

BOARD MEETING MINUTES
Wednesday, May 13, 2009

- Present: Donna Jarrett, Chair
Brad Orvieto, Vice Chair
Jon E. Dorsey, Secretary
Kirk L. Frohme, Assistant Secretary
David Esposito, Member
Jose "Pepe" Lopez, Member
Bertha Smith, Member
Kenneth Thurston, Member
- Absent: Robert McKinzie, Member
- Staff: Norman Howard, Assistant to the Director
Noel Pfeffer, Deputy County Attorney
Purvi Bhogaita, Assistant County Attorney
Mary O'Donnell, Broward County Accounting Division
Andree Hammond, Broward County Real Property
Elizabeth Gonzalez, Division Administrative Assistant
- Also Present: Deborah Zomermaand, Zomermaand Financial Advisory Services
Liz Feezor, Bank of New York Mellon Trust
Helen Feinberg, RBC Capital Market
Jeff DeCarlo, Adorno & Yoss
Patt Denihan, eHousing
Paloma Miranda, eHousing
Phil Harloff, Raymond James & Assoc.
Linda Dufresne, Dufresne & Assoc.
Anthony Brumson, Sharpton, Brunson & Co. P.A.
Kevin Adderley, Sharpton, Brunson & Co. P.A.
Audley Porter, Sharpton, Brunson & Co. P.A.
Ron Moore, Leader Financial Services
Zakaria Jaber, Masjid Al-Iman
Hossam El Rafa, Masjid Al-Iman
Jameel Raashib, Masjid Al-Iman

A regular Board meeting of the Housing Finance Authority of Broward County, Florida was held on Wednesday, May 13, 2009, at 110 NE 3rd Street, Suite 201, Fort Lauderdale, Florida. Chair, Donna Jarrett, called the meeting to order at 5:30 pm.

A Roll Call was taken and a quorum declared.

CONSENT AGENDA

1. Approval of April 13, 2009 Regular Meeting Minutes
2. Executive Report
3. Finance Reports

Ms. Jarrett requested replacing page 1 of the Minutes to include Mr. McKinzie's attendance to the April meeting .

Mr. Thurston arrived at 5:40 p.m. and was noted as being present at the HFA Board Meeting.

On a motion by Mr. Esposito, seconded by Ms. Smith, the consent Agenda of April 13, 2009 was unanimously approved.

4. Sharpton, Brunson & Co., P.A. Presentation

Mr. Anthony Brunson, a Partner of Sharpton, Brunson & Co., P.A., introduced his colleagues Mr. Kevin Adderley, who served as Manager on this Account and now is a Partner, and Mr. Audley Porter, who was directly involved and supervised this audit. Mr. Brunson gave a presentation of the audit results and financial overview of the HFA Multi-Family and Single Family Bond Issues as of September 30, 2008. He referred to a handout of the audit results, which summarized all the bond activities and the work done during the past cycle. Mr. Brunson mentioned page two of the handout and went over the general auditing policies as well as the government compliance standards. He also indicated that they reviewed 48 bonds, of which 39 were multi-family and nine were single family, compared to 45 bonds from the previous year. Mr. Bronson stated that audit results had an unqualified audit opinion and there were no significant deficiencies. This is a reflection on management; taking into consideration there was a transition last year, when we hired an outside accounting firm, Dufresne & Associates, CPA, PA. The process went smoothly and the firm staff was very responsive to all the inquiries.

Mr. Bronson mentioned that the following bonds were added during the 2008 period: 2008 Series, on page 4, and Single Family 2007 Series, on page 5, which resulted on additional units into the housing stock. He also indicated that, on page 6, the 1985 Bond Series B experienced a loss of about \$48,000, with an accumulated loss of \$393,000, and these bonds were insured by the Financial Guarantee Insurance Group (FGIG). There was a

lengthy discussion among Mr. Orvieto, Mr. Frohme, Ms. Feinberg, Ms. Feezor, and Mr. Harloff regarding this item.

