

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**FINANCIAL REPORT**

**June 30, 2022**

**and**

**June 30, 2021**

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***INDEPENDENT AUDITOR'S REPORT***

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

**Report on the Audit of the Financial Statements**

***Opinion***

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, 2022 and 2021, 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.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Wyoming Community Development Authority, as of June 30, 2022 and 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

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

***Responsibilities of Management for the Financial Statements***

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

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



**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

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Wyoming Community Development Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Wyoming Community Development Authority's ability to continue as a going concern for a reasonable period of time.

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

## ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules of selected pension and other postemployment benefit information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our 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.

***Supplementary Information***

Our audits were conducted for the purpose of forming 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the 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 GAAS. 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*

Porter, Muirhead, Cornia & Howard  
Certified Public Accountants

September 27, 2022  
Casper, Wyoming

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# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2022 and 2021

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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, 2022 and 2021. 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 statements offer short-term and long-term financial information about the Authority's activities. The Independent Auditor's Report, audited financial statements and accompanying notes, and supplementary information should be read in conjunction with the following discussion.

### ***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, 2022 and 2021

***Financial Position Analysis***

The following table is a summary of the Authority's net position at June 30, 2022, 2021 and 2020.

	2022	Change		2021	Change		2020
Cash and cash equivalents	\$ 234,523,762	\$ 18,374,799	8.50%	\$ 216,148,963	\$ (25,887,939)	-10.70%	\$ 242,036,902
Investments	138,388,949	(10,125,027)	-6.82%	148,513,976	24,741,884	19.99%	123,772,092
Other current assets	1,230,507	191,479	18.43%	1,039,028	(2,344,594)	-69.29%	3,383,622
Mortgage loans receivable	870,504,002	(2,387,820)	-0.27%	872,891,822	(35,776,299)	-3.94%	908,668,121
Other noncurrent assets	56,739,379	20,743,732	57.63%	35,995,647	3,960,164	12.36%	32,035,483
<b>Total assets</b>	<b>1,301,386,599</b>	<b>26,797,163</b>	<b>2.10%</b>	<b>1,274,589,436</b>	<b>(35,306,784)</b>	<b>-2.70%</b>	<b>1,309,896,220</b>
Deferred outflow of resources	1,612,838	(4,033,947)	-71.44%	5,646,785	(4,536,199)	-44.55%	10,182,984
Other current liabilities	5,958,200	(359,282)	-5.69%	6,317,482	(14,008,037)	-68.92%	20,325,519
Bonds payable	860,759,112	28,272,043	3.40%	832,487,069	(29,560,125)	-3.43%	862,047,194
Other long-term liabilities	5,792,292	(5,106,409)	-46.85%	10,898,701	(5,092,176)	-31.84%	15,990,877
<b>Total liabilities</b>	<b>872,509,604</b>	<b>22,806,352</b>	<b>2.68%</b>	<b>849,703,252</b>	<b>(48,660,338)</b>	<b>-5.42%</b>	<b>898,363,590</b>
Deferred inflow of resources	9,785,404	7,612,189	350.27%	2,173,215	615,274	39.49%	1,557,941
Net investment in capital assets	1,921,888	(171,572)	-8.20%	2,093,460	(10,541)	-0.50%	2,104,001
Restricted	254,732,202	(5,472,619)	-2.10%	260,204,821	(12,263,776)	-4.50%	272,468,597
Unrestricted	164,050,339	(2,011,134)	-1.21%	166,061,473	20,476,398	14.06%	145,585,075
<b>Total net position</b>	<b>\$ 420,704,429</b>	<b>\$ (7,655,325)</b>	<b>-1.79%</b>	<b>\$ 428,359,754</b>	<b>\$ 8,202,081</b>	<b>1.95%</b>	<b>\$ 420,157,673</b>

The net investment in capital assets, which is the net book value of capital assets (e.g. land, buildings, and equipment) is \$1,921,888, \$2,093,460, and \$2,104,001 for the years ended June 30, 2022, 2021, and 2020, 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, \$254,732,202, \$260,204,821, and \$272,468,597 for the years ended June 30, 2022, 2021, and 2020, respectively, represents resources that are subject to external restriction on how they may be used. These restrictions include bond covenants associated with the 1994 Indenture, as well as federal grant agreements associated with the activity of the Housing & Neighborhood Development Department.

The net position of the Authority decreased \$7.7 million from June 30, 2021 to June 30, 2022 and increased \$8.2 million from June 30, 2020 to June 30, 2021. 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 experienced a decrease of \$23.1 million, leading to an overall large decrease to operating revenues.

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

(Unaudited)

June 30, 2022 and 2021

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

Cash and cash equivalents increased \$18.4 million and investments decreased \$10.1 million for a combined increase in funds of \$8.3 million during the year ended June 30, 2022. 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. The changes were due to the following:

	2022	2021
Net (increase) decrease in other assets	\$ (14,192,770)	\$ (2,037,648)
Net (increase) decrease in mortgage loans receivable	2,387,820	35,776,299
Net increase (decrease) in other current liabilities	(359,282)	(14,008,037)
Net increase (decrease) in other liabilities	(5,106,409)	(5,092,176)
Net increase (decrease) in bonds payable	28,272,043	(29,560,125)
Funds provided by operations	<u>(2,751,630)</u>	<u>13,775,632</u>
Net increase (decrease) in cash and cash equivalents, and investments	<u>\$ 8,249,772</u>	<u>\$ (1,146,055)</u>

Mortgage loans receivable decreased \$2.4 million during the year ended June 30, 2022 and \$35.8 million during the year ended June 30, 2021 due to the following:

	2022	2021
Prepayments	\$ (161,228,328)	\$ (237,737,058)
Curtailments and scheduled payments	(31,239,763)	(25,173,438)
(Increase) decrease in loan loss reserves	276,800	28,170
Mortgage loan purchases	191,980,646	224,845,611
Loss posted on foreclosed loans	(1,007,417)	(317,130)
Reclassified to deferred status	-	(824,871)
Reclassified (to)/from real estate held for sale	<u>(1,169,758)</u>	<u>3,402,417</u>
Net increase (decrease) in mortgage loans receivable	<u>\$ (2,387,820)</u>	<u>\$ (35,776,299)</u>

Total assets increased \$26.8 million during the year ended June 30, 2022, and decreased \$35.3 million during the year ended June 30, 2021 due to the following:

	2022	2021
Increase (decrease) in cash, cash equivalents and investments (discussed previously)	\$ 8,249,772	\$ (1,146,055)
Increase (decrease) in mortgage and investment interest receivable	(935,071)	742,661
Increase (decrease) in accounts receivable and other assets	14,192,770	2,037,648
Increase (decrease) in mortgage loans receivable (discussed previously)	(2,387,820)	(35,776,299)
(Decrease) in real estate held for sale	1,412,849	(3,665,896)
Increase in deferred servicing costs	(532,629)	2,511,698
(Decrease) in property and equipment	<u>(171,572)</u>	<u>(10,541)</u>
Increase (decrease) in total assets	<u>\$ 26,797,163</u>	<u>\$ (35,306,784)</u>

Deferred outflows of resources decreased \$4.0 million for the year ended June 30, 2022 and \$4.5 million during the year ended June 30, 2021 due to the following:

	2022	2021
Increase (decrease) in pension contributions and change in earnings	\$ (122,459)	\$ 396,904
Increase (decrease) in deferred outflows from other postemployment benefits	(142,701)	603,764
Increase (decrease) in accumulated change in fair value of hedged derivative	<u>(3,768,787)</u>	<u>(5,536,867)</u>
Increase (decrease) in total deferred outflows of resources	<u>\$ (4,033,947)</u>	<u>\$ (4,536,199)</u>

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2022 and 2021

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

Other current liabilities decreased \$0.4 million for the year ended June 30, 2022, and \$14.0 million for the year ended June 30, 2021 due to the following:

	2022	2021
Increase (decrease) in accrued interest payable	\$ (82,273)	\$ (321,082)
Increase (decrease) in accounts payable and other liabilities	(277,009)	1,175,711
Increase (decrease) in unearned revenues	-	(14,862,666)
	<u>                    </u>	<u>                    </u>
Increase (decrease) in other current liabilities	\$ (359,282)	\$ (14,008,037)
	<u>                    </u>	<u>                    </u>

Bonds payable increased \$28.3 million during the year ended June 30, 2022 and decreased \$29.6 million during the year ended June 30, 2021 due to the following:

	2022	2021
Redemptions, refundings and maturities	\$ (167,940,000)	\$ (246,185,000)
Amortization of bond premiums	(2,292,651)	(2,366,942)
Bond issuances	192,570,000	212,610,000
Premiums on bond issuances	5,934,694	6,381,817
	<u>                    </u>	<u>                    </u>
Increase (decrease) in bonds payable	\$ 28,272,043	\$ (29,560,125)
	<u>                    </u>	<u>                    </u>

See Note 8 for additional information on bonds payable.

