

VERMONT ECONOMIC DEVELOPMENT AUTHORITY
ASSET LIABILITY COMMITTEE

Minutes

July 28, 2023

A meeting of the Members of the Vermont Economic Development Authority's Asset Liability Committee (ALCO) and VEDA Management convened on July 28, 2023 beginning at 8:33 a.m. Those Members of the Committee present: T. Gallagher, Chair; S. Voigt and C. Carpenter. Members of the Committee joining the meeting later via teleconferencing: J. Goldstein (designee for L. Kurrle) and M. Pieciak. Staff Members present: C. Polhemus, Chief Executive Officer; P. Samson, Chief Lending Officer; T. Richardson, Chief Financial Officer; R. Grzankowski, Chief Operations Officer; C. Houchens, Chief Risk and Resource Officer and A. Wright, Executive Assistant and Office Manager. Staff Member present via teleconferencing: H. Hook, Senior Accountant.

Minutes of July 13, 2023

On a motion by S. Voigt, seconded by C. Carpenter, the Minutes of the July 13, 2023 Asset Liability Committee meeting were approved by those Members of the Committee present by a vote of 3 to 0.

ALCO FY2024 Budget Summary

T. Richardson presented the ALCO FY2024 Budget Summary. VEDA's balance sheet remains strong with adequate liquidity, capital, and asset quality.

At 8:42 a.m. M. Pieciak entered the meeting via teleconferencing.

Discussion ensued regarding the impact of the flooding which may require adjustments to the budget which was prepared just prior to the recent flooding events. J. Goldstein indicated that the SBA has received limited applications compared to the number of businesses impacted by the flood. The SBA application deadline to report flood physical damage losses is September 12.

T. Gallagher noted that if VEDA implements a flood program, this could change the budget. C. Polhemus noted the budget being presented today is a provisional budget which will be re-assessed at the end of the first quarter to determine if revisions are needed due to the impact of the July floods.

T. Richardson noted VEDA retains sufficient liquidity to meet projected the funding needs for Vermont farms and businesses during the upcoming year. T. Richardson noted that 80% of the SSBCI first tranche has been committed, and the request for the second tranche has been submitted.

T. Richardson provided a brief update on the pending dissolution of NCIC, indicating VEDA has submitted a proposal for the Vermont loan portfolio.

T. Gallagher indicated the ALCO Committee supports the FY24 Provisional Budget and will recommend to the full Board that it be approved as presented.

Board Financial Summary

T. Richardson presented the Members with the Board Financial Summary, noting the year ended solidly, due to the SSBCI programs swift rollout, showing \$3.5 million higher than budget. FY ended 6/30/23 e operating income was \$758 thousand under budget due almost entirely to net interest income experiencing continued pressure from rising rates. Non-interest expenses remain well managed and under budget by \$357 thousand for the year.

Other Discussion

Discussion ensued regarding fixed rates, credit spread and risk rating. T. Richardson indicated this item will be placed on agenda for a future ALCO meeting.

There being no other business to properly come before the Committee, on a motion by S. Voigt, seconded by J. Goldstein, the meeting adjourned at 9:15 a.m.

ATTEST:

Asset Liability Committee

By: _____
Thaddeus G. Richardson, Chief Financial Officer