



Vermont Bond Bank

BOARD MEETING

June 27, 2024 – 9:00 a.m.

In-person and via Zoom

DRAFT MEETING MINUTES

[Recording Link](#)

Board Members Participating & Voting: Debbie Winters, Mary Alice McKenzie, John McSoley, Mark Foley, and Gavin Boyles (as designee for Treasurer Mike Pieciak)

Board Members Absent: None

Staff Participating: Elizabeth King, Ken Linge, and Michael Gaughan

Guests: Meghan Burke - Mintz Levin and Jeff Smith - Omnicap

The meeting was called to order by Ms. Winters at 9:00 a.m.

Administrative

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

Approve Prior Meeting Minutes

Ms. Winters asked if there were any change requested to the prior minutes and if there was a motion to approve.

Motion: Ms. McKenzie moved and Mr. Foley seconded, the motion to approve the meeting minutes of the May 23, 2024 board meeting. The minutes were approved unanimously.

Executive Director's Update

Mr. Gaughan provided updates to the board on changes to the public meeting rules and work of staff. He described the status of the SCRIP and RESP programs.

Consideration of SRF Loan Approvals

Mr. Linge introduced the state revolving loan funds loan and discussed the credit summary.

Motion: Mr. Foley moved and Mr. McSoley seconded, a motion to approve the below SRF loan. The motion was approved unanimously.

Borrower	Loan #	Loan Amount	Conditions / Notes
Winooski City	RF1-212-3.0	\$1,500,923	

Annual Portfolio Monitoring Review

Mr. Gaughan reviewed the annual portfolio review and watch list review. He indicated that portfolio level medians would be forthcoming after the data was analyzed over the next two months. He then described material updates to the watch list and noted significant findings for the Cold Brook Fire District #1 and Village of Poultney.

He then indicated his recommendation to remove the City of Rutland from the watch list. Mr. Foley indicated that he would abstain from the vote on the Rutland recommendation.

Motion: Mr. McSoley moved and Ms. McKenzie seconded, a motion to remove the City of Rutland from the watchlist. The motion was approved unanimously with abstentions noted.

Mr. Smith entered the meeting at approximately 9:30 am ET.

Quarterly Policy Review

Mr. Gaughan described the proposed updates to the Loan Policies and Procedures to reflect the conditions faced by Vermont related to deferred maintenance and statewide education property taxes. The board and staff discussed the proposed changes, implications for credit reviews going forward, and touched upon the Bond Bank's work as it intersected with broader school construction questions.

A vote on the policy changes was withheld until after the review of the credit summaries using the new criteria.

Summer 2024 Loan Pool Review

Mr. Linge provided commentary on the credit summaries, which accompany each loan application. The board members discussed applications and asked follow-up questions. Changes to the school credit summaries were discussed alongside watch list recommendations.

Ms. Burke joined at approximately 10:40 am ET.

Mr. Foley indicated he would recuse himself from the vote related to the City of Rutland.

Motion: Mr. McSoley moved and Mr. Boyles seconded, a motion to accept the following borrowers and related loans into the summer loan pool with recusals as noted. The motion was approved unanimously.

- *Calais Town*
- *Champlain Valley School District*
- *Chester Town*
- *Coventry Town School District*
- *Hartford Town*
- *Hartford Town School District*
- *Rochester Town*
- *Rutland City*
- *South Burlington School District*
- *St. Albans City*
- *Vershire Town*

Executive Director's Offering Summary

Mr. Gaughan provided the board with an update on key strategic considerations of the summer 2024 bond offering. He discussed the current market and strategies to realize the lowest relative cost of capital for borrowers. He provided a recommendation to undertake a competitive sale for the new money transaction and negotiated sale for the refunding while offering a recommendation of the senior manager and syndicate.

Motion: Ms. McKenzie moved and Mr. Foley seconded, a motion to accept the Executive Director's method of sale proposal and negotiated syndicate composition. The motion was approved unanimously.

Authorization of Bonds

Ms. Burke introduced the resolution for adoption.

Motion: Mr. Foley moved and Mr. McSoley seconded a motion to adopt the resolution as follows:

Board Resolutions June 27, 2024

Resolved,

I. That the Board of Directors of the Vermont Bond Bank hereby (i) authorizes the issuance of not to exceed \$55 million in aggregate principal amount of 2024 Series 2 (the "2024 Series 2 Bonds") pursuant to the 1988 General Bond Resolution, (ii) approves and adopts the Series Resolution for the 2024 Series 2 Bonds (the "Series Resolution") in substantially the form presented at this meeting with such changes as may be deemed necessary or desirable by the Executive Director with the approval of the Chair, and (iii) authorizes the Executive Director in consultation with the Chair to determine whether to make an equity contribution towards the costs of issuance for the 2024 Series 2 Bonds and to determine the amount of any such contribution. The definitive form of the Series Resolution shall be evidenced conclusively by delivery of a copy thereof certified by each of the Executive Director and Chair.

II. That the Board of Directors of the Vermont Bond Bank hereby (i) authorize the issuance of one or more series of refunding bonds ("Refunding Bonds") pursuant to the 1988 General Bond Resolution; and (ii) approves and adopts one or more Series Resolutions authorizing the issuance of the Refunding Bonds in a form approved by the Executive Director and the Chair, the definitive form of each such Series Resolution shall be evidenced conclusively by delivery of a copy thereof certified by each of the Executive Director and Chair.

III. That the Board of Directors of the Vermont Bond Bank hereby authorizes the Executive Director and the Chair to (i) determine whether the 2024 Series 2 Bonds and the Refunding Bonds shall be sold or issued on the same or different dates, and (ii) take any and all actions necessary or desirable to effectuate such financing and refinancing.

The motion passed unanimously.

Mr. Smith and Ms. Burke left the meeting at 11:10 am ET.

Quarterly Budget Review

Ms. King provided an overview of the budget to actual results through May and introduced the proposed budget amendments to accommodate a Financial Analyst. Board members asked questions about the position.

Motion: Ms. McKenzie moved and Mr. Boyles seconded, a motion to accept the revised budget. The motion was approved unanimously.

There being no other business to come before the Board, on a motion by Mr. Foley and seconded by Mr. Boyes, the meeting adjourned at 11:35 am ET.

These Minutes were approved by the Board of Directors at a duly warned meeting _____.