State Debt Management Update

Office of the State Treasurer
January 8, 2014

Highlights from 2013, Concerns and Priorities for 2014

Highlights from 2013

- **2013 Session:** Worked with Committees to review legislative language regarding sale of bond-financed State assets (e.g., Building 617) for compliance with IRS regulations

- **July:** Sold $11.165 million of Transportation Infrastructure Bonds (TIBs), which leveraged an additional $64 million of federal matching funds; TIBs ratings reaffirmed at AA/Aa2/AA+ (Fitch/Moody's/S&P)

- **August and September:** CDAAC met three times, reaffirmed 2-year recommended net tax-supported debt authorization of $159.9 million for FY2014-15, but warned of possible decrease in FY2016-17

- **October and November:** Sold $86.745 million of G.O. Bonds, conserved $3.8 million of FY2014-15 bond authorization through use of premium, realized $1.4 million of interest savings from refinancing; G.O. ratings reaffirmed at AAA/Aaa/AA+ (Fitch/Moody's/S&P), with continued positive outlook from S&P

Federal Government Concerns Remain

- **Government shutdown:** October's shutdown was very disruptive and time-consuming, requiring numerous planning meetings, aggressive efforts to draw federal funds, and prompting Treasurer's Office to arrange contingency lines of credit and plan for short-term borrowing (Vermont has not needed to borrow for cash management purposes since 2004); hopefully resolved near-term through budget agreement

- **Sequestration:** Cuts federal Build America Bonds interest subsidy by 7.6% indefinitely; Vermont will lose almost $100,000 in FY2014, $90,000 in FY2015, and total of about $1.1 million through FY2030 if no changes

- **Debt ceiling:** Another serious impasse (next one as early as February 2014) could cause further downgrades to U.S. credit ratings, and potentially impact Vermont's ratings (sub-sovereign credit risk)

- **Municipal bond tax exemption:** Federal budget discussions continue to propose limitations; muni bond interest rates would increase

Credit Rating Priorities for Legislature

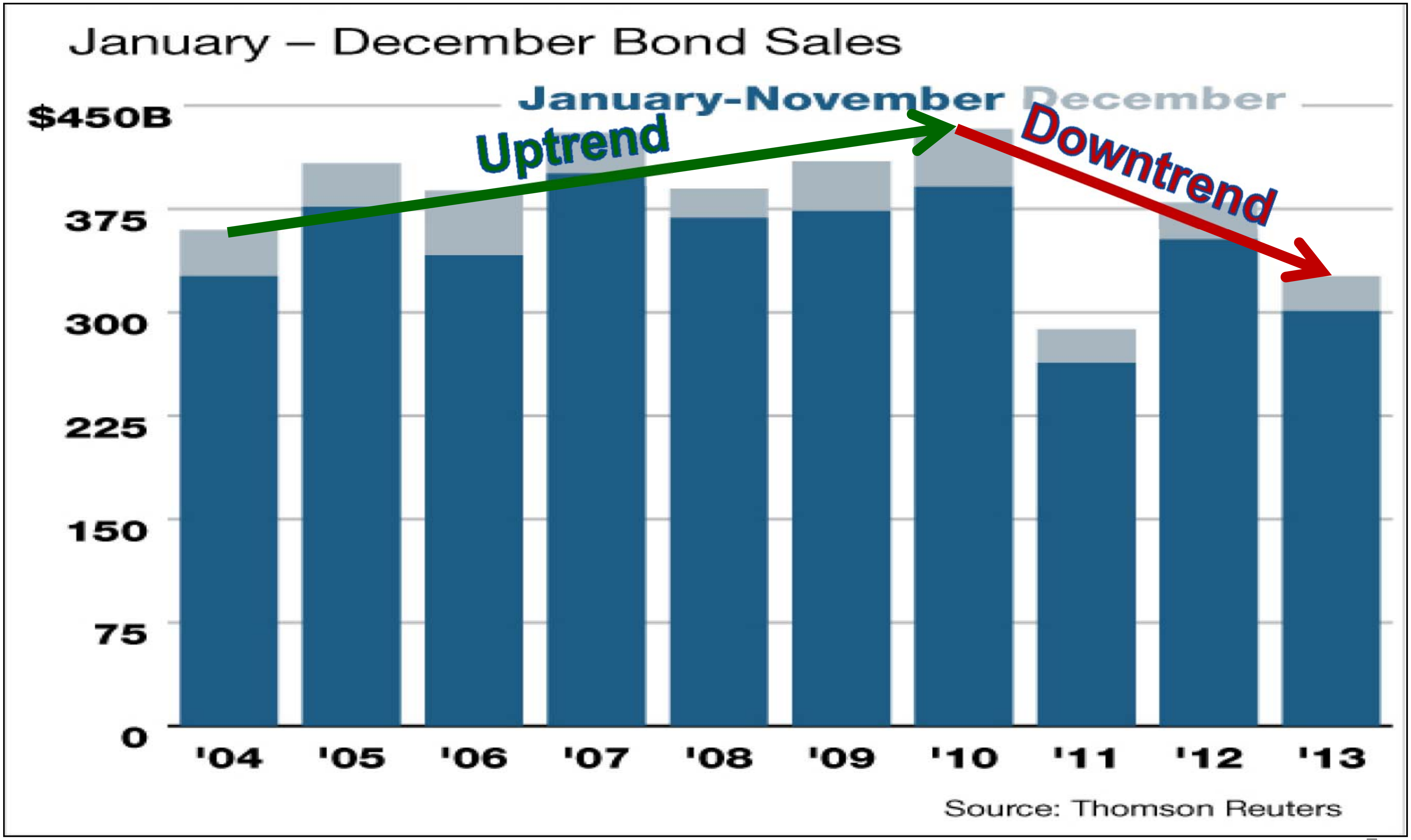
- **Teachers' Healthcare:** Fund retired state teachers' healthcare costs from the annual budget; this is the largest single threat to Vermont's bond ratings, but is solvable with appropriate funding

- **Pension Funding:** Continue 100% funding of the annual required contributions ("ARCs") of the Vermont State Employees' and State Teachers' Retirement Systems pension funds

- **Reserves:** Continue to maintain the 5% budget stabilization reserves, and build the newly-created General Fund Balance Reserve (or "rainy day reserve") to a target level of 3% of the general fund

- **Likelihood of Reduced Debt Capacity in Next Biennium:** Continued reductions in municipal bond issuance by Vermont's triple-A rated peer states mean Vermont will need to moderate issuance to stabilize its relative debt median rankings, which have slipped (see page 10)

10-Year Municipal Bond Issuance Trends



2013 Issuance Substantially Lower than 2012

THE BOND BUYER

Monday, January 6, 2014 | as of 8:56 AM ET

Sell Side

Muni Issuance Slips 6% in December

by James Ramage
JAN 3, 2014 3:12pm ET

The municipal bond market capped a light year of issuance with a 6% drop in long-term volume in December.

