

MINUTES OF THE BOARD OF DIRECTORS

September 23, 2024

A meeting of the Connecticut Student Loan Foundation's Board of Directors was held on Monday, September 23, 2024 at 12:30 p.m., in person and virtually via video conference.

Members Present:

Dr. Peter Lisi, Chair of the Board
Laura M. Baker (designee of the Connecticut Chief Workforce Officer)
Martin L. Budd *
Andrew Foster
Kimberly Mooers (designee of the Connecticut Treasurer) *
Julie B. Savino, Vice Chair
Jeanette Weldon, Executive Director, CHEFA/CHESLA

Members Absent:

Kerry A. Kelley (designee of the President of Connecticut State Colleges and Universities)
Michael Izadi (designee of the Connecticut OPM Acting Secretary)

Other Attendees:

Denise Aguilera, General Counsel, CHEFA
Kevin Barry, Senior Accountant I, CHEFA
Charles Bodie, Managing Director of Finance and Operations, CHEFA
Rebecca Hrdlicka, Senior Administrative Services Assistant, CHEFA
Joshua Hurlock, Deputy Director, CHESLA
Andrew Kwashnak, Senior Systems & Data Analyst, CHEFA
Carlee Levin, Senior Accountant, CHEFA
JoAnne Mackewicz, Controller, CHEFA*
Shannon Reynolds, Portfolio Specialist, CHESLA
Kara Stuart, Manager, Administrative Services, CHEFA
Yesenia Torres-Rivera, Senior Program Coordinator, CHESLA
Andrea Lenox, Vice President, Structured Finance, Goal Structured Solutions, LLC *
Robert Johnson, Accounting Analyst II, Goal Structured Solutions, LLC *
Tim Webb, Senior Vice President, Hilltop Securities, N.A. *

* Individual attendees that participated in the meeting via teleconference that permitted all parties to hear each other

I. Call to Order

Mr. Lisi called the meeting to order at 1:48 p.m.

II. Approval of Minutes:

Mr. Budd moved to approve the minutes from the June 13, 2024, board meeting, which was seconded by Mr. Foster. The motion passed unanimously, with Ms. Lopez abstaining as she was absent at that meeting.

III. Executive Directors Report

Ms. Weldon noted that CSLF's financial advisor is currently working on a cash flow analysis and that the findings will be presented to the board once completed.

IV. Auditor's Report

Mr. Bodie acknowledged that the full audit report, which includes CSLF as a component unit, was presented in the prior meeting, along with the IRS Form 990.

Mr. Barry reviewed the financial activity for the year. Unrestricted assets remained relatively unchanged throughout the year, though decreasing slightly from around \$156,000 to \$132,000. Loans receivable decreased by \$22.8 million as students continue to pay down their loans. In terms of liabilities, Bonds Payable decreased by \$24 million, with the redemption funds coming from proceeds received from the loan assets. Total net position for June 2024 was \$20.9 million, representing a \$1.3 million increase from last year.

Loan interest income increased by \$925,000, mainly due to the quarterly SAP remaining as a receivable to the trust rather than a payable. Additionally, total late fee and investment income increased by \$21,000. Bond interest expense decreased by \$275,000, primarily due to declining balance but also because of lower rates. Total change in net position, excluding CHESLA transfers, was a gain of \$1.77 million, which is \$881,000 greater than last year.

Mr. Lisi requested a motion to approve the Audited Financials (June 30, 2024) pertaining to CSLF. Mr. Foster moved for approval and Ms. Baker seconded the motion. The motion passed unanimously.

Mr. Lisi requested a motion to approve the IRS Form 990 and authorize the filing with the IRS. Ms. Savino moved for approval and Mr. Lisi seconded the motion. The motion passed unanimously.

V. Bond Redemption Activity

Mr. Johnson reviewed the bond activity for the quarter ended June 30, 2024. Total redemptions for the quarter equaled \$7.1 million, compared to \$4.8 million last quarter. This consisted of \$1.2 million for the 2006 A-1 tranche and \$5.9 million for the 2006 A-2 tranche. The outstanding bond balance at the end of the quarter stood at approximately \$55.5 million, representing a 11.3% decline.

The Weighted Average Coupon (WAC) decreased slightly from 7.19% to 7.17% and the Weighted Average Remaining Maturity (WARM) of the portfolio decreased slightly from 218 months to 215 months. FFELP forbearance rates decreased from 12.44% to 12.22% and loans in repayment increased from 87.47% to 87.68%. Meanwhile, all of the the private loan portfolio continues to be in repayment status.

VI. Adjournment

Ms. Lopez made a motion, which was seconded by Ms. Savino, to adjourn the meeting.

The motion passed unanimously, and the meeting was adjourned at 1:58 p.m.

Respectfully Submitted by:

Jeanette Weldon, Executive Director

DRAFT