

# VERMONT AGRICULTURAL CREDIT CORPORATION

## Minutes

September 20, 2019

A meeting of the Vermont Agricultural Credit Corporation (VACC) convened at the Burke Mountain Resort, East Burke, Vermont on September 20, 2019 beginning at 8:41 a.m. Those Directors of the Corporation present were: T. Gallagher, Chair; L. Graves; D. Kurzman; T. Foster; M. Snyder; S. Voigt; M. Tuttle; R. Shippee; D. Kittell; E. Delhagen (designee for J. Tierney) and A. Eastman (designee for A. Tebbetts). Member J. Goldstein (designee for L. Kurrle) participated via Skype. Staff members present were: C. Polhemus, President; P. Samson, Vice President; S. Isham, Secretary; R. Grzankowski, Assistant Secretary; C. Houchens, Chief Compliance and Loan Review Officer; T. Porter, Director of Commercial Lending and C. Brown, Office/Facilities Manager. Staff present via Skype were: E. Bond, Controller; A. Wood, Senior Agricultural Loan Officer; S. Buckley, Senior Commercial Loan Officer and C. Blais, Commercial Credit Analyst. Also present via Skype: R. Milrod of CFO Consulting Partners. Those Directors present constituted a quorum.

### Minutes of August 23, 2019

On a motion by A. Eastman, seconded by S. Voigt, the minutes for the August 23, 2019 meeting were approved by those Directors of the Corporation present by a vote of 11 to 0 with the Chair abstaining.

### New Director – Lindsay Kurrle

T. Gallagher noted L. Kurrle, the newly appointed Secretary of the Agency of Commerce and Community Development, has assumed the VACC seat previously held by M. Schirling.

### Agricultural Update

A. Eastman began her update stating Vermont was chosen to receive one of three grants to create regional dairy business innovation centers across the country – the other recipients were the University of Wisconsin and the University of Tennessee. She explained the Agency of Agriculture, Food and Markets (the Agency) will receive funds to work to provide technical and

financial assistance to help dairy producers diversify their products and adapt to emerging market trends. The goal of the three-year initiative is to make dairy farms more viable. The Agency will work in Vermont and support work in surrounding states.

Next, A. Eastman explained legislative farm tours were held two days this week – she noted stakeholders attended and there was considerable social media coverage.

A. Eastman continued her update stating she has visited several hemp fields this week – noting she saw a bad crop which had been infested by a beetle which attacked the main stem of the hemp plant. She also learned of a new technology which extracts terpenes from the hemp plant and still allows for the harvest of CBD and CBG oil. P. Samson asked about the status of hemp growing in neighboring states. A. Eastman replied New Hampshire will not be doing a pilot program therefore no growing of hemp.

She closed her update with a description of hemp procedures. She noted complaints regarding hemp which come to the Agency are investigated by staff within 24 hours. She noted any complaints regarding marijuana are handled through the Department of Public Safety.

Boissonneault Family Farm, Inc./Cathy L. and Jay C. Boissonneault – Georgia – Loan 1: \$592,500 Farm Ownership Loan – Loan 2: \$50,000 Farm Ownership Loan – Loan 3: \$30,000 Operating Loan

A. Wood explained Boissonneault Family Farm, Inc., et al., of Georgia, are requesting \$672,500 in VACC financing. The loans will be secured by a mortgage lien on two real estate parcels (approximately 75 acres and the buildings thereon and 68 acres and the buildings thereon) to be purchased by Cathy L., Jay C. and Brent C. Boissonneault (Cathy and Jay's son and a co-borrower on Loan 1 only) located in Georgia, Vermont, mortgage lien on two real estate parcels (approximately 110 acres and the buildings thereon and 50 acres and the buildings thereon) owned by Cathy L. Boissonneault located in Georgia, Vermont, a 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 all insurance proceeds thereof and a security interest in the borrowers' milk and all products and proceeds thereof.

At 8:56 a.m. T. Gallagher left the meeting and returned at 8:57 a.m.

After discussion regarding organic farming, accrual accounting, business financials and the overall request, on a motion by R. Shippee, seconded by D. Kurzman, the above loan requests were approved by those Directors of the Corporation present by a vote of 11 to 0 with the Chair abstaining.

Check Signing Authority – J. Harris

C. Polhemus explained Staff is recommending Jonathan Harris, Commercial Loan Assistant, be authorized to sign checks. On a motion by A. Eastman, seconded by S. Voigt, the following resolution was approved by those Directors of the Corporation present by a vote of 11 to 0 with the Chair abstaining.

Banking Resolution

WHEREAS, the Vermont Agricultural Credit Corporation (Corporation) has, from time to time, authorized certain officers and staff members to sign checks drawn on the various accounts of the Corporation and to invest, reinvest and redeem certificates of deposit and repurchase agreements from and with various Vermont banks (Banks) and initiate wire transfers of funds to and from the Banks for these purposes;

NOW THEREFORE BE IT RESOLVED, the Corporation's President, Vice President and Chief Financial Officer will each have individual signing authority for any check, cash and wire transfer of the Corporation for any amount up to \$10,000. The following will each have individual signing authority for any check, cash, and wire transfer of the Corporation for any amount up to \$5,000: the Chair of the Corporation; the Treasurer of the Corporation; Carol Brown; Margaret Baird; Kelly Leonard; Deborah Izor, Renee Grzankowski and Jonathan Harris. All checks, cash and wire transfers drawn on any Corporation account in excess of \$10,000 must be signed and countersigned by two of the above authorized individuals;

BE IT FURTHER RESOLVED, that the Corporation's Chief Financial Officer, President and Vice President are each hereby authorized to purchase, transfer, redeem and withdraw or reinvest the proceeds of certificates of deposit, repurchase agreements, and other investment securities, and to transfer funds to and from the Banks, whether manually, by wire or otherwise, as necessary to carry out the purposes specified above. The Chief Financial Officer, President and Vice President are also each hereby authorized to contract with the Banks for safe deposit

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services and to designate certain employees or contractors to have access to such safe deposit services. The Banks are directed to honor any such requests;

BE IT FURTHER RESOLVED, that the foregoing Resolution shall remain in full force and effect until written notice of its amendment or rescission shall have been received by the Banks;

BE IT FURTHER RESOLVED, that this Resolution supercedes and replaces that approved by the Corporation on March 30, 2018.

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>
Veldman, Harry G., Johanna H., Benjamin A. and William M.; Veldman Family Revocable Living Trust	Addison	\$125,000
Vanderwey Farm Partnership; Vanderwey, Linda; Vanderwey, Sidney S. and Vanderwey, Howard W.	Ferrisburgh	\$665,000
Desautels, Andre H. and Laurie A.	Bridport	\$ 65,000
Scheid, Marina A. and Keating, Jordan H.	Rockingham	\$ 94,000

Staff Authority – Other Business

Staff presented the Directors with the Internal Other Business memo.

There being no other business to properly come before the Corporation, on a motion by L. Graves, seconded by S. Voigt, the meeting adjourned at 9:09 a.m.

ATTEST:

Vermont Agricultural Credit Corporation

By: \_\_\_\_\_  
Cassandra F. Polhemus, President