

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

FINANCIAL REPORT

June 30, 2014

and

June 30, 2013

This page is intentionally left blank

CONTENTS

Independent Auditor's Report	1
Required Supplementary Information	
Management's discussion and analysis (Unaudited)	3
Financial Statements	
Balance sheets	6
Statements of revenues, expenses and changes in fund net position	8
Statements of cash flows	9
Notes to basic financial statements	11
Supplementary Information	
Detailed balance sheet as of June 30, 2014	33
Detailed balance sheet as of June 30, 2013	35
Detailed schedule of revenues, expenses and changes in fund net position for the year ended June 30, 2014	37
Detailed schedule of revenues, expenses and changes in fund net position for the year ended June 30, 2013	39

This page is intentionally left blank



PORTER, MUIRHEAD, CORNIA & HOWARD

(A Corporation of Certified Public Accountants)

123 West First Street Suite 800 P.O. Box 2750 Casper, Wyoming 82602 (307) 265-4311 Fax (307) 265-5180

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Wyoming Community Development Authority
Casper, Wyoming

Report on the Financial Statements

We have audited the accompanying financial statements of the Wyoming Community Development Authority, a component unit of the State of Wyoming, as of and for the years ended June 30, 2014 and 2013, and the related notes to the financial statements, which collectively comprise Wyoming Community Development Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Wyoming Community Development Authority's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Wyoming Community Development Authority as of June 30, 2014 and 2013, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Wyoming Community Development Authority's basic financial statements. The detailed balance sheets and the detailed schedules of revenues, expenses and changes in fund net position, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The detailed balance sheets and the detailed schedules of revenues, expenses and changes in fund net position are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit 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 auditing standards generally accepted in the United States of America. In our opinion, the detailed balance sheets and detailed schedules of revenues, expenses and changes in fund net position are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Porter, Muirhead, Cornia & Howard

Certified Public Accountants

August 15, 2014

Casper, Wyoming

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2014 and 2013

This section of the Wyoming Community Development Authority's (the Authority) annual financial report presents our discussion and analysis of financial activities for the fiscal year ended June 30, 2014. The selected data presented was derived from the Authority's financial statements, which were audited by Porter, Muirhead, Cornia & Howard, Certified Public Accountants. The Authority is a self-supporting entity and follows enterprise fund reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short-term and long-term financial information about the Authority's activities. The Independent Auditor's Report, audited financial statements and accompanying notes, and supplementary information should be read in conjunction with the following discussion.

Financial Highlights

The Authority's overall financial position and results of operations for the current and prior years are presented below.

	2014	<i>Change</i>		2013	<i>Change</i>		2012
Cash and cash equivalents	\$ 115,774,074	\$ 28,385,376	32.48%	\$ 87,388,698	\$ (264,044,186)	-75.13%	\$ 351,432,884
Investments	180,727,349	(48,744,554)	-21.24%	229,471,903	32,739,852	16.64%	196,732,051
Mortgage loans receivable	816,232,098	(51,663,755)	-5.95%	867,895,853	(83,285,002)	-8.76%	951,180,855
Total assets	1,155,275,728	(78,527,948)	-6.36%	1,233,803,676	(324,970,958)	-20.85%	1,558,774,634
Other current liabilities	3,700,747	(1,270,403)	-25.56%	4,971,150	(2,838,065)	-36.34%	7,809,215
Bonds payable	794,071,172	(83,922,114)	-9.56%	877,993,286	(329,472,276)	-27.29%	1,207,465,562
Other long-term liabilities	3,377,004	(829,605)	-19.72%	4,206,609	(1,009,350)	-19.35%	5,215,959
Total liabilities	801,148,923	(86,022,122)	-9.70%	887,171,045	(333,319,691)	-27.31%	1,220,490,736
Deferred inflow of resources-swaps	2,804,650	(3,337,865)	-54.34%	6,142,515	(3,722,612)	-37.74%	9,865,127
Invested in capital assets	2,810,497	97,705	3.60%	2,712,792	210,114	8.40%	2,502,678
Restricted	253,399,346	8,698,363	3.55%	244,700,983	12,675,177	5.46%	232,025,806
Unrestricted	95,112,312	2,035,971	2.19%	93,076,341	(813,946)	-0.87%	93,890,287
Total net position	351,322,155	10,832,039	3.18%	340,490,116	12,071,345	3.68%	328,418,771
Mortgage interest	38,771,184	(6,220,115)	-13.83%	44,991,299	(6,939,925)	-13.36%	51,931,224
Investment income	4,915,170	12,326,511	-166.32%	(7,411,341)	(23,224,777)	-146.87%	15,813,436
Other income	3,176,898	(692,027)	-17.89%	3,868,925	1,280,080	49.45%	2,588,845
Total operating revenues	46,863,252	5,414,369	13.06%	41,448,883	(28,884,622)	-41.07%	70,333,505
Interest expense	28,823,344	(11,808,615)	-29.06%	40,631,959	(5,816,871)	-12.52%	46,448,830
Total operating expenses	38,069,692	4,264,335	12.61%	33,805,357	(20,348,704)	-37.58%	54,154,061
Operating income	8,793,560	1,150,034	15.05%	7,643,526	(8,535,918)	-52.76%	16,179,444
Net income	10,832,039	(1,239,306)	-10.27%	12,071,345	(14,229,984)	-54.10%	26,301,329

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2014 and 2013

Financial Position

Cash and cash equivalents increased by \$28.4 million and investments decreased by \$48.7 million for a combined decrease in funds of \$20.3 million. Funds decreased due to the following: net reduction in bonds outstanding of \$83.9 million, purchase of mortgages of \$91.9 million, and a reduction in the fair value of investments of \$1.5 million. Funds increased due to the following: principal received on mortgage loans of \$149.8 million, and cash generated from operating activities of \$7.2 million.

Mortgage loans receivable decreased by \$51.7 million for the following reasons: mortgages decreased due to prepayments of \$125.9 and curtailments and scheduled payments \$23.9, while increases were a result of mortgage loan purchases of \$91.9 million, conversion of Federal Program short term receivables of \$3.9 million to long term mortgage loans and a reduction of loan loss reserves of \$1.4 million.

Total assets declined by \$78.5 million due to a decline in cash, cash equivalents and investments (discussed above) of \$20.3 million, a decline in mortgage loans (discussed above) of \$51.7 million, a reduction of deferred hedging costs of fixed-rate swaps of \$3.3 million, a decline in accounts receivable of \$2.0 million, a decline in mortgage and investment interest receivable of \$.9 million and a combined decrease in deferred servicing costs and property and equipment of \$0.3 million.

Other current liabilities, which includes bond interest payable, accounts payable and other liabilities, decreased by \$1.3 million. Other long term liabilities, which includes deferred credits, decreased by \$0.8 million.

Bonds payable were reduced by \$83.9 million as a result of redemptions and maturities of \$83.9 million. No Bonds were issued during the year. See Debt Administration for additional information regarding bonds.

Total liabilities decreased by \$86 million from the prior year due mostly to the large reduction in bonds of \$83.9 million. The decrease also reflects other smaller reductions in current and long term liabilities of \$2.1 million.

Results of Operation

Net income for fiscal year 2014 was \$10.8 million, a \$1.2 million decrease from fiscal year 2013. Total operating revenues increased by \$5.4 million, total operating expenses increased by \$4.3 million and non-operating income from Federal Program activities declined by \$2.4 million.

Total operating revenues increased by \$5.4 million. This increase is due to a \$12.5 million smaller decline in the fair value of the Authority's investment portfolio as compared to FY 2013. Revenues decreased in the following areas: mortgage interest income declined by \$6.2 million due to the high level of mortgage prepayments and lower interest rates experienced in 2014, fees and other income declined \$0.7 million from 2013 and investment interest income fell \$.2 million.

Total operating expenses grew by \$4.3 million due to a number of factors. For FY 2014 the Authority recorded a \$0.9 million reduction in loan loss reserves for mortgages as compared to a \$18.2 million reduction recorded in FY 2013, for a \$17.3 million decline in the reduction. The large reduction of outstanding bonds during FY 2013 and FY 2014, resulted in FY 2014 bond interest expense being \$11.8 million less than in 2013. Other increases and decreases of servicer fees, amortization of deferred servicing costs, cost of issuance and general and administrative expenses add a net decrease of \$1.2 million.

Debt Administration

During FYE 2014 the Authority did not issue any bonds. The Authority utilized mortgage prepayments to call \$47.5 million in bonds in the 1994 Indenture and \$19.4 million in the 2009 Indenture. In addition the following bond maturities occurred: \$12.9 million in the 1994 Indenture and \$4.1 million in the 2009 Indenture.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2014 and 2013

Conclusion

The above discussion and analysis is presented to provide additional information regarding the activities of the Authority and also to meet the disclosure requirements of GASB Statement No. 34. If you have questions about the report or need additional financial information, please contact the Director of Finance, Wyoming Community Development Authority, P.O. Box 634, Casper, Wyoming, 82602, or go to our website at WWW.wyomingcommunitycda.com.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

BALANCE SHEETS
June 30, 2014 and 2013

ASSETS	<u>2014</u>	<u>2013</u>
Current Assets		
Cash and cash equivalents	\$ 14,835,528	\$ 8,834,727
Investments	56,730,359	59,177,517
Interest receivable		
Mortgage loans	24,816	97,435
Investments	196,362	236,104
Accounts receivable and other assets	1,748,816	2,728,427
Total current assets	<u>73,535,881</u>	<u>71,074,210</u>
Noncurrent Assets		
Restricted cash and cash equivalents	100,938,546	78,553,971
Restricted investments	123,996,990	170,294,386
Restricted mortgage loans receivable, net	809,477,403	860,716,894
Restricted interest receivable		
Mortgage loans	4,292,250	5,125,724
Investments	1,087,203	979,352
Restricted accounts receivable and other assets	13,826,366	14,843,849
Mortgage loans receivable, net	6,754,695	7,178,959
Deferred hedging costs of fixed-rate swaps	2,804,650	6,142,515
Deferred servicing costs, net	15,751,247	16,181,024
Property and equipment, net	2,810,497	2,712,792
Total noncurrent assets	<u>1,081,739,847</u>	<u>1,162,729,466</u>
Total assets	<u>\$ 1,155,275,728</u>	<u>\$ 1,233,803,676</u>

