



January 2, 2001

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**WISCONSIN
HOUSING AND
ECONOMIC
DEVELOPMENT
AUTHORITY**

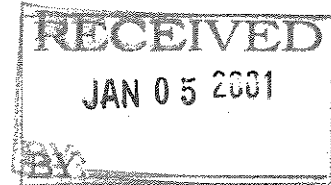
Tommy G. Thompson
Governor

Edwin J. Zagzebski
Chairman

Fritz Ruf
Executive Director

Honorable Tommy G. Thompson, Governor
Honorable Brian Burke, Co-Chair, Joint Committee on Finance
Honorable John Gard, Co-Chair, Joint Committee on Finance
Honorable Robert Wirsch, Chair, Senate Committee on Economic Development, Housing and
Government Operations
Honorable Tom Sykora, Chair, Assembly Committee on Housing
State Capitol
Madison, Wisconsin 53708

Mr. George Lightbourn, Secretary
Wisconsin Department of Administration
101 East Wilson Street
Madison, Wisconsin 53702



Dear Governor Thompson, Legislators and Secretary Lightbourn:

Pursuant to section 234.25, Wisconsin Statutes, the following is the Fiscal 2000 annual report of the Wisconsin Housing and Economic Development Authority (WHEDA). Please note that each of the housing programs described in the following pages are consistent with the goals, policies and objectives of the state housing plan. In addition, the report reflects Calendar 2000 data for those programs operating on a calendar year basis. The report contains the following information:

- Fiscal 2000 Program Activity
- Job Creation Report
- WHEDA Strategic Plan
- Calendar 1999 Annual Report
- June 30, 2000 Financial Statement

Should you have any questions or comments, please call me or Jim Langdon at 266-3529. Thank you for your interest in WHEDA.

Sincerely,

Fritz Ruf
Executive Director

cc: WHEDA Board Members
Senate Chief Clerk
Assembly Chief Clerk
Legislative Fiscal Bureau
Legislative Reference Bureau
Legislative Audit Bureau

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WHEDA supports equal
housing opportunities for
all persons



Fiscal 2000 Program Activity

Single Family Housing

The **HOME Loan** is a low interest, fixed rate, long term mortgage for the purchase of homes by low and moderate income individuals and families. HOME Loans are limited to first time home buyers and those purchasing in areas of the state that have been specially "targeted" as in need of revitalization or economic stimulation. Income and purchase price limits apply. In Fiscal 2000, WHEDA produced the following statewide HOME Loan activity:

Number of HOME Loans: 3,488
Amount of HOME Loans: \$231,935,053

The **Home Improvement Loan** enables low and moderate income home owners to make non-luxury or energy conserving improvements to their homes. To qualify, borrowers must meet income eligibility criteria and use the funds for eligible improvements. In Fiscal 2000, WHEDA produced the following statewide Home Improvement Loan Program activity:

Number of Home Improvement Loans: 100
Amount of Home Improvement Loans: \$1,035,813

The **Property Tax Deferral Loan (PTDL) Program** was created by the Legislature to help elderly Wisconsin resident home owners pay their property tax bills. The PTDL Program operates on a calendar year basis. In Calendar 2000, WHEDA produced the following statewide PTDL activity:

Number of Property Tax Deferral Loans: 45
Amount of Property Tax Deferral Loans: \$94,968

Multifamily Housing

The **Affordable Housing Tax Credit** provides a credit against federal tax liability as an incentive for the development, acquisition, and rehabilitation of affordable rental housing. In general, the program serves households with income not exceeding 60 percent of county median income. WHEDA has been designated by the Governor as the Wisconsin administrator of the program.

The Affordable Housing Tax Credit Program operates on a calendar year basis. In Calendar 2000, WHEDA produced the following statewide Affordable Housing Tax Credit Program activity:

Number of Tax Credit Projects: 27
Number of Units:
 Total: 1,063
 Low-Income Units Only: 986
Amount of Tax Credits Allocated: \$6,679,173

Fiscal 2000 Program Activity

The **Multifamily Mortgage Program** provides construction and permanent financing for the development of multifamily rental housing through the sale of (1) federally tax exempt mortgage revenue bonds under WHEDA's general bonding authority or (2) taxable bonds or alternate methods of financing. Financing is subject to federal requirements including limitations on the availability of tax exempt bonding, project eligibility, and rent and occupancy restrictions. In Fiscal 2000, WHEDA closed the following statewide Multifamily Mortgage Program loans:

Number of Multifamily Projects: 27
Number of Units and Beds: 799 Units and 489 Beds
Amount of Multifamily Loans: \$34,451,929

The **WHEDA Foundation Housing Grant Program** helps nonprofit organizations, local units of government and Indian tribes meet the housing needs of homeless persons, alcohol or drug dependent persons, domestic abuse victims, developmentally disabled persons, low income or frail elderly persons, chronically mentally ill persons, physically impaired or disabled persons, and/or persons who lack access to traditional permanent housing. Funded through WHEDA reserves, grants are awarded annually on a statewide competitive basis. Single awards are made in amounts up to \$25,000. In Fiscal 2000, WHEDA produced the following statewide WHEDA Foundation Housing Grant Program activity:

Number of WHEDA Foundation Grants: 29
Amount of WHEDA Foundation Grants: \$500,000

Agricultural Development

Beginning Farmer Bonds provide federally tax-exempt financing for first-time farmers. Loans of up to \$250,000 are available for the purchase of land, equipment, buildings and livestock. Local lenders back Beginning Farmer Bonds with a letter of credit. In Fiscal 2000, WHEDA produced the following Beginning Farmer Bond activity:

Number of Beginning Farmer Bonds: 5
Amount of Beginning Farmer Bonds: \$1,062,113

The **Credit Relief Outreach Program (CROP)** is a loan guarantee and interest rate reduction program for Wisconsin farmers. The program helps farmers obtain agricultural production loans of up to \$20,000 through local lenders. In Fiscal 2000, WHEDA produced the following statewide CROP activity:

Number of CROP Guarantees: 698
Amount of CROP Loans: \$13,155,433
Amount of CROP Guarantees: \$11,839,890

The **FARM Fund** is a loan guarantee program for the expansion and modernization of Wisconsin farms. The program provides loan guarantees for land, equipment, buildings and livestock. In Fiscal 2000, WHEDA produced the following statewide FARM Fund activity:

Number of FARM Fund Guarantees: 48
Amount of FARM Fund Loans: \$9,561,149
Amount of FARM Fund Guarantees: \$2,210,929

Fiscal 2000 Program Activity

Small Business Development

The **WHEDA Small Business Guarantee (WSBG)** assists in the creation and retention of jobs in small businesses. In Fiscal 2000, WHEDA produced the following statewide WSBG activity:

Number of WSBG Guarantees: 46
Amount of WSBG Loans: \$6,524,963
Amount of WSBG Guarantees: \$4,222,230

The **Linked Deposit Loan (LiDL) Subsidy** reduces the cost of borrowing for small businesses that are more than 50 percent owned and controlled by women or minority group members. Loans may be used for the purchase or rehabilitation of land, buildings, and business equipment. The project undertaken must result in the creation or retention of jobs. In Fiscal 2000, WHEDA produced the following statewide LiDL activity:

Number of LiDL Loans: 25
Amount of LiDL Loans: \$1,139,610

The **Agribusiness Fund** provides loan guarantees for projects that result in the development of new or more viable methods for processing or marketing a Wisconsin grown commodity. In Fiscal 2000, WHEDA produced the following statewide Agribusiness Fund activity:

Number of Agribusiness Fund Guarantees: 1
Amount of Agribusiness Fund Loans: \$64,379
Amount of Agribusiness Fund Guarantees: \$51,503

Job Creation Report

Wisconsin Development Reserve Fund

Jobs Certified for Guarantees Closed during Fiscal 2000, by County

<u>County</u>	<u>Jobs Certified</u>	<u>County</u>	<u>Jobs Certified</u>
Ashland	3	Marinette	11
Barron	4	Marquette	9
Bayfield	2	Monroe	6
Buffalo	3	Racine	7
Calumet	2	Richland	2
Clark	7	Sheboygan	16
Columbia	3	St Croix	17
Douglas	1	Vernon	2
Dunn	3	Vilas	4
Eau Claire	2	Washburn	11
Grant	10	Waupaca	11
La Crosse	33	Winnebago	11
Marathon	52	Wood	19
		Total	251

Strategic Plan

eWHEDA – Implement new ways to do business using the Net to touch our customers

- **Continually explore opportunities**
 1. Discover and identify opportunities
 2. Create a framework to evaluate opportunities
 3. Select projects using framework
- **Develop business infrastructure**
 1. Identify and develop business policies, procedures, and organizational structure
 2. Identify and align IT infrastructure to the business
 3. Identify and develop new technical and soft skill sets
- **Form partnerships**
 1. Find partners that enhance our competitive advantage
 2. Develop and maintain partnerships

Build the Organization for the Future

- **Continually develop successful teams**
 1. Celebrate the WHEDA values
 2. Identify and eliminate barriers to team effectiveness
 3. Develop and maintain virtual teams
 4. Identify and develop people skills including interpersonal relationships, conflict resolution and communication, necessary for project management
- **Fleetness: Being adaptable, responsive, quick, effective, and moving together in the same direction**
 1. Hire, train and retain a multiskilled workforce
 2. Provide opportunities for diverse assignments
 3. Strengthen skills that enhance our competitive advantage
 4. Identify and eliminate processes that add no value
 5. Develop and implement a process to manage change
- **Develop customer strategy to build brand name**
 1. Research and analyze consumer preferences
 2. Create a promotional plan directed to customers
 3. Develop new customer channels
 4. Target services to new markets

**WISCONSIN HOUSING & ECONOMIC
DEVELOPMENT AUTHORITY**

**Combined Financial Statements - All
Programs for the Year June 30, 2000
And Independent Auditors' Report**

WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY

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**Deloitte
& Touche**

INDEPENDENT AUDITORS' REPORT

To the Members of the
Wisconsin Housing and Economic Development Authority
Madison, Wisconsin

We have audited the accompanying combined balance sheet - all programs of the Wisconsin Housing and Economic Development Authority (the "Authority") as of June 30, 2000 and the related combined statements of income and expenses and changes in fund balance - all programs and cash flows - all programs for the year then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such combined financial statements - all programs referred to above present fairly, in all material respects, the financial position of the Wisconsin Housing and Economic Development Authority as of June 30, 2000, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 19, 2000 on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Deloitte & Touche LLP

