



South Carolina State Housing Finance and Development Authority

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Donald R. Tomlin, Jr.
Chairman

Robert S. Wilson, Jr.
Interim Executive Director

REGULAR COMMISSION MEETING

The Board of Commissioners of the South Carolina State Housing Finance and Development Authority met on Wednesday, October 25, 2017 at approximately 10:00 a.m., at the Authority's office, 300-C Outlet Pointe Boulevard, Columbia, South Carolina.

The following Commissioners were in attendance:

Donald R. Tomlin, Jr., Chairman
Robert D. Mickle, Jr., Vice Chairman
Bradley J. Allen
Charles E. Gardner
Chris Goodall
Kenneth E. Ormand, Jr.
Sue Ann Shannon
Mary Sieck

Staff attending the meeting included the following:

STAFF: Robert Wilson, Interim Executive Director
Ed Knight, Deputy Director of Programs
Richard Hutto, Deputy Director of Financial Operations
Tracey Easton, General Counsel
Anastasia Rodriguez, Internal Audit
Steve Clements, Homeownership
Kim Wilbourne, SC HELP
Bonita Shropshire, Executive Assistant

Chairman Tomlin called the meeting to order and asked Robert Wilson to read into the record the Freedom of Information Statement.

“As required by the provisions of Section 30-4-80(e) of the Code of Laws of South Carolina, notification of this meeting has been given to all persons, organizations, local news media, and other news media which have requested such notifications.”

Agenda

Chairman Tomlin presented the agenda and asked if there were any amendments or corrections.

Commissioner Mickle asked that items B.1 and B.2 outlined under the Program Committee be tabled until a later date.

MOTION Commissioner Allen moved to adopt the agenda as amended. The motion received a second from Commissioner Shannon. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Minutes

The Chairman asked if there were any additions or corrections to the minutes of September 20, 2017. There being none, he called for a motion to approve the minutes.

MOTION Commissioner Sieck moved to approve the minutes of September 20, 2017 as presented. The motion received a second from Commissioner Goodall. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Finance & Audit Committee

The Chairman asked Richard Hutto for the financial audit review. Mr. Hutto presented the audited financial statements as issued by Elliott Davis, LLC, Certified Public Accountants, for the period ending June 30, 2017. He provided an in-depth overview of the audited statements and a supplemental explanation about the market adjustments required by the Governmental Accounting Standards Board (GASB). Commissioner Goodall commended the staff for an excellent audit report with no findings in the audit.

Bond Committee**Carry-forward Allocation Request**

Ms. Easton asked for consideration of a Resolution authorizing a petition to the State Fiscal Accountability Authority (SFAA) requesting allocation of any unused portion of the State's 2017 Private Activity Bond Ceiling. Ms. Easton offered a thorough explanation of how private activity bonds are issued and also stated the Authority has asked the SFAA to allocate all or a portion of the State's unused bond cap in previous years and the SFAA has responded favorably. Ms. Easton stated that staff had recommended this Resolution to the Bond Committee earlier that morning. Commissioner Mickle confirmed that the Bond Committee had received and reviewed the request, and recommended approval by the full Board.

MOTION Commissioner Mickle moved to approve the Resolution. There being no further discussion, all Commissioners voted in the affirmative and the motion carried.

Homeownership Update

The Chairman asked Steve Clements for the Homeownership division report. Mr. Clements began with by reporting that new loan reservations for the month of September were down, totaling \$5.4 million in new reservations (net cancellations). He also reported that first mortgage loan purchases were up for the month totaling \$10.1 million. He then highlighted mortgage rates, down payment assistance and MCC data. Mr. Clements concluded his report by informing the Board that Staff was still exploring a home buying counseling program.

SC HELP Update

Chairman Tomlin asked Kim Wilbourne for the SC HELP update. Ms. Wilbourne reported that the U.S. Department of Treasury had approved the request to reallocate \$6 million of administrative funds to program funds. Ms. Wilbourne stated that staff expects the application portal to remain opened until the end of November. She then went over the program performance data highlighting over twelve thousand homeowners funded and over \$259 million in funds disbursed and committed.

