CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY BOND PROGRAM

Audited Financial Statements

June 30, 2024 and 2023

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BOND PROGRAM

AUDITED FINANCIAL STATEMENTS

June 30, 2024 and 2023

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INDEPENDENT AUDITOR'S REPORT

Board Members
California Health Facilities Financing Authority
Sacramento, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the Bond Financing Program Fund of the California Health Facilities Financing Authority (CHFFA) (Bond Program) as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Bond Program of CHFFA as of June 30, 2024 and 2023, and the changes in financial position and 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 audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Bond Program of CHFFA 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 opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, 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 CHFFA'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 Bond Program of CHFFA's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Board Members
California Health Facilities Financing Authority

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise CHFFA Bond Program's basic financial statements. The accompanying Schedule of Bonds Issued and Outstanding is presented for the purposes of additional analysis and is not a required part of the basic financial statements. This schedule has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Emphasis of Matter

As discussed in Note A, the financial statements present only the Bond Financing Program Fund and do not purport to, and do not present fairly the financial position of CHFFA as of June 30, 2024 and 2023, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2025, on our consideration of the Bond Program of CHFFA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bond Program of CHFFA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Bond Program of CHFFA's internal control over financial reporting and compliance.

Richardson & Company, LLP

November 14, 2025

This section of the financial statements of the California Health Facilities Financing Authority (CHFFA) presents management's discussion and analysis of the financial performance during the fiscal years (FY) that ended on June 30, 2024, 2023, and 2022. Please read it in conjunction with the financial statements that follow this section.

GENERAL BACKGROUND, OVERVIEW AND PROGRAMS

CHFFA was established in 1979 and was created to be the State's vehicle for providing financial assistance to public and non-profit health care providers in our State through loans funded by the issuance of tax-exempt bonds.

The diverse nature of the facilities funded by CHFFA reflects the changing health care needs of the State. From rural community-based organizations to large multi-hospital systems, CHFFA has financed a wide range of providers and programs throughout California.

Conduit Financing Activity

During FYs 2024, 2023, and 2022, CHFFA issued bonds and notes (including commercial paper. In this discussion, bonds and notes collectively will be referred to as "bonds"), totaling $2,839,865,000, $345,093,000, and $2,470,390,000, respectively. As of June 30, 2024, CHFFA's total conduit debt issued was approximately $50.4 billion, and the total conduit debt outstanding was approximately $17.8 billion. As of June 30, 2023, CHFFA's total conduit debt issued was approximately $47.5 billion, and the total conduit debt outstanding was approximately $16.7 billion. As of June 30, 2022, CHFFA's total conduit debt issued was approximately $47.2 billion, and the total conduit debt outstanding was approximately $17.5 billion.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements of CHFFA include the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), basic financial statements, accompanying notes and supplemental information.

REQUIRED FINANCIAL STATEMENTS

CHFFA's financial statements report information is using accounting methods similar to those used by private sector companies. These statements offer both short-term and long-term financial information about its activities.

The ***Statements of Net Position*** include CHFFA's assets, liabilities, and net position for FY 2024, 2023, and 2022 and provide information about the nature and amounts of investments in resources (assets) and the obligations to CHFFA's creditors (liabilities) (see Table 1).

Table 1
Statements of Net Position

	2024	2023	2022
Assets			
Current Assets	$ 17,030,679	$ 16,032,002	$ 15,798,026
Non-Current Assets	-	906	2,113
Total Assets	17,030,679	16,032,908	15,800,139
Deferred Outflow of Resources	1,168,812	1,346,296	724,493
Total Assets and Deferred Outflow of Resources	$ 18,199,491	$ 17,379,204	$ 16,524,632
Liabilities			
Current Liabilities	$ 281,473	$ 234,802	$ 214,815
Non-Current Liabilities	3,673,481	4,805,597	4,339,547
Total Liabilities	3,954,954	5,040,399	4,554,362
Deferred Inflow of Resources	1,328,221	800,564	1,254,270
Net Position			
Total Net Position	12,916,316	11,538,241	10,716,000
Total Liabilities, Deferred Inflow of Resources, and Net Position	$ 18,199,491	$ 17,379,204	$ 16,524,632

CHFFA's Total Assets and Deferred Outflow of Resources increased from $17,379,204 in FY 2023 to $18,199,491 in FY 2024. The increase in Total Assets and Deferred Outflows of Resources for FY 2024 was due to an increase in Current Assets, particularly cash and cash equivalents, which increased $897,158 compared to the prior year primarily due to increased fees collected relating to the issuance of bonds and partially due to the receipt of additional revenue related to CHFFA staff time worked on the Distressed Hospital Loan Program (DHLP) beginning in June 2023 and on the California Educational Facilities Authority's (CEFA) California Student Housing Revolving Loan Fund Program (SHRLF) beginning in July 2023. CHFFA's Total Net Position improved from $11,538,241 in FY 2023 to $12,916,316 in FY 2024 as non-current liabilities decreased while deferred inflow of resources increased, both related to pensions. Net pension liability decreased from $2,772,799 in FY 2023 to $1,738,868 in FY 2024 as CHFFA's proportionate share of the pension liability decreased. The total Deferred Inflow of Resources increase from $800,564 in FY 2023 to $1,328,221 in FY 2024, is related to pension activities and other postemployment benefits.

The ***Statements of Revenues, Expenses, and Changes in Net Position*** account for all the revenue earned, and expenses incurred by CHFFA for FY 2024, 2023, and 2022. These statements reflect the results of CHFFA's operations in each of the respective years (see Table 2).

Table 2
Statements of Revenues, Expenses, and Changes In Net Position

	2024	2023	2022
Operating Revenues			
Fee Revenue	$ 2,800,283	$ 2,096,782	$ 2,267,451
Miscellaneous revenue	713,404	38,075	-
Total Operating Revenues	3,513,687	2,134,857	2,267,451
Operating Expenses			
Personnel	1,388,852	1,166,182	1,638,168
Pension and OPEB	(399,273)	(515,128)	138,163
Operating Expenses	1,689,154	967,856	1,014,848
Total Operating Expenses	2,678,733	1,618,910	2,791,179
Operating Income (Loss)	834,954	515,947	(523,728)
Non-Operating Revenues (Expenses)			
Interest Income on Investments	543,121	306,229	48,785
Transfers from Other CHFFA Funds	-	65	(86,000)
Change in Net Position	1,378,075	822,241	(560,943)
Net Position - Beginning of Year	11,538,241	10,716,000	11,276,943
Net Position - End of Year	$ 12,916,316	$ 11,538,241	$ 10,716,000

CHFFA's Total Operating Revenues increased from $2,134,857 in FY 2023 to $3,513,687 in FY 2024. Fee Revenue is comprised of initial fees and annual administrative fees charged by CHFFA to bond borrowers for the issuance of bonds. The initial fee is calculated based on a percentage of the par amount of bonds issued. In FY 2024, 12 bonds were issued in an amount of over $2.8 billion, generating $844,992 in initial fees. In comparison, in FY 2023, only 3 bonds were issued in an amount of $345 million, generating $162,546 in initial fees. Also, annual administrative fees accounted for nearly $2 million in FY 2024. Additionally, FY 2024 brought in $713,404 in miscellaneous revenue, which is attributed to fees received from CHFFA staff time working on DHLP and SHRLF. The amount of miscellaneous revenue will fluctuate year-over-year depending on the CHFFA staff time worked on DHLP and any other similar new programs in the future. SHRLF has ended as there is no funding to administer the program.

Total Operating Expenses increased from $1,618,910 in FY 2023 to $2,678,733 in FY 2024. Personnel expenses increased from $1,166,182 in FY 2023 to $1,388,852 in FY 2024 as the growth of CHFFA staff, through the filling of vacancies, increased salaries and wages and benefits. Operating Expenses also increased substantially from $967,856 in FY 2023 to $1,689,154 in FY 2024. A large portion of the increase in operating expenses can be attributed to legal fees relating to the administration of DHLP and consultant fees related to the administration of SHRLF. Despite the increase in Total Operating Expenses, the increase in Total Operating Revenues outpaced it and resulted in a positive change in CHFFA's Change in Net Position from negative $560,943 in FY 2022 to $1,378,075 in FY 2024.

The ***Statements of Cash Flows*** provide information about CHFFA's cash receipts and cash payments during FY 2024, 2023, and 2022. These statements report cash receipts, cash payments, and net changes in cash resulting from operations, noncapital financing, and investment activities. The statements provide answers to questions of where cash came from, what cash was used for, and what caused changes in cash for the reporting period covered (see Table 3).

