

MINUTES OF THE REGULAR MEETING
OF THE
AUDIT COMMITTEE
WEST VIRGINIA HOUSING DEVELOPMENT FUND
June 27, 2022

A regular meeting of the Audit Committee of the West Virginia Housing Development Fund ("Fund") was held on Monday, June 27, 2022. The Committee attended via video conferencing and via telephone. The video conferencing information was made available to the public in the Notice of Meeting of the Audit Committee posted on the Secretary of State website, and on the Fund's website. The Chair called the meeting to order at 8:01 a.m., with the following members present throughout except where noted:

Kara Hughes, Representative for the Honorable Riley Moore, State Treasurer, Chair (via phone)
Bob Nistendirk, Member (via video)
Steven Travis, Representative for the
Honorable Patrick Morrissey, Attorney General (via phone)

Staff Present:

Erica Boggess, Executive Director
Zach Fisher, Internal Auditor
Trisha Hess, Senior Manager - Accounting
Chad Leport, Division Manager - Accounting and Finance
Martha Lilly, Legal Assistant
Kelley Ridling, Senior Manager, Internal Audit
Lori Ryan, Executive Assistant
Kristin Shaffer, Senior Legal Counsel
Crystal Toney, Deputy Director – Administration
Christy Chapman Welch, Quality Control Manager

Others Present:

Rob Adams – Brown Edwards
Samme Gee - Jackson Kelly PLLC
Kelley Goes – Jackson Kelly PLLC
Staunton Gorrell – Brown Edwards

Ms. Boggess served as Chair of the meeting due to a vacancy in the position.

CONSIDERATION/APPROVAL OF THE MINUTES OF
THE MARCH 23, 2022 MEETING

Representative Kara Hughes moved for the approval of the Minutes of the March 23, 2022 regular meeting. Her motion was seconded by Member Bob Nistendirk, and, upon the affirmative vote of the two (2) members present, Ms. Erica Boggess declared the motion adopted.

EXTERNAL AUDITOR COMMUNICATIONS

Rob Adams introduced the staff from Brown Edwards. Mr. Adams presented an overview of the firm's plan for the Fiscal Year 2022 financial audit, outlining the new appearance of audit reports and discussing different aspects of each new feature.

Staunton Gorrell discussed the new audit process and provided an update on Brown Edwards' activities so far this year. Mr. Gorrell informed the Committee that Brown Edwards has provided the required communication letter entitled Auditor Communication to Management and Those Charged with Governance. Mr. Gorrell noted that management appropriately applied government accounting standards in the Fund's financial statements.

Representative Steven Travis joined the meeting.

ELECTION OF AUDIT COMMITTEE CHAIR

Ms. Boggess informed that Committee that, due to the passing of Member John Gianola, previous Chair of the Audit Committee, it is necessary to elect a new Chair.

Member Nistendirk moved to nominate Representative Kara Hughes as Chair of the Audit Committee. His motion was seconded by Representative Steven Travis, and, upon the affirmative vote of the two (2) members present, Ms. Boggess declared the motion adopted.

Representative Travis moved to elect Representative Hughes as the Chair of the Audit Committee. His motion was seconded by Member Nistendirk, and, upon the affirmative vote of the two (2) members present, Ms. Boggess declared the motion adopted.

RECOMMENDATION TO APPROVE PROPOSED
FY2023 OPERATING BUDGET AND RECOMMEND TO
FULL BOARD FOR APPROVAL

Ms. Boggess presented the proposed Fiscal Year 2023 Operating Budget. Ms. Boggess stated that the proposed Operating Budget for Fiscal Year 2023 is \$15,365,000, which is a

\$1,408,504 increase from the Fiscal Year 2022 budget and explained the factors resulting the increase.

Ms. Boggess stated that staff is requesting approval of the proposed Fiscal Year 2023 Operating Budget and for further recommendation to the Board.

Member Nistendirk moved to approve the proposed Fiscal Year 2023 Operating Budget as presented and to recommend approval to the Board. His motion was seconded by Representative Travis, and, upon the affirmative vote of three (3) members present, the Chair declared the motion adopted.

A copy of the proposed Fiscal Year 2023 Operating Budget is attached as Exhibit A.

RECOMMENDATION TO APPROVE FY2023
PROGRAM FUNDING ALLOCATIONS FOR FURTHER
RECOMMENDATION TO THE BOARD

Ms. Boggess presented the proposed Fiscal Year 2023 Funding Allocations. Ms. Boggess explained that the Board Approved Funding Allocations section includes items that are funded from general operating funds and allocated by the Board for anticipated program activity. Statutory/Restricted Programs include programs funded through federal programs or other sources that are restricted by federal regulation, bond resolutions, the WVHDF Act or other regulations/contracts.

Ms. Boggess stated that Program Funds available includes funds currently on hand as well as estimated loan repayments, investment earnings and administrative expenses for Fiscal Year 2023. Uses of Funds include current program commitments and expected Fiscal Year 2023 production.

Staff is requesting approval of the Fiscal Year 2023 Funding Allocations and for further recommendation to the Board.

Representative Travis moved to approve the Fiscal Year 2023 Funding Allocations as presented, and for further recommendation to the Board. His motion was seconded by Member Nistendirk, and, upon the affirmative vote of the three (3) members present, the Chair declared the motion adopted.

A copy of the Fiscal Year 2023 Program Funding Allocation is attached as Exhibit B.

FY2023 PROJECTION OF REVENUES AND EXPENSES

Ms. Boggess presented the Fiscal Year 2023 Projection of Revenues and Expenses and stated that it is based on several factors, including anticipated production, historical revenues and expenses, and anticipated changes in those historical amounts.

Ms. Boggess further stated that projected net earnings is \$15.3 million for the Fiscal Year ending June 30, 2023. As compared to 2022 estimated net income, projected earnings will decrease approximately \$2.8 million in Fiscal Year 2023.

This item is for informational purposes only.

A copy of the Fiscal Year 2023 Projection of Revenue and Expenses for the Fund is attached as Exhibit C.

ADJOURNMENT

There being no further business, Member Nistendirk moved to adjourn the meeting. His motion was seconded by Representative Travis, and, upon the affirmative vote of the three (3) members present, the Chair declared the meeting adjourned at 8:43 a.m.