Total liabilities increased \$22.8 million during the year ended June 30, 2022 and decreased \$48.7 million during the year ended June 30, 2021 due to the following:

	2022	2021
Increase (decrease) in bonds payable (discussed previously)	\$ 28,272,043	\$ (29,560,125)
Increase (decrease) in other current liabilities (discussed previously)	(359,282)	(14,008,037)
Increase (decrease) in other noncurrent liabilities	(5,106,409)	(5,092,176)
	<u>                    </u>	<u>                    </u>
Increase (decrease) in total liabilities	\$ 22,806,352	\$ (48,660,338)
	<u>                    </u>	<u>                    </u>

Deferred inflows of resources increased \$7.6 million during the year ended June 30, 2022 and \$0.6 million during the year ended June 30, 2021 due to the following:

	2022	2021
Increase in differences between expected and actual pension experience	\$ 622,771	\$ 449,896
Increase (decrease) in deferred inflows from other postemployment benefits	195,429	428,605
Increase (decrease) in accumulated change in fair value of hedged derivatives	6,793,989	(263,227)
	<u>                    </u>	<u>                    </u>
Increase in deferred inflows of resources	\$ 7,612,189	\$ 615,274
	<u>                    </u>	<u>                    </u>

See Note 15 for additional information on the change in pension experience and Note 16 for additional information on the change in other postemployment benefits.

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

(Unaudited)

June 30, 2022 and 2021

***Results of Operations Analysis***

The following table is a condensed summary of changes in net position for the years ended June 30, 2022, 2021 and 2020:

	2022	Change		2021	Change		2020
Operating revenue							
Mortgage interest	\$ 27,925,278	\$ (2,760,424)	-9.00%	\$ 30,685,702	\$ (1,870,896)	-5.75%	\$ 32,556,598
Investment income	3,976,124	702,382	21.46%	3,273,742	(3,270,394)	-49.97%	6,544,136
Change in fair value	(23,133,591)	(19,038,646)	464.93%	(4,094,945)	(9,833,763)	-171.36%	5,738,818
Other income	5,260,802	(1,569,631)	-22.98%	6,830,433	1,539,989	29.11%	5,290,444
Total operating revenues	14,028,613	(22,666,319)	-61.77%	36,694,932	(13,435,064)	-26.80%	50,129,996
Operating expenses							
Interest expense	19,989,308	(1,892,267)	-8.65%	21,881,575	(1,593,362)	-6.79%	23,474,937
Other operating expenses	13,054,188	(544,729)	-4.01%	13,598,917	192,858	1.44%	13,406,059
Total operating expenses	33,043,496	(2,436,996)	-6.87%	35,480,492	(1,400,504)	-3.80%	36,880,996
Operating income (loss)	(19,014,883)	(20,229,323)	-1665.73%	1,214,440	(12,034,560)	-90.83%	13,249,000
Nonoperating income	11,359,558	4,371,917	62.57%	6,987,641	4,079,786	140.30%	2,907,855
Net income (loss)	(7,655,325)	(15,857,406)	-193.33%	8,202,081	(7,954,774)	-49.23%	16,156,855
Beginning net position	428,359,754	8,202,081	1.95%	420,157,673	16,156,855	4.00%	404,000,818
Ending net position	\$ 420,704,429	\$ (7,655,325)	-1.79%	\$ 428,359,754	\$ 8,202,081	1.95%	\$ 420,157,673

The operating income decreased by \$20.2 million when compared to fiscal year 2021. This decrease is attributed primarily to the 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, 2022, the Housing & Neighborhood Development Department received increases in funding associated with the HOME Partnership Programs of \$2.0 million and the National Housing Trust Fund of \$2.0 million, which helped contribute to the overall increase in non-operating income of \$4.3 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:

	2022	Change	2021	Change	2020
Property and equipment, net	\$ 1,921,888	\$ (171,572)	\$ 2,093,460	\$ (10,541)	\$ 2,104,001

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 \$192.6 million in bonds during the year ended June 30, 2022, and \$212.6 million in bonds during the year ended June 30, 2021. Maturities, redemptions and refundings reduced bonds outstanding by \$167.9 million during the year ended June 30, 2022 and \$246.2 million during the year ended June 30, 2021. See Note 8 for additional information.

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2022 and 2021

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### ***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.

### ***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).

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**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

BALANCE SHEETS  
June 30, 2022 and 2021

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>2022</u>	<u>2021</u>
Current Assets		
Cash and cash equivalents	\$ 69,457,582	\$ 69,972,957
Investments	77,493,079	76,072,823
Interest receivable		
Mortgage loans	212,169	164,073
Investments	416,250	328,134
Accounts receivable and other assets	602,088	546,821
Total currents assets	<u>148,181,168</u>	<u>147,084,808</u>
Noncurrent Assets		
Restricted cash and cash equivalents	165,066,180	146,176,006
Restricted investments	60,895,870	72,441,153
Restricted mortgage loans receivable, net	858,358,013	857,469,612
Restricted real estate held for sale	1,885,921	1,212,482
Restricted interest receivable		
Mortgage loans	2,724,874	3,871,663
Investments	529,099	453,593
Restricted accounts receivable and other assets	30,969,506	16,832,003
Mortgage loans receivable, net	12,145,989	15,422,210
Real estate held for sale	758,910	19,500
Deferred hedging costs of fixed-rate swaps	6,968,864	-
Deferred servicing costs, net	10,980,317	11,512,946
Property and equipment, net	1,921,888	2,093,460
Total noncurrent assets	<u>1,153,205,431</u>	<u>1,127,504,628</u>
Total assets	<u>1,301,386,599</u>	<u>1,274,589,436</u>
Deferred Outflows of Resources		
Pension contributions and change in earnings	672,179	794,638
Deferred outflows from other postemployment benefits	872,152	1,014,853
Accumulated decrease in fair value of hedging derivatives	68,507	3,837,294
Total deferred outflows of resources	<u>1,612,838</u>	<u>5,646,785</u>
Total assets and deferred outflows of resources	<u>\$ 1,302,999,437</u>	<u>\$ 1,280,236,221</u>

See notes to the basic financial statements

LIABILITIES, DEFERRED INFLOWS OF  
RESOURCES AND NET POSITION

	<u>2022</u>	<u>2021</u>
<b>Current Liabilities</b>		
Bonds payable	\$ 28,895,000	\$ 34,285,000
Accrued interest payable	1,900,545	1,982,818
Accounts payable and other liabilities	<u>4,057,655</u>	<u>4,334,664</u>
Total current liabilities	<u>34,853,200</u>	<u>40,602,482</u>
<b>Noncurrent Liabilities</b>		
Bonds payable	831,864,112	798,202,069
Other deferred credits	655,756	664,739
Pension liabilities	2,471,847	3,539,832
Other postemployment benefit liabilities	2,596,182	2,856,836
Derivative instrument liabilities	<u>68,507</u>	<u>3,837,294</u>
Total noncurrent liabilities	<u>837,656,404</u>	<u>809,100,770</u>
Total liabilities	<u>872,509,604</u>	<u>849,703,252</u>
<b>Deferred Inflows of Resources</b>		
Differences between expected and actual pension experience	1,903,537	1,280,766
Deferred inflows from other postemployment benefits	881,343	685,914
Accumulated increase in fair value of hedging derivatives	<u>7,000,524</u>	<u>206,535</u>
Total deferred inflows of resources	<u>9,785,404</u>	<u>2,173,215</u>
<b>Net Position</b>		
Net investment in capital assets	1,921,888	2,093,460
Restricted	254,732,202	260,204,821
Unrestricted	<u>164,050,339</u>	<u>166,061,473</u>
Total net position	<u>420,704,429</u>	<u>428,359,754</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 1,302,999,437</u>	<u>\$ 1,280,236,221</u>



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**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Years Ended June 30, 2022 and 2021

	2022	2021
Operating Revenues		
Mortgage interest	\$ 27,925,278	\$ 30,685,702
Investment interest income	3,976,124	3,273,742
Net change in the fair value of investments	(23,133,591)	(4,094,945)
Fees and other income	5,260,802	6,830,433
Total operating revenues	14,028,613	36,694,932
Operating Expenses		
Interest expense	19,989,308	21,881,575
Servicer fees	28,229	39,311
Amortization of deferred servicing costs	3,606,490	3,042,862
Cost of issuance and other financing costs	2,356,541	2,437,529
Recapture of loan losses and real estate owned	(169,535)	(154,946)
General and administrative	7,232,463	8,234,161
Total operating expenses	33,043,496	35,480,492
Operating income (loss)	(19,014,883)	1,214,440
Non-operating Revenues (Expenses)		
Federal program income	12,100,181	10,444,455
Federal program expenses	(740,623)	(3,456,814)
Non-operating income	11,359,558	6,987,641
Net income (loss)	(7,655,325)	8,202,081
Net position, beginning of year	428,359,754	420,157,673
Net position, end of year	\$ 420,704,429	\$ 428,359,754

