

**MARYLAND WATER INFRASTRUCTURE FINANCING
ADMINISTRATION
(FORMERLY KNOWN AS MARYLAND WATER QUALITY
FINANCING ADMINISTRATION)
(AN ENTERPRISE FUND OF THE STATE OF MARYLAND)
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEARS ENDED JUNE 30, 2024 AND 2023



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INDEPENDENT AUDITORS' REPORT

Director
Maryland Water Infrastructure Financing Administration
Baltimore, Maryland

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities of the Maryland Water Infrastructure Financing Administration (the Administration), an enterprise fund of the State of Maryland, as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Administration's basic 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 business-type activities of the Administration as of June 30, 2024 and 2023, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Administration and do not purport to, and do not, present fairly the financial position of the State of Maryland, as of June 30, 2024 and 2023, the changes in its financial position, or 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.

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.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS 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 of the Administration'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.

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

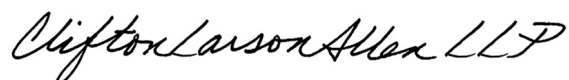
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-13 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial 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 GAAS, 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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Administration's basic financial statements. The combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 27, 2024, on our consideration of the Administration'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 Administration'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 Administration's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Baltimore, Maryland
September 27, 2024

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024 AND 2023**

The Maryland Water Quality Financing Administration (MWQFA or the Administration) was established in 1987 by an act of the Maryland State Legislature under Title 9, Subtitle 16 of the Environmental Article, Annotated Code of Maryland. Chapters 237 and 238 (Conservation Finance Act), enacted during the 2022 legislative session of the Maryland General Assembly, changed the Administration's name to the Maryland Water Infrastructure Financing Administration (MWIFA or the Administration).

The legislation created the Maryland Water Quality Revolving Loan Fund (WQRLF) consistent with the requirements under the Federal Clean Water Act. The fund is also referred to as the Clean Water Revolving Loan Fund (CWRLF). The purpose of the WQRLF is to make below market interest rate loans to local governments and eligible private entities for construction of water quality infrastructure. Starting in fiscal year 2010, the WQRLF can also provide loan forgiveness, grants, and negative interest rate loans. MWIFA receives capitalization grants from the Federal government, which are matched with a 20% State of Maryland (State) contribution.

Legislative amendments to the MWQFA Act in 1997 established the Maryland Drinking Water Revolving Loan Fund (DWRLF) consistent with the requirements under the Federal Safe Drinking Water Act. The purpose of the DWRLF is to provide below market interest rate loans to local governments and eligible private entities for certain drinking water capital projects. The DWRLF also allows for extended term loans (up to 30 years) and loan principal forgiveness, grants, and negative interest rate loans for disadvantaged communities and eligible green projects. MWIFA receives capitalization grants from the Federal government, which are matched with a 20% State contribution. At least 69% of the Federal funds must be used for the capital program, while the remaining can be used for program set-asides.

A legislative amendment to the MWQFA Act in 2004 established the Bay Restoration Fund (BRF). The BRF is financed by two sources. First, a monthly flat fee of \$2.50 (\$30 per year) effective January 1, 2005 through June 30, 2012, from each household and business (\$2.50 per month per equivalent dwelling unit) served by a wastewater treatment plant (Wastewater Fund). The Wastewater funds are managed by the Maryland Department of the Environment (MDE) for the key purpose of providing grants for the upgrade of major wastewater treatment plants in Maryland with enhanced nutrient removal technologies. Second, an annual fee of \$30 from each user/household served by an onsite well and septic system (Septic Fund) effective October 1, 2005 through June 30, 2012, of which 60% is allocated to MDE for the purpose of providing grants for the upgrade of onsite septic disposal systems with nitrogen removal technology. Forty percent of the BRF septic funds are allocated to the Maryland Department of Agriculture (MDA) for the purpose of implementing the cover crop program. The MWIFA is responsible for the financial management of the fees transferred to MDE by the State Comptroller's office under the BRF. During the 2012 legislative session, the State Legislature amended the BRF statute (HB 446) that doubled the BRF fee to \$5.00 per month (\$60 per year) for most users, effective July 1, 2012 (FY 2013). The fee remained unchanged for users that do not discharge wastewater into the Chesapeake or Atlantic Bays Watershed. Amendments to the BRF statute expanded the use of the funds to also allow grants for sewer rehabilitation, stormwater best management practices (SB 133/2015) and to provide additional funding to local health departments to manage septic system regulations (HB12/2014). During the 2017 legislative session, the BRF statute was further amended to allow the BRF wastewater fund to also provide grants for biological nutrient removal (HB-384/2017) and to allow for the purchase of nutrients not to exceed \$10 million per year in expenditures (SB-314/2017).

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2024 AND 2023**

The WQRLF, DWRLF, and BRF activities are considered proprietary activities and are accounted for in a manner similar to a private sector business operation. Sources of funding for these programs include Federal grants, State match to Federal funds (20% requirement), State GO bonds, revenue bonds, special fees, and other revolving type revenue. The total net position of these programs represents the accumulated earnings since their inception and they are generally restricted for program purposes.

This section of the MWIFA annual financial report presents management's discussion and analysis of the MWIFA financial performance during the fiscal years that ended on June 30, 2024 and 2023, with the year ended June 30, 2022, presented for comparative purposes. Please read it in conjunction with the MWIFA's financial statements, which follow this section.

Financial Highlights

The financial highlights include an analysis of any change from the prior year's statement of net position greater than \$3,000,000 and greater than five percent of any individual statement of net position item.

Statements of Net Position

The statement of net position is a financial statement that reports the assets, liabilities, and net position of the Administration at a given point in time.

As of June 30, 2024:

The unrestricted current asset of cash and cash equivalents increased by \$158.7 million. This increase was primarily due to a \$72 million decrease in loan disbursements, a \$20 million decrease in BRF grant disbursements to borrowers, a \$4.6 million decrease in bond repayments, and a \$9.5 million increase in investment income.

The restricted current asset of BRF Fees receivable decreased by \$4.6 million. This decrease was due to a decrease in the 4th quarter BRF fee revenue collected in FY 24 compared to FY 23.

The current restricted loans receivable decreased by \$3.7 million because of principal payments on older pledged loans becoming fully paid off and offset by no new pledged loans.

The noncurrent restricted loans receivable decreased by \$16.3 million as a result of principal payments on older pledged loans becoming fully paid off and offset by no new pledged loans.

The noncurrent revenue bonds payable decreased by \$25.7 million. This decrease is due to scheduled debt payments.

Restricted net position increased \$103 million. The net position restricted for grants, new loans, and debt service increased \$67 million, \$14.3 million, and \$21.7 million for the WQRLF and DWRLF and BRF, respectively.

The total unrestricted net position increased by \$22.3 million. This increase is primarily a result of the decrease in bonds payable.

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2024 AND 2023**

As of June 30, 2023:

The unrestricted current asset of cash and cash equivalents increased by \$107.3 million. This increase was primarily due to the decrease of \$89.2 million in capital loan disbursements.

The current asset of loans receivable increased by \$4.7 million. This was primarily due to several large loans that will begin principal payments starting within one year. The WQRLF and DWRLF had increases in current loan receivables totaling \$1.4 million and \$3.3 million, respectively.

The restricted current asset of cash and cash equivalents decreased by \$3.5 million. This decrease was due to a decrease in the 3rd quarter BRF fee revenue collected in FY 23 compared to FY 22.

The current restricted loans receivable decreased by \$3.9 million because of principal payments on older pledged loans becoming fully paid off and offset by no new pledged loans.

The noncurrent restricted loans receivable decreased by \$20.0 million as a result of principal payments on older pledged loans becoming fully paid off and offset by no new pledged loans.

The current revenue bonds payable decreased by \$3.2 million. This decrease is a result of the BRF series 2008 which fully matured in FY23.

The noncurrent revenue bonds payable decreased by \$24.3 million. This decrease is due to scheduled debt payments.

Restricted net position increased \$119.6 million. The net position restricted for grants, new loans, and debt service increased \$74.7 million, \$40.1 million, and \$4.8 million for the WQRLF and DWRLF and BRF, respectively.

The total unrestricted net position increased by \$26.8 million. This increase is primarily a result of the decrease in bonds payable due to current year debt service payments for BRF 2008 bond indenture.

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2024 AND 2023**

Statements of Net Position (Continued)

The following condensed statements of net position show a summary of changes between fiscal years:

	2024	2023	2022	Increase (Decrease) Difference	
				FY 24-23	FY 23-22
Current Assets					
Cash and Cash Equivalents	\$ 564.0	\$ 405.3	\$ 298.0	\$ 158.7	\$ 107.3
Receivables:					
Loans	103.4	101.8	97.1	1.6	4.7
BRF Fees	1.6	1.6	2.5	-	(0.9)
Other	13.1	13.2	13.5	(0.1)	(0.3)
Current Restricted Assets					
Cash and Cash Equivalents	28.8	26.2	29.7	2.6	(3.5)
Receivables:					
BRF Fees	22.3	26.9	27.7	(4.6)	(0.8)
Loans	16.3	20.0	23.9	(3.7)	(3.9)
Other	0.2	0.3	0.4	(0.1)	(0.1)
Total Current Assets	<u>749.7</u>	<u>595.3</u>	<u>492.8</u>	<u>154.4</u>	<u>102.5</u>
Noncurrent Assets					
Investments	5.0	5.4	5.8	(0.4)	(0.4)
Loans Receivable	1,582.3	1,620.8	1,586.3	(38.5)	34.5
Noncurrent Restricted Assets					
Loans Receivable	27.9	44.2	64.2	(16.3)	(20.0)
Total Noncurrent Assets	<u>1,615.2</u>	<u>1,670.4</u>	<u>1,656.3</u>	<u>(55.2)</u>	<u>14.1</u>
Total Assets	<u>\$ 2,364.9</u>	<u>\$ 2,265.7</u>	<u>\$ 2,149.1</u>	<u>\$ 99.2</u>	<u>\$ 116.6</u>

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2024 AND 2023**

Statements of Net Position (Continued)

Comparative Condensed Statements of Net Position (Continued)

June 30, 2024, 2023, and 2022

(Millions of Dollars)

	2024	2023	2022	Increase (Decrease) Difference	
				FY 24-23	FY 23-22
Current Liabilities					
Accounts Payable and Accruals	\$ 0.4	\$ 0.5	\$ 0.5	\$ (0.1)	\$ -
Revenue Bonds	25.7	24.4	27.6	1.3	(3.2)
Bond Premium - Current	0.8	1.4	2.0	(0.6)	(0.6)
Accrued Interest on Bonds	1.4	1.6	1.9	(0.2)	(0.3)
Total Current Liabilities	28.3	27.9	32.0	0.4	(4.1)
Noncurrent Liabilities					
Compensated Absences	0.4	0.4	0.4	-	-
Revenue Bonds	118.1	143.8	168.1	(25.7)	(24.3)
Bond Premium - Noncurrent	0.1	0.9	2.3	(0.8)	(1.4)
Total Noncurrent Liabilities	118.6	145.1	170.8	(26.5)	(25.7)
Total Liabilities	146.9	173.0	202.8	(26.1)	(29.8)
Net Position					
Net Investment in Capital Assets		-	-	-	-
Restricted	2,349.1	2,246.1	2,126.5	103.0	119.6
Unrestricted Deficit	(131.1)	(153.4)	(180.2)	22.3	26.8
Total Net Position	\$ 2,218.0	\$ 2,092.7	\$ 1,946.3	\$ 125.3	\$ 146.4

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2024 AND 2023**

Statements of Revenue, Expenses, and Changes in Net Position

The statement of revenue, expenses, and changes in net position is a financial statement that reports the activity of the Administration during the fiscal year.

For fiscal year ended June 30, 2024:

There was a decrease of \$20.3 million in capital grant disbursements. The BRF had decrease totaling \$20 million. These changes reflect normal fluctuations in construction project draws.

There was an increase of \$9.6 million in Investment Income. This was due to higher interest rates and associated elevated cash balances drawing interest proceeds.

There was a decrease of \$41.2 million in contributions from Federal and State governments. The WQRLF and DWRLF had decreases in contributions from Federal and State governments totaling \$16 million and \$25.2 million, respectively. These changes reflect normal fluctuations in construction project draws.

For fiscal year ended June 30, 2023:

There was an increase of \$12.2 million in capital grant disbursements. The BRF and WQRLF had increases totaling \$15.3 million and \$0.3 million, respectively while the DWRLF program had a decrease in capital grant disbursements of \$3.4 million. These changes reflect normal fluctuations in construction project draws.

There was an increase of \$10.5 million in Investment Income. This was due to higher interest rates and associated elevated cash balances drawing interest proceeds.

There was an increase of \$32.0 million in contributions from Federal and State governments. This was the result of utilizing additional federal funding and associated state match from the Bipartisan Infrastructure Legislation (BIL). The WQRLF and DWRLF had increases in contributions from Federal and State governments totaling \$17.1 million and \$14.9 million, respectively.

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2024 AND 2023**

Statements of Revenue, Expenses, and Changes in Net Position (Continued)

The following condensed Statements of Revenue, Expenses, and Changes in Net Position show a summary of changes between fiscal years:

**Comparative Condensed Statements of Revenue, Expenses, and Changes in Net Position
Years Ended June 30, 2024, 2023, and 2022
(Millions of Dollars)**

	2024	2023	2022	Increase (Decrease) Difference	
				FY 24-23	FY 23-22
Operating Revenue					
Interest on Loans	\$ 14.4	\$ 14.8	\$ 15.2	\$ (0.4)	\$ (0.4)
Loan Administrative Fee	6.1	6.3	6.4	(0.2)	(0.1)
Fee Revenue	122.1	131.8	137.9	(9.7)	(6.1)
Grant Revenue (Set-Asides Only)	7.6	4.9	5.1	2.7	(0.2)
Misc and Other Grant Revenue	-	-	-	-	-
Total Operating Revenue	<u>150.2</u>	<u>157.8</u>	<u>164.6</u>	<u>(7.6)</u>	<u>(6.8)</u>
Operating Expenses					
Salaries and Related Benefits	10.3	9.9	10.7	0.4	(0.8)
Transfers Out (Set-Asides)	7.6	4.9	5.1	2.7	(0.2)
Capital Grant Disbursements	82.8	103.1	90.9	(20.3)	12.2
General and Other Costs	2.5	2.5	2.8	-	(0.3)
Total Operating Expenses	<u>103.2</u>	<u>120.4</u>	<u>109.5</u>	<u>(17.2)</u>	<u>10.9</u>
Operating Income	47.0	37.4	55.1	9.6	(17.7)
Nonoperating Revenue and Expenses					
Investment Income	21.6	12.0	1.5	9.6	10.5
Interest on Bonds	(4.7)	(5.4)	(6.0)	0.7	0.6
FMV Investment Adjustment	0.1	(0.1)	(0.2)	0.2	0.1
Contributions from Federal and State Governments	61.3	102.5	70.5	(41.2)	32.0
Total Nonoperating Revenue and Expenses	<u>78.3</u>	<u>109.0</u>	<u>65.8</u>	<u>(30.7)</u>	<u>43.2</u>
Change in Net Position	125.3	146.4	120.9	(21.1)	25.5
Net Position - Beginning of Year	<u>2,092.7</u>	<u>1,946.3</u>	<u>1,825.4</u>	<u>146.4</u>	<u>120.9</u>
Net Position - End of Year	<u>\$ 2,218.0</u>	<u>\$ 2,092.7</u>	<u>\$ 1,946.3</u>	<u>\$ 125.3</u>	<u>\$ 146.4</u>

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2024 AND 2023**

Statements of Cash Flows

Another way to assess MWIFA's financial health is to look at the statement of cash flows. Its primary purpose is to provide relevant information about the cash receipts and cash payments of an entity during a period. The statement of cash flows also helps users' access:

- An entity's ability to generate future net cash flows,
- An entity's ability to meet its obligations as they come due,
- An entity's need for external financing.

