

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

FINANCIAL REPORT

June 30, 2018

and

June 30, 2017

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PORTER, MUIRHEAD, CORNIA & HOWARD

(A Corporation of Certified Public Accountants)

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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, as of and for the years ended June 30, 2018 and 2017, 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

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 opinions on these financial statements based on our audits. We conducted our audit 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 involves 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 opinions.

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, 2018 and 2017, and the changes in financial position and 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 (pages 4-6) and the required supplementary information, changes in net pension liability and related ratios, schedule of pension contributions, schedule of authority's proportionate share of the net OPEB liability, and schedule authority's OPEB contributions (pages 43-47) 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 net position, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The detailed balance sheets, the detailed schedules of revenues, expenses and changes in 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

September 28, 2018

Casper, Wyoming

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WYOMING COMMUNITY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2018 and 2017

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, 2018. 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 statement 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

	2018	Change		(As Restated) 2017	Change		(As Restated) 2016
Cash and cash equivalents	\$ 169,971,183	\$64,411,613	61.02%	\$ 105,559,570	\$ (8,732,600)	-7.64%	\$ 114,292,170
Investments	141,721,407	(36,316,252)	-20.40%	178,037,659	25,500,650	16.72%	152,537,009
Other current assets	1,943,102	386,198	24.81%	1,556,904	(1,063,720)	-40.59%	2,620,624
Mortgage loans receivable	779,786,358	46,675,525	6.37%	733,110,833	(15,542,618)	-2.08%	748,653,451
Other noncurrent assets	33,931,878	2,131,094	6.70%	31,800,784	(4,172,970)	-11.60%	35,973,754
Total assets	1,127,353,928	77,288,178	7.36%	1,050,065,750	(4,011,258)	-0.38%	1,054,077,008
Deferred outflow of resources	1,035,136	(474,350)	-31.42%	1,509,486	530,139	54.13%	979,347
Other current liabilities	3,233,391	404,800	14.31%	2,828,591	(5,744,518)	-67.01%	8,573,109
Bonds payable	728,059,263	70,944,654	10.80%	657,114,609	1,636,945	0.25%	655,477,664
Other long-term liabilities	6,997,576	(607,478)	-7.99%	7,605,054	2,060,470	37.16%	5,544,584
Total liabilities	738,290,230	70,741,976	10.60%	667,548,254	(2,047,103)	-0.31%	669,595,357
Deferred inflow of resources	2,441,127	1,838,504	305.08%	602,623	413,934	219.37%	188,689
Net investment in capital assets	2,338,065	(328,905)	-12.33%	2,666,970	165	0.01%	2,666,805
Restricted	241,011,289	(1,808,631)	-0.74%	242,819,920	2,887,927	1.20%	239,931,993
Unrestricted	144,308,353	6,370,884	4.62%	137,937,469	(4,736,042)	-3.32%	142,673,511
Total net position	387,657,707	4,233,348	1.10%	383,424,359	(1,847,950)	-0.48%	385,272,309
Mortgage interest investment income	28,025,890	(632,040)	-2.21%	28,657,930	(3,052,591)	-9.63%	31,710,521
Other income	(71,109)	4,270,810	-98.36%	(4,341,919)	(17,076,553)	-134.10%	12,734,634
Total operating revenues	4,149,136	33,752	0.82%	4,115,384	639,387	18.39%	3,475,997
Interest expense	32,103,917	3,672,522	12.92%	28,431,395	(19,489,757)	-40.67%	47,921,152
Other operating expenses	19,399,846	1,259,970	6.95%	18,139,876	(2,383,036)	-11.61%	20,522,912
Total operating expenses	11,582,586	(23,769)	-0.20%	11,606,355	1,312,292	12.75%	10,294,063
Operating income (loss)	30,982,432	1,236,201	4.16%	29,746,231	(1,070,744)	-3.47%	30,816,975
Nonoperating income	1,121,485	2,436,321	-185.29%	(1,314,836)	(18,419,013)	-107.69%	17,104,177
Net income	3,111,863	1,403,246	82.13%	1,708,617	(2,195,472)	-56.24%	3,904,089
Ending net position	4,233,348	3,839,567	975.05%	393,781	(20,614,485)	-98.13%	21,008,266
Ending net position	387,657,707	4,233,348	1.10%	383,424,359	(1,847,950)	-0.48%	385,272,309

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2018 and 2017

Financial Position

Cash and cash equivalents increased by \$64.4 million and investments decreased by \$36.3 million for a combined increase in funds of \$28.1 million. The increase was due to the following: the net decrease in other assets of \$1.4 million, the increase in other current liabilities of \$0.4 million, the increase in bonds payable of \$70.9 million, and the net decrease in other liabilities of \$1.2 million and cash provided by operations of \$4.5 million. The decrease was due to the following: the net increase in mortgage loans receivable of \$50.3 million.

Mortgage loans receivable increased by \$46.7 million due to the following: mortgages decreased due to prepayments of \$126.7 million and curtailments and scheduled payments of \$41.8 million, while increases were a result of mortgage loan purchases of \$217.8 million and the reduction of loan loss reserves of \$1.0 million. In addition, \$3.6 million was reclassified to real estate held for sale.

Total assets increased by \$77.3 million due to an increase in mortgage loans (discussed above) of \$46.7 million, an increase in accounts receivable and other assets of \$0.3 million, and increase in real estate held for sale of \$3.9 million, an increase in deferred hedging cost of fixed-rate swaps of \$1.4 million, a combined increase in deferred servicing costs and property and equipment of \$0.2 million, an increase in cash, cash equivalents and investments (discussed above) of \$28.1 million and an increase in mortgage and investment interest receivable of \$0.1 million. Decreases in total assets include a decline in restricted accounts receivable and other assets of \$3.4 million.

Only July 1, 2017 the Authority implemented GASB Statement No. 85, *Omnibus 2017*, and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The Authority now recognizes the long-term obligation for health and life insurance benefits offered to retirees, presented as other postemployment benefit (OPEB) liabilities on the balance sheets. In order to conform with the provisions of these new GASB standards, beginning net position for the fiscal year ended June 30, 2017 had to be restated through a prior period adjustment by \$2,241,731, which included recording an adjustment to the other postemployment benefit liability of \$2,020,060, and initial deferred outflow of resources of \$141,655, and deferred inflow of resources of \$363,326.

Deferred outflows of resources decreased \$0.5 million due to the effects of accounting for pension and OPEB contribution timing and earning differences and accumulated fair value differences on the swaps.

Other current liabilities increased \$0.4 million. The increase is due to the increase of accounts payable and other liabilities of \$0.2 million, and an increase in accrued interest payable of \$0.2 million.

Bonds payable reflect a net increase from 2017 of \$70.9 million. Bonds were reduced as a result of redemptions, refundings and maturities of \$74.6 million and the amortization of bond premiums of \$0.6 million, while bonds increased due to bond issuances of \$143.7 million, and premiums on these bond issuances of \$2.4 million. See Note 8 for additional information.

Total liabilities increased by \$70.7 million from the prior year due to the net increase in bonds payable of \$70.9 million, the increase in other current liabilities of \$0.4 million, and the decrease in other noncurrent liabilities of \$0.6 million.

Deferred inflows of resources increased by \$1.8 million over the prior year due to the effects of accounting for the increase in the pension liability (See Note 15), the decrease in the OPEB liability (See Note 16), and the accounting for the increase in the fair value of swap agreements.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2018 and 2017

Results of Operation

Net income for fiscal year 2018 was \$4.2 million, a \$3.8 million increase from fiscal year 2017. Total operating revenues increased by \$3.6 million, total operating expenses increased by \$1.2 million and non-operating income from Affordable Housing Development Department activities increased \$1.4 million.

Total operating revenues increased by \$3.6 million. This increase is due to the reduction of mortgage interest income of \$0.6 million with increases in investment income of \$4.2 million.

Total operating expenses increased by \$1.2 million. The increase is due to a decrease of \$0.3 million in cost of issuance and other financing costs and a decrease in the provision for (recapture of) loan losses of \$0.5 million, along with increases of \$1.3 million in interest expense and \$0.7 million in general and administrative expenses.

Debt Administration

During fiscal year 2018, the Authority issued \$143.7 million in bonds in the 1994 Indenture. Bonds outstanding were reduced by \$74.6 million due to maturities, redemptions and refundings. See Note 9 for additional information.

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 & Administration, Wyoming Community Development Authority, P.O. Box 634, Casper, Wyoming 82602, or go to our website at www.wyomingcda.com.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

BALANCE SHEETS
June 30, 2018 and 2017

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	2018	(As Restated) 2017
	<u>2018</u>	<u>2017</u>
Current Assets		
Cash and cash equivalents	\$ 55,971,105	\$ 38,237,822
Investments	62,125,846	75,038,930
Interest receivable		
Mortgage loans	52,885	25,958
Investments	302,093	262,241
Accounts receivable and other assets	1,588,124	1,268,705
Total currents assets	<u>120,040,053</u>	<u>114,833,656</u>
Noncurrent Assets		
Restricted cash and cash equivalents	114,000,078	67,321,748
Restricted investments	79,595,561	102,998,729
Restricted mortgage loans receivable, net	765,481,062	720,388,942
Restricted interest receivable		
Mortgage loans	2,684,993	2,771,166
Investments	1,266,057	1,117,062
Restricted accounts receivable and other assets	7,976,515	11,376,557
Mortgage loans receivable, net	14,305,296	12,721,891
Real estate held for sale	3,913,751	-
Deferred hedging costs of fixed-rate swaps	1,449,369	52,101
Deferred servicing costs, net	14,303,128	13,816,928
Property and equipment, net	2,338,065	2,666,970
Total noncurrent assets	<u>1,007,313,875</u>	<u>935,232,094</u>
Total assets	<u>1,127,353,928</u>	<u>1,050,065,750</u>
Deferred Outflows of Resources		
Pension contributions and change in earnings	578,722	879,263
Deferred outflows from other postemployment benefits	130,515	141,655
Accumulated decrease in fair value of hedged derivative	325,899	488,568
Total deferred outflows of resources	<u>1,035,136</u>	<u>1,509,486</u>
Total assets and deferred outflows of resources	<u>\$ 1,128,389,064</u>	<u>\$ 1,051,575,236</u>

