RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEARS ENDED JUNE 30, 2024 AND 2023

RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
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YEARS ENDED JUNE 30, 2024 AND 2023

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Rhode Island Housing and Mortgage Finance Corporation
Providence, Rhode Island

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of Rhode Island Housing and Mortgage Finance Corporation (RI Housing), a component unit of the state of Rhode Island, as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise RI Housing's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of RI Housing, as of June 30, 2024 and 2023, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of RI Housing and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 RI Housing'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.

Auditors' 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 auditors' report that includes our opinions. 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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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 RI Housing'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 RI Housing'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, the schedule of RI Housing's changes in total OPEB liability and related ratios be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Rhode Island Housing and Mortgage Finance Corporation's basic financial statements. The combining schedules of net position – multi-family fund and combining schedules of revenues, expenses, and changes in net position – multi-family fund (the Supplementary Information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2024, on our consideration of RI Housing's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of RI Housing's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering RI Housing's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Cranston, Rhode Island
September 26, 2024

The accompanying basic financial statements include Rhode Island Housing and Mortgage Finance Corporation (the Corporation) and Affordable Housing Trust Fund (the Trust, a component unit of the Corporation), collectively referred to as Rhode Island Housing.

This section of Rhode Island Housing's financial statements presents Rhode Island Housing's management's discussion and analysis of the Corporation's financial position and performance as of June 30, 2024 and 2023, and for the years then ended. This discussion and analysis are intended to serve as an introduction to the Corporation's basic financial statements. The Corporation's basic financial statements, accompanying notes, and supplementary information should be read in conjunction with the following discussion.

Financial Highlights

The financial highlights (in millions) of the Corporation as of and for the years ended June 30, 2024 and 2023, increased (decreased) from the previous year as follows:

	2024		2023	
	Amount	Percent	Amount	Percent
Mortgage Loans, Gross	$ 37.4	2.5	$ 91.9	6.6
Investments	413.4	38.2	299.4	38.3
Cash and Cash Equivalents	(4.1)	(1.2)	(104.2)	(23.8)
Total Assets	437.6	15.1	285.8	11.0
Bonds and Notes Payable	366.2	18.1	257.8	14.6
Total Net Position	15.5	5.0	(23.2)	(7.0)
Total Revenues	(35.2)	(11.8)	(77.0)	(20.6)
Total Expenses	(38.0)	(13.5)	(82.8)	(22.7)
Operating Income (before FMV adjustment)	2.8	17.7	5.8	57.4

Mortgage loans represent the largest category of the Corporation's total assets, 45.6% and 51.2% at June 30, 2024 and 2023, respectively. The increase in 2024 and 2023 is a result of new multi-family first mortgages financed through the Federal Financing Bank as well as deferred Federal and State program loans.

Bonds and notes payable represent the largest component of liabilities, 79.4% and 78.2% at June 30, 2024 and 2023, respectively. Increases relate to single-family bond issuances.

The decreases in Total Revenues and Total Expenses relate to the administration of various Federal housing grants which had reduced activity in 2024.

Overview of the Financial Statements

The Corporation engages only in business-type activities; that is, activities that are financed in whole or in part by charges to external parties for services, with funding sources that are primarily external to the Corporation. As a result, the Corporation's basic financial statements include the statement of net position, the statement of revenues, expenses and changes in net position, the statement of cash flows, and the notes to the financial statements. These basic financial statements are designed to provide readers with a broad overview of the Corporation's finances, in a manner like a private-sector business.

The statement of net position presents information on the Corporation's assets, liabilities, deferred inflows and outflows of resources, and net position. Over time, increases or decreases in the Corporation's net position may serve as an indicator of whether the financial position of the Corporation is improving or deteriorating. Other factors, both internal and external to the Corporation, should be considered when evaluating the Corporation's financial position. The statement of revenues, expenses and changes in net position presents information on how the Corporation's net position changed during the year.

All assets, liabilities, deferred inflows and outflows of resources, and changes in net position are reported using the accrual basis of accounting for governmental entities and are reported as soon as the underlying event giving rise to the asset or liability and resulting change in net position occurs, regardless of the timing of when a corresponding amount of cash is received or paid. Consequently, certain revenues and expenses reported in the statement of revenues, expenses and changes in net position will result in cash flows in future periods.

The Affordable Housing Trust Fund (the Trust) is a separate legal entity created pursuant to a trust agreement initiated by the Corporation. The Trust is a private-purpose trust established to assist in activities that involve the creation and preservation of affordable housing in the State. All resources of the Trust, including income on investments and other revenues, are held in trust for the benefit of private and nonprofit organizations. There is no requirement that any portion of the Trust's resources be preserved as capital. The Trust administers its affairs through its trustees, records its assets in segregated accounts and maintains financial records separate from the Corporation.

Operating Activity of the Corporation

The following tables summarize the components of operating income, before the adjustment required to record investments at fair value as required by Governmental Accounting Standards Board (GASB) Statement No. 72:

Years Ended June 30, 2024 and 2023 (In Thousands)

	2024	2023	% Change
Revenues:			
Interest Income on Loans	$ 64,375	$ 65,410	(1.6)
Earnings on Investments	68,759	39,492	74.1
Gain on Sale of Loans	8,182	5,684	43.9
Grant Revenue	98,596	157,658	(37.5)
Other	22,516	29,355	(23.3)
Total Revenues	262,428	297,599	(11.8)
Expenses:			
Interest Expense	78,355	57,384	36.5
Provision for Loan Losses	1,932	4,374	(55.8)
REO Expenditures	(920)	(441)	108.6
Bond Issuance Costs	5,107	2,281	123.9
Early retirement of debt	-	-	(100.0)
Operating Expenses	45,569	49,925	(8.7)
Grant Expense	98,413	157,219	(37.4)
Other Expenses	15,380	11,061	39.0
Total Expenses	243,836	281,803	(13.5)
Operating Income Before Adjusting Investments to Fair Value	$ 18,592	$ 15,796	17.7

Operating Activity of the Corporation (Continued)

Years Ended June 30, 2023 and 2022 (In Thousands)

	2023	2022	% Change
Revenues:			
Interest Income on Loans	$ 65,410	$ 61,432	6.5
Earnings on Investments	39,492	20,424	93.4
Gain on Sale of Loans	5,684	8,987	(36.8)
Grant Revenue	157,658	251,557	(37.3)
Other	29,355	32,204	(8.8)
Total Revenues	297,599	374,604	(20.6)
Expenses:			
Interest Expense	57,384	38,859	47.7
Provision for Loan Losses	4,374	2,819	55.2
REO Expenditures	(441)	(983)	(55.1)
Bond Issuance Costs	2,281	3,820	(40.3)
Early Retirement of Debt	-	7	(100.0)
Operating Expenses	49,925	55,292	(9.7)
Grant Expense	157,219	251,219	(37.4)
Other Expenses	11,061	13,535	(18.3)
Total Expenses	281,803	364,568	(22.7)
Operating Income Before Adjusting Investments to Fair Value	$ 15,796	$ 10,036	57.4

Operating income, after adjusting investments to fair value, was $15.5 million for the year ended June 30, 2024. Operating loss was $23.2 million and $56.9 million, respectively, for the years ended June 30, 2023, and June 30, 2022. GASB Statement No. 72, which requires investments to be recorded at fair value, caused a decrease in operating income of $3.1 million in 2024, $39.0 million in 2023, and $66.9 million in 2022. Operating income, excluding the unrealized gains and losses on investments, increased by 17.7% in 2024, to $18.6 million from $15.8 million in 2023, which had increased from $10.0 million in 2022. The 2024 increase is primarily due to an increase in investment earnings.

The fair value of investments held in the form of Mortgage-backed Securities fluctuates in accordance with the changing interest rate environment. The Corporation intends to hold these investments to maturity and does not expect to realize any gains or losses on these investments.

Gain on sale of loans was $8.2 million for the year ended June 30, 2024, $5.7 million for the year ended June 30, 2023, and $9.0 million for the year ended June 30, 2022. Fluctuations are a result of different financing executions to take advantage of changing market conditions. Loans can be sold to Fannie Mae, Freddie Mac, or securitized and sold in the To-Be-Announced market which generates immediate revenue and increases the gain on sale of loans. Increasingly, loans financed through tax-exempt bonds have been securitized and held as investments providing stable revenue over the life of the loans. This resulted in an increase in investments, yielding increased earnings on investment year over year.

Operating Activity of the Corporation (Continued)

Operating expenses of the Corporation (personnel services, other administrative expenses, and depreciation and amortization of other assets) amounted to $45.6 million for the year ended June 30, 2024, a decrease of 8.7% from $49.9 million for the year ended June 30, 2023, which had decreased from $55.3 million for the year ended June 30, 2022. The fluctuations result from expenses relating to the administration of federal programs.

Net interest income (interest on loans and investments less interest expense) is the largest component of the Corporation's operating income. Net interest income increased to $54.8 million from $47.5 million in 2023 which had increased from $43.0 million in 2022. Earnings on investments increased $29.3 million from 2023 to 2024 and $19.1 million from 2022 to 2023. Net interest income as a percentage of average bonds and notes payable was 2.49% in 2024 and 2.51% in 2023. Interest income on loans and investments as a percentage of total loans and investments was 4.77% in 2024 and 4.43% in 2023, while interest expense on bonds and notes was 3.56% in 2024 and 3.03% in 2023. This caused a total decrease in the spread margin (i.e., differential between loans and bonds) to 1.21% in 2024 from 1.39% in 2023.

The Corporation's revenue recognition policy for delinquent loans requires that interest will stop accruing and any accrued interest will be reversed if any loan becomes 90 days past due on the contractual obligation. The Corporation will commence accruing interest income on such loans once the loans are made current.

The provision for loan loss included in the Combining Statements of Revenues, Expenses and Changes in Net Position was $1.9 million in 2024 and $4.4 million in 2023. The adequacy of the allowance is based on a review of the Corporation's loan portfolio and an analysis of its current characteristics. The primary economic factors incorporated into the allowance estimates are: (1) recent performance characteristics of the single-family portfolio and (2) net operating cash flows of the developments associated with multi-family loans.

For single-family loans, an estimate of loss reserve is based on current delinquency, historical loss experience and the last instance of economic softness and real estate depreciation.

For the multi-family portfolios, a specific loan loss reserve analysis is performed for every loan demonstrating signs of financial strain. Cash flow projections are developed from the most recent audited financials for each of the sites which may be experiencing difficulty, and which have a mortgage loan. For each of these sites, an analysis of value is calculated and compared to the loan balance. This methodology is the same as that used in the formulation of the income approach found in standard real estate appraisals. Beyond the specific reserves derived above, a general reserve is also established. The general reserve is based on a range of reserve percentages applicable to each loan portfolio.

Financial Analysis of the Corporation

The following tables summarize certain financial information regarding the Corporation's financial position:

June 30, 2024 and 2023 (In Thousands)

	2024	2023	% Change
Loans Receivable, Net	$ 1,442,732	$ 1,428,820	1.0
Investments	1,495,183	1,081,763	38.2
Cash and Cash Equivalents	330,084	334,167	(1.2)
Other Assets	64,387	50,065	28.6
Total Assets	3,332,386	2,894,815	15.1
Deferred Outflows of Resources	4,896	3,283	49.1
Bonds and Notes Payable	2,385,898	2,019,684	18.1
Other Liabilities	620,520	563,027	10.2
Total Liabilities	3,006,418	2,582,711	16.4
Deferred Inflows of Resources	4,571	4,561	0.2
Net Position:			
Net Investment in Capital Assets	8,573	9,092	(5.7)
Restricted	194,415	186,601	4.2
Unrestricted	123,305	115,133	7.1
Total Net Position	$ 326,293	$ 310,826	5.0

Financial Analysis of the Corporation (Continued)

June 30, 2023 and 2022 (In Thousands)

	2023	2022	% Change
Loans Receivable, Net	$ 1,428,820	$ 1,342,468	6.4
Investments	1,081,763	782,382	38.3
Cash and Cash Equivalents	334,167	438,392	(23.8)
Other Assets	50,065	45,775	9.4
Total Assets	2,894,815	2,609,017	11.0
Deferred Outflows of Resources	3,283	2,907	12.9
Bonds and Notes Payable	2,019,684	1,761,841	14.6
Other Liabilities	563,027	513,975	9.5
Total Liabilities	2,582,711	2,275,816	13.5
Deferred Inflows of Resources	4,561	2,066	120.8
Net Position:			
Net Investment in Capital Assets	9,092	9,497	(4.3)
Restricted	186,601	216,146	(13.7)
Unrestricted	115,133	108,399	6.2
Total Net Position	$ 310,826	$ 334,042	(7.0)

Total assets of the Corporation increased by 15.1% from 2023 to 2024, as compared to 11.0% from 2022 to 2023. Net loans receivable increased $13.9 million, or 1.0% from the previous year. Investments increased $413.4 million, or 38.2% over the previous year which is a result of securitizing the loans as investments to provide stable revenue. Bonds and notes payable increased $366.2 million, or 18.1%, from 2023, as compared to $257.8 million, or 14.6% from 2022 to 2023.

During 2024, the Corporation issued $534.1 million of single-family bonds to finance new loan production. In addition, $78.0 million of single-family bonds and $21.8 million of multi-family bonds were redeemed prior to maturity under provisions in the bond resolutions that allow mortgage prepayments, excess revenues and refunded amounts to be used for such purpose.

As of June 30, 2024, and 2023, the net position-to-asset ratio was 9.8% and 10.7% while the loan-to-asset ratio was 43.3% and 49.4%, respectively. The reduction in the net position-to-asset ratio is largely driven by the FMV adjustment, which declined due to market conditions. The loan-to-asset ratio continues to trend down as investments continue to trend upward, driven by loan securitization. These ratios reflect the application of GASB Statement No. 72 and the application of GASB Statement No. 91.

External Influences

The economy and the level of unemployment in the State of Rhode Island have a direct impact on the Corporation's delinquency experience within its portfolio. The Rhode Island unemployment rate has increased in 2024 to 4.3% from 2.6% in 2023. The Corporation has experienced a decrease in delinquencies in the greater than 90-day category. The delinquency rate has decreased to 3.09% in 2024 from 3.22% in 2023.

Requests for Information

This management's discussion and analysis is designed to provide a general overview of the Corporation's finances. Questions concerning this report may be addressed to the Director of Accounting, Rhode Island Housing and Mortgage Finance Corporation, 44 Washington Street, Providence, Rhode Island, 02903. The Corporation maintains a website at: www.rihousing.com.

RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
COMBINING STATEMENTS OF NET POSITION
JUNE 30, 2024 AND 2023

	Operating Fund		Single-Family Fund	
	2024	2023	2024	2023
ASSETS				
Loans Receivable	$ 762,064,212	$ 730,369,340	$ 337,926,299	$ 324,073,278
Less: Allowance for Loan Losses	(60,456,441)	(37,000,000)	(17,000,000)	(17,000,000)
Loans Receivable, Net	701,607,771	693,369,340	320,926,299	307,073,278
Loans Held for Sale	58,870,259	58,639,140	-	-
Investments	127,287,030	123,295,287	1,367,896,166	956,815,847
Accrued Interest - Loans	2,047,679	1,903,662	1,078,321	929,184
Accrued Interest - Investments	16,425	17,019	5,636,679	3,374,368
Cash and Cash Equivalents	163,500,581	153,085,931	110,103,238	112,598,955
Accounts Receivable, Net	22,501,707	13,231,611	120,725	132,976
Other Assets, Net	26,388,317	26,176,536	4,529,895	2,534,932
Interfund Receivable (Payable)	-	817,002	-	(666,814)
Total Assets	1,102,219,769	1,070,535,528	1,810,291,323	1,382,792,726
DEFERRED OUTFLOWS OF RESOURCES				
Loan Origination Costs	-	-	1,683	1,893
Hedging Instruments	2,626,974	817,912	-	-
Deferred OPEB Outflows	2,267,957	2,463,023	-	-
Total Deferred Outflows of Resources	4,894,931	3,280,935	1,683	1,893
LIABILITIES				
Bonds and Notes Payable	367,936,898	392,803,323	1,703,174,661	1,284,993,857
Accrued Interest Payable on Bonds and Notes	2,120,067	2,005,610	16,475,603	10,484,156
Accounts Payable and Accrued Liabilities	21,057,727	16,008,601	229,032	-
Fees, Net	1,435,547	1,402,403	35,210	43,473
Escrow Deposits	574,458,656	528,514,402	-	-
Total Liabilities	967,008,895	940,734,339	1,719,914,506	1,295,521,486
DEFERRED INFLOWS OF RESOURCES				
Deferred OPEB Inflow	4,570,961	4,561,227	-	-
NET POSITION				
Net Investment in Capital Assets	8,573,070	9,092,104	-	-
Restricted by Bond Resolutions	3,656,838	4,296,058	90,378,500	87,273,133
Unrestricted	123,304,936	115,132,735	-	-
Total Net Position	$ 135,534,844	$ 128,520,897	$ 90,378,500	$ 87,273,133

See accompanying Notes to Financial Statements.

RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
COMBINING STATEMENTS OF NET POSITION (CONTINUED)
JUNE 30, 2024 AND 2023

	Multi-Family Fund		Total	
	2024	2023	2024	2023
ASSETS				
Loans Receivable	$ 361,327,680	$ 369,738,428	$ 1,461,318,191	$ 1,424,181,046
Less: Allowance for Loan Losses		-	(77,456,441)	(54,000,000)
Loans Receivable, Net	361,327,680	369,738,428	1,383,861,750	1,370,181,046
Loans Held for Sale	-	-	58,870,259	58,639,140
Investments	-	1,652,275	1,495,183,196	1,081,763,409
Accrued Interest - Loans	2,066,742	1,757,089	5,192,742	4,589,935
Accrued Interest - Investments	-	7,461	5,653,104	3,398,848
Cash and Cash Equivalents	56,480,077	68,481,996	330,083,896	334,166,882
Accounts Receivable, Net	-	-	22,622,432	13,364,587
Other Assets, Net	-	-	30,918,212	28,711,468
Interfund Receivable (Payable)	-	(150,188)	-	-
Total Assets	419,874,499	441,487,061	3,332,385,591	2,894,815,315
DEFERRED OUTFLOWS OF RESOURCES				
Loan Origination Costs	-	-	1,683	1,893
Hedging Instruments	-	-	2,626,974	817,912
Deferred OPEB Outflows	-	-	2,267,957	2,463,023
Total Deferred Outflows of Resources	-	-	4,896,614	3,282,828
LIABILITIES				
Bonds and Notes Payable	314,786,581	341,886,689	2,385,898,140	2,019,683,869
Accrued Interest Payable on Bonds and Notes	2,657,995	2,525,759	21,253,665	15,015,525
Accounts Payable and Accrued Liabilities	56,187	27,298	21,342,946	16,035,899
Fees, Net	1,994,201	2,015,270	3,464,958	3,461,146
Escrow Deposits	-	-	574,458,656	528,514,402
Total Liabilities	319,494,964	346,455,016	3,006,418,365	2,582,710,841
DEFERRED INFLOWS OF RESOURCES				
Deferred OPEB Inflow	-	-	4,570,961	4,561,227
NET POSITION				
Net Investment in Capital Assets	-	-	8,573,070	9,092,104
Restricted by Bond Resolutions	100,379,535	95,032,045	194,414,873	186,601,236
Unrestricted	-	-	123,304,936	115,132,735
Total Net Position	$ 100,379,535	$ 95,032,045	$ 326,292,879	$ 310,826,075

See accompanying Notes to Financial Statements.

RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2024 AND 2023

	Operating Fund		Single-Family Fund	
	2024	2023	2024	2023
OPERATING REVENUES				
Interest Income on Loans	$ 21,467,870	$ 23,046,063	$ 12,607,125	$ 13,039,381
Interest Income Attributable to Internal Servicing Activities	9,645,367	8,168,810	-	-
Total Interest Income on Loans	31,113,237	31,214,873	12,607,125	13,039,381
Income on Investments:				
Earnings on Investments	4,402,004	1,999,189	61,680,162	35,767,168
Fees	19,642,220	26,686,067	-	-
Servicing Fee Income	2,874,001	2,669,634	-	-
Grant Revenue	98,595,527	157,657,783	-	-
Gain on Sale of Loans	8,182,036	5,683,877	-	-
Total Operating Revenues	164,809,025	225,911,423	74,287,287	48,806,549
OPERATING EXPENSES				
Interest Expense	14,888,063	14,121,514	52,787,341	32,671,792
Personnel Services	28,835,883	29,156,926	-	-
Other Administrative Expenses	12,296,998	17,030,832	150	1,935
Housing Initiatives	5,499,177	2,949,994	-	-
Provision for Loan Losses	1,786,994	5,312,407	145,482	(938,339)
REO Expenditures	(922,688)	(447,224)	3,074	5,770
Bad Debt Expense	118,461	13,846	-	-
Arbitrage Rebate	-	-	229,032	-
Bond Issuance Costs	1,471,512	(754,705)	3,631,277	2,449,420
Depreciation and Amortization of Other Assets	3,925,468	3,531,540	510,139	203,918
Loan Costs	83,215	(1,674,791)	8,732,590	8,909,004
State Rental Subsidy Program	130,857	173,587	-	-
Grant Expense	98,412,869	157,219,316	-	-
Total Operating Expenses	166,526,809	226,633,242	66,039,085	43,303,500
OPERATING INCOME (LOSS)	(1,717,784)	(721,819)	8,248,202	5,503,049
Net Increase (Decrease) in Fair Value of Investments	1,980,276	34,980	(5,142,835)	(39,046,677)
Transfers In (Out)	6,751,455	8,270,454	-	(8,465)
CHANGE IN NET POSITION	7,013,947	7,583,615	3,105,367	(33,552,093)
Net Position - Beginning of Year	128,520,897	120,937,282	87,273,133	120,825,226
NET POSITION - END OF YEAR	$ 135,534,844	$ 128,520,897	$ 90,378,500	$ 87,273,133

See accompanying Notes to Financial Statements.

RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (CONTINUED)
YEARS ENDED JUNE 30, 2024 AND 2023

	Multi-Family Fund		Total	
	2024	2023	2024	2023
OPERATING REVENUES				
Interest Income on Loans	$ 20,655,062	$ 21,156,013	$ 54,730,057	$ 57,241,457
Interest Income Attributable to Internal Servicing Activities	-	-	9,645,367	8,168,810
Total Interest Income on Loans	20,655,062	21,156,013	64,375,424	65,410,267
Income on Investments:				
Earnings on Investments	2,676,893	1,725,221	68,759,059	39,491,578
Fees	-	-	19,642,220	26,686,067
Servicing Fee Income	-	-	2,874,001	2,669,634
Grant Revenue	-	-	98,595,527	157,657,783
Gain on Sale of Loans	-	-	8,182,036	5,683,877
Total Operating Revenues	23,331,955	22,881,234	262,428,267	297,599,206
OPERATING EXPENSES				
Interest Expense	10,679,290	10,590,526	78,354,694	57,383,832
Personnel Services	-	-	28,835,883	29,156,926
Other Administrative Expenses	-	-	12,297,148	17,032,767
Housing Initiatives	-	-	5,499,177	2,949,994
Provision for Loan Losses	-	-	1,932,476	4,374,068
REO Expenditures	-	-	(919,614)	(441,454)
Bad Debt Expense	-	-	118,461	13,846
Arbitrage Rebate	28,889	27,299	257,921	27,299
Bond Issuance Costs	4,000	585,885	5,106,789	2,280,600
Depreciation and Amortization of Other Assets	-	-	4,435,607	3,735,458
Loan Costs	558,500	662,798	9,374,305	7,897,011
State Rental Subsidy Program	-	-	130,857	173,587
Grant Expense	-	-	98,412,869	157,219,316
Total Operating Expenses	11,270,679	11,866,508	243,836,573	281,803,250
OPERATING INCOME	12,061,276	11,014,726	18,591,694	15,795,956
Net Increase (Decrease) in Fair Value of Investments	37,669	(276)	(3,124,890)	(39,011,973)
Transfers In (Out)	(6,751,455)	(8,261,989)	-	-
CHANGE IN NET POSITION	5,347,490	2,752,461	15,466,804	(23,216,017)
Net Position - Beginning of Year	95,032,045	92,279,584	310,826,075	334,042,092
NET POSITION - END OF YEAR	$ 100,379,535	$ 95,032,045	$ 326,292,879	$ 310,826,075

See accompanying Notes to Financial Statements.

RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
COMBINING STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023

	Operating Fund		Single-Family Fund	
	2024	2023	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Interest on Loans Receivable	$ 30,969,220	$ 30,683,007	$ 12,457,988	$ 13,081,663
Repayment of Loans Receivable	57,764,705	49,532,010	29,217,471	34,480,274
Fees Collected (Paid)	22,549,367	29,347,065	(8,263)	(28,042)
Deferred OPEB Inflows/Outflows	204,800	2,815,760	-	-
Other Receipts (Disbursements), Net	46,126,912	48,424,794	-	-
Loans Disbursed	(90,025,860)	(189,112,618)	(43,070,491)	(23,970,580)
Accounts Receivable, Net	(8,934,932)	(124,974)	-	-
Accounts Receivable Expenses	(118,461)	(13,846)	-	-
Loss on Loans Receivable	21,669,447	1,187,593	(145,482)	(61,661)
Income (Loss) on REO Properties	922,688	447,224	(3,074)	(5,770)
Bond Issuance Costs	(1,471,512)	754,705	(3,632,188)	(2,448,510)
Personnel Services	(28,835,884)	(29,156,927)	-	-
Other Administrative Expenses	(12,296,998)	(17,030,832)	(150)	(1,936)
Housing Initiative Expenses	(5,499,177)	(2,949,994)	-	-
Other Assets	(4,137,249)	(3,745,785)	(2,503,982)	(2,499,645)
Arbitrage Rebate	-	-	(229,032)	-
Accounts Payable and Accrued Liabilities	5,049,127	(3,581,703)	229,032	-
Gain on Sale of Loans	8,235,195	6,814,237	(8,732,590)	(8,909,004)
State Rental Subsidy Program	(130,857)	(173,587)	-	-
Transfers from (to) Other Programs	7,568,458	7,469,053	(666,814)	650,549
Net Cash Provided (Used) by Operating Activities	49,608,989	(68,414,818)	(17,087,575)	10,287,338
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Proceeds from Sale of Bonds and Notes	311,310,000	384,580,032	534,983,557	264,995,757
Payment of Bond and Note Principal	(336,176,425)	(285,704,473)	(113,064,349)	(73,150,000)
Interest Paid on Bonds and Notes	(14,773,606)	(12,652,845)	(50,534,298)	(33,007,597)
Net Cash Provided (Used) by Noncapital Financing Activities	(39,640,031)	86,222,714	371,384,910	158,838,160
CASH FLOWS FROM INVESTING ACTIVITIES				
Redemption of Investments	488,602,515	408,358,050	296,506,904	138,501,670
Earnings on Investments	4,402,598	1,996,548	59,417,850	34,373,666
Purchase of Investments	(492,559,421)	(410,308,030)	(712,717,806)	(475,194,588)
Net Cash Provided (Used) by Investing Activities	445,692	46,568	(356,793,052)	(302,319,252)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	10,414,650	17,854,464	(2,495,717)	(133,193,754)
Cash and Cash Equivalents - Beginning of Year	153,085,931	135,231,467	112,598,955	245,792,709
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 163,500,581	$ 153,085,931	$ 110,103,238	$ 112,598,955

See accompanying Notes to Financial Statements.

RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
COMBINING STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2024 AND 2023

	Multi-Family Fund		Total	
	2024	2023	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Interest on Loans Receivable	$ 20,345,410	$ 21,365,007	$ 63,772,618	$ 65,129,677
Repayment of Loans Receivable	18,810,749	89,388,786	105,792,925	173,401,070
Fees Collected (Paid)	(21,070)	504,655	22,520,034	29,823,678
Deferred OPEB Inflows/Outflows	-	-	204,800	2,815,760
Other Receipts (Disbursements), Net	-	-	46,126,912	48,424,794
Loans Disbursed	(10,400,000)	(52,040,452)	(143,496,351)	(265,123,650)
Accounts Receivable, Net	-	-	(8,934,932)	(124,974)
Accounts Receivable Expenses	-	-	(118,461)	(13,846)
Loss on Loans Receivable	-	-	21,523,965	1,125,932
Income (Loss) on REO Properties	-	-	919,614	441,454
Bond Issuance Costs	(4,000)	(585,885)	(5,107,700)	(2,279,690)
Personnel Services	-	-	(28,835,884)	(29,156,927)
Other Administrative Expenses	-	-	(12,297,148)	(17,032,768)
Housing Initiative Expenses	-	-	(5,499,177)	(2,949,994)
Other Assets	-	-	(6,641,231)	(6,245,430)
Arbitrage Rebate	(28,889)	(27,298)	(257,921)	(27,298)
Accounts Payable and Accrued Liabilities	28,889	20,713	5,307,048	(3,560,990)
Gain on Sale of Loans	(558,500)	(662,798)	(1,055,895)	(2,757,565)
State Rental Subsidy Program	-	-	(130,857)	(173,587)
Transfers from (to) Other Programs	(6,901,644)	(8,119,602)	-	-
Net Cash Provided (Used) by Operating Activities	21,270,945	49,843,126	53,792,359	(8,284,354)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Proceeds from Sale of Bonds and Notes	-	60,965,000	846,293,557	710,540,789
Payment of Bond and Note Principal	(27,105,000)	(90,470,000)	(476,345,774)	(449,324,473)
Interest Paid on Bonds and Notes	(10,542,162)	(10,937,957)	(75,850,066)	(56,598,399)
Net Cash Provided (Used) by Noncapital Financing Activities	(37,647,162)	(40,442,957)	294,097,717	204,617,917
CASH FLOWS FROM INVESTING ACTIVITIES				
Redemption of Investments	1,696,000	902	786,805,419	546,860,622
Earnings on Investments	2,684,354	1,723,077	66,504,802	38,093,291
Purchase of Investments	(6,056)	(10,280)	(1,205,283,283)	(885,512,898)
Net Cash Provided (Used) by Investing Activities	4,374,298	1,713,699	(351,973,062)	(300,558,985)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(12,001,919)	11,113,868	(4,082,986)	(104,225,422)
Cash and Cash Equivalents - Beginning of Year	68,481,996	57,368,128	334,166,882	438,392,304
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 56,480,077	$ 68,481,996	$ 330,083,896	$ 334,166,882

See accompanying Notes to Financial Statements.

RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
COMBINING STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2024 AND 2023

	Operating Fund		Single-Family Fund	
	2024	2023	2024	2023
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss) After FMV Adjustment	$ 262,492	$ (686,839)	$ 3,105,367	$ (33,543,628)
Adjustments:				
Earnings on Investments	(4,402,598)	(1,996,548)	(59,417,850)	(34,373,666)
Net (Increase) Decrease in Fair Value of Investments	(1,980,276)	(34,980)	5,142,835	39,046,677
Interest Paid on Bonds and Notes	14,773,606	12,652,845	50,534,298	33,007,597
Bond Premium Discount Amortization			(3,738,404)	(3,374,902)
Transfer of Investments and/or Net Position	6,751,455	8,270,454	-	(8,465)
(Increase) Decrease in Assets:				
Loans Receivable/Loss Allowance	(8,469,550)	(133,210,655)	(13,853,021)	9,509,695
Accrued Interest - Loans	(144,017)	(531,865)	(149,137)	42,282
Accrued Interest - Investments	594	(2,642)	(2,262,311)	(1,393,503)
Accounts Receivable, Net	(9,270,096)	5,072	-	-
Other Assets	(211,781)	(214,244)	(1,994,963)	(2,295,006)
Interfund Receivable (Payable)	817,002	(801,402)	(666,814)	659,014
(Increase) Decrease in Deferred Outflows	331,442	(223,938)	210	188
Increase (Decrease) in Liabilities:				
Accrued Interest - Bonds and Notes	114,457	1,468,669	5,991,447	3,039,097
Accounts Payable/Accrued Liabilities	5,049,126	(3,581,705)	229,032	-
Fees, Net	33,145	(8,635)	(8,264)	(28,042)
Escrow Deposits	45,944,254	47,986,328	-	-
Increase (Decrease) in Deferred Inflows	9,734	2,495,267	-	-
Total Adjustments	49,346,497	(67,727,979)	(20,192,942)	43,830,966
Net Cash Provided (Used) by Operating Activities	$ 49,608,989	$ (68,414,818)	$ (17,087,575)	$ 10,287,338

See accompanying Notes to Financial Statements.

RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
COMBINING STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2024 AND 2023

	Multi-Family Fund		Total	
	2024	2023	2024	2023
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss) After FMV Adjustment	$ 12,098,945	$ 11,014,450	$ 15,466,804	$ (23,216,017)
Adjustments:				
Earnings on Investments	(2,684,354)	(1,723,077)	(66,504,802)	(38,093,291)
Net (Increase) Decrease in Fair Value of Investments	(37,669)	276	3,124,890	39,011,973
Interest Paid on Bonds and Notes	10,542,162	10,937,957	75,850,066	56,598,399
Bond Premium Discount Amortization	4,892	1,846	(3,733,512)	(3,373,056)
Transfer of Investments and/or Net Position	(6,751,455)	(8,261,989)	-	-
(Increase) Decrease in Assets:				
Loans Receivable/Loss Allowance	8,410,748	37,348,334	(13,911,823)	(86,352,626)
Accrued Interest - Loans	(309,653)	208,993	(602,807)	(280,590)
Accrued Interest - Investments	7,461	(2,143)	(2,254,256)	(1,398,288)
Accounts Receivable, Net	-	-	(9,270,096)	5,072
Other Assets	-	-	(2,206,744)	(2,509,250)
Interfund Receivable (Payable)	(150,188)	142,388	-	-
(Increase) Decrease in Deferred Outflows	-	-	331,652	(223,750)
Increase (Decrease) in Liabilities:				
Accrued Interest - Bonds and Notes	132,236	(349,277)	6,238,140	4,158,489
Accounts Payable/Accrued Liabilities	28,889	20,713	5,307,047	(3,560,992)
Fees, Net	(21,069)	504,655	3,812	467,978
Escrow Deposits	-	-	45,944,254	47,986,328
Increase (Decrease) in Deferred Inflows	-	-	9,734	2,495,267
Total Adjustments	9,172,000	38,828,676	38,325,555	14,931,663
Net Cash Provided (Used) by Operating Activities	$ 21,270,945	$ 49,843,126	$ 53,792,359	$ (8,284,354)

See accompanying Notes to Financial Statements.

RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
STATEMENTS OF FIDUCIARY NET POSITION – PRIVATE PURPOSE TRUST
COMPONENT UNIT AFFORDABLE HOUSING TRUST
JUNE 30, 2024 AND 2023

	2024	2023
ASSETS		
Loans Receivable	$ 69,190,978	$ 56,410,291
Less: Allowance for Loan Losses	(13,169,728)	(8,500,000)
Loans Receivable, Net	56,021,250	47,910,291
Investments	11,082,099	11,599,535
Accrued Interest - Loans	121,090	68,083
Accrued Interest - Investments	13,102	13,363
Cash and Cash Equivalents	46,172,477	53,849,685
Accounts Receivable, Net	17,781	17,781
Other Assets, Net	403,137	403,137
Total Assets	113,830,936	113,861,875
LIABILITIES		
Accounts Payable and Accrued Liabilities	500,000	557,147
NET POSITION		
Restricted for Organizations	113,330,936	113,304,728
Total Net Position	$ 113,330,936	$ 113,304,728

See accompanying Notes to Financial Statements.

RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION – PRIVATE PURPOSE TRUST
COMPONENT UNIT AFFORDABLE HOUSING TRUST
JUNE 30, 2024 AND 2023

	2024	2023
ADDITIONS		
Interest Income on Loans	$ 1,389,612	$ 1,043,207
Earnings on Investments:		
Interest on Investments	1,720,473	1,796,436
Trust Receipts	2,697,614	3,586,606
Total Additions	5,807,699	6,426,249
DEDUCTIONS		
Housing Initiatives	500,000	662,500
Provision for Loan Losses	5,000,000	3,000,000
Cost to Sell Loans	15,407	15,662
Total Deductions	5,515,407	3,678,162
OPERATING INCOME	292,292	2,748,087
Net Increase (Decrease) in Fair Value of Investments	(266,084)	(636,100)
CHANGE IN NET POSITION	26,208	2,111,987
Net Position - Beginning of Year	113,304,728	111,192,741
NET POSITION - END OF YEAR	$ 113,330,936	$ 113,304,728

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization and Description of Financial Reporting Entity

Rhode Island Housing and Mortgage Finance Corporation (the Corporation) is a public instrumentality established in 1973 by an act of the Rhode Island General Assembly. The Corporation was created to originate loans and administer other activities to expand the supply of housing available to persons of low and moderate income and to stimulate the construction and rehabilitation of housing and health care facilities in the state of Rhode Island (the State). It has the power to issue negotiable notes and bonds to achieve its corporate purpose. The notes and bonds do not constitute a debt of the State, and the State is not liable for the repayment of such obligations.

The Corporation is considered a component unit of the State and is included in the State's annual comprehensive financial report.

The Corporation is exempt from federal and state income taxes.

In evaluating the inclusion of other separate and distinct legal entities as component units within its financial reporting structure, the Corporation applies the criteria prescribed by Governmental Accounting Standards Board (GASB). Through the application of GASB criteria, the Corporation determined that the Affordable Housing Trust Fund (the Trust) is a component unit of the Corporation, and the Trust has been presented in the accompanying fiduciary fund financial statements. Control over and financial accountability for the Trust is determined based on appointment by a voting majority of the Trust's trustees.

B. Affordable Housing Trust Fund

The Affordable Housing Trust Fund (the Trust) is a separate legal entity created pursuant to a trust agreement initiated by the Corporation. The Trust is a private-purpose trust established to assist in activities that involve the creation and preservation of affordable housing in the State. All resources of the Trust, including income on investments and other revenues, are held in trust for the benefit of private and nonprofit organizations. Trust receipts are derived from payments related to affordable housing preservation transactions and funds received to administer housing programs. There is no requirement that any portion of the Trust's resources be preserved as capital. The Trust administers its affairs through its trustees, records its assets in segregated accounts, and maintains financial records separate from the Corporation.

C. Financial Statement Presentation, Measurement Focus and Basis of Accounting

The Corporation engages only in business-type activities. Business-type activities are activities that are financed in whole or in part by fees charged to external parties. The accompanying combining statement of net position, statement of revenues, expenses, and changes in net position, and statement of cash flows (enterprise fund financial statements) present the financial information of the Corporation.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Financial Statement Presentation, Measurement Focus, and Basis of Accounting (Continued)

The Corporation classifies its business-type activities into funds, reported as separate columns within the enterprise fund financial statements, each representing a fiscal and accounting entity with a self-balancing set of accounts segregated to carry on specific activities in accordance with bond resolutions established under various trust indentures, special regulations restrictions, or limitations. All interfund activity has been eliminated from the combining totals in the accompanying financial statements. Transfers between funds are made to cover the operating costs associated with management of bond resolutions. Transfers also consist of reimbursement of collateral for bond resolutions previously funded by the operating fund.

The Operating Fund accounts for the receipt of income not directly pledged to the repayment of specific bonds and notes, expenses related to the Corporation's administrative functions, and for various housing program activities that are not covered by bond resolutions. The Operating Fund also accounts for the activities of the Corporation's two separate subsidiaries: Rhode Island Housing Equity Corporation and Rhode Island Housing Development Corporation. The Single-Family Housing Fund includes transactions and programs designed to provide affordable housing to eligible persons and families within the State for properties with one to four dwelling units. All loans whether originated by the Corporation or purchased from participating lenders, are in compliance with bond resolutions. The Multi-Family Fund includes financing activities with the intent to originate multi-family loans secured by a lien.

The Trust engages only in fiduciary activities. Separate financial statements are presented for the Trust as fiduciary activities are excluded from presentation in financial statements.

The Corporation and the Trust use the economic resources measurement focus and accrual basis of accounting. The accompanying financial statements have been prepared in conformance with generally accepted accounting principles (GAAP) for governments as prescribed by GASB, which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Financial Statement Presentation, Measurement Focus, and Basis of Accounting (Continued)

The Corporation has presented an unclassified combining statement of net position in accordance with financial institution industry trade practice. Although contractual terms define the principal amounts of loans receivable and the amount of principal required to be paid on bonds and notes payable within one year from the date of the combining statement of net position, the actual principal amounts received on loans and repaid on bonds and notes are significantly affected by changes in interest rates, economic conditions, and other factors. Consequently, the principal amount of loans receivable and the principal amount payable for bonds and notes based on contractual terms would not be representative of actual amounts received or paid, and such amounts are not reliably estimable.

The Corporation distinguishes between operating and nonoperating revenues and expenses. Operating revenues and expenses generally result from services provided in connection with the Corporation's principal ongoing operations. The Corporation reports the Net Increase (Decrease) in the Fair Value of Investments as nonoperating. The intent of the Corporation is to hold the investments to maturity which will not result in realized gains or losses. Operating expenses include the cost of services provided, administrative expenses, and depreciation and amortization expense. All other revenues and expenses are reported as nonoperating revenues and expenses.

D. Loans Receivable and Allowance for Loan Losses

Loans receivables are reported at their outstanding principal balance adjusted for any charge-offs and the allowance for loan losses.

In general, interest income on loans receivable is recognized on the accrual basis. A loan is considered delinquent when payments are not made in accordance with contractual terms. Loans go into "nonaccrual status" when loan payments are delinquent for 90 days or more. Interest income is no longer accrued, and any accrued interest is reversed. Loans are returned to accrual status when all amounts contractually due are brought current or the loans have been restructured and future payments are reasonably assured. For certain deferred loans which specify that interest is payable based on available cash flow or the availability of other specified sources, related interest is recorded as income when received.

Losses on loans are provided for under the allowance method of accounting. The allowance is increased by provisions charged to operating expenses and by recoveries of previously charged-off loans. The allowance is decreased as loans are charged off.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Loans Receivable and Allowance for Loan Losses (Continued)

The allowance represents an amount that management believes will be adequate to provide for potential loan losses based on an evaluation of collectibility and prior loss experience, known and inherent risk in the portfolio, changes in the nature and volume of the loan portfolio, overall portfolio quality, specifically identified high risk loans, the estimated value of the underlying collateral, current and anticipated economic conditions that may affect the borrower's ability to pay, historical loss experience, and the types of mortgage insurance or guarantee programs provided by outside parties. Substantially all loans are secured by real estate in Rhode Island; accordingly, the ultimate collectibility of the loans is susceptible to changes in market conditions in the area. Management believes the allowance for loan losses is adequate. While management uses available information to recognize losses on loans, evaluation assessments made by management are inherently subjective and future adjustments to the allowance may be necessary if economic conditions differ substantially from the assumptions used at the time of the evaluation.

Loans originated and intended for sale in the secondary market are carried at the lower of cost or estimated fair value in the aggregate. Such loans are presented as loans held for sale on the accompanying statements of net position. Gains and losses from sales of loans are recognized based upon the difference between the fair value of mortgage-backed securities forward contracts at date of commitment and the carrying value of the underlying loans.

E. Cash and Cash Equivalents

Cash and cash equivalents represent funds on deposit with various financial institutions and funds held by the trustees of the various bond programs. Deposits held in financial institutions and all highly liquid investments, such as U.S. Treasury Bills and Notes, with original maturities of 90 days or less are considered cash and cash equivalents.

F. Investments

Investments held by the Corporation consist of those permitted by the various bond resolutions and the Corporation's investment policy. Investments include securities of the U.S. Government and of U.S. Government agencies, securities guaranteed by the U.S. Government and U.S. Government agencies, savings accounts, and guaranteed investment contracts.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Investments (Continued)

In accordance with GASB Statement No. 72 (GASB 72), money market investments having a remaining maturity of one year or less at time of purchase are reported at amortized cost if the fair value of such investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors. Investments in nonparticipating interest earning investment contracts, such as nonnegotiable and nontransferable guaranteed investment contracts, which are redeemable at contract or stated value rather than fair value based on current market rates and certificates of deposit with redemption terms that do not consider market rates, are reported at cost or amortized cost provided that the fair value of such contracts is not significantly affected by the impairment of the credit standing of the issuer or other factors. Investments not reported at cost or amortized cost are reported at fair value in accordance with GASB No. 72. The fair value of securities is provided by an investment trustee as reported by recognized pricing firms. The reported amounts of investments not otherwise reported at fair value approximate their fair value.

