in Net Position	2,529	1,193	(99)
Net Position, beginning of year	<u>32,275</u>	<u>31,082</u>	<u>31,181</u>
Net Position, end of year	<u>\$34,804</u>	<u>\$32,275</u>	<u>\$31,082</u>

Maryland Health and Higher Educational Facilities Authority
Management's Discussion and Analysis

Summary of Financings

During fiscal years 2024, 2023, and 2022, the Authority issued:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Public Issues	\$ 17,140,000	\$ 69,975,000	\$ 360,710,000
Private Placements & Limited Offerings	139,010,000	361,830,170	759,287,319
	<u>\$156,150,000</u>	<u>\$431,805,170</u>	<u>\$1,119,997,319</u>

The following is a list of bonds issued during fiscal year 2024:

HEALTHCARE FINANCINGS:

\$31,169,000 Calvert Health System Issue (2023)

A private placement to refund a Taxable Note that was used to advance refund the Authority's Revenue Bonds, Calvert Health System Issue, Series 2013.

\$29,000,000 Greater Baltimore Medical Center Issue (2023)

A private placement to finance a portion of the construction of a four-story parking garage and a two-story medical office building/cancer center atop the new garage.

CONTINUING CARE RETIREMENT COMMUNITY FINANCINGS:

\$17,000,000 Edenwald Issue (2024)

A private placement to finance renovations, capital expenditures and the predevelopment costs on a planned expansion project.

NON-COLLEGIATE SCHOOL FINANCINGS:

\$17,140,000 Monocacy Montessori Communities Inc. Issue, Series 2023

A limited public offering to finance the acquisition, renovation and furnishing of a new K-12 campus.

\$11,680,000 Patterson Park Public Charter School Issue (2023A)

\$2,190,000 Patterson Park Public Charter School Issue (2023B)

A private placement to finance the acquisition of and improvements for Clay Hill Public Charter School and to refinance its Authority's Revenue Bonds, Patterson Park Public Charter School Issue (2019) and its outstanding taxable term loan.

\$9,500,000 The Diener School Issue (2023A)

\$3,122,000 The Diener School Issue (2023B)

A private placement to finance the acquisition and renovation of a new School campus.

\$8,649,000 City Neighbors Schools Issue (2023)

A private placement to refinance the Authority's Revenue Bonds, City Neighbors Schools Issue, Series 2013A.

\$16,700,000 Friends School of Baltimore Issue (2024)

A private placement to refund the Authority's Revenue Bonds, Friends School of Baltimore Issue (2004) and to finance construction costs associated with the expansion and internal renovation of the School's Lower School Building.

COLLEGIATE SCHOOL FINANCING:

\$10,000,000 Stevenson University Issue (2024)

A private placement to finance a portion of the construction costs of a new Performing Arts Center.

Maryland Health and Higher Educational Facilities Authority
Management's Discussion and Analysis

Total Principal of Bonds Outstanding (in thousands of dollars)

	<u>2024</u>	<u>2023</u>
Public Offerings	\$5,422,860	\$5,534,360
Private Placements & Limited Offerings	<u>3,000,451</u>	<u>2,977,715</u>
Total	<u>\$8,423,311</u>	<u>\$8,512,075</u>

Refer to pages 46-48 for a detailed list of the Public Offerings and Private Placements & Limited Offerings outstanding.

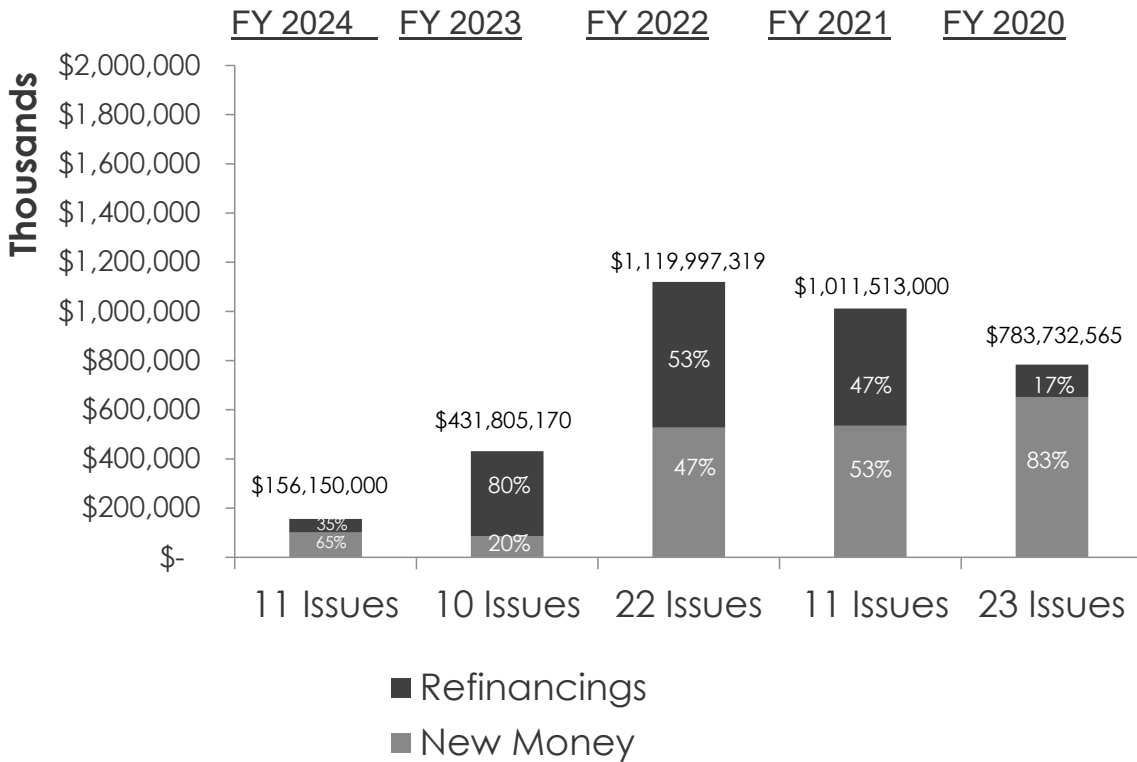
Refer to pages 49-53 for a detailed list of the bonds outstanding for each borrower or obligated group.

Subsequent Bond Activity

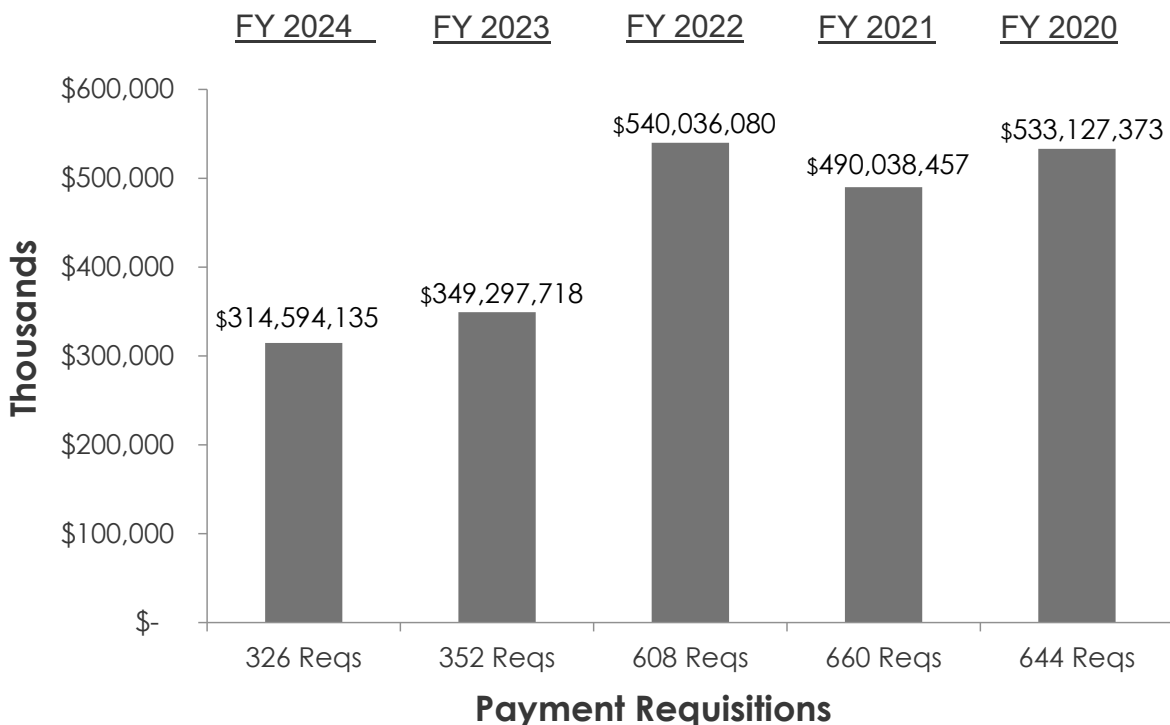
The following bonds had been authorized but not issued as of June 30, 2024:

- Maryland Institute College of Art Issue, Series 2024
- TidalHealth Issue (2024)
- Luminis Health Issue (2024)
- Charlestown Community Issue (2024)

5 Year Bond Issuance Comparison



5 Year Construction Fund Requisitions Comparison



Maryland Health and Higher Educational Facilities Authority
Balance Sheets
As of June 30, 2024 and June 30, 2023
(in thousands of dollars)

	<u>2024</u>	<u>2023</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 162	\$ 233
Investments at fair value	10,193	15,855
Interest receivable	77	33
Prepaid insurance and all other prepayments	63	63
Total current assets	10,495	16,184
Non-current assets:		
Investments at fair value	25,064	16,803
Capital assets (net of accumulated depreciation & amortization of \$599 and \$501, respectively)	284	367
Total non-current assets	25,348	17,170
Deferred outflows of resources - pension related	302	232
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 36,145	\$ 33,586
LIABILITIES AND NET POSITION BALANCES		
Current liabilities:		
Accounts payable and accrued expenses	\$ 26	\$ 4
Accrued salaries and benefits	36	33
Lease liability	95	90
Accrued vacation	62	54
Total current liabilities	219	181
Non-current liabilities:		
Lease liability	209	303
Accrued vacation	65	58
Net pension liability	805	704
Total non-current liabilities	1,079	1,065
Deferred inflows of resources - pension related	43	65
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	1,341	1,311
NET POSITION		
Net investment in capital assets	(19)	(27)
Unrestricted:		
Designated for operations	3,712	3,499
Designated for community outreach program	6,222	5,761
Designated for contingencies	24,889	23,042
TOTAL NET POSITION	34,804	32,275
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 36,145	\$ 33,586

The accompanying notes are an integral part of these financial statements

Maryland Health and Higher Educational Facilities Authority
 Statements of Revenues, Expenses and Changes in Net Position
 For the years ended June 30, 2024 and June 30, 2023
 (in thousands of dollars)

