

Sec. E.514.1 16 V.S.A. § 1944b is added to read:

§ 1944b. RETIRED TEACHERS' HEALTH AND MEDICAL BENEFITS

FUND

(e) Notwithstanding any provision to the contrary, the State Treasurer is authorized to use interfund loans from the General Fund for payment into the Benefits Fund, which monies shall be identified exclusively for the purposes of payments of retired teacher health and medical benefits pursuant to this section. Any monies borrowed through an interfund loan pursuant to this section shall be paid from monies in the Benefits Fund or from other funds legally available for this purpose. It is the intent of the General Assembly to appropriate sufficient General Fund revenue, after consideration of all other revenue and disbursements, such that the interfund loan shall be paid in full on or before June 30, 2023. The Governor shall include in the annual budget request an amount sufficient to repay any interfund borrowing according to a schedule developed by the State Treasurer. The State Treasurer shall pay the interest and principal as due in accordance with authority granted under 32 V.S.A. § 902(b). The State Treasurer shall assess a rate of interest on the outstanding balance of the interfund loan comparable to the rate paid by private depositories of the State's monies, or to the yield available on investments made pursuant to 32 V.S.A. § 433. No interfund loans made under this authority shall, in the aggregate, exceed \$30,000,000.00.

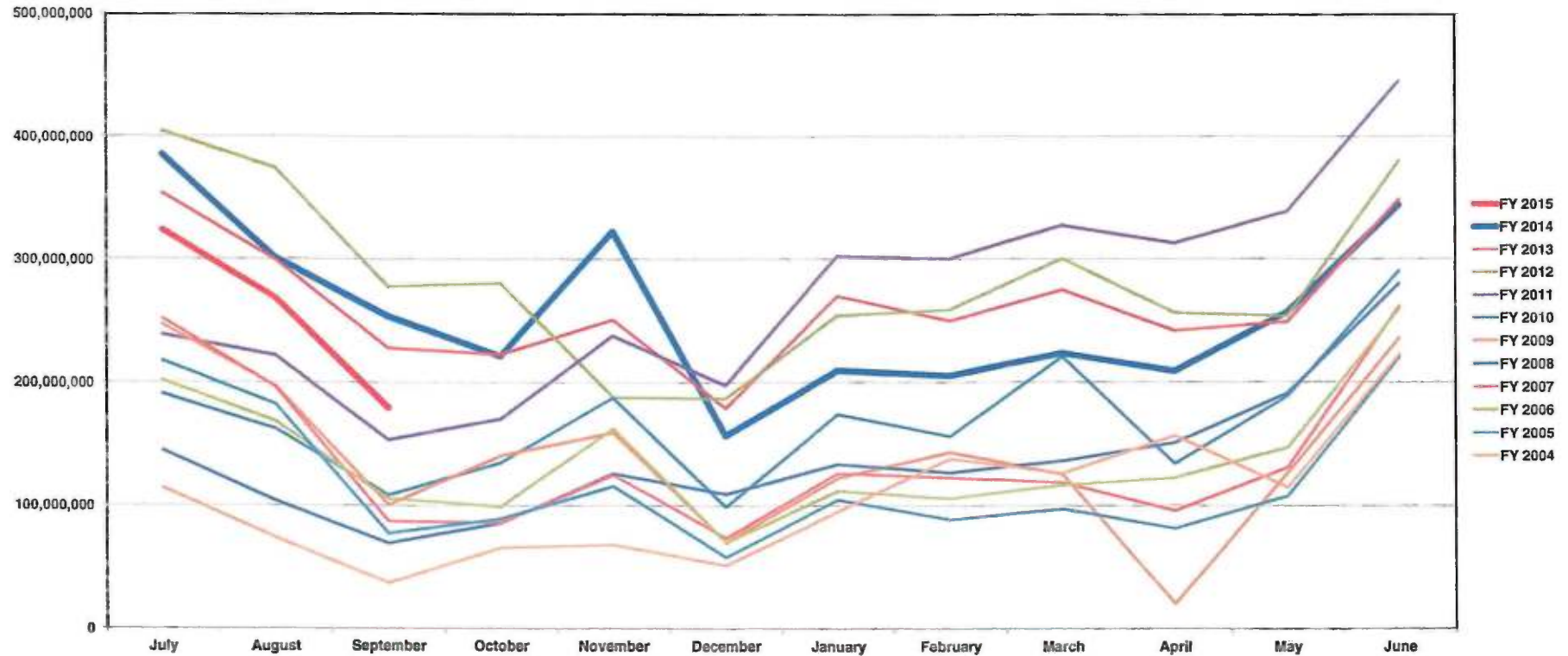
(f) It is the intent of the General Assembly to appropriate the required contributions necessary to pay retired teacher health and medical benefits by combining annual increases in base appropriations, but not from the Education Fund, and surplus revenues as they become available, so that the full cost of retired teacher health and medical benefits payments shall be met in base appropriations by fiscal year 2024. To the extent that other revenue sources are identified, the General Fund obligation shall not be reduced, until all annual disbursements to repay the interfund loan in subsection (e) of this section are satisfied.