See notes to the basic financial statements

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	2018	(As Restated) 2017
	<u>2018</u>	<u>2017</u>
Current Liabilities		
Bonds payable	\$ 24,915,000	\$ 21,560,000
Accrued interest payable	1,914,337	1,691,323
Accounts payable and other liabilities	1,319,054	1,137,268
Total currents liabilities	<u>28,148,391</u>	<u>24,388,591</u>
Noncurrent Liabilities		
Bonds payable	703,144,263	635,554,609
Other deferred credits	1,246,955	1,748,885
Pension liability	3,488,138	3,347,541
Other postemployment benefit liabilities	1,936,584	2,020,060
Hedging liabilities	325,899	488,568
Total noncurrent liabilities	<u>710,141,839</u>	<u>643,159,663</u>
Total liabilities	<u>738,290,230</u>	<u>667,548,254</u>
Deferred Inflows of Resources		
Differences between expected and actual pension experience	530,856	90,688
Deferred inflows from other postemployment benefits	323,400	363,326
Accumulated increase in fair value of hedged derivatives	1,586,871	148,609
Total deferred inflows of resources	<u>2,441,127</u>	<u>602,623</u>
Net Position		
Net investment in capital assets	2,338,065	2,666,970
Restricted	241,011,289	242,819,920
Unrestricted	144,308,353	137,937,469
Total net position	<u>387,657,707</u>	<u>383,424,359</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 1,128,389,064</u>	<u>\$ 1,051,575,236</u>

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WYOMING COMMUNITY DEVELOPMENT AUTHORITY

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Years Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Operating Revenues		
Mortgage interest	\$ 28,025,890	\$ 28,657,930
Investment interest income	6,884,649	5,467,312
Net decrease in the fair value of investments	(6,955,758)	(9,809,231)
Fees and other income	4,149,136	4,115,384
Total operating revenue	<u>32,103,917</u>	<u>28,431,395</u>
Operating Expenses		
Interest expense	19,399,846	18,139,876
Servicer fees	54,232	33,659
Amortization of deferred servicing costs	2,160,000	2,160,000
Cost of issuance and other financing costs	1,915,732	2,219,026
Recapture of loan losses	(669,596)	(219,917)
General and administrative	8,122,218	7,413,587
Total operating expenses	<u>30,982,432</u>	<u>29,746,231</u>
Operating income (loss)	<u>1,121,485</u>	<u>(1,314,836)</u>
Non-operating Revenue (Expenses)		
Federal program income	5,022,146	4,512,199
Federal program expense	(1,910,283)	(2,803,582)
Non-operating income	<u>3,111,863</u>	<u>1,708,617</u>
Net income	4,233,348	393,781
Net position, beginning of year, as previously reported	383,424,359	385,272,309
Prior period adjustment related to other postemployment benefits	-	(2,241,731)
Net position, beginning of year, as restated	<u>383,424,359</u>	<u>383,030,578</u>
Net position, end of year	<u>\$ 387,657,707</u>	<u>\$ 383,424,359</u>

See notes to the basic financial statements

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash Flows from Operating Activities		
Cash receipts for services	\$ 4,149,136	\$ 7,063,751
Interest income on mortgage loans	28,068,779	28,203,355
Principal received on mortgage loans	168,476,790	175,330,450
Cash payments to purchase mortgage loans	(213,780,666)	(157,042,573)
Cash payments to servicers	(54,232)	(33,659)
Cash payments to suppliers	(6,104,294)	(8,446,888)
Cash payments to employees	(3,120,400)	(2,912,301)
Net cash provided by (used in) operating activities	<u>(22,364,887)</u>	<u>42,162,135</u>
Cash Flows from Noncapital Financing Activities		
Federal revenue	5,022,146	4,512,199
Federal expenses	(1,797,496)	(2,803,582)
Federal program notes issued	(4,034,444)	(2,075,433)
Federal program note payments received	2,499,972	1,751,786
Proceeds from bonds	146,078,983	187,606,945
Principal paid on bonds	(74,585,000)	(185,970,000)
Interest paid on bonds	(19,726,161)	(18,029,246)
Proceeds from notes payable	49,399,000	56,205,600
Payments on note payable	(49,399,000)	(59,806,600)
Net cash provided by (used in) noncapital financing activities	<u>53,458,000</u>	<u>(18,608,331)</u>
Cash Flows from Capital and Related Financing Activities		
Purchase of fixed assets	(84,546)	(375,433)
Purchase of mortgage servicing rights	(2,646,200)	(1,858,926)
Net cash used in capital and related financing activities	<u>(2,730,746)</u>	<u>(2,234,359)</u>
Cash Flows from Investing Activities		
Interest received from investments	6,739,000	5,257,836
Purchase of investments	(800,000)	(117,026,084)
Proceeds from sales and maturities of investments	30,110,246	81,716,203
Net cash provided by (used in) investing activities	<u>36,049,246</u>	<u>(30,052,045)</u>
Increase (decrease) in cash and cash equivalents	64,411,613	(8,732,600)
Cash and cash equivalents, beginning of year	<u>105,559,570</u>	<u>114,292,170</u>
Cash and cash equivalents, end of year	<u>\$ 169,971,183</u>	<u>\$ 105,559,570</u>

See notes to the basic financial statements

	<u>2018</u>	<u>2017</u>
Reconciliation of ending cash and cash equivalents		
Current cash and cash equivalents	\$ 55,971,105	\$ 38,237,822
Noncurrent restricted cash and cash equivalents	114,000,078	67,321,748
Cash and cash equivalents, end of year	<u>\$ 169,971,183</u>	<u>\$ 105,559,570</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	\$ 1,121,485	\$ (1,314,836)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities		
Interest on bonds	19,399,846	18,139,876
Net change in fair value of investments	6,955,758	9,809,231
Interest from investments	(6,884,649)	(5,467,312)
Mortgage loan principal repayments		
Scheduled	41,755,593	20,541,872
Prepaid	126,721,197	155,458,501
Purchase of mortgage loans	(213,780,666)	(157,042,573)
Change in deferred inflows and outflows related to postemployment benefits other than retirement	(28,786)	-
Amortization of deferred servicing costs	2,160,000	2,160,000
Change in provision for loan losses	(1,089,477)	(219,917)
Net change in other assets and liabilities	1,304,812	97,293
Net cash provided by (used in) operating activities	<u>\$ (22,364,887)</u>	<u>\$ 42,162,135</u>
Supplemental Cash Flow Information		
Noncash noncapital financing activity		
Federal program notes rolled into mortgages	\$ 6,450,905	\$ 4,277,128

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

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 the 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

Basis of Presentation – The Authority’s financial statements have been prepared on the basis of the proprietary-fund concept which pertains to financial activities that operate in a manner similar to private business enterprises and are financed through fees and charges assessed primarily to the users of the services.

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.

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

Single Family Program Funds

These funds, established under 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, and the Multi-Family Fund are no longer reported as restricted since no bonds are outstanding in those funds.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 2. Significant Accounting Policies (Continued)

Affordable Housing Development 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 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 \$342,651 to guarantee mortgage and project loans with principal balances outstanding of \$759,145 as of June 30, 2018. The Authority has also committed \$250,000 to guarantee second mortgages with principal balances outstanding of \$11,407,383. 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, money market investments, and obligations of the U.S. Treasury or agencies and instrumentalities of the U.S. Government with initial maturities of three months or less to be cash equivalents.

Restricted Assets

Certain proceeds of the Authority's bonds, as well as certain resources set aside for their repayment are classified as restricted assets because they are maintained in separate accounts and their use is limited by bond covenants. 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, 2018 and 2017

Note 2. Significant Accounting Policies (Continued)

Investments

The trust indentures, State statutes and the Authority's investment policy authorize the types of investment 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. All investments are reported at fair value as determined by financial services providers.

Mortgage Loans Receivable

Mortgage 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. Loans receivable are carried at the lower of historical cost and fair value. The cost is approximately equal to fair value. 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.

Accounts Receivable and Other Assets

Accounts receivable and other assets include prepaid expenses, general accounts receivable and accounts receivable related to servicing activities. Short-term notes receivable related to the acquisition and rehabilitation of properties through federal programs are also reported here.

Real Estate Held for Sale

Real estate held for sale arises from foreclosures or other mortgage default-related actions on properties pledged as collateral on mortgage loans. The Authority considers property to be real estate held for sale at the time of a sheriff's sale. Real estate held for sale is recorded at the unpaid principal balance plus accrued interest on the loans as of the date the loans become real estate owned, plus subsequent expenses incurred less any insurance or other loan-related payments received. Since a number of loans covered by mortgage insurance have reached maximum reimbursements allowable for loss claims and other loans in the portfolio are uninsured, it is anticipated that proceeds arising from the sale of such property and certain insurance proceeds may not fully cover any losses experienced. Actual losses are recorded against the loan loss reserve established by the Authority, see Note 5. As of June 30, 2018, the Authority had 30 properties in real estate held for sale totaling \$3,913,751.

Deferred Servicing Costs

Deferred servicing 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	15 – 40 years

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 2. Significant Accounting Policies (Continued)

Pensions

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

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State of Wyoming Employee Group Insurance (EGI) plans and additions to/deductions from EGI's fiduciary net position have been determined on the same basis as they are reported by EGI. For this purpose, EGI recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the balance sheets may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a decrease of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an increase of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority reports deferred outflows and inflows as follows:

Fair Value of Hedged Derivatives – In the balances sheets, a deferred outflow or deferred inflow of resources is reported for changes in the fair value of derivatives used for hedging activities. A deferred outflow is reported for accumulated decreases in fair value, while a deferred inflow is reported for accumulated increases in fair value.

Pension Plan and OPEB Items – In the balance sheets, a deferred outflow or deferred inflow of resources is reported for the unrecognized items not yet charged to pension or OPEB expense related to the net pension and net OPEB liabilities. This includes the unamortized portion of the net difference between projected and actual earnings on pension plan or OPEB investments and other differences between expected and actual experience. Deferred outflows for the net difference between projected and actual investment earnings are recognized over a period of five years, while the deferred outflows or deferred inflows for the differences between expected and actual experience for economic/demographic assumptions are recognized over the remaining service life for all active and inactive members.

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 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 \$191,348 and \$143,999 at June 30, 2018 and 2017, respectively, for arbitrage rebates. There is no arbitrage due at June 30, 2018 and 2017.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 2. Significant Accounting Policies (Continued)

Arbitrage Rebate Payable, Deferred Arbitrage Rebate and Other Deferred Credits (Continued)

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 would defer recognizing interest income from excess yields. The Authority has recorded no deferred interest income at June 30, 2018 and 2017. As of June 30, 2018 and 2017, the Authority deferred \$93,294 and \$169,844, respectively, of interest income related to the HOME Run loan program.

Additionally, the authority has deferred \$962,313 and \$1,435,042 as of June 30, 2018 and 2017, 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.

