

# CONNECTICUT HIGHER EDUCATION SUPPLEMENTAL LOAN AUTHORITY

## Minutes of Authority Board Meeting

June 21, 2016

The State of Connecticut Higher Education Supplemental Loan Authority met at 11:30 a.m. on Tuesday, June 21, 2016.

The meeting was called to order at 11:30 a.m. by Ms. Barbara Rubin, Chair of the CHESLA Board of Directors. Those present and absent were as follows:

Present: Barbara Rubin, Chair  
Steven Kitowicz (*Rep. for Honorable Benjamin Barnes. OPM Secretary*)  
Dr. Peter W. Lisi  
Sarah K. Sanders (*Rep. for Honorable Denise L. Nappier, State Treasurer*)  
Julie B. Savino, Vice-Chair  
Jeanette Weldon

Absent: Martin L. Budd  
Paul Mutone  
Erika Steiner (*Rep. for Honorable Mark Ojakian, President, Connecticut Colleges and Universities*)

Also Present: Paula L. Herman, General Counsel, CHEFA  
Joshua Hurlock, Portfolio and Marketing Associate, CHESLA  
Carlee Levin, Sr. Accountant, CHEFA/CHESLA  
JoAnne Mackewicz, Controller, CHEFA  
Debra M. Pinney, Manager of Administrative Services, CHEFA  
Samuel E. Rush, Deputy Director, CHESLA

Guests: Randy Behm, Principal, Education Solution Partners, LLC  
Judith Blank, Esq., Day Pitney LLP  
Darlene Dimitrijevs, Principal, Education Solution Partners, LLC  
Todd Russell, Executive Vice President, Chief Marketing Officer,  
Maier Advertising  
Joseph Santoro, Director, Merrill Lynch, Pierce, Fenner & Smith Inc.,  
Bank of America, N.A.  
Thomas H. Webb, Vice President, Hilltop Securities<sup>1</sup>

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<sup>1</sup> Mr. Webb participated in the meeting via conference telephone that permitted all parties to hear each other

## **MINUTES**

Ms. Rubin requested a motion to approve the minutes of the May 16, 2016 Board of Directors meeting. Mr. Kitowicz moved to approve the minutes and Dr. Lisi seconded the motion.

Upon roll call, the “Ayes,” “Nays” and “Abstentions” were as follows:

### **AYES**

Steven Kitowicz  
Dr. Peter Lisi  
Barbara Rubin  
Julie Savino  
Jeanette Weldon

### **NAYS**

None

### **ABSTENTIONS**

Sarah Sanders<sup>2</sup>

## **2016 Series A Bonds Sales Report**

Mr. Webb provided the sales report on the 2016 Series A Bonds. Mr. Webb stated that the sale went very well. The original financing schedule contemplated the sale of the 2016 bonds on May 11 to coincide with the final auction of the 10-year US Treasury Note prior to June 1. Pricing of the 2016 bonds had to be pushed back to June 2 due to a delay in the release of the Annual Information Statement of the State of Connecticut, which is an appendix to the 2016 Bonds Official Statement. The bond market moved to higher interest rates between the original May 11 pricing date and June 2. Delaying the pricing cost the Authority a differential of approximately 7.6 basis points.

Mr. Webb reported that the 2016 Bonds were publically offered on June 2 by Bank of America Merrill Lynch (BAML) as senior managing underwriter. Roosevelt & Cross served as co-manager and Rockfleet Financial served as a selling group member. On a weighted average basis, the rate came in at 3.25%, which was the lowest rate that CHESLA has been able to achieve in some time. The bonds priced with a net discount totaling over \$611,000, resulting in gross proceeds of approximately \$16 million. The 2017 through 2024 maturities were sold at a premium, while the 2025 through 2033 maturities were sold at a discount. BAML provided excellent service and worked well with the co-manager and selling group member. Both Rockfleet and Roosevelt & Cross had very good orders on the retail side. Mr. Webb added that the CHESLA student loan rate has been structured at 4.95%.

A discussion ensued.