Table 3
Statements of Cash Flows

	2024	2023	2022
Cash Flows from Operating Activities			
Net Cash Provided (Used) by Operating Activities	$ 448,935	$ (1,838,171)	$ 1,415,758
Cash Flows from Noncapital Financing Activities			
Net Cash Used by Noncapital Financing Activities	(44,535)	(43,260)	(45,751)
Cash Flows from Investing Activities			
Net Cash Provided (Used) by Investing Activities	492,758	231,188	(50,949)
Net Increase (Decrease) in Cash and Cash Equivalents	897,158	(1,650,243)	1,319,058
Cash and Cash Equivalents at Beginning of Year	12,423,923	14,074,166	12,755,108
Cash and Cash Equivalents at End of year	$ 13,321,081	$ 12,423,923	$ 14,074,166

The Ending Cash and Cash Equivalents increased from $12,423,923 for FY 2023 to $13,321,081 for FY 2024 due to a large increase in Cash Flows from Operating Activities. Cash received from fees increased significantly from $325,744 in FY 2023 to $3,462,531 in FY 2024, which can be attributed to the previously mentioned substantial increase of initial fees, timing of collection of fees, and the receipt of miscellaneous revenue.

ANALYSIS OF FISCAL YEAR 2023/2024 ACTIVITIES

Applications Received:	**11**
Final Resolutions Adopted:	**12**
Bonds Sold:	**$2,839,865,000**

ANALYSIS OF FISCAL YEAR 2022/2023 ACTIVITIES

Applications Received:	**3**
Final Resolutions Adopted:	**3**
Bonds Sold:	**$345,093,000**

ANALYSIS OF FISCAL YEAR 2021/2022 ACTIVITIES

Applications Received:	**6**
Final Resolutions Adopted:	**6**
Bonds Sold:	**$2,470,390,000**

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of CHFFA's financial position and is intended for distribution to a variety of interested parties. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Executive Director, California Health Facilities Financing Authority, 901 P Street, Suite 313, Sacramento, California 95814.

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY
BOND PROGRAM

STATEMENTS OF NET POSITION

June 30, 2024 and 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 13,321,081	$ 12,423,923
Accounts receivable	2,710,067	2,756,641
Interest receivable	149,317	98,954
Due from external funds	850,214	752,484
TOTAL CURRENT ASSETS	17,030,679	16,032,002
NON-CURRENT ASSETS:		
Capital assets, net		906
TOTAL ASSETS	17,030,679	16,032,908
DEFERRED OUTFLOW OF RESOURCES		
Deferred outflow of resources - pension activities	925,424	1,036,074
Deferred outflow of resources - other postemployment benefits (OPEB)	243,388	310,222
	1,168,812	1,346,296
TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES	$ 18,199,491	$ 17,379,204
CURRENT LIABILITIES		
Accounts payable	$ 72,575	$ 17,907
Due to external funds	129,923	128,202
Accrued compensated absences, due within one year	78,975	88,693
TOTAL CURRENT LIABILITIES	281,473	234,802
NONCURRENT LIABILTIES		
Long-term accrued compensated absences	225,108	208,275
Loan payable	7,428	51,963
Net pension liability	1,738,868	2,772,799
Other postemployment benefits (OPEB) liability	1,702,077	1,772,560
TOTAL NON-CURRENT LIABILITIES	3,673,481	4,805,597
TOTAL LIABILITIES	3,954,954	5,040,399
DEFERRED INFLOW OF RESOURCES		
Deferred inflow of resources - pension activities	893,555	184,837
Deferred inflow of resources - other postemployment benefits (OPEB)	434,666	615,727
	1,328,221	800,564
NET POSITION		
Net investment in capital assets		906
Restricted for health facilities financing	12,916,316	11,537,335
TOTAL NET POSITION	12,916,316	11,538,241
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION	$ 18,199,491	$ 17,379,204

The accompanying notes are an integral part of these financial statements.

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY
BOND PROGRAM

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Years Ended June 30, 2024 and 2023

	2024	2023
OPERATING REVENUES		
Fee revenue	$ 2,800,283	$ 2,096,782
Miscellaneous revenue	713,404	38,075
TOTAL OPERATING REVENUES	3,513,687	2,134,857
OPERATING EXPENSES		
Salaries and wages	901,101	760,000
Benefits and other personnel related	487,751	406,182
Pension and OPEB	(399,273)	(515,128)
Operating expenses	1,689,154	967,856
TOTAL OPERATING EXPENSES	2,678,733	1,618,910
OPERATING GAIN (LOSS)	834,954	515,947
NONOPERATING REVENUES (EXPENSES)		
Interest and investment income	543,121	306,229
Transfers from other CHFFA funds		65
TOTAL NONOPERATING REVENUES	543,121	306,294
CHANGE IN NET POSITION	1,378,075	822,241
Net position, beginning of year	11,538,241	10,716,000
NET POSITION, END OF YEAR	$ 12,916,316	$ 11,538,241

The accompanying notes are an integral part of these financial statements.

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY
BOND PROGRAM

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from fees	$ 3,462,531	$ 325,744
Cash paid to suppliers	(1,631,859)	(983,734)
Cash paid to employees	(1,381,737)	(1,180,181)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	448,935	(1,838,171)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
SB 84 loan payment	(44,535)	(43,260)
NET CASH USED BY NONCAPITAL FINANCING ACTIVITIES	(44,535)	(43,260)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and investment income received	492,758	231,123
Amounts Transferred From (To) Other Funds		65
NET CASH PROVIDED) BY INVESTING ACTIVITIES	492,758	231,188
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	897,158	(1,650,243)
Cash and cash equivalents at the beginning of the year	12,423,923	14,074,166
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 13,321,081	$ 12,423,923
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income (loss)	$ 834,954	$ 515,947
Adjustments to reconcile operating income (loss) to cash provided by operating activities:		
Depreciation	906	1,207
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	46,574	(1,465,271)
(Increase) decrease in due from other funds	(97,730)	(343,842)
Increase (decrease) in accounts payable and accrued liabilities	54,668	(15,189)
Increase (decrease) in due to other funds	1,721	(1,596)
Increase (decrease) in due to other governments		(300)
Increase (decrease) in accrued vacation	7,115	(13,999)
Increase (decrease) in net pension liability	(1,033,931)	1,299,625
Increase (decrease) in net OPEB liability	(70,483)	(739,244)
Increase (decrease) in deferred inflows/outflows	705,141	(1,075,509)
NET CASH (USED) PROVIDED BY OPERATING ACTIVITIES	$ 448,935	$ (1,838,171)

The accompanying notes are an integral part of these financial statements.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of CHFFA's Bond Program have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The most significant accounting policies of the Bond Program are described below.

Organization and Reporting Entity: The California Health Facilities Financing Authority (CHFFA) was created in 1979 and operated pursuant to the California Health Facilities Financing Authority Act (codified in the California Government Code Sections 15430-15463). CHFFA is a public instrumentality of the State of California, authorized and empowered by the provisions of the CHFFA Act for the purpose of providing financial assistance to eligible and creditworthy nonprofit and public health facilities in California through loans funded by the issuance of tax-exempt bonds, low-cost loans, and direct grant programs to promote important California health access, healthcare improvement and cost containment objectives. The CHFFA Bond Financing Program (CHFFA Bond Program) was established to carry out these objectives. The diverse nature of the facilities funded by the CHFFA Bond Program reflects the changing health care needs of California. From rural community-based organizations to large multi-hospital systems, the CHFFA Bond Program has financed a wide range of providers and programs throughout California. The Bond Financing Program Fund is a subaccount within CHFFA.

CHFFA's enabling legislation guides the specific types of eligible entities, covering a wide range of entities, including without limitation, acute care and psychiatric hospitals, specialty centers, intermediate and skilled nursing care facilities, clinics and adult day health centers. The legislation also addresses project eligibility (including without limitation, construction, expansion, remodeling, renovation, and refinances), in addition to the make-up and responsibility of the nine-member board. Additional information regarding CHFFA's Bond Program can be accessed at:

https://www.treasurer.ca.gov/chffa/programs/bond.asp.

The Bond Program is one of many programs administered by CHFFA. Other State agencies, such as the State Treasurer's Office and the State Controller's Office, support CHFFA by providing services and thus allocate a portion of their expenses to CHFFA. CHFFA allocates its portion of such expenses to its different programs along with any direct costs associated with each program. Thus, the accompanying financial statements of CHFFA's Bond Program are not indicative of CHFFA's financial position or net assets as a whole but only of that portion of CHFFA's financial statements related to the Bond Program.

Basis of Presentation – Fund Accounting: The Bond Program's resources are allocated to and accounted for in these basic financial statements as an enterprise fund type of the proprietary fund group. The enterprise fund is used to account for operations that are financed in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other policies. Net position for the enterprise fund represents the amount available for future operations.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting: The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The enterprise fund type is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the balance sheet. Net position is segregated into amounts invested in capital assets, amounts restricted and amounts unrestricted. Enterprise fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

The Bond Program uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principle operations of the Bond Program. Operating revenues consist primarily of charges for services. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing types of activities and result from non-exchange transactions or ancillary activities.