Indentures and Reporting Requirements

The Authority is subject to a number of limitations and restrictions contained in various indentures. Such limitations and covenants include: continued collection of pledged revenues, segregation of pledged revenues, maintaining specified levels of bond and mortgage reserve funds, permissible investment of bond proceeds and pledged revenues, and ongoing disclosure to the secondary bond market in accordance with the Securities and Exchange Commission's Rule 15c2-12. The Authority is in compliance with all significant covenants.

Components of Net Position

The Authority's net position is reported in three components: net 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.

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 America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Significant estimates and assumptions in these financial statements that require the exercise of management judgement include, though are not limited to, the allowance for loan losses, the fair value of investments, pension liability and OPEB liability. Due to the inherent uncertainty involved in making estimates, actual results in future periods could differ from those estimates. The estimates of fair value of investments, allowance for loan losses, pension liabilities, and OPEB liabilities are specifically significant to the Authority. It is reasonably possible that these estimates will change within one year of the date of the financial statement due to one or more future events. The effect of the change could be material to the financial statements and could result in a loss.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 2. Significant Accounting Policies (Continued)

Reclassification

Certain balances on the balance sheets have been reclassified to conform to the current year presentation with no changes to net assets or net income.

Note 3. Cash and Cash Equivalents and Investments

Deposits are placed with various financial institutions and are carried at cost. At June 30, 2018 and 2017, the carrying amount of the Authority's bank deposits was \$7,129,046 and \$10,111,855, respectively, and the bank balance was \$9,430,166 and \$13,824,848, respectively. The difference between the carrying amount and the bank balance is a result of transactions in transit. All bank deposits at June 30, 2018 and 2017 were covered by insurance or collateral held in joint custody with the financial institution. In addition, the Authority had \$162,840,437 and \$95,446,015 in cash and cash equivalents held in trust investment accounts as of June 30, 2018 and 2017, respectively.

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

	2018	2017
Investments		
U.S. Government and agency securities	\$ 141,721,407	\$ 178,037,659
Total	<u>\$ 141,721,407</u>	<u>\$ 178,037,659</u>

Investments are reported in the following classifications:

	2018	2017
Current	\$ 62,125,846	\$ 75,038,930
Noncurrent - restricted by bond indentures or contracts	79,595,561	102,998,729
Total	<u>\$ 141,721,407</u>	<u>\$ 178,037,659</u>

The net change in fair value of investments considers 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, 2018 and 2017, the Authority had unrealized investment losses of (\$7,499,260) and (\$543,502), respectively, in its investment portfolio. The change in unrealized losses of (\$6,955,758) and (\$9,809,276) for the years ended June 30, 2018 and 2017, 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.

The Authority had the following investments and maturities:

June 30, 2018						
Investment Type	Interest Rates	Fair Value	Investment Maturities			
			Prior to June 30, 2019	From July 1, 2019 to June 30, 2024	From July 1, 2024 to June 30, 2029	July 1, 2029 and thereafter
U.S. governmental and agency securities	2.57% - 8.931%	\$ 141,721,407	\$ 1,300,825	\$ 15,634,647	\$ 13,732,386	\$ 111,053,549
Total		<u>\$ 141,721,407</u>	<u>\$ 1,300,825</u>	<u>\$ 15,634,647</u>	<u>\$ 13,732,386</u>	<u>\$ 111,053,549</u>

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

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

June 30, 2017

Investment Type	Interest Rates	Fair Value	Investment Maturities			
			Prior to June 30, 2018	From July 1, 2018 to June 30, 2023	From July 1, 2023 to June 30, 2028	July 1, 2028 and thereafter
U.S. governmental and agency securities	1.02% - 8.875%	\$ 178,037,659	\$ 29,868,808	\$ 12,268,469	\$ 19,128,008	\$ 116,772,374
Total		\$ 178,037,659	\$ 29,868,808	\$ 12,268,469	\$ 19,128,008	\$ 116,772,374

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority's investment policy attempts to match its investment maturities to the expected call date 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 2, 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.

Concentration of Credit Risk

As noted in the table above, the Authority has 100% of its total investments invested in the obligations of the United States and its agencies.

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 1994 and 2009 Indentures require the Authority to place a portion of bond proceeds in bond, mortgage and special reserve accounts. As of June 30, 2018, the Authority has investments with a market value of \$66,315,090 in these reserve accounts which exceeds the reserve requirements contained in the applicable trust indentures of \$40,851,299. The amounts reserved in these accounts are as follows:

	1994 Indenture	2009 Indenture
Bond reserve requirement	\$ 18,586,650	\$ 3,095,100
Mortgage reserve requirement	10,557,285	1,684,183
Restricted special reserve requirement	6,928,081	-
Total required reserves	\$ 36,072,016	\$ 4,779,283
Total market value of cash and investments held for reserves	\$ 53,271,727	\$ 13,043,363

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 4. Fair Value Measurements

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on 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.

Following is a description of the valuation methodologies used for investments measured at fair value. There have been no changes in the methodologies used at June 30, 2018:

U.S. Treasury securities: Valued at the closing price reported in the active market in which the individual securities are traded.

U.S. government obligations and U.S. government agency mortgage backed securities: Valued using quoted priced for identical or similar assets in active markets.

The following tables sets forth by level, within the fair value hierarchy, the Authority's investments at fair value:

	Investments at Fair Value as of June 30, 2018			
	Level 1	Level 2	Level 3	Total
U.S. Treasury securities	\$ 25,925,417	\$ -	\$ -	\$ 25,925,417
U.S. government agency obligations	-	110,859,738	-	110,859,738
U.S. government agency mortgage backed securities	-	4,936,252	-	4,936,252
Total investments at fair value	\$ 25,925,417	\$ 115,795,990	\$ -	\$ 141,721,407

	Investments at Fair Value as of June 30, 2017			
	Level 1	Level 2	Level 3	Total
U.S. Treasury securities	\$ 27,720,326	\$ -	\$ -	\$ 27,720,326
U.S. government agency obligations	-	149,510,490	-	149,510,490
U.S. government agency mortgage backed securities	-	806,843	-	806,843
Total investments at fair value	\$ 27,720,326	\$ 150,317,333	\$ -	\$ 178,037,659

As of June 30, 2018 and 2017, the Authority's investment portfolio includes the following investments that have fair values highly sensitive to interest rate changes:

Mortgage-backed securities – when interest rates fall, mortgages are refinanced and paid off early. The reduced stream of future interest payments diminishes the value of the investment.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 5. Mortgage Loans Receivable, Net

	<u>2018</u>	<u>2017</u>
Housing Revenue Bonds 1994 Indenture fund, bearing interest at 0% to 8.9%, 25-30 year term, FHA or private mortgage company insured, or guaranteed by RD, VA or mortgage guaranty fund	\$ 621,542,875	\$ 560,072,954
Less: Reserve for loss on loans	<u>(10,009,931)</u>	<u>(10,948,326)</u>
	<u>611,532,944</u>	<u>549,124,628</u>
Single Family Mortgage Warehousing Bond fund, bearing interest at 3.75% to 4.625%, 30 year term, FHA insured, or guaranteed by RD or VA	3,404,604	4,080,548
Less: Reserve for losses on loans	-	-
	<u>3,404,604</u>	<u>4,080,548</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	96,306,154	117,918,918
Less: Reserve for losses on loans	<u>(1,351,212)</u>	<u>(1,939,438)</u>
	<u>94,954,942</u>	<u>115,979,480</u>
Affordable Housing Development Fund with various terms, including deferred payments and bearing interest at 0% to 5.19%, 10 to 30 year term	62,837,491	59,016,362
Less: Reserve for losses on loans	<u>(3,844,315)</u>	<u>(3,731,528)</u>
	<u>58,993,176</u>	<u>55,284,834</u>
Housing Trust Fund, bearing interest at 0% to 7.625%, 1 to 30 year term, FHA or private mortgage company insured, or guaranteed by VA or mortgage guaranty fund	12,317,281	9,534,494
Less: Reserve for losses on loans	<u>(1,416,589)</u>	<u>(893,151)</u>
	<u>10,900,692</u>	<u>8,641,343</u>
Total mortgage loans receivable, net	<u>\$ 779,786,358</u>	<u>\$ 733,110,833</u>
	<u>2018</u>	<u>2017</u>
Reported in the following classifications	\$ 765,481,062	\$ 720,388,942
Restricted mortgage loans receivable, net	14,305,296	12,721,891
Mortgage loans receivable, net	<u>\$ 779,786,358</u>	<u>\$ 733,110,833</u>

The Authority estimates loan loss reserves using 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, 2018 and 2017 were \$16,622,047 and \$17,512,443, respectively.

As of June 30, 2018 and 2017, the Authority had 107 and 138 loans, respectively, delinquent for 90 days or more from the population of 8,806 and 8,126 loans, respectively. The outstanding balance of mortgages delinquent for 90 days or more was \$10,050,870 and \$12,983,966 as of June 30, 2018 and 2017, respectively.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 6. Affordable Housing Development Fund

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.

Affordable Housing Development Funds 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 7. Noncurrent Liabilities

The changes on noncurrent liabilities for the year ended June 30, 2018 were as follows:

	Balance at June 30, 2017	Additions	Reductions	Balance at June 30, 2018	Amount Due Within 1 Year
Bonds payable	\$ 657,114,609	\$ 146,078,983	\$ 75,134,329	\$ 728,059,263	\$ 24,915,000
Other deferred costs	1,748,885	235,192	737,122	1,246,955	-
Pension liability	3,347,541	140,597	-	3,488,138	-
Other postemployment benefit liabilities	2,020,060	-	83,476	1,936,584	-
Hedging liabilities	488,568	587,864	750,533	325,899	-
	<u>\$ 664,719,663</u>	<u>\$ 147,042,636</u>	<u>\$ 76,705,460</u>	<u>\$ 735,056,839</u>	<u>\$ 24,915,000</u>

Note 8. 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 par.