## **FY 2017 PROPOSED OPERATING BUDGET**

Mr. Rush thanked Ms. Levin, Mr. Hurlock, Ms. Mackewicz and Ms. Weldon for their participation in helping compile the proposed budget.

Mr. Rush provided an overview of the proposed FY 2017 operating budget. He said that the Authority is projecting \$170,715 in excess revenue from operations. This represents a 29.7%

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<sup>2</sup> Ms. Sanders abstained from voting as she did not attend the May 16 Board Meeting.

decrease from the 2016 budget levels. Mr. Rush explained that the decrease is due to the fact that 2016 was an unusual year. He noted that the excess revenue that is budgeted for the 2017 fiscal year is relatively in line with what the Authority has experienced in previous fiscal years.

Mr. Rush reported that revenue was projected for 2017 at \$725,874, which represents a 4.6% decrease or approximately \$35,000. Approximately \$7 million in new loans would have to be generated to eliminate the \$35,000 decrease in revenues from 2016.

Mr. Rush stated that expenses were projected at \$555,159, a 7.1% increase from the prior fiscal year. Also included in that figure is compensation. He added that the Authority has been very consistent in utilizing the same compensation methodology as used by CHEFA, and also proposes a merit increase range of 0% to 2.5% for staff and 0% to 2% for Officers for FY 2017. The proposed compensation budget also includes a labor grade adjustment and a modest one-time discretionary bonus in recognition of employee performance during FY 2016.

Mr. Rush reviewed some of the significant non-personnel expense line items. A discussion ensued.

### **EXECUTIVE SESSION**

Ms. Rubin requested a motion to go into executive session to discuss individual compensation related matters. Ms. Savino moved to go into executive session and Mr. Kitowicz seconded her motion.

Upon roll call, the “Ayes,” “Nays” and “Abstentions” were as follows:

<b><u>AYES</u></b>	<b><u>NAYS</u></b>	<b><u>ABSTENTIONS</u></b>
Steven Kitowicz Dr. Peter Lisi Barbara Rubin Julie Savino Sarah Sanders Jeanette Weldon	None	None

The Board of Directors went into executive session at 11:59 a.m. Ms. Weldon and Ms. Herman were asked to remain in the board room with the Board of Directors; all other meeting participants left the meeting.

The meeting reconvened at 12:33 p.m. Ms. Rubin stated that no votes were taken during executive session.

Ms. Rubin requested a motion to approve the proposed FY 2017 operating budget, excluding the compensation and benefit line items. Dr. Lisi moved to approve the FY 2017 proposed operating budget, excluding the compensation and line items and Ms. Savino seconded his motion.

Upon roll call, the “Ayes,” “Nays” and “Abstentions” were as follows:

**AYES**

Steven Kitowicz  
Dr. Peter Lisi  
Barbara Rubin  
Julie Savino  
Sarah Sanders  
Jeanette Weldon

**NAYS**

None

**ABSTENTIONS**

None

Ms. Rubin requested a motion to approve the compensation and benefit line items in the proposed FY 2017 operating budget, subject to a reduction in compensation of \$4,625 and whatever the reduction of benefits would be as a result of the adjustment in compensation. Ms. Savino moved to approve the FY 2017 proposed compensation and benefit line items with the adjustments noted by Ms. Rubin. Dr. Lisi seconded the motion.

Upon roll call, the “Ayes,” “Nays” and “Abstentions” were as follows:

**AYES**

Dr. Peter Lisi  
Barbara Rubin  
Julie Savino  
Jeanette Weldon

**NAYS**

Steven Kitowicz  
Sarah Sanders

**ABSTENTIONS**

None

Ms. Rubin stated that the Board of Directors would like to recognize Mr. Hurlock for the tremendous job done in taking on much of the work while Mr. Rush was out and she indicated that the Board greatly appreciates Mr. Hurlock’s efforts and contributions. Ms. Savino added that the Board is pleased that Mr. Rush is back to work at CHESLA.