September 19, 2000

Deloitte
Touche
Tohmatsu

WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY

Combined Balance Sheet -- All Programs

June 30, 2000

with comparative totals for June 30, 1999

(Thousands of Dollars)

assets

	HOME OWNERSHIP REVENUE BOND RESOLUTIONS			Housing Revenue Bonds	State of Wisconsin Programs	General Fund	Combined Authority (Memorandum Only)	
	1987	1988	All Other				6/30/00	6/30/99
Cash & cash equivalents (Notes 2&4)	14,135	50,328	21,875	77,093	3,201	52,824	219,456	354,464
Investments (Notes 2&4)	45,231	60,601	230,066	119,149	12,452	20,002	487,501	340,267
Mortgage loans receivable (Notes 2&5)	416,456	638,135	288,959	413,872	6,527	123,337	1,887,286	1,764,208
Accrued interest receivable	3,074	4,576	3,086	2,898	946	1,093	15,673	14,432
Deferred debt financing costs	3,421	5,198	2,478	3,635	--	--	14,732	15,837
Other assets (Note 2)	1,749	2,394	(2,794)	(7,940)	(389)	33,883	26,903	35,573
Total Assets	484,066	761,232	543,670	608,707	22,737	231,139	2,651,551	2,524,781

liabilities and fund balance

Bonds & notes payable (Note 6)	454,416	708,372	520,691	432,314	--	73,457	2,189,250	2,056,305
Accrued interest payable (Note 6)	9,027	13,881	8,764	4,330	--	249	36,251	52,261
Escrow deposits (Notes 2&4)	2,199	3,370	1,841	93,415	--	7,140	107,965	124,671
Other liabilities	246	256	1,931	522	8,829	14,707	26,491	27,254
Total Liabilities	465,888	725,879	533,227	530,581	8,829	95,553	2,359,957	2,260,491
Fund Balance (Note 7)	18,178	35,353	10,443	78,126	13,908	135,586	291,594	264,290
Total Liabilities and Fund Balance	484,066	761,232	543,670	608,707	22,737	231,139	2,651,551	2,524,781

WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY

Combined Statement of Income and Expenses And Changes in Fund Balance -- All Programs

For the year ended June 30, 2000
with comparative totals for June 30, 1999

(Thousands of Dollars)

	HOME OWNERSHIP REVENUE BOND RESOLUTIONS			Housing Revenue Bonds	State of Wisconsin Programs	General Fund	Combined Authority (Memorandum Only)	
	1997	1998	All Other				6/30/00	6/30/99
Mortgage income	27,075	47,922	19,048	32,987	576	7,017	134,625	134,637
Investment interest (Notes 2&4)	3,633	7,130	14,310	11,621	1,291	3,452	41,437	37,700
Net decrease in fair value of investments (Note 2)	(35)	--	(1)	(174)	(264)	(134)	(608)	(1,137)
Less: Interest expense and debt financing costs (Notes 2&4)	26,027	45,748	29,121	31,720	149	1,683	134,448	136,692
Net investment income	4,646	9,304	4,236	12,714	1,454	8,652	41,006	34,508
Mortgage servicing fees	--	--	--	1,613	--	1,741	3,354	3,457
Pass-through grant revenue	--	--	--	49,190	15	4,854	54,059	55,660
Other income (loss)-net (Note 2)	--	--	1	(14)	224	11,082	11,293	11,578
Net investment and other income	4,646	9,304	4,237	63,503	1,693	26,329	109,712	105,203
Direct loan program expense	1,296	2,257	926	1,473	5,910	1,468	13,330	7,228
Pass-through grant expense	--	--	--	49,190	15	4,854	54,059	55,660
Grants and services	--	--	--	--	--	898	898	1,049
General and administrative expense	1,345	1,178	1,377	2,666	811	6,636	14,013	14,214
Total expenses	2,641	3,435	2,303	53,329	6,736	13,856	82,300	78,151
Income (loss) before extraordinary losses	2,005	5,869	1,934	10,174	(5,043)	12,473	27,412	27,052
Extraordinary losses (Note 9)	--	--	--	--	(108)	--	(108)	(79)
Net income (loss)	2,005	5,869	1,934	10,174	(5,151)	12,473	27,304	26,973
Fund Balance, beginning of year	15,422	30,495	16,385	70,378	19,059	112,551	264,290	237,317
Transfers between programs (Note 7)	751	(1,011)	(7,876)	(2,426)	--	10,562	--	--
Fund Balance, end of year	18,178	35,353	10,443	78,126	13,908	135,586	291,594	264,290

WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY

Combined Statement of Cash Flows -- All Programs

**For the year ended June 30, 2000
with comparative totals for the year ended June 30, 1999**

(Thousands of Dollars)

	Home Ownership Revenue Bond Resolutions			Housing Revenue Bonds	State of Wisconsin Programs	General Fund	Combined Authority (Memorandum Only)	
	1987	1988	All Other				06/30/00	06/30/99
Cash flows from operating activities:								
Net income (loss)	2,005	5,869	1,934	10,174	(5,151)	12,473	27,304	26,973
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities:								
Extraordinary losses (Note 9)	--	--	--	--	108	--	108	79
Net decrease in fair value of investments (Note 2)	35	--	1	174	264	134	608	1,137
Interest expense	25,364	44,053	28,439	31,105	145	1,683	130,789	133,478
Income on investments	(3,633)	(7,130)	(14,310)	(11,621)	(1,291)	(3,452)	(41,437)	(37,700)
Depreciation and amortization	620	1,778	585	616	(29)	1,169	4,739	4,144
Loan origination fee amortization	444	685	312	--	--	(913)	528	1,626
(Increase) decrease in mortgage loans receivable and real estate held	(44,869)	37,070	(56,731)	(21,104)	1,043	(37,349)	(121,940)	20,871
Other	259	(1,247)	(7,738)	(15,098)	(4,063)	17,288	(10,599)	(6,595)
Net cash (used in) provided by operating activities	(19,775)	81,078	(47,508)	(5,754)	(8,974)	(8,967)	(9,900)	144,013
Cash flows from non-capital financing activities:								
Proceeds from issuance of bonds and notes	70,000	68,215	270,757	41,400	--	150,870	601,242	609,655
Repayments on bonds and notes	(45,260)	(150,328)	(79,090)	(35,279)	(6,125)	(150,642)	(466,724)	(599,336)
Interest paid on bonds, notes and escrows	(24,894)	(49,610)	(38,650)	(31,433)	(219)	(2,035)	(146,841)	(136,624)
Cost of bond issuance and redemption	(690)	(1,970)	(971)	(953)	--	--	(4,584)	(2,968)
Net cash (used in) provided by non-capital financing activities	(844)	(133,693)	152,046	(26,265)	(6,344)	(1,807)	(16,907)	(129,273)
Cash flows from investing activities:								
Purchases of investments	(139,480)	(160,472)	(297,797)	(144,656)	(1,370)	(14,505)	(758,280)	(901,494)
Proceeds from sales and maturities of investments	153,043	211,933	154,555	86,395	2,446	2,431	610,803	960,157
Investment interest received	3,593	7,978	13,259	10,522	1,360	3,161	39,873	35,822
Net cash (used in) provided by investing activities	17,156	59,439	(129,983)	(47,739)	2,436	(8,913)	(107,604)	94,485
Cash flows used in capital financing activities:								
Purchases of fixed assets	--	--	--	--	--	(597)	(597)	(879)
Net (decrease) increase in cash and cash equivalents	(3,463)	6,824	(25,445)	(79,758)	(12,882)	(20,284)	(135,008)	108,346
Cash and cash equivalents, beginning of year	17,598	43,504	47,320	156,851	16,083	73,108	354,464	246,118
Cash and cash equivalents, end of year	14,135	50,328	21,875	77,093	3,201	52,824	219,456	354,464

The accompanying footnotes are an integral part of the combined financial statements.

WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY

Notes to Combined Financial Statements – All Programs

For the year ended June 30, 2000
with comparative information for the year ended June 30, 1999

1. authorizing legislation and funds

The Wisconsin Housing and Economic Development Authority (the "Authority") was created in 1972 by an act ("the Act") of the Wisconsin Legislature to facilitate the purchase, construction and rehabilitation of housing for families of low and moderate income by providing or participating in the providing of construction and mortgage loans. The Authority is authorized to issue bonds to fulfill its corporate purposes up to an aggregate amount of \$625 million, excluding those being used to refund outstanding obligations and those issued under the programs described below. The Authority has no taxing power. Bonds issued by the Authority do not constitute a debt of the State of Wisconsin or any political subdivision thereof.

The Authority's mission has been expanded since 1972 through legislation authorizing the following:

A Home Ownership Loan Program, funded by revenue bonds of \$4.0 billion and \$3.8 billion through June 30, 2000 and 1999, respectively, of which approximately \$1.6 billion and \$1.5 billion are outstanding at June 30, 2000 and 1999;

A Community Housing Alternatives Program ("CHAP"), funded by bonds of up to \$99.4 million, to finance loans for residential facilities for the elderly or chronically disabled. Housing Revenue Bonds totaling \$4.8 million have been issued, of which none are outstanding at June 30, 2000 and approximately \$1.7 million are outstanding at June 30, 1999;

A Housing Rehabilitation Program and Home Improvement Loan Program, funded by revenue bonds outstanding at any time of up to \$100 million, to finance below-market-rate loans for home rehabilitation. Revenue bonds totaling approximately \$97.6 million have been issued, of which none are outstanding at June 30, 2000 and \$6.1 million are outstanding at June 30, 1999;

The Wisconsin Development Reserve Fund represents State of Wisconsin funds appropriated to subsidize interest and provide guarantees of principal balances of qualifying loans. At June 30, 2000 and 1999, outstanding loan guarantees totaled \$31.8 million and \$40.7 million, respectively;

A Business Development Bond Program, funded by revenue bonds of up to \$200 million, to enhance economic growth and the well being of Wisconsin residents. As of June 30, 2000 and 1999, outstanding bonds carrying the Authority's general obligation totaled \$25 million and \$37 million, respectively. In addition, under the Business Development Bond Program, other revenue bonds are issued which do not constitute indebtedness of the Authority within the meaning of any provision or limitation of the Constitution or Statutes of the State of Wisconsin. They do not constitute or give rise to a pecuniary liability of the Authority or a charge against its general credit. They are payable solely out of the revenues derived pursuant to the loan agreement or, in the event of default of the loan agreement, out of any revenues derived from the sale, releasing or other disposition of the mortgaged property. Based on the above, the bonds are not reflected in the financial statements of the Authority. As of June 30, 2000 and 1999, the Authority had issued 83 and 80 series, of such Business Development Bonds in an aggregate principal amount of \$74 and \$67 million respectively, for economic development projects in Wisconsin;

A Beginning Farmer Program, funded by revenue bonds of up to \$10 million, to assist beginning farmers to purchase agricultural land, agricultural improvements and depreciable agricultural property. These revenue bonds do not constitute indebtedness of the Authority within the meaning of any provision or limitation of the Constitution or Statutes of the State of Wisconsin. They do not constitute or give rise to a pecuniary liability of the Authority or a charge against its general credit. They are payable solely out of the revenues derived pursuant to the loan agreement or, in the event of default of the loan agreement, out of any revenues derived from the sale, releasing or other disposition of the mortgaged property. Based on the above, the bonds are not reflected in the financial statements of the Authority. As of June 30, 2000 and 1999, the Authority had issued 50 and 45 series, respectively, of Beginning Farmer Revenue Bonds in an aggregate principal amount of \$7.5 million and \$6.5 million, respectively.