A summary of MWIFA's cash flows for the years ended June 30, 2024, 2023, and 2022, are presented in the following table:

**Condensed Statements of Cash Flows
Years Ended June 30,**

	2024	2023	2022
Cash from:			
Operating Activities	\$ 108,731,142	\$ 24,336,375	\$ (57,382,296)
Noncapital Financing Activities	30,660,870	67,214,100	35,263,242
Investment Activities	21,906,543	12,406,867	2,040,841
Net Change in Cash	161,298,555	103,957,342	(20,078,213)
Cash - Beginning of Year	431,542,595	327,585,253	347,663,466
Cash - End of Year	\$ 592,841,150	\$ 431,542,595	\$ 327,585,253

During fiscal year 2024, cash provided by operating activities totaled \$108,731,142, cash provided by noncapital financing activities totaled \$30,660,870, and cash provided by investing activities totaled \$21,906,543 for an overall increase in cash of \$161,298,555 compared to an increase of \$103,957,342 in fiscal year 2023. The cash increase in operating activities was primarily due to BRF fee revenue exceeding grant disbursements and loan repayments exceeding loan disbursements. The increase in cash from noncapital financing was due to bond principal repayment and interest on bond being less than cash received from federal grants and required state match contributions. The investing activities increase was due to investment proceeds and higher interest rates.

During fiscal year 2023, cash provided by operating activities totaled \$24,336,375, cash provided by noncapital financing activities totaled \$67,214,100, and cash provided by investing activities totaled \$12,406,867 for an overall increase in cash of \$103,957,342 compared to a decrease of \$20,078,213 in fiscal year 2022. The cash increase in operating activities was primarily due to BRF fee revenue exceeding grant disbursements. The increase in cash from noncapital financing was due to bond principal repayment and interest being less than cash received from federal grants and required state match contributions. The investing activities increase was due to investment proceeds and higher interest rates.

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2024 AND 2023**

Capital Assets

The table below shows capital assets as of the fiscal years ended June 30:

Capital Assets			
Years Ended June 30,			
	2024	2023	2022
Vehicles	\$ 202,016	\$ 202,016	\$ 202,016
Accumulated Depreciation	(202,016)	\$ (201,306)	(192,791)
Net Capital Assets	\$ -	\$ 710	\$ 9,225

During fiscal year ending June 30, 2024, capital asset activity was limited to current year depreciation expense of \$710.00. During fiscal year ending June 30, 2023, capital asset activity was limited to current year depreciation expense of \$8,515.00.

Debt Administration

As of June 30, 2024, the Administration had \$143.8 million of bonds payable outstanding. The decrease of \$24.3 million from June 30, 2023, was due to the retirement of debt in accordance with the underlying amortization schedule.

As of June 30, 2023, the Administration had \$168.1 million of bonds payable outstanding. The decrease of \$27.6 million from June 30, 2022, was due to the retirement of debt in accordance with the underlying amortization schedule.

Economic Environment

The MWIFA is subject to the present economic environment that exists in the State of Maryland as well as factors relating to national issues. Currently, MWIFA receives Federal funding for the WQRLF and DWRLF from the U.S. Environmental Protection Agency (EPA). Those funds are subject to economic factors, which may result in increases or decreases of Federal funding for these programs from year to year. MWIFA has a steady stream of special fund revenues resulting from revolving loan fund repayments.

The loans are primarily supported by water and sewer revenue of the borrowers and backed by the general obligation pledge. MWIFA does not foresee economic factors that would significantly impact its operation. However, a natural disaster in Maryland could result in delayed loan repayments or defaults by local jurisdictions. The WQRLF Series 2016 bonds are highly over-collateralized with pledged loans.

The BRF is subject to citizens and businesses paying fees for upgrading wastewater treatment plants and septic systems in Maryland. The MWIFA does not have the authority to raise the fees. However, MWIFA continues to have sufficient cash flow from fees to satisfy current debt service requirements related to BRF Series 2014 and 2015 bonds. Also, MWIFA continues to meet current capital disbursements for those activities. As noted above, a natural disaster in Maryland could result in a reduction of fees related to the BRF that may lead to a temporary suspension or delay of capital disbursements.

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2024 AND 2023**

Contact Maryland Water Infrastructure Financing Administration Management

This financial report is designed to provide our fellow citizens, customers, investors, and creditors with a general overview of MWIFA finances, and to show the Administration's accountability for the money it receives. If you have questions about this report, please contact Maryland Water Infrastructure Financing Administration, 1800 Washington Boulevard, Baltimore, Maryland 21230.

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
STATEMENTS OF NET POSITION
JUNE 30, 2024 AND 2023

	2024	2023
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 564,042,038	\$ 405,320,620
Receivables:		
Investment Interest	55,604	26,119
Loans	103,365,028	101,804,791
Loan Interest	6,900,651	6,875,309
BRF Fee	1,614,297	1,617,604
Administrative Fee	6,096,839	6,330,479
Current Restricted Assets:		
Cash and Cash Equivalents	28,799,112	26,221,975
Receivables:		
BRF Fee	22,316,691	26,891,542
Loans	16,297,496	20,018,249
Loan Interest	200,951	289,056
Total Current Assets	749,688,707	595,395,744
Noncurrent Assets:		
Investments	5,054,315	5,372,100
Loans Receivable	1,582,288,561	1,620,788,134
Capital Assets, Net	-	710
Noncurrent Restricted Assets:		
Loans Receivable	27,870,448	44,167,943
Total Noncurrent Assets	1,615,213,324	1,670,328,887
Total Assets	\$ 2,364,902,031	\$ 2,265,724,631
LIABILITIES		
Current Liabilities:		
Accounts Payable and Accrued Expenses	\$ 26,400	\$ 26,800
Compensated Absences - Current	419,441	491,978
Revenue Bonds Payable	26,475,214	25,750,938
Accrued Interest on Bonds Payable	1,443,318	1,633,993
Total Current Liabilities	28,364,373	27,903,709
Noncurrent Liabilities:		
Compensated Absences - Noncurrent	382,423	448,845
Revenue Bonds Payable	118,202,529	144,677,743
Total Noncurrent Liabilities	118,584,952	145,126,588
Total Liabilities	146,949,325	173,030,297
NET POSITION		
Net Investment in Capital Assets	-	710
Restricted for Reserve Fund	91,940,945	110,719,677
Restricted for Program	2,257,109,768	2,135,378,805
Unrestricted Deficit	(131,098,007)	(153,404,858)
Total Net Position	\$ 2,217,952,706	\$ 2,092,694,334

See accompanying Notes to Financial Statements.

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
OPERATING REVENUE		
Interest on Loans	\$ 14,390,120	\$ 14,747,083
Loan Administration Fees	6,104,652	6,338,293
Fee Revenue	122,078,953	131,797,275
Grant and Misc Revenue	7,640,618	4,930,696
Total Operating Revenue	150,214,343	157,813,347
 OPERATING EXPENSES		
Salaries and Related Benefits	10,268,958	9,876,982
General	2,491,684	2,531,284
Capital Grant Disbursements	82,790,937	103,098,403
Other	7,625,118	4,915,196
Total Operating Expenses	103,176,697	120,421,865
 OPERATING INCOME	 47,037,646	 37,391,482
 NONOPERATING REVENUE (EXPENSES)		
Investment Income	21,557,343	12,032,795
Interest Expense on Bonds	(4,711,307)	(5,366,113)
Net Unrealized Gain (Loss) on Investments	60,900	(86,520)
Federal Government Contributions	46,179,990	86,713,258
State of MD Required Match to Federal Grant	15,133,800	15,765,000
Total Nonoperating Revenues	78,220,726	109,058,420
 CHANGE IN NET POSITION	 125,258,372	 146,449,902
Net Position - Beginning of Year	2,092,694,334	1,946,244,432
 NET POSITION - END OF YEAR	 \$ 2,217,952,706	 \$ 2,092,694,334

See accompanying Notes to Financial Statements.

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
BRF Fee and Other Receipts	\$ 134,297,729	\$ 138,449,534
Grant Disbursements	(82,790,937)	(103,098,403)
Salaries and Benefits Paid	(10,407,917)	(9,773,315)
General and Other Expenses Paid	(10,116,492)	(7,436,865)
Loan Repayments	122,175,044	121,592,371
Loan Disbursements	(65,217,460)	(136,867,832)
Interest and Fees Received from Borrowers	20,791,175	21,470,885
Net Cash Provided by Operating Activities	108,731,142	24,336,375
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Federal Government	46,179,990	86,713,258
State of MD Required Match to Federal Grant	15,133,800	15,765,000
Repayment of Bonds	(24,355,000)	(27,605,000)
Interest on Bonds	(6,297,920)	(7,659,158)
Net Cash Provided by Noncapital Financing Activities	30,660,870	67,214,100
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on Investment Securities	21,527,859	12,032,799
Proceeds from Sale of Investments and Maturities of Investments	378,684	374,068
Net Cash Provided by Investing Activities	21,906,543	12,406,867
NET INCREASE IN CASH AND CASH EQUIVALENTS	161,298,555	103,957,342
Cash and Cash Equivalents - Beginning of Year	431,542,595	327,585,253
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 592,841,150	\$ 431,542,595
RECONCILIATION OF CASH FLOWS TO STATEMENT OF NET POSITION		
Cash and Cash Equivalents, Unrestricted	\$ 564,042,038	\$ 405,320,620
Cash and Cash Equivalents, Restricted	28,799,112	26,221,975
Total	\$ 592,841,150	\$ 431,542,595
RECONCILIATION OF OPERATING INCOME TO NET CASH USED BY OPERATING ACTIVITIES		
Operating Income	\$ 47,037,646	\$ 37,391,482
Depreciation of Capital Assets	710	8,515
Changes in Operating Assets and Liabilities:		
Loans Receivable	56,957,584	(15,275,461)
Loan Interest Receivable	62,763	315,340
Administrative Fee and BRF Fee Receivables	4,811,798	1,791,732
Accounts Payable and Other Liabilities	(139,359)	104,767
Net Cash Provided by Operating Activities	\$ 108,731,142	\$ 24,336,375

See accompanying Notes to Financial Statements.

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity/Organization

The Maryland Water Quality Financing Administration was created during the 1987 session of the Maryland General Assembly as an enterprise fund of the State of Maryland (State). Chapters 237 and 238 (Conservation Finance Act), enacted during the 2022 legislative session of the Maryland General Assembly, changed the Administration's name to the Water Infrastructure Financing Administration (MWIFA or the Administration). The Administration's purpose is to provide financing of capital infrastructure for wastewater and drinking water projects pursuant to the Federal Clean Water Act of 1987, the Federal Safe Drinking Water Act and Amendments of 1996, and the State of Maryland Bay Restoration Fund Act of 2004. The Administration is empowered to issue bonds subject to the approval of the State Board of Public Works and Secretary of the Maryland Department of the Environment (MDE). Bonds issued by the Administration do not constitute a debt or pledge of the full faith and credit of the State or any political subdivision thereof, other than the Administration.

The Administration does not have any component units as defined by the Governmental Accounting Standards Board.

Basis of Accounting

The Administration utilizes the enterprise fund accounting method, which is the accrual basis of accounting in preparing its financial statements, wherein revenue is recognized when earned and expenses are recognized when incurred. As an enterprise fund, operating revenue and expenses are distinguished from nonoperating items. Operating revenues and expenses result from the Administration providing loan and grant financing of capital wastewater and drinking water projects. Operating expenses include administrative expenses and grant or loan forgiveness expenditures in support of these projects. All revenue and expenses not meeting these criteria are reported as nonoperating revenues and expenses. The Administration's financial statements include the activity/reportable segments of the Clean Water (Water Quality) Revolving Loan Fund (CWRLF or WQRLF), Drinking Water Revolving Loan Fund (DWRLF) and Bay Restoration Fund (BRF).

The WQRLF and the BRF record their activity in the general accounts, capital reserve accounts and bond funds. The DWRLF records activity in the general accounts and capital reserve accounts, as no DWRLF revenue bonds have been issued to date.

The general accounts are used to record transactions relating to general administrative functions performed by the Administration, and other Maryland Department of the Environment (MDE) units or State agencies on its behalf.

The capital reserve accounts are used to record transactions of the funds, which are executed by the Administration through the State treasury. The bond funds held by trustee accounts are used to record transactions in trust accounts established in connection with bonds issued by the Administration. As of June 30, 2024, there have been no bonds issued in the DWRLF.

Disclosure reporting requirements for these segments have been included as supplemental information.

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of the accompanying financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and the reported amount of revenue, expenses, gains and losses during the reporting periods. Actual results could differ from these estimates.

Cash and Cash Equivalents

Cash and cash equivalents can include bank deposits and highly liquid investments readily convertible to cash, which have original maturities of three months or less when acquired. The cash reported on the accompanying statements of net position is listed as restricted and nonrestricted amounts. The nonrestricted cash is used primarily for disbursements related to direct loans (loans not pledged for payment of bond debt service) and administrative operations. The restricted cash is used primarily for pledged loan disbursements or repayment of debt service requirements.

The amounts shown in the financial statements of the Administration as “cash and cash equivalents” represent petty cash, demand deposits, and cash on hand with the State Treasurer. State agencies, including the Administration, participate in the State’s internal cash management pool. Because the cash management pool operates as a demand deposit account, amounts invested in the pool are classified as cash and cash equivalents. The State Treasurer administers the cash management pool.

Investments

Investments are stated at fair value. The change in fair value is recognized as an increase or decrease from the original cost of the investment. The investments reported on the accompanying statements of net position are listed as nonrestricted amounts. The nonrestricted investments are used primarily for the linked deposit program within WQSRF.

Allowance for Loan Losses

Management periodically reviews loans receivable for possible uncollectible amounts. In the event management determines a specific need for an allowance, a provision for loss is provided. No allowance for loan losses was provided as of June 30, 2024 and 2023.

Capital Assets

Capital assets are carried at cost and include only vehicles. They are depreciated over their estimated useful service life of five years using the straight-line method.