(Continued)

See notes to the basic financial statements

**LIABILITIES, DEFERRED INFLOW OF
RESOURCES AND NET POSITION**

	<u>2014</u>	<u>2013</u>
Current Liabilities		
Bonds payable	\$ 33,825,000	\$ 29,910,000
Accrued interest payable	2,181,481	2,912,520
Accounts payable and other liabilities	1,519,266	2,058,630
Total current liabilities	<u>37,525,747</u>	<u>34,881,150</u>
Noncurrent Liabilities		
Bonds payable	760,246,172	848,083,286
Other deferred credits	3,377,004	4,206,609
Total noncurrent liabilities	<u>763,623,176</u>	<u>852,289,895</u>
Total liabilities	<u>801,148,923</u>	<u>887,171,045</u>
Deferred Inflow of Resources		
Derivative instrument liability	2,804,650	6,142,515
Total deferred inflow of resources	<u>2,804,650</u>	<u>6,142,515</u>
Net Position		
Invested in capital assets	2,810,497	2,712,792
Restricted	253,399,346	244,700,983
Unrestricted	95,112,312	93,076,341
Total net position	<u>351,322,155</u>	<u>340,490,116</u>
Total liabilities, deferred inflow of resources and net position	<u><u>\$ 1,155,275,728</u></u>	<u><u>\$ 1,233,803,676</u></u>

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

Years Ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Operating Revenues		
Mortgage interest	\$ 38,771,184	\$ 44,991,299
Investment interest income	6,403,064	6,558,859
Net decrease in the fair value of investments	(1,487,894)	(13,970,200)
Fees and other income	3,176,898	3,868,925
Total operating revenue	<u>46,863,252</u>	<u>41,448,883</u>
 Operating Expenses		
Interest expense	28,823,344	40,631,959
Servicer fees	60,856	129,902
Amortization of deferred servicing costs	2,400,000	2,280,000
Cost of issuance and other financing costs	1,797,005	3,228,954
Recapture of loan losses	(902,299)	(18,248,946)
General and administrative	5,890,786	5,783,488
Total operating expenses	<u>38,069,692</u>	<u>33,805,357</u>
 Operating income	<u>8,793,560</u>	<u>7,643,526</u>
 Nonoperating Revenue (Expenses)		
Federal program income	4,996,398	11,781,037
Federal program expense	(2,957,919)	(7,353,218)
Nonoperating income	<u>2,038,479</u>	<u>4,427,819</u>
 Net income	10,832,039	12,071,345
 Net position, beginning of year	<u>340,490,116</u>	<u>328,418,771</u>
Net position, end of year	<u>\$ 351,322,155</u>	<u>\$ 340,490,116</u>

See notes to the basic financial statements

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

STATEMENTS OF CASH FLOWS
Years Ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash Flows from Operating Activities		
Cash receipts for services	\$ 3,176,898	\$ 4,939,509
Interest income on mortgage loans	38,861,078	44,297,920
Principal received on mortgage loans	149,754,223	181,052,957
Cash payments to purchase mortgage loans	(91,924,228)	(75,814,083)
Cash payments to servicers	(60,856)	(129,902)
Cash payments to suppliers	(8,744,577)	(4,973,687)
Cash payments to employees	(2,609,573)	(2,718,577)
Other cash receipts and payments on program notes	491,792	(1,506,069)
Net cash provided by operating activities	<u>88,944,757</u>	<u>145,148,068</u>
Cash Flows from Noncapital Financing Activities		
Federal revenue	4,996,398	11,781,037
Federal expenses	(2,957,919)	(7,353,218)
Federal program notes issued	(2,223,589)	1,197,594
Federal program note payments received	1,837,988	1,159,740
Proceeds from bonds	-	138,215,000
Principal paid on bonds	(83,976,824)	(467,738,720)
Interest paid on bonds	(29,499,673)	(43,685,030)
Net cash used in noncapital financing activities	<u>(111,823,619)</u>	<u>(366,423,597)</u>
Cash Flows from Capital and Related Financing Activities		
Purchase of fixed assets	(357,154)	(449,831)
Purchase of mortgage servicing rights	(1,970,223)	(3,060,261)
Net cash used in capital and related financing activities	<u>(2,327,377)</u>	<u>(3,510,092)</u>
Cash Flows from Investing Activities		
Interest received from investments	6,334,955	7,451,487
Purchase of investments	(71,455,776)	(175,501,486)
Proceeds from sales and maturities of investments	118,712,436	128,791,434
Net cash provided by (used in) investing activities	<u>53,591,615</u>	<u>(39,258,565)</u>
Increase (decrease) in cash and cash equivalents	28,385,376	(264,044,186)
Cash and cash equivalents, beginning of year	87,388,698	351,432,884
Cash and cash equivalents, end of year	<u>\$ 115,774,074</u>	<u>\$ 87,388,698</u>

(Continued)

See notes to the basic financial statements

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

STATEMENTS OF CASH FLOWS (CONTINUED)

Years Ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Reconciliation of ending cash and cash equivalents		
Current cash and cash equivalents	\$ 14,835,528	\$ 8,834,727
Noncurrent restricted cash and cash equivalents	100,938,546	78,553,971
Cash and cash equivalents, ending	<u>\$ 115,774,074</u>	<u>\$ 87,388,698</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 8,793,560	\$ 7,643,526
Adjustments to reconcile operating income to net cash provided by operating activities		
Interest on bonds	28,823,344	42,824,973
Net change in fair value of investments	1,487,894	13,970,200
Interest from investments	(6,403,064)	(6,558,859)
Mortgage loan principal repayments		
Scheduled	23,872,072	17,910,754
Prepaid	125,882,151	163,142,203
Purchase of mortgage loans	(91,924,228)	(75,814,083)
Amortization of commitment fees and loan discounts	1,122,058	(1,113,800)
Amortization of deferred servicing costs	2,400,000	3,315,940
Decrease in provision for loan losses	(902,299)	(18,248,946)
Net change in other assets and liabilities	(4,206,731)	(1,923,840)
Net cash provided by operating activities	<u>\$ 88,944,757</u>	<u>\$ 145,148,068</u>
Supplemental Cash Flow Information		
Noncash noncapital financing activity		
Federal program notes rolled into mortgages	\$ 7,101,929	\$ 4,864,666

See notes to the basic financial statements

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 1. Authority Legislation

The Wyoming Community Development Authority (the "Authority") was created in 1975 by the Wyoming Community Development Authority Act to provide financing for housing needs within the State of Wyoming (the "State"). The Authority is a component unit of the State and is reported as an enterprise fund.

In March 2002, the Authority was authorized by the Legislature of the State of Wyoming to issue additional bonds. In addition to the bonds presently outstanding, any bonds authorized for care facility projects, bonds that may be issued to refund bonds, and bonds the Authority may issue from time to time as private activity bonds exempt from federal income taxation under Section 146 of the Internal Revenue Code of 1986, as amended, the Authority may issue and have outstanding additional bonds in an aggregate amount of up to \$400,000,000. In addition, the Authority may issue and have outstanding additional bonds for care facility projects in an aggregate amount of up to \$250,000,000. Amounts so issued shall not be deemed to constitute a debt of the State or any political subdivision thereof.

Note 2. Significant Accounting Policies

Fund Accounting and Generally Accepted Accounting Principles

The financial activities of the Authority are recorded in funds established under various bond indentures (program funds) and in funds established for the administration of the Authority's programs. The Authority uses the accrual method of accounting. The Authority's program funds and other funds have been presented on a combined basis, as the Authority is considered a single enterprise fund for financial reporting purposes. All interfund balances and transactions have been eliminated in the financial statements.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and the proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The Authority has elected not to follow subsequent private-sector guidance.

Further description of the Funds established by the Authority is as follows:

Single Family Program Funds

These funds, established under the Single Family Mortgage Bonds 1978 Indenture, the Housing Revenue Bonds 1994 Indenture, and the Homeownership Mortgage Revenue Bonds 2009 Indenture are to account for the proceeds from the sale of Single Family Mortgage Bonds and the debt service requirements of the bond indebtedness. Activities of these funds are, in general, limited to the purchase of mortgage loans collateralized by eligible mortgages on single family residential housing. Assets in these funds are classified as restricted because their use is limited by applicable bond covenants. The trust indentures have various insurance, guaranty and reserve provisions as set forth in those trust indentures.

The Authority also has funds that had been established under past indentures and the bonds related to those indentures have been completely redeemed. Assets in the Single Family Mortgage Warehousing Fund, the Multi-Family Fund, and the Wyoming Homeownership Fund are no longer reported as restricted since no bonds are outstanding in those funds.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as needed.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 2. Significant Accounting Policies (Continued)

Federal Program Fund

This fund was established for the purpose of receiving and disbursing funds relating to projects funded by the U.S. Department of Housing and Urban Development's Community Development Block Grant, HOME Investment Partnership, Neighborhood Stabilization Program, Tax Credit Assistance Program and other federal programs, including the Department of Treasury's Tax Credit Exchange Program. These funds are restricted by federal law to specific purposes.

Housing Trust Fund

This fund was established to provide direct funding of approved housing or housing projects within the State of Wyoming.