Martha Lilly
Assistant Secretary

EXHIBIT I

**WEST VIRGINIA HOUSING DEVELOPMENT FUND
PROPOSED 2023 BUDGET
COMPARED TO 2022 BUDGET**

	2023 PROPOSED BUDGET	2022 BUDGET	2023 PROPOSED BUDGET \$ OVER / (UNDER) 2022 BUDGET	2023 PROPOSED BUDGET % OVER / (UNDER) 2022 BUDGET
Salaries	\$ 8,023,500	\$ 7,302,900	\$ 720,600	9.87%
Benefits	4,076,800	3,533,100	543,700	15.39%
PERSONNEL SERVICES	\$ 12,100,300	\$ 10,836,000	\$ 1,264,300	11.67%
Travel	193,700	184,100	9,600	5.21%
Professional Development	150,200	148,100	2,100	1.42%
Space Rental	708,000	719,500	(11,500)	(1.60%)
Office Supplies & Postage	263,000	245,800	17,200	7.00%
Furniture & Equipment	49,500	49,900	(400)	(0.80%)
Professional Fees	339,600	430,700	(91,100)	(21.15%)
Advertising & Promotions	603,300	532,700	70,600	13.25%
Computer Operations	826,900	833,900	(7,000)	(0.84%)
Insurance & Miscellaneous	130,500	122,300	8,200	6.70%
NON-PERSONNEL EXPENSE	\$ 3,264,700	\$ 3,267,000	\$ (2,300)	(0.07%)
TOTAL EXPENSES	\$ 15,365,000	\$ 14,103,000	\$ 1,262,000	8.95%

EXHIBIT II

**WEST VIRGINIA HOUSING DEVELOPMENT FUND
PROPOSED 2023 BUDGET
COMPARISON OF 2023 PROPOSED BUDGET TO 2022 ESTIMATED EXPENSES
AND 2022 ESTIMATED EXPENSES TO 2022 BUDGET**

	2023 PROPOSED BUDGET	2022 ESTIMATED EXPENSES	2023 BUDGET OVER / (UNDER) 2022 ESTIMATED EXPENSES	2022 BUDGET	2022 ESTIMATED EXPENSES OVER / (UNDER) 2022 BUDGET
Salaries	\$ 8,023,500	\$ 7,636,848	\$ 386,652	\$ 7,302,900	\$ 333,948
Benefits	4,076,800	3,504,868	571,932	3,533,100	(28,232)
PERSONNEL SERVICES	\$ 12,100,300	\$ 11,141,716	\$ 958,584	\$ 10,836,000	\$ 305,716
Travel	193,700	58,357	135,343	184,100	(125,743)
Professional Development	150,200	85,778	64,422	148,100	(62,322)
Space Rental	708,000	712,843	(4,843)	719,500	(6,657)
Office Supplies & Postage	263,000	241,383	21,617	245,800	(4,417)
Furniture & Equipment	49,500	27,997	21,503	49,900	(21,903)
Professional Fees	339,600	271,829	67,771	430,700	(158,871)
Advertising & Promotions	603,300	486,585	116,715	532,700	(46,115)
Computer & Telephone Operations	826,900	814,612	12,288	833,900	(19,288)
Insurance & Miscellaneous	130,500	115,396	15,104	122,300	(6,904)
NON-PERSONNEL EXPENSE	\$ 3,264,700	\$ 2,814,780	\$ 449,920	\$ 3,267,000	\$ (452,220)
TOTAL EXPENSES	\$ 15,365,000	\$ 13,956,496	\$ 1,408,504	\$ 14,103,000	\$ (146,504)

% 2023 BUDGET OVER 2022 ESTIMATED EXPENSES

10.09%

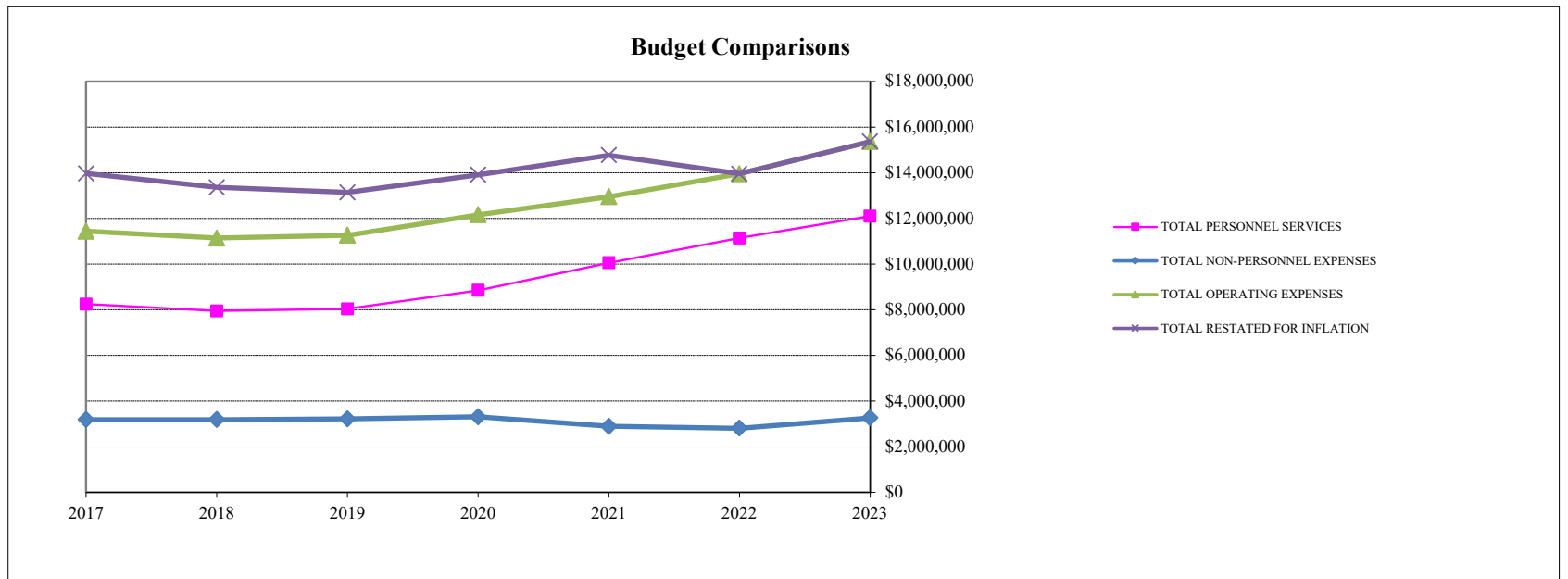
% 2022 ESTIMATED EXPENSES UNDER 2022 BUDGET

