

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**FINANCIAL REPORT**

**June 30, 2021**

**and**

**June 30, 2020**

*This page is intentionally left blank*

## CONTENTS

Independent Auditor’s Report on the Financial Statements	1
Required Supplementary Information	
Management’s discussion and analysis (Unaudited)	4
Financial Statements	
Balance sheets	11
Statements of revenues, expenses and changes in fund position	14
Statements of cash flows	15
Notes to basic financial statements	17
Required Supplementary Information	
Schedule of changes in net pension liability and related ratios (Unaudited)	49
Schedule of pension contributions (Unaudited)	51
Schedule of authority’s proportionate share of the net OPEB liability (Unaudited)	53
Schedule of authority’s OPEB contributions (Unaudited)	53
Other Supplementary Information	
Detailed balance sheet as of June 30, 2021	57
Detailed balance sheet as of June 30, 2020	59
Detailed schedule of revenues, expenses and changes in net position for the year ended June 30, 2021	61
Detailed schedule of revenues, expenses and changes in net position for the year ended June 30, 2020	63

## ***INDEPENDENT AUDITOR'S REPORT***

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

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Wyoming Community Development Authority, a component unit of the State of Wyoming, as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the 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 an opinion on these financial statements based on our audit. 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 basis for our audit opinion.



**MAIL:** PO Box 2750  
Casper, WY 82602-2750



**PHONE:** (307) 265-4311  
**FAX:** (307) 265-5180



**LOCATION:** 600 East 1<sup>st</sup> Street  
Casper, WY 82601

***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, 2021 and 2020 and the respective changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 4-9) and the required supplementary information changes in net pension liability and related ratios and the schedule of pension contributions (pages 49-52) and the required supplementary information related to the proportionate share of the net OPEB liability and the schedule of the Authority's OPEB contributions (pages 53-54) 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 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 27, 2021  
Casper, Wyoming

*This page is intentionally left blank*

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2021 and 2020

---

This section of the Wyoming Community Development Authority's (the "Authority") annual financial report presents our discussion and analysis of the financial activities for the fiscal years ended June 30, 2021 and 2020. 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 in accordance with accounting principles generally accepted in the United States of America; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting as prescribed by the Governmental Accounting Standards Board (GASB). 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.

### ***Overview of the Financial Statements***

The basic financial statements consist of the Balance Sheets, the Statements of Revenues, Expenses and Changes in Net Position, the Statements of Cash Flows and the notes thereto. The financial statements offer information about the Authority's activities and operations.

The Balance Sheets include all of the Authority's assets and liabilities, presented in order of liquidity, along with deferred outflows and deferred inflows, which represent deferrals of resources related to future periods. The resulting net position present in these statements is displayed as net investment in capital assets, restricted or unrestricted. Net position is restricted when its use is subject to external limits such as bond indentures, legal agreements or statutes.

All of the Authority's current year revenues and expenses are recorded in the Statements of Revenues, Expenses and Changes in Net Position. This statement measures the activities of the Authority's operations over the past year and presents the resulting change in net position.

The final required financial statements are the Statements of Cash Flows. The primary purpose of these statements is to provide information about the Authority's cash receipts and cash payments during the reporting period. These statements report cash receipts, cash payments and net changes in cash resulting from operating, noncapital financing, capital and related financing and investing activities. These statements also provide information regarding the sources and uses of cash and the change in the cash balance during the reporting period.

The notes to the financial statements provide additional information that is essential for a full understanding of the information provided in the financial statements.

Required and other supplementary information is presented following the notes to the financial statements to provide selected supplemental information, such as combining schedules for the Authority's programs.

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

(Unaudited)

June 30, 2021 and 2020

***Financial Position Analysis***

The following table is a summary of the Authority's net position at June 30, 2021, 2020 and 2019.

	2021	Change		2020	Change		2019
Cash and cash equivalents	\$ 216,148,963	\$ (25,887,939)	-10.70%	\$ 242,036,902	\$ 87,123,145	56.24%	\$ 154,913,757
Investments	148,513,976	24,741,884	19.99%	123,772,092	(22,711,839)	-15.50%	146,483,931
Other current assets	1,039,028	(2,344,594)	-69.29%	3,383,622	1,212,149	55.82%	2,171,473
Mortgage loans receivable	872,891,822	(35,776,299)	-3.94%	908,668,121	43,094,874	4.98%	865,573,247
Other noncurrent assets	35,995,647	3,960,164	12.36%	32,035,483	(716,067)	-2.19%	32,751,550
<b>Total assets</b>	<b>1,274,589,436</b>	<b>(35,306,784)</b>	<b>-2.70%</b>	<b>1,309,896,220</b>	<b>108,002,262</b>	<b>8.99%</b>	<b>1,201,893,958</b>
Deferred outflow of resources	5,646,785	(4,536,199)	-44.55%	10,182,984	4,081,266	66.89%	6,101,718
Other current liabilities	6,317,482	(14,008,037)	-68.92%	20,325,519	16,948,472	501.87%	3,377,047
Bonds payable	832,487,069	(29,560,125)	-3.43%	862,047,194	75,140,155	9.55%	786,907,039
Other long-term liabilities	10,898,701	(5,092,176)	-31.84%	15,990,877	3,152,534	24.56%	12,838,343
<b>Total liabilities</b>	<b>849,703,252</b>	<b>(48,660,338)</b>	<b>-5.42%</b>	<b>898,363,590</b>	<b>95,241,161</b>	<b>11.86%</b>	<b>803,122,429</b>
Deferred inflow of resources	2,173,215	615,274	39.49%	1,557,941	685,512	78.58%	872,429
Net investment in capital assets	2,093,460	(10,541)	-0.50%	2,104,001	(124,451)	-5.58%	2,228,452
Restricted	260,204,821	(12,263,776)	-4.50%	272,468,597	9,981,557	3.80%	262,487,040
Unrestricted	166,061,473	20,476,398	14.06%	145,585,075	6,299,749	4.52%	139,285,326
<b>Total net position</b>	<b>\$ 428,359,754</b>	<b>\$ 8,202,081</b>	<b>1.95%</b>	<b>\$ 420,157,673</b>	<b>\$ 16,156,855</b>	<b>4.00%</b>	<b>\$ 404,000,818</b>

The net investment in capital assets, which is the net book value of capital assets (e.g. land, buildings, and equipment) less related debt, is \$2,093,460, \$2,104,001, and \$2,228,452 for the years ended June 30, 2021, 2020, and 2019, respectively. The Authority uses these capital assets to provide services to borrowers; consequently, these assets are not available for future spending. The Authority currently has no debt associated with its capital assets; however, other sources would need to be identified to finance future capital asset purchases. An additional portion of the Authority's net position, \$260,204,821, \$272,468,597, and \$262,487,040 for the years ended June 30, 2021, 2020, and 2019, respectively, represents resources that are subject to external restriction on how they may be used. These restrictions include bond covenants associated with the 1994 and 2009 Indentures, as well as federal grant agreements associated with the activity of the Housing & Neighborhood Development department.

The net position of the Authority increased \$8.2 million from June 30, 2020 to June 30, 2021 and increased \$16.2 million from June 30, 2019 to June 30, 2020. Decreasing interest rates on mortgages lead to an influx of refinancing activity, which resulted in a decreasing loan portfolio and impacted the generation of mortgage interest income. Similarly, interest rates on investments were at lower than desirable levels and equated to reduced investment earnings for the year compared to the prior year. In addition, the change in fair value of investments decreased by \$9.8 million dollars from the prior year, leading to an overall large decrease to operating revenues.



**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

(Unaudited)

June 30, 2021 and 2020

***Financial Position Analysis (Continued)***

Cash and cash equivalents decreased \$25.9 million and investments increased \$24.8 million for a combined decrease in funds of \$1.1 million during the year ended June 30, 2021. Cash and cash equivalents increased \$87.1 million and investments decreased \$22.7 million for a combined increase in funds of \$64.4 million during the year ended June 30, 2020. The changes were due to the following:

	2021	2020
Net (increase) decrease in other accounts receivable and other assets	\$ (2,037,648)	\$ 280,465
Net (increase) decrease in mortgage loans receivable	35,776,299	(43,094,874)
Net increase (decrease) in other current liabilities	(14,008,037)	16,948,472
Net increase (decrease) in other liabilities	(5,092,176)	3,152,534
Net increase (decrease) in bonds payable	(29,560,125)	75,140,155
Funds provided by operations	13,775,632	11,984,554
	<u>13,775,632</u>	<u>11,984,554</u>
Net increase (decrease) in cash and cash equivalents, and investments	<u>\$ (1,146,055)</u>	<u>\$ 64,411,306</u>

Mortgage loans receivable decreased \$35.8 million during the year ended June 30, 2021 and increased \$43.1 million during the year ended June 30, 2020 due to the following:

	2021	2020
Prepayments	\$(237,737,058)	\$(165,974,473)
Curtailments and scheduled payments	(25,173,438)	(36,777,655)
(Increase) decrease in loan loss reserves	28,170	(1,222,794)
Mortgage loan purchases	224,845,611	247,434,561
Loss posted on foreclosed loans	(317,130)	(26,714)
Reclassified to deferred status	(824,871)	-
Reclassified (to)/from real estate held for sale	3,402,417	(338,051)
	<u>3,402,417</u>	<u>(338,051)</u>
Net increase (decrease) in mortgage loans receivable	<u>\$ (35,776,299)</u>	<u>\$ 43,094,874</u>

Total assets decreased \$35.3 million during the year ended June 30, 2021, and increased \$108.0 million during the year ended June 30, 2020 due to the following:

	2021	2020
Increase (decrease) in cash, cash equivalents and investments (discussed previously)	\$ (1,146,055)	\$ 64,411,306
Increase (decrease) in mortgage and investment interest receivable	742,661	(455,871)
Increase (decrease) in accounts receivable and other assets	2,037,648	(280,465)
Increase (decrease) in mortgage loans receivable (discussed previously)	(35,776,299)	43,094,874
(Decrease) in real estate held for sale	(3,665,896)	(83,103)
Increase in deferred servicing costs	2,511,698	1,439,972
(Decrease) in property and equipment	(10,541)	(124,451)
	<u>(10,541)</u>	<u>(124,451)</u>
Increase (decrease) in total assets	<u>\$ (35,306,784)</u>	<u>\$ 108,002,262</u>

Deferred outflows of resources decreased \$4.5 million for the year ended June 30, 2021 and increased \$4.1 million during the year ended June 30, 2020 due to the following:

	2021	2020
Increase (decrease) in pension contributions and change in earnings	\$ 396,904	\$ (819,768)
Increase (decrease) in deferred outflows from other postemployment benefits	603,764	(149,113)
Increase (decrease) in accumulated change in fair value of hedged derivative	(5,536,867)	5,050,147
	<u>(5,536,867)</u>	<u>5,050,147</u>
Increase (decrease) in total deferred outflows of resources	<u>\$ (4,536,199)</u>	<u>\$ 4,081,266</u>

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2021 and 2020

***Financial Position Analysis (Continued)***

Other current liabilities decreased \$14.0 million for the year ended June 30, 2021, and increased \$16.9 million for the year ended June 30, 2020 due to the following:

	2021	2020
Increase (decrease) in accrued interest payable	\$ (321,082)	\$ 290,737
Increase (decrease) in accounts payable and other liabilities	1,175,711	1,795,069
Increase (decrease) in unearned revenues	<u>(14,862,666)</u>	<u>14,862,666</u>
Increase (decrease) in other current liabilities	<u>\$ (14,008,037)</u>	<u>\$ 16,948,472</u>

Bonds payable decreased \$29.6 million during the year ended June 30, 2021 and increased \$75.1 million during the year ended June 30, 2020 due to the following:

	2021	2020
Redemptions, refundings and maturities	\$ (246,185,000)	\$ (111,690,000)
Amortization of bond premiums	(2,366,942)	(1,128,584)
Bond issuances	212,610,000	184,100,000
Premiums on bond issuances	<u>6,381,817</u>	<u>3,858,739</u>
Increase (decrease) in bonds payable	<u>\$ (29,560,125)</u>	<u>\$ 75,140,155</u>

See Note 9 for additional information on bonds payable.

