

VERMONT AGRICULTURAL CREDIT CORPORATION

Minutes

July 28, 2017

A meeting of the Vermont Agricultural Credit Corporation convened at the offices of the Vermont Economic Development Authority, Montpelier, Vermont on July 28, 2017 beginning at 9:47 a.m. Those Directors of the Corporation present were: T. Gallagher, Secretary; S. Baker (designee for B. Pearce); M. Tuttle; W. Patten; L. Graves and A. Eastman (designee for A. Tebbetts). Those Directors of the Authority present via phone were: D. Kurzman, Chair; J. Snow, Vice Chair; and J. Tierney. Staff members present were: R. Bradley, President; C. Polhemus, Vice President; D. Carter, Treasurer; S. Isham, Secretary; K. Kilpatrick, Administrative Assistant; T. Porter, Director of Commercial Lending; P. Fitzgerald, Credit Specialist; Senior Loan Officers: S. Croft, J. Conklin, C. Anderson, M. Dussault and S. Buckley; Loan Officers: A. Wood and C. Leonard; and Commercial Credit Analyst S. Anechiarico. J. Kimberly, Deputy Director of Agricultural Lending, A. Curler, Senior Loan Officer and Agricultural Loan Assistants D. Izor and S. Heffernan entered the meeting later.

T. Gallagher chaired the meeting.

Minutes of June 30, 2017

On a motion by J. Snow, seconded by M. Tuttle, the minutes for the June 30, 2017 meeting were approved by those Directors of the Corporation present by a vote of 8 to 0 with the Chair abstaining.

Agricultural Update

L. Graves noted this has not been a good season for corn and the possibility of a long fall will not provide any relief. He also noted there has been a decline in milk production which bodes well for the system, but not for farmers.

A. Eastman noted the Department of Agriculture has been working to help resolve labor issues for farmers.

VACC Minutes – July 28, 2017

At 9:53 a.m. A. Curler entered the meeting.

Credit Risk Classification Report – 4th Quarter FY2017

C. Polhemus reviewed Staff's Credit Risk Classification Report recommendations for the VACC loan portfolio for the 4th quarter of FY2017 (ended June 30, 2017) which included recommended loan loss reserves in the amount of \$563,100.

After discussion regarding the reserves and changes recommended thereto, on a motion by J. Snow, seconded by L. Graves, the recommendations were approved by those Directors of the Corporation present by a vote of 8 to 0 with the Chair abstaining.

Staff Authority – Loan Approvals

Staff presented the Directors with the Internal Loan Approval memo.

Staff Authority – Other Business

Staff presented the Directors with the Internal Other Business memo.

J. Snow asked about loans changing from variable to fixed interest rate. D. Carter noted fixed rates are available only for a certain period and rates are updated weekly.

L. Graves inquired as to why there was a 19 month principal deferral length for one of the loans. C. Anderson explained the deferral will allow for the time needed to sell the property in 2018.

There being no other business to properly come before the corporation, on a motion by L. Graves, seconded by W. Patten, the meeting adjourned at 10:26 a.m.

ATTEST:

Vermont Agricultural Credit Corporation

By: _____
Rosalea W. Bradley, President