



## Minutes of the Board of Commissioners Meeting March 17, 2009

### **MEETING CONVENED**

A regular meeting of the Board of Commissioners for MaineHousing convened on March 17, 2009 at the offices of MaineHousing, 353 Water Street, Augusta, Maine. A notice of the meeting was published on March 6, 2009 in the Central Maine Newspapers.

Commissioner Carol Kontos called the meeting to order at 9:10 a.m. with Commissioner and Director Dale McCormick, Commissioners Don Gean and Sheryl Gregory present. Commissioners Nikki McLean, Elizabeth Mahoney, and David Lemoine were absent.

### **PUBLIC ATTENDANCE**

Other guests and staff present at the meeting include: Margaret Bean & Adam Krea, Deputy Directors; Linda Grotton, Internal Audit Manager; Tom Cary, Treasurer; Dan Brennan, Director of Development; Darren Brown, Controller; Laurie Murray, Loan Servicing Manager; Peter Merrill, Director of Communications and Planning; Nancy Fritz, Director of Homeless Initiatives; Barbara Berry; and Jody Rollins, Office Administrator and note taker.

### **AGENDA**

*Commissioner McCormick made a motion seconded by Commissioner Gean to accept the agenda. All Commissioners were in favor of accepting the agenda.*

### **COMMUNICATIONS/CONFLICTS**

Commissioner McCormick reported that Commissioner Barbara Mahoney was unable to attend the meeting today because of a family crisis and sends her regrets that she's been unable to attend two meetings.

### **MINUTES OF THE MEETING**

*Commissioner Gean made a motion seconded by Commissioner Gregory to accept the minutes as presented. All Commissioners voted to accept the minutes as amended.*

### **FINANCIAL REPORT & UPDATE**

Darren Brown reported on delinquencies in all portfolios. There have been no significant changes since last month. The single-family delinquency rate which had been trending upward has decreased by 25 basis points over the past month. The overall delinquency and foreclosure rates continue to be well below the rates reported for all Maine loans. In addition, MaineHousing's workout activity to actual foreclosure ratio is at 87% which is significantly better than the current industry average of 55%.

Darren reported that MaineHousing is no longer accepting Private Mortgage Insurance (PMI) loans into our portfolio as of March 13th. There is a general uncertainty around PMI Insurance companies and we don't want these loans to affect our ability to preserve our current AA+ and Aa1 bond rating. Approximately 20% of the MaineHousing portfolio are PMI loans. Tom Cary further explained the Private Mortgage Insurance market and its relation to the bond market. Members of the Board requested that the PMI Loan portfolio be an agenda item in April.

### **DIRECTOR UPDATES**

Commissioner McCormick presented the following information in her updates:

- State of the State Address – MaineHousing was called upon to advise the Governor on his announcement of the various weatherization programs in his address.
- Meetings with Congressional Delegation – The recent meetings with Senators Snowe and Collins were exceptional. Senator Collins was excited about the ITV Weatherization classes and the current graduation of 57 from the first class who will now participate in an OJT program.
- Dale and carbon consultants recently met with Oak Ridge and formed an advisory group who decided that Maine will become their pilot project.
- Dale is meeting with the Governor on three energy related bills.

## **LEGISLATIVE UPDATES**

Peter Merrill presented the following information in his updates:

- The public hearing on Commissioner Gean's resolve (LD 576) with MaineHousing and DHHS is heading in the right direction.
- 5 out of 6 recent bond hearings have had MaineHousing's name on them. These include 2 affordable housing bonds, 2 on green, and one on affordable housing. The Governor has his own package.
- Peter and Adam will be visiting with advocates of the Maine Affordable Housing Coalition bill this afternoon.
- Recovery Update – We are preparing our presentation to the Legislature on how we are going to spend the recovery package money. There are three areas of spending - \$6.5m on Homelessness, \$41m on Weatherization, and \$11m Fed Home Gap filler for T-CAP (tax credit assistance program).

Nancy Fritz reviewed the Statewide Homeless Council 2-phase proposal. The first year would focus on three initiatives: security deposits for the homeless, case management and housing supports for people with mental illness; replication of a Cumberland county project that prevents homelessness or rapidly re-houses people who are homeless. Phase two will carefully monitor results of Phase I and refocus as necessary. Commissioner Gean complimented both Nancy and Dale on a well managed meeting and creating a 2-part system.

## **OTHER BUSINESS**

There was an Audit Committee meeting in Portland on February 26. Linda will provide an audit report at the April meeting.

Commissioner Kontos reminded the Board that this portion of the meeting is also for them to share information and welcomed their input.

Commissioner Kontos led a discussion regarding Board vacancies and appointments. Name recommendation, vetting process, conflict of interest, and process were discussion. Commissioner Kontos suggested she be the receptacle for names, and that she and Commissioners Gean and Gregory will make an appointment to talk with the Governor with the goal of appointments being made before the end of this session. Peter Merrill will look at the timeline so we can formulate an action plan.

*Commissioner Gregory made a motion seconded by Commissioner Gean to adjourn the meeting at 11:00 a.m.*

## **NEXT MEETING**

The next meeting of the Board of Commissioners will be held on May 19, 2009 at the offices of MaineHousing.

Respectfully submitted,

Donald Gean, Secretary