Ms. Sanders, Chairperson of the Finance/Audit Committee (“the Committee”), called the meeting to order at 9:01 a.m. A roll call of committee members was conducted and a quorum was present.

Mr. Taib provided a summary of the 2022 Audited Financial Statements, which included an overview of single family production and agency securities.

Thomas Goldfuss and Lindsay Tessler of Whittlesey presented a summary of the 2022 Audit Results. Mr. Goldfuss briefly outlined the membership and responsibilities of the audit engagement team and stated that the audit went very smoothly and no concerns or issues were identified. He reported that Whittlesey has issued an unmodified opinion on the statements and there were no qualifications or any points of matter on the audit itself or on the major Federal and State programs. He also said that there were no significant deficiencies or material weaknesses in compliance testing, internal controls over compliance and financial reporting. Mr. Goldfuss stated that a review of general IT controls was conducted and no issues were identified. Ms. Tessler provided an overview of the required communications and key audit areas.

Ms. Murphy presented the financial reports for March 2023 stating that mortgage loan and investment interest revenue are $1,600,000 above budget and $13,000,000 higher than last year. The year over year revenue variances continue to be driven by the increase in short-term interest rates. The bond interest expense is $1,300,000 above budget for the month and $12,200,000 higher than last year. The variance is driven by CHFA’s outstanding bonds being $80,000,000 higher
than the same time last year, no first quarter bond redemptions and the increase in interest rates affecting CHFA’s variable rate bonds. Administrative expenses are $2,200,000 below budget and $164,000 higher than last year. She also reported, that excluding salaries and benefits of $7,200,000, current year expenses are $277,000 lower than last year. The change in net position is above target by $1,000,000.

Mr. Chilson presented the March 2023 delinquency and forbearance reports for the single-family and multifamily programs. He summarized the single-family whole loans purchased and loans securitized for March noting that, at the end of March, the mortgage backed security portfolio balance was $2,300,000,000, which is an increase month over month of $35,500,000. The whole loan portfolio declined through February by 8 loans; however, the principal balance increased from the prior month by $1,500,000. The overall delinquency rate was 1.88%, which is a 16 basis point decrease from the prior month and year over year the carrying balance of loans in foreclosure decreased by $6,600,000 to $19,500,000. For the month of March, CHFA funded 186 Downpayment Assistance loans totaling $2,700,000 equating to 73% of March borrowers taking advantage of the Downpayment Assistance Program. CHFA also funded 172 Time To Own forgivable loans totaling $5,100,000 with an average loan size of just under $30,000.

For the multifamily portfolio, Mr. Chilson reported that there were no new loan closings in March. The total number of loans remained at 561 for a total of $1,300,000,000. Delinquencies were also unchanged with six permanent loan delinquencies, one construction loan delinquency and an overall delinquency rate of 1.2%.

Ms. Murphy presented the quarterly investment and swap reports, stating that for the 1st quarter of the year there was an increase in book value of investments of approximately $88,000,000 bringing the portfolio balance up to $3,500,000,000 with an increase in weighted yield to maturity from 3.49% to 3.67%. For the swaps, there was no change in the number of counterparties. The number of swaps remained at 42 swaps with 8 counterparties with a notional balance of $947,000,000. The quarter over quarter weighted average pay rate remained the same at 3.02%. There was a decrease in the market value of the swap portfolio from last quarter decreasing by $20,000,000 down to $6,000,000.

Ms. Sanders requested a motion to approve the minutes of the March 30, 2023 Finance/Audit Committee meeting.

Upon a motion made by Mr. Perez, seconded by Ms. MacKinnon, the Finance/Audit Committee members voted by roll call and were unanimously in favor of approving the March 30, 2023 Finance/Audit Committee minutes.

There being no further business to discuss, the meeting adjourned by unanimous consent at 9:38 a.m.