	<u>2024</u>	<u>2023</u>
OPERATING REVENUES		
Administrative fees	\$ 2,814	\$ 2,808
TOTAL OPERATING REVENUES	2,814	2,808
OPERATING EXPENSES		
Salaries	926	883
Employees' insurance and other fringe benefits	76	69
Pension expenses	105	72
Payroll taxes	58	56
Professional fees	311	319
Contract services	199	176
Insurance	40	45
Depreciation and amortization	98	93
Other	43	37
TOTAL OPERATING EXPENSES	1,856	1,750
OPERATING INCOME	958	1,058
NON-OPERATING REVENUES (EXPENSES)		
Interest expense	(14)	(18)
Net income from investments	671	326
Unrealized gain/(loss) on investments	914	(173)
TOTAL NON-OPERATING REVENUES	1,571	135
INCREASE IN NET POSITION	2,529	1,193
Net position, beginning of year	32,275	31,082
Net position, end of year	\$ 34,804	\$ 32,275

The accompanying notes are an integral part of these financial statements

Maryland Health and Higher Educational Facilities Authority
 Statements of Cash Flows
 For the years ended June 30, 2024 and June 30, 2023
 (in thousands of dollars)

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from administrative and other fees	\$ 2,814	\$ 2,808
Cash payments to employees and employee benefits	(1,137)	(1,076)
Cash payments to suppliers for goods and services	(572)	(595)
<u>Net cash provided by operating activities</u>	<u>1,105</u>	<u>1,137</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(16)	(22)
Cash payments on lease liability	(104)	(102)
<u>Net cash used in capital and related financing activities</u>	<u>(120)</u>	<u>(124)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	346	285
Purchases of investments	(25,212)	(4,850)
Sales and maturities of investments	23,810	3,075
<u>Net cash used in investing activities</u>	<u>(1,056)</u>	<u>(1,490)</u>
Net decrease in cash and cash equivalents	(71)	(477)
Cash and cash equivalents, beginning of year	233	710
<u>Cash and cash equivalents, end of year</u>	<u>\$ 162</u>	<u>\$ 233</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	\$ 958	\$ 1,058
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Pension related - proportionate share of state expense	105	71
Pension related - actual cash contribution paid	(95)	(85)
Depreciation	12	7
Amortization	86	86
Prepaid insurance and other prepayments	-	(17)
Accounts payable and accrued expenses	39	17
<u>Net cash provided by operating activities</u>	<u>\$ 1,105</u>	<u>\$ 1,137</u>

The accompanying notes are an integral part of these financial statements

NOTE 1: ORGANIZATION AND ACCOUNTING POLICIES

Organization

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

Accounting Policies

Reporting Entity – The Authority's reporting entity has been defined in accordance with Governmental Accounting Standards Board ("GASB") Statement 34. The financial statements include all operations for which the Authority is financially accountable.

Basis of Presentation, Revenue and Expense Recognition – The Authority follows GASB guidance for proprietary fund accounting and financial reporting. As such, the accompanying financial statements are prepared on the accrual basis of accounting where revenues are recognized when earned and expenses are recorded when incurred. The Authority reports its financial activities by applying Standards of Governmental Accounting and Financial Reporting as promulgated by the GASB. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations. The Authority's operating revenues are annual administrative fees. Operating expenses for the Authority include staff salaries, professional fees and other expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Cash and Cash Equivalents – Cash and cash equivalents consist of short term, highly liquid investments that are readily convertible to known amounts of cash and have original maturities of three months or less. Cash and cash equivalents are carried at cost which approximates fair value. Custodial credit risk for deposits is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. As of June 30, 2024, all of the Authority's deposits were either covered by federal depository insurance or were covered by collateral held by the Authority's agent in the Authority's name. The amount of the Authority's deposits collateralized at June 30, 2024 was \$0.

Investments – The Authority's investment objective is to invest in a manner which will provide the highest return with the maximum security while meeting cash flow needs. Allowable

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

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

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

Unrestricted net position – net position that is not subjected to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Authority or may otherwise be limited by contractual agreements with outside parties. The Authority's unrestricted net position includes an internal designation for operations, maintained at two times the annual operating expenses of the Authority. On June 30, 2024 and June 30, 2023, the designation for operations was \$3,712,000 and \$3,499,000, respectively. Beginning in fiscal year 2020, the Authority internally designated an amount for its Community Outreach Program. The Community Outreach Program's guidelines stipulate an amount that may not exceed 20% of the total net position available for contingencies. After the designation for operations, the total net position available for contingencies was \$31,111,000 and \$28,803,000 as of June 30, 2024 and June 30, 2023, respectively. Of the total net position available for contingencies, \$6,222,000 and \$5,761,000 was designated for the Community Outreach Program as of June 30, 2024 and June 30, 2023, respectively. The remaining unrestricted net position designated for contingencies as of June 30, 2024 and June 30, 2023, was \$24,889,000 and \$23,042,000, respectively. This designation is subject to a limitation equal to 1% of total bonds outstanding. These amounts do not exceed the limitations for June 30, 2024 and June 30, 2023, which were \$84,233,000 and \$85,121,000, respectively.

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

Estimated useful lives are as follows:

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

Amortization of the lease asset is calculated on a straight-line basis over the lease term of 88 months.

Compensated Absences – Vacation benefits are earned by employees of the Authority based on time in service. The right to such vacation benefit is vested and recorded as a liability for amounts due to employees for future absences. Sick leave is also earned and accumulated by employees. However, sick leave does not vest and is not paid unless sickness causes the employee to be absent.

Interest Expense – Interest expense is calculated by multiplying the previous month's remaining lease liability amount by 1/12 of the discount rate of 4% that was used to initially calculate the leased asset and lease liability.

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

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

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NOTE 2: FAIR VALUE MEASUREMENTS

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

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

The Authority has investments in securities that are measured at fair value on a recurring basis in the financial statements. The Authority uses a three level hierarchy for determining fair value and a financial asset or liability classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement. The fair value of these financial assets was determined using Level 2 inputs (inputs other than quoted market prices that are observable either directly or indirectly) as of June 30, 2024 and June 30, 2023. The following tables present the financial assets that the Authority measured at fair value (in thousands of dollars).

June 30, 2024	Level 1	Level 2	Level 3	Total
Obligations of U. S. Treasury	\$ -	\$ 3,339	\$ -	\$ 3,339
Obligations of U.S. government agencies and instrumentalities	-	31,203	-	31,203
Money market fund	715	-	-	715
Total	\$715	\$34,542	\$ -	\$35,257

June 30, 2023	Level 1	Level 2	Level 3	Total
Obligation of U.S. Treasury	\$ -	\$ 975	\$ -	\$ 975
Obligations of U.S. government agencies and instrumentalities	-	30,941	-	30,941
Money market fund	742	-	-	742
Total	\$742	\$31,916	\$ -	\$32,658

NOTE 3: INVESTMENTS

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

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As of June 30, 2024 and June 30, 2023, the amortized cost and fair value of investments were as follows (in thousands of dollars):

June 30, 2024	AMORTIZED COST	GROSS UNREALIZED GAINS	GROSS UNREALIZED LOSSES	FAIR VALUE
Obligations of U.S. Treasury	\$ 3,332	\$17	\$ (10)	\$ 3,339
Obligations of U.S. government agencies and instrumentalities	32,037	18	(852)	31,203
Money market fund	715	-	-	715
Total	\$36,084	\$35	\$ (862)	\$35,257

June 30, 2023	AMORTIZED COST	GROSS UNREALIZED GAINS	GROSS UNREALIZED LOSSES	FAIR VALUE
Obligations of U.S. Treasury	\$ 975	\$ -	\$ -	\$ 975
Obligations of U.S. government agencies and instrumentalities	32,682	-	(1,741)	30,941
Money market fund	742	-	-	742
Total	\$34,399	\$ -	\$(1,741)	\$32,658

The amortized cost and fair value of investments at June 30, 2024 and June 30, 2023, by contractual maturity, are shown below (in thousands of dollars). Expected maturities will differ from contractual maturities because issuers may have the right to call or prepay obligations with or without penalties.

June 30, 2024	AMORTIZED COST	FAIR VALUE
Due in one year or less	\$10,415	\$10,193
Due after one year through five years	25,669	25,064
	\$36,084	\$35,257

June 30, 2023	AMORTIZED COST	FAIR VALUE
Due in one year or less	\$16,217	\$15,855
Due after one year through five years	18,182	16,803
	\$34,399	\$32,658

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Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank or other counterparty failure, the Authority will not be able to recover its deposits or the value of its collateral securities that are in the possession of an outside party. As of June 30, 2024 and June 30, 2023, the Authority’s investments were not subject to custodial credit risk under GASB Statement No. 40. The Authority’s investments are held under a safekeeping agreement, kept separate from the assets of the bank and from other trust accounts and are held in the Authority’s name.

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

As of June 30, 2024 and June 30, 2023, the Authority’s investment holdings by issuer were as follows (in thousands of dollars):

June 30, 2024	Fair Value	Percentage of Total
Obligations of U. S. Treasury	\$ 3,339	9.47%
Obligations of U.S. Government Agencies:		
Federal Farm Credit Banks	6,152	17.45
Federal Home Loan Mortgage Corporation	994	2.82
Federal Home Loan Banks	17,560	49.80
Federal National Mortgage Association	6,497	18.43
Money Market Fund:		
JPMorgan U.S. Government Money Market Fund	715	2.03
Total	\$35,257	100.00%

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<i>June 30, 2023</i>	<i>Fair Value</i>	<i>Percentage of Total</i>
Obligations of U.S. Treasury	\$ 975	2.99%
Obligations of U.S. Government Agencies:		
Federal Farm Credit Banks	10,249	31.38
Federal Home Loan Mortgage Corporation	6,421	19.66
Federal Home Loan Banks	10,188	31.20
Federal National Mortgage Association	4,083	12.50
Money Market Fund:		
JPMorgan U.S. Government Money Market Fund	742	2.27
Total	\$32,658	100.00%

As of June 30, 2024 and June 30, 2023, the credit ratings by issuer were in the highest rating category, as follows:

<i>Asset</i>	<i>Rating</i>	<i>Rating Agency</i>
Obligations of U.S. Treasury:	Aaa	Moody's
Obligations of U.S. Government Agencies:		
Federal Farm Credit Banks	Aaa	Moody's
Federal Home Loan Mortgage Corporation	Aaa	Moody's
Federal Home Loan Banks	Aaa	Moody's
Federal National Mortgage Association	Aaa	Moody's
Money Market Fund:		
JPMorgan U.S. Government Money Market Fund	Aaamf	Moody's

NOTE 4: COMMITMENTS AND CONTINGENCIES

The Authority has a lease commitment for office space through June 30, 2027. The minimum rental commitment for office space for each of the next 3 years is as follows:

2025	\$105,801
2026	107,900
2027	<u>110,040</u>
	\$323,741

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For the years ended June 30, 2024 and 2023, rental payments required under the terms of the lease totaled \$103,742 and \$101,725, respectively.

