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NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

Bonnie S. Payette
Executive Director

One Capitol Street, Suite 200
Concord, NH 03301
phone: 603-224-0696 ...fax: 603-224-3058
email: bpayette@nhhefa.com
www.nhhefa.com

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October 25, 2023

His Excellency, Governor Christopher T. Sununu
And the Honorable Executive Council
State House
Concord, NH 03301

In accordance with RSA 195-D:18, the New Hampshire Health and Education Facilities Authority is pleased to present for your review and acceptance the Biennial Report and Financial Statements for the fiscal years 2022 and 2023.

Respectfully submitted,

Peter F. Imse, Chairman

Bonnie S. Payette, Executive Director

BSP/sjc
Enclosures



HEFA

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

BIENNIAL REPORT
For Fiscal Years 2022 and 2023
(Years ending June 30, 2022 and June 30, 2023)

Submitted Pursuant To: RSA 195-D:18

October 2023

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MISSION STATEMENT

The mission of the New Hampshire Health and Education Facilities Authority is to lower the cost of health and education services in New Hampshire, by providing eligible institutions with access to high quality, readily available, low-cost financing alternatives.

HISTORY

The New Hampshire Health and Education Facilities Authority (the "Authority"), formerly known as the New Hampshire Higher Educational and Health Facilities Authority, was established in 1969 (Chapter 318 of the Laws of 1969) as the Higher Educational Building Corporation. The Authority is a public body corporate and agency of the State of New Hampshire which was created for the purpose of exercising the powers now conferred on it by RSA 195-D and 195-E. The Authority operates primarily under the provisions of RSA 195-D which authorizes financings and refinancing of "projects" on behalf of "participating health care institutions" and "participating educational institutions" through the issuance of its bonds or other obligations and the making of loans. Effective July 9, 1999, the General Court expanded the definition of institutions that may be considered participating institutions. As a result, "participating educational institution" now includes an institution for post-secondary education or higher education; an institution for secondary education; an institution providing an educational program or childcare provider. A "participating health care institution" now includes a hospital; nursing home; health maintenance organization; home health care provider; an institution providing a health care program; or an ambulatory care clinic. Since May 1983, the Authority has also been permitted under the provisions of RSA 195-E to make loans to "loan corporations" for the purpose of financing student loan programs. Bond financing of the Authority must be authorized by the Authority's Board of Directors and by the Governor and Council. The seven (7) members of the Authority's Board of Directors are appointed by the Governor and Council.

The Authority receives no state revenues. Its expenses are paid by the annual fees charged to its borrowers. Bonds or other obligations issued by the Authority in no way obligate the faith and credit of the State or any municipality or political subdivision of the State.

CHAIRMAN'S MESSAGE

In the 42 years since I was first appointed to the Board of the New Hampshire Health and Education Facilities Authority, dramatic changes have occurred in how our health care and education institutions have operated and served our communities and citizens. However, one constant over all this time has been the Authority's commitment to carry out its mission of providing "high quality, readily available, [and] low-cost financing alternatives" to not-for-profit health and education institutions in New Hampshire. From its humble beginnings in the late 1960's, the Authority has now issued over \$13.06 billion in bonds to support our State's education and health care institutions.

Because the interest rates associated with the Authority's financings are lower than those charged by commercial banks, the Authority's programs have saved our borrowers hundreds of thousands of dollars of interest expense each year. Since many of the Authority's borrowers have been struggling financially as a result of the COVID pandemic, access to low-cost Authority financings has had an immediate and significant positive impact on the bottom lines of these institutions, and permits them to provide more direct benefits to the clients whom they serve. In addition, a large percentage of the proceeds of the Authority's bond issues are used for construction purposes. As a result, the Authority's financings have a significant positive impact on the state's economy by providing jobs in the construction industry.

During the last two (2) years, the Authority issued over \$520 million in bonds and notes.

Several years ago, the Authority responded to the needs of its borrowers by introducing the Direct Loan and Direct Loan PLUS Programs that enable eligible institutions to borrow up to \$300,000 at very low interest rates. To date, the Authority has lent over \$21.97 million to eligible institutions under these programs.

In order to meet the financing needs of our institutions who require more than \$300,000 but not enough to justify a bond issue, the Authority also offers its Capital Loan Program. Under the Capital Loan Program, the Authority partners with local banks to make loans to eligible education and health care institutions at below-market rates. Since the reinstatement of this loan program in October of 2018, the Authority has participated in 6 loans totaling \$1.88 million.

Through the Authority's RAN/CAN Program, institutions are able to borrow low-cost funds for their annual capital investment and working capital needs.

The Equipment Leasing Program (ELP) was established by the Authority to provide tax exempt financing for equipment acquisitions. These financings can either be placed with a specific lending institution or bid out to multiple lenders using the Authority's standard documents.

The Authority is a member of the National Association of Health and Education Facilities Finance Authorities. Through its participation in the activities of that organization, the Authority and its Board are actively involved in national efforts to assure that the State's health care and educational institutions continue to have access to tax exempt financing for their crucial programs.

CHAIRMAN'S MESSAGE *(continued)*

The success of the Authority is due, in no small part, to the qualifications and dedication of its Board members. The present members of the Board have an aggregate of 62 years of experience on the Board (as of 06/30/23). With their backgrounds in finance, health care, education, business and law, the Board members bring a wealth of knowledge and experience to every Board meeting and every decision that they make.

The Governor and members of the Executive Council also deserve thanks and praise for the Authority's achievements. Without their support in both the appointment and re-appointment of qualified Board members, and the approval of the Authority's financings, none of our successes could have been realized.

The Authority Board and staff look forward to the challenges of the next biennium. We cannot predict what new events will put further economic strains on the institutions that provide programs of education and health care in New Hampshire, but the Authority will do all it can to help them further their missions. The Authority will continue to be a major force in assuring that our local institutions not only survive, but thrive.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Peter F. Imse', with a long horizontal line extending to the right.

Peter F. Imse
Chairman of the Board

AUTHORITY BOARD MEMBERS

Peter F. Imse, Chairman, term expires June 30, 2026. Mr. Imse, a resident of Bow, has been a member of the Board of the Authority since 1981. Mr. Imse is Special Counsel to the law firm of Sulloway & Hollis, P.L.L.C., Concord, New Hampshire and his practice includes the representation of businesses and non-profit organizations in the areas of real estate law, business law, and commercial and tax-advantaged financing. The clients of Sulloway & Hollis include numerous health care institutions and health care providers.

Bruce R. Burns, Vice Chairman; term expires June 30, 2024. Mr. Burns, a resident of Hopkinton, was the Senior Vice President of Finance, Chief Financial Officer and Treasurer for Concord Hospital and its parent corporation, Capital Region Health Care. Prior to joining the Hospital in 1993, Mr. Burns held various finance and accounting positions at Danbury Hospital, Danbury, Connecticut. Mr. Burns formerly served as President of Granite Shield Insurance Exchange, a Vermont-domiciled captive insurance company providing hospital and physician liability coverages and Medical Stop-Loss coverage; the Treasurer and a Board member of Capitol Center for the Arts in Concord and former Finance Chair, Treasurer and Board member of University of New Hampshire School of Law.

Martin J. Conley III, term expires June 30, 2025. Mr. Conley, a resident of Concord, New Hampshire, is a Certified Public Accountant and has served as the Chief Financial Officer for RiverMead, a continuing care retirement community in Peterborough, New Hampshire since 2014. Mr. Conley served as Controller and Director of Financial Operations at Givens Estates, a continuing care retirement community in Asheville NC from 2005 until his move to Peterborough, New Hampshire. Prior to joining Givens Estates, Mr. Conley served as an auditor for the North Carolina Office of the State Auditor, where his work focused primarily on audits of community colleges and universities. Mr. Conley has served on various boards and committees for organizations including Monadnock Community Hospital, LeadingAge Maine & New Hampshire, the River Center and the Peterborough Economic Development Authority.

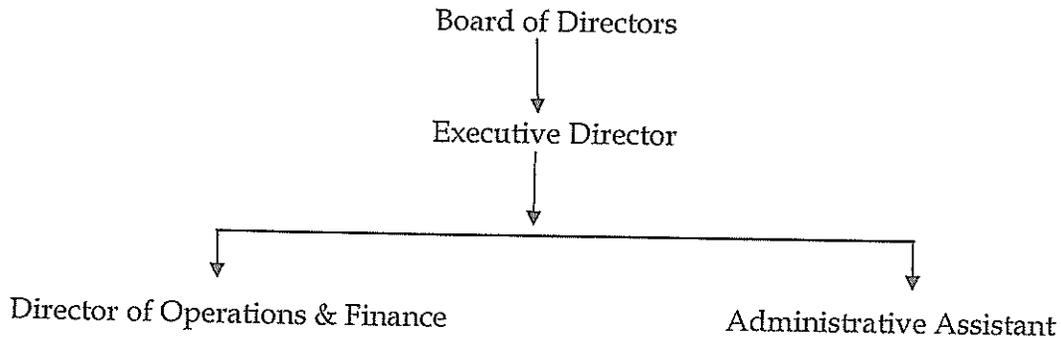
Margaret A. Dolan, term expires June 30, 2028. Ms. Dolan, a resident of Hooksett, New Hampshire, serves as the Chief Financial Officer of Pinkerton Academy in Derry, New Hampshire. Prior to joining Pinkerton Academy in 2018, she served in various roles in the finance office at Saint Anselm College for 17 years, most recently as Associate Vice President of Finance.

Stacey M. Donlon, term expires June 30, 2027. Ms. Donlon, a resident of Derry, New Hampshire, is the New England Market Leader for Institutional Healthcare Finance at TD Bank. Ms. Donlon has held various roles at TD since joining the Bank in 2005, and has worked primarily with Healthcare, Education and Not for Profit Organizations for the last 15+ years. Ms. Donlon currently serves on the Board of Directors for Nutfield Cooperative School and is a member of Pinkerton Academy's Academy of Finance Advisory Board.

Todd C. Emmons, term expires June 30, 2026. Mr. Emmons, a resident of New London, New Hampshire, is the Chief Executive Officer at Spaulding Academy & Family Services in Northfield, New Hampshire. Mr. Emmons was involved in education administration for over 30 years, and has previously worked in New Hampshire at Saint Anselm College, Daniel Webster College, and Colby-Sawyer College. He is a board member of the Community College System of New Hampshire where he serves on the Finance and Audit committees, and he also serves as an advisor to the Finance Committee of the Boys & Girls Clubs of New Hampshire.

Tina E. Naimie, term expires June 30, 2025. Ms. Naimie, a resident of Wilmot, New Hampshire, most recently served as the Vice President of Corporate Finance at Dartmouth-Hitchcock Health for twelve years. Prior to this role, she spent fifteen years as the Chief Financial Officer for New London Hospital, New London, New Hampshire. Ms. Naimie started her finance career in the Orlando Florida office of Ernst & Young, as a CPA with a focus on healthcare. She worked in this capacity for this firm for a total of seven years, with the last three corresponding to service in their Manchester, New Hampshire office. She is also a member of the New Hampshire Society of CPAs.

ORGANIZATION CHART



AUTHORITY STAFF

Bonnie S. Payette, Executive Director, and Secretary

Mrs. Payette is responsible for the general management of the Authority's affairs. Mrs. Payette has been with the Authority since July of 2007. She is a graduate of the University of Vermont.

Susan J. Cummings, Director of Operations and Finance

Mrs. Cummings assists the Executive Director in the implementation and administration of the Authority's programs and operations. Mrs. Cummings joined the Authority in September of 2017 after working with not-for-profit organizations in New Hampshire for the greater part of her career.

Amanda Lynn Blanchette, Administrative Assistant

Ms. Blanchette supports the Executive Director and Director of Operations in the daily administration of the Authority's operations. Ms. Blanchette joined the Authority in January 2021. Ms. Blanchette has served the greater Concord community in the banking industry prior to joining NH HEFA.

AUTHORITY BOND PROGRAMS

Standard Bond Program

The Standard Bond Program is used by many borrowers of the Authority. It consists of a public sale of bonds for the benefit of the institution. The public sale of bonds generally means lower interest rates and less restrictive covenants. Through June 30, 2023, the Authority has issued over \$8.86 billion in bonds under its Standard Bond Program.

Direct Placement Bond Program

The difference between the Direct Placement Bond Program and the Standard Bond Program is that instead of a sale of the bonds to the general public, the bonds are sold to one or two buyers. The use of standardized documents simplifies the bond issuance process and substantially reduces issuance expenses. Since 1998, the Authority has issued direct placement bonds totaling \$3.67 billion.

RAN/CAN Program

The Revenue Anticipation Note (RAN) Program provides institutions with low-cost tax-exempt funds for working capital to replace more expensive taxable financing.

The Capital Note Program (CAN) allows institutions to fund routine capital expenditures using tax-exempt short-term securities.

There have been 19 annual pooled financings for the RAN/CAN Program consisting of 104 series of notes totaling \$411.2 million.

Equipment Leasing Program

The Equipment Leasing Program provides short-term tax-exempt financing for equipment. Financing can be placed with a specific lending institution or bid to multiple lenders. Fees are fixed, based on use of HEFA's standardized documents.

To date, the authority has issued 12 bonds totaling \$117.81 million utilizing the Equipment Leasing Program.

BOND ISSUES and NOTES

The Authority issued the following twenty-three bond issues and notes during the two fiscal years ended June 30, 2022 and June 30, 2023. The Authority also re-issued six existing bonds during the two fiscal years ended June 30, 2022 and June 30, 2023.