(1.04%)

EXHIBIT III

**WEST VIRGINIA HOUSING DEVELOPMENT FUND
EXPENSE SUMMARY AND PROPOSED 2022 BUDGET COMPARISON
YEARS ENDED JUNE 30, 2017-2023**

	2023 PROPOSED BUDGET	2022 ESTIMATED EXPENSES	2021 ACTUAL EXPENSES	2020 ACTUAL EXPENSES	2019 ACTUAL EXPENSES	2018 ACTUAL EXPENSES	2017 ACTUAL EXPENSES
TOTAL PERSONNEL SERVICES	\$ 12,100,300	\$ 11,141,716	\$ 10,056,000	\$ 8,847,000	\$ 8,040,000	\$ 7,948,000	\$ 8,247,000
TOTAL NON-PERSONNEL EXPENSES	3,264,700	2,814,780	2,897,000	3,313,000	3,223,000	3,194,000	3,190,000
TOTAL OPERATING EXPENSES	\$ 15,365,000	\$ 13,956,496	\$ 12,953,000	\$ 12,160,000	\$ 11,263,000	\$ 11,142,000	\$ 11,437,000
TOTAL RESTATED FOR INFLATION	\$ 15,365,000	\$ 13,956,496	\$ 14,767,054	\$ 13,908,617	\$ 13,139,822	\$ 13,358,280	\$ 13,972,145



**WEST VIRGINIA HOUSING DEVELOPMENT FUND
RECOMMENDED PROGRAM FUNDING ALLOCATIONS
FISCAL YEAR ENDING JUNE 30, 2023**

	Program Funds Available	Recommended Interfund Program Transfers	Federal, Debt and Other Funding Sources	Outstanding Commitments/ Pipeline	Uses of Funds FY 2023 New Activity	Total Projected Disbursements	Estimated Uncommitted Funds Remaining	
<u>Board Approved Funding Allocations</u>								
Home Ownership Assistance	\$ 7,571,729	\$ -	\$ -	\$ -	\$ 4,599,549	\$ 4,599,549	\$ 2,972,180	
Multifamily Lending Program	13,621,390	20,000,000	6,000,000	19,462,897	20,103,787	39,566,684	54,706	(1)
Special Assistance Lending Program	415,557	-	-	200,000	-	200,000	215,557	
LAMP/Habitat Loans	182,766	300,000	-	-	480,000	480,000	2,766	
Secondary Market Program	903,094	-	9,433,266	-	9,433,266	9,433,266	903,094	(2)
Building Fund	3,039,810	-	-	-	-	-	3,039,810	
General Fund	3,560,785	(300,000)	-	-	-	-	3,260,785	
Total Unrestricted Funds	29,295,133	20,000,000	15,433,266	19,662,897	34,616,602	54,279,499	10,448,900	
<u>Statutory/Restricted Programs</u>								
Mortgage Revenue Bond Program (loan funds)	3,236,087	-	70,000,000	-	66,857,875	66,857,875	6,378,212	(3)
Movin' Up Program	38,891,108	-	-	-	31,744,950	31,744,950	7,146,158	(4)
HOME	16,133,575	-	24,259,116	-	9,132,016	9,132,016	31,260,675	
HOME - ARP	-	-	19,106,500	-	-	-	19,106,500	
National Housing Trust Fund	8,582,769	-	3,101,884	-	5,566,300	5,566,300	6,118,353	
Affordable Housing Fund	5,491,481	-	-	-	2,042,755	2,042,755	3,448,726	
Land Development Program	3,193,060	-	-	-	-	-	3,193,060	
WV Property Rescue Initiative	666,288	-	-	-	437,952	437,952	228,336	
Bond Insurance Fund	58,200,513	(20,000,000)	-	-	-	-	38,200,513	
FAF	349,923	-	-	-	-	-	349,923	
Flood - State Relocation Grant	143,018	-	-	-	-	-	143,018	
Flood - State Grants	497,692	-	-	-	-	-	497,692	
On-site Systems Loan Program	232,729	-	-	-	92,400	92,400	140,329	
Setaside - T&I Advances	131,112	-	-	-	-	-	131,112	
Total Restricted Funds	\$ 135,749,355	\$ (20,000,000)	\$ 116,467,500	\$ -	\$ 115,874,248	\$ 115,874,248	\$ 116,342,607	
Total All Funds						\$ 170,153,747		

(1) Construction draws will be funded from the Bond Insurance Fund, as necessary, which will be repaid upon completion of construction and from advances on the \$20,000,000 United Bank line of credit approved by the Board 01/26/2022. In addition, a portion of the construction draws may be funded from the Land Development Program as permitted by the Act.

(2) Secondary Market loans are purchased with an internal warehouse line that revolves allowing us to re-use the money throughout the year to meet production goals.

(3) Funding source is two \$35,000,000 bond issuances.

(4) Funding source is recycled bond funds. Funds will only be recycled to the extent not required to meet debt service payments.

