COMMUNITY DEVELOPMENT ADMINISTRATION
MULTI-FAMILY MORTGAGE REVENUE BONDS

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2023 AND 2022

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COMMUNITY DEVELOPMENT ADMINISTRATION
MULTI-FAMILY MORTGAGE REVENUE BONDS
YEARS ENDED JUNE 30, 2023 AND 2022

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INDEPENDENT AUDITORS' REPORT

Office of the Secretary
Department of Housing and Community Development
Lanham, Maryland

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the Community Development Administration Multi-Family Mortgage Revenue Bonds (the Fund) of the Department of Housing and Community Development of the State of Maryland, as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Fund's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund, as of June 30, 2023 and 2022, and the changes in financial position, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Fund 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 opinions.

Emphasis of a Matter

Financial Statement Presentation

As discussed in Note 1, the financial statements present only the financial position, the changes in financial position and cash flows of the Fund and do not purport to, and do not, present fairly the financial position of the Department of Housing and Community Development of the State of Maryland as of and for the years ended June 30, 2023 and 2022, and the changes in its net position and its cash flows, in conformity with accounting principles generally accepted in the United States of America. Our opinion on the basic financial statements was not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and government auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the fund'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.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Management has elected to omit the management's discussion and analysis that accounting principles generally accepted in the United States of America require to 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. Our opinions on the basic financial statements are not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2023, on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund'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 the Fund's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Baltimore, Maryland
September 28, 2023

COMMUNITY DEVELOPMENT ADMINISTRATION
MULTI-FAMILY MORTGAGE REVENUE BONDS
STATEMENTS OF NET POSITION
(in thousands)
JUNE 30, 2023 AND 2022

	2023	2022
RESTRICTED ASSETS		
RESTRICTED CURRENT ASSETS		
Cash and Cash Equivalents on Deposit	$ 29,156	$ 28,532
Multi-Family Mortgage Loans	1,892	1,812
Accrued Interest Receivable	449	402
Total Restricted Current Assets	31,497	30,746
RESTRICTED LONG-TERM ASSETS		
Multi-Family Mortgage Loans, Net of Current Portion	102,878	104,814
Total Long-Term Assets	102,878	104,814
Total Restricted Assets	$ 134,375	$ 135,560
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Accrued Interest Payable	$ 1,915	$ 1,957
Accounts Payable	22	22
Bonds Payable	2,265	2,190
Deposits by Borrowers	2,963	2,968
Total Current Liabilities	7,165	7,137
LONG-TERM LIABILITIES		
Bonds Payable, Net of Current Portion	104,835	107,100
Deposits by Borrowers, Net of Current Portion	11,606	11,478
Total Long-Term Liabilities	116,441	118,578
Total Liabilities	123,606	125,715
NET POSITION		
Restricted by Bond Indenture	10,769	9,845
Total Liabilities and Net Position	$ 134,375	$ 135,560

See accompanying Notes to Financial Statements.

COMMUNITY DEVELOPMENT ADMINISTRATION
MULTI-FAMILY MORTGAGE REVENUE BONDS
STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
(in thousands)
YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
OPERATING REVENUE		
Interest on Mortgage Loans	$ 4,636	$ 5,192
Interest Income on Cash Equivalents	511	25
Total Operating Revenue	5,147	5,217
OPERATING EXPENSES		
Interest Expense on Bonds	3,851	4,363
Professional Fees and Other Operating Expenses	82	82
Total Operating Expenses	3,933	4,445
Operating Income	1,214	772
Transfers of Funds, as Permitted by the Resolution	(290)	(309)
CHANGE IN NET POSITION	924	463
NET POSITION, RESTRICTED - BEGINNING OF YEAR	9,845	9,382
NET POSITION, RESTRICTED - END OF YEAR	$ 10,769	$ 9,845

See accompanying Notes to Financial Statements.

