



STATE OF VERMONT
OFFICE OF THE STATE TREASURER

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**Vermont State Treasurer Reappoints Government Finance Associates, Inc.
as Financial Advisor**

Montpelier -- After a two-month selection process, Vermont State Treasurer Jeb Spaulding is pleased to announce that Government Finance Associates, Inc., ("GFA") will continue as the State's financial advisor for debt management matters.

In describing the State's decision, Treasurer Spaulding indicated that the services and performance of GFA matched the State's needs in several key areas: "Vermont is very pleased with the progress that we've made in debt management generally and in our ratings in particular, and GFA has shown the aptitude and performance credentials that gave us considerable comfort that the State will continue to improve in these areas."

"We received several quality responses to our RFP, but the bottom line was that all of the cost proposals were in the same ball park, and since GFA knows us very well and has done such a good job for us, there was no reason to make a change," Spaulding explained. "Further, we think the depth of knowledge about Vermont that the organization brings to this engagement is crucial as we face the economic and fiscal challenges and opportunities that lie ahead for the State."

GFA began providing financial advisor services to Vermont in the early 1990s and became the State's sole financial advisor a few years later. J. Chester Johnson, chairman and founder of the company, expressed his satisfaction in the firm being reappointed: "We are absolutely delighted to continue to work with the Treasurer's Office on debt management matters for Vermont. We have been advising the State for a number of years, and much has been accomplished. The State has goals to achieve in the debt management area, and we look forward to assisting Vermont in the achievement of those goals."

Vermont is currently the highest rated state in New England with ratings of AA+ from Fitch Ratings, Aa1 from Moody's Investors Service, and AA+ from Standard & Poor's. In recent years, the State has pursued a course that would, according to Treasurer Spaulding, lead to a triple-A rating, a classification that Vermont hasn't enjoyed since the 1970s. In connection with the State's most recent bond issue, the State received a positive outlook from Moody's Investors Service.

"With the Aa1 rating, we believe that the positive outlook is a first and very meaningful step for us in attaining a triple-A rating, and we were pleased and encouraged by Moody's favorable adjustment to our outlook," explained Treasurer Spaulding.