See notes to the basic financial statements

## WYOMING COMMUNITY DEVELOPMENT AUTHORITY

### STATEMENTS OF CASH FLOWS Years Ended June 30, 2022 and 2021

	2022	2021
<b>Cash Flows from Operating Activities</b>		
Cash receipts for services	\$ 5,260,802	\$ 6,830,433
Interest income on mortgage loans	29,023,971	30,013,427
Principal received on mortgage loans	188,956,566	265,468,267
Cash payments to purchase mortgage loans	(189,420,646)	(223,710,558)
Cash payments to servicers	(28,229)	(39,311)
Cash payments to suppliers	(10,129,408)	(10,475,978)
Cash payments to employees	(3,172,995)	(3,316,170)
Net cash provided by operating activities	20,490,061	64,770,110
<b>Cash Flows from Noncapital Financing Activities</b>		
Federal revenues	12,100,181	10,444,455
Federal expenses	(916,046)	(17,848,865)
Federal program notes issued	(12,483,901)	(4,631,610)
Federal program note payments received	3,511,525	4,634,038
Proceeds from bonds payable	198,504,694	218,991,817
Principal paid on bonds payable	(167,940,000)	(246,185,000)
Interest paid on bonds payable	(22,364,232)	(24,569,599)
Proceeds from notes payable	11,714,000	-
Payments on note payable	(11,714,000)	-
Net cash provided by (used in) noncapital financing activities	10,412,221	(59,164,764)
<b>Cash Flows from Capital and Related Financing Activities</b>		
Purchase of fixed assets	(82,685)	(305,252)
Purchase of mortgage servicing rights	(3,073,861)	(5,554,560)
Net cash used in capital and related financing activities	(3,156,546)	(5,859,812)
<b>Cash Flows from Investing Activities</b>		
Interest received from investments	3,760,177	3,303,812
Purchase of investments	(48,333,096)	(74,779,138)
Proceeds from sales and maturities of investments	35,201,982	45,841,853
Net cash used in investing activities	(9,370,937)	(25,633,473)
Increase (decrease) in cash and cash equivalents	18,374,799	(25,887,939)
Cash and cash equivalents, beginning of year	216,148,963	242,036,902
Cash and cash equivalents, end of year	\$ 234,523,762	\$ 216,148,963

See notes to the basic financial statements

	<u>2022</u>	<u>2021</u>
Reconciliation of ending cash and cash equivalents		
Current cash and cash equivalents	\$ 69,457,582	\$ 69,972,957
Noncurrent restricted cash and cash equivalents	165,066,180	146,176,006
Cash and cash equivalents, end of year	<u>\$ 234,523,762</u>	<u>\$ 216,148,963</u>
Reconciliation of operating income (loss) to net cash provided by operating activities		
Operating income (loss)	\$ (19,014,883)	\$ 1,214,440
Adjustments to reconcile operating income (loss) to net cash provided by operating activities		
Interest on bonds	19,989,308	21,881,575
Net change in fair value of investments	23,133,591	4,094,945
Interest from investments	(3,976,124)	(3,273,742)
Mortgage loan principal repayments		
Scheduled	29,200,663	29,704,351
Prepaid	159,755,903	235,763,916
Purchase of mortgage loans	(189,420,646)	(223,710,558)
Amortization of deferred servicing costs	3,606,490	3,042,862
Recapture of loan losses and real estate owned	(169,535)	(154,946)
Net change in other assets and liabilities	(2,614,706)	(3,792,733)
Net cash provided by operating activities	<u>\$ 20,490,061</u>	<u>\$ 64,770,110</u>
Supplemental Cash Flow Information		
Noncash noncapital financing activity		
Federal program notes rolled into mortgages	\$ 2,560,000	\$ 7,501,991

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022 and 2021

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### **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.

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022 and 2021

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

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

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

#### ***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 \$333,291 and \$342,651 to guarantee mortgage and project loans with principal balances outstanding of \$383,104 and \$576,704 as of June 30, 2022 and 2021, respectively. The Authority has also committed \$250,000 and \$250,000 to guarantee second mortgages with principal balances outstanding of \$24,376,656 and \$22,758,717, as of June 30, 2022 and 2021, respectively. Initial recovery of second mortgage losses will come from other available sources.

#### ***General Fund***

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

#### ***Interfund Activity***

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

#### ***Cash and Cash Equivalents***

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

#### ***Restricted Assets***

Certain proceeds of the Authority's bonds, as well as certain resources set aside for their repayment are classified as restricted assets because they are maintained in separate accounts and their use is limited by bond covenants. When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as needed.

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022 and 2021

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

#### ***Investments***

The trust indentures, State statutes and the Authority's investment policy authorize the types of investment in which the Authority invests. Among these authorized investments are certificates of deposit, obligations of the U.S. Treasury, agencies and instrumentalities of the U.S. Government, mortgage-backed securities, guaranteed investment contracts, mutual funds and repurchase agreements with banks with the underlying securities being obligations of the U.S. Treasury or agencies and instrumentalities of the U.S. Government. All investments are reported at fair value as determined by financial services providers.

#### ***Mortgage Loans Receivable***

Mortgage loans receivable are reported net of the loan loss reserve. The loan loss reserve for mortgages is increased by provisions charged and decreased by recoveries credited to operations based on a periodic evaluation of the loan portfolio and actual losses that occur. 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 when all redemption periods by the borrower and any lienholders have expired. Real estate held for sale is recorded at the fair market value of the property as of the date all redemption periods have expired. 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, 2022 and 2021, the Authority had 17 and 10 properties, respectively, in real estate held for sale totaling \$2,644,831 and \$1,231,982, 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 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

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022 and 2021

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

#### *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.

#### *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 Hedging 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.

*Derivative Instruments* – Derivative instruments, as defined in GASB No. 53, *Accounting and Financial Reporting for Derivative Instruments*, are measured on the Statement of Net Position at fair value.

*Derivative Instruments – Interest Rate Swap Agreements* – The Authority enters into interest rate swap agreements (swap) with rated swap counterparties in order to (1) provide lower cost fixed rate financing for its loan production needs through synthetic fixed rate structures and (2) utilize synthetic fixed rate structures with refunding bonds in order to generate cash flow savings. The interest differentials to be paid or received under such swaps are recognized as an increase or decrease in interest expense of the related bond liability. The authority enters into fixed payor swaps, where it pays a fixed interest rate in exchange for receiving a variable interest rate from the counterparty. The variable interest rate may be based on either a taxable or tax-exempt index. By entering into a swap agreement, the Authority hedges its interest rate exposure on the associated variable rate bonds. The Authority's interest rate swaps are generally considered to be hedging derivative instruments under GASB No. 53.



# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022 and 2021

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

#### ***Deferred Outflows and Deferred Inflows of Resources (Continued)***

*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, 2022 and 2021, respectively, for arbitrage rebates. There is no arbitrage due at June 30, 2022 and 2021.

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, 2022 and 2021.

Additionally, the Authority has deferred \$655,756 and \$664,739 as of June 30, 2022 and 2021, 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.

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022 and 2021

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

#### *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, real estate held for sale, 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 real estate held for sale, 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.

### Note 3. Cash and Cash Equivalents and Investments

Deposits are placed with various financial institutions and are carried at cost. At June 30, 2022 and 2021, the carrying amount of the Authority's bank deposits was \$12,894,242 and \$9,571,879, respectively, and the bank balance was \$15,950,037 and \$12,740,571, respectively. The difference between the carrying amount and the bank balance is a result of transactions in transit. All bank deposits at June 30, 2022 and 2021 were covered by insurance or collateral held in joint custody with the financial institution. In addition, the Authority had \$220,072,299 and \$202,996,081 in cash and cash equivalents held in trust investment accounts as of June 30, 2022 and 2021, respectively. As of June 30, 2022 and 2021, the Authority has transactions in transit for the trust investment accounts of \$1,555,020 and \$3,578,806.

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

	<u>2022</u>	<u>2021</u>
Investments		
U.S. Government and agency securities	\$ 137,551,737	\$ 147,461,567
Housing revenue bonds	837,212	1,052,409
Total	<u>\$ 138,388,949</u>	<u>\$ 148,513,976</u>

Investments are reported in the following classifications:

	<u>2022</u>	<u>2021</u>
Current	\$ 77,493,079	\$ 76,072,823
Noncurrent - restricted by bond indentures or contracts	60,895,870	72,441,153
Total	<u>\$ 138,388,949</u>	<u>\$ 148,513,976</u>

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2022 and 2021

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

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, 2022 and 2021, the Authority had unrealized investment gains/(losses) of (\$21,422,389) and \$1,888,972 respectively, in its investment portfolio. The change in unrealized gains/(losses) of (\$23,311,361) and (\$4,094,945) for the years ended June 30, 2022 and 2021, 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, 2022						
Investment Type	Interest Rates	Fair Value	Investment Maturities			
			Prior to June 30, 2023	From July 1, 2023 to June 30, 2028	From July 1, 2028 to June 30, 2033	July 1, 2033 and thereafter
U.S. government and agency securities	0.00% - 7.625%	\$ 137,551,737	\$ 26,346,557	\$ 15,815,996	\$ 11,040,849	\$ 84,348,335
Housing revenue bonds	2.75%	837,212	-	-	-	837,212
<b>Total</b>		<b>\$ 138,388,949</b>	<b>\$ 26,346,557</b>	<b>\$ 15,815,996</b>	<b>\$ 11,040,849</b>	<b>\$ 85,185,547</b>

  

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
<b>Total</b>		<b>\$ 148,513,976</b>	<b>\$ 31,480,527</b>	<b>\$ 24,633,542</b>	<b>\$ 2,886,503</b>	<b>\$ 89,513,404</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***

Credit risk is the risk the issuer will not fulfill its obligation to the holder of the investment. 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 99.4% and 99.3%, respectively, of its total investments invested in the obligations of the United States, its agencies, and state housing revenue bonds as of June 30, 2022 and 2021. The Authority believes this concentration does not increase its investment risk.

