OKLAHOMA HOUSING FINANCE AGENCY

# FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION

## SEPTEMBER 30, 2024 and 2023

WITH

## INDEPENDENT AUDITOR'S REPORTS

HoganTaylor

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# INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Oklahoma Housing Finance Agency

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Oklahoma Housing Finance Agency (the Agency, or OHFA), a component unit of the State of Oklahoma, as of and for the years ended September 30, 2024 and 2023, and the related notes to the basic financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Agency as of September 30, 2024 and 2023, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

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

### Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 the Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency'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.

**Other Matters**

*Required Supplemental Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-10, the schedule of OHFA's proportionate share of the net pension (asset) liability on page 39, the schedule of OHFA's pension contributions on page 40, the schedule of OHFA's proportionate share of the net Other Postemployment Employee Benefits (OPEB) liability (asset) on page 41, and the schedule of OHFA's OPEB contributions on page 42 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 supplemental information in accordance with auditing standards generally accepted in the United States of America, 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.

*Other Supplemental Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Agency's basic financial statements. The accompanying supplemental information on pages 43 through 51 is presented for purposes of additional analysis and is 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 auditing standards generally accepted in the United States of America. In our opinion, the 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 January 28, 2025, on our consideration of OHFA'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 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 OHFA'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 OHFA's internal control over financial reporting and compliance.

Hogan Taylor LLP

Oklahoma City, Oklahoma
January 28, 2025

**OKLAHOMA HOUSING FINANCE AGENCY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**
**(unaudited)**

**September 30, 2024 and 2023**

Oklahoma Housing Finance Agency (the Agency, or OHFA) was created in 1975 to provide funds to promote the development of adequate residential housing to families of Oklahoma with low and moderate incomes. OHFA is a self-supporting public trust and follows enterprise fund accounting.

As management of OHFA, we offer readers of OHFA's financial statements this narrative overview and analysis of the financial activities for the fiscal years ended September 30, 2024 and 2023. This information is presented to provide additional information regarding the activities of OHFA and to meet the disclosure requirements of Government Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This analysis should be read in conjunction with the basic financial statements, notes to financial statements, and supplemental information.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report of OHFA consists of three sections: management's discussion and analysis, the basic financial statements, and supplemental information. OHFA's basic financial statements include the following: the Statements of Net Position; the Statements of Revenues, Expenses and Changes in Net Position; the Statements of Cash Flows; and the Notes to the Basic Financial Statements.

The Statements of Net Position answer the question, "How is our financial health at the end of the year?" This statement includes all assets, deferred outflows, liabilities and deferred inflows of OHFA, both financial and capital, short term and long term, using the accrual basis of accounting and economic resources measurement focus, which is similar to the accounting used by most private-sector companies. The resulting net position presented in this statement is displayed as invested in capital assets, restricted and unrestricted. Assets are restricted when their use is subject to external limits such as bond resolutions, legal agreements or statutes. Assets not included in this category are characterized as unrestricted. Over time, changes in net position may serve as a useful indicator of whether the financial position of OHFA is improving or deteriorating.

The Statements of Revenues, Expenses and Changes in Net Position measure the activities of OHFA's operations over the past year and present the operating income and change in net position. They can be used to determine whether OHFA has successfully recovered all its costs through mortgage and loan interest, investment interest, externally funded programs, and other revenue sources. These statements help answer the question, "Is OHFA, as a whole, better off or worse off as a result of this year's activities?"

The primary purpose of the Statements of Cash Flows is to provide information about the sources and uses of OHFA's cash and the components of the change in cash balance during the reporting period. These statements report cash receipts, cash payments, and net changes resulting from operating, noncapital financing, capital financing, and investing activities. It provides answers to such questions as "What were the sources of cash?" "How was cash used?" and "What was the change in cash balance during the reporting period?"

The Notes to the Basic Financial Statements provide additional information that is essential for a full understanding of the data provided in the financial statements.

In addition, this report contains a Supplemental Combining Statement of Net Position for the Single Family Mortgage Revenue Bond Programs as well as a Supplemental Combining Statement of Revenues, Expenses, and Changes in Net Position for the various Single Family Mortgage Revenue Bond Programs. These supplemental schedules are presented to provide the reader with information regarding the financial condition of each Single Family Mortgage Revenue Bond Program of the Agency.

## FINANCIAL HIGHLIGHTS
## Year ended September 30, 2024

- Total assets increased by $283.9 million.
- Total liabilities increased by $57.6 million.
- Net position increased by $224.7 million.
- Made 2,160 single family mortgage loans available to first-time homebuyers compared to 2,030 in 2023.
- Provided 122,548 unit months of Section 8 rental assistance compared to 120,455 in 2023.
- Paid $76.0 million in rental assistance to benefit Section 8 voucher holders compared to $69.1 million in 2023.
- Paid $85.8 million in rental assistance to project-based Section 8 properties compared to $81.3 million in 2023.
- Oklahoma Governor approved the $215.0 million Oklahoma Housing Stability Program (OHSP) on January 25, 2024. OHSP is a zero percent interest perpetual loan fund to stimulate production of single family and multi-family housing across Oklahoma. The program closed two loans in FY2024 for a total award amount of $3.2 million. These are 0% interest loans with two year maturities.

## FINANCIAL HIGHLIGHTS
## Year ended September 30, 2023

- Total assets increased by $357.7 million.
- Total liabilities increased by $365.9 million.
- Net position increased by $0.6 million.
- Made 2,030 single family mortgage loans available to first-time homebuyers compared to 1,988 in 2022.
- Provided 120,455 unit months of Section 8 rental assistance compared to 118,065 in 2022.
- Paid $69.1 million in rental assistance to benefit Section 8 voucher holders compared to $60.6 million in 2022.
- Paid $81.3 million in rental assistance to project-based Section 8 properties compared to $79.5 million in 2022.
- Received $215.0 million in appropriated funds from the Oklahoma Legislature for development and creation of a new housing loan program, the OHSP. The program will begin operation in fiscal 2024. This represents the first State Appropriated dollars OHFA has received in over 20 years.

The Agency has maintained a General Obligation issuer rating of A1 from Moody's Investors Service since June 2006. This rating reflects OHFA's sound financial condition and a bond program collateralized by highly rated mortgage-backed securities (MBS), as well as capable and dedicated management.

The Section 8 Voucher Program provides rental assistance to many elderly people, persons with disabilities, single parents, or working families in need of help with their rent payments.

The Single Family Loan Program provides affordable mortgages with down payment and closing cost assistance to homebuyers through proceeds from mortgage revenue bonds (first-time homebuyers) or selling MBS in the open market via the "To Be Announced" (TBA) Program (no first-time homebuyer requirement). Housing Tax Credits are provided to developers as an incentive to build new, affordable complexes or rehabilitate complexes in need of repair.

As Section 8 Contract Administrator for project-based Section 8 properties located throughout Oklahoma for the U.S. Department of Housing and Urban Development (HUD), OHFA's 2024 duties consisted of 166 properties, totaling 12,616 assisted units. The Agency receives a fee to administer the program based on the number of units under contract.

In late 2021, OHFA was awarded a contract with the U.S. Department of Treasury to administer the Homeowner Assistance Fund for the State of Oklahoma. The Oklahoma Homeowner Assistance Fund (HAF) is a temporary program made available through the American Rescue Plan Act. HAF provides financial assistance on behalf of homeowners who have experienced a significant financial hardship due to COVID-19. Eligible expenses to be paid with HAF funds include mortgage restatement, principal reduction, delinquent real estate taxes, restoration of homeowner insurance, and delinquent homeowner association dues.

Oklahoma House Bill 1031 established the OHSP. The Oklahoma Governor approved OHFA's OHSP in January 2024. This program provides funds for the new construction of single-family homes for purchase and for single-family or multi-family rental housing. It also provides down payment assistance for homebuyers who purchase homes built with OHSP financing.

## CONDENSED FINANCIAL INFORMATION

### Statement of Net Position

The following table presents condensed statements of net position for the Agency as of September 30 (in millions):

**Condensed Statements of Net Position**

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| **Assets** | | | |
| Current assets | | | |
| Unrestricted | $ 57.4 | $ 67.1 | $ 119.4 |
| Restricted | 351.9 | 266.4 | 10.1 |
| Noncurrent assets: | | | |
| Restricted | 575.2 | 377.7 | 250.2 |
| Net capital assets | 18.0 | 18.7 | 13.7 |
| Unrestricted | 89.2 | 77.9 | 56.7 |
| Total assets | 1,091.7 | 807.8 | 450.1 |
| Deferred outflows | 2.8 | 4.3 | 1.2 |
| **Liabilities** | | | |
| Current liabilities | 93.2 | 284.1 | 91.5 |
| Noncurrent liabilities | 613.9 | 365.4 | 192.1 |
| Total liabilities | 707.1 | 649.5 | 283.6 |
| Deferred inflows | 0.4 | 0.3 | 6.0 |

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| **Net Position** | | | |
| Invested in capital assets | 18.0 | 18.7 | 13.7 |
| Restricted for single family bond programs | 77.8 | 48.6 | 57.7 |
| Restricted for Section 8 and Emergency Housing Voucher programs | 0.1 | 0.1 | 0.4 |
| Restricted for Oklahoma Housing Trust Fund | 4.2 | 4.2 | 4.2 |
| Restricted for Oklahoma Housing Stability Program | 176.5 | - | - |
| Unrestricted | 110.4 | 90.7 | 85.7 |
| Total net position | $ 387.0 | $ 162.3 | $ 161.7 |

Explanations of significant variances between 2024 and 2023 on the condensed statements of net position follow:

The increase in total assets of $283.9 million is primarily due 1) an increase in cash and investments related to the Agency issuing four new Single Family Bond series for $270.0 million during FY 2024 against $27.8 million in paydowns on bonds outstanding, for a net increase in bonds and notes payable (excluding unamortized premium) of $242.2 million, 2) a $26.9 million positive market value adjustment caused by significant decreases in market interest rates and an increase in the underlying investment base, which causes the value of investments to rise, 3) a $13.7 million increase in Program Loans (net of allowances), and 4) a $1.4 million increase in interest receivable offset with a $0.6 million decrease in capital assets.

The increase in total liabilities of $57.6 million is primarily due to the net effect of three factors: 1) a decrease in deferred revenue of $165.8 million relating to the OHSP that were received (and deferred) in FY2023 and recognized as income in FY2024, and 2) a decrease in deferred revenues of $29.5 million for HAF due to funds being expended for program purposes, and 3) the Agency bonds payable increasing due to net new debt of $253.3 million (as the result of four new bond issues totaling $270.0 million, net of paydowns on outstanding bonds).

The increase in net position of $224.7 million from $162.3 million in 2023 to $387.0 million in 2024 is primarily due to an almost $60.5 million operating profit and a $164.2 million nonoperating surplus.

Explanations of significant variances between 2023 and 2022 on the condensed statements of net position follow:

The increase in total assets of $357.7 million is primarily due to the net effect of four factors: 1) OHFA having cash and unearned revenues of $215.0 million relating to the new OHSP that was appropriated by the State Legislature in mid-2023, 2) an $11.4 million negative market value adjustment on OHFA investments as of September 30, 2023, caused by significant increases in market interest rates, which causes the value of fixed interest rate investments to decline, 3) an increase in cash and investments related to the Agency issuing four new Single Family Bond series for $190.0 million during FY 2023 against $20.0 million in paydowns on bonds outstanding, for a net increase in cash and investments of $170.0 million and 4) defined benefit pension asset of $4.3 million as of September 30, 2022, moving to a liability as of September 30, 2023.

The increase in total liabilities of $365.9 million is primarily due to the net effect of three factors: 1) OHFA receiving $215.0 million relating to the new OHSP which was appropriated by the State Legislature in mid-2023 that were not on hand as of September 30, 2022, and are deferred, and 2) the Agency bonds payable increasing due to net new debt of $176.2 million as the result of four new bond issues totaling $190.0 million, net of paydowns on outstanding bonds, and 3) a decrease in deferred revenues of $30.2 million for the HAF due to funds being expended for program purposes.

The Section 8 Voucher and Emergency Housing Voucher Programs are included in the Agency General Fund and those program's net positions, which are restricted, decreased by $0.3 million due to receiving $0.3 million less in rental assistance payments from HUD than program expenditures in the current year. Since 2006, HUD has required agencies to report receipts for Housing Assistance Payments (HAP) funds from HUD in excess of program expenditures as income and to report assistance payments in excess of program receipts as an expense in the current year. These items are reported in net position instead of as a payable or receivable with HUD. These funds are only available to pay HAP under the Section 8 Voucher and Emergency Housing Voucher Programs. The Agency had funds restricted for the Section 8 Voucher and Emergency Housing Voucher Programs of $0.1 million and $0.4 million, respectively, as of September 30, 2023 and 2022.

The increase in Agency General Fund unrestricted net position (including investment in capital assets) of $10.0 million is due to $10.0 million in net operating income (excluding Single Family Bond Programs).

**Revenues, Expenses and Changes in Net Position**

The following table presents condensed statements of revenues, expenses and changes in net position for the Agency for the years ended September 30 (in millions):

**Condensed Statements of Revenues, Expenses and Changes in Net Position**

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| **Operating and Nonoperating Revenues** | | | |
| Investments and program loans | $ 46.6 | $ 18.2 | $ 10.2 |
| Net increase (decrease) in fair value of investments | 31.6 | (11.4) | (44.1) |
| Realized gain on sale of investments | 5.9 | 3.9 | 2.0 |
| Fees and other income | 22.2 | 21.1 | 19.2 |
| Federal and state program income | 369.9 | 192.1 | 154.8 |
| Total revenues | 476.2 | 223.9 | 142.1 |
| **Operating and Nonoperating Expenses** | | | |
| Interest on bonds and notes | 20.3 | 9.6 | 4.4 |
| Other bond program expenses | 6.6 | 4.8 | 1.7 |
| Salaries, general and administrative | 18.9 | 16.4 | 14.8 |
| Federal and state program expenses | 205.7 | 192.5 | 156.5 |
| Total expenses | 251.5 | 223.3 | 177.4 |
| **Increase (decrease) in net position** | 224.7 | 0.6 | (35.3) |
| Net position at beginning of year | 162.3 | 161.7 | 197.0 |
| Net position at end of year | $ 387.0 | $ 162.3 | $ 161.7 |

Explanations of significant fluctuations between 2024 and 2023 in revenues, expenses, and changes in net position follow:

The net increase in the fair value of investments of $43.0 million for 2024 was due to market interest rates being lower than in the previous year, causing an increase in the value of older, relatively lower yielding interest rate securities. The market values of fixed interest rate investments typically have an inverse relationship to interest rates.

The realized gain on sale of investments of $5.9 million in 2024 and $3.9 million in 2023 is due to the Agency capitalizing on market opportunities to sell newly pooled Single Family Loan Program MBS at a gain on the open market via the TBA Program instead of placing these MBS into a bond issue.

Federal and state program revenues increased by $177.8 million due primarily to the net effect of a $4.6 million increase in the Section 8 Contract Administration Program revenues, a $2.9 million increase in the HOME Investment Partnership Program revenues, a $6.8 million increase in the Section 8 Voucher Program revenues, $164.2 million earned revenues for the OHSP, and due to a $1.4 million decrease in the HAF revenues due to varying availability of federal program funding and activity.

Interest expense on bonds and notes payable increased by $10.7 million in 2024 from 2023. The increase in interest expense is due to bonds and notes payable balances trending upward during 2024 due to four new bond issues totaling $270.0 million of new debt.