COMMUNITY DEVELOPMENT ADMINISTRATION
MULTI-FAMILY MORTGAGE REVENUE BONDS
STATEMENTS OF CASH FLOWS
(in thousands)
YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Principal and Interest Received on Mortgage Loans	$ 6,499	$ 21,556
Escrow Funds Received	3,617	3,421
Escrow Funds Paid	(3,494)	(5,458)
Professional Fees and Other Operating Expenses	(82)	(61)
Net Cash Provided by Operating Activities	6,540	19,458
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received on Cash Equivalents	457	13
Net Cash Provided by Investing Activities	457	13
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Payments on Bond Principal	(2,190)	(16,470)
Interest on Bonds	(3,893)	(4,693)
Transfers Among Funds	(290)	(309)
Net Cash Used by Noncapital Financing Activities	(6,373)	(21,472)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS ON DEPOSIT	624	(2,001)
CASH AND CASH EQUIVALENTS ON DEPOSIT - BEGINNING OF YEAR	28,532	30,533
CASH AND CASH EQUIVALENTS ON DEPOSIT - END OF YEAR	$ 29,156	$ 28,532
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income	$ 1,214	$ 772
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Interest Received on Cash Equivalents	(457)	(13)
Interest on Bonds	3,893	4,693
Decrease (Increase) in Assets:		
Multi-Family Mortgage Loans	1,856	16,302
Accrued Interest Receivable	(47)	50
(Decrease) Increase in Liabilities:		
Accrued Interest Payable	(42)	(330)
Accounts Payable	-	21
Deposits by Borrowers	123	(2,037)
Net Cash Provided by Operating Activities	$ 6,540	$ 19,458

See accompanying Notes to Financial Statements.

NOTE 1 AUTHORIZING LEGISLATION AND PROGRAM DESCRIPTION

The Community Development Administration (CDA) is authorized to issue Multi-Family Mortgage Revenue Bonds pursuant to Sections 4-101 through 4-255 of the Housing and Community Development Article of the Annotated Code of Maryland to meet the shortage of adequate, safe, and sanitary housing in the State of Maryland, particularly for persons or families of limited income. CDA is in the Division of Development Finance in the Department of Housing and Community Development (DHCD) of the State of Maryland.

CDA entered into a Securitization Agreement on December 18, 2009 with the Federal National Mortgage Association (FNMA) and the Federal Home Loan Mortgage Corporation (FHLMC), using federal legislative authority under the Housing and Economic Recovery Act of 2008 to provide affordable mortgage financing for individual households and multi-family rental properties. Subject to the Securitization Agreement, the New Issue Bond Program (NIBP) was created under which CDA would issue mortgage revenue Program Bonds, FNMA and FHLMC would securitize and issue securities for these bonds, and the United States Department of the Treasury (Treasury) would purchase these securities. Under the Multi-family NIBP and pursuant to the Multi-Family Mortgage Revenue Bonds Resolution (Resolution), CDA had issued Series 2009 A bonds in the original amount of $92,040 as escrow bonds bearing interest at a short-term rate until conversion to Program Bonds secured by mortgage loans or mortgage-backed securities backed by mortgage loans. The short-term rate converted to a permanent fixed rate at the time of conversion. CDA had the option, at the time of each of the conversions, to issue market bonds along with the issuance of Program Bonds, but not to exceed 40% of the total allocation of which the escrow bonds represent the 60% share. All Series 2009 A escrow bonds have been converted to Program Bonds.

The accompanying financial statements only include CDA's Multi-Family Mortgage Revenue Bonds (the Fund). CDA's other Funds are not included. However, CDA has also separately issued combined financial statements for the Revenue Obligation Funds and financial statements for the Local Government Infrastructure Bonds and Single Family Housing Revenue Bonds. The Multi-Family Mortgage Revenue Bonds, Revenue Obligation Funds, Local Government Infrastructure Bonds, and Single Family Housing Revenue Bonds are enterprise funds of the State of Maryland and are included in the State of Maryland's Comprehensive Annual Financial report. The Fund was established to provide construction and permanent financing for multi-family housing projects.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Fund is accounted for as an enterprise fund. Accordingly, the accompanying financial statements have been prepared using the accrual method of accounting and on the basis of accounting principles generally accepted in the United States of America (GAAP).