The building was leased for the Authority, beginning March 1, 2020 through June 30, 2027 at an average rental rate over the term of the lease of \$22.61 per square foot.

Annual requirements to amortize long-term obligations and related interest are as follows:

Year Ending June 30	Principal	Interest
2025	\$ 95,378	\$10,423
2026	101,402	6,498
2027	<u>106,940</u>	<u>3,100</u>
	<u>\$303,720</u>	<u>\$20,021</u>

NOTE 5: CAPITAL ASSETS

A summary of capital asset activity for the year ended June 30, 2024 is as follows:

	Beginning Balance June 30, 2023	Additions	Reductions	Ending Balance June 30, 2024
Capital assets:				
Furniture and Equipment	\$ 237,348	\$ 15,593	\$ -	\$ 252,941
Leased Asset - Building	630,013	-	-	630,013
Total capital assets	<u>867,361</u>	<u>15,593</u>	<u>-</u>	<u>882,954</u>
Less accumulated depreciation for:				
Furniture and Equipment	(214,185)	(12,190)	-	(226,375)
Less accumulated amortization for:				
Leased Asset - Building	<u>(286,370)</u>	<u>(85,911)</u>	<u>-</u>	<u>(372,281)</u>
Total accumulated depreciation & amortization	<u>(500,555)</u>	<u>(98,101)</u>	<u>-</u>	<u>(598,656)</u>
Total capital assets, net	<u>\$ 366,806</u>	<u>\$(82,508)</u>	<u>\$ -</u>	<u>\$ 284,298</u>

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A summary of capital asset activity for the year ended June 30, 2023 is as follows:

	Beginning Balance June 30, 2022	Additions	Reductions	Ending Balance June 30, 2023
Capital assets:				
Furniture and Equipment	\$ 224,497	\$ 22,068	\$(9,217)	\$ 237,348
Leased Asset - Building	630,013	-	-	630,013
Total capital assets	<u>854,510</u>	<u>22,068</u>	<u>(9,217)</u>	<u>867,361</u>
Less accumulated depreciation for:				
Furniture and Equipment	(216,406)	(6,996)	9,217	(214,185)
Less accumulated amortization for:				
Leased Asset - Building	(200,459)	(85,911)	-	(286,370)
Total accumulated depreciation & amortization	<u>(416,865)</u>	<u>(92,907)</u>	<u>9,217</u>	<u>(500,555)</u>
Total capital assets, net	<u><u>\$ 437,645</u></u>	<u><u>\$(70,839)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 366,806</u></u>

NOTE 6: NON-CURRENT LIABILITIES

A summary of non-current liabilities activity for the year ended June 30, 2024 is as follows:

	Beginning Balance June 30, 2023	Additions	Reductions	Ending Balance June 30, 2024	Due within one year
Lease liability	\$ 393,350	\$ -	\$ (89,630)	\$ 303,720	\$ 95,378
Accrued vacation	112,273	127,330	(112,273)	127,330	61,830
Net pension liability	703,500	101,489	-	804,989	-
	<u>\$ 1,209,123</u>	<u>\$ 228,819</u>	<u>\$(201,903)</u>	<u>\$ 1,236,039</u>	<u>\$ 157,208</u>

A summary of non-current liabilities activity for the year ended June 30, 2023 is as follows:

	Beginning Balance June 30, 2022	Additions	Reductions	Ending Balance June 30, 2023	Due within one year
Lease liability	\$ 477,496	\$ -	\$ (84,146)	\$ 393,350	\$ 89,630
Accrued vacation	101,559	112,273	(101,559)	112,273	53,824
Net pension liability	459,052	244,448	-	703,500	-
	<u>\$ 1,038,107</u>	<u>\$ 356,721</u>	<u>\$(185,705)</u>	<u>\$ 1,209,123</u>	<u>\$ 143,454</u>

NOTE 7: PENSION PLAN

Summary

The Authority has adopted GASB No. 68 – Accounting and Financial Reporting for Pensions (“GASB 68”). The Authority participates in the Maryland State Retirement and Pension System, (the “System”) and qualifies as a Participating Governmental Unit (“PGU”). The State Retirement Agency (the “Agency”) is the Plan administrator and fiduciary. GASB No. 68 requires that a PGU recognize its proportionate share of the System’s net pension liability (i.e., unfunded pension liability) and pension expense. The Authority’s proportionate share is based on total System contributions and approximated 0.0035% and 0.0035% as of the measurement dates of June 30, 2023 and 2022, respectively. The Authority’s proportionate share from the measurement date June 30, 2022 to June 30, 2023 remained the same and there was an 12.9% increase from the measurement date June 30, 2021 to June 30, 2022.

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

The Authority’s employees contributed seven percent of their compensation during fiscal years 2024 and 2023 as stipulated by the System. The Authority contributed \$94,699 and \$85,248 to the System for fiscal years 2024 and 2023, respectively, which was actuarially determined based on statutory provisions. The Authority has also recognized in Pension Expense its proportionate share of the System’s deferred inflows of resources (an increase in Pension Expense) attributable to the changes in assumptions, the difference between actual and expected experience, the net difference between projected and actual investment earnings, and change in proportion and its proportionate share of the System’s deferred outflows of resources (a decrease in Pension Expense) attributable to the changes in assumptions, the difference between actual and expected experience, the net difference between projected and actual investment earnings, and change in proportion.

Basis of presentation and basis of accounting

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

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2. Actual employer contributions billed to participating government units for the years ended June 30, 2023 and 2022 were used as the basis for determining each employer’s proportionate share of the collective pension amounts reported in the related Schedule of Employer Allocations. Because the State of Maryland contributed 100% of the actuarial determined contributions, there were no adjustments for the years ended June 30, 2023 and June 30, 2022.

3. The components of the calculation of the net pension liability for the System as of the measurement dates of June 30, 2023 and 2022, calculated in accordance with GASB Statement No. 67, are shown in the following table:

(Expressed in millions)

	Measurement Date <u>June 30, 2023</u>	Measurement Date <u>June 30, 2022</u>
Total Pension Liability	\$87,923.3	\$84,319.5
Less: Plan Fiduciary Net Position	<u>64,893.0</u>	<u>64,310.9</u>
Net Pension Liability	<u>\$23,030.3</u>	<u>\$20,008.6</u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 <u>73.8%</u>	 <u>76.3%</u>

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Actuarial Assumptions

Assumption	Measurement Date June 30, 2023	Measurement Date June 30, 2022
Actuarial	Entry Age Normal	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed	Level Percentage of Payroll, Closed
Inflation	2.25% General; 2.75% Wages	2.25% General; 2.75% Wages
Salary Increases	2.75% to 11.25%	2.75% to 11.25%
Discount Rate	6.80%	6.80%
Investment Rate of Return	6.80%	6.80%
Mortality	Various versions of the Public Sector 2010 Mortality Tables for males and females with projected generational mortality improvements based on the MP-2018 fully generational mortality improvements scale for males and females.	Various versions of the Public Sector 2010 Mortality Tables for males and females with projected generational mortality improvements based on the MP-2018 fully generational mortality improvements scale for males and females.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2019 valuation pursuant to the 2018 experience study for the period July 1, 2014 to June 30, 2018.	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2019 valuation pursuant to the 2018 experience study for the period July 1, 2014 to June 30, 2018.

Investments

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

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Asset Class	June 30, 2023		June 30, 2022	
	Target Allocations	Long-Term Expected Real Rate of Return	Target Allocations	Long-Term Expected Real Rate of Return
Public Equity	34%	6.9%	36%	6.0%
Private Equity	16%	8.6%	15%	8.4%
Rate Sensitive/Fixed Income	20%	2.6%	20%	1.2%
Credit Opportunity	9%	5.6%	8%	4.9%
Real Assets	15%	5.4%	15%	5.2%
Absolute Return	6%	4.4%	6%	3.5%
Total	100%		100%	

The above was the Board of Trustees' adopted asset allocation policy and best estimate of geometric real rates of return for each major asset class as of June 30, 2023 and 2022, respectively.

For the years ended June 30, 2023 and 2022, the annual money-weighted rate of return on pension plan investments, net of the pension plan investment expense was 3.11% and (2.97%), respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

A single discount rate of 6.80% was used to measure the total pension liability as of June 30, 2023 and 2022, respectively. This single discount rate was based on the expected rates of return on pension plan investments of 6.80% as of June 30, 2023 and 2022, respectively. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability

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

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\$ expressed in thousands

2023	1% Lower – 5.80%	Current Rate – 6.80%	1% Higher – 7.80%
The System’s Net Pension Liability	\$34,149,289	\$23,030,311	\$13,803,484
The Authority’s Proportionate Share of Net Pension Liability	\$1,194	\$805	\$482

2022	1% Lower – 5.80%	Current Rate – 6.80%	1% Higher – 7.80%
The System’s Net Pension Liability	\$30,699,454	\$20,008,532	\$11,137,544
The Authority’s Proportionate Share of Net Pension Liability	\$1,080	\$704	\$392

Pension Plan Description

Organization

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

Covered Members

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

Summary of Significant Plan Provisions

All plan benefits are specified by the State Personnel and Pensions Article of the Annotated Code of Maryland. For all individuals who were members of the System on or before June 30, 2011, pension allowances are computed using both the highest three consecutive years' Average Final Compensation (AFC) and the actual number of years of accumulated creditable service. For any individual who became or becomes a member of one of the pension systems on or after July 1, 2011, pension allowances are computed using both the highest five consecutive years' AFC and the actual number of years of accumulated creditable service. Various retirement options are available under each system which ultimately determine how a retiree's benefit allowance will be computed. Some of these options require actuarial reductions based on the retiree's and designated beneficiary's attained age and similar actuarial factors. The member contribution rate was increased for members of the Employees' Pension System from 5% to 7% on July 1, 2011. In addition, the benefit attributable to service on or after July 1, 2011 in many of the pension systems now will be subject to different cost-of-living adjustments (COLA) that are based on the increase in the Consumer Price Index (CPI) and capped at 2.5% or 1.0% based on whether the market value investment return for the preceding calendar year was higher or lower than the investment return assumption used in the valuation. A brief summary of the retirement eligibility requirements of and the benefits available under the various systems in effect during fiscal years 2023 and 2022, is as follows:

Service Retirement Allowances

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

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

Vested Allowances

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

Early Service Retirement

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

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

Disability and Death Benefits

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

Adjusted Retirement Allowances (as applicable)

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

Maryland Health and Higher Educational Facilities Authority
Notes to Financial Statements
June 30, 2024 and June 30, 2023

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

At June 30, 2024 and 2023, the Authority reported a liability of \$804,989 and \$703,500, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023 and 2022, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental units, actuarially determined. At June 30, 2023 and 2022, the Authority's proportion was approximately 0.0034953% and 0.0035160%, respectively.

