BOARD MEETING
August 4, 2026 – 10:30 am ET
In-person and via Zoom
Recording Link

DRAFT MEETING MINUTES

Board Members Present	Fritz Burkhardt Anita Bourgeois Ken Linsley Lauren D. Wobby Mario Hankerson Neal Robinson Scott Thomas Sean Cousino (as Designee for Secretary Saunders) Peter Moino (as Designee for Secretary Samuelson) Scott Baker (as Designee for Treasurer Pieciak)
Board Members Absent	Two vacancies Nick Kramer (as Designee for Secretary Clark)
Staff Participating	Michael Gaughan Elizabeth King Nick Kolazar
Guests	Cameron Ferrante, Preti Matt Hughey, Norton Rose Larry Bauer, Norton Rose

Administrative

The meeting was called to order by Fritz Burkhardt. The Board reviewed the meeting agenda, and no adjustments were requested.

> *Motion: Ken Linsley moved; Scott Baker seconded a motion to approve the minutes of the Board meeting of May 28, 2026. The motion passed unanimously.*

Appointment of Scott Thomas

Michael Gaughan introduced Scott Thomas as a proposed Board-appointed member. Mr. Gaughan noted that the Agency had a vacancy for a member appointed by the gubernatorial appointees and summarized Mr. Thomas's background, including his work winding down Sterling College, prior work at the University of Vermont, and scholarship in nonprofit management, higher education finance, and higher education policy.

Scott Thomas introduced himself and stated that he was honored to be considered for service on the Board. Cameron Ferrante advised that, under the Agency's statute, the motion and second for the appointment should be made by gubernatorial appointees.

> *Motion: Anita Bourgeois moved; Lauren D. Wobby seconded a motion to appoint Scott Thomas to the Board. The motion passed unanimously, with the vote unanimous among the gubernatorial appointees and other members.*

Following the vote, Board members, staff, and guests introduced themselves to Mr. Thomas.

Vermont Academy Resolution

Mr. Burkhardt introduced the next item, approval of the resolution for Vermont Academy. Mr. Gaughan summarized the status of the transaction, noting that the Board had previously reviewed the credit aspects in May and that additional work had been completed on older refunding components and related tax questions. He stated that a TEFRA hearing still needed to be held and that, if approved, the TEFRA approval and certification would be sent to the Governor for approval.

Matt Hughey described the resolution as approving two series of bonds, Series A and Series B, both structured as drawdown facilities. He explained that Series B would be primarily secured by a capital campaign fund, with capital campaign receipts expected to be used to pay down draws. Series A was also structured as a drawdown facility to address tax questions related to a holdback until certain financial metrics are met.

Mr. Hughey stated that the resolution also approved the form of the bond purchase agreement and loan agreement and certified to the Governor that Vermont Academy could repay the bonds from revenues generated by its facilities. Mr. Gaughan noted that an appraisal of the campus and Mount Snow property came slightly lower than expected and that the bank had agreed to raise the loan-to-value from 64% to 72%.

Mr. Ferrante confirmed that the Agency's past practice was to take a single vote to approve both resolutions. No Board member requested that the resolutions be separated.

Motion: Neal Robinson moved; Lauren D. Wobby seconded a motion to approve the attached Vermont Academy resolutions. The motion passed unanimously.

<u>Distressed Borrowers</u>

Mr. Gaughan provided an update regarding distressed borrowers. He noted that the Agency has no financial liability for the transactions because they are conduit in nature and the liabilities are pass-throughs, but that staff believed it was appropriate to keep the Board informed.

Mr. Gaughan reported that the Agency had been involved in extensions associated with Gifford and North Country Hospital. He also discussed St. Michael's College, noting that the college had received an elevated accreditation notice related to fiscal sustainability, consistent with an earlier Moody's downgrade. In response to a question from Mr. Burkhardt, Mr. Gaughan stated that the notice was a material event but did not breach covenants or trigger acceleration or other debt adjustments. Mr. Hughey noted that the notice had been published on July 10.

