

**HOUSING TRUST
FUND CORPORATION
(A Component Unit of the State of New York)**

FINANCIAL STATEMENTS

MARCH 31, 2024

HOUSING TRUST FUND CORPORATION
(A Component Unit of the State of New York)

Table of Contents

March 31, 2024

Independent Auditors' Report

Management's Discussion and Analysis

Financial Statements

Balance Sheets

Statements of Revenues, Expenses, and Changes in Net Position

Statements of Cash Flows

Notes to Financial Statements

Required Supplementary Information (Unaudited)

Schedule of the Corporation's Proportionate Share of the Net Pension Position – New York State and Local Employees' Retirement System

Schedule of Corporation Contributions – New York State and Local Employees' Retirement System

Schedule of Changes in the Corporation's Total OPEB Liability and Related Ratios

Independent Auditors' 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 AUDITORS' REPORT

The Board of Directors
Housing Trust Fund Corporation

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Housing Trust Fund Corporation (the Corporation) (a component unit of the State of New York), a business-type activity, as of and for the years ended March 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Corporation as of March 31, 2024 and 2023, and the changes in its financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

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. 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 Corporation, 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 in sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

The Corporation is the administrator of the New York State Disaster Recovery Program and is subject to regular audits by the U.S. Department of Housing and Urban Development (HUD). As discussed in Note 8, HUD's Office of Inspector General (HUD IG) has issued seven audit reports to the Corporation. The HUD IG has deemed approximately \$752 million in expenses as unsupported and subject to future follow-up. HUD also required the Corporation to begin a Recapture Program, in which amounts disbursed to beneficiaries are requested back due to duplication of benefits or ineligible uses of benefits. Management of the Corporation believes it is possible that HUD will enforce repayments on disallowed costs; however, that amount is currently not estimable. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, 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 Corporation's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our 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 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 Corporation'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 Corporation's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

GAAP requires that management's discussion and analysis and other required supplementary information, as listed in the table of contents, be presented to supplement the 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 (GASB), who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2024 on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 Corporation'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 Corporation's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Lynden & McCormick, LLP". The signature is written in a cursive, flowing style.

June 27, 2024

Management’s Discussion and Analysis (unaudited)

March 31, 2024

Introduction

This Management’s Discussion and Analysis (MD&A) of the Housing Trust Fund Corporation (the Corporation) provides an introduction and overview of the Corporation’s financial activities for the years ended March 31, 2024, 2023, and 2022, and should be read in conjunction with the financial statements and notes to the financial statements. The Corporation reports as a special-purpose government engaged in business-type activities.

Overview of the Financial Statements

Following the MD&A are the financial statements of the Corporation, together with the notes, which are essential to a full understanding of the data contained in the financial statements. The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Revenues and expenses are recorded using the accrual basis of accounting, meaning they are recorded and recognized by the Corporation as earned/incurred, regardless of when cash is received or paid.

The balance sheets present information on all of the Corporation’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Increases or decreases in net position serve as a relative indicator as to whether the Corporation’s financial position is strengthening or weakening over time.

The statements of revenues, expenses, and changes in net position show the results of the Corporation’s operations during the year and reflect both operating and non-operating activities. All changes in net position are reported when the transaction occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statement for some items that will result in cash flows in future periods.

The statements of cash flows provide an analysis of the sources and uses of cash. The cash flow statements show net cash provided or used in operating, non-capital financing, capital and related financing, and investing activities.

The notes to the financial statements include additional information to provide a further understanding of the financial statements.

Financial Highlights

Condensed Balance Sheets

<i>In thousands</i>	2024	2023	\$ Change	% Change	2022
Current assets	\$ 717,519	\$ 700,232	\$ 17,287	2.5%	\$ 610,098
Noncurrent assets	8,339	10,909	(2,570)	(23.6%)	8,284
Total assets	725,858	711,141	14,717	2.1%	618,382
Deferred outflows of resources	14,899	16,805	(1,906)	(11.3%)	12,490
Total assets and deferred outflows of resources	740,757	727,946	12,811	1.8%	630,872
Current liabilities	81,252	98,830	(17,578)	(17.8%)	68,355
Noncurrent liabilities	32,655	23,223	9,432	40.6%	14,270
Total liabilities	113,907	122,053	(8,146)	(6.7%)	82,625
Deferred inflows of resources	5,270	16,426	(11,156)	(67.9%)	17,097
Net position					
Restricted	485,708	468,089	17,619	3.8%	420,407
Unrestricted	135,872	121,378	14,494	11.9%	110,743
Total net position	621,580	589,467	32,113	5.4%	531,150
Total liabilities, deferred inflows of resources, and net position	\$ 740,757	\$ 727,946	\$ 12,811	1.8%	\$ 630,872

Changes in current and noncurrent assets resulted in an increase of \$14,717,000 in total assets in 2024 (increase of \$92,759,000 or 15.0% in 2023). Current assets increased \$17,287,000 (increase of \$90,134,000 or 14.8% in 2023) primarily from increases in cash and investments of \$34,532,000 (\$61,502,000 increase from 2022 to 2023) as a result of favorable operations and was offset by a decrease in grants receivable of \$17,074,000. Noncurrent assets decreased \$2,570,000 (increase of \$2,625,000 or 31.7% in 2023) as a result of the Corporation's proportionate share of the New York State and Local Employees' Retirement System (ERS) net pension position which resulted in a liability of \$8,258,000 in the current year. The Corporation's proportionate share of ERS was a \$3,394,000 asset in 2023 and a \$40,000 liability in 2022.

Liabilities decreased \$8,146,000 in 2024 (increase of \$39,428,000 or 47.7% in 2023) mostly due to decreases in awards payable resulting from the timing of payments. The increase in noncurrent liabilities of \$9,432,000 is primarily due to the ERS liability as mentioned above.

Deferred outflows and deferred inflows of resources result from transactions related to the Corporation's other postemployment benefits (OPEB) plan and its participation in ERS. These amounts reflect the differences between projected and actual earnings on plan investments, actuarial assumption changes, and pension payments made subsequent to the actuarial measurement date of the plan that will be recognized as income and expense in future years.