Mortgage Guaranty Fund

This fund is used to provide guarantees on mortgage loans, leases, or other credit agreements purchased by the Authority. Claims made against the Mortgage Guaranty Fund are not a debt or liability of the State nor a general obligation of the Authority. The Authority has committed \$444,282 to guarantee mortgage and project loans with principal balances outstanding of \$1,091,542 as of June 30, 2014. The Authority has also committed \$250,000 to guarantee second mortgages with principal balances outstanding of \$3,622,329. Initial recovery of second mortgage losses will come from other available sources.

General Fund

This fund is utilized to account for all of the operating activities of the Authority, including mortgage-servicing activities and all other activities, which are not required to be accounted for in other specific funds.

Interfund Activity

As a general rule, the effect of interfund activity has been eliminated from the Authority's basic financial statements.

Cash and Cash Equivalents

For purposes of reporting the statements of cash flows, the Authority considers all cash, obligations of the U.S. Treasury or agencies and instrumentalities of the U.S. Government with initial maturities of three months or less, and money market investments to be cash equivalents.

Restricted Assets

Certain proceeds of the Authority's bonds, as well as certain resources aside for their repayment are classified as restricted assets because they are maintained in separate accounts and their use is limited by bond covenants.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 2. Significant Accounting Policies (Continued)

Investments

The trust indentures and State statutes authorize the types of investments in which the Authority invests. Among these authorized investments are certificates of deposit, obligations of the U.S. Treasury, agencies and instrumentalities of the U.S. Government, mortgage backed securities, guaranteed investment contracts, mutual funds and repurchase agreements with banks with the underlying securities being obligations of the U.S. Treasury or agencies and instrumentalities of the U.S. Government. The investments are carried at fair value.

Mortgage Loans Receivable

Loans receivable are reported net of the loan loss reserve. The loan loss reserve for mortgages is increased by provisions charged and decreased by recoveries credited to operations based on a periodic evaluation of the loan portfolio and actual losses that occur. Deferred commitment fees on mortgages are amortized to earnings over the estimated life of the mortgages by a method which approximates the interest method. Interest income on delinquent loans is accrued up to one year, after which time the loan is classified as a non-accrual loan.

Deferred Servicing Costs

Deferred servicing and other costs consist of costs of acquiring mortgage loan servicing rights. The cost of loan servicing rights is amortized in proportion to, and over the period of, estimated net servicing revenue.

Property and Equipment

Property and equipment, including rehabilitations of single-family dwellings, is stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the following estimated useful lives:

Furniture and equipment	3 - 7 years
Buildings and improvements	20 - 40 years

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 2. Significant Accounting Policies (Continued)

Arbitrage Rebate Payable, Deferred Arbitrage Rebate and Other Deferred Credits

As a result of applicable federal income tax rules, the Authority is limited in the investment yield which it may retain for its own use on the non-mortgage investments of most of its bond issues. For bond issues before 1989, the excess yields can be rebated to mortgagors, used to reduce future mortgage loan interest rates, or paid to the federal government. For bond issues after 1988, excess arbitrage yields must be rebated to the federal government not less than every five years pursuant to applicable federal tax regulations. The Authority has deferred \$5,000 and \$18,406 at June 30, 2014 and 2013, respectively, for arbitrage rebates. This amount is reported with other deferred credits. The Authority has recorded an arbitrage rebate payable \$25,000 and \$11,594 at June 30, 2014 and 2013, respectively, for amounts expected to be assessed within the next year. This amount is reported with accounts payable and other liabilities.

The Authority could also incur arbitrage rebates related to excess yields collected on mortgage receivables funded with bond proceeds; management monitors whether excess yields are accumulating in a given series. The Authority has recorded no deferred interest income at June 30, 2014 and \$62,402 at June 30, 2013 from bond issues to recognize the effect of reducing mortgage loan interest rates in the future to comply with applicable federal tax laws. These deferred amounts are being amortized into mortgage interest income over the estimated life of the related mortgages. As of June 30, 2014 and 2013, the Authority also deferred \$777,131 and \$1,285,859, respectively, of interest income related to the HOME Run loan program.

Additionally, the Authority has deferred \$2,594,873 and \$2,839,942 as of June 30, 2014 and 2013, respectively, in unamortized commitment fees received. These fees are being amortized over the estimated life of the related mortgages by a method which approximates the interest method.

Revenue and Expense Recognition

The Authority records all revenues derived from mortgages, investments, servicing and financing as operating revenues since these revenues are generated from the Authority's daily operations needed to carry out its statutory purpose. The Authority considers revenues and expenses related to federal programs to be non-operating revenues and expenses.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of American requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassification

Certain balances of the prior year have been reclassified to conform with the presentation of the current year with no effect on net position.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 3. Cash and Cash Equivalents and Investments

Deposits are placed with various financial institutions and are carried at cost. At June 30, 2014, the carrying amount of the Authority's bank deposits was \$5,487,070 and the bank balance was \$8,596,402. The difference between the carrying amount and the bank balance is a result of transactions in transit. All bank deposits at June 30, 2014 were covered by insurance or collateral held in joint custody with the financial institution.

The components of the Authority's investment portfolio are as follows:

	<u>2014</u>	<u>2013</u>
Investments		
U.S. Government and agency securities	\$ 172,227,349	\$ 218,521,903
Housing revenue bonds	<u>8,500,000</u>	<u>10,950,000</u>
Total	<u>\$ 180,727,349</u>	<u>\$ 229,471,903</u>

Investments are reported in the following classifications:

	<u>2014</u>	<u>2013</u>
Current	\$ 56,730,359	\$ 59,177,517
Noncurrent - restricted by bond indentures or contracts	<u>123,996,990</u>	<u>170,294,386</u>
Total	<u>\$ 180,727,349</u>	<u>\$ 229,471,903</u>

The net change in fair value of investments takes into account all changes in fair value that occurred during the year. Fair value for individual investments fluctuates based on changes in the market interest rates available to investors. At June 30, 2014 and 2013, the Authority had unrealized investment gains (losses) of (\$613,815) and \$873,627, respectively, in its investment portfolio. The change in unrealized losses of \$1,487,442 and \$15,016,057 for the years ended June 30, 2014 and 2013, respectively, as well as the effects of any realized gains and losses, which may have been partially or fully recognized in prior years, are included in the net change in fair value of investments as reported.

As of June 30, 2014, the Authority had the following investments and maturities.

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 - 5	6 - 10	More Than 10
U.S. government and agency securities	\$ 172,227,349	\$ 13,769,210	\$ 6,061,511	\$ 23,088,609	\$ 129,308,019
Housing revenue bonds	8,500,000	-	-	-	8,500,000
Total	<u>\$ 180,727,349</u>	<u>\$ 13,769,210</u>	<u>\$ 6,061,511</u>	<u>\$ 23,088,609</u>	<u>\$ 137,808,019</u>

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 3. Cash and Cash Equivalents and Investments (Continued)

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority attempts to match its investment maturities to the expected call dates of its bonds or needs for purchasing mortgages. With this investment focus, investments would be expected to reach maturity with limited realized gains or losses.

Credit Risk

As mentioned in Note 1, State statutes limit the types of investments available to the Authority. Investments, including the underlying securities for repurchase agreements, are held by the Authority's trustees in the Authority's name.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority would not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Substantially all of the Authority's investments are held in the name of the Authority by a trustee.

Reserve Requirements

The 1978 and 1994 Indentures require the Authority to place a portion of bond proceeds in bond, mortgage and special reserve accounts. As of June 30, 2014, the Authority has \$81,626,091 in these reserve accounts which exceeds the reserve requirements contained in the applicable trust indentures of \$52,090,635. The amounts reserved in these accounts are as follows:

	1978 Indenture	1994 Indenture	2009 Indenture
Bond reserve requirement	\$ 7,920,200	\$ 15,657,347	\$ 6,763,050
Mortgage reserve requirement	465,450	10,197,822	4,151,766
Restricted special reserve requirement	-	6,935,000	-
Total required reserves	<u>\$ 8,385,650</u>	<u>\$ 32,790,169</u>	<u>\$ 10,914,816</u>
Total cash and investments held for reserves	<u>\$ 13,283,846</u>	<u>\$ 53,918,506</u>	<u>\$ 14,423,739</u>

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 4. Mortgage Loans Receivable, Net

	2014	2013
Single Family Mortgage Bonds 1978 Indenture Fund, bearing interest at 0% to 8.875%, 25 to 30 year term, FHA or private mortgage company insured, or guaranteed by RD, VA, or mortgage guaranty fund	\$ 64,287,895	\$ 50,098,083
Less: Reserve for losses on loans	(1,279,947)	(1,054,513)
	<u>63,007,948</u>	<u>49,043,570</u>
Housing Revenue Bonds 1994 Indenture Fund, bearing interest at 2.0% to 8.9%, 25 to 30 year term, FHA or private mortgage company insured, or guaranteed by RD, VA or mortgage guaranty fund	502,826,878	544,022,174
Less: Reserve for losses on loans	(10,420,566)	(11,695,276)
	<u>492,406,312</u>	<u>532,326,898</u>
Single Family Mortgage Warehousing Bonds 2010, bearing interest at 3.25% to 5.0%, 30 year term, FHA insured, or guaranteed by RD or VA	1,537,521	-
Less: Reserve for losses on loans	-	-
	<u>1,537,521</u>	<u>-</u>
Homeownership Mortgage Revenue Bonds 2009 Indenture Fund bearing interest at 3% to 7.25%, 30 year term, FHA insured, or guaranteed by RD or VA	208,575,738	236,149,232
Less: Reserve for losses on loans	(3,334,195)	(3,564,307)
	<u>205,241,543</u>	<u>232,584,925</u>
Federal Program Fund with various terms, including deferred payments and bearing interest at 0% to 5.19%, 10 to 30 year term	52,656,633	50,481,720
Less: Reserve for losses on loans	(3,835,033)	(3,720,219)
	<u>48,821,600</u>	<u>46,761,501</u>
Housing Trust Fund, bearing interest at 0% to 11.375%, 1 to 30 year term, FHA or private mortgage company insured, or guaranteed by VA or mortgage guaranty fund	5,681,595	7,863,425
Less: Reserve for losses on loans	(464,421)	(684,466)
	<u>5,217,174</u>	<u>7,178,959</u>
Total mortgage loans receivable, net	<u>\$ 816,232,098</u>	<u>\$ 867,895,853</u>

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 4. Mortgage Loans Receivable, Net (Continued)

	<u>2014</u>	<u>2013</u>
Reported in the following classifications		
Restricted mortgage loans receivable, net	\$ 809,477,403	\$ 860,716,894
Mortgage loans receivable, net	6,754,695	7,178,959
	<u>\$ 816,232,098</u>	<u>\$ 867,895,853</u>

During the year ended June 30, 2013, the Authority changed its process for estimating the loan loss reserve from a straight percentage of the whole portfolio to a risk based approach applied to specific identified risks in its portfolio. Total loan loss reserves for mortgage loans receivable established by the Authority as of June 30, 2014 and 2013 were \$19,334,162 and \$20,718,781, respectively.

