



**MINUTES OF THE FINANCE AUTHORITY OF NEW ORLEANS
MEETING OF THE BOARD OF TRUSTEES**

Thursday, April 13, 2017

Members Present: Mrs. Gizelle Johnson-Banks, Mr. Stephen Smith, Mr. Joseph Friend & Dr. Gary Clark

Members Absent: Mr. Wade Wootan & Mr. Terrence Rice

Staff Present: Mr. Damon Burns, Ms. Deletha Cyprian, Mrs. Elenora Spears & Mrs. Stacey Weaver

Members of the Public: Legal Counsel Jade Brown Russell, Mr. Byron Poydras (BNY Mellon), Ms. Michelle Thomas (Think Thomas Consulting), Ms. Tessa Jackson (Fabourg Advisors), Mr. Steven Kennedy (REO, LLC.), Ms. Monique Davis (Windfeel Properties), Mr. Wayne Neveu (Foley Judell)

Chair Johnson-Banks called the Finance Authority Board Meeting to order at 4:05pm.

Old Business

There was no old business to discuss.

Board Actions

Acceptance and Approval of the March 14, 2017 Board Meeting Minutes

After a review of the Minutes, **Chair Johnson-Banks requested a motion to approve the minutes of the March 14, 2017 Board of Trustees Meeting. Dr. Clark moved and Mr. Friend seconded. The motion passed unanimously.**

Consideration and Approval of the Operating Budget Amendments

Mr. Burns stated that the Finance & Investments Committee reviewed the proposed amendments and are asking for an adjustment to the budget this quarter as a result of changing market conditions. He added that expected revenue has declined due to the bond refunding plan being altered in March 2017. Mr. Burns also noted that operating expenses have increased by 15% due to the costs of marketing, professional services and added technology, as well as increased salaries for added personnel.

After discussion, **Chair Johnson-Banks requested a motion to approve the proposed Operating Budget Amendments. Dr. Clark moved and Mr. Friend seconded. The motion passed unanimously.**

Chair Johnson-Banks stated that she was pleased with the first series of Committee meetings. She added that the various meetings will allow the Board Members to explore the agenda items in depth. In turn, allowing the Board Meetings to be ran more efficiently. Chair Johnson-Banks also thanked Mr. Burns for the success of the MBS sale that took place in the 1st quarter. Mr. Burns commented that net proceeds from the series 2003 & 2006 MBS sale will help absorb the impact of increased spending while revenue returns

to normalized levels. Mr. Poydras would follow-up with Mr. Burns regarding the exact amount of the MBS.

Executive Director's Report

Logo Selection

Mr. Burns informed the Board that this item was discussed in the Program's Committee Meeting. Deep Fried Advertising provided 3 options for FANO's new logo design. Chair Johnson-Banks stated that she reviewed a number of designs and the 3 selected were in her opinion, the better options. The Board discussed and agreed that they would like to see alternative designs. Mr. Burns stated that he and Deep Fried will continue working on concepts.

Market & Legislative Update

Mr. Burns noted that FANO plans are to capitalize as interest rates are expected to remain on the rise. He briefly discussed his visit to Washington, DC for the National Community Reinvestment Coalition Conference. Mr. Burns stated that he had an opportunity to visit the offices of U.S. Representative Cedric Richmond, U.S. Senator Bill Cassidy and U.S. Senator John Kennedy. While there, he met with their proxies to discuss issues affecting New Orleans such as housing and community investment. Mr. Burns asked if any of the representatives knew about The Finance Authority. Mr. Burns stated yes, they are aware of FANO and what the organization does.

Operating Budget Report

Mr. Burns informed the Board that the total revenue for March 2017 was \$16,923 which was mainly composed of single family and multi-family income. The Pathways program represented \$7,200 of total income. Expenses totaled \$65,378, only 20% of expected expenses for all of fiscal year 2017.

Quarterly Strategic Plan Update

Mr. Burns reviewed the Strategic Plan and gave a brief update on the 1st quarter's progress. He added that the 2nd quarter's activities are basically on schedule. The search for an Assistant Director will begin next week.

Program Report

Pathways to Homeownership – Mr. Burns informed the Board that there were 22 properties in total, 4 of the properties are for sale and 3 are vacant. Management is working with Mr. Peter Hamilton of Hamilton Realty Co. and Mr. Rodney Lemon of RSL Electric to assess each property to determine the future of the program. Mr. Smith asked if the organization was planning to be of assistance to the tornado victims of New Orleans East. Mr. Burns stated that during a meeting with Councilmembers Gray and Williams, it was stated that assessments are still being made by the Mayor's Office. Management is evaluating the situation based on the needs of the homeowners' who are customers of FANO. He added that he met with the Federal Home Loan Bank to discuss grant opportunities for FANO to help tornado victims.

NOHMA – There was no material to report.

Financial Management – Mr. Burns informed the Board that the Single Family Program is being relaunched June 1st. He added that a specialty mortgage program is being designed to stimulate home buying and economic activity in depressed neighborhoods. A risk management and financial model is being created that will reasonably forecast FANO's financial performance and assist with resource management.

