

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

FINANCIAL REPORT

June 30, 2024

and

June 30, 2023

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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 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, 2024 and 2023, 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, 2024 and 2023, and the respective changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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.



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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 audit.

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 audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Wyoming Community Development Authority's basic financial statements. The supplementary information as identified in the table of contents is 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 supplementary information as identified in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Porter, Muirhead, Cornia & Howard
Certified Public Accountants

September 25, 2024
Casper, Wyoming

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2024 and 2023

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, 2024 and 2023. 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 Statements of Net Position, 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 Statements of Net Position include 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.

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 and statements for the Authority's programs.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2024 and 2023

Financial Position Analysis

The following table is a summary of the Authority's net position at June 30, 2024, 2023 and 2022.

| | 2024 | Change | | 2023 | Change | | 2022 |
|----------------------------------|-----------------------|----------------------|--------------|-----------------------|---------------------|--------------|-----------------------|
| Cash and cash equivalents | \$ 225,011,402 | \$ (2,375,942) | -1.04% | \$ 227,387,344 | \$ (7,136,418) | -3.04% | \$ 234,523,762 |
| Investments | 112,478,931 | (5,123,139) | -31.30% | 163,714,070 | 25,325,121 | 18.30% | 138,388,949 |
| Other current assets | 2,093,943 | (15,299) | -0.73% | 2,109,242 | 878,735 | 71.41% | 1230,507 |
| Mortgage loans receivable | 1,020,892,442 | 87,392,670 | 9.36% | 933,499,772 | 62,995,770 | 7.24% | 870,504,002 |
| Other noncurrent assets | 44,828,441 | (8,782,352) | -16.38% | 53,610,793 | (3,128,586) | -5.51% | 56,739,379 |
| Total assets | 1,405,305,159 | 24,983,938 | 1.81% | 1,380,321,221 | 78,934,622 | 6.07% | 1,301,386,599 |
| Deferred outflow of resources | 1,017,258 | (1,668,872) | -62.13% | 2,686,130 | 1,073,292 | 66.55% | 1,612,838 |
| Other current liabilities | 4,497,575 | 532,775 | 13.44% | 3,964,800 | (1,993,400) | -33.46% | 5,958,200 |
| Bonds payable | 938,048,394 | 9,650,885 | 1.04% | 928,397,509 | 67,638,397 | 7.86% | 860,759,112 |
| Other long-term liabilities | 6,127,180 | (357,880) | -5.52% | 6,485,060 | 692,768 | 11.96% | 5,792,292 |
| Total liabilities | 948,673,149 | 9,825,780 | 1.05% | 938,847,369 | 66,337,765 | 7.60% | 872,509,604 |
| Deferred inflow of resources | 16,383,619 | 1,907,561 | 13.18% | 14,476,058 | 4,690,654 | 47.94% | 9,785,404 |
| Net investment in capital assets | 1,602,522 | (175,362) | -9.86% | 1,777,884 | (144,004) | -7.49% | 1,921,888 |
| Restricted | 262,139,469 | 2,323,669 | 0.89% | 259,815,800 | 5,083,598 | 2.00% | 254,732,202 |
| Unrestricted | 177,523,658 | 9,433,418 | 5.61% | 168,090,240 | 4,039,901 | 2.46% | 164,050,339 |
| Total net position | \$ 441,265,649 | \$ 11,581,725 | 2.70% | \$ 429,683,924 | \$ 8,979,495 | 2.13% | \$ 420,704,429 |

The net investment in capital assets, which is the net book value of capital assets (e.g. land, buildings, and equipment) is \$1,602,522, \$1,777,884, and \$1,921,888 for the years ended June 30, 2024, 2023, and 2022, 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, \$262,139,469, \$259,815,800, and \$254,732,202 for the years ended June 30, 2024, 2023, and 2022, 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 increased \$11.6 million from June 30, 2023 to June 30, 2024 and increased \$9.0 million from June 30, 2022 to June 30, 2023. Increasing interest rates on investments and money markets lead to an increase in investment income. In addition, the change in fair value of investments improved by \$7.4 million from the prior year, leading to an overall increase in operating revenues.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2024 and 2023

Financial Position Analysis (Continued)

Cash and cash equivalents decreased \$2.4 million and investments decreased \$51.2 million for a combined decrease in funds of \$53.6 million during the year ended June 30, 2024. Cash and cash equivalents decreased \$7.1 million and investments increased \$25.3 million for a combined increase in funds of \$18.2 million during the year ended June 30, 2023. The changes were due to the following:

| | 2024 | 2023 |
|---|-----------------|---------------|
| Net (increase) decrease in other assets | \$ 10,812,481 | \$ 5,053,788 |
| Net (increase) decrease in mortgage loans receivable | (87,392,670) | (62,995,770) |
| Net increase (decrease) in other current liabilities | 532,775 | (1,993,400) |
| Net increase (decrease) in other liabilities | (357,880) | 692,768 |
| Net increase (decrease) in bonds payable | 9,650,885 | 67,638,397 |
| Funds provided by (used in) operations | 13,143,328 | 9,792,920 |
| Net increase (decrease) in cash and cash equivalents, and investments | \$ (53,611,081) | \$ 18,188,703 |

Mortgage loans receivable increased \$87.4 million during the year ended June 30, 2024 and \$63.0 million during the year ended June 30, 2023 due to the following:

| | 2024 | 2023 |
|--|-----------------|-----------------|
| Prepayments | \$ (85,243,802) | \$ (84,189,229) |
| Curtailments and scheduled payments | (34,139,445) | (35,440,203) |
| (Increase) decrease in loan loss reserves | (1,273,972) | (52,303) |
| Mortgage loan purchases | 207,648,180 | 181,626,131 |
| Loss posted on foreclosed loans | (64,471) | (158,360) |
| Reclassified (to)/from real estate held for sale | 466,180 | 1,209,734 |
| Net increase (decrease) in mortgage loans receivable | \$ 87,392,670 | \$ 62,995,770 |

Total assets increased \$25.0 million during the year ended June 30, 2024, and \$78.9 million during the year ended June 30, 2023 due to the following:

| | 2024 | 2023 |
|--|-----------------|---------------|
| Increase (decrease) in cash, cash equivalents and investments (discussed previously) | \$ (53,611,081) | \$ 18,188,703 |
| Increase (decrease) in mortgage and investment interest receivable | 565,599 | 786,026 |
| Increase (decrease) in accounts receivable and other assets | (10,812,481) | (5,053,788) |
| Increase (decrease) in mortgage loans receivable (discussed previously) | 87,392,670 | 62,995,770 |
| Increase (decrease) in real estate held for sale | (242,500) | (1,235,331) |
| Increase (decrease) in deferred hedging cost of fixed-rate swaps | 2,838,114 | 4,361,213 |
| Increase (decrease) in deferred servicing costs | (971,021) | (963,967) |
| Increase (decrease) in property and equipment | (175,362) | (144,004) |
| Increase (decrease) in total assets | \$ 24,983,938 | \$ 78,934,622 |

Deferred outflows of resources decreased \$1.7 million for the year ended June 30, 2024 and increased \$1.1 million during the year ended June 30, 2023 due to the following:

| | 2024 | 2023 |
|---|----------------|--------------|
| Increase (decrease) in pension contributions and change in earnings | \$ (1,551,996) | \$ 1,284,500 |
| Increase (decrease) in deferred outflows from other postemployment benefits | (116,876) | (142,701) |
| Increase (decrease) in accumulated change in fair value of hedging derivative | - | (68,507) |
| Increase (decrease) in total deferred outflows of resources | \$ (1,668,872) | \$ 1,073,292 |

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2024 and 2023

Financial Position Analysis (Continued)

Other current liabilities increased \$0.5 million for the year ended June 30, 2024, and decreased \$2.0 million for the year ended June 30, 2023 due to the following:

| | 2024 | 2023 |
|---|-------------------|-----------------------|
| Increase (decrease) in accrued interest payable | \$ 24,850 | \$ 358,977 |
| Increase (decrease) in accounts payable and other liabilities | 507,925 | (2,352,377) |
| Increase (decrease) in other current liabilities | <u>\$ 532,775</u> | <u>\$ (1,993,400)</u> |

Bonds payable increased \$9.7 million during the year ended June 30, 2024 and \$67.6 million during the year ended June 30, 2023 due to the following:

| | 2024 | 2023 |
|--|---------------------|----------------------|
| Redemptions, refundings and maturities | \$ (68,225,000) | \$ (87,105,000) |
| Amortization of bond premiums | (2,124,115) | (2,126,605) |
| Bond issuances | 80,000,000 | 153,505,000 |
| Premiums on bond issuances | - | 3,365,002 |
| Increase (decrease) in bonds payable | <u>\$ 9,650,885</u> | <u>\$ 67,638,397</u> |

See Note 8 for additional information on bonds payable.

Total liabilities increased \$9.8 million during the year ended June 30, 2024 and \$66.3 million during the year ended June 30, 2023 due to the following:

| | 2024 | 2023 |
|---|---------------------|----------------------|
| Increase (decrease) in bonds payable (discussed previously) | \$ 9,650,885 | \$ 67,638,397 |
| Increase (decrease) in other current liabilities (discussed previously) | 532,775 | (1,993,400) |
| Increase (decrease) in other noncurrent liabilities | <u>(357,880)</u> | <u>692,768</u> |
| Increase (decrease) in total liabilities | <u>\$ 9,825,780</u> | <u>\$ 66,337,765</u> |

Deferred inflows of resources increased \$1.9 million during the year ended June 30, 2024 and \$4.7 million during the year ended June 30, 2023 due to the following:

| | 2024 | 2023 |
|---|---------------------|---------------------|
| Increase (decrease) in differences between expected and actual pension experience | \$ (1,121,799) | \$ (590,909) |
| Increase (decrease) in deferred inflows from other postemployment benefits | 216,035 | 879,020 |
| Increase (decrease) in accumulated change in fair value of hedging derivatives | <u>2,813,325</u> | <u>4,402,543</u> |
| Increase (decrease) in deferred inflows of resources | <u>\$ 1,907,561</u> | <u>\$ 4,690,654</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, 2024 and 2023

Results of Operations Analysis

The following table is a condensed summary of changes in net position for the years ended June 30, 2024, 2023 and 2022:

| | 2024 | Change | | 2023 | Change | | 2022 |
|--------------------------|-----------------------|----------------------|---------------|-----------------------|---------------------|----------------|-----------------------|
| Operating revenue | | | | | | | |
| Mortgage interest | \$ 35,377,358 | \$ 5,304,381 | 17.64% | \$ 30,072,977 | \$ 2,147,699 | 7.69% | \$ 27,925,278 |
| Investment income | 15,992,875 | 2,982,774 | 22.93% | 13,010,101 | 9,033,977 | 227.21% | 3,976,124 |
| Change in fair value | (470,364) | 7,443,507 | -94.06% | (7,913,871) | 15,219,720 | -65.79% | (23,133,591) |
| Other income | 4,133,328 | 449,769 | 12.21% | 3,683,559 | (1,577,243) | -29.98% | 5,260,802 |
| Total operating revenues | <u>55,033,197</u> | <u>16,180,431</u> | <u>41.65%</u> | <u>38,852,766</u> | <u>24,824,153</u> | <u>176.95%</u> | <u>14,028,613</u> |
| Operating expenses | | | | | | | |
| Interest expense | 24,869,660 | 2,734,095 | 12.35% | 22,135,565 | 2,146,257 | 10.74% | 19,989,308 |
| Other operating expenses | 13,992,569 | 143,462 | 1.04% | 13,849,107 | 794,919 | 6.09% | 13,054,188 |
| Total operating expenses | <u>38,862,229</u> | <u>2,877,557</u> | <u>8.00%</u> | <u>35,984,672</u> | <u>2,941,176</u> | <u>8.90%</u> | <u>33,043,496</u> |
| Operating income (loss) | 16,170,968 | 13,302,874 | 463.82% | 2,868,094 | 21,882,977 | -115.08% | (19,014,883) |
| Nonoperating income | (4,589,243) | (10,700,644) | -175.09% | 6,111,401 | (5,248,157) | -46.20% | 11,359,558 |
| Net income (loss) | 11,581,725 | 2,602,230 | 28.98% | 8,979,495 | 16,634,820 | -217.30% | (7,655,325) |
| Beginning net position | 429,683,924 | 8,979,495 | 2.13% | 420,704,429 | (7,655,325) | -1.79% | 428,359,754 |
| Ending net position | <u>\$ 441,265,649</u> | <u>\$ 11,581,725</u> | <u>2.70%</u> | <u>\$ 429,683,924</u> | <u>\$ 8,979,495</u> | <u>2.13%</u> | <u>\$ 420,704,429</u> |

The operating income increased by \$13.3 million when compared to fiscal year 2023. This increase is attributed primarily to the improvement in the change in fair value of investments due to fluctuations in the market value of investments during the year and mortgage interest income earned.