Restricted net position results from Federal or State laws or donor restrictions that limit the Corporation to spending on specific activities. A portion of the Corporation's restricted net position, \$241,589,000 (\$251,368,000 in 2023), relates to New York State programs, including: Low-Income Housing Trust Fund - \$74,767,000 (\$65,129,000 in 2023), Downtown Revitalization Initiative - \$9,973,000 (\$21,090,000 in 2023), Rural Rental Assistance Program - \$28,188,000 (\$26,839,000 in 2023), Rural and Urban Community Investments Funds - \$8,628,000 (\$17,531,000 in 2023), and Homes for Working Families Program - \$18,654,000 (\$15,466,000 in 2023). Restricted net position from Federal sources totals \$242,681,000 (\$215,318,000 in 2023) and primarily consists of Housing Choice Voucher and related programs of \$209,337,000 (\$144,985,000 in 2023) and Homeowners Assistance Fund through the American Rescue Plan (ARP) Act of \$18,050,000 (\$57,048,000 in 2023). The remaining \$1,438,000 (\$1,403,000 in 2023) is restricted from other sources.

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

<i>in thousands</i>	2024	2023	\$ Change	% Change	2022
Operating revenues					
Project-Based Contract Administration fees	\$ 55,480	\$ 43,679	\$ 11,801	27.0%	\$ 42,331
Fees from other federal programs	83,881	69,237	14,644	21.2%	78,323
Miscellaneous income	145	734	(589)	(80.2%)	187
Total operating revenues	139,506	113,650	25,856	22.8%	120,841
Operating expenses					
Salaries and wages	13,220	13,629	(409)	(3.0%)	12,976
Payroll taxes and employee benefits	8,722	5,167	3,555	68.8%	5,673
Professional services contracts	31,913	24,349	7,564	31.1%	24,245
Other operating expenses	67,935	54,380	13,555	24.9%	60,862
Total operating expenses	121,790	97,525	24,265	24.9%	103,756
Operating income	17,716	16,125	1,591	9.9%	17,085
Non-operating revenues (expenses)					
Federal grant revenues	3,009,591	3,074,997	(65,406)	(2.1%)	2,558,062
Federal grant expenses	(2,995,135)	(3,043,959)	48,824	(1.6%)	(2,534,212)
State grant revenues	262,089	293,555	(31,466)	(10.7%)	298,688
State grant expenses	(280,635)	(288,701)	8,066	(2.8%)	(239,639)
Investment income	18,487	6,300	12,187	193.4%	426
Total non-operating net revenues	14,397	42,192	(27,795)	(65.9%)	83,325
Change in net position	32,113	58,317	(26,204)	(44.9%)	100,410
Net position – beginning	589,467	531,150	58,317	11.0%	430,740
Net position – ending	\$ 621,580	\$ 589,467	\$ 32,113	5.4%	\$ 531,150

Operating revenues increased \$25,856,000 in 2024 which was the result of an increase in administrative fees from Section 8 Project-Based Contract Administration in the amount of \$11,801,000 and additional funding received for the Emergency Housing Voucher Program of \$10,955,000. Operating expenses increased \$24,265,000 which was primarily the result of corresponding Section 8 Project-Based Contract Administration Program expenses and Emergency Housing Voucher Program expenses.

Non-operating revenues (expenses) include funds received and passed through the Corporation to other entities or beneficiaries and investment income. The net decrease in these activities of \$27,795,000 is primarily due to a decrease in State grant revenue of \$31,466,000 while State grant expenses decreased \$8,066,000. State revenues related to the Governor's Office of Storm Recovery (GOSR) capital project allocation for the support of recovery and rebuilding efforts in areas of the State impacted by natural disasters decreased \$32,762,000. Revenue received for this program in 2024 was \$9,007,000 and in 2023 was \$41,769,000, related expenses in 2023 amounted to \$8,286,000 versus \$77,618,000 in 2023. Remaining GOSR funds will be disbursed in future years. This decrease was offset by increases in various State grant expenses.

Federal grant revenues decreased \$65,406,000 primarily as a result of decreased funding for the Homeowners Assistance Fund through the ARP Act of \$357,778,000, which began late in fiscal year 2022 and the grant nearing completion in the current fiscal year. This decrease was offset by increased funding for the Section 8 Project-Based Contract Administration in the amount of \$134,898,000 and Section 8 Housing Choice Voucher programs in the amount of \$150,146,000. Federal grant expenses decreased \$48,824,000 consistent with the related grant revenue.

From 2022 to 2023

Operating revenues decreased \$7,191,000 in 2023 (decrease of \$18,700,000 or 13.4% in 2022) which was the result of a decrease in administrative fees from the Community Development Block Grant (CDBG) Disaster Recovery Program in the amount of \$18,690,000, partially offset by additional funding received for the Emergency Housing Voucher Program of \$9,731,000. Operating expenses decreased \$6,231,000 in 2023 (decrease of \$12,158,000 or 10.5% in 2022) which was primarily the result of corresponding CDBG Disaster Recovery Program expenses and Emergency Housing Voucher Program expenses.

The non-operating revenues (expenses) net decrease of \$41,133,000 (increase of \$86,797,000 or 2,499.9% in 2022) was primarily due to a decrease in State grant revenues of \$5,133,000 (increase of \$115,311,000 or 62.9% in 2022) while State grant expenses increased \$49,062,000 (increase of \$39,029,000 or 19.5% in 2022). State grant revenues and expenses increased \$32,000,000 due to State appropriations to repay HUD. State revenues related to the GOSR capital project allocation for the support of recovery and rebuilding efforts in areas of the State impacted by natural disasters decreased \$75,566,000. Revenue received for this program in 2023 was \$41,769,000 and in 2022 was \$117,000,000, however expenses in 2023 amounted to \$77,618,000 versus \$76,381,000 in 2022. This decrease was offset by reductions in various State grant expenses as well as new State grant revenues. Other increases in State funding include \$20,000,000 for the Homeowner Assistance Fund and \$27,789,000 for the Downtown Revitalization Initiative program.

