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STATE OF VERMONT  
OFFICE OF THE STATE  
TREASURER

MICHAEL S. PIECIAK  
STATE TREASURER

**TO:** Honorable Governor Phil Scott  
House Committee on Appropriations  
House Committee on Commerce and Economic Development  
House Committee on Ways and Means  
Senate Committee on Appropriations  
Senate Committee on Economic Development, Housing, and General Affairs  
Senate Committee on Finance

**FROM:** Vermont State Treasurer Mike Pieciak

**DATE:** November 15, 2025

**RE:** Report on Credit Facilities for Local Investments  
Pursuant to Sec. 4a. 10 V.S.A. § 10

Sec. 4a. 10 V.S.A. § 10 authorizes the State Treasurer to establish a credit facility of up to 10 percent of the State's average daily cash balance to support local investment in Vermont communities, and to address unmet capital needs within Vermont. All investments are evaluated for their impact on diversity, equity, and inclusion, and for the ability to remove barriers to equal opportunity. The Treasurer's Office has adopted an [Investment Policy](#) detailing the manner in which the Treasurer may accept lower yields, lower returns, lower liquidity, and greater risk than would be available on the open market for a comparable investment, in pursuit of these goals. The Local Investment Advisory Committee (LIAC) was established by Act 199 of 2014 as a six-member committee to advise the State Treasurer on funding priorities and mechanisms for these local investments. The current composition of the LIAC is as follows:

**Mike Pieciak**, Chair, State Treasurer

**Maura Collins**, Executive Director, Vermont Housing Finance Agency

**Peter Walke**, Efficiency Vermont Representative

**Joan Goldstein**, Chief Executive Officer, Vermont Economic Development Authority

**Michael Gaughan**, Executive Director, Vermont Bond Bank

**Tom Little**, Vice President and General Counsel, Vermont Student Assistance Corporation

## **Annual Cash Analysis**

The average daily cash balance for Fiscal Year 2025 was \$1.8 billion, which was approximately a \$365 million decrease over the previous year, and cash was forecasted to land between \$1.25 and \$1.5 billion as a result of the spend down of federal funds by the end of Fiscal Year 2027. The LIAC accordingly voted to set the 10% threshold analysis conservatively, at \$120 million, which does allow for an additional \$20 million in lending capacity this year. The 10% capacity analysis excludes reserves, restricted funds, and any amounts that are not considered to be cash.

## **Updates to the Investment Policy**

At its meeting on June 9, 2025, the LIAC voted to recommend to the Treasurer the following updates to the Investment Policy regarding concentration and diversification rules for the credit facility:

- No more than 25% of the credit facility may be allocated to a single investment project of borrower/intermediary guarantor.
- Projects under \$3 million may not receive more than 25% of their funding from one investment.
- A single borrower or intermediary guarantor may not exceed 25% of the facility exposure.
- The committee may waive these limits when a project significantly aligns with policy goals outlined in Section 3 of the current investment policy and a formal request is made.

Current loans under the credit facility will have legacy privileges with respect to these changes and the policy changes will apply to future awards.

## **2.5% Credit Facility Origination and Status**

Act 143 of 2024 expanded upon the Treasurer's credit facility authorization to allow for an additional two and one-half percent to provide financing for climate infrastructure and resilience projects. This expansion was in response to a recommendation in the [Treasurer's Climate Infrastructure Financing Report](#).

In the wake of the 2023 and 2024 catastrophic flooding events, Treasurer Pieciak proposed to the LIAC and the LIAC agreed to lend \$20 million under the 2.5% facility to the Bond Bank; the Bond Bank in turn extended short-term loans to municipalities awaiting FEMA reimbursements for flood-relief activities. It is projected that this will save vulnerable towns over \$1 million in interest compared to otherwise-available credit.

In 2025, the Treasurer's Office is participating in a Community Practicum with students from the Environmental Studies Program at Middlebury College. As part of the practicum, there are four students conducting a semester-long research project that will provide market research, qualitative stakeholder interviews, and recommendations for the structure and governance of the

credit facility to the Treasurer's Office. It is our intent that this body of work will serve as the preliminary basis for the development of an investment policy specific to the 2.5% credit facility.

### **2025 Awards Under 10% Credit Facility**

There have been no new credit awards made thus far in 2025 (as of report submission deadline). The updated annual cash analysis, described above, included the identification of an additional \$20 million in lending capacity.

At the June committee meeting, the LIAC approved a [Solicitation for Proposals](#) that was issued on June 24, 2025. The solicitation sought economic development project proposals in the areas of housing, social equity, and environmental mitigation or carbon footprint reduction. Proposals were due by August 8, 2025, and the Treasurer's Office team reviewed submissions over the course of the fall. A meeting of the committee is scheduled for November 21, 2025, to review staff-recommended projects.