Non-operating income represents the activities associated with the Housing & Neighborhood Development Department. During the year ended June 30, 2024, there was an increase of \$9.8 million in the loan loss reserve related to the Housing & Neighborhood Development Department which contributed to the overall decrease in non-operating income of \$10.7 million.

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:

| | 2024 | Change | 2023 | Change | 2022 |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Property and equipment, net | <u>\$ 1,602,522</u> | <u>\$ (175,362)</u> | <u>\$ 1,777,884</u> | <u>\$ (144,004)</u> | <u>\$ 1,921,888</u> |

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

In the 1994 Indenture, the Authority issued \$80.0 million in bonds during the year ended June 30, 2024, and \$153.5 million in bonds during the year ended June 30, 2023. Maturities, redemptions and refundings reduced bonds outstanding by \$68.2 million during the year ended June 30, 2024 and \$87.1 million during the year ended June 30, 2023. See Note 8 for additional information.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

June 30, 2024 and 2023

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.

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WYOMING COMMUNITY DEVELOPMENT AUTHORITY

STATEMENTS OF NET POSITION

June 30, 2024 and 2023

| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | 2024 | 2023 |
|--|------------------|------------------|
| Current Assets | | |
| Cash and cash equivalents | \$ 76,511,880 | \$ 81,531,458 |
| Investments | 70,953,277 | 69,172,443 |
| Interest receivable | | |
| Mortgage loans | 171,192 | 98,766 |
| Investments | 848,486 | 446,755 |
| Accounts receivable and other assets | 1,074,265 | 1,563,721 |
| Total currents assets | 149,559,100 | 152,813,143 |
| Noncurrent Assets | | |
| Restricted cash and cash equivalents | 148,499,522 | 145,855,886 |
| Restricted investments | 41,525,654 | 94,541,627 |
| Restricted mortgage loans receivable, net | 995,016,678 | 920,965,060 |
| Restricted real estate held for sale | 940,000 | 1,209,000 |
| Restricted interest receivable | | |
| Mortgage loans | 3,184,774 | 2,761,872 |
| Investments | 1,029,565 | 1,361,025 |
| Restricted accounts receivable and other assets | 14,631,060 | 24,954,085 |
| Mortgage loans receivable, net | 25,875,764 | 12,534,712 |
| Real estate held for sale | 227,000 | 200,500 |
| Deferred hedging costs of fixed-rate swaps | 14,168,191 | 11,330,077 |
| Deferred servicing costs, net | 9,045,329 | 10,016,350 |
| Property and equipment, net | 1,602,522 | 1,777,884 |
| Total noncurrent assets | 1,255,746,059 | 1,227,508,078 |
| Total assets | 1,405,305,159 | 1,380,321,221 |
| Deferred Outflows of Resources | | |
| Pension contributions and change in earnings | 404,683 | 1,956,679 |
| Deferred outflows from other postemployment benefits | 612,575 | 729,451 |
| Total deferred outflows of resources | 1,017,258 | 2,686,130 |
| Total assets and deferred outflows of resources | \$ 1,406,322,417 | \$ 1,383,007,351 |

See notes to the basic financial statements

LIABILITIES, DEFERRED INFLOWS OF
RESOURCES AND NET POSITION

| | <u>2024</u> | <u>2023</u> |
|--|-------------------------|-------------------------|
| Current Liabilities | | |
| Bonds payable | \$ 32,620,000 | \$ 31,170,000 |
| Accrued interest payable | 2,284,372 | 2,259,522 |
| Accounts payable and other liabilities | 2,213,203 | 1,705,278 |
| Total currents liabilities | <u>37,117,575</u> | <u>35,134,800</u> |
| Noncurrent Liabilities | | |
| Bonds payable | 905,428,394 | 897,227,509 |
| Other deferred credits | 1,379,396 | 654,632 |
| Pension liabilities | 3,838,954 | 4,414,133 |
| Other postemployment benefit liabilities | 908,830 | 1,416,295 |
| Total noncurrent liabilities | <u>911,555,574</u> | <u>903,712,569</u> |
| Total liabilities | <u>948,673,149</u> | <u>938,847,369</u> |
| Deferred Inflows of Resources | | |
| Differences between expected and actual pension experience | 190,829 | 1,312,628 |
| Deferred inflows from other postemployment benefits | 1,976,398 | 1,760,363 |
| Accumulated increase in fair value of hedging derivatives | 14,216,392 | 11,403,067 |
| Total deferred inflows of resources | <u>16,383,619</u> | <u>14,476,058</u> |
| Net Position | | |
| Net investment in capital assets | 1,602,522 | 1,777,884 |
| Restricted | 262,139,469 | 259,815,800 |
| Unrestricted | 177,523,658 | 168,090,240 |
| Total net position | <u>441,265,649</u> | <u>429,683,924</u> |
| Total liabilities, deferred inflows of resources and net position | <u>\$ 1,406,322,417</u> | <u>\$ 1,383,007,351</u> |

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WYOMING COMMUNITY DEVELOPMENT AUTHORITY

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Years Ended June 30, 2024 and 2023

| | 2024 | 2023 |
|--|----------------|----------------|
| Operating Revenues | | |
| Mortgage interest | \$ 35,377,358 | \$ 30,072,977 |
| Investment interest income | 15,992,875 | 13,010,101 |
| Net decrease in the fair value of investments | (470,364) | (7,913,871) |
| Fees and other income | 4,133,328 | 3,683,559 |
| Total operating revenues | 55,033,197 | 38,852,766 |
| Operating Expenses | | |
| Interest expense | 24,869,660 | 22,135,565 |
| Servicer fees | 17,668 | 20,290 |
| Amortization of deferred servicing costs | 3,557,010 | 3,148,705 |
| Cost of issuance and other financing costs | 1,825,391 | 2,098,392 |
| Provision for (recapture of) loan losses and real estate owned | 480,163 | 937,184 |
| General and administrative | 8,112,337 | 7,644,536 |
| Total operating expenses | 38,862,229 | 35,984,672 |
| Operating income | 16,170,968 | 2,868,094 |
| Non-operating Revenues (Expenses) | | |
| Federal program income | 6,825,800 | 6,188,508 |
| Federal program expenses | (11,415,043) | (77,107) |
| Non-operating income (loss) | (4,589,243) | 6,111,401 |
| Net income | 11,581,725 | 8,979,495 |
| Net position, beginning of year | 429,683,924 | 420,704,429 |
| Net position, end of year | \$ 441,265,649 | \$ 429,683,924 |

See notes to the basic financial statements

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2024 and 2023

| | 2024 | 2023 |
|---|----------------|----------------|
| Cash Flows from Operating Activities | | |
| Cash receipts for services | \$ 4,133,328 | \$ 3,683,559 |
| Interest income on mortgage loans | 34,821,027 | 30,025,175 |
| Principal received on mortgage loans | 117,146,425 | 115,702,729 |
| Cash payments to purchase mortgage loans | (199,484,843) | (170,587,467) |
| Cash payments to servicers | (17,668) | (20,290) |
| Cash payments to suppliers | (4,900,195) | (8,203,079) |
| Cash payments to employees | (3,664,656) | (3,519,888) |
| Net cash used in operating activities | (51,966,582) | (32,919,261) |
| Cash Flows from Noncapital Financing Activities | | |
| Federal revenues | 6,385,136 | 6,188,508 |
| Federal expenses | (1,992,706) | (808,918) |
| Federal program notes issued | (5,889,123) | (6,052,962) |
| Federal program note payments received | 2,236,822 | 3,926,703 |
| Proceeds from bonds payable | 80,000,000 | 156,870,002 |
| Principal paid on bonds payable | (68,225,000) | (87,105,000) |
| Interest paid on bonds payable | (26,968,925) | (23,903,193) |
| Proceeds from notes payable | 8,070,000 | 2,266,000 |
| Payments on note payable | (8,070,000) | (2,266,000) |
| Net cash provided by (used in) noncapital financing activities | (14,453,796) | 49,115,140 |
| Cash Flows from Capital and Related Financing Activities | | |
| Purchase of fixed assets | (16,166) | (97,567) |
| Purchase of mortgage servicing rights | (2,601,988) | (2,184,738) |
| Net cash used in capital and related financing activities | (2,618,154) | (2,282,305) |
| Cash Flows from Investing Activities | | |
| Interest received from investments | 15,791,050 | 11,730,181 |
| Purchase of investments | (3,478,125) | (116,815,457) |
| Proceeds from sales and maturities of investments | 54,349,665 | 84,035,284 |
| Net cash provided by (used in) investing activities | 66,662,590 | (21,049,992) |
| Decrease in cash and cash equivalents | (2,375,942) | (7,136,418) |
| Cash and cash equivalents, beginning of year | 227,387,344 | 234,523,762 |
| Cash and cash equivalents, end of year | \$ 225,011,402 | \$ 227,387,344 |

See notes to the basic financial statements

| | <u>2024</u> | <u>2023</u> |
|--|------------------------|------------------------|
| Reconciliation of ending cash and cash equivalents | | |
| Current cash and cash equivalents | \$ 76,511,880 | \$ 81,531,458 |
| Noncurrent restricted cash and cash equivalents | <u>148,499,522</u> | <u>145,855,886</u> |
| Cash and cash equivalents, end of year | <u>\$ 225,011,402</u> | <u>\$ 227,387,344</u> |
| Reconciliation of operating income to net cash used in operating activities | | |
| Operating income | \$ 16,170,968 | \$ 2,868,094 |
| Adjustments to reconcile operating income to net cash used in operating activities | | |
| Interest on bonds | 24,869,660 | 22,135,565 |
| Net decrease in fair value of investments | 470,364 | 7,913,871 |
| Interest from investments | (15,992,875) | (13,010,101) |
| Mortgage loan principal repayments | | |
| Scheduled | 32,191,914 | 33,697,392 |
| Prepaid | 84,954,511 | 82,005,337 |
| Purchase of mortgage loans | (199,484,843) | (170,587,467) |
| Amortization of deferred servicing costs | 3,573,009 | 3,148,705 |
| Provision for loan losses and real estate owned | 480,163 | 937,184 |
| Net change in other assets and liabilities | <u>800,547</u> | <u>(2,027,841)</u> |
| Net cash used in operating activities | <u>\$ (51,966,582)</u> | <u>\$ (32,919,261)</u> |
| Supplemental Cash Flow Information | | |
| Noncash noncapital financing activity | | |
| Federal program notes rolled into mortgages | \$ 14,122,000 | \$ 5,080,000 |

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

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 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. Various insurance, guaranty and reserve provisions are set forth in the trust indenture.

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, 2024 and 2023

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 \$313,891 and \$333,291 to guarantee mortgage and project loans with principal balances outstanding of \$260,577 and \$331,055 as of June 30, 2024 and 2023, respectively. The Authority has also committed \$250,000 and \$250,000 to guarantee second mortgages with principal balances outstanding of \$31,614,255 and \$27,095,980, as of June 30, 2024 and 2023, respectively. Initial recovery of second mortgage losses will come from other available sources.

General Fund

This fund is utilized to account for the operating activities of the Authority, including mortgage servicing activities and all other activities 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, 2024 and 2023

Note 2. Significant Accounting Policies (Continued)

Investments

The trust indenture, 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, accounts receivable related to servicing activities and short-term notes receivable related to the acquisition and rehabilitation of properties through federal programs.

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. Any losses are recorded against the loan loss reserve established by the Authority, see Note 5. As of June 30, 2024 and 2023, the Authority had 7 and 8 properties, respectively, in real estate held for sale totaling \$1,167,000 and \$1,409,500, 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, 2024 and 2023

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 statements of net position may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets 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 statements of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets 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 statements of net position, 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, 2024 and 2023

Note 2. Significant Accounting Policies (Continued)

Deferred Outflows and Deferred Inflows of Resources (Continued)

Pension Plan and OPEB Items – In the statements of net position, 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 \$908,850 and \$123,083 in deferrals at June 30, 2024 and 2023, respectively, for arbitrage rebates. There is no arbitrage due at June 30, 2024 and 2023.

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, 2024 and 2023.

Additionally, the Authority has deferred \$470,546 and \$531,549 as of June 30, 2024 and 2023, 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, 2024 and 2023

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.

