

MINUTES
FINANCE/AUDIT COMMITTEE OF THE
CONNECTICUT HOUSING FINANCE AUTHORITY (CHFA)
REGULAR MEETING
March 31, 2022

Committee Members

Present: (In Person) Jerrold Abrahams
(Virtually) Philip DeFronzo
Timothy Hodges
Catherine MacKinnon
Jorge Perez, Banking Commissioner
Franklin Perry, II
Sarah Sanders, representing Shawn Wooden, State Treasurer, Chairperson
of Finance/Audit Committee

Committee Members

Absent: Alexandra Daum, representing David Lehman, Commissioner of the
Department of Economic & Community Development

CHFA Participants: Hazim Taib, Chief Financial Officer
(In Person)
(Virtually) John Chilson, Director, Portfolio Management
Allison Murphy, Director, Financial Reporting and Control

Other Participants: Cory Hoepfner, RBC Capital Markets
(Virtually) Robert Lamb, Lamont Financial Services

Ms. Sanders, Chairperson of the Finance/Audit Committee (“the Committee”), called the meeting to order at 9:00 a.m. A roll call of committee members was conducted and a quorum was present.

Mr. Taib stated that the 2022 Series A Bond sale was successful despite the volatility of the market due to increased interest rates, inflation and geopolitical tensions in Europe. He introduced Mr. Cory Hoepfner, from RBC Capital Markets, who outlined the details of the sale.

Mr. Taib provided a summary of the new law that deals with the cessation of LIBOR and outlined its impact on CHFA.

Ms. Murphy presented the financial reports for February 2022 stating that mortgage loan and investment interest revenue are \$1.6 million below budget for the first two months and \$2.9 million lower than last year. The bond interest expense is below budget by \$4.8 million through February and \$6.9 million lower than last year. She also reported that, excluding salaries and benefits, current year-to-date expenses are \$351,000 higher than last year’s administrative expenses. Ms. Murphy noted that bond issuance costs are \$920,000 below budget. The change in net position is above target by \$5.5 million for the year.

Mr. Chilson presented the delinquency and forbearance reports summarizing the single-family whole loans purchased and loans securitized for February. He stated that the month-end mortgage backed securities portfolio balance decreased by \$6.7 million to \$2.1 billion for February and the whole loan portfolio through January declined by 102 loans or \$12.0 million. The overall delinquency rate decreased by .01% to 2.72% and the carrying balance for loans in foreclosure year over year decreased by \$10.3 million to \$28 million. CHFA funded 77 Downpayment Assistance loans in February with about 82% of the borrowers taking advantage of the program. For the month of January the number of whole loan borrowers in forbearance was 127.

Mr. Chilson also reported that there was one new loan closing in the multifamily portfolio for February increasing the overall total portfolio size to 555 loans with a total balance of \$1.34 billion. There was one new permanent loan delinquency increasing the total to eight and one construction loan delinquency for an overall delinquency rate of 1.38%. There are no multifamily loans in forbearance.

Ms. Sanders requested a motion to approve the minutes of the February 24, 2022 Finance/Audit Committee meeting.

Upon a motion made by Mr. Hodges, seconded by Mr. Perez, the Finance/Audit Committee members voted by roll call and were unanimously in favor of adopting the February 24, 2022 Finance/Audit Committee minutes.

There being no further business to discuss, the meeting adjourned by unanimous consent at 9:57 a.m.