The Authority has, by Resolution, established other programs to promote the fulfillment of its objectives and has financed these efforts through appropriations of its General Fund.

2. summary of significant accounting policies

Accounting Principles: The financial statements of the Authority have been prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. With respect to proprietary activities, the Authority has adopted GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting". The Authority has elected to apply all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) Opinions, issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The Authority has a June 30 fiscal year end.

Authority Programs: The Authority accounts for each bond resolution as a separate accounting entity, each with its own assets, liabilities, fund balance, income and expense. The entities are then grouped according to type as they relate to single family (Home Ownership Revenue Bond Resolutions), multifamily (Housing Revenue Bonds), State of Wisconsin and General Fund programs for presentation in the financial statements (Note 3).

Cash and Cash Equivalents: Cash and cash equivalents include short-term, highly liquid investments which are readily convertible to cash and typically have original maturities to the Authority of three months or less (Note 4).

Investments: Investments are carried at fair value based on quoted market prices. The collateralized and uncollateralized investment agreements are not transferable and are considered nonparticipating contracts. As such, both types of investment agreements are carried at contract value. The net increase (decrease) in the fair value of investments includes both realized and unrealized gains and losses (Note 4).

Mortgage Loans and Real Estate Held: Mortgage loans are carried at their unpaid principal balance less an allowance for possible loan losses. Loan origination fees and associated direct costs are deferred and recognized as income or expense over the life of the loan using the effective interest method. Real estate held is carried at the lower of cost or estimated net realizable value and is generally subject to mortgage pool insurance coverage.

Allowance for Loan Losses: The allowance for loan losses is increased by charges to expense and decreased by charge-offs (net of recoveries). Management's periodic evaluation of the adequacy of the allowance is based on the Authority's past loan loss experience, known and inherent risks in the portfolio, adverse situations that may affect the borrower's ability to repay, estimated value of any underlying collateral, and current economic conditions. (Note 5).

Deferred Debt Financing Costs: Debt issuance costs, premiums and discounts are amortized ratably over the estimated life of the obligations to which they relate. Amortization of \$28,000 of bond discounts and \$10,000 of bond premiums for the year ended June 30, 2000 and \$23,000 of bond discounts and \$10,000 of bond premiums for the year ended June 30, 1999 are included in interest expense in the Combined Statement of Income and Expenses and Changes in Fund Balance -- All Programs.

Other Assets: Interfund activity between programs is reported in other assets. Negative amounts include payables between programs and net to zero. In addition, other assets include an office building of \$20 million and \$20.5 million as of June 30, 2000 and 1999, respectively.

Interest Expense and Debt Financing Costs: Investment income earned on escrow deposits is allocated to the mortgages based upon investment results. Interest expense and debt financing costs include \$5.5 million and \$5.3 million of investment income allocated to mortgage escrow deposits for the year ended June 30, 2000 and 1999, respectively.

Other Income (Loss)-Net: Included in other income (loss)-net is the Authority's share of excess escrow deposits which a mortgagor transfers to the Authority upon the prepayment or refinancing of certain mortgage loans. Such amounts aggregated \$8.9 million and \$8.5 million for the year ended June 30, 2000 and 1999, respectively.

Pass-through Grant Revenue and Expense: In accordance with Government Accounting Standards Board Statement No. 24, "Accounting and Financial Reporting for Certain Grants and Other Financial Assistance", pass-through grants are reported in the financial statements as both revenue and expense. During the years ended June 30, 2000 and 1999, the Authority received grants on behalf of secondary recipients for various purposes including Section 8 rent subsidies (\$48.9 million and \$50.6 million), voucher assistance (\$4.1 million and \$4 million), Section 236 rent subsidies (\$0.9 million and \$0.9 million) and other miscellaneous grant programs (\$0.1 million and \$0.1 million), respectively.

Combined Authority Totals: The total columns reflect the totals of the similar accounts of all programs. Since the assets and revenues of certain programs are restricted by the related bond resolutions, the memorandum totals are for illustrative purposes only and do not indicate that the combined assets are available for other than the provisions set forth in the separate bond resolutions of the individual programs.

Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications: Certain amounts previously reported have been reclassified to conform with the current presentation.

Recently issued Accounting Standards – The GASB has issued Statement No. 33, "Accounting and Financial Reporting for Non-Exchange Transactions." This statement establishes accounting and financial reporting standards to guide governmental entities' decisions about when to report the results of nonexchange transactions involving cash and other financial and capital resources. A nonexchange transaction is one in which a governmental entity gives (or receives) value without directly receiving (or giving) equal value in return. The authority is required to adopt the provisions of FASB Statement No. 33 in fiscal year 2001.

The GASB has also issued Statement No. 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments." This statement establishes financial reporting standards for governmental entities which require that management's discussion and analysis of the financial activities be included with the basic financial statements and notes. The Authority is required to adopt GASB Statement No. 34 no later than fiscal year 2002.

Management is currently determining the impact of these standards on the financial statement presentation of the Authority.

3. description of programs

Home Ownership Revenue Bond Resolutions include all bonds secured by single family mortgage loans. The funds are used to purchase mortgage loans on single family residential housing units for persons and families of low and moderate income in Wisconsin. The bond issues are grouped by bond resolution and each may have different covenants and requirements (Note 6). Home Ownership Revenue Bond resolutions dated 1987 and 1988 are reported separately while resolutions dated 1985, 1989, 1991, 1992, and 1998 are combined.

Housing Revenue Bonds include the 1974 and 1993 Housing Revenue Bond Resolutions. These funds are used to finance the construction, rehabilitation and permanent financing for multifamily rental housing developments generally designed for persons and families of low and moderate income, the elderly, disabled or special needs persons.

State of Wisconsin programs include the Home Improvement Loan Program and the Wisconsin Development Reserve Fund administered by the Authority. The Home Improvement Loan Program provides loans for eligible borrowers to make improvements to owner-occupied properties. Although no bonds have been issued since 1992, loans continue to be originated from excess funds in the program. After repayment of the bonds, any remaining fund balances must be paid to the State of Wisconsin General Fund. The Wisconsin Development Reserve Fund administered for the State of Wisconsin includes the Credit Relief Outreach Program (CROP), the Agribusiness Fund, the WHEDA Small Business Guarantee Program (which replaces the Tourism Fund, the Contract Fund, the Target Area Fund, the Nonpoint Source Pollution Abatement Program, the Clean Air Fund, the Ozone Fund, the Agricultural Chemical Spill Loan Guarantee Program), and the Farm Assets Reinvestment Management Program, all of which provide loan guarantees and interest rate subsidies on loans.

The General Fund includes the Business Development Bond Program as well as all income and operating expenses, which are not allocated to other programs or funds. The Business Development Bonds (Note 6) carry the general obligation of the Authority and are issued to enhance economic growth in Wisconsin.

4. cash, cash equivalents and investments

The Authority is required by statute to invest at least 50% of the General Fund funds in obligations of the state, of the U.S., or of agencies or instrumentalities of the U.S., or obligations, the principal and interest of which are guaranteed by the U.S. or agencies or instrumentalities of the U.S. Each bond resolution specifies what constitutes a permitted investment and such investments may include obligations of the U.S. Treasury, agencies and instrumentalities; commercial paper; bankers' acceptances; and repurchase agreements and investment contracts.

The Authority also enters into collateralized investment contracts with various financial institutions. These investment contracts are generally collateralized by obligations of the United States government.

The Authority is also authorized to invest its funds in the State Investment Fund. The Authority has established a Master Repurchase Agreement with its banking institutions to govern the purchase of repurchase agreements. This agreement requires the institution to take possession of collateral having a market value of at least 103% of the cost of the repurchase agreement. The underlying collateral must be maintained at this level at all times.

Categorized in accordance with GASB Statement No. 3, the Authority's investments in uncollateralized investment contracts are a Category 3 level of risk which include uninsured or unregistered investments and uncollateralized securities held by the Authority's agent or trustee in the Authority's name. All other investments and cash equivalents are a Category 1 level of risk, representing investments that are insured or registered, or collateralized with securities that are held by the Authority's agent or trustee in the Authority's name.

Cash and Cash Equivalents: At June 30, 2000 and 1999, the Authority had cash balances totaling \$10,115,000 and \$3,539,000, respectively. Of the balances at June 30, 2000 and 1999, \$500,000 was covered by federal or state depository insurance.

4. cash, cash equivalents and investments (continued)

The carrying amounts of cash and cash equivalents at June 30, 2000 and 1999 are as follows (in thousands of dollars):

	<u>6/30/00</u>	<u>6/30/99</u>
Cash	10,115	3,539
Money Market Funds	200,412	350,925
Commercial Paper Obligations	8,929	—
Total Cash and Cash Equivalents	<u>219,456</u>	<u>354,464</u>

Investments: The investments at December 31 and June 30, 1999 are as follows (in thousands of dollars):

	<u>6/30/00</u>		<u>6/30/99</u>	
	Fair (Carrying) Value	Cost	Fair (Carrying) Value	Cost
Certificates of Deposit	20,194	20,199	4,660	4,662
U.S. Government Securities	13,723	13,665	13,869	13,681
U.S. Agency Securities	63,899	64,988	12,651	12,814
Municipal Bonds	1,005	1,012	1,033	1,032
Corporate Notes	18,820	19,107	9,531	9,594
Mortgage-Backed Securities	1,956	1,699	2,322	2,008
Collateralized Investment Contracts	222,756	222,756	197,180	197,180
Uncollateralized Investment Contracts	<u>145,148</u>	<u>145,148</u>	<u>99,021</u>	<u>99,021</u>
Total Investments	<u>487,501</u>	<u>488,574</u>	<u>340,267</u>	<u>339,992</u>

In accordance with provisions of certain escrow agreements related to mortgages outstanding under the Housing Revenue Bonds Program and the General Fund, escrow deposits are to be invested in accordance with the agreements and investment income is to be allocated to the escrow deposits based upon investment results. Investment income of \$5,508,000 and \$5,313,000 was allocated to the mortgage escrow deposits for years ended June 30, 2000 and 1999, respectively, and is included in interest expense and debt financing costs in the Combined Statement of Income and Expenses and Changes in Fund Balance — All Programs.

Portions of cash, cash equivalents and investments are restricted and pledged to the payment of the principal, interest and sinking fund installments in accordance with the terms of the bond resolutions and note agreements.

The asset restrictions at June 30, 2000 and 1999 are as follows (in thousands of dollars):

	<u>6/30/00</u>	<u>6/30/99</u>
Home Ownership Revenue Bond Resolutions:		
1987	8,226	8,300
1988	18,216	18,235
All Other	141,502	91,359
Housing Revenue Bonds	32,061	40,457
State of Wisconsin Programs	—	260
Total Cash, Cash Equivalents and Investments	<u>200,005</u>	<u>158,611</u>

Cash, cash equivalents and investments of the funds at June 30, 2000 and 1999 met or exceeded the liquidity requirements of the bond resolutions and note agreements.

