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STATE OF VERMONT
OFFICE OF THE STATE TREASURER

DRAFT

**Local Investment Advisory Committee (LIAC)
11/7/2017**

LIAC Members Present:

BETH PEARCE, Vermont State Treasurer
CASSIE POLHEMUS, Vermont Economic Development Authority Designee
SARAH CARPENTER, Vermont Housing Finance Agency
BOB GIROUX, Executive Director, Vermont Municipal Bond Bank

LIAC Members Not Present

TOM LITTLE, Vice President and General Counsel, Vermont Student Assistance Corporation Designee
PETER ADAMCZYK, Energy Finance and Development Manager, Efficiency Vermont Designee

Also Attending:

Tim Lueders-Dumont, Office of the Vermont State Treasurer
Scott Baker, Office of the Vermont State Treasurer
Michael Gaughan, Vermont Municipal Bond Bank

CALL TO ORDER:

Ms. Pearce called the meeting to order at 1pm.

ITEM 1: Approval of the Minutes

Mr. Giroux made a motion to approve the minutes from December 2016. Ms. Carpenter seconded this motion. Ms. Polhemus abstained. The minutes passed unanimously.

ITEM 2: Member discussion

Ms. Pearce gave an overview of draft of the current federal tax reform bill and its potential effect of Vermont.

Ms. Pearce gave an overview (see attached) of current LIAC dollars as well as concerns about uncertainty at the federal level. The Committee discussed current LIAC projects (attached). The Committee discussed the importance of encouraging shorter-term maturities for future projects. The group came to a consensus that shorter-term borrowing should be encouraged and given preference in future LIAC lending especially in light of federal uncertainty.

Mr. Giroux made a motion that the LIAC and the Treasurer, when analyzing and reviewing new LIAC proposals, give preference to projects that are in a 5-7-year range (or shorter) in light of uncertainty at the federal level and that a focus on shorter term

borrowing continue until further clarity is achieved at the federal level. Ms. Carpenter seconded the motion. The Committee unanimously approved of the motion.

Ms. Pearce and the Committee reviewed informal concepts that had been submitted by various parties, prior to formal proposals. The consensus from the Committee was that opportunities and projects should be deferred until at least the first quarter of 2018 to allow for better clarity at the federal level.

Ms. Polhemus made a motion to defer review of any LIAC proposal until at least the first quarter of 2018 and that, pursuant to the prior motion, shorter term maturities be preferred. Mr. Giroux seconded the motion. The Committee unanimously approved of the motion.

ITEM 3: Public Comment

N/A

ITEM 4: Adjourn

Ms. Polhemus made a motion to adjourn the meeting. Mr. Giroux seconded the motion. The Committee agreed to adjourn unanimously. The Local Investment Advisory Committee meeting was adjourned at 2:15 p.m.

Vermont State Treasurer's Office
Summary of Credit Facilities and Local Investment Initiatives
Status as of September 30, 2017

Authorizing Legislation and Agency	Statutory Description	Amount Authorized	Remaining Capacity	Amount Utilized	Original Amount	Maturity Date	Rate
Act No. 179 of 2014, Sec. E.131 (2014 Appropriations Bill):	Investment	\$1,000,000	\$0	\$1,000,000			
1. Vermont Community Loan Fund ^[3]				\$1,000,000	\$1,000,000	7/15/2018 ^[1]	1.00%
Act No. 87 of 2013, Sec. 8, as amended by Act No. 199 of 2	Credit Facility	\$10,000,000	\$0	\$10,000,000			
2. Vermont Economic Development Authority (Note VEDA-003)				\$10,000,000	\$10,000,000	1/31/2025 ^[2]	2.43%
Act No. 87 of 2013, Sec. 8a:	Credit Facility	\$6,500,000	\$1,709,094	\$4,790,906			
3. NeighborWorks of Western Vermont (Note A-001)				\$95,225	\$250,000	10/15/2023	2.00%
4. NeighborWorks of Western Vermont (Note A-002)				\$157,464	\$250,000	4/15/2024	2.27%
5. NeighborWorks of Western Vermont (Note A-003)				\$250,000	\$250,000	10/15/2024	2.35%
6. NeighborWorks of Western Vermont (Note A-004)				\$238,217	\$250,000	1/15/2025	2.00%
7. NeighborWorks of Western Vermont (Note A-005)				\$250,000	\$250,000	10/15/2025	2.00%
8. NeighborWorks of Western Vermont (Note A-006)				\$250,000	\$250,000	10/15/2025	2.26%
9. NeighborWorks of Western Vermont (Note A-007)				\$250,000	\$250,000	10/15/2026	2.00%
10. NeighborWorks of Western Vermont (Note A-008)				\$250,000	\$250,000	10/15/2026	2.63%
11. NeighborWorks of Western Vermont (Note A-009)				\$250,000	\$250,000	7/15/2027	2.49%
12. Vermont Housing Finance Agency (Note VHFA-001)				\$2,800,000	\$2,800,000	2/15/2024	2.76%
Act No. 199 of 2014, Sec. 23: ^{[4] [5]}	Credit Facility	\$8,200,000	\$2,128,453	\$6,071,547			
13. NeighborWorks of Western Vermont (Note B-001)				\$400,000	\$400,000	7/15/2025	2.10%
14. NeighborWorks of Western Vermont (Note B-002)				\$250,000	\$250,000	7/15/2026	2.00%
15. NeighborWorks of Western Vermont (Note B-003)				\$250,000	\$250,000	10/15/2026	2.00%
16. NeighborWorks of Western Vermont (Note B-004)				\$250,000	\$250,000	1/15/2027	2.52%
17. NeighborWorks of Western Vermont (Note B-005)				\$400,000	\$400,000	4/15/2027	2.45%
18. Champlain Housing Trust (Note A-001)				\$1,000,000	\$1,000,000	3/31/2026	2.48%
19. Champlain Housing Trust (Note A-002)				\$321,547	\$321,547	3/31/2027	3.02%
20. VSAC- higher education loan cost reduction				\$3,200,000	\$4,000,000	6/15/2021	2.00%
Act No. 178 of 2014, Sec. 41 ^[6]	Credit Facility	\$8,000,000	\$6,492,510	\$1,507,490			
21. 32 Cherry St. Exhaust Air Heat Recovery				\$401,031	\$524,172	6/30/2026	2.00%
22. 108 Cherry St. Lighting & Controls				\$566,879	\$566,879	6/30/2030	2.00%
23. Springfield State Office Building				\$387,600	\$387,600	6/30/2025	2.00%
24. Derby Public Safety Facility Energy Retrofit				\$151,980	\$151,980	6/30/2027	2.00%
TOTALS:		\$33,700,000	\$10,330,057	\$23,369,943	\$24,552,178		

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. Additional capacity added to VCLF (up to 1,000,000 - Act 157 of 2016)
4. Neighborworks had remaining authorization of \$200,906 as of 09/30/2017
5. Champlain Housing Trust had remaining authorization of \$678,453 as of 09/30/17
6. Establishes an Energy Revolving Fund under 29 V.S.A. § 168(c)