Total liabilities decreased \$48.7 million during the year ended June 30, 2021 and increased \$95.2 million during the year ended June 30, 2020 due to the following:

	2021	2020
Increase (decrease) in bonds payable (discussed previously)	\$ (29,560,125)	\$ 75,140,155
Increase (decrease) in other current liabilities (discussed previously)	(14,008,037)	16,948,472
Increase (decrease) in other noncurrent liabilities	<u>(5,092,176)</u>	<u>3,152,534</u>
Increase (decrease) in total liabilities	<u>\$ (48,660,338)</u>	<u>\$ 95,241,161</u>

Deferred inflows of resources increased \$0.6 million during the year ended June 30, 2021 and \$0.7 million during the year ended June 30, 2020 due to the following:

	2021	2020
Increase in differences between expected and actual pension experience	\$ 449,896	\$ 388,728
Increase (decrease) in deferred inflows from other postemployment benefits	428,605	(59,897)
Increase (decrease) in accumulated change in fair value of hedged derivatives	<u>(263,227)</u>	<u>356,681</u>
Increase in deferred inflows of resources	<u>\$ 615,274</u>	<u>\$ 685,512</u>

See Note 16 for additional information on the change in pension experience and Note 17 for additional information on the change in other postemployment benefits.

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

(Unaudited)

June 30, 2021 and 2020

***Results of Operations Analysis***

The following table is a condensed summary of changes in net position for the years ended June 30, 2021, 2020 and 2019:

	2021	Change		2020	Change		2019
Operating revenue							
Mortgage interest	\$ 30,685,702	\$ (1,870,896)	-5.75%	\$ 32,556,598	\$ 1,346,083	4.31%	\$ 31,210,515
Investment income	3,273,742	(3,270,394)	-49.97%	6,544,136	(2,028,376)	-23.66%	8,572,512
Change in fair value	(4,094,945)	(9,833,763)	-171.36%	5,738,818	(2,005,542)	-25.90%	7,744,360
Other income	6,830,433	1,539,989	29.11%	5,290,444	985,134	22.88%	4,305,310
Total operating revenues	<u>36,694,932</u>	<u>(13,435,064)</u>	<u>-26.80%</u>	<u>50,129,996</u>	<u>(1,702,701)</u>	<u>-3.28%</u>	<u>51,832,697</u>
Operating expenses							
Interest expense	21,881,575	(1,593,362)	-6.79%	23,474,937	773,490	3.41%	22,701,447
Other operating expenses	13,598,917	192,858	1.44%	13,406,059	(7,228,816)	-35.03%	20,634,875
Total operating expenses	<u>35,480,492</u>	<u>(1,400,504)</u>	<u>-3.80%</u>	<u>36,880,996</u>	<u>(6,455,326)</u>	<u>-14.90%</u>	<u>43,336,322</u>
Operating income	1,214,440	(12,034,560)	-90.83%	13,249,000	4,752,625	55.94%	8,496,375
Nonoperating income	6,987,641	4,079,786	140.30%	2,907,855	(4,938,881)	-62.94%	7,846,736
Net income	8,202,081	(7,954,774)	-49.23%	16,156,855	(186,256)	-1.14%	16,343,111
Beginning net position	420,157,673	16,156,855	4.00%	404,000,818	16,343,111	4.22%	387,657,707
Ending net position	<u>\$ 428,359,754</u>	<u>\$ 8,202,081</u>	<u>1.95%</u>	<u>\$ 420,157,673</u>	<u>\$ 16,156,855</u>	<u>4.00%</u>	<u>\$ 404,000,818</u>

The operating income for the year decreased by \$12.0 million when compared to fiscal year 2020. This decrease is attributed primarily to the \$9.8 million decrease in the fair value of investments due to fluctuations in the market value of investments during the year.

Non-operating income represents the activities associated with the Housing & Neighborhood Development Department. During the year ended June 30, 2021, the Housing & Neighborhood Development Department received increases in funding associated with the HOME Partnership Programs of \$1.7 million and the National Housing Trust Fund of \$2.9 million, which helped contribute to the overall increase in non-operating income of \$4.1 million. The majority of the spending activity within this department results in increases to the balance sheet through the addition of mortgages and notes receivable, rather than as expensed items on the income statement. As a result, an increase in federal revenues can directly lead to the overall increase in non-operating income.

***Capital Asset and Debt Administration***

The Authority's capital assets include land, buildings, furniture and equipment. Capital assets are presented in the financial statements as follows:

	2021	Change	2020	Change	2019
Property and equipment, net	<u>\$ 2,093,460</u>	<u>\$ (10,541)</u>	<u>\$ 2,104,001</u>	<u>\$ (124,451)</u>	<u>\$ 2,228,452</u>

Typically, the change in capital assets in any given year is immaterial to the overall operation of the Authority.

In the 1994 Indenture, the Authority issued \$212.6 million in bonds during the year ended June 30, 2021, and \$184.1 million in bonds during the year ended June 30, 2020. Maturities, redemptions and refundings reduced bonds outstanding by \$246.2 million during the year ended June 30, 2021 and \$111.7 million during the year ended June 30, 2020. See Note 9 for additional information.

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2021 and 2020

---

### ***Economic Factors***

The primary business activities of the Authority are funding the purchase and servicing of single-family mortgages, and the administration of the federal affordable housing programs. The Authority's mortgage financing activities are sensitive to the current interest rates, the spread between the rate at which the Authority is able to purchase loans, the rate available in the conventional mortgage markets, and also the availability of affordable housing in Wyoming. The availability of Federal National Mortgage Association (FNMA) and Government National Mortgage Association (GNMA) to purchase loans or guarantee loan securities; the availability of the Federal Housing Administration (FHA), the Veterans Administration (VA), and the Department of Agriculture's Office of Rural Development (RD) to guarantee loans; the continuation of servicing relationships with banks in Wyoming; and the availability of long-term, tax-exempt financing on favorable terms are key elements of providing the resources necessary for the Authority to continue its mortgage financing and servicing activities. In addition, the funding of the Authority's federal affordable housing program activities is dependent on budget appropriations from the U.S. Department of Housing and Urban Development (HUD), as contained in the federal budget.

COVID-19 (The Pandemic) continues to be an ongoing situation. At this time the Authority cannot determine the duration of the Pandemic or the overall impact that the Pandemic, including the federal and State responses thereto, will have on its programs and operations, including its ability to finance the purchase of loans, to collect payments on such loans, or to advance moneys as a seller/servicer of any mortgage-backed securities. However, the continuation of the Pandemic and the resulting containment and mitigation efforts, including in particular the forbearance and foreclosure provisions, could have a material adverse effect on the Authority, its programs and its operations. Both the federal and state governments are working to provide federal funds that have been targeted at rental assistance and mortgage assistance. Most of these programs are still in the midst of being implemented, so at this time there is no certainty as to the impacts that they will have.

### ***Requests for Information***

This financial report is designed to provide a general overview of the activities of the Authority. 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](http://www.wyomingcda.com).

*This page is intentionally left blank*

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

BALANCE SHEETS  
June 30, 2021 and 2020

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>2021</u>	<u>2020</u>
Current Assets		
Cash and cash equivalents	\$ 69,972,957	\$ 67,020,490
Investments	76,072,823	55,381,969
Interest receivable		
Mortgage loans	164,073	178,704
Investments	328,134	254,591
Accounts receivable and other assets	546,821	2,950,327
Total currents assets	<u>147,084,808</u>	<u>125,786,081</u>
Noncurrent Assets		
Restricted cash and cash equivalents	146,176,006	175,016,412
Restricted investments	72,441,153	68,390,123
Restricted mortgage loans receivable, net	857,469,612	891,179,770
Restricted real estate held for sale	1,212,482	3,745,378
Restricted interest receivable		
Mortgage loans	3,871,663	3,184,757
Investments	453,593	456,750
Restricted accounts receivable and other assets	16,832,003	12,390,849
Mortgage loans receivable, net	15,422,210	17,488,351
Real estate held for sale	19,500	1,152,500
Deferred servicing costs, net	11,512,946	9,001,248
Property and equipment, net	2,093,460	2,104,001
Total noncurrent assets	<u>1,127,504,628</u>	<u>1,184,110,139</u>
Total assets	<u>1,274,589,436</u>	<u>1,309,896,220</u>
Deferred Outflows of Resources		
Pension contributions and change in earnings	794,638	397,734
Deferred outflows from other postemployment benefits	1,014,853	411,089
Accumulated decrease in fair value of hedging derivatives	3,837,294	9,374,161
Total deferred outflows of resources	<u>5,646,785</u>	<u>10,182,984</u>
Total assets and deferred outflows of resources	<u>\$ 1,280,236,221</u>	<u>\$ 1,320,079,204</u>

See notes to the basic financial statements

LIABILITIES, DEFERRED INFLOWS OF  
RESOURCES AND NET POSITION

	<u>2021</u>	<u>2020</u>
<b>Current Liabilities</b>		
Bonds payable	\$ 34,285,000	\$ 30,565,000
Accrued interest payable	1,982,818	2,303,900
Accounts payable and other liabilities	4,334,664	3,158,953
Unearned revenues	-	14,862,666
Total currents liabilities	<u>40,602,482</u>	<u>50,890,519</u>
<b>Noncurrent Liabilities</b>		
Bonds payable	798,202,069	831,482,194
Other deferred credits	664,739	798,099
Pension liabilities	3,539,832	3,776,095
Other postemployment benefit liabilities	2,856,836	2,042,522
Hedging liabilities	3,837,294	9,374,161
Total noncurrent liabilities	<u>809,100,770</u>	<u>847,473,071</u>
Total liabilities	<u>849,703,252</u>	<u>898,363,590</u>
<b>Deferred Inflows of Resources</b>		
Differences between expected and actual pension experience	1,280,766	830,870
Deferred inflows from other postemployment benefits	685,914	257,309
Accumulated increase in fair value of forward commitment derivatives	206,535	469,762
Total deferred inflows of resources	<u>2,173,215</u>	<u>1,557,941</u>
<b>Net Position</b>		
Net investment in capital assets	2,093,460	2,104,001
Restricted	260,204,821	272,468,597
Unrestricted	166,061,473	145,585,075
Total net position	<u>428,359,754</u>	<u>420,157,673</u>
 Total liabilities, deferred inflows of resources and net position	 <u>\$ 1,280,236,221</u>	 <u>\$ 1,320,079,204</u>

*This page is intentionally left blank*



**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Operating Revenues		
Mortgage interest	\$ 30,685,702	\$ 32,556,598
Investment interest income	3,273,742	6,544,136
Net increase (decrease) in the fair value of investments	(4,094,945)	5,738,818
Fees and other income	6,830,433	5,290,444
Total operating revenues	<u>36,694,932</u>	<u>50,129,996</u>
Operating Expenses		
Interest expense	21,881,575	23,474,937
Servicer fees	39,311	38,819
Amortization of deferred servicing costs	3,042,862	2,324,308
Cost of issuance and other financing costs	2,437,529	2,472,630
Provision for (recapture of) loan losses and real estate owned	(154,946)	1,127,037
General and administrative	8,234,161	7,443,265
Total operating expenses	<u>35,480,492</u>	<u>36,880,996</u>
Operating income	<u>1,214,440</u>	<u>13,249,000</u>
Non-operating Revenues (Expenses)		
Federal program income	10,444,455	5,024,435
Federal program expenses	(3,456,814)	(2,116,580)
Non-operating income	<u>6,987,641</u>	<u>2,907,855</u>
Net income	8,202,081	16,156,855
Net position, beginning of year	<u>420,157,673</u>	<u>404,000,818</u>
Net position, end of year	<u>\$ 428,359,754</u>	<u>\$ 420,157,673</u>