As of June 30, 2014 and 2013, the Authority had 209 and 315 loans, respectively, delinquent for 90 days or more from the population of 8,929 and 9,824 loans, respectively. The outstanding balance of mortgages delinquent for 90 days or more was \$20,174,764 and \$25,387,849 as of June 30, 2014 and 2013, respectively.

Note 5. Federal Programs

The Authority receives funds to provide housing assistance to low income families in Wyoming through various federal programs. Programs provide grants to individuals or organizations for the purchase, construction, and rehabilitation of single and multi-family residential properties. Revenue is recognized as expenses are incurred under these programs.

Federal program funds are also received for the purpose of making low interest loans to qualified borrowers. As these loans are collected, the funds must be re-loaned under the same program restrictions. These funds, net of any allowance for losses on loans, are included in net income when received and remain in retained earnings, subject to the program use restrictions, as long as the program is available under federal regulations.

Note 6. Bonds Payable

Bonds are generally payable in scheduled annual and semiannual installments and are subject to mandatory sinking fund requirements in scheduled amounts. Redemption is optional after various dates at prices ranging from 100% (par) to 102% of par. Capital Appreciation Bonds (CABs) are reported at accreted value.

The bonds of the 1978, 1994, and 2009 Indentures are special obligations of the Authority, payable solely from the income and receipts of these indentures. All of the bonds are secured by mortgage loans and other assets of the respective indentures. Interest on outstanding bonds is generally payable either monthly or semi-annually. Certain of the variable rate debt reprices weekly or monthly based on market interest rates.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 6. Bonds Payable (Continued)

	Balance at June 30, 2013	Issued	Retired	Balance at June 30, 2014	Amount Due Within 1 Year
Single Family Mortgage Bonds 1978 Indenture Fund					
2001 Series A, 2025 to 2035 variable interest, interest at 0.08%, original amount issued \$9,545,000	\$ 9,545,000	\$ -	\$ -	\$ 9,545,000	\$ -
2002 Series A, 2022 to 2032 variable interest, interest at 0.08%, original amount issued \$37,000,000	37,000,000	-	-	37,000,000	-
Principal amounts of bonds outstanding 1978 Indenture Fund	46,545,000	-	-	46,545,000	-
Housing Revenue Bonds 1994 Indenture Fund					
1995 Series 6 (including CABs), 2015, interest at 6.25%, original amount issued \$15,097,280 at discount of \$473,253	861,854	-	(54,710)	916,564	-
1998 Series 3, 2018, redeemed, original amount issued \$30,000,000	65,000	-	65,000	-	-
1999 Series 1, 2018, redeemed, original amount issued \$30,000,000	465,000	-	465,000	-	-
2003 Series 5 and 6, 2014 to 2028, interest at 4.05% to 4.95%, original amount issued \$25,990,000	19,140,000	-	6,065,000	13,075,000	630,000
2004 Series 1, 2, and 3, 2014 to 2034, interest at 3.70% to 4.60%, original amount issued \$35,000,000	17,860,000	-	935,000	16,925,000	875,000
2004 Series 4, 5, and 6, 2015 to 2030, interest at 4.65% to 5.20%, original amount issued \$40,000,000	19,925,000	-	605,000	19,320,000	1,570,000
2004 Series 7, 8, and 9, 2014 to 2024, interest at 4.05% to 4.80%, original amount issued \$40,000,000	13,485,000	-	1,010,000	12,475,000	940,000

(Continued)

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 6. Bonds Payable (Continued)

	Balance at June 30, 2013	Issued	Retired	Balance at June 30, 2014	Amount Due Within 1 Year
2004 Series 10 and 11, 2015 to 2024, interest at 4.40% to 4.75%, original amount issued \$30,000,000	\$ 10,135,000	\$ -	\$ 700,000	\$ 9,435,000	\$ 725,000
2005 Series 1 and 2, 2015 to 2035, interest at 0.10% to 4.75%, original amount issued \$40,000,000	20,365,000	-	10,930,000	9,435,000	935,000
2005 Series 3 and 4, 2015 to 2035, interest at 0.10% to 4.70%, original amount issued \$40,000,000	29,765,000	-	860,000	28,905,000	900,000
2005 Series 5, 6 and 7, 2014 to 2036, interest at 0.10% to 4.70%, original amount issued \$40,000,000	21,095,000	-	960,000	20,135,000	855,000
2006 Series 1 and 2, 2014 to 2035, interest at 0.10% to 4.80%, original amount issued \$40,000,000	19,125,000	-	760,000	18,365,000	810,000
2006 Series 4 and 5, 2014 to 2036, interest at 0.10% to 4.70%, original amount issued \$50,000,000	20,265,000	-	6,410,000	13,855,000	1,025,000
2006 Series 6 and 7, 2015 to 2037, interest at 0.10% to 5.50%, original amount issued \$50,000,000 at premium of \$347,819	14,641,486	-	925,997	13,715,489	970,000
2006 Series 8 and 9, 2014 to 2037, interest at 0.10% to 4.70%, original amount issued \$50,000,000	45,235,000	-	920,000	44,315,000	985,000
2007 Series 1 and 2, 2015 to 2037, interest at 0.10% to 4.70%, original amount issued \$30,000,000	27,135,000	-	10,840,000	16,295,000	605,000
2007 Series 3 and 4, 2014 to 2037, interest at 0.07% to 4.75%, original amount issued \$70,000,000	61,370,000	-	1,320,000	60,050,000	1,395,000 (Continued)

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 6. Bonds Payable (Continued)

	Balance at June 30, 2013	Issued	Retired	Balance at June 30, 2014	Amount Due Within 1 Year
2007 Series 5 and 6, 2014 to 2037, interest at 0.07% to 4.80%, original amount issued \$70,000,000	\$ 36,610,000	\$ -	\$ 1,295,000	\$ 35,315,000	\$ 1,365,000
2007 Series 7, 8 and 9, 2016 to 2038, interest at 0.07% to 4.60%, original amount issued \$60,000,000	13,785,000	-	-	13,785,000	-
2007 Series 10, 11 and 12, 2017 to 2038, interest at 0.07% to 4.625%, original amount issued \$60,000,000	13,170,000	-	-	13,170,000	-
2008 Series 1 and 2, 2014 to 2038, interest at 0.07% to 4.80%, original amount issued \$50,000,000	14,965,000	-	950,000	14,015,000	825,000
2008 Series 3, 2014 to 2018, interest at 4.00% to 4.625%, original amount issued \$60,000,000 at premium of \$35,066	5,852,299	-	920,825	4,931,474	975,000
2010 Series 1 and 2, 2014 to 2030, interest at 3.25% to 4.375%, original amount issued \$34,710,000	22,770,000	-	5,830,000	16,940,000	5,620,000
2012 Series 1 and 2, 2014 to 2037, interest at 1.20% to 4.375%, original amount issued \$49,665,000 at premium of \$177,508	47,068,545	-	3,127,551	43,940,994	2,030,000
2013 Series 1, 2 and 3, 2014 to 2038, interest at 0.40% to 4.05%, original amount issued \$87,315,000	87,315,000	-	4,515,000	82,800,000	3,985,000
Principal amounts of bonds outstanding					
1994 Indenture Fund	582,469,184	-	60,354,663	522,114,521	28,020,000

(Continued)

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 6. Bonds Payable (Continued)

	Balance at June 30, 2013	Issued	Retired	Balance at June 30, 2014	Amount Due Within 1 Year
Homeownership Mortgage Revenue Bonds 2009 Indenture Fund					
Homeownership Mortgage Revenue Bonds Series 2010 A and 2009 A-1, 2014 to 2041, interest at 1.55% to 4.00%, original amount issued \$70,000,000 at premium of \$92,240	\$ 59,524,111	\$ -	\$ 8,047,446	\$ 51,476,665	\$ 1,275,000
Homeownership Mortgage Revenue Bonds Series 2011 series A, 2009 Series A-2 and A-3, 2014 to 2041 interest at 1.625% to 4.50% , original amount issued \$87,000,000 at discount of \$62,141	68,861,699	-	7,966,701	60,894,998	1,740,000
Homeownership Mortgage Revenue Bonds Series 2011 series B, 2009 Series A-4 and A-5, 2014 to 2041 interest at 1.30% to 4.125% , original amount issued \$80,000,000 at discount of \$54,964	70,223,292	-	5,903,304	64,319,988	1,670,000
Homeownership Mortgage Revenue Bonds Series 2009 series A-6 2014 to 2041, interest at 2.67%, original amount issued \$50,900,000	50,370,000	-	1,650,000	48,720,000	1,120,000
Principal amounts of bonds outstanding 2009 Fund Indenture	248,979,102	-	23,567,451	225,411,651	5,805,000
Total bonds payable	\$ 877,993,286	\$ -	\$ 83,922,114	\$ 794,071,172	\$ 33,825,000