Mr. Bronson also mentioned the 2006 Single Family Bond Series A, B, & C, on page 8, which has an accumulated deficit of about \$325,000, resulting mostly from an arbitrage liability of \$154,000. A lengthy discussion followed among Mr. Frohme, Ms. Zomermaand, and Ms. Feinberg in reference to this subject. Regarding the 2007 Series A, B & C Bonds, on page 9, Mr. Bronson indicated that the HFA made a contribution of \$800,000 to these bonds.

Mr. Bronson added that significant accounting policies were used during this audit, no unusual transactions were found, and no significant litigations or contingencies exist. Mr. Orvieto asked Ms. O'Donnell for her opinion on whether this was the most efficient and smoothest audit up-to-date, considering the changes made to our accounting structure, and Ms. O'Donnell agreed.

5. Franklin Park Lots

Mr. Howard gave a background report on this subject and introduced representatives from the Masjid Al-Iman Islamic & Community Center: Mssrs. Zakaria Jaber, Hossam El Rafa, and Jameel Raashib; as well as Ms. Andree Hammond with Broward County Real Property.

There was a lengthy discussion among Mr. Thurston, Mr. Esposito, Mr. Orvieto, Ms. Smith, Mr. Dorsey and Mr. Pfeffer regarding the size, use, and platting of this lot.

A motion by Mr. Thurston, seconded by Mr. Orvieto, to approve the conveyance of the HFA's interest in certain real property known as Lot 31 to Broward County and authorize the appropriate quit claim deed was unanimously approved.

6. 2007E Single Family Mortgage Revenue Bond Programs

Ms. Zomermaand gave a brief description of this bond and requested approval from the Board to send correspondence to the Trustee authorizing a special mandatory redemption.

A motion by Mr. Esposito, seconded by Mr. Thurston, to authorize staff to send correspondence to the Trustee authorizing the Special Mandatory Redemption to the 2007E Bonds Due to Failure to Purchase 2007E Guaranteed Mortgage Securities was unanimously approved.

INFORMATION ITEMS

7. Broward County Neighborhood Stabilization Program (NSP)

Mr. Howard mentioned he had informed the Board at the last meeting that the HFA was going to hold title on these properties until they were rehabilitated and resold through the County's First Time Home Buyers Program. Since then, staff had surveyed cities that have

implemented similar program strategies as the county and found that these cities are having the vendors take title to the properties.

Mr. Howard also informed that the Board of County Commissioners approved that concept. Therefore, there is no need for the HFA to intervene in reference to that transaction.

8. MATTERS FROM THE HFA MEMBERS

Ms. Smith asked for an update on the RLI for Audit Services that was approved at the last Board Meeting. Mr. Howard informed that the applications would be received until May 22, 2009 and they need to be ranked at the next Board meeting. He asked the Board for directions on the presentation and ranking of the proposals.

After a discussion among the Board Members, Mr. Howard and Mr. Pfeffer regarding the timelines of the RLI, the Board proposed changing the date of the next Board Meeting to Monday, June 8, at 5:30 p.m.

A motion by Ms. Smith, seconded by Mr. Frohme, to change the date of the next Board Meeting to Monday, June 8, at 5:30 p.m. and to rank the firms' presentations at the meeting was unanimously approved.

9. MATTERS FROM THE FLOOR

Mr. Howard introduced Mr. Ron Moore from Leader Financial Services and Mr. Moore thanked the Board for their decision and consideration in selecting his firm for the Master Servicer.

Ms. Zomermaand mentioned a letter sent to the State on May 11, 2009 requesting funding to be allocated to local HFA's. This is in addition to a letter sent by Ralph Stone on March 18, 2009 regarding the same subject. Ms. Zomermaand offered to keep the Board informed on any development.

11. NEXT BOARD MEETING

June 8, 2009 at 5:30 PM

12. ADJOURNMENT

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Disclosure: The above captioned Minutes are transcribed in a summary format. To hear the full meeting, a compact disk of the meeting can be provided after 24 hour notice to the administrative office at 954-765-5382.