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022 and 2021

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

#### *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, 2022 and 2021, 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, 2022 and 2021 are as follows:

	2022	2021
Bond reserve requirement	\$ 25,290,000	\$ 24,551,100
Mortgage reserve requirement	16,149,121	16,080,808
Restricted special reserve requirement	6,488,706	6,928,081
Total required reserves	<u>\$ 47,927,827</u>	<u>\$ 47,559,989</u>
Total market value of cash and investments held for reserves	<u>\$ 54,643,296</u>	<u>\$ 63,326,770</u>

### 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, 2022:

*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.

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022 and 2021

**Note 4. Fair Value Measurements (Continued)**

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, 2022			
	Level 1	Level 2	Level 3	Total
U.S. Treasury securities	\$ 24,418,262	\$ -	\$ -	\$ 24,418,262
U.S. government obligations	-	99,449,063	-	99,449,063
U.S. government agency mortgage-backed securities	-	13,684,412	-	13,684,412
Housing revenue bonds	-	837,212	-	837,212
<b>Total investments at fair value</b>	<b>\$ 24,418,262</b>	<b>\$ 113,970,687</b>	<b>\$ -</b>	<b>\$ 138,388,949</b>

	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 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>

As of June 30, 2022 and 2021, 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, 2022 and 2021

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

	<u>2022</u>	<u>2021</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	\$ 808,382,622	\$ 806,369,178
Less: Reserve for losses on loans	<u>(9,947,284)</u>	<u>(10,347,123)</u>
	798,435,338	796,022,055
Single Family Mortgage Warehousing Bond fund, bearing interest at 1% to 5.875%, 30 year term, FHA insured, or guaranteed by RD or VA	1,637,515	3,903,467
Less: Reserve for losses on loans	<u>-</u>	<u>-</u>
	1,637,515	3,903,467
Housing & Neighborhood Development Fund with various terms, including deferred payments and bearing interest at 0% to 5%, 10 to 50 year term	64,235,791	65,936,097
Less: Reserve for losses on loans	<u>(4,313,116)</u>	<u>(4,488,540)</u>
	59,922,675	61,447,557
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	13,621,274	14,333,080
Less: Reserve for losses on loans	<u>(3,112,800)</u>	<u>(2,814,337)</u>
	10,508,474	11,518,743
Total mortgage loans receivable, net	<u>\$ 870,504,002</u>	<u>\$ 872,891,822</u>
	<u>2022</u>	<u>2021</u>
Reported in the following classifications		
Restricted mortgage loans receivable, net	\$ 858,358,013	\$ 857,469,612
Mortgage loans receivable, net	<u>12,145,989</u>	<u>15,422,210</u>
	<u>\$ 870,504,002</u>	<u>\$ 872,891,822</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, 2022 and 2021 were \$17,373,200 and \$17,650,000, respectively.

As of June 30, 2022 and 2021, the Authority had 227 and 416 loans, respectively, delinquent for 90 days or more from the population of 9,775 and 10,003 loans, respectively. The outstanding balance of mortgages delinquent for 90 days or more was \$26,953,891 and \$57,286,967 as of June 30, 2022 and 2021, respectively.

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2022 and 2021

**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. Noncurrent Liabilities**

The changes in noncurrent liabilities for the year ended June 30, 2022 were as follows:

	Balance at June 30, 2021	Additions	Reductions	Balance at June 30, 2022	Amount Due Within 1 Year
Bonds payable, principal	\$ 818,370,000	\$ 192,570,000	\$ 167,940,000	\$ 843,000,000	\$ 28,895,000
Adjustments for premiums, discounts and appreciation	14,117,069	5,934,694	2,292,651	17,759,112	-
Bonds payable	832,487,069	198,504,694	170,232,651	860,759,112	28,895,000
Other deferred credits	664,739	178,116	187,099	655,756	-
Pension liabilities	3,539,832	-	1,067,985	2,471,847	-
Other postemployment benefit liabilities	2,856,836	-	260,654	2,596,182	-
Hedging liabilities	3,837,294	-	3,768,787	68,507	-
	<u>\$ 843,385,770</u>	<u>\$ 198,682,810</u>	<u>\$ 175,517,176</u>	<u>\$ 866,551,404</u>	<u>\$ 28,895,000</u>

**Note 8. Bonds Payable**

Bonds are generally payable in scheduled annual and semiannual installments and are subject to mandatory sinking fund requirements in scheduled amounts. Redemption is optional after various dates at par.

The bonds of the 1994 Indenture 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, 2022 and 2021

**Note 8. Bonds Payable (Continued)**

	Balance at June 30, 2021	Issued	Retired	Balance at June 30, 2022	Amount Due Within 1 Year
<b>Housing Revenue Bonds 1994 Indenture Fund</b>					
2007 Series 5 & 6, 2022 to 2037, redeemed, original amount issued \$70,000,000	\$ 4,685,000	\$ -	\$ 4,685,000	\$ -	\$ -
2007 Series 7, 8 & 9, 2022 to 2038, redeemed, original amount issued \$60,000,000	5,200,000	-	5,200,000	-	-
2007 Series 10, 11 & 12, 2022 to 2038, redeemed, original amount issued \$60,000,000	6,870,000	-	6,870,000	-	-
2012 Series 1 & 2, 2022 to 2037, redeemed, original amount issued \$49,665,000 at premium of \$177,508	3,665,000	-	3,665,000	-	-
2013 Series 1, 2 & 3, 2023 to 2038, interest at 2.90% to 4.05%, original amount issued \$87,315,000	12,515,000	-	6,195,000	6,320,000	-
2014 Series 1, 2, 3, 4 & 5, 2022 to 2024, redeemed, original amount issued \$138,225,000	8,580,000	-	8,580,000	-	-
2015 Series 1, 2 & 3, 2022 to 2044, interest at 2.45% to 3.50%, original amount issued \$77,130,000	45,585,000	-	16,570,000	29,015,000	1,435,000
2015 Series 4, 6, 7 & 8, 2022 to 2045, interest at 2.55% to 4.00%, original amount issued \$138,375,000	29,420,000	-	13,515,000	15,905,000	745,000
2016 Series 1, 2, & 3, 2022 to 2041, interest at 1.90% to 3.50%, original amount issued \$99,485,000 at premium of \$1,472,304	52,930,000	-	5,230,000	47,700,000	2,650,000
2017 Series 1, 2, 3 & 4, 2022 to 2032, interest at 1.95% to 3.45%, original amount issued \$87,270,000	66,465,000	-	32,495,000	33,970,000	2,475,000

(Continued)



**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2022 and 2021

**Note 8. Bonds Payable (Continued)**

	Balance at June 30, 2021	Issued	Retired	Balance at June 30, 2022	Amount Due Within 1 Year
2017 Series 5, 2022 to 2046, interest at 1.90% to 4.00%, original amount issued \$60,385,000 at premium of \$1,697,088	\$ 47,055,000	\$ -	\$ 9,735,000	\$ 37,320,000	\$ 1,470,000
2017 Series 6, 2046 to 2047, interest at 0.90%, original amount issued \$6,000,000	6,000,000	-	-	6,000,000	-
2018 Series 1 & 2, 2022 to 2043, interest at 2.45% to 4.00%, original amount issued \$77,325,000 at premium of \$671,895	29,845,000	-	15,820,000	14,025,000	1,690,000
2018 Series 3 & 4, 2022 to 2043, interest at 2.125% to 4.00%, original amount issued \$74,640,000 at premium of \$1,362,101	41,320,000	-	9,875,000	31,445,000	1,575,000
2019 Series 1 & 2, 2022 to 2049, interest at 0.90% to 4.00%, original amount issued \$88,160,000 at premium of \$1,836,435	70,490,000	-	8,310,000	62,180,000	1,735,000
2019 Series 3 & 4, 2022 to 2049, interest at 0.93% to 3.75%, original amount issued \$88,715,000 at premium of \$1,281,476	84,210,000	-	4,655,000	79,555,000	1,875,000
2020 Series 1, 2022 to 2050, interest at 1.30% to 4.00%, original amount issued \$95,385,000 at premium of \$2,577,263	92,515,000	-	5,165,000	87,350,000	2,180,000
2020 Series 2 & 3, 2022 to 2049, interest at 0.55% to 5.00%, original amount issued \$125,380,000 at premium of \$4,115,849	123,790,000	-	5,365,000	118,425,000	3,905,000
2021 Series 1 & 2, 2022 to 2050, interest at 0.25% to 3.00%, original amount issued \$87,230,000 at premium of \$2,265,968	87,230,000	-	4,810,000	82,420,000	2,095,000

(Continued)

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2022 and 2021

**Note 8. Bonds Payable (Continued)**

	<u>Balance at June 30, 2021</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance at June 30, 2022</u>	<u>Amount Due Within 1 Year</u>
2021 Series 3 & 4, 2022 to 2050, interest at 0.25% to 3.00%, original amount issued \$85,610,000 at premium of \$1,499,078	\$ -	\$ 85,610,000	\$ 1,200,000	\$ 84,410,000	\$ 2,515,000
2022 Series 1, 2 & 3, 2022 to 2052, interest at 0.88% to 5.00%, original amount issued \$106,960,000 at premium of \$4,435,616	-	106,960,000	-	106,960,000	2,550,000
Principal amounts of bonds outstanding					
1994 Indenture Fund	818,370,000	192,570,000	167,940,000	843,000,000	28,895,000
Adjustment for premiums, discounts and appreciation	14,117,069	5,934,694	2,292,651	17,759,112	-
Total bonds payable	<u>\$ 832,487,069</u>	<u>\$ 198,504,694</u>	<u>\$ 170,232,651</u>	<u>\$ 860,759,112</u>	<u>\$ 28,895,000</u>

