



BOARD MEETING

February 13, 2024 – 12:00 p.m.

100 Bank St, Suite 401 / Burlington VT and via Zoom

DRAFT MEETING MINUTES

Board Members Participating & Voting: Fritz Burkhardt, Ken Linsley, Anita Bourgeois, Stuart Wepler, Scott Baker (as designee for Treasurer Pieciak), Bill Bates (as designee for Interim Secretary Bouchey), Sarah Clark (as designee for Secretary Clouser), Mario Hankerson, Peter Moino (as designee for Secretary Samuelson), and Lauren Wobby

Board Members Absent: Ken Gibbons, Ed Ogorzalek, and Neal Robinson

Staff Participating: Michael Gaughan and Elizabeth King

Guests: Joe DaBreo – PFM, Andrew Estrada – PFM, Larry Bauer – Norton Rose, Caron Thurber – Stratton Mountain School, and Mary Via – Stratton Mountain School

The meeting was called to order by Mr. Burkhardt at 12:02 p.m.

Administrative

Mr. Burkhardt asked for any changes to the meeting agenda. Mr. Gaughan indicated staff updates would be best to occur after considering the application.

Review and Approval of Prior Meeting Minutes

Mr. Burkhardt asked for any changes to the meeting minutes. Mr. Gaughan indicated that he would be updating the minutes with a small change to the names of board members. Ms. Wobby indicated that she would abstain.

Motion: Mr. Wepler moved and Mr. Linsley seconded the motion to approve the December 22, 2023 meeting minutes as revised. The minutes were approved unanimously with abstentions noted.

Consideration of the Stratton Mountain School Application

Mr. Burkhardt called on PFM to review the credit analysis of the Stratton Mountain School's refinancing request.

Mr. Estrada then reviewed PFM's credit analysis and positive recommendation for approving the transaction. Members asked questions of PFM and the school. Mr. Thumber and Ms. Via affirmed that the school's financial projections meet the covenants under the financing commitment.

Mr. Bauer introduced the approval and authorizing resolutions.

Motion: Mr. Linsley moved and Ms. Bourgeois seconded a motion to adopt the attached resolution approving the Stratton Mountain School financing. The motion was approved unanimously following a roll call vote.

Motion: Mr. Linsley moved and Ms. Wobby seconded a motion to adopt the attached resolution certifying the transaction. The motion was approved unanimously following a roll call vote.

At 12:43 pm ET, representatives from PFM and the Stratton Mountain School left the meeting.

VEHBFA Updates

Mr. Gaughan updated the board on notifications received from three prior borrowers that have missed financial covenants over the last several quarters. He noted he was updating the board but that VEHBFA bears no financial liability under the financing agreements and that to date, no delays or missed payments had occurred. He indicated that he would continue to update the board on the status of the organizations.

He also noted that the University of Vermont Medical Center was currently pursuing a Certificate of Need and indicated that they might be submitting a financial application in the coming months.

There being no other business to come before the Board, on Ms. Wobby moved and Ms. Bourgeois seconded a motion to adjourn.

These Minutes were approved by the Board of Directors at a duly warned meeting on _____.

**RESOLUTION RELATING TO THE ISSUANCE AND AWARD OF NOT TO EXCEED
\$7,250,000 VERMONT EDUCATIONAL AND HEALTH BUILDINGS FINANCING
AGENCY REVENUE BOND (STRATTON MOUNTAIN SCHOOL AND SKI
FOUNDATION PROJECT), SERIES 2024**

WHEREAS, Stratton Mountain School and Ski Foundation, Inc. (the “Corporation”) is a private, nonprofit corporation duly incorporated and validly existing under and by virtue of the laws of the State of Vermont; and

WHEREAS, Vermont Educational and Health Buildings Financing Agency (the “Agency”) has previously issued its Revenue Bond (Stratton Mountain School and Ski Foundation Project) Series 2014 (the “Refunded Bond”); and

WHEREAS, the Corporation desires to (i) refinance the Refunded Bond, and to (ii) finance the payment of a portion of certain expenses incurred in connection with the issuance of the Bond hereinafter mentioned; and

WHEREAS, the Corporation has made application to the Agency for assistance under Title 16, Chapter 131, Sections 3851-3862, Vermont Statutes Annotated, as amended (the “Act”), to refinance the Refunded Bond and to pay a portion of the costs of issuance of the Bond by the Agency’s lending to the Corporation sufficient funds for accomplishing, with other available funds, such purposes; and

WHEREAS, the Agency has considered such application of the Corporation and all other pertinent information, data and materials respecting the need for, and the feasibility and the desirability of refinancing the Refunded Bond and has determined that such refinancing is necessary and desirable and will effectuate the purposes of the Act and otherwise serve the public interest; and