Federal and state program expenses increased by $13.2 million due primarily to the net effect of a $4.6 million increase in the Section 8 Contract Administration Program expenses, a $2.9 million increase in the HOME Investment Partnership Program expenses, a $0.2 million increase in the Emergency Housing Voucher (EHV) program expenses, a $6.9 million increase in the Section 8 Voucher Program expenses and a $1.4 million decrease in the HAF expenses due to varying availability of federal program funding and activity.

The increase in net position of $224.7 million from $162.3 million in 2023 to $387.0 million in 2024 is primarily due to an almost $60.5 million operating profit and a $164.2 million increase in net position due to OHFA receiving $164.2 million more in nonoperating federal and state program revenues than federal and state program expenses.

Explanations of significant fluctuations between 2023 and 2022 in revenues, expenses, and changes in net position follow:

The net decrease in the fair value of investments of $11.4 million for 2023 was due to market interest rates being significantly higher than in the previous year, causing a decrease in the value of older, relatively lower yielding interest rate securities. The market values of fixed interest rate investments typically have an inverse relationship to interest rates.

The realized gain on sale of investments of $3.9 million in 2023 and $2.0 million in 2022 is due to the Agency capitalizing on market opportunities to sell newly pooled Single Family Loan Program MBS at a gain on the open market via the TBA Program instead of placing these MBS into a bond issue.

Federal program revenues increased by $37.3 million due primarily to the net effect of a $1.8 million increase in the Section 8 Contract Administration Program revenues, a $0.4 million decrease in the HOME Investment Partnership Program revenues, a $2.3 million increase in National Housing Trust Fund revenues, a $0.1 million decrease in the EHV program, a $10.2 million increase in the Section 8 Voucher Program revenues, and due to a $23.3 million increase in the HAF revenues due to varying availability of federal program funding and activity.

Interest expense on bonds and notes payable increased by $5.2 million in 2023 from 2022. The increase in interest expense is due to bonds and notes payable balances trending upward during 2023 due to four new bond issues totaling $190.0 million of new debt.

Federal program expenses increased by $36.0 million due primarily to the net effect of a $1.8 million increase in the Section 8 Contract Administration Program expenses, a $0.4 million decrease in the HOME Investment Partnership Program expenses, a $2.2 million increase in National Housing Trust Fund expenses, a $0.3 million increase in the EHV program expenses, a $8.5 million increase in the Section 8 Voucher Program expenses and a $23.3 million increase in the HAF expenses due to varying availability of federal program funding and activity.

The increase in net position of $0.6 million from $161.7 million in 2022 to $162.3 million in 2023 is primarily due to an almost $1.0 million operating profit and a $0.4 million decrease in net position due to OHFA receiving $0.4 million less in nonoperating federal program revenues than federal program expenses.

**Capital Assets and Long-Term Debt Administration**

Capital assets

As of September 30, 2024 and 2023, the Agency had invested $18.0 million and $18.7 million, respectively, net of accumulated depreciation, in a broad range of capital assets, including a building and building improvements, land, and furniture and equipment. More detailed information about the capital assets is presented in Note 5 of the notes to the basic financial statements.

Long-term debt

As of September 30, 2024, the Agency had $626.8 million in bonds and notes payable outstanding, which is an increase of 67.8% from last year's amount of $373.5 million. More detailed information about the bonds and notes payable is presented in Note 7 of the notes to the basic financial statements.

**Economic Factors and Other Financial Information**

OHFA's main sources of revenues include mortgage loan activity, investment interest income, and externally funded grants. Market interest rates have an effect on both the mortgage program and investment income revenues. If interest rates rise, mortgage and investment income should increase as new loans are originated and new investments are purchased at higher rates. If interest rates fall, mortgage and investment income should decrease as new loans are originated and new investments are purchased at the lower rates. Any decrease in interest rates could also cause an increase in prepayments on higher rate mortgages. Administrative fees for administering federal programs have stabilized and continue to trend slightly higher. Large federal deficits or changes in programs or funding levels could have a negative impact on externally funded program revenues.

The Agency expects to continue its commitment to its mission of providing housing resources while preserving a strong financial position during the coming year.

**Contacting OHFA's Financial Management**

This discussion and analysis is to provide additional information to our stakeholders regarding the activities of the Agency. If you have questions about this report, or need additional financial information, contact the OHFA Chief Financial Officer, Ms. Rana Askins, CPA, at (405) 419-8225; Oklahoma Housing Finance Agency, P.O. Box 26720, Oklahoma City, Oklahoma 73126-0720; e-mail: rana.askins@ohfa.org or visit our website at www.ohfa.org.

**OKLAHOMA HOUSING FINANCE AGENCY**

**STATEMENTS OF NET POSITION**

**September 30, 2024 and 2023**

| | 2024 | 2023 |
|---|---|---|
| **Assets** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 54,885,506 | $ 64,833,630 |
| Investments | 254,661 | 209,786 |
| Accounts receivable (net of an allowance for doubtful accounts of $1,808,974 and $1,728,779 for 2024 and 2023, respectively) | 48,339 | 61,139 |
| Accounts receivable - U.S. Department of Housing and Urban Development | 1,126,358 | 919,368 |
| Interest receivable | 307,853 | 363,050 |
| Prepaid expenses | 818,374 | 727,109 |
| Restricted assets: | | |
| Cash and cash equivalents | 348,743,313 | 264,709,162 |
| Interest receivable | 3,103,174 | 1,704,885 |
| Total current assets | 409,287,578 | 333,528,129 |
| Noncurrent assets: | | |
| Investments | 71,220,032 | 67,664,187 |
| Program loans receivable (net of an allowance for bad debts of $1,423,417 and $704,107 for 2024 and 2023, respectively) | 17,974,453 | 10,230,362 |
| Nondepreciated capital assets | 550,000 | 550,000 |
| Capital assets, net | 17,498,142 | 18,132,845 |
| Restricted assets: | | |
| Investments | 562,663,494 | 371,284,517 |
| Program loan receivables (net of an allowance for bad debts of $1,339,127 and $674,351 for 2024 and 2023, respectively) | 12,052,144 | 6,069,160 |
| OPEB asset | 458,778 | 313,654 |
| Total noncurrent assets | 682,417,043 | 474,244,725 |
| Total assets | 1,091,704,621 | 807,772,854 |
| Deferred outflows of resources: | | |
| Pension | 2,606,649 | 4,039,942 |
| OPEB | 160,717 | 194,566 |
| Accumulated decrease in fair value of hedging derivatives | 12,700 | 32,039 |
| Total deferred outflows | 2,780,066 | 4,266,547 |

**OKLAHOMA HOUSING FINANCE AGENCY**

**STATEMENTS OF NET POSITION (continued)**

**September 30, 2024 and 2023**

| | 2024 | 2023 |
|---|---|---|
| **Liabilities** | | |
| Current liabilities: | | |
| Salaries and related expenses | 791,518 | 734,470 |
| Accounts payable - U.S. Department of Housing and Urban Development | 651,942 | 1,005,579 |
| Accounts payable - Family Self Sufficiency Program | 960,691 | 688,737 |
| Accounts payable - other | 645,198 | 1,081,648 |
| Hedging payable | 12,700 | 32,039 |
| Unearned revenue | 71,966,454 | 267,036,405 |
| Compensated absences | 1,099,940 | 1,125,734 |
| Interest payable | 2,362,265 | 1,479,809 |
| Current maturities of bonds and notes payable | 14,737,610 | 10,911,990 |
| Total current liabilities | 93,228,318 | 284,096,411 |
| Noncurrent liabilities: | | |
| Pension liability | 1,644,092 | 2,817,100 |
| Arbitrage payable | 200,463 | - |
| Bonds and notes payable, less current maturities | 612,031,954 | 362,543,571 |
| Total noncurrent liabilities | 613,876,509 | 365,360,671 |
| Total liabilities | 707,104,827 | 649,457,082 |
| Deferred inflows of resources: | | |
| OPEB | 204,054 | 171,493 |
| Pension | 162,242 | 142,861 |
| Total deferred inflows of resources | 366,296 | 314,354 |
| **Net Position** | | |
| Invested in capital assets | 18,048,142 | 18,682,845 |
| Restricted for Single Family Bond Programs | 77,830,801 | 48,640,591 |
| Restricted for Section 8 and Emergency Housing Voucher Programs | 55,747 | 48,028 |
| Restricted for Oklahoma Housing Trust Fund | 4,171,442 | 4,171,442 |
| Restricted for Oklahoma Housing Stability Program | 176,495,865 | - |
| Unrestricted | 110,411,567 | 90,725,059 |
| Total net position | $ 387,013,564 | $ 162,267,965 |

**OKLAHOMA HOUSING FINANCE AGENCY**

**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**

**Years ended September 30, 2024 and 2023**

| | 2024 | 2023 |
|---|---|---|
| **Operating Revenues** | | |
| Investment income | $ 46,449,992 | $ 18,137,370 |
| Program loan income | 109,215 | 82,938 |
| Net increase (decrease) in fair value of investments | 31,603,808 | (11,401,830) |
| Realized gain on sale of investments | 5,921,837 | 3,935,767 |
| Fees and other income | 22,186,454 | 21,092,147 |
| Total operating revenues | 106,271,306 | 31,846,392 |
| **Operating Expenses** | | |
| Interest on bonds and notes payable | 20,249,105 | 9,610,701 |
| Mortgage servicing fees | 2,333,143 | 1,492,458 |
| Trustees, issuer and other fees | 288,376 | 57,272 |
| Bad debt | 1,466,153 | 1,340,460 |
| Bond issue costs | 2,500,687 | 1,990,462 |
| Salaries and related expenses | 13,625,513 | 11,851,778 |
| Other general and administrative | 5,300,145 | 4,559,867 |
| Total operating expenses | 45,763,122 | 30,902,998 |
| Operating income | 60,508,184 | 943,394 |
| Nonoperating revenue (expense): | | |
| Federal and state program revenue | 369,943,295 | 192,085,631 |
| Federal and state program expense | (205,705,880) | (192,473,035) |
| Total nonoperating revenue (expense) | 164,237,415 | (387,404) |
| Increase in net position | 224,745,599 | 555,990 |
| Total net position, beginning of year | 162,267,965 | 161,711,975 |
| Total net position, end of year | $ 387,013,564 | $ 162,267,965 |

## OKLAHOMA HOUSING FINANCE AGENCY

## STATEMENTS OF CASH FLOWS

### Years ended September 30, 2024 and 2023

| | 2024 | 2023 |
|---|---|---|
| **Cash Flows from Operating Activities** | | |
| Receipts from fees | $ 20,648,382 | $ 23,279,170 |
| Receipts from program loan payments | 1,879,445 | 1,513,227 |
| Receipts from (used by) other sources | (195,009,922) | 186,372,067 |
| Payments to employees | (13,594,259) | (11,702,974) |
| Payments to suppliers | (3,329,410) | (7,735,191) |
| Payments for purchases of program loans | (16,911,042) | (12,778,289) |
| Payments for bond fees | (2,287,767) | (1,448,405) |
| Payments for trustee and other fees | (89,117) | (686,805) |
| Net cash provided by (used in) operating activities | (208,693,690) | 176,812,800 |
| **Cash Flows from Noncapital Financing Activities** | | |
| Proceeds from issuance of bonds and notes payable | 658,449,268 | 493,020,031 |
| Principal paid on bonds and notes payable | (405,135,265) | (316,823,473) |
| Interest paid on bonds and notes payable | (19,366,649) | (8,745,341) |
| Payment of bond issuance costs | (2,500,687) | (1,990,462) |
| Receipt of federal and state program revenues | 369,943,295 | 192,085,631 |
| Payment of federal and state program expenses | (205,705,880) | (192,473,035) |
| Net cash provided by noncapital financing activities | 395,684,082 | 165,073,351 |
| **Cash Flows from Capital and Related Financing Activities** | | |
| Acquisition of capital assets | (570,407) | (5,769,200) |
| **Cash Flows from Investing Activities** | | |
| Purchase of investments | (643,271,329) | (586,374,439) |
| Proceeds from sales and maturities of investments | 485,830,471 | 437,660,621 |
| Interest received on investments | 45,106,900 | 17,065,600 |
| Net cash used in investing activities | (112,333,958) | (131,648,218) |
| Net increase in cash | 74,086,027 | 204,468,733 |
| Cash and cash equivalents, beginning of year | 329,542,792 | 125,074,059 |
| Cash and cash equivalents, end of year | $ 403,628,819 | $ 329,542,792 |
| **Cash and Cash Equivalents as Reported in Statement of Net Position** | | |
| Unrestricted | $ 54,885,506 | $ 64,833,630 |
| Restricted | 348,743,313 | 264,709,162 |
| | $ 403,628,819 | $ 329,542,792 |

See notes to basic financial statements.

## OKLAHOMA HOUSING FINANCE AGENCY

## STATEMENTS OF CASH FLOWS (continued)

## Years ended September 30, 2024 and 2023

| | 2024 | 2023 |
|---|---|---|
| **Reconciliation of Operating Income to Net Cash Provided by Operating Activities** | | |
| Operating income | $ 60,508,184 | $ 943,394 |
| Adjustments to reconcile operating income to net cash provided by (used in) operating activities: | | |
| Depreciation | 1,191,918 | 785,085 |
| Bad debt | 1,466,153 | 1,340,460 |
| Interest from investments | (46,449,992) | (18,137,370) |
| Bond issue costs | 2,500,687 | 1,990,462 |
| Net (increase) decrease in fair value of investments | (31,603,808) | 11,401,830 |
| Realized gain on sale of investments | (5,921,837) | (3,935,767) |
| Interest on bonds and notes payable | 20,249,105 | 9,610,701 |
| Change in operating assets, liabilities, deferred outflows, and deferred inflows: | | |
| Accounts receivable and HUD receivable | (319,153) | 188,892 |
| Hedging receivable | (19,339) | 874,302 |
| Prepaid expenses | (91,265) | (101,295) |
| Program loans receivable | (15,126,736) | (12,619,831) |
| OPEB asset | (145,124) | 123,818 |
| Pension asset | - | 4,270,783 |
| Accounts payable and accrued expenses | (402,616) | (78,477) |
| Arbitrage payable | 200,463 | - |
| Unearned revenue | (195,069,951) | 185,976,873 |
| Pension liability | (1,173,008) | 2,817,100 |
| Deferred outflows | 1,486,481 | (3,029,717) |
| Deferred inflows | 51,942 | (5,740,955) |
| Compensated absences | (25,794) | 132,512 |
| Net cash provided by (used in) operating activities | $ (208,693,690) | $ 176,812,800 |

See notes to basic financial statements.

## Note 1 – Authorizing Legislation and Activities

Oklahoma Housing Finance Agency (the Agency, or OHFA) is a public trust established pursuant to a Trust Indenture, as amended, which was originally adopted on May 1, 1975. Under the Trust Indenture, OHFA was created for the benefit of the State of Oklahoma (the State) pursuant to the Oklahoma Public Trust Act (the Act). Pursuant to the Act, the Governor of the State, on behalf of the State, approved the creation of OHFA and accepted the beneficial interest created thereby on May 1, 1975. The Trust Indenture was last amended by the third amendment as of August 19, 2002, with the approval of the Governor of the State. The Governor has, pursuant to the Trust Indenture, approved the by-laws of OHFA. The Governor also appoints the five-member Board of Trustees and the resident board member representing the Housing Choice Voucher Program.

OHFA is authorized, in the furtherance of public purposes, to issue mortgage revenue bonds through its Single Family Bond Programs (or Single Family Mortgage Revenue Bond Programs) in order to provide funds to promote the development of adequate residential housing and other economic development for the benefit of the State. In no event does the indebtedness constitute a debt, liability, or moral obligation of the State or any political subdivision thereof. OHFA has no taxing power. The Agency receives application, servicing and issuer fees in connection with its bond programs.