Federal grant revenues increased \$516,935,000 (increase of \$98,105,000 or 4.0% in 2022) which was primarily a result of increased funding for the Homeowners Assistance Fund through the ARP Act of \$337,076,000, which began late in fiscal year 2022. There was also increased funding for the Section 8 Project-Based Contract Administration and Section 8 Housing Choice Voucher programs in the amount of \$62,811,000 and CDBG Disaster Recovery Program in the amount of \$42,521,000. Federal grant expenses increased \$509,747,000 consistent with the related grant revenue.

Factors Impacting the Corporation's Future

The Corporation's ability to accomplish its mission to provide decent and affordable housing to the citizens of the State, from an economic standpoint, depends almost exclusively on the appropriations and contracts it receives from the Federal and State governments. For the April 1, 2024 through March 31, 2025 fiscal year, the Corporation expects to receive additional State funding for a variety of State, local, and capital programs. CDBG Disaster Recovery Program funding related to Hurricanes Sandy and Irene, Tropical Storm Lee, and Hurricane Ida is expected to continue for the foreseeable future with expenditures expected to decline as activities related to Sandy and Irene and Lee recovery efforts are expected to be completed.

The administration of the Project-Based Contract Administration Program is continuing to be evaluated by HUD for future administrative changes. Currently, HUD is seeking Congressional approval to issue a new Notice of Funding Availability. The Corporation has received an extension through July 2024 and it is anticipated that another extension will be issued. This program is the primary source of unrestricted revenue for the Corporation.

Requests for Information

Management's Discussion and Analysis is intended to provide general information related to Corporation operations for interested parties. Questions concerning this information or requests for additional information can be directed to the Corporation's Treasurer at the Housing Trust Fund Corporation, 38-40 State Street, Albany, New York, 12207, by phone at (518) 457-3538, or via e-mail at HTFFinanceUnit@nyschr.org.

HOUSING TRUST FUND CORPORATION
(A Component Unit of the State of New York)

Balance Sheets

March 31,	2024	2023
Assets		
Current assets:		
Cash		
Cash, unrestricted	\$ 17,425,794	\$ 19,894,042
Cash, designated	23,219,185	3,817,946
Cash, restricted	233,572,421	257,735,038
Total cash	<u>274,217,400</u>	<u>281,447,026</u>
Investments		
Investments, unrestricted	111,515,342	102,075,877
Investments, designated	10,904,464	21,722,244
Investments, restricted	270,734,523	227,594,911
Total investments	<u>393,154,329</u>	<u>351,393,032</u>
Government grants receivable	50,051,931	67,126,312
Other current assets	95,121	265,044
	<u>717,518,781</u>	<u>700,231,414</u>
Noncurrent assets:		
Mortgage notes receivable, net of allowance	1,271,645	1,245,514
Accrued interest receivable, net of allowance	2,035,069	1,317,710
Properties held for sale	5,033,145	4,952,320
Net pension asset	-	3,393,631
	<u>8,339,859</u>	<u>10,909,175</u>
Total assets	<u>725,858,640</u>	<u>711,140,589</u>
Deferred outflows of resources		
Deferred outflows of resources related to pensions	6,336,689	7,222,338
Deferred outflows of resources related to OPEB	8,561,931	9,582,652
Total deferred outflows of resources	<u>14,898,620</u>	<u>16,804,990</u>
Total assets and deferred outflows of resources	<u>\$ 740,757,260</u>	<u>\$ 727,945,579</u>

See accompanying notes.

HOUSING TRUST FUND CORPORATION
(A Component Unit of the State of New York)

Balance Sheets (continued)

March 31,	2024	2023
Liabilities		
Current liabilities:		
Accounts payable and accrued expenses	\$ 5,110,207	\$ 10,161,932
Awards payable	39,476,612	63,284,514
Unearned revenue	10,773,899	9,767,938
Due to other governments	25,257,725	15,040,012
Other current liabilities	633,961	575,872
	<u>81,252,404</u>	<u>98,830,268</u>
Noncurrent liabilities:		
Compensated absences	2,610,401	3,019,162
Net pension liability	8,257,872	-
Total OPEB liability	21,786,392	20,203,549
	<u>32,654,665</u>	<u>23,222,711</u>
Total liabilities	<u>113,907,069</u>	<u>122,052,979</u>
Deferred inflows of resources		
Deferred inflows of resources related to pensions	1,111,691	12,473,167
Deferred inflows of resources related to OPEB	4,158,137	3,952,298
Total deferred inflows of resources	<u>5,269,828</u>	<u>16,425,465</u>
Net position		
Restricted	485,707,949	468,089,320
Unrestricted	135,872,414	121,377,815
Total net position	<u>621,580,363</u>	<u>589,467,135</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 740,757,260</u>	<u>\$ 727,945,579</u>

See accompanying notes.

HOUSING TRUST FUND CORPORATION
(A Component Unit of the State of New York)

Statements of Revenues, Expenses, and Changes in Net Position

For the years ended March 31,	2024	2023
Operating revenues:		
Project-Based Contract Administration fees	\$ 55,480,268	\$ 43,678,577
Fees from other federal programs	83,880,993	69,237,892
Miscellaneous income	145,314	733,850
Total operating revenues	139,506,575	113,650,319
Operating expenses:		
Salaries and wages	13,219,581	13,629,213
Payroll taxes and employee benefits	8,722,039	5,166,606
Professional services contracts	31,913,403	24,349,355
Other operating expenses	67,935,008	54,379,603
Total operating expenses	121,790,031	97,524,777
Operating income	17,716,544	16,125,542
Non-operating revenues (expenses):		
Federal grant revenue	3,009,591,642	3,074,996,998
Federal grant expenses	(2,995,135,424)	(3,043,958,508)
New York State grant revenue	262,088,913	293,554,160
New York State grant expenses	(280,635,301)	(288,701,097)
Investment income	18,486,854	6,299,955
Total non-operating net revenues	14,396,684	42,191,508
Change in net position	32,113,228	58,317,050
Net position - beginning of year	589,467,135	531,150,085
Net position - end of year	\$ 621,580,363	\$ 589,467,135