Retired Teachers Health and Medical Benefits Fund

	Annual Increase	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	10-Year Totals
Fund Starting Balance:		\$0	\$2,007	\$26,638	\$9,753	\$5,347	\$514,764	\$91,547	\$38,461	\$36,347	\$25,900	
Annual Healthcare Cost:	5.0%	(\$1,621,000)	(\$1,623,000)	(\$1,625,000)	(\$1,627,000)	(\$1,629,000)	(\$1,631,000)	(\$1,633,000)	(\$1,635,000)	(\$1,637,000)	(\$1,639,000)	(\$16,297,000)
1. Existing Sources												
Current General Fund Appropriation:	3.5%	4,750,000	4,916,250	5,088,319	5,266,410	5,450,734	5,641,510	5,838,963	6,043,326	6,254,843	6,473,762	66,724,118
Employer Group Waiver Plan (EGWP)	4.0%	4,000,000	4,200,000	4,410,000	4,630,500	4,862,025	5,105,126	5,360,383	5,628,402	5,909,872	6,205,313	60,311,570
2. New Sources												
New General Fund Appropriation:	3.5%	2,500,000	2,590,000	2,680,000	2,770,000	2,860,000	2,950,000	3,040,000	3,130,000	3,220,000	3,310,000	33,100,000
Reduction to Pension Annual Required Contribution:		0	2,660,218	4,273,534	6,108,212	8,192,984	10,561,392	13,252,542	16,312,528	19,795,977	23,768,195	104,925,643
\$1.072 Employer Assessment Per New Teacher:		0	375,200	787,920	1,240,974	1,737,364	2,280,230	2,873,165	3,519,627	4,223,553	4,989,072	22,027,164
1% New & Non-Vested Employee Contribution:		1,000,000	1,152,963	1,291,783	1,439,373	1,590,165	1,762,609	1,938,176	2,126,367	2,324,666	2,534,638	17,169,735
Pension & Health Costs Applied to Federal Grants:	3.0%	0	3,000,000	3,060,000	3,121,200	3,183,624	3,247,295	3,312,242	3,378,487	3,446,057	3,514,978	29,283,885
Legislature's Additional Contribution:	3.5%	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	3,000,000
Property Tax Relief Fund:		2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	25,000,000
3. Interfund Borrowing												
Borrowing from State's Cash:		15,500,000	8,750,000	5,100,000	1,750,000							28,700,000
Repayment of Interest:	3.0%						4,732,756	5,451,457	6,277,750	7,220,444	8,291,650	47,666,333
Repayment of Principal:							21,000,000	22,000,000	23,000,000	24,000,000	25,000,000	135,000,000
Fund Ending Balance:		\$2,007	\$26,638	\$6,753	\$5,347	\$514,764	\$91,547	\$38,461	\$36,347	\$25,900	\$11,825,426	\$11,825,426

State of Vermont
Monthly Unrestricted Cash Balances
July 1, 2004 through September 30, 2014