5. mortgage loans receivable

Relevant mortgage information at June 30, 2000 and 1999 is as follows (in thousands of dollars):

	Allowance for Loan Losses		Unamortized Loan Origination Costs/(Income)		Real Estate Held	
	6/30/00	6/30/99	6/30/00	6/30/99	6/30/00	6/30/99
Home Ownership Revenue Bond Resolutions:						
1987	227	227	3,710	3,241	261	194
1988	-	-	4,982	5,261	188	295
All Other	-	-	2,529	1,819	16	157
Housing Revenue Bonds	6,629	6,601	-	-	3,109	2,026
State of Wisconsin Programs	42	41	-	-	-	-
General Fund	1,079	1,146	(797)	(1,039)	9	166
	<u>7,977</u>	<u>8,015</u>	<u>10,424</u>	<u>9,282</u>	<u>3,583</u>	<u>2,838</u>

Home Ownership Revenue Bonds and Housing Revenue Bonds are collateralized by first mortgage liens. State of Wisconsin Programs are collateralized by second mortgage liens and the General Fund is collateralized primarily by first or second mortgage liens on multifamily developments and single family homes. Also, the General Fund loans include Business Development loans which are collateralized by security interests and Letters of Credit on the projects.

Home Ownership Revenue Bonds are insured by Mortgage Pool Insurance with one exception; the 1987 Series A and 1987 Series D&E bonds are self-insured. State of Wisconsin Programs are insured by FHA insurance.

Activity in the allowance for loan losses included provisions charged to expense of \$489,430 and \$83,950 and actual loan charge offs of \$528,002 and \$84,587 for the years ended June 30, 2000 and 1999, respectively.

6. bonds and notes payable

Bonds and notes payable at June 30, 2000 and 1999 of the Authority consist of the following (in thousands of dollars):

	6/30/00	6/30/99
General obligation bonds and notes	1,854,742	1,761,407
Subordinated obligation bonds	337,486	295,939
Less: Deferred amount on refunding	(2,978)	(1,041)
Total Bonds and Notes Payable	<u>2,189,250</u>	<u>2,056,305</u>

Interest on outstanding general and special obligation bonds is payable either monthly, every 35 days, quarterly or semiannually except for interest on accrual bonds which is payable at maturity. At June 30, 2000 and 1999, interest on accrual bonds was \$0 and \$16,111,000, respectively.

The Authority's general obligation bonds and notes are collateralized by the revenues and assets of the Authority, subject to the provisions of bond resolutions and note agreements which pledge particular revenues or assets to specific bonds or notes. Any particular series may contain both term bonds, subject to mandatory sinking fund requirements, and serial bonds which mature at various dates. The bonds may be redeemed at the Authority's option at various dates and at prices ranging from 100% to 103% of par value. The notes can be prepaid in part or in full at any time and the interest rate, which is reset periodically, is variable based upon an index.

6. bonds and notes payable (continued)

General Obligation Bonds and Notes Payable (in thousands of dollars):

	<u>Program/Bond Resolution</u>	<u>Interest Rates*</u>	<u>Dated**</u>	<u>Maturities*</u>	<u>6/30/00</u>	<u>6/30/99</u>
Housing Revenue Bonds:						
1974	1986 Series A and B		09/01/86		-	2,440
	1988 Series A and B		02/01/88		-	5,100
	1989 Series A, B and C		09/01/89		-	13,270
	1992 Series A	6.000% - 6.850%	01/01/92	2000-2012	55,915	58,665
	1992 Series B, C and D	6.500% - 7.200%	04/01/92	2000-2022	68,095	69,135
	1993 Series A and B	4.600% - 5.650%	10/01/93	2000-2023	62,225	65,130
	1993 Series C	4.800% - 5.875%	12/01/93	2000-2019	120,980	126,010
	1995 Series A and B	4.850% - 6.500%	07/01/95	2000-2026	45,965	47,550
	1998 Series A, B and C	4.400% - 6.880%	02/01/98	2000-2032	38,760	39,555
	1999 Series A and B	4.000% - 6.180%	10/01/99	2000-2031	41,400	-
					<u>433,340</u>	<u>426,855</u>
Home Ownership Revenue Bonds:						
1985	1985 Issue I		06/01/85		-	4,430
1987	1987 Series B and C	7.375% - 7.850%	08/01/87	2000-2015	2,505	3,180
	1992 Series A and B	6.100% - 7.100%	03/01/92	2000-2023	44,555	53,495
	1994 Series A and B	5.000% - 6.750%	04/15/94	2000-2025	45,080	64,745
	1995 Series C, D and E	5.100% - 6.300%	05/15/95	2000-2026	69,410	73,130
	1995 Series F, G and H	4.900% - 7.875%	09/01/95	2000-2026	42,535	47,630
	1997 Series G, H and I	4.350% - 7.390%	11/01/97	2000-2028	69,505	73,140
	1998 Series D and E	4.150% - 6.040%	06/15/98	2000-2028	111,045	114,575
	2000 Series A, B and C	4.500% - 8.570%	03/15/00	2001-2030	70,000	-
					<u>454,635</u>	<u>429,895</u>
1988	1988 Series D		10/01/88		-	945
	1989 Series A		05/01/89		-	16,355
	1989 Series B and C		10/15/89		-	51,688
	1990 Series D and E		09/01/90		-	495
	1991 Series A and B	6.950% - 7.150%	12/01/90	2000-2001	665	2,105
	1992 Series 1 and 2	6.150% - 6.875%	06/01/92	2000-2024	53,790	60,525
	1995 Series A and B	6.000% - 7.100%	01/01/95	2000-2025	62,935	98,670
	1996 Series A and B	4.800% - 6.150%	03/15/96	2000-2027	63,135	66,705
	1996 Series C and D	5.000% - 6.450%	07/01/96	2000-2027	61,945	67,315
	1996 Series E and F	4.550% - 6.200%	11/15/96	2000-2027	49,850	53,720
	1997 Series A, B and C	4.600% - 7.310%	04/01/97	2000-2028	64,950	71,025
	1997 Series D and E	4.500% - 6.000%	06/01/97	2000-2028	82,020	83,975
	1997 Series F	Variable	07/29/97	2000-2007	2,670	6,645
	1998 Series A, B and C	4.800% - 6.300%	04/15/98	2000-2028	115,860	122,050
	1999 Series A and B	5.300% - 5.800%	08/03/99	2000-2021	63,220	-
	1999 Series C, D and E	3.400% - 7.290%	04/01/99	2000-2029	89,065	90,000
					<u>710,105</u>	<u>792,218</u>
1989	1989 Series A (Taxable)		07/01/89		-	1,070
1991	1991 Series 1, 2 and 3	6.700% - 7.125%	07/01/91	2000-2022	28,285	33,710
	1999 Series F and G	4.300% - 5.750%	07/15/99	2001-2030	53,985	-
	1999 Series H	Variable	07/15/99	2000-2022	25,935	-
	1999 Series I	3.550% - 4.150%	08/19/99	2000-2001	75,000	-
					<u>183,205</u>	<u>33,710</u>

6. bonds and notes payable (continued)

General Obligation Bonds and Notes Payable (in thousands of dollars):

<u>Program/Bond Resolution</u>	<u>Interest Rates*</u>	<u>Dated**</u>	<u>Maturities*</u>	<u>6/30/00</u>	<u>6/30/99</u>
Business Development Revenue Bonds:					
1989 Series 3 and 28	4.300% - 7.750%	Various	2000-2014	2,530	7,010
1990 Series 4, 6	7.250% - 7.500%	Various	2000-2010	2,040	2,250
1991 Series 4, 6	6.100% - 6.500%	Various	2000-2006	3,165	3,545
1994 Series 1 and 4	Variable	Various	2000-2004	3,355	7,995
1995 Series 1-2, 4-9	Variable	Various	2000-2015	<u>15,045</u>	<u>16,240</u>
				<u>26,135</u>	<u>37,040</u>
Notes Payable:					
Commercial Paper - Other	Various	Various	2000	-	7,583
Commercial Paper - Office Building	Various	Various	2000	22,981	23,606
Line of Credit - Temporary					
Mortgage Financing	Variable	04/25/95	2000	<u>24,341</u>	<u>5,000</u>
				<u>47,322</u>	<u>36,189</u>
Total General Obligation Bonds and Notes***				<u>1,854,742</u>	<u>1,761,407</u>

The commercial paper obligations are issued for terms of one to 270 days. These obligations bear interest at various rates, which ranged from 4.45%-4.60% and 3.25%-3.55% at June 30, 2000 and 1999, respectively. The obligations are backed by a line of credit agreement which is renewable annually and bears interest at variable rates, based on an index defined in the agreement. The line of credit agreement used for temporary mortgage financing is renewable annually and bears interest at the 30 day LIBOR rate plus 50 basis points, which was 7.14% and 5.66% at June 30, 2000 and 1999, respectively.

Subordinated Obligation Bonds are special limited obligations of the Authority and are collateralized by the assets of each bond resolution. They are payable solely from the assets and revenues pledged.

Subordinate Obligation Bonds (in thousands of dollars):

<u>Program/Bond Resolution</u>	<u>Interest Rates*</u>	<u>Dated**</u>	<u>Maturities*</u>	<u>6/30/00</u>	<u>6/30/99</u>
Home Improvement Revenue Bonds:					
1988 1988 Series A		11/01/88		-	3,775
1992 Series A and B		05/01/92		-	<u>2,350</u>
				-	<u>6,125</u>
Home Ownership Revenue Bonds:					
1992 1993 Series A	5.200% - 6.500%	06/01/92	2000-2025	77,545	79,225
1994 Series C and D	5.300% - 6.650%	08/01/94	2000-2025	31,290	37,000
1994 Series E and F	6.150% - 7.550%	12/01/94	2000-2026	2,965	4,040
1998 Series F and G	3.700% - 6.700%	10/15/98	2000-2029	<u>92,725</u>	<u>95,000</u>
				<u>204,525</u>	<u>215,265</u>
Single Family Drawdown Revenue Bonds:****					
1998 1998 Series 1	Variable	08/31/98	2000-2001	51,565	74,549
1999 Series 1	Variable	07/16/99	2000-2002	<u>81,396</u>	-
				<u>132,961</u>	<u>74,549</u>
Total Subordinated Obligation Bonds				<u>337,486</u>	<u>295,939</u>

* Interest rates and maturities are as of June 30, 2000.

** Accrual Bonds, Select Auction Variable Rate Securities (SAVRS), Residual Interest Bonds (RIBS) and Taxable Floating Rate Bonds are dated the date of delivery.

*** In 1990 the Authority defeased \$48,390,000 of Insured Mortgage Revenue Bonds and as of June 30, 2000, the remaining outstanding defeased debt was \$35,705,000.

**** The Single Family Drawdown Revenue Bonds (Home Ownership Revenue Bonds - All Others) are issued for the purpose of the replacement refunding of existing bond issues to provide funds for the purchase of new single family loans. These bonds are subject to periodic conversion to long-term bonds.