HOUSING TRUST FUND CORPORATION
(A Component Unit of the State of New York)

Statements of Cash Flows

For the years ended March 31,	2024	2023
Operating activities:		
Fees received for program administration	\$ 157,756,840	\$ 87,549,970
Cash payments to suppliers for services	(118,490,325)	(50,770,983)
Cash payments to employees for salaries and benefits	(18,307,213)	(18,236,401)
Net operating activities	20,959,302	18,542,586
Non-capital financing activities:		
Federal grants, net	14,321,892	30,476,284
New York State grants, net	(19,289,878)	6,074,024
Net non-capital financing activities	(4,967,986)	36,550,308
Capital and related financing activities:		
Sale of properties held for sale	53,501	110,000
Investing activities:		
Investment income	18,486,854	6,299,955
Proceeds from sales and maturities of investments	652,039,669	345,290,056
Purchases of investments	(693,800,966)	(400,198,456)
Net investing activities	(23,274,443)	(48,608,445)
Net change in cash	(7,229,626)	6,594,449
Cash - beginning of year	281,447,026	274,852,577
Cash - end of year	\$ 274,217,400	\$ 281,447,026
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 17,716,544	\$ 16,125,542
Adjustments to reconcile operating income to net cash provided by operating activities:		
Net pension activity	1,175,676	(1,400,251)
Net OPEB activity	2,809,403	1,969,509
Changes in assets and liabilities:		
Government grants receivable	17,074,381	(28,607,093)
Other current assets	169,923	(23,560)
Accounts payable and accrued expenses	(5,051,725)	(7,513,891)
Awards payable	(23,807,902)	34,536,942
Unearned revenue	1,005,961	2,530,304
Due to other governments	10,217,713	934,924
Other liabilities	(350,672)	(9,840)
Net cash provided by operating activities	\$ 20,959,302	\$ 18,542,586

See accompanying notes.

Notes to Financial Statements

1. Financial Reporting Entity

Housing Trust Fund Corporation (the Corporation) was established on February 13, 1985, by the Legislature of the State of New York (the State). The Corporation is a component unit of the State, is included in the State's financial statements, and was initially created to administer low-income housing programs within the State. The Board Chairperson is the Commissioner of the Division of Housing and Community Renewal (DHCR). The Corporation administers the following significant programs:

Federal Programs

- Section 8 Project-Based Contract Administration Program – to provide low-income housing rental subsidies to qualified landlords.
- Section 8 Housing Choice Voucher and related programs – to provide low-income housing rental subsidies to qualified individuals. Related programs are the five-year mainstream program and the moderate rehabilitation program.
- Community Development Block Grant (CDBG) Program – to provide various housing and economic development activities to municipalities in New York State.
- CDBG Disaster Recovery Program – in response to Hurricane Sandy, funding was appropriated to rebuild the affected areas and provide crucial seed money to start the recovery process.
- Home Investments Partnerships Program – to provide funds for the construction and rehabilitation of low-income housing and development activities to municipalities in New York State.
- Homeowner Assistance Fund – to provide funds to mitigate financial hardships associated with the coronavirus pandemic by preventing homeowner mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services, and displacements of homeowners experiencing financial hardship.

State Programs

- Low-Income Trust Fund Housing Program – to provide funds for the construction and rehabilitation of low-income housing.
- Public Housing Modernization and Drug Elimination Programs – to provide funds to rehabilitate State-run public housing authorities and reduce drug and crime activities.
- Homes for Working Families Program – to provide funds to finance affordable housing for low-income families and senior citizens by accessing tax exempt bond financing and low-income housing credits.
- New York State Housing Plan Funds – a multi-year state effort to provide funds for construction and rehabilitation of affordable housing through various subprograms such as the Supportive Housing Opportunities Program, Multi-Family Preservation Program, and the Mobile and Manufactured Home Replacement Program.
- Rural Rental Assistance Program – to provide subsidy housing assistance to low-income tenants in United States Department of Agriculture housing projects.

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Corporation have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Measurement Focus

The Corporation reports as a special-purpose government engaged in business-type activities. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services. The Corporation's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

The Corporation's policy for defining operating activities in the statements of revenues, expenses, and changes in net position are those that generally result from exchange transactions such as payments received for services and payments made to purchase those goods or services. Certain other transactions are reported as non-operating activities and include government funding and investment income.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Investments

The Corporation's investment policy adheres to New York State Law and stipulates that the Corporation may invest in obligations of the State of New York, the United States government, repurchase agreements, or money market deposit accounts. Repurchase agreements must be collateralized by obligations guaranteed by the United States government which are equal in value to the repurchase agreement. The agreements may not exceed sixty days, and payment may be made only upon delivery of collateral to the Corporation's agent. All investments and related collateral are held by the Corporation's agent in the Corporation's name. All investments have original maturities less than one year from the date of acquisition and are reported at amortized cost.

Mortgage Notes and Accrued Interest Receivable

The Corporation considers the collection of the majority of its mortgage notes and accrued interest receivable to be contingent upon certain economic and compliance matters at the mortgagor level, and therefore, collection is not reasonably assured. Accordingly, the Corporation generally reserves all balances, with the exception of certain loans that have specific repayment requirements not contingent upon economic and compliance matters or balances which, based on a review of current and prior payments, indicate that a full allowance is not necessary.

Property Acquisition Programs

The Corporation has acquired properties under the CDBG Disaster Recovery Buyout Program that will not be used for service delivery. The properties acquired under the Buyout Program cannot be redeveloped, and it is anticipated that they will be transferred to the State or local governments to aid in environmental preservation. Accordingly, the Corporation has not included the value of buyout properties in the balance sheets.