The bonds of the 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, 2018 and 2017

Note 8. Bonds Payable (Continued)

	Balance at June 30, 2017	Issued	Retired	Balance at June 30, 2018	Amount Due Within 1 Year
Housing Revenue Bonds 1994 Indenture Fund					
2007 Series 5 & 6, 2018 to 2037, interest at 1.61%, original amount issued \$70,000,000	\$ 14,000,000	\$ -	\$ 1,825,000	\$ 12,175,000	\$ 365,000
2007 Series 7, 8 & 9, 2018 to 2038, interest at 1.61%, original amount issued \$60,000,000	12,000,000	-	2,045,000	9,955,000	280,000
2007 Series 10, 11 & 12, 2018 to 2038, interest at 1.61%, original amount issued \$60,000,000	12,000,000	-	460,000	11,540,000	300,000
2010 Series 1 & 2, redeemed, original amount issued \$34,710,000	280,000	-	280,000	-	-
2012 Series 1 & 2, 2018 to 2037, interest at 2.45% to 4.25%, original amount issued \$49,665,000 at premium of \$177,508	12,855,000	-	3,310,000	9,545,000	1,310,000
2013 Series 1, 2 & 3, 2018 to 2038, interest at 2.05% to 4.05%, original amount issued \$87,315,000	67,460,000	-	13,305,000	54,155,000	3,020,000
2014 Series 1, 2, 3, 4 & 5, 2018 to 2044, interest at 1.70% to 4.125%, original amount issued \$138,225,000	40,090,000	-	4,200,000	35,890,000	3,535,000
2015 Series 1, 2 & 3, 2018 to 2044, interest at 1.60% to 3.70%, original amount issued \$77,130,000	71,420,000	-	3,800,000	67,620,000	1,465,000
2015 Series 4, 6, 7 & 8, 2018 to 2045, interest at 1.65% to 4.0%, original amount issued \$138,375,000	112,505,000	-	13,715,000	98,790,000	2,785,000 (Continued)

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 8. Bonds Payable (Continued)

	Balance at June 30, 2017	Issued	Retired	Balance at June 30, 2018	Amount Due Within 1 Year
2016 Series 1, 2, & 3, 2018 to 2046, interest at 1.10% to 3.50%, original amount issued \$99,485,000 at premium of \$1,472,304	\$ 97,385,000	\$ -	\$ 5,995,000	\$ 91,390,000	\$ 2,270,000
2017 Series 1, 2, 3 & 4, 2018 to 2047, interest at 1.35% to 3.75%, original amount issued \$87,270,000	87,270,000	-	2,005,000	85,265,000	1,670,000
2017 Series 5, 2018 to 2046, interest at 1.15% to 4.00%, original amount issued \$60,385,000 at premium of \$1,697,088	-	60,385,000	480,000	59,905,000	1,290,000
2017 Series 6, 2046 to 2047, interest at 1.50%, original amount issued \$6,000,000	-	6,000,000	-	6,000,000	-
2018 Series 1 & 2, 2018 to 2048, interest at 1.50% to 4.00%, original amount issued \$77,325,000 at premium of \$671,895	-	77,325,000	-	77,325,000	1,150,000
Principal amounts of bonds outstanding					
1994 Indenture Fund	527,265,000	143,710,000	51,420,000	619,555,000	19,440,000
Adjustment for premiums, discounts and appreciation	3,525,260	2,368,983	552,217	5,342,026	-
Carrying value of bonds outstanding					
1994 Indenture Fund	530,790,260	146,078,983	51,972,217	624,897,026	19,440,000

Homeownership Mortgage Revenue Bonds 2009 Indenture Fund

Homeownership Mortgage Revenue Bonds Series 2010 A and 2009 A-1, 2018 to 2040, interest at 2.80% to 4.00%, original amount issued \$70,000,000 at premium of \$92,240	26,425,000	-	5,175,000	21,250,000	1,315,000
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Homeownership Mortgage Revenue Bonds Series 2011 A and 2009 A-2 and A-3, 2018 to 2041, interest at 2.92% to 3.375%, original amount issued \$87,000,000 at discount of \$62,141	30,600,000	-	6,195,000	24,405,000	2,080,000
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WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 8. Bonds Payable (Continued)

	Balance at June 30, 2017	Issued	Retired	Balance at June 30, 2018	Amount Due Within 1 Year
Homeownership Mortgage Revenue Bonds Series 2011 B and 2009 A-4 and A-5, 2018 to 2041, interest at 2.47% to 3.75%, original amount issued \$80,000,000 at discount of \$54,964	\$ 37,080,000	\$ -	\$ 6,565,000	\$ 30,515,000	\$ 1,300,000
Homeownership Mortgage Revenue Bonds Series 2009 A-6, 2018 to 2041, interest at 2.67%, original amount issued \$50,900,000	32,230,000	-	5,230,000	27,000,000	780,000
Principal amounts of bonds outstanding 2009 Indenture Fund	126,335,000	-	23,165,000	103,170,000	5,475,000
Adjustment for premiums, discounts and appreciation	(10,651)	-	(2,888)	(7,763)	-
Carrying value of bonds outstanding 2009 Indenture Fund	126,324,349	-	23,162,112	103,162,237	5,475,000
Total bonds payable	<u>\$ 657,114,609</u>	<u>\$ 146,078,983</u>	<u>\$ 75,134,329</u>	<u>\$ 728,059,263</u>	<u>\$ 24,915,000</u>

Schedule bond principal and sinking fund requirements in each indenture for the five fiscal years subsequent to June 30, 2018, which includes in each of the respective years the bonds to be remarketed are as follows:

	Housing Revenue Bonds 1994 Indenture Fund	Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	Totals
	2019	\$ 19,440,000	\$ 5,475,000
2020	21,290,000	4,725,000	26,015,000
2021	22,120,000	2,900,000	25,020,000
2022	23,695,000	2,300,000	25,995,000
2023	24,805,000	1,385,000	26,190,000

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 8. Bonds Payable (Continued)

Annual debt service requirements for the five fiscal years subsequent to June 30, 2018, 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
2019	\$ 24,915,000	\$ 21,383,211	\$ 46,298,211
2020	26,015,000	20,768,656	46,783,656
2021	25,020,000	20,171,290	45,191,290
2022	25,995,000	19,541,231	45,536,231
2023	26,190,000	18,845,309	45,035,309
5 years ending 2028	110,000,000	84,626,528	194,626,528
5 years ending 2033	160,305,000	65,078,139	225,383,139
5 years ending 2038	140,515,000	39,259,996	179,774,996
5 years ending 2043	107,205,000	18,780,653	125,985,653
5 years ending 2048	74,865,000	4,050,983	78,915,983
5 years ending 2053	1,700,000	12,750	1,712,750
	<u>\$ 722,725,000</u>	<u>\$ 312,518,746</u>	<u>\$ 1,035,243,746</u>

The balances above do not include net premiums or discounts in the amount of \$5,334,263 that are reported as components of bonds payable.

Hedging Derivative Instrument Payments and Hedged Debt

Using rates as of June 30, 2018 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 2007 Series 6, 2015 Series 7, 2016 Series 3, 2017 Series 4, 2017 Series 6, and 2018 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 vary.

	Variable Rate Bonds		Interest Rate	Total
	Principal	Interest	Swaps (net)	
2019	\$ 359,754	\$ 1,628,555	\$ 769,654	\$ 2,757,963
2020	384,394	1,622,379	759,852	2,766,625
2021	404,107	1,611,405	767,383	2,782,895
2022	423,819	1,605,689	767,383	2,796,891
2023	448,460	1,598,787	767,383	2,814,630
5 years ending 2028	2,651,335	7,882,304	3,830,557	14,364,196
5 years ending 2033	4,539,261	7,600,560	3,814,953	15,954,774
5 years ending 2038	5,588,870	7,114,037	3,080,963	15,783,870
5 years ending 2043	18,375,000	6,202,379	902,716	25,480,095
5 years ending 2048	47,625,000	2,449,366	265,564	50,339,930
5 years ending 2053	1,700,000	12,750	-	1,712,750
	<u>\$ 82,500,000</u>	<u>\$ 39,328,211</u>	<u>\$ 15,726,408</u>	<u>\$ 137,554,619</u>

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 9. Note Payable

The Authority has a line of credit agreement with a financial institution, secured by specific collateral. This agreement allows the Authority to borrow approximately 81% of the fair market value of the collateral. As of June 30, 2018, the Authority had investments held as collateral with a fair value of \$32,137,292 on deposit with this financial institution and no advances were outstanding. This agreement expires on December 31, 2018.

Note 10. 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, 2018, there were three such series of Multi-Family Housing Revenue bonds outstanding, with an aggregate principal amount payable of \$21,019,063.

Note 11. Interest Rate Swaps

Swap Objectives

The Authority has entered into interest rate swap agreements in connection with specific series of variable-rate bonds 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, 2018							
Bond Series	Swap Contractual Dates	Notional Amount	Fixed Rate Paid	Variable Rate Received	Termination Date	Fair Value	Counterparty Credit Rating
2016 Series 3	9/1/2015	\$ 20,000,000	2.4125%	70% of LIBOR	6/1/2036	\$ 361,023	AA-/A1
2007 Series 6	9/1/2015	12,000,000	2.4125%	70% of LIBOR	6/1/2036	216,614	AA-/A1
2015 Series 7	1/15/2016	6,000,000	2.0130%	70% of LIBOR	12/1/2045	231,278	AA-/A1
2017 Series 6	1/15/2016	3,000,000	2.0130%	70% of LIBOR	12/1/2045	115,639	AA-/A1
2018 Series 2	1/15/2016	3,000,000	2.0130%	70% of LIBOR	12/1/2045	115,639	AA-/A1
2017 Series 4	7/1/2017	22,000,000	2.2650%	70% of LIBOR	12/1/2047	362,824	A/A2
2018 Series 2	6/5/2018	16,500,000	2.5230%	70% of LIBOR	6/1/2038	(338,216)	A+/Aa3
		<u>\$ 82,500,000</u>				<u>\$ 1,064,801</u>	
June 30, 2017							
Bond Series	Swap Contractual Dates	Notional Amount	Fixed Rate Paid	Variable Rate Received	Termination Date	Fair Value	Counterparty Credit Rating
2016 Series 3	9/1/2015	\$ 20,000,000	2.4125%	70% of LIBOR	6/1/2036	\$ (72,182)	AA-/A1
2007 Series 6	9/1/2015	12,000,000	2.4125%	70% of LIBOR	6/1/2036	(43,310)	AA-/A1
2015 Series 7	1/15/2016	12,000,000	2.0130%	70% of LIBOR	12/1/2045	39,751	AA-/A1
2017 Series 4	7/1/2017	22,000,000	2.2650%	70% of LIBOR	12/1/2047	(443,418)	A-/A1
		<u>\$ 66,000,000</u>				<u>\$ (519,159)</u>	

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 11. Interest Rate Swaps (Continued)

Swap Terms and Values (Continued)

As of June 30, 2018 and 2017, the Authority's swap agreements had a net fair value of \$1,064,801 and (\$519,159), 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, 2018 and 2017 is inclusive of accrued interest of \$58,670 and \$82,693, respectively. Accrued interest is separately reported on the Authority's balance sheet. The resultant change in gross fair value was \$1,559,937. 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, 2018, 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, 2018, the swap counterparties were rated AA-, A and A+ by S&P Global Ratings and A1, A2 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 A or A3.