6. bonds and notes payable (concluded)

Scheduled debt maturities in the five fiscal years subsequent to June 30, 2000 are as follows (in thousands of dollars):

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Thereafter</u>
Home Ownership Revenue Bond Resolutions:						
1987.....	8,080	8,975	9,515	10,100	11,125	406,840
1988.....	12,545	13,320	13,630	14,340	15,100	641,170
All Others.....	81,995	57,895	88,226	7,255	7,635	277,685
Housing Revenue Bonds.....	15,230	16,625	17,605	20,465	19,875	343,540
General Fund.....	<u>49,582</u>	<u>2,345</u>	<u>2,495</u>	<u>2,335</u>	<u>4,035</u>	<u>12,665</u>
	<u>167,432</u>	<u>99,160</u>	<u>131,471</u>	<u>54,495</u>	<u>57,770</u>	<u>1,681,900</u>

7. fund balance restrictions

Programs that are financed by the issuance of bonds are accounted for separately in accordance with each of the bond resolutions. Program assets and revenues are pledged to bondholders. Revenues in excess of required amounts are available to be transferred to the General Fund.

Amounts transferred to the General Fund from the bond resolutions are free and clear of any lien or pledge created by the bond resolutions and may be used for any lawful purpose. As of June 30, 2000, approximately \$130 million of the General Fund fund balance was restricted for various purposes including credit enhancements, loan programs, operating expenses, collateral for note agreements, and property replacement.

The Authority is required to make payments to the United States Department of Housing and Urban Development aggregating \$1.2 million per year through June 2012, from the Housing Revenue Bonds Programs for savings associated with the refinancing of certain revenue bonds in 1992.

8. retirement benefits

All eligible Authority employees participate in the Wisconsin Retirement System ("System"), a cost-sharing multiple-employer defined benefit public employee retirement system ("PERS"). All permanent employees expected to work over 600 hours a year are eligible to participate in the System. Covered employees are required by statute to contribute 5.8% of their salary to the plan. Employers may make these contributions to the plan on behalf of employees. Employers are required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

The payroll for Authority employees covered by the System for the year ended June 30, 2000 was \$7,558,000; the Authority's total payroll for the year ended June 30, 2000 was \$7,597,000. The total required contribution for the year ended June 30, 2000 was \$1,051,000, or 14.2% of covered payroll from July 1, 1999 through December 31, 1999 and 13.6% from January 1, 2000 through June 30, 2000, all of which was contributed by the Authority. Total contributions for the years ended June 30, 2000 and 1999, were \$1,051,000 and \$1,127,000, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 are entitled to receive a retirement benefit. Employees may retire at age 55 and receive actuarially reduced benefits. Retirement benefits are calculated as 1.6% of final average earnings for each year of creditable service. Final average earnings is the average of the employees' three highest years earnings. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. For employees beginning participation on or after January 1, 1990 and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998 are immediately vested.

The System also provides death and disability benefits for employees. Eligibility for and the amount of all benefits is determined under Chapter 40 of the State Statutes. The System issues an annual financial report which may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, Wisconsin 53707-7931.

No amounts have been recorded on the financial statements of the Authority for pension-related debt because the information was not available from the System. The System does not segregate the pension-related debt of the Authority from the other State of Wisconsin agencies because such debt would become a liability of the remaining agencies or Authority upon the dissolution of any one agency or Authority. The State of Wisconsin's pension-related debt for all agencies was \$679.9 million as of December 31, 1999.

9. extraordinary losses

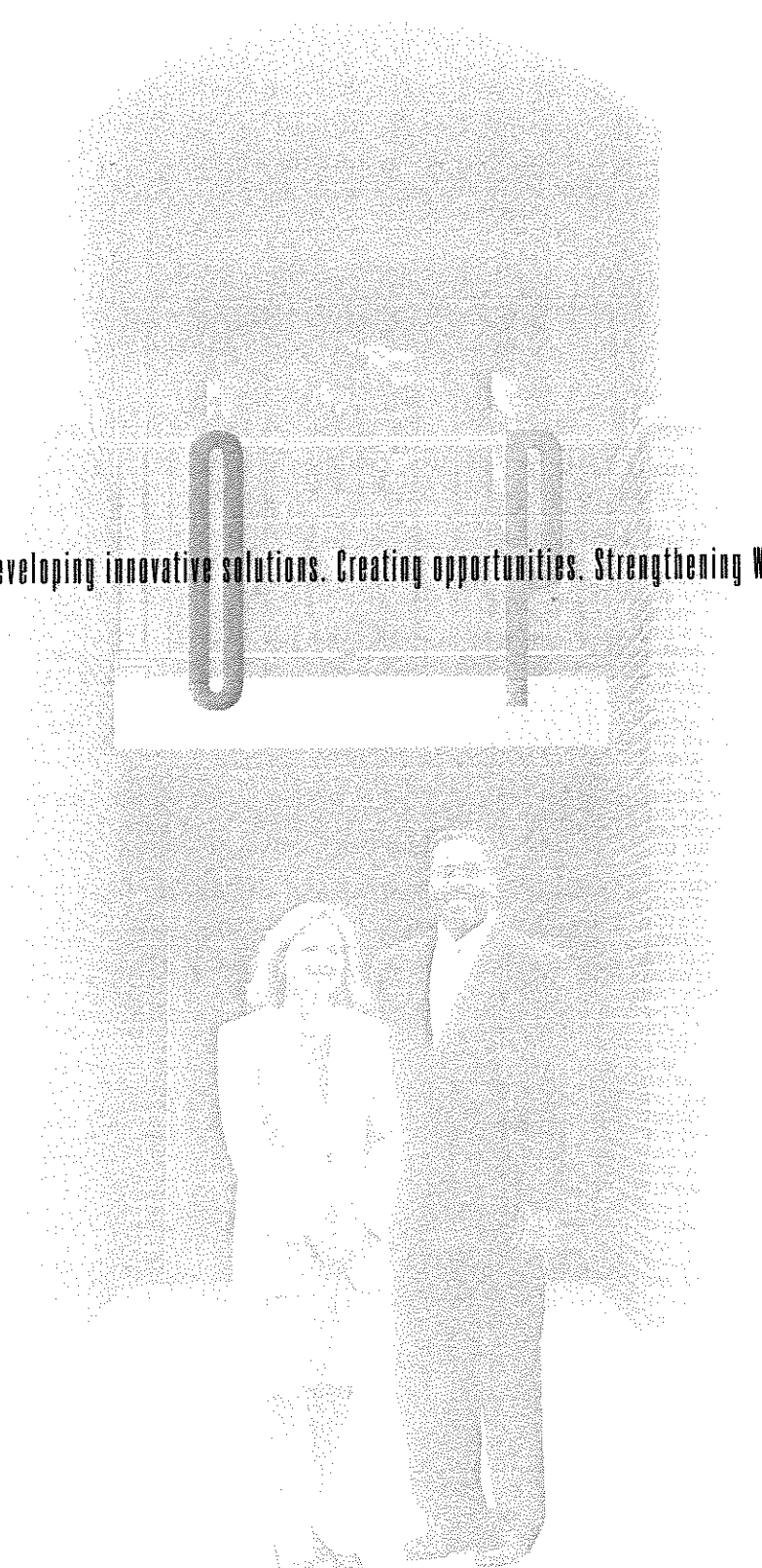
During the years ended June 30, 2000 and 1999, respectively, the Authority redeemed various outstanding bonds early according to the redemption provisions in the bond resolutions. Certain of these redemptions resulted in extraordinary losses due to the write-off of remaining unamortized deferred debt financing costs. A summary of all early redemptions follows (in thousands of dollars):

	Redemptions		Extraordinary Losses	
	6/30/00	6/30/99	6/30/00	6/30/99
Home Ownership Revenue Bond Resolutions:				
1987	37,695	61,015	-	-
1988	137,498	163,465	-	-
All Other	74,230	146,060	-	-
Housing Revenue Bonds	20,530	4,640	-	66
State of Wisconsin Programs	5,790	875	108	13
General Fund	8,475	4,605	-	-
Total	<u>284,218</u>	<u>380,660</u>	<u>108</u>	<u>79</u>

* * * * *

Wisconsin Housing and Economic Development Authority 1999 Annual Report

Building partnerships. Developing innovative solutions. Creating opportunities. Strengthening Wisconsin communities.



1990s In Review	Inside Front Cover
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2000 WHEDA Staff	Inside Back Cover

WHEDA Investments in Wisconsin Families, Businesses and Farms During the 1990s Exceeded \$3,500,000,000

A Decade of Investments

Homeownership	\$ 2,223,000,000
Multifamily Housing	907,000,000
Small Business	51,000,000
Agriculture	227,000,000
Special Investments	100,000,000
TOTAL INVESTMENTS	\$ 3,508,000,000

Photo on front cover: Percy Brown, Deputy Executive Director of the Madison Community Development Authority, and Mary Wright, former WHEDA Multifamily Development Manager, at Monona Shores-Waunona Woods, a revitalized rental housing development in Madison.

WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY

The Wisconsin Housing and Economic Development Authority closed out the 1990s with a flourish. Its programs combined to provide more than \$300 million of investment in communities during 1999. I thank the people of WHEDA for their efforts in providing exceptional housing, small business and agriculture services to the citizens of Wisconsin.

In 1999, Wisconsin and WHEDA reached milestones that affirm the strength of our state. More Wisconsin families own homes than at any time during our history. In fact, our homeownership rate reached 70 percent for the first time in 1999. WHEDA's single family mortgage programs played a key role in helping our citizens purchase their first homes.

Wisconsin's rental housing market is at its strongest levels in many years. WHEDA alone lent more than \$52 million for rental housing development in fiscal 1999, its strongest year in a decade. And demand for housing tax credits continue to outpace the supply of this valuable federal resource by nearly four to one.

These milestones are the result of Wisconsin's strong economy, rich quality of life and partnerships between government and the private sector to provide opportunities to every family who seeks the American dream.

In the coming years, WHEDA will blaze new trails by offering programs and services over the Internet. Its staff will develop skills to leverage opportunities in the new global and electronic economies. And it will focus attention on rural and urban markets that must more fully benefit from its resources.

As we begin our journey into a new century, Wisconsin steps forward with eager anticipation, confident that our greatest adventures and achievements lie ahead. I call upon WHEDA to lead by providing innovative services and products to Wisconsin's families, small business owners and farmers.

Sincerely,



Tommy G. Thompson
Governor



From the Chairman and Executive Director

WHEDA's participation in Wisconsin's economy during the 1990s was extraordinary. Our programs produced more than \$3.5 billion of housing, small business and agricultural development throughout Wisconsin; a total that represents \$700 of investment for every citizen of the state. This high level of accomplishment will be used as a springboard to position the organization to take advantage of opportunities in the new century.

Demand for electronic transactions will become more prevalent in the markets we serve. We are committed to using the Internet to deliver our products and services to both end users and business partners. Our first e-business applications will be launched in Fiscal 2001.