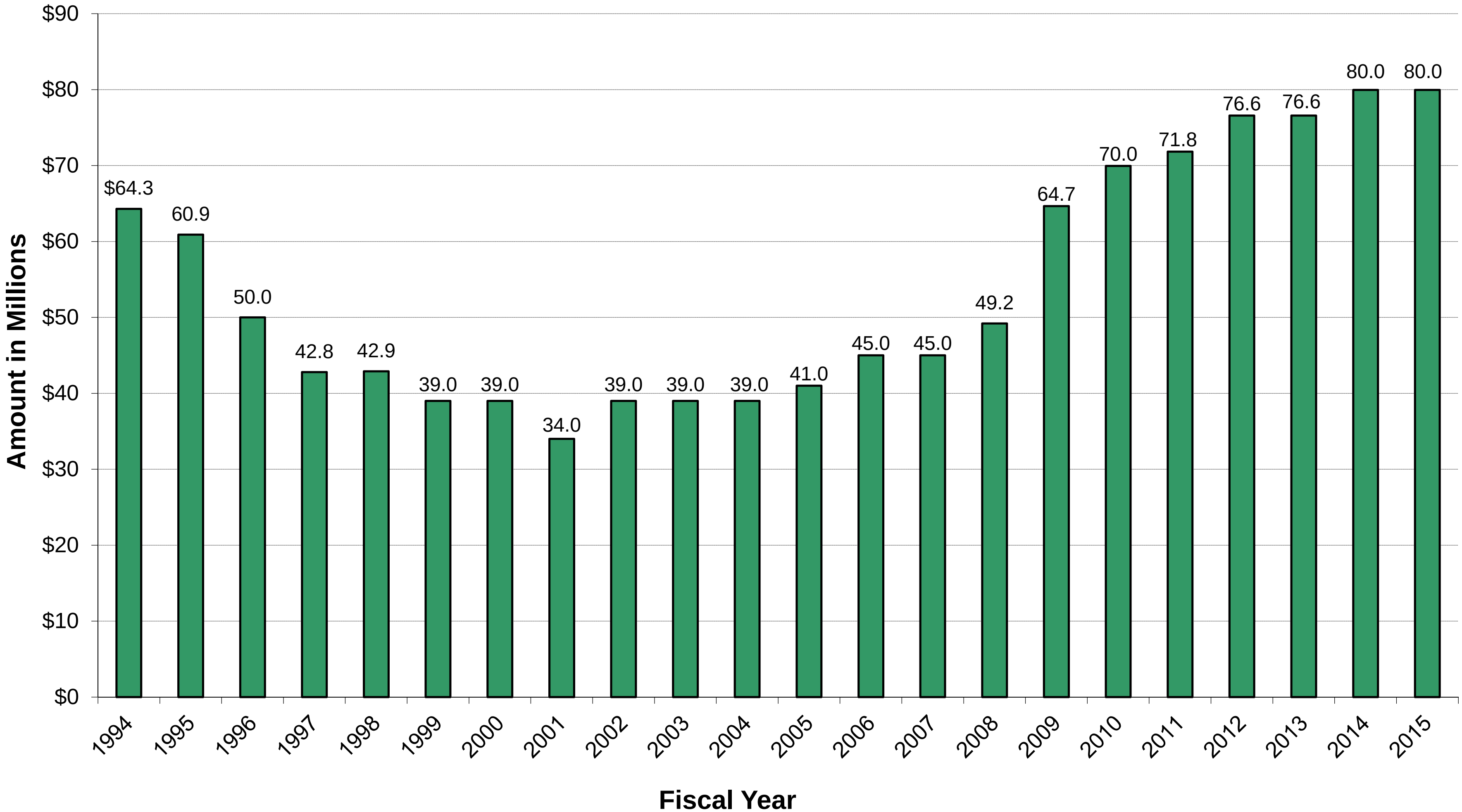
Long-Term Bond Sales: January-December

Issuers floated $25.2 billion in 757 deals last month. That compared with $26.8 billion in 997 issues over the same period in 2012, Thomson Reuters numbers showed.

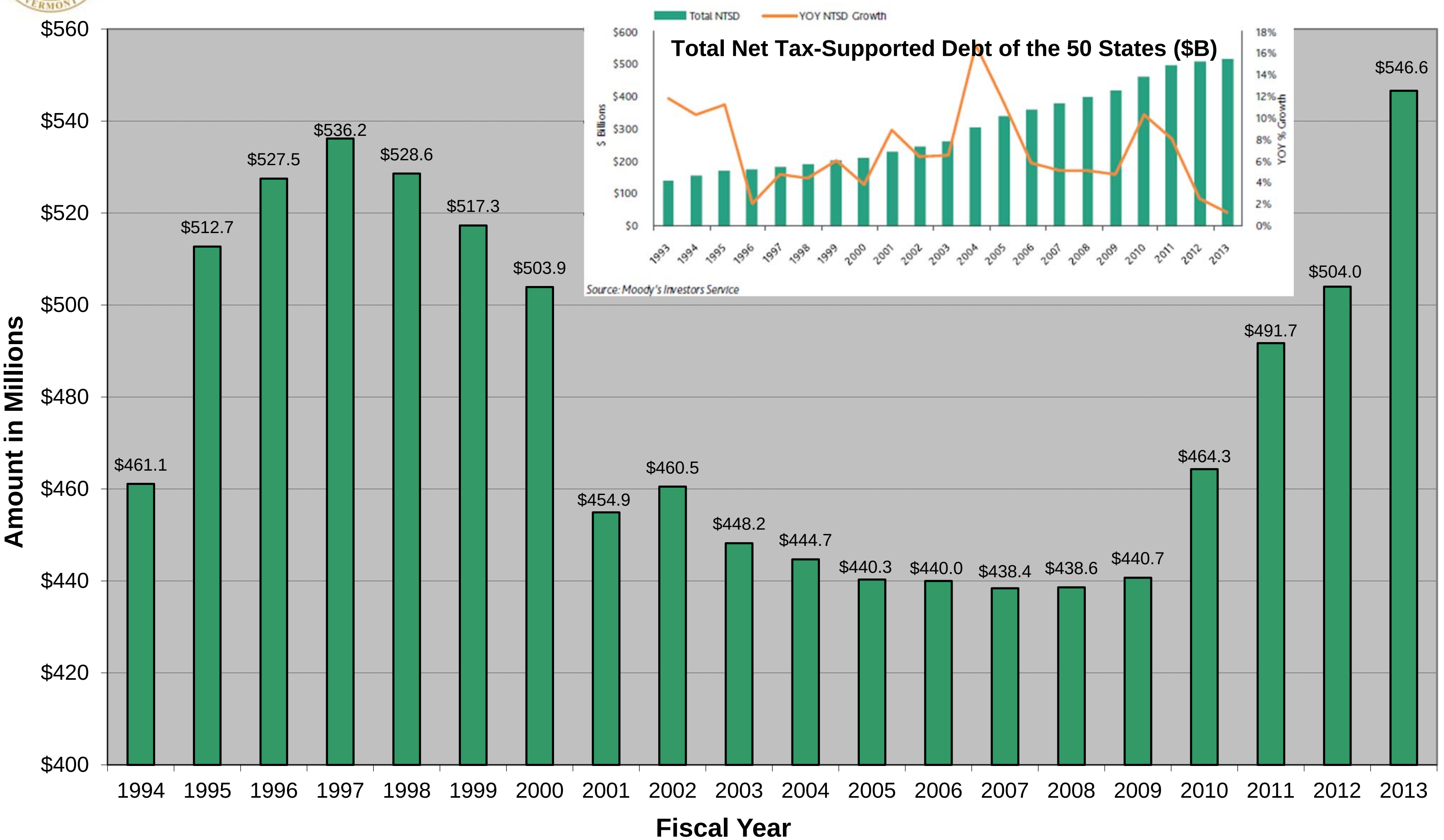
For the year, long-term muni volume fell 13%, to $329.8 billion in 11,267 deals, against $379.6 billion in 13,115 issues.