All investment income, including changes in the fair value of investments, is reported as revenue in the Corporation's statements of revenues, expenses, and changes in net position and in the Trust's statement of changes in fiduciary net assets. The Corporation records a liability for the portion of investment income that is rebateable to the United States government under Section 103A of the Internal Revenue Code, as amended, (the Code) for tax-exempt bonds sold after 1981. The Code requires that such excess investment income be remitted to the Internal Revenue Service. Such rebateable investment income is included in accounts payable and accrued liabilities in the accompanying statements of net position and recorded within operating expenses in the statements of revenues, expenses and changes in net position.

G. Bond Issuance Costs, Premiums, Discounts, and Early Retirements

In accordance with GASB Statement No. 65, costs associated with issuing bonds are reported in the combining statements of revenues, expenses, and changes in net position in the year the bond is issued. In addition, when refinancing debt, the costs associated with the refinanced bond are also reported in the combining statements of revenues, expenses, and changes in net position in the year in which the bond is refinanced.

Premiums and discounts are capitalized and amortized using a method that approximates the interest method over the life of the related issue or to the date the Corporation has the option to redeem the bonds.

The Corporation periodically retires bonds prior to their redemption date. Any premium paid on the call related to the early retirement of bonds that are not refunded is reported in the combining statements of revenues, expenses, and changes in net position.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Other Assets

Other assets of the Corporation are principally comprised of property and equipment, certain other real estate owned, and deferred servicing costs related to service release premiums paid to participating originating lenders for origination of single-family loans. The Corporation depreciates property and equipment on a straight-line basis over the assets' estimated lives, which range from 3 to 40 years.

The Corporation states its other real estate owned acquired through or in lieu of foreclosure at the lower of cost or fair value less the cost to sell. Fair value of such assets is determined based on independent appraisals and other relevant factors. Other real estate owned in the Single-Family Fund is partially insured or guaranteed by outside parties and it is anticipated that the Corporation will recover substantially all the balance of these assets through such insurance and from proceeds from the sale of the underlying properties. The Corporation holds such properties for subsequent sale in a manner that will allow maximization of value. Carrying costs relating to other real estate owned are recorded in the Operating Fund.

I. Total Other Postemployment Benefits Other than Pensions (OPEB) Liability

The total OPEB liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service. The total OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year and no later than the end of the current fiscal year, consistently applied from period to period. The measurement date for the reported liability was June 30, 2023.

The Corporation reports total OPEB liability as a component of accounts payable and accrued liabilities on the combining statement of net position.

J. Deferred Inflows and Outflows of Resources

Deferred outflows of resources represent the consumption of net asset that applies to a future period or periods and so will not be recognized as an outflow of resources (expense) until then. Deferred inflows of resources represent an acquisition of net asset that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Deferred Inflows and Outflows of Resources (Continued)

The Corporation reports deferred outflows of resources related to loan origination costs in the combining statements of net position. Expenses will be recognized once the related loans are sold.

Fair values of both hedging derivatives and investment derivatives (if any) are presented on the combining statements of net position either as a derivative liability (negative fair value) or as a derivative asset (positive fair value). The difference between the notional amount and fair value of the derivatives that are determined to be effective hedges is recorded as a deferred inflow or outflow of resources on the Corporation's combining statements of net position. The Corporation uses derivative financial instruments to manage and reduce the exposure to adverse fluctuations in interest rates and to lower the overall cost of financing. The Corporation's derivatives consist of forward sales contracts to sell mortgage-backed securities in the To-Be-Announced market and interest rate swap agreements entered into with rated swap counterparties in connection with its issuance of variable rate mortgage revenue bonds.

The Corporation reports deferred outflows and inflows related to Other Postemployment Benefits (OPEB) in the statement of net position which result from differences between expected and actual experience, changes in assumptions or other inputs, and contributions after the measurement date. These amounts are deferred and included in OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits, the one exception being contributions made after the measurement date which are recognized as OPEB expense in the following year.

The Corporation reports a deferred inflow of resources related to OPEB. That deferred inflow results from contributions made subsequent to the measurement date.

K. Net Position

Net position is classified into three components: net investment in capital assets, restricted, and unrestricted. Net investment in capital assets represents the net book value of all capital assets reduced by the outstanding balances of bonds and other debt and deferred inflows of resources, if any, used to acquire, construct, or improve these assets, and increased by deferred outflows of resources related to those assets, if any. Restricted net position consists of restricted assets that have been limited in use as specified either externally by creditors, contributors, laws, or government regulations, or internally by enabling legislation or law. Restricted assets are reduced by liabilities and deferred inflows of resources related to the restricted assets. Unrestricted net position consists of amounts not included in net investment in capital assets or restricted net position.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Net Position (Continued)

The Corporation classifies all net position amounts associated with its bond resolutions as restricted net position. Under bond indentures, all assets assigned to these programs are pledged for the benefit of the bondholders of each program; consequently, the Corporation classifies all such amounts, while retained in the bond programs, as restricted. Transfers from the bond programs to the Operating Fund are made when transfers are approved and authorized by the Corporation's management and such amounts are not specifically required to be retained within the bond program. Transfers during the years ended June 30, 2024 and 2023 include cash transfers for reimbursement of activities in support of the bond programs.

Restricted net position in the Operating Fund is comprised of the amount of assets required to be pledged as collateral to a lender in excess of outstanding amounts borrowed as well as assets restricted for federal programs. At June 30, 2024 and 2023, restricted amounts totaled $3,656,838 and $4,296,058, respectively.

L. Interest Income on Loans

The Corporation presents two categories of interest income. The first category, "interest income on loans," represents the interest component of the mortgagors' payments due to all mortgage servicing entities (including the Corporation's Operating Fund). The second category, "interest income attributable to internal servicing activities," represents compensation earned for mortgage servicing for those loans serviced by the Corporation. Together, these two components comprise interest income on loans owned by the Corporation.

M. Use of Estimates

Management has made several estimates and assumptions relating to the reporting of assets and liabilities, revenues and expenses, and disclosure of contingent assets and liabilities when preparing the financial statements in conformity with accounting principles generally accepted in the United States. Actual results could differ from those estimates.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Fee and Grant Revenue

Recognition of grant revenue is recognized and accrued based on the legal and contractual requirements established by each grantor. For grants not restrictive as to specific purposes and revocable only for failure to comply with general prescribed requirements, revenues are recognized when actually received. Where expenditure is the prime factor in determining eligibility, grant revenue is recognized as allowable expenditures are made. Fee income is accrued as earned and includes fees received from loan originations, securitization premiums, loan servicing fees and Section 8 administrative fees received from the U.S. Department of Housing and Urban Development (HUD), including administrative fees that are paid by HUD to the Corporation under the Performance-Based Contract Administration (PBCA) contract for certain Section 8 projects throughout Rhode Island.

NOTE 2 RESTRICTED ASSETS

Certain assets are restricted by covenants and agreements as a result of transactions including bond sales, mortgages generated with lending institutions, and funding provided by HUD programs. All Assets in the Single-Family and Multi-Family Funds are restricted. Restricted assets in the Operating Fund include Cash and Cash Equivalents, Investments, Loans, and Other Assets. At June 30, 2024 and 2023, restricted assets in the Operating Fund totaled $875,216,403 and $819,684,690, respectively.

NOTE 3 LOANS RECEIVABLE

The Corporation provides single-family mortgage loans to qualified borrowers in the State. The mortgage loans are generally required to be insured through the Federal Housing Administration (FHA), guaranteed by the Department of Veterans Administration (VA) or USDA Rural Development, or conventionally financed with traditional primary mortgage insurance. Under the single-family program guidelines, conventionally financed single-family mortgage loans with an initial loan-to-value ratio of greater than 80% are insured by private mortgage insurance carriers. As these loans amortize and the loan to-value ratio falls below 80%, the private mortgage insurance coverage may be terminated.

NOTE 3 LOANS RECEIVABLE (CONTINUED)

At June 30, the single-family mortgage loan balances in the Single-Family Fund are insured, subject to maximum insurable limits described below:

	2024	2023
Private Mortgage Insurance	$ 39,420,906	$ 47,501,229
FHA Insurance	150,681,619	121,650,370
VA Guaranteed	2,715,587	2,940,003
USDA/RD Guaranteed	3,130,262	3,741,094
Uninsured	141,977,925	148,240,582
Total	$ 337,926,299	$ 324,073,278

The FHA program insures the repayment of the unpaid principal amount of the mortgage upon foreclosure and conveyance of title to the Secretary of HUD. The insurance proceeds are usually paid in cash, but at the discretion of the Secretary, may be settled through issuance of 20-year debentures. The VA mortgage loan guarantee covers from 25% up to 50% of the original principal amount of a loan up to a maximum of $60,000 depending on the loan amount. Private mortgage insurers must be qualified to insure mortgages purchased by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association (FNMA) and must be authorized to do business in the State. Private mortgage insurance typically covers between 6% and 35% of claims depending upon the premium plan and coverage selected when the loan is originated. The risk exists that if these private mortgage insurance companies are not able to honor claims, these loans would be considered uninsured.

The Corporation has entered into a risk-sharing agreement with HUD whereby HUD will provide partial mortgage insurance on affordable multi-family housing developments financed by the Corporation. The risk of loss to the Corporation varies from 10% to 50% depending on the level of participation by HUD. In the Multi-Family Fund and Operating Fund, loan balances at June 30, 2024 of $327,541,630 and $283,831,077, respectively, and at June 30, 2023 of $326,845,040 and $267,195,436, respectively, are insured under such agreements subject to maximum participation limits. At June 30, 2024 and 2023, loan balances of $6,167,198 and $6,268,949, respectively, in the Trust are also insured under such agreements.

In May 2012, the Corporation entered into an agreement with FNMA whereby single-family mortgage loans originated under the Corporation's program guidelines may be sold directly to FNMA or pooled into a mortgage-backed security that will be guaranteed by FNMA. In October 2020, the Corporation entered into an agreement with Freddie Mac whereby single-family mortgage loans originated under the Corporation's program guidelines may be sold directly to Freddie Mac or pooled into a mortgage-backed security that would be guaranteed by Freddie Mac. As of June 30, 2024, 2,950 loans had been sold directly to FNMA, 741 loans had been sold directly to Freddie Mac, and eight mortgage-backed securities had been issued. As of June 30, 2023, 2,926 loans had been sold directly to FNMA, 114 loans had been sold directly to Freddie Mac, and eight mortgage-backed securities had been issued.

NOTE 3 LOANS RECEIVABLE (CONTINUED)

At June 30, 2024 and 2023, the percentage of loan dollars that are in a first lien position by fund is as follows:

	2024	2023
Operating Fund	55 %	59 %
Single-Family	86 %	85 %
Multi-Family	93 %	94 %
Affordable Housing Trust	27 %	29 %

The payment of interest by borrowers on certain loans recorded in the Corporation's Operating Fund, Single-Family Fund, and Multi-Family Fund is deferred and is payable by borrowers only from available cash flow, as defined in the loan agreements or other specified sources. Interest income on such loans is recorded only when received from the borrower. For the years ended June 30, 2024 and 2023, interest received under such deferred loan arrangements was $256,025 and $418,386, respectively, in the Operating Fund, and $295,693 and $278,933, respectively, in the Single-Family Fund. In addition, the Corporation administers certain federal and state loan programs, which are either deferred forgivable loans or noninterest bearing. Loans under these programs totaled $317,896,578 and $240,177,800 at June 30, 2024 and 2023, respectively.

At June 30, principal balances outstanding under deferred and noninterest bearing loan arrangements are as follows:

	2024	2023
Operating Fund:		
Single-Family Loans	$ 37,577,074	$ 33,010,182
Multi-Family Loans	343,588,029	271,144,821
Subtotal	381,165,103	304,155,003
Single-Family Fund:		
Single-Family Loans	11,884,799	11,701,251
Total	$ 393,049,902	$ 315,856,254

Certain loans recorded in the Corporation's Operating Fund and Single-Family Fund are on nonaccrual status due to delinquency over 90 days. At June 30, 2024 and 2023, principal outstanding under such nonaccrual status loans is as follows:

	2024	2023
Operating Fund:		
Single-Family Loans	$ 10,573,353	$ 8,501,045
Single-Family Fund:		
Single-Family Loans	12,814,899	11,439,468
Total	$ 23,388,252	$ 19,940,513

NOTE 3 LOANS RECEIVABLE (CONTINUED)

A summary of the changes in the allowance for loan losses for the Corporation is as follows:

	2024	2023
Balance, Beginning of Year	$ 54,000,000	$ 48,500,000
Loans Charged Off, Net of Recoveries	(450,374)	(13,356)
Write-Down of REO Properties	(14,680)	(68,633)
Provision for Loan Losses	1,932,476	4,374,068
Allowance Related to Federal Loan Programs	21,989,019	1,207,921
Balance, End of Year	$ 77,456,441	$ 54,000,000

A summary of the changes in the allowance for loan losses for the Trust is as follows:

	2024	2023
Balance, Beginning of Year	$ 8,500,000	$ 5,500,000
Loans Charged Off, Net of Recoveries	(330,272)	-
Provision for Loan Losses	5,000,000	3,000,000
Balance, End of Year	$ 13,169,728	$ 8,500,000

In addition to the allowance for loan losses, the Corporation maintains an escrow account funded by certain mortgage lenders (the Mortgage Lender’s Reserve Account). This Mortgage Lenders Reserve Account equals a percentage of the outstanding principal balance of certain mortgage loans purchased from an applicable mortgage lender and is available to the Corporation in the event the proceeds realized upon the default and foreclosure of any covered mortgage loan is less than the amount due to the Corporation. At June 30, 2024 and 2023, the Mortgage Lender’s Reserve Account totaled $204,076.

NOTE 4 CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and Cash Equivalents

The Corporation assumes levels of custodial credit risk for its cash and cash equivalents. Custodial credit risk is the risk that in the event of a financial institution failure, the Corporation’s deposits may not be returned to it. Cash and cash equivalents are exposed to custodial credit risk as follows: a) uninsured and uncollateralized; b) uninsured and collateralized with securities held by the financial institution trust departments in the Corporation’s or Trust’s name; and c) uninsured and collateralized with securities held by financial institution trust departments or agents which are not held in the Corporation’s or Trust’s name.

NOTE 4 CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Cash and Cash Equivalents (Continued)

The State requires that certain uninsured deposits of the State and State Agencies be collateralized. Section 35-10.1-7 of the General Laws of the State, dealing with the collateralization of public deposits, requires all time deposits with maturities of greater than 60 days and all deposits in institutions that do not meet its minimum capital standards as required by its Federal regulator be collateralized. The Corporation does not have any additional policy regarding custodial credit risk for its deposits.

