

CONNECTICUT HIGHER EDUCATION SUPPLEMENTAL LOAN AUTHORITY

Minutes of Authority Special Board Meeting

July 25, 2018

The State of Connecticut Higher Education Supplemental Loan Authority met at 12:30 p.m. on Wednesday, July 25, 2018.

The special meeting was called to order at 12:33 p.m. by Dr. Peter Lisi, Chair, of the CHESLA Board of Directors. Those present and absent were as follows:

Present: Martin L. Budd¹
Steven Kitowicz (*Designee for Benjamin Barnes, OPM Secretary*)²
Dr. Peter W. Lisi, Chair³
Sheree Mailhot, (*Designee for Denise Nappier, State Treasurer*)⁴
Julie Savino⁵
Jeanette Weldon

Absent: Paul H. Mounds, Jr.
Erika Steiner (*Designee. for Mark Ojakian, President, Connecticut State Colleges & Universities*)

Also Present: Denise Aguilera, General Counsel, CHEFA⁶
Joshua Hurlock, Assistant Director, CHESLA
Carlee Levin, Sr. Accountant, CHEFA/CHESLA
JoAnne Mackewicz, Controller, CHEFA
Debra M. Pinney, Manager of Administrative Services, CHEFA
Natalia Rozio, Administrative Intern, CHESLA

Guests: Lisa Cohen, Vice President of Trust Admin, Controller & Treasurer,
Goal Structured Solutions⁷
Ian Meade, Senior Financial Reporting Manager, Goal Structured Solutions⁸
Joseph Santoro, Director, Merrill Lynch, Pierce, Fenner & Smith, Inc.,
Bank of America, N.A.⁹
Jeffrey Wagner, Managing Director, RBC Capital Markets¹⁰

¹ Mr. Budd participated in the meeting via conference telephone that permitted all parties to hear each other.

² Mr. Kitowicz participated in the meeting via conference telephone that permitted all parties to hear each other.

³ Dr. Lisi participated in the meeting via conference telephone that permitted all parties to hear each other.

⁴ Ms. Mailhot participated in the meeting via conference telephone that permitted all parties to hear each other.

⁵ Ms. Savino joined the meeting at 12:36 p.m. and participated in the meeting via conference telephone that permitted all parties to hear each other.

⁶ Ms. Aguilera participated in the meeting via conference telephone that permitted all parties to hear each other.

⁷ Ms. Cohen participated in the meeting via conference telephone that permitted all parties to hear each other.

⁸ Mr. Meade participated in the meeting via conference telephone that permitted all parties to hear each other.

⁹ Mr. Santoro participated in the meeting via conference telephone that permitted all parties to hear each other.

¹⁰ Mr. Wagner participated in the meeting via conference telephone that permitted all parties to hear each other.

MINUTES

Dr. Lisi requested a motion to approve the June 12, 2018 Board of Directors minutes. Mr. Kitowicz moved to approve the minutes and Ms. Mailhot seconded the motion.

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

<u>AYES</u>	<u>NAYS</u>	<u>ABSTENTIONS</u>
Steven Kitowicz Dr. Peter Lisi Sheree Mailhot Jeanette Weldon	None	Martin Budd ¹¹

OVERVIEW OF LOAN ORIGATION VOLUME AND SOURCES OF FUNDING FOR ADDITIONAL LOAN VOLUME, INCLUDING ISSUANCE OF BONDS

Mr. Hurlock provided an overview of the origination analysis worksheet. He pointed out that CHESLA is committing loans at a higher rate than last year. A discussion ensued.

Mr. Budd asked how much cash is available today to loan out. Mr. Hurlock stated that after taking out the committed funds, CHESLA has approximately \$4 million remaining. Ms. Savino asked if this is attributed to an increase in the number of applications or is it an increase in the amount of loans people are borrowing, or a combination of both. Further discussion ensued.

Ms. Weldon stated that if CHESLA has \$4 million available, CHESLA can recycle revenue (approximately \$2 million available from 2017 related loan repayments) and CHESLA is estimating that it could get over the course of August, perhaps another \$2 million from CSLF. Mr. Hurlock stated that typically in August, there is a significant drop off in applications.

Further discussion ensued about issuing loans at the 4.95% interest rate. Ms. Weldon stated that on the balance sheet, there is additional cushion of approximately \$1 million that could be used if needed. There is also an additional \$800,000 of unrestricted CSLF funds potentially available.

APPROVAL OF FUNDS TRANSFER FROM CSLF TO CHESLA

Dr. Lisi requested a motion to approve up to \$2 million funds transfer from CSLF, Resolution #2018-02. Mr. Budd moved to approve Resolution #2018-02 and Mr. Kitowicz seconded the motion.

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

¹¹ Mr. Budd abstained from voting as he did not attend the June 12, 2018 Board Meeting.

AYES

Martin Budd
Steven Kitowicz
Dr. Peter Lisi
Sheree Mailhot
Julie Savino
Jeanette Weldon

NAYS

None

ABSTENTIONS

None

ADJOURNMENT

There being no further business, Mr. Budd moved to adjourn the meeting at 12:53 p.m. and Ms. Savino seconded the motion.

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

AYES

Martin Budd
Steven Kitowicz
Dr. Peter Lisi
Sheree Mailhot
Julie Savino
Jeanette Weldon

NAYS

None

ABSTENTIONS

None

Respectfully submitted

Jeanette W. Weldon
Executive Director