OHFA is included in the State's financial report. The State reports the transactions of OHFA in its Comprehensive Annual Financial Report as a major component unit.

In addition to its bond programs, OHFA administers Section 8 Housing Assistance Payments Programs for the U.S. Department of Housing and Urban Development (HUD). OHFA receives administrative fees based on the number of housing units administered under its contracts with HUD. OHFA also administers the Home Investment Partnerships Program (HOME) for HUD. The intent of the HOME Program is to provide decent affordable housing to lower-income households, expand the capacity of nonprofit housing providers, strengthen the ability of state and local governments to provide housing, and leverage private sector participation. Activities that are eligible under HOME include homeowner rehabilitation, homebuyer activities, rental housing and tenant-based rental assistance. OHFA receives reimbursement of eligible costs associated with the administration of the program.

OHFA is the Section 8 Contract Administrator for federal HUD-financed Section 8 properties located throughout Oklahoma. The Agency receives a fee to administer the program determined by the number of units under contract. The Agency also administers the U.S. Department of Treasury's (Treasury) Low Income Housing Tax Credit (LIHTC) Program for the State. The Agency receives application and service fees from developers who participate in the LIHTC Program. Since 2021, the Agency has administered Treasury's Homeowner Assistance Fund.

Oklahoma House Bill 1031 established the Oklahoma Housing Stability Program (OHSP). The Oklahoma Governor approved OHFA's OHSP plan in January 2024. This program provides funds for the new construction of single-family homes for purchase and for single-family or multi-family rental housing. It also provides down payment assistance for homebuyers who purchase homes built with OHSP financing.

OHFA also administers certain other federal and state programs.

**Note 2 – Summary of Significant Accounting Policies**

Financial statement presentation

OHFA accounts for revenues and expenses related to temporary funding of certain single family first mortgage loans within its general fund until the loans are sold in specified increments in connection with related bond programs, when required, due to the temporary restrictions associated with bond programs. Intergovernmental grants are also accounted for within the Agency's general fund. Pursuant to OHFA's bond obligation resolutions, separate funds are established by each trustee bank to record all transactions relating to OHFA programs financed under each of the resolutions. Within each fund, there is a group of accounts required by the respective resolutions. The Single Family Bond Program funds and the general fund have been presented on a combined basis because OHFA is considered a single enterprise fund for financial reporting purposes. All interfund balances and transactions have been eliminated in the financial statements.

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The financial statements are prepared in accordance with GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*, and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*.

Basis of accounting

The Agency accounts for its activities within a proprietary fund type. The Agency's activities meet the definition of an enterprise fund because it is the intent of the Agency to recover, primarily through user charges, the cost of providing goods or services to the general public.

The proprietary fund type is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the Statement of Net Position. Proprietary fund operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net position. The accrual basis of accounting is utilized by a proprietary fund. Under this basis of accounting, revenues are recognized when earned and expenses are recognized when the liability is incurred.

GASB is the standard-setting body for governmental accounting and financial reporting. GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When the Agency incurs an expense for which it may use either restricted or unrestricted net position, it uses restricted net position first unless unrestricted net position will have to be returned because they were not used.

Cash and cash equivalents

For purposes of the Statement of Cash Flows, OHFA's cash equivalents are defined as short-term, highly liquid investments that are readily convertible to cash with an original maturity of 90 days or less.

Investments

The Agency's investment policy for the general fund is governed by state statute and the Board of Trustees' "Statement of Investment Policy." Permissible investments include direct obligations of the United States Government and Agencies, mortgage-backed securities (MBS) guaranteed by federal agencies, certificates of deposit, repurchase agreements and savings accounts. Collateral is required for demand deposits and certificates of deposit for all amounts not covered by Federal Deposit Insurance Corporation (FDIC) insurance. Investments are reported at fair value.

The short-term investments within the Single Family Bond Programs are generally restricted by the various bond resolutions as to authorized investments. Most are commonly held in guaranteed investment contracts or money market accounts collateralized by government securities. These short-term investments are reported at cost, which approximates their fair values.

As required by GASB Statement No. 31, *Accounting for and Financial Reporting for Certain Investments and External Investment Pools*, U.S. government and agency securities and MBS are reported at fair value as determined by the investment custodians utilizing prices quoted by securities dealers, brokers, investment banks, or other services at the valuation date.

MBS reported by the Single Family Bond Programs are pass-through certificates of the Government National Mortgage Association (GNMA) and Federal National Mortgage Association (FNMA), which securitize qualified pools of loans or individual loans under the respective programs. These securities are reported at fair value. MBS do not have a contractual maturity date, and the Agency may be subject to the risk of prepayment on these MBS.

Without consideration of the net change in the fair value of investments, OHFA's net operating income would have been $28,904,376 and $12,345,224 for the years ended September 30, 2024 and 2023, respectively.

Fair value measurements

The Agency categorizes its assets and liabilities measured at fair value within the hierarchy established by GAAP. Assets and liabilities valued at fair value are categorized based on inputs to valuation techniques as follows:

> Level 1 input – Quoted prices for identical assets or liabilities in an active market that an entity has the ability to access.
>
> Level 2 input – Quoted prices for similar assets or liabilities in active markets and inputs that are observable for the assets or liability, either directly or indirectly, for substantially the full term of the asset or liability.
>
> Level 3 input – Inputs that are unobservable for the asset or liability which are typically based upon the Agency's own assumptions as there is little, if any, related market activity.

Hierarchy – The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

Inputs – If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

Program loans receivable

Program loans receivable consists of a Workforce Housing Pilot Program loan, Oklahoma Housing Trust Fund loan(s) secured by mortgages, OHSP loans, and down payment and closing cost second mortgages related to Single Family Program activities. These loans are reported at cost. Based on management's evaluation of program loans receivable, a 10% allowance was deemed necessary on the second mortgages as of September 30, 2024 and 2023.

Capital assets

Capital assets, with an initial value of $250 or more and all furniture, are capitalized and carried at cost. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets, which range from 1 to 40 years. Maintenance and repairs are expensed as incurred. Total depreciation expense for the years ended September 30, 2024 and 2023, were $1,191,918 and $785,085, respectively, and is included with other general and administrative expense on the Statements of Revenues, Expenses and Changes in Net Position.

Unearned revenue

Unearned revenue arises when the resources were received by the Agency before it has a legal claim to the resources. Amounts received under certain intergovernmental grant agreements are recognized only to the extent of allowable expenses. Any amounts received in excess of expenditures incurred are unearned and recorded as a liability.

The only exception to this accounting policy is the Section 8 Housing Choice Voucher Program. Per HUD guidance, excess budget authority disbursed to a Public Housing Agency that is not utilized to pay Housing Assistance Payment (HAP) becomes part of the net position – restricted for the Section 8 Voucher and Emergency Housing Voucher Programs.

Bond issue costs

Bond issue costs are costs associated with issuing bonds and are expensed in the period incurred.

Pensions and other postemployment employee benefits

The fiduciary net position of the Oklahoma Public Employees Retirement System (OPERS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes measuring the net pension and OPEB liabilities (assets), deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, pension and OPEB expense, and information about assets, liabilities and additions to/deductions from OPERS fiduciary net position. Benefit payments (including refunds of employee contributions related to pensions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Restrictions and designations of net position

The use of assets of each of the Single Family Bond Program funds is restricted by the related bond indenture and resolution. Certain amounts in the program funds are considered subject to the restriction that they may be applied to the financing of housing for the respective program purposes or to the retirement of obligations issued for such purposes. The Agency previously designated $8,000,000 of unrestricted net position to provide funds and reserves to purchase single family loans to be acquired from future issuances under the Single Family Mortgage Revenue Bond Programs.

Net position restricted for the Section 8 Voucher and Emergency Housing Voucher Programs represent funds received from HUD in excess of HAP expenditures. These funds can only be utilized to make HAP payments for the Section 8 Voucher and Emergency Housing Voucher Programs. Net position restricted for Oklahoma Housing Trust Fund and OHSP funds are received from the State of Oklahoma and restricted in their use.

Reclassifications

Certain reclassifications have been made to the 2023 financial statements to conform with the 2024 presentation. These reclassifications had no impact to previously reported increase in net position.

Subsequent events

The Agency has evaluated events for recognition and disclosure that occurred through January 28, 2025, the date the financial statements were available to be issued. New conduit debt and single family mortgage revenue bonds were issued subsequent to year-end, see footnote 14.

## Note 3 – Cash and Investments

Deposit custodial credit risk

Custodial credit risk is the risk that in the event of a bank failure, the Agency's deposits may not be returned. The Agency requires that financial institutions pledge securities as collateral to secure the deposits of the Agency in each institution for amounts above the FDIC insurance coverage.

Current Agency policy for deposits not held by the Single Family Bond Programs requires fair value of the collateral pledged to be 110% of the deposit value. As of September 30, 2024 and 2023, the Agency was not exposed to custodial credit risk.

As of September 30, 2024 and 2023, $129,461,788 and $44,517,559, respectively, of the total cash consisted primarily of money market accounts held at trustee banks. These funds are classified as investments for the purposes of GASB Statement No. 40, *Deposit and Investment Risk Disclosures* requirements and therefore are not subject to deposit custodial credit risk. For presentation on the face of the Statement of Net Position, these funds are classified as cash equivalents.

Investment interest rate risk

The Agency limits investments to those having maturities of no more than 36 months, unless specifically authorized by the Agency's Board of Trustees, which helps manage its exposure to fair value losses from increasing interest rates.

The Agency's investments in securities and related maturities as of September 30, are listed below:

| 2024 | | | | | |
|---|---|---|---|---|---|
| | | Investment Maturity | | | |
| | Fair Value | Less than One Year | One to Three Years | Greater Than Three Years | Fair Value Investment |
| Agency General Fund: | | | | | |
| GNMA pooled loans | $ 40,499,014 | $ 2,654 | $ 1,212 | $ 40,495,148 | Level 2 |
| FNMA pooled loans | 16,145,796 | - | - | 16,145,796 | Level 2 |
| Certificates of deposit | 509,757 | 252,007 | 257,750 | - | Level 2 |
| Government bonds | 14,320,126 | - | 14,320,126 | - | Level 2 |
| Total investments in securities | 71,474,693 | $ 254,661 | $ 14,579,088 | $ 56,640,944 | |
| Single Family Bond Programs: | | | | | |
| GNMA pooled loans | 494,450,771 | | | | Level 2 |
| FNMA pooled loans | 68,212,723 | | | | Level 2 |
| Total investments | $ 634,138,187 | | | | |

| 2023 | | | | | |
|---|---|---|---|---|---|
| | | Investment Maturity | | | |
| | Fair Value | Less than One Year | One to Three Years | Greater Than Three Years | Fair Value Investment |
| Agency General Fund: | | | | | |
| GNMA pooled loans | $ 40,266,625 | $ - | $ 5,990 | $ 40,260,635 | Level 2 |
| FNMA pooled loans | 13,527,737 | - | - | 13,527,737 | Level 2 |
| Certificates of deposit | 209,786 | 209,786 | - | - | Level 2 |
| Government bonds | 13,869,825 | - | 13,869,825 | - | Level 2 |
| Total investments in securities | 67,873,973 | $ 209,786 | $ 13,875,815 | $ 53,788,372 | |
| Single Family Bond Programs: | | | | | |
| GNMA pooled loans | 327,775,620 | | | | Level 2 |
| FNMA pooled loans | 43,508,897 | | | | Level 2 |
| Total investments | $ 439,158,490 | | | | |

Investment custodial credit risk

For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Agency will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the Agency's investments in securities are held by the investment's counterparty in the name of the Agency. FNMA and GNMA are rated AA+ by Standard & Poor's or AAA by Moody's. Credit ratings are not available for the guaranteed investment contracts.

At September 30, total investments are reported in the Statement of Net Position in the following classifications:

| | 2024 | 2023 |
|---|---|---|
| Current: | | |
| Agency General Fund | $ 254,661 | $ 209,786 |
| Noncurrent: | | |
| Restricted - Single Family Bond Programs | 562,663,494 | 371,284,517 |
| Agency General Fund | 71,220,032 | 67,664,187 |
| Total noncurrent | 633,883,526 | 438,948,704 |
| Total investments | $ 634,138,187 | $ 439,158,490 |

The net change in fair value of investments shown in the financial statements takes into account all changes in fair value that occurred during the year. Fair value amounts for individual investments fluctuate based on changes in the market interest rates available to investors.

Concentration of investment credit risk

The Agency places no limit on the amount the Agency can invest in any one type of issuer. Investments by issuer that account for 5% or more of the Agency's total investments are indicated by an asterisk (*) as follows at September 30:

| | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| | Fair Value | | Credit Exposure as a Percentage of Total Investments | Fair Value | | Credit Exposure as a Percentage of Total Investments |
| Agency General Fund: | | | | | | |
| GNMA pooled loans | $ 40,499,014 | * | 6.4% | $ 40,266,625 | * | 9.2% |
| FNMA pooled loans | 16,145,796 | | 2.5% | 13,527,737 | | 3.1% |
| Certificates of deposit | 509,757 | | 0.1% | 209,786 | | 0.0% |
| Government bonds | 14,320,126 | | 2.3% | 13,869,825 | | 3.2% |
| | 71,474,693 | | 11.3% | 67,873,973 | | 15.5% |
| Single Family Bond Programs: | | | | | | |
| GNMA pooled loans | 494,450,771 | * | 78.0% | 327,775,620 | * | 74.6% |
| FNMA pooled loans | 68,212,723 | * | 10.7% | 43,508,897 | * | 9.9% |
| | 562,663,494 | | 88.7% | 371,284,517 | | 84.5% |
| Total investments | $ 634,138,187 | | 100.0% | $ 439,158,490 | | 100.0% |

MBS forward contracts

Beginning in 2013, the Agency entered into forward contracts to hedge the interest rate risk of delivering MBS guaranteed by GNMA and FNMA in the future, before the securities are ready for delivery (referred to as "to-be-announced," or TBA MBS). These securities represent pools of qualified mortgage loans originated by Agency approved lenders. The forward contracts offset the financial impact to the Agency of changes in interest rates between the time the loan reservations are made to originating mortgage lenders and the securitization and sale of such loans as GNMA and FNMA securities. The forward contracts are considered derivative instruments and the fair values were obtained from an external pricing specialist who used acceptable methods and assumptions in accordance with GASB requirements, subject to review and approval by the Agency. A positive fair value represents money due the Agency by the counterparty, while a negative fair value represents money payable by the Agency.