Cash and cash equivalents of the Corporation were exposed to custodial credit risk at June 30, 2024 and 2023, as follows:

Rhode Island Housing and Mortgage Finance Corporation

		June 30, 2024			
	Book Balance	Insured	A	C	Total Bank Balance
Cash Deposits - Operating	$ 103,466,430	$ 2,900,467	$ 7,019,110	$ 103,464,410	$ 113,383,987
Cash Deposits - Single-Family	2,062,019	-	-	-	-
Cash Deposits - Multi-Family Funds	2,100,481	-	-	-	-
Cash Deposits - Escrows	56,838,981	-	-	56,838,981	56,838,981
Total Deposits	164,467,911	2,900,467	7,019,110	160,303,391	170,222,968
Money Market Mutual Funds	165,615,985	-	-	-	165,615,985
Total Cash and Cash Equivalents	$ 330,083,896	$ 2,900,467	$ 7,019,110	$ 160,303,391	$ 335,838,953

Rhode Island Housing and Mortgage Finance Corporation – Private Purpose Trust

		June 30, 2024			
	Book Balance	Insured	A	C	Total Bank Balance
Cash Deposits	$ 41,172,477	$ 250,000	$ -	$ 40,922,477	$ 41,172,477
Money Market Mutual Funds	5,000,000				5,000,000
Total Cash and Cash Equivalents	$ 46,172,477	$ 250,000	$ -	$ 40,922,477	$ 46,172,477

Rhode Island Housing and Mortgage Finance Corporation

		June 30, 2023			
	Book Balance	Insured	A	C	Total Bank Balance
Cash Deposits - Operating	$ 87,882,629	$ 2,894,331	$ 6,453,819	$ 89,330,234	$ 98,678,384
Cash Deposits - Single-Family	1,258,032	-	-	-	-
Cash Deposits - Multi-Family Funds	2,625,473	-	-	-	-
Cash Deposits - Escrows	62,438,159	-	-	62,438,159	62,438,159
Total Deposits	154,204,293	2,894,331	6,453,819	151,768,393	161,116,543
Money Market Mutual Funds	179,962,589	-	-	-	179,962,589
Total Cash and Cash Equivalents	$ 334,166,882	$ 2,894,331	$ 6,453,819	$ 151,768,393	$ 341,079,132

NOTE 4 CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Cash and Cash Equivalents (Continued)

Rhode Island Housing and Mortgage Finance Corporation – Private Purpose Trust

	Book Balance	June 30, 2023 Insured	A	C	Total Bank Balance
Cash Deposits	$ 43,154,527	$ 250,000	$ -	$ 42,895,064	$ 43,145,064
Money Market Mutual Funds	10,695,158				10,695,158
Total Cash and Cash Equivalents	$ 53,849,685	$ 250,000	$ -	$ 42,895,064	$ 53,840,222

Cash and cash equivalents in the Single-Family Fund and Multi-Family Fund are principally invested in short-term United States Government money market funds. At June 30, investments in United States Government money market funds are as follows:

	2024	2023
Operating Fund	$ 3,195,170	$ 2,765,143
Single-Family Fund	108,041,219	111,340,924
Multi-Family Fund	54,379,596	65,856,522
Total	$ 165,615,985	$ 179,962,589
Affordable Housing Trust	$ 5,000,000	$ 10,695,158

The funds are rated AAA and invested only in U.S. Treasuries, U.S. Agencies, and repurchase agreements collateralized by U.S. Treasury and Agency securities. Since the funds offer a floating rate that tends to move with other U.S. market risk-free rates, there is substantially no interest rate risk associated with these short-term investments. Because of the quality of the underlying securities in the asset pool and the institutions involved in the management and custody, there is no material credit or custodial risk in this portfolio. These investments are used as temporary cash management instruments. The fair value of these money market funds reflects the net asset value reported by the fund administrator which is a stable $1 per unit. The underlying investments which are short-term cash equivalent type investments are generally carried at amortized cost which approximates fair value. There are no withdrawal limitations for the money market mutual funds.

Investments

The first objective of the Corporation investment strategy is to minimize risk and maximize the preservation of capital. All investments are to be made in a manner to minimize any risk which would jeopardize the safety of the principal invested. The second objective is to maintain sufficient liquidity to match cash flow requirements. The third objective is to maximize yield after satisfying the first two objectives. Other major considerations include diversification of risk and maintenance of credit ratings.

NOTE 4 CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment in a debt instrument. As a means of limiting exposure to fair value losses arising from rising interest rates, the Board of Commissioners' (the Board) established an investment policy for the Corporation's Operating Fund limits. The maximum investments in certain maturities or repricing maturities are as follows:

Maturity	Maximum Investment
Less Than One Year	100%
One to Five Years	25%
Greater Than Five Years	0%

At June 30, 2024 and 2023, the Operating Fund holds two investments with a maturity of greater than five years. These investments are marketable securities that are pledged as collateral to a lender for borrowings.

While each of the bond resolutions contains investment policies which describe acceptable investments, there are no specific policies for percentage maximum investments with respect to the Single-Family Fund, Multi-Family Fund, and the Trust (collectively referred to as the Other Funds). The Corporation strives to match asset and liability maturities. The Corporation manages interest rate risk by considering variables such as mortgage prepayment frequency, expected asset lives, utilization of interest sensitivity gap (segmented time distribution), and simulation analysis.

At June 30, the distribution of investments by remaining or repricing maturity is as follows:

	June 30, 2024			
	Investment Maturities (Years)			
	Less Than 1	1-5 Years	5 Years or More	Total
Operating Fund:				
U.S. Government Obligations	$ 1,381,840	$ -	$ 1,493,212	$ 2,875,052
Single-Family Fund:				
U.S. Government Obligations	-	-	1,359,824,358	1,359,824,358
U.S. Agency Obligations	-	-	5,188,313	5,188,313
Guaranteed Investment Contracts	2,883,495	-	-	2,883,495
Total Single-Family Fund	2,883,495	-	1,365,012,671	1,367,896,166
Multi-Family Fund:				
U.S. Government Obligations	-	-	-	-
U.S. Agency Obligations	-	-	-	-
Guaranteed Investment Contracts	-	-	-	-
Total Multi-Family Fund	-	-	-	-
Escrows*	-	124,411,978	-	124,411,978
Subtotal	4,265,335	124,411,978	1,366,505,883	1,495,183,196
Trust:				
U.S. Government Obligations		-	11,050,410	11,050,410
U.S. Agency Obligations	31,689	-	-	31,689
Subtotal	31,689	-	11,050,410	11,082,099
Total	$ 4,297,024	$ 124,411,978	$ 1,377,556,293	$ 1,506,265,295

NOTE 4 CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

	June 30, 2023			
	Investment Maturities (Years)			
	Less Than 1	1-5 Years	5 Years or More	Total
Operating Fund:				
U.S. Government Obligations	$ 1,586,887	$ -	$ 1,564,831	$ 3,151,718
Single-Family Fund:				
U.S. Government Obligations	-	-	948,151,573	948,151,573
U.S. Agency Obligations	-	-	5,780,779	5,780,779
Guaranteed Investment Contracts	-	-	2,883,495	2,883,495
Total Single-Family Fund	-	-	956,815,847	956,815,847
Multi-Family Fund:				
U.S. Government Obligations	-	1,652,275	-	1,652,275
U.S. Agency Obligations	-	-	-	-
Guaranteed Investment Contracts	-	-	-	-
Total Multi-Family Fund	-	1,652,275	-	1,652,275
Escrows*	120,143,569	-	-	120,143,569
Subtotal	121,730,456	1,652,275	958,380,678	1,081,763,409
Trust:				
U.S. Government Obligations	-	-	11,565,287	11,565,287
U.S. Agency Obligations	34,248	-	-	34,248
Subtotal	34,248	-	11,565,287	11,599,535
Total	$ 121,764,704	$ 1,652,275	$ 969,945,965	$ 1,093,362,944

* Included in the tables above are escrow funds relating to homeowners and to multi-family developments. The Corporation is not exposed to interest rate risk relating to escrows since the income and market gains or losses on these investments flow directly into the respective escrow deposit liability accounts.

Investments include mortgage-backed securities backed by government-insured single-family mortgage loans originated under the Corporation’s program guidelines. These securities are pass-through securities which require monthly payments by an FHA-approved or Fannie Mae-approved lender and are guaranteed by either the Government National Mortgage Association (GNMA) or FNMA. The securities are subject to interest rate risk due to prepayments and the fair value of the securities which vary with the change in market interest rates. The securities are intended to be held to maturity and the Corporation does not expect to realize any gains or losses. The securities are held by the Single-Family and Operating Funds and are carried at fair value totaling $1,367,887,724 and $957,084,069 at June 30, 2024 and 2023, respectively.

NOTE 4 CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

The Corporation categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the 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 observable market-based inputs or unobservable inputs that are corroborated by market data. Level 3 inputs are unobservable inputs that are not corroborated by market data.

As of June 30, 2024, the Corporation has recurring fair value measurements in the form of Fixed Income Securities (U.S. Treasuries, mortgage-backed securities, and obligations of government-sponsored enterprises) of $127,287,030 in the Operating Fund, $1,365,012,671 in the Single-Family Fund, and $11,082,099 in the Trust that are valued using quoted market prices (Level 1 inputs). Included in Operating Fund investments are fair value measurements for escrow funds relating to homeowners and to multi-family developments. The Corporation does not measure the fair value of guaranteed investment contracts in the amount of $2,883,495 in the Single-Family Fund as of June 30, 2024.

As of June 30, 2023, the Corporation had recurring fair value measurements in the same form of $123,295,287 in the Operating Fund, $953,932,352 in the Single-Family fund, $1,652,275 in the Multi-Family Fund and $11,599,535 in the Trust that are valued using quoted market prices (Level 1 inputs). Included in Operating Fund investments were fair value measurements for escrow funds relating to homeowners and to Multi-Family developments. The Corporation does not measure the fair value of guaranteed investment contracts in the amount of $2,883,495 in the Single-Family Fund as of June 30, 2023.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The current Board-approved policy requires all investments in the Operating Fund to be rated at least Single A by a nationally recognized rating agency. Generally, each of the bonded resolutions in the Single-Family Fund and the Multi-Family Fund contain policies that require investments that do not impair the existing ratings on the related bonds. The Trust has no minimum rating requirements.

NOTE 4 CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

At June 30, 2024 and 2023, investments, excluding investments relating to escrow accounts for which the credit risk is that of the party for whom the escrow is held rather than that of the Corporation, are rated by Standard & Poor's or Moody's Investors Service as follows:

	June 30, 2024	
Rating Investment	AA+/Aaa U.S. Agencies	Unrated GICS
Operating Fund	$ -	$ -
Single-Family Fund	5,188,313	2,883,495
Multi-Family Fund	-	-
Trust	31,689	-

	June 30, 2023	
Rating Investment	AA+/Aaa U.S. Agencies	Unrated GICS
Operating Fund	$ -	$ -
Single-Family Fund	5,780,779	2,883,495
Multi-Family Fund	-	-
Trust	34,248	-

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer regardless of its credit history. The Board-approved policy for the Operating Fund limits the amount that may be invested with any one issuer as follows:

United States Government Obligations	100% of Portfolio
United States Agency Obligations	100% of Portfolio
Repurchase Agreements	50% of Portfolio
Collective Short-Term Funds	25% of Portfolio
All Other Investments	10% of Portfolio

Although there are no specific concentration policies for maximum percentage of investments, the Corporation attempts to diversify as much as possible given the limited number of issuers of AAA-rated investments.

At June 30, 2024 and 2023, there were no investment concentrations of 5% or more in any of the funds.

NOTE 4 CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Corporation will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The policy in the Operating Fund is that all purchases are held in a safekeeping or custodial account at an approved safekeeping agent of the Corporation in the Corporation's name. At June 30, 2024 and 2023, there were no investments in the Operating Fund subject to custodial credit risk.

There are no other specific custodial credit risk policies for the other funds. Most of the Corporation's investments in other funds are either in Guaranteed Investment Contracts (GICs) in bonded resolutions, which are direct investments not subject to custodial credit risk, or in accounts managed by a financial advisory firm with underlying investments restricted to U.S. Government and Agency securities. At June 30, 2024 and 2023, there were no investments in any of the other funds subject to custodial credit risk.

As established in the Board-approved investment policy, the Corporation can enter into interest rate swap agreements and other similar interest rate related derivative instruments to reduce interest rate mismatches between its loan and investment assets and its bond and note liabilities. These types of derivative instruments expose the Corporation to certain risks including credit risk, interest rate risk, and counterparty risk. At June 30, 2024, the Corporation was party to three interest rate swap agreements and two forward settling interest rate swap agreements. The Corporation was party to an interest rate swap agreement and one forward settling interest rate swap agreement at June 30, 2023. At June 30, 2024, the Corporation had entered into certain commitments to sell loans, which expose the Corporation to interest rate risk as discussed further in Note 10.

NOTE 5 ACCOUNTS RECEIVABLE

Accounts receivable balances for the years ended June 30, are comprised of the following:

	2024	2023
Accounts Receivable:		
Due from Federal Government	$ 5,595,938	$ 2,845,618
Tax Sale Receivables	1,078,056	1,242,851
Accounts	16,126,370	9,505,641
Total Receivables	22,800,364	13,594,110
Allowance	(177,932)	(229,523)
Receivables, Net	$ 22,622,432	$ 13,364,587

NOTE 6 OTHER ASSETS

Other assets, net, consisted of the following at June 30:

	2024	2023
Real Estate Owned	$ 497,397	$ 1,691,264
Capital Assets, Net	8,573,070	9,092,104
Purchased Mortgage Servicing Rights and Servicing, Net	21,940,434	16,052,223
Other Assets and Control Accounts	(92,689)	1,875,877
Total	$ 30,918,212	$ 28,711,468

Depreciation expense related to capital assets for the years ended June 30, 2024 and 2023, was $869,947 and $859,411, respectively.

Amortization expense related to purchased mortgage servicing rights for the years ended June 30, 2024 and 2023, was $3,565,660 and $2,876,047, respectively.

Other assets of the Trust consisted of federal program properties totaling $403,137 at June 30, 2024 and 2023.