For the years ended June 30, 2024 and 2023, the Authority recognized pension expense of \$104,317 and \$70,881, respectively. At the measurement dates of June 30, 2023 and 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Measurement Date of June 30, 2023	Deferred Outflows	Deferred Inflows
Changes in assumptions	\$ 48,433	\$ 1,787
Difference between actual and expected experience	28,293	32,560
Net difference between projected and actual earnings on pension plan investments	90,688	-
Change in proportion	40,233	9,050
Contributions subsequent to the measurement date	94,699	-
Total	\$ 302,346	\$ 43,397

Measurement Date of June 30, 2022	Deferred Outflows	Deferred Inflows
Changes in assumptions	\$ 68,135	\$ 4,406
Difference between actual and expected experience	-	46,050
Net difference between projected and actual earnings on pension plan investments	24,331	-
Change in proportion	54,142	14,322
Contributions subsequent to the measurement date	85,248	-
Total	\$ 231,856	\$ 64,778

The deferred outflows of resources of \$94,699 and \$85,248 relating to contributions subsequent to the measurement dates of June 30, 2023 and 2022, respectively, will be recognized as a reduction of the Authority's net pension liability during the fiscal years ending June 30, 2025 and 2024, respectively. The deferred outflows and inflows of resources due to changes in assumptions, differences between actual and expected experience, change in proportion, and net differences between projected and actual investment earnings represent the Authority's proportionate share of the unamortized portions of the System's original

Maryland Health and Higher Educational Facilities Authority
Notes to Financial Statements
June 30, 2024 and June 30, 2023

amounts. The deferred inflows and outflows related to non-investment activity for 2023, 2022, 2021, 2020 and 2019 are being amortized over the remaining service lives ranging from 5.50 to 5.87 years. The deferred outflows and inflows related to net differences in investment earnings for 2023, 2022, 2021, 2020 and 2019 are being amortized over a closed 5-year period. These unamortized amounts will be ratably recognized in pension expense over these service lives and the closed 5-year period.

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

Total Amortizations by Year			
Fiscal Year Ended June 30	Deferred Outflows	Deferred Inflows	Net
2025	\$ 51,271	\$ 19,469	\$ 31,802
2026	36,407	11,075	25,332
2027	89,312	8,878	80,434
2028	27,843	3,656	24,187
2029	2,814	319	2,495
Total	\$ 207,647	\$ 43,397	\$ 164,250

Net Pension Liability

The components of the Authority’s proportionate share of the System’s net pension liability as of the measurement dates of June 30, 2023 and 2022 were as follows (expressed in thousands):

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Total pension liability	\$3,073	\$2,965
Less: Plan fiduciary net position	<u>2,268</u>	<u>2,261</u>
Net pension liability	<u>\$ 805</u>	<u>\$ 704</u>
Plan fiduciary net position as a percentage of total pension liability	73.8%	76.3%

The Pension Plan Fiduciary

Plan Information as well as the Comprehensive Annual Financial Report of the Maryland State Retirement and Pension System for the years ended June 30, 2023 and 2022 are available from:

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

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

Maryland Health and Higher Educational Facilities Authority
 Notes to Financial Statements
 June 30, 2024 and June 30, 2023

NOTE 8: CONDUIT DEBT

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

The following is a summary of conduit debt activity for the years ended June 30, 2024 and June 30, 2023 (in thousands of dollars):

	<u>2024</u>	<u>2023</u>
Bonds outstanding at beginning of the fiscal year	\$8,512,075	\$8,600,232
Plus: Bonds issued during fiscal year	156,150	431,805
Less: Redemptions and refundings during fiscal year	(244,914)	(519,962)
Bonds outstanding as of June 30, 2024 and June 30, 2023	\$8,423,311	\$8,512,075

NOTE 9: SUBSEQUENT EVENTS

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Authority through September 5, 2024 (the date these financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

Maryland Health and Higher Educational Facilities Authority
 Required Supplementary Information

**Additional Information – Schedules of Required Pension Related
 Supplementary Information**

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

	FY2024	FY2023	FY2022	FY2021	FY2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015
Authority’s proportion (%) of collective net pension liability	0.0035%	0.0035%	0.0031%	0.0035%	0.0022%	0.0024%	0.0024%	0.0025%	0.0028%	0.0026%
Authority’s proportionate share (\$) of collective net pension liability	\$804,989	\$703,500	\$459,052	\$784,383	\$450,631	\$505,371	\$509,313	\$595,776	\$574,755	\$460,117
Authority’s covered payroll (\$)*	\$836,554	\$779,950	\$759,183	\$874,306	\$1,017,707	\$721,265	\$784,160	\$809,354	\$779,710	\$780,688
Authority’s proportionate share of collective net pension liability as a percentage of its covered payroll	96.23%	90.20%	60.47%	89.72%	44.28%	70.07%	64.95%	73.61%	73.71%	58.94%
Pension plan’s fiduciary net position as a percentage of the total pension liability	73.81%	76.27%	81.81%	70.72%	72.34%	71.18%	69.38%	65.79%	68.78%	71.87%

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

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

Maryland Health and Higher Educational Facilities Authority
 Required Supplementary Information

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 94,699	\$ 85,248	\$ 80,245	\$ 67,425	\$ 74,411	\$ 44,865	\$ 48,030	\$ 47,939	\$ 49,191	\$ 58,294
Contributions in relation to the contractually required contribution	<u>94,699</u>	<u>85,248</u>	<u>80,245</u>	<u>67,425</u>	<u>74,411</u>	<u>44,865</u>	<u>48,030</u>	<u>47,939</u>	<u>49,191</u>	<u>58,294</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's Covered Payroll	\$ 836,554	\$ 779,950	\$ 759,183	\$ 874,306	\$ 1,017,707	\$ 721,265	\$ 784,160	\$ 809,354	\$ 779,710	\$ 780,688
Contributions as a percentage of covered-employee payroll	11.32%	10.93%	10.57%	7.71%	7.31%	6.22%	6.13%	5.92%	6.31%	7.47%

Notes to Required Supplementary Information

Actuarial Assumptions and Trends

	Change from Fiscal Year 2017 to 2018	Change from Fiscal Year 2018 to 2019	Change from Fiscal Year 2019 to 2020	Change from Fiscal Year 2020 to 2021	Change from Fiscal Year 2021 to 2022	Change from Fiscal Year 2022 to 2023
Inflation General	2.65% to 2.60%	2.60% to 2.65%	2.65% to 2.60%	2.60% to 2.25%	No Change	No Change
Inflation Wages	3.15% to 3.10%	3.10% to 3.15%	3.15% to 3.10%	3.10% to 2.75%	No Change	No Change
Covered Employees	No Change	No Change	Increase of 2 covered employees due to position overlap	Decrease of 1 covered employee due to retirement of employee	No Change	No Change
Discount Rate	7.50% to 7.45%	7.45% to 7.40%	No Change	7.40% to 6.80%	No Change	No Change
Investment rate of return	7.50% to 7.45%	7.45% to 7.40%	No Change	7.40% to 6.80%	No Change	No Change

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

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

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

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

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

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

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

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

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

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

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

Maryland Health and Higher Educational Facilities Authority
Additional Information - Combined Balance Sheets of Trusteed Conduit Debt Funds
As of June 30, 2024
(in thousands of dollars)

	Construction Funds	Program Funds	Debt Service Funds
Assets			
Cash and cash equivalents	\$7,100.0	\$0.0	\$2,122.3
Investments	294,390.9	77,650.0	147,763.5
Interest receivable	0.0	0.0	0.0
Due from other funds	0.0	733.4	3,266.2
Due from institutions	0.0	0.0	44,596.0
Total Assets	\$301,490.9	\$78,383.4	\$197,748.0
Liabilities and Net Position			
Liabilities			
Accounts payable and accrued expenses	0.0	0.0	165.9
Principal payable	0.0	0.0	97,673.8
Interest payable	0.0	0.0	84,962.4
Due to other funds	2,803.2	733.4	463.0
Total Liabilities	\$2,803.2	\$733.4	\$183,265.1
Restricted Net Position			
Reserved for debt service	0.0	0.0	14,482.9
Reserved for loans under Pooled Loan Program	0.0	77,650.0	0.0
Designated for specific projects	0.0	0.0	0.0
Designated for projects under bond resolution or indenture	298,687.7	0.0	0.0
Total Net Position	\$298,687.7	\$77,650.0	\$14,482.9
Total Liabilities and Net Position	\$301,490.9	\$78,383.4	\$197,748.0

Maryland Health and Higher Educational Facilities Authority
 Additional Information - Combined Balance Sheets of Trusteed Conduit Debt Funds
 As of June 30, 2024
 (in thousands of dollars)

Debt Service Reserve Funds	Project Reserve Funds	Redemption Funds	Total
\$40.2	\$0.0	\$0.0	\$9,262.5
54,623.4	458.7	0.0	574,886.5
3.3	0.0	0.0	\$3.3
0.0	0.0	0.0	3,999.6
0.0	0.0	0.0	\$44,596.0
\$54,666.9	\$458.7	\$0.0	\$632,747.9
<hr/>			
0.0	0.0	0.0	165.9
0.0	0.0	0.0	97,673.8
0.0	0.0	0.0	84,962.4
0.0	0.0	0.0	3,999.6
\$0.0	\$0.0	\$0.0	\$186,801.7
<hr/>			
54,666.9	0.0	0.0	69,149.8
0.0	0.0	0.0	77,650.0
0.0	458.7	0.0	458.7
0.0	0.0	0.0	298,687.7
\$54,666.9	\$458.7	\$0.0	\$445,946.2
\$54,666.9	\$458.7	\$0.0	\$632,747.9

Maryland Health and Higher Educational Facilities Authority
Additional Information - Combined Statements of Changes in Net Position
of Trusteed Conduit Debt Funds
For the year ended June 30, 2024
(in thousands of dollars)

