



Vermont Bond Bank

BOARD MEETING

September 19, 2022 – 1:00 p.m.
100 Bank Street, 401 / Burlington, VT 05401

MEETING MINUTES

Board Members Participating & Voting: David Coates, Debbie Winters, Mary Alice McKenzie, Mark Foley, and Scott Baker (as designee for the State Treasurer)

Board Members Absent: None

Staff Participating: Elizabeth King and Michael Gaughan

Guests: Linda Milne, Mudgett, Jennett & Krogh-Wisner, P.C.

The meeting was called to order by Ms. Winters at 1:05 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: Ms. McKenzie moved and Mr. Baker seconded, the motion to approve the meeting minutes of the June 27, 2022 board meeting. The minutes were approved unanimously following a roll call vote.

Executive Director's Update

Mr. Gaughan provided an update on on-going work of the Bond Bank.

2021 Audit Review

At 1:10 p.m., Ms. Milne joined the meeting. Ms. Milne provided an overview of the audit and related conclusions while highlighting the firm's independence.

Motion: Mr. Coates moved and Ms. McKenzie seconded, a motion to go into executive session to discuss personnel matters. The motion was approved following a roll call vote.

At 1:35 p.m., the Board went into Executive Session.

At 1:35 p.m., Mr. Gaughan and Ms. King left the meeting.

At 1:51 p.m., the Board came out of Executive Session.

SRF Loan Review

Mr. Gaughan reviewed the credit summaries for the state revolving loan fund ("SRF") loans.

Motion: Ms. McKenzie moved and Mr. Coates seconded, the motion to approve the SRF loans. The minutes were approved unanimously following a roll call vote.

Borrower	Loan #	Loan Amount	Conditions / Notes
City of Burlington	RF3-426-3.0	\$1,571,022	
Hardwick Town	RF1-275-3.0	\$3,164,735	
Town of Castleton	RF1-262-3.0	2,500,000	
Dorset FD #1	RF3-438-3.0	5,000,000	
Lunenburg FD #1	RF3-404-3.0	459,753	
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		\$12,695,510	

SRF Counsel RFP Responses

Mr. Gaughan gave the board an update on the two responses received for the SRF counsel and discussed the pros and cons of each proposal noting the high qualifications of both respondents. He proposed recommending Darby Kolter & Roberts LLC.

Motion: Mr. Baker moved and Mr. Foley seconded the motion to engage Darby Kolter & Roberts LLC as SRF legal counsel. The motion was approved unanimously following a roll call vote.

Quarterly Reviews

Mr. Gaughan indicated that the board should communicate questions with the quarterly reviews of the Enterprise Risk Management policy and budget to actual. He then introduced proposed changes to the SRF Investment Policy to help better capture gains to be made from a rising interest rate environment.

He noted that they had discussed the SRF investment policy with the investment advisor at Wilmington Trust. The resulting policy is consistent with standard formats of investment policy statements.

The approval of the revised Investment Policy Statement would be subject to final sign off from the Department of Environmental Conservation given programmatic necessities.

Motion: Mr. Coates moved and Ms. McKenzie seconded, a approving the proposed changes to the SRF Investment Policy. The motion was approved following a roll call vote.

FY 22 to 27 Auditor RFP Responses

Mr. Gaughan and Ms. King discussed introduced the process used to solicit RFP responses to the audit.

Motion: Mr. Coates moved and Mr. Baker seconded, a motion to go into executive session to discuss a potential contract of which public knowledge would place the Bond Bank at a substantial disadvantage. The motion was approved following a roll call vote.

At 2:10 p.m., the Board went into Executive Session.

At 2:28 p.m., the Board left Executive Session and made the following motion.

Motion: Ms. McKenzie moved and Mr. Foley seconded, a allowing the Executive Director in consultation with the Chair to sign a contract with a responding auditor at the conclusion of the final review. The motion was approved following a roll call vote.

There being no other business to come before the Board, on a motion by Ms. McKenzie and seconded by Mr. Baker, the meeting adjourned at 2:31 p.m.

These Minutes were approved by the Board of Directors at a duly warned meeting on November 29, 2022.