

CONNECTICUT HIGHER EDUCATION SUPPLEMENTAL LOAN AUTHORITY

Minutes of Authority Special Board Meeting

November 1, 2018

The State of Connecticut Higher Education Supplemental Loan Authority met at 12:00 p.m. on Thursday, November 1, 2018.

The special meeting was called to order at 12:05 p.m. by Dr. Peter Lisi, Chair, of the CHESLA Board of Directors. Those present and absent were as follows:

Present: Andrew Foster
Dr. Peter W. Lisi, Chair
Sheree Mailhot, (*Designee for Denise Nappier, State Treasurer*)
Julie Savino¹
Jeanette Weldon

Absent: Martin Budd
Steven Kitowicz (*Designee for Benjamin Barnes, OPM Secretary*)
Paul H. Mounds, Jr.

Also Present: Denise Aguilera, General Counsel, CHEFA
Joshua Hurlock, Assistant Director, CHESLA
Carlee Levin, Sr. Accountant, CHEFA
Shannon Reynolds, Portfolio Assistant, CHESLA
Cynthia Peoples, Managing Director, CHEFA
Debra M. Pinney, Manager of Administrative Services, CHEFA

Guests: Judith Blank, Esq., Day Pitney LLP²
Namita Shah, Esq., Day Pitney LLP
Timothy Webb, Vice President, Hilltop Securities
David Welsh, CHESLA Advisory Committee

¹ Ms. Savino joined the meeting at 12:09 p.m.

² Ms. Blank joined the meeting at 12:28 p.m.

CHESLA PROGRAM OVERVIEW

CHESLA Corporate Structure and Strategic Plan – Jeanette Weldon

Ms. Weldon provided opening remarks and briefly explained the history, along with the corporate structure, of CHEFA/CHESLA and CSLF.

CHESLA Board Structure, Responsibilities, Ethics Requirements and Legal Protections

Ms. Aguilera provided a handout and a brief overview of CHESLA's Board of Directors structure, responsibilities, ethics requirements and legal protections.

CHESLA Overview: CHESLA Products, Volume Statistics, Employees, Role of Vendors, and CHEFA Support Services

Mr. Hurlock provided an overview of each of the CHESLA products, along with explaining the various types of portfolio and marketing reporting provided to the Board of Directors on a quarterly basis.

Ms. Levin provided an overview of CHEFA support services and CHESLA's account structure. She also explained the flow of funds for bond issues.

Bond and Loan Portfolios

Mr. Webb provided an overview and explained the process on how the cash flows and various reports are developed.

Ms. Blank provided an overview of the trustees' role in managing the trust.

Mr. Webb discussed the loan servicer's role and explained prepayments and the default rate calculated on the cash flows. A discussion ensued.

Ms. Savino inquired as to how long it would take to establish a new bond issue resolution. Mr. Webb stated that discussions will start next week with Ms. Weldon and Mr. Hurlock to prepare for a bond sale in May of 2019, before the Plus Loan Rate is reset.

Mr. Webb reviewed the following reports: Sources and Uses; Summation; Parity Assumed Original Schedule, Student Loan Valuation; Student Loan Default; SCRF, Reserve Fund; Short-term Interest Rate; Acquisition Fund; Bond Debt Service; Expense; Loan Balance Summary; Bond and Loan Statistics.

Dr. Lisi and Ms. Weldon thanked Mr. Webb for his presentation.

ADJOURNMENT

There being no further business, at 2:01 p.m., Dr. Lisi moved to adjourn the meeting and Ms. Savino seconded the motion.

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

AYES

NAYS

ABSTENTIONS

Andrew Foster
Dr. Peter Lisi
Sheree Mailhot
Julie Savino
Jeanette Weldon

None

None

Respectfully submitted

Jeanette W. Weldon
Executive Director