

ORANGE COUNTY HOUSING FINANCE AUTHORITY

BOARD OF DIRECTORS

M. SIPLIN | M. McCALL | C. CUEVAS | V. ATKINS-BRADLEY | S. RIZZO

OFFICIAL MEETING MINUTES

Meeting: Board of Directors Meeting **Date:** Wednesday, March 1, 2017 **Time:** 8:30am
Location: Orange County Administration Center – Commissioners Chambers – 1st Fl., 201 S. Rosalind Ave., Orlando, FL.

Board Members

PRESENT

Marshall Siplin
Chairman

Mercedes McCall
Vice Chairman

Vernice Atkins-Bradley
Board Member

Clemente Cuevas 8:33am
Board Member

Sascha Rizzo
Board Member

OCHFA Staff

PRESENT

W.D. Morris
Executive Director

Jim Singh
Deputy Exec. Director/ CFO

Olympia Roman
Staff/ Recording

Mildred Guzman
Staff

Kelly Cambre
Staff

Elliott Andrews
Staff

Birva Parikh
Staff

Rosalind Natal
Staff

OCHFA Professionals

PRESENT

Warren Bloom
General Counsel, Greenberg Traurig

Mike Watkins
General Counsel, Greenberg Traurig

Sylvia S. Penneys
Bond Counsel, Greenberg Traurig

David Jones
Financial Advisor, CSG Advisors, Inc.

Helen Feinberg
Managing Underwriter, RBC Capital Markets

Donald Peterson
Co-Managing Underwriter, Raymond James

BCC Staff

PRESENT

Lila McHenry
Assistant District Attorney

MEETING OPENED

There being a quorum, Madam Chairman, Marshall Siplin called the meeting to order at 8:30 a.m.

PUBLIC COMMENT(S)

No comment(s).

CONSENT AGENDA

ACTION TAKEN

There being no discussion, the Board approved Consent Agenda items.

MOTION / SECOND: S. Rizzo/ M. McCall AYE BY VOICE VOTE: All Present Members RECUSED/ ABSTAINED: 0

A. GENERAL ADMINISTRATION

1. Adoption of February 1, 2017 Board of Directors Meeting minutes.
2. Ratification of February 9, 2017 Boards' **Audit/ Finance Committee** Meeting minutes.

B. EXECUTIVE DIRECTOR'S OFFICE

C. FINANCIAL MANAGEMENT

1. **Acknowledgement Summary of OCHFA's Operating Fund Investments.** Acknowledgement of the consolidated balance sheet for the Operating Fund; acknowledgement of combined statement of rev(s)/ exp(s)/ changes in retained earnings; acknowledgement of fiscal year 2017, operating fund comparison of budget vs. actual; acknowledgement of fiscal year 2017, **operating fund comparison of actual revenues & expenses; acknowledgement summary of OCHFA's operating fund investments.**

D. PROGRAM OPERATIONS

1. Acknowledgement of the Current Status of the Single-Family HRB Program.
2. Acknowledgement of the Multi-Family Audit Period February – March 2017.

DISCUSSION AGENDA

A. EXECUTIVE DIRECTOR

CONSIDER APPROVAL AND ADOPTION OF THE AUTHORITY'S FY 2015/2016 ANNUAL AUDITED FINANCIAL STATEMENTS.

Mr. Morris addressed the Board regarding acceptance of the Audit/ Finance Committees' (met on February 9, 2017 – C. Cuevas, Committee Chair and V. Atkins-Bradley, Board Member) recommendation, **to adopt the Authority's FY 2016 Annual Audited Financial Statements**. Mr. Morris then asked the Authority's Auditor, Dufresne and Associates to approach the Board. Cathy Liddy, Auditing Manager, presented a brief highlight of the audited financials, management and governance letters. She then discussed the changes in the GASB (Government Accounting Standards Board) regulations (GASB-72). Committee Chair Cuevas stated that the Authority received a clean audit and **management letter from the Authority's Auditor, Dufresne & Associates**. He then thanked staff for their due diligence in this year's audit. His comments were concurred by the Auditor. Ms. Liddy also discussed other possible changes in the GASB regulations and its affects in the completion of the final audit. Brief discussion ensued.