New Bonds Issued:

	<u>Date</u>	<u>Amount</u>
Concord Hospital, Series R	07/06/2021	\$ 12,520,000.00
Concord Hospital, Series A	07/16/2021	43,770,000.00
Bowman Place, Series A	07/16/2021	2,500,000.00
Bowman Place, Series B-1	08/30/2021	42,295,000.00
Bowman Place, Series B-2	08/30/2021	2,555,000.00
The Scott-Farrar Home	09/09/2021	16,400,000.00
Rivier University	09/30/2021	10,000,000.00
Riverwoods Manchester	11/16/2021	8,000,000.00
New England College	03/22/2022	27,500,000.00
NH Odd Fellows Home dba Presidential Oaks	03/31/2022	4,000,000.00
The Huntington at Nashua	04/21/2022	20,000,000.00
YMCA Camp Belknap	05/19/2022	3,500,000.00
Taylor Community, Series B	06/23/2022	30,569,225.62
Taylor Community, Series A	06/23/2022	13,430,774.38
Monadnock Community Service Center	06/30/2022	3,375,000.00
Concord Hospital	07/06/2022	36,582,000.00
Saint Anselm College	07/11/2022	30,000,000.00
Spaulding Academy & Family Services	08/18/2022	9,000,000.00
Academy for Science & Design Charter School	11/30/2022	11,000,000.00
Rivier University	12/15/2022	15,000,000.00
Covenant Health	03/14/2023	56,060,000.00
Pinkerton Academy	03/31/2023	7,000,000.00
University System of New Hampshire	06/07/2023	115,430,000.00

Bonds Re-Issued:

Exeter Hospital, Series 2003	09/01/2021	11,835,000.00
Exeter Hospital, Series 2012	09/01/2021	22,490,000.00
RiverWoods Durham, Series 2018 A	09/30/2021	52,980,000.00
Androscoggin Valley Hospital, Series 2012	12/23/2021	5,127,081.27
Speare Memorial Hospital, Series 2012	05/26/2022	11,683,763.56
Speare Memorial at Boulder Point, Series 2016	06/14/2022	2,750,800.00

Total	\$ <u>627,353,644.83</u>
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BONDS AND NOTES ISSUED: STATEWIDE IMPACT of AUTHORITY FINANCINGS

The financial benefits that participating institutions realize from Authority bond financings enable them to preserve and expand their services throughout the State. The following list summarizes the total employment of each institution that participated in an Authority bond financing during the biennium, reflecting the number of New Hampshire residents impacted by our financings.

Concord Hospital - \$56,290,000

- Series 2021 R - Proceeds used to refinance taxable debt.
- Series 2021 A - Proceeds used for miscellaneous construction, renovations and information systems.
- Employs 2,912 staff members.
- 694,504 patient events in 2022.

Bowman Place formerly Senior Living of Bedford - \$47,350,000

- Series 2021 A - Proceeds used for working capital and to refinance existing debt.
- Series 2021 B-1 & 2021 B-2 - Proceeds used for working capital and to refinance existing debt.
- Employs 88 staff members.
- There are 117 potential apartments for occupancy.

The Scott-Farrar Home - \$16,400,000

- Proceeds used to refinance existing debt.
- Employs 49 staff members.
- Serves approximately 75 residents annually.

Rivier University - \$10,000,000

- Proceeds used to finance the construction, renovations, equipping and furnishing of facilities.
- Employs 194 full-time staff members.
- Enrolled 3,245 students during the fiscal 2022-2023 academic year.

Birch Hill Terrace dba RiverWoods Manchester - \$8,000,000

- Proceeds used to renovate and equip the Institution's facilities.
- Employs 182 staff members (105 full-time).
- At May 2023, 167 Independent Living residents and 59 Health Center residents were served, totaling 226.

New England College - \$27,500,000

- Proceeds used to refinance existing debt, construction and equipping of a new gymnasium and miscellaneous construction, renovations and improvements to existing facilities.
- Employs approximately 250 full-time equivalents.
- Enrolled 3,960 students during the fiscal 2022-2023 academic year.

Bonds issued continued...

NH Odd Fellows Home dba Presidential Oaks - \$4,000,000

- Proceeds used to refinance existing debt and finance miscellaneous and routine capital expenses, equipment acquisition and installation, construction, renovations, and improvements to existing facilities.
- Employs 102 staff members.
- A bed capacity of 161 residents for the facility.

The Huntington at Nashua - \$20,000,000

- Proceeds used to refinance debt and finance construction, renovations, and improvements to the common area.
- Employs 138 staff members both full-time and part-time.
- As of April 2023, 134 occupied units totaling 202 residents.

YMCA Camp Belknap - \$3,500,000

- Proceeds used to refinance existing debt and finance the construction, renovations, improvements and equipping of a new dining hall facility, and renovations to existing facilities.
- Employs 15 year-round staff and over 100 seasonal staff.
- Serves 1,200 campers each summer.

Taylor Community - \$ 44,000,000

- Series 2022 A - Proceeds used to refinance existing debt.
- Series 2022 B - Proceeds used to finance construction, furnishing and equipping of building, renovate existing facilities and for miscellaneous capital expenditures and equipment acquisition and installation.
- Employs 210 staff members.
- Served 659 residents in 2022.

Monadnock Community Service Center, Inc. - \$3,375,000

- Proceeds used to finance the acquisition and renovation of a facility in Keene, N.H
- Employs approximately 568 staff members.
- Services are available to 38 towns, (115,000 residents).
- Serves approximately 800 children and youth and 1,900 adults annually.

Concord Hospital - \$36,582,000

- Proceeds used to refinance existing debt.
- Employs 2,912 staff members.
- 694,504 patient events in 2022.

Saint Anselm College - \$30,000,000

- Proceeds used to refinance existing debt and for the construction and equipping of an academic building (50,000 sq. ft.).
- Employs 210 faculty members and 366 staff members.
- Enrolled approximately 1,959 undergraduates and 18 graduates in Fall of 2022.

Bonds issued continued...

Spaulding Academy & Family Services - \$9,000,000

- Proceeds used to refinance existing debt and for construction, expansion, renovation, improvements, and equipping of facilities.
- Employs 300 staff members.
- Up to 100 children are served concurrently.

Academy for Science and Design Charter School - \$11,000,000

- Proceeds used to refinance existing debt and for the purchase and acquisition of property.
- As of Fall 2023, will employ 64 staff members.
- Enrolls approximately 625 students annually.

Rivier University - \$15,000,000

- Proceeds used to finance the construction, renovations, equipping, and furnishing of student housing facilities.
- Employs 194 full-time staff.
- 3,245 students were enrolled during the 2022-2023 academic year.

Covenant Health System - \$56,060,000

- Proceeds used to refinance existing debt.
- Employs 1,128 staff members at St. Joseph Hospital, Nashua.
- Has 2,200,000 patient encounters annually (208 beds).

Pinkerton Academy - \$7,000,000

- Proceeds used for demolition of existing building and new construction.
- Employs 530 staff members.
- Approximately 3,200 students attend the Academy annually.

University System of New Hampshire - \$115,430,000

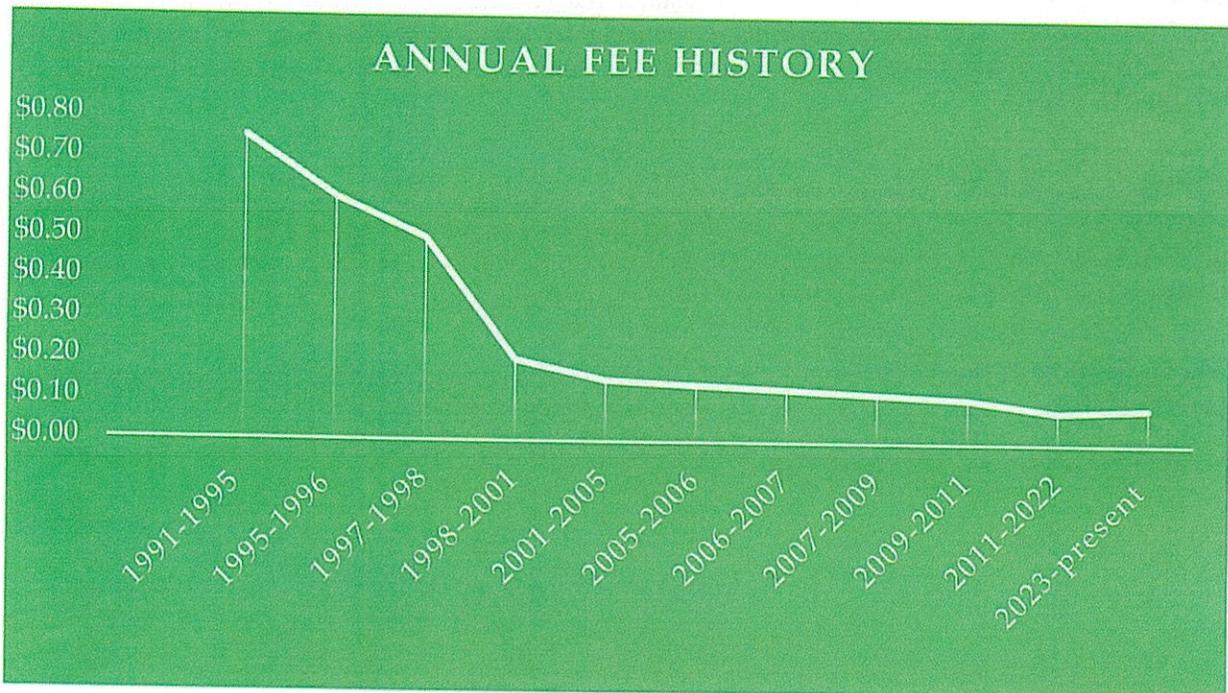
- Proceeds used to refinance debt, pay costs to terminate SWAPS associated with refunded bonds, and for renovations to Hetzel Hall on the Durham campus.
- As of January 2023, USNH employed 4,084 benefits-eligible faculty and staff. In addition, UNSH employes non-benefits-eligible employees, including temporary and part time employees.
- In the academic year 2022-2023 student full time enrollments were 21,918.

FEES

The Authority continues to cap administrative fees paid to the Authority by any one institution at \$40,000 per year. Compared to issuing authorities in other states, the New Hampshire Health and Education Facilities Authority is one of the lowest cost bond issuing authorities in the country.

HISTORY OF FEE CHANGES

1991 - 1995	\$.75/\$1,000	annual fee plus initial fee
1995 - 1996	\$.60/\$1,000	annual fee plus initial fee
1997 - 1998	\$.50/\$1,000	annual fee; eliminated initial fee
1998 - 2001	\$.20/\$1,000	annual fee only
2001 - 2005	\$.15/\$1,000	annual fee, cap \$40,000/yr. per institution
2005 - 2006	\$.14/\$1,000	annual fee, cap \$40,000/yr. per institution
2006 - 2007	\$.13/\$1,000	annual fee, cap \$40,000/yr. per institution
2007 - 2009	\$.12/\$1,000	annual fee, cap \$40,000/yr. per institution
2009 - 2011	\$.11/\$1,000	annual fee, cap \$40,000/yr. per institution
2011 - 2022	\$.08/\$1,000	annual fee, cap \$40,000/yr. per institution
2023 -Present	\$.09/\$1,000	annual fee, cap \$40,000/yr. per institution



AUTHORITY LOAN PROGRAMS

Capital Loan Program

The Capital Loan Program provides loans to participating institutions at below market rates for the purchase of capital equipment or for refinancing existing debt. The loans are made in cooperation with a local bank. To date, the Authority has participated in 111 Capital Loan Program loans totaling over \$27.1 million.

One Capital Loan was closed during the reporting period of July 1, 2021 through June 30, 2023 as follows:

<u>Institution</u>	<u>Date</u>	<u>HEFA Participation</u>	<u>Total Loan</u>
Friends Forever International	04/08/2022	\$ 287,658.22	\$ 719,145.54

Direct Loan and Direct Loan PLUS Programs

The Direct Loan Program is designed to provide loans to qualified institutions of up to \$200,000. During the biennium, Direct Loan Program proceeds were used by qualified institutions for the purchase of capital equipment, the acquisition of real estate, the construction or renovation of facilities, the refinancing of existing debt, emergency repairs, vehicle purchases, or other purposes as approved by the Board of Directors. Direct Loan Program loans accrue interest at a rate of up to 1.125% and are made for a term up to five years.

The Direct Loan PLUS Program provides loans up to qualified institutions of up to \$300,000 at 2.25% for terms up to ten years. Like the Direct Loan Program, the loans may be used for the purchase of capital equipment, the acquisition of real estate, construction or renovation of facilities, refinancing of existing debt, emergency repairs, vehicle purchases, or other purposes as approved by the Board of Directors.

As of June 30, 2023, the Authority has closed 220 Direct and Direct Loan PLUS Program loans totaling over \$21.97 million.