Vermont's Debt Outstanding and Critical Debt Ratios

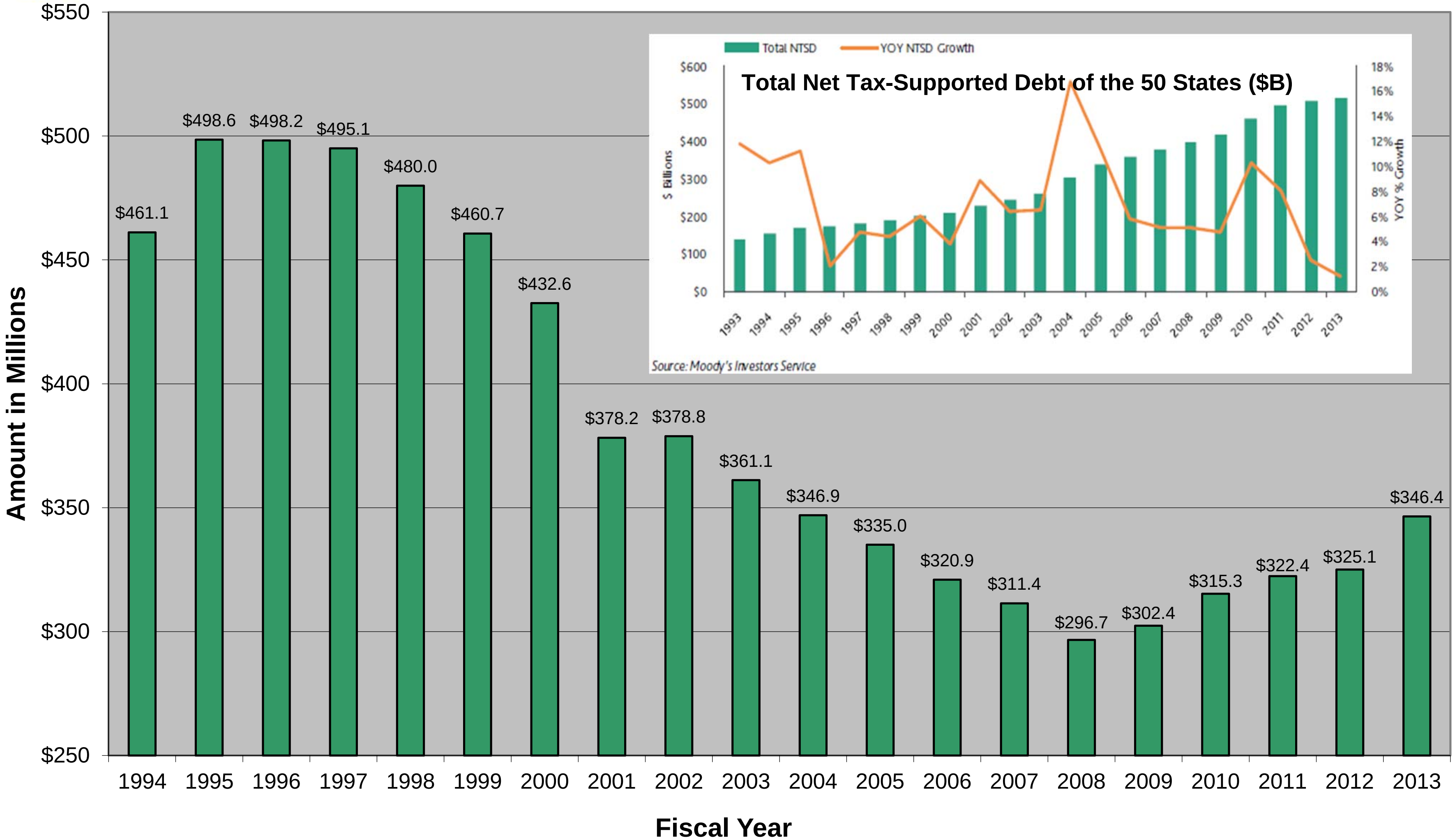
State of Vermont
Annual Long-Term Debt Authorizations, FY1993-FY2013 ($ millions)