Projection of Revenues and Expenses for the West Virginia Housing Development Fund
Year Ending June 30, 2023
Proposed 2023 Revenue and Expense Projection
Compared to 2022 Estimated Revenues and Expenses

	<i>2023 Projection</i>	<i>2022 Estimated</i>	<i>2023 Projection \$ Variance from 2022 Estimated</i>	<i>2023 Projection % Variance from 2022 Estimated</i>	<i>Explanation of fluctuations</i>
OPERATING REVENUES					
Interest on loans	\$ 31,224,545	\$ 29,953,543	\$ 1,271,002	4.24%	Weighted average mortgage rate projected to be higher in FY 2023
Fees:					
Section 8 management fees	1,887,480	1,907,262	(19,782)	(1.04%)	
Financing fees	661,796	669,392	(7,596)	(1.13%)	
Servicing fees	3,366,551	3,366,551	0	0.00%	Servicing fees based on FY2022 estimated fees
AHF Consumer Fees	1,136,254	1,136,254	(0)	(0.00%)	Consumer fees based on FY2022 estimated fees
Other fee income	1,588,148	1,528,354	59,794	3.91%	Increase primarily due to an increase in Low-Income Housing Tax Credit Fees
Total Fees	8,640,229	8,607,813	32,416	0.38%	
Other Revenues:					
Gain on sale of mortgage loans	169,799	286,755	(116,956)	(40.79%)	Gains in the secondary market program are estimated to be lower in FY2023 due to lower production
Other	958,000	870,420	87,580	10.06%	Increase due to gains on sales of foreclosed properties projected to be back to pre-pandemic level and higher in FY2023
Total Other Revenues:	1,127,799	1,157,175	(29,376)	(2.54%)	
OPERATING EXPENSES					
Program Expenses:					
Loan origination fees	1,941,404	1,828,740	112,664	6.16%	Increase due to a projected increase in production
Servicing expense	1,906,843	1,909,340	(2,497)	(0.13%)	
Servicing release fees	782,417	656,567	125,850	19.17%	Increase due to a projected increase in production
Cost of issuance	1,076,400	456,101	620,299	136.00%	Two bond issuances projected for FY2023, one issuance in FY2022
Special needs / Home 4 Good	200,000	125,206	74,794	59.74%	Disbursements are expected to be higher in FY2023
Foreclosure expenses	2,425,000	950,237	1,474,763	155.20%	Foreclosure related expenses are expected to be back to pre-pandemic level and higher in FY2023
AHF disbursements	2,042,755	1,603,199	439,556	27.42%	Increase due to a projected increase in production
Other	816,942	779,750	37,192	4.77%	Increase primarily due to an increase in WVPRI Technical Assistance expenses
Total Program Expenses	11,191,761	8,309,139	2,882,622	34.69%	
Salary and Benefits/Other Operating, net of reimbursements	10,930,605	7,950,955	2,979,650	37.48%	Fluctuation due to an increase in the FY2023 operating budget over FY2022 operating expenses and the expected close out of the Emergency Rental Assistance Programs will reduce reimbursements in FY2023
OPERATING INCOME	18,870,206	23,458,437	(4,588,231)	(19.56%)	
NON-OPERATING - FINANCING AND INVESTING REVENUES (EXPENSES)					
Interest on investments	4,655,067	1,983,585	2,671,482	134.68%	Weighted average investment rate projected to be higher in FY2023.
Interest and debt expense	(8,255,309)	(7,357,612)	(897,697)	12.20%	Increase in bonds outstanding due to bond issuances and draws on the line of credit for multifamily lending, net of projected bond redemptions
	(3,600,242)	(5,374,027)	1,773,785	(33.01%)	
NET INCOME per financial	\$ 15,269,964	\$ 18,084,410	\$ (2,814,445)	(15.56%)	

**Projection of Revenues and Expenses for the West Virginia Housing Development Fund
Year Ending June 30, 2023**

Exhibit # 1

Estimated Income and Expense Summary

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
		ESTIMATED INVESTMENT	ESTIMATED LOAN	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED OPERATING	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED	*ESTIMATED
MONTH	ESTIMATED FEE INCOME	INTEREST INCOME	INTEREST INCOME	OTHER REVENUES	TOTAL INCOME	INTEREST EXPENSE	NET OF REIM- BURSEMENTS	PROGRAM EXPENSES	TOTAL EXPENSES	NET CASH	ESTIMATED NON-CASH	*ESTIMATED FINANCIAL
										EARNINGS	EXPENSES	EARNINGS
Jul-22	400,931	347,403	2,534,081	92,137	3,374,553	647,831	631,914	698,573	1,978,318	1,396,235	102,391	1,293,843
Aug-22	777,471	347,419	2,548,460	94,598	3,767,948	637,594	1,008,662	1,332,046	2,978,302	789,646	102,391	687,255
Sep-22	666,341	387,238	2,581,930	99,520	3,735,028	640,482	740,900	751,333	2,132,714	1,602,314	102,391	1,499,923
Oct-22	599,722	389,799	2,599,070	97,059	3,685,650	705,115	704,613	698,790	2,108,518	1,577,132	102,725	1,474,408
Nov-22	589,972	393,581	2,612,297	94,598	3,690,449	686,820	777,277	716,677	2,180,774	1,509,675	102,726	1,406,949
Dec-22	644,453	376,823	2,610,083	92,137	3,723,496	687,170	666,179	727,769	2,081,118	1,642,378	102,726	1,539,653
Jan-23	1,285,972	378,388	2,596,506	89,676	4,350,543	680,870	895,972	693,378	2,270,220	2,080,323	102,726	1,977,597
Feb-23	593,573	382,030	2,610,499	89,676	3,675,778	676,058	1,025,290	723,681	2,425,030	1,250,749	102,726	1,148,023
Mar-23	595,823	385,649	2,622,235	92,138	3,695,845	738,330	1,056,059	1,213,997	3,008,386	687,460	102,727	584,733
Apr-23	1,099,483	433,345	2,640,817	94,599	4,268,244	742,180	1,006,996	756,083	2,505,259	1,762,986	102,727	1,660,259
May-23	597,473	429,503	2,642,537	94,599	3,764,112	711,856	1,203,996	722,530	2,638,381	1,125,731	102,727	1,023,004
Jun-23	789,011	403,891	2,626,031	97,060	3,915,993	701,006	1,212,746	725,197	2,638,948	1,277,045	302,728	974,317
TOTALS	8,640,229	4,655,067	31,224,545	1,127,799	45,647,640	8,255,309	10,930,605	9,760,054	28,945,968	16,701,672	1,431,708	15,269,964

- (1) From Exhibit # 2, Column (9)
- (2) From Exhibit # 3, Column (12)
- (3) From Exhibit # 4, Column (10)
- (4) From Exhibit # 9, Column (6)
- (5) Total of Columns (1) to (4)
- (6) From Exhibit # 5, Column (11)
- (7) From Exhibit # 6, Column (5)
- (8) From Exhibit # 7, Column (11)
- (9) Total of Columns (6) to (8)
- (10) Column (5) minus Column (9)
- (11) From Exhibit #7 Column (15)
- (12) Column (10) minus Column (11)