See notes to the basic financial statements

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

STATEMENTS OF CASH FLOWS  
Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash Flows from Operating Activities		
Cash receipts for services	\$ 6,830,433	\$ 5,290,444
Interest income on mortgage loans	30,013,427	32,263,038
Principal received on mortgage loans	265,468,267	199,132,478
Cash payments to purchase mortgage loans	(223,710,558)	(241,753,685)
Cash payments to servicers	(39,311)	(38,819)
Cash payments to suppliers	(10,475,978)	(7,879,561)
Cash payments to employees	<u>(3,316,170)</u>	<u>(3,246,455)</u>
Net cash provided by (used in) operating activities	<u>64,770,110</u>	<u>(16,232,560)</u>
 Cash Flows from Noncapital Financing Activities		
Federal revenues	10,444,455	19,887,101
Federal expenses	(17,848,865)	(1,755,495)
Federal program notes issued	(4,631,610)	(2,187,290)
Federal program note payments received	4,634,038	3,619,651
Proceeds from bonds payable	218,991,817	187,958,739
Principal paid on bonds payable	(246,185,000)	(111,690,000)
Interest paid on bonds payable	(24,569,599)	(24,312,784)
Proceeds from notes payable	-	19,279,500
Payments on note payable	-	<u>(19,279,500)</u>
Net cash provided by (used in) noncapital financing activities	<u>(59,164,764)</u>	<u>71,519,922</u>
 Cash Flows from Capital and Related Financing Activities		
Purchase of fixed assets	(305,252)	(230,498)
Purchase of mortgage servicing rights	<u>(5,554,560)</u>	<u>(3,764,280)</u>
Net cash used in capital and related financing activities	<u>(5,859,812)</u>	<u>(3,994,778)</u>
 Cash Flows from Investing Activities		
Interest received from investments	3,303,812	7,506,166
Purchase of investments	(74,779,138)	(94,448,640)
Proceeds from sales and maturities of investments	<u>45,841,853</u>	<u>122,773,035</u>
Net cash provided by (used in) investing activities	<u>(25,633,473)</u>	<u>35,830,561</u>
 Increase (decrease) in cash and cash equivalents	(25,887,939)	87,123,145
 Cash and cash equivalents, beginning of year	<u>242,036,902</u>	<u>154,913,757</u>
Cash and cash equivalents, end of year	<u>\$ 216,148,963</u>	<u>\$ 242,036,902</u>

See notes to the basic financial statements

	<u>2021</u>	<u>2020</u>
Reconciliation of ending cash and cash equivalents		
Current cash and cash equivalents	\$ 69,972,957	\$ 67,020,490
Noncurrent restricted cash and cash equivalents	146,176,006	175,016,412
Cash and cash equivalents, end of year	<u>\$ 216,148,963</u>	<u>\$ 242,036,902</u>
Reconciliation of operating income to net cash provided by (used in) operating activities		
Operating income	\$ 1,214,440	\$ 13,249,000
Adjustments to reconcile operating income to net cash provided by (used in) operating activities		
Interest on bonds	21,881,575	23,474,937
Net change in fair value of investments	4,094,945	(5,738,818)
Interest from investments	(3,273,742)	(6,544,136)
Mortgage loan principal repayments		
Scheduled	29,704,351	35,103,916
Prepaid	235,763,916	164,028,562
Purchase of mortgage loans	(223,710,558)	(241,753,685)
Amortization of deferred servicing costs	3,042,862	2,324,308
Provision for (recapture of) loan losses and real estate owned	(154,946)	1,127,037
Net change in other assets and liabilities	(3,792,733)	(1,503,681)
Net cash provided by (used in) operating activities	<u>\$ 64,770,110</u>	<u>\$ (16,232,560)</u>
Supplemental Cash Flow Information		
Noncash noncapital financing activity		
Federal program notes rolled into mortgages	\$ 7,501,991	\$ 5,560,180

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

---

### **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, which was refunded and closed in October 2020, 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. The majority of the 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 reported as unrestricted since no bonds are outstanding in those funds.

#### ***Housing Trust Fund***

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

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

---

### **Note 2. Significant Accounting Policies (Continued)**

#### ***Housing & Neighborhood 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, National Housing Trust Fund, Tax Credit Assistance Program, Community Development Block Grant 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.

#### ***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 \$576,704 as of June 30, 2021. The Authority has also committed \$250,000 to guarantee second mortgages with principal balances outstanding of \$22,758,717. 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.

#### ***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.

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

---

### **Note 2. Significant Accounting Policies (Continued)**

#### ***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. Mortgage 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 fair market value of the property as of the date of the sheriff's sale. 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, 2021 and 2020, the Authority had 10 and 46 properties, respectively, in real estate held for sale totaling \$1,231,982 and \$4,897,878, respectively.

#### ***Deferred Servicing Costs***

Deferred servicing costs are the costs of acquiring mortgage loan servicing rights. These costs are amortized over the period of estimated net servicing revenue. The balance is adjusted to reflect actual prepayment speeds when necessary.

#### ***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 – 15 years
Buildings and improvements	15 – 40 years

#### ***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 and their investments are reported at fair value.

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

---

### **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 and their 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 balance 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 no deferrals at June 30, 2021 and 2020, respectively, for arbitrage rebates. There is no arbitrage due at June 30, 2021 and 2020.

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, 2021 and 2020.

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

---

### **Note 2. Significant Accounting Policies (Continued)**

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

Additionally, the Authority has deferred \$664,739 and \$798,099 as of June 30, 2021 and 2020, 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, the fair value of swaps, the fair value of forward commitments, amortization of deferred servicing costs, 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, the fair value of swaps, the fair value of forward commitments, amortization of deferred servicing costs, 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.

#### ***Reclassification***

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



**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2021 and 2020

**Note 3. Cash and Cash Equivalents and Investments**

Deposits are placed with various financial institutions and are carried at cost. At June 30, 2021 and 2020, the carrying amount of the Authority's bank deposits was \$9,571,879 and \$20,660,065, respectively, and the bank balance was \$12,740,571 and \$24,087,135, respectively. The difference between the carrying amount and the bank balance is a result of transactions in transit. All bank deposits at June 30, 2021 and 2020 were covered by insurance or collateral held in joint custody with the financial institution. Approximately \$14.9 million of the bank balance at June 30, 2020 was the result of an advance of CARES Act funding provided by the State of Wyoming. This funding was used for the purpose of the CARES Act and was either provided to eligible recipients or returned to the State of Wyoming by December 30, 2020. In addition, the Authority had \$202,996,081 and \$218,696,812 in cash and cash equivalents held in trust investment accounts as of June 30, 2021 and 2020, respectively. As of June 30, 2021 and 2020, the Authority has transactions in transit for the trust investment accounts of \$3,578,806 and \$2,677,826.

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

	2021	2020
Investments		
U.S. Government and agency securities	\$ 147,461,567	\$ 122,704,969
Housing revenue bonds	1,052,409	1,067,123
Total	<u>\$ 148,513,976</u>	<u>\$ 123,772,092</u>

Investments are reported in the following classifications:

	2021	2020
Current	\$ 76,072,823	\$ 55,381,969
Noncurrent - restricted by bond indentures or contracts	72,441,153	68,390,123
Total	<u>\$ 148,513,976</u>	<u>\$ 123,772,092</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, 2021 and 2020, the Authority had unrealized investment gains of \$1,888,972 and \$5,983,919 respectively, in its investment portfolio. The change in unrealized gains/(losses) of (\$4,094,945) and \$5,738,818 for the years ended June 30, 2021 and 2020, 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, 2021						
Investment Type	Interest Rates	Fair Value	Investment Maturities			
			Prior to June 30, 2022	From July 1, 2022 to June 30, 2027	From July 1, 2027 to June 30, 2032	July 1, 2032 and thereafter
U.S. government and agency securities	0.00% - 8.50%	\$ 147,461,567	\$ 31,480,527	\$ 24,633,542	\$ 2,886,503	\$ 88,460,995
Housing revenue bonds	2.75%	1,052,409	-	-	-	1,052,409
Total		<u>\$ 148,513,976</u>	<u>\$ 31,480,527</u>	<u>\$ 24,633,542</u>	<u>\$ 2,886,503</u>	<u>\$ 89,513,404</u>

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021 and 2020

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

June 30, 2020

Investment Type	Interest Rates	Fair Value	Investment Maturities			
			Prior to June 30, 2021	From July 1, 2021 to June 30, 2026	From July 1, 2026 to June 30, 2031	July 1, 2031 and thereafter
U.S. government and agency securities	0.00% - 8.50%	\$ 122,704,969	\$ 41,615,416	\$ 25,164,010	\$ 3,493,783	\$ 52,431,760
Housing revenue bonds	2.75%	1,067,123	-	-	-	1,067,123
<b>Total</b>		<b>\$ 123,772,092</b>	<b>\$ 41,615,416</b>	<b>\$ 25,164,010</b>	<b>\$ 3,493,783</b>	<b>\$ 53,498,883</b>

***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. The Authority follows the mandates for allowable investments as prescribed by Wyoming Statute 9-4-831 as their credit policy.

***Concentration of Credit Risk***

As noted in the tables above, the Authority has 99.3% and 99.1%, respectively, of its total investments invested in the obligations of the United States and its agencies as of June 30, 2021 and 2020. The Authority believes this concentration does not increase its investment risk.

***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 Indenture requires the Authority to place a portion of bond proceeds in bond, mortgage and special reserve accounts. As of June 30, 2021 and 2020, the Authority has investments with a market value in these reserve accounts which exceeds the reserve requirements contained in the applicable trust indentures. The amounts reserved in these accounts as of June 30, 2021 are as follows:

	1994 Indenture
Bond reserve requirement	\$ 24,551,100
Mortgage reserve requirement	16,080,808
Restricted special reserve requirement	6,928,081
Total required reserves	<u>\$ 47,559,989</u>
Total market value of cash and investments held for reserves	<u>\$ 63,326,770</u>

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

**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, 2021:

*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, U.S. government agency mortgage-backed securities, and housing revenue bonds:* 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, 2021			
	Level 1	Level 2	Level 3	Total
U.S. Treasury securities	\$ 46,390,784	\$ -	\$ -	\$ 46,390,784
U.S. government agency obligations	-	83,638,709	-	83,638,709
U.S. government agency mortgage-backed securities	-	17,432,074	-	17,432,074
Housing revenue bonds	-	1,052,409	-	1,052,409
<b>Total investments at fair value</b>	<b>\$ 46,390,784</b>	<b>\$ 102,123,192</b>	<b>\$ -</b>	<b>\$ 148,513,976</b>

  

	Investments at Fair Value as of June 30, 2020			
	Level 1	Level 2	Level 3	Total
U.S. Treasury securities	\$ 25,156,730	\$ -	\$ -	\$ 25,156,730
U.S. government agency obligations	-	85,449,346	-	85,449,346
U.S. government agency mortgage-backed securities	-	12,098,893	-	12,098,893
Housing revenue bonds	-	1,067,123	-	1,067,123
<b>Total investments at fair value</b>	<b>\$ 25,156,730</b>	<b>\$ 98,615,362</b>	<b>\$ -</b>	<b>\$ 123,772,092</b>

As of June 30, 2021 and 2020, 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, 2021 and 2020

**Note 5. Mortgage Loans Receivable, Net**

	2021	2020
	<u>                    </u>	<u>                    </u>
Housing Revenue Bonds 1994 Indenture fund, bearing interest at 0% to 8.25%, 1 to 30 year term, FHA or private mortgage company insured, or guaranteed by RD, VA or mortgage guaranty fund	\$ 806,369,178	\$ 785,547,225
Less: Reserve for losses on loans	<u>(10,347,123)</u>	<u>(10,646,000)</u>
	<u>796,022,055</u>	<u>774,901,225</u>
Single Family Mortgage Warehousing Bond fund, bearing interest at 2% to 3.375%, 30 year term, FHA insured, or guaranteed by RD or VA	3,903,467	7,046,913
Less: Reserve for losses on loans	<u>-</u>	<u>-</u>
	<u>3,903,467</u>	<u>7,046,913</u>
Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	-	57,308,914
Less: Reserve for losses on loans	<u>-</u>	<u>(543,918)</u>
	<u>-</u>	<u>56,764,996</u>
Housing & Neighborhood Development Fund with various terms, including deferred payments and bearing interest at 0% to 5%, 10 to 50 year term	65,936,097	63,531,474
Less: Reserve for losses on loans	<u>(4,488,540)</u>	<u>(4,017,925)</u>
	<u>61,447,557</u>	<u>59,513,549</u>
Housing Trust Fund, bearing interest at 0% to 7.625%, 6 to 35 year term, FHA or private mortgage company insured, or guaranteed by VA or mortgage guaranty fund	14,333,080	12,911,765
Less: Reserve for losses on loans	<u>(2,814,337)</u>	<u>(2,470,327)</u>
	<u>11,518,743</u>	<u>10,441,438</u>
Total mortgage loans receivable, net	<u>\$ 872,891,822</u>	<u>\$ 908,668,121</u>
	<u>2021</u>	<u>2020</u>
Reported in the following classifications		
Restricted mortgage loans receivable, net	\$ 857,469,612	\$ 891,179,770
Mortgage loans receivable, net	<u>15,422,210</u>	<u>17,488,351</u>
	<u>\$ 872,891,822</u>	<u>\$ 908,668,121</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, 2021 and 2020 were \$17,650,000 and \$17,678,170, respectively.