Properties acquired under the Disaster Recovery Acquisition program may be resold for development purposes. The Corporation disposes of these properties to qualified bidders through an auction process. The Corporation values these properties at the lower of cost or net realizable value. Properties held for sale under the Disaster Recovery Acquisition program totaled \$5,033,145 and \$4,952,320 as of March 31, 2024 and 2023, respectively. The Corporation estimates net realizable value on a non-recurring basis utilizing the most recent property dispositions sold through an auction process.

Compensated Absences

The Corporation provides for vacation and sick time attributable to services already rendered and vested. The liabilities are recorded based on employees' rates of pay as of the end of the fiscal year and include all payroll-related liabilities. In the event of a voluntary termination, an employee is reimbursed for accumulated vacation days up to a stated maximum. Upon retirement, employees' accumulated sick days are converted to credit to be used to pay the employees' share of the Corporation's health insurance premiums. Compensated absences totaled \$3,228,000 and \$3,578,000 at March 31, 2024 and 2023 and are included in other current and noncurrent liabilities on the accompanying balance sheets.

Pension

The Corporation participates in the New York State and Local Employees' Retirement System (ERS). ERS recognizes benefit payments when due and payable in accordance with benefit terms; investment assets are reported at fair value. The Corporation recognizes its proportionate share of the net pension position, deferred outflows and deferred inflows of resources, pension expense, and information about and changes in the fiduciary net position on the same basis as reported by ERS (Note 5).

Other Postemployment Benefits (OPEB)

The total OPEB liability, deferred outflows and deferred inflows of resources, and OPEB expense for the Corporation's defined benefit healthcare plan (Note 6) have been measured on the same basis as reported by the plan. For this purpose, benefit payments in the plan are recognized when due and payable in accordance with benefit terms.

Net Position

The Corporation's net position is comprised of the following:

- *Restricted* – consists of restricted assets and deferred outflows of resources reduced by liabilities and deferred inflows of resources related to those assets whose use is constrained to a particular purpose. Restrictions are imposed by external sources such as federal or state laws or donors.
- *Unrestricted* – the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that do not meet the definition of the above restrictions and are available for general use by the Corporation.

Operating Revenues

Revenue in support of the programs administered by the Corporation is considered operating income. Fees from administration of the Project-Based Contract Administration Program and Housing Choice Voucher Program are the primary source of operating revenues for the Corporation.

Non-Operating Revenues

Non-operating revenues include grants and awards for programmatic purposes that are passed on to recipients.

Federal awards are recognized as revenue at the time allowable and eligible expenses are incurred. The Corporation recognizes appropriations from the State as revenue at the time a certificate of approval of funds is issued by the State Division of Budget and when the applicable expenses are incurred.

State programs consist primarily of awards to fund construction of new properties, rehabilitation of vacant or under-utilized property, technical assistance expenses, and foreclosure prevention education. Disbursements are made upon approval of certified vouchers. Awards which have approved certified vouchers that are not paid as of March 31 are recorded as awards payable. Technical assistance expenses include construction monitoring, planning, designing, and engineering consulting fees associated with award contracts as well as consulting fees for training award applicants.

Investment and other income is recognized as revenue when earned.

3. Cash and Investments

Cash management is governed by State laws and as established in the Corporation's written policies. Cash resources must be deposited in FDIC-insured commercial banks located within the State. Collateral is required for demand and time deposits and certificates of deposit not covered by Federal Deposit Insurance. Custodial credit risk is the risk that, in the event of a bank failure, the Corporation's deposits may not be recovered. At March 31, 2024 and 2023, the Corporation's bank deposits were fully collateralized by FDIC coverage and securities held by the pledging institution's agent in the Corporation's name. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In order to limit its exposure, the Corporation limits the maturity dates of its investments to one year or less.

The Corporation's investments are carried at amortized cost at March 31, 2024 and 2023 in the amounts of \$393,154,329 and \$351,393,032, respectively. All of the Corporation's investments are comprised of United States Treasury Bills at March 31, 2024 and 2023.

The Corporation holds various cash and investments that it designated for certain purposes, including OPEB and programs. Designated cash and investments at March 31, 2024 and 2023 totaled \$34,123,649 and \$25,540,190.

The Corporation holds cash intended for potential beneficiaries through the CDBG Disaster Recovery Program. As of March 31, 2023, the Corporation held cash of \$29,573 which is included in restricted cash and unearned revenue on the accompanying balance sheets. No amounts were held at March 31, 2024.

4. Mortgage Notes and Accrued Interest Receivable

The Corporation administers numerous loan programs. The collections of these mortgages are based upon payment terms defined in agreements between the Corporation and its mortgagors. These agreements call for repayments based on available cash flows, noncompliance with the regulatory agreement with the Corporation, and other contingent events, such as upon the sale of the underlying real property. The underlying agreements generally require that each mortgagor have an annual audit of its financial statements, including a review of compliance with the regulatory agreement.

As of March 31, 2024 and 2023, mortgages receivable amounted to \$2,493,964,361 and \$2,306,066,570, with related allowances for doubtful accounts of \$2,492,692,716 and \$2,304,821,056, for net mortgage receivables of \$1,271,645 and \$1,245,514, respectively. As of March 31, 2024 and 2023, accrued interest receivable related to mortgage notes amounted to \$106,291,491 and \$95,425,471, with allowances for doubtful accounts of \$104,256,422 and \$94,107,761, for net accrued receivables of \$2,035,069 and \$1,317,710, respectively.

5. Pension

Plan Description

The Corporation participates in ERS, a cost-sharing, multiple employer, public employee retirement system. ERS provides retirement benefits as well as death and disability benefits. New York State Retirement and Social Security Law governs obligations of employers and employees to contribute and provide benefits to employees. ERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained from the New York State and Local Retirement System at www.osc.state.ny.us/retire.

Benefits: ERS provides retirement, disability, and death benefits for eligible members, including automatic cost of living adjustments. In general, retirement benefits are determined based on an employee’s individual circumstances using a pension factor, an age factor, and final average salary. The benefits vary depending on the individual’s employment tier. Pension factors are determined based on tier and an employee’s years of service, among other factors.