DIRECT LOAN AND DIRECT LOAN PLUS PROGRAM LOANS CLOSED

The following loans have been closed under the Direct Loan and Direct Loan PLUS programs since July 1, 2021:

<u>Institution</u>	<u>Date</u>	<u>Amount</u>
Gathering Waters Chartered Public School	07/12/2021	\$ 100,000.00
The Scott-Farrar Home	07/15/2021	90,000.00
Farmsteads of New England	07/16/2021	36,284.00
Second Start	07/22/2021	55,815.00
Tilton School	08/06/2021	100,000.00
Kimball Union Academy	08/12/2021	119,153.00
Girls Inc. of New Hampshire	10/18/2021	28,130.00
Thomas More College	11/16/2021	110,641.00
Community Crossroads	11/22/2021	22,470.00
Making Community Connections Charter School	12/07/2021	100,000.00
MicroSociety Academy Charter School	02/23/2022	95,000.00
Upper Valley Music Center Inc.	03/10/2022	120,000.00
Colonial Theatre Group Inc.	03/14/2022	300,000.00
Next Charter School	04/05/2022	260,000.00
Webster House	04/19/2022	200,000.00
Granite YMCA	05/25/2022	59,500.00
Nashua Center for the Multiply Handicapped	06/30/2022	59,344.00
Girls Inc. of New Hampshire	07/14/2022	50,000.00
Northeast Woodland Chartered Public School	07/14/2022	125,000.00
Rochester Opera House	07/29/2022	165,000.00
Founders Academy Public Charter School	08/31/2022	300,000.00
Beech Hill School	09/08/2022	200,000.00
Farmsteads of New England	10/17/2022	48,000.00
Kimi Nichols Center, Inc.	10/31/2022	65,421.00
Daniel Webster Council Inc., Boy Scouts of America	11/10/2022	119,372.00
The Oliverian School	11/18/2022	300,000.00
NFI North, Inc.	11/26/2022	200,000.00
Nashua Center for the Multiply Handicapped	02/15/2023	64,019.00
PALF dba John H. Whitaker Place	03/06/2023	100,000.00
Girls Inc. of New Hampshire	04/12/2023	20,000.00
Positive Street Art	04/12/2023	48,000.00
The PLUS Company, Inc.	04/24/2023	63,382.00
Onaway Camp Trust	06/01/2023	200,000.00
Carroll County YMCA Camp Huckins	06/19/2023	47,112.00
 <u>Working Capital, Direct Loans:</u>		
Gathering Waters Chartered Public School	07/12/2021	100,000.00
Heartwood Public Charter School	12/13/2021	200,000.00
Northeast Woodland Chartered Public School	01/07/2022	175,000.00
Coastal Waters Chartered Public School	04/05/2022	200,000.00
Lionheart Classical Academy Chartered Public School	11/07/2022	200,000.00
Heartwood Public Charter School	03/06/2023	200,000.00
Surry Village Charter School	04/19/2023	100,000.00
Making Community Connections Charter School	05/02/2023	85,000.00
Seacoast Classic Chartered Public School	05/18/2023	200,000.00
TOTAL:		<u>\$ 5,431,643.55</u>

MISCELLANEOUS

The following nineteen institutions have borrowed for the first time through the Authority during the last two fiscal years:

- Gathering Waters Chartered Public School
- Second Start
- Community Crossroads
- Heartwood Public Charter School
- Northeast Woodland Chartered Public School
- Upper Valley Music Center, Inc.
- Colonial Theatre Group, Inc.
- Coastal Waters Chartered Public School
- Next Charter School
- Friends Forever International
- Webster House
- Rochester Opera House
- Founders Academy Public Charter School
- Beech Hill School
- Lionheart Classical Academy Chartered Public School
- The Oliverian School
- Positive Street Art
- Seacoast Classical Academy
- Onaway Camp Trust

