



Vermont Bond Bank

BOARD MEETING

November 3, 2023 – 1:00 p.m.

100 Bank Street, 401 / Burlington, VT 05401 and via Zoom

MEETING MINUTES

Board Members Participating & Voting: David Coates, Debbie Winters, Mary Alice McKenzie, Mark Foley, and Mike Pieciak

Board Members Absent: None

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

Guests: Scott Baker – State Treasurer’s Office, Meghan Burke – Mintz Levin

The meeting was called to order by Ms. Winters at 1:02 p.m.

Administrative

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

Executive Directors Update

Mr. Gaughan updated the board on the Bond Bank’s receipt of a GFOA Award of Excellence, 10% in Vermont loan application, and the Bond Bank’s role in organizing a national meeting of state bond banks.

Approve Prior Meeting Minutes

Ms. Winters asked for any comments on the prior meeting minutes. Mr. Gaughan noted the need to clarify one of the votes, which was provided.

Motion: Ms. McKenzie moved and Mr. Foley seconded, a motion to approve the meeting minutes of the September 28, 2023 board meeting with modifications. The minutes were approved unanimously.

SRF Loan Review

Mr. Linge reviewed the credit summaries for the state revolving loan fund (“SRF”) loans. Ms. McKenzie and Mr. Coates noted that she would abstain from the vote as it applied to Colchester.

Motion: Mr. Foley moved and Mr. Pieciak seconded, a motion to approve the SRF loans. The motion was approved unanimously with abstentions noted.

Borrower	Loan #	Loan Amount	Conditions / Notes
Barre City	RF3-514-1.0	\$450,000	
Brattleboro	RF3-520-1.0	450,000	
Colchester	RF1-347-2.0	364,800	Will be a revenue bond
Marshfield Village	RF3-471-3.0	471,343	
Randolph	RF3-430-3.0	<u>2,153,582</u>	
		\$3,889,725	

Cash Defeasances

Mr. Gaughan reviewed the history of the 2015-4 and 2021-2 bond issuances and structure of the cash defeasance as well as potential for using the make whole call provisions. He discussed and reviewed the cashflow of the entire portfolio as well as the 2015-4 bonds. He also reviewed the sources and uses for the cash used to defease the bonds.

Ms. Burke introduced the resolution and alongside Mr. Gaughan, discussed debt service reserve fund requirements under the General Resolution.

Motion: Mr. Cotes moved and Ms. McKenzie seconded, a motion to approve the following resolution.

Resolved,

That the Board of Directors of the Vermont Bond Bank hereby (i) authorizes the defeasance, from available revenues, of the outstanding 2015 Series 4 Bonds (Federally Taxable) and 2021 Series 2 Refunding Bonds (Federally Taxable); (ii) approves the Defeasance Escrow Agreement in the form presented to this meeting, the definitive form of which shall be evidenced conclusively by the execution thereof by the Executive Director; and (iii) authorizes the Executive Director to take such actions as necessary to effectuate the foregoing transaction.

The resolution was approved unanimously.

Bond Bank Response to ARPA Flood Recovery Program

Mr. Gaughan described the history of the RFP released by the Department of Environmental Conservation related to the ARPA flood recovery program. He mentioned that the intent is to initially lend to flood impacted water and wastewater systems and then use repaid funds to make capacity grants. He also noted that a final Q&A will be forthcoming from DEC.

Mr. Gaughan stated his recommendation that Bond Bank apply as a trusted source of debt finance for Vermont's communities.

Motion: Mr. Pieciak moved and Mr. Coates seconded, a motion to authorizing the Bond Bank to respond to the ARPA Flood Recovery Resources and Municipal Drinking Water at Risk of Failure RFP. The motion was approved unanimously.

Ms. Burke left meeting at 1:54 pm.

Hold For Executive Session

Mr. Pieciak and Mr. Baker left the meeting at 1:55 pm.

Motion: Ms. McKenzie moved and Mr. Coates seconded, a motion to go into executive session to discuss issues related to contracts that could place the Bond Bank at a disadvantage in existing and new contracts. The motion was approved unanimously.

At 1:56 p.m., the Board went into Executive Session.

At 2:13 p.m., the Board came out of Executive Session.

There being no other business to come before the Board, on a motion by Mr. Coates and seconded by Mr. Foley, the meeting adjourned at 2:13 p.m.

These Minutes were approved by the Board of Directors at a duly warned meeting on November 30, 2023.