MEETING MINUTES (DRAFT)
ARIZONA HOUSING FINANCE AUTHORITY
ANNUAL BOARD MEETING
January 13, 2011

Location
1110 West Washington, Suite 280
Phoenix, AZ 85007
12:00 Noon

Board Members Present
Carol Parry*
Paul DeSanctis
Richard Houseworth
Ross McCallister*
Robert Gardiner

Others in Attendance
Michael Trailor
Scott Ruby
Frank Fallon*
Bill Gehrig *
Shaun Rieve
Carl Kinney
Susy Bustillos
Carol Ditmore

*Joined by phone

Board Members Not Present
Randy Pullen
Manny Gonzalez

1. **Call AzHFA Board Meeting to Order and Roll Call (Chairperson Parry)**

   Chairperson Parry called the meeting to order at 12:03 pm. Chairperson Parry asked for a roll call of Board members. Board members Houseworth, Gardiner and DeSanctis were present while board members Parry and McCallister were present via phone. Board members Gonzalez and Pullen were not present.

2. **Call to the Public (Chairperson Parry)** No action will be taken on any item presented during the Call to the Public unless such item is also listed on the agenda. Comments are limited to three (3) minutes.

   Chairperson Parry made a call to the public. There was no response.

3. **Approval of Minutes (Secretary Gonzalez)** Discussion of minutes from the December 9, 2010 Board meeting: vote to approve or deny.

   Chairperson Parry asked for a motion to approve the minutes from the December 9, 2010 meeting. Mr. Houseworth made a motion to approve the minutes from the December 9, 2010 Board meeting; the motion was seconded by Mr. DeSanctis. Motion carried.

4. **Treasurer's Report (Treasurer Gardiner)**
   Vote to accept or reject Treasurer's Reports for December, 2010. Discussion, consideration and/or vote.

Treasurer Gardiner presented the Treasurer's Report for December, 2010. Mr. DeSanctis made a motion to accept the Treasurer's Reports for October and November, 2010; the motion was seconded by Mr. Houseworth. Motion carried.

5. **Director's Report (Mr. Michael Trailor)**

a) Foreclosure Initiative Program
Director Trailor provided an update on the status of the Save My Home AZ program.

b) Proposed SEC Rule Defines Appointed HFA Board Members as Municipal Advisors
Mr. Ruby explained the proposed SEC Rule which would define appointed HFA Board Members as Municipal Advisors and the possible implications on the HFA members. The proposed rule is currently out for public comment.

6. **Federal and State Legislative Update (Mr. Shaun Rieve)**

- Federal Legislation
  Mr. Rieve reported that last month Congress passed a Continuing Resolution that will fund the government at current levels until March 4th. At that time a new budget will need to be approved and the agency is foreseeing future cuts.

- State
  Mr. Rieve shared that the Agency's continuation bill, HB 2079, has been sponsored by Representative Jerry Weiers. Board Members will be updated on the status of the bill as it moves through the process.

  In addition, Mr. Rieve reported that the Governor's budget is scheduled for release on Friday, January 14th.

7. **AzHFA Budget Update (Ms. Carol Ditmore)**

Ms. Ditmore presented a financial forecast of the AzHFA Budget thru fiscal year 2015.

8. **Update on Programs (Mr. Carl Kinney)**

2009 MRB Program
The $25 million 2009 New Issue Bond Program closed December 30, 2009 and opened for reservations beginning March 3, 2010. Twenty-three lenders have now signed up to participate in the program. One hundred-eight loans have been reserved as of December 31, 2010 in the amount of $12,462,218.

The AzHFA completed a release of $8 million of Program Bonds on December 20, 2010. This release allowed the AzHFA to take advantage of the locked bond rate of 3.11%.

2009 MCC Program
The AzHFA closed on a $20 million 2009 MCC program on June 30, 2009. The AzHFA began issuing Certificates from the 2009 program in December, 2009 following the full usage of the 2008 program. One hundred forty-eight certificates have been issued as of December 31, 2010 representing loans in the amount of $17,309,877.

Multi-Family
No updates.

Foreclosures

Mr. Kinney provided an update on foreclosures.

9. **AzHFA Board meeting dates and meeting times (Mr. Carl Kinney)**

Discussion and possible vote to change the meeting dates and/or meeting times of the Board meetings. Discussion, consideration and/or vote.

Board members discussed the possibility of changing the meeting time for all subsequent meetings. In consideration of members not present, Mr. Kinney will ask for a poll of the preferred meeting times via email and inform the Board Members once a consensus has been reached.

10. **Chairperson's Report (Ms. Parry)**

Ms. Parry made a call to Board Members for any comments, issues, etc.

Ms. Parry had no report.

11. **Adjourn**

Mr. McCallister moved to adjourn the meeting. The motion was seconded by Mr. DeSanctis. Motion carried. The meeting adjourned at 1:22 pm.