* GASB 31 not included in projection

**Projection of Revenues and Expenses for the West Virginia Housing Development Fund
Year Ending June 30, 2023**

Exhibit # 2

Projection of Estimated Fee Income

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	ESTIMATED SECTION 8 MANAGEMENT FEE INCOME	ESTIMATED MULTIFAMILY FEE INCOME	ESTIMATED ORIGINATION FEE INCOME	ESTIMATED LOW INCOME TAX CREDIT FEE INCOME	ESTIMATED HDF EARNED SERVICING INCOME	ESTIMATED AHF CONSUMER FEES	ESTIMATED MISC FEE INCOME		ESTIMATED TOTAL FEE INCOME
MONTH									
Jul-22	0	833	23,390	250	280,546	94,688	1,224		400,931
Aug-22	157,290	178,833	30,890	0	280,546	94,688	35,224		777,471
Sep-22	157,290	74,703	23,890	0	280,546	94,688	35,224		666,341
Oct-22	157,290	9,833	22,141	0	280,546	94,688	35,224		599,722
Nov-22	157,290	833	21,391	0	280,546	94,688	35,224		589,972
Dec-22	157,290	34,814	24,391	0	280,546	94,688	52,724		644,453
Jan-23	157,290	833	22,391	695,000	280,546	94,688	35,224		1,285,972
Feb-23	157,290	833	23,392	1,600	280,546	94,688	35,224		593,573
Mar-23	157,290	833	26,892	350	280,546	94,688	35,224		595,823
Apr-23	157,290	50,833	30,142	450,760	280,546	94,688	35,224		1,099,483
May-23	157,290	833	28,892	0	280,546	94,688	35,224		597,473
Jun-23	314,580	833	29,143	0	280,545	94,686	69,224		789,011
TOTALS	1,887,480	354,851	306,945	1,147,960	3,366,551	1,136,254	440,188		8,640,229

- (1) Fees earned for administering Section 8 Rental Assistance Program for HUD
- (2) Fees paid by developers for financing provided under our Multifamily Lending and Affordable Housing Fund programs
- (3) Fees earned on single family loan refinancing/underwriting/originations
- (4) Fees paid by developers for projects in the Low Income Tax Credit Program and ongoing monitoring and asset management fees
- (5) Fees/income earned for loans serviced by the Housing Development Fund
- (6) Affordable Housing Fund consumer fees
- (7) Fees received for Statewide foreclosure tracking and reporting and fees from HUD for Management Occupancy Reviews.
- (8) Reserved
- (9) Total of Columns (1) to (8). Posted to Exhibit #1, Column (1)

**Projection of Revenues and Expenses for the West Virginia Housing Development Fund
Year Ending June 30, 2023**

Exhibit # 3

Projection of Estimated Investment Interest Income

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	SHORT-TERM INVESTMENTS						LONG-TERM INVESTMENTS					
MONTH	ESTIMATED BEGINNING INVESTMENT BALANCE	ESTIMATED BOND SALES/ REDEMPTIONS) LOC DRAWS/ (REPAYMENTS)	ESTIMATED LOAN PURCHASES	ESTIMATED OTHER	ESTIMATED ENDING INVESTMENT BALANCE	ESTIMATED SHORT-TERM INTEREST EARNINGS	ESTIMATED BEGINNING INVESTMENT BALANCE	ESTIMATED (MATURITIES)	ESTIMATED PURCHASES	ESTIMATED ENDING INVESTMENT BALANCE	ESTIMATED LONG-TERM INTEREST EARNINGS	ESTIMATED INVESTMENT INTEREST INCOME
Jul-22	91,422,104	0	10,943,991	9,101,092	89,579,205	152,780	46,709,552	0	0	46,709,552	194,623	347,403
Aug-22	89,579,205	33,215,000	16,122,346	8,494,503	115,166,362	152,796	46,709,552	0	0	46,709,552	194,623	347,419
Sep-22	115,166,362	3,600,000	11,463,776	9,307,171	116,609,757	192,614	46,709,552	0	0	46,709,552	194,623	387,238
Oct-22	116,609,757	3,350,000	10,293,459	9,281,989	118,948,288	195,176	46,709,552	0	0	46,709,552	194,623	389,799
Nov-22	118,948,288	(12,425,000)	9,980,391	12,364,532	108,907,429	198,958	46,709,552	0	0	46,709,552	194,623	393,581
Dec-22	108,907,429	(3,600,000)	11,936,350	16,517,235	109,888,314	182,199	46,709,552	0	0	46,709,552	194,623	376,823
Jan-23	109,888,314	3,060,000	10,618,265	9,785,180	112,115,229	183,765	46,709,552	0	0	46,709,552	194,623	378,388
Feb-23	112,115,229	(1,185,000)	10,227,797	8,955,606	109,658,038	187,407	46,709,552	0	0	46,709,552	194,623	382,030
Mar-23	109,658,038	37,200,000	12,262,740	8,392,317	142,987,615	191,026	46,709,552	0	0	46,709,552	194,623	385,649
Apr-23	142,987,615	(2,760,000)	13,686,333	14,182,743	140,724,024	238,722	46,709,552	0	0	46,709,552	194,623	433,345
May-23	140,724,024	(19,330,000)	12,996,288	16,880,588	125,278,324	234,880	46,709,552	0	0	46,709,552	194,623	429,503
Jun-23	125,278,324	2,250,000	13,217,321	8,981,902	123,292,905	209,267	46,709,552	10,000,000	(10,000,000)	46,709,552	194,623	403,891
TOTALS		43,375,000	143,749,056	132,244,856		2,319,590		10,000,000	(10,000,000)		2,335,478	4,655,067

Short-Term Investment Rate Used for Projection 2.0000%

Long-Term Investment Rate Used for Projection 5.0000%

- (1) Balance of short term investments & equivalents at the start of the month
- (2) From Exhibit # 5, Columns (2), (3), (7) and (8)
- (3) Anticipated loan disbursements/purchases from Exhibit # 4, Columns (2) and (3)
- (4) From Exhibit # 8, Column (10)
- (5) Column (1) plus Column (2), minus Column (3), plus Column (4)
- (6) Based on estimated short-term investment balances and the projected short-term investment rate shown above
- (7) Balance of long-term investments at the start of the month
- (8) Sales and maturities of long-term investments
- (9) Purchases of long-term investments
- (10) Column (7) plus Columns (8) and (9)
- (11) Based on estimated long-term investment balances and the projected long-term investment rate shown above
- (12) Column (6) plus Column (11). Posted to Exhibit #1, Column (2)