WHEREAS, there has previously been presented to the staff of the Agency forms of the following documents relating to the issuance of the Bond:

a. the Bond Purchase Agreement (the “Bond Purchase Agreement”), among the Agency, the Corporation and Berkshire Bank (the “Purchaser”); and

b. the Loan Agreement (the “Loan Agreement”), between the Agency and the Corporation, pursuant to which, among other things, the Agency will lend the proceeds of the Bond to the Corporation; and

WHEREAS, the Agency will certify to the Governor of the State, prior to the issuance of the Bond, that the Agency has held the required public hearing in connection with the proposed issuance of the Bond; and

WHEREAS, the Agency will not be obligated to pay the principal of and redemption premium, if any, and interest on the Bond except from the revenues and funds derived from the Loan Agreement or the promissory note of the Corporation delivered in connection therewith, and neither the faith and credit nor the taxing power of the State of Vermont or of

any political subdivision thereof is pledged as security for the payment of the principal of or redemption premium, if any, or the interest on the Bond;

NOW, THEREFORE, THE BOARD OF VERMONT EDUCATIONAL AND HEALTH BUILDINGS FINANCING AGENCY HEREBY RESOLVES, as follows:

Section 1. Capitalized words and terms used in this Resolution and not defined herein shall have the same meanings in this Resolution as such words and terms are given in the Bond Purchase Agreement or the Loan Agreement, as the case may be.

Section 2. Pursuant to the authority granted to it by the Act, the Agency hereby authorizes the issuance of not to exceed \$7,250,000 aggregate principal amount of its Vermont Educational and Health Buildings Financing Agency Revenue Bond (Stratton Mountain School and Ski Foundation Project) Series 2024 (the “Bond”), dated as of such date, maturing on such date or dates in such year or years not later than 2034 and in such principal amounts and bearing interest at such rate or rates, all as determined by the Chairman, Secretary or the Executive Director of the Agency (each, a “Delegate”) prior to the issuance of the Bond.

Section 3. The Bond shall be subject to redemption at such times, upon such terms and conditions, and at such prices, all as determined by a Delegate prior to the issuance of the Bond. The Bond shall have such Sinking Fund Requirements as determined by a Delegate prior to the award of the Bond or as may be otherwise set forth in the Bond Purchase Agreement.

Section 4. The proceeds of the Bond (including accrued interest, if any) shall be applied in accordance with the Bond Purchase Agreement.

Section 5. The forms, terms and provisions of the Bond Purchase Agreement and the Loan Agreement are hereby approved in all respects, and each Delegate is hereby authorized and directed to execute and deliver the Bond Purchase Agreement and the Loan Agreement in substantially the forms previously presented to the staff of the Agency, together with such changes, modifications and deletions as they, with the advice of counsel, may deem necessary and appropriate; such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Agency.

Section 6. The form of the Bond set forth in the Bond Purchase Agreement is hereby approved in all respects, and the Chairman and the Secretary or Executive Director are hereby authorized and directed to execute, by facsimile or manual signature, the Bond in definitive form, together with such changes, modifications and deletions as they, with the advice of counsel, may deem necessary and appropriate and consistent with the Bond Purchase Agreement; such execution and delivery to be conclusive evidence of the approval and authorization thereof by the Agency.

Section 7. The Agency hereby awards the Bond to the Purchaser in the aggregate principal amount determined pursuant to Section 2 of this Resolution and at the interest rate or rates determined pursuant to said Section 2 at a purchase price equal to 100% of the principal amount of the Bond.

Section 8. Upon its execution in the form and manner set forth in the Bond Purchase Agreement, the Bond shall, upon due and valid execution and acceptance of the Bond Purchase

Agreement and the Loan Agreement by the proper parties thereto, be delivered to the Purchaser against payment therefor in accordance with and subject to the provisions of the Bond Purchase Agreement.

Section 9. The Chairman, the Secretary and the Executive Director are each hereby appointed Agency Representatives, as that term is defined in the Bond Purchase Agreement and the Loan Agreement, with full power to carry out the duties set forth therein.

Section 10. Each Delegate is authorized and directed (without limitation except as may be expressly set forth herein) to take such action (including the holding of and supervising at a public hearing in respect of the Bond as such officer being advised by counsel shall determine) and to execute and deliver any such documents, certificates (including a certificate that the parameters set forth above in respect of the terms of the Bond have been satisfied), undertakings, agreements or other instruments as they, with the advice of counsel, may deem necessary or appropriate to effect the transactions contemplated by the Bond Purchase Agreement and the Loan Agreement.

Section 11. This Resolution shall take effect immediately upon its passage.

