

Statements of Net Position

June 30, 2022 and 2021 (millions of dollars)

The following condensed statements of net position show a summary of changes, in dollars and percentages, between fiscal years ended June 30, 2022 and 2021. The Authority reported a change in net position of (\$87.7) million for the year ended June 30, 2022.

	<u>2022</u>	<u>2021</u>	<u>Increase / (Decrease)</u>	
			<u>Amount</u>	<u>%</u>
Cash and cash equivalents	\$631.3	\$747.7	\$(116.4)	(15.6)
Mortgage loans and interest receivable	1,126.1	1,194.8	(68.7)	(5.8)
Mortgage-backed security investments and interest receivable	971.0	1,104.5	(133.5)	(12.1)
Investments and interest receivable	154.4	164.7	(10.3)	(6.2)
Net pension asset	5.9	4.6	1.3	28.3
Other assets	<u>51.7</u>	<u>13.1</u>	<u>38.6</u>	294.7
Total Assets	<u>2,940.4</u>	<u>3,229.4</u>	<u>\$(289.0)</u>	(8.9)
Accumulated decrease in fair value of hedging	5.9	28.1	(22.2)	(79.0)
Deferred outflow of resources – pension	11.0	7.4	3.6	48.6
Deferred outflow of resources – OPEB	<u>1.5</u>	<u>1.4</u>	<u>0.1</u>	7.1
Total Deferred Outflow of Resources	<u>18.4</u>	<u>36.9</u>	<u>(18.5)</u>	(50.1)
Accrued interest payable	12.0	13.0	(1.0)	(7.7)
Bonds and notes payable	1,886.9	2,097.2	(210.3)	(10.0)
Interest Rate Swap Agreements	5.9	28.1	(22.2)	(79.0)
Net OPEB liability	2.4	2.2	0.2	9.1
Other liabilities	<u>151.8</u>	<u>152.4</u>	<u>(0.6)</u>	(0.4)
Total Liabilities	<u>2,059.0</u>	<u>2,292.9</u>	<u>(233.9)</u>	(10.2)
Accumulated change in fair value of hedging derivatives	10.4	0.0	10.4	-
Deferred inflow of resources – pension	13.9	10.2	3.7	36.3
Deferred inflow of resources – OPEB	<u>1.1</u>	<u>1.1</u>	<u>0.0</u>	0.0
Total Deferred Inflow of Resources	<u>25.4</u>	<u>11.3</u>	<u>14.1</u>	124.8
Net investment in capital assets	17.9	1.4	16.5	1,178.6
Restricted by bond resolutions	539.5	645.6	(106.1)	(16.4)
Restricted by contractual agreements	299.9	299.1	0.8	0.3
Unrestricted	<u>17.1</u>	<u>16.0</u>	<u>1.1</u>	6.9
Total Net Position	<u>\$874.4</u>	<u>\$962.1</u>	<u>\$(87.7)</u>	(9.1)

Schedule may not foot due to rounding

The Authority saw a decline in the total asset balance during fiscal 2022, ending the year at \$2.9 billion. Both the mortgage backed security and mortgage portfolios experienced contraction again during fiscal year 2022. Single Family fundings were down \$87.6 million or 23.3% as historically low interest rates began to rise. However, prepayment levels, while high in the first half of the year, declined by \$100.9 million or 28.2% from fiscal year 2021 levels. Multifamily fundings fell 20.1% or \$39.4 million while the prepayment level was stable. Delays in construction due to supply chain challenges as well as a significant increase in construction costs led to later than expected starts on many large construction projects.

The Mortgage loans and interest receivable portfolio ended the fiscal year at \$1.1 billion which represented a \$68.7 million or 5.8% decline from fiscal year 2021. Mortgage-backed security investments of \$971.0 million, reflected a decrease of \$133.5 million from the prior year. The combined portfolio balance of \$2.1 billion represents a decrease of \$202.2 million or 8.8%.

Liabilities ended the year at \$2.1 billion, down \$233.9 million over fiscal 2021. The decrease was primarily attributable to a lower level of new bond issues in both Single Family First Time Home Buyer (FTHB) mortgages and Multifamily loans and the early retirement of some outstanding debt due to surplus generated from prepayments. There was one Single Family bond issue in fiscal year 2022 totaling \$99.9 million. In addition, \$94.5 million in bonds were issued in the Multifamily program. Proceeds were used to fund new loans in both lines of business.

Overall, net position decreased \$87.7 million during fiscal year 2022. The various lending programs and investments within the Authority's business segments generated the change in net position. The business segment contributions for fiscal year 2022 were as follows: (\$113.4) million in Single Family bond resolutions, \$7.4 million in Multifamily Bond and Housing Revenue bond resolutions, \$18.2 million in the General Fund (including subsidiary change in net position) and \$146,000 in State of Wisconsin Programs.