

VERMONT ECONOMIC DEVELOPMENT AUTHORITY
ASSET LIABILITY COMMITTEE

Minutes

December 15, 2023

A video conferencing meeting of the Members of the Vermont Economic Development Authority's Asset Liability Committee (ALCO) and VEDA Management convened on December 15, 2023 beginning at 8:31 a.m. Those Members of the Committee present via video conferencing: T. Gallagher, Chair; C. Carpenter and Steve Voigt. Also present via video conferencing: T. Foster, Board Member. Members of the Committee joining the meeting later via video conferencing: J. Goldstein (designee for L. Kurrle) and M. Pieciak. Staff Members present via video conferencing: C. Polhemus, Chief Executive Officer; P. Samson, Chief Lending Officer; T. Richardson, Chief Financial Officer; R. Grzankowski, Chief Operating Officer; C. Houchens, Chief Risk and Resource Officer and A. Wright, Executive Assistant and Facilities Manager.

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On a motion by S. Voigt, seconded by C. Carpenter, the minutes of the July 28, 2023 ALCO meeting were approved by those Members of the Committee present by a vote of 2 to 0 with the chair abstaining.

ALCO Committee Memo / Board Financial Summary

T. Richardson provided Members with the ALCO Dashboard as of October 31, 2023. T. Richardson indicated that VEDA continues to maintain a healthy balance sheet with strong capital and liquidity to support future growth. The SSBCI program continues to provide significant funding and capital. Operating income and expenses have stabilized.

Next, T. Richardson noted the \$10 million application that is in progress for 0% funding with USDA for energy projects and a \$5 million LIAC loan from the State to fully fund the Vergennes Village project.

C. Polhemus indicated conversations with the State Treasurer on ideas for creating a loan fund for climate mitigation and resiliency projects.

Members discussed the balance between outstanding debt and loans according to repricing frequency, and the portfolio yield in relation to borrowed funds.

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T. Richardson presented the status of SSBCI program funding, noting the program funds should be fully utilized over the next 12 months, with continued recycling as repayment of existing loans continues.

At 9:03 a.m. M. Pieciak joined the meeting via teleconferencing.

M. Pieciak noted the broad framework of the 10% in Vermont Program, indicating a focus on mitigation adaptation, green energy production and green energy resiliency. An advisory board/climate financing group to determine needs and funding gaps for climate initiatives has been formed. Recommendations to put into a bill with climate action are due January 15, 2024.

T. Richardson presented the updated ALCO policy for approval; the revised policy includes language defining the loan loss reserve calculation, and the process to document any instances where the recorded reserves deviate from the calculation results. On a motion by S. Voigt, seconded by C. Carpenter, the Committee approved the policy revisions by a vote of 4 to 0 with chair abstaining.

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 9:12 a.m.

ATTEST:

Asset Liability Committee

By: _____

Thaddeus G. Richardson, Chief Financial Officer