EXHIBIT A

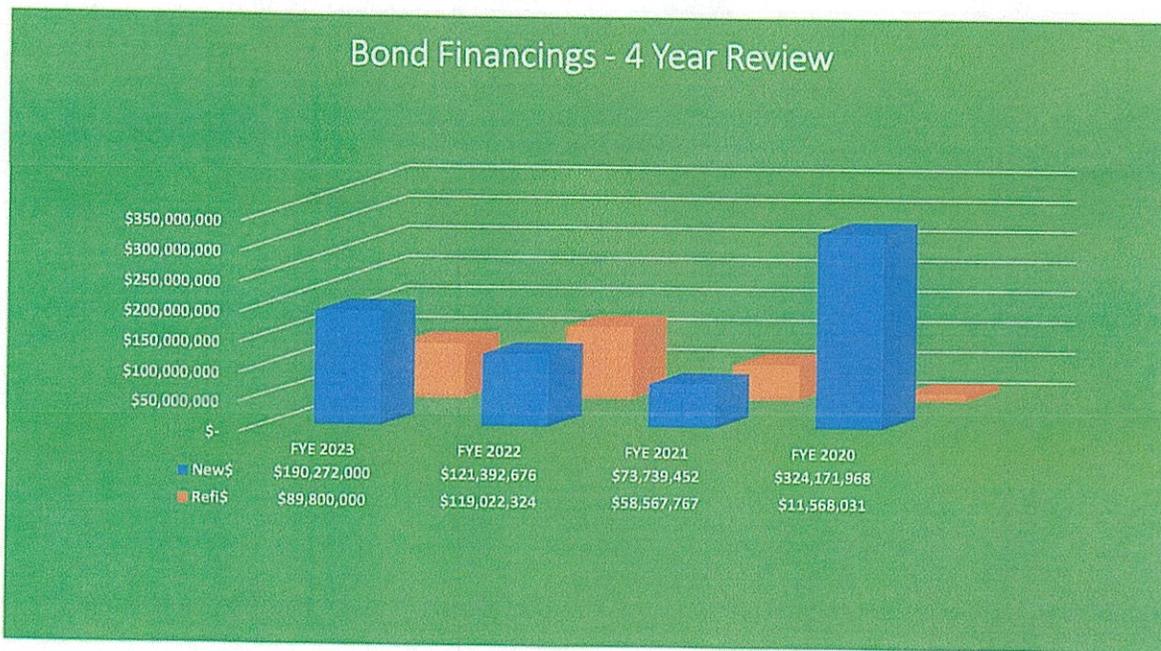


EXHIBIT B

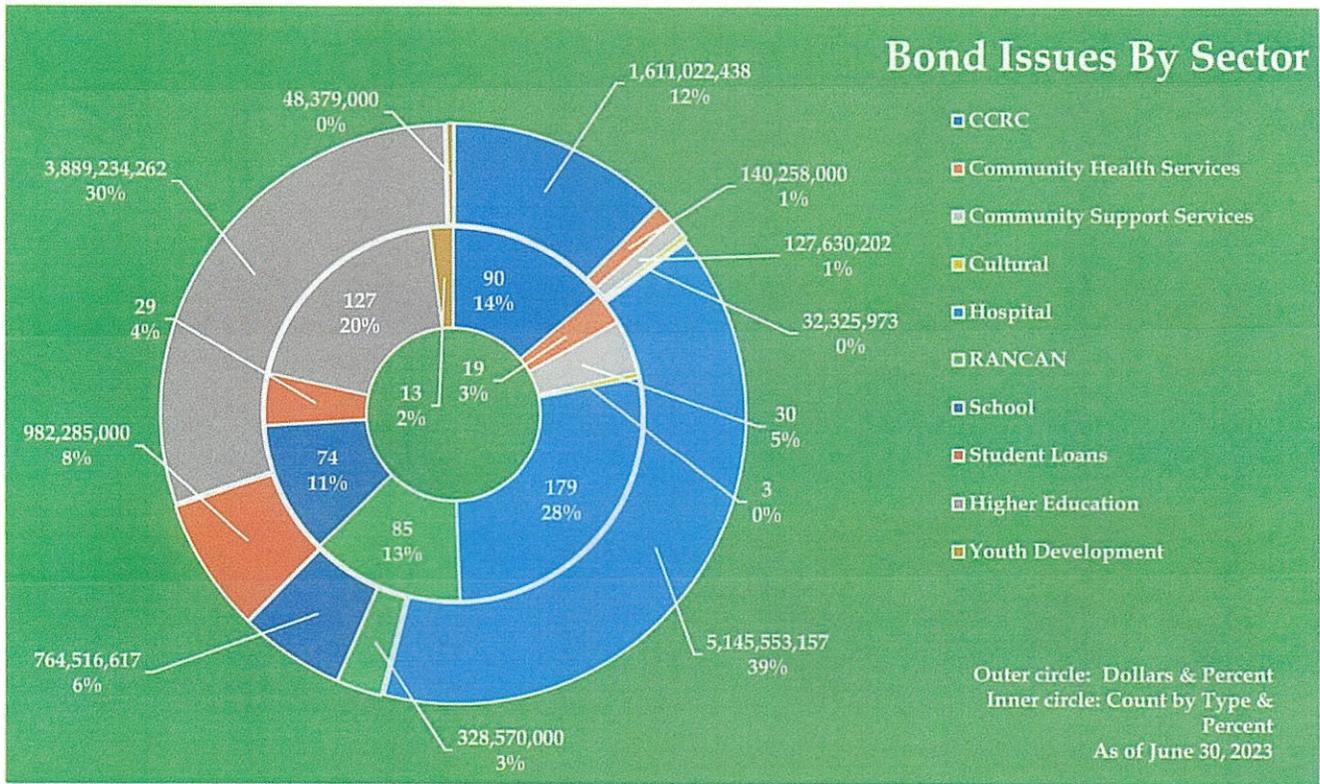


EXHIBIT C

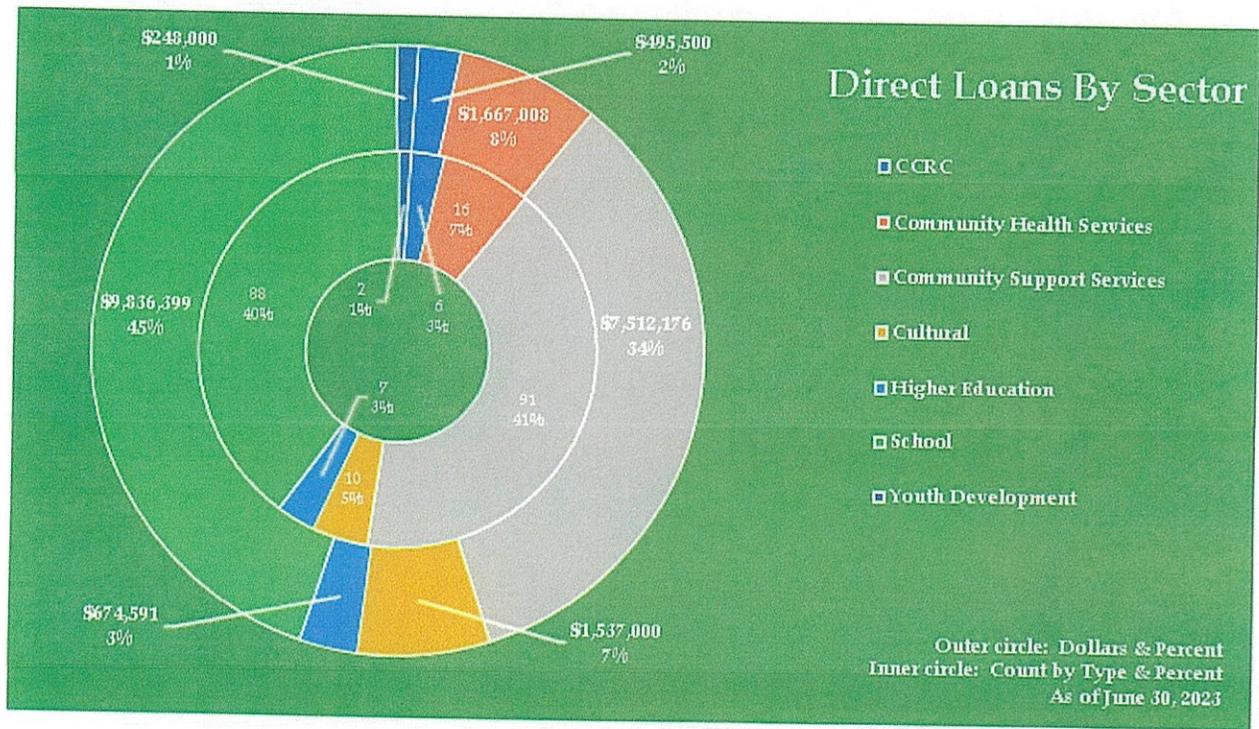


EXHIBIT D

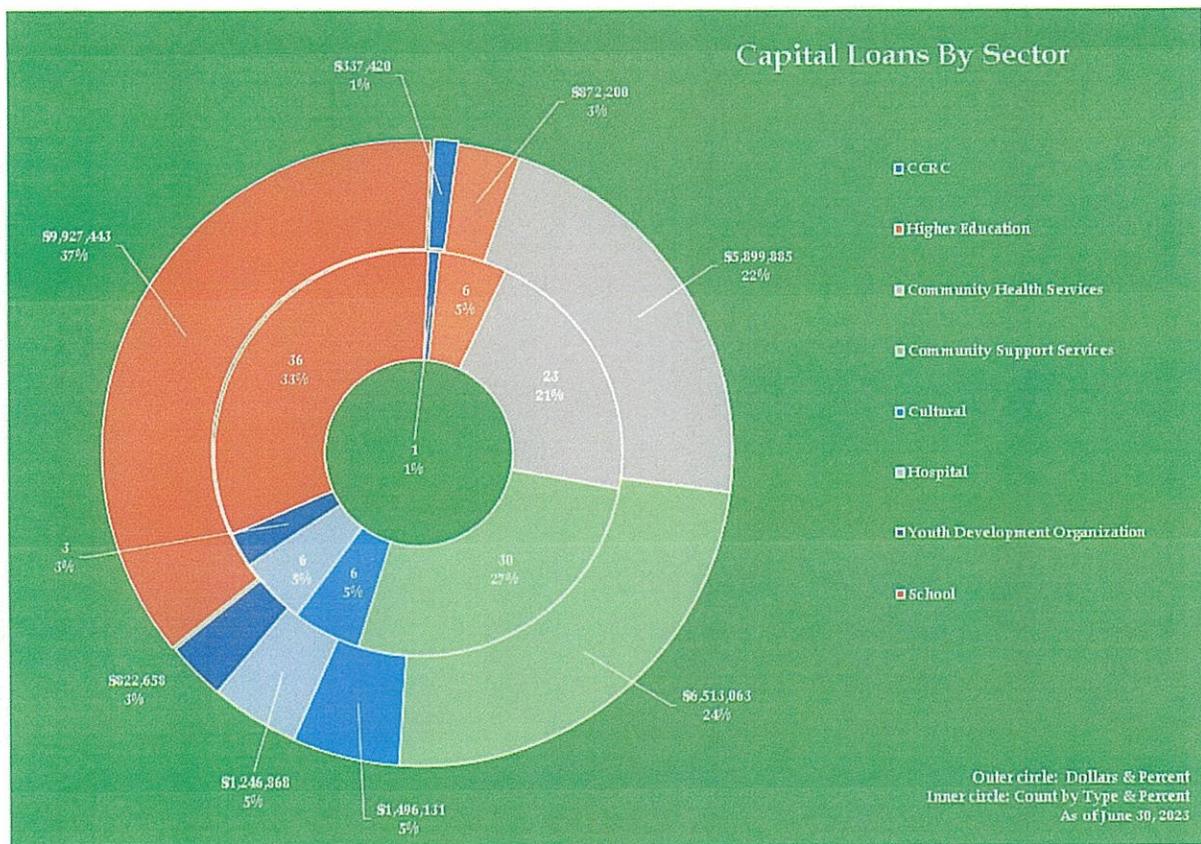


EXHIBIT E

Bond Issues

July 1, 2021 – June 30, 2023

Standard Bond Program
Direct Placement Program
Equipment Leasing Program

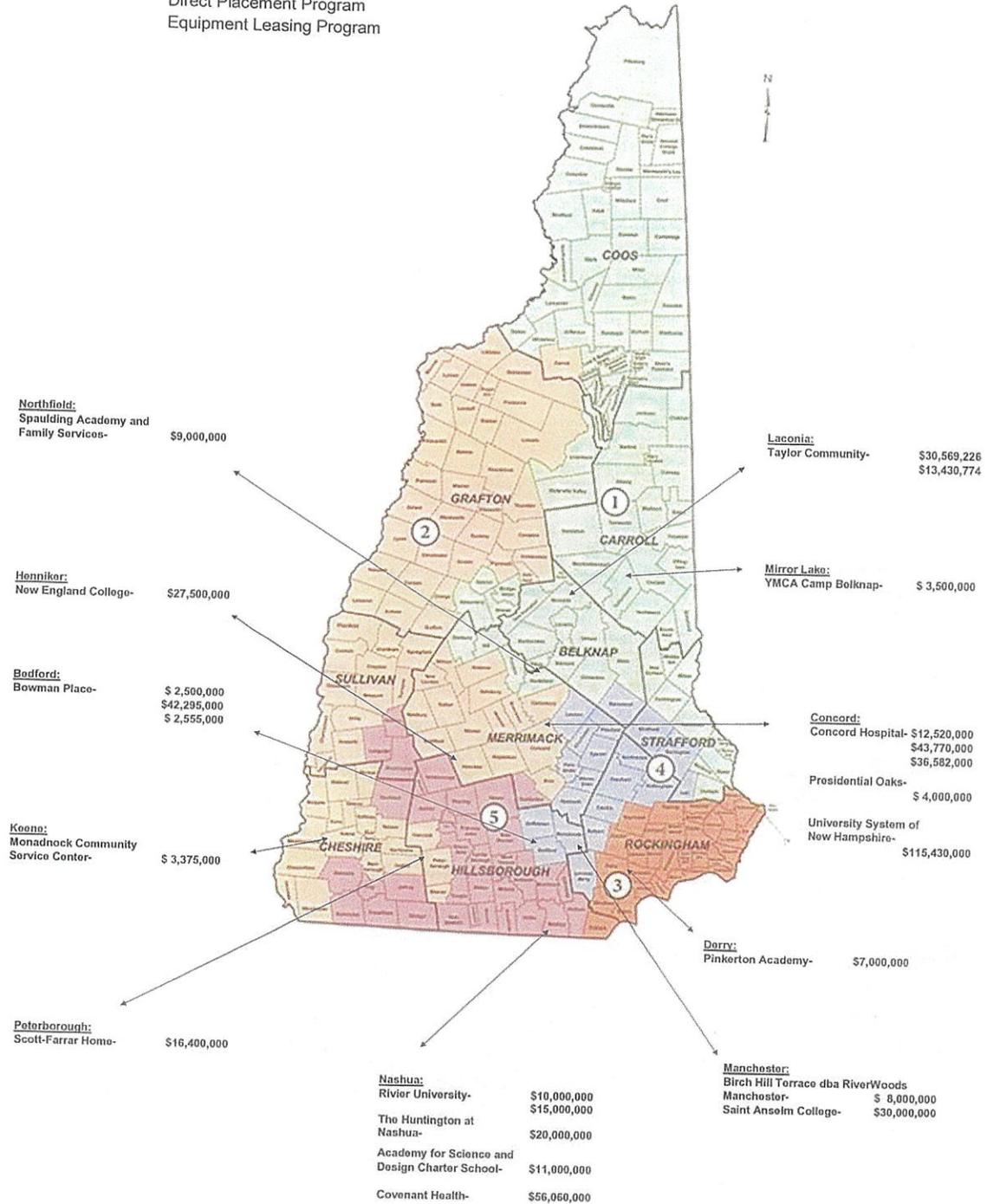


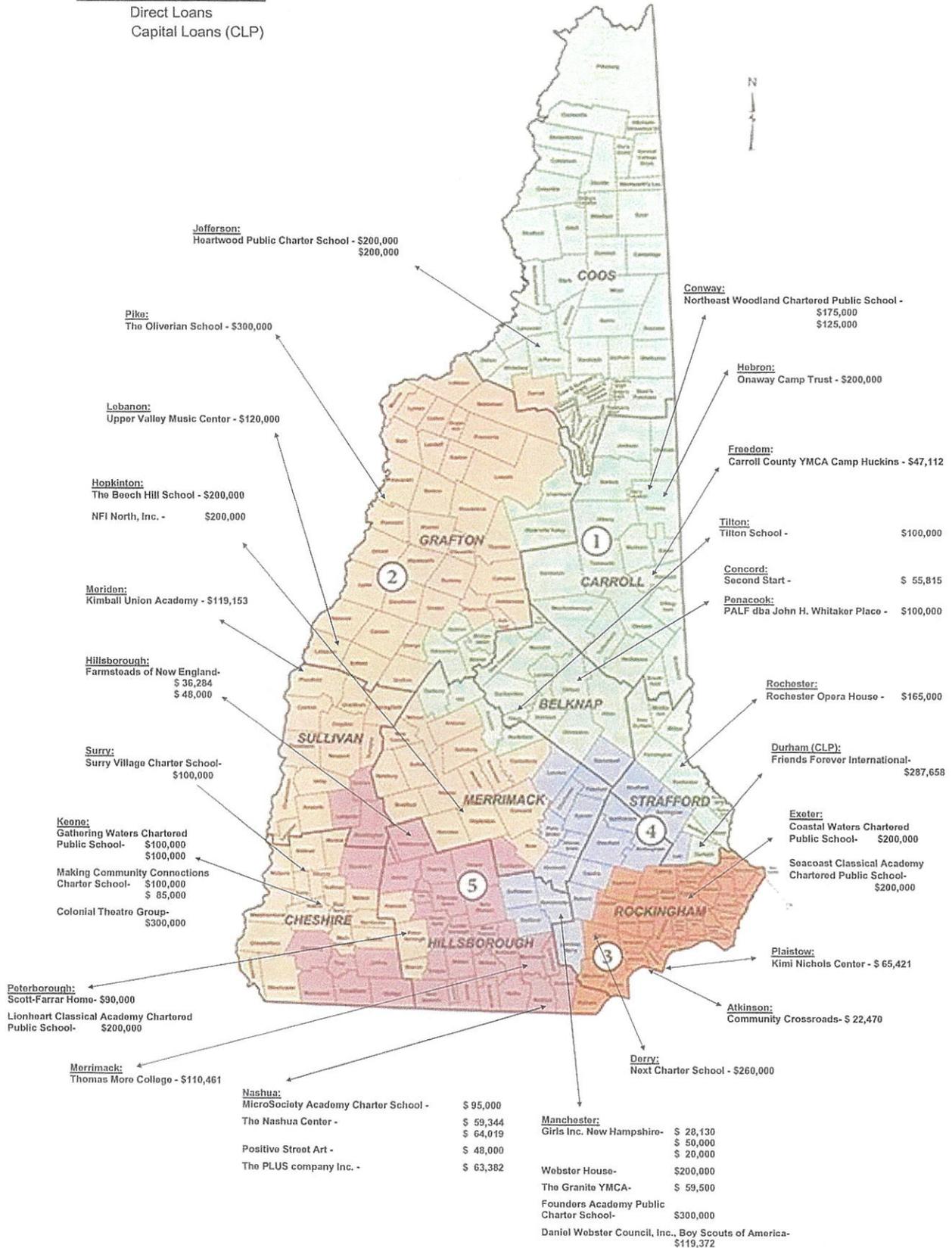
EXHIBIT F

Loan Issues

July 1, 2021 – June 30, 2023

Direct Loans

Capital Loans (CLP)



NEW HAMPSHIRE HEALTH AND
EDUCATION FACILITIES AUTHORITY

FINANCIAL REPORT

JUNE 30, 2023

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NATHAN WECHSLER & COMPANY
PROFESSIONAL ASSOCIATION
CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
New Hampshire Health and Education Facilities Authority
Concord, New Hampshire 03301

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities of New Hampshire Health and Education Facilities Authority, a discreet component unit of the State of New Hampshire, as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise New Hampshire Health and Education Facilities 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 respective financial position of business-type activities of New Hampshire Health and Education Facilities Authority, as of June 30, 2023 and 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under this standard 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 New Hampshire Health and Education Facilities Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

New Hampshire Health and Education Facilities Authority's 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 New Hampshire Health and Education Facilities Authority's ability to continue as a going concern for one year after the date that the financial statements are issued.

Page 1

70 Commercial Street, 4th Floor
Concord, NH 03301

v: 603-224-5357
f: 603-224-3792

59 Emerald Street
Keene, NH 03431

v: 603-357-7665
f: 603-224-3792

44 School Street
Lebanon, NH 03766

v: 603-448-2650
f: 603-448-2476

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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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 New Hampshire Health and Education Facilities 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 New Hampshire Health and Education Facilities 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 management's discussion and analysis and budgetary comparison information on pages 3, 32, and 33 be presented to supplement the basic financial statements. Such information, 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 audits 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.

Nathan Wechsler & Company

Concord, New Hampshire
October 2, 2023

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS Year Ended June 30, 2023

Within this section of the New Hampshire Health and Education Facilities Authority's annual financial report, the Authority's management provides narrative discussion and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2023. The Authority's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosed following this section.

The Authority's management and Board continue to support the value of good cost management to fulfill its mission to lower the cost of health and education services in New Hampshire, by providing eligible institutions with access to high quality, readily available low-cost financing alternatives.

The Authority's audited financial statements show the assets and liabilities of the Authority, the operating revenues, and operating expenses, followed by the statement of cash flows and the notes.

The Authority's assets are primarily composed of investments in government securities and notes receivable in the Capital Loan Program and Direct Loan Programs. The capital assets of the Authority are primarily office equipment and furniture and comprise less than 1.0% of the total assets. The liabilities of the Authority are all current.

The Authority's management and Board have made a provision for loan losses and a loan loss reserve has been established for the Capital and Direct Loan Programs. An amount equal to 3.0% of the total loan portfolio has been allowed for uncollectible loans. As of June 30, 2023, the loan loss reserve increased by 17% to \$214,787.

Bank Fees reflected a 50% increase as the Authority is no longer holding cash in the operating account to balance the servicing fees. Salaries reflected an 11% increase, payroll taxes increased 9%, while benefit reflect a 17% increase from the prior year, which relates to a revision to the SEP contribution levels as directed by the Board. Dues and subscription fees increased by 12% from various organizations. Nominal increases were reflected for telephone, general liability insurance, legal fees and accounting fees of less than 10% each.

The Authority recognized decreases in outside services of 70% for marketing services engaged in 2023, office rental and parking expenses of 7%, and meeting and travel expenses of 9%.

Overall, the total operating revenues increased by 8%, operating expenses increased by 14% and the Authority's investment gain reflected a 296% increase for the fiscal year ending June 30, 2023.