Reclassification

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

Note 3. Cash and Cash Equivalents and Investments

Deposits are placed with various financial institutions and are carried at cost. At June 30, 2024 and 2023, the carrying amount of the Authority's bank deposits was \$14,907,317 and \$14,833,812, respectively, and the bank balance was \$19,724,701 and \$18,518,336, respectively. The difference between the carrying amount and the bank balance is a result of transactions in transit. All bank deposits at June 30, 2024 and 2023 were covered by insurance or collateral held in joint custody with the financial institution. In addition, the Authority had \$208,247,028 and \$210,516,048 in cash and cash equivalents held in trust investment accounts as of June 30, 2024 and 2023, respectively. As of June 30, 2024 and 2023, the Authority has transactions in transit for the trust investment accounts of \$1,854,856 and \$2,035,298, respectively.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

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

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

| | 2024 | 2023 |
|---------------------------------------|-----------------------|-----------------------|
| Investments | | |
| U.S. Government and agency securities | \$ 111,694,700 | \$ 114,788,272 |
| Guaranteed investment contracts | - | 48,150,000 |
| Housing revenue bonds | 784,231 | 775,798 |
| Total | <u>\$ 112,478,931</u> | <u>\$ 163,714,070</u> |

Investments are reported in the following classifications:

| | 2024 | 2023 |
|--|-----------------------|-----------------------|
| Current | \$ 70,953,277 | \$ 69,172,443 |
| Noncurrent - restricted by bond indenture or contracts | 41,525,654 | 94,541,627 |
| Total | <u>\$ 112,478,931</u> | <u>\$ 163,714,070</u> |

The net decrease 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, 2024 and 2023, the Authority had unrealized investment gains/(losses) of (\$29,806,624) and (\$29,336,260), respectively, in its investment portfolio. The change in unrealized gains/(losses) of (\$470,364) and (\$7,913,871) for the years ended June 30, 2024 and 2023, 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 decrease in fair value of investments as reported.

The Authority had the following investments and maturities:

June 30, 2024

| Investment Type | Investment | | | Investment Maturities | | | |
|---------------------------------------|-----------------------|-------------------|-----------------------|---------------------------|---------------------------------------|---------------------------------------|--------------------------------|
| | Rating Moody's/S&P | Interest Rates | Fair Value | Prior to June 30, 2025 | From July 1, 2025 to June 30, 2030 | From July 1, 2030 to June 30, 2035 | July 1, 2035 and thereafter |
| U.S. government and agency securities | Not Rated | 0.00% - 7.50% | \$ 111,694,700 | \$ 4,652,414 | \$ 15,290,847 | \$ 12,477,444 | \$ 79,273,995 |
| Housing revenue bonds | Aa1/AA+ | 2.75% | 784,231 | - | - | - | 784,231 |
| Total | | | <u>\$ 112,478,931</u> | <u>\$ 4,652,414</u> | <u>\$ 15,290,847</u> | <u>\$ 12,477,444</u> | <u>\$ 80,058,226</u> |

June 30, 2023

| Investment Type | Investment | | | Investment Maturities | | | |
|---------------------------------------|-----------------------|-------------------|-----------------------|---------------------------|---------------------------------------|---------------------------------------|--------------------------------|
| | Rating Moody's/S&P | Interest Rates | Fair Value | Prior to June 30, 2024 | From July 1, 2024 to June 30, 2029 | From July 1, 2029 to June 30, 2034 | July 1, 2034 and thereafter |
| U.S. government and agency securities | Not Rated | 0.625% - 7.50% | \$ 114,788,272 | \$ 4,534,861 | \$ 16,529,194 | \$ 14,503,091 | \$ 79,221,126 |
| Guaranteed investment contracts | Aa2/AA- | 4.836% | 48,150,000 | 48,150,000 | - | - | - |
| Housing revenue bonds | Aa1/AA+ | 2.75% | 775,798 | - | - | - | 775,798 |
| Total | | | <u>\$ 163,714,070</u> | <u>\$ 52,684,861</u> | <u>\$ 16,529,194</u> | <u>\$ 14,503,091</u> | <u>\$ 79,996,924</u> |

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

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

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority'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 100% and 71%, respectively, of its investments in obligations of the United States, its agencies, and state housing revenue bonds as of June 30, 2024 and 2023. The Authority believes this concentration does not increase its investment risk. Additionally, the Authority had 29% of its investments in a guaranteed investment contract as of June 30, 2023.

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, 2024 and 2023, the Authority has investments in these reserve accounts which exceeds the reserve requirements contained in the trust indenture. The amounts reserved in these accounts as of June 30, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|--|----------------------|----------------------|
| Bond reserve requirement | \$ 27,635,250 | \$ 27,282,000 |
| Mortgage reserve requirement | 18,633,146 | 17,257,114 |
| Restricted special reserve requirement | 6,679,093 | 6,679,093 |
| Total required reserves | <u>\$ 52,947,489</u> | <u>\$ 51,218,207</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.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

Note 4. Fair Value Measurements (Continued)

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, 2024 and 2023:

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, guaranteed investment contracts and housing revenue bonds: Valued using quoted priced for identical or similar assets in active markets.

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

| | Investments at Fair Value as of June 30, 2024 | | | |
|---|---|----------------------|-------------|-----------------------|
| | Level 1 | Level 2 | Level 3 | Total |
| U.S. Treasury securities | \$ 19,312,403 | \$ - | \$ - | \$ 19,312,403 |
| U.S. government obligations | - | 82,337,340 | - | 82,337,340 |
| U.S. government agency mortgage-backed securities | - | 10,044,957 | - | 10,044,957 |
| Housing revenue bonds | - | 784,231 | - | 784,231 |
| Total investments at fair value | \$ 19,312,403 | \$ 93,166,528 | \$ - | \$ 112,478,931 |

| | Investments at Fair Value as of June 30, 2023 | | | |
|---|---|-----------------------|-------------|-----------------------|
| | Level 1 | Level 2 | Level 3 | Total |
| U.S. Treasury securities | \$ 24,158,868 | \$ - | \$ - | \$ 24,158,868 |
| U.S. government obligations | - | 78,845,779 | - | 78,845,779 |
| U.S. government agency mortgage-backed securities | - | 11,783,625 | - | 11,783,625 |
| Guaranteed investment contracts | - | 48,150,000 | - | 48,150,000 |
| Housing revenue bonds | - | 775,798 | - | 775,798 |
| Total investments at fair value | \$ 24,158,868 | \$ 139,555,202 | \$ - | \$ 163,714,070 |

As of June 30, 2024 and 2023, 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, 2024 and 2023

Note 5. Mortgage Loans Receivable, Net

| | <u>2024</u> | <u>2023</u> |
|--|------------------------|-----------------------|
| Housing Revenue Bonds 1994 Indenture fund, bearing interest at 0% to 8%, 2 to 30 year term, FHA or private mortgage company insured, or guaranteed by RD, VA or mortgage guaranty fund | \$ 932,308,640 | \$ 863,493,092 |
| Less: Reserve for losses on loans | <u>(10,345,718)</u> | <u>(10,294,478)</u> |
| | <u>921,962,922</u> | <u>853,198,614</u> |
| Single Family Mortgage Warehousing Bond fund, bearing interest at 1% to 7.125%, 30 year term, FHA insured, or guaranteed by RD or VA | 15,095,210 | 1,094,297 |
| Less: Reserve for losses on loans | - | - |
| | <u>15,095,210</u> | <u>1,094,297</u> |
| Housing & Neighborhood Development Fund with various terms, including deferred payments and bearing interest at 0% to 4.6%, 11 to 50 year term | 85,707,929 | 71,347,751 |
| Less: Reserve for losses on loans | <u>(12,654,173)</u> | <u>(3,581,305)</u> |
| | <u>73,053,756</u> | <u>67,766,446</u> |
| Housing Trust Fund, bearing interest at 0% to 7.625%, 8 to 35 year term, FHA or private mortgage company insured, or guaranteed by VA or mortgage guaranty fund | 14,913,802 | 14,990,135 |
| Less: Reserve for losses on loans | <u>(4,133,248)</u> | <u>(3,549,720)</u> |
| | <u>10,780,554</u> | <u>11,440,415</u> |
| Total mortgage loans receivable, net | <u>\$1,020,892,442</u> | <u>\$ 933,499,772</u> |
| | <u>2024</u> | <u>2023</u> |
| Reported in the following classifications | | |
| Restricted mortgage loans receivable, net | \$ 995,016,678 | \$ 920,965,060 |
| Mortgage loans receivable, net | 25,875,764 | 12,534,712 |
| | <u>\$1,020,892,442</u> | <u>\$ 933,499,772</u> |

The above loans are substantially insured by FHA or private mortgage insurance companies, or guaranteed, in part, by the VA or USDA Rural Development. 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, 2024 and 2023 were \$27,133,139 and \$17,425,503, respectively.

Some loans receivable contain provisions for the loans to become grants if certain criteria is met. The conversion of loans receivable to grants is calculated on an annual basis, though the debtor is not entitled to receive full credit until maturity of the loan agreement or upon meeting certain criteria. As loans receivable converted to grants are estimated, loans receivable is credited and a charge to operations is made through the loan loss reserves. Loans receivable includes credits of \$8,433,664 as of June 30, 2024. Upon maturity of the loan agreement or achievement of specified criteria, the applicable portion of the loan receivable balance is awarded to the debtors.

As of June 30, 2024 and 2023, the Authority had 128 and 148 loans, respectively, delinquent for 90 days or more from the population of 10,510 and 10,042 loans, respectively. The outstanding balance of mortgages delinquent for 90 days or more was \$16,105,415 and \$16,964,945 as of June 30, 2024 and 2023, respectively.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

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 net position, 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, 2024 were as follows:

| | Balance at June 30, 2023 | Additions | Reductions | Balance at June 30, 2024 | Amount Due Within 1 Year |
|---|-----------------------------|----------------------|----------------------|-----------------------------|-----------------------------|
| Bonds payable, principal | \$ 909,400,000 | \$ 80,000,000 | \$ 68,225,000 | \$ 921,175,000 | \$ 32,620,000 |
| Adjustments for premiums, discounts and appreciation | 18,997,509 | - | 2,124,115 | 16,873,394 | - |
| Bonds payable | 928,397,509 | 80,000,000 | 70,349,115 | 938,048,394 | 32,620,000 |
| Other deferred credits | 654,632 | 868,966 | 144,202 | 1,379,396 | - |
| Pension liabilities | 4,414,133 | - | 575,179 | 3,838,954 | - |
| Other postemployment benefit liabilities | 1,416,295 | - | 507,465 | 908,830 | - |
| | <u>\$ 934,882,569</u> | <u>\$ 80,868,966</u> | <u>\$ 71,575,961</u> | <u>\$ 944,175,574</u> | <u>\$ 32,620,000</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 indenture. 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, 2024 and 2023

Note 8. Bonds Payable (Continued)

| | Balance at June 30, 2023 | Issued | Retired | Balance at June 30, 2024 | Amount Due Within 1 Year |
|--|-----------------------------|--------|--------------|-----------------------------|-----------------------------|
| Housing Revenue Bonds 1994 Indenture Fund | | | | | |
| 2015 Series 1, 2 & 3, 2028 to 2034, interest at 3.25% to 3.50%, original amount issued \$77,130,000 | \$ 19,715,000 | \$ - | \$ 1,615,000 | \$ 18,100,000 | \$ - |
| 2015 Series 4, 6, 7 & 8, 2026 to 2045, interest at 3.25% to 4.00%, original amount issued \$138,375,000 | 12,395,000 | - | 2,715,000 | 9,680,000 | - |
| 2016 Series 1, 2, & 3, 2024 to 2041, interest at 2.25% to 3.50%, original amount issued \$99,485,000 at premium of \$1,472,304 | 42,855,000 | - | 4,605,000 | 38,250,000 | 2,855,000 |
| 2017 Series 1, 2, 3 & 4, 2024 to 2032, interest at 2.35% to 3.45%, original amount issued \$87,270,000 | 30,405,000 | - | 2,620,000 | 27,785,000 | 2,850,000 |
| 2017 Series 5, 2024 to 2046, interest at 2.15% to 4.00%, original amount issued \$60,385,000 at premium of \$1,697,088 | 33,250,000 | - | 3,795,000 | 29,455,000 | 1,570,000 |
| 2018 Series 1 & 2, 2024 to 2043, interest at 2.70% to 4.00%, original amount issued \$77,325,000 at premium of \$671,895 | 8,835,000 | - | 4,050,000 | 4,785,000 | 1,815,000 |
| 2018 Series 3 & 4, 2024 to 2043, interest at 2.50% to 4.00%, original amount issued \$74,640,000 at premium of \$1,362,101 | 26,580,000 | - | 4,545,000 | 22,035,000 | 1,705,000 |
| 2019 Series 1 & 2, 2024 to 2049, interest at 2.20% to 4.00%, original amount issued \$88,160,000 at premium of \$1,836,435 | 56,435,000 | - | 5,370,000 | 51,065,000 | 1,890,000 |
| 2019 Series 3 & 4, 2024 to 2049, interest at 1.45% to 3.88%, original amount issued \$88,715,000 at premium of \$1,281,476 | 74,455,000 | - | 4,860,000 | 69,595,000 | 2,010,000 |
| 2020 Series 1, 2024 to 2050, interest at 1.60% to 4.00%, original amount issued \$95,385,000 at premium of \$2,577,263 | 80,760,000 | - | 6,610,000 | 74,150,000 | 2,345,000 |

(Continued)

