

MINUTES  
FINANCE/AUDIT COMMITTEE OF THE  
CONNECTICUT HOUSING FINANCE AUTHORITY (CHFA)  
REGULAR MEETING  
June 27, 2024

Committee Members

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

Committee

Member Absent: Chelsea Ross

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) Nandini Natarajan, Chief Executive Officer – Executive Director  
Hazim Taib, Chief Financial Officer  
(Virtually) Allison Murphy, Director, Financial Reporting and Control

Other Attendees: Geoff Proulx, Morgan Stanley  
(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. Geoff Proulx of Morgan Stanley who summarized the results of the 2024 Series D multifamily bond sale stating that it went well and noted the large number of retail orders. He outlined the pricing, timing and strategy of the transaction.

Ms. Murphy presented the financial reports for May 2024 stating that mortgage loan and investment interest revenue are \$8,500,000 above budget and \$13,600,000 higher than last year. The year over year revenue variances continue to be driven by the increase in interest rates on the Authority’s investments. The bond interest expense is \$1,900,000 above budget through May and \$11,300,000 higher than last year. The Authority’s outstanding bonds as of May 31<sup>st</sup> are \$392,000,000 higher than the same time last year. Servicer fees are \$4,200,000 above budget through May and \$3,800,000 higher than last year. The increase in single family production is driving this variance. Administrative expenses are \$2,800,000 below budget and \$362,000 higher

than last year. Excluding salaries and benefits of \$12,800,000, current year-to-date administrative expenses are \$145,000 lower than last year. The change in net position is above target by \$7,400,000.

Mr. Chilson presented the May 2024 production and delinquency reports for the single-family and multifamily programs. He summarized the single-family whole loans purchased and loans securitized for May. The month-end mortgage backed security balance for May was just under \$3,000,000,000 which was a \$45,000,000 increase over April. In April, the whole loan portfolio continued its gradual decline decreasing by 49 loans or \$6,500,000 ending with a portfolio balance of \$1,100,000,000. The whole loan portfolio delinquency rate was 4.12% which is 20 basis points higher than the national average. The overall risk exposure to the Authority's total delinquency for the single family portfolio, including the \$3,000,000,000 in mortgage backed securities, blends the overall delinquency rate for the single family portfolio to 1.13%. The carrying balance for loans in foreclosure year over year decreased by \$4,400,000 to \$12,000,000 while the number of loans in foreclosure declined by 30. For the month of May, the Authority also funded 88 Downpayment Assistance loans totaling \$937,000 with an average loan size of \$10,650 and 238 Time To Own forgivable loans totaling \$7,500,000 with an average loan size of \$31,700.

Mr. Chilson reported that for the multifamily loan portfolio, there were ten new loan closings increasing the overall portfolio by a net of eight to 594 multifamily loans with a portfolio balance of \$1,400,000,000. There were seven permanent loan delinquencies and an overall delinquency rate for the portfolio of less than one half of 1%.

Ms. Sanders requested a motion to approve the minutes of the May 30, 2024 Finance/Audit Committee meeting.

Upon a motion made by Ms. MacKinnon, seconded by Mr. Hodges, the Finance/Audit Committee members were unanimously in favor of approving the May 30, 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 9:37 a.m.