



110 Northeast 3rd Street, Suite 300
Fort Lauderdale, FL 33301
Phone: 954.357.4900
Fax: 954.357.8221
www.broward.org/HFA

BOARD MEETING MINUTES Wednesday, June 10, 2015

A regular Board meeting of the Housing Finance Authority (HFA or the "Authority") of Broward County, Florida, was held on Wednesday, June 10, 2015, in the 2nd Floor Conference Room, located at 110 NE 3rd Street, Fort Lauderdale, Florida.

Mr. John G. Primeau, Chair, determined a quorum was present and called the meeting to order at 5:34 p.m.

Board Members Present:

Ruth T. Cyrus, Member
Kirk Frohme, Member
Jose "Pepe" Lopez, Member

John G. Primeau, Chair
Daniel D. Reynolds, Member
Milette Thurston, Assistant Secretary

Board Members Absent:

Donna Jarrett, Secretary
Bertha Smith, Vice Chair

Staff:

Betsy Barnicle, Administrative Assistant
Norman Howard, Assistant to the Director
Carlos A. Rodriguez, Assistant County Attorney
James Rowlee, Senior Assistant County Attorney
Ralph Stone, Executive Director

Also Present:

Junious Brown, Nabors, Giblin & Nickerson, P.A.
Linda Dufresne, Dufresne & Associates
Helen Feinberg, RBC Capital Markets Corp.
Michael Jenkins, Regions Bank
Tim Wranovix, Raymond James & Associates
Deborah Zomermaand, Zomermaand Financial Advisory Services

CALLING OF THE ROLL

A Roll Call was taken by Ms. Betsy Barnicle.



CONSENT AGENDA (1 through 3)

1. Approval of May 13, 2015, Regular Meeting Minutes
2. Executive Director's Report
3. Franklin Park Estates – Easements & Notices of Commencement

MOTION was made by Mr. Daniel Reynolds, seconded by Ms. Milette Thurston, to approve Consent Agenda Items 1 through 3. This motion was unanimously approved.

REGULAR AGENDA

4. Financial Reports Monthly Overview – Ms. Linda Dufresne, Dufresne & Associates

Ms. Linda Dufresne noted that this was the second month for the addition of a “Franklin Park Expenditures” report to the monthly financials. Ms. Dufresne reported that variations in the Balance Sheet revenues and expenditures were primarily related to the timing of invoices and payments and to the addition of the Franklin Park expenditures. Ms. Milette Thurston asked where the money was transferred from to open the Franklin Park Wells Fargo account, and Ms. Dufresne stated that approximately \$500,000 had been transferred from the Karpus Custody Account.

Ms. Barnicle let the Chair know that at this time, 5:36 p.m., Ms. Ruth Cyrus, Member, arrived to join the meeting. A short discussion was held regarding the construction progress of the Franklin Park Project.

MOTION was made by Mr. Reynolds, seconded by Mr. Jose Lopez, to approve the HFA monthly financial reports for May 31, 2015. This motion was unanimously approved.

5. FY2016 Budget of the HFA

Mr. Ralph Stone addressed the reduction in revenues and expenses and the slight net reduction compared to last year's budget, taking into account the change due to the Franklin Park Project. Mr. John Primeau reminded the Board that a comparison of budgets was provided (Attachment 1). Mr. Kirk Frohme asked about the budgeting for liquidation of investments in comparison to the previous year, and Mr. Stone responded that they don't anticipate the need for more liquidation this year, then Ms. Debbie Zomermaand added that there is also the consideration of how investment maturities come due within every three to six months. A memo to the HFA from Mr. Norm Howard, dated June 10, 2015, (Exhibit 1) was provided at the meeting to supplement the budget (a Member's question asking if a current year comparison could be added to Attachment 1, and the provided answer).

MOTION was made by Mr. Jose Lopez, seconded by Mr. Kirk Frohme, to approve the HFA Budget for FY2016. All votes were aye on this motion.

6. Residences at Crystal Lake Project

Mr. Primeau, Chair, presented the Motion (see below) for the Residences at Crystal Lake Project and called for any discussion, of which there was none.