Full meeting records including discussion of project applications, are available on the [LIAC page of the Treasurer's website](#).

### **State Energy Revolving Fund (SERF)**

The State Treasurer's Office has authority under the SERF statute (29 V.S.A. § 168-(d)) to provide a credit facility of up to \$8,000,000 from the State's operating cash balances to fund State Energy Management Program (SEMP) projects. Broadly, these are energy-efficiency projects on state buildings or other state-owned property. For funding projects via the credit facility, SEMP staff forward applications to the Treasurer's Office for review once they have been approved by SEMP staff. In order to receive SEMP staff approval, the applications must demonstrate that the projects meet all SEMP requirements. Prior to reviewing a project for funding from the SERF credit facility, Treasurer's Office staff verify with SEMP staff that the project has also passed a review by Efficiency Vermont and been approved by BGS management.

Act 11 of the 2018 Special Session authorized an additional \$500,000 in supplemental funding to offset costs of interest and principal to state-building weatherization projects that were longer-term than previously funded through the program. Loan terms were again assessed in response to feedback from BGS regarding the efficacy of this financing tool in 2023. The remainder of available one-time supplemental funding for SERF capacity was lent in FY24. A breakdown of State building investments is below. For more detailed information regarding the efficiency work itself, please contact BGS directly.

### **Summary of Credit Facilities and Local Investment Initiatives Chart**

Enclosed is a chart that provides an accounting of all current local investment credit facilities through the Treasurer's Office programs. There are multiple sections of the chart representing various financing stages, including: active credit facilities with current draws and funds outstanding; projects for which funds have been committed and agreements finalized, but not yet drawn; committee-approved facilities for which loan agreements have not yet been finalized; facilities under the 2.5% tranche; and SERF loans. The balances for some SERF loans listed in

the chart below may not conform to the other schedules as this information is maintained differently across two state departments.

Please contact Ashlynn Doyon at [ashlynn.doyon@vermont.gov](mailto:ashlynn.doyon@vermont.gov) with any questions about the programs described herein.

