

VERMONT AGRICULTURAL CREDIT CORPORATION

Minutes

July 26, 2019

A meeting of the Vermont Agricultural Credit Corporation (VACC) convened at the offices of the Vermont Economic Development Authority, Montpelier, Vermont on July 26, 2019 beginning at 11:35 a.m. Those Directors of the Corporation present were: T. Gallagher, Chair; D. Kurzman; L. Graves; S. Voigt; T. Foster; R. Shippee; E. Delhagen (designee for J. Tierney) and M. Schirling. Members present via phone were: T. Collier and B. Pearce. Staff members present were: C. Polhemus, President; P. Samson, Vice President; D. Carter, Treasurer; S. Isham, Secretary; R. Grzankowski, Chief Operations Officer; C. Houchens, Chief Compliance and Loan Review Officer; T. Porter, Director of Commercial Lending; P. Fitzgerald, Director of Loan Resolution; J. Kimberly, Deputy Director of Agricultural Lending; Senior Loan Officers: S. Buckley and A. Curler; E. Denny, Loan Officer; C. Morris, Communications Manager; C. Brown, Office/Facilities Manager and K. Kilpatrick, Administrative Assistant. Those Directors present constituted a quorum.

Minutes of June 28, 2019

On a motion by T. Foster, seconded by L. Graves, the minutes for the June 28, 2019 meeting were approved by those Directors of the Corporation present by a vote of 9 to 0 with the Chair abstaining.

New Director – R. Shippee

T. Gallagher welcomed R. Shippee as the newest Director of the Corporation.

Agricultural Update

T. Foster noted crops were currently below normal in quality in the Northwest and farmers are still dealing with very tight margins. He continued, explaining a hemp processor in Vermont has gone out of business.

Appointment of Vice President/Document Signing Authority

C. Polhemus explained that in his new role as Chief Lending Officer, P. Samson will also be named Vice President of Vermont Agricultural Credit Corporation and in this role will need the authority to sign loan documents.

On a motion by L. Graves, seconded by S. Voigt, the following resolution was approved by those Directors of the Corporation present by a vote of 9 to 0 with the Chair abstaining.

Resolution

WHEREAS, Peter Samson be and he hereby is appointed Vice President of Vermont Agricultural Credit Corporation effective July 26, 2019;

NOW THEREFORE BE IT RESOLVED, that pursuant to Article III, Section 6 of the Vermont Agricultural Credit Corporation (“VACC”) Bylaws, Peter Samson be and hereby is authorized and empowered to sign, acknowledge and deliver contracts, written documents and instruments, commitments, deeds, mortgages and mortgage discharges, subordinations and all manner of written agreements for and on behalf of VACC.

Credit Risk Classification Report – 4th Quarter FY2019

C. Polhemus reviewed Staff’s Credit Risk Classification Report recommendations for the VACC loan portfolio for the 4th quarter of FY2019 (ended June 30, 2019) which included recommended loan loss reserves in the amount of \$1,150,200.

At 11:40 a.m. S. Voigt left the meeting.

At 11:40 a.m. M. Schirling left the meeting for the remainder of the day.

At 11:42 a.m. S. Buckley left for the remainder of the day.

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

VACC Minutes – July 26, 2019

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>
Morin, Dennis A. and Anita R.	Morrisville	Loan 1: \$ 39,000 Loan 2: \$ 45,000
Stonewood Farm, Inc.; Stone, Peter K.; Mertens, Siegrid A.	Orwell	\$280,000
Pine Hill View Farm II, LLC; Strohmaier, Henry M. and Cecily R.	Bennington	\$585,000
Marszalkowski, Richard R.	Panton	\$ 50,000

At 11:43 a.m. S. Voigt returned to the meeting.

Staff Authority – Other Business

Staff presented the Directors with the Internal Other Business memo.

L. Graves asked about one of the loans listed on the Other Business memo. J. Kimberly explained the reasons for the borrower's request.

There being no other business to properly come before the Corporation, on a motion by L. Graves, seconded by D. Kurzman, the meeting adjourned at 11:44 a.m.

ATTEST:

Vermont Agricultural Credit Corporation

By: _____
Cassandra F. Polhemus, President