NOTE 6 OTHER ASSETS (CONTINUED)

Capital asset activity for the years ended June 30, is as follows:

	Balance July 1, 2023	Additions/ (Deletions)	Balance June 30, 2024
Capital Assets Not Being Depreciated:			
Construction in Progress	$ 38,380	$ 307,841	$ 346,221
Total Capital Assets Not Being Depreciated	38,380	307,841	346,221
Capital Assets Being Depreciated:			
Furniture	1,421,326	16,402	1,437,728
Office Equipment	954,213	-	954,213
Computers	8,751,304	26,670	8,777,974
Buildings and Improvements	17,205,131	-	17,205,131
Total Capital Assets Being Depreciated	28,331,974	43,072	28,375,046
Less: Accumulated Depreciation	(19,278,250)	(869,947)	(20,148,197)
Total Capital Assets Being Depreciated, Net	9,053,724	(826,875)	8,226,849
Capital Assets, Net	$ 9,092,104	$ (519,034)	$ 8,573,070

	Balance July 1, 2022	Additions/ (Deletions)	Balance June 30, 2023
Capital Assets Not Being Depreciated:			
Construction in Progress	$ 341,039	$ (302,659)	$ 38,380
Total Capital Assets Not Being Depreciated	341,039	(302,659)	38,380
Capital Assets Being Depreciated:			
Furniture	1,421,326	-	1,421,326
Office Equipment	954,213	-	954,213
Computers	8,092,266	659,038	8,751,304
Buildings and Improvements	17,127,430	77,701	17,205,131
Total Capital Assets Being Depreciated	27,595,235	736,739	28,331,974
Less: Accumulated Depreciation	(18,418,839)	(859,411)	(19,278,250)
Total Capital Assets Being Depreciated, Net	9,176,396	(122,672)	9,053,724
Capital Assets, Net	$ 9,517,435	$ (425,331)	$ 9,092,104

NOTE 7 BONDS AND NOTES PAYABLE

The Corporation issues serial bonds and term bonds under various bond resolutions to provide permanent financing for the origination or purchase from participating originating lenders of single-family loans, to provide permanent financing for qualified housing developments, and to provide financing for other purposes.

The Corporation obtains principally first and second mortgage liens on real property financed. The Corporation assigns such liens to the respective bonds when the mortgage loans are permanently financed using bond proceeds. Bonds and notes are secured by related revenues and assets of the respective programs in which the related bonds and notes payable are reported.

The provisions of the applicable trust indentures require or allow for the redemption of bonds by the Corporation through the use of unexpended bond proceeds and excess funds accumulated primarily through the prepayment of mortgage loans. All outstanding bonds are subject to redemption at the option of the Corporation, in whole or in part at any time after certain dates, as specified in the respective bond series indentures.

Principal and interest on substantially all bonds is payable semi-annually. The Corporation is required by the Internal Revenue Service as well as its various bond resolutions to comply with certain tax code provisions and bond covenants. The most significant of these include the following: all debt payments must be current, annual reports and budgets must be filed with the trustee, and the Corporation must comply with various restrictions on investment earnings from bond proceeds. The Corporation's management believes it was in compliance with these covenants as of June 30, 2024.

Bonds and notes payable at June 30, are as follows:

Description	2024	2023
Operating Fund Bonds and Notes:		
Federal Home Loan Bank		
Due 2023 to 2027, interest from 0.00% to 5.46%	$ 10,675,000	$ 10,175,000
Federal Financing Bank		
Due 2056 to 2064, interest from 2.239% to 4.810%	278,227,330	261,145,795
General Obligation Bonds Series 2018:		
Mandatory tender bonds, due 2032, interest at 3.12%	5,000,000	5,000,000
Notes Payable, due 2027 to 2047, interest from 2.75% to 6.25%	14,034,568	14,482,528
Lines of Credit, payable on demand, interest from 5.524% to 6.163%	60,000,000	102,000,000
Total Operating Fund	367,936,898	392,803,323

NOTE 7 BONDS AND NOTES PAYABLE (CONTINUED)

Description (Continued)	2024	2023
Single-Family Fund:		
Homeownership Opportunity Bonds:		
Series 10-A:		
Term bonds, due 2027, interest at 6.50%	$ 745,000	$ 745,000
Series 15-A:		
Term bonds, due 2024, interest at 6.85%	170,000	380,000
Series 65-T:		
Serial bonds, due 2023 to 2025, interest from 3.636% to 3.886%	5,465,000	9,160,000
Term bonds, due 2039, interest from 2.913% to 4.00%	-	795,000
Total Series 65-T	5,465,000	9,955,000
Series 66-C2:		
Serial bonds, due 2023 to 2026, interest from 3.20% to 3.65%	4,800,000	7,040,000
Series 67-A:		
Term bonds, due 2041, interest at 3.55%	2,530,000	2,530,000
Series 67-B:		
Term bonds, due 2026, interest at 2.40%	975,000	975,000
Series 67-C:		
Serial bonds, due 2023 to 2027, interest from 2.35% to 3.00%	7,885,000	9,000,000
Term bonds, due 2030 to 2038, interest from 3.25% to 3.50%	6,750,000	7,855,000
Total Series 67-C	14,635,000	16,855,000
Series 68-B:		
Term bonds, due 2046, interest at 3.40%	1,135,000	1,135,000
Series 68-C:		
Serial bonds, due 2023 to 2026, interest from 2.25% to 2.65%	12,825,000	17,575,000
Term bonds, due 2031 to 2039, interest from 3.15% to 3.50%	47,350,000	51,645,000
Total Series 68-C	60,175,000	69,220,000
Series 69-A:		
Serial bonds, due 2023 to 2029, interest from 2.65% to 3.50%	12,050,000	12,785,000
Series 69-B:		
Term bonds, due 2048, interest at 4.00%	9,940,000	15,365,000

NOTE 7 BONDS AND NOTES PAYABLE (CONTINUED)

Description (Continued)	2024	2023
Single-Family Fund (Continued):		
Homeownership Opportunity Bonds (Continued):		
Series 69-T:		
Serial bonds, due 2023 to 2024, interest from 3.35% to 3.40%	$ -	$ 1,360,000
Series 70:		
Serial bonds, due 2023 to 2031, interest from 1.70% to 2.55%	21,360,000	23,675,000
Term bonds, due 2034 to 2049, interest from 2.80% to 4.00%	32,200,000	37,670,000
Total Series 70	53,560,000	61,345,000
Series 71:		
Serial bonds, due 2023 to 2032, interest from 1.55% to 2.55%	20,240,000	22,190,000
Term bonds, due 2034 to 2049, interest from 2.75% to 3.75%	40,360,000	46,950,000
Total Series 71	60,600,000	69,140,000
Series 72A:		
Serial bonds, due 2023 to 2032, interest from 0.75% to 2.20%	12,705,000	13,850,000
Term bonds, due 2035 to 2050, interest from 2.30% to 3.50%	34,085,000	38,360,000
Total Series 72A	46,790,000	52,210,000
Series 73-A:		
Serial bonds, due 2025 to 2032, interest from 0.80% to 1.95%	28,815,000	28,815,000
Term bonds, due 2035 to 2050, interest from 2.10% to 3.00%	83,430,000	91,300,000
Total Series 73-A	112,245,000	120,115,000
Series 73-T:		
Serial bonds, due 2023 to 2025, interest from 0.95% to 1.25%	5,185,000	8,540,000
Series 74:		
Serial bonds, due 2023 to 2033, interest from 1.30% to 5.00%	49,730,000	54,475,000
Term bonds, due 2036 to 2049, interest from 2.125% to 3.00%	64,545,000	72,700,000
Total Series 74	114,275,000	127,175,000
Series 75-A		
Serial bonds, due 2023 to 2033, interest from .15% to 1.95%	29,245,000	29,450,000
Term bonds, due 2036 to 2051, interest from 2.05% to 3.00%	100,985,000	111,405,000
Total Series 75-A	130,230,000	140,855,000
Series 75-T		
Serial bonds, due 2023 to 2028, interest from .35% to 1.55%	18,710,000	22,760,000
Series 76-A		
Serial bonds, due 2026 to 2033, interest from 1.80% to 5.00%	32,335,000	32,335,000
Term bonds, due 2036 to 2051, interest from 2.35% to 3.00%	83,660,000	91,685,000
Total Series 76-A	115,995,000	124,020,000

NOTE 7 BONDS AND NOTES PAYABLE (CONTINUED)

Description (Continued)	2024	2023
Single-Family Fund (Continued):		
Homeownership Opportunity Bonds (Continued):		
Series 76-T		
Serial bonds, due 2023 to 2026, interest from 1.06% to 1.72%	$ 7,260,000	$ 10,705,000
Series 77-A		
Serial bonds, due 2023 to 2034, interest from 3.35% to 5.00%	39,155,000	40,585,000
Term bonds, due 2037 to 2051, interest from 4.00% to 4.25%	53,950,000	57,245,000
Total Series 77-A	93,105,000	97,830,000
Series 77-T		
Serial bonds, due 2023 to 2029, interest from 2.80% to 4.00%	15,755,000	18,370,000
Series 78-A		
Serial bonds, due 2030 to 2034, interest from 4.00% to 4.55%	11,360,000	11,360,000
Term bonds, due 2037 to 2052, interest from 4.75% to 5.50%	99,330,000	102,050,000
Total Series 78-A	110,690,000	113,410,000
Series 78-T		
Serial bonds, due 2023 to 2030, interest from 4.91% to 5.59%	13,150,000	14,800,000
Series 79-A		
Serial bonds, due 2031 to 2035, interest from 3.60% to 4.05%	12,400,000	12,400,000
Term bonds, due 2038 to 2053, interest from 4.40% to 4.95%	62,930,000	62,930,000
Total Series 79-A	75,330,000	75,330,000
Series 79-T1		
Serial bonds due 2023 to 2031, interest from 4.834% to 5.373%	16,435,000	17,945,000
Total Series 79-T1:	16,435,000	17,945,000
Series 79-T2		
Term bond due 2053, interest at variable rate	41,120,000	42,055,000
Total Series 79-T2:	41,120,000	42,055,000
Series 80-A		
Serial Bonds, due 2031 to 2035, Interest from 3.80% to 4.00%	5,570,000	-
Term Bonds, due 2038 to 2053, Interest from 4.15% to 4.65%	69,430,000	-
Total Series 80-A	75,000,000	-
Series 80 T-1		
Serial Bonds, due 2024 to 2033, Interest from 5.03% to 5.348%	30,785,000	-
Term Bonds, due 2038 to 2043, Interest from 5.40% to 5.549%	53,565,000	-
Total Series 80-T1	84,350,000	-

NOTE 7 BONDS AND NOTES PAYABLE (CONTINUED)

Description (Continued)	2024	2023
Single-Family Fund (Continued):		
Homeownership Opportunity Bonds (Continued):		
Series 80 T-2		
Term Bond, due 2053, Interest is variable	$ 64,710,000	$ -
Total Series 80-T2	64,710,000	-
Series 81-A		
Serial Bonds, due 2031 to 2035, Interest from 4.50% to 4.85%	4,455,000	-
Term Bonds, due 2038 to 2053, Interest from 5.00% to 6.25%	78,650,000	-
Total Series 81-A	83,105,000	-
Series 81-T1		
Serial bonds due 2024 to 2026, interest from 5.579% to 5.686%	4,315,000	-
Term bond due 2043 to 2052, interest from 6.481% to 6.50%	31,990,000	-
Total Series 81-T1	36,305,000	-
Series 81-T2		
Serial bonds due 2027 to 2033, interest from 5.794% to 6.345%	14,705,000	-
Term bond due 2038, interest from 6.385%	15,325,000	-
Total Series 81-T2	30,030,000	-
Series 82-A		
Serial bonds due 2028 to 2036, interest from 3.35% to 3.90%	24,345,000	-
Term bond due 2036 to 2054, interest from 3.90% to 5.00%	100,110,000	-
Total Series 82-A	124,455,000	-
Series 82-T1		
Term bond due 2025 to 2028, interest from 4.989% to 5.187%	9,000,000	-
Total Series 82-T1	9,000,000	-
Series 82-T2		
Term bond due 2054, interest at variable rate	26,000,000	-
Total Series 82-T2	26,000,000	-
Unamortized Bond Premium	27,164,661	30,043,857
Total Single-Family Fund	1,703,174,661	1,284,993,857
Multi-Family Fund:		
Multi-Family Funding Bonds:		
2009 Series A, Subseries 2009A-1:		
Term bonds, due 2051, interest at 3.01%	5,580,000	5,580,000
2009 Series A, Subseries 2009A-2:		
Term bonds, due 2051, interest at 2.32%	10,000,000	14,100,000

NOTE 7 BONDS AND NOTES PAYABLE (CONTINUED)

Description (Continued)	2024	2023
Multi-Family Fund (Continued):		
Multi-Family Funding Bonds (Continued):		
2010 Series A:		
Term bonds, due 2025 to 2035, interest from 4.625% to 5.25%	$ 1,080,000	$ 1,175,000
2011 Series A:		
Term bonds, due 2026 to 2032, interest from 4.125% to 4.625%	1,980,000	3,075,000
Subtotal	18,640,000	23,930,000
Multi-Family Development Bonds:		
2013 Series 1-AB:		
Serial bonds, due 2023, interest at 2.85%	-	290,000
Term bonds, due 2027 to 2048, interest from 3.25% to 4.125%	25,540,000	25,840,000
Total 2013 Series 1-AB	25,540,000	26,130,000
2014 Series 3-B:		
Serial bonds, due 2023 to 2025, interest from 2.75% to 2.95%	400,000	650,000
Term bonds, due 2029 to 2049, interest from 3.40% to 4.125%	12,455,000	12,455,000
Total 2014 Series 3-B	12,855,000	13,105,000
2016 Series 1-B:		
Serial bonds, due 2023 to 2026, interest from 2.10% to 2.65%	495,000	675,000
Term bonds, due 2031 to 2056, interest from 3.15% to 4.10%	15,350,000	15,350,000
Total 2016 Series 1-B	15,845,000	16,025,000
2016 Series 1-C:		
Serial bonds, due 2023 to 2026, interest from 2.40% to 3.00%	1,160,000	1,570,000
Term bonds, due 2031 to 2041, interest from 3.50% to 4.10%	12,910,000	12,910,000
Total 2016 Series 1-C	14,070,000	14,480,000
2017 Series 1-B:		
Term bonds, due 2052, interest at 4.20%	1,485,000	1,510,000
2017 Series 2-T:		
Serial bonds, due 2023 to 2028, interest from 2.928% to 3.639%	-	5,545,000
2017 Series 4-B:		
Serial bonds, due 2023 to 2028, interest from 2.30% to 3.05%	1,575,000	1,875,000
Term bonds, due 2032 to 2037, interest from 3.35% to 3.80%	31,620,000	31,620,000
Total 2017 Series 4-B	33,195,000	33,495,000
2019 Series 1-B:		
Serial bonds, due 2023 to 2031, interest from 1.625% to 2.40%	2,845,000	3,145,000
Term bonds, due 2034 to 2059, interest from 2.75% to 3.40%	32,555,000	32,555,000
Total 2019 Series 1-B	35,400,000	35,700,000

NOTE 7 BONDS AND NOTES PAYABLE (CONTINUED)

Description (Continued)	2024	2023
Multi-Family Fund (Continued):		
Multi-Family Development Bonds (Continued):		
2019 Series 2-T:		
Serial bonds, due 2023 to 2031, interest from 2.20% to 2.95%	$ 1,660,000	$ 1,835,000
Term bonds, due 2039 to 2051, interest from 3.30% to 3.50%	9,570,000	9,570,000
Total 2019 Series 2-T	11,230,000	11,405,000
2020 Series 1-T:		
Term bonds, due 2023 to 2038, interest from 1.086% to 2.993%	42,360,000	42,890,000
2021 Series 1-B:		
Serial bonds, due 2023 to 2032, interest from 0.35% to 1.85%	1,190,000	1,230,000
Term bonds, due 2035 to 2040, interest from 2.00% to 2.15%	9,520,000	9,520,000
Total 2021 Series 1-B	10,710,000	10,750,000
2021 Series 2-T:		
Serial bonds, due 2023 to 2032, interest from 0.666% to 2.39%	15,240,000	17,240,000
Term bonds, due 2035 to 2040, interest from 2.54% to 3.032%	28,745,000	28,745,000
Total 2021 Series 2-T	43,985,000	45,985,000
2022 Series 1-A		
Term bonds, due 2042, interest at 2.80%	4,750,000	16,000,000
2022 Series 1-B		
Serial bonds, due 2024 to 2034, interest from 2.35% to 4.25%	5,665,000	5,885,000
Term bonds, due 2037 to 2042, interest from 4.35% to 4.5%	6,380,000	6,380,000
Total 2022 Series 1-B	12,045,000	12,265,000
2023 Series 1-AB		
Term bonds, due 2053, interest at 4.00%	28,500,000	28,500,000
2023 Series 1-B		
Term bonds, due 2028 to 2063, interest from 3.50% to 5.05%	4,200,000	4,200,000
Unamortized Bond Discount	(23,419)	(28,311)
Subtotal	296,146,581	317,956,689
Total Multi-Family Fund	314,786,581	341,886,689
Total Bonds and Notes Payable	$ 2,385,898,140	$ 2,019,683,869

NOTE 7 BONDS AND NOTES PAYABLE (CONTINUED)

The Operating Fund's lines of credit were established with financial institutions primarily to make funds available for the origination, or purchase from participating originating lenders, of single-family loans prior to the receipt of the respective bond proceeds. At June 30, 2024, the Corporation may borrow up to a maximum of $135,000,000 under various revolving loan agreements expiring between August 2024 and January 2025. Borrowings under the lines of credit are payable on demand and are unsecured. One line of credit has a variable interest rate. As of June 30, 2024, the borrowings were $30,000,000 and the rate was 5.97%. The remaining line of credit agreements have fixed rates which range from 5.98% to 6.16%. Outstanding borrowings under these agreements totaled $30,000,000 at June 30, 2024.