Mr. Gaughan also noted the forbearance with Brattleboro Memorial Hospital and stated that, beyond publicly reported information and direct communication with St. Michael's College, there were no additional updates requiring Agency action at that time.

Lauren D. Wobby expressed concern for small colleges, hospitals, and other rural anchor institutions. Mr. Gaughan stated that the Agency does not currently have statutory authority to engage in direct on-balance-sheet lending, but that the Agency could potentially provide testimony in future legislative discussions regarding rural economic development, stabilization, and the role of rural anchor institutions.

<u>Other Business</u>

Mr. Gaughan stated that the Agency continues to monitor potential transactions and noted that Middlebury College may have callable bonds, although the coupons are low and the Agency had not heard anything from the college. He stated that the next definite item on the calendar was the annual meeting toward the end of the year to approve the budget, elect officers, and address related annual business.

<u>Adjournment</u>

Motion: Ken Linsley moved; Mario Hankerson seconded a motion to adjourn. The motion passed unanimously.

The meeting adjourned at 11:05 am ET.

These Minutes were approved by the Board of Directors at a duly warned meeting
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RESOLUTION RELATING TO THE ISSUANCE AND AWARD
OF NOT TO EXCEED $9,600,000
VERMONT EDUCATIONAL AND HEALTH BUILDINGS
FINANCING AGENCY REVENUE BONDS
(THE VERMONT ACADEMY PROJECT)
2026 SERIES A AND 2026 SERIES B

WHEREAS, The Vermont Academy (the "Corporation") is a private, not-for-profit corporation duly organized and validly existing under and by virtue of the laws of the State of Vermont and is an eligible institution within the meaning of such term as used in the Act (as hereinafter defined); 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 (i) retire certain outstanding taxable indebtedness of the Corporation that was used to pay for prior capital expenditures of the Corporation, (ii) pay, or reimburse itself for paying, a portion of the cost of the acquisition, construction and equipping of capital projects at the Corporation's campus in Saxtons River, Vermont, including, but not limited to, purchase and installation of new chiller for its hockey rink, construction and reconstruction of the Corporation's on-campus mountain biking trails, renovations to Alumni Dorm and Fuller Hall, a heating infrastructure project, renovations to Shepardson Dining Hall, equipment to support its freestyle skiing program, and the installation of a turf field (collectively with clause (i), the "Project"), (iii) fund a debt service reserve for the 2026A Bond, and (iv) pay a portion of certain expenses incurred in connection with the issuance of the Bonds (hereinafter mentioned) by the Agency's lending to the Corporation sufficient funds, with other available funds, for such purpose; and

WHEREAS, The Washington Trust Company, of Westerly (the "Purchaser"), has agreed to purchase the Agency's Revenue Bond (The Vermont Academy Project) 2026 Series A (the "2026A Bond") and the Agency's Revenue Bond (The Vermont Academy Project) 2026 Series B (the "2026B Bond" and together with the 2026A Bond, the "Bonds"), the net proceeds of which in the aggregate will be used, with other available moneys, for the purposes described above, subject, among other things, to the terms and conditions set forth in the term sheet executed by the Purchaser and the Corporation attached hereto as Exhibit A (the "Commitment Letter") and the terms and conditions set forth in the Bond Purchase Agreement (hereinafter mentioned); and

WHEREAS, the Agency has considered the Corporation's application and all other pertinent information, data and materials respecting the need for, and the feasibility and the desirability of refinancing, certain indebtedness of the Corporation and financing a portion of the cost of the Project and has determined that such financing and refinancing are necessary and desirable and will effectuate the purposes of the Act and otherwise serve the public interest; and

WHEREAS, the Agency will certify to the Governor of the State, prior to the issuance of the Bonds, that in its opinion the Project is needed and will provide adequate revenue derived from rents or otherwise to repay the Bonds and the interest thereon when due; and

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

(a) the Bond Purchase Agreement (the "Bond Purchase Agreement"), among the Agency, the Corporation and the Purchaser relating to the Bonds; and