	Construction Funds	Program Funds	Debt Service Funds
ADDITIONS			
Proceeds from sale of bonds and notes:			
Gross proceeds	\$166,732.6	\$0.0	\$0.0
Underwriter's discount	(154.3)	0.0	0.0
Net original issuance - premium	48.3	0.0	0.0
Payments, contributions, equity contributions	850.0	0.0	3,733.1
Lease and loan payments	0.0	0.0	276,645.9
Debt service interest	0.0	0.0	345,987.6
Income from investments	19,261.6	3,371.1	1,343.8
Transfer from escrow agent	0.0	0.0	0.0
Transfer from other issuer	0.0	0.0	31,169.0
Total Additions	\$186,738.2	\$3,371.1	\$658,879.4
DEDUCTIONS			
Project and financing costs	325,186.2	0.0	2,062.0
Loans to institutions	0.0	0.0	0.0
Debt service:			
Principal	1,105.4	0.0	246,585.6
Interest	0.0	0.0	355,439.7
Required payments to institutions	1.6	0.0	73.2
Retirement of bonds	0.0	0.0	68,199.0
Transfer to other issuer	0.0	0.0	0.0
Total Deductions	\$326,293.2	\$0.0	\$672,359.5
Net Interfund Transfers In/(Out)	(28,466.1)	17,514.8	12,683.9
Beginning of Year Net Position	\$466,708.8	\$56,764.1	\$15,279.1
Ending Net Position	\$298,687.7	\$77,650.0	\$14,482.9

Maryland Health and Higher Educational Facilities Authority
 Additional Information - Combined Statements of Changes in Net Position
 of Trusteed Conduit Debt Funds
 For the year ended June 30, 2024
 (in thousands of dollars)

Debt Service Reserve Funds	Project Reserve Funds	Redemption Funds	Total
\$1,191.6	\$0.0	\$0.0	\$167,924.2
0.0	0.0	0.0	(154.3)
0.0	0.0	0.0	48.3
0.0	66.0	0.0	4,649.1
0.0	0.0	0.0	276,645.9
0.0	0.0	0.0	345,987.6
1,502.3	22.9	0.0	25,501.7
0.0	0.0	0.0	0.0
0.0	0.0	0.0	31,169.0
\$2,693.9	\$88.9	\$0.0	\$851,771.5
0.0	0.0	0.0	\$327,248.2
0.0	0.0	0.0	0.0
0.0	0.0	0.0	247,691.0
0.0	0.0	0.0	355,439.7
110.0	0.0	0.0	184.8
0.0	0.0	0.0	68,199.0
0.0	0.0	0.0	0.0
\$110.0	\$0.0	\$0.0	\$998,762.7
(1,803.1)	70.5	0.0	0.0
\$53,886.1	\$299.3	\$0.0	\$592,937.4
\$54,666.9	\$458.7	\$0.0	\$445,946.2

Maryland Health and Higher Educational Facilities Authority

Additional Information - Conduit Debt Outstanding

As of June 30, 2024, the principal amount of bonds and notes outstanding is as follows (in thousands of dollars):	ISSUE DATE	AMOUNT ISSUED	FINAL MATURITY	BONDS AND NOTES PAYABLE JUNE 30, 2024
PUBLIC OFFERINGS				
Pooled Loan Program, Series 1985A & B	December 30, 1985	\$ 175,000	2035	\$ 175,000
Greater Baltimore Medical Center Issue, Series 1995	October 11, 1995	10,000	2025	1,160
The Johns Hopkins Medical Institutions Parking Facilities Issue, Series 1996	March 28, 1996	42,425	2026	8,760
Medlantic/Helix Issue, Series 1998A	December 17, 1998	166,605	2038	82,055
Medlantic/Helix Issue, Series 1998B	December 17, 1998	116,910	2038	56,960
The Johns Hopkins Medical Institutions Parking Facilities Issue, Series 2001	August 29, 2001	28,030	2034	15,185
The Johns Hopkins Medical Institutions Parking Facilities Issue, Series 2004	May 26, 2004	35,665	2034	33,475
The Johns Hopkins Medical Institutions Parking Facilities Issue, Series 2004B	December 1, 2004	33,035	2038	14,655
The Johns Hopkins University Issue, Series 2005A	March 3, 2005	69,265	2036	69,265
Mercy Medical Center Issue, Series 2006	August 3, 2006	35,000	2036	22,855
Gaudenzia Foundation Issue, Series 2007	December 12, 2007	5,500	2028	1,635
Odenton Christian School Issue, Series 2008	March 19, 2008	3,590	2033	3,170
University of Maryland Medical System Issue, Series 2008D	May 21, 2008	50,000	2041	50,000
MedStar Health Issue, Series 2011	November 17, 2011	94,920	2024	995
Maryland Institute College of Art Issue, Series 2012	October 10, 2012	33,985	2047	24,905
MedStar Health Issue, Series 2013A	March 21, 2013	117,785	2041	105,715
University of Maryland Medical System Issue, Series 2013B (Taxable)	April 2, 2013	115,055	2043	115,055
MedStar Health Issue, Series 2013B	May 21, 2013	149,760	2038	149,760
The Johns Hopkins University Issue, Series 2013B	June 20, 2013	99,625	2041	65,250
Loyola University Maryland Issue, Series 2014	October 30, 2014	60,365	2045	60,365
Anne Arundel Health System Issue, Series 2014	November 26, 2014	127,305	2039	2,925
Peninsula Regional Medical Center Issue, Series 2015	February 5, 2015	126,665	2045	2,800
MedStar Health Issue, Series 2015	February 11, 2015	357,205	2045	300,750
The Johns Hopkins Health System Issue, Series 2015A	May 12, 2015	134,735	2040	114,000
The Johns Hopkins Medical Institutions Utilities Issue, Series 2015A	May 12, 2015	19,505	2037	19,505
University of Maryland Medical System Issue, Series 2015	May 21, 2015	80,145	2041	67,265
Meritus Medical Center Issue, Series 2015	July 9, 2015	257,300	2045	219,195
LifeBridge Health Issue, Series 2015	July 30, 2015	159,685	2047	92,095
Edenwald Issue, Series 2015	October 14, 2015	49,030	2037	36,180
Mercy Medical Center Issue, Series 2016A	March 2, 2016	135,250	2042	135,250
Maryland Institute College of Art Issue, Series 2016	October 6, 2016	37,990	2042	35,570
Charlestown Community Issue, Series 2016A	November 2, 2016	89,600	2045	77,060
LifeBridge Health Issue, Series 2016	November 9, 2016	120,695	2047	116,060
Adventist HealthCare Issue, Series 2016A	December 14, 2016	269,750	2046	259,680
Trinity Health Credit Group Series 2017MD	January 19, 2017	30,065	2046	30,065
University of Maryland Medical System Issue, Series 2017B	February 2, 2017	152,410	2039	125,500
University of Maryland Medical System Issue, Series 2017C (Taxable)	February 2, 2017	121,400	2029	77,345
Doctors Community Hospital Issue, Series 2017A	February 23, 2017	64,165	2038	64,165
Maryland Institute College of Art Issue, Series 2017	March 7, 2017	17,585	2042	15,745
Goucher College Issue, Series 2017A	June 22, 2017	57,565	2044	55,705
Green Street Academy Issue, Series 2017A	June 27, 2017	21,040	2052	20,990
MedStar Health Issue, Series 2017A	June 29, 2017	395,055	2047	395,055
Anne Arundel Health System Issue, Series 2017A	November 1, 2017	42,485	2034	39,145
Anne Arundel Health System Issue, Series 2017B (Taxable)	November 1, 2017	17,760	2027	9,215
LifeBridge Health Issue, Series 2017	November 9, 2017	118,120	2044	100,675
University of Maryland Medical System Issue, Series 2017D	December 19, 2017	145,265	2048	145,265
University of Maryland Medical System Issue, Series 2017E (Taxable)	December 19, 2017	44,700	2048	44,700
Broadmead Issue, Series 2018A	October 18, 2018	60,555	2048	57,730
Loyola University Maryland Issue, Series 2019A	December 19, 2019	43,640	2049	31,300
Loyola University Maryland Issue, Series 2019B (Taxable)	December 19, 2019	34,775	2039	34,230
UPMC Issue, Series 2020B	April 29, 2020	190,955	2050	178,020
Peninsula Regional Health System Issue, Series 2020A	May 13, 2020	95,995	2048	92,800
Frederick Health System Issue, Series 2020	June 25, 2020	62,645	2050	62,645
University of Maryland Medical System Issue, Series 2020B-1	July 22, 2020	78,260	2045	78,260
University of Maryland Medical System Issue, Series 2020B-2	July 22, 2020	74,420	2045	74,420
University of Maryland Medical System Issue, Series 2020D (Taxable)	July 22, 2020	600,000	2050	600,000
St. John's College Issue, Series 2020	July 27, 2020	8,430	2040	7,140
Adventist HealthCare Issue, Series 2020	December 30, 2020	18,725	2038	15,315
Stevenson University Issue, Series 2021A	January 28, 2021	126,380	2028	126,380
Greater Baltimore Medical Center Issue, Series 2021A	September 1, 2021	104,095	2051	104,095
Adventist HealthCare Issue, Series 2021A	October 7, 2021	48,120	2036	36,445
Adventist HealthCare Issue, Series 2021B	October 13, 2021	138,660	2051	138,660
Adventist HealthCare Issue, Series 2021C (Taxable)	October 13, 2021	69,835	2043	57,320
Frederick Health System Issue, Series 2023	June 29, 2023	69,975	2050	69,975
Public Offerings Outstanding		\$ 6,460,460		\$ 5,422,860