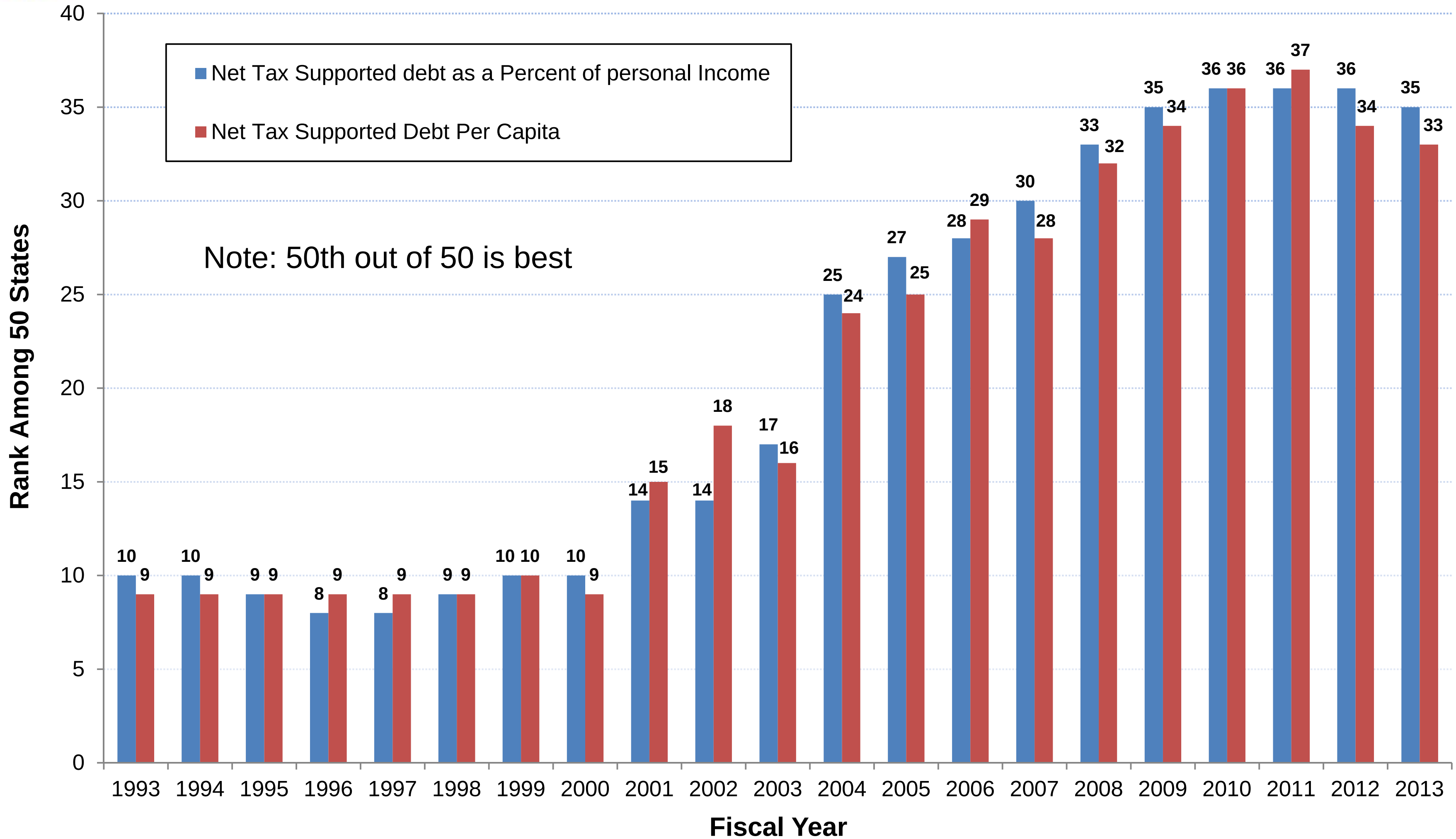
State of Vermont
General Obligation Debt Outstanding, FY1994-FY2013 vs. National Trend

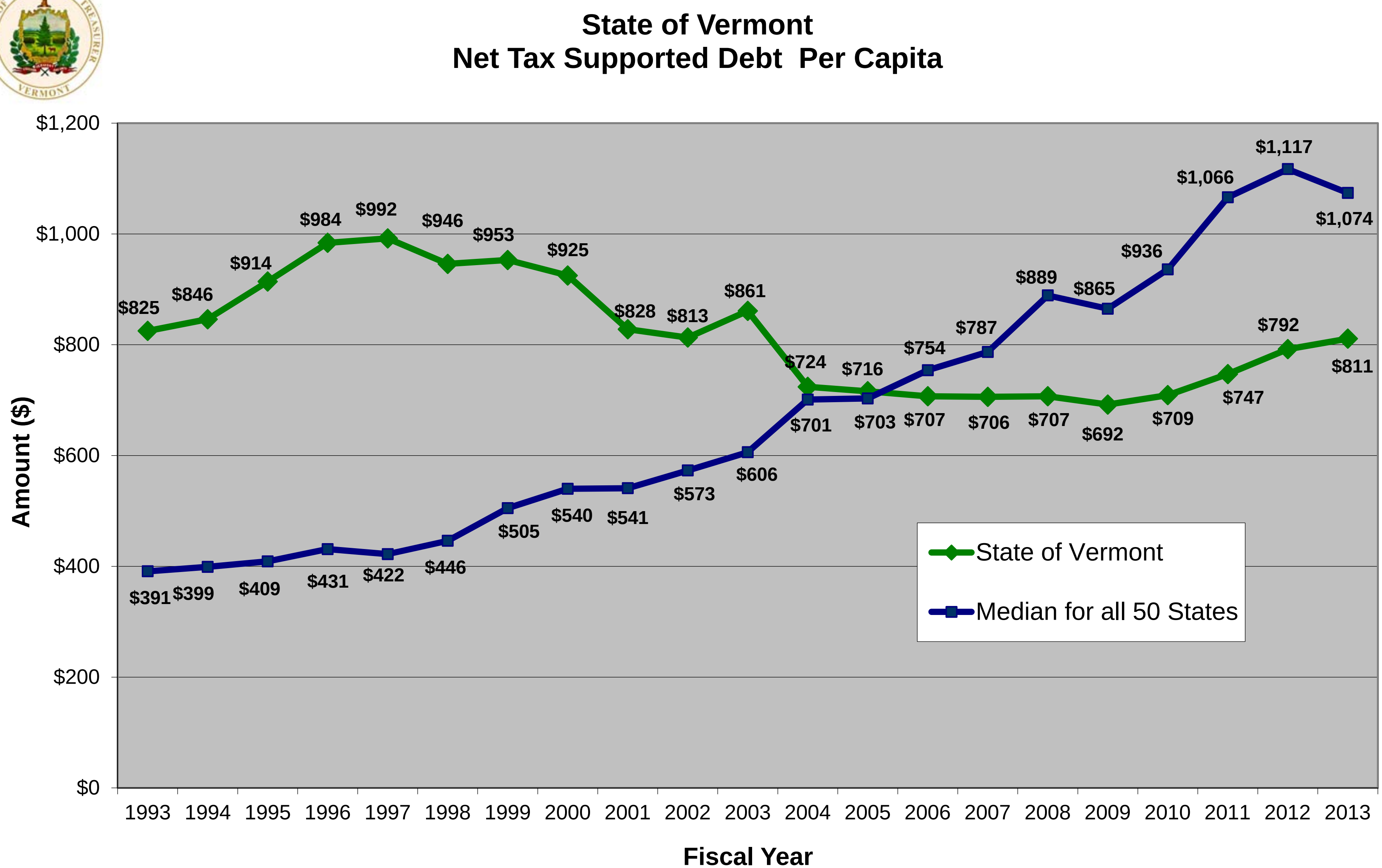


State of Vermont
General Obligation Debt Outstanding, FY1994-FY2013 vs. National Trend
Adjusted for Inflation (Using 1994 Dollars)