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 6. Bonds Payable (Continued)

Scheduled bond principal and sinking fund requirements in each indenture for the five fiscal years subsequent to June 30, 2014, which includes in each of the respective years the bonds to be remarketed are as follows:

	Single Family Mortgage Bonds 1978 Indenture Fund	Housing Revenue Bonds 1994 Indenture Fund	Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	Totals
2015	\$ -	\$ 28,020,000	\$ 5,805,000	\$ 33,825,000
2016	-	26,240,000	6,010,000	32,250,000
2017	-	27,240,000	6,295,000	33,535,000
2018	-	22,420,000	6,575,000	28,995,000
2019	-	20,270,000	6,860,000	27,130,000

Annual debt service requirements for the five fiscal years subsequent to June 30, 2014, and for each five year segment thereafter, including the bonds to be remarketed or expected to be refunded, are as follows:

	Principal	Interest	Total Debt Service
2015	\$ 33,825,000	\$ 23,151,986	\$ 56,976,986
2016	32,250,000	22,068,802	54,318,802
2017	33,535,000	20,937,220	54,472,220
2018	28,995,000	19,756,052	48,751,052
2019	27,130,000	18,766,301	45,896,301
5 years ending 2024	148,355,000	78,876,925	227,231,925
5 years ending 2029	149,570,000	53,042,307	202,612,307
5 years ending 2034	172,645,000	31,386,541	204,031,541
5 years ending 2039	142,570,000	11,172,050	153,742,050
5 years ending 2044	25,100,000	944,069	26,044,069
	<u>\$ 793,975,000</u>	<u>\$ 280,102,253</u>	<u>\$ 1,074,077,253</u>

The balances above do not include net premiums, discounts, or losses on refundings in the amount of \$96,172 that are reported as components of bonds payable.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 6. Bonds Payable (Continued)

Hedging Derivative Instrument Payments and Hedged Debt

Using rates as of June 30, 2014 and giving effect to scheduled reductions in the notional amount of the hedging derivative instruments, debt service requirements of the Authority's outstanding variable-rate debt in 2005 Series 7, 2006 Series 2, 2006 Series 5, 2006 Series 7, 2006 Series 9, 2007 Series 2, 2007 Series 4, 2007 Series 6, 2007 Series 8, 2007 Series 11, and 2008 Series 2 and net swap payments are as follows. As rates vary, variable-rate bond interest payments and net receipts or payments on the hedging derivative instruments will vary.

	Variable Rate Bonds		Interest Rate	Total
	Principal	Interest	Swaps (net)	
2015	\$ -	\$ 61,263	\$ 2,526,344	\$ 2,587,607
2016	-	61,598	591,132	652,730
2017	-	61,402	-	61,402
2018	805,000	61,500	-	866,500
2019	1,655,000	60,843	-	1,715,843
5 years ending 2024	10,990,000	282,011	-	11,272,011
5 years ending 2029	15,845,000	230,095	-	16,075,095
5 years ending 2034	21,055,000	160,002	-	21,215,002
5 years ending 2039	30,650,000	55,422	-	30,705,422
	<u>\$ 81,000,000</u>	<u>\$ 1,034,136</u>	<u>\$ 3,117,476</u>	<u>\$ 85,151,612</u>

Note 7. Conduit Debt

From time to time, the Authority has issued Multi-Family Housing Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of low-income multi-family housing deemed to be in the public interest. The bonds are secured by the revenues from the property financed. Neither the Authority, nor the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 2014, there were three such series of Multi-Family Housing Revenue bonds outstanding, with an aggregate principal amount payable of \$22,120,074.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 8. Interest Rate Swaps

Swap Objectives

The Authority has entered into interest rate swap agreements in connection with variable-rate bond series as a technique to lower the cost of long-term debt. The objective of the swaps is to effectively change the variable interest rate on the bonds to a synthetic fixed rate.

Swap Terms and Values

June 30, 2014

Bond Series	Swap Contractual Dates	Notional Amount	Fixed Rate Paid	Variable Rate Received	Termination Date	Fair Value	Counterparty Credit Rating
2006 Series 9	9/27/2006	\$ 10,000,000	3.621%	70% of LIBOR	12/1/2014	\$ (176,747)	A+/Aa3
2007 Series 2	1/11/2007	6,000,000	3.678%	70% of LIBOR	12/1/2014	(107,756)	A+/Aa3
2007 Series 4	3/13/2007	14,000,000	3.577%	70% of LIBOR	6/1/2015	(483,021)	A+/Aa3
2007 Series 6	5/10/2007	14,000,000	3.661%	70% of LIBOR	6/1/2015	(494,761)	A+/Aa3
2007 Series 8	7/31/2007	12,000,000	3.924%	USD-SIFMA	6/1/2015	(456,632)	A+/Aa3
2007 Series 11	11/7/2007	12,000,000	3.530%	70% of LIBOR	12/1/2015	(598,609)	A+/Aa3
2008 Series 2	5/13/2008	13,000,000	3.075%	70% of LIBOR	6/1/2016	(713,508)	A+/Aa3
		<u>\$ 81,000,000</u>				<u>\$ (3,031,034)</u>	

June 30, 2013

Bond Series	Swap Contractual Dates	Notional Amount	Fixed Rate Paid	Variable Rate Received	Termination Date	Fair Value	Counterparty Credit Rating
2005 Series 7	9/20/2005	\$ 2,185,000	3.325%	70% of LIBOR	12/1/2016	\$ (31,340)	AAA/Aa3
2006 Series 2	1/19/2006	8,000,000	3.465%	70% of LIBOR	12/1/2013	(133,425)	AAA/Aa3
2006 Series 5	4/20/2006	10,000,000	3.926%	70% of LIBOR	6/1/2014	(374,560)	AAA/Aa3
2006 Series 7	6/26/2006	10,000,000	4.115%	70% of LIBOR	6/1/2014	(393,368)	AAA/Aa3
2006 Series 9	9/27/2006	10,000,000	3.621%	70% of LIBOR	12/1/2014	(509,293)	AAA/Aa3
2007 Series 2	1/11/2007	6,000,000	3.678%	70% of LIBOR	12/1/2014	(310,689)	AAA/Aa3
2007 Series 4	3/13/2007	14,000,000	3.577%	70% of LIBOR	6/1/2015	(920,087)	AAA/Aa3
2007 Series 6	5/10/2007	14,000,000	3.661%	70% of LIBOR	6/1/2015	(943,490)	AAA/Aa3
2007 Series 8	7/31/2007	12,000,000	3.924%	USD-SIFMA	6/1/2015	(869,687)	AAA/Aa3
2007 Series 11	11/7/2007	12,000,000	3.530%	70% of LIBOR	12/1/2015	(943,817)	AAA/Aa3
2008 Series 2	5/13/2008	13,000,000	3.075%	70% of LIBOR	6/1/2016	(1,005,227)	AAA/Aa3
		<u>\$ 111,185,000</u>				<u>\$ (6,434,983)</u>	

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 8. Interest Rate Swaps (Continued)

Swap Terms and Values (Continued)

As of June 30, 2014 and 2013, the Authority's swap agreements had a net fair value of (\$3,031,034) and (\$6,434,983), respectively. If negative, the fair value of the swaps may be offset by reductions in total interest payments required under the related variable-rate bond, creating lower synthetic rates. The net fair value reported above as of June 30, 2014 and 2013 is inclusive of accrued interest of \$226,384 and \$292,468, respectively. Accrued interest is separately reported on the Authority's balance sheet. The resultant change in gross fair value was \$3,337,865. Because the coupons on the related variable-rate bonds adjust to the changing interest rates, the bonds do not have a corresponding fair value increase. The fair value amounts, obtained from an independent third-party, represent mid-market valuations that approximate the current economic value using prices and rates at the average of the estimated bid and offer amounts.

Swap Risks

Credit Risk – As of June 30, 2014, the Authority was exposed to credit risk on swaps which could have a positive fair value. The positive fair value of any one swap would represent the Authority's exposure to the potential failure of a single counterparty. Should the counterparty to this transaction fail to perform according to the swap contract, the Authority would face a maximum possible loss equivalent to the swap's fair value. As of June 30, 2014, the swap counterparties were rated A+ by Standard & Poor's and Aa3 by Moody's Investors Service. The Authority's policy to manage credit risk would require the Authority to seek credit enhancements should the counterparty's ratings be below AA- or Aa3.

Interest Rate Risk – The Authority is exposed to interest rate risk on its interest rate swap. On its pay-fixed, receive-variable interest rate swap, as LIBOR or the SIFMA swap index decreases, the Authority's net payment on the swap increases.

Basis Risk – Basis risk is the potential mismatch between the variable interest rate paid on the underlying bonds and the variable rate payments received by the Authority pursuant to the swap. The Authority's variable rate bond interest payments should correspond to the SIFMA Index (formerly the BMA Index), while the payments the Authority receives pursuant to the swap are for the most part 70 percent of LIBOR. The Authority is exposed to basis risk should LIBOR and SIFMA Index rates converge. If a change occurs that results in the rates moving to convergence (that is, the SIFMA Index exceeding 70 percent of LIBOR), the value to the Authority of the hedge from the swap is diminished. As of June 30, 2014 and 2013, the SIFMA Index rate was 0.06, while 70 percent of LIBOR (the swap rate) was 0.11 and 0.14 percent, respectively.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 8. Interest Rate Swaps (Continued)

Swap Risks (Continued)

Termination Risk – The Authority or the counterparty may terminate the swaps if the other party fails to perform under the terms of the swap contracts. The swaps may be terminated by the Authority at its discretion with a maximum of ten days' notice. If a swap was terminated, the variable-rate bonds would no longer carry a synthetic fixed rate. Also, if at the time of termination the swap has a negative fair value, the Authority would be liable to the counterparty for a payment equal to the swap's fair value.