Annual debt service requirements for the five fiscal years subsequent to June 30, 2022, and for each five-year segment thereafter, including the bonds to be remarketed or expected to be refunded, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2023	\$ 28,895,000	\$ 21,435,741	\$ 50,330,741
2024	31,375,000	20,727,878	52,102,878
2025	31,975,000	19,938,737	51,913,737
2026	29,595,000	19,243,435	48,838,435
2027	31,490,000	18,647,883	50,137,883
5 years ending 2032	179,825,000	80,185,219	260,010,219
5 years ending 2037	133,310,000	58,118,393	191,428,393
5 years ending 2042	162,955,000	39,789,041	202,744,041
5 years ending 2047	138,135,000	20,638,542	158,773,542
5 years ending 2052	75,445,000	4,915,958	80,360,958
	<u>\$ 843,000,000</u>	<u>\$ 303,640,827</u>	<u>\$ 1,146,640,827</u>

The balances above do not include net premiums or discounts in the amount of \$17,759,112 and \$14,117,069 that are reported as components of bonds payable as of June 30, 2022 and 2021, respectively.

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022 and 2021

**Note 8. Bonds Payable (Continued)**

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

Using rates as of June 30, 2022 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 2017 Series 6, 2019 Series 2, 2019 Series 4, 2021 Series 2 and 2022 Series 2 and net swap payments are as follows.

	Variable Rate Bonds		Interest Rate	Total
	Principal	Interest	Swaps (net)	
2023	\$ -	\$ 858,462	\$ 1,099,339	\$ 1,957,801
2024	-	866,486	1,098,199	1,964,685
2025	-	863,714	1,091,419	1,955,133
2026	-	865,100	1,090,957	1,956,057
2027	-	865,100	1,094,028	1,959,128
5 years ending 2032	-	4,326,886	5,448,297	9,775,183
5 years ending 2037	1,750,000	4,324,114	5,282,794	11,356,908
5 years ending 2042	39,001,203	3,496,110	3,033,312	45,530,625
5 years ending 2047	45,056,422	1,518,764	1,335,263	47,910,449
5 years ending 2052	10,692,375	92,947	135,396	10,920,718
	<u>\$ 96,500,000</u>	<u>\$ 18,077,683</u>	<u>\$ 20,709,004</u>	<u>\$ 135,286,687</u>

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

**Note 9. Line of Credit**

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% and 83% of the fair market value of the collateral at June 30, 2022 and 2021, respectively. As of June 30, 2022 and 2021, the Authority had investments held as collateral with a fair value of \$22,026,118 and \$24,618,400, respectively, on deposit with this financial institution and no advances were outstanding. This agreement expires on December 31, 2022.

**Note 10. Conduit Debt Obligations**

In previous years, 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 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, 2022 and 2021, there were four and three, respectively, such series of Multi-Family Housing Revenue bonds outstanding, with an aggregate outstanding principal amount payable of \$15,266,291 and \$12,566,102, respectively.

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2022 and 2021

**Note 11. Interest Rate Swaps**

**Swap Objectives**

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

**Swap Terms and Values**

June 30, 2022							
Bond Series	Swap Contractual		Fixed Rate		Termination Date	Fair Value	Counterparty Credit Rating
	Dates	Notional Amount	Paid	Variable Rate Received			
2019 Series 4	12/1/2020	\$ 10,000,000	1.3060%	SIFMA	6/1/2048	\$ 1,782,879	AA-/Aa1
2022 Series 2	12/1/2020	4,000,000	1.3060%	SIFMA	6/1/2048	713,152	AA-/Aa1
2019 Series 2	12/1/2020	18,000,000	1.3060%	SIFMA	6/1/2048	3,209,181	AA-/Aa1
2022 Series 2	1/15/2016	6,000,000	2.0130%	70% of LIBOR	12/1/2045	269,410	AA-/Aa1
2017 Series 6	1/15/2016	3,000,000	2.0130%	70% of LIBOR	12/1/2045	134,705	AA-/Aa1
2021 Series 2	1/15/2016	3,000,000	2.0130%	70% of LIBOR	12/1/2045	134,705	AA-/Aa1
2022 Series 2	6/1/2017	22,000,000	2.2650%	70% of LIBOR	12/1/2047	672,557	A/A1
2021 Series 2	6/5/2018	16,500,000	2.5230%	70% of LIBOR	6/1/2038	(64,875)	A+/Aa2
2021 Series 2	9/13/2018	14,000,000	2.5850%	70% of LIBOR	12/1/2038	(45,836)	A+/Aa2
		<u>\$ 96,500,000</u>				<u>\$ 6,805,878</u>	

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%	SIFMA	6/1/2048	\$ 469,764	AA-/Aa2
2007 Series 6	9/1/2015	4,000,000	1.3060%	SIFMA	6/1/2048	187,906	AA-/Aa2
2019 Series 2	9/1/2015	18,000,000	1.3060%	SIFMA	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>	

As of June 30, 2022 and 2021, the Authority's swap agreements had a net fair value of \$6,805,878 and (\$3,989,165), 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, 2022 and 2021 is inclusive of accrued interest of \$94,479 and \$151,871, respectively. Accrued interest is separately reported on the Authority's balance sheet. The change in gross fair value was \$10,737,651 and \$5,536,866 for the year ended June 30, 2022 and 2021, respectively. 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, 2022 and 2021

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### Note 11. Interest Rate Swaps (Continued)

#### *Swap Risks*

**Credit Risk** – As of June 30, 2022 and 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, 2022, the swap counterparties were rated AA-, A and A+ by S&P Global Ratings and Aa1, A1 and Aa2 by Moody's Investors Service. 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, 2022 and 2021, the SIFMA Index rate was 0.91 and 0.03, while 70 percent of LIBOR (the swap rate) was 0.74 and 0.06 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, 2022 and 2021

**Note 11. Interest Rate Swaps (Continued)**

***Swap Risks (Continued)***

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

June 30, 2022		
Associated Bond Issuance	Bond Maturity Date	Swap Termination Date
2019 Series 4	December 1, 2049	June 1, 2048
2022 Series 2	June 1, 2052	June 1, 2048
2019 Series 2	June 1, 2049	June 1, 2048
2022 Series 2	June 1, 2052	December 1, 2045
2017 Series 6	December 1, 2047	December 1, 2045
2021 Series 2	June 1, 2045	December 1, 2045
2022 Series 2	June 1, 2052	December 1, 2047
2021 Series 2	June 1, 2045	June 1, 2038
2021 Series 2	June 1, 2045	December 1, 2038

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

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022 and 2021

**Note 12. Net Position**

Below is a summary of net position as of June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Net investment in capital assets	\$ 1,921,888	\$ 2,093,460
Restricted		
Restricted by bond indentures	149,195,020	166,027,967
Restricted by grants	105,537,182	94,176,854
	<u>254,732,202</u>	<u>260,204,821</u>
Unrestricted		
Designated for the Housing Revenue Bond 1994 Indenture Fund	51,559,487	46,615,709
Designated for the Single Family Mortgage Warehousing Fund	10,175,225	9,693,107
Designated for the Multi-Family Fund	1,519,539	2,405,695
Designated for the Housing Trust Fund	72,517,224	76,988,935
Designated for the Mortgage Guaranty Fund	20,713,298	24,601,103
Designated for noncurrent assets and operations	7,565,566	5,756,924
	<u>164,050,339</u>	<u>166,061,473</u>
Total net position	<u>\$ 420,704,429</u>	<u>\$ 428,359,754</u>

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

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

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2022 and 2021

**Note 13. Mortgage Loan Servicing**

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

Type of Loans by Investor	2022		
	Servicing Rights Capitalized in 2022	Loans Serviced	Principal Balance
WCDA Single Family Loans - first mortgages	\$ 1,728,801	6,103	\$ 879,326,803
WCDA Single Family Loans - second mortgages	-	3,640	24,376,656
GNMA Advantage	338,453	31	1,309,130
GNMA Pooled	-	775	156,857,937
FNMA Single Family Loans	1,006,607	3,750	633,886,955
Total	<u>\$ 3,073,861</u>	<u>14,299</u>	<u>\$ 1,695,757,481</u>

Type of Loans by Investor	2021		
	Servicing Rights Capitalized in 2021	Loans Serviced	Principal Balance
WCDA Single Family Loans - first mortgages	\$ 1,741,825	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>\$ 5,554,511</u>	<u>14,732</u>	<u>\$ 1,743,452,907</u>

Escrow and related servicing balances for these loans were \$9,169,338 and \$9,464,428 at June 30, 2022 and 2021, respectively. These balances are not included in the accompanying combined financial statements.