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 of 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, 2018 and 2017, the SIFMA Index rate was 1.51 and 0.91, while 70 percent of LIBOR (the swap rate) was 1.45 and 0.86 percent, respectively.

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.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 11. Interest Rate Swaps (Continued)

Swap Risks (Continued)

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, 2018		
Associated Bond Issuance	Bond Maturity Date	Swap Termination Date
2007 Series 6	December 1, 2037	June 1, 2036
2016 Series 3	December 1, 2046	June 1, 2036
2015 Series 7	December 1, 2045	December 1, 2045
2017 Series 6	December 1, 2047	December 1, 2045
2018 Series 2	December 1, 2048	December 1, 2045
2017 Series 4	December 1, 2047	December 1, 2047
2018 Series 2	December 1, 2048	June 1, 2038

Note 12. Net Position

Below is a summary of net position as of June 30, 2018 and 2017:

	2018	(As Restated) 2017
Net investment in capital assets	\$ 2,338,065	\$ 2,666,970
Restricted		
Restricted by bond indentures	165,562,543	170,598,871
Restricted by grants	75,448,746	72,221,049
	<u>241,011,289</u>	<u>242,819,920</u>
Unrestricted		
Designated for the Housing Revenue Bond 1994 Indenture Fund	45,732,450	42,671,901
Designated for the Single Family Mortgage Warehousing Fund	4,627,793	3,588,874
Designated for the Multi-Family Fund	2,228,480	2,231,551
Designated for the Housing Trust Fund	58,654,440	54,238,951
Designated for the Mortgage Guaranty Fund	21,931,584	22,353,142
Designated for non-current assets and operations	11,133,606	12,853,050
	<u>144,308,353</u>	<u>137,937,469</u>
Total net position	<u>\$ 387,657,707</u>	<u>\$ 383,424,359</u>

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 12. Net Position (Continued)

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.

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.

Note 13. 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	2018		
	Servicing Rights	Loans	Principal Balance
	Capitalized in 2018	Serviced	
WCDA Single Family Loans - first mortgages	\$ 1,749,064	6,324	\$ 791,607,649
WCDA Single Family Loans - second mortgages	-	2,228	11,407,383
GNMA Advantage	366,266	18	3,404,603
GNMA Pooled	-	366	67,620,764
FNMA Single Family Loans	530,870	3,990	589,389,617
Total	<u>\$ 2,646,200</u>	<u>12,926</u>	<u>\$ 1,463,430,016</u>

Type of Loans by Investor	2017		
	Servicing Rights	Loans	Principal Balance
	Capitalized in 2017	Serviced	
WCDA Single Family Loans - first mortgages	\$ 929,169	6,153	\$ 742,428,221
WCDA Single Family Loans - second mortgages	-	1,669	7,538,972
GNMA Advantage	255,157	8	1,683,659
GNMA Pooled	-	237	43,478,120
FNMA Single Family Loans	674,600	4,197	636,111,122
Total	<u>\$ 1,858,926</u>	<u>12,264</u>	<u>\$ 1,431,240,094</u>

Escrow and related servicing balances for these loans were \$8,310,535 and \$8,245,271 at June 30, 2018 and 2017, respectively. These balances are not included in the accompanying combined financial statements.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 14. Deferred Compensation Plan

The Authority 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 15. Pension Plan

Public Employees' Pension Plan

The Authority participates in the Public Employees' Pension Plan ("PEPP"), a statewide cost-sharing multiple-employer public employee retirement system administered by the State of Wyoming Retirement System Board. All full-time employees of the Authority are eligible to participate. The PEPP provides retirement, disability and death benefits according to predetermined formulas. Benefits are established by Title 9, Chapter 3 of the Wyoming Statutes.

PEPP members are required to contribute 8.25% of their annual covered salary and the Authority is required to contribute 8.37% of the annual covered payroll. Legislation enacted in 1979 allows the employer to pay any or all of the employees' contribution in addition to the matching contribution. The Authority currently pays 15.87% of the required employee's contribution and the employees pay .75%. Contribution rates are established by Title 9, Chapter 3 of the Wyoming Statutes. The Authority's contributions of the PEPP for the years ended June 30, 2018, 2017, and 2016 were \$440,812, \$425,145 and \$410,819, respectively, equal to the required contributions for each year. Effective September 1, 2018, both the required employee and employer contribution rates will increase by 0.25% from 8.25% to 8.50% and 8.37% to 8.62%, respectively. The total 0.50% increase will be paid by the employees, resulting in a contribution rate of 1.25%.

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

At June 30, 2018 and 2017, the Authority reported a liability of \$3,488,138 and \$3,347,541, respectively, for its proportionate share of the net pension liability. The net pension liability at June 30, 2018 was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plans relative to the projected contributions of all participating governmental entities, actuarially determined. The schedule below shows the Authority's proportionate share of the net pension liability at June 30, 2018, the proportionate portion at the measurement date of December, 31 2017 and the change in the proportionate share from the previous measurement date.

Pension liability at June 30, 2018	\$3,488,138
Proportion at December 31, 2017	0.1530328%
Increase (decrease) from December 31, 2016	0.0145616%

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 15. Pension Plans (Continued)

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

For the years ended June 30, 2018 and 2017, the Authority recognized total pension expense of \$1,322,117 and \$599,947, respectively. The Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2018		2017	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 163,031	\$ 629,328	\$ -
Difference between actual and expected experience	-	117,140	-	90,688
Assumption changes	338,930	-	-	-
Change in employer's proportion	-	250,685	14,457	-
Amortizing deferred outflows and deferred inflows	338,930	530,856	643,785	90,688
Authority contributions subsequent to the measurement date	239,792	-	235,478	-
Total	<u>\$ 578,722</u>	<u>\$ 530,856</u>	<u>\$ 879,263</u>	<u>\$ 90,688</u>

The Authority reported \$239,792 as deferred outflows of resources related to pensions resulting from Authority contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources
2019	\$ 106,091	\$ 58,014
2020	106,091	74,591
2021	106,091	235,828
2022	20,657	162,423
	<u>\$ 338,930</u>	<u>\$ 530,856</u>

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 15. Pension Plans (Continued)

Actuarial Assumptions

The total pension liability in the December 31, 2017 and December 31, 2016 valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Assumptions and Methods		
Valuation Date	1/1/2017	1/1/2016
Actuarial cost method	Individual Entry Age Normal	Individual Entry Age Normal
Amortization method	Level percent open	Level percent open
Remaining amortization period	30	30
Asset valuation method	5-year	5-year
Actuarial assumptions:		
Investment net rate of return	7.75%	7.75%
Projected salary increases (includes inflation)	4.25% to 6.00%	4.25% to 6.00%
Assumed inflation rate	3.25%	3.25%
Mortality	RP-2000 Combined Mortality Table, fully generational	RP-2000 Combined Mortality Table, fully generational

The current actuarial assumptions used in the December 31, 2017 valuation were based on the results of an actuarial experience study that covered a five-year period ended December 31, 2016. Differences between assumptions and actual experience since the prior valuation are identified as actuarial gains and losses. These gains and losses impact the unfunded actuarial accrued liability and future funding requirements determined in subsequent valuations.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected arithmetic returns, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

For each major asset class that is included in the pension plan's target allocation as of January 1, 2018 and 2017, these best estimates are summarized in the following table:

Asset Class	Target Allocation	January 1, 2018		January 1, 2017	
		Long-Term Expected	Long-Term Expected	Long-Term Expected	Long-Term Expected
		Geometric Rate of Return	Arithmetic Rate of Return	Geometric Rate of Return	Arithmetic Rate of Return
Cash	0.00%	0.40%	0.40%	-0.20%	-0.20%
Fixed Income	20.00%	1.25%	1.77%	1.43%	1.95%
Equity	45.00%	4.96%	6.88%	5.72%	7.73%
Marketable Alternatives	17.50%	2.79%	3.30%	3.03%	3.73%
Private Markets	17.50%	5.06%	7.11%	5.84%	7.14%
	<u>100.00%</u>	<u>3.85%</u>	<u>5.27%</u>	<u>4.76%</u>	<u>6.38%</u>

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 15. Pension Plans (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00 and 7.75 percent for the years ended December 31, 2017 and 2016, respectively. The projection of cash flows used to determine the discount rate assumed contributions from participating employers will be made on the actuarially determined rates based on the pension plan's funding policy, which establishes the contractually required rates under Wyoming State Statutes. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate.

Authority's proportionate share of the net pension liability

1% Decrease (6%)	\$5,271,936
Current Discount Rate (7%)	3,448,138
1% Increase (8%)	2,000,477

Pension Plan Fiduciary Net Position

The Wyoming Retirement System issues a publicly available financial report which includes audited financial statements and required supplementary information for each plan. Detailed information about the pension plans' fiduciary net position is available in the separately issued Wyoming Retirement System financial report. The report may be obtained from the Wyoming Retirement System website at <http://retirement.state.wy.us>.

Note 16. Postemployment Benefits Other Than Pensions (OPEB) and Prior Period Adjustment

On July 1, 2017, the Authority implemented GASB Statement No. 85, *Omnibus 2017*, and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and GASB Statement No. 57, *OPEB Measurement by Agent Employers and Agent Multiple-Employer Plans*. Specifically, Statements No. 85 and No. 75 recognize the long-term obligation for health and life insurance benefits offered to retirees and clarifies the timing of the measurement of pension and OPEB liabilities. Data needed to fully implement these standards for all periods presented are not available for the periods prior to July 1, 2017, and have, therefore, been estimated. The accounting change adopted to conform to the provisions of GASB 85 and 75 has been applied retroactively by restating the beginning net position for the fiscal year ended June 30, 2017 by \$2,241,731, which included recording an adjustment to the other postemployment benefits liability of \$2,020,060, an initial deferred outflow of resources of \$141,655, and deferred inflow of resources of \$363,326.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 16. Postemployment Benefits Other Than Pensions (OPEB) and Prior Period Adjustment (Continued)

State of Wyoming Employee Group Insurance Retiree Health Plan

The Authority participates in a multiple-employer defined benefit postemployment healthcare plan, the Retiree Health Insurance Plan. The Legislature has the authority for establishing and amending the plan. This plan does not issue a separate report.