Rollover Risk –The Authority is exposed to rollover risk on swaps that mature or may be terminated prior to the maturity of the associated bonds. When these hedging derivative instruments terminate or are terminated by either party, the Authority will not realize the synthetic fixed rate offered by the swaps on the underlying bond issues. The following bond series are exposed to rollover risk:

June 30, 2014

Associated Bond Issuance	Bond Maturity Date	Swap Termination Date
2006 Series 9	June 1, 2037	December 1, 2014
2007 Series 2	December 1, 2037	December 1, 2014
2007 Series 4	December 1, 2037	June 1, 2015
2007 Series 6	December 1, 2037	June 1, 2015
2007 Series 8	June 1, 2038	June 1, 2015
2007 Series 11	December 1, 2038	December 1, 2015
2008 Series 2	December 1, 2038	June 1, 2016

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 9. Net Position

The Authority's net position is reported in three components: investment in capital assets, restricted and unrestricted. Restricted net position includes amounts restricted under terms of an award, contract or law. Unrestricted net position includes all other equity components not meeting the criteria above. Below is a summary of net position as of June 30, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Investment in capital assets	\$ 2,810,497	\$ 2,712,792
Restricted		
Restricted by bond indentures	188,597,873	181,937,989
Restricted by grants	64,801,473	62,762,994
	<u>253,399,346</u>	<u>244,700,983</u>
Unrestricted		
Designated for the Single Family Mortgage Warehousing Fund	637,688	171,731
Designated for the Multi-Family Fund	2,060,142	1,992,935
Designated for the Housing Trust Fund	50,940,434	49,774,845
Designated for the Mortgage Guaranty Fund	20,208,581	19,570,395
Designated for non-current assets	15,751,247	16,181,024
Designated for operating reserve funds	5,514,220	5,385,411
	<u>95,112,312</u>	<u>93,076,341</u>
Total net position	<u>\$ 351,322,155</u>	<u>\$ 340,490,116</u>

The terms of the various bond indentures for the single-family program generally restrict the assets of the respective trust indenture by requiring their retention in the trust to satisfy debt service obligations of the applicable trust indenture. Monies can be withdrawn from a trust indenture with a cash flow certificate which demonstrates the Authority's ability to pay program expenses and debt service when due, in each bond year. In addition, some series in the 1994 Indenture may be subject to over-parity tests.

In addition, should the Authority fail to comply with terms of the general obligation bonds and the line of credit, the holders of such general obligations would have recourse to the Authority's unrestricted net position.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 10. Mortgage Loan Servicing

The Authority's mortgage servicing department services loans for its own portfolio and for others. The details of the loans serviced and servicing purchased during the year is shown below.

Type of Loans by Investor	2014		
	Servicing Rights Capitalized in 2014	Loans Serviced	Principal Balance
WCDA Single Family Loans - first mortgages	\$ 945,391	7,122	\$ 811,314,227
WCDA Single Family Loans - second mortgages	-	1,334	3,573,789
FNMA Single Family Loans	1,026,353	4,399	714,903,006
Total	<u>\$ 1,971,744</u>	<u>12,855</u>	<u>\$1,529,791,022</u>

Type of Loans by Investor	2013		
	Servicing Rights Capitalized in 2013	Loans Serviced	Principal Balance
WCDA Single Family Loans - first mortgages	\$ 866,360	7,558	\$ 860,418,868
WCDA Single Family Loans - second mortgages	-	1,726	4,202,595
FNMA Single Family Loans	2,193,901	4,029	671,782,074
Total	<u>\$ 3,060,261</u>	<u>13,313</u>	<u>\$1,536,403,537</u>

Escrow balances for these loans were \$7,113,759 and \$6,053,731 at June 30, 2014 and 2013, respectively. These escrow balances are not included in the accompanying combined financial statements.

Note 11. Retirement Commitments

Retirement Plan

The Authority's full-time employees participate in the Wyoming Retirement System (the "System"), a cost-sharing multiple-employer public employee retirement system. The System provides retirement benefits at age 60 with early retirement options available. The System also provides disability and death benefits. Benefits are established by State statute. The System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Wyoming Retirement System, Fifth Floor West, 6101 Yellowstone Road, Cheyenne, Wyoming 82002 or by calling (307)777-7691. The System statutorily requires 14.62% of the covered employee's salary to be contributed to the plan of which 7.50% is the responsibility of the employee and 7.12% is the responsibility of the employer. The Authority has elected to pay the total contributions on behalf of its employees. The Authority's contributions to the System for the years ended June 30, 2014, 2013 and 2012 were \$353,496, \$339,460, and \$322,842, respectively, equal to the required contributions for each year.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 11. Retirement Commitments (Continued)

Deferred Compensation Plan

The Authority also offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The deferred compensation plan, accounted for by the State of Wyoming and available to all of the Authority's full-time employees, permits employees to defer a portion of their salary until future years. Compensation deferred under this plan is not available until termination, retirement, death or unforeseeable emergency. All deferred compensation and earnings are held in trust or custodial accounts for the exclusive benefit of individual program participants and their beneficiaries. Investments are managed and controlled by the deferred compensation plan's trustee, not the Authority, under various investment options as directed by the employee. These investments and the related liability to the employees are not included in the Authority's financial statements.

Note 12. Commitments, Concentrations and Contingencies

At June 30, 2014, the Authority was committed to purchase single-family mortgages aggregating approximately \$600,000 under the 1978 Indenture, \$2,200,000 under the 1994 Indenture, \$29,400,000 under the Warehouse Indenture, \$3,365,181 under various Federal Programs, \$310,000 under the Housing Trust Fund, and \$2,840,000 under the FNMA Program.

The Authority has variable rate bonds outstanding in the 1978 Indenture of \$46,545,000 and in the 1994 Indenture of \$121,260,000. These bonds are subject to tender at par for repurchase by the Authority at the option of the bondholders; however, the Authority may remarket these bonds if they are tendered by the bondholders.

As of June 30, 2014, the entire \$46,545,000 of the variable rate debt in the 1978 Indenture was subject to a repurchase commitment assumed by the Bank of America/Merrill Lynch through a standby bond purchase agreement. The \$121,260,000 of the variable rate debt in the 1994 Indenture was subject to two repurchase commitments, one assumed by the Bank of New York Mellon (\$65 million) and one assumed by State Street Bank and Trust Company (\$56.26 million), through two standby bond purchase agreements.

Under these agreements, the providers will purchase any bonds tendered by bondholders and not successfully remarketed by the settlement date, and will adjust the interest rate associated with any unremarketed bonds to a bank rate. As of June 30, 2014, no variable rate bonds were held as unremarketed bank bonds under the terms of a standby bond purchase agreement.

The Authority uses a number of insurers for its mortgage receivables as noted in Note 4. The Authority requires private mortgage insurance (PMI) on some mortgages with coverage ranging from 30% to 50% of the outstanding balances. Approximately 10% of the Authority's outstanding mortgage receivable balances were covered by PMI from Radian and approximately 11% from Genworth, as of June 30, 2014.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 13. Risk Management

The Authority carries commercial insurance for risks of loss related to wrongful acts, general liability protection, and theft of, damage to, or destruction of real and personal property. Settled claims resulting from these risks have not exceeded the commercial insurance coverage.

The Authority manages its risks in respect to the mortgages it acquires by obtaining insurance or guarantees from various sources. None of the insurance or guarantees cover 100% of potential losses on the mortgage portfolio. The Authority has established loan loss reserves for additional coverage of potential losses that exist in its mortgage portfolio.

The Authority participates in the State of Wyoming self-insured employee medical, life and dental insurance program. This group medical insurance program is co-administered with a third-party health provider/claim service company. The State self-insures medical costs and assumes all the risk for claims incurred by plan participants. The employee life insurance and dental insurance plans are administered solely by insurance providers. The State does not retain any risk of loss for the life or dental insurance plans as the insurance providers assume all the risk for claims incurred by the participants. The Authority contributes the insurance premiums for each covered participant for these plans.

The State's group insurance fund, which includes medical, life and dental, was solvent at June 30, 2013 and the Authority expects to incur no liability in connection with the group insurance program. Group insurance premiums paid by the Authority during the years ended June 30, 2014 and 2013 were \$644,020 and \$651,566, respectively.

Note 14. Accounting Standards Issued, But Not Implemented

As of June 30, 2014, the Governmental Accounting Standards Board had issued the following standards which the Authority will implement in its next fiscal year.

Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27* was issued to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. Management has not concluded its assessment of the effect of implementing this guidance.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2014 and 2013

Note 15. Subsequent Events

On July 9, 2014, the Authority instructed its trustee to call on August 1, 2014, bonds in the amounts of \$30,770,000 from the 1994 Indenture.

On July 14, 2014, the Authority instructed its trustee to call on August 1, 2014, bonds in the amounts of \$8,575,000 from the 2009 Indenture.

On August 12, 2014, the Authority instructed its trustee to call on September 2, 2014, bonds in the amounts of \$73,515,000 from the 1994 Indenture and \$46,545,000 from the 1978 Indenture. This call effectively closes the 1978 Indenture.

On August 26, 2014, the Authority issued \$138,225,000 of bonds under the 1994 Indenture.