As of June 30, 2021 and 2020, the Authority had 416 and 297 loans, respectively, delinquent for 90 days or more from the population of 10,003 and 10,415 loans, respectively. The outstanding balance of mortgages delinquent for 90 days or more was \$57,286,967 and \$40,429,320 as of June 30, 2021 and 2020, respectively.

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

**Note 6. Housing & Neighborhood Development Fund**

The Authority's Housing & Neighborhood Development Fund receives funds to provide housing assistance to low-income families in Wyoming through various federal programs. These 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.

The Housing & Neighborhood Development Fund also receives funds for the purpose of making low interest rate 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. Unearned Revenue**

As of June 30, 2020, the Authority had \$14,862,666 in unearned revenues, representing the remaining balance of an original allotment of \$15,000,000 received from the State of Wyoming as part of the CARES Act to help Wyoming residents impacted by the COVID-19 pandemic with their monthly housing payments. The Authority had no unearned revenue as of June 30, 2021.

**Note 8. Noncurrent Liabilities**

The changes in noncurrent liabilities for the year ended June 30, 2021 were as follows:

	Balance at June 30, 2020	Additions	Reductions	Balance at June 30, 2021	Amount Due Within 1 Year
Bonds payable, principal	\$ 851,945,000	\$ 212,610,000	\$ 246,185,000	\$ 818,370,000	\$ 34,285,000
Adjustments for premiums, discounts and appreciation	10,102,194	6,381,817	2,366,942	14,117,069	-
Bonds payable	862,047,194	218,991,817	248,551,942	832,487,069	34,285,000
Other deferred credits	798,099	85,599	218,959	664,739	-
Pension liabilities	3,776,095	-	236,263	3,539,832	-
Other postemployment benefit liabilities	2,042,522	814,314	-	2,856,836	-
Hedging liabilities	9,374,161	-	5,536,867	3,837,294	-
	<u>\$ 878,038,071</u>	<u>\$ 219,891,730</u>	<u>\$ 254,544,031</u>	<u>\$ 843,385,770</u>	<u>\$ 34,285,000</u>

**Note 9. 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, 2021 and 2020

**Note 9. Bonds Payable (Continued)**

	Balance at June 30, 2020	Issued	Retired	Balance at June 30, 2021	Amount Due Within 1 Year
<b>Housing Revenue Bonds 1994 Indenture Fund</b>					
2007 Series 5 & 6, 2021 to 2037, interest at 0.07%, original amount issued \$70,000,000	\$ 8,550,000	\$ -	\$ 3,865,000	\$ 4,685,000	\$ 185,000
2007 Series 7, 8 & 9, 2021 to 2038, interest at 0.07%, original amount issued \$60,000,000	6,620,000	-	1,420,000	5,200,000	195,000
2007 Series 10, 11 & 12, 2021 to 2038, interest at 0.07%, original amount issued \$60,000,000	8,520,000	-	1,650,000	6,870,000	240,000
2012 Series 1 & 2, 2021 to 2037, interest at 3.10% to 4.25%, original amount issued \$49,665,000 at premium of \$177,508	5,575,000	-	1,910,000	3,665,000	2,110,000
2013 Series 1, 2 & 3, 2021 to 2038, interest at 2.90% to 4.05%, original amount issued \$87,315,000	37,505,000	-	24,990,000	12,515,000	1,545,000
2014 Series 1, 2, 3, 4 & 5, 2021 to 2024, interest at 2.90% to 3.35%, original amount issued \$138,225,000	16,935,000	-	8,355,000	8,580,000	4,125,000
2015 Series 1, 2 & 3, 2021 to 2044, interest at 2.375% to 3.50%, original amount issued \$77,130,000	60,550,000	-	14,965,000	45,585,000	1,890,000
2015 Series 4, 6, 7 & 8, 2021 to 2045, interest at 2.45% to 4.00%, original amount issued \$138,375,000	52,165,000	-	22,745,000	29,420,000	3,500,000
2016 Series 1, 2, & 3, 2021 to 2041, interest at 1.70% to 3.50%, original amount issued \$99,485,000 at premium of \$1,472,304	59,540,000	-	6,610,000	52,930,000	2,560,000
2017 Series 1, 2, 3 & 4, 2021 to 2047, interest at 0.662% to 3.75%, original amount issued \$87,270,000	81,125,000	-	14,660,000	66,465,000	2,125,000

(Continued)

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2021 and 2020

**Note 9. Bonds Payable (Continued)**

	Balance at June 30, 2020	Issued	Retired	Balance at June 30, 2021	Amount Due Within 1 Year
2017 Series 5, 2021 to 2046, interest at 1.65% to 4.00%, original amount issued \$60,385,000 at premium of \$1,697,088	\$ 53,375,000	\$ -	\$ 6,320,000	\$ 47,055,000	\$ 1,425,000
2017 Series 6, 2046 to 2047, interest at 0.03%, original amount issued \$6,000,000	6,000,000	-	-	6,000,000	-
2018 Series 1 & 2, 2021 to 2043, interest at 2.25% to 4.00%, original amount issued \$77,325,000 at premium of \$671,895	60,905,000	-	31,060,000	29,845,000	1,625,000
2018 Series 3 & 4, 2021 to 2043, interest at 2.05% to 4.00%, original amount issued \$74,640,000 at premium of \$1,362,101	70,285,000	-	28,965,000	41,320,000	1,515,000
2019 Series 1 & 2, 2021 to 2049, interest at 0.03% to 4.00%, original amount issued \$88,160,000 at premium of \$1,836,435	84,980,000	-	14,490,000	70,490,000	1,665,000
2019 Series 3 & 4, 2021 to 2049, interest at 0.03% to 3.75%, original amount issued \$88,715,000 at premium of \$1,281,476	87,605,000	-	3,395,000	84,210,000	1,805,000
2020 Series 1, 2021 to 2050, interest at 1.20% to 4.00%, original amount issued \$95,385,000 at premium of \$2,577,263	95,385,000	-	2,870,000	92,515,000	2,095,000
2020 Series 2 & 3, 2021 to 2049, interest at 0.55% to 5.00%, original amount issued \$125,380,000 at premium of \$4,115,849	-	125,380,000	1,590,000	123,790,000	3,780,000 (Continued)

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2021 and 2020

**Note 9. Bonds Payable (Continued)**

	Balance at June 30, 2020	Issued	Retired	Balance at June 30, 2021	Amount Due Within 1 Year
2021 Series 1 & 2, 2021 to 2050, interest at 0.03% to 3.00%, original amount issued \$87,230,000 at premium of \$2,265,968	\$ -	\$ 87,230,000	\$ -	\$ 87,230,000	\$ 1,900,000
Principal amounts of bonds outstanding 1994 Indenture Fund	795,620,000	212,610,000	189,860,000	818,370,000	34,285,000
Adjustment for premiums and discounts	10,117,649	6,381,817	2,382,397	14,117,069	-
Carrying value of bonds outstanding 1994 Indenture Fund	<u>\$ 805,737,649</u>	<u>\$ 218,991,817</u>	<u>\$ 192,242,397</u>	<u>\$ 832,487,069</u>	<u>\$ 34,285,000</u>

**Homeownership Mortgage Revenue Bonds 2009 Indenture Fund**

Homeownership Mortgage Revenue Bonds Series 2011 A and 2009 A-2 and A-3, redeemed, original amount issued \$87,000,000 at discount of \$62,141	\$ 15,150,000	\$ -	\$ 15,150,000	\$ -	\$ -
Homeownership Mortgage Revenue Bonds Series 2011 B and 2009 A-4 and A-5, redeemed, original amount issued \$80,000,000 at discount of \$54,964	21,805,000	-	21,805,000	-	-
Homeownership Mortgage Revenue Bonds Series 2009 A-6, redeemed, original amount issued \$50,900,000	<u>19,370,000</u>	<u>-</u>	<u>19,370,000</u>	<u>-</u>	<u>-</u>
Principal amounts of bonds outstanding 2009 Indenture Fund	56,325,000	-	56,325,000	-	-
Adjustment for premiums and discounts	(15,455)	-	(15,455)	-	-
Carrying value of bonds outstanding 2009 Indenture Fund	<u>56,309,545</u>	<u>-</u>	<u>56,309,545</u>	<u>-</u>	<u>-</u>
Total bonds payable	<u>\$ 862,047,194</u>	<u>\$ 218,991,817</u>	<u>\$ 248,551,942</u>	<u>\$ 832,487,069</u>	<u>\$ 34,285,000</u>



**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

**Note 9. Bonds Payable (Continued)**

Schedule bond principal and sinking fund requirements in each indenture for the five fiscal years subsequent to June 30, 2021, which includes in each of the respective years the bonds to be remarketed are as follows:

	Housing Revenue Bonds 1994 Indenture Fund
2022	\$ 34,285,000
2023	31,810,000
2024	32,490,000
2025	28,305,000
2026	27,835,000

Annual debt service requirements for the five fiscal years subsequent to June 30, 2021, 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
2022	\$ 34,285,000	\$ 20,639,313	\$ 54,924,313
2023	31,810,000	19,698,515	51,508,515
2024	32,490,000	18,943,891	51,433,891
2025	28,305,000	18,138,355	46,443,355
2026	27,835,000	17,562,782	45,397,782
5 years ending 2031	163,730,000	76,759,937	240,489,937
5 years ending 2036	137,630,000	55,498,363	193,128,363
5 years ending 2041	152,455,000	37,487,685	189,942,685
5 years ending 2046	135,850,000	18,572,984	154,422,984
5 years ending 2051	73,980,000	4,222,056	78,202,056
	<u>\$ 818,370,000</u>	<u>\$ 287,523,881</u>	<u>\$ 1,105,893,881</u>

The balances above do not include net premiums or discounts in the amount of \$14,117,069 that are reported as components of bonds payable.

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

**Note 9. Bonds Payable (Continued)**

***Hedging Derivative Instrument Payments and Hedged Debt***

Using rates as of June 30, 2021 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, 2007 Series 11, 2017 Series 4, 2017 Series 6, 2019 Series 2, 2019 Series 4 and 2021 Series 2 and net swap payments are as follows.

	Variable Rate Bonds		Interest Rate	Total
	Principal	Interest	Swaps (net)	
2022	\$ 249,153	\$ 173,707	\$ 1,884,288	\$ 2,307,148
2023	258,475	171,500	1,884,263	2,314,238
2024	268,874	171,760	1,894,605	2,335,239
2025	290,880	171,085	1,879,042	2,341,007
2026	313,962	170,915	1,879,027	2,363,904
5 years ending 2031	1,827,079	851,442	9,418,028	12,096,549
5 years ending 2036	2,441,111	844,568	9,196,738	12,482,417
5 years ending 2041	28,036,969	786,019	6,629,489	35,452,477
5 years ending 2046	43,750,000	401,950	3,412,375	47,564,325
5 years ending 2051	15,785,000	32,029	902,912	16,719,941
	<u>\$ 93,221,503</u>	<u>\$ 3,774,975</u>	<u>\$ 38,980,767</u>	<u>\$ 135,977,245</u>

As rates vary, variable-rate bond interest payments and net receipts or payments on the hedging derivative instruments vary.

**Note 10. 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 83% of the fair market value of the collateral. As of June 30, 2021 and 2020, the Authority had investments held as collateral with a fair value of \$24,618,400 and \$18,486,443, respectively, on deposit with this financial institution and no advances were outstanding. This agreement expires on December 31, 2021. The Authority intends to renew this line of credit when it matures.

**Note 11. Conduit Debt Obligations**

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. Each bond series is secured by the revenues from the specific 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, 2021, there were three such series of Multi-Family Housing Revenue bonds outstanding, with an aggregate outstanding principal amount payable of \$12,566,102.