Outstanding forward sales contracts as of September 30, 2024, are as follows:

| **Forward Contracts to Sell TBA Mortgage-Backed Securities** | **Notional Amount September 30, 2024** | **Trade Date** | **Delivery Date** | **Coupon Rate** | **Net Fair Values as Reported in the Statement of Net Position at September 30, 2024** |
|---|---|---|---|---|---|
| **BMO Capital Markets Corp** | | | | | |
| GNMA II | $ 1,000,000 | 09/06/2024 | 11/20/2024 | 7.00% | $ 1,406 |
| GNMA II | 1,000,000 | 09/27/2024 | 12/19/2024 | 7.00% | 1,328 |
| **BNY Mellon Capital Markets LLC** | | | | | |
| GNMA II | 1,000,000 | 08/05/2024 | 10/21/2024 | 7.00% | (2,617) |
| GNMA II | 2,900,000 | 09/18/2024 | 10/21/2024 | 6.50% | 2,719 |
| **BOK Financial Corp** | | | | | |
| GNMA II | 1,400,000 | 07/29/2024 | 10/21/2024 | 7.00% | (7,000) |
| GNMA II | 1,200,000 | 08/14/2024 | 10/21/2024 | 7.00% | (750) |
| GNMA II | 1,000,000 | 08/27/2024 | 11/20/2024 | 7.00% | (469) |
| FNMA | 105,000 | 09/13/2024 | 10/15/2024 | 6.50% | 189 |
| FNMA | (105,000) | 09/18/2024 | 10/15/2024 | 6.50% | (278) |
| GNMA II | 600,000 | 09/18/2024 | 10/21/2024 | 6.50% | 281 |
| GNMA II | 1,000,000 | 09/23/2024 | 12/19/2024 | 7.00% | 781 |
| FNMA | 100,000 | 09/24/2024 | 10/15/2024 | 6.00% | 164 |
| **Jefferies LLC** | | | | | |
| GNMA II | 1,600,000 | 07/19/2024 | 10/21/2024 | 7.00% | (6,313) |
| GNMA II | 1,400,000 | 07/23/2024 | 10/21/2024 | 7.00% | (5,688) |
| GNMA II | 1,100,000 | 09/18/2024 | 10/21/2024 | 7.00% | 2,063 |
| **Piper Sandler & Co** | | | | | |
| GNMA II | 1,400,000 | 07/31/2024 | 10/21/2024 | 7.00% | (4,813) |
| GNMA II | 1,400,000 | 08/20/2024 | 11/20/2024 | 7.00% | 438 |
| GNMA II | 1,000,000 | 08/22/2024 | 11/20/2024 | 7.00% | (587) |
| GNMA II | 1,000,000 | 08/29/2024 | 11/20/2024 | 7.00% | 625 |
| GNMA II | 1,000,000 | 09/10/2024 | 11/20/2024 | 7.00% | 469 |
| GNMA II | 1,000,000 | 09/16/2024 | 11/20/2024 | 7.00% | 352 |
| GNMA II | 3,200,000 | 09/18/2024 | 10/21/2024 | 7.00% | 5,000 |
| | $ 25,300,000 | | | | |
| Total deferred outflows of resources accumulated decrease in fair value of hedging derivatives | | | | | $ (12,700) |

Outstanding forward sales contracts as of September 30, 2023, are as follows:

| Forward Contracts to Sell TBA Mortgage-Backed Securities | Notional Amount September 30, 2023 | Trade Date | Delivery Date | Coupon Rate | Net Fair Values as Reported in the Statement of Net Position at September 30, 2023 |
|---|---|---|---|---|---|
| **BofA Securities Inc** | | | | | |
| GNMA II | $ 2,400,000 | 08/08/2023 | 10/23/2023 | 6.50% | $ 15,563 |
| GNMA II | 1,000,000 | 08/09/2023 | 10/23/2023 | 6.50% | 6,406 |
| **BMO Capital Markets Corp** | | | | | |
| GNMA II | 1,000,000 | 07/31/2023 | 10/23/2023 | 6.50% | 7,344 |
| GNMA II | 1,200,000 | 09/15/2023 | 11/20/2023 | 7.00% | (4,126) |
| GNMA II | 1,000,000 | 09/18/2023 | 11/20/2023 | 7.00% | (2,773) |
| GNMA II | 1,000,000 | 09/27/2023 | 12/20/2023 | 7.00% | (4,336) |
| **BNY Mellon Capital Markets LLC** | | | | | |
| GNMA II | 1,300,000 | 09/18/2023 | 10/23/2023 | 6.50% | 6,703 |
| GNMA II | 1,400,000 | 09/26/2023 | 12/20/2023 | 7.00% | (5,742) |
| **BOK Financial Corp** | | | | | |
| GNMA II | 1,000,000 | 07/21/2023 | 10/23/2023 | 6.50% | 7,188 |
| GNMA II | 2,000,000 | 07/25/2023 | 10/23/2023 | 6.50% | 14,688 |
| GNMA II | 1,200,000 | 07/26/2023 | 10/23/2023 | 6.50% | 8,719 |
| GNMA II | 3,600,000 | 08/22/2023 | 10/23/2023 | 7.00% | (29,814) |
| GNMA II | 2,000,000 | 08/23/2023 | 11/20/2023 | 7.00% | (12,500) |
| GNMA II | 3,200,000 | 08/24/2023 | 11/20/2023 | 7.00% | (17,750) |
| GNMA II | 1,600,000 | 08/28/2023 | 11/20/2023 | 7.00% | (4,000) |
| GNMA II | 4,500,000 | 09/08/2023 | 11/20/2023 | 7.00% | (22,500) |
| GNMA II | 1,000,000 | 09/11/2023 | 11/20/2023 | 6.50% | 4,688 |
| GNMA II | 5,400,000 | 09/11/2023 | 11/20/2023 | 7.00% | (27,000) |
| GNMA II | 300,000 | 09/18/2023 | 10/23/2023 | 6.50% | 1,547 |
| GNMA II | (400,000) | 09/19/2023 | 10/23/2023 | 6.50% | (1,875) |
| GNMA II | 1,200,000 | 09/19/2023 | 11/20/2023 | 7.00% | (3,563) |
| GNMA II | 1,000,000 | 09/28/2023 | 12/20/2023 | 7.00% | (3,125) |
| **Jefferies LLC** | | | | | |
| GNMA II | 1,800,000 | 09/13/2023 | 11/20/2023 | 7.00% | (3,938) |
| GNMA II | 4,000,000 | 09/18/2023 | 10/23/2023 | 6.50% | 15,625 |
| GNMA II | 1,800,000 | 09/25/2023 | 12/20/2023 | 7.00% | (5,273) |
| **Piper Sandler & Co** | | | | | |
| GNMA II | 2,200,000 | 07/24/2023 | 10/23/2023 | 6.50% | 17,961 |
| GNMA II | 1,000,000 | 07/27/2023 | 10/23/2023 | 6.50% | 3,594 |
| GNMA II | 1,000,000 | 08/10/2023 | 10/23/2023 | 6.50% | 6,250 |
| | $ 49,700,000 | | | | |
| Total deferred outflows of resources accumulated decrease in fair value of hedging derivatives | | | | | $ (32,039) |

**Note 4 – Program Loans Receivable**

Program loans receivable consists of the following at September 30:

| | 2024 | 2023 |
|---|---|---|
| Agency general fund: | | |
| Oklahoma Housing Trust Fund, Tivoli Homes, LLC, bearing interest at 2.00%, 24-month term, maturing March 2026 | $ 1,050,000 | $ - |
| OHSP, Oklahoma Homebuilder Program, bearing interest at 0%, 24-month term, maturing August 2026 | 131,768 | - |
| OHSP, Oklahoma Increased Housing Program, bearing interest at 0%, 24-month term, maturing September 2026 | 189,000 | - |
| Workforce Housing Pilot Program, American Opportunity Partners LLC, bearing interest at 2%, ten year term, maturing August 2029 | 3,792,936 | 3,893,403 |
| Second Mortgages (net of allowance for bad debts of $1,423,417 and $704,107 for 2024 and 2023, respectively) | 12,810,749 | 6,336,959 |
| | 17,974,453 | 10,230,362 |
| Single Family Bond Programs: | | |
| Single Family Second Mortgages (net of allowance for bad debts of $1,339,127 and $674,351 for 2024 and 2023, respectively) | 12,052,144 | 6,069,160 |
| Total program loans | $ 30,026,597 | $ 16,299,522 |

In addition to the loans in the table above, certain loans from the federally appropriated HOME Investment Partnership Program and National Housing Trust Fund Program are carried at below-market interest rates, and repayment is deferred for up to 40 years. These loans are generally in either a second or more subordinate position. Given the nature of these loans and the risk associated with them, at the time of origination, they are fully expensed as part of federal and state program expenses, resulting in a net carrying value of zero. Loans with net carrying values of zero are excluded from the table above, and loans are tracked for affordability by OHFA staff. The balances of these loans for the years ended September 30, 2024 and 2023, were $18,808,595 and $18,056,620, respectively.

**Note 5 – Capital Assets**

Capital assets activity for the year ended September 30, was as follows:

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Beginning Balance | Additions | Retirements | Transfers | Ending Balance |
| Capital assets not being depreciated: | | | | | |
| Land | $ 550,000 | $ - | $ - | $ - | $ 550,000 |
| Total capital assets not being depreciated | 550,000 | - | - | - | 550,000 |
| Capital assets being depreciated: | | | | | |
| Furniture and equipment | 5,245,329 | 504,677 | (1,101,990) | - | 4,648,016 |
| Buildings | 17,046,478 | 50,980 | - | - | 17,097,458 |
| Improvements | 696,397 | 14,750 | - | - | 711,147 |
| Total capital assets being depreciated | 22,988,204 | 570,407 | (1,101,990) | - | 22,456,621 |

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Beginning Balance | Additions | Retirements | Transfers | Ending Balance |
| Less accumulated depreciation: | | | | | |
| Furniture and equipment | (3,166,989) | (722,080) | 1,088,798 | - | (2,800,271) |
| Building | (1,285,513) | (421,577) | - | - | (1,707,090) |
| Improvements | (402,857) | (48,261) | - | - | (451,118) |
| Total accumulated depreciation | (4,855,359) | (1,191,918) | 1,088,798 | - | (4,958,479) |
| Total capital assets being depreciated | 18,132,845 | (621,511) | (13,192) | - | 17,498,142 |
| Capital assets, net | $ 18,682,845 | $ (621,511) | $ (13,192) | $ - | $ 18,048,142 |

| | 2023 | | | | |
|---|---|---|---|---|---|
| | Beginning Balance | Additions | Retirements | Transfers | Ending Balance |
| Capital assets not being depreciated: | | | | | |
| Land | $ 550,000 | $ - | $ - | $ - | $ 550,000 |
| Construction in progress | 9,920,977 | 4,381,386 | - | (14,302,363) | - |
| Total capital assets not being depreciated | 10,470,977 | 4,381,386 | - | (14,302,363) | 550,000 |
| Capital assets being depreciated: | | | | | |
| Furniture and equipment | 5,172,548 | 717,858 | (645,077) | - | 5,245,329 |
| Buildings | 2,073,056 | 671,059 | - | 14,302,363 | 17,046,478 |
| Improvements | 696,397 | - | - | - | 696,397 |
| Total capital assets being depreciated | 7,942,001 | 1,388,917 | (645,077) | 14,302,363 | 22,988,204 |
| Less accumulated depreciation: | | | | | |
| Furniture and equipment | (3,259,984) | (540,960) | 633,955 | - | (3,166,989) |
| Building | (1,088,354) | (197,159) | - | - | (1,285,513) |
| Improvements | (355,893) | (46,964) | - | - | (402,857) |
| Total accumulated depreciation | (4,704,231) | (785,083) | 633,955 | - | (4,855,359) |
| Total capital assets being depreciated | 3,237,770 | 603,834 | (11,122) | 14,302,363 | 18,132,845 |
| Capital assets, net | $ 13,708,747 | $ 4,985,220 | $ (11,122) | $ - | $ 18,682,845 |

**Note 6 – Conduit Debt**

The Agency has issued multi-family mortgage revenue bonds as a conduit debt issuer to promote the development of adequate residential housing and other economic development. The net proceeds of these bonds are used to provide interim and permanent financing for multi-family construction projects and establish debt-service reserves as required by the various trust indentures. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Neither the Agency, the State, nor any political subdivision thereof, is obligated in any manner for repayment of these bonds.

The following series of bonds were outstanding as of September 30:

| Development | Number of Units | Issued | Original Principal Amount | Outstanding Balance September 30, 2024 | Outstanding Balance September 30, 2023 |
|---|---|---|---|---|---|
| New Page | 136 | 03/18/2016 | $ 21,000,000 | $ 6,819,542 | $ 6,927,427 |
| Highland Trails | 100 | 04/27/2018 | 9,000,000 | 5,219,361 | 5,321,727 |
| The Curve | 244 | 12/21/2018 | 30,000,000 | 30,000,000 | 25,000,000 |
| Stillwater Springs | 120 | 07/24/2019 | 12,000,000 | 7,486,531 | 7,584,588 |
| North Pointe Apartments | 184 | 12/20/2021 | 14,620,000 | 14,554,690 | 14,620,000 |
| Country Club Gardens | 353 | 12/29/2021 | 30,500,000 | 18,449,523 | 30,500,000 |
| Chisholm Springs of Spencer | 70 | 07/13/2022 | 13,000,000 | 5,550,737 | 5,550,841 |
| Duncan Plaza | 105 | 08/11/2022 | 8,520,000 | 8,405,000 | 8,470,000 |
| Fairground Flats | 216 | 09/08/2022 | 33,670,000 | 33,670,000 | 33,670,000 |
| Cornerstone Apartments Yukon | 122 | 09/13/2022 | 22,885,000 | 20,465,000 | 22,885,000 |
| The Gates of Oklahoma City | 120 | 01/31/2023 | 17,000,000 | 17,000,000 | 17,000,000 |
| Rising Sun Apartments | 224 | 06/21/2023 | 27,000,000 | 27,000,000 | 27,000,000 |
| Pioneer Plaza Apartments | 191 | 06/27/2023 | 25,989,000 | 25,989,000 | 25,989,000 |
| Oak Tree Village | 120 | 10/11/2023 | 15,500,000 | 15,460,000 | - |
| Portland Place Apartments | 180 | 10/31/2023 | 21,000,000 | 21,000,000 | - |
| Mohawk Manor | 106 | 12/22/2023 | 15,050,000 | 15,050,000 | - |
| Seminole Hills | 141 | 12/22/2023 | 19,900,000 | 19,900,000 | - |
| Bradford Apartments | 192 | 12/22/2023 | 17,416,000 | 17,292,432 | - |
| Edenwood Apartments | 192 | 12/22/2023 | 17,525,000 | 17,395,126 | - |
| Chisholm Springs of Oklahoma City | 171 | 02/05/2024 | 32,000,000 | 32,000,000 | - |
| | | | $ 403,575,000 | $ 358,706,942 | $ 230,518,583 |

## Note 7 – Bonds and Notes Payable

The Single Family Bond Programs are generally payable in annual and semiannual installments and are subject to mandatory sinking fund requirements. These bonds are special obligations payable solely from the income and receipts of these indentures. Neither the Agency, the State, nor any political subdivision thereof, is obligated in any manner for the repayment of these bonds, which are secured by MBS and other assets of their respective indentures.

The Agency's line of credit agreement with the Federal Home Loan Bank (FHLBank) has a term of one day with automatic daily renewals subject to FHLBank discretion not to renew. The agreement requires monthly interest payments at a daily rate set based on the FHLBank's cost of funds rate (5.04% and 5.49% at September 30, 2024 and 2023, respectively) and is collateralized by investment securities. As of September 30, 2024 and 2023, there was no outstanding balance. According to the terms of the agreement, the maximum amount of credit available with FHLBank may not exceed the collateral lending value of pledged securities. At September 30, 2024 and 2023, the amount available under this line of credit was $44,496,273 and $45,777,829, respectively.

