

2025



VT EDUCATIONAL & HEALTH BUILDINGS FINANCING AGENCY **ANNUAL REPORT**



**Vermont Educational and Health
Buildings Financing Agency**



PURPOSE

The Vermont Educational & Health Buildings Financing Agency (the “Agency” or “VEHBFA”) is dedicated to facilitating tax-exempt and taxable bond finance for qualifying non-profit educational and health organizations throughout the state.

VEHBFA DIRECTORS

Board Members as of 12/31/25	Term / Ex-Officio Position	Type	2025 Election
Fritz Burkhardt	January 31, 2027	Gubernatorial Appointment	Chair
Ken Linsley	January 31, 2027	Gubernatorial Appointment	Vice Chair
Anita Bourgeois	January 31, 2027	Gubernatorial Appointment	Director
Lauren Wobby	January 31, 2026	Gubernatorial Appointment	Director
Ken Gibbons	February 29, 2028	Gubernatorial Appointment	Director
Mario Hankerson	February 29, 2028	Gubernatorial Appointment	Director
Neal Robinson	February 17, 2025	Board Appointment	Director
Vacant		Gubernatorial Appointment	Director
Vacant		Board Appointment	Director
Mike Pieciak or Designee	State Treasurer	Ex Officio	Director
Zoie Saunders or Designee	Secretary of Education	Ex Officio	Director
Jenney Samuelson or Designee	Secretary of Human Services	Ex Officio	Director
Sarah Clark or Designee	Secretary of Administration	Ex Officio	Director

TABLE OF CONTENTS

- 02 Transmittal Letter
- 03 What We Are & Who We Serve
- 04 Annual Activity Summary
- 05 Impact Case Study: Landmark College
- 06 Outstanding Loans

TRANSMITTAL LETTER

THE HONORABLE MEMBERS OF THE GENERAL ASSEMBLY
State House
Montpelier, Vermont

THE HONORABLE PHIL SCOTT
Governor, State of Vermont Pavilion Office Building
Montpelier, Vermont

Dear Governor Scott & Members of the General Assembly:

The staff and Directors of the Vermont Educational and Health Buildings Financing Agency (the “Agency” or “VEHBFA”) are pleased to submit to you our 2025 Annual Report.

As a conduit bond issuer, the Agency helps facilitate tax-exempt debt issuance on a pass-through basis to educational institutions, hospitals, and other eligible non-profit borrowers throughout the state.

Over the course of the year, the Agency helped two institutions in the state with refunding and new money transactions in the aggregate amount of over \$110 million.

Over the course of its history, the Agency has issued over \$3.76 billion of bonds benefiting education and healthcare around the state. Nearly \$974 million of conduit debt facilitated by the Agency remains outstanding as of December 31, 2025.

The following pages of this report include more information on the Agency’s work over the course of the past year as well as an overview of the conduit loan portfolio as of December 31, 2025.

Thank you for your continued support in helping us to finance critical social infrastructure throughout the state.

Sincerely,

MICHAEL GAUGHAN
Executive Director



FRITZ BURKHARDT
Chair



WHO WE ARE

VEHBFA was created by the Vermont legislature in 1966 to benefit the people of Vermont as it relates to their education, health, welfare, and prosperity. VEBFA conducted its first financing in 1969 following additional amendments.

VEHBFA is governed by a nine-member Board of Directors with seven appointed by the governor and two members selected by gubernatorial selected members. In addition, the Agency's board consists of four ex-officio members including the State Treasurer and the Secretaries of Education, of Human Services, and of Administration, or their respective designee.

The Agency provides access to tax-exempt and taxable financing as a conduit issuer of bonds.

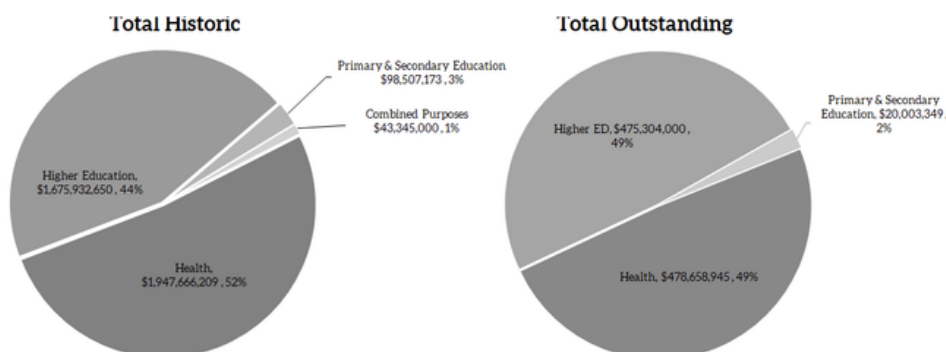
WHO WE SERVE

The Agency facilitates conduit bond transactions around the state to eligible nonprofit borrowers. Statute defines this to include the University of Vermont and the Vermont State Colleges as well as nonprofit private or independent universities, colleges, primary or secondary schools, and nonprofit public libraries.

