



NEW MEXICO MORTGAGE FINANCE AUTHORITY
Board Meeting
344 4th St. SW, Albuquerque, NM
Wednesday, February 21, 2024- 10:30 a.m.

Proposed Agenda

Chair Convenes Meeting

- Roll Call (Izzy Hernandez)
- Approval of Agenda – Board Action
- Approval of 1/17/24 Board Meeting Minutes – Board Action

Closed Session

Action Required

(Motion and affirmative vote required to close the meeting)

- 1 Executive Session- Limited Personnel Matters YES
- Executive Session to be held pursuant to Section 10-15-1 H (8) of the Open Meetings Act: Executive Director

Open Session

Action Required

- 2 (Motion and affirmative vote required to open the meeting) YES
- Executive Director Updates
 - Governor Michelle Lujan Grisham Comments

Board Action Items

Action Required

Consent Agenda

- 3 **Board Update - Real Estate Owned Update (Teresa Lloyd)**- Provide an annual update to the Board regarding MFA's Real Estate Owned portfolio. MFA anticipates no foreclosures in FY 2024 to result in a Real Estate Owned portfolio. MFA's exposure will be assessed at that time, but staff anticipates the financial impact to MFA will not be material. YES

Other

- 4 **Annual Disclosures, Board Members and Executive Directors/CEO (Elenor Werenko)** NO
- 5 **MFA Portfolio Delinquency Update (Teresa Lloyd)**- Delinquency trends for MFA's loan portfolio as of December 31, 2023 to include the first mortgage portfolio subserviced by Idaho Housing Finance Association and MFA's in house direct servicing portfolio. MFA's subserviced portfolio delinquency as of December 31, 2023 is 12.97% up from 9.84% June 30, 2023. MFA's in house direct servicing portfolio delinquency as of December 31, 2023 is 8.52% down from 9.96% as of June 30, 2023. The presentation will also discuss actions taken to reduce delinquency and the impacts the economy and other factors have on both portfolios. NO
- 6 **Consolidated Plan Consultant Overview (Sherry Stephens, Erich Chatham, Owner/Lead Consultant, Spencer Christian, Director of Operations, Civitas)**- The attached PowerPoint presentation is to provide an informational update on efforts made to summarize the process for community outreach, statewide engagement, survey tools, and data compilation for this regulated and required HUD process. NO

Finance Committee

- 7 **MFA Employee Benefits & Management Internal Audit Report (Claire Hilleary, CPA, Director with Moss Adams)**- Moss Adams LLP (Moss Adams) was contacted by the NMMFA to perform an internal audit related to MFA's employee management and retirement plan functions. The areas of focus for this internal audit included determining whether MFA followed select internal procedures as well as complying with the 401K Plan Document. Further testing was done to evaluation compliance with select MFA policies and procedures (P&Ps) related to MFA's employee management practices including maintaining employee files, employee disciplinary action, employee

terminations and the Family and Medical Leave Act (FMLA). This internal audit took place between September 2023 through January 2024. There were no findings for this internal audit. YES

8 Delegation of Authority for Multifamily Bond Inducement Resolution Approval – One-Year Renewal (Christi Wheelock & Alex Lundy) - MFA Staff recommends renewal of the approval from the MFA Board to delegate the authority to issue individual Inducement Resolutions to each project as a staff action, extending the approval for another year. The following individuals would be authorized to execute the Inducement Resolutions issued through a staff action. YES

9 12/31/23 Financial Statement Review (Arundhati Bose)- Ongoing. Discuss the Quarterly financial statement for the Quarter ending Dec 31, 2023. Provide insights into trends and variance analysis highlighting key variables impacting the organization’s financial health. YES

Contracted Services/Credit Committee

10 FY2023 Recurring Severance Tax Bond Funding Resolution, Notification and Certification, and Reallocation (Stephanie Gonzales & Robyn Powell) - Staff recommends that the MFA Board of Directors adopt the New Mexico Mortgage Finance Authority Resolution, Notification and Certification Amendment to the New Mexico State Board of Finance certifying the need for funding in the amount of \$37,530,000 for state fiscal year 2024. The amended certification will reallocate the \$3,400,000 in the first mortgage; affordable homeownership loan purchase to down payment assistance for \$3,125,000 and to single family emergency repairs, accessibility, energy efficiency improvements and rehabilitation for \$275,000. YES

11 Housing Innovation Award Recommendations (Daniela Freamon & Sonja Unrau)- The Housing Innovation Scoring Committee recommends awarding \$262,498 to the Sawmill Community Land Trust under the Housing Innovation Notice of Funding Availability, and as Trustee of the New Mexico Housing Trust Fund. YES

Other

12 Annual Presentation by Capital Solutions Group (CSG) / Royal Bank of Canada (RBC)- (Arundhati Bose, RBC Underwriter, Mina Choo & CSG Financial Advisor, David Jones)- presentation by NMMFAs Financial Advisor and Senior Underwriter highlighting the macro environment, bond structures designed and process of bond marketing. NO

13 MFA Housing Continuum Updates (Donna Maestas DeVries & Jeff Payne) NO

14 Quarterly Multifamily Project Completion Report (George Maestas) - For informational purposes, staff will provide an overview of the quarter one report on the construction progress for multifamily projects and present information on any upcoming loan closings and ribbon cuttings. NO

Other Board Items

Information Only

15 (Staff is available for questions)

- Staff Action Requiring Notice to Board
- 12/31/23 Quarterly Investment Financial Report
- MFA Strategic Plan Benchmarks FY 2024 Q1
- New Mexico Housing Trust Fund Monthly Update
- Marketing & Communications Monthly Update
- Quarterly Board Report

Announcements and Adjournment

Discussion Only

Confirmation of Upcoming Board Meetings

- February 22, 2024 – Thursday- 3:00 p.m. Investment Committee Meeting (Board Members please RSVP if interested in attending)
- March 12, 2024 - Tuesday, Contracted Services 10:00 a.m. Finance Committee 1:30 p.m.
- March 20, 2024 – Wednesday – 9:30 a.m. (MFA Board of Directors Meeting)
- March 20, 2024 - Wednesday – 12:30 p.m. MFA Board Working Session
- March 28, 2024 – Thursday- 3:00 p.m. Investment Committee Meeting (Board Members please RSVP if interested in attending)
- April 9, 2024 – Tuesday, Contracted Services 10:00 a.m. Finance Committee 1:30 p.m.
- April 17, 2024 - Wednesday- 9:30 a.m. (MFA Board of Directors Meeting)
- April 17, 2024 – Wednesday- 12:30 p.m. MFA Board Working Session
- April 25, 2024 – Thursday- 3:00 p.m. Investment Committee Meeting (Board Members please RSVP if interested in attending)

- May 7, 2024 – Tuesday, Contracted Services 10:00 a.m. Finance Committee 1:30 p.m.
- May 15, 2024 - Wednesday- 9:30 a.m. (MFA Board of Directors Meeting)