Assets are capitalized when they have a cost of \$5,000 or more and have a useful life of more than one year.

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions and Revenue

Amounts received from the EPA and the State for distribution as loans to local governments were recorded as contributions and were restricted for the purposes identified above.

The portion of the State deposit designated to match federal grant revenue is disbursed proportionate to federal disbursements.

Interest on investments is recorded as earned in the respective accounts. Loan administration fees, which equal up to 5% of annual loan debt service payments on loans, are recorded as fee revenue in the general accounts. Interest income on certain loans receivable is restricted to pay the debt service related to the fund's bonds payable to the extent required by the indenture and is recorded in the bond funds held by trustee accounts. Under the bond indentures, certain funds held by trustees in the bond accounts may be transferred to the capital reserve accounts after payment of bond debt service, pursuant to the Administration's cash flow projection that it will meet certain debt service requirements in all future years.

Fringe Benefits

The Administration is allocated a fringe rate as designated by the State of Maryland, which includes various employee benefit items.

Pension Benefits

Eligible employees of the Administration and support staff, as employees of the State, are covered under the retirement plans of the State Retirement and Pension System of Maryland (the System) and are also entitled to certain pension and healthcare benefits upon retirement. This system is a cost sharing multiple employer defined benefit pension plan administered by the System's Board of Trustees in accordance with the State Personnel and Pensions Article. Eligible employees are required to contribute a fixed percentage of their regular salaries and wages that exceed the Social Security wage base to the System. The Administration is required to make contributions to the System based on actuarial valuations, which is funded through the fringe allocation as directed by the State.

The contribution requirements of eligible employees and the Administration are established and may be amended by the System's Board of Trustees. The Administration's only liability for retirement and postemployment benefits is its required contribution, which is funded through the fringe allocation as directed by the State. The Administration is not required to record a net unfunded pension liability as this is recorded at the State level because the State has not allocated a liability to the Administration. For State Retirement information, contact the Maryland State Retirement and Pension System at 120 East Baltimore Street, Baltimore, Maryland, 21202.

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Postemployment Benefits

The Administration's employees participate in the State of Maryland's Post Employment Health Benefit Plan. The State subsidizes a portion of the covered medical, dental, prescription, and hospitalization costs, depending on the type of insurance. Costs for postretirement benefits are for State retirees and are primarily funded by the State. The State does not distinguish employees by employer/State agency. For the years ended June 30, 2024 and 2023, the State did not allocate postemployment health care costs to participating employers and as a result did not require a contribution from the Administration. As such, the State has elected to maintain the entire Net OPEB Liability as a liability of the general fund of the State and has not allocated any balances to State entities including the Administration. For postemployment benefit information, contact Maryland Department of Budget and Management at 300 W Preston Street, Baltimore, Maryland 21201.

Compensated Absences

Compensated absences are absences for which employees will be paid, such as annual leave, sick leave and personal leave.

Annual Leave: New employees must complete six months of State service before using annual leave; this leave is accrued based on years of service starting at 10 days per year and up to 25 days per year with 20 years of service; employees may carry up to 75 days or 600 hours over from one year to the next.

Sick Leave: Employees earn sick leave at the rate of 15 days per year. There is no limit to the number of sick leave days an employee may accrue or carry over into a new calendar year.

Personal Leave: Each employee is entitled to six personal leave days, not to exceed 48 hours, accruing at the beginning of the first full pay period of the calendar year. Personal leave may be pro-rated for new employees based on the month the employee begins employment. Personal leave may not be carried over from one year to the next.

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

Accounting principles generally accepted in the United States of America for state and local governments require that resources be classified for accounting and reporting purposes into the following three net position categories:

Net investment in Capital Assets – Capital assets, net of accumulated depreciation and outstanding principal balances of debt that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Restricted assets whose use by MWIFA is subject to externally imposed stipulations that can be fulfilled by actions of MWIFA pursuant to those stipulations or that expire by the passage of time. Such assets include assets restricted for capital grants, loans, and debt service. The WQRLF, DWRLF, and the BRF are special, continuing, non-lapsing funds that were enacted by separate legislation, and the money in those funds may not be reverted to the General Fund of the State of Maryland. As of June 30, 2024, the Maryland General Assembly did not enact enabling legislation regarding the Administration's restricted use of those funds other than for specific purposes. As such, the restricted assets as reported on the Administration's statements of net position are restricted to payment of debt service on the bonds and are not available for new loans or to pay the general operating expenses of the Administration.

Unrestricted – Assets that are not subject to externally imposed stipulations. The unrestricted net position may be designated for specific purposes by action of management.

Certain assets including cash and investments may be classified as restricted net position on the Statement of Net Position because their use is restricted for specific purposes. It is the Administration's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Expense Allocation

Expenses are recognized at the time they are incurred. Direct costs are expensed to each fund while indirect expenses are allocated based on level of effort between WQRLF, DWRLF, and BRF.

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS

The following is a summary of the components of cash and cash equivalents as of June 30:

	<u>2024</u>	<u>2023</u>
Cash Held by State Treasury Office	<u>\$ 592,841,150</u>	<u>\$ 431,542,595</u>
Total Cash and Cash Equivalents	<u>\$ 592,841,150</u>	<u>\$ 431,542,595</u>

Cash held by the State's treasury office is invested by the State Treasurer as a pool of funds from various State agencies.

Deposits and investments held that relate to the indenture are not available to pay the general operating expenses of the Administration. Generally, the indenture authorizes the Administration or its trustee bank to invest assets related to the indenture in obligations of the United States of America, any Federal agency, repurchase agreements collateralized by direct obligations of the United States government, high quality commercial paper or money market funds that invest in government securities. Investments in the bond funds are held in safekeeping in trustee bank accounts in accordance with the requirements of the related indenture. The Administration is authorized to otherwise invest in securities as allowed under the Maryland State Code.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Administration relies on the State Treasurer's Office to invest its funds in securities as allowed by Maryland State Code and their policies and procedures. The cash flow needs of the Administration are a factor in determining the length of investment maturities.

As of June 30, 2024, the Administration has the following investments and maturities:

Investment Types	Fair Value	Investment Maturities (in Years)		
		Less than 1	1 to 5	6 to 10
Linked Deposits - Farm Credit AG Bonds	\$ 2,866,980	\$ -	\$ 2,866,980	\$ -
Linked Deposits- Certificates of Deposit	2,187,335	-	1,360,450	826,885
Total Investments	<u>\$ 5,054,315</u>	<u>\$ -</u>	<u>\$ 4,227,430</u>	<u>\$ 826,885</u>

In addition, the Administration's investments have the following quality ratings as of June 30, 2024:

Investment Types	Fair Value	Concentration ¹	Rating	Rating Organization
Linked Deposits - Farm Credit AG Bonds	\$ 2,866,980	57%	Aaa	Moody
Linked Deposits- Certificates of Deposit	2,187,335	43%	N/A	N/A
Total Investments	<u>\$ 5,054,315</u>	<u>100%</u>		

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

The Administration categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Certificates of deposit are carried at amortized cost, thus are not included in the fair value hierarchy.

The Administration has the following recurring fair value measurements as of June 30, 2024:

	Fair Value Measurements	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Linked Deposits - Farm Credit AG Bonds	\$ 2,866,980	\$ -	\$ 2,866,980	\$ -

As of June 30, 2023, the Administration had the following investments and maturities:

Investment Types	Fair Value	Investment Maturities (in Years)		
		Less than 1	1 to 5	6 to 10
Linked Deposits - Farm Credit AG Bonds	\$ 2,806,080	\$ -	\$ 2,806,080	\$ -
Linked Deposits- Certificates of Deposit	2,566,020	-	630,175	1,935,845
Total Investments	\$ 5,372,100	\$ -	\$ 3,436,255	\$ 1,935,845

In addition, the Administration's investments had the following quality ratings as of June 30, 2023:

Investment Types	Fair Value	Concentration ¹	Rating	Rating Organization
Linked Deposits - Farm Credit AG Bonds	\$ 2,806,080	52%	Aaa	Moody
Linked Deposits- Certificates of Deposit	2,566,020	48%	N/A	N/A
Total Investments	\$ 5,372,100	100%		

1. *Concentration of Credit Risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Administration places no limit on the amount it may invest in any one issuer. For fiscal years 2024 and 2023, the Administration's investments were Linked Deposit CDs and Bonds.*

As of June 30, 2023, the Administration had the following investments by fair value level:

	Fair Value Measurements	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Linked Deposits - Farm Credit AG Bonds	\$ 2,806,080	\$ -	\$ 2,806,080	\$ -

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Custodial credit risk: Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Administration will not be able to recover the value of its deposits or investments that are in the possession of an outside party. The deposits held with the State Treasurer's Office were fully collateralized at June 30, 2024 and 2023.

NOTE 3 LOANS RECEIVABLE

The Administration makes low interest rate loans to various local governments and other entities within the State. These loans are secured by a pledge of the revenue from the ownership or operation of the wastewater and/or drinking water systems and certain other funds of the entities. Certain loans are additionally secured by the full faith and credit of the borrowing entities.

The WQRLF loans included in bond funds held by trustee accounts are pledged under the indenture. The loans included in the capital reserve accounts represent loans made under Federal and State regulations, which are not pledged under the indenture. The Administration may, at its option, pledge these loans to support future bond issues, at which time the loans and related fund equity will be transferred to bond funds held by trustee accounts.

As of June 30, 2024 and 2023, the Administration's lending commitments and outstanding balances under the WQRLF to specific governmental entities within the State are detailed as follows:

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 3 LOANS RECEIVABLE (CONTINUED)

WQRLF Borrower	2024			2023		
	Total Commitment	Commitment Outstanding	Outstanding Balance June 30, 2024	Total Commitment	Commitment Outstanding	Outstanding Balance June 30, 2022
Aberdeen, City of	\$ 9,329,266	\$ -	\$ 3,429,625	\$ 9,329,266	\$ -	\$ 3,862,113
Allegany County	26,978,773	480,309	6,191,988	26,978,773	1,471,509	6,390,419
Annapolis, City of	1,591,479	-	-	1,591,479	-	-
Anne Arundel County	110,248,627	-	27,117,643	110,248,627	-	31,557,361
Ashton Park Community Association	408,470	-	131,216	408,470	-	152,331
Baltimore City	702,997,695	10,421,024	386,791,712	702,997,695	15,250,115	407,398,511
Baltimore County	480,661,779	7,972,368	276,169,278	480,661,779	7,972,368	291,859,154
Bel Air, Town of	101,686	-	-	101,686	-	-
Berlin, Town of	3,207,000	-	1,579,187	3,207,000	-	1,747,763
Betterton, Town of	93,559	-	-	93,559	-	-
Boonsboro, Town of	2,127,984	-	-	2,127,984	-	7,356
Bowie, City of	4,154,565	-	675,943	4,154,565	-	779,847
Brunswick, City of	1,690,570	-	-	1,690,570	-	27,335
Calvert County	18,343,759	-	1,407,336	18,343,759	-	1,578,606
Cambridge, City of	12,440,864	-	514,396	12,440,864	-	578,825
Canton Crossing	3,711,142	-	361,142	3,711,142	-	561,142
Caroline County	230,999	-	184,964	230,999	-	196,593
Carroll County	12,074,030	-	-	12,074,030	-	-
Cecil County	43,197,704	-	13,664,704	43,197,704	-	15,386,597
Centreville	3,878,064	-	-	3,878,064	-	381,439
Charles County	23,358,722	-	1,640,304	23,358,722	-	2,445,897
Chesapeake Beach, Town of	9,491,864	-	3,267,239	9,491,864	-	3,786,753
Chestertown, Town of	3,955,893	-	380,684	3,955,893	-	557,782
Clearspring, Town of	72,705	-	-	72,705	-	-
Crisfield, City of	1,516,158	84,001	558,264	1,516,158	229,118	476,842
Cumberland, City of	13,199,598	-	3,489,663	13,356,339	156,740	3,818,577
Delmar, Town of	1,125,592	615,390	234,162	276,040	-	-
Denton, Town of	3,712,346	-	1,138,310	3,712,346	-	1,304,544
Easton, Town of	21,852,648	-	4,684,965	21,852,648	-	6,061,107
Elkton, Town of	21,395,474	-	3,982,522	21,395,474	-	5,118,231
Emmitsburg	600,000	-	-	600,000	-	-
Federalsburg, Town of	3,479,097	-	869,368	3,479,097	-	1,058,519
Frederick, City of	54,044,950	-	28,894,902	54,044,950	-	31,308,758
Frederick County	113,637,450	-	35,446,814	113,637,450	-	37,738,407
Frostburg, City of	739,788	-	216,476	739,788	-	239,828
Fruitland, City of	4,919,475	-	805,575	4,919,475	-	935,174
Funkstown, Town of	1,875,221	-	66,908	1,875,221	-	183,278
Galena, Town of	112,219	-	-	112,219	-	-
Garrett County	1,970,000	-	-	1,970,000	-	-
Garrett County Sanitary District	2,635,641	-	-	2,635,641	-	-
Grantsville, Town of	16,891	-	-	16,891	-	-
Greenbelt, City of	1,854,010	-	1,494,887	1,854,010	-	1,585,206
Greensboro, Town of	443,345	-	-	443,345	-	-
Hagerstown, City of	22,102,169	-	2,954,566	22,102,169	-	3,781,798
Hancock, Town of	797,062	-	-	797,062	-	-
Harford County	69,535,228	-	-	69,535,228	-	-
Havre De Grace, City of	28,996,682	-	8,173,302	28,996,682	-	9,669,353
Hebron, Town of	195,729	-	29,059	195,729	-	40,964
Howard County	91,534,729	-	1,555,751	91,534,729	-	2,443,082
Hurlock, Town of	3,626,240	-	391,582	3,626,240	-	559,232
Indian Head, Town of	4,603,656	-	-	4,603,656	-	67,156
Kent County	7,394,107	-	954,087	7,394,107	-	1,285,821
La Plata, Town of	12,972,019	-	1,967,656	12,972,019	-	2,263,826
Leonardtown, Town of	9,082,233	-	5,173,250	9,082,233	-	5,523,694
Md Envir Services	6,014,121	-	683,103	6,014,121	-	785,672
Middletown, Town of	3,970,639	-	-	3,970,639	-	-
Millington, Town of	42,000	-	-	42,000	-	-
Montgomery County	55,467,548	30,150,429	16,606,841	50,645,948	29,829,717	14,492,948
Mountain Lake Park	770,287	-	-	770,287	-	67,529
Mount Airy	3,523,087	-	45,109	3,523,087	-	-

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 3 LOANS RECEIVABLE (CONTINUED)