Contribution requirements: No employee contribution is required for those hired prior to July 27, 1976. ERS requires employee contributions of 3% of salary for the first 10 years of service for those employees who joined on or after July 27, 1976 through December 31, 2009. Participants hired on or after January 1, 2010 through March 31, 2012 contribute 3% of their gross salary during the length of employment. Participants hired on or after April 1, 2012 are required to contribute a percentage ranging from 3% to 6% each year, based on their level of compensation. The Comptroller annually certifies the rates used, expressed as a percentage of the wages of participants, to compute the contributions required to be made by the Corporation to the pension accumulation fund. For payments made in 2024 and 2023, rates ranged from 9.5% to 19.9% and 8.2% to 17.5%, respectively.

Net Pension Position, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources

At March 31, 2024 and 2023, the Corporation reported a liability of \$8,257,872 and an asset of \$3,393,631, respectively, for its proportionate share of the net pension position.

The total pension liability at the March 31, 2023 measurement date was determined by an actuarial valuation as of April 1, 2022, with update procedures applied to roll forward the total pension liability to March 31, 2023. The Corporation’s proportion of the net pension position was based on the ratio of its actuarially determined employer contribution to ERS’s total actuarially determined employer contributions for the fiscal year ended on the measurement date. At March 31, 2023, the Corporation’s proportion was 0.0385090%, a decrease of 0.0030054 from its proportion measured as of March 31, 2022.

For the year ended March 31, 2024 and 2023, the Corporation recognized pension expense of \$2,535,262 and pension income of \$247,347, respectively. At March 31, 2024 and 2023, the Corporation reported deferred outflows and deferred inflows of resources as follows:

	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 879,528	\$ (231,912)	\$ 257,004	\$ (333,349)
Changes of assumptions	4,010,555	(44,324)	5,663,590	(95,567)
Net difference between projected and actual earnings on pension plan investments	-	(48,515)	-	(11,112,720)
Changes in proportion and differences between Corporation contributions and proportionate share of contributions	87,020	(786,940)	148,867	(931,531)
Corporation contributions subsequent to the measurement date	1,359,586	-	1,152,877	-
	<u>\$ 6,336,689</u>	<u>\$ (1,111,691)</u>	<u>\$ 7,222,338</u>	<u>\$ (12,473,167)</u>

Corporation contributions made subsequent to the measurement date will be recognized as an addition to (a reduction of) the net pension asset (liability) in the subsequent year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending March 31,	
2025	\$ 739,705
2026	(672,663)
2027	1,607,370
2028	2,191,000
	<u>\$ 3,865,412</u>

Actuarial Assumptions

The actuarial assumptions used in the April 1, 2022 valuation, with update procedures used to roll forward the total pension liability to March 31, 2023, were based on the results of an actuarial experience study for the period April 1, 2015 to March 31, 2020. These assumptions are:

Inflation – 2.9%

Salary increases – 4.4%

Cost of living adjustments – 1.5% annually

Investment rate of return – 5.9% compounded annually, net of investment expense, including inflation

Mortality – Society of Actuaries' Scale MP-2021

Discount rate – 5.9%

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

Investment Asset Allocation

Best estimates of arithmetic real rates of return (net of the long-term inflation assumption) for each major asset class and ERS's target asset allocations as of the valuation date are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equities	32%	4.3%
International equities	15%	6.9%
Private equities	10%	7.5%
Real estate equities	9%	4.6%
Fixed income	23%	1.5%
Cash	1%	-
Other	10%	5.4%-5.8%
	100%	

Discount Rate

The discount rate projection of cash flows assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Systems' 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 following presents the Corporation's proportionate share of its net pension position calculated using the discount rate of 5.9% and the impact of using a discount rate that is 1% higher or lower than the current rate.

	1.0% Decrease	At Current Discount Rate	1.0% Increase
Corporation's proportionate share of the ERS net pension asset (liability)	\$ (19,955,735)	\$ (8,257,872)	\$ 1,517,053

6. OPEB

The Corporation administers a single-employer defined-benefit postemployment healthcare plan which provides postemployment healthcare benefits for retirees meeting eligibility requirements based on attainment of retirement age and years of service. Spouses are eligible for coverage under the plan and benefits may continue to the surviving spouses. Retirees eligible for a retirement benefit under the New York State Health Insurance Program may elect to continue participating in Corporation health plans. The Corporation pays 90% of member premiums and 75% of dependent premiums. Benefit provisions and retiree contribution rates are determined through negotiations between the Corporation and its employees. The plan has no assets, does not issue financial statements, and is not a trust.

At March 31, 2023, employees covered by the Plan include:

Active employees	144
Inactive employees or beneficiaries currently receiving benefits	27
Inactive employees entitled to but not yet receiving benefits	-
	<u>171</u>

Total OPEB Liability

The Corporation's total OPEB liability of \$21,786,392 and \$20,203,549 was measured as of March 31, 2024 and 2023, respectively, determined by actuarial valuations as of March 31, 2023.

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

Healthcare cost trend rates – Based on August 2022 New York State Development of Recommended Actuarial Assumptions for Other Post Employment Benefit Plan Actuarial Valuations for Participating Agencies, initially 5.25% (5.50% for Pre-Medicare for 2023) with an ultimate rate of 4.50% after 2028

Salary increases – 2.50%

Mortality – RPH-2014 mortality table (headcount weighted) fully generational with mortality improvement scale MP-2021

Discount rate – 3.96% based on high-quality 20-year municipal bonds as of the valuation date (3.78% for 2023)

Inflation rate – 2.75%

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at March 31, 2022	\$ (11,214,503)
Changes for the year:	
Service cost	(1,296,760)
Interest	(350,308)
Changes of benefit terms	-
Differences between expected and actual experience	(6,972,761)
Changes of assumptions or other inputs	(634,949)
Benefit payments, including implicit subsidy	265,732
Net changes	<u>(8,989,046)</u>
Balance at March 31, 2023	<u>(20,203,549)</u>
Changes for the year:	
Service cost	(1,843,503)
Interest	(826,146)
Changes of benefit terms	-
Differences between expected and actual experience	6,552
Changes of assumptions or other inputs	697,649
Benefit payments, including implicit subsidy	382,605
Net changes	<u>(1,582,843)</u>
Balance at March 31, 2024	<u>\$ (21,786,392)</u>

