

# VERMONT BOND BANK

## BY LAWS

(Amended and Restated Effective June 11, 2019 and conformed to June 19, 2023 amendments to 24 V.S.A Chapter 119)

## ARTICLE I

### POWERS, ORGANIZATION AND ADMINISTRATION

- Section 1. Administration. The powers, organization and administration of the Vermont Bond Bank (“Bond Bank”) shall be in accordance with the provisions of 24 V.S.A. Chapter 119, as amended, and other applicable laws, including 24 V.S.A. Chapter 120, and these By-Laws.
- Section 2. Establishment. The Bond Bank is a body corporate and politic with corporate succession. It is constituted as an instrumentality exercising public and essential governmental functions, and the exercise by the Bond Bank of the powers conferred by the Vermont Statutes Annotated are deemed to be an essential governmental function of the State.
- Section 3. Membership. The Bond Bank shall consist of the following five Directors: The State Treasurer (a director ex officio) and four Directors appointed by the Governor with the advice and consent of the Senate for terms of two (2) years. Other terms and conditions guiding membership of the Board and vacancies shall be controlled by the provisions of 24 V.S.A. §4572, as amended from time to time.
- Section 4. Fiscal Year. The fiscal year of the Bond Bank shall be the calendar year.
- Section 5. Seal of Bond Bank. The seal of the Bond Bank shall be in such form as determined by resolution of the Bond Bank Directors.
- Section 6. Offices of the Bond Bank. The offices of the Bond Bank shall be located within the State of Vermont at a location as may be approved by the Board of Directors from time to time.

## ARTICLE II

### OFFICERS

- Section 1. Officers. The Directors of the Bond Bank shall elect one of their number as Chairman. The Directors shall also elect a Secretary and a Treasurer who shall act as a Vice Chair and who need not be Directors. The same person may be elected to serve both as Secretary and Treasurer. In its discretion, the Directors

may elect a separate Vice-Chair. Each officer shall be, to the extent practical, elected at Annual Meeting of the Bond Bank and shall serve until the next annual election.

- Section 2. Chair. The Chair shall preside at all meetings of the Directors of the Bond Bank and shall have general supervision of the Directors of the Bond Bank and shall have general supervision over the business and affairs of the Bond Bank. The Chair may, with advice of counsel, delegate certain of his powers to the Executive Director, in the Chair's sole discretion. Except as otherwise provided by resolution of the Directors, the Chair, or by his direction the Executive Director (acting as Chief Administrative and Operating Officer of the Bond Bank), shall sign all orders, loan agreements, contracts, and other instruments made by the Bond Bank.
- Section 3. Vice-Chair. The Vice-Chair shall have all of the powers, authority and obligations of the Chair and shall perform the duties of the Chair in the absence or incapacity of the Chair.
- Section 4. Secretary. The Secretary shall keep the records of the Bond Bank, shall act as Secretary of the meetings of the Board of Directors of the Bond Bank and record all votes, and shall keep a record of the proceedings of the Board of Directors of the Bond Bank in a journal of proceedings to be kept for such purpose, and shall perform all duties incident to his office. He shall keep in safe custody the seal of the Bond Bank and shall have power to affix such seal to all contracts and instruments authorized to be executed by the Bond Bank. If approved by the Board, duties of the Secretary may be delegated to the Executive Director.
- Section 5. Treasurer. The Treasurer shall have the care and custody of all funds of the Bond Bank and shall deposit the same in the name of the Bond Bank in such bank or banks as the Directors of the Bond Bank may select. The Treasurer shall sign all orders and checks for the payment of money and shall pay out and disburse such moneys under the direction of the Directors of the Bond Bank. Except as otherwise authorized by resolution of the Directors of the Bond Bank, all such orders and checks shall be either approved by or countersigned by the Chair or Vice-Chair. The Treasurer shall keep regular books of accounts showing receipts and expenditures and shall render to the Directors of the Bond Bank, and to the Auditor of Accounts of the State of Vermont, upon request, an account of his transactions and also of the financial condition of the Bond Bank. The Treasurer shall review all accounts on a monthly basis with the Chair. If approved by the Board, duties of the Treasurer may be delegated to the Executive Director. The duties of the "Treasurer" provided in this Section 5 are not intended to supplant or modify the duties of the State Treasurer set forth in 24 V.S.A. §4555.
- Section 6. Additional Duties. The Directors of the Bond Bank shall perform such other duties and functions as may from time to time be required by the Directors of the Bond Bank or its by-laws. In particular, the Bond Bank shall perform all duties

assigned to it pursuant to 24 V.S.A. Chapter 120 involving the “Special Environmental Revolving Funds” established by said Chapter.