Any employee of a participating agency is eligible for retiree coverage under the group insurance plan at premium rates established by Employee Group Insurance (EGI), provided that:

1. The employee had coverage in effect under the plan for at least one year just prior to termination; and
2. The employee is eligible to receive a retirement benefit under the Wyoming Retirement System; and either:
 - a. Has attained age 50 with at least 4 years of service credit as an employee of one of the employing entities participating in the plan
 - b. Has at least 20 years of service credit as an employee of one of the employing entities participating in the plan

Required Monthly Contributions

Contributions are required for both retiree and dependent coverage. EGI provides a monthly subsidy based on employee's years of service up to a maximum of 30 years of service. The current contribution amounts are as follows:

<u>Non-Medicare</u>	<u>Medicare Eligible</u>
\$11.50 per month per year of credited service	\$5.75 per month per year of credited service

For the plan year ending June 30, 2018, there were 14,339 fully eligible active participants and 3,305 retirees and beneficiaries. The retiree's benefit description provides eligible retirees receive health care through one of three medical plans. All plans are available to those under age 65, while the Health Savings Plan is not available to those 65 and older. The actuarial valuation identified a dental benefit which is available, but does not believe there is an OPEB liability associated with this benefit since the benefit is full-contributory and there is no implicit subsidy.

Funding Policy

The Authority finances the program on a "pay-as-you-go" basis. The Legislature has the authority for establishing and amending the funding policy. For fiscal year 2018, the Authority's post-retirement plan is considered an unfunded plan. While the Legislature has established a fund to account for retiree health insurance contributions, to pay explicit subsidies, for purposes of this latest actuarial evaluation the plan is considered unfunded and these dollars are not treated as an asset for this analysis.

Total OPEB Liability

The Authority's total OPEB liability of \$1,936,584 was measured as of July 1, 2017 and was determined by an actuarial valuation as of that date. The estimated OPEB liability of \$2,020,060 as of July 1, 2016 was determined by the actuarial valuation performed as of July 1, 2017, as well.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 16. Postemployment Benefits Other Than Pensions (OPEB) and Prior Period Adjustment (Continued)

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.00%
Discount rate	2.85% per annum (July 1, 2016) and 3.58% per annum (July 1, 2017)
Healthcare cost trend rates	6.50% for pre-Medicare medical and 7.50% for post-65 medical; both decreasing 0.25% - 0.50% per year until reaching the Ultimate trend rate of 4.50%

The discount rate was based on Bond Buyer General Obligation 20-Bond Municipal Bond Index.

Mortality rates were based on the RP-2006 Generational Mortality Tab projected using Scale MP-2017, applied on a gender-specific basis.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at June 30, 2017	<u>\$ 2,020,060</u>
Changes for the year:	
Service cost	157,281
Interest cost	61,484
Changes of benefit terms	-
Differences between expected and actual experience	101,370
Changes in assumptions or other inputs	(363,326)
Benefit payments	<u>(40,285)</u>
Net Changes	<u>(83,476)</u>
Balance at June 30, 2018	<u><u>\$ 1,936,584</u></u>

There were no changes of benefit terms as of July 1, 2017.

Changes in assumptions or other inputs reflects a change in the discount rate from 2.85% as of the June 30, 2016 measurement date to 3.58% as of the June 30, 2017 measurement date.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 16. Postemployment Benefits Other Than Pensions (OPEB) and Prior Period Adjustment (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.58%) or 1-percentage-point higher (4.58%) than the current discount rate:

<u>Authority's proportionate share of the total OPEB liability</u>	
1% Decrease (2.58%)	\$2,358,836
Current Discount Rate (3.58%)	1,936,584
1% Increase (4.58%)	1,611,720

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using healthcare cost trend rates that is 1-percentage-point lower (5.5% decreasing to 3.5%) or 1-percentage-point higher (7.5% decreasing to 5.5%) than the current healthcare cost trend rates:

<u>Authority's proportionate share of the total OPEB liability</u>	
1% Decrease (from 5.5% to 3.5% over 10 years)	\$1,629,661
Current Discount Rate (from 6.5% to 4.5% over 10 years)	1,936,584
1% Increase (from 7.5% to 5.5% over 10 years)	2,351,650

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the Authority recognized negative OPEB expense of \$112,262. At June 30, 2018, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between actual and expected experience	\$ 90,230	\$ -
Changes in assumptions or other inputs	-	323,400
Amortizing deferred outflows and deferred inflows	90,230	323,400
Authority contributions subsequent to the measurement date	40,285	-
Total	<u>\$ 130,515</u>	<u>\$ 323,400</u>

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 16. Postemployment Benefits Other Than Pensions (OPEB) and Prior Period Adjustment (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources
2019	\$ 11,140	\$ 39,926
2020	11,140	39,926
2021	11,140	39,926
2022	11,140	39,926
2023	11,140	39,926
Thereafter	34,530	123,770
	<u>\$ 90,230</u>	<u>\$ 323,400</u>

Note 17. Commitments, Concentrations and Contingencies

At June 30, 2018, the Authority was committed to purchase single-family mortgages aggregating approximately \$43.9 million under the Warehouse Indenture, \$2.8 million under various Affordable Housing Development Department Programs, \$0.4 million under the Housing Trust Fund, \$8.6 million under the FNMA HFA Program and \$6.6 million under the GNMA Advantage Program.

The Authority has variable rate bonds outstanding in the 1994 Indenture of \$119.42 million.

As of June 30, 2018, the Authority had \$59.17 million of variable rate debt in the 1994 Indenture. 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. These bonds were subject to a repurchase commitment, assumed by the Federal Home Loan Bank.

Under these agreements, the provider 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, 2018, no variable rate bonds were held as unremarketed bank bonds under the terms of a standby bond purchase agreement.

In addition, WCDA has \$60.25 million in floating rate notes outstanding at June 30, 2018.

The Authority uses a number of insurers for its mortgage receivables as noted in Note 5. The Authority requires private mortgage insurance (PMI) on some mortgages with coverage ranging from 30% to 50% of the outstanding balances. Approximately 5% of the Authority's outstanding mortgage receivable balances were covered by PMI from Radian and approximately 6% from Genworth, as of June 30, 2018.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 18. Forward Commitments

The Authority sells forward commitments to deliver Government National Mortgage Association (GNMA) guaranteed mortgage-backed securities. Commitments are sold as mortgage loan reservations are taken to hedge against market fluctuations prior to loan origination and securitization. The Authority is subject to market value fluctuations prior to loan origination and securitization, in the event that mortgage loans are not originated as expected and the committed securities cannot be delivered.

A net increase in fair value of \$48,044 on the outstanding forward commitments, classified as investment derivative instruments, has been recorded in investment income in the Single Family Mortgage Warehousing Fund for the year ended June 30, 2018. In addition, \$166,678 of forward commitments is recorded on the balance sheet as other current assets at June 30, 2018.

The Authority is subject to credit risk with respect to counterparties to the forward commitment contracts, summarized by counterparty at June 30, 2018 as follows:

June 30, 2018						
Counterparty	Count	Commitments at Par	Fair Value	Exposure by Counterparty	Purchased	Counterparty Rating (S&P/Moodys)
Bank of New York Mellon	4	\$ 3,865,386	\$ 3,974,685	38%	\$ 1,688,779	AA-/Aa2
Bank of Oklahoma	3	2,900,000	2,979,310	29%	-	BBB+/A3
Daiwa Capital Markets	1	800,000	819,760	8%	818,750	unknown
ED&F Man Capital Markets	3	2,500,000	2,560,470	25%	958,944	unknown
		<u>\$ 10,065,386</u>	<u>10,334,225</u>	<u>100%</u>	<u>\$ 3,466,473</u>	
Adjustment to fair value for related fees and funding risk			(14,628)			
Adjusted fair value			<u>\$ 10,319,597</u>			

June 30, 2017						
Counterparty	Count	Commitments at Par	Fair Value	Exposure by Counterparty	Purchased	Counterparty Rating (S&P/Moodys)
Bank of New York Mellon	5	\$ 2,754,250	\$ 2,850,845	73%	\$ 1,343,726	AA-/Aa2
Bank of Oklahoma	1	1,000,000	1,034,200	27%	340,922	BBB+/A3
		<u>\$ 3,754,250</u>	<u>3,885,045</u>	<u>100%</u>	<u>\$ 1,684,648</u>	
Adjustment to fair value for related fees and funding risk			(12,161)			
Adjusted fair value			<u>\$ 3,872,884</u>			

The Authority has also recorded a deferred inflow of resources for the accumulated increase in fair value of hedged derivatives of \$137,502 for its aggregate liability should it fail to fulfill these forward commitments. This expense has been netted in investment income.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018 and 2017

Note 19. 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 employee and a portion of each covered employee's dependents for these plans.

The State's group insurance fund, which includes medical, life and dental, was solvent at June 30, 2018 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, 2018 and 2017 were \$800,613 and \$729,156, respectively.

Note 20. Standards Issued But Not Implemented

GASB Statement No. 84, *Fiduciary Activities*, establishes criteria for identifying fiduciary activities of all state and local governments and clarifies whether and how business-type activities should report their fiduciary activities. The requirements of the Statement are effective for reporting periods beginning after December 15, 2018. Management has not completed its assessment of the effects of implementing this standard.

GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, establishes accounting and financial reporting requirements related to debt, including direct borrowings and direct placements, and clarifies which liabilities governments should include when disclosing information related to debt. The requirements of the Statement are effective for reporting periods beginning after June 15, 2018. Management has not completed its assessment of the effects of implementing this standard.

Note 21. Subsequent Events

On July 31, 2018, the Authority instructed its trustee to call on September 1, 2018, bonds in the amount of \$8,270,000 from the 1994 Indenture.

On July 31, 2018, the Authority instructed its trustee to call on September 1, 2018, bonds in the amount of \$5,345,000 from the 2009 Indenture.

On September 13, 2018, the Authority issued \$74,640,000 of bonds under the 1994 Indenture.

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REQUIRED SUPPLEMENTARY INFORMATION

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last 10 Fiscal Years
(Unaudited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Authority's proportion of the net pension liability (asset)	0.1530328%	0.1384712%	0.1414056%	13.8354600%
Authority's proportionate share of the net pension liability (asset)	\$ 3,488,138	\$ 3,347,541	\$ 3,293,828	\$ 2,441,532
Authority's covered-employee payroll	\$ 2,718,440	\$ 2,468,810	\$ 2,466,218	\$ 2,365,050
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	128.31%	135.59%	133.56%	103.23%
Plan fiduciary net position as a percentage of the total pension liability	76.35%	73.42%	73.40%	79.08%

The amounts presented for each fiscal year were determined as of December 31.