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

BALANCE SHEETS
June 30, 2023 and 2022

	ASSETS	
	2023	2022
CURRENT ASSETS		
Cash, checking	\$ 1,142,337	\$ 368,487
Accrued interest receivable	30,584	32,729
Prepaid expenses	4,900	4,898
Direct Loan Program notes receivable - current	2,253,461	1,801,979
Capital Loan Program notes receivable - current	277,270	51,790
Allowance for uncollectible loans	(75,922)	(55,613)
<i>Total current assets</i>	<u>3,632,630</u>	<u>2,204,270</u>
NONCURRENT ASSETS		
Investments	3,378,745	5,223,174
Right of use asset, net of accumulated amortization	31,980	57,564
Direct Loan Program notes receivable, net of current portion	3,672,081	3,019,866
Capital Loan Program notes receivable, net of current portion	956,759	1,235,352
Allowance for uncollectible loans	(138,865)	(127,657)
<i>Total noncurrent assets</i>	<u>7,900,700</u>	<u>9,408,299</u>
	<u>\$ 11,533,330</u>	<u>\$ 11,612,569</u>
LIABILITIES AND FUND NET POSITION		
	2023	2022
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 27,673	\$ 27,361
Current maturities of long-term lease liability	27,017	26,863
Unearned fee income	46,452	41,719
<i>Total current liabilities</i>	<u>101,142</u>	<u>95,943</u>
LONG-TERM LIABILITIES		
Long-term lease liability, less current maturities	<u>7,294</u>	<u>36,033</u>
FUND NET POSITION		
Unrestricted - board designated for mandatory reserve	2,000,000	2,000,000
Unrestricted	9,424,894	9,480,593
<i>Total unrestricted fund net position</i>	<u>11,424,894</u>	<u>11,480,593</u>
	<u>\$ 11,533,330</u>	<u>\$ 11,612,569</u>

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 Years Ended June 30, 2023 and 2022

	2023	2022
OPERATING REVENUES:		
Administrative fees	\$ 215,752	\$ 213,192
Interest income, loan programs	110,429	89,530
	<hr/>	<hr/>
<i>Total operating revenues</i>	326,181	302,722
	<hr/>	<hr/>
OPERATING EXPENSES:		
Salaries	222,885	201,222
Employee benefits	78,415	66,856
Rent and cleaning	29,752	32,082
Legal fees	27,760	26,245
General insurance	19,818	19,703
Outside services	4,940	16,548
Accounting fees	18,200	17,850
Payroll taxes	19,775	18,148
Office supplies, publications, and postage	8,517	6,850
Dues and subscriptions	4,836	4,324
Travel and meetings	6,525	7,157
Telephone	2,219	2,056
Bank investment and direct loan fees	1,502	1,003
Miscellaneous	840	657
Change in allowance for uncollectible loans	31,518	(2,381)
	<hr/>	<hr/>
<i>Total operating expenses</i>	477,502	418,320
	<hr/>	<hr/>
<i>Operating loss</i>	(151,321)	(115,598)
	<hr/>	<hr/>
NONOPERATING INCOME:		
Investment income	93,023	114,599
Realized and unrealized gain (loss) on investments	2,599	(163,250)
	<hr/>	<hr/>
<i>Excess of expenses over revenues</i>	(55,699)	(164,249)
	<hr/>	<hr/>
Fund net position, beginning of year	11,480,593	11,644,842
	<hr/>	<hr/>
<i>Fund net position, end of year</i>	\$ 11,424,894	\$ 11,480,593
	<hr/>	<hr/>

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2023 and 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from institutions	\$ 220,483	\$ 210,284
Interest received	112,574	80,119
Cash paid to suppliers and employees	(448,674)	(418,629)
Principal payments received under Direct Loan Program	1,591,609	1,934,576
Principal loaned under Direct Loan Program	(2,695,306)	(2,461,338)
Principal payments received under Capital Loan Program	53,113	893,782
Principal loaned under Capital Loan Program	-	(287,658)
	<u>(1,166,201)</u>	<u>(48,864)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(293,242)	(413,137)
Sales and maturities of investments	2,140,270	406,860
Income from investments	93,023	114,599
	<u>1,940,051</u>	<u>108,322</u>
<i>Net cash provided by investing activities</i>		
	773,850	59,458
Cash, beginning of year	368,487	309,029
<i>Cash, end of year</i>	<u>\$ 1,142,337</u>	<u>\$ 368,487</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES		
Operating loss	\$ (151,321)	\$ (115,598)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Change in allowance for uncollectible loans	31,518	(2,381)
Amortization of right of use asset	25,584	25,585
Changes in assets and liabilities:		
(Increase) decrease in accrued interest receivable	2,145	(9,411)
Increase in prepaid expenses	(2)	(66)
Increase in accounts payable and accrued expenses	312	1,625
Decrease in lease liability	(28,585)	(25,072)
Increase (decrease) in unearned fee income	4,732	(2,908)
Increase in Direct Loan Program notes receivable	(1,103,697)	(526,762)
Decrease in Capital Loan Program notes receivable	53,113	606,124
NET CASH USED IN OPERATING ACTIVITIES	<u>\$ (1,166,201)</u>	<u>\$ (48,864)</u>

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization

The New Hampshire Health and Education Facilities Authority (the "Authority") is a public benefit corporation created by the New Hampshire General Court. The purpose of the Authority is to provide participating health care and education institutions with an additional method of financing their equipment, buildings and student loan programs. A participating educational institution is an institution for post-secondary or higher education; an institution for secondary education; an institution providing an educational program; or a childcare provider. A participating health care institution is a hospital; a nursing home; a health maintenance organization; a home health care provider; an institution providing a health care program; or an ambulatory care clinic. Bonds issued by the Authority are not a debt of the State of New Hampshire, and the state is not liable for such bonds. Additionally, the Authority is exempt from federal and state income taxes.

Note 2. Significant Accounting Policies

Basis of financial statements: The financial statements have been prepared in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). The Authority follows the "business-type activities" reporting requirements of GASB Cod. Sec. Sp20.107. Accordingly, the Authority's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded when an obligation has been incurred, regardless of the timing of related cash flows.

Fund accounting: The accounts of the Authority are maintained in a self-balancing fund, the General Operating Fund.

The General Operating Fund represents resources that are available for the operating activities of the Authority, for the Mandatory Reserve Account and the Loan Program Account.

Mandatory Reserve Account: The Authority has established a Mandatory Reserve Account to provide for debt service payments, replenishment of debt service funds, or payment of professional fees in the event of a defaulted borrower. In addition, the Mandatory Reserve Account is used for operating expenses of the Authority or may be used to provide a form of self-insurance in the event of a lawsuit or claim against the Authority or its Board members. For the years ended June 30, 2023 and 2022, the minimum required balance was the lesser of 0.1% of the total outstanding bonds or \$2,000,000. As of June 30, 2023 and 2022, the minimum required balances, and the assets designated for the Mandatory Reserve Account, amounted to \$2,000,000.

Capital Loan Program: The Authority has established a Capital Loan Program to provide loans at a below-market rate for qualified institutions for the purchase of capital equipment, acquisition of real estate or for refinancing of existing debt. The loans are administered by a bank, with the Authority co-lending part of the loan.

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Direct Loan Program: The Authority has established a Direct Loan Program to provide loans at a below-market rate for qualified institutions for the purchase of capital equipment, the acquisition of real estate, construction or renovation of facilities, refinancing of existing debt or other matters as determined by the Board.

Loans receivable/allowance for uncollectible loans: Loans receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to an allowance based on its assessment of the current status of individual loans. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance and a credit to loans receivable. There were no actual bad debt expenses for the years ended June 30, 2023 and 2022.

Authority fees: The Authority charges an administrative fee to institutions with outstanding bond issues to cover the Authority's operating costs. During the year ended June 30, 2022, the annual fee, paid semi-annually, charged to the institutions was \$0.08 per \$1,000 of the amount of bonds issued, with a maximum of \$40,000 per institution. Effective January 1, 2023, the rate was changed to \$0.09 per \$1,000.

Estimates and assumptions: Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Accordingly, actual results could differ from those estimates.

Depreciation: Depreciation of the Authority's equipment is computed using the straight-line method over the estimated useful lives of the assets, generally five to seven years.

The costs for additions, renewals and betterments of property and equipment, unless of relatively minor amount, are capitalized. Maintenance and repairs are expensed as incurred. Upon retirement or sale, the cost of the assets disposed of and the related accumulated depreciation is removed from the accounts, and any respective gain or loss is included in other income in the period the asset is disposed of.

Cash and cash equivalents: For purposes of reporting cash flows, the Authority considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash and cash equivalents. There were no cash equivalents at June 30, 2023 and 2022. Temporary cash investments held in the investment portfolios are excluded from cash and cash equivalents.

Investments: The Authority reports investments at fair value, with net unrealized gains and losses reported as non-operating revenue in the statement of revenues, expenses and changes in fund net position. Fair values of investments are based on quoted market prices. Interest income is accrued on coupon securities from the last coupon date or purchase date and for securities (e.g., U.S. Treasury Bills) on the effective yield method.

Budget policy, practice, and control: The annual budget for the fiscal year ending June 30 is prepared by management. The budget is prepared based on historical data and currently known facts. The budget is presented to the Board of Directors and after deliberation, is voted on. The budget needs a simple majority to pass. If actual expenditures are greater than the related budget line item by more than 20% and \$1,000, the Board of Directors must vote to increase that specific line item. The budget is maintained on the cash basis of accounting.

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 3. Reporting Entity

The Authority is considered to be a component unit of the State of New Hampshire because its Board of Directors is appointed by the Governor and Council of the State of New Hampshire. Accordingly, the Authority is included in the State's financial statements as a discreet component unit.

The Authority issues tax-exempt bonds, which do not constitute a debt of the State of New Hampshire. These debt instruments are limited obligations of the Authority, payable solely from payments made by the related borrowing institutions and related assets held by trustees. The Authority has no general liability with respect to these obligations and has no beneficial interest in the related assets held by trustees. Therefore, the Authority has elected to exclude these obligations, and the related assets held by trustees, from the financial statements.

Note 4. Investments

As of June 30, 2023 and 2022, the Authority's investments consisted of the following:

	2023		2022	
	Cost	Fair Value	Cost	Fair Value
Money market account	\$ 7,093	\$ 7,093	\$ 1,721,242	\$ 1,721,242
US Treasury bills & notes	1,209,387	1,214,249	248,845	247,120
Corporate fixed income securities	1,733,736	1,712,250	2,885,802	2,820,118
Foreign government obligations	436,741	445,153	436,741	434,694
	<u>\$ 3,386,957</u>	<u>\$ 3,378,745</u>	<u>\$ 5,292,630</u>	<u>\$ 5,223,174</u>

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 that ensures that the principal is preserved and enhanced over time, both in real and nominal terms with portfolio risk exposure reasonably below the average of comparable funds. Permissible investments currently utilized include money market accounts, corporate fixed income securities, and foreign or U.S. Government obligations.

As of June 30, 2023, allocations by type of investment and credit rating are as follows:

Asset	Fair Value	Per-centage of Total	Rating	Agency
Money market accounts:				
TD asset mgmt U.S. Government institutional	\$ 7,093	0%		
United States Treasury Securities:				
US Treasury bills & notes	1,214,249	36%		
Corporate fixed income securities:				
Oracle Corp	199,778	6%	Baa2/BBB	Moody's/S&P

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Rogers Communications Inc	248,787	8%	Baa3/BBB-	Moody's/S&P
American Express	246,070	7%	A2/BBB+	Moody's/S&P
State Street Corp.	247,740	8%	A1/A	Moody's/S&P
John Deere	97,575	3%	A2/A	Moody's/S&P
Walt Disney	182,977	5%	A2/A-	Moody's/S&P
Nextera Energy	245,858	7%	Baa1/BBB+	Moody's/S&P
Wells Fargo & Co	243,465	7%	A1/BBB+	Moody's/S&P
Foreign government obligations (in U.S. dollars):				
Bank Montreal	247,263	7%	A2/A-	Moody's/S&P
Bank Nova Scotia	197,890	6%	A2/A-	Moody's/S&P
<i>Total</i>	<u>\$ 3,378,745</u>	<u>100%</u>		

As of June 30, 2022, allocations by type of investment and credit rating are as follows:

Asset	Fair Value	Percentage of Total	Rating	Agency
TD asset mgmt U.S. Government institutional	\$ 1,721,242	33%		
United States Treasury Securities:				
US Treasury Notes	247,120	5%		
Corporate fixed income securities:				
American Express	159,928	3%	A2/BBB+	Moody's/S&P
Goldman Sachs Group	230,094	4%	A2/BBB+	Moody's/S&P
CitiGroup Inc.	200,268	4%	A3/BBB+	Moody's/S&P
Keybank National Assoc.	246,470	4%	A3/A-	Moody's/S&P
BB&T Corp	248,663	5%	A3/A-	Moody's/S&P
McDonalds Corp	250,880	5%	Baa1/BBB+	Moody's/S&P
Oracle Corp	199,418	4%	Baa2/BBB	Moody's/S&P
Rogers Communications Inc	251,578	5%	Baa1/BBB+	Moody's/S&P
American Express	242,027	4%	A2/BBB+	Moody's/S&P
State Street Corp.	252,270	5%	A1/A	Moody's/S&P
Bank America Corp.	249,232	5%	A2/A-	Moody's/S&P
John Deere	96,545	2%	A2/A	Moody's/S&P
Walt Disney	192,745	3%	A2/BBB+	Moody's/S&P
Foreign government obligations (in U.S. dollars):				
Bank Montreal	241,490	5%	A2/A-	Moody's/S&P
Bank Nova Scotia	193,204	4%	A2/A-	Moody's/S&P
<i>Total</i>	<u>\$ 5,223,174</u>	<u>100%</u>		

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS

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, 2023 and 2022, the Authority's investments were not subject to custodial credit risk under GASB Cod. Sec. 160.114. 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. As of June 30, 2023, the Authority's bank balance of \$1,142,686 was not exposed to custodial risk because the Authority has a letter of credit agreement that sweeps the bank balance above \$250,000 each night to serve as collateral for the excess on deposit above FDIC insured limits.