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting and Measurement Focus

The basis of accounting for the Fund is determined by measurement focus. The flow of economic resources measurement focus and the accrual basis of accounting are used to account for the Fund. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. All assets and liabilities associated with the operation of the Fund are included on the Statements of Net Position. The Fund is required to follow all statements of the Governmental Accounting Standards Board (GASB).

Generally Accepted Accounting Principles

CDA reports its financial activities by applying Standards of Governmental Accounting and Financial Reporting as promulgated by GASB. Consequently, CDA applies all applicable GASB pronouncements.

In accordance with accounting guidance issued by GASB, net position should be reported as restricted when constraints placed on net position use is either: externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions or enabling legislation. Accordingly, the net position of the Fund is restricted as to its use as the net position is pledged to bondholders.

Since CDA is an enterprise fund included in the State of Maryland’s Comprehensive Annual Financial Report, a separate Management’s Discussion and Analysis is not included in these financial statements.

Cash and Cash Equivalents on Deposit

Cash equivalents may include money market funds, repurchase agreements, investment agreements and any other investments, primarily obligations of the U.S. Treasury and U.S. government agencies, which have maturities of 90 or less days at the time of purchase. As of June 30, 2023 and 2022, all of the Fund’s cash equivalents were invested in a money market mutual fund which is more fully described in Note 3.

Mortgage Loans

Mortgage loans are carried at their unpaid principal balances. Any loan fees are recognized as revenue in the period received. See Notes 4 and 9 for additional information on mortgage loans and mortgage insurance, respectively.

Accrued Interest Receivable

Accrued interest receivable includes interest on loans and investments. On insured multifamily mortgage loans that are in default, CDA continues to accrue interest until receipt of a mortgage insurance claim.

Bonds Payable

Bonds payable are carried at their unpaid principal balances. There are no premiums or discounts to amortize. See Notes 5, 6, and 7 for additional information.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deposits by Borrowers

This account consists of escrows and reserves held by CDA on behalf of multi-family housing developments. CDA invests these deposits and, for reserves, allows earnings to accrue to the benefit of the mortgagor. Escrows represent amounts held by CDA for mortgage insurance and hazard insurance premiums and real estate taxes, all of which are generally paid annually and which are classified as a current liability. Based on the current year's reserve disbursements, CDA has estimated the current reserve liability. The balance of the reserves is classified as long-term. See Note 7 for further information on changes in long-term obligations.

Mortgage Yield Limitations

All mortgage loans are subject to yield limitations under the Internal Revenue Service Code (the Code) in order for the associated bonds to maintain their tax-exempt status. At the time of bond issuance and over the term of the bonds, CDA determines and maintains compliance with the permitted mortgage yield on the loans. In certain bond refunding transactions, CDA transfers loans from prior series of bonds to the refunding series. CDA monitors the yield on these transferred loans to ensure that the composite yield over the term of the bonds is within the yield limitations of the Code. If at any time the composite yields on the transferred loans are out of compliance with the Code, CDA has certain remedies available to bring the yield into compliance. As of June 30, 2023 and 2022, all mortgage loan yields were in compliance with the Code.

Interest on Mortgage Loans

Interest on mortgage loans is calculated using the effective interest method.

Administrative Support

In addition to expenses incurred directly by the Fund, CDA receives certain support services from other divisions of DHCD. Support services and the operating expenses of CDA have been allocated to CDA's General Bond Reserve Fund and reported in the financial statements of CDA's Revenue Obligation Funds. The General Bond Reserve Fund records these expenses as invoiced by DHCD for the fiscal year.

The employees of CDA are covered by the Maryland State Retirement and Pension System. See Note 11 for additional information.

Revenue and Expenses

CDA distinguishes operating revenue and expenses from nonoperating items in accordance with accounting guidance issued by GASB. Operating revenue and expenses are identified as those activities that are directly related to providing affordable housing in the State of Maryland. All of the Fund's activities are considered to be operating.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue, expenses, gains, and losses during the reporting periods. Actual results could differ from these estimates.