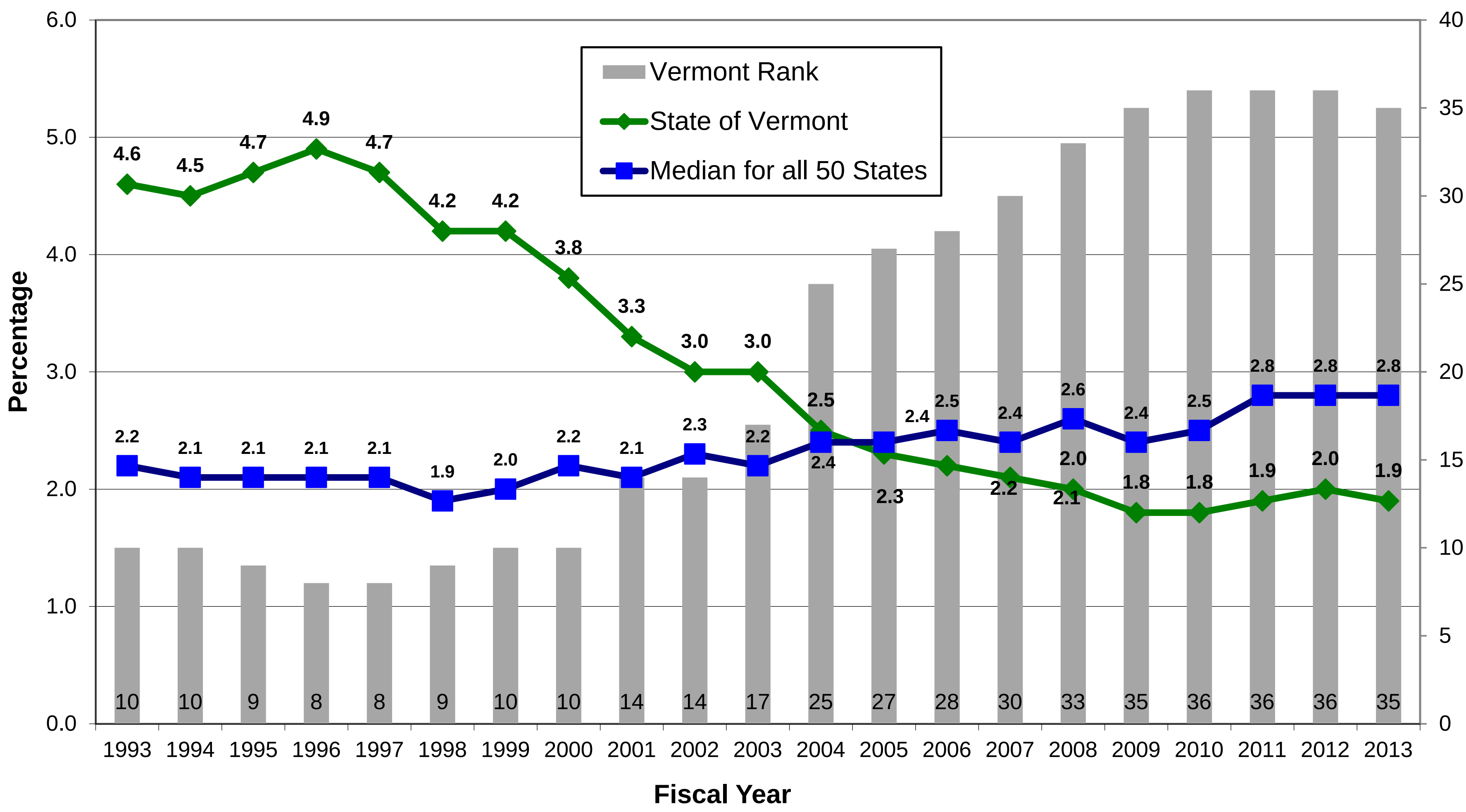


State of Vermont
Historical State Debt Rankings




State of Vermont
Net Tax Supported Debt Per Capita
$1,200
$1,000
$800
$600
$400
$200
$0
Amount ($)
Fiscal Year
1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013
$825 $846 $914 $984 $992 $946 $953 $925 $828 $813 $861 $724 $716 $707 $706 $707 $692 $709 $747 $792 $811
$391 $399 $409 $431 $422 $446 $505 $540 $541 $573 $606 $701 $703 $754 $787 $889 $865 $936 $1,066 $1,117 $1,074
State of Vermont
Median for all 50 States

State of Vermont
Net Tax Supported Debt as a Percent of Personal Income



Vermont's Current Debt Management Approach

- Bond issuance is substantially lower than in the 1990s. Reduced debt issuance and continued improvement in the State's economy and financial condition have lowered State debt ratios.
- Uncomplicated debt management with nearly exclusive use of general obligation debt (excluding Transportation Infrastructure Bonds).
- Vermont has taken advantage of refunding opportunities, lowering debt service costs.
- Low debt burden with rapid amortization.

Capital Debt Affordability Advisory Committee

History of Vermont's Debt Policies

- In the early 1970s, Vermont lost its Triple-A bond rating, largely because of a significant accumulation of bonded indebtedness. There were three principal causes for the increase in outstanding debt… interstate highway construction, extensive school construction and renovation, and sewage treatment plant construction.

- In 1975, Vermont enacted in statute the so-called "90 percent rule" as a policy device to reduce its large amount of accumulated tax supported debt.
  - New general obligation debt authorization was restricted to 90 percent of the debt being retired in the same fiscal year.
  - The ratio of debt as a percent of personal income, a key benchmark for rating analysts, was reduced from about 11% in the mid-1970s to about 3% in 1989.
  - The 90 percent rule policy was not sustainable and policymakers recognized it would eventually lead to unrealistically small amounts of allowable new debt.

- In 1990 the "90 percent rule" was repealed and the Capital Debt Affordability Advisory Committee was created to provide a new framework for determining the appropriate level of new debt issuance for the State.

- CDAAC Progress: In 1996, Vermont's debt as percentage of personal income was twice the national median and we ranked 9th highest in the country. In 2012, the State is under the national median for that ratio and ranked 36th highest in the country; Vermont's debt per capita ranked 34th highest in the country.

- Debt guidelines strengthened in 2004. State now benchmarks against triple-A rated states.