<u>Fiscal Year</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>Average</u>	<u>High</u>	<u>Low</u>
FY 2015	324,112,228	268,730,300	179,516,841										257,453,123	324,112,228	179,516,841
FY 2014	385,390,107	301,483,382	253,579,640	221,148,235	322,771,267	156,929,513	209,760,844	205,662,398	223,867,721	208,995,174	256,702,380	344,298,776	257,549,120	385,390,107	156,929,513
FY 2013	353,744,866	299,813,564	227,803,329	222,569,254	250,563,010	179,166,437	270,167,722	249,747,750	275,057,275	241,560,860	248,840,326	348,958,709	263,982,758	353,744,866	179,166,437
FY 2012	404,190,091	374,426,630	277,933,879	280,428,748	187,883,194	186,957,967	253,923,289	258,539,313	300,483,164	255,957,487	253,658,199	379,979,911	284,530,156	404,190,091	186,957,967
FY 2011	238,447,272	221,742,134	153,567,940	170,416,330	237,673,523	197,734,199	302,672,148	300,740,349	327,777,684	313,077,531	339,060,828	445,326,709	270,686,387	445,326,709	153,567,940
FY 2010	190,506,969	162,348,523	108,348,130	134,937,171	187,695,123	98,862,513	174,173,448	156,307,918	220,834,028	133,974,150	188,674,961	290,289,474	170,579,367	290,289,474	98,862,513
FY 2009	246,567,213	196,820,461	100,221,231	140,636,565	159,198,033	70,540,003	122,180,722	143,294,315	125,290,263	19,923,506	126,613,547	235,624,774	140,575,888	246,567,213	19,923,506
FY 2008	144,601,247	103,453,387	69,513,592	85,816,387	125,808,028	109,381,417	133,637,731	126,706,331	136,385,421	150,921,688	191,038,755	279,798,167	138,088,512	279,798,167	69,513,592
FY 2007	251,606,316	196,194,767	87,103,537	85,967,048	124,774,565	73,618,647	126,129,477	122,570,901	118,654,126	95,799,866	131,038,076	261,214,532	139,555,988	261,214,532	73,618,647
FY 2006	201,364,693	168,372,913	105,508,355	99,046,306	162,520,668	70,116,472	111,519,661	105,389,767	116,586,761	122,300,664	146,772,153	259,146,460	139,054,489	259,146,460	70,116,472
FY 2005	217,094,392	182,136,781	77,374,684	89,174,163	115,494,603	58,188,876	104,344,646	88,422,891	97,268,410	81,513,340	107,612,120	220,008,897	119,886,150	220,008,897	58,188,876
FY 2004	114,012,807	73,413,102	37,160,510	65,782,360	68,061,535	51,555,281	95,039,437	137,940,056	126,315,659	156,779,775	114,734,315	222,318,409	105,259,437	222,318,409	37,160,510





STATE OF VERMONT
TEMPORARY INVESTMENT HOLDINGS*
as of September 30, 2014

BANK ACCOUNTS

Bank Name	Account Name	Rate	WAM (days)	Balance	Notes
TD Bank, N.A.	Concentration	0.16%	n/a	176,886,022.62	Secured by irrevocable FHLB of Pittsburgh LOC.
People's United Bank	Concentration	0.17%	n/a	1,340,504.60	Secured by federal agency/GSE collateral at 102%.
Total:				178,226,527.22	

MONEY MARKET FUNDS AND POOLED INVESTMENTS

Manager/Fund Name	Fund Ticker	Rate	Moody's	S&P	Fitch	WAM (days)	Balance	Notes
Fidelity Prima Money Market (AAA)	FIPXX	0.05%				42	1,258.58	
Federated Prime Cash Obligations Fund (IS)	PCOXX	0.03%	AAA-mf	AAAm	AAAmmf	44	-	
Total:							1,258.58	

FIXED INCOME SECURITIES

Issuer	Purchase Date	Maturity Date	Rate	Moody's	S&P	Fitch	WAM (days)	Market Value	Notes
(None currently held)									
Total:								-	

BANK IN VERMONT PROGRAM CERTIFICATES OF DEPOSIT

Bank Name	Purchase Date	Maturity Date	Rate	WAM (days)	Amount	Notes
Union Bank	07/10/14	10/09/14	0.20%	9	600,000.00	
People's United Bank	02/06/14	02/05/15	0.43%	125	5,300,000.00	
People's United Bank	03/06/14	03/05/15	0.40%	155	1,400,000.00	
People's United Bank	08/07/14	08/06/15	0.45%	306	5,000,000.00	
People's United Bank	02/06/14	02/05/15	0.43%	125	300,000.00	
Total:					12,600,000.00	

PROMISSORY NOTES

Borrower Name	Purchase Date	Maturity Date	Rate	WAM (days)	Amount	Statutory Authority
Vermont Community Loan Fund	07/16/14	07/15/15	0.85%	285	500,000.00	Act 179 of 2014, Sec. E.131 (2014 Appropriations Bill)
Vermont Economic Development Authority	02/20/14	10/31/14	0.55%	30	10,000,000.00	Act 87 of 2013, Sec. 8, amended by Act 199 of 2014, Sec. 22
NeighborWorks of Western Vermont	10/22/13	10/15/23	2.00%	3,255	250,000.00	Act 87 of 2013, Sec. 8a
Vermont Housing Finance Agency	02/18/14	02/15/24	2.76%	3,375	2,800,000.00	Act 87 of 2013, Sec. 8a
NeighborWorks of Western Vermont	05/19/14	04/15/24	2.27%	3,435	250,000.00	Act 87 of 2013, Sec. 8a
Total:					13,800,000.00	

OTHER MUTUAL FUNDS OR COMMINGLED FUNDS