Wisconsin's tight labor market and the changing global economy have placed a premium on attracting, training and retaining a skilled labor force. We will strengthen the organization through staff development, team building and process improvement programs. Customer strategies will be developed that build upon WHEDA's strong brand identification.

Community development opportunities will be aggressively pursued in rural Wisconsin. We recently enhanced our agricultural lending programs and launched a \$30 million program to finance the construction of single family homes in rural counties. Existing programs will be modified and new products will be created to advance our rural mission. In addition, we will attract new resources and form new partnerships to encourage growth in rural counties.

Finally, there is great potential in the senior housing market. Opportunities exist to create quality housing with appropriate services and amenities for our growing senior population. We will partner with others to develop financing models for Residential Care Apartment Complexes (RCAC) throughout the state.

While we have created a legacy of productivity, a great deal of work lies before us. We will achieve our objectives through innovative programs and delivery channels, organizational development, and a constant awareness of market trends. The best is indeed yet to come.

Sincerely,



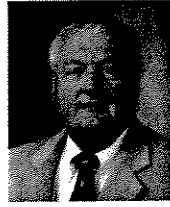
Edwin J. Zagzebski
Chairman



Fritz Ruf
Executive Director

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Johnnie Morris-Tatum
 Wisconsin State Representative
 Milwaukee

Brian Schimming
 Administrator, Department of Administration
 (for George Lightbourn, Secretary)
 Madison



Phil Albert
 Deputy Secretary, Department of Commerce
 (for Brenda Blanchard, Secretary)
 Madison



Fritz Ruf
 Executive Director, Wisconsin Housing
 and Economic Development Authority

Productivity

When Vincent Kutemperoor and Sanjay Kutemperoor of VK Development approached WHEDA about financing for their elderly housing development in Pleasant Prairie, they were a little apprehensive.

VK Development had always obtained private placement financing for their projects, known for high quality amenities and finishes. They were advised by some that working with public resources would be an extremely bureaucratic process, but found that the opposite was true.

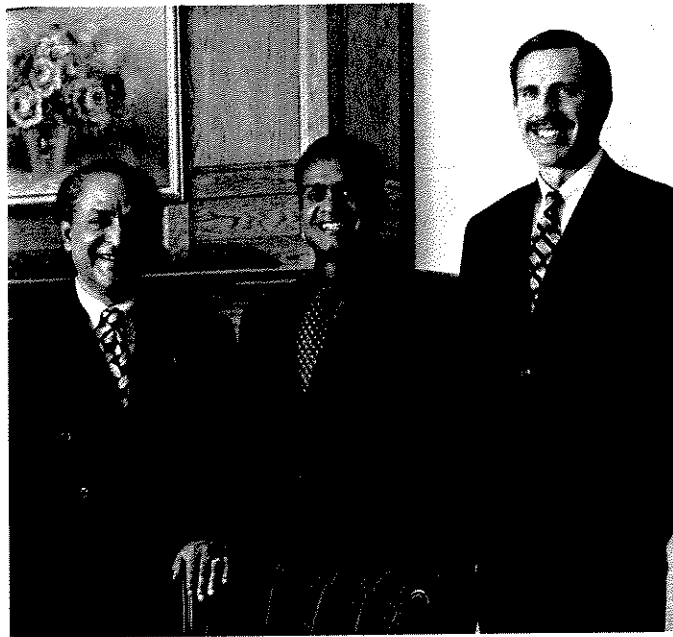
"In our initial conversations with WHEDA staff, they referred to us as customers," Sanjay said. "We found that unusual for a government agency, but that mind-set really helped move the process along." WHEDA staff was accessible and quick to respond throughout the process, according to Sanjay. He said that as first-time tax credit developers, that communication was crucial.

WHEDA participated in an innovative financing arrangement that included partnering with a private lender to structure this deal. "WHEDA staff provided us with a smooth transaction," Vincent said. "All the pieces came together seamlessly. I couldn't have hoped for a better outcome and I look forward to working with WHEDA again."

Prairie Ridge was one of many multifamily deals that WHEDA participated in during 1999. With nearly \$52 million lent, 1999 stands out as the most productive year in a decade. (See opposite page).

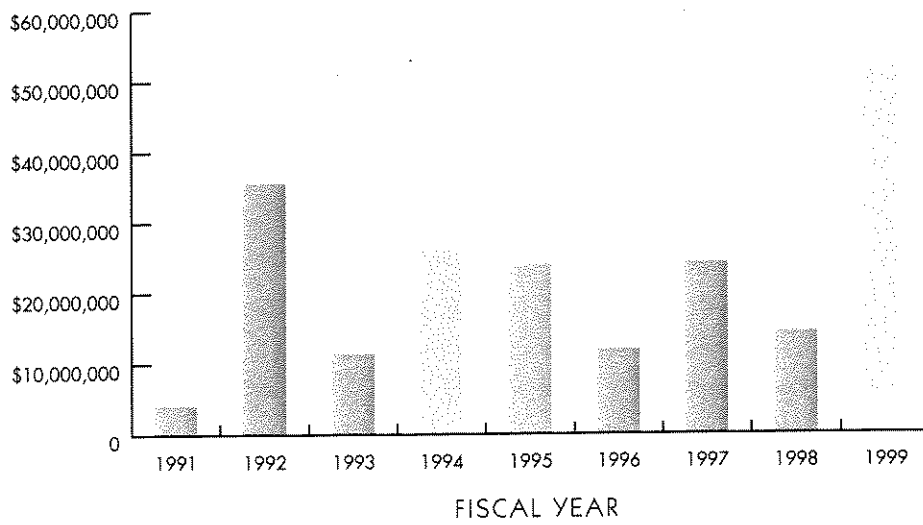
This increased productivity is due in part to our Preservation Initiative and the availability of resources to create below-market interest rates on approximately \$40 million of lending. This productivity level exposed WHEDA to a new customer base and nurtured existing relationships. We are extremely proud of this effort and will strive to achieve like success in the future.



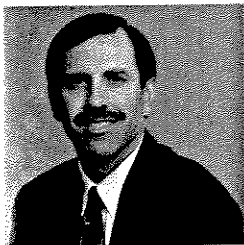


Vincent Kutemperoor (left), Sanjay Kutemperoor (center) of VK Development and Doug Stockstad tour Prairie Ridge, an elderly housing project in Pleasant Prairie.

WHEDA MULTIFAMILY LENDING



Mary Wright and Doug Stockstad, members of WHEDA's Multifamily Development Team.



W H E D A

Many housing financing plans are straightforward. But situations sometimes arise where innovative customer service and multiple resources are required to make a project work.

When Ben and Lorraine Joyner moved from Bridgeport, Connecticut to Milwaukee in the early 1970s, they rented a duplex on the near north side. There they raised their children and lovingly cared for the home as if it were their own.

After more than 20 years of renting, the Joyners convinced their landlord to sell the house to them on a land contract. However, plans to renovate the house were put on hold because they couldn't obtain rehabilitation financing.

The Joyners received a flyer in the mail announcing a WHEDA home improvement grant that was available through a neighborhood nonprofit group. Lorraine did what too many others fail to do: She made a simple phone call to WHEDA that opened the doors to financial and personal opportunity.

Lorraine and Ben spoke with Connie Pukaite and Rita McCain, members of WHEDA's Southeast Wisconsin Community Development Team, about the obstacles preventing them from rehabilitating their home. They described a bankruptcy 15 years earlier resulting from an illness and difficulty getting credit. Most importantly, they spoke of their desire to improve this house.





It took Ben and Lorraine Joyner (left) longer than most to realize their dream home, but thanks to the creativity of Connie Pukaite and Rita McCain, they finally own the house they've called home for the past 27 years.

Connie told them about a special loan WHEDA offers for the acquisition and substantial rehabilitation of single family homes. Because the property was in a target area, WHEDA could lend them funds to pay off their land contract and provide money for improvements.

Rita discovered the Joyners had very good credit and they were quickly approved for the rehabilitation loan. Combined with the home improvement grant, they found affordable financing to buy their long-time home, and had funds to make improvements. Best of all, the second unit in the property is producing income for the family.

Connie Pukaite (left) and Rita McCain, members of WHEDA's Southeast Wisconsin Community Development Team.

The Joyners' story is only one of hundreds told by homebuyers, housing developers, small business owners and farmers who have turned to WHEDA for solutions to their financing needs. By going the extra mile to connect people with capital, WHEDA is a leading innovator in blending resources to make even difficult projects a breeze.



EXCELLENCE

Finding appropriate financing to expand a small business can be a real challenge. It is especially difficult when time is of the essence.

That was the case for Dana Solberg. Dana has been in the personal care industry in Racine for nearly 15 years. She recently sought to expand her business beyond traditional hair and nail care services to include day spa total body treatments.



Speed was extremely important to Dana because few available properties met her business's needs. When she finally found the right site, she immediately made an offer to purchase and then applied for a WHEDA Small Business Guarantee and Linked Deposit Loan Subsidy through her lender, Robert Wiesner of the Bank of Elmwood-Racine.

Dana's application was handled by Gary Levandoski and Peggy Ellis, members of WHEDA's Small Business Development Team. Her financing was approved within two days of receiving a complete application. WHEDA's rapid service helped Dana close her deal quickly and allowed her to open the new facility without disrupting business.

Customer service excellence is the hallmark of WHEDA's small business financing programs. WHEDA staff work hard at providing value-added services like fast turnaround and personal contact. WHEDA is always seeking ways to make our products more customer friendly. According to Dana, we are hitting the mark.

For salon and day spa owner Dana Solberg (top center), working with WHEDA small business staffers Peggy Ellis (left), and Gary Levandoski (right) made closing the deal on her new facility easy.



Financial

WHEDA's financial resources are carefully managed not only to support \$2.6 billion of assets, but also to fund special community housing initiatives. One such project is the Wisconsin Fresh Start program.

Wisconsin Fresh Start provides at-risk youth with education, employment skills and career direction leading to economic self-sufficiency. It is modeled after Operation Fresh Start, Inc., a community program that has served Dane County, Wisconsin for three decades.

Young people - primarily high school dropouts - are given on-site housing construction and rehabilitation work experience, off-site academic classes and supportive services. The homes they build are subsequently sold to low- and moderate-income families.



Governor Thompson set a goal to expand the Operation Fresh Start concept to other Wisconsin communities in 1999. WHEDA participated by granting \$260,000 to local nonprofit agencies in Eau Claire, Fond du Lac, Hayward, Milwaukee, Portage, Wausau and Wautoma. These funds support housing site acquisition, site improvements, utility connections, accessibility improvements and on-site construction and supervisory wages.

WHEDA's financial resources are a valuable asset for the citizens of Wisconsin. Wise use of them will ensure WHEDA's financial strength and continued support of innovative community housing initiatives like Wisconsin Fresh Start.



Laura Morris, WHEDA Chief Financial Officer (above), oversees WHEDA's assets and investments.

RESPONSIVENESS

While the world's financial markets were sizzling in early 1999, hog commodities were not. In fact, pork prices were at an all time low due to a lack of packing plant capacity. With Wisconsin hog farmers facing financial ruin, the State of Wisconsin turned to WHEDA for help.