Cash and Cash Equivalents: The Bond Program's cash and cash equivalents are considered cash and short-term investments that are held on deposit with the State Controller's Office. Cash receipts and disbursements of CHFFA are made through a cash pool maintained by the State Controller.

Accounts Receivable: Accounts receivable consist primarily of initial and annual administration fees receivable from conduit bond financing borrowers. Accounts receivable are reported net of allowance for doubtful accounts of $199,395 and $33,945 as of June 30, 2024, and 2023, respectively. Management's estimate of the allowance is based on historical collection experience and a review of the current status of fees receivable.

Due from External Funds: Due from external funds represents short-term funding by CHFFA's Bond Program to other CHFFA programs until funding is established to reimburse the Bond Program.

Capital Assets: Capital assets are recorded at cost and consist of furniture, fixtures and equipment and software. The costs of normal maintenance and repair that do not add to the value of the assets or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight-line method over the estimated useful lives of the assets ranging from 5 to 10 years.

Net Position: Net position is categorized as net investment in capital assets, restricted and unrestricted. As of June 30, 2024 and 2023, the net position of the Bond Program was classified as restricted by enabling legislation for purposes specified in the Act and as described in Note A.

General and Administrative Expenses: CHFFA is subject to an allocation of intradepartmental support costs in accordance with an agreement between CHFFA and the State Treasurer's Office (STO). CHFFA records these costs as invoiced by STO for the fiscal year and allocates the costs to its different programs. However, the allocation is subject to review and adjustment subsequent to year-end. All adjustments are included on the STO invoices and recorded in the period in which the adjustment is identified.

Compensated Absences: CHFFA accrues unpaid vacation, personnel holiday, excess hours, compensating hours, holiday credit and personal leave that is payable when employees separate from employment. Unused vacation may be accumulated up to a specified maximum and is paid at the time of termination from employment. Unused sick leave balances are not included in the liability because they do not vest to employees. Additional information on compensated absences is contained in the financial statements of the State of California for the years ended June 30, 2024 and 2023.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Inflows and Outflows: The statement of net position includes a separate section for deferred outflows and deferred inflows of resources. *Deferred outflows of resources* represent a consumption of net position by the government that is applicable to a future reporting period. *Deferred inflows of resources* represent an acquisition of net position that is applicable to a future reporting period. These amounts will not be recognized as an outflow of resources (expenditures/expense) or an inflow of resources (revenue) until the earnings process is complete. Deferred outflows and inflows of resources include amounts deferred related to CHFFA's pension plan under GASB 68 as described in Note F and OPEB plan under GASB Statement No. 75 as described in Note G.

Pensions: For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pension, and pension expense, information about the fiduciary net position of CHFFA's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions are recognized when due and payable in accordance with the benefit terms). Investments are reported at fair value.

Other Postemployment Benefits Plan (OPEB): For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of CHFFA's portion of the State Substantive Plan (OPEB Plan) and additions to/deductions from OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, the OPEB benefit payments are recognized when currently due and payable in accordance with the OPEB benefit terms. Investments are reported at fair value.

Use of Estimates: The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

New Pronouncements: In June 2022, the GASB issued Statement No. 101, Compensated Absences. This statement requires that liabilities for compensated absences be recognized for leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or paid in cash or settled through noncash means and leave that has been used but not paid in cash or settled through noncash means. Certain salary related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities. Governments are allowed to disclose the net change in the liability if identified as such in the footnotes to the financial statements. The provisions of this statement are effective for years beginning after December 15, 2023 and will result in CHFFA recording a portion of accrued sick leave.

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes a primary government, or reporting unit that reports a liability for revenue debt, vulnerable to the risk of a substantial impact and to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to occur within 12 months of the date the financial statements are issued. If the criteria in the Statement have been met for a concentration or constraint, the government should disclose information in notes to financial statements in

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

sufficient detail to enable users of financial statements understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The provisions of this Statement are effective during the year ended June 30, 2025.

In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. This Statement improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability, including 1) certain topics and disclosures in Management's Discussion and Analysis; 2) requiring the display of inflows and outflows of unusual and infrequent items to be reported separately as the last presented flow(s) of resources prior to the net change in resources flows in the government-wide, governmental fund, and proprietary fund statement of resources flows; 3) changing the definition of proprietary fund nonoperating revenues and expenses to include subsidies received and provided, contributions to permanent and term endowments, revenues and expenses related to financing, resources from the disposal of capital assets and inventory and investment income and expenses and defines operating revenues and expenses as revenue and expenses other than nonoperating revenue and expenses; 4) requires major component units to be presented separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements; and 5) requires budgetary comparison schedules to be reported as Required Supplementary Information (RSI), requires the presentation of variances between original and final budget amounts and final budget and actual amounts in the RSI and requires the explanation of significant variances to be reported in notes to the RSI. The provisions of this Statement are effective during the year ended June 30, 2026.

CHFFA continues to analyze the impact of the required implementation of these new statements, however, CHFFA expects no significant impact.

NOTE B – CASH AND INVESTMENTS

Deposits in SMIF: The Bond Program's cash is held in the State's Surplus Money Investment Fund (SMIF). SMIF is part of the State's Pooled Money Investment Account (PMIA), which as of June 30, 2024 and 2023, had a balance of $179.4 billion and $179.9 billion, respectively. The weighted average maturity of PMIA investments was 217 and 260 days as of June 30, 2024 and 2023, respectively. The total amount of deposits in SMIF was $75.0 billion and $70.1 billion as of June 30, 2024 and 2023, respectively. All of the resources of SMIF are invested through the Pooled Money Investment Board and is administered by the office of the State Treasurer. The fair value of the Bond Program's investment in this pool is reported in the accompanying financial statements at amounts based up on the Bond Program's pro-rata share of the fair value provided by SMIF for the entire SMIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by SMIF, which are recorded on an amortized cost basis. As of June 30, 2024 and 2023, CHFFA's Bond Program invested funds in SMIF in the amount of $13,301,000 and $12,405,000, respectively.

Disclosures regarding interest rate risk, credit risk, concentration of credit risk, custodial risk and other additional detailed disclosures required by GASB regarding cash deposits and investments, are presented in the financial statements of the State of California for the years ended June 30, 2024 and 2023.

NOTE C – CAPITAL ASSETS

Capital asset activity for the fiscal years ended June 30, 2024 and 2023, was as follows:

	Balance July 1, 2023	Additions	Disposals	Balance June 30, 2024
Fixtures, furniture and equipment	$ 27,070			$ 27,070
Accumulated depreciation	(26,164)	$ (906)		(27,070)
NET CAPITAL ASSETS	$ 906	$ (906)	$ -	$ -

	Balance July 1, 2022	Additions	Disposals	Balance June 30, 2023
Fixtures, furniture and equipment	$ 27,070			$ 27,070
Accumulated depreciation	(24,957)	$ (1,207)		(26,164)
NET CAPITAL ASSETS	$ 2,113	$ (1,207)	$ -	$ 906

NOTE D – LONG-TERM LIABILITIES

The following is a summary of liability activity of the Bond Program for the years ended June 30, 2024 and 2023:

	Balance June 30, 2023	Additions	Repayments	Balance June 30, 2024	Due Within One Year
Compensated absences	$ 296,968	$ 86,090	$ (78,975)	$ 304,083	$ 78,975
Loan payable	51,963		(44,535)	7,428	
Net pension liability	2,772,799		(1,033,931)	1,738,868	
OPEB liability	1,772,560		(70,483)	1,702,077	
	$ 4,894,290	$ 86,090	$(1,227,924)	$ 3,752,456	$ 78,975

	Balance June 30, 2022	Additions	Repayments	Balance June 30, 2023	Due Within One Year
Compensated absences	$ 310,967	$ 106,000	$ (119,999)	$ 296,968	$ 88,693
Loan payable	95,223		(43,260)	51,963	
Net pension liability	1,473,174	1,299,625		2,772,799	
OPEB liability	2,511,804		(739,244)	1,772,560	
	$ 4,391,168	$1,405,625	$ (902,503)	$ 4,894,290	$ 88,693

Loan Payable: During the fiscal year ended June 30, 2018, SMIF made a contribution to the Plan on behalf of CHFFA, as required by Senate Bill No. 84, Chapter 50, Statutes of 2017 (SB 84), to fund future Net Pension Liabilities. CHFFA established a loan payable to SMIF for this contribution as required by SB 84. This loan payable is required to be repaid by CHFFA by June 30, 2030. The outstanding balance on the loan payable as of June 30, 2024, and 2023, was $7,428 and $51,963, respectively.

