



# Vermont Bond Bank

## **BOARD MEETING**

December 18, 2019 – 12:00 p.m.  
CCV – Winooski, VT

## **MEETING MINUTES**

**Board Members Participating & Voting:** David Kimel (by phone), David Coates, Debbie Winters, Mary Alice McKenzie, and Michael Clasen (as designee for Beth Pearce)

**Board Members Absent:** None

**Staff Participating:** Michael Gaughan, Ashley Lucht

**Guests:** Meghan Burke - Mintz Levin (by phone)

The meeting was called to order by Ms. Winters at 12:00 p.m.

### Administrative

Ms. Winters asked if there were any changes or additions to the agenda.

### Approve Prior Meeting Minutes

Ms. Winters asked for any comments on the prior meeting minutes.

*Motion: Mr. Clasen moved and Mr. Coates seconded, the motion to approve the meeting minutes of the November 4, 2019 meetings. The minutes were approved unanimously.*

### VSCS Refunding Transaction Resolutions

Mr. Gaughan introduced the Bond Bank resolution for the Vermont State Colleges System conduit bond issuance as prepared by Mintz Levin, as bond counsel for the Bond Bank. He provided an update on the progress of the transaction. Ms. Burke provided a description of the purpose of the resolution and noted that there is no mechanism to tie the transaction to the State of Vermont's moral obligation.

Ms. McKenzie noted that she would be abstaining from the vote based on her previously disclosed connections to the Vermont State College System.

*Motion: Mr. Clasen moved and Mr. Coates seconded, a motion to adopt the resolution as follows:*

*Resolved,*

*That the Board of Directors of the Vermont Municipal Bond Bank (d/b/a the Vermont Bond Bank) hereby (i) authorizes the issuance of not to exceed \$30,000,000 aggregate principal amount of Bonds, Vermont State Colleges System Issue, 2020 Series A (the "Series A Bonds") pursuant to the General Bond Resolution for Vermont State Colleges System adopted by the Vermont Municipal Bond Bank on March 30, 2017 (the "VSCS Program Resolution"), (ii) approves and adopts a Series Resolution for the Series A Bonds (the "Series Resolution") in a form approved by the Executive Director and Chair, the definitive form of the Series Resolution to be evidenced conclusively by delivery of a copy thereof certified by each of the Executive Director and Chair, and (iii) authorizes the Executive Director and the Chair, acting singly, to take other actions necessary under the VSCS Program Resolution to issue the Series A Bonds, including without limitation approving a preliminary official statement and official statement, continuing disclosure agreement, loan agreement with the Vermont State College System, escrow agreement and purchase contract with the underwriters of the Series A Bonds.*

*The motion passed unanimously with abstentions as noted.*

At 12:08 p.m., Ms. Burke left the meeting.

#### Review SRF Construction Loans

Ms. Lucht introduced the SRF loans in the amounts shown below and discussed considerations related to their credit summaries.

<b>Borrower</b>	<b>Loan Number</b>	<b>Amount</b>
Village of Marshfield	RF3-385-3.0	\$80,000
Peacham Fire District #1	RF3-362-3.1	\$690,000

After some discussion, the following motion was made:

*Motion: Mr. Coates moved and Ms. McKenzie seconded, the motion to approve the SRF loans. The motion was approved unanimously.*

At 12:20 p.m., Ms. Lucht left the meeting.

#### Presentation & Consideration of the 2020 Budget

Mr. Gaughan provided an overview of key considerations in the 2020 budget and proposed expenses as well as revenue assumptions. He noted that he discussed the proposed budget with VEHBFA's Finance Committee who had approved the budget prior to sending to the full board.

*Motion: Mr. Coates moved and Mr. Clasen seconded, a motion to go into executive session to discuss personnel matters. The motion was approved unanimously.*

At 12:39 p.m. the Board went into Executive Session. Mr. Gaughan stayed in the room at the board's invitation.

At 12:43 p.m. the Board came out of Executive Session.

*Motion: Ms. Clasen moved and Mr. McKenzie seconded, a motion to adopt the proposed 2020 budget subject to further action by the Board on the Executive Director's compensation. The motion was approved unanimously.*

#### Election of Officers

Ms. Winters stepped down as Chair of the meeting and asked Mr. Coates to preside. Mr. Coates asked for nominations for the positions of Chair, Treasurer, and Secretary.

*Motion: Ms. McKenzie moved and Ms. Winters seconded, the following slate of officers: David Kimel, Chair; Debbie Winters, Treasurer; and Michael Gaughan, Secretary. Mr. Coates asked for a vote on the slate of officers. The motion was approved unanimously.*

#### Ratification of Prior Acts

Mr. Gaughan explained the purpose of the ratification and Ms. Winters asked if the Board was ready to vote.

*Motion: Mr. Coates moved and Ms. McKenzie seconded, the motion stating that the Board of Directors of the Vermont Municipal Bond Bank ("Bond Bank") met at a duly warned meeting on December 18, 2019. The Board of Directors considered all prior acts of the Bond*

*Bank taken during calendar year 2019 and reaffirmed all such actions and endeavors undertaken. The motion was approved unanimously.*

#### Annual Review

Mr. Gaughan provided an overview of the Dashboard Indicators and Internal Control Review analysis he prepared.

#### Quarterly Policy Review

Mr. Gaughan introduced proposed changes to the Network and Computer Security Policy that he suggested renaming the Cyber Security Policy. He noted that he would like to continue to review with the advice of counsel and would present to the board later for approval.

Mr. Coates discussed the policies of the Bond Bank generally.

Mr. Gaughan also provided an update on the review of the draft Employee Handbook. He stated that it was being reviewed by employment counsel for consistency with applicable laws and best practices.

#### Enterprise Risk Management Review

Mr. Gaughan presented the quarter Enterprise Risk Management review to the Board and highlighting a status changes related to the trustee. Mr. Gaughan discussed potential implications of the changes and efforts to mitigate related risks.

#### Standing Hold for Executive Session

*Motion: Mr. Coates moved and Mr. Clasen seconded, a motion to go into executive session to discuss personnel matters. The motion was approved unanimously.*

At 1:10 p.m., the Board went into Executive Session. Mr. Gaughan left the room.

At 1:36 p.m., the Board came out of Executive Session and Mr. Gaughan reentered the room.

*Motion: Mr. Coates moved and Mr. Clasen seconded, a motion to accept the recommendation of the Chair on the Executive Director's compensation for 2020. The motion was approved unanimously.*

Mr. Gaughan then discussed scheduling considerations for the next board meeting.

*There being no other business to come before the Board, on a motion by Ms. McKenzie and seconded by Mr. Clasen, the meeting adjourned at 1:40 p.m.*

---

These Minutes were approved by the Board of Directors at a duly warned meeting January 30<sup>th</sup>, 2020.