**QUARTERLY FINANCIAL REPORT**

Ms. Levin provided a quarterly report on the financials as of March 31, 2016. She reported that on the operating fund balance sheet, accounts receivables for 2016 were \$41,056, which consisted of approximately \$22,400 that was incurred for the ongoing compliance review of the loan program conducted by the law firm of McGlinchey Stafford. The remaining \$18,600 represented start-up costs for the Authority refinance pilot program. In April 2016, the Authority received \$500,000 from the Connecticut Student Loan Foundation for the refinancing program start-up costs.

Ms. Levin reported that on the income statement for the nine months ending March 31, 2016, revenues were over expenses before investment income by approximately \$238,027 and revenues were over expenses after investment income by approximately \$241,820. The year-to-date revenues were approximately \$5,018 over budget and year-to-date expenses were under budget approximately \$94,790.

Ms. Levin stated that for the non-current liabilities, the bond payables, net of current portion decreased from December 31 due to the Authority paying down bonds totaling approximately

\$6,515,000 on March 15. She reported that for the 1990 Resolution, the Authority paid out approximately \$4,325,000 and of the 2003 Resolution, they redeemed approximately \$2,190,000.

Ms. Levin reported that for the allowance for loan loss for the quarter year-to-date, the 1990 Resolution had an increase this quarter due primarily to approximately \$9.1 million in additional loans being issued. For the 2003 Resolution, the allowance decreased due to receiving payments from students on their existing loans and also that no new loans were issued from this resolution. The quarter's net position had an increase of approximately \$814,994. Of that, the 1990 Resolution had an increase of approximately \$718,720, which was primarily due to an increase in revenues and also to an increase in investment income. The 2003 Resolution had an increase of \$96,275.

### **STRATEGIC PLAN PERFORMANCE ASSESSMENT FOR FY 2016 AND PROPOSED INITIATIVES FOR FY 2017**

Ms. Weldon highlighted some of the key activities accomplished during the 2016 fiscal year. One accomplishment was the successful bond sale and maintaining the 4.95% student loan rate. With this transaction, CHESLA implemented an extension of the principal deferral period, a change requested by some legislators. Another accomplishment was the pilot program for the loan refinance product and the working group the Authority established in trying to develop the student financial literacy portal, which should be implemented in the fall. Ms. Weldon added that CHESLA had a clean audit during 2016.

Ms. Rubin pointed out that on Page 64 of the Board materials, under the CHESLA mission statement, which reads "...by offering a cost-effective alternative finance program", should be changed to read "...by offering cost-effective alternative financing and scholarship programs". Ms. Rubin moved to amend the mission statement as noted previously. Ms. Savino seconded her motion.

Upon roll call, the "Ayes," "Nays" and "Abstentions" were as follows:

<b><u>AYES</u></b>	<b><u>NAYS</u></b>	<b><u>ABSTENTIONS</u></b>
Steven Kitowicz Dr. Peter Lisi Barbara Rubin Julie Savino Sarah Sanders Jeanette Weldon	None	None

Ms. Weldon reviewed the proposed strategic initiatives for CHESLA for 2017 included in the Board meeting materials. Ms. Rubin suggested adding under the item 'continually assess and update succession plan' to include 'and promote employee education and staff development'. Ms. Weldon agreed.

A discussion ensued on the development of a quarterly electronic newsletter for distribution to financial aid officers, etc.

## **SCHOLARSHIP PROGRAM UPDATE**

Mr. Hurlock reported that schools were notified on May 5<sup>th</sup> that the scholarship program was being renewed for the 2016-2017 academic year. Two schools did not participate last year: Yale University and Holy Apostles, which left 33 participating schools with allocations ranging from \$25,000 to \$95,000. Allocations were based on full-time undergraduate enrollment.

## **LOAN REFINANCE PROGRAM UPDATE**

Mr. Todd Russell, Executive Vice President, Chief Marketing Officer, from Maier Advertising, provided a presentation on the online marketing approach for the CT Refi Loan Program which includes access to the CHESLA web page, online display banner emails, Facebook ads and boost posts, and search terminology and phrases.