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

Note 8. Bonds Payable (Continued)

| | Balance at June 30, 2023 | Issued | Retired | Balance at June 30, 2024 | Amount Due Within 1 Year |
|--|-----------------------------|----------------------|----------------------|-----------------------------|-----------------------------|
| 2020 Series 2 & 3, 2024 to 2049, interest at 0.55% to 5.00%, original amount issued \$125,380,000 at premium of \$4,115,849 | \$ 110,305,000 | \$ - | \$ 8,595,000 | \$ 101,710,000 | \$ 4,575,000 |
| 2021 Series 1 & 2, 2024 to 2050, interest at 0.50% to 3.90%, original amount issued \$87,230,000 at premium of \$2,265,968 | 76,970,000 | - | 5,450,000 | 71,520,000 | 2,230,000 |
| 2021 Series 3 & 4, 2024 to 2050, interest at 0.35% to 3.00%, original amount issued \$85,610,000 at premium of \$1,499,078 | 80,100,000 | - | 5,560,000 | 74,540,000 | 2,675,000 |
| 2022 Series 1, 2 & 3, 2024 to 2052, interest at 2.45% to 5.00%, original amount issued \$106,960,000 at premium of \$4,435,616 | 102,835,000 | - | 5,595,000 | 97,240,000 | 2,790,000 |
| 2023 Series 1 & 2, 2024 to 2053, interest at 2.60% to 5.75%, original amount issued \$153,505,000 at premium of \$3,365,002 | 153,505,000 | - | 2,035,000 | 151,470,000 | 2,360,000 |
| 2023 Series 3, 2024 to 2053, interest at 3.35% to 4.95%, original amount issued \$80,000,000 | - | 80,000,000 | 205,000 | 79,795,000 | 950,000 |
| Principal amounts of bonds outstanding | 909,400,000 | 80,000,000 | 68,225,000 | 921,175,000 | 32,620,000 |
| Adjustment for premiums, discounts and appreciation | 18,997,509 | - | 2,124,115 | 16,873,394 | - |
| Total bonds payable | \$ 928,397,509 | \$ 80,000,000 | \$ 70,349,115 | \$ 938,048,394 | \$ 32,620,000 |

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

Note 8. Bonds Payable (Continued)

Annual debt service requirements for the five fiscal years subsequent to June 30, 2024, and for each five-year segment thereafter, including the bonds to be remarketed or expected to be refunded, are as follows:

| | Principal | Interest | Total Debt Service |
|---------------------|-----------------------|-----------------------|-------------------------|
| 2025 | \$ 32,620,000 | \$ 29,858,604 | \$ 62,478,604 |
| 2026 | 29,635,000 | 29,225,610 | 58,860,610 |
| 2027 | 34,590,000 | 28,573,133 | 63,163,133 |
| 2028 | 38,105,000 | 27,705,107 | 65,810,107 |
| 2029 | 39,905,000 | 26,708,486 | 66,613,486 |
| 5 years ending 2034 | 194,820,000 | 117,069,481 | 311,889,481 |
| 5 years ending 2039 | 155,635,000 | 92,208,142 | 247,843,142 |
| 5 years ending 2044 | 171,120,000 | 63,579,791 | 234,699,791 |
| 5 years ending 2049 | 144,715,000 | 34,148,809 | 178,863,809 |
| 5 years ending 2054 | 80,030,000 | 9,011,141 | 89,041,141 |
| | <u>\$ 921,175,000</u> | <u>\$ 458,088,305</u> | <u>\$ 1,379,263,305</u> |

The balances above do not include net premiums or discounts in the amount of \$16,873,394 and \$18,997,509 that are reported as components of bonds payable as of June 30, 2024 and 2023, respectively.

Hedging Derivative Instrument Payments and Hedged Debt

Using rates as of June 30, 2024 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 2019 Series 2, 2019 Series 4, 2021 Series 2, 2022 Series 2 and 2023 Series 2 and net swap payments are as follows.

| | Variable Rate Bonds | | Interest Rate | Total |
|---------------------|-----------------------|----------------------|------------------------|-----------------------|
| | Principal | Interest | Swaps (net) | |
| 2025 | \$ - | \$ 4,591,645 | \$ (2,128,652) | \$ 2,462,993 |
| 2026 | - | 4,686,900 | (2,141,367) | 2,545,533 |
| 2027 | - | 4,686,900 | (2,147,139) | 2,539,761 |
| 2028 | - | 4,691,588 | (2,159,520) | 2,532,068 |
| 2029 | - | 4,682,212 | (2,145,150) | 2,537,062 |
| 5 years ending 2034 | - | 23,434,500 | (10,646,345) | 12,788,155 |
| 5 years ending 2039 | 14,594,873 | 22,925,528 | (10,033,475) | 27,486,926 |
| 5 years ending 2044 | 47,298,170 | 17,192,195 | (7,465,310) | 57,025,055 |
| 5 years ending 2049 | 56,407,373 | 6,623,792 | (4,723,980) | 58,307,185 |
| 5 years ending 2054 | 8,199,584 | 323,088 | (86,185) | 8,436,487 |
| | <u>\$ 126,500,000</u> | <u>\$ 93,838,348</u> | <u>\$ (43,677,123)</u> | <u>\$ 176,661,225</u> |

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

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

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, 2024 and 2023, respectively. As of June 30, 2024 and 2023, the Authority had investments held as collateral with a fair value of \$21,141,947 and \$20,949,015, respectively, on deposit with this financial institution and no advances were outstanding. This agreement expires on December 31, 2024.

Note 10. Conduit Debt Obligations

In previous years, the Authority had 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, 2024 and 2023, there were three such series of Multi-Family Housing Revenue bonds outstanding, with an aggregate outstanding principal amount payable of \$11,775,222 and \$12,049,374, respectively.

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, 2024 | | | | | | | |
|---------------|------------------------|-----------------------|-----------------|------------------------------|------------------|----------------------|----------------------------|
| Bond Series | Swap Contractual Dates | Notional Amount | Fixed Rate Paid | Variable Rate Received | Termination Date | Fair Value | Counterparty Credit Rating |
| 2019 Series 4 | 12/1/2020 | \$ 10,000,000 | 1.3060% | SIFMA | 6/1/2048 | \$ 2,288,975 | AA-/Aa1 |
| 2022 Series 2 | 12/1/2020 | 4,000,000 | 1.3060% | SIFMA | 6/1/2048 | 915,590 | AA-/Aa1 |
| 2019 Series 2 | 12/1/2020 | 18,000,000 | 1.3060% | SIFMA | 6/1/2048 | 4,120,154 | AA-/Aa1 |
| 2022 Series 2 | 1/15/2016 | 6,000,000 | 2.0130% | 70% of USD-SOFR plus 0.11448 | 12/1/2045 | 609,168 | AA-/Aa1 |
| 2023 Series 2 | 1/15/2016 | 3,000,000 | 2.0130% | 70% of USD-SOFR plus 0.11448 | 12/1/2045 | 304,584 | AA-/Aa1 |
| 2021 Series 2 | 1/15/2016 | 3,000,000 | 2.0130% | 70% of USD-SOFR plus 0.11448 | 12/1/2045 | 304,584 | AA-/Aa1 |
| 2022 Series 2 | 6/1/2017 | 22,000,000 | 2.2650% | 70% of USD-SOFR plus 0.11448 | 12/1/2047 | 2,227,089 | A+/A1 |
| 2021 Series 2 | 6/5/2018 | 16,500,000 | 2.5230% | 70% of USD-SOFR plus 0.11448 | 6/1/2038 | 1,057,153 | A+/Aa1 |
| 2021 Series 2 | 9/13/2018 | 14,000,000 | 2.5850% | 70% of USD-SOFR plus 0.11448 | 12/1/2038 | 873,192 | A+/Aa1 |
| 2023 Series 2 | 2/9/2023 | 30,000,000 | 3.1710% | 80% of USD-SOFR | 12/1/2050 | 1,604,938 | A+/Aa1 |
| | | <u>\$ 126,500,000</u> | | | | <u>\$ 14,305,427</u> | |
| June 30, 2023 | | | | | | | |
| Bond Series | Swap Contractual Dates | Notional Amount | Fixed Rate Paid | Variable Rate Received | Termination Date | Fair Value | Counterparty Credit Rating |
| 2019 Series 4 | 12/1/2020 | \$ 10,000,000 | 1.3060% | SIFMA | 6/1/2048 | \$ 2,148,011 | AA-/Aa1 |
| 2022 Series 2 | 12/1/2020 | 4,000,000 | 1.3060% | SIFMA | 6/1/2048 | 859,204 | AA-/Aa1 |
| 2019 Series 2 | 12/1/2020 | 18,000,000 | 1.3060% | SIFMA | 6/1/2048 | 3,866,419 | AA-/Aa1 |
| 2022 Series 2 | 1/15/2016 | 6,000,000 | 2.0130% | 70% of LIBOR | 12/1/2045 | 504,651 | AA-/Aa1 |
| 2023 Series 2 | 1/15/2016 | 3,000,000 | 2.0130% | 70% of LIBOR | 12/1/2045 | 252,325 | AA-/Aa1 |
| 2021 Series 2 | 1/15/2016 | 3,000,000 | 2.0130% | 70% of LIBOR | 12/1/2045 | 252,325 | AA-/Aa1 |
| 2022 Series 2 | 6/1/2017 | 22,000,000 | 2.2650% | 70% of LIBOR | 12/1/2047 | 1,637,972 | A+/A1 |
| 2021 Series 2 | 6/5/2018 | 16,500,000 | 2.5230% | 70% of LIBOR | 6/1/2038 | 673,602 | A+/Aa1 |
| 2021 Series 2 | 9/13/2018 | 14,000,000 | 2.5850% | 70% of LIBOR | 12/1/2038 | 568,362 | A+/Aa1 |
| 2023 Series 2 | 2/9/2023 | 30,000,000 | 3.1710% | 80% of USD-SOFR | 12/1/2050 | 708,677 | A+/Aa1 |
| | | <u>\$ 126,500,000</u> | | | | <u>\$ 11,471,548</u> | |

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

Note 11. Interest Rate Swaps (Continued)

Swap Terms and Values (Continued)

Fair Value – As of June 30, 2024 and 2023, the Authority’s swap agreements had a net fair value of \$14,305,427 and \$11,471,548, 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, 2024 and 2023 is inclusive of accrued interest receivable of \$137,236 and \$141,471, respectively. Accrued interest is separately reported on the Authority’s statement of net position. The change in gross fair value was \$2,838,114 and \$4,429,720 for the years ended June 30, 2024 and 2023, respectively. Accumulated increases in fair value are reported as deferred inflows on the statement of net position, while accumulated decreases in fair value are reported as deferred outflows on the statement of net position. 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 values of the interest rate swaps were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap.

Swap Risks

Credit Risk – As of June 30, 2024 and 2023, 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, 2024 and 2023, the swap counterparties were rated AA- and A+ by S&P Global Ratings and Aa1 and A1 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.

Basis Risk – The Authority incurs the potential risk that the variable interest payments on its bonds will not equal the variable interest receipts from its swaps. The basis risk exists because 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 either 70% of LIBOR, 70% of USD-SOFR plus 0.11448 or 80% of USD-SOFR. The Authority is exposed to basis risk should LIBOR or SOFR and SIFMA Index rates converge. If a change occurs that results in the rates moving to convergence (that is, the SIFMA Index exceeding either 70% of LIBOR, 70% of USD-SOFR plus 0.11448 or 80% of USD-SOFR), the value to the Authority of the hedge from the applicable swap is diminished. Basis risk will vary over time due to inter-market conditions. As of June 30, 2024 and 2023, the SIFMA Index rate was 3.88% and 4.01%, respectively, and 80% of USD-SOFR was 4.26% and 4.07%, respectively. As of June 30, 2024, 70% of USD-SOFR plus 0.11448 was 3.85%. As of June 30, 2023, 70% of LIBOR was 3.59%. In order to reduce the cumulative effects of basis risk, the variable rate determination structure for cash flows within the swap is based upon a regression analysis of the long-term relationship between variable tax-exempt rates and the applicable swap index.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

Note 11. Interest Rate Swaps (Continued)

Swap Risks (Continued)

Termination Risk – The swap contracts may be terminated by either the Authority or the counterparty if the other party fails to perform under the terms of the swap contracts. Upon termination, a payment is due to one party, irrespective of causality, based upon the fair value of the swap. The potential termination risks to the Authority are the liability for a termination payment to the counterparty or the inability to replace the swap under favorable financial terms. 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.

Amortization Risk – The Authority may incur amortization risk because prepayments from the mortgage loan portfolio may cause the outstanding amount of variable rate bonds to decline faster than the amortization of the swap. To ameliorate amortization risk, call options were structured with in the swaps to enable the Authority to manage the outstanding balances of variable rate bonds and notional swap amounts. Additionally, the Authority may terminate the swaps with proper notice per the agreement.

Tax Risk – The structure of the variable interest rate payments the Authority receives from its swap contracts are based upon the historical long-term relationship between taxable and tax-exempt short-term interest rates. Tax risk represents a risk that may arise due to a change in the tax code that may fundamentally alter this relationship. The Authority has chosen to assume this risk because it was not economically feasible to transfer the swap counterparty.