WQRLF Borrower	2024			2023		
	Total Commitment	Commitment Outstanding	Outstanding Balance June 30, 2024	Total Commitment	Commitment Outstanding	Outstanding Balance June 30, 2022
Myersville	\$ 1,259,983	\$ -	\$ -	\$ 1,259,983	\$ -	\$ -
New Windsor	3,858,474	-	226,907	3,858,474	-	259,321
North Beach	3,621,861	-	1,139,802	3,621,861	-	1,226,718
Oakland, Town of	892,046	-	23,875	892,046	-	35,742
Oxford, Town of	45,402	-	-	45,402	-	-
Perryville, Town of	5,923,965	-	1,651,231	5,923,965	-	1,978,524
Pocomoke City	851,579	-	-	851,579	-	76,804
Poolesville, Town of	\$5,658,051	-	\$1,157,233	\$5,658,051	-	\$1,354,676
Preston, Town of	1,129,870	45,798	948,564	1,129,870	45,797	982,848
Prince George's County	134,738,580	36,001,189	69,769,248	69,738,580	-	42,216,455
Queen Anne's County	62,734,420	-	34,997,931	63,288,234	2,348,080	35,322,576
Ridgely, Town of	1,598,297	-	413,350	1,598,297	-	499,203
Rising Sun, Town of	1,010,437	-	-	1,010,437	-	-
Rockville, Town of	2,300,633	-	365,733	2,300,633	-	489,474
Salisbury, Town of	84,408,346	-	41,957,946	84,408,346	-	44,572,905
Sharptown	170,925	-	74,528	170,925	-	84,413
Snow Hill, Town of	1,358,420	-	357,202	1,358,420	-	397,307
Somerset County	2,151,215	-	-	2,151,215	-	-
Somerset County Sanitary District	1,787,031	697,694	902,306	1,787,031	1,550,000	50,000
St. Mary's County	7,447,625	-	-	7,447,625	-	-
St. Mary's Metropolitan Comm.	48,730,782	-	22,301,999	48,730,782	-	24,387,082
Talbot County	9,975,333	-	1,346,762	9,975,333	-	1,870,696
Taneytown, City of	6,477,722	-	-	6,477,722	-	-
Thurmont	10,153,303	-	3,345,667	10,153,303	-	3,691,043
Union Bridge	142,000	-	-	142,000	-	-
Washington County	41,709,193	-	3,612,508	41,709,193	-	4,270,598
Washington Co Sanitary District	20,387,427	-	-	20,387,427	-	-
Westernport	1,030,992	-	-	1,030,992	-	-
Westminster, City of	29,318,055	4,372,511	21,615,353	29,318,055	5,847,526	20,953,269
Wicomico County	2,929,876	-	-	2,929,876	-	-
Willards	433,599	-	89,511	433,599	-	111,666
Williamsport, Town of	684,538	-	100,029	684,538	-	144,991
Washington Suburban Sanitary Commission	726,842,353	124,854,009	328,626,855	726,842,352	132,141,738	346,975,007
Worcester County	12,158,889	-	982,004	12,181,526	22,637	1,047,190
Loan Total	3,278,025,860	\$ 215,694,722	\$ 1,379,931,027	3,208,087,899	\$ 196,865,345	\$ 1,433,063,878
Grant/Loan Forgiveness	112,196,239	-	-	111,369,323	-	-
Total Commitment	<u>\$ 3,390,222,099</u>			<u>\$ 3,319,457,222</u>		

The current portion of WQRLF loans receivable as of June 30, 2024 and 2023, was \$101,355,376 and \$103,945,310, respectively. Also, the outstanding balance of loans receivable is made up of \$44,167,944 pledged loans (2008 indenture) and \$1,335,763,083 nonpledged direct loans. During fiscal years 2024 and 2023, there were no defaults or delinquencies.

As of June 30, 2024 and 2023, the Administration's lending commitments under the DWRLF to specific governmental entities within the State are detailed as follows:

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 3 LOANS RECEIVABLE (CONTINUED)

DWRLF Borrower	2024			2023		
	Total Commitment	Commitment Outstanding	Outstanding Balance June 30, 2024	Total Commitment	Commitment Outstanding	Outstanding Balance June 30, 2023
Allegany County	\$ 2,271,284	\$ 180,506	\$ 1,819,561	\$ 1,370,580	\$ -	\$ 1,170,097
Annapolis, City of	28,500,000	-	20,761,080	28,500,000	-	21,758,922
Anne Arundel County	8,600,873	165,015	4,836,478	8,600,873	872,504	4,423,591
Baltimore City	184,245,556	6,815,454	151,539,335	174,850,823	7,077,737	147,470,663
Baltimore County	125,529,904	4,535,436	93,465,231	125,529,904	4,535,436	97,999,826
Beaches Water Co.	464,713	-	226,491	464,713	-	244,835
Betterton, Town of	43,483	-	-	43,483	-	-
Boonsboro, Town of	1,662,639	-	66,399	1,662,639	-	86,198
Bowie, City of	1,677,500	-	-	1,677,500	-	-
Brunswick, City of	359,975	-	28,617	359,975	-	51,001
Calvert County	4,268,998	301,588	2,758,935	4,268,998	301,588	2,963,740
Cecilton, Town of	968,323	-	401,297	968,323	-	433,879
Centreville, Town of	912,870	-	-	912,870	-	-
Chesapeake City, Town of	125,955	-	58,615	125,955	-	64,984
Chesterton, Town of	1,765,422	-	63,546	1,765,422	-	161,280
Clear Spring, Town of	1,260,531	-	274,253	1,260,531	-	328,048
Cumberland, City of	11,107,015	-	4,510,478	11,368,973	470,092	4,728,612
Denton, Town of	633,388	45,159	569,464	633,388	558,606	74,782
Dorchester County	52,778	-	-	52,778	-	-
East New Market	368,150	-	169,662	368,150	-	191,034
Emmitsburg, Town of	1,582,762	-	49,789	1,582,762	-	96,146
Fahmeyer Keedy	500,000	-	-	500,000	-	-
Federalsburg, Town of	2,150,055	74,072	492,097	2,150,055	74,072	597,384
Frederick County	10,831,168	-	114,123	10,831,168	-	123,172
Frostburg, City of	337,500	-	184,778	337,500	-	202,362
Fruitland, Town of	1,175,184	-	1,061,773	1,175,184	-	1,099,766
Funkstown, Town of	139,711	-	116,680	139,711	-	121,359
Garrett Co Sanitary Distr	388,653	-	93,075	388,653	-	103,760
Grantsville, Town of	224,282	-	10,624	224,282	-	11,929
Hagerstown, City of	28,262,983	-	12,655,002	28,262,983	-	13,683,103
Hampstead, Town of	722,587	-	-	722,587	-	-
Independence Village	44,902	-	-	44,902	-	-
La Plata, Town of	499,150	-	225,543	499,150	-	251,170
Lonaconing, Town of	2,628,933	279,628	2,056,894	2,628,933	516,858	1,903,824
Manchester	400,000	-	-	400,000	-	-
Martingham Utilities Coop	594,700	-	281,437	594,700	-	301,308
MD American Water Co	3,826,013	-	3,492,913	3,826,013	-	3,622,123
Myersville, Town of	467,842	-	-	467,842	-	-
New Windsor, Tow of	1,927,731	-	-	1,927,731	-	-
North East, Town of	19,608,421	119,184	8,284,637	19,048,711	-	8,451,140
Oakland, Town of	3,640,938	-	2,442,630	3,640,938	-	2,572,354
Oxford, Town of	1,485,759	-	701,783	1,485,759	-	772,583
Perryville, Town of	11,534,299	-	5,473,385	11,534,299	-	5,888,766
Pittsville, Town of	86,166	-	-	86,166	-	29,158
Pocomoke City	17,214	-	-	17,214	-	8,722
Port Deposit, Town of	291,760	-	-	291,760	-	-
Queenstown, Town of	489,139	-	231,276	489,139	-	256,936
Rising Sun, Town of	1,698,717	-	488,844	1,698,717	-	552,247
Rock Hall, Town of	1,269,501	64,095	549,620	1,269,501	103,990	557,367
Rockville, City of	8,122,000	-	-	8,122,000	-	-

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 3 LOANS RECEIVABLE (CONTINUED)

DWRLF Borrower	2024			2023		
	Total Commitment	Commitment Outstanding	Outstanding Balance June 30, 2024	Total Commitment	Commitment Outstanding	Outstanding Balance June 30, 2023
Salisbury, City of	\$ 1,513,160.00	\$ -	\$ 965,352.00	\$ 1,513,160.00	\$ -	\$ 1,017,413.00
Secretary, Town of	149,408	-	-	149,408	-	-
Sharptown, Town of	122,299	-	50,217	122,299	-	58,516
Smithsburg, Town of	884,416	-	731,066	884,416	-	762,165
Somerset Co Sanitary Distr.	96,204	3,246	66,611	96,204	3,246	69,713
St. Mary's Co- Metcom	17,995,276	-	10,886,040	18,333,985	617,442	11,474,691
St. Michaels, Town of	1,481,752	-	528,686	1,481,752	-	568,229
Taneytown, City of	4,011,000	-	1,347,472	4,011,000	-	1,574,589
Thurmont, Town of	2,756,947	89,658	423,549	2,243,740	-	-
Trappe, Town of	439,622	-	393,110	439,622	-	408,676
Union Bridge, Town of	775,499	-	241,904	775,499	-	269,607
Walkersville, Town of	6,810,655	-	5,938,561	6,810,655	-	6,159,197
Westport, Town of	3,008,026	-	2,331,721	3,008,026	-	2,439,063
Westminister, City of	15,535,902	-	2,407,131	15,535,902	-	3,276,638
Wicomico Co	2,830,382	353,876	2,289,101	2,830,382	1,236,536	1,500,284
Williamsport, Town of	660,695	-	544,695	660,695	-	564,028
Worcester County	367,063	-	103,824	367,063	-	123,918
WSSC	135,048	-	85,121	135,049	-	90,341
Loan Total	539,340,781	13,026,917	349,890,506	528,573,095	16,368,107	353,715,239
Grant/Loan Forgiveness	77,356,953	-	-	73,411,991	-	-
Total Commitment	\$ 616,697,734	-	-	\$ 601,985,086	-	-

The current portion of DWRLF loans receivable as of June 30, 2024 and 2023 was \$18,307,148 and \$17,877,730, respectively. During fiscal years 2024 and 2023, there were no defaults or delinquencies.

The Administration is not required to disclose the market value of the loans. The Administration believes that the calculated market value of the loans at any given date would be less than their nominal amounts primarily because of their below market interest rates. The Administration currently plans to hold the loans to maturity and will continue to reflect them in the accompanying financial statements at cost.

NOTE 4 CAPITAL ASSETS

Capital assets represent vehicles, net of accumulated depreciation. The activity for the years ended June 30 was as follows:

	2024				
	Balance June 30, 2023	Increases	Decreases	Depreciation	Balance June 30, 2024
Vehicles	\$ 202,016	\$ -	\$ -	\$ -	\$ 202,016
Accumulated Depreciation	201,306	-	-	710	202,016
Net	\$ 710	\$ -	\$ -	\$ 710	\$ -

	2023				
	Balance June 30, 2022	Increases	Decreases	Depreciation	Balance June 30, 2023
Vehicles	\$ 202,016	\$ -	\$ -	\$ -	\$ 202,016
Accumulated Depreciation	192,791	-	-	8,515	201,306
Net	\$ 9,225	\$ -	\$ -	\$ 8,515	\$ 710

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 5 DRINKING WATER STATE REVOLVING SOURCE WATER PROTECTION

The transaction below is part of the DWRLF 15% set-aside grant and the loan information below is not included in the DWRLF capital program financial statements. The DWRLF 15% set-aside work plans approved by EPA allow use of Federal funds to make loans to purchase land for source water and wellhead protection. All Principal Balance of the original loan amount \$310,000 has been paid off and there is no outstanding balance on this loan. This loan is at a 0% interest rate and had a 20-year term. Information on this loan as of June 30, 2024, is summarized below:

	Loan Amount	ITD Principal Payments	Principal Balance	Annual Repayment
Town of Boonsboro	\$ 310,000	\$ 310,000	\$ -	\$ 15,500

Principal payments have been transferred to the DWRLF Capital Reserve account.

NOTE 6 REVENUE BONDS PAYABLE

The Administration had the following outstanding debt as of June 30:

	2024	2023
Water Quality RLF		
2016 Series CW-RLF Revenue Bonds, dated November 10, 2016 with an all-in true interest rate of 1.53% due serially from March 1, 2017 to March 1, 2025.	\$ 3,420,000	\$ 6,530,000
Total Bonds Payable for Clean Water RLF	3,420,000	6,530,000
Bay Restoration Fund		
2008 Series BRF Revenue Bonds, dated June 25, 2008 with an all-in true interest rate of 4.09% due serially from March 1, 2009 to March 1, 2023.	-	-
2014 Series BRF Revenue Bonds, dated May 14, 2014 with an all-in true interest rate of 2.58% due serially from March 1, 2016 to March 1, 2029.	43,100,000	50,725,000
2015 Series BRF Revenue Bonds, dated December 3, 2015 with an all-in true interest rate of 2.60% due serially from March 1, 2018 to March 1, 2030.	97,260,000	110,880,000
Total Bonds Payable for BRF	140,360,000	161,605,000
Total Bonds Payable for all Indentured Series - CWRLF and BRF	143,780,000	168,135,000
Less: Current Portion Bonds Payable	25,725,000	24,355,000
Noncurrent Bonds Payable	\$ 118,055,000	\$ 143,780,000

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 6 REVENUE BONDS PAYABLE (CONTINUED)

As of June 30, 2024, there were three series of Serial Bonds outstanding as follows:

Series	Current Bonds Payable Due March 1, 2024	Noncurrent Bonds Payable	Years Remaining	Final Payment Due Date
Water Quality RLF:				
2016	\$ 3,420,000	\$ -	1	March 1, 2025
Bay Restoration Fund:				
2014	\$ 8,005,000	\$ 35,095,000	5	March 1, 2029
2015	14,300,000	82,960,000	6	March 1, 2030
Total BRF	<u>\$ 22,305,000</u>	<u>\$ 118,055,000</u>		

The WQRLF bonds are payable solely from, and secured by, a pledge of the loan principal and interest payments required to be made by the local and other governmental entity borrowers and a pledge of all bond funds to the Administration identified by the indenture dated April 1, 2008. Similarly, the BRF bonds are payable solely from the revenue derived from collections from the Bay Restoration wastewater fees as identified by the indenture dated June 1, 2008.

The principal and interest payment obligations related to the WQRLF and BRF as of June 30, 2024, were as follows:

	Principal	Interest	Total
Water Quality RLF:			
2025	\$ 3,420,000	\$ 171,000	\$ 3,591,000
Total WQRLF	<u>3,420,000</u>	<u>171,000</u>	<u>3,591,000</u>
Bay Restoration Fund:			
2025	22,305,000	4,909,170	27,214,170
2026	23,340,000	3,793,920	27,133,920
2027	24,340,000	2,957,250	27,297,250
2028	25,470,000	2,227,050	27,697,050
2029	26,655,000	1,393,525	28,048,525
2030	18,250,000	547,500	18,797,500
Total BRF	<u>140,360,000</u>	<u>15,828,415</u>	<u>156,188,415</u>
Total Payable WQRLF & BRF	<u>\$ 143,780,000</u>	<u>\$ 15,999,415</u>	<u>\$ 159,779,415</u>

As of June 30, 2024 and 2023, the Administration's management believes that it is in compliance with all significant requirements of the indentures.

