

VERMONT AGRICULTURAL CREDIT CORPORATION

Minutes

January 25, 2019

A meeting of the Vermont Agricultural Credit Corporation convened at the offices of the Vermont Economic Development Authority, Montpelier, Vermont on January 25, 2019 beginning at 11:21 a.m. Those Directors of the Corporation present were: J. Snow, Chair; S. Voigt; D. Kurzman and E. Delhagen (designee for J. Tierney). Those Members of the Authority present via phone were: L. Graves; T. Gallagher; D. Kittell and B. Pearce. Staff members present were: C. Polhemus, Vice President; D. Carter, Treasurer; S. Isham, Secretary; L. Anair, Assistant Secretary; R. Grzankowski, Director of Operations; C. Houchens, Chief Compliance and Loan Review Officer; T. Porter, Director of Commercial Lending; J. Kimberly, Deputy Director of Agricultural Lending; Senior Loan Officers: S. Croft and A. Curler; Loan Officers: E. Denny; C. Leonard and A. Wood; P. Fitzgerald, Director of Loan Resolution; C. Blais, Commercial Credit Analyst; C. Brown, Office Manager and R. Pallottini, Receptionist/Front Office Administrative Assistant. Those Staff Members present via phone were: Sr. Loan Officers J. Conklin and M. Dussault and Loan Officer E. Paradee. Those Directors present constituted a quorum.

Minutes of December 7, 2018

On a motion by D. Kurzman, seconded by S. Voigt, the minutes for the December 7, 2018 meeting were approved by those Directors of the Corporation present by a vote of 7 to 0 with the Chair abstaining.

Credit Risk Classification Report – 2nd Quarter FY2019

C. Polhemus reviewed Staff's Credit Risk Classification Report recommendations for the VACC loan portfolio for the 2nd quarter of FY2019 (ended December 31, 2018) which included recommended loan loss reserves in the amount of \$1,378,900.

After discussion regarding the reserves and changes recommended thereto, on a motion by S. Voigt, seconded by D. Kurzman, the recommendations were approved by those Directors of the Corporation present by a vote of 7 to 0 with the Chair abstaining.

Election of Officers

C. Polhemus presented the following slate of officers through October 25, 2019:

President: Rosalea W. Bradley
Vice President: Cassandra F. Polhemus
Treasurer: David E. Carter
Secretary: Sarah C. Isham
Assistant Secretary: Louise N. Anair

On a motion by S. Voigt, seconded by D. Kurzman, the following resolution was approved by those Directors of the Corporation present by a vote of 7 to 0 with the Chair abstaining.

Resolution

BE IT RESOLVED, that the following officers be and hereby are elected for a term expiring October 25, 2019:

President: Rosalea W. Bradley
Vice President: Cassandra F. Polhemus
Treasurer: David E. Carter
Secretary: Sarah C. Isham
Assistant Secretary: Louise N. Anair

Staff Authority – Loan Approvals

Pursuant to a Resolution adopted by the Directors of the Vermont Agricultural Credit Corporation at the July 29, 2016 meeting, Staff has approved the following loans since the last VACC meeting:

<u>Name</u>	<u>Town</u>	<u>Loan Amount</u>
LeBlanc, Jonathan M. and Rachel B.	East Hardwick	\$ 60,000
Machia, Thomas J. & Mary R.	St. Albans	\$250,000
Thomas, Brad D. and Jill C.	Orwell	\$ 68,000
Veldman Family Revocable Living Trust; Veldman, Johanna H., Benjamin A., William M. and Harry G.	Addison	\$167,000 \$137,500
DeGraaf, Harold P. and Anje V.	Richmond	\$385,000 \$117,000
Turner, Joseph A. and Brandi M.	Waitsfield	\$ 27,750 \$ 30,000
Lamoureux, Jeanne M. and Wood, Robert N.	Whiting	\$155,000

Staff Authority – Other Business

Staff presented the Directors with the Internal Other Business memo.

Belter Family Partnership, John H. and Joyce N. Belter and David T. Belter – Burlington – \$150,000 FOLP 2018 Loan

J. Kimberly explained Belter Family Partnership, et al., are requesting a \$150,000 FOLP 2018 Loan. The loan will be secured by security interest in all of the borrowers' now owned or hereafter acquired cattle, machinery and equipment, including but not limited to all offspring, replacements, substitutions, accessories, accessions and parts and all products and proceeds thereof, and insurance proceeds thereof, security interest in all of the borrowers' now owned and hereafter acquired crops (including compost), both growing and stored, and feed inventory and all products and proceeds thereof, a mortgage lien on approximately 288± acres of real estate and the buildings thereon owned by John H. and Joyce N. Belter located in South Burlington, Vermont and a security interest in borrowers' milk and all products and proceeds thereof.

After discussion regarding management strength, business cash flow, strength of overall equity and excellent credit history, on a motion by L. Graves, seconded by D. Kurzman, the above loan request was approved by those Directors of the Corporation present by a vote of 7 to 0 with the Chair abstaining.

There being no other business to properly come before the corporation, on a motion by D. Kurzman, seconded by S. Voigt, the meeting adjourned at 11:45 a.m.

ATTEST:

Vermont Agricultural Credit Corporation

By: _____
Cassandra F. Polhemus, Vice President