



Massachusetts Housing Finance Agency
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Investment and Audit Committee Meeting Minutes

Meeting Date and Time: September 12, 2017 at 1:00 p.m

Meeting Location: MassHousing, One Beacon Street, Boston, MA 02018

Members Present: Ping Yin Chai
Rachel Madden, designee, *ex officio*

Members Not Present: Michael Dirrane

MassHousing Staff Present: Timothy Sullivan
Charles Karimbakas
Stephen Vickery
Ken Penta
Paul Hagerty
Belmira Fallon
Nancy Slaney
Beth Elliott

PricewaterhouseCoopers
Staff Present: Paul Hanley
Joe Rocco
Charlie Cornish

The meeting began at 1:00p.m.

The members approved the minutes of the prior meeting of the Committee, which occurred on September 12, 2017.

Mr Hanley began the meeting with a report on PricewaterhouseCoopers' audit of MassHousing. He indicated that the annual financial audit would be complete by the statutory deadline and that he was not aware of any non-routine subsequent events. Mr. Rocco then continued PwC's presentation by discussing the remaining open items on the audit, which primarily consisted of responses needed from third parties. Mr. Rocco confirmed that there were currently no audit adjustments and no uncorrected

misstatements. Mr. Cornish then reported on the separate audit conducted on the Agency's Mortgage Insurance Fund. Mr. Hanley then delivered the required communications in connection with the annual audit. The PwC report concluded with Mr. Hanley's report regarding routine follow-up from the state auditor regarding its information technology audit.

At approximately 1:25, MassHousing management departed. Ms. Elliott remained as Secretary of the Agency to record the minutes of the meeting.

Mr. Hanley then informed the members that, although it is a best practice to meet with the members without management, he did not have anything to report absent MassHousing's management team. He further commented that management was responding prudently to the low interest rate environment and that he felt that management was setting a very responsible tone. At Mr. Chai's request, Mr. Hanley then explained how the Opportunity Fund was represented in the financial statements and also discussed the presentation of any swap transactions. Mr. Hanley commented that MassHousing was relatively limited and conservative in its use of swaps.

The meeting concluded at 1:40 p.m.

A true record.

Attest.



Beth M. Elliott
Secretary

Meeting Materials: Draft Minutes of the January 10, 2017 Meeting
 Draft MHFA Annual Financial Statement
 Letter of PricewaterhouseCoopers to the Committee