

MINUTES
FINANCE/AUDIT COMMITTEE OF THE
CONNECTICUT HOUSING FINANCE AUTHORITY (CHFA)
REGULAR MEETING
May 30, 2024

Committee Members

Present: (Virtually) Jerry Abrahams
Philip DeFronzo
Catherine MacKinnon
Jorge Perez, Banking Commissioner
Franklin Perry, II
Chelsea Ross
Sarah Sanders, Chairperson of Finance/Audit Committee and Deputy
Treasurer, representing Erick Russell, State Treasurer

Committee

Members Absent: Timothy Hodges

Directors Present: Seila Mosquera-Bruno, Chairperson of CHFA Board of Directors and
(Virtually) Commissioner of the Department of Housing

CHFA Participants: John Chilson, Director, Portfolio Management
(In Person) Allison Murphy, Director, Financial Reporting and Control
Nandini Natarajan, Chief Executive Officer – Executive Director
Hazim Taib, Chief Financial Officer
(Virtually) Lisa Hensley, Managing Director of Homeownership

Other Attendees: Cory Hoepfner, RBC Capital Markets
(In Person)

Deputy Treasurer 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 introduced Mr. Cory Hoepfner of RBC Capital Markets who summarized the results of the 2024 Series C bond sale stating that it was a very successful sale for the Authority and outlined details of the pricing, timing and results of the transaction.

Ms. Murphy presented the financial reports for April 2024 stating that mortgage loan and investment interest revenue are \$6,500,000 above budget through the end of April and \$12,400,000 higher than last year. The year-over-year revenue variances continue to be driven by the increase in interest rates on the Authority’s short term investments. The bond interest expense is \$4,500,000 above budget through April and \$7,300,000 higher than last year. The Authority’s outstanding bonds as of April 30th are \$160,000,000 higher than the same time last year with higher interest rates on the variable rate bonds. Servicer fees are \$3,500,000 above budget through the end of

April and \$3,000,000 higher than last year. The increase in single family production is driving this variance. Administrative expenses are \$2,400,000 below budget and \$475,000 higher than last year. Ms. Murphy also reported that, excluding salaries and benefits of \$10,100,000, current year-to-date administrative expenses are \$8,000 higher than last year. The change in net position is above target by \$2,200,000.

Mr. Chilson presented the April 2024 production and delinquency reports for the single-family and multifamily programs and noted that the loan purchasing volume for April remained strong. Mr. Chilson summarized the single-family whole loans purchased and loans securitized for April. The mortgage backed security portfolio balance ended the month of April at \$2,900,000,000 which was an increase of \$40,000,000 over March. The whole loan portfolio through March declined by 37 loans or \$4,300,000 and ended March with a portfolio balance of \$1,100,000,000. The single family overall delinquency rate decreased 5 basis points to 1.20%. The carrying balance for loans in foreclosure (year over year) declined by \$2,900,000 to \$13,000,000 while the number of loans in foreclosure declined by 21. The Authority funded 158 Downpayment Assistance loans totaling \$1,700,000 with an average loan size of \$11,000 per borrower and 212 Time To Own forgivable loans of \$6,700,000 with an average loan size of \$31,600.

Mr. Chilson reported that for the multifamily loan portfolio, one loan closed in April and two loans moved to active status increasing the portfolio size by three loans to 586 loans totaling \$1,300,000,000. There were 6 permanent loan delinquencies which was unchanged from March. The overall multifamily delinquency rate was approximately half of one percent.

Ms. Sanders requested a motion to approve the minutes of the April 25, 2024 Finance/Audit Committee meeting.

Upon a motion made by Mr. Perez, seconded by Mr. Abrahams, the Finance/Audit Committee members were unanimously in favor of approving the April 25, 2024 Finance/Audit Committee minutes.

There being no further business to discuss, upon a motion made by Ms. Sanders, the meeting adjourned by unanimous consent at 9:51 a.m.