Concentration Risk – The total outstanding bonds associated with the swaps will be limited to twenty percent (20%) of the total of all outstanding bonds under the related indenture at the time bonds associated with swaps are issued. The total outstanding bonds associated with swap with a single counterparty will not exceed 50%.

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, the SOFR or the SIFMA swap index decreases, the Authority’s net payment of the swap increases.

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, 2024 | |
|--------------------------|--------------------|-----------------------|
| Associated Bond Issuance | Bond Maturity Date | Swap Termination Date |
| 2023 Series 2 | December 1, 2050 | December 1, 2045 |
| 2021 Series 2 | June 1, 2045 | December 1, 2045 |
| 2019 Series 4 | December 1, 2048 | June 1, 2048 |
| 2022 Series 2 | June 1, 2048 | June 1, 2048 |
| 2019 Series 2 | June 1, 2049 | June 1, 2048 |
| 2022 Series 2 | June 1, 2048 | December 1, 2045 |
| 2022 Series 2 | June 1, 2048 | December 1, 2047 |
| 2021 Series 2 | June 1, 2045 | June 1, 2038 |
| 2021 Series 2 | June 1, 2045 | December 1, 2038 |
| 2023 Series 2 | December 1, 2050 | December 1, 2050 |

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

Note 11. Interest Rate Swaps (Continued)

Swap Risks (Continued)

Rollover Risk (Continued)

| | June 30, 2023 | |
|--------------------------|--------------------|-----------------------|
| Associated Bond Issuance | Bond Maturity Date | Swap Termination Date |
| 2023 Series 2 | December 1, 2050 | December 1, 2045 |
| 2021 Series 2 | June 1, 2045 | December 1, 2045 |
| 2019 Series 4 | December 1, 2048 | June 1, 2048 |
| 2022 Series 2 | June 1, 2048 | June 1, 2048 |
| 2019 Series 2 | June 1, 2049 | June 1, 2048 |
| 2022 Series 2 | June 1, 2048 | December 1, 2045 |
| 2022 Series 2 | June 1, 2048 | December 1, 2047 |
| 2021 Series 2 | June 1, 2045 | June 1, 2038 |
| 2021 Series 2 | June 1, 2045 | December 1, 2038 |
| 2023 Series 2 | December 1, 2050 | December 1, 2050 |

Note 12. Net Position

Below is a summary of net position as of June 30, 2024 and 2023:

| | 2024 | 2023 |
|---|-----------------------|-----------------------|
| Net investment in capital assets | \$ 1,602,522 | \$ 1,777,884 |
| Restricted | | |
| Restricted by bond indenture | 155,219,893 | 148,306,528 |
| Restricted by grants | 106,919,576 | 111,509,272 |
| | <u>262,139,469</u> | <u>259,815,800</u> |
| Unrestricted | | |
| Designated for the Housing Revenue Bond 1994 Indenture Fund | 59,591,676 | 54,537,541 |
| Designated for the Single Family Mortgage Warehousing Fund | 10,054,511 | 9,900,854 |
| Designated for the Multi-Family Fund | 1,500,749 | 1,450,957 |
| Designated for the Housing Trust Fund | 75,140,580 | 73,012,745 |
| Designated for the Mortgage Guaranty Fund | 20,951,508 | 20,347,916 |
| Designated for noncurrent assets and operations | 10,284,634 | 8,840,227 |
| | <u>177,523,658</u> | <u>168,090,240</u> |
| Total net position | <u>\$ 441,265,649</u> | <u>\$ 429,683,924</u> |

The terms of the bond indenture for the single-family program generally restrict the assets of the trust indenture by requiring their retention in the trust to satisfy debt service obligations of the 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, 2024 and 2023

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 | 2024 | | |
|---|---------------------|---------------|-------------------------|
| | Capitalized | Serviced | Principal Balance |
| | Servicing Rights | Loans | |
| WCDA Single Family Loans - first mortgages | \$ 2,017,384 | 6,473 | \$ 1,029,485,235 |
| WCDA Single Family Loans - second mortgages | - | 4,055 | 31,614,255 |
| GNMA Advantage | 330,301 | 27 | 1,807,707 |
| GNMA Pooled | - | 797 | 166,080,141 |
| FNMA Single Family Loans | 254,303 | 3,398 | 553,086,972 |
| Total | \$ 2,601,988 | 14,750 | \$ 1,782,074,310 |

| Type of Loans by Investor | 2023 | | |
|---|---------------------|---------------|-------------------------|
| | Capitalized | Serviced | Principal Balance |
| | Servicing Rights | Loans | |
| WCDA Single Family Loans - first mortgages | \$ 1,742,365 | 6,211 | \$ 933,705,934 |
| WCDA Single Family Loans - second mortgages | - | 3,810 | 27,095,980 |
| GNMA Advantage | 239,989 | 29 | 1,269,143 |
| GNMA Pooled | - | 771 | 156,876,659 |
| FNMA Single Family Loans | 202,384 | 3,540 | 584,003,566 |
| Total | \$ 2,184,738 | 14,361 | \$ 1,702,951,282 |

Escrow and related servicing balances for these loans were \$11,021,902 and \$8,616,705 at June 30, 2024 and 2023, respectively. These balances are not included in the accompanying 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, 2024 and 2023

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

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>.

Public Employees' Pension Plan

The Authority participates in the Public Employees' Pension Plan ("PEPP"), a cost-sharing multiple-employer defined benefit, contributory retirement plan covering substantially all employees of the State and of the Public School Systems of Wyoming. PEPP also covers employees of those political subdivisions and other statutorily allowed entities, which have elected to participate in the plan. Substantially all full-time employees of the Authority are eligible to participate.

For the years ended June 30, 2024 and 2023, respectively, PEPP members are required to contribute 9.25% and 9.25% of their annual covered salary and the employer is statutorily required to contribute 9.37% and 9.37% of the annual covered payroll for a total of 18.62% and 18.62%. Legislation enacted in 1979 allows the employer to subsidize all or part of the employee contribution. The Authority currently subsidizes 6.50% on behalf of eligible employees. 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, 2024 and 2023 were \$538,134 and \$496,193, respectively, while the employee portion was \$96,521 and \$85,766, respectively. For the years ended June 30, 2024 and 2023, the Authority's statutorily required contributions to the PEPP were \$319,372 and \$292,855, respectively. As of July 1, 2024, the statutorily required contribution rates will not increase for the employer or the employee.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

Note 15. Pension Plan (Continued)

Public Employees' Pension Plan (Continued)

The contributions designated as employee contributions represent 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. Early retirement is allowed provided the employee has completed four years of service and attained age 55, or 25 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 with normal retirement on the basis that the sum of the member's age and years of 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 Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2024 and 2023, the Authority reported a total liability of \$3,838,954 and \$4,414,133, respectively, for its proportionate share of the net pension liability. The net pension liability was determined by an actuarial valuation as of January 1, 2023, 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, 2023 is based on the results of an actuarial valuation as of January 1, 2023, rolled forward to a measurement date of December 31, 2023.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

Note 15. Pension Plan (Continued)

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

The schedule below shows the Authority's proportionate share of the net pension liability at June 30, 2024, the proportionate portion at the measurement date of December 31, 2023, and the change in the proportion from the previous measurement date.

| | |
|--|--------------|
| Pension liability at June 30, 2024 | \$3,838,954 |
| Proportion at December 31, 2023 | 0.169103421% |
| Increase (decrease) from December 31, 2022 | 0.007580066% |

For the years ended June 30, 2024 and 2023, the Authority recognized pension expense of \$174,390 and \$359,732, respectively.

The Authority reported deferred outflows of resources and deferred inflows of resources related to pensions for the years ended June 30, 2024 and 2023 from the following sources:

| | 2024 | | 2023 | |
|--|--------------------------------------|-------------------------------------|--------------------------------------|-------------------------------------|
| | 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 | \$ - | \$ 166,461 | \$ 1,643,081 | \$ 1,266,342 |
| Difference between actual and expected experience rate | 74,148 | 16,019 | 22,314 | 27,982 |
| Change in assumptions | 37,779 | - | 118,900 | - |
| Change in employer's proportion | 133,078 | 8,349 | 13,382 | 18,304 |
| Amortizing deferred outflows and deferred inflows | 245,005 | 190,829 | 1,797,677 | 1,312,628 |
| Authority contributions subsequent to the measurement date | 159,678 | - | 159,002 | - |
| Total | <u>\$ 404,683</u> | <u>\$ 190,829</u> | <u>\$ 1,956,679</u> | <u>\$ 1,312,628</u> |

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

Note 15. Pension Plan (Continued)

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

The Authority reported \$159,678 and \$159,002 as deferred outflows of resources related to contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the years ended June 30, 2025 and 2024, respectively. Other amounts reported as deferred outflows and inflows related to pensions will be recognized in pension expense as follows:

| Year ended June 30, | Deferred Outflows/(Inflows) of Resources |
|---------------------|--|
| 2025 | \$ (46,248) |
| 2026 | 17,133 |
| 2027 | 271,243 |
| 2028 | (187,952) |
| | <u>\$ 54,176</u> |

Actuarial Assumptions

The total pension liability at the December 31, 2023 and December 31, 2022 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, 2023 | January 1, 2022 |
|---------------------------------------|--|--|
| Actuarial cost method | Entry Age Normal | Entry Age Normal |
| Amortization method | Level percentage of payroll, closed | Level percentage of payroll, closed |
| Remaining amortization period | 24 years | 25 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% | 6.80% |
| Retirement Age | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2022 valuation pursuant to an experience study of the period 2016-2020. | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2022 valuation pursuant to an experience study of the period 2016-2020. |
| 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% | 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% |

(continued)

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

Note 15. Pension Plan (Continued)

Actuarial Assumptions (Continued)

| Actuarial Assumptions and Methods (Continued) | | |
|---|---|---|
| Pre-Retirement mortality | Pub-2010 General Employee 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% | Pub-2010 General Employee 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% |

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, 2023. In addition, a five-year experience study was completed as of 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 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 2023 and 2022.

These best estimates are summarized in the following table:

| Asset Class | 2023 | | | 2022 | | |
|-------------------------|-------------------|--|---|-------------------|--|---|
| | Target Allocation | Long-Term Expected Geometric Real Rate of Return | Long-Term Expected Arithmetic Real Rate of Return | Target Allocation | Long-Term Expected Geometric Real Rate of Return | Long-Term Expected Arithmetic Real Rate of Return |
| Cash | 0.50% | -0.30% | -0.30% | 0.50% | 0.30% | 0.32% |
| Gold | 1.50% | 2.13% | 0.70% | 1.50% | 2.34% | 0.72% |
| Fixed Income | 20.00% | 3.38% | 3.80% | 20.00% | 3.59% | 4.05% |
| Equity | 51.50% | 6.52% | 8.20% | 51.50% | 7.09% | 9.00% |
| Marketable Alternatives | 16.00% | 4.39% | 5.23% | 16.00% | 5.14% | 6.02% |
| Private Real Assets | 10.50% | 5.97% | 7.48% | 10.50% | 6.05% | 7.67% |
| Total | 100.00% | 5.39% | 6.61% | 100.00% | 5.86% | 7.23% |

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

Note 15. Pension Plan (Continued)

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

The following table represents the Authority's proportionate share of the net unfunded pension liability calculated using the discount rate discussed below, 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 this rate.

| <u>Authority's proportionate share of the net pension liability</u> | | | |
|---|--------------|------------------------------|--------------|
| 2024 | | 2023 | |
| 1% Decrease (5.8%) | \$ 6,096,384 | 1% Decrease (5.8%) | \$ 6,518,090 |
| Current Discount Rate (6.8%) | 3,838,954 | Current Discount Rate (6.8%) | 4,414,133 |
| 1% Increase (7.8%) | 1,968,226 | 1% Increase (7.8%) | 2,670,524 |

Payables to the pension plan

At June 30, 2024 and 2023, 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 6.80%, respectively, for the years ended December 31, 2023 and 2022. Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects 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 a 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 3.77% (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.

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.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

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

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 year and prior year amounts are as follows:

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

For the plan year ending June 30, 2023, there were 13,437 fully eligible active participants; and 3,467 retirees and beneficiaries. This information was unavailable for the plan year ending June 30, 2024. The retiree’s benefit description provides eligible retirees receive health care through one of five medical plans. All plans are available to those under age 65, while the Health Savings Plan is not available to those 65 and older. The actuarial valuation identified a dental benefit which is available, but does not believe there is an OPEB liability associated with this benefit since the benefit is full-contributory and there is no implicit subsidy.