**Note 14. Deferred Compensation Plan**

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



# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022 and 2021

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### **Note 14. Deferred Compensation Plan (Continued)**

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 were grandfathered into the prior contribution plan which allowed for no match for employees with less than one year 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 15. 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.

For the years ended June 30, 2022, 2021 and 2020, respectively, PEPP members were statutorily required to contribute 9.25%, 9.00% and 8.75% of their annual covered salary and the Authority is statutorily required to contribute 9.37%, 9.12%, and 8.87% of the annual covered payroll for a total of 18.62%, 18.12% and 17.62%. Legislation enacted in 1979 allows the employer to subsidize all or part of the employees' contribution. For the years ended June 30, 2022, 2021 and 2020, respectively, the Authority paid 6.50%, 6.75% and 7.00% of the statutorily required employees' contribution and the employees paid 2.75%, 2.25% and 1.75%. Although paid by the Authority, for purposes of recording the net pension liability these additional contributions are considered to be employee contributions. The Authority currently pays 15.87% of covered payroll and the employees contribute the remaining 2.75% of covered payroll. The Authority's contributions to the PEPP for the years ended June 30, 2022, 2021, and 2020 were \$478,464, \$473,108 and \$469,357, respectively, while the employees' portion was \$82,352, \$66,809, and \$51,357, respectively. For the years ended June 30, 2022, 2021, and 2020, the Authority's statutorily required contributions to the PEPP pension plan were \$282,215, \$271,746, and 262,127, respectively.

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 employees' contribution at their discretion. Through legislation passed during the 2012 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 after 9/1/2012), the Plan allows for normal retirement after four years of service and attainment of age 65.

# WYOMING COMMUNITY DEVELOPMENT AUTHORITY

## NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022 and 2021

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### **Note 15. Pension Plan (Continued)**

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

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, 2022 and 2021, the Authority reported a total liability of \$2,471,847 and \$3,539,832, respectively, for its proportionate share of the net pension liability. The net pension liability was determined by an actuarial valuation as of December 31, 2021, 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, 2020. The net pension liability as of December 31, 2021 is based on the results of an actuarial valuation as of January 1, 2021, rolled forward to a measurement date of December 31, 2021.

The schedule below shows the Authority's proportionate share of the net pension liability at June 30, 2022, the proportionate portion at the measurement date of December 31, 2021, and the change in the proportion from the previous measurement date.

Pension liability at June 30, 2022	\$2,471,847
Proportion at December 31, 2021	0.162117934%
Increase (decrease) from December 31, 2020	(0.000755808%)

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022 and 2021

**Note 15. Pension Plan (Continued)**

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

For the years ended June 30, 2022 and 2021, the Authority recaptured prior pension expense of \$40,539 and recognized pension expense of \$88,476, respectively.

The Authority reported deferred outflows of resources and deferred inflows of resources related to pensions for the years ended June 30, 2022 and 2021 from the following sources:

	2022		2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 243,339	\$ 1,885,719	\$ 486,677	\$ 1,250,629
Difference between actual and expected experience rate	46,563	3,762	67,268	30,137
Change in assumptions	200,023	-	20,655	-
Change in employer's proportion	31,816	14,056	102,684	-
Amortizing deferred outflows and deferred inflows	521,741	1,903,537	677,284	1,280,766
Authority contributions subsequent to the measurement date	150,438	-	117,354	-
<b>Total</b>	<b>\$ 672,179</b>	<b>\$ 1,903,537</b>	<b>\$ 794,638</b>	<b>\$ 1,280,766</b>

The Authority reported \$150,438 and \$117,354, as of June 30, 2022 and 2021, respectively, 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 years ended June 30, 2023 and 2022, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources
2023	\$ 367,144	\$ 628,840
2024	116,342	625,077
2025	38,255	370,268
2026	-	279,352
	<b>\$ 521,741</b>	<b>\$ 1,903,537</b>

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022 and 2021

**Note 15. Pension Plan (Continued)**

***Actuarial Assumptions***

The total pension liability in the December 31, 2021 and December 31, 2020 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, 2021	January 1, 2020
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level percentage of payroll, closed	Level percentage of payroll, closed
Remaining amortization period	26 years	27 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%, including inflation	2.50% to 6.50%, including inflation
Payroll growth rate	2.50%	2.50%
Cost of living increase	0.00%	0.00%
Investment net rate of return	6.80%	7.00%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Based on an experience study that covered a five-year period ending December 31, 2020.	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	Pub-2010 General Healthy Annuitant Mortality Table, amount weighted, fully generational, projected with Scale MP-2020 Ultimate Scale Males: No set back with multiplier of 100% Females: No set back with multiplier of 103%	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	Pub-2010 General Healthy Annuitant Mortality Table, amount weighted, fully generational, projected with Scale MP-2020 Ultimate Scale 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, 2021. In addition, an experience study was conducted covering the five-year period ending December 31, 2020 and 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 6.80% (real return net of inflation of 4.55%) 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 the 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

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022 and 2021

**Note 15. Pension Plan (Continued)**

***Actuarial Assumptions (Continued)***

expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Each major asset class is included in the pension plan’s target asset allocation for the fiscal years 2021 and 2020. These best estimates are summarized in the following table:

Asset Class	Target Allocation	2021		2020	
		Long-Term Expected Geometric Real Rate of Return	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return	Long-Term Expected Arithmetic Real Rate of Return
Cash	2.00%	-0.50%	-0.50%	-1.00%	-1.00%
Fixed Income	21.00%	1.32%	1.63%	1.00%	1.34%
Equity	48.50%	5.63%	7.54%	5.23%	7.34%
Marketable Alternatives	19.00%	3.74%	4.63%	3.47%	4.50%
Private Markets	9.50%	4.84%	5.99%	4.53%	5.82%
Total	<u>100.00%</u>	4.17%	5.44%	3.82%	5.23%

***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 unfunded pension liability calculated using the discount rate applicable, 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 or 1-percentage-point higher than the current rate.

Authority’s proportionate share of the net pension liability

1% Decrease (5.80%)	\$4,560,527
Current Discount Rate (6.80%)	2,471,847
1% Increase (7.80%)	740,450

***Payables to the pension plan***

At June 30, 2022 and 2021, respectively, the Authority had no amounts payable to the pension plan.

***Discount Rate***

The discount rate used to measure the PEPP total pension liability was 6.80% and 7.00%, respectively, for the years ended December 31, 2021 and 2020. 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 6.80%, the municipal bond rate is 1.84% (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, 2022 and 2021

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**Note 16. 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:

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

For the plan years ending June 30, 2022 and 2021, respectively, there were 13,822 and 13,699 fully eligible active participants; and 3,570 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.

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022 and 2021

**Note 16. Postemployment Benefits Other Than Pensions (OPEB) (Continued)**

***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 2022, the Authority’s post-retirement plan is considered an unfunded plan. While the Legislature has established a fund to account for retiree health insurance contributions, to pay explicit subsidies, for purposes of this latest actuarial evaluation the plan is considered unfunded and these dollars are not treated as an asset for this analysis.

***Total OPEB Liability***

The Authority’s total OPEB liabilities of \$2,596,182 and \$2,856,836 as of June 30, 2022 and 2021, respectively, were measured as of July 1, 2021 and 2020, 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, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

	July 1, 2021	July 1, 2020
Inflation	2.25%	2.25%
Salary increases	2.50% to 8.50%, vary by service, including inflation	2.50% to 8.50%, vary by service, including inflation
Discount rate	2.16%, based on rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher.	2.21%, 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		
Non-Medicare Medical & Prescription	7.50%, then graded down 0.25% to ultimate 4.50% over 12 years	7.20%, then graded down 0.20% to ultimate 4.50% over 9 years
Medicare Medical & Prescription	7.50%, then graded down 0.25% to ultimate 4.50% over 12 years	7.60%, then graded down 0.40% to ultimate 4.50% over 9 years
Administrative costs	3.00%	3.00%
Mortality	Pub-2010 mortality tables, projected generationally with two-dimensional scale MP-2020	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, 2021 valuation were based on the results of an Actuarial Experience Study as of December 31, 2020 for the Wyoming Retirement System dated April 29, 2022.

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022 and 2021

**Note 16. Postemployment Benefits Other Than Pensions (OPEB) (Continued)**

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

The following table represents the Authority's proportionate share of the total OPEB liability calculated using the discount rate applicable, as well as what the Authority's proportionate share of the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

<u>Authority's proportionate share of the total OPEB liability</u>	
1% Decrease (1.16%)	\$3,227,008
Current Discount Rate (2.16%)	2,596,182
1% Increase (3.16%)	2,119,546

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

The following table represents the Authority's proportionate share of the total OPEB liability calculated using the healthcare cost trend rates applicable, as well as what the Authority's proportionate share of the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

<u>Authority's proportionate share of the total OPEB liability</u>	
1% Decrease (from 6.5% to 3.5% over 12 years)	\$2,142,565
Current Healthcare Cost Trend Rates (from 7.5% to 4.5% over 12 years)	2,596,182
1% Increase (from 8.5% to 5.5% over 12 years)	3,212,137

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

For the years ended June 30, 2022 and 2021, the Authority recognized OPEB expense of \$77,476 and \$639,155, respectively.