**Local Investment Credit Facilities  
As Of November 15, 2025**

#	Agency	Note	Original amount	Issue Date	Rate	Maturity Date	Outstanding Amount
1	Vermont Community Loan Fund	L-688(19)	\$ 1,500,000.00	7/22/2024	1.50%	7/22/2027	\$ 1,500,000.00
2	Vermont Economic Development Authority	VEDA-005	\$ 10,000,000.00	1/31/2025	1.50%	1/31/2030	\$ 9,300,826.17
3	NeighborWorks of Western Vermont	A-007	\$ 250,000.00	10/27/2016	2.00%	10/15/2026	\$ 35,533.63
4	NeighborWorks of Western Vermont	A-008	\$ 250,000.00	12/27/2016	2.63%	10/15/2026	\$ 36,240.23
5	NeighborWorks of Western Vermont	A-009	\$ 250,000.00	7/21/2017	2.49%	7/15/2027	\$ 57,389.90
6	NeighborWorks of Western Vermont	A-010	\$ 250,000.00	7/17/2019	2.48%	7/15/2029	\$ 101,058.96
7	NeighborWorks of Western Vermont	A-011	\$ 250,000.00	10/24/2019	2.21%	10/15/2029	\$ 106,595.12
8	NeighborWorks of Western Vermont	B-002	\$ 250,000.00	6/20/2016	2.00%	7/15/2026	\$ 27,570.82
9	NeighborWorks of Western Vermont	B-003	\$ 250,000.00	9/6/2016	2.00%	10/15/2026	\$ 35,533.63
10	NeighborWorks of Western Vermont	B-004	\$ 250,000.00	1/11/2017	2.52%	1/15/2027	\$ 43,685.52
11	NeighborWorks of Western Vermont	B-005	\$ 400,000.00	2/17/2017	2.45%	4/15/2027	\$ 81,071.89
12	Champlain Housing Trust	A-001 (South Meadow)	\$ 1,000,000.00	3/31/2016	2.48%	3/31/2026	\$ 1,000,000.00
13	Champlain Housing Trust	A-002 (Dorset Commons)	\$ 321,547.00	2/28/2017	3.02%	3/31/2027	\$ 321,547.00
14	Champlain Housing Trust	A-003 (Allen House)	\$ 50,000.00	5/7/2018	3.42%	6/30/2028	\$ 50,000.00
15	Champlain Housing Trust	A-004 (Dorset Commons)	\$ 59,315.36	6/18/2018	3.58%	6/30/2028	\$ 59,315.36
16	Champlain Housing Trust	A-005 (French Hill)	\$ 49,296.88	6/18/2018	3.58%	6/30/2028	\$ 49,118.83
17	Champlain Housing Trust	A-006 (Dorset Commons)	\$ 519,840.76	7/30/2018	3.50%	6/30/2028	\$ 519,840.76
18	NeighborWorks of Western Vermont	C-001	\$ 250,000.00	12/5/2019	2.14%	1/15/2030	\$ 112,798.31
19	NeighborWorks of Western Vermont	C-002	\$ 250,000.00	2/5/2021	2.00%	4/15/2031	\$ 143,646.52
20	NeighborWorks of Western Vermont	C-003	\$ 500,000.00	2/17/2022	2.54%	4/15/2032	\$ 339,201.12
21	Vermont Economic Development Authority	VEDA-004	\$ 5,000,000.00	12/20/2023	1.50%	12/1/2033	\$ 5,000,000.00
22	Claremont Savings Bank - (Northern Stage)	CSB-002	\$ 389,000.00	8/30/2024	1.00%	8/30/2028	\$ 368,381.04
23	Claremont Savings Bank - (Northern Stage)	CSB-001A	\$ 105,515.00	6/11/2025	1.00%	8/27/2028	\$ 105,515.00
24	Claremont Savings Bank - (Northern Stage)	CSB-003	\$ 994,142.00	6/18/2025	1.00%	8/27/2028	\$ 994,142.00
25	Claremont Savings Bank - (Northern Stage)	CSB-004	\$ 472,616.07	7/23/2025	1.00%	8/27/2028	\$ 472,616.07
26	Claremont Savings Bank - (Northern Stage)	CSB-005	\$ 507,346.15	8/29/2025	1.00%	8/27/2028	\$ 507,346.15
27	Claremont Savings Bank - (Northern Stage)	CSB-006	\$ 399,029.04	11/3/2025	1.00%	8/27/2028	\$ 399,029.04
28	Claremont Savings Bank - (Northern Stage)	CSB-007	\$ 255,903.97	11/12/2025	1.00%	8/27/2028	\$ 255,903.97
29	VEDA - (Bennington High)	VEDA-006	\$ 5,400,000.00	7/29/2025	2.00%	7/31/2045	\$ 5,400,000.00
30	Vermont Housing Finance Agency	VHFA-001	\$ 5,000,000.00	6/4/2025	1.00%	2/1/2030	\$ 5,000,000.00
31	Vermont Housing Finance Agency	VHFA-002	\$ 3,565,000.00	6/4/2025	1.50%	2/1/2035	\$ 3,460,000.00
32	Vermont Housing Finance Agency	VHFA-003	\$ 850,000.00	6/4/2025	2.00%	2/1/2045	\$ 835,000.00
33	Heritage Family Credit Union (Roofs Over Rutland)	HFCU-001	\$ 1,350,000.00	4/11/2025	1.00%	4/30/2030	\$ 1,070,879.68
34	Northern Forest Center	NFC-001	\$ 500,000.00	12/10/2024	1.50%	12/10/2032	\$ 455,627.55
35	EastRise Credit Union (Onion River Hotel)	ER-001	\$ 5,000,000.00	10/17/2025	1.50%	10/31/2035	\$ 5,000,000.00

**LIAC Outstanding \$ 43,245,414.27**

**Committed\***

Heritage Family Credit Union - (Roofs Over Rutland)	N/A	\$ 6,650,000.00	Late 2025	1.00%	2030	\$ -
Claremont Savings Bank - (Northern Stage)	N/A	\$ 1,065,447.77	Late 2025	1.00%	2028	\$ -

**LIAC Committed \$ 7,715,447.77**

**LIAC Committed + Outstanding \$ 50,960,862.04**

**Committee Approved\***

Vermont Housing Finance Agency	N/A	\$ 46,585,000.00	Late 2025-2026	Various	Various	\$ -
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**LIAC Committee Approved \$ 46,585,000.00**

**LIAC Committee Approved + Committed + Outstanding \$ 97,545,862.04**

**2.5% Climate Loans**

1	Vermont Bond Bank	VBB-003	\$ 12,583,000.00	5/7/2025	1.00%	4/1/2030	\$ 12,583,000.00
2	Vermont Bond Bank	VBB-004	\$ 7,417,000.00	5/7/2025	1.50%	4/1/2032	\$ 7,417,000.00