Mr. Russell explained the methodology behind the program and described the assets to be used. One of the items that they want to leverage is the existing website. The plan is to refresh the existing site with sliders on the home page specifically on the refi product and use banners on the Internet. Ultimately, the CHESLA website will have a new look and feel to it. Maier is also developing a responsive site so no matter what device is being used, the users screen will automatically optimize for the user's particular device.

Mr. Russell displayed several samples of the CT Refi banners. A discussion ensued. Ms. Rubin suggested that one or two of the banners should reference CHESLA. Mr. Russell concurred.

Mr. Russell announced that a press conference will be held on either June 28 or June 29 in the CHEFA Board Room launching the refinancing pilot. A backdrop has been designed which will include the logo for the CT Refi Program and CHESLA's logo, and it will be used at the press conference. Mr. Russell provided a timeline of the activities that will take place over the next few months.

Ms. Weldon thanked Mr. Russell for his presentation.

Ms. Dimitrijevs reported that Education Solutions will be meeting with CampusDoor, the originator for the CT Refi program, on Wednesday, June 22.

## **EXECUTIVE DIRECTOR'S REPORT**

Ms. Weldon announced that Ms. Paula Herman, General Counsel, will be retiring on June 30 from CHEFA and added that this is Ms. Herman's last Board meeting. Ms. Denise Aguilera has been hired as CHEFA's General Counsel and will be starting employment on July 5. She has worked for the City of Hartford Retirement System, has also served as Assistant Corporation Counsel to the City of Hartford, and is currently working in the Office of Early Childhood.

Ms. Weldon stated that in case anyone was not previously aware, Ms. Barbara Rubin will be retiring from the CHESLA and CHEFA Board of Directors and said that this is her last CHESLA Board meeting. Ms. Weldon expressed her appreciation and thanked Ms. Rubin for her service to the CHESLA Board of Directors. Ms. Savino added that having Ms. Rubin's leadership has

been invaluable. She thanked Ms. Rubin from all the CHESLA Board members for her service and she presented Ms. Rubin with a dish garden. Ms. Rubin thanked everyone and mentioned that she will be following the programs.

Ms. Savino also thanked Ms. Herman for her service to the CHESLA Board of Directors. Ms. Herman indicated that it has been a pleasure to work with the Board.

### **ADJOURNMENT**

There being no further business, at 1:20 p.m., Dr. Lisi moved to adjourn the meeting and Ms. Savino seconded his motion.

Upon roll call, the "Ayes," "Nays" and "Abstentions" were as follows:

#### **AYES**

Steven Kitowicz  
Dr. Peter Lisi  
Barbara Rubin  
Julie Savino  
Sarah Sanders  
Jeanette Weldon