ACTION TAKEN

There being no further discussion, the Board accepted and adopted the Authority's Fiscal Year 2016 Annual Audited Financial Statements for year-ending September 30, 2016, subject to finalization of the Government Accounting Standards Board regulatory changes by the determination of the Auditor General.

MOTION / SECOND: C. Cuevas/ V. Atkins-Bradley AYE BY VOICE VOTE: All Present Members RECUSED/ ABSTAINED: 0

CONSIDER APPROVAL OF THE PROPOSED OPTIONAL REDEMPTION OF THE SINGLE-FAMILY SERIES 2007-A BONDS AND HOLDING THE MORTGAGE BACKED SECURITIES AS ASSETS.

Mr. Morris, addressed the Board regarding consideration of the proposed Optional Redemption of the Single-Family, SERIES 2007-A Bonds and Holding the Mortgage Backed Securities as Assets. He asked the Authority's Financial Advisor, David Jones to provide the Board with the analysis. Mr. Jones discussed the analysis and the **recommendation of utilizing the Authority's funds to redeem the bonds and hold the MBS' as a means to generate additional revenue** for the Authority. He then stated that the analysis provided various options and recommended that the board approve the request to optionally redeem the Single-Family SERIES 2007-A Homeowners Revenue Bonds, which provides an economic advantage for OCHFA.

ACTION TAKEN

There being no discussion, the Board approved staff's request to utilize up to \$2,957,910, to optionally redeem the SERIES 2007-A Homeowners Revenue Bonds and hold the MBS' in the Authority's General Fund; and authorization for staff and professionals to take actions required to execute the transaction.

MOTION / SECOND: V. Atkins-Bradley/ M. McCall AYE BY VOICE VOTE: All Present Members RECUSED/ ABSTAINED: 0

CONSIDER APPROVAL OF GRAND AVENUE ECONOMIC COMMUNITY DEVELOPMENT CORPORATION'S REQUEST TO FORGIVE LOAN OR ALTERNATIVELY SUBORDINATION OF THE LOAN.

Mr. Morris addressed the Board regarding consideration of the Grand Avenue Economic Community Development Corporation (GAECDC) request, to forgive or alternatively subordinate its \$59K loan. He provided a brief history of the GAECDC and its impact in providing supportive services for the homeless population. He then stated that the organization is requesting that the Authority forgive the existing \$59K loan that it has with GAECDC. He also stated that the **forgiveness/satisfaction of the Authority's mortgage would enhance the organizations' financial position and help to ensure the continued availability of this critical source of housing and supportive services for the homeless in our community.**

Mr. Morris stated that alternatively, GAECDL requests that in the event the Authority does not forgive the loan, then a subordination of the loan would assist in achieving the proposed refinancing of the first mortgage with T.D. Bank, understanding that forgiveness provides greater support for the organization. Board Member McCall asked what the current value of the property is; and Mr. Morris responded that due to the absence of GAECDL representation at the meeting, he could not provide that information. Extensive discussion ensued, with Board action reflecting the approval of the Subordination request and a five (5) year deferral of payment, with zero interest (0%) on the remaining loan balance.

ACTION TAKEN

There being no further discussion, the Board approved Subordination of GAECDL Loan to reflect a five (5) Year Deferred Payment; and zero interest (0%) on the remaining loan balance; and authorization for execution of document(s).

MOTION / SECOND: S. Rizzo/ M. McCall AYE BY VOICE VOTE: All Present Members RECUSED/ ABSTAINED: 0

OTHER BUSINESS

UPCOMING COMMITTEE MEETINGS

Mr. Morris thanked the board members for their services and notified that members of the need for upcoming committee meetings.

ADJOURNMENT

There being no further business, Madam Chairman Siplin, adjourned the meeting at 9:04 a.m.

ATTEST:

W.D. MORRIS
EXECUTIVE DIRECTOR

MARSHALL SIPLIN
CHAIRMAN

END OF MINUTES PREPARED BY OLYMPIA ROMAN