NOTE E – CONDUIT FINANCING ACTIVITY

CHFFA acts as a conduit by assisting eligible borrowers with access to low interest rate capital markets through the issuance of tax-exempt revenue bonds. The financings are secured by the full faith and credit of the participating institutions, and CHFFA has no obligation for the repayment of the bonds beyond the resources provided by the participating institution. As a result, the financing obligations are not recorded in CHFFA's financial statements. The borrowers' obligations generally are, but need not be, secured by insurance, a letter of credit or guaranty. As of June 30, 2024 and 2023, the aggregate amount of CHFFA's conduit debt obligations outstanding issued on behalf of program participants totaled $17,834,829,944 and $16,716,214,935, respectively.

CHFFA's conduit financing activity for the year ended June 30, 2024 is as follows:

Qualified Private Activity Debt	Debt issued during fiscal year 2024 (third party debt)	Debt outstanding at June 30, 2024 (third party debt)
Qualified 501(c)(3) Nonprofit - Hospital and Health Care Bonds	$ 2,839,865,000	$ 17,739,589,944
	$ 2,839,865,000	$ 17,739,589,944

CHFFA's conduit financing activity for the year ended June 30, 2023 is as follows:

Qualified Private Activity Debt	Debt issued during fiscal year 2023 (third party debt)	Debt outstanding at June 30, 2023 (third party debt)
Qualified 501(c)(3) Nonprofit - Hospital and Health Care Bonds	$ 345,093,000	$ 16,716,214,935
	$ 345,093,000	$ 16,716,214,935

NOTE F – EMPLOYEE RETIREMENT PLAN

Plan Descriptions: All qualified employees are eligible to participate in CHFFA's agent multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Departments and agencies within the state, including CHFFA, are in a cost-sharing arrangement in which all risks and costs are shared proportionately by participating state agencies. Since all state agencies and certain related organizations including CHFFA, are considered collectively to be a single employer for plan purposes, the actuarial present value of vested and non-vested accumulated plan benefits attributable to the CHFFA employees cannot be determined. The significant actuarial assumptions used to compute the actuarially determined state contribution requirements are the same as those used to compute the state pension benefit obligation as defined by CalPERS. CHFFA has the following rate plans:

- Miscellaneous Plan Tier 1
- Miscellaneous Plan Tier 2

NOTE F – EMPLOYEE RETIREMENT PLAN (CONTINUED)

The California Legislature passed, and the Governor signed, the "Public Employees' Pension Reform Act of 2013" (PEPRA) on September 12, 2012. PEPRA contained a number of provisions intended to reduce future pension obligations. PEPRA primarily affects new pension plan members who are enrolled for the first time after December 2012. Benefit provisions and other requirements are established by state statute. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at www.calpers.ca.gov.

Benefits Provided: CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members become fully vested in their retirement benefits earned to date after five or ten years of credited service.

The Plans' provisions and benefits in effect at June 30, 2024 and 2023 are summarized as follows:

	Miscellaneous Plan Tier 1		
Hire date	Prior to January 15, 2011	January 15, 2011 to December 31, 2012	On or after January 1, 2013
Benefit formula	2.0% @ 55	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 63	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	1.46% to 2.418%	1.092% to 2.418%	1.0% to 2.5%
Required employee contribution rates	8.00%	8.00%	8.00%
Required employer contribution rates	30.87%	30.87%	30.87%

	Miscellaneous Plan Tier 2	
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	1.25% @ 65	1.25% @ 67
Benefit vesting schedule	10 years service	10 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 67	52 - 67
Monthly benefits, as a % of eligible compensation	0.5% to 1.25%	0.65% to 1.25%
Required employee contribution rates	0.00%	0.00%
Required employer contribution rates	30.87%	30.87%

NOTE F – EMPLOYEE RETIREMENT PLAN (Continued)

Contributions: Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS.

The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. CHFFA's Bond Program is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the years ended June 30, 2024 and 2023, contributions to the Plan were $264,333 and $236,379, respectively.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions: As of June 30, 2024 and 2023, the Bond Program reported net pension liabilities of $1,738,868 and $2,772,799, respectively, for its proportionate share of the net pension liability of the Plan.

The Bond Program's net pension liability is measured as the proportionate share of the net pension liability. The net pension liability is measured as of June 30, 2023, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2023 using standard update procedures. The Bond Program's proportion of the net pension liability was based on a projection of the long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Bond Program's proportionate share of the net pension liability for the Plan as of June 30, 2022 and 2023 was as follows:

Proportionate share - June 30, 2023	0.004525%
Proportionate share - June 30, 2022	0.007334%
Change - Increase (Decrease)	-0.002809%
Proportionate share - June 30, 2022	0.007334%
Proportionate share - June 30, 2021	0.006090%
Change - Increase (Decrease)	0.001244%

For the year ended June 30, 2024, the Bond Program recognized a pension credit of $214,563. For the year ended June 30, 2023 the Bond Program recognized a pension expense of $99,624.

NOTE F – EMPLOYEE RETIREMENT PLAN (Continued)

At June 30, 2024 and 2023, the Bond Program reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 264,333		$ 236,379	
Change in assumptions	90,259		209,892	
Differences between actual and expected e)	83,329	$ (27,004)	43,846	$ (62,797)
Change in employer's proportion	276,991	(866,551)	184,615	(122,040)
Net differences between projected and actual earnings on plan investments	210,512		361,342	
Total	$ 925,424	$ (893,555)	$ 1,036,074	$ (184,837)

The $264,333 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the following fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ended June 30	
2024	$ (110,272)
2025	(84,663)
2026	(29,720)
2027	(7,809)
	$ (232,464)

NOTE F – EMPLOYEE RETIREMENT PLAN (Continued)

Actuarial Assumptions: The total pension liabilities in the June 30, 2023 actuarial valuations were determined using the following actuarial assumptions:

	June 30, 2024	June 30, 2023
Valuation Date	June 30, 2022	June 30, 2021
Measurement Date	June 30, 2023	June 30, 2022
Actuarial Cost Method	Entry-Age Normal	Entry-Age Normal
Actuarial Assumptions:		
Discount Rate	6.90%	6.90%
Inflation	2.30%	2.30%
Projected Salary Increase	Varies by entry age and service	Varies by entry age and service
Mortality	Derived using CALPERS' membership data for all funds (1)	Derived using CALPERS' membership data for all funds (1)

(1) The mortality table used for was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

For the June 30, 2023 actuarial valuation post-retirement benefit increases are based on contract COLA up to 2.30% until Purchasing Power Allowance floor on purchasing power applies, 2.30% thereafter.

Discount Rate: The discount rate used to measure the total pension liability was 6.90% for the June 30, 2023 and 2022 measurement dates. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.90% discount rate is adequate, and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 6.90% will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11 + years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

NOTE F – EMPLOYEE RETIREMENT PLAN (Continued)

The following table reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

	2024	
Asset Class	Assumed asset allocation	Real return (1) (2)
Global Equity - Cap-weighted	30.0%	4.54%
Global Equity - Non-Cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investments Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	(5.0)%	(0.59)%
	100.0%	

(1) An expected inflation of 2.30% used for this period.
(2) Figures are based on the 2021 Asset Liability Management study.

	2023	
Asset Class	Assumed asset allocation	Real return (1) (2)
Global Equity - Cap-weighted	30.0%	4.54%
Global Equity - Non-Cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investments Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	(5.0)%	(0.59)%
	100.0%	

(1) An expected inflation of 2.30% used for this period.
(2) Figures are based on the 2021 Asset Liability Management study.

NOTE F – EMPLOYEE RETIREMENT PLAN (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the Bond Program's proportionate share of the net pension liability, calculated using the discount rate, as well as what the Bond Program's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	2024	2023
1% Decrease	5.90%	5.90%
Net Pension Liability	$ 2,523,047	$ 3,989,890
Current Discount Rate	6.90%	6.90%
Net Pension Liability	$ 1,738,868	$ 2,772,799
1% Increase	7.90%	7.90%
Net Pension Liability	$ 1,084,165	$ 1,756,749

Pension Plan Fiduciary Net Position: Detailed information about the plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE G – OTHER POST EMPLOYMENT BENEFITS (OPEB)

Plan Description: The State also provides postemployment medical and prescription drug benefits to employees and dependents through CalPERS under the Public Employees' Medical and Hospital Care Act, and dental benefits under the State Employees' Dental Care Act. Benefits are set and may be amended by the State. The OPEB Plan is an agent multiple-employer defined benefit OPEB plan administered by the State.

The State has identified 25 separate valuation groups within the State Plan. For each agency and/or fund, the State Controller's Office (SCO) determined the proportion of pensionable compensation attributable to employees within these valuation groups. SCO then used these proportions to allocate the OPEB accounting elements from the June 30, 2023 and 2022 State of California Retiree Health Benefits Program Actuarial Valuation Report to State agencies and their funds.