Bonds and notes payable and changes for the fiscal years ended 2024 and 2023, are as follows:

| Single Family Bond Program | Issued | Interest Rate Range on Outstanding Amount | | Maturity Through | Ending Balance September 30, 2022 | Additions | Reductions | Ending Balance September 30, 2023 | Additions | Reductions | Ending Balance September 30, 2024 | Amount Due in One Year |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2012 A | 12/05/2012 | 2.89% | 5.00% | 03/01/2041 | $ 23,740,000 | $ - | $ 2,180,000 | $ 21,560,000 | $ - | $ 2,290,000 | $ 19,270,000 | $ 2,415,000 |
| 2013 C&D | 10/30/2013 | 3.35% | 3.75% | 03/01/2044 | 12,780,841 | - | 2,170,025 | 10,610,816 | - | 1,653,441 | 8,957,375 | 472,610 |
| 2018 A | 10/23/2018 | 2.75% | 4.75% | 09/01/2048 | 18,280,000 | - | 2,530,000 | 15,750,000 | - | 2,560,000 | 13,190,000 | 640,000 |
| 2019 A | 08/29/2019 | 2.00% | 5.00% | 09/01/2049 | 35,905,000 | - | 4,190,000 | 31,715,000 | - | 4,250,000 | 27,465,000 | 1,310,000 |
| 2020 A | 05/06/2020 | 1.63% | 4.00% | 03/01/2050 | 33,295,000 | - | 3,740,000 | 29,555,000 | - | 3,290,000 | 26,265,000 | 845,000 |
| 2020 B | 12/10/2020 | 0.50% | 3.25% | 09/01/2050 | 26,045,000 | - | 2,910,000 | 23,135,000 | - | 3,170,000 | 19,965,000 | 1,375,000 |
| 2022 A | 06/29/2022 | 2.40% | 5.00% | 03/01/2052 | 40,000,000 | - | 1,740,000 | 38,260,000 | - | 2,785,000 | 35,475,000 | 1,830,000 |
| 2022 B | 12/07/2022 | 3.35% | 6.25% | 09/01/2053 | - | 50,000,000 | 435,000 | 49,565,000 | - | 2,955,000 | 46,610,000 | 860,000 |
| 2023 A | 04/20/2023 | 2.75% | 6.00% | 03/01/2054 | - | 40,000,000 | 75,000 | 39,925,000 | - | 1,475,000 | 38,450,000 | 650,000 |
| 2023 B | 07/11/2023 | 3.25% | 5.75% | 09/01/2053 | - | 50,000,000 | - | 50,000,000 | - | 1,730,000 | 48,270,000 | 760,000 |
| 2023 C | 09/21/2023 | 3.45% | 6.00% | 03/01/2054 | - | 50,000,000 | - | 50,000,000 | - | 840,000 | 49,160,000 | 740,000 |
| 2023 D | 12/13/2023 | 3.60% | 6.50% | 09/01/2054 | - | - | - | - | 60,000,000 | 645,000 | 59,355,000 | 765,000 |
| 2024 A | 02/29/2024 | 3.15% | 6.00% | 09/01/2054 | - | - | - | - | 60,000,000 | 145,000 | 59,855,000 | 820,000 |
| 2024 B | 06/13/2024 | 3.40% | 6.25% | 09/01/2055 | - | - | - | - | 75,000,000 | - | 75,000,000 | 855,000 |
| 2024 C | 08/29/2024 | 3.10% | 6.00% | 03/01/2056 | - | - | - | - | 75,000,000 | - | 75,000,000 | 400,000 |
| Total Single Family Bond Programs | | | | | 190,045,841 | 190,000,000 | 19,970,025 | 360,075,816 | 270,000,000 | 27,788,441 | 602,287,375 | 14,737,610 |
| Agency line of credit | | | 5.04% | daily | - | 296,100,000 | 296,100,000 | - | 376,300,000 | 376,300,000 | - | - |
| Total bonds and notes payable | | | | | 190,045,841 | 486,100,000 | 316,070,025 | 360,075,816 | 646,300,000 | 404,088,441 | 602,287,375 | 14,737,610 |
| Unamortized premium | | | | | 7,213,162 | 6,920,031 | 753,448 | 13,379,745 | 12,149,268 | 1,046,824 | 24,482,189 | - |
| Total bonds and notes payable including unamortized premium | | | | | $ 197,259,003 | $ 493,020,031 | $ 316,823,473 | $ 373,455,561 | $ 658,449,268 | $ 405,135,265 | $ 626,769,564 | $ 14,737,610 |

Debt requirements on bonds and notes payable at September 30, are as follows (in thousands):

| | 2025 | 2026 | 2027 | 2028 | 2029 | 2030-2034 | 2035-2039 | 2040-2044 | 2045-2049 | 2050-2054 | 2055-2056 | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2024: | | | | | | | | | | | | |
| Principal and interest | $ 42,668 | $ 43,263 | $ 43,098 | $ 39,446 | $ 39,361 | $ 199,141 | $ 195,500 | $ 186,881 | $ 186,378 | $ 152,721 | $ 5,331 | $ 1,133,788 |
| Less interest | 27,930 | 27,414 | 26,871 | 26,346 | 25,942 | 122,233 | 106,514 | 86,506 | 59,933 | 21,596 | 216 | 531,501 |
| Total principal | $ 14,738 | $ 15,849 | $ 16,227 | $ 13,100 | $ 13,419 | $ 76,908 | $ 88,986 | $ 100,375 | $ 126,445 | $ 131,125 | $ 5,115 | 602,287 |
| Unamortized premium | | | | | | | | | | | | 24,482 |
| | | | | | | | | | | Bonds and notes payable | | $ 626,769 |

| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029-2033 | 2034-2038 | 2039-2043 | 2044-2048 | 2049-2053 | 2054 | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2023: | | | | | | | | | | | | |
| Principal and interest | $ 26,052 | $ 26,891 | $ 26,851 | $ 26,614 | $ 22,914 | $ 115,057 | $ 112,064 | $ 102,621 | $ 99,328 | $ 74,500 | $ 809 | $ 633,701 |
| Less interest | 15,140 | 14,926 | 14,532 | 14,110 | 13,715 | 64,171 | 54,784 | 43,321 | 28,892 | 10,010 | 24 | 273,625 |
| Total principal | $ 10,912 | $ 11,965 | $ 12,319 | $ 12,504 | $ 9,199 | $ 50,886 | $ 57,280 | $ 59,300 | $ 70,436 | $ 64,490 | $ 785 | 360,076 |
| Unamortized premium | | | | | | | | | | | | 13,380 |
| | | | | | | | | Bonds and notes payable | | | | $ 373,456 |

**Note 8 – Nonoperating Revenues and Expenses**

OHFA administers federal and state programs, the funds of which are restricted in purpose by the granting authority and are considered nonoperating income and expenses. The nonoperating revenues and expenses are shown below for the years ended September 30:

| | 2024 | 2023 |
|---|---|---|
| Federal and state program revenues | | |
| Federal program revenues: | | |
| Home Investment Partnerships Program (HOME) | $ 9,469,365 | $ 6,571,396 |
| HOME - American Rescue Plan | - | 493,631 |
| Housing Opportunities for Persons with AIDS | 621,954 | 468,291 |
| National Housing Trust Fund | 4,411,209 | 4,129,974 |
| Performance Based Contract Administration Program | 85,871,727 | 81,276,409 |
| Low Income Housing Assistance Program - Section 8 Moderate Rehabilitation | 108,687 | 128,757 |
| Section 8 Housing Choice Vouchers Program | 76,110,938 | 69,242,322 |
| Section 8 Housing Choice Vouchers Program - Emergency Housing Voucher | 2,562,391 | 1,880,321 |
| Homeowner Assistance Fund | 26,537,024 | 27,894,530 |
| Total federal revenues | 205,693,295 | 192,085,631 |
| State program revenues: | | |
| Oklahoma Housing Stability Program | 164,250,000 | - |
| Total state revenues | 164,250,000 | - |
| Total federal and state program revenues | $ 369,943,295 | $ 192,085,631 |
| Federal and state program expenses | | |
| Federal program expenses: | | |
| Home Investment Partnerships Program (HOME) | $ 9,469,365 | $ 6,571,396 |
| HOME - American Rescue Plan | - | 493,631 |
| Housing Opportunities for Persons with AIDS | 621,954 | 468,291 |
| National Housing Trust Fund | 4,411,209 | 4,129,974 |
| Performance Based Contract Administration Program | 85,871,727 | 81,276,409 |
| Low Income Housing Assistance Program - Section 8 Moderate Rehabilitation | 108,687 | 128,757 |
| Section 8 Housing Choice Vouchers Program | 76,146,868 | 69,207,570 |
| Section 8 Housing Choice Vouchers Program - Emergency Housing Voucher | 2,539,046 | 2,302,477 |
| Homeowner Assistance Fund | 26,537,024 | 27,894,530 |
| Total federal expenses | 205,705,880 | 192,473,035 |
| Total federal and state program expenses | $ 205,705,880 | $ 192,473,035 |

**Note 9 – Retirement Plans**

Employees hired prior to July 1, 1997, who elect not to be covered by the Oklahoma Public Employees Defined Benefit Pension Plan (OPERS Plan), are covered by the Oklahoma Housing Finance Agency Retirement Plan (OHFA Plan). The OHFA Plan is a defined contribution plan. No new employees are allowed to join this plan after June 30, 1997. OHFA's contribution amount is at the discretion of the Board of Trustees and does not have any limitations. The Board of Trustees approved a monthly contribution to the OHFA Plan equaling the required contribution for the OPERS plan. For September 30, 2024 and 2023, retirement expense for the OHFA plan was $83,512 and $90,764, respectively.

The contribution to the OHFA Plan was 15.5% of allowable compensation beginning July 1, 2009, and increased to 16.5% of allowable compensation on July 1, 2011. All OHFA employees hired after June 30, 1997, and prior to November 1, 2015, are required to participate in the OPERS Plan.

Employees hired on or after November 1, 2015, are required to participate in the State's mandatory defined contribution plan administered by OPERS (PATHFINDER). Under this plan, members choose a contribution rate which will be matched by OHFA up to 7%. For September 30, 2024 and 2023, retirement expense for the PATHFINDER plan was $616,452 and $482,737, respectively.

**Note 10 – Defined Benefit Pension Plans**

OPERS Plan description

OHFA participates in the OPERS, a cost-sharing multiple-employer defined benefit pension for many state employees in Oklahoma. It covers substantially all employees of the State except those covered by six other plans sponsored by the State and also covers employees of participating counties and local agencies. The employee and employer contribution rates for each member category are established by the Oklahoma Legislature after recommendation by the OPERS Board of Trustees based on an actuarial calculation which is performed to determine the adequacy of such contribution rates.

All OHFA employees hired on or after July 1, 1997, and prior to November 1, 2015, are covered by OPERS.

Pension plan fiduciary net position

Detailed information about OPERS fiduciary net position is available in separately issued Comprehensive Annual Financial Reports that include financial statements and required supplemental information. These reports may be obtained on the Internet at https://www.opers.ok.gov/wp-content/uploads/2023/11/2023_ACFR_OPERS_Final.pdf; P.O. Box 53007, Oklahoma City, OK 73152-3007; and telephone (800) 733-9008.

Benefits provided

OPERS provides retirement benefits to eligible employees (and their beneficiaries) of many state employees in Oklahoma. Members qualify for full retirement benefits at their specified normal retirement age or, depending upon when they became members, when the sum of the member's age and years of credited service equals 80 or 90. Generally, benefits for state, county, and local agency employees are determined at 2% of the average salary, as defined, multiplied by the number of years of credited service. Members may elect to pay an additional contribution rate to receive benefits using a 2.5% factor for each full year the additional contributions are made.

Contributions

The contribution rates for each member category of the plan are established by the Oklahoma Legislature after recommendation by the OPERS Board of Trustees based on an actuarial calculation, which is performed to determine the adequacy of such contribution rates. Each member participates based on their qualifying gross salary earned, excluding overtime. There is no cap on the qualifying gross salary earned, subject to Internal Revenue Service (IRS) limitations on compensation. The following contribution rates were in effect for State, County, and Local Agency Employees: for 2024 and 2023, state agency employers contributed 16.5% on all salary, and state employees contributed 3.5% on all salary.

For the years ended September 30, 2024 and 2023, OHFA contributed approximately $1,062,000 and $947,000, respectively, to the OPERS Plan. Actuarial methods and assumptions

The total pension (asset) liability for June 30, 2023 and 2022, was determined based on actuarial valuations prepared as of July 1, 2023, using the following actuarial assumptions:

- Investment return – 6.5% for 2023 and 2022 compounded annually net of investment expense and including inflation
- Salary increases, including price inflation – 3.25% to 9.25% for 2023 and 2022
- Mortality rates – In 2023 and 2022, Pub G-2010(B) Below Media, General Membership Active/Retiree Healthy Mortality Table with base rates projected to 2030 using Scale MP-2019. Male rates are unadjusted, and female rates are set forward two years.
- No annual post-retirement benefit increases
- Assumed inflation rate – 2.5% for 2023 and 2022
- Payroll Growth – 3.25% for 2023 and 2022
- Actuarial cost method – Entry age
- Select period for the termination of employment assumptions – ten years

The actuarial assumptions used in the July 1, 2023 valuation are based on the results of the most recent actuarial experience study, which covered the three-year period ended June 30, 2022. The experience study report is dated April 12, 2023.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2022 experience study, are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|---|---|---|
| U.S. Large Cap Equity | 34.0% | 5.1% |
| U.S. Small Cap Equity | 6.0% | 5.1% |
| Global Equity ex-US | 28.0% | 8.2% |
| Core Fixed Income | 25.0% | 1.9% |
| Long Term Treasuries | 3.5% | 2.1% |
| US TIPS | 3.5% | 1.8% |
| Total | 100.0% | |

Discount rate

The discount rate used to measure the total pension liability was 6.5%, net of investment expenses, for 2023 and 2022, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the current contribution rate as set out in state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determined does not use a municipal bond rate.

Sensitivity of the net pension (asset) liability to changes in the discount rate

The following schedule presents the OHFA portion of the OPERS pension (asset) liability calculated using the discount rate of 6.5% for 2023 and 2022, as well as what OHFA's pension (asset) liability would be if it were calculated using a discount rate that is 1% lower than and 1% greater than the discount rate that was used in measuring the net pension (asset) liability as of June 30, 2023 and 2022, per the respective OPERS schedule of employer allocations and collective pension amounts.

| | 2023 | | |
|---|---|---|---|
| | 1% Decrease in Discount Rate (5.5%) | Discount Rate (6.5%) | 1% Increase in Discount Rate (7.5%) |
| OHFA's proportionate share of the net pension (asset) liability | $ 6,350,492 | $ 1,644,092 | $ (2,313,165) |

| | 2022 | | |
|---|---|---|---|
| | 1% Decrease in Discount Rate (5.5%) | Discount Rate (6.5%) | 1% Increase in Discount Rate (7.5%) |
| OHFA's proportionate share of the net pension (asset) liability | $ 6,904,726 | $ 2,817,100 | $ (639,847) |

Pension (asset) liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions

At September 30, 2024 and 2023, respectively, OHFA reported a liability of $1,644,092 and $2,817,100 for its proportionate share of the OPERS net pension (asset) liability. For the years ended September 30, 2024 and 2023, OHFA recognized pension expense of $1,064,147 and $204,429, respectively.

The net pension (asset) liability was measured as of June 30, 2023 and 2022, and the total pension (asset) liability used to calculate the net pension (asset) liability was determined by actuarial valuations as of those dates. The employer's proportion of the net pension (asset) liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period July 1, 2022 through June 30, 2023, and the period July 1, 2021 through June 30, 2022.

