



Vermont
Bond Bank



TESTIMONY ON SCHOOL CONSTRUCTION FINANCE FEBRUARY 20TH, 2020

Vermont General Assembly

Bond Bank History

REQUISITION AS TO LOANS FROM LOAN ACCOUNTS

January 11, 1971

Bankers Trust Company
1 Battery Park Plaza
New York, New York

Gentlemen:

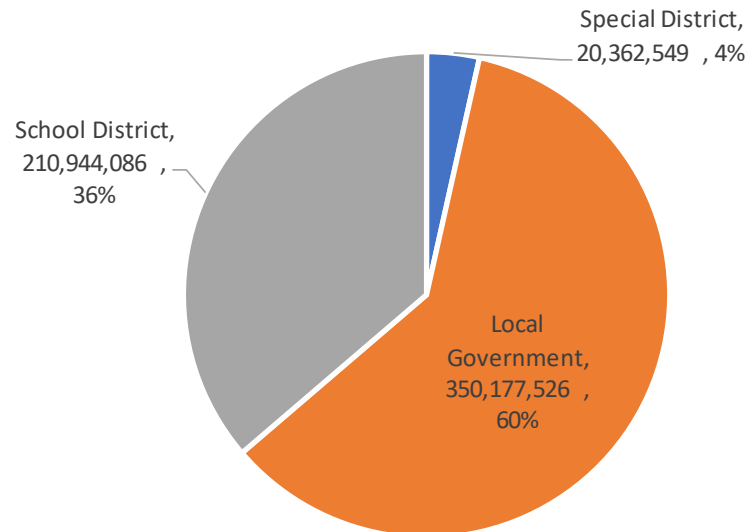
Pursuant to Section 503 of the General Bond Resolution of the Vermont Municipal Bond Bank adopted on December 21, 1970, you are hereby instructed to pay from the following loan accounts the amounts to the respective municipalities as shown below:

<u>Loan Accounts</u>	<u>Amounts</u>	<u>Municipalities</u>
Berkshire Town School District	\$ 260,000	Berkshire Town School District
Berlin Town School District	520,000	Berlin Town School District
Brighton Town School District	370,000	Brighton Town School District
Cabot Town School District	430,000	Cabot Town School District
Calais Town School District	215,000	Calais Town School District
Castleton Town School District	700,000	Castleton Town School District
Charleston Town School District	400,000	Charleston Town School District
Charlotte Town School District	300,000	Charlotte Town School District
Charendon Town School District	440,000	Charendon Town School District
Colchester Town School District	1,500,000	Colchester Town School District
Dover Town School District	575,000	Dover Town School District
Essex Town School District	1,235,000	Essex Town School District
Essex Junction Graded School District	3,160,000	Essex Junction Graded School District
Grand Isle Town School District	135,000	Grand Isle Town School District
Hartland Town School District	500,000	Hartland Town School District
Hinesburg Town School District	450,000	Hinesburg Town School District
Peacham Town School District	90,000	Peacham Town School District
St. Albans Town School District	300,000	St. Albans Town School District
St. Johnsbury Town School District	1,035,000	St. Johnsbury Town School District
Shelburne Town School District	1,120,000	Shelburne Town School District
Sherburne Town School District	465,000	Sherburne Town School District
South Burlington Town School District	1,440,000	South Burlington Town School District
South Burlington Town School District	440,000	South Burlington Town School District
Sunderland Town School District	200,000	Sunderland Town School District
Underhill Graded School District, Inc.	325,000	Underhill Graded School District, Inc.
Wilmington Town School District	655,000	Wilmington Town School District
Braintree-Randolph UHSD No. 2	970,000	Braintree-Randolph UHSD No. 2
Woodstock UHSD No. 4	870,000	Woodstock UHSD No. 4
Missisquoi Valley UHSD No. 7	345,000	Missisquoi Valley UHSD No. 7
Missisquoi Valley UHSD No. 7	2,000,000	Missisquoi Valley UHSD No. 7
Mt. Mansfield UHSD No. 17	3,875,000	Mt. Mansfield UHSD No. 17
Lamoille UHSD No. 18	680,000	Lamoille UHSD No. 18