Benefits Provided: In accordance with the California Government Code, the State generally pays 80% of the health insurance premium cost for annuitants, plus 80% of the additional premium required for the enrollment of family member of annuitants. The State generally pays all or a portion of the dental insurance premium cost for annuitants, depending upon the completed years of credited state service at retirement and the dental coverage selected. The maximum 2023 monthly State contribution was $883 for one-party, $1,699 for two-party coverage, and $2,124 for family coverage. The maximum 2022 monthly State contribution was $816 for one-party, $1,548 for two-party coverage, and $1,983 for family coverage. To be eligible for these benefits, primary government first-tier plan annuitants must retire on or after age 50 with at least five years of service, and second tier plan annuitants must retire on or after age 55 with at least 10 years of service. In addition, annuitants must retire within 120 days of separation from employment to be eligible to receive these benefits.

NOTE G – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

Contributions: The design of the postemployment health and dental benefit programs can be amended by the CalPERS Board of Administration and the California Department of Human Resources, respectively. Employer and retiree contributions are governed by the State and may be amended by the Legislature.

CHFFA participates in the State's Plan on a cost-sharing basis. The State funds the cost of providing health and dental insurance to annuitants primarily on a pay-as-you-go basis. The State obtains an annual actuarial valuation of the State's Plan which can be found on the SCO's website, at www.sco.ca.gov. Contributions to the State's Plan from the Bond Program were $81,310 and $128,254 for the fiscal years ended June 30, 2024 and 2023, respectively.

Net OPEB Liability, OPEB Expense, and Deferred Outflows/Inflows of Resources Related to OPEB: At June 30, 2024 and 2023, the Bond Program reported a liability of $1,702,077 and $1,772,560, respectively, for its proportionate share of the State's Plan net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022. The Bond Program's proportionate share, based on its attributable employee valuation groups pensionable compensation, as of June 30, 2023 and 2022 was 0.002709% and 0.002875%, respectively.

For the fiscal year ended June 30, 2024 and 2023 the Bond Program recognized an OPEB credit of $184,710 and $614,752, respectively. The SCO's policy is to fully expense each year's proportionate share change adjustment. CHFFA followed this policy and fully expensed its proportionate share change adjustment.

At June 30, 2024 and 2023, the Bond Program reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to measurement date	$ 81,310		$ 128,254	
Changes in assumptions	94,669	$ (287,841)	112,608	$ (399,648)
Changes in non-investment exper	56,036	(143,175)	53,033	(211,277)
Changes in investment experienc	11,373	(3,650)	16,327	(4,802)
Total	$ 243,388	$ (434,666)	$ 310,222	$ (615,727)

The $81,310 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability during the following fiscal year. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in the Bond Program's OPEB expense as follows:

NOTE G – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

Year Ending June 30	
2024	$ (75,618)
2025	(44,955)
2026	(45,316)
2027	(48,491)
2028	(42,126)
Thereafter	(16,082)
	$ (272,588)

Actuarial Assumptions: For the measurement period ended June 30, 2023 (the measurement date), the total OPEB liability was determined using a June 30, 2023 valuation date. The June 30, 2021 beginning total OPEB liability was determined by rolling back the June 30, 2023 total OPEB liability. The June 30, 2023 total OPEB liability was based on the following actuarial methods and assumptions:

Valuation Date:	June 30, 2023
Actuarial Cost Method:	Entry-Age Normal
Actuarial Assumptions:	
Discount Rate	Blended rate consisting of 6.00% when assets are available to pay benefits, otherwise 20-year Municipal G.O. Bond AA Index rate of 3.86%
Inflation	2.30%
Salary Increases	Varies by entry age and service
Health care cost trend rates	*Pre-Medicare coverage and Post-Medicare coverage*: Actual rates for 2024, decreasing to 5.95% in 2025, graded down over a ten-year period until a trend rate of 4.50% in 2035, remains at 4.50% for three years until the ultimate rate of 4.25% is reached in 2039. *Dental coverage*: 0.23% in 2024, 2.00% for 2025, 3.00% for 2026, 4.00% for 2027, and 4.25% for 2028 and beyond.
Mortality Rate Table	Derived using CalPERS' Membership data for all members

The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using the Society of Actuaries 90% Scale MP 2016. For more details on this table, refer to the 2017 *CalPERS Experience Study and Review of Actuarial Assumptions* report (Experience Study) for the period from 1997 to 2015. Other demographic assumptions used in the June 30, 2019 valuation were also based on the results of the Experience Study, including updates to termination, disability, mortality assumptions, and retirement rates. The Experience Study report can be obtained from CalPERS' website at www.calpers.ca.gov.

Healthcare related assumptions such as plan participation, aging factors, adjustments for disabled members, and adjustments for children of current retirees and survivors are based on the 2018 experience study performed by Gabriel, Roeder, Smith and Company (GRS) for the period from 2014 to 2018. Other healthcare assumptions such as member healthcare plan selection, coverage and continuance, select and ultimate healthcare cost trend rates, and per capita claim costs and expenses, are based on the most current information available. A copy of the GRS experience study available at www.sco.ca.gov.

NOTE G – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

Changes in Assumptions: For the actuarial valuation as of June 30, 2023, healthcare related assumptions, including per capita healthcare cost and healthcare trend rates, were updated based on experience through June 30, 2023. The discount rate was 6.00% and the inflation rate was 2.30% as of June 30, 2023 and 2022.

Discount Rate: The blended rates used to measure the June 30, 2023 total OPEB liability consist of the 20-year Municipal G.O. Bond AA Index rate of 3.86% as of June 30, 2023, as reported by Fidelity, when prefunding assets are not available to pay benefits, and 6.00% when prefunding assets are available to pay benefits. The cash flow projections used to calculate the blended discount rates were developed assuming that prefunding agreements in which actuarial determined normal costs are shared between employees and the State will continue and that the required contributions will be made on time as scheduled in future years. The prefunding agreements are subject to collective bargaining and legislative approval.

Detailed information on the blended discount rates by valuation group is available in the *State of California Retiree Health Benefits Program GASB Nos. 74 and 75 Actuarial Valuation Report as of June 30, 2023*, on the State Controller's Office website, at www.sco.ca.gov.

The long-term expected rate of return on OPEB plan investments was determined by Gabriel, Roeder, Smith & Company using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. Expected compound (geometric) real returns were calculated over a closed period. Based on separate expected real returns for the short-term (first 10 years) and the long-term (11-40 years), and an average inflation assumption of 2.30%, a single expected nominal return rate of 6.00% was calculated for the combined short-term and long-term periods. If applied to expected cash flows during that period, the resulting present value of benefits is expected to be consistent with the present value of benefits that would be determined by applying the short and long-term expected rates to the same cash flows.

The following table reflects the long-term expected real rate of return by asset class.

Asset Class	Target Asset Allocation	Real Return Years 1 - 10	Real Return Years 11 - 40
Global Equity	49.0%	4.80%	5.98%
Fixed Income	23.0%	1.10%	2.62%
Treasury Inflation-Protected Securitie	5.0%	0.25%	1.46%
Real Estate Investment Trusts	20.0%	3.50%	5.00%
Commodities	3.0%	1.50%	2.87%

NOTE G – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

Changes in the Net OPEB Liability: The change in net OPEB liability for the plan is as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2023	$1,870,621	$ 98,061	$ 1,772,560
Changes for the year:			
Service cost	57,844		57,844
Interest on the total OPEB liability	72,636		72,636
Contribution - employer		64,597	(64,597)
Net investment income		7,408	(7,408)
Difference between expected actual experience	16,384		16,384
Change in assumption	16,172		16,172
Employer prefunding conribution		18,018	(18,018)
Active member contribution		18,018	(18,018)
Proportionate share allocation	(131,923)	(6,414)	(125,509)
Administrative expense		(31)	31
Benefit payments	(64,597)	(64,597)	
Net changes	(33,484)	36,999	(70,483)
Balance at June 30, 2024	$1,837,137	$ 135,060	$ 1,702,077

	Increase (Decrease)		
	Total OPEB Liability	Plan fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2022	$2,584,623	$ 72,819	$ 2,511,804
Changes for the year:			
Service cost	84,508		84,508
Interest on the total OPEB liability	59,227		59,227
Contribution - employer		67,592	(67,592)
Net investment income		(14,846)	14,846
Difference between expected actual experience	60,865		60,865
Change in assumption	(407,326)		(407,326)
Employer prefunding conribution		34,531	(34,531)
Active member contribution		18,391	(18,391)
Proportionate share allocation	(443,684)	(12,812)	(430,872)
Administrative expense		(22)	22
Benefit payments	(67,592)	(67,592)	
Net changes	(714,002)	25,242	(739,244)
Balance at June 30, 2023	$1,870,621	$ 98,061	$ 1,772,560

NOTE G – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

Sensitivity of the Proportionate Share of the Total OPEB Liability to Changes in the Discount Rate: The following presents the Bond Program's proportionate share of the net OPEB liability, as well as what the Bond Program's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current discount rate:

	2024		
	Blended Discount Rate –1%	Blended Discount Rate	Blended Discount Rate +1%
Total OPEB liability	$1,464,076	$1,702,077	$1,994,727

	2023		
	Blended Discount Rate –1%	Blended Discount Rate	Blended Discount Rate +1%
Total OPEB liability	$1,529,108	$1,772,560	$2,072,065

Sensitivity of the Proportionate Share of the Total OPEB Liability to Changes in Healthcare Costs Trend Rates: The following presents the Bond Program's proportionate share of the net OPEB liability, as well as what the Bond Program's proportionate share of the net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

	2024		
	Healthcare Cost Trend Rates –1%	Healthcare Cost Trend Rates	Healthcare Cost Trend Rates +1%
Total OPEB liability	$1,963,622	$1,702,077	$1,496,434

	2023		
	Healthcare Cost Trend Rates –1%	Healthcare Cost Trend Rates	Healthcare Cost Trend Rates +1%
Total OPEB liability	$2,111,605	$1,772,560	$1,506,092

OPEB Plan Fiduciary Net Position: Detailed information about the State's Plan fiduciary net position is available on CalPERS website in an annual report titled "California Employers' Retiree Benefit Trust, Agent Multiple-Employer Other Postemployment Benefits Plan, Schedule of Changes in Fiduciary Net Position by Employer."

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REQUIRED SUPPLEMENTARY INFORMATION

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2024

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (UNAUDITED)
Last 10 Years

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Proportion of the net pension liability	0.004525%	0.007334%	0.006609%	0.007290%	0.007237%	0.006468%	0.006921%	0.007373%	0.007546%	0.005999%
Proportionate share of the net pension liability	$ 1,738,868	$ 2,772,799	$ 1,473,174	$ 2,534,259	$ 2,434,049	$ 2,031,855	$ 2,528,699	$ 2,441,532	$ 2,131,122	$ 1,513,015
Covered payroll - measurement period	$ 714,820	$ 1,064,396	$ 1,174,062	$ 989,526	$ 943,146	$ 808,058	$ 832,270	$ 820,232	$ 877,791	$ 668,857
Proportionate share of the net pension liability as a percentage of covered payroll	243.26%	260.50%	125.48%	256.11%	258.08%	251.45%	303.83%	297.66%	242.78%	226.21%
Plan fiduciary net position as a percentage of the total pension liability	72.46%	71.63%	82.39%	71.51%	71.34%	71.83%	66.42%	66.81%	70.68%	73.05%

Notes to Schedule:
Change in Benefit Terms: The figures above do not include any liability impact that may have resulted from plan changes effective after June 30, 2014 as they have minimal cost impact.

Changes in assumptions: The discount rate was changed from 7.50% in 2015 to 7.65% in 2016 and to 7.15% in 2017 and remained 7.15% in 2018, 2019, 2020, 2021 and 2022 and was changed to 6.90% in 2023.

SCHEDULE OF CONTRIBUTIONS TO THE PENSION PLAN (UNAUDITED)
Last 10 Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	$ 264,333	$ 236,379	$ 283,704	$ 250,120	$ 305,200	$ 274,072	$ 236,613	$ 249,662	$ 200,708	$ 186,885
Contributions in relation to the actuarially determined contributions	(264,333)	(236,379)	(283,704)	(250,120)	(305,200)	(274,072)	(484,930)	(249,662)	(200,708)	(186,885)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ (248,317)	$ -	$ -	$ -
Covered payroll - fiscal year	$ 838,182	$ 714,820	$ 1,064,396	$ 1,174,062	$ 989,526	$ 943,146	$ 808,058	$ 832,270	$ 820,232	$ 877,791
Contributions as a percentage of covered - employee payroll	31.54%	33.07%	26.65%	21.30%	30.84%	29.06%	29.28%	30.00%	24.47%	21.29%

Notes to Schedule:

Valuation Date:	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013	June 30, 2012
Methods and assumptions used to determine contribution rates:										
Acturial cost method	Entry age normal									
Amortization method	Level percentage of payroll, closed									
Remaining amortization period	Varies, not more than 30 years									
Asset valuation method	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	15-year smoothed market
Inflation	2.30%	2.50%	2.50%	2.50%	2.625%	2.50%	2.75%	2.75%	2.75%	2.75%
Salary increases	Varies by entry age and service									
Payroll growth	2.800%	2.750%	2.750%	2.750%	2.875%	3.00%	3.00%	3.00%	3.00%	3.00%
Investment rate of return	6.80%	7.00% (1)	7.15% (1)	7.15% (1)	7.25% (1)	7.375% (1)	7.50% (1)	7.50% (1)	7.50% (1)	7.50% (1)

Notes to Schedule:
(1) Net of administrative expenses, includes inflation.

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2024

SCHEDULE OF CHFFA BOND PROGRAM'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (UNAUDITED)
Last 10 Years

	2024	2023	2022	2021	2020	2019	2018
Proportion of the net OPEB liability	0.002709%	0.002875%	0.003495%	0.002824%	0.001843%	0.005013%	0.006970%
Proportiate share of the net OPEB liability	$ 1,702,077	$ 1,772,560	$ 2,511,804	$ 2,187,558	$ 712,140	$ 1,545,397	$ 3,747,063
Covered-employee payroll - measurement period	$ 714,820	$ 1,064,396	$ 1,174,062	$ 989,526	$ 943,146	$ 808,058	$ 832,270
Proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	238.11%	166.53%	213.94%	221.07%	75.51%	191.25%	450.22%
Plan fiduciary net position as a percentage of the total OPEB liability	7.352%	5.242%	2.817%	2.748%	1.690%	1.011%	0.546%
Notes to schedule:							
Valuation date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Measurement period - fiscal year ended	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017

Change of benefit terms - For the measurement date ended June 30, 2023, there were no changes to the benefit terms.

Change in assumptions - For the measurement period ended June 30, 2023, healthcare-related assumptions were updated based on experience through June 30, 2023.

Omitted years: GASB Statement No. 75 was implemented during the year ended June 30, 2018. No information was available prior to this date. Information will be added prospectively as it becomes available until 10 years are reported.

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2024

SCHEDULE OF CONTRIBUTIONS TO THE OPEB PLAN (UNAUDITED)
Last 10 Years

	2024	2023	2022	2021	2020	2019	2018
Contractually required contribution	$ 81,310	$ 128,254	$ 91,836	$ 106,521	$ 85,399	$ 21,712	$ 71,429
Contributions in relation to the contractually required contributions	(81,310)	(128,254)	(91,836)	(106,521)	(85,399)	(21,712)	(71,429)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll - fiscal year	$ 838,182	$ 714,820	$ 1,064,396	$ 1,174,062	$ 989,526	$ 943,146	$ 808,058
Contributions as a percentage of covered payroll	9.70%	17.94%	8.63%	9.07%	8.63%	2.30%	8.84%
Notes to Schedule:							
Valuation date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Measurement period - fiscal year ended	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017

Omitted years: GASB Statement No. 75 was implemented during the year ended June 30, 2018. No information was available prior to this date. Information will be added prospectively as it becomes available until 10 years are reported.

SUPPLEMENTARY INFORMATION

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CHFFA OUTSTANDING BOND ISSUES
AS OF June 30, 2024

