

VSAC Finance Committee Meeting

March 23, 2020

12:30 p.m.

**Boardroom, VSAC Offices
10 East Allen Street
Winooski, Vermont**

Attendance:

Committee Members Present: John McSoley, Beth Pearce

Committee Members Absent: Michael Smith (Chair)

Other Board Members Present: Dodie Mitchell

Staff: Scott Giles, Mike Stuart, Marilyn Cargill, Bruce Hicken, Jodie Ducharme,

The meeting was called to order at 12:33 p.m. and a quorum was established.

Approval of Minutes

Upon a motion made by John McSoley and seconded by Beth Pearce, the Committee Members present voted to approve the minutes of the Committee meeting of January 27, 2020, as presented.

FY20 Financial Statements

Mike Stuart directed the Committee to the previously distributed Finance Committee Meeting Comments document, noting there are no unexpected trends on the financial statements through the end of February.

In response to member questions, Mike explained that revenue from the subordinated student loan bonds will be impacted by the drop in LIBOR, which has declined from around 260bps in March 2019 to 75bps in March 2020. Mike noted that we are monitoring the potential effect that school closures and other event cancellations might have on our draw down from various grant-funded activities. Mike pointed out that for expenses, there have been some savings in both Salaries and Other Benefits resulting from attrition and not refilling those positions.

2020-2021 Private Loan Bond

Mike announced that we are well into the rating agency process after meeting with each agency, submitting data, and answering follow up questions. He noted that we expect to receive their assumptions for cash flows sometime this week. Mike also pointed out that we are in regular contact with our financial advisor and the Bank of America to assess the viability of selling bonds in the marketplace in May 2020.

Other Business

Scott Giles briefed the Committee on the student loan relief that the White House approved in response to the COVID-19 pandemic. Scott noted that VSAC is trying to expand the relief to include non-federally held loans.

There being no other business, the meeting adjourned at 1:01 p.m.

Respectfully submitted,

Michael Stuart, Assistant Secretary