

VERMONT AGRICULTURAL CREDIT CORPORATION

Minutes

July 30, 2021

A meeting of the Vermont Agricultural Credit Corporation (VACC) convened at VACC's office in Montpelier on July 30, 2021 beginning at 12:03 p.m. Directors of the Corporation present were: T. Gallagher, Chair; A. Eastman (designee for A. Tebbetts); B. Pearce; D. Kittell; E. Delhagen (designee for J. Tierney); J. Goldstein (designee for L. Kurrle); L. Graves; M. Tuttle; R. Shippee; S. Voigt; T. Foster and T. Collier. Staff present in VACC's Montpelier office: C. Polhemus, President; P. Samson, Vice President; T. Richardson, Treasurer; S. Isham, Secretary; R. Grzankowski, Assistant Secretary; C. Houchens, Chief Risk and Resource Officer; T. Porter, Director of Commercial Lending; Senior Loan Officers: A. Wood and S. Buckley; J. Shackman, Senior Commercial Credit Analyst and A. Wright, Executive Assistant & Office Manager. Staff members present via teleconferencing were: Senior Loan Officers: J. Conklin and S. Croft; Loan Officers: C. Leonard; E. Paradee and M. Corbett and P. Fitzgerald, Director of Loan Resolution. Those Directors present constituted a quorum.

Minutes of June 25, 2021

On a motion by L. Graves, seconded by T. Foster, the minutes for the June 25, 2021 meeting were approved by those Directors of the Corporation present by a vote of 11 to 0 with the Chair abstaining.

Agricultural Update

A. Eastman provided a brief update on financial assistance currently available including the Vermont COVID-19 Arrearage Assistance Program (VCAAP) and The Economic Recovery Bridge Program. A. Eastman closed indicating The Future of Agriculture Commission, Climate Council and Vermont Agricultural Innovation Board continue to meet to appropriately allocate funding.

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Update on Maple Sugar Borrowers

P. Samson provided the Directors with an update on the shortened 2021 maple sugaring season. Since 2010 maple syrup production has grown nationally and Vermont's production increased significantly; however, in 2021 production in Vermont dropped by at least 30%.

At 12:08 p.m. M. Tuttle left the meeting.

A. Wood indicated that the VEDA maple producer portfolio is strong, with good collateral between equipment and land. Discussion ensued regarding the payment frequency and current status of borrowers.

At 12:13 p.m. M. Tuttle rejoined the meeting.

Credit Risk Classification Report – 4th Quarter FY2021

P. Samson reviewed Staff's Credit Risk Classification Report recommendations for the VACC loan portfolio for the 4th quarter of fiscal 2021 (ended June 30, 2021) which included loan loss reserves in the amount of \$1,988,300, reflecting a \$137 thousand decrease from the prior quarter

After discussion regarding the reserves and changes recommended thereto, on a motion by L. Graves, seconded by M. Tuttle, the recommendation was approved by those Directors of the Corporation by a vote of 10 to 0 with B. Pearce and the Chair abstaining.

Non-Guaranteed Agricultural Loan Review Report

C. Houchens provided the Members with the Non-Guaranteed Agricultural Loan Review Report.

On a motion by J. Goldstein, seconded by T. Foster, the report was approved by those Directors of the Corporation present by a vote of 11 to 0 with the Chair abstaining.

