



## **BOARD MEETING**

January 30<sup>th</sup>, 2019

CCV Winooski – Winooski, VT

## **MEETING MINUTES**

**Board Members Participating & Voting:** David Kimel, David Coates, Debbie Winters, Kathryn Boardman, and Scott Baker (as designee for Treasurer Beth Pearce)

**Board Members Absent:** None

**Staff Participating:** Michael Gaughan

**Guests:** Mary Alice McKenzie, James Foley, Jr. (Lynch & Foley), & Richard Weis (Morgan Stanley)

The meeting was called to order by Ms. Winters at 1:06 pm.

### Review of Meeting Agenda

Ms. Winters allowed the Board the opportunity to provide possible additions and modifications to the order of the agenda. The agenda was kept as presented.

### Approve Prior Meeting Minutes

Approval of Prior Minutes

*Motion: Mr. Coates moved and Mr. Baker seconded the motion to approve the meeting minutes of the December 18, 2018 meeting. The minutes were approved unanimously.*

## 2018 Audit Engagement

Mr. Gaughan introduced the engagement letter for services of Mudgett Jennett & Krogh-Wisner.

*Motion: Mr. Coates moved and Ms. Boardman seconded a motion to accept and to authorize the Board Chair to sign the engagement. The motion was approved unanimously.*

## Summary of Loan Applications Received

Mr. Gaughan provided an overview of the Loan Applications received for the 2019 Winter Pool. He indicated that the pool includes four (4) loan requests in the total amount of approximately \$26 million.

## Consideration of 2019 Winter Loan Pool Applicants

Mr. Gaughan provided commentary on the credit summaries prepared by the Bond Bank staff, which accompany each loan application. The board discussed each application and asked follow-up questions.

Ms. Boardman indicated she would be recusing herself from voting on the City of South Burlington as a resident.

*Motion: Mr. Coates moved and Mr. Baker seconded the authorization to accept the following borrowers and related loans into the Winter Bond Pool with recusals as noted. The motion was approved unanimously.*

- *Town of Corinth*
- *City of South Burlington District*
- *City of St Albans*
- *Town of Stowe*

## Executive Director's Offering Summary

Mr. Gaughan provided the Board an update on key strategic considerations of the winter 2019 bond offering. Included in the discussion was a recommendation for selling group members and a cost-benefit analysis of an equity contribution for costs of issuance.

*Motion: Ms. Boardman moved and Mr. Coates seconded a motion to accept the Executive Director's recommendation on selling group members. The motion was approved unanimously.*

Authorization of Bonds and Form of Series Resolution

Mr. Gaughan introduced the Bond Bank resolution for the bond sale as prepared by Mintz Levin as bond counsel for the Bond Bank.

*Motion: Ms. Boardman moved and Mr. Baker seconded a motion to adopt the resolution as follows:*

Board Resolutions

January 30, 2019

Resolved,

I. That the Board of Directors of the Vermont Municipal Bond Bank hereby (i) authorizes the issuance of not to exceed \$32 million aggregate principal amount of 2019 Series 1 Bonds (Local Investment Bonds) (the "2019 Series 1 Bonds") pursuant to the 1988 General Bond Resolution, (ii) approves and adopts the Series Resolution for the 2019 Series 1 Bonds (the "2019 Series 1 Resolution") in substantially the form presented at this meeting with such changes as may be deemed necessary or desirable by the Executive Director with the approval of the Chair, and (iii) authorizes the Executive Director in consultation with the Chair to determine whether to make an equity contribution towards the costs of issuance for the 2019 Series 1 Bonds and to determine the amount of any such contribution. The definitive form of the 2019 Series 1 Resolution shall be evidenced conclusively by delivery of a copy thereof certified by each of the Executive Director and Chair.

II. That the Board of Directors of the Vermont Municipal Bond Bank hereby authorizes the Executive Director and the Chair to take any and all actions necessary or desirable to effectuate such financing.

*The motion was approved unanimously.*

### Transaction Outlook

Mr. Weiss from Morgan Stanley provided an update on market conditions that will precipitate the bond sale and the timing of the offering.

### Financial Policy Review

Mr. Gaughan gave an update on the review of financial policies with no changes recommended other than follow-up revisions to the Conflict of Interest policy. The board discussed considerations of the Conflict of Interest policy and noted that a full consideration of the updated policy would occur at the next meeting.

### Contract for Website Design, Development, and Maintenance

Mr. Gaughan provided an overview of the request for qualifications process and interviews. He then requested authorization to enter into a contract for web design and development services with Hark Design.

*Motion: Mr. Coates moved and Ms. Boardman seconded a motion allow the Executive Director to enter into a contract in an amount not to exceed \$45 thousand. The motion was approved unanimously.*

### Other Business

Mr. Gaughan discussed an alternative platform for hosting the upcoming investor roadshow. Following the discussion, Ms. Winters noted the standing agenda item for executive session.

*Motion: Mr. Coates moved and Ms. Boardman seconded a motion to go into executive session to discuss personnel matters. The motion was approved unanimously.*

At 2:53 p.m. the Board went into Executive Session. Mr. Gaughan and guests left the room.

At 3:00 p.m. the Board came out of Executive Session.

### Recognition of Kathryn Boardman

Mr. Coates then discussed the many contributions and history of Kathryn Boardman's participation on the Bond Bank Board of Directors.

*Motion: Mr. Coates moved and Mr. Baker seconded a motion to adopt the attached resolution in recognition of Kathryn Boardman. The motion was approved unanimously.*

*There being no other business to come before the Board, on a motion by Mr. Baker, the meeting adjourned at 3:05 p.m.*

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These Minutes were approved by the Board of Directors at a duly warned meeting held on June 11<sup>th</sup>, 2019.