(b) the Loan Agreement (the "Loan Agreement") between the Agency and the Corporation, pursuant to which the Agency will lend the proceeds of the Bonds to the Corporation; and

WHEREAS, the Agency will not be obligated to pay the principal of and redemption premium, if any, and interest on the Bonds except from the revenues and funds derived from the Loan Agreement, 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 and redemption premium, if any, and the interest on the Bonds; and

WHEREAS, the Agency has determined that the Corporation is financially responsible and capable of fulfilling its obligations under the agreements referred to above to which it is a party;

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 the Bonds in an aggregate principal amount of not to exceed $9,600,000. The Bonds shall be dated as of such date, mature on such date or dates in such year or years, not later than September 1, 2056, and in such principal amount or amounts and bear interest at such rate or rates, all as determined by the Chairman, the Secretary or the Executive Director of the Agency (each, a "Delegate" and together, the "Delegates") prior to the award of the Bonds.

Section 3. The Bonds shall be subject to redemption at such times, upon such terms and conditions, and at such prices (no such price to exceed 103% of the principal amount of the Bond or Bonds being redeemed, provided that notwithstanding such maximum price, a make-whole or cost-of-funds premium shall be permitted if, in the opinion of the Agency's financial advisor, such premium is consistent with comparable, privately placed bonds, all as determined by a Delegate prior to the award of the Bonds.

Section 4. The proceeds of the Bonds shall be applied in accordance with the Bond Purchase Agreement and the Loan 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 presented to this meeting together with such changes, modifications and deletions as they, with the advice of counsel, may deem necessary and appropriate; such execution and delivery to be conclusive evidence of the approval and authorization thereof by the Agency.

Section 6. The forms of the Bonds set forth in the Bond Purchase Agreement are 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 Bonds in definitive form, which shall be in substantially the forms presented to this meeting 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 Bonds to the Purchaser in the aggregate principal amount determined pursuant to Section 2 of this Resolution, at the interest rate or rates determined pursuant to said Section 2 and at a purchase price equal to 100% of the principal amount of the Bonds.

Section 8. 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 9. The Delegates are authorized and directed (without limitation except as may be expressly set forth herein) to take such action (including the holding of one or more public hearings in connection with the issuance of the Bonds as may be required by applicable law) and to execute and deliver any such documents, certificates, 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. Any such action taken prior to the date hereof is ratified, approved and confirmed.

Section 10. 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 (herein sometimes called the "Agency") has adopted a resolution authorizing, among other things, the issuance and sale of not to exceed $9,600,000 aggregate principal amount of its Vermont Educational and Health Buildings Financing Agency Revenue Bond (The Vermont Academy Project) 2026 Series A and its Vermont Educational and Health Buildings Financing Agency Revenue Bond (The Vermont Academy Project) 2026 Series B (together, the "Bonds"); and

WHEREAS, all or a portion of the proceeds of the Bonds will be used to (i) retire certain outstanding taxable indebtedness of the Corporation that was used to pay for prior capital expenditures of the Corporation, (ii) pay, or reimburse itself for paying, a portion of the cost of the acquisition, construction and equipping of capital projects at the Corporation's campus in Saxtons River, Vermont, including, but not limited to, purchase and installation of new chiller for its hockey rink, construction and reconstruction of the Corporation's on-campus mountain biking trails, renovations to Alumni Dorm and Fuller Hall, a heating infrastructure project, renovations to Shepardson Dining Hall, equipment to support its freestyle skiing program, and the installation of a turf field (collectively with clause (i), the "Project"), (iii) fund a debt service reserve for the 2026A Bond, and (iv) pay a portion of certain expenses incurred in connection with the issuance of the Bonds; and

WHEREAS, Section 3856 of Title 16, Vermont Statutes Annotated, as amended, provides that no bonds of the Agency may be issued to acquire or construct any facilities unless the Agency first certifies to the Governor of the State of Vermont that in its opinion such facilities are needed and will provide adequate revenue derived from rents or otherwise to repay such Bonds and the interest thereon when due; and

