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STATE OF VERMONT
OFFICE OF THE STATE TREASURER

TO: House Committee on Appropriations
House Committee on Commerce and Economic Development
House Committee on Ways and Means
House Committee on Government Operations

Senate Committee on Appropriations
Senate Committee on Economic Development
Senate Committee on Housing and General Affairs
Senate Committee on Finance
Senate Committee on Government Operations

FROM: Beth Pearce, Vermont State Treasurer

RE: Local Investment Advisory Committee Report

DATE: January 12, 2016

Pursuant to Act 199 (S.220) of 2014, and as reauthorized during the 2015 legislative session by Act 51, Section E.3, the Local Investment Advisory Committee (LIAC) met six times during the past year.

The goal of LIAC is to increase economic development activity in Vermont and create jobs by committing up to 10 percent of the Treasurer's office average available cash in local investments. These are funds that may be committed at the discretion of the State Treasurer.

From February 2, 2015 to March 2, 2015, LIAC considered a first round of proposals. From the first round, \$3.75 million was obligated for housing, energy and neighborhood revitalization projects and \$350,000 was set aside for a municipal infrastructure project that is still pending as of December 22, 2015. A second round of proposal solicitations opened on December 7, 2015 and will remain open until May 13, 2016. Available dollars for financing are expected to be up to \$7 million. Municipalities, school districts, social services providers, State agencies and authorities, regional planning commissions and similar organizations are eligible to apply.

The LIAC recommends to the General Assembly, during the 2016 legislative session, to extend the sunset of the Treasurer's credit facility and the work of the LIAC for two years to July 1, 2018. (Specifically to amend ACT 51, Section E.3 of the 2015 session)

- *A summary of the interfund loans, credit facilities and local investment through November 30, 2015 is on the next page.*
- *Legislative Language regarding extending the sunset of the Credit Facility and Committee is also attached.*

Vermont State Treasurer's Office
Summary of Interfund Loans, Credit Facilities and Local Investment Initiatives
Status as of November 30, 2015

Authorizing Legislation and Agency	Statutory Description	Amount Authorized	Remaining Capacity	Amount Utilized	Maturity Date	Rate
Act No. 179 of 2014, Sec. E.131 (2014 Appropriations Bill):	Investment	\$500,000	\$0	\$500,000		
1. Vermont Community Loan Fund				\$500,000	7/15/2016 ^[1]	0.85%
Act No. 87 of 2013, Sec. 8, as amended by Act No. 199 of 2014, Sec. 22:	Credit Facility	\$10,000,000	\$0	\$10,000,000		
2. Vermont Economic Development Authority (Note VEDA-003)				\$10,000,000	1/31/2025 ^[2]	2.43%
Act No. 87 of 2013, Sec. 8a:	Credit Facility	\$6,500,000	\$1,831,087	\$4,668,913		
3. NeighborWorks of Western Vermont (Note A-001)				\$220,721	10/15/2023	2.00%
4. NeighborWorks of Western Vermont (Note A-002)				\$159,975	4/15/2024	2.27%
5. NeighborWorks of Western Vermont (Note A-003)				\$250,000	10/15/2024	2.35%
6. NeighborWorks of Western Vermont (Note A-004)				\$238,217	1/15/2025	2.00%
7. NeighborWorks of Western Vermont (Note A-005)				\$250,000	10/15/2025	2.00%
8. NeighborWorks of Western Vermont (Note A-006)				\$250,000	10/15/2025	2.26%
9. NeighborWorks of Western Vermont (Remaining Authorization)				\$500,000	TBD	TBD
10. Vermont Housing Finance Agency (Note VHFA-001)				\$2,800,000	2/15/2024	2.76%
Act No. 178 of 2014, Sec. 41 (2014 Capital Bill Adjustment):	Credit Facility	\$8,000,000	\$7,475,828	\$524,172		
11. BGS - Costello Courthouse, Burlington - HVAC Lighting and Controls				\$524,172	TBD	2.00%
Act No. 199 of 2014, Sec. 23: ^[3]	Credit Facility	\$8,200,000	\$4,450,000	\$3,750,000		
12. NeighborWorks of Western Vermont (Note B-001)				\$400,000	7/15/2025	2.10%
13. NeighborWorks of Western Vermont (Remaining Authorization)				\$1,350,000	TBD	TBD
14. Champlain Housing Trust (Pending)				\$2,000,000	TBD	TBD
TOTALS:		\$33,200,000	\$13,756,915	\$19,443,085		

Notes:

1. Subject to annual review and renewal.
2. Subject to a "put" provision enabling the Treasurer's Office to demand full or partial repayment within 60 days if the State's unrestricted cash balance falls below \$75,000,000.
3. Total Amount(s) Authorized prior to Act No. 199 of 2014 are included in, and not in addition to, the amount up to 10% of the State's average cash balance. The Treasurer's Office determined that \$8,200,000 was available for additional Local Investments in its Request for Proposals circulated February 2, 2015 (i.e., that 10% is approximately \$33,200,000).



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FROM: Beth Pearce, State Treasurer

DATE: December 11, 2015

RE: Extension of Local Investment Advisory Committee and Credit Facility
(ACT 51)

The Local Investment Advisory Committee and the State Treasurer's Office recommend the following changes to extend the sunset date of the *Treasurer's Credit Facility* and the work of the *Local Investment Advisory Committee* to July 1, 2018.

**ACT No. 51
2015**

* * * Vermont State Treasurer; Local Investments * * *

Sec. E.3. Sec. 25 of Act 199 of 2014 (sunset of Treasurer's credit facility for local investments and Treasurer's local investment advisory committee) is amended to read:

Sec. 25. SUNSET

Secs. 23–24 of this act shall be repealed on July 1, ~~2015~~ ~~2016~~ 2018.