

VERMONT ECONOMIC DEVELOPMENT AUTHORITY

Minutes

June 26, 2020

A video conferencing meeting of the Vermont Economic Development Authority (VEDA) originated at the offices of the Vermont Economic Development Authority, Burlington, Vermont on June 26, 2020 beginning at 9:34 a.m. Members present via Zoom video conferencing were: T. Gallagher, Chair; A. Eastman (designee for A. Tebbetts); A. Gagner; B. Pearce; D. Kurzman; D. Kittell; E. Delhagen (designee for J. Tierney); J. Goldstein (designee for L. Kurrle); L. Graves; R. Shippee; S. Voigt; T. Foster; and T. Collier. Staff members present via Zoom video conferencing were: C. Polhemus, CEO; P. Samson, Chief Lending Officer; T. Richardson, Chief Financial Officer; R. Grzankowski, Chief Operations Officer; C. Houchens, Chief Risk and Resources Officer; T. Porter, Director of Commercial Lending; S. Isham, Director of Agricultural Lending; Senior Loan Officers: S. Croft; M. Dussault; J. Conklin, A. Wood and E. Denny; E. Paradee, Loan Officer; C. Morris, Communications Manager; A. Wright, Executive Assistant; and K. Kilpatrick, Administrative Assistant. M. Corbett, Loan Officer joined the call later. Those Members present constituted a quorum.

Minutes of May 29, 2020

On a motion by B. Pearce, seconded by T. Collier, the minutes for the May 29, 2020 meeting were approved as corrected for a spelling error by those Members of the Authority present by a vote of 12 to 0 with the Chair abstaining.

CEO's Report

Governor's Economic Recovery Plan

C. Polhemus explained VEDA's involvement with economic recovery programs to date. She noted S.350, which was signed by Governor Scott last week, added \$70M in economic grant money to be distributed through the Department of Taxes and the Agency of Commerce and Community Development. On the agricultural and forestry economy front, S.351 includes \$5M for the forest economy and \$5M for non-dairy diversified agriculture.

Staff and Board News

C. Polhemus explained she has decided to extend remote working through Labor Day; noting employees are working well with high productivity. and the flexibility is greatly appreciated for those with childcare needs. The Governor also continues to encourage remote work as much as possible.

Next, C. Polhemus explained she and T. Richardson have been working to transition the Investment Committee into an Asset-Liability Committee (ALCO). She explained Members of the Authority have already been invited by the Chair to join the Committee and the first meeting is slated for July.

Middlebury Office

C. Polhemus closed her Report noting the terms of the Lease at the new Middlebury office location were in negotiations – stating the space will be good for the long term.

Risk and Resource Department Update

C. Houchens provided the Members with a Risk and Resource Department update. She noted reporting is on track with two more reports scheduled for the calendar year.

Board Financial Summary

T. Richardson stated direct approvals through May 31, 2020 totaled \$45.2 million, \$250 thousand above budget and \$4.4 million below the same period of FY2019. Loans closed through May 31, 2020 totaled \$36.2 million, \$1.4 million below budget and \$15.3 million below the same period of FY2019.

T. Richardson continued his financial report, explaining Net Operating Income after fair value adjustment through April 30, 2020 was favorable to budget by \$582.1 thousand. Net Interest Income was unfavorable to budget by \$216.7 thousand. Other Income was unfavorable to budget by \$66.4 thousand.

Credit Quality Report

P. Samson provided the Members with the Credit Quality Report.

At 9:39 a.m. A. Wood left the meeting for the remainder of the day.

Banking Resolution

C. Polhemus explained Staff is recommending A. Miller, Marketing Coordinator/ Agricultural Loan Assistant, be authorized to sign checks.

On a motion by L. Graves, seconded by T. Foster, the following resolution was approved by those Members of the Authority present by a vote of 12 to 0 with the Chair abstaining.

Banking Resolution

WHEREAS, the Vermont Economic Development Authority (Authority) has, from time to time, authorized certain officers and staff members to sign checks drawn on the various accounts of the Authority 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 Authority's Chief Executive Officer, Chief Lending Officer, Chief Financial Officer and Chief Operations Officer will each have individual signing authority for any check, cash and wire transfer of the Authority for any amount up to \$10,000. The following will each have individual signing authority for any check, cash, and wire transfer of the Authority for any amount up to \$5,000: the Chair of the Authority; the Treasurer of the Authority; Alice Wright; Ann Miller; Kelly Leonard; Deborah Izor and Jonathan Harris. All checks, cash and wire transfers drawn on any Authority account in excess of \$10,000 must be signed and countersigned by two of the above authorized individuals;

BE IT FURTHER RESOLVED, that the Authority's Chief Executive Officer, Chief Lending Officer, Chief Financial Officer and Chief Operations Officer 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 Executive Officer, Chief Lending Officer, Chief Financial Officer and Chief Operations Officer are each also hereby authorized to contract with the Banks for safe deposit 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 supersedes and replaces

that approved by the Authority on January 20, 2020.

FY2021 Preliminary Budget for Q1

T. Richardson presented a preliminary budget for the first quarter of FY2021 to the Members for their approval. He explained due to the uncertainties of the economy in the near future surrounding COVID 19 and the state's CARES Act appropriations, projecting a budget for the entire FY2021 proved difficult. Discussion ensued regarding interest rates and banking policies.

On a motion by S. Voigt, seconded by T. Collier, the Preliminary Budget for the first Quarter of FY2021 was approved by those Members of the Authority present by a vote of 12 to 0 with the Chair abstaining.

Loan Review Program

C. Houchens provided the Members with a revised Loan Review Program document. She explained there were no significant changes made to the Policy – only minor changes due to updated job titles or reporting structure.

On a motion by T. Collier, seconded by L. Graves, the revised Loan Review Program was approved by those Members of the Authority present by a vote of 12 to 0 with the Chair abstaining.

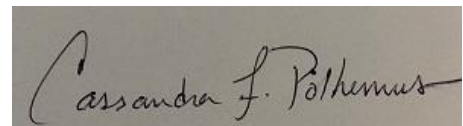
Staff Authority – Other Business

Staff presented the Members with the Internal Other Business memo.

There being no other business to properly come before the Authority, on a motion by T. Collier, seconded by E. Delhagen, the meeting adjourned at 10:34 a.m.

ATTEST:

Vermont Economic Development Authority

A rectangular box containing a handwritten signature in cursive script that reads "Cassandra F. Polhemus".

By: _____
Cassandra F. Polhemus, Chief Executive Officer