Issue Name	Type	Date Issued	Date of Final Maturity	Total Bonds Issued	Bonds Defeased/Retired		Bonds Outstanding as of June 30, 2024
Adventist Health System/West, 1998 Series B	PUBLIC	1998-Feb-18	2028-Sep-01	$ 42,200,000	$ 29,900,000		$ 12,300,000
Adventist Health System/West, 2009 Series B	PUBLIC	2009-May-20	2038-Sep-01	$ 30,000,000	$ 0		$ 30,000,000
Adventist Health System/West, Series 2013A	PUBLIC	2013-Feb-14	2043-Mar-01	$ 290,365,000	$ 77,035,000		$ 213,330,000
Adventist Health System/West, Series 2016A	PUBLIC	2016-Sep-08	2039-Mar-01	$ 280,010,000	$ 76,880,000		$ 203,130,000
Adventist Health System/West, Series 2022A	PUBLIC	2022-Dec-15	2040-Mar-01	$ 92,105,000	$ 0		$ 92,105,000
Adventist Health System/West, Series 2023A	PRIVATE	2023-Dec-12	2054-Mar-01	$ 95,000,000	$ 0		$ 95,000,000
Adventist Health System/West, Series 2023B	PUBLIC	2023-Dec-21	2041-Mar-01	$ 77,095,000	$ 1,990,000		$ 75,105,000
Adventist Health System/West, Series 2024A	PUBLIC	2024-May-23	2044-Dec-01	$ 604,530,000	$ 0		$ 604,530,000
AltaMed Health Services Corporation, Series 2022	PRIVATE	2022-Sep-30	2043-Nov-01	$ 129,568,000	$ 8,775,000	R	$ 120,793,000
Asian Community Center of Sacramento Valley, Inc., Series 2016	PUBLIC	2016-Nov-22	2037-Apr-01	$ 16,080,000	$ 4,165,000		$ 11,915,000
Casa Colina, Series 2016	PRIVATE	2016-Sep-30	2041-Apr-01	$ 36,400,000	$ 6,280,000		$ 30,120,000
Catholic Healthcare West, 2011 Series B	PUBLIC	2011-Nov-09	2047-Mar-01	$ 75,000,000	$ 0		$ 75,000,000
Catholic Healthcare West, 2011 Series C	PUBLIC	2011-Nov-09	2047-Mar-01	$ 75,000,000	$ 0		$ 75,000,000
Cedars-Sinai Health System, Series 2021A	PUBLIC	2021-Dec-01	2051-Aug-15	$ 1,034,365,000	$ 0		$ 1,034,365,000
Cedars-Sinai Medical Center, Series 2015	PUBLIC	2015-Nov-17	2034-Nov-15	$ 370,220,000	$ 73,235,000		$ 296,985,000
Cedars-Sinai Medical Center, Series 2016A	PUBLIC	2016-Nov-09	2036-Aug-15	$ 267,420,000	$ 44,130,000		$ 223,290,000
Cedars-Sinai Medical Center, Series 2016B	PUBLIC	2016-Nov-09	2039-Aug-15	$ 402,305,000	$ 6,980,000		$ 395,325,000
Children's Hospital Los Angeles, Series 2017A	PUBLIC	2017-Jun-06	2049-Aug-15	$ 274,520,000	$ 0		$ 274,520,000
Children's Hospital Los Angeles, Series 2017B	PRIVATE	2017-Jun-06	2051-Aug-15	$ 52,180,000	$ 0		$ 52,180,000
Children's Hospital Los Angeles, Series 2022A-1	PRIVATE	2022-Aug-31	2034-Nov-15	$ 51,720,000	$ 4,980,000		$ 46,740,000
Children's Hospital Los Angeles, Series 2022A-2	PRIVATE	2022-Aug-31	2034-Nov-15	$ 51,700,000	$ 4,970,000		$ 46,730,000
Children's Hospital of Orange County, Series 2019A	PUBLIC	2019-Aug-06	2038-Nov-01	$ 88,390,000	$ 20,095,000		$ 68,295,000
Children's Hospital of Orange County, Series 2021A	PUBLIC	2021-Aug-03	2041-Nov-01	$ 96,025,000	$ 1,655,000		$ 94,370,000
Children's Hospital of Orange County, Series 2021B	PUBLIC	2021-Aug-03	2038-Nov-01	$ 83,330,000	$ 0		$ 83,330,000
Children's Hospital of Orange County, Series 2024A (Fixed)	PUBLIC	2024-Mar-20	2054-Nov-01	$ 58,650,000	$ 0		$ 58,650,000
Children's Hospital of Orange County, Series 2024B (Long Term)	PUBLIC	2024-Mar-20	2054-Nov-01	$ 118,410,000	$ 0		$ 118,410,000
City of Hope, Series 2012A	PUBLIC	2012-Nov-14	2039-Nov-15	$ 234,635,000	$ 61,590,000		$ 173,045,000
City of Hope, Series 2017A	PRIVATE	2017-Feb-10	2042-Nov-15	$ 32,680,000	$ 0		$ 32,680,000
City of Hope, Series 2017B	PRIVATE	2017-Feb-10	2042-Nov-15	$ 32,680,000	$ 0		$ 32,680,000
City of Hope, Series 2019	PUBLIC	2019-Jul-31	2049-Nov-15	$ 334,905,000	$ 0		$ 334,905,000
CommonSpirit Health, Series 2020A	PUBLIC	2020-Oct-28	2049-Apr-01	$ 577,060,000	$ 0		$ 577,060,000
CommonSpirit Health, Series 2024A	PUBLIC	2024-Mar-20	2054-Dec-01	$ 285,190,000	$ 0		$ 285,190,000
Community Program for Persons with Developmental Disabilities, 2011 Series A	PUBLIC	2011-Feb-17	2026-Feb-01	$ 44,725,000	$ 36,400,000		$ 8,325,000
Community Program for Persons with Developmental Disabilities, 2011 Series B	PUBLIC	2011-Feb-17	2026-Feb-01	$ 32,245,000	$ 25,800,000		$ 6,445,000
Dignity Health, 2012 Series A	PRIVATE	2012-Jun-27	2028-Mar-01	$ 140,000,000	$ 28,800,000		$ 111,200,000
Dignity Health, Series 2016A	PRIVATE	2016-Dec-06	2042-Mar-01	$ 270,095,000	$ 39,990,000		$ 230,105,000
El Camino Hospital, Series 2015A	PUBLIC	2015-May-07	2045-Feb-01	$ 160,455,000	$ 38,300,000		$ 122,155,000
El Camino Hospital, Series 2017	PUBLIC	2017-Mar-14	2047-Feb-01	$ 292,435,000	$ 25,780,000		$ 266,655,000
Episcopal Communities & Services, Series 2024A	PUBLIC	2024-Jan-24	2058-Nov-15	$ 30,000,000	$ 0		$ 30,000,000
Episcopal Communities & Services, Series 2024B	PUBLIC	2024-Jan-24	2058-Nov-15	$ 75,515,000	$ 0		$ 75,515,000
Equipment Loan Program (BofA) Marin General Hospital, Series 2022A	PRIVATE	2022-Jul-13	2029-Jul-13	$ 20,000,000	$ 4,939,400	R	$ 15,060,600
Gateways Hospital and Mental Health Center, 2011 Series A	PUBLIC	2011-Dec-01	2036-Dec-01	$ 5,000,000	$ 0		$ 5,000,000
Gateways Hospital and Mental Health Center, 2011 Series B	PUBLIC	2011-Dec-01	2024-Dec-01	$ 3,085,000	$ 2,840,000		$ 245,000
Kaiser Permanente, 2006 Series C [RE-OFFERED Oct. 31, 2019]	PUBLIC	2006-Jun-08	2041-Jun-01	$ 325,000,000	$ 73,800,000		$ 251,200,000
Kaiser Permanente, 2006 Series E	PUBLIC	2006-Jun-08	2040-Nov-01	$ 175,000,000	$ 0		$ 175,000,000
Kaiser Permanente, Series 2017A	PUBLIC	2017-May-03	2051-Nov-01	$ 1,747,015,000	$ 0		$ 1,747,015,000
LA BioMed, Series 2018	PUBLIC	2018-Aug-28	2048-Sep-01	$ 49,835,000	$ 3,085,000		$ 46,750,000
Lincoln Glen Manor for Senior Citizens, Series 2015	PUBLIC	2015-Feb-11	2036-Apr-01	$ 11,965,000	$ 2,155,000		$ 9,810,000
Lucile Salter Packard Children's Hospital at Stanford, 2016 Series A	PUBLIC	2016-Mar-31	2033-Aug-15	$ 76,975,000	$ 26,470,000		$ 50,505,000
Lucile Salter Packard Children's Hospital at Stanford, 2016 Series B	PUBLIC	2016-Mar-31	2055-Aug-15	$ 100,000,000	$ 0		$ 100,000,000
Lucile Salter Packard Children's Hospital at Stanford, 2017 Series A	PUBLIC	2017-Aug-17	2056-Nov-15	$ 200,000,000	$ 15,255,000		$ 184,745,000
Lucile Salter Packard Children's Hospital at Stanford, 2022 Series A	PUBLIC	2022-May-17	2051-May-15	$ 206,670,000	$ 9,050,000		$ 197,620,000
Lucile Salter Packard Children's Hospital at Stanford, 2024 Series A	PRIVATE	2024-Jun-25	2043-Aug-15	$ 91,035,000	$ 0	N	$ 91,035,000
Lucile Salter Packard Children's Hospital at Stanford, 2024 Series B	PRIVATE	2024-Jun-25	2043-Aug-15	$ 89,280,000	$ 0	N	$ 89,280,000
Marshall Medical Center, Series 2015	PUBLIC	2015-Apr-09	2033-Nov-01	$ 26,895,000	$ 6,080,000		$ 20,815,000
Marshall Medical Center, Series 2020A	PUBLIC	2020-Apr-27	2050-Nov-01	$ 46,975,000	$ 0		$ 46,975,000
Marshall Medical Center, Series 2020B (Taxable)	PUBLIC	2020-Apr-27	2050-Nov-01	$ 21,900,000	$ 1,355,000		$ 20,545,000
Memorial Health Services Variable Rate Refunding Bonds, Series 1994	PUBLIC	1994-Mar-01	2024-Oct-01	$ 85,000,000	$ 79,300,000		$ 5,700,000
Memorial Health Services, Series 2013A	PUBLIC	2013-Nov-20	2043-Oct-01	$ 50,000,000	$ 0		$ 50,000,000