#### **NAYS**

None

#### **ABSTENTIONS**

None

Respectfully submitted,

Jeanette W. Weldon  
Executive Director

**CHESLA Budget**  
**Budget for the Twelve Months Ending June 30, 2017**

	FYE June 30, 2014 Actual	FYE June 30, 2015 Budget	FYE June 30, 2015 Actual	FYE June 30, 2016 Budget	FYE June 30, 2016 Proj Actual *	FYE June 30, 2017 Budget
<b>Revenues</b>						
Admin Fee Income						
In-school product	\$ 699,022	\$ 644,283	\$ 641,626	\$ 758,163	\$ 758,360	\$ 697,840
Refinance product	0	0	0	0	0	19,606
Investment Income	3,133	3,600	3,254	2,800	7,324	8,428
Refinance Pilot Program from CSLF	0	0	0	0	500,000	0
Misc Income & Recovery	1,440	0	1,263	0	0	0
<b>Total Revenues</b>	<b>\$ 703,595</b>	<b>\$ 647,883</b>	<b>\$ 646,144</b>	<b>\$ 760,963</b>	<b>\$ 1,265,684</b>	<b>\$ 725,874</b>
<b>Expenses</b>						
Compensation	\$ 144,224	\$ 151,435	\$ 146,762	\$ 159,007	\$ 81,513	\$ 166,860
Employee Benefits	52,668	49,757	45,283	48,994	36,849	50,445
General and Administrative	73,683	87,886	81,656	92,190	88,574	118,842 <sup>1</sup>
Business Education, Board and Reimbursable	6,710	13,250	6,853	11,750	4,558	9,900
Membership Dues	11,644	14,500	11,879	12,500	12,980	12,800
CHEFA Support Services	142,874	149,587	149,587	154,955	154,955	180,557
Outside Services	34,624	36,038	35,038	38,800	37,350	35,150
<b>Total Expenses</b>	<b>\$ 466,426</b>	<b>\$ 502,453</b>	<b>\$ 477,058</b>	<b>\$ 518,195</b>	<b>\$ 416,779</b>	<b>\$ 574,554</b>
<b>Excess Revenue from Operations</b>	<b>\$ 237,169</b>	<b>\$ 145,430</b>	<b>\$ 169,086</b>	<b>\$ 242,768</b>	<b>\$ 848,905</b>	<b>\$ 151,320</b>
Bond Issuance Costs & Amortization & Transfer to Trust	325,627	22,227	22,227	29,795	29,795	10,627
Refinance Pilot Program Start-up Costs	0	0	0	0	170,625	329,375 <sup>2</sup>
<b>Total Excess Revenue</b>	<b>\$ (88,458)</b>	<b>\$ 123,203</b>	<b>\$ 146,858</b>	<b>\$ 212,973</b>	<b>\$ 648,485</b>	<b>\$ (188,682)</b>
<b>Benefit % to Compensation</b>	<b>36.52%</b>	<b>32.86%</b>	<b>30.85%</b>	<b>30.81%</b>	<b>45.21%</b>	<b>30.23%</b>

\* Projected Actual is based on Actual Financials as of March 31, 2016, plus 3 months of projected amounts.

<sup>1</sup> We are proposing to increase the General and Administrative budget from \$93,842 to \$118,842 to include the \$25,000 the Board approved on March 22, 2016, to be used to create the Student aid - financial literacy web portal.

<sup>2</sup> We are proposing to include the remaining Refinance pilot program budget of \$329,375. The Board approved \$500,000 for start-up costs on March 22, 2016,



**CHESLA Salary & Benefits Expense**  
**Budget for the Twelve Months Ending June 30, 2017**

	FYE June 30, 2013 Actual	FYE June 30, 2014 Budget	FYE June 30, 2014 Actual	FYE June 30, 2015 Budget	FYE June 30, 2015 Actual	FYE June 30, 2016 Budget	FYE June 30, 2016 Proj Actual	FYE June 30, 2017 Budget
<b>Staff Compensation</b>	\$ 139,558	\$ 145,140	\$ 144,224	\$ 151,435	\$ 146,762	\$ 159,007	\$ 81,513	\$ 166,860
<b>Total Compensation</b>	\$ 139,558	\$ 145,140	\$ 144,224	\$ 151,435	\$ 146,762	\$ 159,007	\$ 81,513	\$ 166,860
<b>Payroll Taxes</b>	\$ 10,689	\$ 11,061	\$ 10,995	\$ 11,677	\$ 11,349	\$ 12,258	\$ 7,378	\$ 12,903
<b>Medical &amp; Life Insurance</b>								
CBIA Medical w/CBIA Life	6,781	9,334	7,885	3,796	3,419	3,732	3,459	3,658
Deductible Funding HSA (CHEFA)	1,875	3,750	5,625	2,812	2,813	1,875	1,968	2,063
Less: CBIA Co-insurance	(2,005)	(2,321)	(1,960)	(562)	(505)	(552)	(511)	(541)
Net Medical Insurance	6,651	10,763	11,550	6,046	5,726	5,055	4,916	5,180
CHEFA Alternative Insurance	2,800	2,800	3,033	2,800	2,800	2,800	1,050	2,800
Life Insurance	717	769	815	953	697	658	217	685
Dental	2,218	2,335	2,767	2,907	2,490	2,273	2,272	2,335
<b>Total Medical, Life Insurance &amp; Other</b>	12,386	16,667	18,166	12,706	11,713	10,786	8,455	11,000
<b>Pension</b>								
Contributions	13,387	14,514	14,384	15,144	15,045	15,901	7,671	16,436
Administrative Fee	0	574	574	594	594	594	594	594
Total Pension	13,387	15,088	14,958	15,738	15,639	16,495	8,265	17,030
<b>457 Plan</b>	2,515	2,551	2,508	3,000	2,508	2,508	1,878	2,508
<b>Vacation</b>	5,125	0	0	0	0	0	5,241	0
<b>Disability Insurance - Long Term</b>	549	597	625	621	507	453	207	468
<b>Disability Insurance - Short Term</b>	570	620	649	647	632	679	302	683
<b>Workers Compensation</b>	351	600	748	368	836	815	823	853
<b>Tuition</b>	4,020	5,000	4,020	5,000	2,100	5,000	4,300	5,000
<b>Total Employee Benefits</b>	49,592	52,184	52,668	49,757	45,283	48,994	36,849	50,445
<b>Total Employment</b>	\$ 189,150	\$ 197,324	\$ 207,887	\$ 201,192	\$ 192,046	\$ 208,001	\$ 118,362	\$ 217,305