Maryland Health and Higher Educational Facilities Authority

Additional Information - Conduit Debt Outstanding

As of June 30, 2024, the principal amount of bonds and notes outstanding is as follows (in thousands of dollars):	ISSUE DATE	AMOUNT ISSUED	FINAL MATURITY	BONDS AND NOTES PAYABLE JUNE 30, 2024
PRIVATE PLACEMENTS AND LIMITED OFFERINGS				
St. John's Episcopal Day School Issue (2001)	December 21, 2001	\$ 7,000	2032	\$ 3,067
The Johns Hopkins Health System Issue, Commercial Paper, Series B	February 9, 2004	40,000	2024	15,355
Mt. Airy Christian Academy Issue (2005)	August 26, 2005	2,500	2031	249
Archdiocese of Baltimore Schools Issue (2007)	June 21, 2007	24,165	2037	21,675
Keswick Multi-Care Center Issue (2007)	August 9, 2007	11,520	2037	8,955
Mercy Medical Center Issue, Series 2007B & 2007C (Converted)	April 1, 2010	18,080	2034	3,800
Park School Issue (2010)	December 1, 2010	14,590	2034	6,911
Charles County Nursing and Rehabilitation Center Issue (2012A)	June 19, 2012	5,446	2037	3,357
Charles County Nursing and Rehabilitation Center Issue (2012B)	June 19, 2012	2,554	2037	1,717
Pickersgill Issue (2012)	June 28, 2012	31,150	2033	16,740
The Foundation Schools Issue (2012)	July 25, 2012	6,221	2037	3,823
Mount St. Joseph Issue (2012A)	September 27, 2012	14,000	2042	9,974
Hebrew Home of Greater Washington Issue (2012)	December 20, 2012	21,308	2032	10,373
Trinity School Issue (2013)	January 24, 2013	6,450	2026	1,312
Way Station Issue (2013)	May 2, 2013	7,200	2028	2,167
Adventist HealthCare Issue (2013)	June 12, 2013	15,624	2025	2,356
Our Lady of Good Counsel Issue (2014A)	March 12, 2014	31,125	2045	22,413
Gilman School Issue (2014)	October 16, 2014	35,500	2050	35,500
DeMatha Catholic High School Issue (2014)	November 13, 2014	17,750	2039	13,006
Union Hospital of Cecil County Issue (2014)	December 10, 2014	30,778	2039	28,276
Our Lady of Good Counsel Issue (2015B)	March 17, 2015	2,950	2045	2,203
Indian Creek School Issue (2015)	August 27, 2015	12,810	2030	8,680
University of Maryland Faculty Physicians Issue (2015)	December 1, 2015	12,615	2031	6,280
Mercy Medical Center Issue (2016C)	May 19, 2016	65,450	2042	53,645
The Johns Hopkins Health System Issue (2016B)	June 20, 2016	48,245	2042	48,245
Bishop McNamara High School Issue (2016)	June 23, 2016	16,880	2041	8,130
Doctors Community Hospital Issue (2016)	June 29, 2016	31,945	2030	30,235
The Key School Issue (2016A)	July 21, 2016	15,999	2046	13,844
Severn School Issue (2016A)	August 31, 2016	12,500	2036	8,360
University of Maryland Medical System Issue (2016B)	September 27, 2016	50,295	2041	50,295
University of Maryland Medical System Issue (2016C)	September 27, 2016	50,345	2041	50,345
Mosaic Community Services Issue (2016)	September 28, 2016	4,066	2026	1,025
University of Maryland Medical System Issue (2016E)	October 13, 2016	54,370	2039	41,245
University of Maryland Medical System Issue (2016F)	October 13, 2016	54,360	2039	44,295
Charlestown Community Issue (2016B)	November 2, 2016	30,000	2045	24,885
Charlestown Community Issue (2016C)	December 1, 2016	25,000	2045	22,143
Adventist HealthCare Issue (2016B)	December 14, 2016	126,395	2046	115,120
Roland Park Place Issue (2017)	March 2, 2017	30,000	2042	29,784
Greater Baltimore Medical Center Issue (2017)	March 8, 2017	73,720	2034	67,170
Kennedy Krieger Issue (2017A)	March 9, 2017	23,000	2042	19,837
Kennedy Krieger Issue (2017B)	March 9, 2017	27,510	2037	21,951
Connelly School of the Holy Child Issue (2017A)	March 28, 2017	3,980	2037	2,979
The Vestry of Holy Trinity Parish Issue (2017)	March 29, 2017	3,481	2027	2,852
Doctors Community Hospital Issue (2017B)	April 4, 2017	38,710	2024	5,485
Bryn Mawr School Issue (2017A)	June 13, 2017	8,045	2042	6,714
Bryn Mawr School Issue (2017B)	June 13, 2017	4,000	2042	3,145
Atlantic General Hospital Issue (2017A)	September 14, 2017	7,501	2027	3,125
Atlantic General Hospital Issue (2017B)	September 14, 2017	20,013	2042	20,013
The Johns Hopkins Health System Issue (2017B)	October 11, 2017	168,825	2038	140,530
Adventist HealthCare Issue (2017)	December 14, 2017	40,000	2042	33,075
Sheppard Pratt Issue (2017)	December 20, 2017	178,748	2048	151,736
Calvert Hall College Issue (2017)	December 21, 2017	16,000	2038	11,958
The Johns Hopkins Health System Issue (2018A)	April 25, 2018	48,245	2048	48,245
The Johns Hopkins Health System Issue (2018B)	May 10, 2018	88,250	2046	88,250
Annapolis Life Care Issue (2018A)	August 21, 2018	38,981	2048	34,711
Annapolis Life Care Issue (2018B)	August 21, 2018	10,000	2048	9,232
Notre Dame Preparatory School Issue (2018)	August 30, 2018	7,000	2048	4,021
Sandy Spring Friends School Issue (2018A)	September 20, 2018	14,461	2048	12,811
Sandy Spring Friends School Issue (2018B)	September 20, 2018	8,000	2048	7,300
Sandy Spring Friends School Issue (2018C)	September 20, 2018	6,025	2025	2,025
Stella Maris Issue, Series 2018	December 19, 2018	21,000	2050	16,410
Rockbridge Academy Issue (2019A)	January 16, 2019	5,250	2022	4,983
Stone Ridge School Issue (2019A)	June 18, 2019	25,000	2049	23,663
St. Paul's Schools Issue (2019A)	July 24, 2019	5,000	2049	5,000
St. Paul's Schools Issue (2019B)	July 24, 2019	20,000	2029	4,341
Roland Park Place Issue (2019A)	July 31, 2019	20,000	2049	19,916
Beth Tfiloh Dahan Community School Issue (2019)	August 28, 2019	8,600	2044	7,365

Maryland Health and Higher Educational Facilities Authority

Additional Information - Conduit Debt Outstanding

As of June 30, 2024, the principal amount of bonds and notes outstanding is as follows (in thousands of dollars):	ISSUE DATE	AMOUNT ISSUED	FINAL MATURITY	BONDS AND NOTES PAYABLE JUNE 30, 2024
Maryland School for the Blind Issue (2019)	September 25, 2019	20,713	2049	18,160
The SEED School of Maryland Issue (2019)	October 17, 2019	20,500	2037	15,907
Bishop McNamara High School Issue (2019A)	December 17, 2019	3,750	2039	3,327
Bishop McNamara High School Issue (2019B)	December 17, 2019	8,000	2029	6,395
The Boys' Latin School of Maryland Issue (2020A)	January 16, 2020	14,000	2050	12,576
The Boys' Latin School of Maryland Issue (2020B)	January 16, 2020	12,000	2050	12,000
Integrace Issue (2020A)	February 6, 2020	87,110	2049	87,110
Integrace Issue (2020B) (Taxable)	February 6, 2020	12,195	2026	8,390
Legends Charter School Issue, Series 2020A	March 12, 2020	25,000	2055	25,000
Legends Charter School Issue, Series 2020B (Taxable)	March 12, 2020	1,000	2027	765
Norwood School Issue (2020)	May 4, 2020	10,500	2050	9,929
Roland Park Country School Issue (2020)	August 6, 2020	13,000	2050	13,000
Kennedy Krieger, Issue (2020)	August 20, 2020	14,300	2036	8,890
Stevenson University Issue (2021B) (Taxable)	January 28, 2021	14,779	2028	8,176
Calvert Health System Issue (2021)	April 15, 2021	16,539	2035	13,276
Mercy Medical Center Issue (2021)	April 21, 2021	46,680	2031	43,100
LifeBridge Health Issue (2021)	July 1, 2021	42,857	2027	21,429
Mercy Ridge Issue (2021)	July 8, 2021	29,915	2035	25,370
St. Andrew's Episcopal School Issue (2021)	August 31, 2021	7,903	2051	7,350
Greater Baltimore Medical Center Issue (2021B)	September 1, 2021	25,000	2031	25,000
Notre Dame of Maryland University Issue (2021)	September 16, 2021	8,256	2050	8,256
Washington Episcopal Day School Issue (2021)	October 21, 2021	10,946	2051	10,262
French International School Issue (2021)	October 26, 2021	70,200	2051	66,681
Friends Community School Issue (2021)	November 10, 2021	5,600	2051	4,095
University of Maryland Medical System Issue (2021A)	December 8, 2021	160,845	2041	156,670
University of Maryland Medical System Issue (2021B)	December 22, 2021	107,510	2042	97,670
Luminis Health System Issue (2022A)	February 3, 2022	60,220	2043	60,220
Landon School Issue (2022A)	March 3, 2022	46,000	2052	43,734
Landon School Issue (2022B)	March 3, 2022	20,000	2032	9,437
LifeBridge Investments Issue (2022) (Taxable)	March 17, 2022	75,000	2052	75,000
Imagine Andrews Public Charter School Issue, Series 2022A	May 10, 2022	7,335	2052	7,335
Imagine Andrews Public Charter School Issue, Series 2022B (Taxable)	May 10, 2022	1,165	2031	920
Mercy Medical Center Issue (2022A)	June 9, 2022	45,200	2031	41,865
Mercy Medical Center Issue (2022B)	June 29, 2022	35,335	2037	35,335
Luminis Health System Issue (2022B)	July 1, 2022	49,100	2034	45,040
LifeBridge Health Issue (2022A)	July 1, 2022	48,335	2037	44,309
Frederick Health System Issue (2022)	July 1, 2022	93,550	2038	90,200
Goucher College Issue (2022)	August 11, 2022	48,854	2052	48,854
Notre Dame of Maryland University Issue (2022)	October 3, 2022	16,279	2050	16,279
St. Andrew's Episcopal School Issue (2022)	October 3, 2022	20,212	2051	19,351
Bullis School Issue (2023A)	March 20, 2023	48,000	2053	47,420
Bullis School Issue (2023B)	March 20, 2023	50	2030	50
Kennedy Krieger Issue (2023)	April 3, 2023	17,500	2033	17,500
Calvert Health System Issue (2023)	July 3, 2023	31,169	2038	31,169
Monocacy Montessori Communities Inc. Issue, Series 2023	July 11, 2023	17,140	2063	17,140
Greater Baltimore Medical Center Issue (2023)	October 19, 2023	29,000	2049	29,000
Patterson Park Public Charter School Issue (2023A)	November 2, 2023	11,680	2053	11,680
Patterson Park Public Charter School Issue (2023B)	November 2, 2023	2,190	2031	2,190
The Diener School Issue (2023A)	November 21, 2023	9,500	2053	9,500
The Diener School Issue (2023B)	November 21, 2023	3,122	2029	2,190
City Neighbors Schools Issue (2023)	December 12, 2023	8,649	2043	8,507
Edenwald Issue (2024)	February 29, 2024	17,000	2054	2,114
Friends School of Baltimore Issue (2024)	May 16, 2024	16,700	2056	16,700
Stevenson University Issue (2024)	May 23, 2024	10,000	2056	10,000
Private Placements and Limited Offerings Outstanding		\$ 3,503,914		\$ 3,000,451
Total Outstanding		\$ 9,964,374		\$ 8,423,311