MOTION was made by Mr. Reynolds, seconded by Mr. Lopez, to approve Resolution of the Housing Finance Authority of Broward County, Florida (the “Housing Finance Authority”) authorizing the issuance of its not to exceed \$15,000,000 Multifamily Mortgage Revenue Note, Series 2015 (Residences at Crystal Lake Project), for the purpose of financing the acquisition, construction and equipping of Residences at Crystal Lake located in Broward County, Florida (the “Project”); establishing parameters for the award of the sale thereof and establishing criteria for determining the terms thereof, including interest rates, interest payment dates, maturity schedule and other terms of such note; approving the forms of and authorizing the execution and delivery of (i) a Funding Loan Agreement by and among the Housing Finance Authority, Citibank, N.A., as Funding Lender (the “Funding Lender”), and Regions Bank, as Fiscal Agent (the “Fiscal Agent”); (ii) a borrower Loan Agreement by and between the Housing Finance Authority and Crystal Lakes Housing Partners, LP (the “Borrower”); (iii) a Land Use Restriction Agreement by and among the Housing Finance Authority, Fiscal Agent and the Borrower; (iv) an assignment of mortgage and loan documents by the Housing Finance Authority to the Funding Lender; (v) a Placement Agent Agreement by and between the Housing Finance Authority and RBC Capital Markets, LLC, and Raymond James & Associates, Inc., as Placement Agents; (vi) a Fiscal Agent Fee Agreement by and between the Housing Finance Authority and the Fiscal Agent; and (vii) a contingency draw-down agreement by and among the Funding Lender, the Borrower, the Housing Finance Authority and the Fiscal Agent; approving and authorizing the execution and delivery of certain additional agreements necessary or desirable in connection with the issuance of the note; authorizing the Housing Finance Authority to consent to the Borrower placing subordinate financing on the Project and approving the execution of such agreements as may be necessary in connection with such consent; waiving the prohibition against using subordinate financing to pay off tax-exempt financing; waiving the fee for services related to the Housing Finance Authority’s annual audit of the Project; authorizing the proper Officers of the Housing Finance Authority to do all things necessary or advisable in connection with the issuance of the note; and providing an effective date for this Resolution.

UPDATE ITEM

7. CitiMortgage (Single-Family Mortgage Revenue Bonds, Series 2006ABC and 2007ABCD)

Mr. Stone stated that Mr. James Rowlee, Counsel for the HFA, wrote a letter dated May 29, 2015, (Attachment 3) to CitiMortgage (Citi) and to the Bank of New York Mellon Trust Company (the "Trustee"), concluding the HFA's business with Citi and instructing Citi to process the reimbursement request directly with the Trustee. Mr. Stone noted Counsel's recommendation in the letter that the Trustee file a notice of the occurrence with the Municipal Securities Rulemaking Board and the State Repository, which would be done using the Electronic Municipal Market Access system (EMMA).

8. **MATTERS OF HFA MEMBERS**

None.

9. **MATTERS FROM THE FLOOR**

None.

10. **NEXT BOARD MEETING**

August 12, 2015. The Chair reminded the Board that it is in Recess in July.

11. **ADJOURNMENT**

There being no other business, the meeting was adjourned at 5:50 p.m.

Disclosure: The above captioned Minutes are transcribed in a summary format. To hear the full meeting, a compact disk of the meeting (#HFA 6-10-2015) can be provided after 24 hours' notice to the administrative office at 954-357-4928

Exhibit 1



110 Northeast 3rd Street, Suite 300
Fort Lauderdale, Florida 33301
Tel: 954.357.4900
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TO: Housing Finance Authority of Broward County

FROM: Norman Howard, Assistant to the Director

DATE: June 10, 2015

SUBJECT: Board Meeting June 10, 2015, **Agenda Item 5 (Proposed Budget for FY2016)**
Board Member Question

QUESTION:

Is it possible to do a revision to Attachment 1 for comparative purposes that shows the current year as well, for example: the actuals through 4/30 (or 5/31) extrapolated/estimated through 9/30?

ANSWER:

See attached Proposed Budget spreadsheet



**HOUSING FINANCE AUTHORITY OF BROWARD COUNTY
PROPOSED BUDGET
FOR YEAR ENDED SEPTEMBER 30, 2016**

	Actual YTD as of	Projected through	Final Amended Budget	Proposed Budget	\$ Budget Difference Increase (Decrease)	% Budget Difference Increase (Decrease)
	5/31/2015	9/30/2015	FY 2015	FY 2016	FY 2015/FY 2016	FY 2015/FY 2016
Revenue:						
Authority Fees	505,192	572,335	\$ 572,335	\$ 512,476	\$ (59,859)	-10%
Other Bond Issuance/Redemption Inc	160,560	215,560	240,836	290,986	50,150	21%
Lender & MCC Programs Income	17,025	27,075	30,000	29,000	(1,000)	-3%
Interest Income	113,353	163,000	150,000	160,000	10,000	7%
Gain/Loss Investments			-	-	-	-
Rent Income	74,934	112,398	112,398	112,398	-	0%
TOTAL REVENUE			\$ 1,105,569	\$ 1,104,860	\$ (709)	0%
Other Sources of Funds:						
Liquidation of Investments	500,000	500,000	\$ 150,000	-	\$ (150,000)	-100%
Sale of Franklin Park Homes	0	3,000,000	3,000,000	-	(3,000,000)	-100%
TOTAL REVENUE AND OTHER SOURCES OF FUNDS	\$ 1,371,064	\$ 4,590,368	\$ 4,255,569	\$ 1,104,860	\$ (3,150,709)	-74%
BOCC Expenses:						
Personnel Expenses:						
Regular Salaries	291,664	437,496	\$ 456,564	\$ 471,330	\$ 14,766	3%
Benefits	94,330	162,801	151,595	168,080	16,485	11%
SUBTOTAL, PERSONNEL EXPENSES	\$ 385,994	\$ 600,296	\$ 608,159	\$ 639,410	\$ 31,251	5%
Operating Expenses:						
Auditing Fee	46,150	46,150	\$ 46,150	\$ 46,150	-	0%
Contract Svcs	0	5,000	5,000	5,000	-	0%
Contract Svcs - Recurring/Temp Personnel	382	572	-	-	-	-
Travel/Per Diem	498	7,200	10,000	10,000	-	0%
Education	0	3,000	3,000	3,000	-	0%
Motor Pool	1,703	2,555	2,850	3,260	410	14%
Software Support	0	1,980	1,980	1,980	-	0%
Telephone	462	700	1,000	820	(180)	-18%
Communication Devices	847	1,271	1,120	1,120	-	0%
Postage	1,108	1,662	2,000	-	(2,000)	-100%
Rent Office Equipment	1,052	1,578	2,500	2,500	-	0%
Self Insurance	190	285	380	450	70	18%
Building Maintenance	18,481	27,722	18,750	18,750	-	0%
Equipment Maintenance	0	2,500	2,500	2,500	-	0%
Ground Maintenance	0	2,500	2,500	2,500	-	0%
Comp Maintenance	0	2,500	2,500	2,500	-	0%
External Printing	0	1,500	1,500	1,500	-	0%
Internal Printing	17	2,500	2,500	2,500	-	0%
Advertising	829	3,500	3,500	3,500	-	0%
Cost Allocation	43,580	65,370	65,390	33,540	(31,850)	-49%
County Attorney	0	25,000	25,000	25,000	-	0%
Office Supplies	6,914	8,000	8,000	8,000	-	0%
Office Eq <1000	369	1,500	2,500	2,500	-	0%
Dues & Memberships	976	1,464	2,500	2,500	-	0%
Subscriptions	420	630	1,500	1,500	-	0%
Miscellaneous Exp.	628	1,500	5,180	5,180	-	0%
SUBTOTAL, OPERATING EXPENSES	\$ 124,606	\$ 218,139	\$ 219,800	\$ 186,250	\$ (33,550)	-15%
Capital Expenses:						
Machinery & Equipment	-	2,610	-	-	(2,610)	-100%
Computer Hardware	-	-	2,610	-	(2,610)	-100%
SUBTOTAL, CAPITAL EXPENSES	\$ -	\$ 2,610	\$ 2,610	\$ -	\$ (2,610)	-100%
TOTAL BOCC EXPENSES	\$ 510,600	\$ 821,045	\$ 830,569	\$ 825,660	\$ (4,909)	-1%
Authority Expenses:						
Professional Fees, Accounting	76,440	95,000	\$ 95,000	\$ 85,000	\$ (10,000)	-11%
Professional Fees, Zomermaand Assoc.	43,350	69,950	70,000	65,000	(5,000)	-7%
Professional Fees, Bond Counsel	0	12,000	12,000	6,000	(6,000)	-50%
First Housing Development Inc.	6,075	6,075	8,000	-	(8,000)	-100%
Advertising/Marketing/Notices	1,234	3,800	4,000	4,000	-	0%
Dues/Membership/Conference	2,115	4,715	5,500	5,500	-	0%
Single Family Bonds/Audits Fees	0	13,200	-	13,200	13,200	-
Conference/Travel	8,990	12,000	10,000	10,000	-	0%
Postage/Fedex	0	120	500	500	-	0%
Building/Maintenance	36,798	54,700	57,000	57,000	-	0%
Utilities	14,412	28,800	33,000	33,000	-	0%
Franklin Park Homes Construction	88,156	3,000,000	3,000,000	-	(3,000,000)	-100%
Debt Service Principal	0	125,000	125,000	-	(125,000)	-100%
Debt Service Interest	0	5,000	5,000	-	(5,000)	-100%
Total Authority Expenses	\$ 277,570	\$ 3,428,360	\$ 3,425,000	\$ 279,200	\$ (3,145,800)	-92%
TOTAL EXPENSES	\$ 788,170	\$ 4,249,405	\$ 4,255,569	\$ 1,104,860	\$ (3,150,709)	-74%