Funding Policy

EGI finances the program on a “pay-as-you-go” basis. The Legislature has the authority for establishing and amending the funding policy. For the years ended June 30, 2024 and 2023, 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.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

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

Total OPEB Liability

The Authority's total OPEB liabilities of \$908,830 and \$1,416,295 as of June 30, 2024 and 2023, respectively, were measured as of July 1, 2023 and 2022, respectively, and were determined by actuarial valuations as of those dates, respectively.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2023 and 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

| | <u>June 30, 2023</u> | <u>June 30, 2022</u> |
|-------------------------------------|--|--|
| 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 | 3.65%, based on the rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AAA/Aa or higher. | 3.54%, based on the rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AAA/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 | 7.25%, then graded down 0.25% to ultimate 4.50% over 11 years |
| Medicare Medical & Prescription | 17.25%, then 7.25%, then graded down 0.25% to ultimate 4.50% over 11 years | 7.25%, then graded down 0.25% to ultimate 4.50% over 11 years |
| Administrative costs | 3.00% | 3.00% |
| Mortality | Pub-2010 mortality tables, projected generationally with two-dimensional scale MP-2020 | Pub-2010 mortality tables, projected generationally with two-dimensional scale MP-2020 |
| Demographic Assumptions | The demographic assumptions which are not unique to the OPEB valuation were based on the Actuarial Experience Study as of December 31, 2020 for the Wyoming Retirement System date April 29, 2022. | The actuarial assumptions used in the June 30, 2022 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, 2024 and 2023

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> | | | |
|--|--------------|-------------------------------|--------------|
| 2024 | | 2023 | |
| 1% Decrease (2.65%) | \$ 1,095,900 | 1% Decrease (2.54%) | \$ 1,718,551 |
| Current Discount Rate (3.65%) | 908,830 | Current Discount Rate (3.54%) | 1,416,295 |
| 1% Increase (4.65%) | 762,929 | 1% Increase (4.54%) | 1,182,979 |

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> | | | |
|---|------------|---|--------------|
| 2024 | | 2023 | |
| 1% Decrease (from 6.50% to 3.50% over 12 years) | \$ 776,206 | 1% Decrease (from 6.25% to 3.50% over 11 years) | \$ 1,196,709 |
| Current Healthcare Cost Trend Rates (from 7.50% to 4.50% over 12 years) | 908,830 | Current Healthcare Cost Trend Rates (from 7.25% to 4.50% over 11 years) | 1,416,295 |
| 1% Increase (from 8.50% to 5.50% over 12 years) | 1,084,028 | 1% Increase (from 8.25% to 5.50% over 11 years) | 1,707,266 |

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

For the years ended June 30, 2024 and 2023, the Authority recaptured prior year OPEB expense of \$174,553 and \$158,166.

At June 30, 2024 and 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | 2024 | | 2023 | |
|--|--------------------------------|-------------------------------|--------------------------------|-------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Difference between actual and expected experience rate | \$ 187,158 | \$ 265,650 | \$ 251,125 | \$ 224,378 |
| Changes in assumptions or other inputs | 384,311 | 914,330 | 460,048 | 582,485 |
| Change in employer's proportion | 41,106 | 796,418 | 18,278 | 953,500 |
| Amortizing deferred outflows and deferred inflows | 612,575 | 1,976,398 | 729,451 | 1,760,363 |
| Authority contributions subsequent to the measurement date | - | - | - | - |
| Total | \$ 612,575 | \$ 1,976,398 | \$ 729,451 | \$ 1,760,363 |

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

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 |
|---------------------|--------------------------------------|-------------------------------------|
| 2025 | \$ 146,846 | \$ 398,649 |
| 2026 | 146,846 | 398,649 |
| 2027 | 136,821 | 362,716 |
| 2028 | 88,162 | 353,573 |
| 2029 | 81,123 | 296,290 |
| Thereafter | 12,777 | 166,521 |
| | <u>\$ 612,575</u> | <u>\$ 1,976,398</u> |

Note 17. Commitments, Concentrations and Contingencies

At June 30, 2024 and 2023, respectively, the Authority was committed to purchase single-family mortgages aggregating approximately \$35.8 million and \$40.3 million under the Warehouse Indenture, \$0.2 million and \$0.2 million under the 1994 Indenture, \$3.0 million and \$3.3 million under various Housing & Neighborhood Development Department Programs, \$0.2 million and \$0.3 million under the Housing Trust Fund, \$0 and \$0.2 million under the FNMA HFA Program and \$4.8 million and \$7.2 million under the GNMA Advantage Program.

As of June 30, 2024 and 2023, respectively, the Authority has variable rate bonds outstanding in the 1994 Indenture of \$135.0 million and \$135.0 million.

As of June 30, 2024 and 2023, respectively, the Authority had \$135.0 million and \$135.0 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, 2024 and 2023, 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, 2024 and 2023.

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 1.3% and 1.6% of the Authority's outstanding mortgage receivable balances were covered by PMI from Radian and approximately 1.6% and 1.9% from Genworth, as of June 30, 2024 and 2023, respectively.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

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 \$23,364 and a net increase in fair value of \$10,182 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, 2024 and 2023, respectively. In addition, \$24,245 and \$47,609 of forward commitments is recorded on the statement of net position as other current assets at June 30, 2024 and 2023, respectively.

The Authority is subject to credit risk with respect to counterparties to the forward commitment contracts, summarized by counterparty at June 30, 2024 and 2023 as follows:

| June 30, 2024 | | | | | | |
|---|-------|-----------------------|---------------------|--------------------------------|---------------------|---|
| Counterparty | Count | Commitments at Par | Fair Value | Exposure by Counterparty | Purchased | Counterparty Rating (S&P/Moody's) |
| Bank of Oklahoma | 2 | \$ 1,700,000 | \$ 1,723,450 | 41% | \$ - | BBB+/Baa1 |
| Daiwa Capital Markets | 2 | 1,400,000 | 1,417,300 | 34% | 1,437,752 | Not Rated |
| Piper Sandler | 1 | 1,000,000 | 1,013,300 | 25% | - | Not Rated |
| | | <u>\$ 4,100,000</u> | 4,154,050 | <u>100%</u> | <u>\$ 1,437,752</u> | |
| Adjustment to fair value for related fees and funding risk | | | (4,183) | | | |
| Adjusted fair value | | | <u>\$ 4,149,867</u> | | | |
| June 30, 2023 | | | | | | |
| Bank of Oklahoma | 3 | \$ 1,653,995 | \$ 1,678,260 | 28% | \$ 1,377,495 | BBB+/A3 |
| Daiwa Capital Markets | 3 | 1,900,000 | 1,930,370 | 32% | - | Not Rated |
| Piper Sandler | 4 | 2,300,000 | 2,335,880 | 40% | - | Not Rated |
| | | <u>\$ 5,853,995</u> | 5,944,510 | <u>100%</u> | <u>\$ 1,377,495</u> | |
| Adjustment to fair value for related fees and funding risk | | | 1,312 | | | |
| Adjusted fair value | | | <u>\$ 5,945,822</u> | | | |

The Authority has also recorded a deferred inflow of resources for the accumulated increase in fair value of hedged derivatives of \$48,201 and \$72,990 as of June 30, 2024 and 2023, 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, 2024 and 2023

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, 2024 and 2023 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, 2024 and 2023 were \$905,357 and \$903,992, respectively.

Note 20. Standards Issued and Implemented

GASB 100, *Accounting Changes and Error Corrections*, prescribes accounting and financial reporting for (1) each category of accounting change and (2) error corrections. Statement 100 also addresses how accounting changes and error corrections should be displayed in financial statement, disclosed in notes, and presented in required supplementary information and supplementary information. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023. There was no impact of this standard.

Note 21. Standards Issued But Not Implemented

GASB Statement No. 101, *Compensated Absences*, aligns recognition and measurement guidance for all types of compensated absences under a unified model, which will result in governments recognizing a liability that more appropriately reflects when they incur an obligation for compensated absences. The model also will lead to greater consistency in application and improved comparability across governments. The requirements of the Statement are effective for reporting periods beginning after June 15, 2024. Management has not completed its assessment of the effects of implementing this standard.

GASB Statement No. 102, *Certain Risk Disclosures*, requires governments to disclose essential information about risks related to vulnerabilities due to certain concentrations or constraints. A concentration, as defined by Statement 102, is a lack of diversity related to an aspect of a significant inflow or outflow of resources, for example, a small number of companies that represent a majority of employment in a government's jurisdiction, or a government that relies on one revenue source for most of its revenue. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority, such as a voter-approved property tax cap or a state-imposed debt limit. The requirements of this statement are effective for fiscal years beginning after June 15, 2024. Management has not completed its assessment of the effects of implementing this standard.

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

Note 21. Standards Issued But Not Implemented (Continued)

GASB Statement No. 103, *Financial Reporting Model Improvements*, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. Key provisions of this Statement include (1) recognition and measurement of revenues and expenditures; (2) presentation enhancements; and (3) note disclosures. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. Management has not completed its assessment of the effects of implementing this standard.

Note 22. Subsequent Events

On July 11, 2024, the Authority closed on the issuance of its 2024 Series 1, 2 & 3 mortgage revenue bonds in the amount \$110,305,000 under the 1994 Indenture. The Authority used \$18,000,000 of this bond issuance to call bonds in the same amount under the 1994 Indenture.

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REQUIRED SUPPLEMENTARY INFORMATION

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

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

| | <u>2024</u> | <u>2023</u> | <u>2022</u> | <u>2021</u> |
|---|--------------|--------------|--------------|--------------|
| Authority's proportion of the net pension liability | 0.1691034% | 0.1615234% | 0.1621179% | 0.1628734% |
| Authority's proportionate share of the net pension liability | \$ 3,838,954 | \$ 4,414,133 | \$ 2,471,847 | \$ 3,539,832 |
| Authority's covered-employee payroll | \$ 3,176,299 | \$ 2,916,357 | \$ 2,950,430 | \$ 2,899,908 |
| Authority's proportionate share of the net pension liability as a percentage of its covered payroll | 120.86% | 151.36% | 83.78% | 122.07% |
| Plan fiduciary net position as a percentage of the total pension liability | 80.19% | 75.47% | 86.03% | 79.24% |

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

| 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| 0.1606900% | 0.1604696% | 0.1530328% | 0.1384712% | 0.1414056% | 0.1383546% |
| \$ 3,776,095 | \$ 4,886,765 | \$ 3,488,138 | \$ 3,347,541 | \$ 3,293,828 | \$ 2,441,532 |
| \$ 2,793,134 | \$ 2,794,345 | \$ 2,718,440 | \$ 2,468,810 | \$ 2,466,218 | \$ 2,365,050 |
| 135.19% | 174.88% | 128.31% | 135.59% | 133.56% | 103.23% |
| 76.83% | 69.17% | 76.35% | 73.42% | 73.40% | 79.08% |

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

SCHEDULE OF PENSION CONTRIBUTIONS

Last 10 Fiscal Years

(Unaudited)

| | <u>2024</u> | <u>2023</u> | <u>2022</u> | <u>2021</u> |
|--|------------------|------------------|------------------|------------------|
| Statutorily required contribution | \$ 319,372 | \$ 292,855 | \$ 282,215 | \$ 271,746 |
| Contributions in relations to the statutorily required contribution | <u>(319,372)</u> | <u>(292,855)</u> | <u>(282,215)</u> | <u>(271,746)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Authority's covered payroll | \$ 3,408,453 | \$ 3,125,454 | \$ 3,011,900 | \$ 2,979,671 |
| Contributions as a percentage of covered payroll | 9.37% | 9.37% | 9.37% | 9.12% |

Changes in benefit terms: There were no changes in benefit terms between the initial measurement date reflected below and the December 31, 2023 measurement date.