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 portfolio maintain an average maturity of three to five years.

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

	Cost	Fair Value
Due in one year or less	\$ 2,663,958	\$ 2,660,108
Due after one year through five years	722,999	718,637
	<hr/>	<hr/>
<i>Total</i>	\$ 3,386,957	\$ 3,378,745
	<hr/>	<hr/>

Foreign Currency Risk: Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The Authority's foreign investments are fixed income securities issued by the Bank of Montreal and the Bank of Nova Scotia, which are denominated in Canadian dollars.

Note 5. Fair Value Measurements

The Fair-Value Measurements requirements of GASB 72 *Fair Value Measurement and Application* establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are as follows:

- *Level 1* – Inputs are unadjusted, quoted prices in active markets for identical assets at the measurement date. The types of assets carried at level 1 fair value generally are securities listed in active markets.
- *Level 2* – Inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- *Level 3* – Inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include discounted cash flow models, and similar techniques.

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS

The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those investments.

Financial assets carried at fair value on a recurring basis consist of the following at June 30, 2023:

	Level 2	Level 3
Money Market Accounts	\$ 7,093	\$ -
US Treasury Notes	1,214,249	-
Corporate fixed income securities	2,157,403	-
Capital and Direct Loan program notes receivable, net of allowance	-	6,944,784
<i>Total</i>	<u>\$ 3,378,745</u>	<u>\$ 6,944,784</u>

Financial assets carried at fair value on a recurring basis consist of the following at June 30, 2022:

	Level 2	Level 3
Money Market Accounts	\$ 1,721,242	\$ -
US Treasury Notes	247,120	-
Corporate fixed income securities	3,254,812	-
Capital and Direct Loan program notes receivable, net of allowance	-	5,925,717
<i>Total</i>	<u>\$ 5,223,174</u>	<u>\$ 5,925,517</u>

Note 6. Notes Receivable, Capital Loan Program

The Authority has entered into an agreement with certain banks for purposes of making loans to institutions as described in Note 2. Under this agreement, the Authority is a co-lender up to 40%. The Authority's rate of interest on its portion of the loan is half the bank rate with a floor of 2.25%. For each loan, a separate participation agreement shall be entered into by both the bank and the Authority.

As of June 30, 2023 and 2022, the following loans were outstanding under this program (represents Authority's portion only):

	2023	2022
Note receivable, The Granite YMCA, with 18% co-lending participation, with monthly payments of \$1,871, including principal and interest at a rate of 2.25%, due June 2024	\$ 241,891	\$ 259,511
Note receivable, MicroSociety Academy, with 20% co-lending participation, with monthly payments of \$1,523, including principal and interest at a rate of 2.25%, due March 2025	315,947	327,227
Note receivable, Manchester Community Health, with 27% co-lending participation, with monthly payments of \$1,710, including principal and interest at a rate of 2.25%, due April 2026	399,773	414,162
Note receivable, Friends Forever, Inc., with 40% co-lending participation, with monthly payments of \$1,140, including principal and interest at a rate of 2.25%, due April 2027	276,418	286,242
	<u>1,234,029</u>	<u>1,287,142</u>
Portion receivable within one year	277,270	51,790
<i>Capital Loan Program notes receivable, net of current portion</i>	<u>\$ 956,759</u>	<u>\$ 1,235,352</u>

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS

At June 30, 2023, there were 4 notes outstanding. Maturities of notes receivable are scheduled as follows:

<u>Year Ending June 30,</u>		
2024		\$ 277,270
2025		326,037
2026		381,517
2027		249,205
<i>Total</i>		<u>\$ 1,234,029</u>

Note 7. Notes Receivable, Direct Loan Program

The Authority has entered into agreements for purposes of making loans to institutions as described in Note 2. Under these agreements, the Authority loans funds to qualified institutions for the purchase of capital equipment, the acquisition of real estate, construction or renovation of facilities, refinancing of existing debt or other matters as determined by the Board of Directors. All of the loans in this program carry interest of 1.0%, 1.125%, or 2.25% based upon the organization's total principal balance.

At June 30, 2023 and 2022, the following loans were outstanding under this program:

<u>Borrower</u>	<u>Monthly Payment</u>	<u>Due Date (Month-Year)</u>	<u>2023</u>	<u>2022</u>
Red River Theatres, Inc.	\$ 2,085	Feb-22	- \$	2,133
MicroSociety Academy Charter School	2,991	Sep-22	-	8,959
The Granite YMCA	1,509	Oct-22	-	6,035
Moore Center Services	786	Nov-22	-	3,922
Thomas More College	1,880	Nov-22	-	9,369
High Mowing School	3,419	Nov-22	-	17,028
Nashua Center for the Multiply Handicapped	599	Dec-22	-	3,575
Concord Family YMCA	645	Feb-23	-	5,138
Cardigan Mountain School	1,778	Jan-23	-	12,403
Girls Incorporated	1,644	May-23	-	17,992
Hope on Haven Hill	2,692	Jun-23	-	32,156
Castle Preservation Society	3,419	Jul-23	3,416	44,186
The Plus Company	2,522	Jun-23	-	30,144
Area Agency Properties, Inc. (Gateways)	3,419	Jun-23	-	40,861
Cardigan Mountain School	999	Sep-23	3,006	14,900
Nashua Center for the Multiply Handicapped	515	Feb-24	4,115	10,215
The White Mountain School	1,128	Nov-23	15,715	19,055
Manchester Community Music School	325	Nov-23	1,623	5,483
Woodside School	2,794	Mar-29	180,685	209,793
YMCA of Greater Nashua	3,419	Mar-24	30,641	71,140

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NOTES TO FINANCIAL STATEMENTS

Borrower	Monthly Payment	Due Date (Month-Year)	2023	2022
Mount Saint Mary Academy	\$ 855	Apr-24	\$ 8,535	\$ 18,651
Windham Academy	3,419	Apr-24	34,066	74,531
Seacoast Learning Collaborative Inc.	1,111	Jun-24	13,282	26,411
The Granite YMCA	1,421	Jun-24	16,970	33,756
Daniel Webster Council - Boy Scouts of America	1,279	Jun-24	15,261	30,370
YMCA of Greater Nashua	2,875	Aug-22	-	5,820
Opportunity Networks, Inc.	2,561	Oct-29	181,564	207,892
New Hampton School	1,373	Oct-24	21,845	38,012
Farmsteads of New England, Inc.	273	Sep-24	4,070	7,292
Bishop Guertin High School	3,419	Oct-24	54,289	94,553
Robert Frost Charter School		Mar-24	30,000	30,000
Tilton School	1,936	Aug-24	26,936	49,775
Concord Family YMCA	1,880	Nov-24	31,727	53,853
Mount Saint Mary Academy	2,328	Dec-29	169,169	193,012
Windham Academy	2,293	Mar-25	47,171	73,304
Nashua Center for the Multiply Handicapped	807	Mar-25	16,797	26,264
Evergreen Place	419	Jan-25	7,905	12,825
New Hampton School	2,051	Apr-25	44,732	68,770
Brain Injury Association of New Hampshire	3,077	Jan-25	58,010	94,156
Greater Seacoast Community	2,794	Jul-30	219,711	247,952
Community Bridges	1,018	Jul-25	25,184	37,079
Castle Preservation Society	1,282	Jul-25	31,728	46,713
The White Mountain School	1,162	Aug-25	40,066	43,446
Kimi Nichols Center	2,292	Oct-25	63,412	90,139
Coheco Academy for the Arts	1,265	Dec-25	-	29,533
Seacoast Learning Collaborative Inc.	1,111	Feb-26	35,078	47,990
Moore Center Services	728	Mar-26	23,718	32,176
Nashua Center for the Multiply Handicapped	646	Mar-26	21,039	28,541
Farmsteads of New England, Inc.	380	Mar-26	12,377	16,794
Daniel Webster Council - Boy Scouts of America	926	Apr-26	31,040	41,787
CCYMCA - Camp Huckins	3,419	Jun-26	121,237	160,835
Gathering Waters Charter School	1,709	Aug-26	63,980	83,746
Gathering Waters Charter School		Mar-26	100,000	-
The Scott Farrar Home	1,538	Aug-26	57,573	75,362
Farmsteads of New England, Inc.	620	Aug-26	23,210	30,382
Second Start	954	Aug-26	35,695	46,727
Tilton School	1,709	Aug-26	63,912	83,679
Kimball Union Academy	2,533	Sep-25	67,687	97,250

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NOTES TO FINANCIAL STATEMENTS

Borrower	Monthly Payment	Due Date (Month-Year)	2023	2022
Girls Incorporated	\$ 480	Jan-26	\$ 14,316	\$ 19,913
Community Crossroads	384	Dec-26	15,855	20,281
Thomas More College	1,891	Nov-26	76,201	98,016
Making Community Connections	1,764	Dec-26	71,158	90,486
Heartwood Public Charter School		Feb-23	-	200,000
Northeast Woodland Charter School		Nov-26	175,000	175,000
MicroSociety Academy Charter School	1,624	Mar-27	71,720	90,388
Upper Valley Music Center	2,051	Apr-27	70,518	116,179
Colonial Theatre Group	2,794	Apr-32	268,758	295,908
Coastal Waters Chartered Public School		Apr-27	200,000	200,000
Next Charter School	2,422	Apr-32	232,590	256,128
Webster House	3,419	May-27	157,601	196,837
The Granite YMCA	1,017	Jun-27	47,862	59,500
Nashua Center for the Multiply Handicapped	1,014	Jul-27	48,692	59,344
Girls Incorporated	855	Aug-27	41,870	-
Northeast Woodland Charter School	2,137	Aug-27	104,675	-
Rochester Opera House	2,820	Aug-27	138,315	-
Founders Academy	2,794	Sep-32	279,840	-
Beech Hill School	3,419	Sep-27	170,617	-
Farmsteads of New England, Inc.	821	Nov-27	42,547	-
Kimi Nichols	1,122	Nov-27	57,984	-
Lionheart Classical Academy		Nov-27	200,000	-
Daniel Webster Council - Boy Scouts of America	2,047	Dec-27	107,828	-
Oliverian School	3,863	Dec-29	280,423	-
NFI North, Inc.	3,419	Dec-27	180,480	-
PALF dba John H Whitaker Place	1,715	Mar-28	95,168	-
Nashua Center for the Multiply Handicapped	1,094	Mar-28	60,926	-
Heartwood Public Charter School		Mar-28	200,000	-
Girls Incorporated	343	May-28	19,678	-
Positive Street Art	823	May-28	47,256	-
Surry Village Charter School		Nov-28	80,000	-
The PLUS Company	1,089	May-28	62,375	-
Onaway Camp Trust	3,430	Jun-28	200,000	-
Camp Huckins	808	Jul-28	47,112	-
			5,925,542	4,821,845
Portion receivable within one year			2,253,461	1,801,979
<i>Direct Loan Program notes receivable,</i>				
<i>net of current portion</i>			\$ 3,672,081	\$ 3,019,866

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS

At June 30, 2023, there were 76 notes outstanding. Maturities of notes receivable are scheduled as follows:

<u>Year Ending June 30,</u>	
2024	\$ 2,253,461
2025	1,104,848
2026	873,063
2027	665,324
2028	417,663
Thereafter	611,183
<i>Total</i>	<u>\$ 5,925,542</u>

The White Mountain School saw a dramatic drop in its student enrollment in the 2022 school year. The school has approximately \$55,800 of outstanding loans owed to the Authority at June 30, 2023. In September 2022, the Authority granted a two-year deferral on payments for the two direct loans as part of the school's recovery plan.

Note 8. Retirement Plans

The Authority has a simplified employee pension plan (the "Plan") which covers all employees who meet the eligibility requirements of the Plan. For the years ended June 30, 2023 and 2022, the Authority contributed 15% and 12% of salaries for qualified employees, amounting to \$29,795 and \$23,668, respectively. The Authority has a section 457(b) deferred compensation plan which covers all employees who meet the eligibility requirements of the plan. However, no employer contributions are permitted under the Plan.

Note 9. Commitments

The Authority has employment agreements with its Executive Director and Director of Operations and Finance. The aggregate commitment under these agreements was approximately \$189,000 at June 30, 2023.

Note 10. Operating Lease

The Authority leases office space under an agreement effective October 1, 2019, with another unrelated party. The lease expires September 30, 2024. The monthly lease payments amounted to \$2,500 at June 30, 2023. The monthly lease payments increase by \$50 on October 1st of each year.

At June 30, 2023, the office space lease asset and accumulated amortization are as follows:

<u>Lease Description</u>		<u>Net Asset</u>		<u>Accumulated</u>		<u>Gross Asset</u>
		<u>Balance</u>		<u>Amortization</u>		<u>Balance</u>
One Capitol Street, Suite 200	\$	31,980	\$	77,538	\$	109,518

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS

At June 30, 2022, the office space lease asset and accumulated amortization are as follows:

Lease Description	Net Asset Balance	Accumulated Amortization	Gross Asset Balance
One Capitol Street, Suite 200	\$ 57,564	\$ 51,954	\$ 109,518

Total amortization expense for the years ended June 30, 2023 and 2022 amounted to \$25,584 for both years.

At June 30, 2023, the future maturity of the lease liability is as follows:

	Cash	Interest Expense	Liability Reduction
2024	\$ 30,450	\$ 3,433	\$ 27,017
2025	7,650	356	7,294
<i>Total</i>	\$ 38,100	\$ 3,789	\$ 34,311

Total interest expense for the years ended June 30, 2023 and 2022 amounted to \$1,266 and \$4,178, respectively.