**Climate Outstanding \$ 20,000,000.00**

**LIAC & 2.5% Climate Loans Outstanding \$ 63,245,414.27**

**LIAC & 2.5% Climate Loans: + Committee Approved + Committed + Outstanding \$ 117,545,862.04**

**SERF Loans**

1	SERF	001 - Cherry St. Exhaust Air Heat	\$ 524,172.00	1/31/2015	2.00%	6/30/2026	\$ 19,213.91
2	SERF	002 - Cherry St. Lighting	\$ 534,156.21	2/15/2017	2.00%	6/30/2030	\$ 164,046.92
3	SERF	003 - Cherry St. Energy Upgrade	\$ 147,210.89	9/24/2018	2.00%	6/30/2029	\$ 49,040.98
4	SERF	005 - DPS Facility Energy Retrofit	\$ 127,347.68	9/28/2017	2.00%	6/30/2027	\$ 28,555.90
5	SERF	007 - Mahady Courthouse	\$ 224,961.00	12/17/2018	3.00%	6/30/2026	\$ 26,084.50
6	SERF	008 - Williston Info Center	\$ 45,535.84	12/10/2018	2.60%	6/30/2027	\$ 9,554.08
7	SERF	009 - Caledonia Courthouse	\$ 179,693.00	8/10/2018	2.75%	6/30/2028	\$ 80,480.82
8	SERF	011 - Asa Bloomer State Office	\$ 295,287.71	1/8/2019	2.75%	6/30/2027	\$ 33,675.45
9	SERF	014 - Rutland Garage & Barre Court	\$ 396,525.00	7/2/2019	2.00%	6/30/2026	\$ 69,509.72

10	SERF	015 - Southern State Correctional	\$	456,142.85	3/11/2021	2.00%	6/30/2027	\$	408,409.92
11	SERF	016 - 133 State Street	\$	332,673.18	5/1/2023	2.00%	6/30/2043	\$	259,961.91
12	SERF	017 - Asa Bloomer Lights	\$	27,440.00	10/25/2021	2.00%	12/30/2026	\$	2,525.29
13	SERF	018 - Central Services Lighting	\$	114,310.93	3/14/2023	3.95%	6/30/2031	\$	101,751.75
14	SERF	020 - St. Albans Police Barracks	\$	59,364.00	7/1/2024	2.00%	3/31/2040	\$	51,023.30
15	SERF	021 - Bennington Welcome Center	\$	59,670.00	6/3/2024	2.00%	3/31/2040	\$	58,668.35
16	SERF	022 - 6 Baldwin Energy Improvements	\$	59,205.90	8/1/2024	2.00%	11/30/2042	\$	57,604.06
17	SERF	023 - Berlin Pyschiatric Facility	\$	261,936.00	9/1/2024	2.00%	5/30/2040	\$	260,479.99
18	SERF	024 - St. Albans Courthouse	\$	71,196.00	6/3/2024	2.00%	10/31/2039	\$	68,219.02
19	SERF	025 - Bennington Courthouse	\$	119,100.00	4/25/2024	2.00%	9/30/2039	\$	115,468.25
20	SERF	026 - Bennington Bennco Improvments	\$	38,500.00	11/1/2024	2.00%	6/30/2037	\$	36,707.97
21	SERF	027 - McFarland Energy Improvements	\$	290,394.00	6/1/2024	2.00%	10/31/2039	\$	277,598.70
22	SERF	028 - New Haven Public Safety	\$	61,506.00	7/1/2024	2.00%	3/31/2040	\$	60,482.69
23	SERF	029 - Hyde Park Ken-Gar Weatherization	\$	50,000.00	5/1/2025	2.00%	6/30/2033	\$	49,040.43
24	SERF	030 - Rutland Courthouse	\$	474,912.00	6/1/2024	2.00%	4/30/2040	\$	469,475.36
			\$	<b>4,951,240.19</b>				\$	<b>2,757,579.27</b>
1	SERF Supplemental	008 - Williston Info Center	\$	28,865.96	12/10/2018	0.00%	6/30/2027		28,865.96
2	SERF Supplemental	011 - As Bloomer State Office	\$	28,366.25	1/8/2019	0.00%	6/30/2027		28,366.25
3	SERF Supplemental	014 - Rutland Garage & Barre Court	\$	43,500.00	7/2/2019	0.00%	6/30/2026		43,500.00
4	SERF Supplemental	015 - Southern State Correctional	\$	220,657.01	3/11/2021	0.00%	6/30/2027		220,657.01
5	SERF Supplemental	017 - Asa Bloomer Lights	\$	39,760.96	10/25/2021	0.00%	12/30/2026		39,760.96
6	SERF Supplemental		\$	138,849.82	5/1/2023	0.00%			138,849.82
			\$	<b>500,000.00</b>				\$	<b>500,000.00</b>
								<b>SERF Outstanding</b>	<b>\$ 3,257,579.27</b>
								<b>All Facilities Outstanding + Committed</b>	<b>\$ 74,218,441.31</b>
								<b>All Facilities Outstanding + Committed + Committee Approved</b>	<b>\$ 120,803,441.31</b>

\*Committed and Committee Approved loans have been approved contingent on reaching terms acceptable to the State Treasurer. These loans are shown with anticipated issue dates, maturity dates, amounts, and interest rates as these terms are not yet final.