CHFFA OUTSTANDING BOND ISSUES
AS OF June 30, 2024

Issue Name	Type	Date Issued	Date of Final Maturity	Total Bonds Issued	Bonds Defeased/Retired		Bonds Outstanding as of June 30, 2024
Memorial Health Services, Series 2016A	PRIVATE	2016-Sep-30	2028-Oct-01	$ 50,000,000	$ 10,870,000		$ 39,130,000
Memorial Health Services, Series 2016B	PRIVATE	2016-Sep-30	2028-Oct-01	$ 65,000,000	$ 14,130,000		$ 50,870,000
Montecito Retirement Association, Series 2017B	PRIVATE	2017-Jun-22	2032-Jun-01	$ 16,000,000	$ 2,178,656	R	$ 13,821,344
No Place Like Home Program, Series 2019 (Social Bonds - Fed Taxable)	PUBLIC	2019-Nov-19	2034-Jun-01	$ 500,000,000	$ 165,200,000	R	$ 334,800,000
No Place Like Home Program, Series 2020 (Social Bonds - Fed Taxable)	PUBLIC	2020-Nov-04	2035-Jun-01	$ 450,000,000	$ 165,500,000	R	$ 284,500,000
No Place Like Home Program, Series 2022 (Social Bonds - Fed Taxable)	PUBLIC	2022-Apr-07	2041-Jun-01	$ 1,050,000,000	$ 9,290,000	R	$ 1,040,710,000
Northern California Presbyterian Homes and Services, Inc., Series 2015	PUBLIC	2015-Apr-15	2044-Jul-01	$ 63,210,000	$ 10,345,000		$ 52,865,000
On Lok Senior Health Services, Series 2020 (Social Bonds)	PUBLIC	2020-Nov-19	2055-Aug-01	$ 39,680,000	$ 1,575,000		$ 38,105,000
On Lok Senior Health Services, Series 2024	PRIVATE	2024-Mar-28	2058-Aug-01	$ 55,000,000	$ 0		$ 55,000,000
Paradise Valley Estates Project (NCROC), Series 2013	PUBLIC	2013-Apr-04	2026-Jan-01	$ 32,315,000	$ 26,120,000		$ 6,195,000
Petaluma Health Center, Inc., 2016 Series A	PUBLIC	2016-Sep-13	2040-Jun-01	$ 5,775,000	$ 1,350,000	R	$ 4,425,000
PIH Health, Series 2020A	PUBLIC	2020-Oct-08	2050-Jun-01	$ 171,520,000	$ 3,635,000	R	$ 167,885,000
PIH Health, Series 2020B (Federally Taxable)	PUBLIC	2020-Oct-08	2047-Jun-01	$ 107,435,000	$ 0		$ 107,435,000
Providence Health & Services, Series 2014A	PUBLIC	2014-Jun-26	2038-Oct-01	$ 275,850,000	$ 110,190,000		$ 165,660,000
Providence Health & Services, Series 2014B	PUBLIC	2014-Aug-06	2044-Oct-01	$ 118,740,000	$ 0		$ 118,740,000
Providence St. Joseph Health, Series 2016A	PUBLIC	2016-Sep-28	2047-Oct-01	$ 448,165,000	$ 11,555,000		$ 436,610,000
Providence St. Joseph Health, Series 2016B-2	PUBLIC	2016-Sep-28	2036-Oct-01	$ 95,245,000	$ 0		$ 95,245,000
Providence St. Joseph Health, Series 2016B-3	PUBLIC	2016-Sep-28	2036-Oct-01	$ 95,245,000	$ 0		$ 95,245,000
Providence St. Joseph Health, Series 2019B	PUBLIC	2019-Oct-01	2039-Oct-01	$ 118,535,000	$ 0		$ 118,535,000
Providence St. Joseph Health, Series 2019C	PUBLIC	2019-Oct-15	2039-Oct-01	$ 323,760,000	$ 152,335,000		$ 171,425,000
Scripps Health, Series 2016A	PRIVATE	2016-Feb-29	2025-Oct-01	$ 50,000,000	$ 44,970,000		$ 5,030,000
Scripps Health, Series 2016B	PRIVATE	2016-Feb-29	2025-Oct-01	$ 100,000,000	$ 80,000,000		$ 20,000,000
Scripps Health, Series 2017A	PRIVATE	2017-Jan-31	2031-Oct-01	$ 160,000,000	$ 13,305,000		$ 146,695,000
Scripps Health, Series 2019A (Refunding)	PRIVATE	2019-Nov-15	2036-Nov-15	$ 99,360,000	$ 3,360,000		$ 96,000,000
Scripps Health, Series 2024A	PUBLIC	2024-Feb-07	2044-Nov-15	$ 540,680,000	$ 0		$ 540,680,000
Scripps Health, Series 2024B	PUBLIC	2024-Feb-07	2061-Nov-15	$ 267,335,000	$ 0		$ 267,335,000
Scripps Health, Series 2024C-1	PUBLIC	2024-Feb-07	2063-Nov-15	$ 95,800,000	$ 0		$ 95,800,000
Scripps Health, Series 2024C-2	PUBLIC	2024-Feb-07	2063-Nov-15	$ 95,800,000	$ 0		$ 95,800,000
St. Joseph Health System, 2009 Series C [RE-OFFERED on Oct. 16, 2015]	PUBLIC	2009-Aug-27	2034-Jul-01	$ 110,540,000	$ 72,330,000		$ 38,210,000
St. Joseph Health System, 2009 Series D [RE-OFFERED on Oct. 18, 2016]	PUBLIC	2009-Aug-27	2034-Jul-01	$ 56,150,000	$ 16,600,000		$ 39,550,000
St. Joseph Health System, Series 2013A	PUBLIC	2013-Jul-24	2029-Jul-01	$ 324,840,000	$ 277,780,000		$ 47,060,000
Stanford Health Care 2015 Series A	PUBLIC	2015-Jun-30	2054-Aug-15	$ 100,000,000	$ 0		$ 100,000,000
Stanford Health Care, 2017 Series A (Refunding)	PUBLIC	2017-Dec-28	2040-Nov-15	$ 454,200,000	$ 30,235,000		$ 423,965,000
Stanford Health Care, 2020 Series A	PUBLIC	2020-Apr-01	2050-Aug-15	$ 170,120,000	$ 0		$ 170,120,000
Stanford Health Care, 2021 Series A	PUBLIC	2021-Apr-30	2054-Aug-15	$ 157,715,000	$ 0		$ 157,715,000
Stanford Health Care, 2023 Series A	PUBLIC	2023-Sep-27	2033-Aug-15	$ 260,545,000	$ 0		$ 260,545,000
Stanford Hospital and Clinics, 2008 Series B-1	PUBLIC	2008-Jun-02	2045-Nov-15	$ 84,100,000	$ 0		$ 84,100,000
Stanford Hospital and Clinics, 2008 Series B-2 [RE-OFFERED on June 15, 2011, two subseries (1,2) each $42,050,000]	PUBLIC	2008-Jun-02	2045-Nov-15	$ 84,100,000	$ 0		$ 84,100,000
Sutter Health, Series 2016B	PUBLIC	2016-Aug-17	2046-Nov-15	$ 748,610,000	$ 3,580,000		$ 745,030,000
Sutter Health, Series 2016C	PUBLIC	2016-Aug-17	2053-Aug-15	$ 100,000,000	$ 0		$ 100,000,000
Sutter Health, Series 2017A	PUBLIC	2017-Jul-06	2048-Nov-15	$ 434,460,000	$ 0		$ 434,460,000
Sutter Health, Series 2018A	PUBLIC	2018-Apr-04	2048-Nov-15	$ 619,025,000	$ 66,120,000		$ 552,905,000
Tarzana Treatment Centers, Series 2019A	PRIVATE	2019-Mar-20	2044-Jun-01	$ 8,865,000	$ 0		$ 8,865,000
Tarzana Treatment Centers, Series 2019B (Taxable)	PRIVATE	2019-Mar-20	2044-Jun-01	$ 4,635,000	$ 1,315,000	R	$ 3,320,000
TLC Child & Family Services, Series 2011	PUBLIC	2011-Oct-07	2025-Sep-01	$ 2,475,000	$ 2,150,000		$ 325,000
				$ 50,372,105,017	$ 32,632,515,073		$ 17,739,589,944

COMPLIANCE REPORT

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board Members
California Health Facilities Financing Authority
Sacramento, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Bond Program of the California Health Facilities Financing Authority (CHFFA) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Bond Program's basic financial statements, and have issued our report thereon dated November 14, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Bond Program's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bond Program's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bond Program's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Bond Program's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Richardson & Company, LLP

November 14, 2025