**CHESLA Non Salary Expense**  
**Budget for the Twelve Months Ending June 30, 2017**

	FYE June 30, 2014 Budget	FYE June 30, 2014 Actual	FYE June 30, 2015 Budget	FYE June 30, 2015 Actual	FYE June 30, 2016 Budget	FYE June 30, 2016 Actual	FYE June 30, 2017 Budget
<b>Lease &amp; Storage</b>							
Lease - Office Space	\$ 12,048	\$ 12,048	\$ 12,362	\$ 12,388	\$ 12,668	\$ 12,693	\$ 12,972
Lease - Taxes/CAM fees	0	29	196	369	1,437	903	228
Offsite Storage & Filesanywhere (electronic storage)	400	433	114	100	114	100	114
<b>Total Lease &amp; Storage</b>	<b>12,448</b>	<b>12,509</b>	<b>12,672</b>	<b>12,856</b>	<b>14,219</b>	<b>13,696</b>	<b>13,314</b>
<b>Business Insurance</b>							
Office Package	642	608	653	587	677	531	584
Cyber Policy	10,000	4,563	6,567	5,909	5,609	4,973	5,031
Fiduciary & Performance Bond & Terrorism	150	48	303	277	445	277	284
Directors and Officers Liability / Public Officials	33,540	18,723	16,753	13,648	14,591	14,522	15,119
<b>Total Business Insurance</b>	<b>44,332</b>	<b>23,943</b>	<b>24,276</b>	<b>20,420</b>	<b>21,323</b>	<b>20,302</b>	<b>21,018</b>
<b>Office Supplies and Non Capital Equipment</b>							
General Office Expense and Supplies	1,200	1,350	1,300	795	1,300	798	1,000
Non-Capital furniture, Equipment & Software Licensing	500	654	1,000	316	3,060	2,019	3,000
<b>Total Office Supplies and Non Capital Equip</b>	<b>1,700</b>	<b>2,004</b>	<b>2,300</b>	<b>1,111</b>	<b>4,360</b>	<b>2,817</b>	<b>4,000</b>
<b>Communications: Telephone &amp; Internet</b>							
Phone, Data Svc & Conferencing	2,616	2,650	2,600	2,323	2,600	2,935	3,000
Email (McAfee)						0	142
Website Development & Hosting	452	268	500	862	500	508	500
<b>Total Communications: Phone &amp; Internet</b>	<b>3,068</b>	<b>2,917</b>	<b>3,100</b>	<b>3,185</b>	<b>3,100</b>	<b>3,443</b>	<b>3,500</b>
<b>Postage Expense</b>							
Postage & Courier Expense	2,750	2,568	2,761	3,334	3,000	1,814	2,500
<b>Maintenance Contracts</b>	<b>5,534</b>	<b>5,635</b>	<b>5,277</b>	<b>5,056</b>	<b>6,288</b>	<b>5,846</b>	<b>7,210</b>
Copiers (Lease)	1,239	1,261	1,312	1,367	1,427	1,193	163
Copiers (usage)	235	583	235	317	325	331	500
Ascom meter rental & New England Mail Machine	0	0	0	205	230	204	261
Altura, phonemaintenance (avaya)	123	123	180	125	135	127	135
Co-location Svcs & Point to Point IT (Bus Continuity)	0	0	0	0	0	0	1,935
Internap	2,500	2,860	2,127	158	0	0	0