Vermont Municipal Bond Bank (d/b/a Vermont Bond Bank)

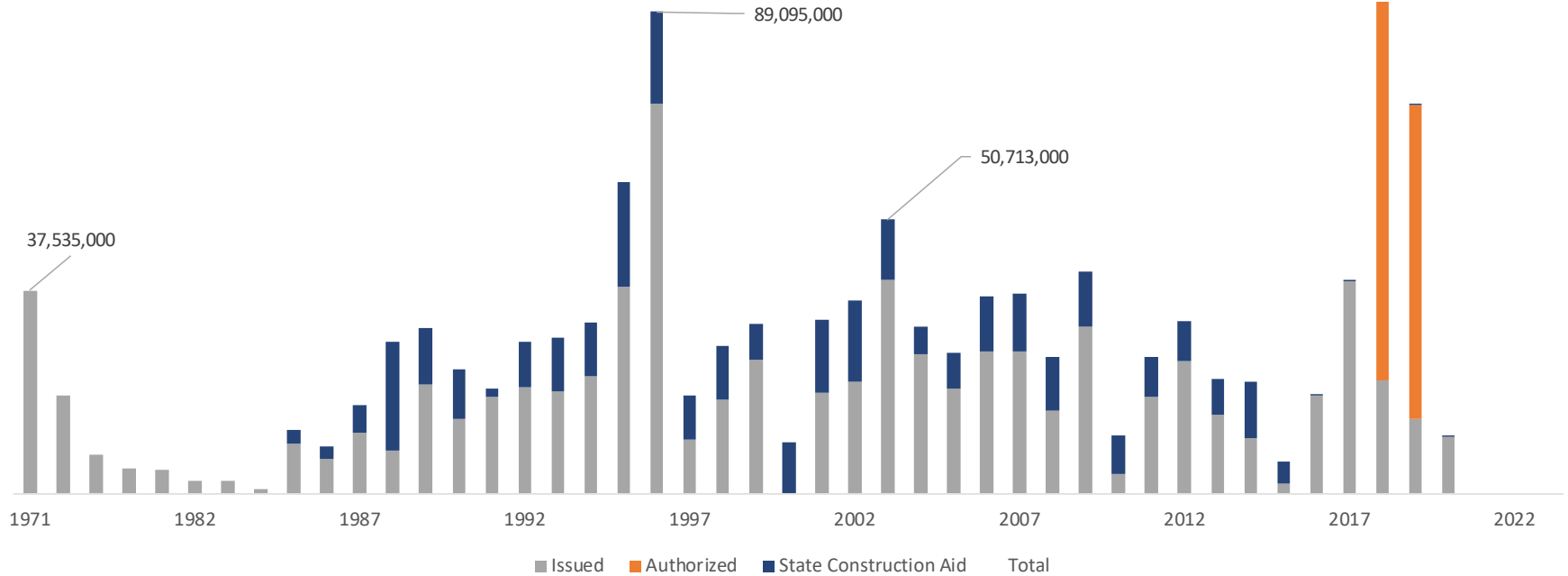
- Bond Bank was created in Fiftieth Biennial Session (1969 / 1970) by the General Assembly
- Creation followed period of school construction spending financed with short term borrowing
- Bond Bank provided long term capital solution
- First bond issue in 1971 exclusively provided loans to local schools

\$581.5 MILLION IN LOANS OUTSTANDING AS OF MARCH 5TH, 2020



Historical Bond Issuance Activity (Nominal \$)