NOTE 3 CASH AND CASH EQUIVALENTS

Bond proceeds and revenues from mortgages and investments are invested in authorized investments as defined in the Multi-Family Mortgage Revenue Bonds Resolution (the Resolution) and in CDA's Investment Policy until required for originating mortgage loans, funding reserves, paying bond debt service, and funding program expenses. Authorized investments include obligations of the U.S. Treasury, U.S. Government Agencies, repurchase agreements, investment agreements, money market funds, and certificates of deposit.

As of June 30, 2023 and 2022, the Fund had $29,156 and $28,532, respectively, invested in a money market mutual fund (BlackRock Liquidity FedFund Administration Shares). The money market mutual fund is classified as cash and cash equivalents. The following represents the GASB evaluation of these assets for interest rate risk, credit risk, concentration of credit risk and custodial credit risk.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses from rising interest rates, CDA's Investment Policy requires that the maturities of the investment portfolio are scheduled to meet the cash requirements for bond debt service, projected loan originations and ongoing operations.

The BlackRock Liquidity FedFund Administration Shares invests primarily in cash, U.S. Treasury bills, notes and other obligations issued or guaranteed as to principal and interest by the U.S. Government, its agencies or instrumentalities, and repurchase agreements secured by such obligations or cash. It operates in accordance with Rule 2a-7 of the Investment Company Act of 1940, as amended, and can reasonably be expected to have a fair value that will be unaffected by interest rate changes because the interest rates are variable and the principal can be recovered on demand. As of June 30, 2023 and 2022, the cost of the money market mutual fund approximated fair value.

NOTE 3 CASH AND CASH EQUIVALENTS (CONTINUED)

Credit Risk and Concentration of Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Neither CDA's Investment Policy nor the Resolution requires investment agreements or deposits to be collateralized. CDA's Investment Policy places no limit on the amount that CDA may invest in any one issuer or counterparty. According to the Resolution and CDA's Investment Policy, securities must be at a rating no lower than the rating on the bonds or, if an investment maintains only a short-term rating, a rating not less than F1/P-1; and financial institutions who are a counterparty to CDA in investment agreements must be rated at least comparable to the existing rating on CDA bonds unless counterparty ratings lower than the bond ratings are permitted and do not affect the ratings on the bonds. In addition, certain investment and repurchase agreements require counterparty ratings no less than the ratings on the bonds. As of June 30, 2023 and 2022, the ratings on Multi-Family Mortgage Revenue Bonds were Aaa by Moody's Investors Service.

As of June 30, 2023 and 2022, the BlackRock Liquidity FedFund Administration Shares was rated AAAm by Standard and Poor's and Aaa-mf by Moody's Investors Service.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank or counterparty failure, CDA will not be able to recover its deposits or the value of its collateral securities that are in the possession of an outside party. As of June 30, 2023 and 2022, the Fund's investments were not subject to custodial credit risk under accounting guidance issued by GASB. The money market mutual fund is held in trust by the trustee, kept separate from the assets of the bank and from other trust accounts and is held in CDA's name.

Fair Value Measurements

CDA categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. As of June 30, 2023 and 2022, all investments were in a money market mutual fund which is not subject to the fair value measurement requirements.

NOTE 4 MORTGAGE LOANS

All of the Fund's mortgage loans are secured by first liens on the related property and fully insured or credit enhanced by Federal Housing Administration (FHA), Maryland Housing Fund (MHF) or the Federal Home Loan Mortgage Corporation (Freddie Mac). As of June 30, 2023 and 2022, interest rates on originated loans range from 4.05% to 4.55%, with remaining loan terms of approximately 28 years and 29 years, respectively.

(in thousands)

NOTE 5 BONDS PAYABLE

The bonds issued by CDA are special obligations of CDA and are payable from the revenue and special funds of the Resolution. These bonds do not constitute debt of and are not guaranteed by the State of Maryland or any other program of the State of Maryland or any political subdivision.

The provisions of the Resolution require or allow for the special redemption of bonds at par through the use of unexpended bond proceeds and excess funds accumulated primarily through prepayment of mortgage loans. All outstanding bonds, except the Series 2009 bonds, are subject to optional redemption, in whole or in part at any time, after certain dates, as specified in the respective series resolutions, at a redemption price equal to the principal amount thereof to be redeemed. The Series 2009 A-1 through A-7 bonds are subject to optional redemption in minimum denominations of $10 and integral multiples of $10 in excess thereof, in whole or in part, from any source of funds, on the first business day of any month, at a redemption price equal to 100% of the principal amount thereof to be redeemed. All bonds are tax-exempt and have fixed interest rates.