Maryland Health and Higher Educational Facilities Authority

Additional Information - Conduit Debt Outstanding by Borrower

As of June 30, 2024, the principal amount of bonds and notes outstanding is as follows (in thousands of dollars):	<i>ISSUE DATE</i>	<i>AMOUNT ISSUED</i>	<i>FINAL MATURITY</i>	<i>BONDS AND NOTES PAYABLE JUNE 30, 2024</i>
Adventist HealthCare Issue (2013)	June 12, 2013	\$ 15,624	2025	\$ 2,356
Adventist HealthCare Issue, Series 2016A	December 14, 2016	269,750	2046	259,680
Adventist HealthCare Issue (2016B)	December 14, 2016	126,395	2046	115,120
Adventist HealthCare Issue (2017)	December 14, 2017	40,000	2042	33,075
Adventist HealthCare Issue, Series 2020	December 30, 2020	18,725	2038	15,315
Adventist HealthCare Issue, Series 2021A	October 7, 2021	48,120	2036	36,445
Adventist HealthCare Issue, Series 2021B	October 13, 2021	138,660	2051	138,660
Adventist HealthCare Issue, Series 2021C (Taxable)	October 13, 2021	69,835	2043	57,320
		<u>727,109</u>		<u>657,971</u>
Annapolis Life Care Issue (2018A)	August 21, 2018	38,981	2048	34,711
Annapolis Life Care Issue (2018B)	August 21, 2018	10,000	2048	9,232
		<u>48,981</u>		<u>43,943</u>
Anne Arundel Health System Issue, Series 2014	November 26, 2014	127,305	2039	2,925
Anne Arundel Health System Issue, Series 2017A	November 1, 2017	42,485	2034	39,145
Anne Arundel Health System Issue, Series 2017B (Taxable)	November 1, 2017	17,760	2027	9,215
		<u>187,550</u>		<u>51,285</u>
Archdiocese of Baltimore Schools Issue (2007)	June 21, 2007	24,165	2037	21,675
Atlantic General Hospital Issue (2017A)	September 14, 2017	7,501	2027	3,125
Atlantic General Hospital Issue (2017B)	September 14, 2017	20,013	2042	20,013
		<u>27,514</u>		<u>23,138</u>
Beth Tfiloh Dahan Community School Issue (2019)	August 28, 2019	8,600	2044	7,365
Bishop McNamara High School Issue (2016)	June 23, 2016	16,880	2041	8,130
Bishop McNamara High School Issue (2019A)	December 17, 2019	3,750	2039	3,327
Bishop McNamara High School Issue (2019B)	December 17, 2019	8,000	2029	6,395
		<u>28,630</u>		<u>17,852</u>
Broadmead Issue, Series 2018A	October 18, 2018	60,555	2048	57,730
Bryn Mawr School Issue (2017A)	June 13, 2017	8,045	2042	6,714
Bryn Mawr School Issue (2017B)	June 13, 2017	4,000	2042	3,145
		<u>12,045</u>		<u>9,859</u>
Bullis School Issue (2023A)	March 20, 2023	48,000	2053	47,420
Bullis School Issue (2023B)	March 20, 2023	50	2030	50
		<u>48,050</u>		<u>47,470</u>
Calvert Hall College Issue (2017)	December 21, 2017	16,000	2038	11,958
Calvert Health System Issue (2021)	April 15, 2021	16,539	2035	13,276
Calvert Health System Issue (2023)	July 3, 2023	31,169	2038	31,169
		<u>47,708</u>		<u>44,445</u>
Charles County Nursing and Rehabilitation Center Issue (2012A)	June 19, 2012	5,446	2037	3,357
Charles County Nursing and Rehabilitation Center Issue (2012B)	June 19, 2012	2,554	2037	1,717
		<u>8,000</u>		<u>5,074</u>
Charlestown Community Issue, Series 2016A	November 2, 2016	89,600	2045	77,060
Charlestown Community Issue (2016B)	November 2, 2016	30,000	2045	24,885
Charlestown Community Issue (2016C)	December 1, 2016	25,000	2045	22,143
		<u>144,600</u>		<u>124,088</u>
City Neighbors Schools Issue (2023)	December 12, 2023	8,649	2043	8,507
Connelly School of the Holy Child Issue (2017A)	March 28, 2017	3,980	2037	2,979
DeMatha Catholic High School Issue (2014)	November 13, 2014	17,750	2039	13,006
Doctors Community Hospital Issue (2016)	June 29, 2016	31,945	2030	30,235
Doctors Community Hospital Issue, Series 2017A	February 23, 2017	64,165	2038	64,165
Doctors Community Hospital Issue (2017B)	April 4, 2017	58,710	2024	5,485
		<u>134,820</u>		<u>99,885</u>

Maryland Health and Higher Educational Facilities Authority

Additional Information - Conduit Debt Outstanding by Borrower

As of June 30, 2024, the principal amount of bonds and notes outstanding is as follows (in thousands of dollars):	<i>ISSUE DATE</i>	<i>AMOUNT ISSUED</i>	<i>FINAL MATURITY</i>	<i>BONDS AND NOTES PAYABLE JUNE 30, 2024</i>
Edenwald Issue, Series 2015	October 14, 2015	49,030	2037	36,180
Edenwald Issue (2024)	February 29, 2024	17,000	2054	2,114
		66,030		38,294
Frederick Health System Issue, Series 2020	June 25, 2020	62,645	2050	62,645
Frederick Health System Issue (2022)	July 1, 2022	93,550	2038	90,200
Frederick Health System Issue, Series 2023	June 29, 2023	69,975	2050	69,975
		226,170		222,820
French International School Issue (2021)	October 26, 2021	70,200	2051	66,681
Friends Community School Issue (2021)	November 10, 2021	5,600	2051	4,095
Friends School of Baltimore Issue (2024)	May 16, 2024	16,700	2056	16,700
Gaudenzia Foundation Issue, Series 2007	December 12, 2007	5,500	2028	1,635
Gilman School Issue (2014)	October 16, 2014	35,500	2050	35,500
Goucher College Issue, Series 2017A	June 22, 2017	57,565	2044	55,705
Goucher College Issue (2022)	August 11, 2022	48,854	2052	48,854
		106,419		104,559
Greater Baltimore Medical Center Issue, Series 1995	October 11, 1995	10,000	2025	1,160
Greater Baltimore Medical Center Issue (2017)	March 8, 2017	73,720	2034	67,170
Greater Baltimore Medical Center Issue, Series 2021A	September 1, 2021	104,095	2051	104,095
Greater Baltimore Medical Center Issue (2021B)	September 1, 2021	25,000	2031	25,000
Greater Baltimore Medical Center Issue (2023)	October 19, 2023	29,000	2049	29,000
		241,815		226,425
Green Street Academy Issue, Series 2017A	June 27, 2017	21,040	2052	20,990
Hebrew Home of Greater Washington Issue (2012)	December 20, 2012	21,308	2032	10,373
Imagine Andrews Public Charter School Issue, Series 2022A	May 10, 2022	7,335	2052	7,335
Imagine Andrews Public Charter School Issue, Series 2022B (Taxable)	May 10, 2022	1,165	2031	920
		8,500		8,255
Indian Creek School Issue (2015)	August 27, 2015	12,810	2030	8,680
Integrace Issue (2020A)	February 6, 2020	87,110	2049	87,110
Integrace Issue (2020B) (Taxable)	February 6, 2020	12,195	2026	8,390
		99,305		95,500
Kennedy Krieger Issue (2017A)	March 9, 2017	23,000	2042	19,837
Kennedy Krieger Issue (2017B)	March 9, 2017	27,510	2037	21,951
Kennedy Krieger, Issue (2020)	August 20, 2020	14,300	2036	8,890
Kennedy Krieger Issue (2023)	April 3, 2023	17,500	2033	17,500
		82,310		68,178
Keswick Multi-Care Center Issue (2007)	August 9, 2007	11,520	2037	8,955
Landon School Issue (2022A)	March 3, 2022	46,000	2052	43,734
Landon School Issue (2022B)	March 3, 2022	20,000	2032	9,437
		66,000		53,171
Legends Charter School Issue, Series 2020A	March 12, 2020	25,000	2055	25,000
Legends Charter School Issue, Series 2020B (Taxable)	March 12, 2020	1,000	2027	765
		26,000		25,765
LifeBridge Investments Issue (2022) (Taxable)	March 17, 2022	75,000	2052	75,000
LifeBridge Health Issue, Series 2015	July 30, 2015	159,685	2047	92,095
LifeBridge Health Issue, Series 2016	November 9, 2016	120,695	2047	116,060
LifeBridge Health Issue, Series 2017	November 9, 2017	118,120	2044	100,675
LifeBridge Health Issue (2021)	July 1, 2021	42,857	2027	21,429
LifeBridge Health Issue (2022A)	July 1, 2022	48,335	2037	44,309
		489,692		374,568

Maryland Health and Higher Educational Facilities Authority

Additional Information - Conduit Debt Outstanding by Borrower

As of June 30, 2024, the principal amount of bonds and notes outstanding is as follows (in thousands of dollars):	<i>ISSUE DATE</i>	<i>AMOUNT ISSUED</i>	<i>FINAL MATURITY</i>	<i>BONDS AND NOTES PAYABLE JUNE 30, 2024</i>
Loyola University Maryland Issue, Series 2014	October 30, 2014	60,365	2045	60,365
Loyola University Maryland Issue, Series 2019A	December 19, 2019	43,640	2049	31,300
Loyola University Maryland Issue, Series 2019B (Taxable)	December 19, 2019	<u>34,775</u>	2039	<u>34,230</u>
		138,780		125,895
Luminis Health System Issue (2022A)	February 3, 2022	60,220	2043	60,220
Luminis Health System Issue (2022B)	July 1, 2022	<u>49,100</u>	2034	<u>45,040</u>
		109,320		105,260
Maryland Institute College of Art Issue, Series 2012	October 10, 2012	33,985	2047	24,905
Maryland Institute College of Art Issue, Series 2016	October 6, 2016	37,990	2042	35,570
Maryland Institute College of Art Issue, Series 2017	March 7, 2017	<u>17,585</u>	2042	<u>15,745</u>
		89,560		76,220
Maryland School for the Blind Issue (2019)	September 25, 2019	20,713	2049	18,160
Medlantic/Helix Issue, Series 1998A	December 17, 1998	166,605	2038	82,055
Medlantic/Helix Issue, Series 1998B	December 17, 1998	116,910	2038	56,960
MedStar Health Issue, Series 2011	November 17, 2011	94,920	2024	995
MedStar Health Issue, Series 2013A	March 21, 2013	117,785	2041	105,715
MedStar Health Issue, Series 2013B	May 21, 2013	149,760	2038	149,760
MedStar Health Issue, Series 2015	February 11, 2015	357,205	2045	300,750
MedStar Health Issue, Series 2017A	June 29, 2017	<u>395,055</u>	2047	<u>395,055</u>
		1,398,240		1,091,290
Mercy Medical Center Issue, Series 2006	August 3, 2006	35,000	2036	22,855
Mercy Medical Center Issue, Series 2007B & 2007C (Converted)	April 1, 2010	18,080	2034	3,800
Mercy Medical Center Issue, Series 2016A	March 2, 2016	135,250	2042	135,250
Mercy Medical Center Issue (2016C)	May 19, 2016	65,450	2042	53,645
Mercy Medical Center Issue (2021)	April 21, 2021	46,680	2031	43,100
Mercy Medical Center Issue (2022A)	June 9, 2022	45,200	2031	41,865
Mercy Medical Center Issue (2022B)	June 29, 2022	<u>35,335</u>	2037	<u>35,335</u>
		380,995		335,850
Mercy Ridge Issue (2021)	July 8, 2021	29,915	2035	25,370
Meritus Medical Center Issue, Series 2015	July 9, 2015	257,300	2045	219,195
Monocacy Montessori Communities Inc. Issue, Series 2023	July 11, 2023	17,140	2063	17,140
Mosaic Community Services Issue (2016)	September 28, 2016	4,066	2026	1,025
Mount St. Joseph Issue (2012A)	September 27, 2012	14,000	2042	9,974
Mt. Airy Christian Academy Issue (2005)	August 26, 2005	2,500	2031	249
Norwood School Issue (2020)	May 4, 2020	10,500	2050	9,929
Notre Dame of Maryland University Issue (2021)	September 16, 2021	8,256	2050	8,256
Notre Dame of Maryland University Issue (2022)	October 3, 2022	<u>16,279</u>	2050	<u>16,279</u>
		24,535		24,535
Notre Dame Preparatory School Issue (2018)	August 30, 2018	7,000	2048	4,021
Odenton Christian School Issue, Series 2008	March 19, 2008	3,590	2033	3,170
Our Lady of Good Counsel Issue (2014A)	March 12, 2014	31,125	2045	22,413
Our Lady of Good Counsel Issue (2015B)	March 17, 2015	<u>2,950</u>	2045	<u>2,203</u>
		34,075		24,616
Park School Issue (2010)	December 1, 2010	14,590	2034	6,911
Patterson Park Public Charter School Issue (2023A)	November 2, 2023	11,680	2053	11,680
Patterson Park Public Charter School Issue (2023B)	November 2, 2023	<u>2,190</u>	2031	<u>2,190</u>
		13,870		13,870