- Section 7. Removal and Vacancies. Each Director may be removed from office by the Governor pursuant to 24 V.S.A. §4573. Any vacancy in a directorship occurring other than by expiration of term, shall be filled in the same manner as the original appointment, except the advice and consent of the Senate shall not be required if it is not in session, but for the unexpired term only.
- Section 8. Delegation. In the event of a vacancy in any office (or the absence or disability of any officer of the Bond Bank, or for any reason that the Board may deem sufficient), the Bond Bank, except as otherwise provided by law, may temporarily delegate the powers or duties of any officer to any other officer or to any member of the Board of Directors.
- Section 9. Executive Committee. The Executive Committee of the Bond Bank shall consist of the Executive Director (ex-officio), the Chair, and the Treasurer. The Executive Committee shall assume such duties as are assigned to it by the Board of Directors by delegation or by policies established by the Bond Bank Board of Directors.

### ARTICLE III

#### MEETINGS

- Section 1. Annual Meeting. The Annual Meeting for each fiscal year shall be held prior to December 1<sup>st</sup> at such time and place, within the State of Vermont, as is designated in the notice of same. If for any reason, the annual meeting cannot be held prior to December 1<sup>st</sup>, the next scheduled meeting shall be considered the Annual Meeting of the Bond Bank. The budget, officers, and other business items of the prior Annual Meeting will remain in effect until the Annual Meeting is held.
- Section 2. Regular Meetings. The Bond Bank may establish a schedule of regular meetings (including the time and place) to be held within the State of Vermont between the annual meetings. The regular business of the Bond Bank may be transacted at such meetings. The agenda for each regular meeting is to be posted to the Bond Bank’s website at least 48 hours before the meeting is to take place. Within five (5) calendar days, a draft or final copy of the minutes shall be posted on the Bond Bank’s website. The minutes will be kept on the website for at least one year from the date of the meeting.
- Section 3. Special Meetings. Any member of the Board of Directors of the Bond Bank may call a special meeting of the members of the Board of Directors of the Bond Bank at such time and location and for the purpose of transacting any business designated in the notice of such meeting. The notice for a special meeting may be delivered to each member of the Board of Directors of the Bond Bank and such

delivery may be in hand, via e-mail, or via U.S. Postal Service delivery to the business or home address of each such Board member at least 24 hours prior to the date of such special meeting. The agenda for each regular meeting is to be posted to the Bond Bank's website at least 24 hours before the meeting is to take place. Within five (5) calendar days, a draft or final copy of the minutes shall be posted on the Bond Bank's website. The minutes will be kept on the website for at least one year from the date of the meeting.

Section 4. Emergency Meetings. Any member of the Board of Directors of the Bond Bank may call an emergency meeting of the members of the Board of Directors of the Bond Bank at such time and location if such member deems it necessary to respond to an unforeseen occurrence or condition requiring immediate attention. Within five (5) calendar days, a draft or final copy of the minutes shall be posted on the Bond Bank's website. The minutes will be kept on the website for at least one year from the date of the meeting.

Section 5. Quorum. The powers of the Bond Bank shall be vested in the Directors. Three Directors of the Bond Bank shall constitute a quorum. Action may be taken by motions and resolutions adopted by the Bond Bank at any meeting thereof by affirmative vote of at least three (3) Directors of the Bond Bank. A vacancy in the directorship of the Bond Bank shall not impair the right of a quorum to exercise all the powers and perform all the duties of the Bond Bank

Section 6. Presiding Officer. At all meetings of the Bond Bank, the Chair shall be the presiding officer, except as otherwise provided herein. In the event a meeting occurs when the office of Chair is vacant or in the absence or disability of the Chair, the Vice-Chair shall be the presiding officer. In the event the Vice-Chair shall be absent or unable to preside, the Bond Bank shall choose a temporary Chair from among those Board members present, a Board member to preside at such meeting.

Section 7. Participation in Meetings through Electronic Means. If the Chair determines there is a need for the members of the Board of Directors to act before such time as it is possible or practicable to bring a quorum of the Board members together at the same location, the Chair, or the Executive Director upon direction of the Chair, may give notice that Board members may participate in the meeting of the Bond Bank by means of telephone conference, similar communications equipment, or electronic means chosen by the Bond Bank by means of which all persons participating in the meeting can hear or otherwise communicate with one another and persons present at the designated place of the meeting can hear and/or communicate with all of the persons participating in such meeting, and in such an instance, such participation in a meeting shall constitute presence in person at such meeting for all purposes. All notices of such meetings shall comply with the requirements set for in Sections 2, 3, and 4 above. In addition, the notice shall designate a physical location where a member of the public can attend and participate in the meeting. At least one (1) member of the Board of Directors, or

employee or designee of the Bond Bank shall be present at the designated physical location. At the start of the meeting, each Director who is participating through electronic means will identify himself or herself. Any vote taken at a meeting that is not unanimous will be taken by roll call.