Homeownership Opportunity Bonds Series 79-T2, 80-T2 and 82-T2 bear interest at taxable rates established weekly. As of June 30, 2024, the rate was 5.35%.

The schedule below includes amounts required for debt service sinking funds for each fiscal year relating to the respective bonds and notes as of June 30, 2024 (dollars in thousands):

	Operating Fund Bonds/Notes		Single-Family Bonds/Notes		Multi-Family Bonds/Notes	
Year Ending June 30,	Principal	Interest	Principal	Interest	Principal	Interest
2025	$ 66,392	$ 14,050	$ 50,945	$ 64,321	$ 5,975	$ 10,480
2026	4,061	10,446	53,395	62,722	6,190	10,358
2027	10,913	10,293	51,930	61,003	7,110	10,217
2028	3,925	10,113	52,630	59,163	7,445	10,031
2029	4,122	9,972	54,425	57,256	7,675	9,823
2030-2034	28,926	46,274	263,260	55,480	38,570	9,597
2035-2039	29,927	41,289	295,275	47,237	103,465	8,355
2040-2044	36,772	35,327	301,475	36,588	68,490	4,805
2045-2049	43,614	28,485	290,670	24,819	26,405	2,549
2050-2054	55,144	20,235	256,030	12,552	25,360	1,590
2055-2059	56,983	10,079	5,975	304	11,265	672
2060-2064	27,158	1,940	-	-	6,860	256
Total	$ 367,937	$ 238,503	$ 1,676,010	$ 481,445	$ 314,810	$ 78,733

NOTE 7 BONDS AND NOTES PAYABLE (CONTINUED)

Debt service requirements on direct borrowings and placements on June 30, 2024, are as follows (dollars in thousands):

	Business Type Activities			
	Bonds		Notes from Direct Borrowing and Direct Placements	
Year Ending June 30,	Principal	Interest	Principal	Interest
2025	$ -	$ 232	$ 63,501	$ 4,306
2026	-	232	1,025	799
2027	-	232	7,726	748
2028	-	232	577	676
2029	-	232	605	648
2030-2034	5,000	232	3,495	2,490
2035-2039	-	-	3,780	1,574
2040-2044	-	-	3,280	548
2045-2049	-	-	675	63
2050-2054	-	-	46	2
Total	$ 5,000	$ 1,392	$ 84,710	$ 11,854

Bonds and notes payable activity for the year ended June 30, 2024, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Bonds and Notes Payable:				
General Obligation Bonds	$ 5,000,000	$ 5,000,000	$ (5,000,000)	$ 5,000,000
Unsecured Notes	102,000,000	284,000,000	(326,000,000)	60,000,000
Secured Notes	285,803,323	22,310,000	(5,176,425)	302,936,898
Revenue Bonds *	1,626,880,546	534,983,557	(143,902,861)	2,017,961,242
Total	$ 2,019,683,869	$ 846,293,557	$ (480,079,286)	$ 2,385,898,140

* Additions include Premium or discount associated with Revenue Bonds issued and the ending balance is inclusive of the unamortized premium/discount.

Bonds and notes payable activity for the year ended June 30, 2023, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Bonds and Notes Payable:				
General Obligation Bonds	$ 5,000,000	$ -	$ -	$ 5,000,000
Unsecured Notes	104,000,000	314,000,000	(316,000,000)	102,000,000
Secured Notes	184,927,763	107,580,000	(6,704,440)	285,803,323
Revenue Bonds	1,467,912,846	324,705,000	(165,737,300)	1,626,880,546
Total	$ 1,761,840,609	$ 746,285,000	$ (488,441,740)	$ 2,019,683,869

NOTE 7 BONDS AND NOTES PAYABLE (CONTINUED)

Changes in direct borrowings and placements for the year ended June 30, 2024, are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business Type Activities:					
General Obligation Bonds	$ 5,000,000	$ 5,000,000	$ (5,000,000)	$ 5,000,000	$ -
Notes from Direct Borrowings and Direct Placements	126,657,528	286,500,000	(328,447,960)	84,709,568	63,501,446
Total	$ 131,657,528	$ 291,500,000	$ (333,447,960)	$ 89,709,568	$ 63,501,446

Changes in direct borrowings and placements for the year ended June 30, 2023, are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business Type Activities:					
General Obligation Bonds	$ 5,000,000	$ -	$ -	$ 5,000,000	$ 5,000,000
Notes from Direct Borrowings and Direct Placements	130,088,264	317,000,000	(320,430,736)	126,657,528	109,480,019
Total	$ 135,088,264	$ 317,000,000	$ (320,430,736)	$ 131,657,528	$ 114,480,019

The agreements related to the notes from direct borrowings and direct placements of $84,709,568 include certain provisions and results in the event of default. For the various lines of credit, which total $60,000,000, the interest rate could increase up to a maximum of 5% over the current rate and the outstanding lines may become due immediately at the discretion of the respective lenders. For the notes payable, which total $14,034,568, the principal and related interest would become due immediately.

NOTE 8 CONDUIT DEBT

To further economic development in the State, the Corporation issues bonds that provide financing for the acquisition, construction, and rehabilitation of multifamily housing for low-income renters. The properties financed are pledged as collateral, and the bonds are payable solely from payments received from the developers on the underlying mortgage or promissory notes. In addition, no commitments beyond the collateral, the payments from the developers and maintenance of the tax-exempt status of the conduit debt obligation were extended by the Corporation for any of those bonds. At June 30, 2024 and June 30, 2023, the bonds have an aggregate outstanding principal amount payable of $149,433,795 and $128,108,101, respectively.

NOTE 9 COMMITMENTS AND CONTINGENCIES

The Corporation is party to financial instruments with off-balance-sheet risk in connection with its commitments to provide financing. Such commitments expose the Corporation to credit risk in excess of the amounts recognized in the accompanying combining statements of net position. The Corporation's exposure to credit loss in the event of nonperformance by the borrowers is represented by the contractual amount of such instruments. The Corporation uses the same credit policies in making commitments as it does for on-balance-sheet instruments.

Total credit exposure as a result of loan commitments at June 30, 2024, is as follows:

Single-Family Fund	$ -
Operating Fund	229,903,414
Multi-Family	-
Trust	7,379,183
Total	$ 237,282,597

Commitments to extend credit are agreements to lend to a borrower as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses. The Corporation evaluates each borrower's creditworthiness on a case-by-case basis. Interest rates on approved loan commitments are principally fixed rates.

The Corporation has entered into contracts with multiple developments under the Neighborhood Opportunities Program to fund projects over the next seven years for a total of $6,467,339, subject to the availability of funds. As of June 30, 2024, $5,662,820 has been paid under these contracts.

The Corporation is party to certain claims and lawsuits which are being contested, certain of which the Corporation and respective legal counsel are unable to determine the likelihood of an unfavorable outcome or the amount or range of potential loss. In the opinion of management, the ultimate liability with respect to these actions and claims will not have a material adverse effect on either the financial position or the results of operations of the Corporation.

The Corporation is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God for which the Corporation carries commercial insurance. Neither the Corporation nor its insurers have settled any claims which exceeded the Corporation's insurance coverage in any of the last three fiscal years. There have been no significant reductions in any insurance coverage from amounts in the prior year. The Corporation also is self-insured for unemployment compensation, and no accrual has been recorded in the accompanying financial statements for claims expected to arise from services rendered on or before June 30, 2024, because the Corporation officials are of the opinion that, based on prior experience, such claims will not be material.

NOTE 10 DERIVATIVE INSTRUMENTS

In July 2013, the Corporation converted its loan funding platform from a mortgage revenue bond program to a program primarily financed through the sale of whole loans and mortgage-backed securities guaranteed by FNMA, Freddie Mac and GNMA as to timely payment of principal and interest. The securities represent pools of qualified first mortgage loans originated by the Corporation approved lenders. Under this program, the Corporation periodically enters into forward contracts to sell the securities to investors before the securities are ready for delivery (referred to as a To-Be-Announced or TBA Mortgage-Backed Security Contract). The Corporation enters into TBA Mortgage-Backed Security Contracts to hedge the interest rate risk for loan commitments made to originating mortgage lenders. TBA Mortgage-Backed Security Contracts are derivative instruments due to one or more of the following factors that are not designated at the time the Corporation and the investor enter into the transaction: settlement factors; the reference rates or interest rates the security will bear; and notional amounts in the form of the principal amount of the future Mortgage-Backed Securities. In addition, payment to the Corporation by the investor is not required until the investor receives the security, enabling the investor to take a position on interest rates without making a payment. Finally, the TBA Mortgage-Backed Security Contracts may be “net settled” because neither party is required to deliver or purchase an asset to settle the TBA Mortgage-Backed Securities Contract.

At June 30, 2024, the Corporation entered into commitments to sell loans to Fannie Mae with a total notional amount of $25,600,000 and fair market values totaling $26,128,933 were outstanding, resulting in a hedging instrument of $528,933. These contracts are valued using quoted market prices (Level 1 inputs) and the fair values of such contracts are included in the combining statements of net position as deferred outflows of resources.

At June 30, 2023, the Corporation entered into commitments to sell loans to Fannie Mae with a total notional amount of $60,369,000 and fair market values totaling $61,034,308 resulting in a hedging instrument of $665,308. These contracts are valued using quoted market prices (Level 1 inputs) and the fair values of such contracts are also included in the combining statements of net position as deferred outflows of resources.

The Corporation may utilize swaps to establish synthetic fixed rates for a portion of its variable rate bond obligations in order to reduce overall costs of borrowing and to protect against the potential of rising interest rates. The Corporations existing interest rate swap transaction is structured for the Corporation to pay a fixed interest rate while receiving a variable interest rate from the swap counterparty which is comparable to the rate required by the associated variable rate debt. This synthetic fixed rate was lower than that available to the Corporation from fixed rate obligations of comparable maturities. The proceeds of these transactions are generally utilized to make fixed rate mortgage loans. As the objective of the swap entered into was to hedge changes in cash flows for each bond series, they are classified as cash flow hedges.

NOTE 10 DERIVATIVE INSTRUMENTS (CONTINUED)

At June 30, 2024, the Corporation was party to three interest rate swap agreement and two forward-settling interest rate swap agreement with three counterparties. The swap details at June 30, 2024 are as follows:

Associated Bond Issue	Counter-Party	Variable Rate Bonds Outstanding	Swap Notional Amount	Swap Effective Date	Swap Termination Date	Fixed Rate Paid	Variable Rate Received	Hedging Derivative Value
Cash Flow Hedges:								
HOB Series 79 T-2	BNY	$ 42,010,000	$ 41,100,000	3/8/2023	10/1/2032	4.0245%	SOFR +10 bp	$ 468,827
FFB - West House II	BNY		1,190,000	1/9/2026	11/1/2051	2.9225%	SOFR	145,993
HOB Series 80 T-2	BANA	64,710,000	64,690,000	8/24/2023	10/1/2036	3.7780%	SOFR +10 bp	1,413,187
HOB Series 82 T-2	RBC	26,000,000	26,000,000	3/21/2024	4/1/2033	4.1510%	SOFR +10 bp	130,562
FFB - Central Street	BNY		1,930,000	5/3/2027	4/1/2046	4.0910%	SOFR	(60,528)
		$ 132,720,000	$ 134,910,000					$ 2,098,041

The counterparty ratings are as follows:

	Counterparty Rating		
Agency	BNY	BANA	RBC
Moody's	Aa2 Negative	Aa1 Negative	Aa1 Stable
S&P	AA- Stable	A+ Stable	AA- Stable
Fitch	AA Stable	AA Stable	AA- Stable

NOTE 11 EMPLOYEE BENEFITS

Employee Benefit Plan

The Corporation has adopted an employee retirement plan created in accordance with Internal Revenue Code Section 401(a). The Corporation's 401(a) Money-Purchase Pension Plan (the Plan) is a defined contribution plan, administered by Voya Financial. Regular full-time employees who meet certain requirements as to length of service are eligible. The Corporation contributes a set percentage of an employee's annual eligible compensation to the Plan. The contribution requirements and benefit provisions are established and may be amended by management of the Corporation along with the Board of Commissioners. Contributions to the Plan for the years ended June 30, 2024 and 2023, totaled $1,819,503 and $1,879,175, respectively. The assets of the Plan were placed under a separate trust agreement for the benefit of the applicable employees and, therefore, are neither an asset nor a liability of the Corporation.

Postemployment Healthcare Plan

The Rhode Island Housing Retiree Healthcare Plan (RIHRHP) is a single-employer, defined benefit healthcare plan administered by the Corporation. RIHRHP provides medical insurance benefits to eligible employees who retire from active full-time employment based on years of service and age.

