



THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE OFFICE FOR
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Meeting Minutes

Thursday, April 20, 2023

11:00 a.m.

In accordance with Section 20 of Chapter 20 of the Acts of 2021, as extended by Chapter 107 of the Acts of 2022, this meeting will be conducted, and open to the public, via Zoom and Teleconference:

Zoom URL: <https://mass-gov-anf.zoom.us/j/81010323453?pwd=bEMyMk5qS1dGU2E5T3VBMHFmZHVhdz09>

Zoom Password: 043267

Teleconference Line: 713-353-7024, **conference code:** 319738

The meeting was called to order at 11:03 am

Board members comprising a quorum:

Kaitlyn Connors, Executive Office for Administration and Finance, Board Interim Chair
Brent Andersen, Pilgrim Bay Insurance
Sue Perez, Office of the State Treasurer
John Durgin, Office of the State Treasurer

Others in attendance:

Rachel Madden, Massachusetts Housing Finance Agency
Kathleen Connolly, Massachusetts Housing Finance Agency
Sam Alejo, Executive Office for Administration and Finance, Board Secretary

1. Administrative Matters

- I.** On a motion made by Mr. Andersen, and duly seconded, members voted to approve the March 16, 2023 meeting minutes.

2. Discussion

- I.** *No discussion matters were scheduled, and the Board did not raise any matters.*

3. Waiver Requests

- I.** *No waiver matters were scheduled, and the Board did not raise any matters.*

4. Derivative Reviews

Ms. Madden presented the Massachusetts Housing Finance Agency's ("MassHousing") requests for a review of potential upcoming variable rate bond or note transactions. She briefly explained the request, which was general authorizations by the MassHousing Board to issue bond and/or note transactions for their Single-Family mortgage programs in the upcoming calendar year and noted that more details on the proposal could be found in the memo submitted to the Board.

Ms. Madden explained that MassHousing would like to authorize \$400 million of variable rate debt for single-family program and refundings of outstanding issues through the end of calendar year 2024. Ms. Madden explained that this request is essentially a reauthorization of the same amount approved by MassHousing's Board help in funding a program with ARPA dollars called MassDreams (Delivering Real Equity and Mortgage Stability) and she explains how the program worked.

Ms. Madden explains that MassHousing thought the program was going to run for 18 months (Commonwealth thought 3 years) but only lasted 79 days and was closed down due to the influx of activity in the single-family area. Ms. Madden continues to explain that the reason why they are now coming back for the full authorization again is because of the opportunity of being reseeded by the Commonwealth with additional programs.

Ms. Madden recalls MassHousing's request from November and gives an update on their request for variable rate debt that included \$63.6 million worth of VRDO's with a short term 9-year swap on it. The VRDO's have a standby Bond purchase agreement with UBS and the swap is with Bank of America, she points out that 92.5% of the resolution is fixed meaning that

they have additional capacity for future issuances and doing more veritable but conservative variable rate issuances.

Ms. Madden finalizes by stating that in anticipation to the success of MassDream's single-family program they want to make sure they have enough budgeted.

Chair Connors thanked Ms. Madden for the materials and asked she send the presentation to be distributed to the Board. Ms. Connors asked if the Board had any questions or concerns.

Mr. Durgin asked for confirmation that the waiver request would be through December of this year.

Ms. Madden stated that the waiver request would be through June 30th 2024, she explains that they don't anticipate using the full capacity but requesting the \$400 million is a safe measure with the kind of activity caused by another MassDream program.

On a motion from Mr. Andersen, the Board unanimously voted that it had received satisfactory information regarding the proposed Massachusetts Housing Finance Agency ("MassHousing") transactions involving new derivative financial products by MassHousing and deems the submission (i) consistent with the purpose and intent of Sections 97 and 98 of Chapter 6 of the Massachusetts General Laws ("Chapter 6") and regulations promulgated thereunder and (ii) reviewed with no additional conclusions required. The Board concludes that the items required to be submitted to the Board pursuant to Chapter 6 and any regulations promulgated thereunder have been submitted in a manner consistent with the regulations.

5. Closed Transactions/Bond Sale Reviews:

- I.** *No closed transaction or band sale review matters were scheduled, and the Board did not raise any matters.*

6. Discussion on Board Activities

- I.** *No discussion matters were scheduled, and the Board did not raise any matters.*

7. Adjournment

- I.** On a motion made by Mr. Andersen, and duly seconded, members voted to adjourn. The meeting was adjourned at 11:21 am.

Sam Alejo, Secretary