

Minutes

VSAC Finance Committee Meeting

January 23, 2023
12:30 p.m. -2:00 p.m.

Boardroom, VSAC Offices
10 East Allen Street
Winooski, Vermont 05404

Committee Members Present: Michael Smith (Chair), John McSoley

Committee Members Absent: Caleb Elder, Clarence Davis

Other Board Members Present: Dodie Mitchell, Ryan Dulude

VSAC Staff Present: Scott Giles, Mike Stuart, Marilyn Cargill, Patrick Leduc, Bruce Hicken, Laurie Oliver, Jodie Ducharme

Chair Michael Smith called the meeting to order at 12:30 p.m.

Approval of November 21, 2022 Minutes

Upon a motion made by John McSoley and seconded by Michael Smith, the Committee Members voted to approve the minutes of the Finance Committee meeting of November 21, 2022, as presented.

Public Comment

There were no public comments given during the public comment period.

Standing Reports

The Committee reviewed the previously distributed FY23 Income Statement and Balance Sheet, Variance Analysis, Operating Budget, and VSF Endowment Report. Mike Stuart noted that interest rates have increased more than anticipated for budget projections which will result in variances that will accumulate throughout the year. Mike also pointed out, in the operating expenses, that healthcare is down over last year and compared to budget due to reduced claims, noting that Patrick Leduc is taking a closer look to determine if VSAC's wellness efforts have contributed to this decrease.

Bruce Hicken walked the Committee through the Variance Analysis, highlighting on the revenue side the variances that occurred as a result of the FFEL portfolio paying down at a higher rate than anticipated as a result of the Public Service Loan Forgiveness offered by the Department of Education.

2022/2023 AY Private Loan Volume Update

Mike Stuart directed the Committee's attention to the previously distributed New Loan Volume Reports, noting that we are still under target volume for both the student and parent loans because of the additional funding made available to students during the pandemic. Mike explained that we are working with the Marketing department to work on letting out-of-state borrowers know who VSAC is.

2023 Student Loan Bond Update

Mike Stuart announced that the Executive Committee is in the early stages of preparing for the upcoming new student loan bond. Mike noted they anticipate meeting with the rating agencies the first week of March with a target date for issuance around mid-May. Mike also provided updates on potential size, noting the amount we intend to borrow is tied to loan volume projection. Loan changes for the upcoming academic year include eliminating origination fees and potentially adding a 5 year repayment term.

Other Business

There being no other business, the meeting adjourned at 1:42 p.m.

Respectfully submitted,

Michael Stuart, Assistant Secretary