The amount recognized by the Agency as its proportionate share of the net pension (asset) liability and the total portion of the net pension (asset) liability that was associated with the Agency were as follows at September 30:

| | 2024 | 2023 |
|---|---|---|
| Agency's proportion of the net pension (asset) liability | 0.36% | 0.34% |
| Agency's proportionate share of the net pension (asset) liability | $ 1,644,092 | $ 2,817,100 |
| Agency's covered-employee payroll | $ 6,802,715 | $ 6,076,376 |
| Agency's proportionate share of the net pension (asset) liability as a percentage of its covered-employee payroll | 24.17% | 46.36% |
| Plan fiduciary net position as a percentage of the total pension liability | 95.91% | 92.24% |

At September 30, 2024 and 2023, OHFA reported its proportionate share of the OPERS deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| 2024: | | |
| Change in proportionate share | $ 63,063 | $ (137,337) |
| Changes in actuarial assumptions | 347,319 | - |
| Differences between expected and actual economic experience | 45,106 | (24,905) |
| Difference between projected and actual investment earnings | 1,366,681 | - |
| Contributions paid to OPERS subsequent to the measurement date | 784,480 | - |
| | $ 2,606,649 | $ (162,242) |
| 2023: | | |
| Change in proportionate share | $ 274,740 | $ (13,701) |
| Changes in actuarial assumptions | - | - |
| Differences between expected and actual economic experience | - | (129,160) |
| Difference between projected and actual investment earnings | 2,956,902 | - |
| Contributions paid to OPERS subsequent to the measurement date | 808,300 | - |
| | $ 4,039,942 | $ (142,861) |

Deferred outflows of resources of $784,480 and $808,300 related to pensions as of September 30, 2024 and 2023, respectively, resulting from OHFA contributions subsequent to the measurement dates of June 30, 2023 and 2022, were recognized as an increase in the net pension (asset) or reduction of the net pension liability in the years ended September 30, 2024 and 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension (income) expense as follows:

| Year Ended September 30, | Pension Expense |
|---|---|
| 2025 | $ 430,182 |
| 2026 | 48,875 |
| 2027 | 1,492,408 |
| 2028 | (311,538) |

**Note 11 – OPEB**

OPERS OPEB plan description

OHFA participates in the OPERS Health Insurance Subsidy Plan (HISP), a cost-sharing multiple-employer defined benefit public employee health insurance subsidy retirement plan which is administered by OPERS. The HISP is classified as an "other postemployment employee benefit."

OPEB plan fiduciary net position

Detailed information about OPERS OPEB fiduciary net position is available in separately issued Comprehensive Annual Financial Reports that include financial statements and required supplemental information. These reports may be obtained on the Internet at https://www.opers.ok.gov/wp-content/uploads/2023/11/2023_ACFR_OPERS_Final.pdf; P.O. Box 53007, Oklahoma City, OK 73152-3007; and telephone (800) 733-9008.

Benefits provided

HISP provides a health insurance premium subsidy for retirees of OPERS who elect to maintain health insurance with the Office of Management Enterprise Services (OMES) Employees Group Insurance Division (EGID) or other qualified insurance plan provided by the employers. The HISP subsidy is capped at $105 per month per retiree. This subsidy continues until the retiree terminates health insurance coverage with EGID or other qualified plan, or until death. The subsidy is only for the retiree, not the joint annuitants or beneficiaries.

Contributions

The contribution rates for each member category of the plan are established by the Oklahoma Legislature after recommendation by the OPERS Board based on actuarial calculation, which is performed to determine the adequacy of such contribution rates. An actuarially determined portion of the total contribution to OPERS is set aside to finance the cost of the benefits of the HISP in accordance with provisions of the Internal Revenue Code.

Each member participates based on their qualifying gross salary earned, excluding overtime. There is no cap on the qualifying gross salary earned, subject to IRS limitations on compensation. Only employers contribute to the HISP. The following contribution rates were in effect for State, County, and Local Agency Employees: for 2024 and 2023, state agency employers contributed 16.5% on all salary toward OPERS and HISP.

For the years ended September 30, 2024 and 2023, OHFA contributed approximately $60,000 and $56,000, respectively, to OPERS for the HISP.

Actuarial methods and assumptions

The total OPEB asset (liability) as of June 30, 2023 and 2022, was determined based on actuarial valuations prepared as of July 1, 2023, using the following actuarial assumptions:

- Investment return – 6.5% for 2023 and 2022 compounded annually net of investment expense and including inflation
- Salary increases, including price inflation – 3.25% to 9.25% for 2023 and 2022
- Mortality rates – In 2023 and 2022, Pub G-2010(B) Below Media, General Membership Active/Retiree Healthy Mortality Table with base rates projected to 2030 using Scale MP-2019. Male rates are unadjusted, and female rates are set forward two years.
- No annual post-retirement benefit increases
- Assumed inflation rate – 2.5% for 2023 and 2022

- Payroll Growth – 3.25% for 2023 and 2022
- Actuarial cost method – entry age
- Select period for the termination of employment assumptions – ten years

The actuarial assumptions used in the July 1, 2023 valuations are based on the results of the most recent actuarial experience study, which covered the three-year period ended June 30, 2022. The experience study report is dated April 12, 2023.

The long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2022 experience study, are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|---|---|---|
| U.S. Large Cap Equity | 34.0% | 5.1% |
| U.S. Small Cap Equity | 6.0% | 5.1% |
| Global Equity ex-US | 28.0% | 8.2% |
| Core Fixed Income | 25.0% | 1.9% |
| Long Term Treasuries | 3.5% | 2.1% |
| US TIPS | 3.5% | 1.8% |
| Total | 100.0% | |

Discount rate

The discount rate used to measure the total OPEB (asset) liability was 6.5% net of investment expenses for 2023 and 2022, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers are made at the current contribution rate as set out in state statute. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB asset or liability. The discount rate determined does not use a municipal bond rate.

Sensitivity of the net OPEB liability to changes in the discount rate

The following schedule presents the OHFA portion of the OPERS OPEB (asset) liability calculated using the discount rates of 6.5% for 2023 and 2022, as well as what OHFA's OPEB (asset) liability would be if it were calculated using a discount rate that is 1% lower than and 1% greater than the discount rate that was used in measuring the net OPEB (asset) liability as of June 30, 2023 and 2022, per the respective OPERS schedule of employer allocations and collective OPEB amounts.

| | 2023 | | |
|---|---|---|---|
| | 1% Decrease in Discount Rate (5.5%) | Discount Rate (6.5%) | 1% Increase in Discount Rate (7.5%) |
| OHFA's proportionate share of the net OPEB asset | $ (336,500) | $ (458,778) | $ (562,759) |

| | 2022 | | |
|---|---|---|---|
| | 1% Decrease in Discount Rate (5.5%) | Discount Rate (6.5%) | 1% Increase in Discount Rate (7.5%) |
| OHFA's proportionate share of the net OPEB asset | $ (202,462) | $ (313,654) | $ (408,925) |

<u>OPEB (assets) liabilities, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB</u>

At September 30, 2024 and 2023, OHFA reported assets of $458,778 and $313,654, respectively, for its proportionate share of the OPERS net OPEB (asset) liability. For the years ended September 30, 2024 and 2023, OHFA recognized OPEB (revenue) expense of ($34,257) and ($32,424), respectively.

The net OPEB (asset) liability was measured as of June 30, 2023 and 2022, respectively, and the total OPEB (asset) liability used to calculate the net OPEB (asset) or liability was determined by actuarial valuations as of those dates. The employer's proportion of the net OPEB asset or liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period July 1, 2022 through June 30, 2023, and July 1, 2021 through June 30, 2022.

The amount recognized by the Agency as its proportionate share of the net OPEB (asset) liability and the total portion of the net OPEB (asset) liability that was associated with the Agency were as follows at September 30:

| | 2024 | 2023 |
|---|---|---|
| Agency's proportion of the net OPEB liability (asset) | 0.36% | 0.34% |
| Agency's proportionate share of the net OPEB liability (asset) | $ (458,778) | $ (313,654) |
| Plan fiduciary net position as a percentage of the total OPEB asset or liability | 141.38% | 130.01% |

At September 30, 2024 and 2023, OHFA reported its proportionate share of the OPERS deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| 2024: | | |
| Change in proportionate share | $ 788 | $ (39,762) |
| Differences between expected and actual economic experience | - | (164,292) |
| Changes in actuarial assumptions | 29,657 | - |
| Difference between projected and actual investment earnings | 85,815 | - |
| Contributions paid to OPERS subsequent to the measurement date | 44,457 | - |
| | $ 160,717 | $ (204,054) |
| 2023: | | |
| Change in proportionate share | $ 1,930 | $ (14,788) |
| Differences between expected and actual economic experience | - | (156,705) |
| Changes in actuarial assumptions | 26,484 | - |
| Difference between projected and actual investment earnings | 118,713 | - |
| Contributions paid to OPERS subsequent to the measurement date | 47,439 | - |
| | $ 194,566 | $ (171,493) |

Deferred outflows of resources of $44,457 and $47,439 related to OPEB as of September 30, 2024 and 2023, respectively, resulting from OHFA contributions subsequent to the measurement dates of June 30, 2023 and 2022, were recognized as a reduction of the net OPEB liability in the year ended September 30, 2023 and 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in pension expense as follows:

| Year Ended September 30, | OPEB Expense |
|---|---|
| 2025 | $ (33,447) |
| 2026 | (29,971) |
| 2027 | 15,836 |
| 2028 | (29,716) |
| 2029 | (10,496) |

**Note 12 – Risk Management**

OHFA is exposed to various risks of loss related to torts; theft of, damage to, and destruction to assets; errors and omissions; injuries to employees; and natural disasters. OHFA pays an annual premium to a private insurance carrier for its tort liability, property loss, workers' compensation, and general liability insurance coverage. OHFA purchases commercial employee life insurance and pays an annual premium for its employee health insurance coverage. There has not been any significant reduction in insurance coverage from the prior year. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years. The Agency is not subject to significant risk of loss with respect to the above risks.

**Note 13 – Contingencies**

Intergovernmental Financial Assistance – OHFA administers various federal and state programs. These programs are subject to audit and adjustments by the awarding agencies and other organizations. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable program. The amount, if any, of expenditures disallowed cannot be determined at this time. OHFA expects such amounts, if any, to be immaterial.

Litigation – OHFA, in the normal course of business, is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, OHFA believes the resolution of these matters will not have a material adverse effect on the financial condition of OHFA.

**Note 14 – Subsequent Event**

In November 2024, OHFA issued $75,000,000 of bonds (Series 2024D) to purchase mortgage-backed securities originated under the Agency's Single Family Mortgage Revenue Bond Program. The bonds have interest rates ranging from 3.2% to 6.5% and maturities ranging from September 2025 to March 2056.

The Agency issued two conduit debt multi-family mortgage revenue bonds subsequent to year-end totaling $61,000,000.

# REQUIRED SUPPLEMENTAL INFORMATION

## OKLAHOMA HOUSING FINANCE AGENCY

## SCHEDULE OF OHFA'S PROPORTIONATE SHARE OF THE NET PENSION (ASSET) LIABILITY

**Last Ten Fiscal Years** [1]

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| OHFA's proportion of the net pension (asset) liability | 0.35934793% | 0.33514373% | 0.31820207% | 0.29991057% | 0.30404844% | 0.27042901% | 0.27571479% | 0.24714034% | 0.23478392% | 0.25492617% |
| OHFA's proportionate share of the net pension (asset) liability | $ 1,644,092 | $ 2,817,100 | $ (4,270,783) | $ 2,675,690 | $ 404,956 | $ 527,453 | $ 1,490,688 | $ 2,352,317 | $ 844,480 | $ 467,253 |
| OHFA's covered payroll | $ 6,802,715 | $ 6,076,376 | $ 5,641,073 | $ 5,334,545 | $ 5,195,297 | $ 4,547,539 | $ 4,809,522 | $ 4,298,455 | $ 4,374,297 | $ 4,185,176 |
| OHFA's proportionate share of the net pension (asset) liability as a percentage of its covered payroll | 24.17% | 46.36% | 75.71% | 50.16% | 7.79% | 11.60% | 30.99% | 54.72% | 19.30% | 11.18% |
| OPERS' fiduciary net position as a percentage of the total pension (asset) liability | 95.91% | 92.24% | 112.51% | 91.59% | 98.63% | 97.96% | 94.28% | 89.50% | 96.00% | 97.90% |

[1] The amounts presented for each fiscal year were determined as of June 30 of the prior year.

# OKLAHOMA HOUSING FINANCE AGENCY

## SCHEDULE OF OHFA'S PENSION CONTRIBUTIONS

**Last Ten Fiscal Years**

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Contractually required contribution | $ 1,062,250 | $ 947,022 | $ 874,352 | $ 822,509 | $ 800,230 | $ 698,746 | $ 741,664 | $ 709,245 | $ 721,759 | $ 690,554 |
| Contributions in relation to the contractually required contributions | 1,062,250 | 947,022 | 874,352 | 822,509 | 800,230 | 698,746 | 741,664 | 709,245 | 721,759 | 690,554 |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| OHFA's covered payroll | $ 6,802,715 | $ 6,076,376 | $ 5,641,073 | $ 5,334,545 | $ 5,195,297 | $ 4,547,539 | $ 4,809,522 | $ 4,298,455 | $ 4,374,297 | $ 4,185,176 |
| Contributions as a percentage of covered payroll | 15.6% | 15.6% | 15.4% | 15.4% | 15.4% | 15.4% | 15.4% | 16.5% | 16.5% | 16.5% |

## OKLAHOMA HOUSING FINANCE AGENCY

## SCHEDULE OF OHFA'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)

**Last Seven Fiscal Years** [1]

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|---|---|
| OHFA's proportion of the net OPEB liability (asset) | 0.35934793% | 0.33514373% | 0.31820207% | 0.29991057% | 0.30404844% | 0.27042901% | 0.27571479% |
| OHFA's proportionate share of the net OPEB liability (asset) | $ (458,778) | $ (313,653) | $ (437,472) | $ (140,607) | $ (118,198) | $ (34,996) | $ 31,580 |
| OHFA's covered payroll | $ 6,802,715 | $ 6,076,376 | $ 5,641,073 | $ 5,334,545 | $ 5,195,297 | $ 4,547,539 | $ 4,809,552 |
| OHFA's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll | 6.74% | 5.16% | 7.76% | 2.64% | 2.28% | 0.77% | 0.66% |
| OPERS' fiduciary net position as a percentage of the total OPEB asset or liability | 141.38% | 130.01% | 142.87% | 114.27% | 112.11% | 103.94% | 96.50% |

[1] The amounts presented for each fiscal year were determined as of June 30 of the prior year.

Only the last seven fiscal years are presented because ten-year data is not readily available.

**OKLAHOMA HOUSING FINANCE AGENCY**

**SCHEDULE OF OHFA'S OPEB CONTRIBUTIONS**

**Last Seven Fiscal Years**

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|---|---|
| Contractually required contribution | $ 60,198 | $ 55,580 | $ 56,425 | $ 57,691 | $ 56,991 | $ 51,598 | $ 51,912 |
| Contributions in relation to the contractually required contributions | 60,198 | 55,580 | 56,425 | 57,691 | 56,991 | 51,598 | 51,912 |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| OHFA's covered payroll | $ 6,802,715 | $ 6,076,376 | $ 5,641,073 | $ 5,334,545 | $ 5,195,297 | $ 4,547,539 | $ 4,809,522 |
| Contributions as a percentage of covered payroll | 0.88% | 0.91% | 1.00% | 1.08% | 1.10% | 1.13% | 1.08% |

Only the last seven fiscal years are presented because ten-year data is not readily available.