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 7 SCHEDULES OF CHANGES IN NONCURRENT LIABILITIES

Changes in noncurrent liabilities for the year ended June 30, 2024, were as follows:

Bond Series and Program	Beginning Balance June 30, 2023	Additions	Reductions	Ending Balance June 30, 2024	Amounts Due Within One Year
2016 Water Quality RLF:					
Unamortized Premium	\$ 295,317	\$ -	\$ 195,187	\$ 100,130	\$ 100,130
Revenue Bonds Payable	6,530,000	-	3,110,000	3,420,000	3,420,000
Total WQ 2016 Series	6,825,317	-	3,305,187	3,520,130	3,520,130
2008, 2014, 2015					
Bay Restoration Fund					
Unamortized Premium	1,998,364	-	1,200,751	797,613	650,084
Revenue Bonds Payable	161,605,000	-	21,245,000	140,360,000	22,305,000
Total BRF 2008, 2014, and 2015 Series	163,603,364	-	22,445,751	141,157,613	22,955,084
Total All Bond Series and Program	170,428,681	-	25,750,938	144,677,743	26,475,214
Compensated Absences by Fund:					
Water Quality	656,388	294,888	392,681	558,595	294,888
Drinking Water	75,091	35,730	44,413	66,408	35,730
BRF - Wastewater	78,821	46,767	33,554	92,034	46,767
BRF - Septic	130,523	42,056	87,752	84,827	42,056
Total Compensated Absences	940,823	419,441	558,400	801,864	419,441
Total	\$ 171,369,504	\$ 419,441	\$ 26,309,338	\$ 145,479,607	\$ 26,894,655

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 7 SCHEDULES OF CHANGES IN NONCURRENT LIABILITIES (CONTINUED)

Changes in noncurrent liabilities for the year ended June 30, 2023, were as follows:

Bond Series and Program	Beginning Balance June 30, 2022	Additions	Reductions	Ending Balance June 30, 2023	Amounts Due Within One Year
2016 Water Quality RLF:					
Unamortized Premium	\$ 584,258	\$ -	\$ 288,941	\$ 295,317	\$ 195,187
Revenue Bonds Payable	9,495,000	-	2,965,000	6,530,000	3,110,000
Total WQ 2016 Series	<u>10,079,258</u>	<u>-</u>	<u>3,253,941</u>	<u>6,825,317</u>	<u>3,305,187</u>
2008, 2014, 2015					
Bay Restoration Fund					
Unamortized Premium	3,770,402	-	1,772,038	1,998,364	1,200,751
Revenue Bonds Payable	186,245,000	-	24,640,000	161,605,000	21,245,000
Total BRF 2008, 2014, and 2015 Series	<u>190,015,402</u>	<u>-</u>	<u>26,412,038</u>	<u>163,603,364</u>	<u>22,445,751</u>
Total All Bond Series and Program	200,094,660	-	29,665,979	170,428,681	25,750,938
Compensated Absences by Fund:					
Water Quality	580,989	346,435	271,036	656,388	346,435
Drinking Water	61,226	40,617	26,752	75,091	40,617
BRF - Wastewater	86,270	40,078	47,527	78,821	40,078
BRF - Septic	108,671	64,848	42,996	130,523	64,848
Total Compensated Absences	<u>837,156</u>	<u>491,978</u>	<u>388,311</u>	<u>940,823</u>	<u>491,978</u>
Total	<u>\$200,931,816</u>	<u>\$ 491,978</u>	<u>\$ 30,054,290</u>	<u>\$171,369,504</u>	<u>\$ 26,242,916</u>

The Administration had no pending workers' compensation claims as of June 30, 2024 and 2023.

NOTE 8 GRANTS AND RELATED PARTY TRANSACTIONS

The Maryland Environmental Services (MES) was awarded grants under the BRF program. MES received BRF grant disbursements totaling \$3,345,155 and \$4,133,230, for the fiscal years ended 2024 and 2023, respectively.

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 9 BAY RESTORATION FUND ACTIVITY

The Bay Restoration Fund (BRF) includes the Wastewater Fund and Septic Fund. BRF fee revenue is collected by the State Comptroller's office and transferred to MWIFA for the purpose of providing grants for upgrade of major wastewater treatment plants in Maryland with enhanced nutrient removal technologies (Wastewater Fund) and for the purpose of providing grants for the upgrade of on-site septic disposal systems with nitrogen removal technology (Septic Fund). The revenue is recorded as amounts are collected by the State Comptroller's office. During the fiscal year ended June 30, 2024 and 2023, the Wastewater Fund received cash deposits from the Maryland Comptroller's Office totaling \$108,381,498 and \$115,679,356, respectively, which earned investment interest of \$7,009,859 and \$5,302,259, respectively, for capital projects and \$353,202 and \$245,002, respectively, for the 2008 indenture. Similarly, the Septic Fund (60.0% of septic fees) received cash deposits of \$18,275,613 and \$17,839,482, respectively, which earned investment interest of \$455,855 and \$308,942, respectively. The 40.0% of septic fee revenue transferred by the State Comptroller's office to the Maryland Department of Agriculture is not recorded or accounted for in the accompanying financial statements of the Administration. The Board of Public Works approves grant awards, which are implemented through signed agreements. Also, capital disbursements of funds were made totaling \$61,260,808 and \$80,693,262, respectively, for the wastewater program, and \$16,651,537 and \$17,293,382, respectively for septic program for fiscal year 2024 and 2023.

Below is a summary of grant activity for fiscal years June 30:

Grants	2024			2023		
	BRF Grant Award	Cumulative Grant Disbursements	Remaining Grant Balance June 30, 2024	BRF Grant Award	Cumulative Grant Disbursements	Remaining Grant Balance June 30, 2023
BRF Wastewater Fund						
ENR Major WWTP	\$ 1,304,792,940	\$ 1,247,987,771	\$ 56,805,169	\$ 1,304,792,940	\$ 1,241,724,064	\$ 63,068,876
Sewer (Pre FY10)	19,711,306	19,711,306	-	19,711,306	19,711,306	-
O&M to WWTP	68,749,607	68,749,607	-	57,749,609	57,749,609	-
Nutrient Reduction (CWCA)	25,784,551	14,096,820	11,687,731	24,409,300	10,476,947	13,932,353
Tree Solutions Now Act	15,000,000	15,000,000	-	15,000,000	15,000,000	-
Expanded Uses :						
ENR Minor WWTP	108,680,471	80,644,532	28,035,939	101,463,786	59,722,980	41,740,806
Septic, SW & Sewer	205,976,432	176,704,775	29,271,657	186,248,893	157,249,096	28,999,797
Total BRF WW Grants	\$ 1,748,695,307	\$ 1,622,894,811	\$ 125,800,496	\$ 1,709,375,834	\$ 1,561,634,002	\$ 147,741,832
BRF Septic Fund						
Capital Projects	\$ 227,759,777	\$ 219,746,047	\$ 8,013,730	\$ 212,424,033	\$ 204,534,510	\$ 7,889,523
HB 12 Admin	13,991,000	13,991,000	-	12,551,000	12,551,000	-
Total BRF Septic Grants	\$ 241,750,777	\$ 233,737,047	\$ 8,013,730	\$ 224,975,033	\$ 217,085,510	\$ 7,889,523

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 10 RISK MANAGEMENT

The Administration is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The State of Maryland carries commercial insurance for all risks of loss, including workers' compensation and employee health and accident insurance. The Administration has not had any significant reductions in insurance coverage, or any claims not reimbursed for the fiscal years ending 2024, 2023, or 2022.

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
COMBINING STATEMENTS OF NET POSITION
JUNE 30, 2024 AND 2023
(SEE INDEPENDENT AUDITORS' REPORT)

	2024				2023			
	Funds Held by Administration				Funds Held by Administration			
	Clean Water RLF	Drinking Water RLF	Bay Restoration Fund	Total	Clean Water RLF	Drinking Water RLF	Bay Restoration Fund	Total
ASSETS								
Current Assets:								
Cash and Cash Equivalents	\$ 356,254,685	\$ 26,090,657	\$ 181,696,696	\$ 564,042,038	\$ 239,235,756	\$ 8,204,452	\$ 157,880,412	\$ 405,320,620
Investments	-	-	-	-	-	-	-	-
Receivables:								
Investment Interest	55,604	-	-	55,604	26,119	-	-	26,119
Loans	85,057,880	18,307,148	-	103,365,028	83,927,061	17,877,730	-	101,804,791
Loan Interest	5,716,555	1,184,096	-	6,900,651	5,690,597	1,184,712	-	6,875,309
BRF Fee	-	-	1,614,297	1,614,297	-	-	1,617,604	1,617,604
Administrative Fee	5,206,158	890,681	-	6,096,839	5,458,947	871,532	-	6,330,479
Current Restricted Assets:								
Cash and Cash Equivalents	-	-	28,799,112	28,799,112	-	-	26,221,975	26,221,975
Receivables:								
BRF Fee	-	-	22,316,691	22,316,691	-	-	26,891,542	26,891,542
Loans	16,297,496	-	-	16,297,496	20,018,249	-	-	20,018,249
Loan Interest	200,951	-	-	200,951	289,056	-	-	289,056
Total Current Assets	<u>468,789,329</u>	<u>46,472,582</u>	<u>234,426,796</u>	<u>749,688,707</u>	<u>354,645,785</u>	<u>28,138,426</u>	<u>212,611,533</u>	<u>595,395,744</u>
Noncurrent Assets:								
Investments	5,054,315	-	-	5,054,315	5,372,100	-	-	5,372,100
Loans Receivable	1,250,705,203	331,583,358	-	1,582,288,561	1,284,950,625	335,837,509	-	1,620,788,134
Capital Assets, Net	-	-	-	-	-	-	710	710
Noncurrent Restricted Assets:								
Loans Receivable	27,870,448	-	-	27,870,448	44,167,943	-	-	44,167,943
Total Noncurrent Assets	<u>1,283,629,966</u>	<u>331,583,358</u>	<u>-</u>	<u>1,615,213,324</u>	<u>1,334,490,668</u>	<u>335,837,509</u>	<u>710</u>	<u>1,670,328,887</u>
Total Assets	<u>\$ 1,752,419,295</u>	<u>\$ 378,055,940</u>	<u>\$ 234,426,796</u>	<u>\$ 2,364,902,031</u>	<u>\$ 1,689,136,453</u>	<u>\$ 363,975,935</u>	<u>\$ 212,612,243</u>	<u>\$ 2,265,724,631</u>

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
COMBINING STATEMENTS OF NET POSITION (CONTINUED)
JUNE 30, 2024 AND 2023
(SEE INDEPENDENT AUDITORS' REPORT)

	2024				2023			
	Funds Held by Administration				Funds Held by Administration			
	Clean Water RLF	Drinking Water RLF	Bay Restoration Fund	Total	Clean Water RLF	Drinking Water RLF	Bay Restoration Fund	Total
LIABILITIES								
Current Liabilities:								
Accounts Payable and Accruals	\$ 13,200	\$ 3,960	\$ 9,240	\$ 26,400	\$ 13,275	\$ 3,907	\$ 9,618	\$ 26,800
Compensated Absences - Current	294,888	35,730	88,823	419,441	346,435	40,617	104,926	491,978
Revenue Bonds Payable	3,420,000	-	22,305,000	25,725,000	3,110,000	-	21,245,000	24,355,000
Bond Premium - Current	100,130	-	650,084	750,214	195,187	-	1,200,751	1,395,938
Accrued Interest on Bonds Payable	23,623	-	1,419,695	1,443,318	43,771	-	1,590,222	1,633,993
Total Current Liabilities	<u>3,851,841</u>	<u>39,690</u>	<u>24,472,842</u>	<u>28,364,373</u>	<u>3,708,668</u>	<u>44,524</u>	<u>24,150,517</u>	<u>27,903,709</u>
Noncurrent Liabilities:								
Compensated Absences - Noncurrent	263,707	30,678	88,038	382,423	309,953	34,474	104,418	448,845
Revenue Bonds Payable	-	-	118,055,000	118,055,000	3,420,000	-	140,360,000	143,780,000
Bond Premium - Noncurrent	-	-	147,529	147,529	100,130	-	797,613	897,743
Total Noncurrent Liabilities	<u>263,707</u>	<u>30,678</u>	<u>118,290,567</u>	<u>118,584,952</u>	<u>3,830,083</u>	<u>34,474</u>	<u>141,262,031</u>	<u>145,126,588</u>
Total Liabilities	<u>4,115,548</u>	<u>70,368</u>	<u>142,763,409</u>	<u>146,949,325</u>	<u>7,538,751</u>	<u>78,998</u>	<u>165,412,548</u>	<u>173,030,297</u>
NET POSITION								
Net Investment in Capital Assets	-	-	-	-	-	-	710	710
Restricted for Reserve Fund	40,825,142	-	51,115,803	91,940,945	57,606,160	-	53,113,517	110,719,677
Restricted for Program	1,702,313,924	377,095,634	177,700,210	2,257,109,768	1,618,581,144	362,840,856	153,956,805	2,135,378,805
Unrestricted	5,164,681	889,938	(137,152,626)	(131,098,007)	5,410,398	1,056,081	(159,871,337)	(153,404,858)
Total Net Position	<u>\$ 1,748,303,747</u>	<u>\$ 377,985,572</u>	<u>\$ 91,663,387</u>	<u>\$ 2,217,952,706</u>	<u>\$ 1,681,597,702</u>	<u>\$ 363,896,937</u>	<u>\$ 47,199,695</u>	<u>\$ 2,092,694,334</u>

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
COMBINING STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2024 AND 2023
(SEE INDEPENDENT AUDITORS' REPORT)