Section 8. Procedure/Manner of Voting. The order of business and all other matters of procedure at each meeting of the Board shall be determined by the presiding officer. The voting on questions, issues and/or motions presented to the Board at any meeting of the Bond Bank may be by voice, written ballot, electronic affirmation, or as otherwise determined by the presiding officer unless any member of the Board of Directors shall specifically request a voice roll call vote. A roll call vote shall also take place if members of the Board of Directors are participating through electronic means and the initial vote is not unanimous.

Section 9. Business of the Annual Meeting. So long as the same is practicable, and unless the same is tabled and/or delayed by affirmative vote of the Directors of the Bond Bank, the Bond Bank shall, at its Annual Meeting, transact, at a minimum, the following business:

- adoption and/or approval of an annual budget;
- adoption and/or approval of the officers of the Bond Bank;
- review of the staff officers and personnel of the Bond Bank, including employment of the Executive Director, which approval shall include re-examination of authority delegated to the Executive Director by the Directors of the Bond Bank and/or the Chair of the Bond Bank with respect to the Executive Director; and
- adoption and/or approval of Counsel to the Bond Bank and also Bond Counsel to the Bond Bank.

The Board Chair will certify a copy of the approved annual budget as outlined in 24 V.S.A. § 4595.

## ARTICLE IV

### STAFF AND PERSONNEL

Section 1. Staff Officers/Personnel. The Bond Bank, through its Board of Directors, may, in its discretion, appoint an executive director, a general counsel, and a bond counsel, all of whom shall hold office at the pleasure of the Bond Bank Board of Directors.

- Section 2. Executive Director. The Executive Director shall be responsible for the efficient administration and operation of the Bond Bank; carry out the policies and directives of the Bond Bank; be responsible for obtaining and furnishing to the Bond Bank financial and other reports as may be required by the Bond Bank; recommend to the Bond Bank, from time to time, such measures as the Executive Director shall deem necessary or advisable; be responsible for matters relating to inter-governmental relations; be responsible for the Bond Bank's internal audit and internal affairs; be responsible for preparation and submission to the Bond Bank of the proposed annual budget for adoption at the annual meeting; keep the Bond Bank informed as to the financial needs and condition of the Bond Bank; present to the members in a timely manner information received regarding funding requests; and exercise such other powers and perform such other duties as the Bond Bank may determine.
- Section 3. General Counsel. The General Counsel shall be the chief legal officer of the Bond Bank and shall advise and render opinions to the officers and members of the Board of Directors of the Bond Bank as to all legal matters relating to the administration, operations and financing of the Bond Bank and as to the laws governing the programs of the Bond Bank; draft, examine and approve as to legal compliance all forms, contracts and other documents necessary for all phases of the Bond Bank's work or purposes; coordinate with and assist bond counsel in the preparation of all documents related to the sale of the Bond Bank's obligations and the investment of the proceeds; and exercise such other powers and perform such other duties as the Chair, Board, or Executive Director may determine.
- Section 4. Bond Counsel. The Bond Counsel shall advise and render opinions to the officers and members of the Board of Directors of the Bond Bank and General Counsel as to all legal matters relating to the sale of the Bond Bank's obligations, including the rendering of opinion as to the tax status of such obligations. Bond Counsel shall prepare or assist in the preparation of all documents related to the sale of the Bond Bank's obligations and perform such other duties as the Chair, Board, or Executive Director may determine.

## ARTICLE V

### INDEMNIFICATION OF MEMBERS, OFFICERS AND PERSONNEL

- Section 1. Bonding of Board Members. Each member of the Board of Directors of the Bond Bank shall execute a surety bond in the penal sum of \$25,000 and the Treasurer of the Bond Bank shall execute a surety bond in the penal sum of \$50,000. All costs of the surety bonds described herein shall be borne by the Bond Bank. All such bonds shall be consistent with, and in accordance with 24 V.S.A. §4575, as it may be amended from time to time.

Section 2. Right of Indemnification. Each member, officer and employee of the Bond Bank whether or not then in office and any personal representative of a deceased member, officer or employee, shall be indemnified by the Bond Bank in connection with the defense of civil or criminal actions or proceedings or appeals pertaining to Bond Bank activities in accordance with and to the fullest extent permitted by law.

Section 3. Other Rights of Indemnification. The right of indemnification herein provided shall not be deemed exclusive of any other rights to which any such member, officer or employee may now or hereafter be otherwise entitled and specifically, without limiting the generality of the foregoing, shall not be deemed exclusive of the rights pursuant to statute or otherwise of any such member, officer or employee in any such action or proceeding to have assessed or allowed in his favor against the Bond Bank or otherwise, his or her cost and expenses incurred therein or in connection therewith.

## ARTICLE VI

### AMENDMENTS

Section 1. Adoption and Amendment to By Laws. The By Laws of the Bond Bank may be adopted or amended at any meeting of the Bond Bank, notice of which shall have referred to the proposed action, with the approval of at least three of the Bond Bank Board members then serving, or if less than four total, by the unanimous approval of the then serving Board members.

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