Cologix (previously Net Access)	0	210	0	2,040	2,446	2,323	2,446
San (in Non-cap)	180	0	248	0	0	0	0
VM Ware	620	568	743	750	743	802	923
Kaspersky	41	0	41	36	61	78	50
Horizon View	0	0	0	0	0	0	194
Server Room HVAC	96	0	333	0	333	0	225
Miscellaneous Maintenance Services	500	29	58	58	588	789	378
<b>Total Maintenance Service &amp; Contracts</b>	<b>5,534</b>	<b>5,635</b>	<b>5,277</b>	<b>5,056</b>	<b>6,288</b>	<b>5,846</b>	<b>7,210</b>
<b>Publications &amp; Resource Materials</b>	<b>500</b>	<b>144</b>	<b>500</b>	<b>164</b>	<b>300</b>	<b>223</b>	<b>300</b>
Higher Education Publication & The Chronicle				144		0	
				0		0	
	0		0	144	0	0	0
<b>Marketing Costs</b>	<b>35,000</b>	<b>22,330</b>	<b>34,000</b>	<b>33,974</b>	<b>37,500</b>	<b>38,601</b>	<b>40,000</b>
Advertising	20,000	17,174	20,000	23,450	22,000	30,110	25,000
Brochures	1,000	972	1,000	972	1,000	943	2,000
Fees - Exhibit/Sponsorship	1,000	450	1,000	2,300	3,500	2,343	3,500
Promotional Items - Exhibit/Sponsorship	1,000	625	1,000	477	2,000	0	2,500
Community Programs	6,000	3,000	6,000	3,300	4,000	2,600	3,500
Misc Marketing	6,000	109	5,000	3,476	5,000	2,605	3,500
<b>Total Marketing Costs</b>	<b>35,000</b>	<b>22,330</b>	<b>34,000</b>	<b>33,974</b>	<b>37,500</b>	<b>38,601</b>	<b>40,000</b>
<b>Miscellaneous</b>	<b>3,966</b>	<b>1,633</b>	<b>3,000</b>	<b>1,555</b>	<b>2,100</b>	<b>1,833</b>	<b>27,000</b>
ADP Payroll Service	1,300	1,314	1,350	1,405	1,450	1,483	1,450
Bank Fees & Safe Deposit Box	150	297	150	150	150	180	250
Contingency	0	0	0	0	0	0	0
Staff Activities	125	0	500	0	0	0	0
Miscellaneous	2,391	23	1,000	0	500	169	25,300
<b>Total Miscellaneous</b>	<b>3,966</b>	<b>1,633</b>	<b>3,000</b>	<b>1,555</b>	<b>2,100</b>	<b>1,833</b>	<b>27,000</b>
<b>Total General and Administrative Expenses</b>	<b>\$ 109,298</b>	<b>\$ 73,683</b>	<b>\$ 87,886</b>	<b>\$ 81,656</b>	<b>\$ 92,190</b>	<b>\$ 88,574</b>	<b>\$ 118,842</b>
<b>Refinance Pilot Program Start-up Costs</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>170,625</b>	<b>0</b>
<b>Bond Insurance Cost - Amortization</b>	<b>25,627</b>	<b>25,627</b>	<b>22,227</b>	<b>22,227</b>	<b>29,795</b>	<b>29,795</b>	<b>10,627</b>
<b>Bond Issuance Costs</b>	<b>0</b>	<b>300,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>329,375</b>
<b>Total Bond Issuance Cost</b>	<b>\$ 25,627</b>	<b>\$ 325,627</b>	<b>\$ 22,227</b>	<b>\$ 22,227</b>	<b>\$ 29,795</b>	<b>\$ 29,795</b>	<b>\$ 340,002</b>