- In February of 2007, Vermont rejoined the ranks of Triple-A rated states when Moody's raised its rating for the State from Aa1 to Aaa; in April 2010, Fitch "recalibrated" Vermont's rating from AA+ to AAA; and in September 2012 S&P improved its outlook on Vermont's AA+ rating from stable to positive

Capital Debt Affordability Advisory Committee Duties as Established by Statute

- Review annually the size and affordability of the state tax- supported general obligation debt

- Submit to the Governor and to the General Assembly an estimate of the maximum amount of new long-term general obligation debt that prudently may be authorized for the next fiscal year

- The estimate is advisory. In practice, the CDAAC recommendation has been adopted by the Governor and Legislature

- Conduct ongoing reviews of the amount and condition of bonds, notes and other obligations of instrumentalities of the state for which the state has a contingent or limited liability

Factors Considered by the Committee In Developing Its Recommendation

- Level of outstanding net tax-supported debt bonds over a ten-year period
- Authorized but unissued debt
- Affordable state net tax-supported debt bond authorizations over a ten-year period
- Projected debt service requirements based upon the above
- Criteria that rating agencies use to judge the quality of issues of state bonds, including:
  - Existing and projected total debt service on net tax-supported debt as a percentage of revenues
  - Existing and projected total net tax-supported debt outstanding as a percentage of total state personal income

Factors Considered by the Committee In Developing Its Recommendation

- Outstanding debt obligations of instrumentalities of the State for which the State has a contingent or limited liability; any other long-term debt of instrumentalities of the State and to the maximum extent obtainable, all long-term debt of municipal governments in Vermont which is secured by general tax or user fee revenues.

- The economic conditions and outlook for the State.

- Any other factor that is relevant to:
    - The ability of the State to meet its projected debt service requirements for the next five fiscal years; or
    - The interest rate to be borne by, the credit rating on, or other factors affecting the marketability of state bonds.

Vermont's Credit Ratings

New England Bond Ratings

as of September 30, 2013

State	Moody's	S&P	Fitch
Vermont	Aaa	AA+*	AAA
Connecticut	Aa3	AA	AA
Maine	Aa2	AA	N/A
Massachusetts	Aa1	AA+	AA+
New Hampshire	Aa1	AA	AA+
Rhode Island	Aa2	AA	AA

* Outlook improved from stable to positive on 9/18/2012

Vermont's Credit Ratings History

MOODY'S INVESTORS SERVICE

RATING ACTION	DATE
Aaa	1971
Aa	9/20/72
Aa2*	10/20/97
Aa1	9/29/99
AAA	2/05/07

* In 1997, Moody's began refining ratings with numerical modifiers. The shift to the "Aa2" rating was part of this process.

FITCH RATINGS

RATING ACTION	DATE
AA	8/18/92
AA+	10/25/99
AAA*	4/5/10

* Resulted from Fitch's "recalibration" of public sector credit ratings.

STANDARD & POOR'S

RATING ACTION	DATE
AAA	10/2/63
Rating withdrawn	3/23/71
AA	2/28/73
Rating withdrawn	10/16/73
AA	4/25/86
AA-	6/10/91
AA	10/14/98
AA+	9/11/00
AA+ with Positive Outlook	9/18/12

Moody's State Rating Criteria

- "US States Rating Methodology" – Completed Revised in May 2013
- General Observations
  - States as a Class are Highly-Rated
  - Ratings are a Forward-Looking Opinion of Financial Strength
  - Aaa and Aa Standards are Distinguished by an Emphasis on Management
  - Few States Rated Below Aa Category
- Traditional categories now assigned percentage weights as follows:

Broad Rating Factors	Factor Weighting	Rating Sub-Factors	Sub-Factor Weighting
Economy	20%	Income	10%
		Industrial Diversity	5%
		Employment Volatility	5%
Governance	30%	Financial Best Practices	15%
		Financial Flexibility/Constitutional Constraints	15%
Finances	30%	Revenues	10%
		Balances and Reserves	10%
		Liquidity	10%
Debt	20%	Bonded Debt	10%
		Adjusted Net Pension Liabilities	10%
Total	**100%**	**Total**	**100%**

Moody's State Rating Criteria

- Each rating category is assigned a score of 1-4, 6 or 9 as follows:

Rating Category	Aaa	Aa1	Aa2	Aa3	A	Baa And Below
	1	2	3	4	6	9

- Then an overall rating is assigned based upon a weighted score:

Indicated Rating	Overall Weighted Score
Aaa	1 to 1.7
Aa1	1.7 to 2.7
Aa2	2.7 to 3.7
Aa3	3.7 to 4.7
A1	4.7 to 5.7
A2	5.7 to 6.7
A3	6.7 to 7.7
Baa1	7.7 to 8.7
Baa2	8.7 to 9.7

Moody's Rating Highlights for Vermont

Credit Strengths

- History of strong financial management and fiscal policies indicated by conservative budgeting practices.
- History of prompt action to reduce spending following revenue weakening.
- Maintenance of budget reserve levels at statutory limit.
- Steady progress in reducing previously high debt ratios and maintaining an affordable debt profile.

Credit Challenges

- Potential service pressures due to a population that is aging at a relatively rapid pace.
- Decline in job growth.

Source: Moody's Investors Service, Rating, October 22, 2013.

<u>Moody’s Rating Highlights for Vermont</u>

What Could Make the Rating Go Down?

- A break from the states history of conservative fiscal management.
- Emergence of ongoing structurally imbalanced budgets.
- Depletion of budget reserves without swift replenishment.
- Liquidity strain resulting in multiyear cash flow borrowing.

Source: Moody’s Investors Service, Rating, October 22, 2013.

Fitch State Rating Criteria

- "U.S. State Tax-Supported Rating Criteria" – August 16, 2010
- Rated Security
  - Legal Pledge
  - Lien Status
  - Indenture Requirements and Relevant Statutes
  - Bank Bond Ratings
- Debt and Other Long-Term Liabilities
  - Debt Ratios and Trends
  - Debt Structure
  - Future Capital and Debt Needs
  - Pension and Other Post-Employment Benefit (OPEB) Funding
  - Indirect Risks and Contingent Liabilities
- Economy
  - Major Economic Drivers
  - Employment
  - Income and Wealth
  - Other Demographic Factors

Fitch State Rating Criteria

- Economy (continued)
  - Tax Burden
- Finances
  - Revenue Analysis
  - Expenditure Analysis
  - Operating Margin Trends
  - Fund Balance and Reserve Levels
  - Liquidity
- Management and Administration
  - Institutionalized Policies and Budgeting Practices
  - Financial Reporting and Accounting
  - Political, Taxpayer and Labor Environment
  - Revenue and Spending Limitations

Fitch Ratings Highlights

KEY RATING DRIVERS:

- **LOW DEBT LEVELS:** Vermont's debt levels are low and are expected to remain so, as affordability planning is employed. The state's debt profile reflects nearly exclusive use of GO debt and rapid principal amortization.
- **CONSERVATIVE FINANCIAL MANAGEMENT:** Vermont's revenue stream is diverse and revenue estimates are updated twice a year. The state takes timely action to maintain balance and reserves have been maintained at statutory maximum levels despite periods of declining revenue.
- **RELATIVELY NARROW ECONOMY:** Vermont's economy has diversified but remains narrow with above-average exposure to the cyclical manufacturing sector. While statewide educational attainment and unemployment levels compare favorably to the nation, median resident age levels are well above the national average.
- **PENSION SYSTEM MODIFICATIONS IMPLEMENTED:** The funded ratios for Vermont's pension systems have declined in recent years, though the state has funded its actuarially required contributions and has made modifications to benefits and employee contribution level that could gradually improve them.