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2021 and 2020

**Note 12. 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, 2021							
Bond Series	Swap Contractual		Fixed Rate		Termination Date	Fair Value	Counterparty Credit Rating
	Dates	Notional Amount	Paid	Variable Rate Received			
2019 Series 4	9/1/2015	\$ 10,000,000	1.3060%	70% of LIBOR	6/1/2048	\$ 469,764	AA-/Aa2
2007 Series 6	9/1/2015	4,000,000	1.3060%	70% of LIBOR	6/1/2048	187,906	AA-/Aa2
2019 Series 2	9/1/2015	18,000,000	1.3060%	70% of LIBOR	6/1/2048	845,576	AA-/Aa2
2007 Series 11	1/15/2016	6,000,000	2.0130%	70% of LIBOR	12/1/2045	(268,366)	AA-/Aa2
2017 Series 6	1/15/2016	3,000,000	2.0130%	70% of LIBOR	12/1/2045	(134,183)	AA-/Aa2
2021 Series 2	1/15/2016	3,000,000	2.0130%	70% of LIBOR	12/1/2045	(134,183)	AA-/Aa2
2017 Series 4	7/1/2017	22,000,000	2.2650%	70% of LIBOR	12/1/2047	(1,571,638)	A/A1
2021 Series 2	6/5/2018	16,500,000	2.5230%	70% of LIBOR	6/1/2038	(1,808,807)	A+/Aa2
2021 Series 2	9/13/2018	14,000,000	2.5850%	70% of LIBOR	12/1/2038	(1,575,234)	A+/Aa2
		<u>\$ 96,500,000</u>				<u>\$ (3,989,165)</u>	

June 30, 2020							
Bond Series	Swap Contractual		Fixed Rate		Termination Date	Fair Value	Counterparty Credit Rating
	Dates	Notional Amount	Paid	Variable Rate Received			
2019 Series 4	9/1/2015	\$ 10,000,000	2.4125%	70% of LIBOR	6/1/2036	\$ (114,909)	AA-/Aa2
2007 Series 6	9/1/2015	12,000,000	2.4125%	70% of LIBOR	6/1/2036	(137,891)	AA-/Aa2
2019 Series 2	9/1/2015	10,000,000	2.4125%	70% of LIBOR	6/1/2036	(114,909)	AA-/Aa2
2007 Series 11	1/15/2016	6,000,000	2.0130%	70% of LIBOR	12/1/2045	(539,350)	AA-/Aa2
2017 Series 6	1/15/2016	3,000,000	2.0130%	70% of LIBOR	12/1/2045	(269,675)	AA-/Aa2
2018 Series 2	1/15/2016	3,000,000	2.0130%	70% of LIBOR	12/1/2045	(269,675)	AA-/Aa2
2017 Series 4	7/1/2017	22,000,000	2.2650%	70% of LIBOR	12/1/2047	(2,842,671)	A/A1
2018 Series 2	6/5/2018	16,500,000	2.5230%	70% of LIBOR	6/1/2038	(2,819,933)	A+/Aa2
2018 Series 4	9/13/2018	14,000,000	2.5850%	70% of LIBOR	12/1/2038	(2,440,144)	A+/Aa2
		<u>\$ 96,500,000</u>				<u>\$ (9,549,157)</u>	

As of June 30, 2021 and 2020, the Authority's swap agreements had a net fair value of (\$3,989,165) and (\$9,549,157), 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, 2021 and 2020 is inclusive of accrued interest of \$151,871 and \$174,996, respectively. Accrued interest is separately reported on the Authority's balance sheet. The resultant change in gross fair value was \$5,536,866. 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.

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

---

### Note 12. Interest Rate Swaps (Continued)

#### *Swap Risks*

**Credit Risk** – As of June 30, 2021, 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, 2021, the swap counterparties were rated AA-, A and A+ by S&P Global Ratings and Aa2, A1 and Aa2 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 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, 2021 and 2020, the SIFMA Index rate was 0.03 and 0.13, while 70 percent of LIBOR (the swap rate) was 0.06 and 0.13 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, 2021 and 2020

**Note 12. 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, 2021		
Associated Bond Issuance	Bond Maturity Date	Swap Termination Date
2019 Series 4	December 1, 2049	June 1, 2048
2007 Series 6	December 1, 2037	June 1, 2048
2019 Series 2	June 1, 2049	June 1, 2048
2007 Series 11	December 1, 2038	December 1, 2045
2017 Series 6	December 1, 2047	December 1, 2045
2021 Series 2	June 1, 2050	December 1, 2045
2017 Series 4	December 1, 2047	December 1, 2047
2021 Series 2	June 1, 2050	June 1, 2038
2021 Series 2	June 1, 2050	December 1, 2038

**Note 13. Net Position**

Below is a summary of net position as of June 30, 2021 and 2020:

	2021	2020
Net investment in capital assets	\$ 2,093,460	\$ 2,104,001
Restricted		
Restricted by bond indentures	166,027,967	186,381,094
Restricted by grants	94,176,854	86,087,503
	<u>260,204,821</u>	<u>272,468,597</u>
Unrestricted		
Designated for the Housing Revenue Bond 1994 Indenture Fund	46,615,709	42,323,274
Designated for the Single Family Mortgage Warehousing Fund	9,693,107	6,994,748
Designated for the Multi-Family Fund	2,405,695	2,429,838
Designated for the Housing Trust Fund	76,988,935	63,831,263
Designated for the Mortgage Guaranty Fund	24,601,103	25,086,042
Designated for noncurrent assets and operations	5,756,924	4,919,910
	<u>166,061,473</u>	<u>145,585,075</u>
Total net position	<u>\$ 428,359,754</u>	<u>\$ 420,157,673</u>

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

**Note 13. 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 14. 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	2021		
	Servicing Rights Capitalized in 2021	Loans Serviced	Principal Balance
WCDA Single Family Loans - first mortgages	\$ 1,741,874	6,222	\$ 875,224,313
WCDA Single Family Loans - second mortgages	-	3,595	22,758,717
GNMA Advantage	643,579	41	3,512,194
GNMA Pooled	-	809	162,294,980
FNMA Single Family Loans	3,169,107	4,065	679,662,703
Total	<u>\$ 5,554,560</u>	<u>14,732</u>	<u>\$ 1,743,452,907</u>

  

Type of Loans by Investor	2020		
	Servicing Rights Capitalized in 2020	Loans Serviced	Principal Balance
WCDA Single Family Loans - first mortgages	\$ 1,813,115	6,801	\$ 913,802,760
WCDA Single Family Loans - second mortgages	-	3,480	20,838,032
GNMA Advantage	655,995	32	7,046,912
GNMA Pooled	-	689	134,932,842
FNMA Single Family Loans	1,295,170	3,823	567,222,562
Total	<u>\$ 3,764,280</u>	<u>14,825</u>	<u>\$ 1,643,843,108</u>

Escrow and related servicing balances for these loans were \$9,464,428 and \$11,131,163 at June 30, 2021 and 2020, respectively. These balances are not included in the accompanying combined financial statements.

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

---

### **Note 15. 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.

As a part of the employee benefit package, the Authority matches up to \$50 per month for employees with less than three years of service and up to \$100 per month for employees with over three years of service for all eligible employees who elect to contribute to the deferred compensation plan. Employees hired by the Authority prior to June 30, 2015 participating in the deferred compensation plan were grandfathered into the prior contribution plan which allowed for a 20% match for employees with less than two years of service, with annual increases for each year of service of 20% up to a 100% match for employees with over five years of service.

### **Note 16. Pension Plan**

#### ***Public Employees' Pension Plan***

The Authority participates in the Public Employees' Pension Plan ("PEPP"), a statewide cost-sharing multiple-employer defined benefit, contributory retirement plan administered by the State of Wyoming Retirement System Board. The Plan also covers employees of those political subdivisions and other statutorily allowed entities, which have elected to participate in the Plan. All full-time employees of the Authority are eligible to participate.

PEPP members are statutorily required to contribute 9.00% of their annual covered salary and the Authority is statutorily required to contribute 9.12% of the annual covered payroll for a total of 18.12%. 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 6.75% of the statutorily required employees' contribution and the employees pay 2.25%. Although paid by the Authority, for purposes of recording the net pension liability these additional contributions are considered to be employee contributions. Contribution rates are established by Title 9, Chapter 3 of the Wyoming Statutes. The Authority's contributions to the PEPP for the years ended June 30, 2021, 2020, and 2019 were \$473,108, \$469,357 and \$460,899, respectively, equal to the required contributions for each year. The employees' contributions were \$66,809, \$51,357, and \$34,048, respectively. For the years ended June 30, 2021, 2020, and 2019, the Authority's statutorily required contributions to the PEPP pension plan were \$271,746, \$262,127, and 249,206, respectively. Effective July 1, 2021, the statutory employee and employer contribution rates will increase by 0.25% from 9.00% to 9.25% and 9.12% to 9.37%, respectively. As the Authority has elected to cap its coverage of the total of the employees' contribution and the employer's contribution to 15.87%, the combined total 0.50% increase to the statutory employer and employee contributions will be paid by the employees, resulting in an employee contribution rate of 2.75%.

The amount of contributions designated as employee contributions represents the portion of total contributions that a participant retains ownership of and can elect to receive as a refund upon termination of employment. Employers can elect to cover all or a portion of the employee's contribution at their discretion. Through legislation passed during the

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

---

### **Note 16. Pension Plan (Continued)**

#### ***Public Employees' Pension Plan (Continued)***

2014 legislative session, two tiers of benefits were established for participants of this plan. For Tier 1 (first contribution before 9/1/2012), the Plan allows for normal retirement after four years of service and attainment of age 60. Early retirement is allowed provided the employee has completed four years of service and attained age 50 or 25 years of service but will result in a reduction of benefits based on the length of time remaining to age 60. For Tier 2 (first contribution on or after 9/1/2012), the Plan allows for normal retirement after four years of service and attainment of age 65. Early retirement is allowed provided the employee has completed four years of service and attained age 55, or 25 or more years of service but will result in a reduction of benefits based on the length of time remaining to age 65. All employees may also retire upon normal retirement on the basis that the sum of the member's age and service is at least 85.

Benefits are established by Title 9, Chapter 3 of the Wyoming Statutes. The PEPP provides retirement, disability and death benefits according to predetermined formulas and allows retirees to select one of seven optional methods for receiving benefits, including two joint and survivor forms of benefits: a 100% joint and survivor annuity, and a 50% joint and survivor annuity. The benefit amounts under these options are determined on an actuarially equivalent basis. The State Legislature must grant any cost of living adjustment provided to retirees. In addition, a cost of living adjustment will not be approved by the legislature unless the plan is 100% funded after the COLA is awarded.

Employees terminating prior to normal retirement can elect to withdraw all employee contributions and accumulated interest through date of termination or, if they are vested, they may elect to remain in the Plan and be eligible for unreduced retirement benefits at age 60 (Tier 1 employee) or 65 (Tier 2 employee).

#### ***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>.

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

At June 30, 2021 and 2020, the Authority reported a total liability of \$3,539,832 and \$3,776,095, respectively, for its proportionate share of the net pension liability. The net pension liability was determined by an actuarial valuation as of December 31, 2020, applied to all prior periods included in the measurement. Actuarial valuation involves estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. An experience study was conducted covering the five-year period ending December 31, 2016. The net pension liability as of December 31, 2020 is based on the results of an actuarial valuation as of January 1, 2020, rolled forward to a measurement date of December 31, 2020.

The schedule on the following page shows the Authority's proportionate share of the net pension liability at June 30, 2021, the proportionate portion at the measurement date of December 31, 2020, and the change in the proportion from the previous measurement date.