RESOLUTION APPROVING CERTIFICATION TO THE GOVERNOR

WHEREAS, the Board of Vermont Educational and Health Buildings Financing Agency (the “Agency”) has adopted a resolution authorizing the issuance and sale of not to exceed \$7,250,000 aggregate principal amount of its Vermont Educational and Health Buildings Financing Agency Revenue Bond (Stratton Mountain School and Ski Foundation Project) Series 2024 (the “Bond”); and

WHEREAS, all or a portion of the proceeds of the Bond will be used to refinance the Agency’s outstanding Revenue Bond (Stratton Mountain School and Ski Foundation Project), Series 2014 (the “Refunded Bond”), and to finance the payment of a portion of certain expenses incurred in connection with the issuance of the Bond; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), provides that, under such circumstances, approval of an “applicable elected representative” following a duly noticed public hearing must be obtained prior to the issuance of obligations, such as the Bond, if such obligations are to be treated as qualified bonds for purposes of the Code; and

WHEREAS, the Agency conducted a duly noticed public hearing on February 13, 2024; and

WHEREAS, the Governor is the “applicable elected representative” for purposes of Section 147(f)(2)(C) of the Code; and

WHEREAS, there has been prepared and submitted to the Board a form of certification to the Governor required under the Code; and

WHEREAS, the Board has examined and considered said form of certification; now, therefore,

BE IT RESOLVED, by the Board of Vermont Educational and Health Buildings Financing Agency that the certification in connection with the issuance of not to exceed \$7,250,000 aggregate principal amount of Vermont Educational and Health Buildings Financing Agency Revenue Bond (Stratton Mountain School and Ski Foundation Project) Series 2024, is hereby approved in substantially the form presented to this meeting, with such changes, insertions and omissions as may be approved by the Chairman, the Secretary or Executive Director of the Board, his signing of such certification to be conclusive evidence of his approval of any such changes, insertions and omissions, and said Chairman, the Secretary or Executive Director is hereby authorized and directed to sign said certification in the name of and on behalf of the Agency and to deliver or cause to be delivered said certification to the Governor of the State of Vermont.

This Resolution shall take effect immediately upon its passage.

[LETTERHEAD OF THE AGENCY]

February __, 2024

Honorable Philip Scott
Governor, State of Vermont
Pavilion Office Building
109 State Street
Montpelier, VT 05602

RE: NOT TO EXCEED \$7,250,000 VERMONT
EDUCATIONAL AND HEALTH BUILDINGS FINANCING
AGENCY REVENUE BOND (STRATTON MOUNTAIN
SCHOOL AND SKI FOUNDATION PROJECT) SERIES 2024

Dear Governor Scott:

Vermont Educational and Health Buildings Financing Agency proposes to issue its Revenue Bond (Stratton Mountain School and Ski Foundation Project) Series 2024 (the “Bond”), on behalf of Stratton Mountain School and Ski Foundation (the “Corporation”), a private, nonprofit corporation duly incorporated and validly existing under and by virtue of the laws of the State of Vermont and an eligible institution within the meaning of said term as defined in Section 3851 of Title 16, Vermont Statutes Annotated, as amended, for the purpose of providing funds to the Corporation (i) to refinance the Agency’s Revenue Bond (Stratton Mountain School and Ski Foundation Project) Series 2014 (the “Refunded Bond”), and (ii) to finance the payment of a portion of certain expenses incurred in connection with the issuance of the Bond hereinafter mentioned.

The Agency proposes to enter into a Loan Agreement with the Corporation, providing for the loan of the proceeds of the Bond to the Corporation, which Loan Agreement requires the Corporation to make payments sufficient to pay the principal and premium, if any, of and the interest on the Bond as the same become due and payable. The Corporation will bear all costs incurred in connection with, and will pay certain costs and expenses of the Agency relating to, refinancing the Refunded Bond and the issuance of the Bond.

Further, the Agency has determined to accept the proposal of Berkshire Bank (the “Purchaser”), which Purchaser has been selected by the Corporation, to purchase the Bond.

Based on the foregoing and, among other things, the commitment of the Purchaser, to purchase the Bond, the Agency hereby certifies it has conducted a duly noticed public hearing in accordance with Section 147(f) of the Internal Revenue Code of 1986, as amended.

Vermont Educational and Health Buildings Financing Agency

By: _____
Authorized Signatory

[LETTERHEAD OF STATE OF VERMONT OFFICE OF THE GOVERNOR]

_____, 2024

Vermont Educational and Health Buildings Financing Agency
100 Bank Street
Suite 401
Burlington, Vermont 05401

RE: VERMONT EDUCATIONAL AND HEALTH BUILDINGS
FINANCING AGENCY REVENUE BOND (STRATTON
MOUNTAIN SCHOOL AND SKI FOUNDATION PROJECT)
SERIES 2024

Ladies and Gentlemen:

I hereby approve of the issuance of the above Bond for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended.

By: _____
Governor Philip Scott