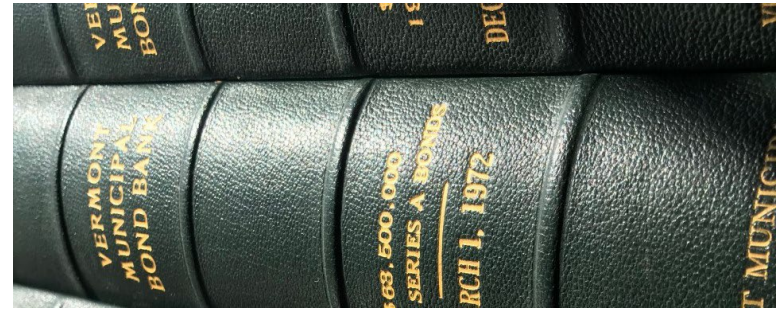




Vermont
Bond Bank



Love you MERP Assessment more with
energy lending from the Bond Bank

February 14, 2025

Charlotte Town Garage



The Vermont Bond Bank



Vermont Bond Bank

Capital Debt Affordability Advisory Committee

Local Investment Advisory Committee

Pooled Loan Program

State Revolving Loan Funds

Program Development

Technical Assistance


Clean Energy Finance

Climate Recovery

Policy Development

NEW ISSUE

In the opinion of Mintz, Levin, Cohn, Ferris, Glosky and Pappas, P.C., Bond Counsel to the Bond Bank, under existing law, and assuming continued compliance with various requirements of the Internal Revenue Code of 1986, as amended, interest on the Bonds will not be included in the gross income of holders of such bonds for federal income tax purposes. Interest on the Bonds will not constitute a preference item for purposes of computation of the federal individual alternative minimum tax; however, Bond Counsel observes that, for tax years beginning after December 31, 2022, interest on the Bonds included in the adjusted financial statement income of certain corporations is not excluded from computation of the federal corporate alternative minimum tax. In the further opinion of Bond Counsel, the Bonds are exempt from State of Vermont personal income taxes and State of Vermont corporate income taxes. See "TAX MATTERS" herein.

	\$46,380,000	
VERMONT BOND BANK	VERMONT BOND BANK	
\$26,370,000		\$20,010,000
2023 Series 2 Bonds (Local Investment Bonds)		2023 Series 3 Refunding Bonds

Dated: Date of Delivery Due: December 1, as shown on the inside cover

The 2023 Series 2 Bonds (Local Investment Bonds) (the "2023 Series 2 Bonds") and the 2023 Series 3 Refunding Bonds (the "2023 Series 3 Bonds") and together with the 2023 Series 2 Bonds, the "Bonds") of the Vermont Bond Bank (the "Bond Bank") are issuable only as fully registered bonds without coupons, and, when issued, will be registered in the name of Cede & Co., as the registered Bondholder and nominee for The Depository Trust Company ("DTC"), New York, New York. Purchases of beneficial interests in the Bonds will be made in book-entry-only form, in the denomination of \$1,000 or any integral multiple thereof. Purchasers of beneficial interests will not receive certificates representing their interest in the Bonds. So long as Cede & Co. is the registered Bondholder, as nominee of DTC, references herein to the Bondholders or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Bonds. See "THE BONDS - Book Entry-Only System" herein.

Principal of and semiannual interest will be paid, as set forth herein, directly to DTC by U.S. Bank Trust Company, National Association, as Trustee and Paying Agent, so long as DTC or its nominee, Cede & Co., is the registered Bondholder. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursements of such payments to the Beneficial Owners is the responsibility of the DTC Participants and the Indirect Participant as more fully described herein. The Bonds are subject to redemption as more fully set forth herein.

The Bonds are direct and general obligations of the Bond Bank payable out of any revenues or funds subject to the provisions of resolutions now or hereafter pledging particular monies, assets or revenues to particular notes or bonds of the Bond Bank as more fully described in this Official Statement. The Bond Bank does not possess any ad valorem taxing powers. The State of Vermont is not obligated to pay the principal of and interest on the Bonds, and neither the Faith and Credit nor the taxing power of the State of Vermont is pledged to the payment of such principal and interest.