# OTHER SUPPLEMENTAL INFORMATION

# OKLAHOMA HOUSING FINANCE AGENCY

## SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAMS

## SUPPLEMENTAL COMBINING STATEMENT OF NET POSITION

### September 30, 2024

| | 1994 Master Indenture Accumulation Fund | 2009 Series C NIBP Master Indenture | 2012 Series A 2009 C-4 | 2013 Series C & D | 2018 Master Indenture Special Program Fund | 2018 Series A | 2019 Series A | 2020 Series A | 2020 Series B | 2022 Series A |
|---|---|---|---|---|---|---|---|---|---|---|
| **Assets** | | | | | | | | | | |
| Current assets: | | | | | | | | | | |
| Accounts receivable | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 5,842 |
| Restricted assets: | | | | | | | | | | |
| Cash and cash equivalents | 496,931 | 150,574 | 394,305 | 1,203,210 | 3,964,393 | 268,814 | 661,640 | 383,087 | 349,977 | 972,414 |
| Interest receivable | 25,399 | 27,086 | 48,087 | 39,231 | 174,206 | 63,073 | 85,555 | 83,798 | 44,045 | 138,123 |
| Total current assets | 522,330 | 177,660 | 442,392 | 1,242,441 | 4,138,599 | 331,887 | 747,195 | 466,885 | 394,022 | 1,116,379 |
| Noncurrent assets: | | | | | | | | | | |
| Investments | 5,162,349 | 8,516,042 | 15,753,752 | 10,230,227 | 50,005,616 | 15,762,943 | 24,731,835 | 27,031,015 | 16,778,808 | 32,452,658 |
| Program loans | - | 30,549 | - | - | 138,225 | - | - | - | - | 796,833 |
| Total noncurrent assets | 5,162,349 | 8,546,591 | 15,753,752 | 10,230,227 | 50,143,841 | 15,762,943 | 24,731,835 | 27,031,015 | 16,778,808 | 33,249,491 |
| Total assets | 5,684,679 | 8,724,251 | 16,196,144 | 11,472,668 | 54,282,440 | 16,094,830 | 25,479,030 | 27,497,900 | 17,172,830 | 34,365,870 |
| **Liabilities** | | | | | | | | | | |
| Current liabilities: | | | | | | | | | | |
| Accounts payable | - | - | 8,859 | 4,171 | - | 6,042 | 9,852 | 11,043 | 7,284 | 12,318 |
| Interest payable | - | - | 59,798 | 26,733 | - | 43,895 | 82,067 | 67,158 | 33,435 | 116,118 |
| Current maturities of bonds payable | - | - | 2,415,000 | 472,610 | - | 640,000 | 1,310,000 | 845,000 | 1,375,000 | 1,830,000 |
| Total current liabilities | - | - | 2,483,657 | 503,514 | - | 689,937 | 1,401,919 | 923,201 | 1,415,719 | 1,958,436 |
| Noncurrent liabilities: | | | | | | | | | | |
| Arbitrage payable | - | - | - | - | - | - | - | - | - | - |
| Bonds payable, less current maturities | - | - | 17,944,288 | 8,484,765 | - | 12,983,155 | 27,780,580 | 26,297,848 | 19,385,208 | 34,527,957 |
| Total noncurrent liabilities | - | - | 17,944,288 | 8,484,765 | - | 12,983,155 | 27,780,580 | 26,297,848 | 19,385,208 | 34,527,957 |
| Total liabilities | - | - | 20,427,945 | 8,988,279 | - | 13,673,092 | 29,182,499 | 27,221,049 | 20,800,927 | 36,486,393 |
| **Net Position** | | | | | | | | | | |
| Restricted for single family bond programs | $ 5,684,679 | $ 8,724,251 | $ (4,231,801) | $ 2,484,389 | $ 54,282,440 | $ 2,421,738 | $ (3,703,469) | $ 276,851 | $ (3,628,097) | $ (2,120,523) |

See independent auditor's report.

**OKLAHOMA HOUSING FINANCE AGENCY**

**SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAMS**

**SUPPLEMENTAL COMBINING STATEMENT OF NET POSITION (continued)**

**September 30, 2024**

| | 2022 Series B | 2023 Series A | 2023 Series B | 2023 Series C | 2023 Series D | 2024 Series A | 2024 Series B | 2024 Series C | Total Single Family Bond Programs |
|---|---|---|---|---|---|---|---|---|---|
| **Assets** | | | | | | | | | |
| Current assets: | | | | | | | | | |
| Accounts receivable | $ - | $ - | $ - | $ - | $ - | $ - | $ 984 | $ 7,251 | $ 14,077 |
| Restricted assets: | | | | | | | | | |
| Cash and cash equivalents | 1,182,581 | 951,259 | 796,957 | 891,720 | 801,958 | 19,571,105 | 32,418,479 | 63,987,375 | 129,446,779 |
| Interest receivable | 227,194 | 163,008 | 216,503 | 231,580 | 283,807 | 361,758 | 441,681 | 449,040 | 3,103,174 |
| Total current assets | 1,409,775 | 1,114,267 | 1,013,460 | 1,123,300 | 1,085,765 | 19,932,863 | 32,861,144 | 64,443,666 | 132,564,030 |
| Noncurrent assets: | | | | | | | | | |
| Investments | 48,511,170 | 33,825,281 | 43,942,015 | 45,504,985 | 52,294,779 | 43,906,657 | 60,425,237 | 27,828,125 | 562,663,494 |
| Program loans | 1,583,131 | 1,073,108 | 1,395,455 | 1,412,744 | 1,608,568 | 1,339,107 | 1,835,016 | 839,408 | 12,052,144 |
| Total noncurrent assets | 50,094,301 | 34,898,389 | 45,337,470 | 46,917,729 | 53,903,347 | 45,245,764 | 62,260,253 | 28,667,533 | 574,715,638 |
| Total assets | 51,504,076 | 36,012,656 | 46,350,930 | 48,041,029 | 54,989,112 | 65,178,627 | 95,121,397 | 93,111,199 | 707,279,668 |
| **Liabilities** | | | | | | | | | |
| Current liabilities: | | | | | | | | | |
| Accounts payable | 18,295 | 12,701 | 16,141 | 16,858 | 19,945 | - | - | - | 143,509 |
| Interest payable | 204,294 | 155,484 | 194,521 | 207,867 | 268,916 | 243,460 | 318,044 | 313,541 | 2,335,331 |
| Current maturities of bonds payable | 860,000 | 650,000 | 760,000 | 740,000 | 765,000 | 820,000 | 855,000 | 400,000 | 14,737,610 |
| Total current liabilities | 1,082,589 | 818,185 | 970,662 | 964,725 | 1,053,861 | 1,063,460 | 1,173,044 | 713,541 | 17,216,450 |
| Noncurrent liabilities: | | | | | | | | | |
| Arbitrage payable | - | 30,450 | 44,106 | 32,254 | 54,648 | 39,005 | - | - | 200,463 |
| Bonds payable, less current maturities | 46,942,142 | 39,747,024 | 49,270,354 | 50,182,119 | 61,007,042 | 61,712,535 | 77,387,160 | 78,379,777 | 612,031,954 |
| Total noncurrent liabilities | 46,942,142 | 39,777,474 | 49,314,460 | 50,214,373 | 61,061,690 | 61,751,540 | 77,387,160 | 78,379,777 | 612,232,417 |
| Total liabilities | 48,024,731 | 40,595,659 | 50,285,122 | 51,179,098 | 62,115,551 | 62,815,000 | 78,560,204 | 79,093,318 | 629,448,867 |
| **Net Position** | | | | | | | | | |
| Restricted for single family bond programs | $ 3,479,345 | $ (4,583,003) | $ (3,934,192) | $ (3,138,069) | $ (7,126,439) | $ 2,363,627 | $ 16,561,193 | $ 14,017,881 | $ 77,830,801 |

## OKLAHOMA HOUSING FINANCE AGENCY

## SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAMS

## SUPPLEMENTAL COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

### Year ended September 30, 2024

| | 1994 Master Indenture Accumulation Fund | 2009 Series C NIBP Master Indenture | 2012 Series A 2009 C-4 | 2013 Series C & D | 2018 Master Indenture Special Program Fund | 2018 Series A | 2019 Series A | 2020 Series A | 2020 Series B | 2022 Series A |
|---|---|---|---|---|---|---|---|---|---|---|
| **Operating Revenues** | | | | | | | | | | |
| Investment income | $ 365,183 | $ 369,631 | $ 718,853 | $ 562,949 | $ 2,262,093 | $ 834,276 | $ 1,120,820 | $ 1,124,676 | $ 568,458 | $ 1,855,088 |
| Net increase in fair value of investments | 211,745 | 530,034 | 1,277,402 | 780,679 | 3,917,593 | 1,062,192 | 2,104,150 | 2,323,150 | 1,751,120 | 1,781,696 |
| Other income | - | - | - | - | - | - | - | - | - | 3,200 |
| Total operating revenues | 576,928 | 899,665 | 1,996,255 | 1,343,628 | 6,179,686 | 1,896,468 | 3,224,970 | 3,447,826 | 2,319,578 | 3,639,984 |
| **Operating Expenses** | | | | | | | | | | |
| Interest on bonds payable | - | - | 664,840 | 346,631 | - | 514,349 | 855,140 | 769,162 | 316,089 | 1,390,282 |
| Mortgage servicing fees | 28,756 | 45,976 | 87,710 | 57,700 | 279,026 | 81,791 | 135,600 | 150,636 | 101,096 | 167,386 |
| Trustees, issuer and other fees | 1,200 | - | 123,588 | 59,933 | - | 83,785 | 137,108 | 152,954 | 102,965 | 171,170 |
| Bad debt | - | 1,555 | - | - | - | - | - | - | - | - |
| Bond issue costs | - | - | - | - | - | - | - | - | - | - |
| Other general and administrative | - | 1,204 | - | - | - | - | - | - | - | - |
| Total operating expenses | 29,956 | 48,735 | 876,138 | 464,264 | 279,026 | 679,925 | 1,127,848 | 1,072,752 | 520,150 | 1,728,838 |
| Operating income before transfers | 546,972 | 850,930 | 1,120,117 | 879,364 | 5,900,660 | 1,216,543 | 2,097,122 | 2,375,074 | 1,799,428 | 1,911,146 |
| Equity transfers in (out) | (1,326,238) | (389,163) | 579,662 | (190,499) | (5,172,278) | 1,243,166 | 1,371,923 | 9,911 | 467,334 | 972,144 |
| Operating transfers in (out) | - | - | (4,109) | - | - | - | - | - | - | - |
| Increase (decrease) in net position | (779,266) | 461,767 | 1,695,670 | 688,865 | 728,382 | 2,459,709 | 3,469,045 | 2,384,985 | 2,266,762 | 2,883,290 |
| Total net position, beginning of year | 6,463,945 | 8,262,484 | (5,927,471) | 1,795,524 | 53,554,058 | (37,971) | (7,172,514) | (2,108,134) | (5,894,859) | (5,003,813) |
| **Total net position, end of year** | $ 5,684,679 | $ 8,724,251 | $ (4,231,801) | $ 2,484,389 | $ 54,282,440 | $ 2,421,738 | $ (3,703,469) | $ 276,851 | $ (3,628,097) | $ (2,120,523) |

**OKLAHOMA HOUSING FINANCE AGENCY**

**SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAMS**

**SUPPLEMENTAL COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (continued)**

**Year ended September 30, 2024**

| | 2022 Series B | 2023 Series A | 2023 Series B | 2023 Series C | 2023 Series D | 2024 Series A | 2024 Series B | 2024 Series C | Total Single Family Bond Programs |
|---|---|---|---|---|---|---|---|---|---|
| **Operating Revenues** | | | | | | | | | |
| Investment income | $ 3,076,993 | $ 2,180,624 | $ 2,851,539 | $ 3,248,495 | $ 3,420,121 | $ 2,685,761 | $ 1,606,040 | $ 370,796 | $ 29,222,396 |
| Net increase in fair value of investments | 2,022,868 | 1,222,771 | 1,299,553 | 1,265,069 | 1,416,714 | 1,169,500 | 1,976,199 | 747,310 | 26,859,745 |
| Other income | 7,187 | 3,950 | 1,236 | - | - | - | - | - | 15,573 |
| Total operating revenues | 5,107,048 | 3,407,345 | 4,152,328 | 4,513,564 | 4,836,835 | 3,855,261 | 3,582,239 | 1,118,106 | 56,097,714 |
| **Operating Expenses** | | | | | | | | | |
| Interest on bonds payable | 2,481,882 | 1,837,612 | 2,317,606 | 2,358,175 | 2,577,789 | 1,709,750 | 1,144,957 | 313,541 | 19,597,805 |
| Mortgage servicing fees | 249,883 | 171,546 | 217,690 | 215,113 | 179,145 | 104,621 | 59,468 | - | 2,333,143 |
| Trustees, issuer and other fees | 254,200 | 206,013 | 173,928 | 167,688 | 87,178 | 50,038 | 10,219 | 8,239 | 1,790,206 |
| Bad debt | - | - | - | 54,116 | 178,730 | 148,790 | 203,891 | 93,268 | 680,350 |
| Bond issue costs | - | - | - | - | 576,328 | 574,976 | 669,707 | 679,676 | 2,500,687 |
| Other general and administrative | - | - | - | - | - | - | - | - | 1,204 |
| Total operating expenses | 2,985,965 | 2,215,171 | 2,709,224 | 2,795,092 | 3,599,170 | 2,588,175 | 2,088,242 | 1,094,724 | 26,903,395 |
| Operating income before transfers | 2,121,083 | 1,192,174 | 1,443,104 | 1,718,472 | 1,237,665 | 1,267,086 | 1,493,997 | 23,382 | 29,194,319 |
| Equity transfers in (out) | (582,335) | 263,018 | 286,474 | (19,327,251) | (8,364,104) | 1,096,541 | 15,067,196 | 13,994,499 | - |
| Operating transfers in (out) | - | - | - | - | - | - | - | - | (4,109) |
| Increase (decrease) in net position | 1,538,748 | 1,455,192 | 1,729,578 | (17,608,779) | (7,126,439) | 2,363,627 | 16,561,193 | 14,017,881 | 29,190,210 |
| Total net position, beginning of year | 1,940,597 | (6,038,195) | (5,663,770) | 14,470,710 | - | - | - | - | 48,640,591 |
| **Total net position, end of year** | $ 3,479,345 | $ (4,583,003) | $ (3,934,192) | $ (3,138,069) | $ (7,126,439) | $ 2,363,627 | $ 16,561,193 | $ 14,017,881 | $ 77,830,801 |

**OKLAHOMA HOUSING FINANCE AGENCY**

**SUPPLEMENTAL COMBINING STATEMENT OF NET POSITION**

**September 30, 2024**

| | Single Family Bond Programs | Agency General Fund | Eliminations | Combined Totals |
|---|---|---|---|---|
| **Assets** | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | $ - | $ 54,885,506 | $ - | $ 54,885,506 |
| Investments | - | 254,661 | - | 254,661 |
| Accounts receivable - unrestricted (net of an allowance for doubtful accounts of $1,808,974) | 14,077 | 190,864 | (156,602) | 48,339 |
| Accounts receivable - U.S. Department of Housing and Urban Development | - | 1,126,358 | - | 1,126,358 |
| Interest receivable | - | 307,853 | - | 307,853 |
| Prepaid expenses | - | 818,374 | - | 818,374 |
| Restricted assets: | | | | |
| Cash and cash equivalents | 129,446,779 | 219,296,534 | - | 348,743,313 |
| Interest receivable | 3,103,174 | - | - | 3,103,174 |
| Total current assets | 132,564,030 | 276,880,150 | (156,602) | 409,287,578 |
| Noncurrent assets: | | | | |
| Investments | - | 71,220,032 | - | 71,220,032 |
| Program loans receivable (net of allowance for bad debts of $1,423,417) | - | 17,974,453 | - | 17,974,453 |
| Nondepreciated capital assets | - | 550,000 | - | 550,000 |
| Capital assets, net | - | 17,498,142 | - | 17,498,142 |
| Restricted assets | | | | |
| Investments | 562,663,494 | - | - | 562,663,494 |
| Program loans receivable (net of an allowance for doubtful accounts of $1,339,127) | 12,052,144 | - | - | 12,052,144 |
| OPEB asset | - | 458,778 | - | 458,778 |
| Total noncurrent assets | 574,715,638 | 107,701,405 | - | 682,417,043 |
| Total assets | 707,279,668 | 384,581,555 | (156,602) | 1,091,704,621 |
| Deferred outflows of resources: | | | | |
| Pension | - | 2,606,649 | - | 2,606,649 |
| OPEB | - | 160,717 | - | 160,717 |
| Accumulated decrease in fair value of hedging derivatives | - | 12,700 | - | 12,700 |
| Total deferred outflows of resources | - | 2,780,066 | - | 2,780,066 |