WHEDA, legislators, the Wisconsin Pork Producers Association, and other industry experts met on January 7, 1999 to develop a financing program to help hog farmers weather the crisis. A solution had to be developed quickly as debts were mounting and the planting season was soon to begin.



By January 12, WHEDA outlined a plan that would help distressed pork producers obtain guaranteed loans of up to \$50,000 for three years. The emergency program would require no new state appropriations. Rather, it would leverage resources in WHEDA's CROP Fund, a popular agricultural production loan guarantee program for Wisconsin farmers.

On January 13, Governor Tommy Thompson signed Executive Order 359 declaring an emergency in the Wisconsin pork producing industry and authorizing WHEDA to respond.

On January 21, the Legislature's Joint Committee on Finance unanimously approved WHEDA's emergency program now named CROP-HOG.

And on January 25, WHEDA announced it was taking applications for CROP-HOG guarantees from Wisconsin pork producers. CROP-HOG went on to guarantee more than \$1 million of financing for hog farmers.

In less than three weeks, Governor Thompson, the Wisconsin Legislature and WHEDA created a program that was desperately needed. This level of responsiveness is just one indicator of WHEDA's excellent customer service.



John Lader (top left), President of the Wisconsin Pork Producers Association, and Jim Langdon of WHEDA worked with State officials to develop an emergency agriculture program in less than three weeks.



RESPONSIBILITY

Preserving expiring Section 8 developments is one of WHEDA's most urgent responsibilities. Many of these properties, created through federal legislation in the 1970s and 80s, have reached a point where they can leave the program and convert to market-rate rents. They provide safe, affordable housing for some of Wisconsin's neediest seniors and families. This housing is virtually irreplaceable.

John Wimmer, President of Caring Communities, Inc., recently worked with WHEDA to extend the affordable use of a West Allis senior property. One of the most important factors in his decision to keep the project in the Section 8 program was WHEDA's flexibility in structuring the deal.

"This property is located in an area that would have easily allowed us to convert to market rate rents," Mr. Wimmer said. "But I wanted to continue my father's mission of providing affordable senior housing. WHEDA structured a deal that benefits both of us, but more importantly it preserves this housing for the folks that call it home."

Every Section 8 project with an expiring contract receives the same high level of service by WHEDA's Portfolio Development Team. In 1999, WHEDA successfully preserved 1,359 units of affordable housing through its innovative second mortgage option program. The preservation of these units represents \$30 million of maintained first mortgage debt and \$14 million in new secondary debt.

In addition, WHEDA has also taken on the role of Participating Administrative Entity under a HUD program aimed at reducing rental subsidies on FHA-insured properties while retaining their current use.

WHEDA is working aggressively to preserve housing with judicious use of public resources because housing Wisconsin's neediest citizens is a critical responsibility.

John Wimmer, President of Caring Communities, Inc. (top left), and Terri Preston-Koenig of WHEDA's Portfolio Development Team at Heritage House in West Allis, a Section 8 property preserved in 1999.





home loans

COUNTY	LOANS	AMOUNT	COUNTY	LOANS	AMOUNT	COUNTY	LOANS	AMOUNT
Adams	3	\$ 112,235	Iron	1	\$ 38,800	Portage	59	\$ 3,303,067
Ashland	17	611,722	Jackson	7	348,125	Price	1	29,585
Barron	61	3,206,958	Jefferson	34	2,589,610	Racine	116	7,252,909
Bayfield	5	295,903	Juneau	23	1,193,733	Richland	8	348,347
Brown	160	10,778,444	Kenosha	53	3,987,277	Rock	58	3,406,685
Buffalo	4	176,100	Kewaunee	6	284,010	Rusk	5	229,825
Burnett	9	422,992	La Crosse	127	7,806,966	St. Croix	25	2,205,630
Calumet	20	1,328,498	Lafayette	3	137,400	Sauk	6	377,100
Chippewa	37	2,056,174	Lincoln	5	250,250	Sawyer	21	1,171,285
Clark	20	929,893	Manitowoc	48	2,584,076	Shawano	17	944,087
Columbia	20	1,444,870	Marathon	69	4,392,247	Sheboygan	100	6,434,407
Crawford	14	809,670	Marinette	27	1,250,767	Taylor	2	72,875
Dane	285	25,149,677	Marquette	15	882,175	Trempealeau	20	1,210,274
Dodge	21	1,360,865	Menominee	1	18,000	Vernon	6	214,300
Door	8	527,990	Milwaukee	1,011	66,882,150	Vilas	3	159,955
Douglas	32	1,401,640	Monroe	7	321,725	Walworth	38	3,142,519
Dunn	8	408,237	Oconto	33	1,695,927	Washburn	5	203,275
Eau Claire	90	5,003,345	Oneida	5	262,974	Washington	59	4,966,657
Fond du Lac	49	2,964,731	Outagamie	58	3,737,183	Waukesha	102	8,670,778
Grant	20	861,750	Ozaukee	32	2,778,050	Waupaca	23	1,203,123
Green	10	597,905	Pepin	2	105,500	Waushara	5	206,720
Green Lake	4	195,900	Pierce	12	860,573	Winnebago	95	5,880,955
Iowa	5	306,915	Poik	5	263,825	Wood	73	3,504,909
						TOTALS	3,333	\$218,763,024



affordable housing tax credits

PROJECT NAME	CITY	ALLOCATION	UNITS	PROJECT NAME	CITY	ALLOCATION	UNITS
Baldwin Villas	Baldwin	\$ 160,616	24	Corps House	Milwaukee	\$ 73,313	10
Belleville Senior Housing	Belleville	119,312	20	James Anderson Senior Housing	Milwaukee	17,782	24
The Parkview	Caledonia	371,403	72	New Berlin Senior Apartments	New Berlin	571,189	145
Cudahy Commons Apartment Homes	Cudahy	399,735	64	Deer Path Townhomes I	New Richmond	4,006	23
Hillside Woods Apartments	Delafield	341,083	59	Deer Path Townhomes II	New Richmond	179,831	23
Prairie View Apartments	Delavan	152,413	24	The Centennial	Oak Creek	528,411	97
Lighthouse Harbor Senior Village	Fond du Lac	142,685	24	Osceola Villas	Osceola	165,782	24
Brenwood Park Senior Community	Franklin	502,762	95	Prairie Ridge Senior Campus	Pleasant Prairie	104,986	119
Clare Meadows of Franklin Phase II	Franklin	265,098	39	Richland Center WHA Senior Housing	Richland Center	47,367	20
Prairie Meadows Phase II	Germantown	261,924	40	Central Park Apartments	Ripon	18,986	36
Mill Pond Senior Village	Hartford	294,453	50	Garton Toy Factory Apartment Homes	Sheboygan	477,714	72
Rural Affordable Housing Preservation	Holmen	87,622	30	Sunrise Village Senior Apartments	South Milwaukee	244,404	48
Janesville School Apartments	Janesville	30,134	55	Peters Apartments	Strum	47,505	14
Quisling Clinic Apartments	Madison	361,728	60	Turtle Lake Villas	Turtle Lake	11,258	24
Project Home I	Madison	158,023	47	River Bend Senior Apartments	West Bend	13,887	51
Lapham Park	Milwaukee	580,259	61	Essex Apartment Homes	Westport	256,503	36
TOTALS						\$6,992,234	1,530



rental housing financing commitments

PROJECT NAME	COMMUNITY	LOAN	PROJECT NAME	COMMUNITY	LOAN
Spring Brook Trace Apartments	Antigo	\$ 405,500	MDC-SRO Project	Madison	\$ 200,000
Baldwin Villas	Baldwin	763,000	Mills Street	Madison	632,360
Beloit Hotel	Beloit	1,310,000	Park House Apartments	Madison	1,400,000
Edgewood Manor Apartments	Burlington	1,497,500	Project Home I	Madison	200,000
Bayfield County Housing Authority-Cable	Cable	286,000	Washington Avenue Homes	Madison	85,000
Honey Creek Apartments Phase II	Clintonville	260,000	Wisconsin Correctional #1	Milwaukee	128,830
Williamstown Bay	De Forest	615,000	Wisconsin Correctional #2	Milwaukee	745,186
Good Shepherd Senior Apartments	Eau Claire	1,585,381	Osceola Villas	Osceola	660,000
Wunderhaven	Fall Creek	60,000	Parkside Apartments	Pulaski	1,156,289
Rockland Court/Parkview	Fort Atkinson	2,525,000	Chateau Regency Apartments	Racine	1,385,000
Silver Creek Village Senior	Glendale	3,969,500	Richland Center WHA Senior Housing	Richland Center	65,000
Rural Housing Pres Associates II	Holmen	500,000	Glenview Residential Care Apartments	Shell Lake	530,419
The Courtyard	La Crosse	2,330,000	Academy Building at Sinsinawa	Sinsinawa	2,075,000
Terraces Of Geneva Crossing	Lake Geneva	3,200,000	Peters Apartments	Strum	260,000
Assisted Living Village	Lancaster	1,456,560	Whispering Pine Manor	West Salem	460,000
Independent Living Retirement	Madison	4,500,000	TOTAL		\$35,246,525

wheda foundation housing grant awards

SPONSOR	COMMUNITY	AWARD	SPONSOR	COMMUNITY	AWARD
Housing Partnership of the Fox Cities	Appleton	\$ 18,800	YW Housing, Inc.	Milwaukee	\$ 23,000
New Beginnings Homeless Shelter of Dodge County, Inc.	Beaver Dam	8,552	Rehabilitation House, Inc.	Neenah	25,000
Cornerstone Ministries, Inc.	Cumberland	16,750	Readstown Housing for the Elderly	Readstown	23,000
Cornerstone Ministries, Inc.	Cumberland	10,251	Wilson House, Inc.	Sheboygan	17,500
Lutheran Social Services of Wisconsin and Upper Michigan	Eau Claire	23,000	CAP Services	Stevens Point	25,000
Central Wisconsin Community Action Council, Inc.	Lake Delton	24,491	Center Against Domestic Abuse, Inc.	Superior	20,400
Transitional Housing, Inc.	Madison (Town)	25,000	The Women's Center, Inc.	Waukesha	22,183
Manitowoc County Domestic Violence Center	Manitowoc	20,000	La Casa de Esperanza	Waukesha	20,000
Horizons, Inc.	Milwaukee	20,124	The Women's Community, Inc.	Wausau	25,000
Intercession, Inc.	Milwaukee	25,000	NOVA Services, Inc.	West Bend	25,000
Transitional Living Services, Inc.	Milwaukee	23,000	Wisconsin Coulee Region Community Action Program, Inc.	Westby	23,000
Delphi House, Inc.	Milwaukee	20,800	Trempealeau County Homes, Inc.	Whitehall	15,149
			TOTAL		\$500,000