Maryland Health and Higher Educational Facilities Authority

Additional Information - Conduit Debt Outstanding by Borrower

As of June 30, 2024, the principal amount of bonds and notes outstanding is as follows (in thousands of dollars):	<i>ISSUE DATE</i>	<i>AMOUNT ISSUED</i>	<i>FINAL MATURITY</i>	<i>BONDS AND NOTES PAYABLE JUNE 30, 2024</i>
Peninsula Regional Medical Center Issue, Series 2015	February 5, 2015	126,665	2045	2,800
Peninsula Regional Health System Issue, Series 2020A	May 13, 2020	95,995	2048	92,800
		<u>222,660</u>		<u>95,600</u>
Pickersgill Issue (2012)	June 28, 2012	31,150	2033	16,740
Pooled Loan Program, Series 1985A & B	December 30, 1985	175,000	2035	175,000
Rockbridge Academy Issue (2019A)	January 16, 2019	5,250	2022	4,983
Roland Park Country School Issue (2020)	August 6, 2020	13,000	2050	13,000
Roland Park Place Issue (2017)	March 2, 2017	30,000	2042	29,784
Roland Park Place Issue (2019A)	July 31, 2019	20,000	2049	19,916
		<u>50,000</u>		<u>49,700</u>
Sandy Spring Friends School Issue (2018A)	September 20, 2018	14,461	2048	12,811
Sandy Spring Friends School Issue (2018B)	September 20, 2018	8,000	2048	7,300
Sandy Spring Friends School Issue (2018C)	September 20, 2018	6,025	2025	2,025
		<u>28,486</u>		<u>22,136</u>
Severn School Issue (2016A)	August 31, 2016	12,500	2036	8,360
Sheppard Pratt Issue (2017)	December 20, 2017	178,748	2048	151,736
St. Andrew's Episcopal School Issue (2021)	August 31, 2021	7,903	2051	7,350
St. Andrew's Episcopal School Issue (2022)	October 3, 2022	20,212	2051	19,351
		<u>28,115</u>		<u>26,701</u>
St. John's College Issue, Series 2020	July 27, 2020	8,430	2040	7,140
St. John's Episcopal Day School Issue (2001)	December 21, 2001	7,000	2032	3,067
St. Paul's Schools Issue (2019A)	July 24, 2019	5,000	2049	5,000
St. Paul's Schools Issue (2019B)	July 24, 2019	20,000	2029	4,341
		<u>25,000</u>		<u>9,341</u>
Stella Maris Issue, Series 2018	December 19, 2018	21,000	2050	16,410
Stevenson University Issue, Series 2021A	January 28, 2021	126,380	2028	126,380
Stevenson University Issue (2021B) (Taxable)	January 28, 2021	14,779	2028	8,176
Stevenson University Issue (2024)	May 23, 2024	10,000	2056	10,000
		<u>151,159</u>		<u>144,556</u>
Stone Ridge School Issue (2019A)	June 18, 2019	25,000	2049	23,663
The Boys' Latin School of Maryland Issue (2020A)	January 16, 2020	14,000	2050	12,576
The Boys' Latin School of Maryland Issue (2020B)	January 16, 2020	12,000	2050	12,000
		<u>26,000</u>		<u>24,576</u>
The Diener School Issue (2023A)	November 21, 2023	9,500	2053	9,500
The Diener School Issue (2023B)	November 21, 2023	3,122	2029	2,190
		<u>12,622</u>		<u>11,690</u>
The Foundation Schools Issue (2012)	July 25, 2012	6,221	2037	3,823
The Johns Hopkins Health System Issue, Commercial Paper, Series B	February 9, 2004	40,000	2024	15,355
The Johns Hopkins Health System Issue, Series 2015A	May 12, 2015	134,735	2040	114,000
The Johns Hopkins Health System Issue (2016B)	June 20, 2016	48,245	2042	48,245
The Johns Hopkins Health System Issue (2017B)	October 11, 2017	168,825	2038	140,530
The Johns Hopkins Health System Issue (2018A)	April 25, 2018	48,245	2048	48,245
The Johns Hopkins Health System Issue (2018B)	May 10, 2018	88,250	2046	88,250
		<u>528,300</u>		<u>454,625</u>

Maryland Health and Higher Educational Facilities Authority

Additional Information - Conduit Debt Outstanding by Borrower

As of June 30, 2024, the principal amount of bonds and notes outstanding is as follows (in thousands of dollars):	<i>ISSUE DATE</i>	<i>AMOUNT ISSUED</i>	<i>FINAL MATURITY</i>	<i>BONDS AND NOTES PAYABLE JUNE 30, 2024</i>
The Johns Hopkins Medical Institutions Parking Facilities Issue, Series 1996	March 28, 1996	42,425	2026	8,760
The Johns Hopkins Medical Institutions Parking Facilities Issue, Series 2001	August 29, 2001	28,030	2034	15,185
The Johns Hopkins Medical Institutions Parking Facilities Issue, Series 2004	May 26, 2004	35,665	2034	33,475
The Johns Hopkins Medical Institutions Parking Facilities Issue, Series 2004B	December 1, 2004	33,035	2038	14,655
		139,155		72,075
The Johns Hopkins Medical Institutions Utilities Issue, Series 2015A	May 12, 2015	19,505	2037	19,505
The Johns Hopkins University Issue, Series 2005A	March 3, 2005	69,265	2036	69,265
The Johns Hopkins University Issue, Series 2013B	June 20, 2013	99,625	2041	65,250
		168,890		134,515
The Key School Issue (2016A)	July 21, 2016	15,999	2046	13,844
The SEED School of Maryland Issue (2019)	October 17, 2019	20,500	2037	15,907
The Vestry of Holy Trinity Parish Issue (2017)	March 29, 2017	3,481	2027	2,852
Trinity Health Credit Group Series 2017MD	January 19, 2017	30,065	2046	30,065
Trinity School Issue (2013)	January 24, 2013	6,450	2026	1,312
Union Hospital of Cecil County Issue (2014)	December 10, 2014	30,778	2039	28,276
University of Maryland Faculty Physicians Issue (2015)	December 1, 2015	12,615	2031	6,280
University of Maryland Medical System Issue, Series 2008D	May 21, 2008	50,000	2041	50,000
University of Maryland Medical System Issue, Series 2013B (Taxable)	April 2, 2013	115,055	2043	115,055
University of Maryland Medical System Issue, Series 2015	May 21, 2015	80,145	2041	67,265
University of Maryland Medical System Issue (2016B)	September 27, 2016	50,295	2041	50,295
University of Maryland Medical System Issue (2016C)	September 27, 2016	50,345	2041	50,345
University of Maryland Medical System Issue (2016E)	October 13, 2016	54,370	2039	41,245
University of Maryland Medical System Issue (2016F)	October 13, 2016	54,360	2039	44,295
University of Maryland Medical System Issue, Series 2017B	February 2, 2017	152,410	2039	125,500
University of Maryland Medical System Issue, Series 2017C (Taxable)	February 2, 2017	121,400	2029	77,345
University of Maryland Medical System Issue, Series 2017D	December 19, 2017	145,265	2048	145,265
University of Maryland Medical System Issue, Series 2017E (Taxable)	December 19, 2017	44,700	2048	44,700
University of Maryland Medical System Issue, Series 2020B-1	July 22, 2020	78,260	2045	78,260
University of Maryland Medical System Issue, Series 2020B-2	July 22, 2020	74,420	2045	74,420
University of Maryland Medical System Issue, Series 2020D (Taxable)	July 22, 2020	600,000	2050	600,000
University of Maryland Medical System Issue (2021A)	December 8, 2021	160,845	2041	156,670
University of Maryland Medical System Issue (2021B)	December 22, 2021	107,510	2042	97,670
		1,939,380		1,818,330
UPMC Issue, Series 2020B	April 29, 2020	190,955	2050	178,020
Washington Episcopal Day School Issue (2021)	October 21, 2021	10,946	2051	10,262
Way Station Issue (2013)	May 2, 2013	7,200	2028	2,167
Total Outstanding		\$ 9,964,374		\$ 8,423,311

Maryland Health and Higher Educational Facilities Authority Additional Information

DEFEASED CONDUIT DEBT

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

Defeased bonds outstanding at June 30, 2024 are as follows (in thousands of dollars):

Anne Arundel Health System Issue, Series 2014	\$ 100,355
Helix Health Issue, Series 1997	37,195
The Johns Hopkins Health System Issue, Series 2015D	7,595
LifeBridge Health Issue, Series 2015	57,790
Peninsula Regional Medical Center Issue, Series 2015	104,955
Western Maryland Health System Issue, Series 2014	<u>133,000</u>
Total	<u>\$ 440,890</u>

Requests for Information

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

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

Telephone: (410) 837-6220