In addition, borrowers may include nonprofit hospitals and institutions operating diagnostic and therapeutic facilities for medical, surgical, or psychiatric care of ambulatory patients. The Agency may also serve licensed nursing homes and assisted living or continuing care facilities.

The Agency has facilitated nearly \$3.77 billion in financing over the course of its history with \$973.97 million currently outstanding.

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ANNUAL ACTIVITY SUMMARY

Borrower	Transaction Description	Issue Date	Amount of Issue
Northeastern Vermont Regional Hospital	Bridge loan for USDA financing for expansion of main hospital facility in St. Johnsbury	2/1/2025	\$11,460,000
University of Vermont Medical Center	Reimbursement for costs related to Tilley and Fanny Allen Projects as well as refunding the Helen Porter Nursing Home and Portal Hospital outstanding bonds	8/1/2025	58,640,000
Brattleboro Retreat	Refunding the Series 2015 bonds	8/1/2025	6,331,041
Middlebury College	Capital program including improvements to Stewart Hall and Armstrong Science Library	8/27/2025	23,570,000
University of Vermont Medical Center	Equipment lease program	9/1/2025	10,726,048
			\$110,727,089

IMPACT CASE STUDY:

Northeastern Vermont Regional Hospital (NVRH) is a 25-bed critical access hospital, open since 1972 and located in St. Johnsbury Vermont. The hospital serves a rural population of approximately 30,000 Vermonters in 18 towns and villages in the Northeast Kingdom of Vermont. As of early 2025, NVRH employed approximately 720 individuals including board-certified physicians for primary care and specialty care.

NVRH obtained approval through Vermont's certificate of need process in 2023 for a campus modernization project that addressed issues the system was experiencing, including overcrowding, limited privacy, and insufficient space for medical equipment. The modernization project will renovate and add capacity to the emergency department, renovate the laboratory, and add new space to the pharmacy. The project renovates and expands approximately 16,000 square feet of hospital space. Details of the project encompass 5,800 square feet of new space in the emergency department, replacement of an existing chiller, and approximately 5,000 square feet of expansion and renovation in the laboratory and pharmacy.

The hospital estimated projects costs to be \$20.8 million. NVRH successfully raised \$4.3 through grants and fundraising leaving \$16.5 million that the hospital would need to fund through long term debt. USDA rural development was willing to finance the debt; however, USDA requires a project to be complete before issuing funds. NVRH needed to secure a bridge loan to pay for the project initially. The hospital partnered with Passumpsic Bank to receive a commitment for the bridge financing.

After securing the bank partner and USDA commitment, the hospital turned to VEBFA to lower the cost of its financing by gaining access to tax-exemption on the bonds.



Northeastern
Vermont Regional
Hospital

Total Bonds Issued through Agency: \$54.14 million

Total Bonds Outstanding: \$21.47 million

OUTSTANDING LOANS

Borrower	Amount Outstanding as of December 31, 2025
Brattleboro Memorial Hospital	\$13,376,165
Brattleboro Retreat	5,974,363
Champlain College	61,455,000
Development & Mental Health Acquisition Pool	2,615,000
Gifford Medical Center	13,001,058
Landmark College	15,770,000
Lyndon Institute	3,254,973
Middlebury College	287,260,000
North Country Hospital	10,501,870
Northeastern Vermont Regional Hospital	21,471,531
Northwestern Medical Center	21,234,739
Norwich University	58,575,000
Rutland Regional Medical Center	3,849,343
Southwestern Vermont Medical Center	21,386,500
St. Johnsbury Academy	6,821,726
St. Michael's College	52,240,000
Stratton Mountain School	5,236,767
University of Vermont Health Network	365,248,375
Putney School	4,689,882
Total	\$973,962,294

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