

**MICHAEL S. PIECIAK**  
STATE TREASURER

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**STATE OF VERMONT**  
**OFFICE OF THE STATE TREASURER**

**Local Investment Advisory Committee (LIAC)**

**5/15/2024**

**LIAC Members Present:**

MIKE PIECIAK, Vermont State Treasurer

CASSIE POLHEMUS, Vermont Economic Development Authority

MAURA COLLINS, Vermont Housing Finance Agency

PETER WALKE, Efficiency Vermont Representative

MICHAEL GAUGHAN, Vermont Bond Bank

**Also Attending:**

Scott Baker, Office of the Vermont State Treasurer

Jeremiah Breer, Office of the Vermont State Treasurer

Emily Bowers, Office of the Vermont State Treasurer

Justin St. James, Office of the Vermont State Treasurer

Jason Smoller, Northern Stage

George Steelman, Office of the Vermont State Treasurer

**CALL TO ORDER:**

Treasurer Pieciak called the meeting to order at 11:03 a.m.

**ITEM 1: Approval of February 14, 2024 Minutes**

Ms. Collins made a motion to approve the minutes from February 14, 2024. Ms. Polhemus seconded the motion. The Committee approved the motion to approve the minutes unanimously.

## **ITEM 2: Cost Analysis Presentation**

Treasurer Pieciak introduced Jeremiah Breer, the Office's Chief Financial Officer, to continue the discussion from the previous meeting in greater detail. Mr. Breer went on to share that, with additional loan money voted on by the Committee, the current total amount of loans is \$96 million. If that loan money is disbursed within a short time frame, the Treasurer's Office would see roughly \$45 million in principal and interest that would return to Vermont in the next five years, with a total of \$60 million returning to the state over the next decade.

In regard to recessions of the past and the impact they could have on current cash balances, Mr. Breer stated that Treasury Operations has a daily report that gets sent to members of the Treasurer's Office, so that any decline in cash would be brought to attention immediately. This ensures that the staff at the Treasurer's Office will be able to plan to deal with any issues that may arise.

## **ITEMS 3 & 4: Consideration of Heritage Family Credit Union and Northern Stage Request**

Treasurer Pieciak began the discussion on the Heritage Family Credit Union by stating that the application would need further consideration and attention to detail. The application, which went through the Treasurer's Office, was submitted by the City of Rutland for a municipal loan. There are questions surrounding the Treasurer's Office's ability to lend money to the municipality without a citizen vote, but that decision will be made at a future date.

Treasurer Pieciak asked the group to look at the overview and share their recommendations on how to proceed with the application and conversations with the city.

Treasurer Pieciak stated that the Treasurer's Office was asking for approval to proceed with the request from Northern Stage if specific conditions are met, and then introduced Mr. Breer to discuss the Northern Stage and Heritage Family Credit Union requests.

Concerning Northern Stage's Request, Mr. Breer explained that it would be advisable from a risk management perspective to loan to Northern Stage via a bank or other financial institution that could act as a financial partner. The bank would assume the credit risk of the loan and payback the State regardless of payments made by Northern Stage to the bank. The committee voted to recommend the Northern Stage loan on terms acceptable to the Treasurer, and contingent on staff finding a financial partner eligible to participate in the Bank in Vermont program.

Concerning the Heritage Family request, Mr. Breer stated that there is a focus on rehabilitating existing housing in Rutland and that the cost is reasonable. Heritage Family Credit Union is providing a layer of protection for the Treasurer's Office, and because of this, will potentially loan Heritage the money needed for them to pass along to homeowners and businesses in Rutland. The Credit Union would be the one to pay back the Treasurer's Office should those loans default. A final decision will be made after a closer look at the application and a discussion with the Credit Union.

## **ITEM 5: Public Comment**

There was no comment from the general public.

## **ITEM 6: Adjourning**

Mr. Walke called a motion to adjourn the meeting and it was seconded by Ms. Collins. The motion was passed unanimously and the meeting adjourned at 12:40 p.m.

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