The following presents the sensitivity of the Corporation's total OPEB liability to changes in the discount rate, including what the Corporation's total OPEB liability would be if it were calculated using a discount rate that is 1% higher or lower than the current discount rate:

	1.0% Decrease (2.96%)	Discount Rate (3.96%)	1.0% Increase (4.96%)
Total OPEB liability	<u>\$ (26,077,678)</u>	<u>\$ (21,786,392)</u>	<u>\$ (18,407,230)</u>

The following presents the sensitivity of the Corporation's total OPEB liability to changes in the healthcare cost trend rates, including what the Corporation's total OPEB liability would be if it were calculated using trend rates that are 1% higher or lower than the current healthcare cost trend rates:

	1.0% Decrease (4.25% to 3.50%)	Healthcare Cost Trend Rate (5.25% to 4.50%)	1.0% Increase (6.25% to 5.50%)
Total OPEB liability	<u>\$ (18,042,927)</u>	<u>\$ (21,786,392)</u>	<u>\$ (26,734,511)</u>

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources

For the year ended March 31, 2024 and 2023, the Corporation recognized OPEB expense of \$3,192,008 and \$2,235,241. At March 31, 2024 and 2023, the Corporation reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,733,828	\$ (1,346,162)	\$ 6,393,510	\$ (1,518,638)
Changes of assumptions	2,828,103	(2,811,975)	3,189,142	(2,433,660)
	<u>\$ 8,561,931</u>	<u>\$ (4,158,137)</u>	<u>\$ 9,582,652</u>	<u>\$ (3,952,298)</u>

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

Years Ending March 31,	
2025	\$ 522,359
2026	522,359
2027	522,359
2028	522,359
2029	522,359
Thereafter	1,791,999
	<u>\$ 4,403,794</u>

7. Risk Management

The Corporation is subject to certain business risks that could have a material impact on future operations and financial performance. These risks include economic conditions, federal and state government regulations, and changes in law.

The Corporation is also exposed to various risks of loss related to torts; damage to, theft of, and destruction of property; errors and omissions; and natural disasters. To limit its exposure, the Corporation purchases a variety of insurance policies, subject to specific deductibles and coverage limits. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three years.

8. Commitments and Contingencies

Commitments

The Corporation was provided approximately \$7,704,000,000 of federal and state grant funds to provide subgrants to eligible recipients. At March 31, 2024, grants of \$6,531,000,000 have been disbursed and \$1,173,000,000 remains unexpended.

Disaster Recovery Buyout and Acquisition Program

The Corporation's administration of Buyout and Acquisition properties will require additional costs, including demolition and removal of existing structures, site remediation, infrastructure improvements, general property maintenance, and costs associated with disposition. The Corporation has not estimated the future costs that will be incurred associated with such properties; however, the Corporation believes these costs will be reimbursed by the Federal government under the Disaster Recovery program.

Litigation

The Corporation is subject to claims and lawsuits that arise in the ordinary course of business. In the opinion of management, these claims will not have a material adverse effect upon the financial position of the Corporation.

Grants

The Corporation receives financial assistance from federal and state agencies in the form of grants. Expenditures of funds received under these programs generally require compliance with the terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Corporation.

Since 2015, the U.S. Department of Housing and Urban Development's Office of Inspector General (HUD IG) has issued seven audit reports to the Corporation. The HUD IG has deemed \$752,000,000 in expenses as unsupported and subject to future follow-up. Management of the Corporation has responded to these audit reports and in many cases disagreed with the findings.

Management of the Corporation believes it is possible that HUD will enforce repayments on disallowed costs; however, that amount is currently not estimable.

As a result of the audits, HUD required the Corporation to begin a Recapture Program, which requests repayment of amounts disbursed to beneficiaries due to duplication of benefits or ineligible use of benefits. The Corporation has requested \$73,520,000 in repayments from beneficiaries. Of the requests that have been sent, the Corporation has signed repayment agreements which amount to \$18,072,000 in potential collections, of which \$12,353,000 has been received from beneficiaries. The remaining amounts to be collected under the Recapture Program have not been recorded as receivables as management has determined the likelihood of collection to be low. In 2023, the Corporation received \$32,000,000 from the State and disbursed \$31,774,000 to HUD towards the repayment of the HUD-identified unsupported costs. In 2024, the Corporation did not receive or disburse any funds towards the repayment of HUD-identified unsupported costs.

Project-Based Contract Administration Program

The administration of the Project-Based Contract Administration Program contract is currently in a request for proposal stage. The Corporation has received notification from HUD that its current contract will be extended through July 2024, during which time the request for proposal will be prepared. This program is the primary source of revenue for the Corporation.

9. Related Party Transactions

The Corporation generally reimburses DHCR for administrative expenses (principally payroll) incurred in the various Federal and State programs to the extent permitted by the State's Division of Budget. The Corporation's total liability to DHCR for administrative expenses at March 31, 2024 and 2023 was \$12,126,483 and \$11,259,061, respectively, and is included within due to other governments on the accompanying balance sheets.