Changes in assumptions: In general, the new assumptions reflect an update to the mortality tables, adjustments to the demographic and salary scale, as well as a lower long-term investment return. The expected rate of return on assets was decreased from 7.00% to 6.80%. There have been no actuarial assumption changes or methods since the prior valuation. Further, there have been various assumption changes from the initial measurement date reflected below through the December 31, 2023 measurement date. See the table below.

| Measurement Date (Plan Year End) | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|----------------------------------|---------------|---------------|---------------|---------------|
| Discount rate | 6.80% | 6.80% | 6.80% | 7.00% |
| Investment rate of return | 6.80% | 6.80% | 6.80% | 7.00% |
| Real return net of inflation | 4.55% | 4.55% | 4.55% | 4.75% |
| Inflation | 2.25% | 2.25% | 2.25% | 2.25% |
| Salary increases | 2.50% - 6.50% | 2.50% - 6.50% | 2.50% - 6.50% | 2.50% - 6.50% |
| Payroll growth rate | 2.50% | 2.50% | 2.50% | 2.50% |

| 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| \$ 262,127 | \$ 249,206 | \$ 232,492 | \$ 224,507 | \$ 206,888 | \$ 176,110 |
| (262,127) | (249,206) | (232,492) | (224,507) | (206,888) | (176,110) |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| \$ 2,955,209 | \$ 2,891,021 | \$ 2,777,682 | \$ 2,759,184 | \$ 2,471,835 | \$ 2,310,920 |
| 8.87% | 8.62% | 8.37% | 8.37% | 8.37% | 7.62% |

| 2019 | 2018 | 2017 | 2016 |
|---------------|---------------|---------------|---------------|
| 7.00% | 7.00% | 7.00% | 7.75% |
| 7.00% | 7.00% | 7.75% | 7.75% |
| 4.75% | 3.52% | 4.75% | 4.50% |
| 2.25% | 2.25% | 3.25% | 3.25% |
| 2.50% - 6.50% | 4.75% - 8.75% | 4.25% - 6.00% | 4.25% - 6.00% |
| 2.50% | 2.50% | 4.25% | 4.25% |

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

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

Last 10 Fiscal Years ***

(Unaudited)

| | <u>2024</u> | <u>2023</u> | <u>2022</u> | <u>2021</u> |
|--|--------------|--------------|--------------|--------------|
| Authority's proportion of the net OPEB liability | 0.13740% | 0.13494% | 0.19687% | 0.21864% |
| Authority's proportionate share of the net OPEB liability | \$ 908,830 | \$ 1,416,295 | \$ 2,596,182 | \$ 2,856,836 |
| Authority's covered payroll | \$ 1,161,779 | \$ 1,161,543 | ** | ** |
| Authority's proportionate share of the net OPEB liability as a percentage of its covered payroll | 78.23% | 121.93% | ** | ** |
| Plan fiduciary net position as a percentage of the total OPEB liability | 0.00% | 0.00% | ** | ** |

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

SCHEDULE OF AUTHORITY'S OPEB CONTRIBUTIONS

Last 10 Fiscal Years ***

(Unaudited)

| | <u>2024</u> | <u>2023</u> | <u>2022</u> | <u>2021</u> |
|--|-----------------|-----------------|-------------|-------------|
| Contractually required OPEB contributions | \$ 21,059 | \$ 12,402 | \$ - | \$ - |
| OPEB contributions in relation to contractually required contributions | <u>(21,059)</u> | <u>(12,402)</u> | - | - |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Authority's covered payroll (OPEB) | \$ 3,509,833 | \$ 2,067,000 | ** | ** |
| OPEB contributions as a percentage of covered payroll | 0.6% | 0.6% | 0.00% | 0.00% |

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

** The Authority had no required contributions related to the OPEB plan.

*** 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 per-capita health claims costs were updated. The assumption change decreased the total OPEB liability (TOL) and had the largest impact. The main driver of this change was lower net Rx claims costs than expected for Medicare retirees.
- 2) The participation assumption for future retirees was decreased from 65% to 55%. This change had the second largest impact and lowered the TOL by roughly \$107 million.
- 3) Trend rates on per-capita costs were updated. This change increased the TOL.
- 4) The actuarial factors used to estimate individual retiree and spouse costs by age and by gender were modified. The new factors are based on a review of historical claims experienced by age, gender, and status (active vs retired) from Segal's claims data warehouse. This change slightly increased the TOL.
- 5) The discount rate was raised from 3.54% to 3.65%, based on the rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AAA/Aa or higher. This change slightly decreased the TOL.

| 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--------------------|--------------------|--------------------|--------|--------|--------|
| 0.21591% | 0.24323% | 0.24483% | * | * | * |
| \$ 2,042,522 ** | \$ 2,479,597 ** | \$ 1,936,584 ** | * * | * * | * * |
| ** | ** | ** | * | * | * |
| ** | ** | ** | * | * | * |

| 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|------------|------------|------------|--------|--------|--------|
| \$ - | \$ - | \$ - | * | * | * |
| - | - | - | * | * | * |
| \$ - ** | \$ - ** | \$ - ** | * * | * * | * * |
| 0.00% | 0.00% | 0.00% | * | * | * |

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SUPPLEMENTARY INFORMATION

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

DETAILED STATEMENT OF NET POSITION

June 30, 2024

(See Independent Auditor's Report)

| | Housing Revenue Bonds 1994 Indenture Fund | Single Family Mortgage Warehousing Fund | Multi-Family Fund |
|--|--|--|----------------------|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | |
| Current Assets | | | |
| Cash and cash equivalents | \$ 33,197,410 | \$ 8,366,678 | \$ 333,337 |
| Investments | 25,971,619 | - | 1,153,283 |
| Interest receivable: Mortgage loans | - | 68,716 | - |
| Investments | 422,647 | 18,988 | 14,129 |
| Due from other funds | - | - | - |
| Accounts receivable and other assets | - | 205,064 | - |
| Total current assets | <u>59,591,676</u> | <u>8,659,446</u> | <u>1,500,749</u> |
| Noncurrent Assets | | | |
| Restricted cash and cash equivalents | 128,744,247 | - | - |
| Restricted investments | 41,525,654 | - | - |
| Restricted mortgage loans receivable, net | 921,962,922 | - | - |
| Restricted real estate held for sale | 940,000 | - | - |
| Restricted interest receivable: Mortgage loans | 3,184,774 | - | - |
| Investments | 946,054 | - | - |
| Restricted accounts receivable and other assets | 21,589 | - | - |
| Mortgage loans receivable, net | - | 15,095,210 | - |
| Real estate held for sale | - | - | - |
| Deferred hedging costs of fixed-rate swaps | 14,168,191 | - | - |
| Deferred servicing costs, net | - | - | - |
| Property and equipment, net | - | - | - |
| Total noncurrent assets | <u>1,111,493,431</u> | <u>15,095,210</u> | <u>-</u> |
| Total assets | <u>1,171,085,107</u> | <u>23,754,656</u> | <u>1,500,749</u> |
| Deferred Outflows of Resources | | | |
| Pension contributions and change in earnings | - | - | - |
| Deferred outflows from other postemployment benefits | - | - | - |
| Total deferred outflows of resources | <u>-</u> | <u>-</u> | <u>-</u> |
| Total assets and deferred outflows of resources | <u>\$ 1,171,085,107</u> | <u>\$ 23,754,656</u> | <u>\$ 1,500,749</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION | | | |
| Current Liabilities | | | |
| Bonds payable | \$ 32,620,000 | \$ - | \$ - |
| Accrued interest payable | 2,284,372 | - | - |
| Due to other funds | 96,767 | 13,641,980 | - |
| Accounts payable and other liabilities | 296,418 | 9,964 | - |
| Total current liabilities | <u>35,297,557</u> | <u>13,651,944</u> | <u>-</u> |
| Noncurrent liabilities | | | |
| Bonds payable | 905,428,394 | - | - |
| Other deferred credits | 1,379,396 | - | - |
| Pension liabilities | - | - | - |
| Other postemployment benefit liabilities | - | - | - |
| Total noncurrent liabilities | <u>906,807,790</u> | <u>-</u> | <u>-</u> |
| Total liabilities | <u>942,105,347</u> | <u>13,651,944</u> | <u>-</u> |
| Deferred Inflows of Resources | | | |
| Differences between expected and actual pension experience | - | - | - |
| Deferred inflows from other postemployment benefits | - | - | - |
| Accumulated increase in fair value of hedging derivatives | 14,168,191 | 48,201 | - |
| Total deferred inflows of resources | <u>14,168,191</u> | <u>48,201</u> | <u>-</u> |
| Net Position | | | |
| Net investment in capital assets | - | - | - |
| Restricted | 155,219,893 | - | - |
| Unrestricted | 59,591,676 | 10,054,511 | 1,500,749 |
| Total net position | <u>214,811,569</u> | <u>10,054,511</u> | <u>1,500,749</u> |
| Total liabilities, deferred inflows of resources and net position | <u>\$ 1,171,085,107</u> | <u>\$ 23,754,656</u> | <u>\$ 1,500,749</u> |

| Housing & Neighborhood Development Fund | Housing Trust Fund | Mortgage Guaranty Fund | General Fund | Eliminations | Total |
|--|--------------------------|------------------------------|-----------------|-----------------|------------------|
| \$ - | \$ 22,131,672 | \$ 4,876,051 | \$ 7,606,732 | \$ - | \$ 76,511,880 |
| - | 27,858,418 | 15,969,957 | - | - | 70,953,277 |
| - | 102,476 | - | - | - | 171,192 |
| - | 287,222 | 105,500 | - | - | 848,486 |
| - | 13,738,747 | - | - | (13,738,747) | - |
| - | 25,725 | - | 843,476 | - | 1,074,265 |
| - | 64,144,260 | 20,951,508 | 8,450,208 | (13,738,747) | 149,559,100 |
| 19,755,275 | - | - | - | - | 148,499,522 |
| - | - | - | - | - | 41,525,654 |
| 73,053,756 | - | - | - | - | 995,016,678 |
| - | - | - | - | - | 940,000 |
| - | - | - | - | - | 3,184,774 |
| 83,511 | - | - | - | - | 1,029,565 |
| 14,609,471 | - | - | - | - | 14,631,060 |
| - | 10,780,554 | - | - | - | 25,875,764 |
| - | 227,000 | - | - | - | 227,000 |
| - | - | - | - | - | 14,168,191 |
| - | - | - | 9,045,329 | - | 9,045,329 |
| - | - | - | 1,602,522 | - | 1,602,522 |
| 107,502,013 | 11,007,554 | - | 10,647,851 | - | 1,255,746,059 |
| 107,502,013 | 75,151,814 | 20,951,508 | 19,098,059 | (13,738,747) | 1,405,305,159 |
| - | - | - | 404,683 | - | 404,683 |
| - | - | - | 612,575 | - | 612,575 |
| - | - | - | 1,017,258 | - | 1,017,258 |
| \$ 107,502,013 | \$ 75,151,814 | \$ 20,951,508 | \$ 20,115,317 | \$ (13,738,747) | \$ 1,406,322,417 |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ 32,620,000 |
| - | - | - | - | - | 2,284,372 |
| - | - | - | - | (13,738,747) | - |
| 582,437 | 11,234 | - | 1,313,150 | - | 2,213,203 |
| 582,437 | 11,234 | - | 1,313,150 | (13,738,747) | 37,117,575 |
| - | - | - | - | - | 905,428,394 |
| - | - | - | - | - | 1,379,396 |
| - | - | - | 3,838,954 | - | 3,838,954 |
| - | - | - | 908,830 | - | 908,830 |
| - | - | - | 4,747,784 | - | 911,555,574 |
| 582,437 | 11,234 | - | 6,060,934 | (13,738,747) | 948,673,149 |
| - | - | - | 190,829 | - | 190,829 |
| - | - | - | 1,976,398 | - | 1,976,398 |
| - | - | - | - | - | 14,216,392 |
| - | - | - | 2,167,227 | - | 16,383,619 |
| - | - | - | 1,602,522 | - | 1,602,522 |
| 106,919,576 | - | - | - | - | 262,139,469 |
| - | 75,140,580 | 20,951,508 | 10,284,634 | - | 177,523,658 |
| 106,919,576 | 75,140,580 | 20,951,508 | 11,887,156 | - | 441,265,649 |
| \$ 107,502,013 | \$ 75,151,814 | \$ 20,951,508 | \$ 20,115,317 | \$ (13,738,747) | \$ 1,406,322,417 |

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

DETAILED STATEMENT OF NET POSITION

June 30, 2023

(See Independent Auditor's Report)

| | Housing Revenue Bonds 1994 Indenture Fund | Single Family Mortgage Warehousing Fund | Multi-Family Fund |
|--|--|--|----------------------|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | |
| Current Assets | | | |
| Cash and cash equivalents | \$ 30,593,621 | \$ 11,752,948 | \$ 291,938 |
| Investments | 23,902,818 | - | 1,155,518 |
| Interest receivable: Mortgage loans | - | 22,642 | - |
| Investments | 41,102 | 12,346 | 3,501 |
| Due from other funds | - | - | - |
| Accounts receivable and other assets | - | 228,428 | - |
| Total current assets | 54,537,541 | 12,016,364 | 1,450,957 |
| Noncurrent Assets | | | |
| Restricted cash and cash equivalents | 126,834,198 | - | - |
| Restricted investments | 94,541,627 | - | - |
| Restricted mortgage loans receivable, net | 853,198,614 | - | - |
| Restricted real estate held for sale | 1,209,000 | - | - |
| Restricted interest receivable: Mortgage loans | 2,761,860 | - | - |
| Investments | 1,283,616 | - | - |
| Restricted accounts receivable and other assets | 77,401 | - | - |
| Mortgage loans receivable, net | - | 1,094,297 | - |
| Real estate held for sale | - | - | - |
| Deferred hedging costs of fixed-rate swaps | 11,330,077 | - | - |
| Deferred servicing costs, net | - | - | - |
| Property and equipment, net | - | - | - |
| Total noncurrent assets | 1,091,236,393 | 1,094,297 | - |
| Total assets | 1,145,773,934 | 13,110,661 | 1,450,957 |
| Deferred Outflows of Resources | | | |
| Pension contributions and change in earnings | - | - | - |
| Deferred outflows from other postemployment benefits | - | - | - |
| Total deferred outflows of resources | - | - | - |
| Total assets and deferred outflows of resources | \$ 1,145,773,934 | \$ 13,110,661 | \$ 1,450,957 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION | | | |
| Current Liabilities | | | |
| Bonds payable | \$ 31,170,000 | \$ - | \$ - |
| Accrued interest payable | 2,259,522 | - | - |
| Due to other funds | - | 3,125,500 | - |
| Accounts payable and other liabilities | 288,125 | 11,317 | - |
| Total current liabilities | 33,717,647 | 3,136,817 | - |
| Noncurrent liabilities | | | |
| Bonds payable | 897,227,509 | - | - |
| Other deferred credits | 654,632 | - | - |
| Pension liabilities | - | - | - |
| Other postemployment benefit liabilities | - | - | - |
| Total noncurrent liabilities | 897,882,141 | - | - |
| Total liabilities | 931,599,788 | 3,136,817 | - |
| Deferred Inflows of Resources | | | |
| Differences between expected and actual pension experience | - | - | - |
| Deferred inflows from other postemployment benefits | - | - | - |
| Accumulated increase in fair value of hedging derivatives | 11,330,077 | 72,990 | - |
| Total deferred inflows of resources | 11,330,077 | 72,990 | - |
| Net Position | | | |
| Net investment in capital assets | - | - | - |
| Restricted | 148,306,528 | - | - |
| Unrestricted | 54,537,541 | 9,900,854 | 1,450,957 |
| Total net position | 202,844,069 | 9,900,854 | 1,450,957 |
| Total liabilities, deferred inflows of resources and net position | \$ 1,145,773,934 | \$ 13,110,661 | \$ 1,450,957 |

