



Minutes of the Board of Commissioners Meeting April 20, 2010

MEETING CONVENED

A regular meeting of the Board of Commissioners for MaineHousing convened on April 20, 2010 at the offices of MaineHousing, 353 Water Street, Augusta, Maine. A notice of the meeting was published on April 13, 2010 in the Central Maine Newspapers.

Chair Kontos called the meeting to order at 9:05 a.m. with Commissioners Nikki McLean, Dale McCormick, Barbara Berry, Donald Gean, Sheryl Gregory, Mark Samson and Raymond Cota in attendance. Commissioners David Lemoine and Elizabeth Mahoney were absent. There was a quorum present.

PUBLIC ATTENDANCE

Other guests and staff present at the meeting include: Margaret Bean & Adam Krea, Deputy Directors; Tom Cary, Treasurer; Darren Brown, Controller; Laurie Murray, Deputy Controller; Bill Glover, Manager of Lending; John Bobrowiecki, Counsel; Linda Grotton, Internal Audit Manager; and Jody Rollins, Office Administrator and note taker.

Chair Kontos introduced Commissioner Mark Samson and announced that MaineHousing had a full Board of Directors. Staff attending the meeting introduced themselves to Commissioner Samson.

AGENDA

Commissioner Gregory made a motion seconded by Commissioner McCormick to accept the agenda. All Commissioners were in favor of accepting the agenda. The motion carried 7-0.

COMMUNICATIONS/CONFLICTS

There were no communications or conflicts to report.

MINUTES OF THE MEETING

Commissioner Berry made a motion seconded by Commissioner Cota to accept the January minutes as presented. All Commissioners voted to accept the minutes. The motion carried 7-0.

FINANCIAL REPORT & UPDATE

Darren Brown reported on the status of our delinquencies and foreclosures for all three of the loan portfolios. After 10 consecutive months of increases, the single family portfolio showed a decrease. The in foreclosure rate increased for the third consecutive month and is at an all time high of 2.24%. There was no significant increase in forecloses and 5 were reported for the year. He expects the foreclosure rate will continue to rise and projects a 20-30% increase in total workouts for the 2010 year. Darren reported very little change in the multi-family loan portfolio delinquency rate. Home Improvement delinquencies rates decreased for the third consecutive month which is attributed to the servicing collection effort. There have been no foreclosures in 2010.

Darren provided an overview on the impact higher delinquencies and defaults have on MaineHousing financial statements. He reviewed the loan loss reserves and provided a handout on the loan loss activity. His presentation is a prelude to next month when Baker Newman and Noyes will provide a full financial audit review. Board members requested they receive Baker Newman and Noyes materials in the board packet prior to the meeting.

PROPOSED 2010-2011 LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP) STATE PLAN

Commissioner Cota recused himself from the conversation and vote pending a possible conflict of interest.

Margaret Bean summarized the LIHEAP State Plan processes for the new Commissioners. Every three years DHHS regulates we propose a detailed model plan. Each year in between we must present an abbreviated or revised plan. MaineHousing statute requires the Board to approve the LIHEAP rule. The Weatherization and LIHEAP rules will be presented in December for approval in February 2011.

Ms. Bean reviewed the five proposed changes to the Proposed 2010-2011 State Plan and noted the Public Hearing will be next month.

DIRECTOR UPDATES

Dale McCormick provided the following updates:

- Dale reviewed LIHEAP Benefits by CAA and provided a handout.
- PROP will no longer provide home repair – CCI will take over their clients.
- Wabanaki Housing Circle (Indian nation) invited us to participate in a group to look at how we can make programs work together better. There are complications with tribal leased land when working with banks. Debbie King Johnson and Dan Brennan are assigned as our liaisons to the tribal commission.
- We participated in a national call with DOE. MaineHousing is doing very well utilizing ARRA money by reaching the 30% Weatherization production goal. Maine is 8th in the nation.
- Commissioner Gregory appeared on Maine Biz Sunday with Chris Pinkham and spoke about real estate and the economic market. There will be a link for viewing on the MaineHousing website.
- All Staff Day is April 27 at the Augusta Civic Center.
- John Bobrowiecki has been working on the Section 8 lawsuit and provided an update. In a recent trip to D.C. a model was put in place to address these Section 8 matters outside of court. An update will be provided at the May meeting.

COMMISSIONER UPDATES

There were no updates from Commissioners.

NEXT MEETING

The next meeting of the Board of Commissioners will be held on May 18, 2010 at the offices of MaineHousing.

ADJOURN

Commissioner Samson made a motion seconded by Commissioner Berry to adjourn the meeting. All Commissioners voted unanimously to adjourn the meeting at 10:40. The motion carried 7-0.

Respectfully submitted,

Donald Gean, Secretary