Note 11. Conduit Debt Obligations

Since its inception, the Authority has issued various series of bonds. The Authority has transferred its rights and obligations related to each series of bonds to a bank trustee. Each of the series of bonds is collateralized by a note receivable and security agreement from the institution in respect of which the bonds were issued. The bonds are payable solely from the resources of the recipient institution, and payment cannot be claimed from the collateral or revenue pledged for the payment of the other series of bonds. Accordingly, the bonds have not been reported in the accompanying financial statements.

As of June 30, 2023, the following series of bonds were outstanding:

Description	Maturing	Original Issue	Outstanding June 30, 2023
St. Paul's School Issue, Series 1998 Interest: 3.50%	January 1, 2028	\$ 40,000,000	\$ 40,000,000
Exeter Hospital Obligated Group Issue, Series 2001B Interest: Variable	Annually October 1, 2002 - 2023	18,800,000	1,095,000
Bishop Guertin High School Issue, Series 2002 Interest: Variable	Annually September 1, 2005 - 2032	6,200,000	2,850,000

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Description	Maturing		Original Issue	Outstanding June 30, 2023
Riverbend Community Mental Health Issue, Series 2003 Interest: Variable	July 1, 2033 - 2034	\$	6,000,000	\$ 2,575,000
Exeter Hospital Obligated Group Issue, Series 2003 Interest: Variable	Annually October 1, 2006 - 2033		20,000,000	10,365,000
Dartmouth College Issue, Series 2007B Interest: Variable	June 1, 2012, 2036, 2041		90,000,000	75,000,000
High Mowing School Issue, Series 2007 Interest: 5.21%	Monthly July 1, 2007 - April 1, 2036		2,000,000	874,327
Child and Family Services of New Hampshire Issue, Series 2007 Interest: Variable	Quarterly January 1, April 1, July 1, and October 1, 2010 - 2038		5,540,000	3,458,500
Moore Center Services Inc. Issue, Series 2007 Interest: Variable	Annually September 1, 2008 - 2037		4,295,000	2,865,000
Phillips Exeter Academy Issue, Series 2007 Interest: Variable	September 1, 2042		50,000,000	50,000,000
Wediko Children's Svcs Issue, Series 2007 Interest: 5.42%	Annually September 1, 2008 - 2037		3,800,000	2,426,561
Greater Manchester YMCA Family Issue, Series 2007 Interest: Variable	Annually October 1, 2009 - 2028		3,800,000	1,105,000
The Derryfield School Issue, Series 2008 Interest: Variable	Monthly Jan 1, 2018 - December 1, 2047		7,000,000	5,357,520
Riverbend Community Mental Health Issue, Series 2008 Interest: Variable	Annually July 1, 2009 - 2038		4,100,000	3,060,000

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NOTES TO FINANCIAL STATEMENTS

Description	Maturing	Original Issue	Outstanding June 30, 2023
Havenwood Heritage Heights Issue, Series 2009 Interest: Variable	Annually January 1, 2012 - 2035	\$ 14,910,000	\$ 11,225,000
Exeter Hospital Obligated Group Issue, Series 2012 Interest: Variable	Annually October 1, 2012 - 2031	32,565,000	19,375,000
Androscoggin Valley Hospital Issue, Series 2012B Interest: 3.312%	Monthly May 1, 2012 - April 1, 2027	12,500,000	3,573,065
The Holderness School Issue, Series 2012 Interest: 2.39%	Semi-Annually June 1, 2012 - March 1, 2027	4,500,000	4,075,000
Colby-Sawyer College Issue, Series 2012 Interest: 1.96%	Monthly July 1, 2012 - June 1, 2042	27,000,000	20,834,232
Cardigan Mountain School Issue, Series 2012 Interest: Variable	Monthly September 1, 2015 - August 1, 2042	11,000,000	8,607,852
RiverWoods at Exeter Issue, Series 2012A Interest: Variable	Annually October 1, 2013 - 2036	33,605,000	22,400,000
RiverWoods at Exeter Issue, Series 2012B Interest: Variable	Annually October 1, 2013 - 2036	32,000,000	23,865,000
Cheshire Medical Center Issue, Series 2012 Interest: 2.00% - 5.00%	Annually July 1, 2013 - 2039	29,650,000	21,715,000
Speare Memorial Hospital Issue, Series 2012 Interest: Variable	Monthly January 1, 2013 - December 1, 2037	11,683,764	10,756,333
Catholic Medical Center Issue, Series 2012 Interest: 3.00% - 5.00%	Annually July 1, 2013 - 2032	35,275,000	13,900,000

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NOTES TO FINANCIAL STATEMENTS

Description	Maturing	Original Issue	Outstanding June 30, 2023
Dublin School Issue, Series 2013 Interest: Variable	Monthly June 1, 2013 - May 1, 2033	\$ 1,200,000	\$ 678,413
Coe-Brown Northwood Academy Issue, Series 2013 Interest: 3.05%	Monthly June 1, 2013 - May 1, 2033	3,300,000	1,887,378
Saint Anselm College Issue, Series 2013 Interest: 5.00%	Annually July 1, 2039 - August 1, 2043	12,000,000	12,000,000
Boys & Girls Club of Greater Concord Issue, Series 2013 Interest: Variable	Monthly October 1, 2016 - September 1, 2033	3,000,000	692,070
Havenwood Heritage Heights Issue, Series 2013B Interest: Variable	Monthly December 1, 2016 - November 1, 2041	14,470,000	14,267,413
RiverMead at Peterborough Issue, Series 2013 Interest: Variable	Monthly February 1, 2014 - July 1, 2028	13,550,000	5,358,000
Holderness School Issue, Series 2014 Interest: 3.00% - 3.375%	Monthly October 1, 2015 - September 1, 2035	4,500,000	3,071,029
University System of New Hampshire Issue, Series 2014 Interest: 1.97%	Annually July 1, 2015 - July 1, 2024	21,760,000	4,715,000
Dartmouth-Hitchcock Obligated Group Issue, Series 2014B Interest: 4.00%	Annually August 1, 2032 - August 1, 2033	14,530,000	14,530,000
Southern New Hampshire University Issue, Series 2014A Interest: 2.53%	Semi-Annually January 1, 2015 - January 1, 2039	32,208,000	28,035,000

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NOTES TO FINANCIAL STATEMENTS

Description	Maturing	Original Issue	Outstanding June 30, 2023
Southern New Hampshire University Issue, Series 2014B Interest: Variable	Semi-Annually January 1, 2015 - January 1, 2036	\$ 19,069,000	\$ 4,122,000
Keystone Hall Issue, Series 2014 Interest: Variable	Monthly September 15, 2014 - September 15, 2042	3,963,900	3,263,130
Southern District YMCA Issue, Series 2014A Interest: Variable	Monthly November 1, 2017 - November 1, 2034	2,750,000	1,837,796
Southern District YMCA Issue, Series 2014B Interest: 3.53%	Monthly November 1, 2017 - November 1, 2034	2,904,000	663,613
University System of New Hampshire Issue, Series 2015 Interest: 1.97%	Semi-Annually July 1, 2015 - July 1, 2045	116,970,000	98,290,000
YMCA of Greater Nashua Issue, Series 2015A Interest: 2.89%	Monthly June 1, 2015 - May 1, 2035	5,700,000	3,925,774
YMCA of Greater Nashua Issue, Series 2015B Interest: 2.89%	Monthly July 1, 2015 - May 1, 2038	3,500,000	2,407,354
St. Paul's School Issue, Series 2015 Interest: 3.05%	Quarterly July 1, 2015 - June 1, 2045	12,000,000	12,000,000
Center for Life Management Issue, Series 2015 Interest: Variable	September 1, 2015 - August 1, 2036	3,042,730	2,167,730
Dartmouth College Issue, Series 2015A Interest: Variable	July 1, 2040	50,500,000	50,500,000
Dartmouth College Issue, Series 2015B Interest: Variable	July 1, 2040	50,500,000	50,500,000

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NOTES TO FINANCIAL STATEMENTS

Description	Maturing		Original Issue		Outstanding June 30, 2023
Dartmouth College Issue, Series 2015C Interest: Variable	June 1, 2038	\$	45,000,000	S	44,925,000
Dartmouth College Issue, Series 2015D Interest: Variable	June 1, 2038		44,665,000		44,590,000
Kimball Union Academy Issue, Series 2015A Interest: Variable	October 10, 2015 - July 10, 2045		12,657,301		10,772,889
Kimball Union Academy Issue, Series 2015B Interest: Variable	July 10, 2045		2,000,000		1,656,250
New Hampshire Catholic Charities Issue, Series 2015 Interest: Variable	Monthly October 1, 2015 - August 1, 2045		15,500,000		10,700,755
Catholic Medical Center Issue, Series 2015A Interest: Variable	Annually July 1, 2016 - 2040		24,070,000		19,750,000
Catholic Medical Center Issue, Series 2015B Interest: Variable	Annually July 1, 2017 - 2036		8,650,000		7,420,000
Littleton Hospital Issue, Series 2015A Interest: Variable	Monthly October 1, 2015 - September 1, 2038		5,331,100		3,856,827
Littleton Hospital Issue, Series 2015B Interest: Variable	Monthly October 1, 2015 - September 1, 2038		20,753,200		15,684,193
Concord Christian Academy Issue, Series 2015A Interest: 3.25%	Monthly January 1, 2016 - December 1, 2042		6,012,174		5,057,972
Phillips Exeter Academy Issue, Series 2016 Interest: 2.19%	April 1, 2036		30,000,000		30,000,000

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NOTES TO FINANCIAL STATEMENTS

Description	Maturing	Original Issue	Outstanding June 30, 2023
Speare Memorial Hospital Issue, Series 2015A Interest: Variable	Monthly July 1, 2017 - December 1, 2030	\$ 2,750,800	\$ 2,448,460
Kendal at Hanover Issue, Series 2016 Interest: 5.00%	October 1, 2036, 2040, 2046	18,305,000	15,795,000
Dartmouth College Issue, Series 2016A Interest: Variable	June 1, 2043	165,000,000	165,000,000
University System of New Hampshire Issue, Series 2016 Interest: Variable	Annually January 1, 2017 - January 1, 2042 and January 1, 2046	53,890,000	38,970,000
Dartmouth-Hitchcock Oblig. Group Issue, Series 2016B Interest: Variable	Annually June 30, 2017 - June 30, 2046	10,970,000	10,970,000
Birch Hill Terrace Issue, Series 2016 Interest: Variable	Monthly July 8, 2016 July 1, 2036	12,680,000	6,033,590
Havenwood Heritage Heights Issue, Series 2016A Interest: 4.00% - 5.00%	Monthly October 1, 2016 December 1, 2027	8,415,028	3,677,638
Havenwood Heritage Heights Issue, Series 2016B Interest: Variable	Monthly January 1, 2027 December 1, 2039	2,590,972	2,590,972
Franklin Pierce University Issue, Series 2016 Interest: 3.50%	Monthly January 1, 2017 November 1, 2046	34,562,000	29,750,307
Southern NH Medical Center Issue, Series 2016 Interest: 3.00% - 5.00%	Annually October 1, 2018 October 1, 2037	59,345,000	48,530,000
Saint Anselm College Issue, Series 2016 Interest: 2.25% - 5.00%	Annually August 1, 2017 August 1, 2036, 2041, 2046	17,445,000	11,260,000

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NOTES TO FINANCIAL STATEMENTS

Description	Maturing	Original Issue	Outstanding June 30, 2023
Elliot Hospital Issue, Series 2016 Interest: 2.00% - 5.00%	Annually June 30, 2017 October 1, 2039	\$ 147,020,000	\$ 123,240,000
Easter Seals New Hampshire, Inc. Issue, Series 2016A Interest: 2.20%	Annually January 1, 2017 December 1, 2034	13,015,000	9,554,998
Easter Seals New Hampshire, Inc. Issue, Series 2016B Interest: 3.25%	Annually January 1, 2017 December 1, 2046	9,175,000	5,453,818
Memorial Hospital Issue, Series 2016 Interest: 4.00% - 5.50%	Annually June 1, 2017 June 1, 2026, 2031, 2036	14,875,000	11,295,000
Proctor Academy Issue, Series 2017 Interest: Variable	Semi-annually July 1, 2017 January 1, 2047	25,000,000	17,598,440
Genesis Behavioral Health Issue, Series 2017A & B Interest: A=2.97% B=4.43%	Monthly July 1, 2017 June 1, 2047	4,373,750	3,858,403
Hillside Village Issue, Series 2017A Interest: 5.25% - 6.25%	Semi-annually January 1, 2018 July 1, 2027, 2037, 2052	57,395,000	56,710,000
Hillside Village Issue, Series 2017B Interest: 4.125%	Semi-annually January 1, 2018 July 1, 2024	17,210,000	3,050,000
Hillside Village Issue, Series 2017C Interest: 3.50%	Semi-annually January 1, 2018 July 1, 2022	16,520,000	16,520,000
Hillside Village Issue, Series 2017D Interest: 4.00%	Semi-annually January 1, 2018 July 1, 2022	1,890,000	1,890,000
Huggins Hospital Issue, Series 2017A Interest: 2.59%	Monthly October 1, 2017 June 1, 2047	14,380,488	12,390,483

