

## **VSAC Finance Committee Meeting**

**May 19, 2025  
2:00 p.m. – 3:30 p.m.**

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

Committee Members Present:	Mike Smith (Chair), John McSoley, Clarence Davis
Committee Members Absent:	Mike Pieciak
Other Board Members Present:	Dodie Mitchell
VSAC Staff Present:	Scott Giles, Tom Little, Patrick Leduc, Meghan Metzler, Brad Fallon, Jeff Kellar
Other:	N/A

---

Mike Smith (Chair) called the meeting to order at 1:42 p.m. With a quorum established, the Committee proceeded with the agenda.

### **Approval of Minutes**

*Upon a motion made by John McSoley and seconded by Clarence Davis, the Committee Members voted to approve the Finance Committee Minutes of March 24, 2025, and April 14, 2025, as presented.*

### **Public Comment**

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

### **Standing Reports Discussion**

Meghan Metzler walked the Committee through the previously distributed Income Statement and Balance Sheet and highlighted loan and cash balances.

Jeffrey Kellar reviewed the Variance Analysis and highlighted the impact that increased grant awarding has had.

There was a review of the VSF Endowment Report and VT529 Investment where Meghan Metzler reported that they continue to perform in relation with the market. Tom Little added information about how endowed scholarships function based on gains or losses to the endowment.

Meghan then spoke about the FY25 loan volume, and that there was a recent increase in loan requests and the year could end with nearly 20% growth.

### **Federal Update**

In the meeting Mike Smith requested this agenda item be added before the budget presentation. Therefore, Scott Giles provided a federal update on the GEAR UP and TRIO grant competitions as well as both budget reconciliation and budget resolution. The Committee asked questions that Scott responded to.

### **FY26 Budget Presentation**

Meghan Metzler introduced the 2026 Fiscal Year budget, describing the corporate and operating budget assumptions provided in previously distributed materials. Meghan highlighted the following operating budget assumptions that were included in the materials:

- Originate \$50 million student and parent Advantage private loans.
- Originate \$5 million in traditional refinance loans, a new VSAC loan product.
- Lower bond servicer fees
- Interest rates remain level (student loans and investments)
- No material changes in default trends.
- VSAC will not draw down the 7% administrative allowance permitted in the state appropriation legislation.
- Federal grant revenue recurs.
- FTEs decrease from 130 to 127, which assumes Advance Vermont is no longer consolidated under VSAC.
- Staff COLA and merit increases remain comparable to last year.
- Healthcare expenses to decrease by 6%
- No projected market returns for VSF endowment.
- 529 plan assets to grow by 10%.

The Committee engaged in a conversation about the FY26 budget, during which the Executive Committee responded to members' questions.

*Upon a motion made by Clarence Davis and seconded by John McSoley, the Committee Members voted unanimously to recommend the Board approve the adoption of the FY26 Budget Resolution, as presented.*

### **Bond Update**

Meghan Metzler gave an overview of the results to the bond sale for the FY26 loan products. Meghan also gave an overview of the new loan interest rates and highlighted that nearly all loan rates were below the Federal Parent PLUS loan rates. Meghan responded to the Committees questions.

### **Other Business**

There being no other business, the meeting adjourned at 2:49 p.m.

Respectfully submitted,  
Meghan Metzler, Assistant Secretary