Consideration to Adopt Proposed 2018 Board Meeting Schedule

The Chairman asked Bonita Shropshire to present the Proposed 2018 Board Meeting Schedule. Ms. Shropshire presented the proposed board meeting dates and reminded the Commissioners that the Bylaws specify at least two regular meetings per calendar quarter, requiring a total of at least eight meetings.

The proposed meeting dates are:

Wednesday, January 17, 2018
Wednesday, March 21, 2018
Wednesday, May 16, 2018
Wednesday, June 20, 2018
Wednesday, August 15, 2018
Wednesday, September 19, 2018
Wednesday, October 24, 2018
Wednesday, November 14, 2018

Ms. Shropshire noted that no meetings will be held in the months of February, April, July, or December. Before calling for a motion to adopt the proposed meeting schedule, the Chairman asked if there were any recommendations for any alternate dates.

MOTION Commissioner Allen moved to approve the Proposed Board Meeting schedule as presented. The motion received a second from Commissioner Goodall. There was no additional discussion, all Commissioners voted in the affirmative and the motion carried.

Reports

Chairman

Chairman Tomlin reported that in an effort to obtain a clearer and more concise budget, he asked staff to create a Zero-based budget. He also encouraged staff to seek the assistance of external auditors to accomplish the task, and thanked Commissioner Allen for agreeing to work with finance staff.

Chairman Tomlin also invited the Internal Audit Director, Anastasia Rodriguez, for any remarks. Ms. Rodriguez reported that the Audit Division has primarily been focused on the U.S. Treasury response and finalizing the Procurement Division Audit. She also reported that her division has begun a Fair Labor Standards Audit (FLSA) audit and will be coming back before the Board in the beginning of 2018 to present a Risk Assessment as part of the Internal Audit Plan.

Executive Director

The Chairman asked Robert Wilson to present the Executive Director's report. Mr. Wilson began his report by informing the Board that our Director of Internal Audit had successfully hired an Internal Audit Manager, Mr. Clay Williams. Mr. Wilson continued his remarks with mention of his attendance along with Commissioner Ormand and six senior staff members at the NCSHA Annual Conference in Denver, CO. He also congratulated Commissioner Ormand on being elected as secretary of the National Council of State Housing Boards (NCSHB). Mr. Wilson closed out his remarks by mentioning one of the sessions on Board Governance that he attended at the NCSHB meetings just for commissioners and executive directors.

Other Business

The Chairman asked if there was any other business that needed to come before the Board.

Commissioner Ormand took a moment to strongly encourage members of the Board to consider attending the 2018 NCSHA Legislative Conference that will be held March 5-7.

Executive Session

The Chairman called for a motion to enter executive session for purposes of a discussing a personnel matter pursuant to SC Code Section 30-4-70(1).

MOTION Commissioner Mickle moved to enter executive session for the purpose of discussing a personnel matter. The motion received a second from Commissioner Goodall. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

[EXECUTIVE SESSION]

Any Actions, Votes Necessitated After Executive Session

Upon exiting the Chairman confirmed that no votes or actions had been taken during executive session. Chairman Tomlin then asked for any motions that were needed as a result of discussions during executive session.

MOTION Commissioner Mickle moved to adjust the Interim Executive Director's salary to a level of \$128,505 effective of the date approved by the Agency Head Salary Commission. The motion received a second from Commissioner Goodall. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Adjournment

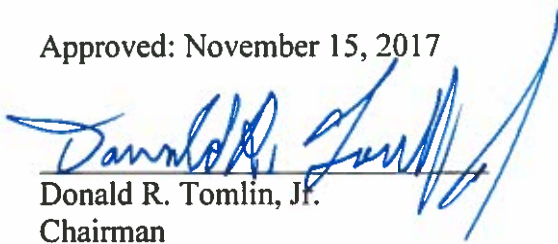
There being no additional business to come before the Board, Chairman Tomlin adjourned the meeting.

Respectfully submitted,



Robert S. Wilson, Jr., Secretary

Approved: November 15, 2017



Donald R. Tomlin, Jr.
Chairman

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