WHEREAS, the Board has considered pertinent information, data and material respecting the need for and the feasibility and desirability of issuing the Bonds; and

WHEREAS, the Board has examined the financial records of the Corporation relating to its ability to make payments under the Loan Agreement mentioned in said resolution to repay the Bonds and the interest thereon when due; and

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

WHEREAS, the Agency will conduct a duly noticed public hearing prior to the issuance of the Bonds; 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 by Section 3856 of Title 16, Vermont Statutes Annotated, as amended, and 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 $9,600,000 aggregate principal amount of its Vermont Educational and Health Buildings Financing Agency Revenue Bond (The Vermont Academy Project) 2026 Series A and its Vermont Educational and Health Buildings Financing Agency Revenue Bond (The Vermont Academy Project) 2026 Series B is hereby approved in substantially the form presented at this meeting, with such changes, insertions and omissions as may be approved by the Chairman, Secretary or Executive Director of the Agency, his signing of such certification to be conclusive evidence of his approval of any such changes, insertions and omissions, and said Chairman, 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.

_______ __, 2026

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

Re: NOT TO EXCEED $9,600,000 VERMONT EDUCATIONAL AND HEALTH BUILDINGS FINANCING AGENCY REVENUE BONDS (THE VERMONT ACADEMY PROJECT) 2026 SERIES A AND 2026 SERIES B

Dear Governor Scott:

Vermont Educational and Health Buildings Financing Agency proposes to issue its Revenue Bond (The Vermont Academy Project) 2026 Series A and its Revenue Bond (The Vermont Academy Project) 2026 Series B (together, the "Bonds") on behalf of The Vermont Academy (the "Corporation"), a private, nonprofit corporation incorporated and existing under 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, to provide funds to the Corporation for the purpose of (i) retiring certain outstanding taxable indebtedness of the Corporation that was used to pay for prior capital expenditures of the Corporation, (ii) paying, or reimburse itself for paying, a portion of the cost of the acquisition, construction and equipping of capital projects at the Corporation's campus in Saxtons River, Vermont, including, but not limited to, purchase and installation of new chiller for its hockey rink, construction and reconstruction of the Corporation's on-campus mountain biking trails, renovations to Alumni Dorm and Fuller Hall, a heating infrastructure project, renovations to Shepardson Dining Hall, equipment to support its freestyle skiing program, and the installation of a turf field (collectively with clause (i), the "Project"), (iii) funding a debt service reserve for the 2026A Bond, and (iv) paying a portion of certain expenses incurred in connection with the issuance of the Bonds

The Agency proposes to enter into a Loan Agreement with the Corporation, providing for the loan of the proceeds of the Bonds to the Corporation, which Loan Agreement requires the Corporation, among other things, to make payments sufficient to pay the principal of and premium, if any, and interest on the Bonds 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, the issuance of the Bonds.

The members of the Agency have considered pertinent information, data and material respecting the need for and the feasibility and desirability of issuing the Bonds to retire certain outstanding indebtedness of the Corporation and to finance the Project. Further, based on the purchaser selected by the Corporation, the Agency has accepted the proposal of The Washington Trust Company, of Westerly, to purchase the Bonds.

Based on the foregoing and, among other things, the commitment of The Washington Trust Company, of Westerly, to purchase, upon satisfaction of certain conditions, the Bonds, and in compliance with the provisions of Chapter 131 of Title 16, Vermont Statutes Annotated, as amended, the Agency hereby certifies that it has conducted a duly noticed public hearing in accordance with Section 147(f) of the Internal Revenue Code of 1986, as amended, that, in its opinion, the Project is needed and that the Corporation will generate sufficient revenues from all operations to meet its obligations under the Loan Agreement in order to repay the Bonds and the interest thereon when due, and respectfully requests your approval, as applicable elected representative, of the issuance of the Bonds.

Vermont Educational and Health
Buildings Financing Agency

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Executive Director