The following is a summary of the bond activity for the year ended June 30, 2023, and bonds payable as of June 30, 2023:

					Bond Activity		
	Issue Dated	Range of Interest Rates	Range of Maturities	Bonds Payable at June 30, 2022	Scheduled Maturity Payments	Bonds Redeemed	Bonds Payable at June 30, 2023
Multi-Family Mortgage Revenue Bonds:							
Series 2009 A-1	12/30/09	4.05%	2031 - 2051	$ 24,380	$ -	$ -	$ 24,380
Series 2010 A	07/22/10	3.80% - 4.25%	2023 - 2030	4,680	(465)	-	4,215
Series 2009 A-2	12/30/09	3.21%	2046 - 2051	1,940	-	-	1,940
Series 2010 B	09/29/10	3.65% - 4.45%	2023 - 2040	4,035	(355)	-	3,680
Series 2009 A-4	12/30/09	3.37%	2035 - 2051	10,760	-	-	10,760
Series 2010 D	12/02/10	4.125% - 5.00%	2023 - 2035	4,150	(260)	-	3,890
Series 2009 A-5	12/30/09	3.55%	2027 - 2051	8,460	-	-	8,460
Series 2011 A	02/24/11	4.85%	2023 - 2026	825	(170)	-	655
Series 2009 A-6	12/30/09	3.55%	2028 -2051	13,230	-	-	13,230
Series 2011 B	05/25/11	4.00% - 4.55%	2023 - 2028	1,720	(275)	-	1,445
Series 2009 A-7	12/30/09	2.32%	2034 - 2051	23,190	-	-	23,190
Series 2011 C	12/01/11	3.65% - 4.95%	2023 - 2051	11,920	(665)	-	11,255
Total				$ 109,290	$ (2,190)	$ -	$ 107,100

(in thousands)

NOTE 5 BONDS PAYABLE (CONTINUED)

The following is a summary of the bond activity for the year ended June 30, 2022, and bonds payable as of June 30, 2022:

	Issue Dated	Range of Interest Rates	Range of Maturities	Bonds Payable at June 30, 2021	Bond Activity: Scheduled Maturity Payments	Bond Activity: Bonds Redeemed	Bonds Payable at June 30, 2022
Multi-Family Mortgage Revenue Bonds:							
Series 2009 A-1	12/30/09	4.05%	7/1/2051	$ 24,380	$ -	$ -	$ 24,380
Series 2010 A	07/22/10	3.70% - 4.25%	2022 - 2030	5,125	(445)	-	4,680
Series 2009 A-2	12/30/09	3.21%	7/1/2051	6,610	-	(4,670)	1,940
Series 2010 B	09/29/10	3.30% - 4.45%	2022 - 2040	14,080	(345)	(9,700)	4,035
Series 2009 A-4	12/30/09	3.37%	7/1/2051	10,760	-	-	10,760
Series 2010 D	12/02/10	3.75% - 5.00%	2022 - 2035	4,390	(240)	-	4,150
Series 2009 A-5	12/30/09	3.55%	7/1/2051	8,460	-	-	8,460
Series 2011 A	02/24/11	4.85%	7/1/2026	985	(160)	-	825
Series 2009 A-6	12/30/09	3.55%	7/1/2051	13,230	-	-	13,230
Series 2011 B	05/25/11	3.85% - 4.55%	2022 - 2028	1,985	(265)	-	1,720
Series 2009 A-7	12/30/09	2.32%	7/1/2051	23,190	-	-	23,190
Series 2011 C	12/01/11	3.50% - 4.95%	2022 - 2051	12,565	(645)	-	11,920
Total				$ 125,760	$ (2,100)	$ (14,370)	$ 109,290

NOTE 6 DEBT SERVICE REQUIREMENTS

As of June 30, 2023, the required principal payments for bonds (including mandatory sinking fund payments) and interest payments for each of the next five years and in five-year increments thereafter, were as follows:

Year Ending June 30,	Interest	Principal
2024	$ 3,808	$ 2,265
2025	3,718	2,365
2026	3,618	2,470
2027	3,510	2,575
2028	3,397	2,685
2029-2033	15,213	14,135
2034-2038	12,321	15,995
2039-2043	9,416	19,020
2044-2048	5,979	23,105
2049-2052	1,697	22,485
Total	$ 62,677	$ 107,100

(in thousands)

NOTE 6 DEBT SERVICE REQUIREMENTS (CONTINUED)

As of June 30, 2022, the required principal payments for bonds (including mandatory sinking fund payments) and interest payments for each of the next five years and in five-year increments thereafter, were as follows:

Year Ending June 30,	Interest	Principal
2023	$ 3,893	$ 2,190
2024	3,808	2,265
2025	3,718	2,365
2026	3,618	2,470
2027	3,510	2,575
2028-2032	15,804	13,970
2033-2037	12,880	15,410
2038-2042	10,034	18,405
2043-2047	6,725	22,080
2048-2052	2,580	27,560
Total	$ 66,570	$ 109,290

NOTE 7 LONG-TERM OBLIGATIONS

Changes in long-term obligations for the years ended June 30, 2023 and 2022, were as follows:

	2023	2022
Bonds Payable:		
Beginning Balance at June 30	$ 109,290	$ 125,760
Additions	-	-
Reductions	(2,190)	(16,470)
Ending Balance at June 30	107,100	109,290
Less: Due Within One Year	(2,265)	(2,190)
Total Long-Term Bonds Payable	104,835	107,100
Deposits by Borrowers:		
Beginning Balance at June 30	14,446	16,483
Additions	3,617	3,421
Reductions	(3,494)	(5,458)
Ending Balance at June 30	14,569	14,446
Less: Due Within One Year	(2,963)	(2,968)
Total Long-Term Deposits by Borrowers	11,606	11,478
Total Long-Term Liabilities	$ 116,441	$ 118,578

(in thousands)

NOTE 8 INTERFUND ACTIVITY

In accordance with the Resolution, net position in the Fund is restricted and pledged to bondholders. However, restricted assets may be transferred to other funds, subject to the provisions of the Resolution. Generally, an officer of CDA must authorize such withdrawals and a cash flow analysis must demonstrate that sufficient monies remain in the Resolution to meet the obligations of the Fund in current and future years.

During the years ended June 30, 2023 and 2022, the Fund transferred the following amounts, as permitted, among Funds:

	2023	2022
Transfer Administrative Fees on Mortgage Loans to the General Bond Reserve Fund	$ (290)	$ (309)

NOTE 9 MORTGAGE INSURANCE

100% of the Fund's mortgage loans are insured or credit enhanced as described in Note 4.

Multi-family mortgagors pay premiums for mortgage insurance and insurance coverage is 100% of the unpaid principal balance of the loan.

NOTE 10 OTHER OUTSTANDING BONDS ISSUED BY CDA (CONDUIT BONDS)

On September 29, 2010, $5,410 of Series 2009A escrow bonds were released and issued as Series 2009 A-3. These bonds are non-parity bond issuances under the indenture and are secured by a Credit Enhancement Agreement with the Federal Home Loan Mortgage Corporation (Freddie Mac). As of June 30, 2023 and 2022, $4,375 and $4,505 remain outstanding, respectively.

NOTE 11 PENSION AND OTHER POST-RETIREMENT BENEFITS

Eligible employees of CDA and employees of the State of Maryland are covered under the retirement plans of the State Retirement and Pension System of Maryland (the System) and are also entitled to certain healthcare benefits upon retirement. CDA's only obligation for retirement and post-employment benefits is its required annual contribution, which was paid in full by CDA to the State of Maryland prior to year-end. The liability for the employees is recorded by the general fund of the State of Maryland and is not allocated to CDA. The System prepares a separate audited Comprehensive Annual Financial Report, which can be obtained from the State Retirement and Pension System of Maryland, 120 East Baltimore Street, Baltimore, Maryland 21202 or by visiting the website www.sra.maryland.gov.