NOTE 11 EMPLOYEE BENEFITS (CONTINUED)

Postemployment Healthcare Plan (Continued)

RIHRHP currently pays for postemployment health care benefits on a pay-as-you-go basis. As of June 30, 2024 and 2023, RIHRHP has not established a trust fund to irrevocably segregate assets to fund the liability associated with the postemployment benefits, which would require the reporting of a trust fund in accordance with GASB guidelines. Administration costs are financed from current operations. RIHRHP does not issue a stand-alone financial report.

Employees become eligible at 28 years of service or at age 59½ with 10 years of service. RIHRHP pays a percentage of the cost of insurance, ranging from 50% to 100%, based on a combination of years of service and age. The benefit provisions are established and may be amended by management of the Corporation along with the Board of Commissioners.

Membership in the plan consisted of the following at June 30, 2023, the date of the last actuarial valuation, which was used to calculate the total OPEB liability at the measurement date as of June 30, 2024 and 2023:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	34
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	-
Active Plan Members	218
Total Plan Members	252

Total OPEB Liability

RI Housing's total OPEB liability as of June 30, 2024 of $8,163,569 is based on an actuarial valuation performed as of June 30, 2023.

RI Housing's total OPEB liability as of June 30, 2023 of $8,009,760 is based on an actuarial valuation performed as of June 30, 2021. Updated procedures were used to roll forward the total OPEB liability to the measurement date of June 30, 2022.

NOTE 11 EMPLOYEE BENEFITS (CONTINUED)

Actuarial Assumptions and Methods

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

Valuation Date	June 30, 2023
Measurement Date	June 30, 2023
Actuarial Cost Method	Individual Entry-Age Normal
Discount Rate	3.86% as of June 30, 2023
Inflation	2.25%
Salary Increases	3.50% to 7.50%
Demographic Assumptions	Due to the size of the plan, the demographic assumptions are not based on formal experience studies. However, gains and losses are monitored during each valuation and adjustments are made to the demographics assumptions as needed.
Mortality	For healthy retirees, the gender-distinct PubG-2010 Healthy Retiree mortality tables were used. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the Scale MP-2014 tables to account for future mortality improvements.
Health Care Trend Rates	Pre-65: Initial rate of 7.10% declining to an ultimate rate of 4.25% after 15 years; Post-65: Initial rate of 5.00% declining to an ultimate rate of 4.25% after 9 years.
Participation Rates	70% for retirees with 10 to 15 years of service at retirement. 85% for retirees with 16 to 27 years of service at retirement. 100% for retirees with 28 years of more of service at retirement.
Other Information:	
Notes	The discount rate changed from 3.69% as of June 30, 2022 to 3.86% as of June 30, 2023. Additionally, the healthcare trend was reset based on the plan's anticipated experience.

NOTE 11 EMPLOYEE BENEFITS (CONTINUED)

Schedule of Changes in Total OPEB Liability and Related Ratios Fiscal Years Ended June 30, 2024 and 2023

	2024	2023
Total OPEB Liability:		
Service Cost	$ 555,238	$ 766,045
Interest on the Total OPEB Liability	302,669	203,380
Difference between Expected and Actual Experience	(674,102)	(875)
Changes of Assumptions	139,914	(3,088,485)
Benefit Payments	(169,910)	(159,937)
Net Change in Total OPEB Liability	153,809	(2,279,872)
Total OPEB Liability - Beginning	8,009,760	10,289,632
Total OPEB Liability - Ending	$ 8,163,569	$ 8,009,760
Covered-Employee Payroll	$ 17,984,979	$ 18,034,032
Total OPEB Liability as a Percentage of Covered Payroll	45.39%	44.41%

Sensitivity of Total OPEB Liability to the Discount Rate Assumption

Regarding the sensitivity of the total OPEB liability to changes in the discount rate, the following presents the plan's total OPEB liability, calculated using a discount rate of 3.86% and 3.69% as of June 30, 2024 and 2023, respectively, as well as the Plan's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	June 30, 2024		
	1% Decrease 2.86%	Current Discount Rate Assumption 3.86%	1% Increase 4.86%
Total OPEB Liability	$ 9,777,778	$ 8,163,569	$ 6,889,298

	June 30, 2023		
	1% Decrease 2.69%	Current Discount Rate Assumption 3.69%	1% Increase 4.69%
Total OPEB Liability	$ 9,589,910	$ 8,009,760	$ 6,762,266

NOTE 11 EMPLOYEE BENEFITS (CONTINUED)

Sensitivity of Total OPEB Liability to the Healthcare Cost Trend Rate Assumption

Regarding the sensitivity of the total OPEB liability to changes in the healthcare cost trend rates, the following presents the plan's total OPEB liability, calculated using the assumed trend rates as well as what the plan's total OPEB liability would be if it were calculated using a trend rate that is one percent lower or one percent higher: For the years ended June 30, 2024 and 2023, the healthcare cost trend rates for members who are Pre-65 were 7.10% and 6.75%, respectively, and for members who are Post-65 were 5.00% and 5.60%, respectively.

	June 30, 2024		
	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Total OPEB Liability	$ 6,716,301	$ 8,163,569	$ 10,088,102

	June 30, 2023		
	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Total OPEB Liability	$ 6,535,712	$ 8,009,760	$ 9,981,369

Deferred Outflows and Deferred Inflows Related to OPEB

For the fiscal years ended June 30, 2024 and 2023, RIHRHP recognized OPEB expense of $538,591 and $705,798, respectively. At June 30, RIHRHP reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	June 30, 2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 7,671	$ 1,818,807
Changes in Assumptions	2,080,304	2,752,154
Contributions Subsequent to the Measurement Date	179,982	-
Total	$ 2,267,957	$ 4,570,961

NOTE 11 EMPLOYEE BENEFITS (CONTINUED)

Deferred Outflows and Deferred Inflows Related to OPEB (Continued)

	June 30, 2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 9,111	$ 1,408,509
Changes in Assumptions	2,284,002	3,152,718
Contributions Subsequent to the Measurement Date	169,910	-
Total	$ 2,463,023	$ 4,561,227

Amounts reported as deferred outflows of resources related to contributions after the measurement date will be recognized as a reduction of the total OPEB liability in the subsequent year.

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

Deferred Outflows and Deferred Inflows to be Recognized in Future OPEB Expense

Year Ending June 30	Net Deferred Outflows/ (Inflows)
2025	$ (319,316)
2026	(319,316)
2027	(319,316)
2028	(319,316)
2029	(267,259)
Thereafter	(938,463)
Total	$ (2,482,986)

NOTE 12 SUBSEQUENT EVENTS

The Corporation has instructed its trustee to redeem the following bonds outstanding:

Date of Call	Principal Program	Outstanding
August 15, 2024	Homeownership Opportunity Bonds	$ 4,655,000
September 1, 2024	Multi-Family Development Bonds	8,750,000

The Corporation issued debt as outlined below:

Date of Issuance	Principal Program	Outstanding
July 23, 2024	Homeownership Opportunity Bonds	$ 192,580,000
September 19, 2024	Multi-Family Development Bonds	87,850,000*
October 23, 2024	Homeownership Opportunity Bonds	190,000,000*

Various economic and political factors have created significant pockets of volatility in investment markets recently. As a result, the current fair value of the Corporation's investments may be materially different from amounts recorded in recent quarters' financial statements. Any changes, however, do not impact the Corporation's liquidity as it typically holds mortgage-backed securities until maturity.

*At the time of this review, this figure represents a planned market sale of bonds and does not represent the committed issuance of debt.

RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE LAST SEVEN FISCAL YEARS

Fiscal Year Ending June 30,	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service Cost	$ 555,238	$ 766,045	$ 677,977	$ 522,439	$ 544,653	$ 537,100	$ 619,903
Interest on the Total OPEB Liability	302,669	203,380	239,317	248,792	258,543	233,195	193,253
Changes of Benefit Terms	-	-	-	-	-	-	-
Difference Between Expected and Actual Experience	(674,102)	(875)	(966,770)	9,438	(1,010,025)	4,859	-
Changes of Assumptions	139,914	(3,088,485)	989,257	1,115,337	1,167,026	(72,478)	(754,007)
Benefit Payments	(169,910)	(159,937)	(158,423)	(150,259)	(134,837)	(94,763)	(76,424)
Net Change in Total OPEB Liability	153,809	(2,279,872)	781,358	1,745,747	825,360	607,913	(17,275)
Total OPEB Liability - Beginning	8,009,760	10,289,632	9,508,274	7,762,527	6,937,167	6,329,254	6,346,529
Total OPEB Liability - Ending	$ 8,163,569	$ 8,009,760	$ 10,289,632	$ 9,508,274	$ 7,762,527	$ 6,937,167	$ 6,329,254
Covered-Employee Payroll	$ 17,984,979	$ 18,034,032	$ 15,985,909	$ 16,179,697	$ 16,567,803	$ 16,562,167	$ 13,634,804
Total OPEB Liability as a Percentage of Covered-Employee Payroll	45.39%	44.41%	64.37%	58.77%	46.85%	41.89%	46.42%

* This schedule is intended to show information for 10 years. Additional years' information will be displayed as it becomes available.

Note: Measurement date of the total OPEB liability is one year prior to the report date.

RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
COMBINING STATEMENTS OF NET POSITION – MULTI-FAMILY FUND
JUNE 30, 2024 AND 2023

	Housing Bond Program	
	2024	2023
ASSETS		
Loans Receivable	$ -	$ -
Less: Allowance for Loan Losses	-	-
Loans Receivable, Net	-	-
Investments	-	-
Accrued Interest - Loans	-	-
Accrued Interest - Investments	-	-
Cash and Cash Equivalents	-	-
Accounts Receivable, Net	-	
Interfund Receivable (Payable)	-	-
Total Assets	$ -	$ -
LIABILITIES		
Bonds and Notes Payable	$ -	$ -
Accrued Interest Payable on Bonds and Notes	-	-
Accounts Payable and Accrued Liabilities	-	-
Fees, Net	-	-
Escrow Deposits	-	-
Total Liabilities	-	-
NET POSITION		
Net Position, Restricted	-	-
Total Liabilities and Net Position	$ -	$ -

RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
COMBINING STATEMENTS OF NET POSITION – MULTI-FAMILY FUND (CONTINUED)
JUNE 30, 2024 AND 2023

	Multi-Family Funding Bond		Multi-Family Development Bonds		Multi-Family Fund Total	
	2024	2023	2024	2023	2024	2023
ASSETS						
Loans Receivable	$ 21,909,466	$ 27,298,292	$ 339,418,214	$ 342,440,136	$ 361,327,680	$ 369,738,428
Less: Allowance for Loan Losses	-	-	-	-	-	-
Loans Receivable, Net	21,909,466	27,298,292	339,418,214	342,440,136	361,327,680	369,738,428
Investments	-		-	1,652,275	-	1,652,275
Accrued Interest - Loans	151,509	152,054	1,915,233	1,605,035	2,066,742	1,757,089
Accrued Interest - Investments	-	-	-	7,461	-	7,461
Cash and Cash Equivalents	5,946,586	6,471,298	50,533,491	62,010,698	56,480,077	68,481,996
Accounts Receivable, Net			-	-	-	-
Interfund Receivable (Payable)	-	-	-	(150,188)	-	(150,188)
Total Assets	28,007,561	33,921,644	391,866,938	407,565,417	419,874,499	441,487,061
LIABILITIES						
Bonds and Notes Payable	18,640,000	23,930,000	296,146,581	317,956,689	314,786,581	341,886,689
Accrued Interest Payable on Bonds and Notes	135,739	172,652	2,522,256	2,353,107	2,657,995	2,525,759
Accounts Payable and Accrued Liabilities	-	-	56,187	27,298	56,187	27,298
Fees, Net	-	-	1,994,201	2,015,270	1,994,201	2,015,270
Escrow Deposits	-	-	-	-	-	-
Total Liabilities	18,775,739	24,102,652	300,719,225	322,352,364	319,494,964	346,455,016
NET POSITION						
Net Position, Restricted	9,231,822	9,818,992	91,147,713	85,213,053	100,379,535	95,032,045
Total Liabilities and Net Position	$ 28,007,561	$ 33,921,644	$ 391,866,938	$ 407,565,417	$ 419,874,499	$ 441,487,061

RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – MULTI-FAMILY FUND
YEARS ENDED JUNE 30, 2024 AND 2023

	Housing Bond Program	
	2024	2023
OPERATING REVENUES		
Interest Income on Loans	$ -	$ -
Earnings on Investments:		
Interest on Investments	-	-
Total Operating Revenues	-	-
OPERATING EXPENSES		
Interest Expense	-	-
Other Administrative Expenses	-	-
Arbitrage Rebate	-	-
Bond Issuance Costs	-	-
Loan Costs	-	33,000
Total Operating Expenses	-	33,000
OPERATING INCOME (LOSS)	-	(33,000)
Net Increase (Decrease) in Fair Value of Investments	-	-
Transfers Out	-	33,000
CHANGE IN NET POSITION	-	-
Net Position - Beginning of Year	-	-
NET POSITION - END OF YEAR	$ -	$ -

RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
(A COMPONENT UNIT OF THE STATE OF RHODE ISLAND)
COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – MULTI-FAMILY FUND (CONTINUED)
YEARS ENDED JUNE 30, 2024 AND 2023

	Multi-Family Funding Bond Program		Multi-Family Development Bonds		Multi-Family Fund Total	
	2024	2023	2024	2023	2024	2023
OPERATING REVENUES						
Interest Income on Loans	$ 1,545,530	$ 2,564,723	$ 19,109,532	$ 18,591,290	$ 20,655,062	$ 21,156,013
Earnings on Investments:						
Interest on Investments	339,014	390,771	2,337,879	1,334,450	2,676,893	1,725,221
Total Operating Revenues	1,884,544	2,955,494	21,447,411	19,925,740	23,331,955	22,881,234
OPERATING EXPENSES						
Interest Expense	571,714	1,278,747	10,107,576	9,311,779	10,679,290	10,590,526
Other Administrative Expenses	-	-	-	-	-	-
Arbitrage Rebate	-	-	28,889	27,299	28,889	27,299
Bond Issuance Costs	-	-	4,000	585,885	4,000	585,885
Loan Costs	97,044	110,369	461,456	519,429	558,500	662,798
Total Operating Expenses	668,758	1,389,116	10,601,921	10,444,392	11,270,679	11,866,508
OPERATING INCOME (LOSS)	1,215,786	1,566,378	10,845,490	9,481,348	12,061,276	11,014,726
Net Increase (Decrease) in Fair Value of Investments			37,669	(276)	37,669	(276)
Transfers Out	(1,802,956)	(2,289,630)	(4,948,499)	(6,005,359)	(6,751,455)	(8,261,989)
CHANGE IN NET POSITION	(587,170)	(723,252)	5,934,660	3,475,713	5,347,490	2,752,461
Net Position - Beginning of Year	9,818,992	10,542,244	85,213,053	81,737,340	95,032,045	92,279,584
NET POSITION - END OF YEAR	$ 9,231,822	$ 9,818,992	$ 91,147,713	$ 85,213,053	$ 100,379,535	$ 95,032,045