This page is intentionally left blank

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

DETAILED BALANCE SHEET

June 30, 2014

(See Independent Auditor's Report)

	Single Family Mortgage Bonds 1978 Indenture Fund	Housing Revenue Bonds 1994 Indenture Fund	Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	Wyoming Homeownership Fund	Single Family Mortgage Warehousing Fund
ASSETS					
Current Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 5,066,832
Investments	-	-	-	-	-
Interest receivable: Mortgage loans	-	-	-	-	-
Investments	-	-	-	-	26
Due from other funds	-	-	10,158,613	-	-
Accounts receivable and other assets	-	-	-	-	35,809
Total current assets	-	-	10,158,613	-	5,102,667
Noncurrent Assets					
Restricted cash and cash equivalents	19,498,288	64,589,334	13,127,256	-	-
Restricted investments	14,417,311	96,224,835	13,354,844	-	-
Restricted mortgage loans receivable, net	63,007,948	492,406,312	205,241,543	-	-
Restricted interest receivable					
Mortgage loans	231,736	3,203,822	856,692	-	-
Investments	143,162	870,406	73,610	-	-
Restricted accounts receivable and other assets	31,571	1,123,273	182,265	-	-
Mortgage loans receivable, net	-	-	-	-	1,537,521
Deferred hedging costs of fixed-rate swaps	-	2,804,650	-	-	-
Deferred servicing costs, net	-	-	-	-	-
Property and equipment, net	-	-	-	-	-
Total noncurrent assets	97,330,016	661,222,632	232,836,210	-	1,537,521
Total assets	\$ 97,330,016	\$ 661,222,632	\$ 242,994,823	\$ -	\$ 6,640,188
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION					
Current Liabilities					
Bonds payable	\$ -	\$ 28,020,000	\$ 5,805,000	\$ -	\$ -
Accrued interest payable	2,576	1,632,727	546,178	-	-
Due to other funds	-	10,158,613	-	-	6,002,500
Accounts payable and other liabilities	16,464	281,944	58,270	-	-
Total current liabilities	19,040	40,093,284	6,409,448	-	6,002,500
Noncurrent Liabilities					
Bonds payable	46,545,000	494,094,521	219,606,651	-	-
Other deferred credits	807,068	2,013,759	556,177	-	-
Total noncurrent liabilities	47,352,068	496,108,280	220,162,828	-	-
Total liabilities	47,371,108	536,201,564	226,572,276	-	6,002,500
Deferred Inflow of Resources					
Derivative instrument liability	-	2,804,650	-	-	-
Total deferred inflow of resources	-	2,804,650	-	-	-
Net Position					
Invested in capital assets	-	-	-	-	-
Restricted	49,958,908	122,216,418	16,422,547	-	-
Unrestricted	-	-	-	-	637,688
Total net position	49,958,908	122,216,418	16,422,547	-	637,688
Total liabilities, deferred inflow of resources and net position	\$ 97,330,016	\$ 661,222,632	\$ 242,994,823	\$ -	\$ 6,640,188

Multi-Family Fund	Federal Program Fund	Housing Trust Fund	Mortgage Guaranty Fund	General Fund	Eliminations	Total
\$ 80,577	\$ -	\$ 4,014,743	\$ 951,658	\$ 4,721,718	\$ -	\$ 14,835,528
1,962,308	-	35,300,078	19,214,302	253,671	-	56,730,359
-	-	24,816	-	-	-	24,816
17,257	-	136,458	42,621	-	-	196,362
-	-	6,002,500	-	-	(16,161,113)	-
-	-	251,019	-	1,461,988	-	1,748,816
2,060,142	-	45,729,614	20,208,581	6,437,377	(16,161,113)	73,535,881
-	3,723,668	-	-	-	-	100,938,546
-	-	-	-	-	-	123,996,990
-	48,821,600	-	-	-	-	809,477,403
-	-	-	-	-	-	4,292,250
-	25	-	-	-	-	1,087,203
-	12,497,734	-	-	-	(8,477)	13,826,366
-	-	5,217,174	-	-	-	6,754,695
-	-	-	-	-	-	2,804,650
-	-	-	-	15,751,247	-	15,751,247
-	-	-	-	2,810,497	-	2,810,497
-	65,043,027	5,217,174	-	18,561,744	(8,477)	1,081,739,847
\$ 2,060,142	\$ 65,043,027	\$ 50,946,788	\$ 20,208,581	\$ 24,999,121	\$ (16,169,590)	\$ 1,155,275,728
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,825,000
-	-	-	-	-	-	2,181,481
-	-	-	-	-	(16,161,113)	-
-	241,554	6,354	-	923,157	(8,477)	1,519,266
-	241,554	6,354	-	923,157	(16,169,590)	37,525,747
-	-	-	-	-	-	760,246,172
-	-	-	-	-	-	3,377,004
-	-	-	-	-	-	763,623,176
-	241,554	6,354	-	923,157	(16,169,590)	801,148,923
-	-	-	-	-	-	2,804,650
-	-	-	-	-	-	2,804,650
-	-	-	-	2,810,497	-	2,810,497
-	64,801,473	-	-	-	-	253,399,346
2,060,142	-	50,940,434	20,208,581	21,265,467	-	95,112,312
2,060,142	64,801,473	50,940,434	20,208,581	24,075,964	-	351,322,155
\$ 2,060,142	\$ 65,043,027	\$ 50,946,788	\$ 20,208,581	\$ 24,999,121	\$ (16,169,590)	\$ 1,155,275,728

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

DETAILED BALANCE SHEET

June 30, 2013

(See Independent Auditor's Report)

	Single Family Mortgage Bonds 1978 Indenture Fund	Housing Revenue Bonds 1994 Indenture Fund	Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	Wyoming Homeownership Fund	Single Family Mortgage Warehousing Fund
ASSETS					
Current Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 1,260,176
Investments	-	-	-	-	-
Interest receivable: Mortgage loans	-	-	-	-	674
Investments	-	-	-	-	11
Due from other funds	-	-	183,613	-	-
Accounts receivable and other assets	-	-	-	-	1,307
Total current assets	-	-	183,613	-	1,262,168
Noncurrent Assets					
Restricted cash and cash equivalents	4,673,432	53,147,661	17,465,861	-	-
Restricted investments	42,174,205	114,791,499	13,328,682	-	-
Restricted mortgage loans receivable, net	49,043,570	532,326,898	232,584,925	-	-
Restricted interest receivable					
Mortgage loans	203,668	3,912,311	1,009,745	-	-
Investments	147,738	757,761	73,833	-	-
Restricted accounts receivable and other assets	40,190	1,572,189	89,135	-	-
Mortgage loans receivable, net	-	-	-	-	-
Deferred hedging costs of fixed-rate swaps	-	6,142,515	-	-	-
Deferred servicing costs, net	-	-	-	-	-
Property and equipment, net	-	-	-	-	-
Total noncurrent assets	96,282,803	712,650,834	264,552,181	-	-
Total assets	\$ 96,282,803	\$ 712,650,834	\$ 264,735,794	\$ -	\$ 1,262,168
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION					
Current Liabilities					
Bonds payable	\$ -	\$ 24,375,000	\$ 5,535,000	\$ -	\$ -
Accrued interest payable	3,226	2,311,190	598,104	-	-
Due to other funds	-	183,613	-	-	1,002,500
Accounts payable and other liabilities	12,991	299,508	68,337	-	-
Total current liabilities	16,217	27,169,311	6,201,441	-	1,002,500
Noncurrent Liabilities					
Bonds payable	46,545,000	558,094,184	243,444,102	-	-
Other deferred credits	845,211	2,678,064	595,397	-	87,937
Total noncurrent liabilities	47,390,211	560,772,248	244,039,499	-	87,937
Total liabilities	47,406,428	587,941,559	250,240,940	-	1,090,437
Deferred Inflow of Resources					
Derivative instrument liability	-	6,142,515	-	-	-
Total deferred inflow of resources	-	6,142,515	-	-	-
Net Position					
Invested in capital assets	-	-	-	-	-
Restricted	48,876,375	118,566,760	14,494,854	-	-
Unrestricted	-	-	-	-	171,731
Total net position	48,876,375	118,566,760	14,494,854	-	171,731
Total liabilities, deferred inflow of resources and net position	\$ 96,282,803	\$ 712,650,834	\$ 264,735,794	\$ -	\$ 1,262,168

Multi-Family Fund	Federal Program Fund	Housing Trust Fund	Mortgage Guaranty Fund	General Fund	Eliminations	Total
\$ 4,429	\$ -	\$ 2,881,217	\$ 208,805	\$ 4,480,100	\$ -	\$ 8,834,727
1,971,246	-	37,679,863	19,279,579	246,829	-	59,177,517
-	-	96,761	-	-	-	97,435
17,260	-	136,822	82,011	-	-	236,104
-	-	1,002,500	-	-	(1,186,113)	-
-	-	805,811	-	1,921,309	-	2,728,427
1,992,935	-	42,602,974	19,570,395	6,648,238	(1,186,113)	71,074,210
-	3,267,017	-	-	-	-	78,553,971
-	-	-	-	-	-	170,294,386
-	46,761,501	-	-	-	-	860,716,894
-	-	-	-	-	-	5,125,724
-	20	-	-	-	-	979,352
-	13,142,335	-	-	-	-	14,843,849
-	-	7,178,959	-	-	-	7,178,959
-	-	-	-	-	-	6,142,515
-	-	-	-	16,181,024	-	16,181,024
-	-	-	-	2,712,792	-	2,712,792
-	63,170,873	7,178,959	-	18,893,816	-	1,162,729,466
\$ 1,992,935	\$ 63,170,873	\$ 49,781,933	\$ 19,570,395	\$ 25,542,054	\$ (1,186,113)	\$ 1,233,803,676
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,910,000
-	-	-	-	-	-	2,912,520
-	-	-	-	-	(1,186,113)	-
-	407,879	7,088	-	1,262,827	-	2,058,630
-	407,879	7,088	-	1,262,827	(1,186,113)	34,881,150
-	-	-	-	-	-	848,083,286
-	-	-	-	-	-	4,206,609
-	-	-	-	-	-	852,289,895
-	407,879	7,088	-	1,262,827	(1,186,113)	887,171,045
-	-	-	-	-	-	6,142,515
-	-	-	-	-	-	6,142,515
-	-	-	-	2,712,792	-	2,712,792
-	62,762,994	-	-	-	-	244,700,983
1,992,935	-	49,774,845	19,570,395	21,566,435	-	93,076,341
1,992,935	62,762,994	49,774,845	19,570,395	24,279,227	-	340,490,116
\$ 1,992,935	\$ 63,170,873	\$ 49,781,933	\$ 19,570,395	\$ 25,542,054	\$ (1,186,113)	\$ 1,233,803,676