**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

**Note 16. Pension Plan (Continued)**

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

Pension liability at June 30, 2021	\$3,539,832
Proportion at December 31, 2020	0.162873743%
Increase (decrease) from December 31, 2019	0.002183743%

For the years ended June 30, 2021 and 2020, the Authority recognized total pension expense of \$88,476 and \$567,183, respectively. The Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>2021</u>		<u>2020</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ 486,677	\$ 1,250,629	\$ -	\$ 551,774
Difference between actual and expected experience rate	67,268	30,137	-	73,172
Change in assumptions	20,655	-	126,748	-
Change in employer's proportion	102,684	-	-	205,924
Amortizing deferred outflows and deferred inflows	<u>677,284</u>	<u>1,280,766</u>	<u>126,748</u>	<u>830,870</u>
Authority contributions subsequent to the measurement date	117,354	-	270,986	-
Total	<u>\$ 794,638</u>	<u>\$ 1,280,766</u>	<u>\$ 397,734</u>	<u>\$ 830,870</u>

The Authority reported \$117,354 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, 2021. 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,	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2022	\$ 358,088	\$ 508,691
2023	284,999	343,788
2024	34,197	340,025
2025	-	88,262
	<u>\$ 677,284</u>	<u>\$ 1,280,766</u>

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

**Note 16. Pension Plan (Continued)**

***Actuarial Assumptions***

The total pension liability in the December 31, 2020 and December 31, 2019 measurement dates were determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Actuarial Assumptions and Methods	
Valuation date	January 1, 2020	January 1, 2019
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level percentage of payroll, closed	Level percentage of payroll, closed
Remaining amortization period	27 years	29 years
Asset valuation method	5 year smoothed market	5 year smoothed market
Inflation	2.25%	2.25%
Salary increases (includes inflation)	2.50% to 6.50%	2.50% to 6.50%
Payroll growth rate	2.50%	2.50%
Cost of living increase	0.00%	0.00%
Investment net rate of return	7.00%	7.00%
Retirement Age	Experience-based table of rates specific to type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2012-2016.	Experience-based table of rates specific to type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2012-2016.
Post-Retirement mortality	RP-2014 Healthy Annuitant Mortality Table, fully generational, projected with Scale MP-2017 Males: No set back with multiplier of 100% Females: No set back with multiplier of 88%	RP-2014 Healthy Annuitant Mortality Table, fully generational, projected with Scale MP-2017 Males: No set back with multiplier of 100% Females: No set back with multiplier of 88%
Pre-Retirement mortality	RP-2014 Employee Annuitant Mortality Table, fully generational, projected with Scale MP-2017 Males: No set back with multiplier of 100% Females: No set back with multiplier of 100%	RP-2014 Employee Annuitant Mortality Table, fully generational, projected with Scale MP-2017 Males: No set back with multiplier of 100% Females: No set back with multiplier of 100%

The plan's trustees adopted the assumed rate of investment return after considering input from the plan's investment consultant(s) and actuary(s). Additional information about the assumed rate of investment return is included in the WRS actuarial valuation report as of January 1, 2020. In addition, an experience study was conducted covering the five-year period ending December 31, 2016 and information from this study was considered in measuring the pension liability at December 31, 2020. This study provides a detailed analysis regarding recommendations on the long-term rates for inflation and the real rate of return. The assumed rate of investment return of 7.00% (real return net of inflation of 4.75%) falls within a reasonable range of the long-term expected rate of return.

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

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

**Note 16. Pension Plan (Continued)**

***Actuarial Assumptions (Continued)***

by adding expected inflation. Each major asset class is included in the pension plan’s target asset allocation for the fiscal years 2020 and 2019. These best estimates are summarized in the following table:

Asset Class	Target Allocation	2020		2019	
		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	2.00%	-1.00%	-1.00%	-0.20%	-0.20%
Fixed Income	21.00%	1.00%	1.34%	1.32%	1.67%
Equity	48.50%	5.23%	7.34%	5.43%	7.42%
Marketable Alternatives	19.00%	3.47%	4.50%	3.46%	4.33%
Private Markets	9.50%	4.53%	5.82%	4.46%	5.58%
Total	100.00%	3.82%	5.23%	3.99%	5.30%

***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%)	\$5,546,514
Current Discount Rate (7%)	3,539,832
1% Increase (8%)	1,865,239

***Payables to the pension plan***

At June 30, 2021, the Authority had no amounts payable to the pension plan.

***Discount Rate***

The discount rate used to measure the total pension liability was 7.00 percent for the years ended December 31, 2020 and 2019. Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects 1) a long-term expected rate of return on pension plan investments (to the extent that the plan’s fiduciary net position is projected to be sufficient to pay benefits using a 100 year analysis) and 2) tax-exempt municipal bond rate based on an index of 20 year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For purposes of this valuation, the expected rate of return on pension plan investments is 7.00%, the municipal bond rate is 2.00% (based on the daily rate closest to but not later than the measurement date of the Fidelity “20-Year Municipal GO AA Index”); and the resulting single discount rates listed above.

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

---

### **Note 17. Postemployment Benefits Other Than Pensions (OPEB)**

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.

#### ***State of Wyoming Employee Group Insurance Retiree Health Plan***

The Authority participates in a multiple-employer defined benefit postemployment healthcare plan, the Wyoming Group Insurance Retiree Health Insurance Plan (Plan), authorized by Wyoming Statute 9-3-202. The Legislature has the authority for establishing and amending the plan. This plan does not issue a separate report; however, additional Plan information can be obtained from the State of Wyoming's Employee Group Insurance (EGI) at (307)777-6835.

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.

The plan provides medical and prescription drug benefits for retirees and their dependents through payment of insurance premiums for life. Surviving spouses are allowed to continue coverage after the retiree's death provided they were covered at the time of death.

#### ***Required Monthly Contributions***

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

##### Non-Medicare

\$11.50 per month per year of credited service

##### Medicare Eligible

\$5.75 per month per year of credited service

For the plan year ending June 30, 2021, there were 13,699 fully eligible active participants and 3,532 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 2021, the Authority's post-retirement plan is considered an unfunded plan.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

**Note 17. Postemployment Benefits Other Than Pensions (OPEB) (Continued)**

***Funding Policy (Continued)***

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 liabilities of \$2,856,836 and \$2,042,522 as of June 30, 2021 and 2020, respectively, were measured as of July 1, 2020 and 2019, respectively, and were determined by actuarial valuations as of those dates, respectively.

***Actuarial Assumptions and Other Inputs***

The total OPEB liability in the July 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary increases	2.50% to 8.5%, vary by service, including inflation
Discount rate	3.51% per annum (July 1, 2019) and 2.21% per annum (July 1, 2020) based on rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.
Healthcare cost trend rates	7.20% for Non-Medicare medical and 7.60% for Medicare medical; both decreasing 0.20% - 0.40% per year until reaching the ultimate trend rate of 4.50% over 9 years
Administrative costs	3.00%
Mortality	RP-2014 Healthy gender-specific employee and annuitant mortality tables, as appropriate, with adjustments for mortality improvement and projected generationally with Scale MP-2017.

The actuarial assumptions used in the June 30, 2020 measurement are the same assumptions used for the June 30, 2019 measurement as stated in Aon's Actuarial Valuation Report for the June 30, 2019 measurement date unless noted otherwise.

***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 (1.21%) or 1-percentage-point higher (3.21%) than the current discount rate:

<u>Authority's proportionate share of the total OPEB liability</u>	
1% Decrease (1.21%)	\$3,561,319
Current Discount Rate (2.21%)	2,856,836
1% Increase (3.21%)	2,325,657

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

**Note 17. Postemployment Benefits Other Than Pensions (OPEB) (Continued)**

***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 (6.2% decreasing to 3.5%) or 1-percentage-point higher (8.2% decreasing to 5.5%) than the current healthcare cost trend rates:

Authority's proportionate share of the total OPEB liability

1% Decrease (from 6.2% to 3.5% over 9 years)	\$2,343,086
Current Discount Rate (from 7.2% to 4.5% over 9 years)	2,856,836
1% Increase (from 8.2% to 5.5% over 9 years)	3,567,479

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

For the years ended June 30, 2021 and 2020, the Authority recognized OPEB expense of \$639,155 and (\$347,860), respectively.

At June 30, 2021, 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	\$ 379,059	\$ 246,832
Changes in assumptions or other inputs	611,524	229,025
Change in employer's proportion	24,270	210,057
Amortizing deferred outflows and deferred inflows	1,014,853	685,914
Authority contributions subsequent to the measurement date	-	-
Total	<u>\$ 1,014,853</u>	<u>\$ 685,914</u>

At June 30, 2020, 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	\$ 161,429	\$ -
Changes in assumptions or other inputs	-	257,309
Change in employer's proportion	209,201	-
Amortizing deferred outflows and deferred inflows	370,630	257,309
Authority contributions subsequent to the measurement date	40,459	-
Total	<u>\$ 411,089</u>	<u>\$ 257,309</u>

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

**Note 17. Postemployment Benefits Other Than Pensions (OPEB) (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
2022	\$ 142,701	\$ 108,660
2023	142,701	108,660
2024	142,701	108,660
2025	142,701	108,660
2026	142,701	108,660
Thereafter	301,348	142,614
	<u>\$ 1,014,853</u>	<u>\$ 685,914</u>

**Note 18. Commitments, Concentrations and Contingencies**

At June 30, 2021, the Authority was committed to purchase single-family mortgages aggregating approximately \$38.7 million under the Warehouse Indenture, \$0.3 million under the 1994 Indenture, \$6.7 million under various Housing & Neighborhood Development Department Programs, \$0.3 million under the Housing Trust Fund, \$3.2 million under the FNMA HFA Program and \$5.9 million under the GNMA Advantage Program.

As of June 30, 2021, the Authority had variable rate bonds outstanding in the 1994 Indenture of \$106.3 million.

As of June 30, 2021, the Authority had \$84.3 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, 2021, no variable rate bonds were held as unremarketed bank bonds under the terms of a standby bond purchase agreement.

In addition, WCDA has \$22.0 million in floating rate notes outstanding at June 30, 2021.

The Authority uses a number of insurers for its mortgage loans receivable 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 2.2% of the Authority's outstanding mortgage receivable balances were covered by PMI from Radian and approximately 2.8% from Genworth, as of June 30, 2021.

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2021 and 2020

**Note 19. 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 decrease in fair value of \$540,578 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, 2021. In addition, \$360,597 of forward commitments is recorded on the balance sheet as other current assets at June 30, 2021.

The Authority is subject to credit risk with respect to counterparties to the forward commitment contracts, summarized by counterparty at June 30, 2021 and 2020 as follows:

June 30, 2021						
Counterparty	Count	Commitments at Par	Fair Value	Exposure by Counterparty	Purchased	Counterparty Rating (S&P/Moody's)
Bank of New York Mellon	4	\$ 4,700,000	\$ 4,903,090	49%	\$ -	AA-/Aa2
Bank of Oklahoma	5	2,700,000	2,813,180	28%	1,156,626	BBB+/A3
Daiwa Capital Markets	3	2,270,000	2,362,744	23%	3,158,799	unknown
		<u>\$ 9,670,000</u>	<u>10,079,014</u>	<u>100%</u>	<u>\$ 4,315,425</u>	
Adjustment to fair value for related fees and funding risk			(1,177)			
Adjusted fair value			<u>\$ 10,077,837</u>			

June 30, 2020						
Counterparty	Count	Commitments at Par	Fair Value	Exposure by Counterparty	Purchased	Counterparty Rating (S&P/Moody's)
Bank of New York Mellon	5	\$ 5,900,000	\$ 6,213,630	30%	\$ 766,627	AA-/Aa2
Bank of Oklahoma	7	6,400,000	6,742,890	33%	2,810,176	BBB+/A3
Daiwa Capital Markets	3	3,472,000	3,657,674	18%	3,005,800	unknown
ED&F Manual	1	720,841	760,631	4%	-	unknown
Piper Sandler	2	2,800,000	2,955,020	15%	166,045	unknown
		<u>\$ 19,292,841</u>	<u>20,329,845</u>	<u>100%</u>	<u>\$ 6,748,648</u>	
Adjustment to fair value for related fees and funding risk			(102,842)			
Adjusted fair value			<u>\$ 20,227,003</u>			

The Authority has also recorded a deferred inflow of resources for the accumulated increase in fair value of hedged derivatives of \$206,535 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, 2021 and 2020

---

### **Note 20. 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, 2021 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, 2021 and 2020 were \$1,021,496 and \$900,328, respectively.

### **Note 21. Risk and Uncertainty**

The world-wide coronavirus pandemic continues to impact national and global economies. The Authority is closely monitoring its operations, liquidity and capital resources and is actively working to minimize the current and future impact of this unprecedented situation. As of the date of issuance of these financial statements, the current and future full impact to the Authority is unknown.

### **Note 22. Standards Issued But Not Implemented**

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, provides accounting and financial reporting guidance for subscription-based information technology arrangements (SBITAs). It is based on the standards established in GASB Statement No. 87, *Leases*. Management has not completed its assessment of the effects of implementing this standard.

### **Note 23. Subsequent Events**

On July 28, 2021, the Authority instructed its trustee to call on September 1, 2021, bonds in the amount of \$42,490,000 from the 1994 Indenture.

In October, 2021, the Authority expects to issue approximately \$85,610,000 of bonds under the 1994 Indenture. The Authority expects to use approximately \$7,110,000 of this bond issuance to call bonds in the same amount under the 1994 Indenture.

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021 and 2020

---

### **Note 24. Subsequent Events (Continued)**

The Authority continues to have borrowers who were directly or indirectly impacted by the economic difficulties as a result of the COVID-19 pandemic. Many are relying on the allowed 360 days of payment forbearance made available as part of the CARES Act, which also does not allow fees, penalties or additional interest to be charged as result of delayed payments. The extent of the impact of COVID-19 on the Authority and financial results will depend on future events.