**Projection of Revenues and Expenses for the West Virginia Housing Development Fund
Year Ending June 30, 2023**

Exhibit # 4

Projection of Estimated Loan Interest Income

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	ESTIMATED BEGINNING LOAN BALANCE	ESTIMATED SINGLE FAMILY LOAN PURCHASES	ESTIMATED OTHER LOAN PURCHASES		ESTIMATED SINGLE FAMILY REPAYMENTS & PREPAYMENTS	ESTIMATED MULTIFAMILY REPAYMENTS & PREPAYMENTS	ESTIMATED ENDING LOAN BALANCE	ESTIMATED LOAN INTEREST INCOME		ESTIMATED TOTAL LOAN INTEREST INCOME
MONTH										
Jul-22	713,046,886	7,653,848	3,290,143		7,632,738	72,119	716,286,020	2,534,081		2,534,081
Aug-22	716,286,020	11,645,536	4,476,810		7,632,738	72,119	724,703,509	2,548,460		2,548,460
Sep-22	724,703,509	7,366,139	4,097,637		7,632,738	72,119	728,462,428	2,581,930		2,581,930
Oct-22	728,462,428	6,465,885	3,827,574		7,632,738	72,119	731,051,029	2,599,070		2,599,070
Nov-22	731,051,029	6,152,817	3,827,574		7,632,738	3,222,119	730,176,563	2,612,297		2,612,297
Dec-22	730,176,563	7,882,235	4,054,115		7,632,738	7,242,119	727,238,056	2,610,083		2,610,083
Jan-23	727,238,056	7,084,321	3,533,944		7,632,738	72,119	730,151,464	2,596,506		2,596,506
Feb-23	730,151,464	7,543,807	2,683,990		7,632,738	72,119	732,674,404	2,610,499		2,610,499
Mar-23	732,674,404	9,578,750	2,683,990		7,632,738	72,119	737,232,287	2,622,235		2,622,235
Apr-23	737,232,287	11,187,109	2,499,224		7,632,738	4,787,019	738,498,863	2,640,817		2,640,817
May-23	738,498,863	10,663,314	2,332,974		7,632,738	8,122,119	735,740,294	2,642,537		2,642,537
Jun-23	735,740,294	10,551,014	2,666,307		7,632,738	72,119	741,252,758	2,626,031		2,626,031
TOTALS		103,774,774	39,974,282		91,592,856	23,950,328		31,224,545		31,224,545

Loan Rate Used For Projection 4.2941%

- (1) Balance of loans at start of month, excluding HOME and other 0% interest loans
- (2) Single family loan purchases
- (3) Loan disbursements for the Multifamily Lending Program
- (4) Reserved
- (5) Single family loan principal repayments and early prepayments
- (6) Multifamily, land development and other loan principal repayments and early prepayments
- (7) Column (1) plus Columns (2), (3), & (4) minus Columns (5) & (6)
- (8) Interest income on single family and multifamily mortgage loans
- (9) Reserved
- (10) Column (8) minus Column (9). Posted to Exhibit #1, Column (3)

**Projection of Revenues and Expenses for the West Virginia Housing Development Fund
Year Ending June 30, 2023**

Exhibit # 5

Projection of Estimated Interest Expense

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
MONTH	ESTIMATED BEGINNING BONDS PAYABLE BALANCE	ESTIMATED (DEBT SERVICE) & (REDEMPTIONS)	ESTIMATED BOND SALES	ESTIMATED ENDING BONDS PAYABLE BALANCE	ESTIMATED BOND INTEREST EXPENSE	ESTIMATED BEGINNING LINE OF CREDIT BALANCE	ESTIMATED (PAYMENTS)	ESTIMATED DRAWS	ESTIMATED ENDING LINE OF CREDIT BALANCE	ESTIMATED LOC INTEREST EXPENSE	ESTIMATED TOTAL INTEREST EXPENSE
Jul-22	285,890,000	0	0	285,890,000	647,831	0	0	0	0	0	647,831
Aug-22	285,890,000	(3,435,000)	35,000,000	317,455,000	637,594	0	0	1,650,000	1,650,000	0	637,594
Sep-22	317,455,000	0	0	317,455,000	637,594	1,650,000	0	3,600,000	5,250,000	2,888	640,482
Oct-22	317,455,000	0	0	317,455,000	695,927	5,250,000	0	3,350,000	8,600,000	9,188	705,115
Nov-22	317,455,000	(12,625,000)	0	304,830,000	671,770	8,600,000	0	200,000	8,800,000	15,050	686,820
Dec-22	304,830,000	0	0	304,830,000	671,770	8,800,000	(3,600,000)	0	5,200,000	15,400	687,170
Jan-23	304,830,000	0	0	304,830,000	671,770	5,200,000	0	3,060,000	8,260,000	9,100	680,870
Feb-23	304,830,000	(3,435,000)	0	301,395,000	661,603	8,260,000	0	2,250,000	10,510,000	14,455	676,058
Mar-23	301,395,000	0	35,000,000	336,395,000	719,937	10,510,000	0	2,200,000	12,710,000	18,393	738,330
Apr-23	336,395,000	0	0	336,395,000	719,937	12,710,000	(2,760,000)	0	9,950,000	22,243	742,180
May-23	336,395,000	(13,130,000)	0	323,265,000	694,443	9,950,000	(6,200,000)	0	3,750,000	17,413	711,856
Jun-23	323,265,000	0	0	323,265,000	694,443	3,750,000	0	2,250,000	6,000,000	6,563	701,006
TOTALS		(32,625,000)	70,000,000		8,124,619		(12,560,000)	18,560,000		130,690	8,255,309