## OKLAHOMA HOUSING FINANCE AGENCY

## SUPPLEMENTAL COMBINING STATEMENT OF NET POSITION (continued)

### September 30, 2024

| | Single Family Bond Programs | Agency General Fund | Eliminations | Combined Totals |
|---|---|---|---|---|
| **Liabilities** | | | | |
| Current liabilities: | | | | |
| Salaries and related expenses | - | 791,518 | - | 791,518 |
| Accounts Payable - U.S. Department of Housing and Urban Development | - | 651,942 | - | 651,942 |
| Accounts payable - Family Self Sufficiency Program | - | 960,691 | - | 960,691 |
| Accounts payable - other | 143,509 | 658,291 | (156,602) | 645,198 |
| Hedging payable | - | 12,700 | - | 12,700 |
| Unearned revenue | - | 71,966,454 | - | 71,966,454 |
| Compensated absences | - | 1,099,940 | - | 1,099,940 |
| Interest payable | 2,335,331 | 26,934 | - | 2,362,265 |
| Current maturities of bonds and notes payable | 14,737,610 | - | - | 14,737,610 |
| Total current liabilities | 17,216,450 | 76,168,470 | (156,602) | 93,228,318 |
| Noncurrent liabilities: | | | | |
| Pension liability | - | 1,644,092 | - | 1,644,092 |
| Arbitrage payable | 200,463 | - | - | 200,463 |
| Bonds and notes payable, less current maturities | 612,031,954 | - | - | 612,031,954 |
| Total noncurrent liabilities | 612,232,417 | 1,644,092 | - | 613,876,509 |
| Total liabilities | 629,448,867 | 77,812,562 | (156,602) | 707,104,827 |
| Deferred inflows of resources: | | | | |
| OPEB | - | 204,054 | - | 204,054 |
| Pension | - | 162,242 | - | 162,242 |
| Total deferred inflows of resources | - | 366,296 | - | 366,296 |
| **Net Position** | | | | |
| Invested in capital assets | - | 18,048,142 | - | 18,048,142 |
| Restricted for Single Family Bond Programs | 77,830,801 | - | - | 77,830,801 |
| Restricted for Section 8 and Emergency Housing Voucher Programs | - | 55,747 | - | 55,747 |
| Restricted for Oklahoma Housing Trust Fund | - | 4,171,442 | - | 4,171,442 |
| Restricted for Oklahoma Housing Stability Program | - | 176,495,865 | - | 176,495,865 |
| Unrestricted | - | 110,411,567 | - | 110,411,567 |
| Total net position | $ 77,830,801 | $ 309,182,763 | $ - | $ 387,013,564 |

## OKLAHOMA HOUSING FINANCE AGENCY

## SUPPLEMENTAL COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

### Year ended September 30, 2024

| | Single Family Bond Programs | Agency General Fund | Eliminations | Combined Totals |
|---|---|---|---|---|
| **Operating Revenues** | | | | |
| Investment income | $ 29,222,396 | $ 17,227,596 | $ - | $ 46,449,992 |
| Program loan income | - | 109,215 | - | 109,215 |
| Net increase in fair value of investments | 26,859,745 | 4,744,063 | - | 31,603,808 |
| Realized gain on sale of investments | - | 5,921,837 | - | 5,921,837 |
| Fees and other income | 15,573 | 23,672,711 | (1,501,830) | 22,186,454 |
| Total operating revenues | 56,097,714 | 51,675,422 | (1,501,830) | 106,271,306 |
| **Operating Expenses** | | | | |
| Interest on bonds and notes payable | 19,597,805 | 651,300 | - | 20,249,105 |
| Mortgage servicing fees | 2,333,143 | - | - | 2,333,143 |
| Trustees, issuer and other fees | 1,790,206 | - | (1,501,830) | 288,376 |
| Bad debt | 680,350 | 785,803 | - | 1,466,153 |
| Bond issue costs | 2,500,687 | - | - | 2,500,687 |
| Salaries and related expenses | - | 13,625,513 | - | 13,625,513 |
| Other general and administrative | 1,204 | 5,298,941 | - | 5,300,145 |
| Total operating expenses | 26,903,395 | 20,361,557 | (1,501,830) | 45,763,122 |
| Operating income | 29,194,319 | 31,313,865 | - | 60,508,184 |
| Nonoperating revenues (expenses): | | | | |
| Federal and state program income | - | 369,943,295 | - | 369,943,295 |
| Federal and state program expenses | - | (205,705,880) | - | (205,705,880) |
| Total nonoperating income | - | 164,237,415 | - | 164,237,415 |
| Income before transfers | 29,194,319 | 195,551,280 | - | 224,745,599 |
| Transfers | (4,109) | 4,109 | - | - |
| Increase in net position | 29,190,210 | 195,555,389 | - | 224,745,599 |
| Total net position, beginning of year | 48,640,591 | 113,627,374 | - | 162,267,965 |
| Total net position, end of year | $ 77,830,801 | $ 309,182,763 | $ - | $ 387,013,564 |

**OKLAHOMA HOUSING FINANCE AGENCY**

**SUPPLEMENTAL COMBINING STATEMENT OF CASH FLOWS**

**Year ended September 30, 2024**

| | Single Family Bond Programs | Agency General Fund | Eliminations | Combined Totals |
|---|---|---|---|---|
| **Cash Flows from Operating Activities** | | | | |
| Receipts from fees | $ 15,573 | $ 22,134,639 | $ (1,501,830) | $ 20,648,382 |
| Receipts from program loan payments | 141,650 | 8,556,856 | (6,819,061) | 1,879,445 |
| Receipts used by other sources | - | (195,009,922) | - | (195,009,922) |
| Payments to employees | - | (13,594,259) | - | (13,594,259) |
| Payments to suppliers | - | (3,329,410) | - | (3,329,410) |
| Payment for purchases of program loans | (6,819,061) | (16,911,042) | 6,819,061 | (16,911,042) |
| Payments for bond fees | (2,287,767) | - | - | (2,287,767) |
| Payments for trustee and other fees | (1,590,947) | - | 1,501,830 | (89,117) |
| Net cash used in operating activities | (10,540,552) | (198,153,138) | - | (208,693,690) |
| **Cash Flows from Noncapital Financing Activities** | | | | |
| Proceeds from issuance of bonds and notes payable | 282,149,268 | 376,300,000 | - | 658,449,268 |
| Principal paid on bonds and notes payable | (28,835,265) | (376,300,000) | - | (405,135,265) |
| Interest paid on bonds and notes payable | (18,542,455) | (824,194) | - | (19,366,649) |
| Payment of bond issuance costs | (2,500,687) | - | - | (2,500,687) |
| Receipt of federal and state program revenue | - | 369,943,295 | - | 369,943,295 |
| Payment of federal and state program expenses | - | (205,705,880) | - | (205,705,880) |
| Transfers | (4,109) | 4,109 | - | - |
| Net cash provided by noncapital financing activities | 232,266,752 | 163,417,330 | - | 395,684,082 |
| **Cash Flows from Capital and Related Financing Activities** | | | | |
| Acquisition of capital assets | - | (570,407) | - | (570,407) |
| **Cash Flows from Investing Activities** | | | | |
| Purchase of investments | (221,428,222) | (421,843,107) | - | (643,271,329) |
| Proceeds from sales and maturities of investments | 56,908,990 | 428,921,481 | - | 485,830,471 |
| Interest received on investments | 27,824,107 | 17,282,793 | - | 45,106,900 |
| Net cash provided by (used in) investing activities | (136,695,125) | 24,361,167 | - | (112,333,958) |
| Net increase (decrease) in cash | 85,031,075 | (10,945,048) | - | 74,086,027 |
| Cash and cash equivalents, beginning of year | 44,415,704 | 285,127,088 | - | 329,542,792 |
| Cash and cash equivalents, end of year | $ 129,446,779 | $ 274,182,040 | $ - | $ 403,628,819 |
| **Cash and Cash Equivalents as Reported in Statement of Net Position** | | | | |
| Unrestricted | $ - | $ 54,885,506 | $ - | $ 54,885,506 |
| Restricted | 129,446,779 | 219,296,534 | - | 348,743,313 |
| | $ 129,446,779 | $ 274,182,040 | $ - | $ 403,628,819 |

## OKLAHOMA HOUSING FINANCE AGENCY

## SUPPLEMENTAL COMBINING STATEMENT OF CASH FLOWS (continued)

### Year ended September 30, 2024

| | Single Family Bond Programs | Agency General Fund | Eliminations | Combined Totals |
|---|---|---|---|---|
| **Reconciliation of Operating Income to Net Cash Used in Operating Activities** | | | | |
| Operating income | $ 29,194,319 | $ 31,313,865 | $ - | $ 60,508,184 |
| Adjustments to reconcile operating income to net cash used in operating activities: | | | | |
| Depreciation | - | 1,191,918 | - | 1,191,918 |
| Bad debt | 680,350 | 785,803 | - | 1,466,153 |
| Interest from investments | (29,222,396) | (17,227,596) | - | (46,449,992) |
| Bond issue costs | 2,500,687 | - | - | 2,500,687 |
| Net increase in fair value of investments | (26,859,745) | (4,744,063) | - | (31,603,808) |
| Realized gain on sale of investments | - | (5,921,837) | - | (5,921,837) |
| Interest on bonds and notes payable | 19,597,805 | 651,300 | - | 20,249,105 |
| Change in operating assets, liabilities, deferred outflows, and deferred inflows: | | | | |
| Accounts receivable and HUD receivable | (14,077) | (305,076) | - | (319,153) |
| Hedging receivable | - | (19,339) | - | (19,339) |
| Prepaid expenses | - | (91,265) | - | (91,265) |
| Program loans receivable | (6,663,334) | (8,463,402) | - | (15,126,736) |
| OPEB asset | - | (145,124) | - | (145,124) |
| Pension asset | - | - | - | - |
| Accounts payable and accrued expenses | 45,376 | (447,992) | - | (402,616) |
| Arbitrage payable | 200,463 | - | - | 200,463 |
| Unearned revenue | - | (195,069,951) | - | (195,069,951) |
| Pension liability | - | (1,173,008) | - | (1,173,008) |
| Deferred outflows | - | 1,486,481 | - | 1,486,481 |
| Deferred inflows | - | 51,942 | - | 51,942 |
| Compensated absences | - | (25,794) | - | (25,794) |
| Net cash used in operating activities | $ (10,540,552) | $ (198,153,138) | $ - | $ (208,693,690) |

# OTHER REPORT

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees
Oklahoma Housing Finance Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards)*, the financial statements of Oklahoma Housing Finance Agency (the Agency), as of and for the year ended September 30, 2024, and the related notes to the financial statements, and have issued our report thereon dated January 28, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hogan Taylor LLP

Oklahoma City, Oklahoma
January 28, 2025

SINGLE AUDIT SUPPLEMENT

AND

INDEPENDENT AUDITOR'S REPORTS
ON COMPLIANCE AND INTERNAL CONTROL

SEPTEMBER 30, 2024

## CONTENTS

**OKLAHOMA HOUSING FINANCE AGENCY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**Year ended September 30, 2024**

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal ALN (CFDA) Number | Passed Through to Subrecipients | Total Federal Expenditures |
|---|---|---|---|
| U.S. Department of Housing and Urban Development: | | | |
| Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation *(Section 8 Project-Based Cluster)* | 14.856 | $ - | $ 152,608 |
| Housing Voucher Cluster: | | | |
| Section 8 Housing Choice Vouchers Program | 14.871 | - | 85,528,899 |
| Section 8 Housing Choice Vouchers Program - Emergency Housing Voucher | 14.871 | - | 2,669,558 |
| Total Section 8 Housing Choice Vouchers Program and Total Housing Voucher Cluster | | - | 88,198,457 |
| PIH Family Self-Sufficiency Program | 14.896 | - | 242,480 |
| Total Section 8 Related | | - | 88,593,545 |
| Performance Based Contract Administrator Program | 14.327 | - | 89,010,085 |
| Housing Opportunities for Persons with AIDS | 14.241 | 621,954 | 663,582 |
| Housing Trust Fund | 14.275 | 4,411,209 | 4,887,986 |
| HOME Investment Partnerships Program | 14.239 | 9,469,365 | 10,452,154 |
| Total U.S. Department of Housing and Urban Development | | 14,502,528 | 193,607,352 |
| U.S. Department of Treasury: | | | |
| Homeowner Assistance Fund | 21.026 | - | 29,510,367 |
| Total Expenditures of Federal Awards | | $ 14,502,528 | $ 223,117,719 |

See accompanying notes to schedule of expenditures of federal awards.

**OKLAHOMA HOUSING FINANCE AGENCY**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**September 30, 2024**

**Note 1 – Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Oklahoma Housing Finance Agency (the Agency) under programs of the federal government for the year ended September 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Agency, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Agency.

**Note 2 – Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note 3 – Indirect Cost Rate**

The Agency has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees
Oklahoma Housing Finance Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of Oklahoma Housing Finance Agency (the Agency), a component unit of the State of Oklahoma, as of and for the year ended September 30, 2024, and the related notes to the financial statements, and have issued our report thereon dated January 28, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hogan Taylor LLP

Oklahoma City, Oklahoma
January 28, 2025

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees
Oklahoma Housing Finance Agency

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Oklahoma Housing Finance Agency's (the Agency), a component unit of the State of Oklahoma, compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Agency's major federal programs for the year ended September 30, 2024. The Agency's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2024.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Agency's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Agency's federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Agency's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Agency's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Agency's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Agency's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Report on Internal Control Over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the Agency as of and for the year ended September 30, 2024, and have issued our report thereon dated January 28, 2025, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Hogan Taylor LLP

Oklahoma City, Oklahoma
January 28, 2025

**OKLAHOMA HOUSING FINANCE AGENCY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**Year ended September 30, 2024**

**Section I – Summary of Auditor's Results**

*Financial Statements*

Type of Auditor's report issued: Unmodified

| | Yes | No | None Reported |
|---|---|---|---|
| Internal control over financial reporting: | | | |
| Material weakness(es) identified? | | X | |
| Significant deficiency(ies) identified? | | | X |
| Noncompliance material to financial statements noted? | | X | |

*Federal Awards*

| | Yes | No | None Reported |
|---|---|---|---|
| Internal control over major programs: | | | |
| Material weakness(es) identified? | | X | |
| Significant deficiency(ies) identified? | | | X |
| Type of Auditor's report issued on compliance for major federal programs: | Unmodified | | |
| Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)? | | X | |

Identification of major programs:

| ALN (CFDA) Number(s) | Name of Federal Program or Cluster |
|---|---|
| 14.327 | Performance Based Contract Administrator Program |

Dollar threshold used to distinguish between type A and type B programs: $3,000,000

**OKLAHOMA HOUSING FINANCE AGENCY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)**

**Year ended September 30, 2024**

| | Yes | No |
|---|---|---|
| Auditee qualified as low-risk auditee? | X | |

**Section II – Financial Statement Findings**

None

**Section III – Federal Award Findings and Questioned Costs**

None

**OKLAHOMA HOUSING FINANCE AGENCY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**Year ended September 30, 2024**

## Section II – Financial Statement Findings

None

## Section III – Federal Award Findings and Questioned Costs

None