* Information for years prior to 2015 is not available; the schedule will be completed as information becomes available.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

SCHEDULE OF PENSION CONTRIBUTIONS
Last 10 Fiscal Years
(Unaudited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 461,299	\$ 458,576	\$ 410,819	\$ 366,743
Contributions in relations to the contractually required contribution	<u>(461,299)</u>	<u>(458,576)</u>	<u>(410,819)</u>	<u>(366,743)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Authority's covered-employee payroll	 \$ 2,775,566	 \$ 2,759,184	 \$ 2,471,835	 \$ 2,310,920
Contributions as a percentage of covered-employee payroll	16.62%	16.62%	16.62%	15.87%

* Information for years prior to 2015 is not available; the schedule will be completed as information becomes available.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

SCHEDULE OF AUTHORITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY

Last 10 Fiscal Years

(Unaudited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Authority's proportion of the net OPEB liability	0.24483%	*	*	*
Authority's proportionate share of the new OPEB liability (asset)	\$ 1,936,584	*	*	*
Authority's covered-employee payroll	\$ 1,989,073	*	*	*
Authority's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	97.36%	*	*	*
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	*	*	*

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

SCHEDULE OF AUTHORITY'S OPEB CONTRIBUTIONS

Last 10 Fiscal Years

(Unaudited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required OPEB contributions	\$ 40,285	*	*	*
OPEB contributions in relation to contractually required contributions	<u>(40,285)</u>	*	*	*
Contribution deficiency (excess)	<u>\$ -</u>	*	*	*
Authority's covered payroll (OPEB)	\$ 1,989,073	*	*	*
OPEB contributions as a percentage of covered payroll	2.02532%	*	*	*

The amounts presented for each fiscal year were determined as of July 1 of the previous year.

There have been no changes of benefit terms.

Changes in assumptions or other inputs reflect the effects of changes in the discount rate for each period.

* Information for years prior to 2018 is not available; the schedule will be completed as information becomes available.

2014	2013	2012	2011	2010	2009
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*

2014	2013	2012	2011	2010	2009
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*

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OTHER SUPPLEMENTARY INFORMATION

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

DETAILED BALANCE SHEET

June 30, 2018

(See Independent Auditor's Report)

	Housing Revenue Bonds 1994 Indenture Fund	Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	Single Family Mortgage Warehousing Fund
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current Assets			
Cash and cash equivalents	\$ 17,385,169	\$ -	\$ 6,795,034
Investments	28,325,927	-	-
Interest receivable: Mortgage loans	-	-	22,670
Investments	21,354	-	4,465
Due from other funds	-	10,158,613	-
Accounts receivable and other assets	-	-	166,678
Total current assets	45,732,450	10,158,613	6,988,847
Noncurrent Assets			
Restricted cash and cash equivalents	98,569,337	6,309,579	-
Restricted investments	65,204,315	13,024,231	-
Restricted mortgage loans receivable, net	611,532,944	94,954,942	-
Restricted interest receivable: Mortgage loans	2,307,362	377,631	-
Investments	1,067,012	171,369	-
Restricted accounts receivable and other assets	(175,061)	(25,316)	-
Mortgage loans receivable, net	-	-	3,404,604
Real estate held for sale	3,561,474	189,104	-
Deferred hedging costs of fixed-rate swaps	1,449,369	-	-
Deferred servicing costs, net	-	-	-
Property and equipment, net	-	-	-
Total noncurrent assets	783,516,752	115,001,540	3,404,604
Total assets	829,249,202	125,160,153	10,393,451
Deferred Outflows of Resources			
Pension contributions and change in earnings	-	-	-
Deferred outflows from other postemployment benefits	-	-	-
Accumulated decrease in fair value of hedged derivative	325,899	-	-
Total deferred outflows of resources	325,899	-	-
Total assets and deferred outflows of resources	\$ 829,575,101	\$ 125,160,153	\$ 10,393,451
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION			
Current Liabilities			
Bonds payable	\$ 19,440,000	\$ 5,475,000	\$ -
Accrued interest payable	1,669,625	244,712	-
Due to other funds	10,158,613	-	5,625,500
Accounts payable and other liabilities	257,547	28,278	2,656
Total current liabilities	31,525,785	5,747,990	5,628,156
Noncurrent liabilities			
Bonds payable	605,457,026	97,687,237	-
Other deferred credits	1,136,861	110,094	-
Pension liabilities	-	-	-
Other postemployment benefit liabilities	-	-	-
Hedging liabilities	325,899	-	-
Total noncurrent liabilities	606,919,786	97,797,331	-
Total liabilities	638,445,571	103,545,321	5,628,156
Deferred Inflows of Resources			
Pension contributions and change in earnings	-	-	-
Deferred inflows from other postemployment benefits	-	-	-
Accumulated increase in fair value of hedged derivative	1,449,369	-	137,502
Total deferred inflows of resources	1,449,369	-	137,502
Net Position			
Invested in capital assets	-	-	-
Restricted	143,947,711	21,614,832	-
Unrestricted	45,732,450	-	4,627,793
Total net position	189,680,161	21,614,832	4,627,793
Total liabilities, deferred inflows of resources and net position	\$ 829,575,101	\$ 125,160,153	\$ 10,393,451

Multi-Family Fund	Affordable Housing Development Fund	Housing Trust Fund	Mortgage Guaranty Fund	General Fund	Eliminations	Total
\$ -	\$ -	\$ 24,880,700	\$ 5,032,855	\$ 1,877,347	\$ -	\$ 55,971,105
-	-	16,792,978	16,771,941	235,000	-	62,125,846
-	-	30,215	-	-	-	52,885
-	-	149,486	126,788	-	-	302,093
-	-	5,625,500	-	-	(15,784,113)	-
12,947	-	91,869	-	1,316,630	-	1,588,124
12,947	-	47,570,748	21,931,584	3,428,977	(15,784,113)	120,040,053
831,734	8,289,428	-	-	-	-	114,000,078
1,367,015	-	-	-	-	-	79,595,561
-	58,993,176	-	-	-	-	765,481,062
-	-	-	-	-	-	2,684,993
16,784	10,892	-	-	-	-	1,266,057
-	8,205,956	21,642	-	-	(50,706)	7,976,515
-	-	10,900,692	-	-	-	14,305,296
-	-	163,173	-	-	-	3,913,751
-	-	-	-	-	-	1,449,369
-	-	-	-	14,303,128	-	14,303,128
-	-	-	-	2,338,065	-	2,338,065
2,215,533	75,499,452	11,085,507	-	16,641,193	(50,706)	1,007,313,875
2,228,480	75,499,452	58,656,255	21,931,584	20,070,170	(15,834,819)	1,127,353,928
-	-	-	-	578,722	-	578,722
-	-	-	-	130,515	-	130,515
-	-	-	-	-	-	325,899
-	-	-	-	709,237	-	1,035,136
\$ 2,228,480	\$ 75,499,452	\$ 58,656,255	\$ 21,931,584	\$ 20,779,407	\$ (15,834,819)	\$ 1,128,389,064
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,915,000
-	-	-	-	-	-	1,914,337
-	-	-	-	-	(15,784,113)	-
-	50,706	1,815	-	1,028,758	(50,706)	1,319,054
-	50,706	1,815	-	1,028,758	(15,834,819)	28,148,391
-	-	-	-	-	-	703,144,263
-	-	-	-	-	-	1,246,955
-	-	-	-	3,488,138	-	3,488,138
-	-	-	-	1,936,584	-	1,936,584
-	-	-	-	-	-	325,899
-	-	-	-	5,424,722	-	710,141,839
-	50,706	1,815	-	6,453,480	(15,834,819)	738,290,230
-	-	-	-	530,856	-	530,856
-	-	-	-	323,400	-	323,400
-	-	-	-	-	-	1,586,871
-	-	-	-	854,256	-	2,441,127
-	-	-	-	2,338,065	-	2,338,065
-	75,448,746	-	-	-	-	241,011,289
2,228,480	-	58,654,440	21,931,584	11,133,606	-	144,308,353
2,228,480	75,448,746	58,654,440	21,931,584	13,471,671	-	387,657,707
\$ 2,228,480	\$ 75,499,452	\$ 58,656,255	\$ 21,931,584	\$ 20,779,407	\$ (15,834,819)	\$ 1,128,389,064

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

DETAILED BALANCE SHEET

June 30, 2017

(See Independent Auditor's Report)

	Housing Revenue Bonds 1994 Indenture Fund	Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	Single Family Mortgage Warehousing Fund
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current Assets			
Cash and cash equivalents	\$ 6,896,480	\$ -	\$ 7,700,883
Investments	35,775,421	-	-
Interest receivable: Mortgage loans	-	-	4,110
Investments	-	-	1,584
Due from other funds	-	10,158,613	-
Accounts receivable and other assets	-	-	118,634
Total current assets	42,671,901	10,158,613	7,825,211
Noncurrent Assets			
Restricted cash and cash equivalents	51,056,300	9,677,065	-
Restricted investments	87,544,441	13,517,021	-
Restricted mortgage loans receivable, net	549,124,628	115,979,480	-
Restricted interest receivable: Mortgage loans	2,315,587	455,579	-
Investments	947,588	149,776	-
Restricted accounts receivable and other assets	686,995	18,990	57,157
Mortgage loans receivable, net	-	-	4,080,548
Deferred hedging costs of fixed-rate swaps	52,101	-	-
Deferred servicing costs, net	-	-	-
Property and equipment, net	-	-	-
Total noncurrent assets	691,727,640	139,797,911	4,137,705
Total assets	734,399,541	149,956,524	11,962,916
Deferred Outflows of Resources			
Pension contributions and change in earnings	-	-	-
Deferred outflows from other postemployment benefits	-	-	-
Accumulated decrease in fair value of hedged derivative	488,568	-	-
Total deferred outflows of resources	488,568	-	-
Total assets and deferred outflows of resources	\$ 734,888,109	\$ 149,956,524	\$ 11,962,916
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION			
Current Liabilities			
Bonds payable	\$ 16,550,000	\$ 5,010,000	\$ -
Accrued interest payable	1,389,860	301,463	-
Due to other funds	10,158,613	-	8,248,500
Accounts payable and other liabilities	286,147	33,615	29,034
Total current liabilities	28,384,620	5,345,078	8,277,534
Noncurrent liabilities			
Bonds payable	514,240,260	121,314,349	-
Other deferred credits	1,531,526	217,359	-
Pension liabilities	-	-	-
Other postemployment benefit liabilities	-	-	-
Hedging liabilities	488,568	-	-
Total noncurrent liabilities	516,260,354	121,531,708	-
Total liabilities	544,644,974	126,876,786	8,277,534
Deferred Inflows of Resources			
Pension contributions and change in earnings	-	-	-
Deferred inflows from other postemployment benefits	-	-	-
Accumulated increase in fair value of hedged derivative	52,101	-	96,508
Total deferred inflows of resources	52,101	-	96,508
Net Position			
Invested in capital assets	-	-	-
Restricted	147,519,133	23,079,738	-
Unrestricted	42,671,901	-	3,588,874
Total net position	190,191,034	23,079,738	3,588,874
Total liabilities, deferred inflows of resources and net position	\$ 734,888,109	\$ 149,956,524	\$ 11,962,916