Estimated Average Rate

2.66750%

2.10000%

- (1) Balance of bonds outstanding at the start of the month
- (2) Reflects scheduled and early principal repayments on bonds currently outstanding. Posted to Exhibit #3, Column (2)
- (3) Reflects anticipated bond sales. Posted to Exhibit #3, Column (2)
- (4) Column (1) plus Column (2), plus Column (3)
- (5) Estimated monthly interest expense.
- (6) Balance of line of credit outstanding at the start of the month
- (7) Reflects estimated principal repayments. Posted to Exhibit #3, Column (2)
- (8) Reflects estimated draws. Posted to Exhibit #3, Column (2)
- (9) Column (6) plus Column (7), plus Column (8)
- (10) Estimated monthly interest expense.
- (11) Column (5) plus Column (10). Posted to Exhibit #1, Column (6)

**Projection of Revenues and Expenses for the West Virginia Housing Development Fund
Year Ending June 30, 2023**

Exhibit # 6

Projection of Estimated Operating Expenses Net of Reimbursements

	<i>(1)</i>	<i>(2)</i>		<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
MONTH	ACTUAL FY 2022 OPERATING EXPENSES	% OF TOTAL	MONTH	ESTIMATED FY 2023 OPERATING EXPENSES	ESTIMATED ADMINISTRATIVE EXPENSE REIMBURSEMENTS	ESTIMATED OPERATING EXPENSES NET OF REIMBURSEMENTS	PROPOSED FY 2023 OPERATING EXPENSE BUDGET
Jul-22	1,038,818	7.45%	Jul-22	1,144,850	512,936	631,914	15,365,000
Aug-22	1,380,673	9.90%	Aug-22	1,521,598	512,936	1,008,662	
Sep-22	1,144,698	8.21%	Sep-22	1,261,537	520,637	740,900	
Oct-22	1,111,772	7.97%	Oct-22	1,225,250	520,637	704,613	
Nov-22	1,177,706	8.45%	Nov-22	1,297,914	520,637	777,277	
Dec-22	1,076,897	7.72%	Dec-22	1,186,816	520,637	666,179	
Jan-23	1,087,414	7.80%	Jan-23	1,198,406	302,434	895,972	
Feb-23	1,117,667	8.02%	Feb-23	1,231,747	206,457	1,025,290	
Mar-23	1,145,587	8.22%	Mar-23	1,262,517	206,458	1,056,059	
Apr-23	1,101,068	7.90%	Apr-23	1,213,454	206,458	1,006,996	
* May-23	1,279,824	9.18%	May-23	1,410,455	206,459	1,203,996	
* Jun-23	1,279,824	9.18%	Jun-23	1,410,455	197,709	1,212,746	
	13,941,947	100.00%		15,365,000	4,434,395	10,930,605	

(1) Actual expenditures for prior 12 months to establish a reasonable trend to calculate timing of expenditures for current fiscal year.

(2) Calculation of % of total expenditures that this month's expenditures represented.

(3) Column (2) percentage rate times current fiscal year's budgeted operating expenses as shown in Column (6).

(4) Administrative cost reimbursements for the operation of HOME, JIT, CDBG, the National Housing Trust Fund, ERA, HAF and direct bond COI which is reported in a separate line item.

(5) Column (3) minus Column(4). Posted to Exhibit #1, Column (7).

(6) Proposed operating expenses for current fiscal year.

* Estimated

**Projection of Revenues and Expenses for the West Virginia Housing Development Fund
Year Ending June 30, 2023**

Exhibit # 7

CALCULATION OF OTHER PROGRAM FUND EXPENSES

MONTH	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	ESTIMATED SERVICING RELEASE FEE EXPENSE	ESTIMATED SEC. MRKT RELEASE FEE EXPENSE	ESTIMATED LOAN SERVICING EXPENSE	ESTIMATED LOAN ORIGIN- ATION FEES EXPENSE	ESTIMATED SPECIAL NEEDS DISB.	ESTIMATED COSTS OF ISSUANCE EXPENSE	ESTIMATED BUILDING EXPENSES	ESTIMATED MISC EXPENSE	ESTIMATED AHF DISB.	ESTIMATED REO HOLDING COSTS	ESTIMATED PROGRAM EXPENSES	ESTIMATED DEPRECIATION EXPENSES (NON-CASH)	ESTIMATED LOAN LOSS PROVISION (NON-CASH)	ESTIMATED PROPERTY DISPOSITION (NON-CASH)	ESTIMATED TOTAL NON-CASH EXPENSES
Jul-22	46,745	10,254	158,903	142,764	16,666	20,000	21,184	27,274	154,783	100,000	698,573	16,975	0	85,416	102,391
Aug-22	71,494	12,304	158,903	211,481	16,666	500,000	21,184	43,565	196,449	100,000	1,332,046	16,975	0	85,416	102,391
Sep-22	44,864	16,406	158,903	136,264	16,666	18,200	36,184	27,397	196,449	100,000	751,333	16,975	0	85,416	102,391
Oct-22	40,080	14,355	158,903	123,797	16,666	0	21,184	27,356	196,449	100,000	698,790	17,309	0	85,416	102,725
Nov-22	38,124	12,304	158,903	118,230	16,667	0	21,184	54,815	196,449	100,000	716,677	17,309	0	85,417	102,726
Dec-22	48,851	10,254	158,904	148,186	16,667	0	21,184	27,274	196,449	100,000	727,769	17,309	0	85,417	102,726
Jan-23	43,992	8,203	158,904	134,930	16,667	0	21,185	22,174	187,323	100,000	693,378	17,309	0	85,417	102,726
Feb-23	46,820	8,203	158,904	142,405	16,667	20,000	21,185	22,174	187,323	100,000	723,681	17,309	0	85,417	102,726
Mar-23	59,533	10,254	158,904	179,739	16,667	500,000	21,186	22,215	145,500	100,000	1,213,997	17,310	0	85,417	102,727
Apr-23	69,463	12,304	158,904	208,576	16,667	18,200	21,186	22,256	128,527	100,000	756,083	17,310	0	85,417	102,727
May-23	65,476	12,304	158,904	197,229	16,667	0	21,187	22,236	128,527	100,000	722,530	17,310	0	85,417	102,727
Jun-23	65,476	14,355	158,904	197,804	16,667	0	21,187	22,277	128,527	100,000	725,197	17,311	200,000	85,417	302,728
TOTAL	640,918	141,499	1,906,843	1,941,404	200,000	1,076,400	269,220	341,014	2,042,755	1,200,000	9,760,054	206,708	200,000	1,025,000	1,431,708