The Bonds are offered when, and if issued and received by the Underwriters, subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of legality by Mintz, Levin, Cohn, Ferris, Glosky and Pappas, P.C., Boston, Massachusetts, Bond Counsel. Certain legal matters will be passed on for the Underwriters by their counsel, McCarver & English, LLP, Boston, Massachusetts, Outside Group LLC, El Segundo, California, serves as financial advisor to the Bond Bank. It is expected that the 2023 Series 2 Bonds in definitive form will be available for delivery to DTC in New York, New York or its custodial agent on or about August 10, 2023, and the 2023 Series 3 Bonds in definitive form will be available for delivery to DTC in New York, New York or its custodial agent on or about September 5, 2023.

Raymond James Morgan Stanley
Baird Fidelity Capital Markets UBS

August 1, 2023



Energy Efficiency & Renewable Energy Program

Energy Efficiency & Renewable Energy Program



The program provides low cost and flexible financing for energy efficiency and renewable energy projects to help drive down costs for all eligible Bond Bank borrowers from towns to school districts.

SAVING REQUIREMENTS

Loans must achieve measurable energy use or cost savings. The target is 15%, although projects above 5% savings will be considered.

COMPATIBILITY WITH ELECTIVE PAY

An eligible use of loan proceeds is the bridging of elective pay credits. The Bond Bank engaged Clifton Larson Allen on a fixed fee basis to assist in the filing of elective pay documentation with the IRS for borrowers.

The Bond Bank can provide fee schedules after initial inquiry. Related costs may be included in the loan amount.

ELIGIBLE ACTIVITIES

- Lighting
- Waste Heat Recovery
- Renewable Energy Systems
- Space conditioning including HVAC
- Compressed Air Systems
- Energy Efficient Appliance Upgrades
- Building Envelope Improvements
- Water Heaters
- Motor Systems
- Fuel Switching
- Necessary and incidental activities and investments related to implementation

LOAN PROCESS

Contact Vermont Bond Bank loan officer, Ken Linge, to start. Potential borrowers will be invited to apply following a preliminary review of proposed project and/or energy audit.

Measurement & Verification Requirements

- ▶ American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) Level 2 energy audit
- ▶ Energy savings company (ESCO) projection accompanied by guaranteed energy savings contract
- ▶ Deemed savings based on Efficiency Vermont's Technical Reference User Manual
- ▶ Other projects following review and approval by the Bond Bank

Energy Efficiency & Renewable Energy Program

Amount	No minimum or maximum
Term	Up to 10 years
Interest Rate*	2.125%
Closing Costs	Pass through of environmental review cost (approximately \$3,000)
Payment Dates	Monthly repayment following draw down period
Drawdown Period	Up to three months subject to commitment fee for unused balance
Prepayment	At any time with no penalty
Requisition of Funds	<ul style="list-style-type: none"> • Contractor and borrower certified requisitions • Final draw or lump sum reimbursement (not including solar projects) subject to on-site inspection
Security	General obligation or appropriation
Legal	Local bond counsel opinion
Environmental	<ul style="list-style-type: none"> • Environmental Review required • Evidence of compliance with state or local historic preservation requirements as applicable
Covenants	<ul style="list-style-type: none"> • Quarterly reporting on the performance of the project via utility bills or other agreed-upon forms • Annual submission of a financial report from the borrower • One-time reporting on the beneficiaries of the project following completion • Requirements for corrective action if the project fails to perform as intended • Notice of material event that has negative adverse effect on the borrower's financial position
Other	Contractors must provide an equal opportunity and nondiscrimination certificate

* Evaluated monthly based on underlying market conditions

vtbondbank.org/energy

[Vtbondbank.org/energy](http://vtbondbank.org/energy)

Charlotte Town Garage



PROJECT COSTS

Building & Foundation	\$2,958,000
Solar PV Cells and Installation	282,000
Total	\$3,240,000

SOURCES

SLFRF (ARPA)	\$1,000,000
High Fund Reserves	458,000
Pooled Loan Program Loan	1,500,000
Clean Energy Program Net Loan	197,400
Elective Pay Credit (30%)	84,600
Total	\$3,240,000



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