	2024				2023			
	Funds Held by Administration				Funds Held by Administration			
	Clean Water RLF	Drinking Water RLF	Bay Restoration Fund	Total	Clean Water RLF	Drinking Water RLF	Bay Restoration Fund	Total
OPERATING REVENUE								
Interest on Loans	\$ 11,949,838	\$ 2,440,282	\$ -	\$ 14,390,120	\$ 12,339,885	\$ 2,407,198	\$ -	\$ 14,747,083
Loan Administration Fees	5,206,988	897,664		6,104,652	5,459,778	878,515		6,338,293
Fee Revenue	-	-	122,078,953	122,078,953	-	-	131,797,275	131,797,275
2%, 10%, and 15%)	-	7,625,118	-	7,625,118	-	4,915,196	-	4,915,196
Miscellaneous Income	-	15,500	-	15,500	-	15,500	-	15,500
Total Operating Revenue	17,156,826	10,978,564	122,078,953	150,214,343	17,799,663	8,216,409	131,797,275	157,813,347
OPERATING EXPENSES								
Salaries and Related Benefits	7,137,428	865,848	2,265,682	10,268,958	6,953,533	726,420	2,197,029	9,876,982
General	1,615,277	220,399	656,008	2,491,684	1,775,204	171,821	584,259	2,531,284
Capital Grant Disbursements	1,858,068	3,020,524	77,912,345	82,790,937	3,195,906	1,915,852	97,986,645	103,098,403
Transfers Out (Set-Asides								
2%, 10%, and 15%)	-	7,625,118	-	7,625,118	-	4,915,196	-	4,915,196
Total Operating Expenses	10,610,773	11,731,889	80,834,035	103,176,697	11,924,643	7,729,289	100,767,933	120,421,865
OPERATING INCOME (LOSS)	6,546,053	(753,325)	41,244,918	47,037,646	5,875,020	487,120	31,029,342	37,391,482
NONOPERATING REVENUE (EXPENSES)								
Investment Income	13,014,528	723,899	7,818,916	21,557,343	5,812,222	364,370	5,856,203	12,032,795
Interest Expense on Bonds	(111,165)	-	(4,600,142)	(4,711,307)	(167,644)	-	(5,198,469)	(5,366,113)
Net Change in Fair Value of Investments	60,900	-	-	60,900	(86,520)	-	-	(86,520)
Federal Government Contributions State of MD Required	38,525,829	7,654,161	-	46,179,990	53,281,448	33,431,810	-	86,713,258
Match to Federal Grant	8,669,900	6,463,900	-	15,133,800	9,901,600	5,863,400	-	15,765,000
Total Nonoperating Revenue (Expenses)	60,159,992	14,841,960	3,218,774	78,220,726	68,741,106	39,659,580	657,734	109,058,420
CHANGE IN NET POSITION	66,706,045	14,088,635	44,463,692	125,258,372	74,616,126	40,146,700	31,687,076	146,449,902
Net Position - Beginning of Year	1,681,597,702	363,896,937	47,199,695	2,092,694,334	1,606,981,576	323,750,237	15,512,619	1,946,244,432
NET POSITION - END OF YEAR	\$ 1,748,303,747	\$ 377,985,572	\$ 91,663,387	\$ 2,217,952,706	\$ 1,681,597,702	\$ 363,896,937	\$ 47,199,695	\$ 2,092,694,334

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
COMBINING STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023
(SEE INDEPENDENT AUDITORS' REPORT)

	2024				2023			
	Funds Held by Administration				Funds Held by Administration			
	Clean Water RLF	Drinking Water RLF	Bay Restoration Fund	Total	Clean Water RLF	Drinking Water RLF	Bay Restoration Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES								
BRF Fee and Other Receipts	\$ -	\$ 7,640,618	\$ 126,657,111	\$ 134,297,729	\$ -	\$ 4,930,696	\$ 133,518,838	\$ 138,449,534
Capital Grant Disbursements	(1,858,068)	(3,020,524)	(77,912,345)	(82,790,937)	(3,195,906)	(1,915,852)	(97,986,645)	(103,098,403)
Salaries and Benefits Paid	(7,235,221)	(874,531)	(2,298,165)	(10,407,917)	(6,878,134)	(712,555)	(2,182,626)	(9,773,315)
General Expenses Paid	(1,615,352)	(7,845,464)	(655,676)	(10,116,492)	(1,774,779)	(5,086,965)	(575,121)	(7,436,865)
Loan Repayments	104,241,435	17,933,609	-	122,175,044	107,011,865	14,580,506	-	121,592,371
Loan Disbursements	(51,108,584)	(14,108,876)	-	(65,217,460)	(87,268,073)	(49,599,759)	-	(136,867,832)
Interest and Fees Received from Borrowers	17,471,762	3,319,413	-	20,791,175	18,167,491	3,303,394	-	21,470,885
Net Cash Provided (Used) by Operating Activities	59,895,972	3,044,245	45,790,925	108,731,142	26,062,464	(34,500,535)	32,774,446	24,336,375
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES								
Contributions Received:								
Federal Government	38,525,829	7,654,161	-	46,179,990	53,281,448	33,431,810	-	86,713,258
State of MD Required Match to Federal Grant	8,669,900	6,463,900	-	15,133,800	9,901,600	5,863,400	-	15,765,000
Repayment of Bonds	(3,110,000)	-	(21,245,000)	(24,355,000)	(2,965,000)	-	(24,640,000)	(27,605,000)
Interest on Bonds	(326,500)	-	(5,971,420)	(6,297,920)	(474,750)	-	(7,184,408)	(7,659,158)
Net Cash Provided (Used) by Noncapital Financing Activities	43,759,229	14,118,061	(27,216,420)	30,660,870	59,743,298	39,295,210	(31,824,408)	67,214,100
CASH FLOWS FROM INVESTING ACTIVITIES								
Purchase of Investments	-	-	-	-	-	-	-	-
Interest on Investment Securities	12,985,044	723,899	7,818,916	21,527,859	5,812,226	364,370	5,856,203	12,032,799
Proceeds from Sale of Investments	378,684	-	-	378,684	374,068	-	-	374,068
Net Cash Provided by Investing Activities	13,363,728	723,899	7,818,916	21,906,543	6,186,294	364,370	5,856,203	12,406,867
NET INCREASE IN CASH AND CASH EQUIVALENTS	117,018,929	17,886,205	26,393,421	161,298,555	91,992,056	5,159,045	6,806,241	103,957,342
Cash and Cash Equivalents - Beginning of Year	239,235,756	8,204,452	184,102,387	431,542,595	147,243,700	3,045,407	177,296,146	327,585,253
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 356,254,685	\$ 26,090,657	\$ 210,495,808	\$ 592,841,150	\$ 239,235,756	\$ 8,204,452	\$ 184,102,387	\$ 431,542,595

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
COMBINING STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2024 AND 2023
(SEE INDEPENDENT AUDITORS' REPORT)

	2024				2023			
	Funds Held by Administration				Funds Held by Administration			
	Clean Water RLF	Drinking Water RLF	Bay Restoration Fund	Total	Clean Water RLF	Drinking Water RLF	Bay Restoration Fund	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES								
Operating Income (Loss)	\$ 6,546,053	\$ (753,325)	\$ 41,244,918	\$ 47,037,646	\$ 5,875,020	\$ 487,120	\$ 31,029,342	\$ 37,391,482
Depreciation of Fixed Assets	-	-	710	710	-	-	8,515	8,515
Changes in Noncash Operating Assets and Liabilities:								
Loans Receivable	53,132,851	3,824,733	-	56,957,584	19,743,792	(35,019,253)	-	(15,275,461)
Loan Interest Receivable	62,147	616	-	62,763	305,073	10,267	-	315,340
Administrative Fee and BRF Fee Receivables	252,789	(19,149)	4,578,158	4,811,798	62,755	7,414	1,721,563	1,791,732
Accounts Payable and Other Liabilities	(97,868)	(8,630)	(32,861)	(139,359)	75,824	13,917	15,026	104,767
Net Cash Provided (Used) by Operating Activities	<u>\$ 59,895,972</u>	<u>\$ 3,044,245</u>	<u>\$ 45,790,925</u>	<u>\$ 108,731,142</u>	<u>\$ 26,062,464</u>	<u>\$ (34,500,535)</u>	<u>\$ 32,774,446</u>	<u>\$ 24,336,375</u>

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
CLEAN WATER STATE REVOLVING LOAN FUND
COMBINING STATEMENTS OF NET POSITION
JUNE 30, 2024 AND 2023
(SEE INDEPENDENT AUDITORS' REPORT)

	2024				2023			
	Funds Held by Administration				Funds Held by Administration			
	Admin Accounts	Capital Reserve Accounts	Bond Funds 2008 Indenture	Total	Admin Accounts	Capital Reserve Accounts	Bond Funds 2008 Indenture	Total
ASSETS								
Current Assets:								
Cash and Cash Equivalents	\$ 530,318	\$ 355,724,367	\$ -	\$ 356,254,685	\$ 621,114	\$ 238,614,642	\$ -	\$ 239,235,756
Investments	-		-	-	-	-	-	-
Receivables:								
Investment Interest	-	55,604	-	55,604	-	26,119	-	26,119
Loans	-	85,057,880	-	85,057,880	-	83,927,061	-	83,927,061
Loan Interest	-	5,716,555	-	5,716,555	-	5,690,597	-	5,690,597
Administrative Fee	5,206,158	-	-	5,206,158	5,458,947	-	-	5,458,947
Current Restricted Assets:								
Receivables:								
Loans	-	-	16,297,496	16,297,496	-	-	20,018,249	20,018,249
Loan Interest	-	-	200,951	200,951	-	-	289,056	289,056
Total Current Assets	5,736,476	446,554,406	16,498,447	468,789,329	6,080,061	328,258,419	20,307,305	354,645,785
Noncurrent Assets:								
Investments		5,054,315		5,054,315		5,372,100		5,372,100
Loans Receivable		1,250,705,203		1,250,705,203		1,284,950,625		1,284,950,625
Noncurrent Restricted Assets:								
Loans Receivable			27,870,448	27,870,448		-	44,167,943	44,167,943
Total Noncurrent Assets	-	1,255,759,518	27,870,448	1,283,629,966	-	1,290,322,725	44,167,943	1,334,490,668
Total Assets	\$ 5,736,476	\$ 1,702,313,924	\$ 44,368,895	\$ 1,752,419,295	\$ 6,080,061	\$ 1,618,581,144	\$ 64,475,248	\$ 1,689,136,453

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
CLEAN WATER STATE REVOLVING LOAN FUND
COMBINING STATEMENTS OF NET POSITION (CONTINUED)
JUNE 30, 2024 AND 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	2024				2023			
	Funds Held by Administration				Funds Held by Administration			
	Admin Accounts	Capital Reserve Accounts	Bond Funds 2008 Indenture	Total	Admin Accounts	Capital Reserve Accounts	Bond Funds 2008 Indenture	Total
LIABILITIES								
Current Liabilities:								
Accounts Payable	\$ 13,200			\$ 13,200	\$ 13,275	\$ -	\$ -	\$ 13,275
Compensated Absences - Current	294,888			294,888	346,435	-	-	346,435
Revenue Bonds Payable			3,420,000	3,420,000	-	-	3,110,000	3,110,000
Bond Premium - Current			100,130	100,130	-	-	195,187	195,187
Accrued Interest on Bonds Payable			23,623	23,623	-	-	43,771	43,771
Total Current Liabilities	308,088	-	3,543,753	3,851,841	359,710	-	3,348,958	3,708,668
Noncurrent Liabilities:								
Compensated Absences - Noncurrent	263,707			263,707	309,953	-	-	309,953
Revenue Bonds Payable					-	-	3,420,000	3,420,000
Bond Premium - Noncurrent					-	-	100,130	100,130
Total Noncurrent Liabilities	263,707	-	-	263,707	309,953	-	3,520,130	3,830,083
Total Liabilities	571,795	-	3,543,753	4,115,548	669,663	-	6,869,088	7,538,751
NET POSITION								
Net Investment in Capital Assets	-	-	-	-	-	-	-	-
Restricted for Reserve Fund	-	-	40,825,142	40,825,142	-	-	57,606,160	57,606,160
Restricted for Program	-	1,702,313,924	-	1,702,313,924	-	1,618,581,144	-	1,618,581,144
Unrestricted	5,164,681	-	-	5,164,681	5,410,398	-	-	5,410,398
Total Net Position	<u>\$ 5,164,681</u>	<u>\$ 1,702,313,924</u>	<u>\$ 40,825,142</u>	<u>\$ 1,748,303,747</u>	<u>\$ 5,410,398</u>	<u>\$ 1,618,581,144</u>	<u>\$ 57,606,160</u>	<u>\$ 1,681,597,702</u>

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
CLEAN WATER STATE REVOLVING LOAN FUND
COMBINING STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2024 AND 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	2024				2023			
	Funds Held by Administration				Funds Held by Administration			
	Admin Accounts	Capital Reserve Accounts	Bond Funds 2008 Indenture	Total	Admin Accounts	Capital Reserve Accounts	Bond Funds 2008 Indenture	Total
OPERATING REVENUE								
Interest on Loans		\$ 11,459,831	\$ 490,007	\$ 11,949,838		\$ 11,647,698	\$ 692,187	\$ 12,339,885
Loan Administration Fees	5,206,988			5,206,988	5,459,778			5,459,778
Miscellaneous Income	-	-	-	-	-	-	-	-
Total Operating Revenue	5,206,988	11,459,831	490,007	17,156,826	5,459,778	11,647,698	692,187	17,799,663
OPERATING EXPENSES								
Salaries and Related Benefits	7,137,428			7,137,428	6,953,533	-	-	6,953,533
General	1,615,277			1,615,277	1,775,204	-	-	1,775,204
Capital Grant Disbursements		1,858,068		1,858,068	-	3,195,906	-	3,195,906
Total Operating Expenses	8,752,705	1,858,068	-	10,610,773	8,728,737	3,195,906	-	11,924,643
OPERATING INCOME (LOSS)	(3,545,717)	9,601,763	490,007	6,546,053	(3,268,959)	8,451,792	692,187	5,875,020
NONOPERATING REVENUE (EXPENSES)								
Investment Income		12,920,496	94,032	13,014,528	-	5,797,302	14,920	5,812,222
Interest Expense on Bonds			(111,165)	(111,165)	-	-	(167,644)	(167,644)
Net Change in Fair Value of Investments		60,900		60,900	-	(86,520)	-	(86,520)
Federal Government Contributions State of MD Required		38,525,829		38,525,829	-	53,281,448	-	53,281,448
Match to Federal Grant		8,669,900		8,669,900	-	9,901,600	-	9,901,600
Total Nonoperating Revenue (Expenses)	-	60,177,125	(17,133)	60,159,992	-	68,893,830	(152,724)	68,741,106
INCOME (LOSS) BEFORE TRANSFERS	(3,545,717)	69,778,888	472,874	66,706,045	(3,268,959)	77,345,622	539,463	74,616,126
INTERFUND TRANSFERS	3,300,000	13,953,892	(17,253,892)	-	3,200,000	18,102,775	(21,302,775)	-
CHANGE IN NET POSITION	(245,717)	83,732,780	(16,781,018)	66,706,045	(68,959)	95,448,397	(20,763,312)	74,616,126
Net Position - Beginning of Year	5,410,398	1,618,581,144	57,606,160	1,681,597,702	5,479,357	1,523,132,747	78,369,472	1,606,981,576
NET POSITION - END OF YEAR	\$ 5,164,681	\$ 1,702,313,924	\$ 40,825,142	\$ 1,748,303,747	\$ 5,410,398	\$ 1,618,581,144	\$ 57,606,160	\$ 1,681,597,702