- (1) Fees paid to lenders for the servicing rights on bond program and Movin' Up loans
- (2) Fees paid to lenders for the servicing rights on secondary market loans
- (3) Fees paid related to servicing mortgages owned by the Housing Development Fund
- (4) Origination fees paid to lenders and fees for credit reports paid to various vendors on behalf of borrowers in our single family bond, secondary market and HOME programs
- (5) Disbursements for the Housing Development Fund's Special Needs Program
- (6) Cost of issuance for the anticipated bonds to be issued this fiscal year
- (7) Costs of maintaining and operating the Fund's office building
- (8) FNMA fees paid to BNY, WVPRI Technical Assistance expenses, REAC inspections and other miscellaneous expenses
- (9) Disbursements for the Housing Development Fund's Affordable Housing Fund Program
- (10) Preservation, maintenance and repair costs on foreclosed properties
- (11) Total of Columns (1) to (10). Posted to Exhibit #1, Column (8)
- (12) Depreciation on the Fund's office building and equipment
- (13) Increase in allowances for loan losses on various loan programs
- (14) Losses on sales of foreclosed properties
- (15) Total of Columns (12) to (14). Posted to Exhibit #1, Column (11)

**Projection of Revenues and Expenses for the West Virginia Housing Development Fund
Year Ending June 30, 2023**

Exhibit # 8

CALCULATION OF OTHER ADD/ (LESS) COLUMN - SHORT TERM INVESTMENT BALANCES (Exhibit # 3, Column (4))

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
MONTH	ESTIMATED LOAN INTEREST INCOME	ESTIMATED INVESTMENT INTEREST INCOME	ESTIMATED SINGLE FAMILY LOAN PAYOFFS & AMORTIZATIONS	ESTIMATED MULTIFAMILY LOAN PAYOFFS & AMORTIZATIONS	ESTIMATED LONG-TERM INVESTMENT (PURCH)/MAT	ESTIMATED OPER ATING EXPENSES NET OF REIMB- URSEMENTS	ESTIMATED FEE INCOME AND OTHER REVENUES	ESTIMATED BOND INTEREST EXPENSE	ESTIMATED OTHER EXPENSES	ESTIMATED SHORT-TERM OTHER COLUMN
Jul-22	2,534,081	347,403	7,632,738	72,119	0	(631,914)	493,069	(647,831)	(698,573)	9,101,092
Aug-22	2,548,460	347,419	7,632,738	72,119	0	(1,008,662)	872,069	(637,594)	(1,332,046)	8,494,503
Sep-22	2,581,930	387,238	7,632,738	72,119	0	(740,900)	765,861	(640,482)	(751,333)	9,307,171
Oct-22	2,599,070	389,799	7,632,738	72,119	0	(704,613)	696,781	(705,115)	(698,790)	9,281,989
Nov-22	2,612,297	393,581	7,632,738	3,222,119	0	(777,277)	684,570	(686,820)	(716,677)	12,364,532
Dec-22	2,610,083	376,823	7,632,738	7,242,119	0	(666,179)	736,591	(687,170)	(727,769)	16,517,235
Jan-23	2,596,506	378,388	7,632,738	72,119	0	(895,972)	1,375,649	(680,870)	(693,378)	9,785,180
Feb-23	2,610,499	382,030	7,632,738	72,119	0	(1,025,290)	683,250	(676,058)	(723,681)	8,955,606
Mar-23	2,622,235	385,649	7,632,738	72,119	0	(1,056,059)	687,962	(738,330)	(1,213,997)	8,392,317
Apr-23	2,640,817	433,345	7,632,738	4,787,019	0	(1,006,996)	1,194,082	(742,180)	(756,083)	14,182,743
May-23	2,642,537	429,503	7,632,738	8,122,119	0	(1,203,996)	692,072	(711,856)	(722,530)	16,880,588
Jun-23	2,626,031	403,891	7,632,738	72,119	0	(1,212,746)	886,071	(701,006)	(725,197)	8,981,902
TOTAL	31,224,545	4,655,067	91,592,856	23,950,328	0	(10,930,605)	9,768,028	(8,255,309)	(9,760,054)	132,244,856

- (1) From Exhibit # 4, Column (10)
- (2) From Exhibit # 3, Column (12)
- (3) From Exhibit # 4, Column (5)
- (4) From Exhibit # 4, Column (6)
- (5) From Exhibit # 3, Column (8) plus Column (9)
- (6) From Exhibit # 6, Column (5)
- (7) From Exhibit # 2, Column (9) plus Exhibit # 9, Column (6)
- (8) From Exhibit # 5, Column (11)
- (9) From Exhibit # 7, Column (11)
- (10) Total of Columns (1) to (9); Posted to Exhibit #3, Column (4)

**Projection of Revenues and Expenses for the West Virginia Housing Development Fund
Year Ending June 30, 2023**

Exhibit # 9

Other Revenues

	<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>
MONTH	ESTIMATED BUILDING RENTAL INCOME		ESTIMATED SECONDARY MARKET INCOME	ESTIMATED PROPERTY DISPOSITION INCOME		ESTIMATED OTHER REVENUES
Jul-22	59,000		12,304	20,833		92,137
Aug-22	59,000		14,765	20,833		94,598
Sep-22	59,000		19,687	20,833		99,520
Oct-22	59,000		17,226	20,833		97,059
Nov-22	59,000		14,765	20,833		94,598
Dec-22	59,000		12,304	20,833		92,137
Jan-23	59,000		9,843	20,833		89,676
Feb-23	59,000		9,843	20,833		89,676
Mar-23	59,000		12,304	20,834		92,138
Apr-23	59,000		14,765	20,834		94,599
May-23	59,000		14,765	20,834		94,599
Jun-23	59,000		17,226	20,834		97,060
TOTAL	708,000		169,799	250,000		1,127,799

(1) Rent paid by the Housing Development Fund to cover the costs of maintaining and operating the Fund's office building.

(2) Reserved

(3) Net gains on loans originated and sold to FNMA and FHLB

(4) Gains on sales of foreclosed properties

(5) Reserved

(6) Total of Columns (1) to (5). Posted to Exhibit #1, Column (4)