Source: Fitch Ratings, October 21, 2013

Standard & Poor's State Rating Criteria

- Scores based upon S&P's scale of '1' (strongest) to '4' (weakest)
- Five (5) major factors given equal weight in determining composite score
- Scores correspond to following "indicative credit level:"
  - 1.0 to 1.5 AAA
  - 1.6 to 1.8 AA+
  - 1.9 to 2.0 AA
- Vermont's Composite Score (AA+) 1.6
  - Government Framework 1.6
  - Financial and Budget Management 1.0
  - Economy 1.6
  - Budgetary Performance 1.4
  - Debt and Liability (Pensions) Profile 2.4

Source: S&P Ratings, October 29, 2013

Standard & Poor's Rating Highlights

Rationale

- Strong financial management that has helped it maintain a good financial position in an environment of declining revenue; and
- Rapid general obligation debt amortization.

Outlook (improved from 2011)

- "Standard & Poor's Ratings Services has revised its outlook on Vermont's general obligation (GO) debt rating **to positive from stable**, reflecting the potential that we could raise the rating if the state continues to make progress in **improving its annual pension funding levels**, **strengthening its annual pension funded ratios**, and **increasing its budget reserves through funding of a recently created additional general fund budget stabilization fund**."

Source: S&P Ratings, October 29, 2013

Transportation Infrastructure Bonds

Transportation Infrastructure Bonds

- Created by Act 50 of 2009
- Permitted purposes (32 V.S.A. §972):
  - Rehabilitation, reconstruction or replacement of state bridges & culverts
  - Rehabilitation, reconstruction or replacement of municipal bridges & culverts
  - Rehabilitation, reconstruction or replacement of state roads, railroads, airports and necessary buildings which, after such work, have an estimated remaining useful life of 30 years or more
- Most recent bond sale paid for <u>$10.4 million</u> of projects, including:
  - 3 Interstate Bridge Replacement Projects: <u>$4.1 million</u>

    (Brattleboro, Milton, Windsor)
  - 8 State Bridge Replacement & Rehab Projects: <u>$3.3 million</u>

    (Bristol, Cambridge, Bennington, Brighton, Hancock, Jamaica x2, Plymouth)
  - 6 Roadway Projects: <u>$3.0 million</u>

    (Brandon x2, Hartford, Montpelier, Morristown, Rutland City)

<u>Transportation Infrastructure Bonds</u>

- Revenue bonds, supported entirely by transportation infrastructure bond (TIB) fund (NOT the State's full faith and credit)
- TIB fund supported motor fuel transportation infrastructure assessments
  - 2% of sales price of motor fuel, approximately $1.8 million/month
  - $0.03 per gallon of diesel fuel, approximately $130,000/month
  - Appropriations from transportation fund under certain conditions
- Credit rating depends primarily upon ratio of annual TIB revenues divided by principal and interest payments on bonds (debt service coverage ratio)
  - Desired ratio is <u>3.0</u> times coverage
- Ratings based upon projected ratio are AA+, Aa2, AA (S&P, Moody's, Fitch)
- Borrowing cost slightly higher than for State's general obligation bonds , but still very competitive
- Have funded <u>$33.685 million</u> of projects through August 2013, leveraged additional <u>$171.306 million</u> of Federal matching funds (over 5 to 1 ratio)
- Most recent feasibility study projects bonding capacity adequate to finance $57 million of additional projects through FY2018

Bond Premium

What is Bond Premium?

- **Bond Premium:** the amount by which the purchase price of a bond is greater than its par value.

- **Par Value:** A price of $100.000 per $100 par (or "principal" or "face") amount of bonds. Three decimal places is the market convention for pricing municipal bonds.

Example 1: For $5,000 par amount of a muni bond with a price of $101.625, the bond premium is

($101.625 - $100) / $100 * $5,000 =

$1.625 / $100 * $5,000 =

0.01625 * $5,000 = **$81.25**

Why Does a Bond Have Premium?

- **Bond premium** arises when the **market yield** of a bond is less than its stated **coupon** or **rate**.

- **Market yield:** the annual interest rate, expressed as a percentage of par, that investors are willing to receive for owning a bond. Market yields change constantly based upon numerous factors including investor demand, perceived changes to tax policy, economic outlook, etc.

- **Coupon or Rate:** The fixed annual interest rate on a bond, expressed as a percentage of par, that the issuer (e.g., Vermont) sets at the time the bonds are sold. The coupon does not change.

Example 2: If Coupon > Market Yield, Bond Premium > \$0
If Coupon = Market Yield, Bond Premium = \$0
If Coupon < Market Yield, Bond Premium < \$0 (discount)

Premiums from the 2013 Series A Bonds

State of Vermont, General Obligation Bonds
2013A- Citizen Bonds- Negotiated

Bond Component	Maturity Date	Amount	Rate	Yield	Price		Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Maturity 1:										
	08/15/2014	2,500,000	2.000%	0.180%	101.368					34,200.00
	08/15/2015	1,890,000	2.000%	0.350%	102.880					54,432.00
	08/15/2016	1,160,000	2.000%	0.530%	104.011					46,527.60
	08/15/2017	1,055,000	2.000%	0.800%	104.427					46,704.85
	08/15/2018	800,000	2.000%	1.100%	104.155					33,240.00
	08/15/2019	2,160,000	3.000%	1.490%	108.293					179,128.80
	08/15/2020	645,000	3.000%	1.830%	107.398					47,717.10
	08/15/2021	1,220,000	3.000%	2.140%	106.111					74,554.20
	08/15/2022	405,000	3.000%	2.330%	105.275					21,363.75
	08/15/2023	585,000	3.000%	2.510%	103.826	C	2.554%	08/15/2022	100.000	22,382.10
	08/15/2024	515,000	4.000%	2.720%	109.906	C	2.920%	08/15/2022	100.000	51,015.90
	08/15/2026	620,000	3.000%	3.190%	98.019					-12,282.20
	08/15/2027	465,000	3.250%	3.390%	98.467					-7,128.45
	08/15/2028	1,895,000	3.500%	3.540%	99.539					-8,735.95
		15,915,000								583,119.70
Maturity 2:										
	08/15/2015	610,000	3.000%	0.350%	104.626					28,218.60
	08/15/2016	2,155,000	3.000%	0.530%	106.740					145,247.00
	08/15/2017	860,000	3.000%	0.800%	108.116					69,797.60
	08/15/2018	2,540,000	4.000%	1.100%	113.391					340,131.40
	08/15/2019	685,000	4.000%	1.490%	113.786					94,434.10
	08/15/2020	525,000	4.000%	1.830%	113.723					72,045.75
	08/15/2021	150,000	5.000%	2.140%	120.328					30,492.00
	08/15/2022	240,000	5.000%	2.330%	121.027					50,464.80
	08/15/2023	820,000	5.000%	2.510%	119.453	C	2.716%	08/15/2022	100.000	159,514.60
	08/15/2024	500,000	5.000%	2.670%	118.075	C	3.018%	08/15/2022	100.000	90,375.00
		9,085,000								1,080,720.85
		25,000,000								1,663,840.55