NOMINAL VT SCHOOL CONSTRUCTION SPENDING - 1971 TO PRESENT

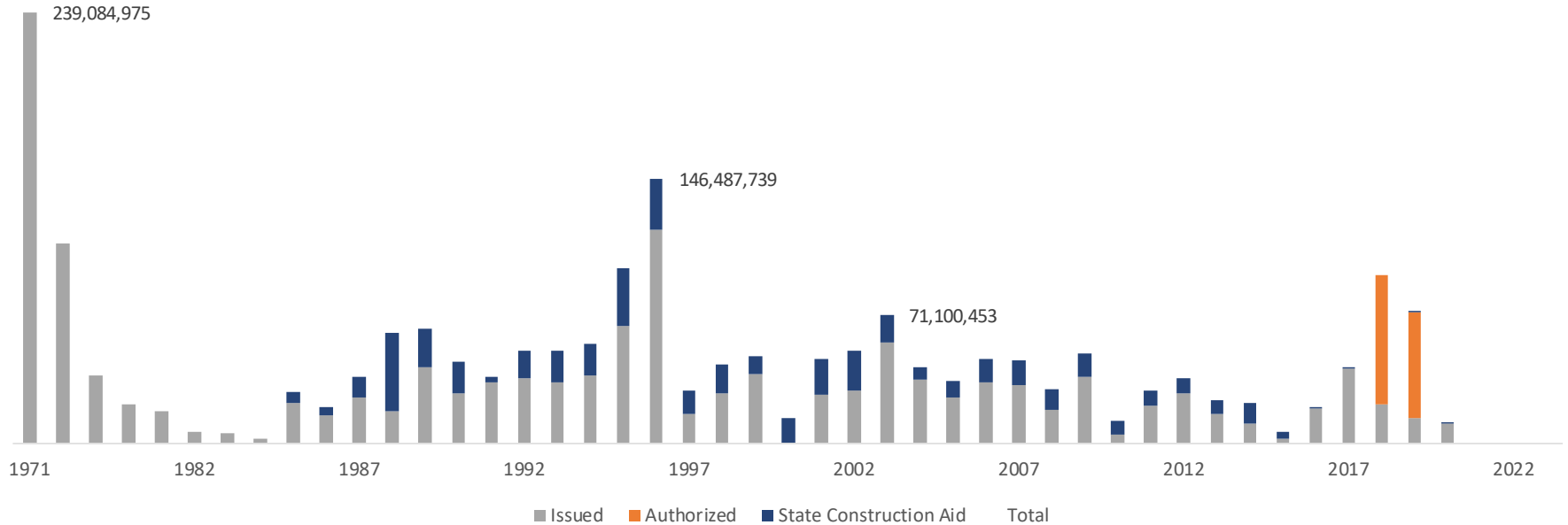


Sources: VT Bond Bank; JLFO

- Unadjusted dollars
- Exclusively reflects Bond Bank data for issuance activity (i.e. loans through private banks or other sources not part of dataset)
- Bond Bank made \$784.61 million in loans to an estimated 543 projects over past 50 years

Historical Bond Issuance Activity (Real \$)