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Description	Maturing	Original Issue	Outstanding June 30, 2023
Huggins Hospital Issue, Series 2017B Interest: Variable	Monthly October 1, 2017 June 1, 2047	\$ 14,160,667	\$ 12,542,491
Mental Health Center of Greater Manchester Issue, Series 2017 Interest: Variable	Monthly December 1, 2023 August 1, 2042	5,760,000	5,760,000
Catholic Medical Center Issue, Series 2017 Interest: 3.375% - 5.00%	Annually July 1, 2033 July 1, 2044	61,115,000	61,115,000
Dublin School Issue, Series 2017 Interest: Variable	Monthly December 1, 2017 November 1, 2037	4,000,000	3,085,237
University System of New Hampshire Issue, Series 2017A Interest: 5.00%	Annually July 1, 2019 July 1, 2028	53,805,000	46,215,000
University System of New Hampshire Issue, Series 2017B Interest: Variable	Annually July 1, 2018 July 1, 2037	49,020,000	39,875,000
Tilton School Issue, Series 2017A Interest: Variable	Monthly January 1, 2018 December 1, 2047	13,676,000	12,429,025
Tilton School Issue, Series 2017B Interest: Variable	Monthly January 1, 2023 December 1, 2047	2,000,000	1,645,726
Dartmouth College Issue, Series 2017 Interest: 5.00%	Monthly June 1, 2028	37,660,000	37,660,000
Rivermead at Peterborough Issue, Series 2017B Interest: Variable	Monthly January 1, 2021 December 1, 2045	30,000,000	15,606,272
Concord Hospital Issue, Series 2017 Interest: 5.00%	Annually October 1, 2032 October 1, 2047	54,210,000	54,210,000

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Description	Maturing	Original Issue	Outstanding June 30, 2023
Dartmouth-Hitchcock Oblig. Group Issue, Series 2017A Interest: 5.00%	Annually August 1, 2032 August 1, 2040	\$ 122,435,000	\$ 122,435,000
Dartmouth-Hitchcock Oblig. Group Issue, Series 2017B Interest: 2.54%	Annually August 1, 2023 August 1, 2040	109,800,000	109,800,000
Partners HealthCare System Issue, Series 2017 Interest: 5.00%	Annually July 1, 2019 July 1, 2041	99,565,000	90,390,000
Dartmouth-Hitchcock Oblig. Group Issue, Series 2018A Interest: 3.50% - 5.00%	Annually August 1, 2023 January 1, 2048	83,355,000	83,355,000
Saint Anselm College Issue, Series 2018 Interest: Variable	Monthly April 1, 2018 March 1, 2048	61,150,000	54,148,259
John H. Whitaker Place Issue, Series 2018A Interest: Variable	Monthly May 1, 2018 April 1, 2048	4,615,000	4,089,826
John H. Whitaker Place Issue, Series 2018B Interest: Variable	Monthly May 1, 2019 April 1, 2048	2,632,663	2,209,893
New England Carpenters Train- ing Fund Issue, Series 2018 Interest: Variable	Monthly May 1, 2020 April 1, 2043	5,000,000	4,294,575
RiverWoods Durham Issue, Series 2018A Interest: Variable	Monthly June 1, 2023 - 2048	52,980,000	52,980,000
Kendall at Hanover Issue, Series 2018A Interest: Variable	Monthly July 1, 2018 October 1, 2038	13,323,320	10,848,333
Kendall at Hanover Issue, Series 2018B Interest: Variable	Monthly July 1, 2021 June 1, 2038	25,906,000	23,840,000

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Description	Maturing	Original Issue	Outstanding June 30, 2023
Dartmouth-Hitchcock Oblig. Group Issue, Series 2018C Interest: Variable	Annually August 1, 2019 August 1, 2030	\$ 25,865,000	\$ 22,860,000
Hunt Community Issue, Series 2018 Interest: Variable	Monthly September 6, 2018 September 1, 2048	16,981,323	15,104,303
NH Catholic Charities Issue, Series 2018 Interest: Variable	Monthly October 25, 2018 October 1, 2048	3,100,000	2,860,758
YMCA of Greater Nashua Issue, Series 2019A Interest: 4.47%	Monthly March 22, 2019 March 1, 2039	5,200,000	4,745,182
Rivier University Issue, Series 2019A Interest: Variable	Monthly April 1, 2019 February 1, 2049	13,696,539	12,948,764
Rivier University Issue, Series 2019B Interest: Variable	Monthly April 1, 2019 April 1, 2049	17,000,000	16,170,381
White Mountain School Issue, Series 2019 Interest: 4.99%	Monthly May 9, 2019 May 1, 2039	5,600,000	5,065,214
Elliot Hospital 2019 Issue, Series 2019 Interest: 1.92%	Monthly September 30, 2019 August 30, 2029	20,500,000	13,102,707
Southern NH Health Systems Issue, Series 2019 Interest: 1.92%	Monthly September 30, 2019 August 30, 2029	24,500,000	15,659,333
Dartmouth-Hitchcock Health Issue, Series 2019A Interest: 4.00%	Annually August 1, 2038 August 1, 2043	99,165,000	99,165,000
New Hampton School Issue, Series 2019A Interest: Variable	Semi-annually June 1, 2020 December 1, 2049	11,568,031	10,528,569

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Description	Maturing	Original Issue	Outstanding June 30, 2023
New Hampton School Issue, Series 2019B Interest: Variable	Semi-annually June 1, 2023 December 1, 2049	\$ 5,431,969	\$ 5,345,797
Dartmouth-Hitchcock Health Issue, Series 2020A Interest: 5.00%	Annually August 1, 2049 August 1, 2059	125,000,000	125,000,000
St. Paul's School Issue, Series 2020 Interest: 2.80%	July 1, 2050	30,000,000	30,000,000
Pinkerton Academy Issue, Series 2020A Interest: 2.45%	Monthly December 1, 2020 November 1, 2040	29,798,909	25,361,511
Pinkerton Academy Issue, Series 2020B Interest: 2.45%	Monthly December 1, 2023 November 1, 2040	14,201,091	14,201,091
Brewster Academy Issue, Series 2020 Interest: Variable	Monthly December 1, 2020 November 1, 2045	18,872,000	17,467,445
RiverMead at Peterborough Issue, Series 2021 Interest: Variable	Monthly May 1, 2021 June 1, 2041	20,910,219	19,823,138
Concord Hospital Issue, Series 2021R Interest: 1.57%	Monthly August 1, 2021 October 1, 2026	12,520,000	10,093,000
Concord Hospital Issue, Series 2021A Interest: 3.00% - 5.00%	Annually October 1, 2021 October 1, 2042	43,770,000	41,660,000
Bowman Place Issue, Series 2021 B-1 Interest: 4.625%	Annually September 1, 2027 September 1, 2051	42,295,000	42,295,000
Bowman Place Issue, Series 2021 B-2 Interest: 8.00%	Annually September 1, 2024 September 1, 2027	2,555,000	2,555,000

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Description	Maturing	Original Issue	Outstanding June 30, 2023
Scott-Farrar Home Issue, Series 2021 Interest: Variable	Monthly November 1, 2021 October 1, 2031	\$ 16,400,000 \$	15,778,874
Rivier University Issue, Series 2021 Interest: Variable	Monthly November 1, 2021 October 1, 2051	10,000,000	10,000,000
Birch Hill Terrace Issue, Series 2021 Interest: Variable	Monthly December 1, 2024 November 1, 2046	8,000,000	8,000,000
New England College Issue, Series 2022 Interest: Variable	Monthly April 1, 2023 March 1, 2052	27,500,000	27,360,313
Presidential Oaks Issue, Series 2022 Interest: Variable	Monthly May 1, 2022 April 1, 2052	4,000,000	3,835,863
Huntington at Nashua Issue, Series 2022 Interest: Variable	In draw down status at June 30, 2022 Final Maturity April 1, 2042	20,000,000	18,677,172
YMCA Camp Belknap Issue, Series 2022 Interest: 3.06%	In draw down status at June 30, 2022 Final Maturity July 1, 2032	3,500,000	3,500,000
Taylor Community Issue, Series 2022A Interest: Variable	Monthly August 1, 2022 July 1, 2047	13,430,774	13,141,636
Taylor Community Issue, Series 2022B Interest: Variable	Monthly July 1, 2024 July 1, 2047	30,569,226	22,108,048
Monadnock Community Service Center Issue, Series 2022 Interest: Variable	Monthly July 1, 2022 July 1, 2052	3,375,000	3,303,610
Concord Hospital Issue, Series 2022 Interest: Variable	Monthly August 1, 2022 October 1, 2043	36,582,000	36,582,000

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Description	Maturing	Original Issue	Outstanding June 30, 2023
Saint Anselm College Issue Series 2022 Interest: Variable	Monthly September 1, 2024 August 1, 2052	\$ 30,000,000	\$ 30,000,000
Spaulding Academy & Family Services Issue, Series 2022 Interest: Variable	Monthly September 1, 2025 August 1, 2052	9,000,000	9,000,000
Academy of Science & Design Issue, Series 2022 Interest: Variable	Monthly December 1, 2024 November 1, 2052	11,000,000	11,000,000
Rivier University Issue Series 2022 Interest: Variable	Monthly January 1, 2024 December 1, 2052	15,000,000	15,000,000
Covenant Health Issue Series 2023 Interest: 4.00%	July 1, 2037	56,060,000	56,060,000
Pinkerton Academy Issue Series 2023 Interest: 4.25%	Monthly May 1, 2025 April 1, 2053	7,000,000	7,000,000
University System of New Hampshire Issue, Series 2023 Interest: 5.00%-5.25%	Annually July 1, 2024 July 1, 2053	115,430,000	115,430,000
<i>Total</i>		\$ 3,730,633,938	\$ 3,273,595,431

As of June 30, 2023, there were 141 bond issues outstanding. These bonds mature at various dates, with aggregate principal payments due as follows:

2024	\$ 87,389,599
2025	95,948,741
2026	96,514,928
2027	103,616,970
2028	145,150,855
Thereafter	2,744,974,338
<i>Total</i>	\$ 3,273,595,431

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 12. Subsequent Events

The Authority has evaluated subsequent events through October 2, 2023; the date which the financial statements were available to be issued and have not evaluated subsequent events after that date. No subsequent events were identified that would require disclosure in the financial statements for the year ended June 30, 2023.

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

STATEMENT OF BUDGETARY COMPARISON
Year Ended June 30, 2023

	Budget	Actual Amounts (Budgetary Basis)	Budgetary Basis to GAAP Basis Differences		Actual Amounts GAAP Basis
Salaries	\$ 223,000	\$ 222,573	\$ 312	(1)	\$ 222,885
Employee benefits	83,271	78,415	-		78,415
Rent, electric and cleaning	33,210	32,752	(3,000)	(4)	29,752
Legal fees	31,700	27,760	-		27,760
General insurance	22,008	19,820	(2)	(2)	19,818
Outside services	28,405	4,940	-		4,940
Accounting fees	18,200	18,200	-		18,200
Payroll taxes	23,928	19,775	-		19,775
Office supplies, publications, and postage	12,560	8,517	-		8,517
Dues and subscriptions	7,775	4,836	-		4,836
Travel and meetings	15,000	6,525	-		6,525
Telephone	2,280	2,219	-		2,219
Bank investment fees	3,720	1,502	-		1,502
Miscellaneous	750	840	-		840
Change in allowance for uncollectible loans	-	-	31,518	(3)	31,518
	<u>\$ 505,807</u>	<u>\$ 448,674</u>	<u>\$ 28,828</u>		<u>\$ 477,502</u>

- (1) The Authority budgets for compensated absences only to the extent expected to be paid, rather than on the accrual basis.
- (2) The Authority's budgets are prepared on a cash basis rather than on the accrual basis.
- (3) The Authority's budget does not include an expense for bad debts because the budget is prepared on the basis of cash expenditures.
- (4) The Authority's budget plans for actual cash paid to landlord rather than the amortized cost of the right to use the long-term leased office space required by GASB 87.

NEW HAMPSHIRE HEALTH AND EDUCATION FACILITIES AUTHORITY

STATEMENT OF BUDGETARY COMPARISON

Year Ended June 30, 2022

	Budget	Actual Amounts (Budgetary Basis)	Budgetary Basis to GAAP Basis Differences		Actual Amounts GAAP Basis
Salaries	\$ 201,060	\$ 199,597	\$ 1,625	(1)	\$ 201,222
Employee benefits	71,842	66,856	-		66,856
Rent, electric and cleaning	33,408	31,569	513	(4)	32,082
Legal fees	31,700	26,245	-		26,245
General insurance	22,008	19,769	(66)	(2)	19,703
Outside services	23,050	16,548	-		16,548
Accounting fees	17,850	17,850	-		17,850
Payroll taxes	18,813	18,148	-		18,148
Office supplies, publications, and postage	12,808	6,850	-		6,850
Dues and subscriptions	7,725	4,324	-		4,324
Travel and meetings	19,247	7,157	-		7,157
Telephone	2,430	2,056	-		2,056
Bank investment fees	3,960	1,003	-		1,003
Miscellaneous	750	657	-		657
Change in allowance for uncollectible loans	-	-	(2,381)	(3)	(2,381)
	<u>\$ 466,651</u>	<u>\$ 418,629</u>	<u>\$ (309)</u>		<u>\$ 418,320</u>

- (1) The Authority budgets for compensated absences only to the extent expected to be paid, rather than on the accrual basis.
- (2) The Authority budgets expenditures on a cash basis rather than on the accrual basis.
- (3) The Authority's budget does not include an expense for bad debts because the budget is prepared on the basis of cash expenditures.
- (4) The Authority's budget plans for actual cash paid to landlord rather than the amortized cost of the right to use the long-term leased office space required by GASB 87.