Premiums from the 2013 Series B Bonds

State of Vermont, General Obligation Bonds
2013B: New Money- Competitive

Bond Component	Maturity Date	Amount	Rate	Yield	Price		Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Bond Component:										
	08/15/2014	895,000	2.000%	0.180%	101.368					12,243.60
	08/15/2015	895,000	2.000%	0.300%	102.969					26,572.55
	08/15/2016	75,000	2.000%	0.480%	104.151					3,113.25
	08/15/2017	1,475,000	5.000%	0.740%	115.737					232,120.75
	08/15/2018	50,000	2.000%	1.050%	104.392					2,196.00
	08/15/2019	545,000	3.000%	1.450%	108.524					46,455.80
	08/15/2020	2,220,000	5.000%	1.830%	120.047					445,043.40
	08/15/2021	2,020,000	5.000%	2.140%	120.328					410,625.60
	08/15/2022	2,745,000	5.000%	2.350%	120.851					572,359.95
	08/15/2023	1,985,000	3.000%	2.550%	103.507	C	2.590%	08/15/2022	100.000	69,613.95
	08/15/2024	2,375,000	4.000%	2.800%	109.254	C	2.987%	08/15/2022	100.000	219,782.50
	08/15/2025	3,390,000	3.000%	3.102%	99.000					-33,900.00
	08/15/2026	2,770,000	3.000%	3.241%	97.500					-69,250.00
	08/15/2027	2,925,000	4.000%	3.340%	104.969	C	3.540%	08/15/2022	100.000	145,343.25
	08/15/2028	1,495,000	4.000%	3.490%	103.813	C	3.663%	08/15/2022	100.000	57,004.35
	08/15/2029	3,390,000	4.000%	3.690%	102.296	C	3.804%	08/15/2022	100.000	77,834.40
	08/15/2030	3,390,000	4.000%	3.790%	101.547	C	3.873%	08/15/2022	100.000	52,443.30
	08/15/2031	3,390,000	4.000%	3.880%	100.878	C	3.930%	08/15/2022	100.000	29,764.20
	08/15/2032	3,390,000	4.000%	3.970%	100.215	C	3.983%	08/15/2022	100.000	7,288.50
	08/15/2033	3,390,000	4.000%	4.030%	99.589					-13,932.90
		42,810,000								2,292,722.45

Sources and Uses of Funds from 2013 Bonds

State of Vermont, General Obligation Bonds
Final Verified Numbers dated 11/6/2013

Sources:	2013A- Citizen Bonds-Negotiated	2013B: New Money-Competitive	2013C: Refunding Bonds-Competitive	Total
Bond Proceeds:				
Par Amount	25,000,000.00	42,810,000.00	18,935,000.00	86,745,000.00
Net Premium/OID	1,663,840.55	2,292,722.45	1,208,531.10	5,165,094.10
	26,663,840.55	45,102,722.45	20,143,531.10	91,910,094.10
Other Sources of Funds:				
Transfer from General Fund	106,556.86			106,556.86
	26,770,397.41	45,102,722.45	20,143,531.10	92,016,650.96

Uses:	2013A- Citizen Bonds-Negotiated	2013B: New Money-Competitive	2013C: Refunding Bonds-Competitive	Total
Project Fund Deposits:				
Project Fund	26,663,840.55	44,959,073.49		71,622,914.04
Refunding Escrow Deposits:				
Cash Deposit			0.99	0.99
SLGS Purchases			20,046,043.00	20,046,043.00
			20,046,043.99	20,046,043.99
Delivery Date Expenses:				
Underwriter's Discount	106,556.86	143,648.96	31,727.43	281,933.25
Cost of Issuance			63,318.71	63,318.71
	106,556.86	143,648.96	95,046.14	345,251.96
Other Uses of Funds:				
Additional Proceeds			2,440.97	2,440.97
	26,770,397.41	45,102,722.45	20,143,531.10	92,016,650.96

Projects Financed by 2013 Bonds

Act 51 of 2013		
Section 2	State Buildings – Various Projects	$31,710,082
Section 3	Administration – Vermont Center for Geographic Information	100,000
Section 4	Human Services – Various Projects	5,200,000
Section 5	Judiciary	1,000,000
Section 6	Commerce and Community Development	440,000
Section 7	Grant Programs	1,575,000
Section 8	Education	6,704,634
Section 9	University of Vermont – Major Maintenance	1,400,000
Section 10	Vermont State Colleges – Major Maintenance	1,400,000
Section 11	Natural Resources	13,772,550
Section 12	Military	750,000
Section 13	Public Safety – Various Projects	3,600,000
Section 14	Agriculture, Food and Markets	150,000
Section 15	Vermont Public Television	205,750
Section 16	Vermont Rural Fire Protection	100,000
Section 17	Vermont Veterans' Home	1,216,000
Section 18	Vermont Interactive Technologies	288,000
Section 18a	Enhanced 911 Program	10,000
Act 104 of 2012		
Section 7a	Vermont State Colleges – Major Maintenance	2,000,000
Act 40 of 2011		
Section 2	State Buildings- Various Projects	898
		$71,622,914

Additional Debt Capacity from Premium

Additional (Unused) Bond Authorization from Use of Premium for Capital Projects

Dollar Amount of Projects to be Paid for with 2013 G.O. Bonds: (current and prior year capital bills)	71,624,556
Less 2013 Series A Bonds principal amount:	(25,000,000)
Less 2013 Series B Bonds principal amount:	(42,810,000)
Less residual authorized but unissued amount: (Projects from Act 40 of 2011)	(1,642)
Unused debt authorization due to premium: (i.e., excess debt capacity that can be used for future capital projects)	**3,812,914**