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
CLEAN WATER STATE REVOLVING LOAN FUND
COMBINING STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	2024				2023			
	Funds Held by Administration				Funds Held by Administration			
	Admin Accounts	Capital Reserve Accounts	Bond Funds 2008 Indenture	Total	Admin Accounts	Capital Reserve Accounts	Bond Funds 2008 Indenture	Total
CASH FLOWS FROM OPERATING ACTIVITIES								
Capital Grant Disbursements		\$ (1,858,068)		\$ (1,858,068)	\$ -	\$ (3,195,906)	\$ -	\$ (3,195,906)
Salaries and Benefits Paid	(7,235,221)			(7,235,221)	(6,878,134)	-	-	(6,878,134)
General Expenses Paid	(1,615,352)			(1,615,352)	(1,774,779)	-	-	(1,774,779)
Loan Repayments		84,223,186	20,018,249	104,241,435	-	83,090,523	23,921,342	107,011,865
Loan Disbursements		(51,108,584)		(51,108,584)	-	(87,268,073)	-	(87,268,073)
Interest and Fees Received from Borrowers	5,459,777	11,433,874	578,111	17,471,762	5,522,533	11,838,695	806,263	18,167,491
Net Cash Provided (Used) by Operating Activities	(3,390,796)	42,690,408	20,596,360	59,895,972	(3,130,380)	4,465,239	24,727,605	26,062,464
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES								
Contributions Received:								
Federal Government		38,525,829		38,525,829	-	53,281,448	-	53,281,448
State of MD Required Match to Federal Grant		8,669,900		8,669,900	-	9,901,600	-	9,901,600
Interfund Transfers	3,300,000	13,953,892	(17,253,892)	-	3,200,000	18,102,775	(21,302,775)	-
Repayment of Bonds			(3,110,000)	(3,110,000)	-	-	(2,965,000)	(2,965,000)
Interest on Bonds			(326,500)	(326,500)	-	-	(474,750)	(474,750)
Net Cash Provided (Used) by Noncapital Financing Activities	3,300,000	61,149,621	(20,690,392)	43,759,229	3,200,000	81,285,823	(24,742,525)	59,743,298
CASH FLOWS FROM INVESTING ACTIVITIES								
Purchase of Investments				-	-	-	-	-
Interest on Investment Securities		12,891,012	94,032	12,985,044	-	5,797,306	14,920	5,812,226
Proceeds from Sale of Investments		378,684		378,684	-	374,068	-	374,068
Net Cash Provided by Investing Activities	-	13,269,696	94,032	13,363,728	-	6,171,374	14,920	6,186,294
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(90,796)	117,109,725	-	117,018,929	69,620	91,922,436	-	91,992,056
Cash and Cash Equivalents - Beginning of Year	621,114	238,614,642		239,235,756	551,494	146,692,206	-	147,243,700
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 530,318	\$ 355,724,367	\$ -	\$ 356,254,685	\$ 621,114	\$ 238,614,642	\$ -	\$ 239,235,756

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
CLEAN WATER STATE REVOLVING LOAN FUND
COMBINING STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2024 AND 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	2024				2023			
	Funds Held by Administration				Funds Held by Administration			
	Admin Accounts	Capital Reserve Accounts	Bond Funds 2008 Indenture	Total	Admin Accounts	Capital Reserve Accounts	Bond Funds 2008 Indenture	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES								
Operating Income (Loss)	\$ (3,545,717)	\$ 9,601,763	\$ 490,007	\$ 6,546,053	\$ (3,268,959)	\$ 8,451,792	\$ 692,187	\$ 5,875,020
Depreciation of Capital Assets				-	-	-	-	-
Changes in Noncash Operating Assets and Liabilities:								
Loans Receivable		33,114,603	20,018,248	53,132,851	-	(4,177,550)	23,921,342	19,743,792
Loan Interest Receivable		(25,958)	88,105	62,147	-	190,997	114,076	305,073
Administrative Fees	252,789			252,789	62,755	-	-	62,755
Accounts Payable and Other Liabilities	(97,868)			(97,868)	75,824	-	-	75,824
Net Cash Provided (Used) by Operating Activities	\$ (3,390,796)	\$ 42,690,408	\$ 20,596,360	\$ 59,895,972	\$ (3,130,380)	\$ 4,465,239	\$ 24,727,605	\$ 26,062,464

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
DRINKING WATER STATE REVOLVING LOAN FUND
COMBINING STATEMENTS OF NET POSITION
JUNE 30, 2024 AND 2023
(SEE INDEPENDENT AUDITORS' REPORT)

	2024			2023		
	Funds Held by Administration			Funds Held by Administration		
	Admin Accounts	Capital Reserve Accounts	Total	Admin Accounts	Capital Reserve Accounts	Total
ASSETS						
Current Assets:						
Cash and Cash Equivalents	\$ 69,625	\$ 26,021,032	\$ 26,090,657	\$ 263,547	\$ 7,940,905	\$ 8,204,452
Receivables:						
Loans	-	18,307,148	18,307,148	-	17,877,730	17,877,730
Loan Interest	-	1,184,096	1,184,096	-	1,184,712	1,184,712
Administrative Fee	890,681	-	890,681	871,532	-	871,532
Total Current Assets	<u>960,306</u>	<u>45,512,276</u>	<u>46,472,582</u>	<u>1,135,079</u>	<u>27,003,347</u>	<u>28,138,426</u>
Noncurrent Assets:						
Loans Receivable	-	331,583,358	331,583,358	-	335,837,509	335,837,509
Total Noncurrent Assets	<u>-</u>	<u>331,583,358</u>	<u>331,583,358</u>	<u>-</u>	<u>335,837,509</u>	<u>335,837,509</u>
Total Assets	<u>\$ 960,306</u>	<u>\$ 377,095,634</u>	<u>\$ 378,055,940</u>	<u>\$ 1,135,079</u>	<u>\$ 362,840,856</u>	<u>\$ 363,975,935</u>
LIABILITIES						
Current Liabilities:						
Accounts Payable	\$ 3,960	\$ -	\$ 3,960	\$ 3,907	\$ -	\$ 3,907
Compensated Absences - Current	35,730	-	35,730	40,617	-	40,617
Total Current Liabilities	<u>39,690</u>	<u>-</u>	<u>39,690</u>	<u>44,524</u>	<u>-</u>	<u>44,524</u>
Noncurrent Liabilities:						
Compensated Absences - Noncurrent	30,678	-	30,678	34,474	-	34,474
Total Noncurrent Liabilities	<u>30,678</u>	<u>-</u>	<u>30,678</u>	<u>34,474</u>	<u>-</u>	<u>34,474</u>
Total Liabilities	<u>70,368</u>	<u>-</u>	<u>70,368</u>	<u>78,998</u>	<u>-</u>	<u>78,998</u>
NET POSITION						
Restricted	-	377,095,634	377,095,634	-	362,840,856	362,840,856
Unrestricted	889,938	-	889,938	1,056,081	-	1,056,081
Total Net Position	<u>\$ 889,938</u>	<u>\$ 377,095,634</u>	<u>\$ 377,985,572</u>	<u>\$ 1,056,081</u>	<u>\$ 362,840,856</u>	<u>\$ 363,896,937</u>

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
DRINKING WATER STATE REVOLVING LOAN FUND
COMBINING STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2024 AND 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	2024			2023		
	Funds Held by Administration			Funds Held by Administration		
	Admin Accounts	Capital Reserve Accounts	Total	Admin Accounts	Capital Reserve Accounts	Total
OPERATING REVENUE						
Interest on Loans	\$ -	\$ 2,440,282	\$ 2,440,282	\$ -	\$ 2,407,198	\$ 2,407,198
Loan Administration Fees	897,664		897,664	878,515	-	878,515
Grant Revenue	-		-	-		-
Grant Revenue (Set-Asides 2%, 10%, 15%)	7,625,118	-	7,625,118	4,915,196	-	4,915,196
Miscellaneous Income	-	15,500	15,500	-	15,500	15,500
Total Operating Revenue	<u>8,522,782</u>	<u>2,455,782</u>	<u>10,978,564</u>	<u>5,793,711</u>	<u>2,422,698</u>	<u>8,216,409</u>
OPERATING EXPENSES						
Salaries and Related Benefits	865,848	-	865,848	726,420	-	726,420
General	220,399	-	220,399	171,821	-	171,821
Capital Grant Disbursements	-	3,020,524	3,020,524	-	1,915,852	1,915,852
Transfer Out (Set-Asides 2%, 10%, 15%)	7,625,118	-	7,625,118	4,915,196	-	4,915,196
Total Operating Expenses	<u>8,711,365</u>	<u>3,020,524</u>	<u>11,731,889</u>	<u>5,813,437</u>	<u>1,915,852</u>	<u>7,729,289</u>
OPERATING INCOME (LOSS)	(188,583)	(564,742)	(753,325)	(19,726)	506,846	487,120
NONOPERATING REVENUE (EXPENSES)						
Investment Income	22,440	701,459	723,899	18,591	345,779	364,370
Federal Government Contributions	-	7,654,161	7,654,161	-	33,431,810	33,431,810
State of MD Required Match to Federal Grant	-	6,463,900	6,463,900	-	5,863,400	5,863,400
Total Nonoperating Revenue (Expenses)	<u>22,440</u>	<u>14,819,520</u>	<u>14,841,960</u>	<u>18,591</u>	<u>39,640,989</u>	<u>39,659,580</u>
CHANGE IN NET POSITION	(166,143)	14,254,778	14,088,635	(1,135)	40,147,835	40,146,700
Net Position - Beginning of Year	<u>1,056,081</u>	<u>362,840,856</u>	<u>363,896,937</u>	<u>1,057,216</u>	<u>322,693,021</u>	<u>323,750,237</u>
NET POSITION - END OF YEAR	<u>\$ 889,938</u>	<u>\$ 377,095,634</u>	<u>\$ 377,985,572</u>	<u>\$ 1,056,081</u>	<u>\$ 362,840,856</u>	<u>\$ 363,896,937</u>

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
DRINKING WATER STATE REVOLVING LOAN FUND
COMBINING STATEMENT OF CASH FLOWS
JUNE 30, 2024 AND 2023
(SEE INDEPENDENT AUDITORS' REPORT)

	Funds Held by Administration			Funds Held by Administration		
	Admin Accounts	Capital Reserve Accounts	Total	Admin Accounts	Capital Reserve Accounts	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Other Receipts	\$ 7,625,118	\$ 15,500	\$ 7,640,618	\$ 4,915,196	\$ 15,500	\$ 4,930,696
Capital Grant Disbursements		(3,020,524)	(3,020,524)	-	(1,915,852)	(1,915,852)
Salaries and Benefits Paid	(874,531)		(874,531)	(712,555)	-	(712,555)
General Expenses Paid	(7,845,464)		(7,845,464)	(5,086,965)	-	(5,086,965)
Loan Repayments		17,933,609	17,933,609	-	14,580,506	14,580,506
Loan Disbursements		(14,108,876)	(14,108,876)	-	(49,599,759)	(49,599,759)
Interest and Fees Received from Borrowers	878,515	2,440,898	3,319,413	885,929	2,417,465	3,303,394
Net Cash Provided (Used) by Operating Activities	(216,362)	3,260,607	3,044,245	1,605	(34,502,140)	(34,500,535)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Contributions Received:						
Federal Government		7,654,161	7,654,161	-	33,431,810	33,431,810
State of MD Required Match to Federal Grant		6,463,900	6,463,900	-	5,863,400	5,863,400
Net Cash Provided by Noncapital Financing Activities	-	14,118,061	14,118,061	-	39,295,210	39,295,210
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest on Investment Securities	22,440	701,459	723,899	18,591	345,779	364,370
Net Cash Provided by Investing Activities	22,440	701,459	723,899	18,591	345,779	364,370
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(193,922)	18,080,127	17,886,205	20,196	5,138,849	5,159,045
Cash and Cash Equivalents - Beginning of Year	263,547	7,940,905	8,204,452	243,351	2,802,056	3,045,407
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 69,625	\$ 26,021,032	\$ 26,090,657	\$ 263,547	\$ 7,940,905	\$ 8,204,452

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
DRINKING WATER STATE REVOLVING LOAN FUND
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
JUNE 30, 2024 AND 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	2024			2023		
	Funds Held by Administration			Funds Held by Administration		
	Admin Accounts	Capital Reserve Accounts	Total	Admin Accounts	Capital Reserve Accounts	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating Income (Loss)	\$ (188,583)	\$ (564,742)	\$ (753,325)	\$ (19,726)	\$ 506,846	\$ 487,120
Changes in Noncash Operating Assets and Liabilities:						
Loans Receivable	-	3,824,733	3,824,733	-	(35,019,253)	(35,019,253)
Loan Interest Receivable	-	616	616	-	10,267	10,267
Administrative Fees	(19,149)	-	(19,149)	7,414	-	7,414
Accounts Payable and Other Liabilities	(8,630)	-	(8,630)	13,917	-	13,917
Net Cash Provided (Used) by Operating Activities	<u>\$ (216,362)</u>	<u>\$ 3,260,607</u>	<u>\$ 3,044,245</u>	<u>\$ 1,605</u>	<u>\$ (34,502,140)</u>	<u>\$ (34,500,535)</u>

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
BAY RESTORATION FUND – WASTEWATER FUND AND SEPTIC FUND
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2024
(SEE INDEPENDENT AUDITORS' REPORT)

	2024					
	Funds Held by Administration					
	Bay Restoration Fund - Wastewater			Bay Restoration Fund - Septic		Total
Admin Accounts	Capital Accounts	Bond Funds 2008 Indenture	Admin Accounts	Capital Accounts		
ASSETS						
Current Assets:						
Cash and Cash Equivalents	\$ 1,748,145	\$ 169,547,754	\$ -	\$ 3,420,834	\$ 6,979,963	\$ 181,696,696
Receivables:						
BRF Fee	339,848		-	101,956	1,172,493	1,614,297
Current Restricted Assets:						
Cash and Cash Equivalents	-	28,799,112	-	-	-	28,799,112
Receivables:						
BRF Fee	-	22,316,691	-	-	-	22,316,691
Total Current Assets	<u>2,087,993</u>	<u>220,663,557</u>	<u>-</u>	<u>3,522,790</u>	<u>8,152,456</u>	<u>234,426,796</u>
Noncurrent Assets:						
Capital Assets, Net	-	-	-	-	-	-
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 2,087,993</u>	<u>\$ 220,663,557</u>	<u>\$ -</u>	<u>\$ 3,522,790</u>	<u>\$ 8,152,456</u>	<u>\$ 234,426,796</u>
LIABILITIES						
Current Liabilities:						
Accounts Payable	\$ 6,600	\$ -	\$ -	\$ 2,640	\$ -	\$ 9,240
Compensated Absences - Current	46,767	-	-	42,056	-	88,823
Revenue Bonds	-	-	22,305,000	-	-	22,305,000
Bond Premium - Current	-	-	650,084	-	-	650,084
Accrued Bond Interest	-	-	1,419,695	-	-	1,419,695
Total Current Liabilities	<u>53,367</u>	<u>-</u>	<u>24,374,779</u>	<u>44,696</u>	<u>-</u>	<u>24,472,842</u>
Noncurrent Liabilities:						
Compensated Absences - Noncurrent	45,267	-	-	42,771	-	88,038
Revenue Bonds	-	-	118,055,000	-	-	118,055,000
Bond Premium - Noncurrent	-	-	147,529	-	-	147,529
Total Noncurrent Liabilities	<u>45,267</u>	<u>-</u>	<u>118,202,529</u>	<u>42,771</u>	<u>-</u>	<u>118,290,567</u>
Total Liabilities	<u>98,634</u>	<u>-</u>	<u>142,577,308</u>	<u>87,467</u>	<u>-</u>	<u>142,763,409</u>
NET POSITION						
Net Investment in Capital Assets	-	-	-	-	-	-
Restricted for Reserve Fund	-	51,115,803	-	-	-	51,115,803
Restricted for Program	-	169,547,754	-	-	8,152,456	177,700,210
Unrestricted	1,989,359	-	(142,577,308)	3,435,323	-	(137,152,626)
Total Net Position	<u>\$ 1,989,359</u>	<u>\$ 220,663,557</u>	<u>\$ (142,577,308)</u>	<u>\$ 3,435,323</u>	<u>\$ 8,152,456</u>	<u>\$ 91,663,387</u>

MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
BAY RESTORATION FUND – WASTEWATER FUND AND SEPTIC FUND
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT)

	2023					
	Funds Held by Administration					
	Bay Restoration Fund - Wastewater			Bay Restoration Fund - Septic		Total
Admin Accounts	Capital Accounts	Bond Funds 2008 Indenture	Admin Accounts	Capital Accounts		
ASSETS						
Current Assets:						
Cash and Cash Equivalents	\$ 1,726,956	\$ 146,483,283	\$ -	\$ 3,308,092	\$ 6,362,081	\$ 157,880,412
Receivables:						
BRF Fee	409,516	-	-	96,647	1,111,441	1,617,604
Current Restricted Assets:						
Cash and Cash Equivalents	-	26,221,975	-	-	-	26,221,975
Receivables:						
BRF Fee	-	26,891,542	-	-	-	26,891,542
Total Current Assets	<u>2,136,472</u>	<u>199,596,800</u>	<u>-</u>	<u>3,404,739</u>	<u>7,473,522</u>	<u>212,611,533</u>
Noncurrent Assets:						
Capital Assets, Net	-	-	-	710	-	710
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>710</u>	<u>-</u>	<u>710</u>
Total Assets	<u>\$ 2,136,472</u>	<u>\$ 199,596,800</u>	<u>\$ -</u>	<u>\$ 3,405,449</u>	<u>\$ 7,473,522</u>	<u>\$ 212,612,243</u>
LIABILITIES						
Current Liabilities:						
Accounts Payable	\$ 7,013	\$ -	\$ -	\$ 2,605	\$ -	\$ 9,618
Compensated Absences - Current	40,078	-	-	64,848	-	104,926
Revenue Bonds	-	-	21,245,000	-	-	21,245,000
Bond Premium - Current	-	-	1,200,751	-	-	1,200,751
Accrued Bond Interest	-	-	1,590,222	-	-	1,590,222
Total Current Liabilities	<u>47,091</u>	<u>-</u>	<u>24,035,973</u>	<u>67,453</u>	<u>-</u>	<u>24,150,517</u>
Noncurrent Liabilities:						
Compensated Absences - Noncurrent	38,743	-	-	65,675	-	104,418
Revenue Bonds	-	-	140,360,000	-	-	140,360,000
Bond Premium - Noncurrent	-	-	797,613	-	-	797,613
Total Noncurrent Liabilities	<u>38,743</u>	<u>-</u>	<u>141,157,613</u>	<u>65,675</u>	<u>-</u>	<u>141,262,031</u>
Total Liabilities	<u>85,834</u>	<u>-</u>	<u>165,193,586</u>	<u>133,128</u>	<u>-</u>	<u>165,412,548</u>
NET POSITION						
Net Investment in Capital Assets	-	-	-	710	-	710
Restricted for Reserve Fund	-	53,113,517	-	-	-	53,113,517
Restricted for Program	-	146,483,283	-	-	7,473,522	153,956,805
Unrestricted	<u>2,050,638</u>	<u>-</u>	<u>(165,193,586)</u>	<u>3,271,611</u>	<u>-</u>	<u>(159,871,337)</u>
Total Net Position	<u>\$ 2,050,638</u>	<u>\$ 199,596,800</u>	<u>\$ (165,193,586)</u>	<u>\$ 3,272,321</u>	<u>\$ 7,473,522</u>	<u>\$ 47,199,695</u>

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
BAY RESTORATION FUND – WASTEWATER FUND AND SEPTIC FUND
COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2024
(SEE INDEPENDENT AUDITORS' REPORT)**

	2024 Funds Held by Administration					
	Bay Restoration Fund - Wastewater			Bay Restoration Fund - Septic		Total
	Admin Accounts	Capital Accounts	Bond Funds 2008 Indenture	Admin Accounts	Capital Accounts	
OPERATING REVENUE						
BRF Fee	\$ 1,556,055	\$ 102,180,924	\$ -	\$ 1,467,358	\$ 16,874,616	\$ 122,078,953
Total Operating Revenue	1,556,055	102,180,924	-	1,467,358	16,874,616	122,078,953
OPERATING EXPENSES						
Salaries and Related Benefits	1,238,425		-	1,027,257		2,265,682
General Admin Expenses	378,909		-	277,099		656,008
Capital Grant Disbursements		61,260,808	-		16,651,537	77,912,345
Total Operating Expenses	1,617,334	61,260,808	-	1,304,356	16,651,537	80,834,035
OPERATING INCOME (LOSS)	(61,279)	40,920,116	-	163,002	223,079	41,244,918
NONOPERATING REVENUE (EXPENSES)						
Investment Income		7,009,859	353,202		455,855	7,818,916
Interest on Bonds			(4,600,142)			(4,600,142)
Total Nonoperating Revenue (Expenses)	-	7,009,859	(4,246,940)	-	455,855	3,218,774
INCOME (LOSS) BEFORE TRANSFERS	(61,279)	47,929,975	(4,246,940)	163,002	678,934	44,463,692
Interfund Equity Transfer		(26,863,218)	26,863,218	-	-	-
CHANGE IN NET POSITION	(61,279)	21,066,757	22,616,278	163,002	678,934	44,463,692
Net Position - Beginning of Year	2,050,638	199,596,800	(165,193,586)	3,272,321	7,473,522	47,199,695
NET POSITION - END OF YEAR	\$ 1,989,359	\$ 220,663,557	\$ (142,577,308)	\$ 3,435,323	\$ 8,152,456	\$ 91,663,387

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
BAY RESTORATION FUND – WASTEWATER FUND AND SEPTIC FUND
COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	2023					
	Funds Held by Administration					
	Bay Restoration Fund - Wastewater			Bay Restoration Fund - Septic		Total
Admin Accounts	Capital Accounts	Bond Funds 2008 Indenture	Admin Accounts	Capital Accounts		
OPERATING REVENUE						
BRF Fee	\$ 1,722,709	\$ 113,124,590	\$ -	\$ 1,355,998	\$ 15,593,978	\$ 131,797,275
Total Operating Revenue	1,722,709	113,124,590	-	1,355,998	15,593,978	131,797,275
OPERATING EXPENSES						
Salaries and Related Benefits	927,203	-	-	1,269,826	-	2,197,029
General Admin Expenses	325,617	-	-	258,642	-	584,259
Capital Grant Disbursements	-	80,693,262	-	-	17,293,383	97,986,645
Total Operating Expenses	1,252,820	80,693,262	-	1,528,468	17,293,383	100,767,933
OPERATING INCOME (LOSS)	469,889	32,431,328	-	(172,470)	(1,699,405)	31,029,342
NONOPERATING REVENUE (EXPENSES)						
Investment Income	-	5,302,259	245,002	-	308,942	5,856,203
Interest on Bonds	-	-	(5,198,469)	-	-	(5,198,469)
Total Nonoperating Revenue (Expenses)	-	5,302,259	(4,953,467)	-	308,942	657,734
INCOME (LOSS) BEFORE TRANSFERS	469,889	37,733,587	(4,953,467)	(172,470)	(1,390,463)	31,687,076
Interfund Equity Transfer	-	(31,579,406)	31,579,406	-	-	-
CHANGE IN NET POSITION	469,889	6,154,181	26,625,939	(172,470)	(1,390,463)	31,687,076
Net Position - Beginning of Year	1,580,749	193,442,619	(191,819,525)	3,444,791	8,863,985	15,512,619
NET POSITION - END OF YEAR	\$ 2,050,638	\$ 199,596,800	\$ (165,193,586)	\$ 3,272,321	\$ 7,473,522	\$ 47,199,695

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
BAY RESTORATION FUND – WASTEWATER FUND AND SEPTIC FUND
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2024
(SEE INDEPENDENT AUDITORS' REPORT)**

	2024					
	Funds Held by Administration					
	Bay Restoration Fund - Wastewater			Bay Restoration Fund - Septic		Total
Admin Accounts	Capital Accounts	Bond Funds 2008 Indenture	Admin Accounts	Capital Accounts		
CASH FLOWS FROM OPERATING ACTIVITIES						
BRF Fee and Other Receipts	\$ 1,625,723	\$ 106,755,775		\$ 1,462,049	\$ 16,813,564	\$ 126,657,111
Capital Grant Disbursements		(61,260,808)			(16,651,537)	(77,912,345)
Salaries and Benefits Paid	(1,225,212)			(1,072,953)		(2,298,165)
General Expenses Paid	(379,322)			(276,354)		(655,676)
Net Cash Provided by Operating Activities	21,189	45,494,967	-	112,742	162,027	45,790,925
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Interfund Equity Transfers	-	(26,863,218)	26,863,218	-	-	-
Repayment of Bonds	-		(21,245,000)	-	-	(21,245,000)
Interest on Bonds	-		(5,971,420)	-	-	(5,971,420)
Net Cash Provided (Used) by Noncapital Financing Activities	-	(26,863,218)	(353,202)	-	-	(27,216,420)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest on Investment Securities	-	7,009,859	353,202	-	455,855	7,818,916
NET INCREASE IN CASH AND CASH EQUIVALENTS	21,189	25,641,608	-	112,742	617,882	26,393,421
Cash and Cash Equivalents - Beginning of Year	1,726,956	172,705,258	-	3,308,092	6,362,081	184,102,387
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,748,145</u>	<u>\$ 198,346,866</u>	<u>\$ -</u>	<u>\$ 3,420,834</u>	<u>\$ 6,979,963</u>	<u>\$ 210,495,808</u>

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
BAY RESTORATION FUND – WASTEWATER FUND AND SEPTIC FUND
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED JUNE 30, 2024
(SEE INDEPENDENT AUDITORS' REPORT)**

	2024					
	Funds Held by Administration					
	Bay Restoration Fund - Wastewater			Bay Restoration Fund - Septic		Total
Admin Accounts	Capital Accounts	Bond Funds 2008 Indenture	Admin Accounts	Capital Accounts		
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating Income (Loss)	\$ (61,279)	\$ 40,920,116		\$ 163,002	\$ 223,079	\$ 41,244,918
Depreciation of Capital Assets				710		710
Changes in Noncash Operating Assets and Liabilities:						
Administrative Fees and BRF Fee Receivables	69,668	4,574,851		(5,309)	(61,052)	4,578,158
Accounts Payable and Other Liabilities	12,800			(45,661)		(32,861)
Net Cash Provided by Operating Activities	<u>\$ 21,189</u>	<u>\$ 45,494,967</u>	<u>\$ -</u>	<u>\$ 112,742</u>	<u>\$ 162,027</u>	<u>\$ 45,790,925</u>

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
BAY RESTORATION FUND – WASTEWATER FUND AND SEPTIC FUND
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	2023					
	Funds Held by Administration					
	Bay Restoration Fund - Wastewater			Bay Restoration Fund - Septic		Total
Admin Accounts	Capital Accounts	Bond Funds 2008 Indenture	Admin Accounts	Capital Accounts		
CASH FLOWS FROM OPERATING ACTIVITIES						
BRF Fee and Other Receipts	\$ 1,735,190	\$ 113,944,166	\$ -	\$ 1,427,158	\$ 16,412,324	\$ 133,518,838
Capital Grant Disbursements	-	(80,693,262)	-	-	(17,293,383)	(97,986,645)
Salaries and Benefits Paid	(934,652)	-	-	(1,247,974)	-	(2,182,626)
General Expenses Paid	(325,029)	-	-	(250,092)	-	(575,121)
Net Cash Provided (Used) by Operating Activities	475,509	33,250,904	-	(70,908)	(881,059)	32,774,446
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Interfund Equity Transfers	-	(31,579,406)	31,579,406	-	-	-
Repayment of Bonds	-	-	(24,640,000)	-	-	(24,640,000)
Interest on Bonds	-	-	(7,184,408)	-	-	(7,184,408)
Net Cash Provided (Used) by Noncapital Financing Activities	-	(31,579,406)	(245,002)	-	-	(31,824,408)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest on Investment Securities	-	5,302,259	245,002	-	308,942	5,856,203
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	475,509	6,973,757	-	(70,908)	(572,117)	6,806,241
Cash and Cash Equivalents - Beginning of Year	1,251,447	165,731,501	-	3,379,000	6,934,198	177,296,146
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,726,956</u>	<u>\$ 172,705,258</u>	<u>\$ -</u>	<u>\$ 3,308,092</u>	<u>\$ 6,362,081</u>	<u>\$ 184,102,387</u>

**MARYLAND WATER INFRASTRUCTURE FINANCING ADMINISTRATION
BAY RESTORATION FUND – WASTEWATER FUND AND SEPTIC FUND
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED JUNE 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT)**

	2023					
	Funds Held by Administration					
	Bay Restoration Fund - Wastewater			Bay Restoration Fund - Septic		Total
Admin Accounts	Capital Accounts	Bond Funds 2008 Indenture	Admin Accounts	Capital Accounts		
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating Income (Loss)	\$ 469,889	\$ 32,431,328	\$ -	\$ (172,470)	\$ (1,699,405)	\$ 31,029,342
Depreciation of Capital Assets	-	-	-	8,515	-	8,515
Changes in Noncash Operating Assets and Liabilities:						
Administrative Fees and BRF Fee Receivables	12,481	819,576	-	71,160	818,346	1,721,563
Accounts Payable and Other Liabilities	(6,861)	-	-	21,887	-	15,026
Net Cash Provided (Used) by Operating Activities	<u>\$ 475,509</u>	<u>\$ 33,250,904</u>	<u>\$ -</u>	<u>\$ (70,908)</u>	<u>\$ (881,059)</u>	<u>\$ 32,774,446</u>



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