**REQUIRED SUPPLEMENTARY INFORMATION**

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Authority's proportion of the net pension liability	0.1628734%	0.1606900%	0.1604696%	0.1530328%
Authority's proportionate share of the net pension liability	\$ 3,539,832	\$ 3,776,095	\$ 4,886,765	\$ 3,488,138
Authority's covered-employee payroll	\$ 2,899,908	\$ 2,793,134	\$ 2,794,345	\$ 2,718,440
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	122.07%	135.19%	174.88%	128.31%
Plan fiduciary net position as a percentage of the total pension liability	79.24%	76.83%	69.17%	76.35%

\*\* 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.

2017	2016	2015	2014	2013	2012
0.1384712%	0.1414056%	0.1383546%	*	*	*
\$ 3,347,541	\$ 3,293,828	\$ 2,441,532	*	*	*
\$ 2,468,810	\$ 2,466,218	\$ 2,365,050	*	*	*
135.59%	133.56%	103.23%	*	*	*
73.42%	73.40%	79.08%	*	*	*

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

SCHEDULE OF PENSION CONTRIBUTIONS  
Last 10 Fiscal Years  
(Unaudited)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Statutorily required contribution	\$ 271,746	\$ 262,127	\$ 249,206	\$ 232,492
Contributions in relations to the statutorily required contribution	<u>(271,746)</u>	<u>(262,127)</u>	<u>(249,206)</u>	<u>(232,492)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Authority's covered payroll	 \$ 2,979,671	 \$ 2,955,209	 \$ 2,891,021	 \$ 2,777,682
Contributions as a percentage of covered payroll	9.12%	8.87%	8.62%	8.37%

Note: There have been no changes of assumptions or benefit provisions.

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

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 224,507	\$ 206,888	\$ 176,110	*	*	*
<u>(224,507)</u>	<u>(206,888)</u>	<u>(176,110)</u>	*	*	*
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	*	*	*
\$ 2,759,184	\$ 2,471,835	\$ 2,310,920	*	*	*
8.37%	8.37%	7.62%	*	*	*

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

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

Last 10 Fiscal Years \*\*

(Unaudited)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Authority's proportion of the net OPEB liability	0.21864%	0.21591%	0.24323%	0.24483%
Authority's proportionate share of the new OPEB liability	\$ 2,856,836	\$ 2,042,522	\$ 2,479,597	\$ 1,936,584
Authority's covered payroll	N/A	N/A	N/A	N/A
Authority's proportionate share of the net OPEB liability as a percentage of its covered payroll	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total OPEB liability	N/A	N/A	N/A	N/A

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**SCHEDULE OF AUTHORITY'S OPEB CONTRIBUTIONS**

Last 10 Fiscal Years \*\*

(Unaudited)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required OPEB contributions	\$ -	\$ -	\$ -	\$ -
OPEB contributions in relation to contractually required contributions	-	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Authority's covered payroll (OPEB)	N/A	N/A	N/A	N/A
OPEB contributions as a percentage of covered payroll	0.00000%	0.00000%	0.00000%	0.00000%

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

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

The Authority has no required contributions related to the OPEB plan.

There have been no changes of benefit terms.

The following assumptions were changed since the prior valuation:

- 1) The discount rate was updated from 3.51% to 2.21% based on the rate for 20-yr, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.
- 2) The retiree contribution trend rate for 2020/2021 was updated to 10% to reflect the actual retiree contribution rate increase during that period.



2017	2016	2015	2014	2013	2012
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*

2017	2016	2015	2014	2013	2012
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*

*This page is intentionally left blank*

**OTHER SUPPLEMENTARY INFORMATION**

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## DETAILED BALANCE SHEET

June 30, 2021

(See Independent Auditor's Report)

	Housing Revenue Bonds 1994 Indenture Fund	Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	Single Family Mortgage Warehousing Fund
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 22,031,887	\$ -	\$ 11,143,429
Investments	24,425,993	-	-
Interest receivable: Mortgage loans	-	-	10,195
Investments	157,829	-	31
Due from other funds	-	-	-
Accounts receivable and other assets	-	-	480,690
Total current assets	46,615,709	-	11,634,345
<b>Noncurrent Assets</b>			
Restricted cash and cash equivalents	127,632,311	-	-
Restricted investments	72,441,153	-	-
Restricted mortgage loans receivable, net	796,022,055	-	-
Restricted real estate held for sale	1,212,482	-	-
Restricted interest receivable: Mortgage loans	3,855,456	-	-
Investments	453,442	-	-
Restricted accounts receivable and other assets	28,804	-	-
Mortgage loans receivable, net	-	-	3,903,467
Real estate held for sale	-	-	-
Deferred servicing costs, net	-	-	-
Property and equipment, net	-	-	-
Total noncurrent assets	1,001,645,703	-	3,903,467
Total assets	1,048,261,412	-	15,537,812
<b>Deferred Outflows of Resources</b>			
Pension contributions and change in earnings	-	-	-
Deferred outflows from other postemployment benefits	-	-	-
Accumulated decrease in fair value of hedging derivatives	3,837,294	-	-
Total deferred outflows of resources	3,837,294	-	-
Total assets and deferred outflows of resources	\$ 1,052,098,706	\$ -	\$ 15,537,812
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>			
<b>Current Liabilities</b>			
Bonds payable	\$ 34,285,000	\$ -	\$ -
Accrued interest payable	1,982,818	-	-
Due to other funds	-	-	5,625,500
Accounts payable and other liabilities	483,110	-	12,670
Total current liabilities	36,750,928	-	5,638,170
<b>Noncurrent liabilities</b>			
Bonds payable	798,202,069	-	-
Other deferred credits	664,739	-	-
Pension liabilities	-	-	-
Other postemployment benefit liabilities	-	-	-
Hedging liabilities	3,837,294	-	-
Total noncurrent liabilities	802,704,102	-	-
Total liabilities	839,455,030	-	5,638,170
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual pension experience	-	-	-
Deferred inflows from other postemployment benefits	-	-	-
Accumulated increase in fair value of forward commitment derivatives	-	-	206,535
Total deferred inflows of resources	-	-	206,535
<b>Net Position</b>			
Invested in capital assets	-	-	-
Restricted	166,027,967	-	-
Unrestricted	46,615,709	-	9,693,107
Total net position	212,643,676	-	9,693,107
Total liabilities, deferred inflows of resources and net position	\$ 1,052,098,706	\$ -	\$ 15,537,812

Multi-Family Fund	Housing & Neighborhood Development Fund	Housing Trust Fund	Mortgage Guaranty Fund	General Fund	Eliminations	Total
\$ 711,254	\$ -	\$ 27,652,797	\$ 6,769,830	\$ 1,663,760	\$ -	\$ 69,972,957
1,692,065	-	32,191,282	17,763,483	-	-	76,072,823
-	-	153,878	-	-	-	164,073
2,376	-	100,108	67,790	-	-	328,134
-	-	5,625,500	-	-	(5,625,500)	-
-	-	(7,198)	-	509,812	(436,483)	546,821
<u>2,405,695</u>	<u>-</u>	<u>65,716,367</u>	<u>24,601,103</u>	<u>2,173,572</u>	<u>(6,061,983)</u>	<u>147,084,808</u>
-	18,543,695	-	-	-	-	146,176,006
-	-	-	-	-	-	72,441,153
-	61,447,557	-	-	-	-	857,469,612
-	-	-	-	-	-	1,212,482
-	16,207	-	-	-	-	3,871,663
-	151	-	-	-	-	453,593
-	16,803,199	-	-	-	-	16,832,003
-	-	11,518,743	-	-	-	15,422,210
-	-	19,500	-	-	-	19,500
-	-	-	-	11,512,946	-	11,512,946
-	-	-	-	2,093,460	-	2,093,460
-	<u>96,810,809</u>	<u>11,538,243</u>	<u>-</u>	<u>13,606,406</u>	<u>-</u>	<u>1,127,504,628</u>
<u>2,405,695</u>	<u>96,810,809</u>	<u>77,254,610</u>	<u>24,601,103</u>	<u>15,779,978</u>	<u>(6,061,983)</u>	<u>1,274,589,436</u>
-	-	-	-	794,638	-	794,638
-	-	-	-	1,014,853	-	1,014,853
-	-	-	-	-	-	3,837,294
-	-	-	-	1,809,491	-	5,646,785
<u>\$ 2,405,695</u>	<u>\$ 96,810,809</u>	<u>\$ 77,254,610</u>	<u>\$ 24,601,103</u>	<u>\$ 17,589,469</u>	<u>\$ (6,061,983)</u>	<u>\$ 1,280,236,221</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,285,000
-	-	-	-	-	-	1,982,818
-	-	-	-	-	(5,625,500)	-
-	2,633,955	265,675	-	1,375,737	(436,483)	4,334,664
-	<u>2,633,955</u>	<u>265,675</u>	<u>-</u>	<u>1,375,737</u>	<u>(6,061,983)</u>	<u>40,602,482</u>
-	-	-	-	-	-	798,202,069
-	-	-	-	-	-	664,739
-	-	-	-	3,539,832	-	3,539,832
-	-	-	-	2,856,836	-	2,856,836
-	-	-	-	-	-	3,837,294
-	-	-	-	6,396,668	-	809,100,770
-	<u>2,633,955</u>	<u>265,675</u>	<u>-</u>	<u>7,772,405</u>	<u>(6,061,983)</u>	<u>849,703,252</u>
-	-	-	-	1,280,766	-	1,280,766
-	-	-	-	685,914	-	685,914
-	-	-	-	-	-	206,535
-	-	-	-	1,966,680	-	2,173,215
-	-	-	-	2,093,460	-	2,093,460
-	94,176,854	-	-	-	-	260,204,821
<u>2,405,695</u>	<u>-</u>	<u>76,988,935</u>	<u>24,601,103</u>	<u>5,756,924</u>	<u>-</u>	<u>166,061,473</u>
<u>2,405,695</u>	<u>94,176,854</u>	<u>76,988,935</u>	<u>24,601,103</u>	<u>7,850,384</u>	<u>-</u>	<u>428,359,754</u>
<u>\$ 2,405,695</u>	<u>\$ 96,810,809</u>	<u>\$ 77,254,610</u>	<u>\$ 24,601,103</u>	<u>\$ 17,589,469</u>	<u>\$ (6,061,983)</u>	<u>\$ 1,280,236,221</u>

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**DETAILED BALANCE SHEET**

June 30, 2020

(See Independent Auditor's Report)

	Housing Revenue Bonds 1994 Indenture Fund	Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	Single Family Mortgage Warehousing Fund
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 19,265,677	\$ -	\$ 6,045,652
Investments	22,877,050	-	11,309
Interest receivable: Mortgage loans	-	-	21,242
Investments	180,547	-	860
Due from other funds	-	10,158,613	-
Accounts receivable and other assets	-	-	1,086,283
Total current assets	<u>42,323,274</u>	<u>10,158,613</u>	<u>7,165,346</u>
<b>Noncurrent Assets</b>			
Restricted cash and cash equivalents	132,431,783	12,184,998	-
Restricted investments	58,643,656	9,746,467	-
Restricted mortgage loans receivable, net	774,901,225	56,764,996	-
Restricted real estate held for sale	3,495,378	250,000	-
Restricted interest receivable: Mortgage loans	3,000,573	183,591	-
Investments	418,496	37,160	-
Restricted accounts receivable and other assets	(141,183)	11,287	-
Mortgage loans receivable, net	-	-	7,046,913
Real estate held for sale	-	-	-
Deferred servicing costs, net	-	-	-
Property and equipment, net	-	-	-
Total noncurrent assets	<u>972,749,928</u>	<u>79,178,499</u>	<u>7,046,913</u>
Total assets	<u>1,015,073,202</u>	<u>89,337,112</u>	<u>14,212,259</u>
<b>Deferred Outflows of Resources</b>			
Pension contributions and change in earnings	-	-	-
Deferred outflows from other postemployment benefits	-	-	-
Accumulated decrease in fair value of hedging derivatives	9,374,161	-	-
Total deferred outflows of resources	<u>9,374,161</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 1,024,447,363</u>	<u>\$ 89,337,112</u>	<u>\$ 14,212,259</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>			
<b>Current Liabilities</b>			
Bonds payable	\$ 28,165,000	\$ 2,400,000	\$ -
Accrued interest payable	2,176,368	127,532	-
Due to other funds	10,158,613	-	6,715,500
Accounts payable and other liabilities	383,291	14,849	32,249
Unearned revenue	-	-	-
Total current liabilities	<u>40,883,272</u>	<u>2,542,381</u>	<u>6,747,749</u>
<b>Noncurrent liabilities</b>			
Bonds payable	777,572,649	53,909,545	-
Other deferred credits	783,541	14,558	-
Pension liabilities	-	-	-
Other postemployment benefit liabilities	-	-	-
Hedging liabilities	9,374,161	-	-
Total noncurrent liabilities	<u>787,730,351</u>	<u>53,924,103</u>	<u>-</u>
Total liabilities	<u>828,613,623</u>	<u>56,466,484</u>	<u>6,747,749</u>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual pension experience	-	-	-
Deferred inflows from other postemployment benefits	-	-	-
Accumulated increase in fair value of forward commitment derivatives	-	-	469,762
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>469,762</u>
<b>Net Position</b>			
Invested in capital assets	-	-	-
Restricted	153,510,466	32,870,628	-
Unrestricted	42,323,274	-	6,994,748
Total net position	<u>195,833,740</u>	<u>32,870,628</u>	<u>6,994,748</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 1,024,447,363</u>	<u>\$ 89,337,112</u>	<u>\$ 14,212,259</u>