1999 Investments

CROP fund

COUNTY	LOANS	AMOUNT	COUNTY	LOANS	AMOUNT	COUNTY	LOANS	AMOUNT
Adams	5	\$ 130,000	Green Lake	11	\$ 192,000	Pierce	14	\$ 260,140
Barron	21	301,033	Iowa	32	554,746	Polk	8	135,658
Bayfield	1	11,170	Jackson	11	182,679	Portage	6	120,000
Brown	8	147,625	Jefferson	8	123,500	Price	1	17,736
Buffalo	15	236,434	Juneau	10	144,230	Richland	7	137,530
Burnett	1	16,000	Kewaunee	7	108,020	Rock	9	216,000
Calumet	14	234,900	La Crosse	8	141,707	Rusk	15	230,043
Chippewa	20	302,821	Lafayette	29	567,586	St. Croix	24	393,844
Clark	58	849,427	Langlade	9	153,500	Sauk	13	255,535
Columbia	9	149,980	Lincoln	3	35,700	Shawano	13	202,045
Crawford	30	400,600	Manitowoc	7	127,000	Sheboygan	9	156,745
Dane	27	435,550	Marathon	17	253,403	Taylor	23	248,626
Dodge	19	415,786	Marinette	2	40,000	Trempealeau	19	337,000
Door	3	35,567	Marquette	6	135,736	Vernon	24	283,808
Dunn	17	299,824	Monroe	7	95,658	Washburn	1	20,000
Eau Claire	9	136,500	Oconto	13	221,390	Waukesha	1	20,000
Fond du Lac	13	203,400	Oneida	1	17,000	Waupaca	7	114,500
Forest	1	16,210	Outagamie	6	129,550	Waushara	3	60,000
Grant	49	891,203	Ozaukee	2	36,000	Winnebago	8	111,000
Green	19	277,724	Pepin	10	137,300	Wood	15	259,967
						TOTALS	758	\$12,468,636



small business financing

BUSINESS	COMMUNITY	LOAN	PRODUCT	BUSINESS	COMMUNITY	LOAN	PRODUCT
Little Angel Child Care	Appleton	\$ 80,000	LiDL	Diamond of Mercer Inc.	Mercer	\$ 181,936	WSBG
Shanin Oriental Rug Inc.	Appleton	171,500	WSBG	Sunny Day Enterprises Inc.	Middleton	61,200	WSBG
Christin J Denu	Arena	10,000	WSBG	Agape Center of Academic Excellence	Milwaukee	160,000	WSBG
The Hub	Ashland	21,000	WSBG	Reese Embroidery	Nekoosa	20,000	LiDL
The Hub	Ashland	50,000	WSBG	Integrity Services Corp.	New London	30,000	WSBG
46 Store Inc.	Balsam Lake	65,000	WSBG	Rockwood Commercial Ventures	Onalaska	99,000	LiDL
K & S Toys Inc.	Cambria	80,000	LiDL	Ritzzy Repeats	Prairie du Chien	50,000	LiDL
Busy Beavers Day Care	Cumberland	100,000	WSBG	Ritzzy Repeats	Prairie du Chien	65,000	WSBG
Reach & Schwaiger LTD	Eagle River	65,000	LiDL	Grammas Recipe Bakery & Cafe	Prairie du Chien	30,000	LiDL
Blue Ribbon Awards	Elk Mound	60,000	LiDL	Kiddie Kastle Child Care Center	Prairie du Chien	91,211	LiDL
Kids Kingdom	Fall Creek	37,500	LiDL	Kiddie Kastle Child Care Center	Prairie du Chien	91,211	WSBG
Kids Kingdom	Fall Creek	126,950	WSBG	Headlines Hair Design Studio	Racine	148,050	WSBG
Platinum Auto Sales Inc.	Franklin	100,000	WSBG	Headlines Hair Design Studio	Racine	99,000	LiDL
Hillsboro Drive Inn	Hillsboro	35,000	LiDL	Advantage Advertiser LLC	Reedsburg	99,000	LiDL
River City Lawnscapes Inc.	Holmen	400,000	WSBG	Four Paws Veterinary Clinic LLC	Sauk City	62,200	LiDL
Hometown Bake Shoppe LLC	Howards Grove	27,000	LiDL	Four Paws Veterinary Clinic LLC	Sauk City	20,000	LiDL
Iron River Auto Parts	Iron River	100,000	WSBG	Animal House Pet Supplies & Gifts	Sauk City	9,170	LiDL
City Limits Hair Studio LLC	Kiel	42,875	LiDL	Osswald Company LLC	Schofield	73,500	WSBG
Red Balloon Child Care Centers	La Crosse	32,000	LiDL	Tristate Trailer & Refrigeration	Sparta	336,525	WSBG
Red Balloon Child Care Centers	La Crosse	40,000	WSBG	Perkins Preferred Auto Parts LLC	Spooner	205,000	WSBG
Motel 6	Lake Delton	750,000	WSBG	G E G Properties	Superior	99,000	LiDL
S W Electric LLC	Lancaster	240,365	WSBG	Citgo Express Mart	Two Rivers	40,000	LiDL
Beauty Blossoms Inc.	Madison	33,500	LiDL	Soda Jo's Inc.	Viroqua	40,000	LiDL
Equine Medical Service LLC	Madison	10,000	LiDL	Mary Anns Wee Tots	Viroqua	60,000	LiDL
Blacklight Business Technologies	Madison	30,000	LiDL	Mary Anns Wee Tots	Viroqua	60,975	WSBG
Cornerstone Construction	Marinette	115,000	WSBG	State College of Beauty Culture	Wausau	30,000	LiDL
Cornerstone Construction	Marinette	80,000	WSBG	State College of Beauty Culture	Wausau	30,000	WSBG
Iron Bison Manufacturing Co. LLC	Marshfield	250,000	WSBG	Daisy Mae Day Care Inc.	Wausau	75,000	LiDL
Medford Chiropractic Clinic	Medford	29,300	LiDL	Advantage Plumbing & Heating LLC	Wisconsin Rapids	12,100	LiDL
Recyclist Inc.	Menasha	50,000	WSBG				
				TOTAL		\$5,611,000	



EXECUTIVE OFFICE: Fritz Ruf, Executive Director • Geoffrey Wheeler, Deputy Director • James Langdon, Executive Assistant • Suzanne Linton, Project Manager • Maureen Bruner
EMPLOYEE RELATIONS: Janice Hughes, Director • E. Michelle Buckner-Kazee
TRAINING AND DEVELOPMENT: Joyce Waldrop, Director • Kathie Gross
ADMINISTRATION GROUP: June Fargo, Director
HUMAN RESOURCES TEAM: Jamie Malliet • Ann Wetley
RESOURCE MANAGEMENT TEAM: Elisabete Blaese • Allan Christianson • George Coggs • Trish Myrick
BUILDING TEAM: Rodney Campbell • Michael Porath
ASSET MANAGEMENT GROUP: Ann Eaves, Director
BAAM TEAM: Joseph Durow • Lisa MacDonald • Julie Miller
Michelle Thompson
MONITORING AND COMPLIANCE TEAM: Terri Preston-Koenig, Manager • Korey Kopp • Carmen Nordness • Marlene Pauls • John Unertl
PORTFOLIO DEVELOPMENT TEAM: Terri Preston-Koenig, Manager
Bill Boerigter • Susan Falch • Tamera Wourms
RAAM TEAM (EAST): Paul Fons, Manager • James Caldwell • Lynnell Carleton • Shannon Dougherty • Jean Griepentrog • Dorthy Hopkins • Kym Johnson • Judy Leiterman • Lenard Porter • Bonnie Robertson • James Rodgers
RAAM TEAM (WEST): Rae Ellen Packard, Manager • Kenijean Addison
Michael Bingham • Donna Boyes • Stefanie Elder • Debra Elliott • Louise Flury • Eleanor Gerber • Virginia Harvey
Wanda Maass • Mary Ann McCoshen • Debra Petersen • Sharon Rambadt • Constance Willemsen • Edward Winders
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SERVICING SPECIALISTS TEAM: Gary Steimke, Manager • Melissa Craig • Melissa Cumming • Maria Kinder • Dyanne McDermott • Diane Packard • Everly Pasch • Liliana Stroot • Bonnie Wedig
COMMUNITY DEVELOPMENT GROUP: John Schultz, Director • Joelyn Ponty
SOUTHEAST WISCONSIN TEAM: David Luedcke, Manager • Debra Amos • Brenda Marquardt • Rita McCain • Constance Pukaite • Ronald Slade • Maria Watts • Gerald Williams
STATE TEAM: Bryan Antony • Michael Ash • Janice Barr • Wanda Beard • Gail Beyer • Roger Day, Jr. • John Habeck • David Litchy • Arlene Scalzo • Gene Weittenhiller
CREDIT GROUP: Mary Zins, Director • Nora Bryhan
MULTIFAMILY DEVELOPMENT TEAM: Cheri Fuller-Olson • Karyn Knaak • Christopher Laurent • Carl Mastaglio • Douglas Stockstad • Lori Zander
RESIDENTIAL TEAM: Arlene Norris, Manager • Josephine Bambrough • Noelle Delaine • Vivian Hancock • Cindy Jenson • Janet McKellar • Patricia Multerer • Larry Odegaard • Kim Richmond • Jean Schwab • Beverly Smith • Deanna Teschler
SMALL BUSINESS DEVELOPMENT TEAM: Scott Messner, Manager • Peggy Ellis • Gary Levandoski • Robert Mappes
TRAINING AND TECHNOLOGY TEAMS: Scott Messner, Manager • Nancy Barry • Darlene Lerum • Mary MacAskill
EMERGING MARKETS GROUP: Wyman Winston, Director • C. Siobain Beddow • David Ginger • J. Louise Hartung • Marjorie Kozich • Farshad Maltes • Raúl Rodriguez-Medellin • Dorothy Ruff • Tom Schrader
FINANCE GROUP: Laura Morris, Chief Financial Officer • Debra Adams
BEAN TEAM: Kristine Urban, Manager • Tamra Armstrong • Ellen Cuthbert-Wollin • Linda Gassner • Heidi Gordon • Amy Grinnell • Katherine Robbins • Martin Skotzke
GREEN TEAM: Sherry Pohlman, Manager • Kari Becker • Susan Haberkorn
Stephen Jacobs • Karen Keller • David Manthe • Brian Nowicki • Corinne Tuschl • Susan Wilberding
INFORMATION TECHNOLOGY GROUP: Jim Siebers, Chief Information Officer • Kim Uselman
BUSINESS LIAISON AND SOLUTIONS TEAM: Joyce Rogers, Manager • Kevin Breese • Robert Cadigan • Faith Conrardy • Donald Dees • Susan Elbe • Mary Litviak • Esther Nakagaki
SYSTEMS TECHNOLOGY AND RESOURCES TEAM: Carolyn Elert • Richard Frueh • Todd Kienitz • Paula Lenius • Kenneth Long • Cynthia Pierick • Joseph Tuschl • Sebastian Wallang
LEGAL SERVICES GROUP: Mick Conrad, General Counsel • Evelyn Belscamper • Phyllis Briscoe • Kathleen Kober • Helen Matthews • Michael Morris