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

DETAILED SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

Year Ended June 30, 2014

(See Independent Auditor's Report)

	Single Family Mortgage Bonds 1978 Indenture Fund	Housing Revenue Bonds 1994 Indenture Fund	Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	Wyoming Homeownership Fund	Single Family Mortgage Warehousing Fund
Operating Revenues					
Mortgage interest	\$ 2,346,049	\$ 27,003,505	\$ 9,056,871	\$ -	\$ 18,693
Investment interest income	502,749	3,701,644	498,653	-	152
Net change in fair value of investments	38,973	(1,255,641)	21,538	-	-
Fees and other income	-	-	-	-	482,770
Total operating revenue	<u>2,887,771</u>	<u>29,449,508</u>	<u>9,577,062</u>	<u>-</u>	<u>501,615</u>
Operating Expenses					
Interest expense	32,824	21,871,926	6,918,594	-	-
Servicer fees	186,947	1,914,060	779,635	-	(1,410)
Amortization of deferred servicing costs	-	-	-	-	-
Cost of issuance and other financing costs	765,852	1,006,849	18,195	-	6,109
Provision for (recapture of) loan losses	241,362	(893,958)	(181,602)	-	-
General and administrative	31,775	438,253	57,583	-	97,121
Total operating expenses	<u>1,258,760</u>	<u>24,337,130</u>	<u>7,592,405</u>	<u>-</u>	<u>101,820</u>
Operating income (loss)	<u>1,629,011</u>	<u>5,112,378</u>	<u>1,984,657</u>	<u>-</u>	<u>399,795</u>
Nonoperating Revenue (Expenses)					
Federal program income	-	-	-	-	-
Federal program expense	-	-	-	-	-
Nonoperating income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net income (loss) before transfers	1,629,011	5,112,378	1,984,657	-	399,795
Transfers in (out)	<u>(546,478)</u>	<u>(1,462,720)</u>	<u>(56,964)</u>	<u>-</u>	<u>66,162</u>
Net income (loss)	1,082,533	3,649,658	1,927,693	-	465,957
Net position, beginning of year	<u>48,876,375</u>	<u>118,566,760</u>	<u>14,494,854</u>	<u>-</u>	<u>171,731</u>
Net position, end of year	<u>\$ 49,958,908</u>	<u>\$ 122,216,418</u>	<u>\$ 16,422,547</u>	<u>\$ -</u>	<u>\$ 637,688</u>

Multi-Family Fund	Federal Program Fund	Housing Trust Fund	Mortgage Guaranty Fund	General Fund	Eliminations	Total
\$ -	\$ -	\$ 346,066	\$ -	\$ -	\$ -	\$ 38,771,184
121,760	-	863,169	704,506	10,431	-	6,403,064
(53,553)	-	(173,891)	(65,320)	-	-	(1,487,894)
-	-	92,285	-	5,444,560	(2,842,717)	3,176,898
<u>68,207</u>	<u>-</u>	<u>1,127,629</u>	<u>639,186</u>	<u>5,454,991</u>	<u>(2,842,717)</u>	<u>46,863,252</u>
-	-	-	-	-	-	28,823,344
-	-	24,341	-	-	(2,842,717)	60,856
-	-	-	-	2,400,000	-	2,400,000
-	-	-	-	-	-	1,797,005
-	-	(68,101)	-	-	-	(902,299)
1,000	-	5,800	1,000	5,258,254	-	5,890,786
<u>1,000</u>	<u>-</u>	<u>(37,960)</u>	<u>1,000</u>	<u>7,658,254</u>	<u>(2,842,717)</u>	<u>38,069,692</u>
<u>67,207</u>	<u>-</u>	<u>1,165,589</u>	<u>638,186</u>	<u>(2,203,263)</u>	<u>-</u>	<u>8,793,560</u>
-	4,996,398	-	-	-	-	4,996,398
-	(2,957,919)	-	-	-	-	(2,957,919)
-	<u>2,038,479</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,038,479</u>
67,207	2,038,479	1,165,589	638,186	(2,203,263)	-	10,832,039
-	-	-	-	2,000,000	-	-
67,207	2,038,479	1,165,589	638,186	(203,263)	-	10,832,039
1,992,935	62,762,994	49,774,845	19,570,395	24,279,227	-	340,490,116
<u>\$ 2,060,142</u>	<u>\$ 64,801,473</u>	<u>\$ 50,940,434</u>	<u>\$ 20,208,581</u>	<u>\$ 24,075,964</u>	<u>\$ -</u>	<u>\$ 351,322,155</u>

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

DETAILED SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
Year Ended June 30, 2013
(See Independent Auditor's Report)

	Single Family Mortgage Bonds 1978 Indenture Fund	Housing Revenue Bonds 1994 Indenture Fund	Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	Wyoming Homeownership Fund	Single Family Mortgage Warehousing Fund
Operating Revenues					
Mortgage interest	\$ 3,594,251	\$ 31,173,842	\$ 9,501,010	\$ 22,064	\$ 218,080
Investment interest income	639,804	3,718,773	514,585	58	115
Net change in fair value of investments	(1,600,139)	(7,739,225)	(1,356,262)	-	-
Fees and other income	491,662	109,867	-	-	284,828
Total operating revenue	<u>3,125,578</u>	<u>27,263,257</u>	<u>8,659,333</u>	<u>22,122</u>	<u>503,023</u>
Operating Expenses					
Interest expense	2,512,011	30,786,753	7,333,195	-	205,353
Servicer fees	274,951	2,098,501	785,899	723	22,376
Amortization of deferred servicing costs	-	-	-	-	-
Cost of issuance and other financing costs	812,476	2,306,034	91,471	-	16,640
Provision for (recapture of) loan losses	(2,234,973)	(10,917,219)	(3,486,386)	-	(50,000)
General and administrative	-	144,546	99,686	5,000	90,398
Total operating expenses	<u>1,364,465</u>	<u>24,418,615</u>	<u>4,823,865</u>	<u>5,723</u>	<u>284,767</u>
Operating income (loss)	<u>1,761,113</u>	<u>2,844,642</u>	<u>3,835,468</u>	<u>16,399</u>	<u>218,256</u>
Nonoperating Revenue (Expenses)					
Federal program income	-	-	-	-	-
Federal program expense	-	-	-	-	-
Nonoperating income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net income (loss) before transfers	1,761,113	2,844,642	3,835,468	16,399	218,256
Transfers in (out)	<u>958,243</u>	<u>(5,222,545)</u>	<u>4,961,853</u>	<u>(907,815)</u>	<u>-</u>
Net income (loss)	2,719,356	(2,377,903)	8,797,321	(891,416)	218,256
Net position, beginning of year	<u>46,157,019</u>	<u>120,944,663</u>	<u>5,697,533</u>	<u>891,416</u>	<u>(46,525)</u>
Net position, end of year	<u>\$ 48,876,375</u>	<u>\$ 118,566,760</u>	<u>\$ 14,494,854</u>	<u>\$ -</u>	<u>\$ 171,731</u>

Multi-Family Fund	Federal Program Fund	Housing Trust Fund	Mortgage Guaranty Fund	General Fund	Eliminations	Total
\$ -	\$ -	\$ 482,052	\$ -	\$ -	\$ -	\$ 44,991,299
53,950	-	1,114,107	710,446	12,374	(205,353)	6,558,859
(109,568)	-	(1,613,248)	(1,551,758)	-	-	(13,970,200)
-	-	407,693	1,494	5,656,581	(3,083,200)	3,868,925
<u>(55,618)</u>	<u>-</u>	<u>390,604</u>	<u>(839,818)</u>	<u>5,668,955</u>	<u>(3,288,553)</u>	<u>41,448,883</u>
-	-	-	-	-	(205,353)	40,631,959
-	-	30,652	-	-	(3,083,200)	129,902
-	-	-	-	2,280,000	-	2,280,000
-	-	2,333	-	-	-	3,228,954
-	-	(1,560,368)	-	-	-	(18,248,946)
1,000	-	55,358	1,000	5,386,500	-	5,783,488
<u>1,000</u>	<u>-</u>	<u>(1,472,025)</u>	<u>1,000</u>	<u>7,666,500</u>	<u>(3,288,553)</u>	<u>33,805,357</u>
<u>(56,618)</u>	<u>-</u>	<u>1,862,629</u>	<u>(840,818)</u>	<u>(1,997,545)</u>	<u>-</u>	<u>7,643,526</u>
-	11,781,037	-	-	-	-	11,781,037
-	(7,353,218)	-	-	-	-	(7,353,218)
-	<u>4,427,819</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,427,819</u>
(56,618)	4,427,819	1,862,629	(840,818)	(1,997,545)	-	12,071,345
-	-	(1,789,736)	-	2,000,000	-	-
(56,618)	4,427,819	72,893	(840,818)	2,455	-	12,071,345
2,049,553	58,335,175	49,701,952	20,411,213	24,276,772	-	328,418,771
<u>\$ 1,992,935</u>	<u>\$ 62,762,994</u>	<u>\$ 49,774,845</u>	<u>\$ 19,570,395</u>	<u>\$ 24,279,227</u>	<u>\$ -</u>	<u>\$ 340,490,116</u>

This page is intentionally left blank