Multi-Family Fund	Housing & Neighborhood Development Fund	Housing Trust Fund	Mortgage Guaranty Fund	General Fund	Eliminations	Total
\$ 535,740	\$ -	\$ 29,233,534	\$ 9,979,323	\$ 1,960,564	\$ -	\$ 67,020,490
1,882,900	-	15,529,198	15,081,512	-	-	55,381,969
-	-	157,462	-	-	-	178,704
11,198	-	36,779	25,207	-	-	254,591
-	-	6,715,500	-	-	(16,874,113)	-
-	-	567,917	-	1,375,903	(79,776)	2,950,327
<u>2,429,838</u>	<u>-</u>	<u>52,240,390</u>	<u>25,086,042</u>	<u>3,336,467</u>	<u>(16,953,889)</u>	<u>125,786,081</u>
-	30,399,631	-	-	-	-	175,016,412
-	-	-	-	-	-	68,390,123
-	59,513,549	-	-	-	-	891,179,770
-	-	-	-	-	-	3,745,378
-	593	-	-	-	-	3,184,757
-	1,094	-	-	-	-	456,750
-	12,520,745	-	-	-	-	12,390,849
-	-	10,441,438	-	-	-	17,488,351
-	-	1,152,500	-	-	-	1,152,500
-	-	-	-	9,001,248	-	9,001,248
-	-	-	-	2,104,001	-	2,104,001
<u>-</u>	<u>102,435,612</u>	<u>11,593,938</u>	<u>-</u>	<u>11,105,249</u>	<u>-</u>	<u>1,184,110,139</u>
<u>2,429,838</u>	<u>102,435,612</u>	<u>63,834,328</u>	<u>25,086,042</u>	<u>14,441,716</u>	<u>(16,953,889)</u>	<u>1,309,896,220</u>
-	-	-	-	397,734	-	397,734
-	-	-	-	411,089	-	411,089
-	-	-	-	-	-	9,374,161
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>808,823</u>	<u>-</u>	<u>10,182,984</u>
<u>\$ 2,429,838</u>	<u>\$ 102,435,612</u>	<u>\$ 63,834,328</u>	<u>\$ 25,086,042</u>	<u>\$ 15,250,539</u>	<u>\$ (16,953,889)</u>	<u>\$ 1,320,079,204</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,565,000
-	-	-	-	-	-	2,303,900
-	-	-	-	-	(16,874,113)	-
-	1,485,443	3,065	-	1,319,832	(79,776)	3,158,953
-	14,862,666	-	-	-	-	14,862,666
<u>-</u>	<u>16,348,109</u>	<u>3,065</u>	<u>-</u>	<u>1,319,832</u>	<u>(16,953,889)</u>	<u>50,890,519</u>
-	-	-	-	-	-	831,482,194
-	-	-	-	-	-	798,099
-	-	-	-	3,776,095	-	3,776,095
-	-	-	-	2,042,522	-	2,042,522
-	-	-	-	-	-	9,374,161
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,818,617</u>	<u>-</u>	<u>847,473,071</u>
<u>-</u>	<u>16,348,109</u>	<u>3,065</u>	<u>-</u>	<u>7,138,449</u>	<u>(16,953,889)</u>	<u>898,363,590</u>
-	-	-	-	830,870	-	830,870
-	-	-	-	257,309	-	257,309
-	-	-	-	-	-	469,762
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,088,179</u>	<u>-</u>	<u>1,557,941</u>
-	-	-	-	2,104,001	-	2,104,001
-	86,087,503	-	-	-	-	272,468,597
<u>2,429,838</u>	<u>-</u>	<u>63,831,263</u>	<u>25,086,042</u>	<u>4,919,910</u>	<u>-</u>	<u>145,585,075</u>
<u>2,429,838</u>	<u>86,087,503</u>	<u>63,831,263</u>	<u>25,086,042</u>	<u>7,023,911</u>	<u>-</u>	<u>420,157,673</u>
<u>\$ 2,429,838</u>	<u>\$ 102,435,612</u>	<u>\$ 63,834,328</u>	<u>\$ 25,086,042</u>	<u>\$ 15,250,539</u>	<u>\$ (16,953,889)</u>	<u>\$ 1,320,079,204</u>

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

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

Year Ended June 30, 2021

(See Independent Auditor's Report)

	Housing Revenue Bonds 1994 Indenture Fund	Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	Single Family Mortgage Warehousing Fund
<b>Operating Revenues</b>			
Mortgage interest	\$ 29,859,906	\$ 476,572	\$ 110,618
Investment interest income	2,651,913	66,941	(203,347)
Net change in fair value of investments	(2,495,802)	(43,575)	(9,663)
Fees and other income	-	-	3,551,071
Total operating revenues	<u>30,016,017</u>	<u>499,938</u>	<u>3,448,679</u>
<b>Operating Expenses</b>			
Interest expense	21,371,827	508,717	-
Servicer fees	2,881,466	40,661	6,720
Amortization of deferred servicing costs	-	-	-
Cost of issuance and other financing costs	2,429,685	5,721	-
Provision for (recapture of) loan losses	(33,062)	(383,006)	-
General and administrative	151,435	(826)	289,552
Total operating expenses	<u>26,801,351</u>	<u>171,267</u>	<u>296,272</u>
Operating income (loss)	<u>3,214,666</u>	<u>328,671</u>	<u>3,152,407</u>
<b>Non-operating Revenues (Expenses)</b>			
Federal program income	-	-	-
Federal program expenses	-	-	-
Non-operating income	<u>-</u>	<u>-</u>	<u>-</u>
Net income (loss) before transfers	3,214,666	328,671	3,152,407
Transfers in (out)	<u>13,595,270</u>	<u>(33,199,299)</u>	<u>(454,048)</u>
Net income (loss)	16,809,936	(32,870,628)	2,698,359
Net position, beginning of year	<u>195,833,740</u>	<u>32,870,628</u>	<u>6,994,748</u>
Net position, end of year	<u>\$ 212,643,676</u>	<u>\$ -</u>	<u>\$ 9,693,107</u>



Multi-Family Fund	Housing & Neighborhood Development Fund	Housing Trust Fund	Mortgage Guaranty Fund	General Fund	Eliminations	Total
\$ -	\$ -	\$ 238,606	\$ -	\$ -	\$ -	\$ 30,685,702
48,904	-	403,829	305,502	-	-	3,273,742
(73,047)	-	(682,973)	(789,885)	-	-	(4,094,945)
-	-	9,750	-	6,194,815	(2,925,203)	6,830,433
(24,143)	-	(30,788)	(484,383)	6,194,815	(2,925,203)	36,694,932
-	-	475	556	-	-	21,881,575
-	-	35,667	-	-	(2,925,203)	39,311
-	-	-	-	3,042,862	-	3,042,862
-	-	2,123	-	-	-	2,437,529
-	-	261,122	-	-	-	(154,946)
-	-	1,648,664	-	7,247,046	(1,101,710)	8,234,161
-	-	1,948,051	556	10,289,908	(4,026,913)	35,480,492
(24,143)	-	(1,978,839)	(484,939)	(4,095,093)	1,101,710	1,214,440
-	11,546,165	-	-	-	(1,101,710)	10,444,455
-	(3,456,814)	-	-	-	-	(3,456,814)
-	8,089,351	-	-	-	(1,101,710)	6,987,641
(24,143)	8,089,351	(1,978,839)	(484,939)	(4,095,093)	-	8,202,081
-	-	15,136,511	-	4,921,566	-	-
(24,143)	8,089,351	13,157,672	(484,939)	826,473	-	8,202,081
2,429,838	86,087,503	63,831,263	25,086,042	7,023,911	-	420,157,673
\$ 2,405,695	\$ 94,176,854	\$ 76,988,935	\$ 24,601,103	\$ 7,850,384	\$ -	\$ 428,359,754

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

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

Year Ended June 30, 2020

(See Independent Auditor's Report)

	Housing Revenue Bonds 1994 Indenture Fund	Homeownership Mortgage Revenue Bonds 2009 Indenture Fund	Single Family Mortgage Warehousing Fund
<b>Operating Revenues</b>			
Mortgage interest	\$ 28,748,319	\$ 2,918,616	\$ 524,153
Investment interest income	4,460,027	445,582	475,136
Net change in fair value of investments	3,674,664	549,830	(30,188)
Fees and other income	-	-	2,223,568
<b>Total operating revenues</b>	<b>36,883,010</b>	<b>3,914,028</b>	<b>3,192,669</b>
<b>Operating Expenses</b>			
Interest expense	21,288,514	2,150,327	481,941
Servicer fees	2,732,410	254,451	47,350
Amortization of deferred servicing costs	-	-	-
Cost of issuance and other financing costs	2,464,655	7,975	-
Provision for (recapture of) loan losses	705,424	(512,394)	-
General and administrative	429,186	16,735	258,610
<b>Total operating expenses</b>	<b>27,620,189</b>	<b>1,917,094</b>	<b>787,901</b>
<b>Operating income (loss)</b>	<b>9,262,821</b>	<b>1,996,934</b>	<b>2,404,768</b>
<b>Non-operating Revenues (Expenses)</b>			
Federal program income	-	-	-
Federal program expenses	-	-	-
<b>Non-operating income</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income (loss) before transfers</b>	<b>9,262,821</b>	<b>1,996,934</b>	<b>2,404,768</b>
Transfers in (out)	(9,294,614)	5,298,986	(274,413)
<b>Net income (loss)</b>	<b>(31,793)</b>	<b>7,295,920</b>	<b>2,130,355</b>
<b>Net position, beginning of year</b>	<b>195,865,533</b>	<b>25,574,708</b>	<b>4,864,393</b>
<b>Net position, end of year</b>	<b>\$ 195,833,740</b>	<b>\$ 32,870,628</b>	<b>\$ 6,994,748</b>

Multi-Family Fund	Housing & Neighborhood Development Fund	Housing Trust Fund	Mortgage Guaranty Fund	General Fund	Eliminations	Total
\$ -	\$ -	\$ 365,510	\$ -	\$ -	\$ -	\$ 32,556,598
62,673	-	1,017,256	523,048	7,799	(447,385)	6,544,136
29,197	-	808,361	706,954	-	-	5,738,818
-	-	38,753	-	6,060,076	(3,031,953)	5,290,444
91,870	-	2,229,880	1,230,002	6,067,875	(3,479,338)	50,129,996
-	-	733	807	-	(447,385)	23,474,937
-	-	36,561	-	-	(3,031,953)	38,819
-	-	-	-	2,324,308	-	2,324,308
-	-	-	-	-	-	2,472,630
-	-	934,007	-	-	-	1,127,037
-	-	86,246	-	6,652,488	-	7,443,265
-	-	1,057,547	807	8,976,796	(3,479,338)	36,880,996
91,870	-	1,172,333	1,229,195	(2,908,921)	-	13,249,000
-	5,024,435	-	-	-	-	5,024,435
-	(2,116,580)	-	-	-	-	(2,116,580)
-	2,907,855	-	-	-	-	2,907,855
91,870	2,907,855	1,172,333	1,229,195	(2,908,921)	-	16,156,855
-	(7,179)	(89,990)	-	4,367,210	-	-
91,870	2,900,676	1,082,343	1,229,195	1,458,289	-	16,156,855
2,337,968	83,186,827	62,748,920	23,856,847	5,565,622	-	404,000,818
\$ 2,429,838	\$ 86,087,503	\$ 63,831,263	\$ 25,086,042	\$ 7,023,911	\$ -	\$ 420,157,673