| Housing & Neighborhood Development Fund | Housing Trust Fund | Mortgage Guaranty Fund | General Fund | Eliminations | Total |
|---|--------------------|------------------------|---------------|----------------|------------------|
| \$ - | \$ 29,870,299 | \$ 4,134,566 | \$ 4,888,086 | \$ - | \$ 81,531,458 |
| - | 28,003,873 | 16,110,234 | - | - | 69,172,443 |
| - | 76,124 | - | - | - | 98,766 |
| - | 286,690 | 103,116 | - | - | 446,755 |
| - | 3,125,500 | - | - | (3,125,500) | - |
| - | 18,894 | - | 1,321,875 | (5,476) | 1,563,721 |
| - | 61,381,380 | 20,347,916 | 6,209,961 | (3,130,976) | 152,813,143 |
| 19,021,688 | - | - | - | - | 145,855,886 |
| - | - | - | - | - | 94,541,627 |
| 67,766,446 | - | - | - | - | 920,965,060 |
| - | - | - | - | - | 1,209,000 |
| 12 | - | - | - | - | 2,761,872 |
| 77,409 | - | - | - | - | 1,361,025 |
| 24,876,684 | - | - | - | - | 24,954,085 |
| - | 11,440,415 | - | - | - | 12,534,712 |
| - | 200,500 | - | - | - | 200,500 |
| - | - | - | - | - | 11,330,077 |
| - | - | - | 10,016,350 | - | 10,016,350 |
| - | - | - | 1,777,884 | - | 1,777,884 |
| 111,742,239 | 11,640,915 | - | 11,794,234 | - | 1,227,508,078 |
| 111,742,239 | 73,022,295 | 20,347,916 | 18,004,195 | (3,130,976) | 1,380,321,221 |
| - | - | - | 1,956,679 | - | 1,956,679 |
| - | - | - | 729,451 | - | 729,451 |
| - | - | - | 2,686,130 | - | 2,686,130 |
| \$ 111,742,239 | \$ 73,022,295 | \$ 20,347,916 | \$ 20,690,325 | \$ (3,130,976) | \$ 1,383,007,351 |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ 31,170,000 |
| - | - | - | - | - | 2,259,522 |
| - | - | - | - | (3,125,500) | - |
| 232,967 | 9,550 | - | 1,168,795 | (5,476) | 1,705,278 |
| 232,967 | 9,550 | - | 1,168,795 | (3,130,976) | 35,134,800 |
| - | - | - | - | - | 897,227,509 |
| - | - | - | - | - | 654,632 |
| - | - | - | 4,414,133 | - | 4,414,133 |
| - | - | - | 1,416,295 | - | 1,416,295 |
| - | - | - | 5,830,428 | - | 903,712,569 |
| 232,967 | 9,550 | - | 6,999,223 | (3,130,976) | 938,847,369 |
| - | - | - | 1,312,628 | - | 1,312,628 |
| - | - | - | 1,760,363 | - | 1,760,363 |
| - | - | - | - | - | 11,403,067 |
| - | - | - | 3,072,991 | - | 14,476,058 |
| - | - | - | 1,777,884 | - | 1,777,884 |
| 111,509,272 | - | - | - | - | 259,815,800 |
| - | 73,012,745 | 20,347,916 | 8,840,227 | - | 168,090,240 |
| 111,509,272 | 73,012,745 | 20,347,916 | 10,618,111 | - | 429,683,924 |
| \$ 111,742,239 | \$ 73,022,295 | \$ 20,347,916 | \$ 20,690,325 | \$ (3,130,976) | \$ 1,383,007,351 |

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

DETAILED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Year Ended June 30, 2024

(See Independent Auditor's Report)

| | Housing Revenue Bonds 1994 Indenture Fund | Single Family Mortgage Warehousing Fund | Multi-Family Fund |
|---|--|--|----------------------|
| Operating Revenues | | | |
| Mortgage interest | \$ 34,713,936 | \$ 183,650 | \$ - |
| Investment interest income | 12,294,273 | 282,411 | 52,027 |
| Net decrease in fair value of investments | (135,909) | - | (2,235) |
| Fees and other income | - | 673,771 | - |
| Total operating revenues | <u>46,872,300</u> | <u>1,139,832</u> | <u>49,792</u> |
| Operating Expenses | | | |
| Interest expense | 24,852,341 | 15,508 | - |
| Servicer fees | 3,259,174 | 6,880 | - |
| Amortization of deferred servicing costs | - | - | - |
| Cost of issuance and other financing costs | 1,825,391 | - | - |
| Provision for (recapture of) loan losses and real estate held | (99,171) | - | - |
| General and administrative | 1,093,445 | 115,053 | - |
| Total operating expenses | <u>30,931,180</u> | <u>137,441</u> | <u>-</u> |
| Operating income (loss) | <u>15,941,120</u> | <u>1,002,391</u> | <u>49,792</u> |
| Non-operating Revenues (Expenses) | | | |
| Federal program income | - | - | - |
| Federal program expenses | - | - | - |
| Non-operating loss | <u>-</u> | <u>-</u> | <u>-</u> |
| Net income (loss) before transfers | 15,941,120 | 1,002,391 | 49,792 |
| Transfers in (out) | <u>(3,973,620)</u> | <u>(848,734)</u> | <u>-</u> |
| Net income (loss) | 11,967,500 | 153,657 | 49,792 |
| Net position, beginning of year | <u>202,844,069</u> | <u>9,900,854</u> | <u>1,450,957</u> |
| Net position, end of year | <u>\$ 214,811,569</u> | <u>\$ 10,054,511</u> | <u>\$ 1,500,749</u> |

| Housing & Neighborhood Development Fund | Housing Trust Fund | Mortgage Guaranty Fund | General Fund | Eliminations | Total |
|--|--------------------------|------------------------------|-----------------|--------------|----------------|
| \$ - | \$ 479,772 | \$ - | \$ - | \$ - | \$ 35,377,358 |
| - | 2,605,770 | 758,394 | - | - | 15,992,875 |
| - | (178,335) | (153,885) | - | - | (470,364) |
| - | 53,227 | - | 6,709,613 | (3,303,283) | 4,133,328 |
| - | 2,960,434 | 604,509 | 6,709,613 | (3,303,283) | 55,033,197 |
| - | 894 | 917 | - | - | 24,869,660 |
| - | 54,897 | - | - | (3,303,283) | 17,668 |
| - | - | - | 3,557,010 | - | 3,557,010 |
| - | - | - | - | - | 1,825,391 |
| - | 579,334 | - | - | - | 480,163 |
| - | (3,749) | - | 6,907,588 | - | 8,112,337 |
| - | 631,376 | 917 | 10,464,598 | (3,303,283) | 38,862,229 |
| - | 2,329,058 | 603,592 | (3,754,985) | - | 16,170,968 |
| 6,825,800 | - | - | - | - | 6,825,800 |
| (11,415,043) | - | - | - | - | (11,415,043) |
| (4,589,243) | - | - | - | - | (4,589,243) |
| (4,589,243) | 2,329,058 | 603,592 | (3,754,985) | - | 11,581,725 |
| (453) | (201,223) | - | 5,024,030 | - | - |
| (4,589,696) | 2,127,835 | 603,592 | 1,269,045 | - | 11,581,725 |
| 111,509,272 | 73,012,745 | 20,347,916 | 10,618,111 | - | 429,683,924 |
| \$ 106,919,576 | \$ 75,140,580 | \$ 20,951,508 | \$ 11,887,156 | \$ - | \$ 441,265,649 |

WYOMING COMMUNITY DEVELOPMENT AUTHORITY

DETAILED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Year Ended June 30, 2023

(See Independent Auditor's Report)

| | Housing Revenue Bonds 1994 Indenture Fund | Single Family Mortgage Warehousing Fund | Multi-Family Fund |
|--|--|--|----------------------|
| Operating Revenues | | | |
| Mortgage interest | \$ 29,191,508 | \$ 421,260 | \$ - |
| Investment interest income | 10,110,554 | 158,623 | 45,536 |
| Net decrease in fair value of investments | (5,391,221) | - | (114,118) |
| Fees and other income | - | 417,720 | - |
| Total operating revenues | <u>33,910,841</u> | <u>997,603</u> | <u>(68,582)</u> |
| Operating Expenses | | | |
| Interest expense | 21,766,862 | 367,496 | - |
| Servicer fees | 2,974,083 | 19,809 | - |
| Amortization of deferred servicing costs | - | - | - |
| Cost of issuance and other financing costs | 2,098,392 | - | - |
| Provision for loan losses and real estate held | 388,800 | - | - |
| General and administrative | 434,511 | 84,669 | - |
| Total operating expenses | <u>27,662,648</u> | <u>471,974</u> | <u>-</u> |
| Operating income (loss) | <u>6,248,193</u> | <u>525,629</u> | <u>(68,582)</u> |
| Non-operating Revenues (Expenses) | | | |
| Federal program income | - | - | - |
| Federal program expenses | - | - | - |
| Non-operating income | <u>-</u> | <u>-</u> | <u>-</u> |
| Net income (loss) before transfers | 6,248,193 | 525,629 | (68,582) |
| Transfers in (out) | <u>(4,158,631)</u> | <u>(800,000)</u> | <u>-</u> |
| Net income (loss) | 2,089,562 | (274,371) | (68,582) |
| Net position, beginning of year | <u>200,754,507</u> | <u>10,175,225</u> | <u>1,519,539</u> |
| Net position, end of year | <u>\$ 202,844,069</u> | <u>\$ 9,900,854</u> | <u>\$ 1,450,957</u> |

| Housing & Neighborhood Development Fund | Housing Trust Fund | Mortgage Guaranty Fund | General Fund | Eliminations | Total |
|--|--------------------------|------------------------------|-----------------|--------------|----------------|
| \$ - | \$ 460,209 | \$ - | \$ - | \$ - | \$ 30,072,977 |
| - | 2,038,941 | 656,447 | - | - | 13,010,101 |
| - | (1,387,317) | (1,021,215) | - | - | (7,913,871) |
| - | - | - | 6,297,371 | (3,031,532) | 3,683,559 |
| - | 1,111,833 | (364,768) | 6,297,371 | (3,031,532) | 38,852,766 |
| - | 593 | 614 | - | - | 22,135,565 |
| - | 57,930 | - | - | (3,031,532) | 20,290 |
| - | - | - | 3,148,705 | - | 3,148,705 |
| - | - | - | - | - | 2,098,392 |
| - | 548,384 | - | - | - | 937,184 |
| - | 23,598 | - | 7,101,758 | - | 7,644,536 |
| - | 630,505 | 614 | 10,250,463 | (3,031,532) | 35,984,672 |
| - | 481,328 | (365,382) | (3,953,092) | - | 2,868,094 |
| 6,188,508 | - | - | - | - | 6,188,508 |
| (77,107) | - | - | - | - | (77,107) |
| 6,111,401 | - | - | - | - | 6,111,401 |
| 6,111,401 | 481,328 | (365,382) | (3,953,092) | - | 8,979,495 |
| (139,311) | 14,193 | - | 5,083,749 | - | - |
| 5,972,090 | 495,521 | (365,382) | 1,130,657 | - | 8,979,495 |
| 105,537,182 | 72,517,224 | 20,713,298 | 9,487,454 | - | 420,704,429 |
| \$ 111,509,272 | \$ 73,012,745 | \$ 20,347,916 | \$ 10,618,111 | \$ - | \$ 429,683,924 |