

CONNECTICUT HIGHER EDUCATION SUPPLEMENTAL LOAN AUTHORITY

Minutes of Authority Special Board Meeting

December 18, 2017

The State of Connecticut Higher Education Supplemental Loan Authority met at 1:30 p.m. on Monday, December 18, 2017.

The meeting was called to order at 1:30 p.m. by Dr. Peter Lisi, Chair, of the CHESLA Board of Directors. Those present and absent were as follows:

Present: Martin L. Budd*
Christopher Forster, Controller, CSU System Office (Meeting designee for *Honorable Mark Ojakian, President, Connecticut State Colleges & Universities*)**
Steven Kitowicz (Designee for *Honorable Benjamin Barnes, OPM Secretary**)
Dr. Peter W. Lisi, Chair*
Sheree Mailhot (Meeting designee for the *Honorable Denise Nappier, State Treasurer*)**
Jeanette Weldon

Absent: Ms. Julie Savino
Erika Steiner (Designee for *Honorable Mark Ojakian, President, Connecticut State Colleges & Universities*)

Also Present: Denise Aguilera, General Counsel, CHEFA
Carlee Levin, Sr. Accountant, CHEFA/CHESLA
Debra M. Pinney, Manager of Administrative Services, CHEFA

Guests:
Judith Blank, Esq., Day Pitney LLP*
Thomas H. Webb, Vice President, Hilltop Securities*

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

** Mr. Forster and Ms. Mailhot joined the meeting at 3:35 pm and participated in the meeting via conference telephone that permitted all parties to hear each other.

POST-SALE REPORT AND COSTS OF ISSUANCE FUNDING

Mr. Webb provided the post-sale report on the 2017 Series C bond transaction and explained the need for a \$110,000 contribution from CHESLA in order to fully fund issuance costs.

ADJOURNMENT

Mr. Kitowicz moved to adjourn the meeting at 2:00 p.m. and reconvene at 3:30 p.m. due to a lack of a quorum and Mr. Budd seconded the motion.

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

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

RECONVENING THE MEETING

The Board of Directors meeting reconvened at 3:35 p.m. and Dr. Lisi called the meeting to order at this time.

APPROVAL OF SERIES 2017C COSTS OF ISSUANCE FUNDING

Mr. Webb stated that the discussion today was in regard to the costs of issuance of the 2017 Series C bonds that were priced on Thursday, December 14, 2017. The fees and expenses associated with the transaction were in line with other CHESLA bond transactions over the last five years; however, for 2017 Series C, a smaller amount of bonds was issued. Federal tax regulations include a limitation that the issuer cannot pay costs of issuance from bond proceeds in excess of 2% of proceeds plus premium. The proceeds plus premium totals \$11,636,554. The limitation that CHESLA has is approximately \$233,000 to be paid from bond proceeds. Total anticipated expenses of costs of issuance are approximately \$343,000.

Mr. Webb requested the use of \$110,000 from CHESLA's FY 2018 operating account to pay the differential of the 2% limitation for tax regulations and the actual amount of the cost of issuance for the 2017 Series C bonds.

Mr. Budd moved to approve transferring \$110,000 from CHESLA 's operating account to the cost of issuance account for the 2017 Series C bonds. Mr. Kitowicz seconded the motion.

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

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

ADJOURNMENT

There being no further business, at 3::39 p.m., Mr. Kitowicz moved to adjourn the meeting and Mr. Budd seconded the motion.

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

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

Respectfully submitted,

Jeanette W. Weldon
Executive Director