Multi-Family Fund	Affordable Housing Development Fund	Housing Trust Fund	Mortgage Guaranty Fund	General Fund	Eliminations	Total
\$ -	\$ -	\$ 17,906,664	\$ 2,458,238	\$ 3,275,557	\$ -	\$ 38,237,822
-	-	19,256,675	19,771,834	235,000	-	75,038,930
-	-	21,848	-	-	-	25,958
-	-	137,587	123,070	-	-	262,241
-	-	8,248,500	-	-	(18,407,113)	-
-	-	21,973	-	1,156,286	(28,188)	1,268,705
-	-	45,593,247	22,353,142	4,666,843	(18,435,301)	114,833,656
278,158	6,310,225	-	-	-	-	67,321,748
1,937,267	-	-	-	-	-	102,998,729
-	55,284,834	-	-	-	-	720,388,942
-	-	-	-	-	-	2,771,166
16,126	3,572	-	-	-	-	1,117,062
-	10,622,418	5,978	-	-	(14,981)	11,376,557
-	-	8,641,343	-	-	-	12,721,891
-	-	-	-	-	-	52,101
-	-	-	-	13,816,928	-	13,816,928
-	-	-	-	2,666,970	-	2,666,970
2,231,551	72,221,049	8,647,321	-	16,483,898	(14,981)	935,232,094
2,231,551	72,221,049	54,240,568	22,353,142	21,150,741	(18,450,282)	1,050,065,750
-	-	-	-	879,263	-	879,263
-	-	-	-	141,655	-	141,655
-	-	-	-	-	-	488,568
-	-	-	-	1,020,918	-	1,509,486
\$ 2,231,551	\$ 72,221,049	\$ 54,240,568	\$ 22,353,142	\$ 22,171,659	\$ (18,450,282)	\$ 1,051,575,236
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,560,000
-	-	-	-	-	-	1,691,323
-	-	-	-	-	(18,407,113)	-
-	-	1,617	-	830,024	(43,169)	1,137,268
-	-	1,617	-	830,024	(18,450,282)	24,388,591
-	-	-	-	-	-	635,554,609
-	-	-	-	-	-	1,748,885
-	-	-	-	3,347,541	-	3,347,541
-	-	-	-	2,020,060	-	2,020,060
-	-	-	-	-	-	488,568
-	-	-	-	5,367,601	-	643,159,663
-	-	1,617	-	6,197,625	(18,450,282)	667,548,254
-	-	-	-	90,688	-	90,688
-	-	-	-	363,326	-	363,326
-	-	-	-	-	-	148,609
-	-	-	-	454,014	-	602,623
-	-	-	-	2,666,970	-	2,666,970
-	72,221,049	-	-	-	-	242,819,920
2,231,551	-	54,238,951	22,353,142	12,853,050	-	137,937,469
2,231,551	72,221,049	54,238,951	22,353,142	15,520,020	-	383,424,359
\$ 2,231,551	\$ 72,221,049	\$ 54,240,568	\$ 22,353,142	\$ 22,171,659	\$ (18,450,282)	\$ 1,051,575,236

WYOMING COMMUNITY DEVELOPMENT AUTHORITY
DETAILED SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Year Ended June 30, 2018
(See Independent Auditor's Report)

	Housing Revenue Bonds 1994 Indenture Fund	Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	Single Family Mortgage Warehousing Fund
Operating Revenues			
Mortgage interest	\$ 23,071,415	\$ 4,224,867	\$ 505,573
Investment interest income	4,916,372	529,565	107,341
Net change in fair value of investments	(4,191,774)	(497,008)	-
Fees and other income	-	-	1,209,612
Total operating revenue	23,796,013	4,257,424	1,822,526
Operating Expenses			
Interest expense	16,015,037	3,283,077	500,338
Services fees	2,084,945	372,723	47,976
Amortization of deferred servicing costs	-	-	-
Cost of issuance and other financing costs	1,898,822	16,910	-
Provision for (recapture of) loan losses	(748,119)	(512,524)	-
General and administrative	557,944	60,401	235,293
Total operating expenses	19,808,629	3,220,587	783,607
Operating income (loss)	3,987,384	1,036,837	1,038,919
Non-operating Revenue (Expenses)			
Federal program income	-	-	-
Federal program expense	-	-	-
Non-operating income	-	-	-
Net income (loss) before transfers	3,987,384	1,036,837	1,038,919
Transfers in (out)	(4,498,257)	(2,501,743)	-
Net income (loss)	(510,873)	(1,464,906)	1,038,919
Net position, beginning of year	190,191,034	23,079,738	3,588,874
Net position, end of year	\$ 189,680,161	\$ 21,614,832	\$ 4,627,793

Multi-Family Fund	Affordable Housing Development Fund	Housing Trust Fund	Mortgage Guaranty Fund	General Fund	Eliminations	Total
\$ -	\$ -	\$ 224,035	\$ -	\$ -	\$ -	\$ 28,025,890
69,288	-	1,081,860	573,926	6,132	(399,835)	6,884,649
(71,496)	-	(1,201,566)	(993,914)	-	-	(6,955,758)
-	-	48,958	-	5,364,023	(2,473,457)	4,149,136
(2,208)	-	153,287	(419,988)	5,370,155	(2,873,292)	32,103,917
-	-	522	707	-	(399,835)	19,399,846
-	-	22,045	-	-	(2,473,457)	54,232
-	-	-	-	2,160,000	-	2,160,000
-	-	-	-	-	-	1,915,732
-	-	591,047	-	-	-	(669,596)
863	-	8,350	863	7,258,504	-	8,122,218
863	-	621,964	1,570	9,418,504	(2,873,292)	30,982,432
(3,071)	-	(468,677)	(421,558)	(4,048,349)	-	1,121,485
-	5,022,146	-	-	-	-	5,022,146
-	(1,910,283)	-	-	-	-	(1,910,283)
-	3,111,863	-	-	-	-	3,111,863
(3,071)	3,111,863	(468,677)	(421,558)	(4,048,349)	-	4,233,348
-	115,834	4,884,166	-	2,000,000	-	-
(3,071)	3,227,697	4,415,489	(421,558)	(2,048,349)	-	4,233,348
2,231,551	72,221,049	54,238,951	22,353,142	15,520,020	-	383,424,359
\$ 2,228,480	\$ 75,448,746	\$ 58,654,440	\$ 21,931,584	\$ 13,471,671	\$ -	\$ 387,657,707

WYOMING COMMUNITY DEVELOPMENT AUTHORITY
DETAILED SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Year Ended June 30, 2017
(See Independent Auditor's Report)

	Housing Revenue Bonds 1994 Indenture Fund	Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	Single Family Mortgage Warehousing Fund
Operating Revenues			
Mortgage interest	\$ 22,832,488	\$ 5,132,665	\$ 485,420
Investment interest income	3,950,448	447,465	(104,308)
Net change in fair value of investments	(6,763,371)	(993,767)	(56,634)
Fees and other income	-	-	1,372,077
Total operating revenue	20,019,565	4,586,363	1,696,555
Operating Expenses			
Interest expense	13,990,823	4,066,271	510,086
Services fees	1,963,313	453,888	52,274
Amortization of deferred servicing costs	-	-	-
Cost of issuance and other financing costs	2,206,367	12,659	-
Provision for (recapture of) loan losses	9,379	(591,568)	-
General and administrative	328,156	57,580	253,128
Total operating expenses	18,498,038	3,998,830	815,488
Operating income (loss)	1,521,527	587,533	881,067
Non-operating Revenue (Expenses)			
Federal program income	-	-	-
Federal program expense	-	-	-
Non-operating income	-	-	-
Net income (loss) before transfers	1,521,527	587,533	881,067
Transfers in (out)	(3,216,273)	1,236,014	(19,741)
Net income (loss)	(1,694,746)	1,823,547	861,326
Net position, beginning of year, as previously reported	191,885,780	21,256,191	2,727,548
Prior period adjustment related to other post-employment benefits	-	-	-
Net position, beginning of year, as restated	191,885,780	21,256,191	2,727,548
Net position, end of year	\$ 190,191,034	\$ 23,079,738	\$ 3,588,874

Multi-Family Fund	Federal Program Fund	Housing Trust Fund	Mortgage Guaranty Fund	General Fund	Eliminations	Total
\$ -	\$ -	\$ 207,357	\$ -	\$ -	\$ -	\$ 28,657,930
61,259	-	998,445	539,425	2,820	(428,242)	5,467,312
(100,349)	-	(872,585)	(1,022,525)	-	-	(9,809,231)
-	-	56,937	-	5,144,400	(2,458,030)	4,115,384
(39,090)	-	390,154	(483,100)	5,147,220	(2,886,272)	28,431,395
-	-	680	258	-	(428,242)	18,139,876
-	-	22,214	-	-	(2,458,030)	33,659
-	-	-	-	2,160,000	-	2,160,000
-	-	-	-	-	-	2,219,026
-	-	362,272	-	-	-	(219,917)
1,000	-	162,368	1,000	6,610,355	-	7,413,587
1,000	-	547,534	1,258	8,770,355	(2,886,272)	29,746,231
(40,090)	-	(157,380)	(484,358)	(3,623,135)	-	(1,314,836)
-	4,512,199	-	-	-	-	4,512,199
-	(2,803,582)	-	-	-	-	(2,803,582)
-	1,708,617	-	-	-	-	1,708,617
(40,090)	1,708,617	(157,380)	(484,358)	(3,623,135)	-	393,781
-	-	-	-	2,000,000	-	-
(40,090)	1,708,617	(157,380)	(484,358)	(1,623,135)	-	393,781
2,271,641	70,512,432	54,396,331	22,837,500	19,384,886	-	385,272,309
-	-	-	-	(2,241,731)	-	(2,241,731)
2,271,641	70,512,432	54,396,331	22,837,500	17,143,155	-	383,030,578
\$ 2,231,551	\$ 72,221,049	\$ 54,238,951	\$ 22,353,142	\$ 15,520,020	\$ -	\$ 383,424,359