HOUSING TRUST FUND CORPORATION
(A Component Unit of the State of New York)

Required Supplementary Information (Unaudited)
Schedule of the Corporation's Proportionate Share of the Net Pension
New York State and Local Employees' Retirement System

As of the measurement date of March 31,	2023	2022	2021	2020	2019	2018	2017	2016	2015
Corporation's proportion of the net pension position	0.0385090%	0.0415144%	0.0399916%	0.0455741%	0.0502821%	0.0472707%	0.0517446%	0.0392498%	0.0253949%
Corporation's proportionate share of the net pension asset (liability)	\$ (8,257,872)	\$ 3,393,631	\$ (39,821)	\$ (12,068,283)	\$ (3,562,638)	\$ (1,525,636)	\$ (4,862,035)	\$ (6,299,695)	\$ (857,901)
Corporation's covered payroll	\$ 11,293,738	\$ 11,387,219	\$ 11,462,292	\$ 12,390,282	\$ 13,488,927	\$ 13,209,144	\$ 13,183,273	\$ 8,946,583	\$ 6,395,198
Corporation's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	-73.12%	29.80%	-0.35%	-97.40%	-26.41%	-11.55%	-36.88%	-70.41%	-13.41%
Plan fiduciary net position as a percentage of the total pension liability	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%
The following is a summary of changes of assumptions:									
Inflation	2.9%	2.7%	2.7%	2.5%	2.5%	2.5%	2.5%	2.5%	2.7%
Salary increases	4.4%	4.4%	4.4%	4.2%	4.2%	3.8%	3.8%	3.8%	4.9%
Cost of living adjustments	1.5%	1.4%	1.4%	1.3%	1.3%	1.3%	1.3%	1.3%	1.4%
Investment rate of return	5.9%	5.9%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%	7.5%
Discount rate	5.9%	5.9%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%	7.5%
Society of Actuaries' mortality scale	MP-2021	MP-2020	MP-2020	MP-2018	MP-2014	MP-2014	MP-2014	MP-2014	MP-2014

Data prior to 2015 is unavailable.

HOUSING TRUST FUND CORPORATION
(A Component Unit of the State of New York)

Required Supplementary Information (Unaudited)
Schedule of Corporation Contributions
New York State and Local Employees' Retirement System

For the years ended March 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 1,359,586	\$ 1,152,877	\$ 1,620,327	\$ 1,470,633	\$ 1,538,449	\$ 1,728,067	\$ 1,596,862	\$ 1,645,019	\$ 1,740,780	\$ 1,444,987
Contribution in relation to the contractually required contribution	(1,359,586)	(1,152,877)	(1,620,327)	(1,470,633)	(1,538,449)	(1,728,067)	(1,596,862)	(1,645,019)	(1,740,780)	(1,444,987)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Corporation's covered payroll	\$ 11,929,533	\$ 11,293,738	\$ 11,387,219	\$ 11,462,292	\$ 12,390,282	\$ 13,488,927	\$ 13,209,144	\$ 13,183,273	\$ 8,946,583	\$ 6,395,198
Contributions as a percentage of covered payroll	11.40%	10.21%	14.23%	12.83%	12.42%	12.81%	12.09%	12.48%	19.46%	22.59%

HOUSING TRUST FUND CORPORATION
(A Component Unit of the State of New York)

Required Supplementary Information (Unaudited)
Schedule of Changes in the Corporation's
Total OPEB Liability and Related Ratios

March 31,	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability	\$ (20,203,549)	\$ (11,214,503)	\$ (10,836,377)	\$ (11,410,634)	\$ (8,282,653)	\$ (6,561,286)	\$ (4,913,246)	\$ (3,618,431)
Changes for the year:								
Service cost	(1,843,503)	(1,296,760)	(1,427,973)	(1,715,266)	(1,297,029)	(1,259,251)	(1,196,150)	(1,161,311)
Interest	(826,146)	(350,308)	(275,966)	(323,454)	(324,987)	(275,938)	(287,590)	(170,985)
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	6,552	(6,972,761)	(55,571)	512,585	(37,986)	1,814,096	-	-
Changes of assumptions or other inputs	697,649	(634,949)	1,166,876	1,933,537	(1,622,255)	(2,123,540)	(274,032)	-
Benefit payments, including implicit subsidy	382,605	265,732	214,508	166,855	154,276	123,266	109,732	37,481
Net change in total OPEB liability	(1,582,843)	(8,989,046)	(378,126)	574,257	(3,127,981)	(1,721,367)	(1,648,040)	(1,294,815)
Total OPEB liability - ending	\$ (21,786,392)	\$ (20,203,549)	\$ (11,214,503)	\$ (10,836,377)	\$ (11,410,634)	\$ (8,282,653)	\$ (6,561,286)	\$ (4,913,246)
Covered-employee payroll	\$ 16,024,640	\$ 15,633,795	\$ 13,040,236	\$ 14,562,848	\$ 14,615,780	\$ 14,080,713	\$ 15,921,187	\$ 15,457,463
Total OPEB liability as a percentage of covered-employee payroll	135.96%	129.23%	86.00%	74.41%	78.07%	58.82%	41.21%	31.79%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

In 2023, the increase caused by differences between expected and actual experience include changes in demographics, claims and premiums, and the payroll growth rate greater than previously expected. These increases were partially offset by an increase in the discount rate.

In 2019, the decrease caused by differences between expected and actual experience include demographic changes, less than expected claim cost increases, revised Medicare Advantage claims methodology, and changes to the medical and life insurance eligibility.

The following is a summary of changes of assumptions:

Healthcare cost trend rates	5.25%-4.50%	5.50%-4.50%	5.25%-4.50%	5.50%-4.80%	5.25%-4.80%	5.50%-4.95%	6.75%-4.95%	6.75%-4.95%
Inflation	2.75%	2.75%	2.75%	2.50%	2.50%	2.50%	2.50%	2.50%
Salary increases	2.50%	2.50%	3.80%	3.80%	3.80%	3.00%	3.00%	3.00%
Discount rate	3.96%	3.78%	2.83%	2.27%	2.48%	3.42%	4.50%	4.75%
Society of Actuaries' mortality scale	MP-2021	MP-2021	MP-2018	PUB-2010	MP-2018	MP-2018	MP-2016	MP-2016

Data prior to 2017 is unavailable.

INDEPENDENT AUDITORS' 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*

The Board of Directors
Housing Trust Fund Corporation

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, the financial statements of Housing Trust Fund Corporation (the Corporation) (a component unit of the State of New York), a business-type activity, as of and for the year ended March 31, 2024, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements, and have issued our report thereon dated June 27, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting (internal control) as a basis for designing 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 Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation'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 Corporation'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 Corporation'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 Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lynden & McCormick, LLP

June 27, 2024