At June 30, 2022 and 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2022		2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between actual and expected experience	\$ 315,092	\$ 266,275	\$ 379,059	\$ 246,832
Changes in assumptions or other inputs	535,786	227,210	611,524	229,025
Change in employer's proportion	21,274	387,858	24,270	210,057
Amortizing deferred outflows and deferred inflows	872,152	881,343	1,014,853	685,914
Authority contributions subsequent to the measurement date	-	-	-	-
<b>Total</b>	<b>\$ 872,152</b>	<b>\$ 881,343</b>	<b>\$ 1,014,853</b>	<b>\$ 685,914</b>



**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022 and 2021

**Note 16. 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
2023	\$ 142,701	\$ 148,672
2024	142,701	148,672
2025	142,701	148,672
2026	142,701	148,672
2027	132,675	112,739
Thereafter	168,673	173,916
	<u>\$ 872,152</u>	<u>\$ 881,343</u>

**Note 17. Commitments, Concentrations and Contingencies**

At June 30, 2022 and 2021, respectively, the Authority was committed to purchase single-family mortgages aggregating approximately \$39.3 million and \$38.7 million under the Warehouse Indenture, \$0.2 million and \$0.3 million under the 1994 Indenture, \$2.9 million and \$6.7 million under various Housing & Neighborhood Development Department Programs, \$0.2 million and \$0.3 million under the Housing Trust Fund, \$0 and \$3.2 million under the FNMA HFA Program and \$6.3 million and \$5.9 million under the GNMA Advantage Program.

As of June 30, 2022 and 2021, respectively, the Authority has variable rate bonds outstanding in the 1994 Indenture of \$105.0 million and \$106.3 million.

As of June 30, 2022 and 2021, respectively, the Authority had \$105.0 million and \$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, 2022 and 2021, respectively, no variable rate bonds were held as unremarketed bank bonds under the terms of a standby bond purchase agreement.

In addition, WCDA had no floating rate notes outstanding at June 30, 2022 and had \$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 2.0% and 2.2% of the Authority's outstanding mortgage receivable balances were covered by PMI from Radian and approximately 2.2% and 2.8% from Genworth, as of June 30, 2022 and 2021, respectively.

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2022 and 2021

**Note 18. Forward Commitments**

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

A net decrease in fair value of \$323,170 and \$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 years ended June 30, 2022 and 2021, respectively. In addition, \$37,427 and \$360,597 of forward commitments is recorded on the balance sheet as other current assets at June 30, 2022 and 2021, respectively.

The Authority is subject to credit risk with respect to counterparties to the forward commitment contracts, summarized by counterparty at June 30, 2022 and 2021 as follows:

June 30, 2022						
Counterparty	Count	Commitments at Par	Fair Value	Exposure by Counterparty	Purchased	Counterparty Rating (S&P/Moody's)
Bank of Oklahoma	2	\$ 806,000	\$ 820,094	12%	\$ 202,283	BBB+/A3
Daiwa Capital Markets	7	4,425,400	4,518,888	64%	812,412	unknown
Piper Sandler	1	1,200,000	1,229,040	17%	-	unknown
Raymond James	1	500,000	510,450	7%	523,628	BBB+/A3
		<u>\$ 6,931,400</u>	<u>7,078,472</u>	<u>100%</u>	<u>\$ 1,538,323</u>	
Adjustment to fair value for related fees and funding risk			(43,025)			
Adjusted fair value			<u>\$ 7,035,447</u>			
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>			

The Authority has also recorded a deferred inflow of resources for the accumulated increase in fair value of hedged derivatives of \$31,660 and \$206,535 as of June 30, 2022 and 2021, respectively, 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, 2022 and 2021

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### **Note 19. Risk Management**

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

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

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

The State's group insurance fund, which includes medical, life and dental, was solvent at June 30, 2022 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, 2022 and 2021 were \$950,931 and \$1,021,496, respectively.

### **Note 20. 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 21. Subsequent Events**

On July 29, 2022, the Authority instructed its trustee to call on September 1, 2022, bonds in the amount of \$29,970,000 from the 1994 Indenture.

**REQUIRED SUPPLEMENTARY INFORMATION**

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Authority's proportion of the net pension liability	0.1621179%	0.1628734%	0.1606900%	0.1604696%
Authority's proportionate share of the net pension liability	\$ 2,471,847	\$ 3,539,832	\$ 3,776,095	\$ 4,886,765
Authority's covered-employee payroll	\$ 2,950,430	\$ 2,899,908	\$ 2,793,134	\$ 2,794,345
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	83.78%	122.07%	135.19%	174.88%
Plan fiduciary net position as a percentage of the total pension liability	86.03%	79.24%	76.83%	69.17%

\*\* 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.

2018	2017	2016	2015	2014	2013
0.1530328%	0.1384712%	0.1414056%	0.1383546%	*	*
\$ 3,488,138	\$ 3,347,541	\$ 3,293,828	\$ 2,441,532	*	*
\$ 2,718,440	\$ 2,468,810	\$ 2,466,218	\$ 2,365,050	*	*
128.31%	135.59%	133.56%	103.23%	*	*
76.35%	73.42%	73.40%	79.08%	*	*

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

SCHEDULE OF PENSION CONTRIBUTIONS  
Last 10 Fiscal Years  
(Unaudited)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Statutorily required contribution	\$ 282,215	\$ 271,746	\$ 262,127	\$ 249,206
Contributions in relations to the statutorily required contribution	<u>(282,215)</u>	<u>(271,746)</u>	<u>(262,127)</u>	<u>(249,206)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered payroll	\$ 3,011,900	\$ 2,979,671	\$ 2,955,209	\$ 2,891,021
Contributions as a percentage of covered payroll	9.37%	9.12%	8.87%	8.62%

Note: Changes in Plan Provisions - There have been no changes to the plan provisions since the prior valuation.

Note: Changes in Benefits - An experience study was conducted on behalf of the WRS' plan covering the five-year period ended December 31, 2020. That study provided a detailed analysis concerning the development of the long-term inflation rate, real rate of return and discount rate. The study also analyzed each major actuarial assumption (e.g. mortality, salary increases, retirement, termination and disability) and proposed assumptions consistent with the findings. For further information on the experience study and related assumption recommendation, the reader is directed to request the December 31, 2020 Wyoming Retirement Experience Study.

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

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 232,492	\$ 224,507	\$ 206,888	\$ 176,110	*	*
<u>(232,492)</u>	<u>(224,507)</u>	<u>(206,888)</u>	<u>(176,110)</u>	*	*
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	*	*
\$ 2,777,682	\$ 2,759,184	\$ 2,471,835	\$ 2,310,920	*	*
8.37%	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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Authority's proportion of the net OPEB liability	0.19687%	0.21864%	0.21591%	0.24323%
Authority's proportionate share of the new OPEB liability	\$ 2,596,182	\$ 2,856,836	\$ 2,042,522	\$ 2,479,597
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

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

There have been no changes of benefit terms.

The following assumptions were changed since the prior valuation:

1) The following demographic assumptions were updated based on the Actuarial Experience Study as of December 31, 2020, for the Wyoming Retirement System dated April 29, 2022:

- a. Mortality
- b. Retirement
- c. Termination
- d. Disability

2) The 2021-2022 per capita health costs and trends on such costs were updated to reflect recent experience.

3) The 2021-2022 retiree contribution rates and trends on such contributions were updated to reflect 2022 rates and expectations for future retiree premium increases passed on to retirees.

4) The spouse age difference assumption was updated from husbands 3 years older than wives to husbands 2 years older than wives based on recent experience.

5) The discount rate was updated from 2.21% to 2.16% based on the rate for 20-yr, tax-exempt general obligation municipal bonds with an average rating of AAA/Aa or higher.

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

	2018	2017	2016	2015	2014	2013
	0.24483%	*	*	*	*	*
\$	1,936,584	*	*	*	*	*
	N/A	*	*	*	*	*
	N/A	*	*	*	*	*
	N/A	*	*	*	*	*

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**SUPPLEMENTARY INFORMATION**

**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

**DETAILED BALANCE SHEET**

June 30, 2022

(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	\$ 20,017,926	\$ -	\$ 11,467,998
Investments	31,346,028	-	-
Interest receivable: Mortgage loans	-	-	12,824
Investments	195,533	-	2,425
Due from other funds	-	-	-
Accounts receivable and other assets	-	-	218,246
Total current assets	<u>51,559,487</u>	<u>-</u>	<u>11,701,493</u>
<b>Noncurrent Assets</b>			
Restricted cash and cash equivalents	148,473,919	-	-
Restricted investments	60,895,870	-	-
Restricted mortgage loans receivable, net	798,435,338	-	-
Restricted real estate held for sale	1,885,921	-	-
Restricted interest receivable: Mortgage loans	2,703,685	-	-
Investments	517,437	-	-
Restricted accounts receivable and other assets	30,800	-	-
Mortgage loans receivable, net	-	-	1,637,515
Real estate held for sale	-	-	-
Deferred hedging costs of fixed-rate swaps	6,968,864	-	-
Deferred servicing costs, net	-	-	-
Property and equipment, net	-	-	-
Total noncurrent assets	<u>1,019,911,834</u>	<u>-</u>	<u>1,637,515</u>
Total assets	<u>1,071,471,321</u>	<u>-</u>	<u>13,339,008</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	68,507	-	-
Total deferred outflows of resources	<u>68,507</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 1,071,539,828</u>	<u>\$ -</u>	<u>\$ 13,339,008</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>			
<b>Current Liabilities</b>			
Bonds payable	\$ 28,895,000	\$ -	\$ -
Accrued interest payable	1,900,545	-	-
Due to other funds	-	-	3,125,500
Accounts payable and other liabilities	432,537	-	6,623
Total current liabilities	<u>31,228,082</u>	<u>-</u>	<u>3,132,123</u>
<b>Noncurrent liabilities</b>			
Bonds payable	831,864,112	-	-
Other deferred credits	655,756	-	-
Pension liabilities	-	-	-
Other postemployment benefit liabilities	-	-	-
Derivative instrument liabilities	68,507	-	-
Total noncurrent liabilities	<u>832,588,375</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>863,816,457</u>	<u>-</u>	<u>3,132,123</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 hedging derivatives	6,968,864	-	31,660
Total deferred inflows of resources	<u>6,968,864</u>	<u>-</u>	<u>31,660</u>
<b>Net Position</b>			
Net investment in capital assets	-	-	-
Restricted	149,195,020	-	-
Unrestricted	51,559,487	-	10,175,225
Total net position	<u>200,754,507</u>	<u>-</u>	<u>10,175,225</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 1,071,539,828</u>	<u>\$ -</u>	<u>\$ 13,339,008</u>