**CHESLA Non Salary Expense**  
**Budget for the Twelve Months Ending June 30, 2017**

	FYE June 30, 2014 Budget	FYE June 30, 2014 Actual	FYE June 30, 2015 Budget	FYE June 30, 2015 Actual	FYE June 30, 2016 Budget	FYE June 30, 2016 Proj Actual	FYE June 30, 2017 Budget
<b>Depreciation</b>	\$ 0		\$ 0		\$ 0	0	\$ 0
<b>Employee Reimbursable</b>							
Staff business and travel expenses	750	268	750	200	500	208	500
<b>Total Employee Reimbursable</b>	750	268	750	200	500	208	500
<b>Board Expense</b>							
Board lunches	1,500	830	1,500	612	1,000	426	500
Board education	1,000	-	1,000	0	0	0	0
<b>Total Board Expense</b>	2,500	830	2,500	612	1,000	426	500
<b>Conference &amp; Education Expense</b>							
CAPFAA	1,000	1,606	1,500	1,316	1,500	1,044	1,400
EFC	4,000	1,859	3,000	2,003	2,750	895	2,500
EASFAA	1,000	0	1,000	0	0	0	0
NASFAA	2,500	2,049	3,500	2,723	5,000	1,945	4,500
Other (Conferences and non tuition education)	1,000	99	1,000	0	1,000	40	500
<b>Total Conference &amp; Education Expense</b>	9,500	5,612	10,000	6,041	10,250	3,924	8,900
<b>Education - Board</b>	-	0	0	0	0	0	0
<b>Total Business Education, Board and Reimbursable</b>	\$ 12,750	\$ 6,710	\$ 13,250	\$ 6,853	\$ 11,750	\$ 4,558	\$ 9,900
<b>Memberships Dues</b>	\$ 14,500	\$ 11,644	\$ 14,500	\$ 11,879	\$ 12,500	\$ 12,980	\$ 12,800
<b>CHEFA Support Services</b>	\$ 142,874	\$ 142,874	\$ 149,587	\$ 149,587	\$ 154,955	154,955	\$ 180,557

**CHESLA Non Salary Expense  
Budget for the Twelve Months Ending June 30, 2017**

	<b>FYE June 30, 2014 Budget</b>	<b>FYE June 30, 2014 Actual</b>	<b>FYE June 30, 2015 Budget</b>	<b>FYE June 30, 2015 Actual</b>	<b>FYE June 30, 2016 Budget</b>	<b>FYE June 30, 2016 Proj Actual</b>	<b>FYE June 30, 2017 Budget</b>
<b>Accounting Systems</b>							
Enhancements (IT)	1,000	374	1,000	0	1,000	-	<b>500</b>
<b>Total Accounting and IT Systems</b>	<b>1,000</b>	<b>374</b>	<b>1,000</b>	<b>0</b>	<b>1,000</b>	<b>0</b>	<b>500</b>
<b>Consultant Others</b>							
Beers Hamerman & Co.	0	0	0	0	0	0	<b>0</b>
CCIC	0	0	0	0	0	0	<b>0</b>
Insurance Consultant	8,000	8,000	8,000	8,000	6,300	6,300	<b>6,300</b>
<b>Total Consultant Others</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>	<b>6,300</b>	<b>6,300</b>	<b>6,300</b>
<b>Legal</b>	0	0	0	0	0	0	<b>0</b>
<b>Independent Auditors</b>	27,000	26,250	27,038	27,038	31,500	31,050	<b>28,350</b>
<b>Total Outside Services</b>	<b>\$ 36,000</b>	<b>\$ 34,624</b>	<b>\$ 36,038</b>	<b>\$ 35,038</b>	<b>\$ 38,800</b>	<b>\$ 37,350</b>	<b>\$ 35,150</b>