URBAN CPI ADJUSTED VT SCHOOL CONSTRUCTION SPENDING - 1971 TO PRESENT

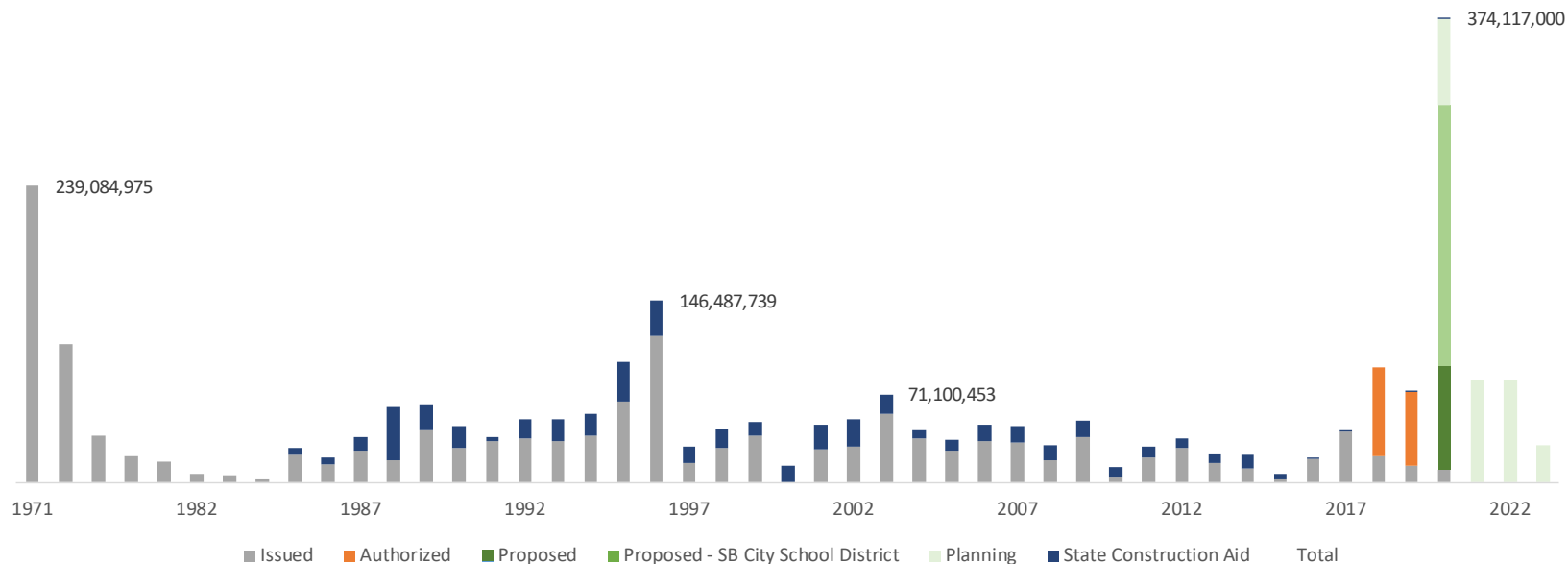


Sources: VT Bond Bank; JLFO

- Dollars adjusted using urban CPI from BLS; does not consider construction cost indices
- Exclusively reflects Bond Bank data for issuance activity (i.e. loans through private banks or other sources not part of dataset)
- On inflation adjusted basis, Bond Bank made \$1.48 billion in loans to an estimated 543 projects over past 50 years

Projected Bond Issuance (Real \$)

URBAN CPI ADJUSTED VT SCHOOL CONSTRUCTION SPENDING - 1971 TO PRESENT W/ESTIMATED PIPELINE OF LOCAL SCHOOL DISTRICT BONDS



	1971 TO 1980		1981 TO 1990		1991 TO 2000		2001 TO 2010	
	#	\$	#	\$	#	\$	#	\$
>= \$10 MM	11	\$170,433,854	1	\$13,263,696	5	\$60,437,313	6	\$127,992,948
< \$10 MM	73	255,781,723	132	150,650,660	153	345,285,405	92	171,022,469
Total	84	\$426,215,577	133	\$163,914,356	158	\$405,722,718	98	\$299,015,417

	2011 TO 2020		TOTAL HISTORIC		PROPOSED OR PLANNING	
	#	\$	#	\$	#	\$
>= \$10 MM	4	\$161,642,888	27	\$533,770,699	10	\$534,400,000
< \$10 MM	68	153,329,282	518	1,076,069,539	7	25,800,000
Total	72	\$314,972,170	545	\$1,609,840,238	17	\$560,200,000

Sources: VT Bond Bank; JLFO; Vermont Superintendents Association

[Notes] Summary table does not include school construction aid; year categorization for "Planning" and "Proposed" represents estimate of potential year of voter authorization (expect one or more issues following authorization); bonds issued in 2020 will close in March 2020



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