Multi-Family Fund	Housing & Neighborhood Development Fund	Housing Trust Fund	Mortgage Guaranty Fund	General Fund	Eliminations	Total
\$ 247,369	\$ -	\$ 30,082,940	\$ 3,427,308	\$ 4,214,041	\$ -	\$ 69,457,582
1,269,635	-	27,674,149	17,203,267	-	-	77,493,079
-	-	199,345	-	-	-	212,169
2,535	-	133,034	82,723	-	-	416,250
-	-	3,125,500	-	-	(3,125,500)	-
-	-	38,598	-	362,800	(17,556)	602,088
1,519,539	-	61,253,566	20,713,298	4,576,841	(3,143,056)	148,181,168
-	16,592,261	-	-	-	-	165,066,180
-	-	-	-	-	-	60,895,870
-	59,922,675	-	-	-	-	858,358,013
-	-	-	-	-	-	1,885,921
-	21,189	-	-	-	-	2,724,874
-	11,662	-	-	-	-	529,099
-	30,938,706	-	-	-	-	30,969,506
-	-	10,508,474	-	-	-	12,145,989
-	-	758,910	-	-	-	758,910
-	-	-	-	-	-	6,968,864
-	-	-	-	10,980,317	-	10,980,317
-	-	-	-	1,921,888	-	1,921,888
-	107,486,493	11,267,384	-	12,902,205	-	1,153,205,431
1,519,539	107,486,493	72,520,950	20,713,298	17,479,046	(3,143,056)	1,301,386,599
-	-	-	-	672,179	-	672,179
-	-	-	-	872,152	-	872,152
-	-	-	-	-	-	68,507
-	-	-	-	1,544,331	-	1,612,838
\$ 1,519,539	\$ 107,486,493	\$ 72,520,950	\$ 20,713,298	\$ 19,023,377	\$ (3,143,056)	\$ 1,302,999,437
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,895,000
-	-	-	-	-	-	1,900,545
-	-	-	-	-	(3,125,500)	-
-	1,949,311	3,726	-	1,683,014	(17,556)	4,057,655
-	1,949,311	3,726	-	1,683,014	(3,143,056)	34,853,200
-	-	-	-	-	-	831,864,112
-	-	-	-	-	-	655,756
-	-	-	-	2,471,847	-	2,471,847
-	-	-	-	2,596,182	-	2,596,182
-	-	-	-	-	-	68,507
-	-	-	-	5,068,029	-	837,656,404
-	1,949,311	3,726	-	6,751,043	(3,143,056)	872,509,604
-	-	-	-	1,903,537	-	1,903,537
-	-	-	-	881,343	-	881,343
-	-	-	-	-	-	7,000,524
-	-	-	-	2,784,880	-	9,785,404
-	-	-	-	1,921,888	-	1,921,888
-	105,537,182	-	-	-	-	254,732,202
1,519,539	-	72,517,224	20,713,298	7,565,566	-	164,050,339
1,519,539	105,537,182	72,517,224	20,713,298	9,487,454	-	420,704,429
\$ 1,519,539	\$ 107,486,493	\$ 72,520,950	\$ 20,713,298	\$ 19,023,377	\$ (3,143,056)	\$ 1,302,999,437

# 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>			
Net investment 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
2,405,695	-	65,716,367	24,601,103	2,173,572	(6,061,983)	147,084,808
-	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
-	96,810,809	11,538,243	-	13,606,406	-	1,127,504,628
2,405,695	96,810,809	77,254,610	24,601,103	15,779,978	(6,061,983)	1,274,589,436
-	-	-	-	794,638	-	794,638
-	-	-	-	1,014,853	-	1,014,853
-	-	-	-	-	-	3,837,294
-	-	-	-	1,809,491	-	5,646,785
\$ 2,405,695	\$ 96,810,809	\$ 77,254,610	\$ 24,601,103	\$ 17,589,469	\$ (6,061,983)	\$ 1,280,236,221
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,285,000
-	-	-	-	-	-	1,982,818
-	-	-	-	-	(5,625,500)	-
-	2,633,955	265,675	-	1,375,737	(436,483)	4,334,664
-	2,633,955	265,675	-	1,375,737	(6,061,983)	40,602,482
-	-	-	-	-	-	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
-	2,633,955	265,675	-	7,772,405	(6,061,983)	849,703,252
-	-	-	-	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
2,405,695	-	76,988,935	24,601,103	5,756,924	-	166,061,473
2,405,695	94,176,854	76,988,935	24,601,103	7,850,384	-	428,359,754
\$ 2,405,695	\$ 96,810,809	\$ 77,254,610	\$ 24,601,103	\$ 17,589,469	\$ (6,061,983)	\$ 1,280,236,221



**WYOMING COMMUNITY DEVELOPMENT AUTHORITY**

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

Year Ended June 30, 2022

(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	\$ 27,378,586	\$ -	\$ 153,553
Investment interest income	2,904,919	-	(89,739)
Net change in fair value of investments	(13,328,182)	-	-
Fees and other income	-	-	1,568,036
<b>Total operating revenues</b>	<b>16,955,323</b>	<b>-</b>	<b>1,631,850</b>
<b>Operating Expenses</b>			
Interest expense	19,838,830	-	149,312
Servicer fees	2,854,552	-	15,410
Amortization of deferred servicing costs	-	-	-
Cost of issuance and other financing costs	2,356,541	-	-
Provision for (recapture of) loan losses	(441,771)	-	-
General and administrative	346,687	-	185,980
<b>Total operating expenses</b>	<b>24,954,839</b>	<b>-</b>	<b>350,702</b>
<b>Operating income (loss)</b>	<b>(7,999,516)</b>	<b>-</b>	<b>1,281,148</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>(7,999,516)</b>	<b>-</b>	<b>1,281,148</b>
Transfers in (out)	(3,889,653)	-	(799,030)
<b>Net income (loss)</b>	<b>(11,889,169)</b>	<b>-</b>	<b>482,118</b>
<b>Net position, beginning of year</b>	<b>212,643,676</b>	<b>-</b>	<b>9,693,107</b>
<b>Net position, end of year</b>	<b>\$ 200,754,507</b>	<b>\$ -</b>	<b>\$ 10,175,225</b>

Multi-Family Fund	Housing & Neighborhood Development Fund	Housing Trust Fund	Mortgage Guaranty Fund	General Fund	Eliminations	Total
\$ -	\$ -	\$ 393,139	\$ -	\$ -	\$ -	\$ 27,925,278
36,274	-	717,421	407,249	-	-	3,976,124
(422,430)	-	(5,088,517)	(4,294,462)	-	-	(23,133,591)
-	-	6,000	-	6,572,996	(2,886,230)	5,260,802
(386,156)	-	(3,971,957)	(3,887,213)	6,572,996	(2,886,230)	14,028,613
-	-	574	592	-	-	19,989,308
-	-	44,497	-	-	(2,886,230)	28,229
-	-	-	-	3,606,490	-	3,606,490
-	-	-	-	-	-	2,356,541
-	-	272,236	-	-	-	(169,535)
-	-	40,935	-	6,658,861	-	7,232,463
-	-	358,242	592	10,265,351	(2,886,230)	33,043,496
(386,156)	-	(4,330,199)	(3,887,805)	(3,692,355)	-	(19,014,883)
-	12,100,181	-	-	-	-	12,100,181
-	(740,623)	-	-	-	-	(740,623)
-	11,359,558	-	-	-	-	11,359,558
(386,156)	11,359,558	(4,330,199)	(3,887,805)	(3,692,355)	-	(7,655,325)
(500,000)	770	(141,512)	-	5,329,425	-	-
(886,156)	11,360,328	(4,471,711)	(3,887,805)	1,637,070	-	(7,655,325)
2,405,695	94,176,854	76,988,935	24,601,103	7,850,384	-	428,359,754
\$ 1,519,539	\$ 105,537,182	\$ 72,517,224	\$ 20,713,298	\$ 9,487,454	\$ -	\$ 420,704,429

**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