

VERMONT AGRICULTURAL CREDIT CORPORATION

Minutes

August 25, 2017

A meeting of the Vermont Agricultural Credit Corporation convened at the offices of the Vermont Economic Development Authority, Montpelier, Vermont on August 25, 2017 beginning at 11:00 a.m. Those Directors of the Corporation present were: D. Kurzman, Chair; L. Graves; T. Gallagher; J. Snow; M. Tuttle; S. Baker (designee for B. Pearce); W. Patten and T. Brady (designee for M. Schirling). Member T. Richards participated via phone. Staff members present were: R. Bradley, President; C. Polhemus, Vice President; D. Carter, Treasurer; C. Brown, Office Manager; T. Porter, Director of Commercial Lending; J. Kimberly, Deputy Director of Agricultural Lending; R. Grzankowski, Director of Operations; Senior Loan Officers: M. Dussault, S. Buckley, C. Anderson and A. Curler; Loan Officers: M. Corbett, E. Denny, E. Paradee; E. Hall, Agricultural Credit Analyst and S. Anechiarico, Commercial Credit Analyst.

Minutes of July 28, 2017

L. Graves stated the Agricultural Update should have reflected the long dry fall would be beneficial to farmers. On a motion by L. Graves, seconded by J. Snow, the minutes for the July 28, 2017 meeting were approved with the change noted above by those Directors of the Corporation present by a vote of 8 to 0 with the Chair abstaining.

At 11:03 a.m. T. Gallagher left the meeting and returned at 11:05 a.m.

Loan Denial Update

R. Bradley explained VACC had recently denied a VACC loan application. She asked that any questions be forwarded to her. D. Kurzman suggested bringing this matter before the Board if it becomes an issue.

Agricultural Update

L. Graves stated milk production is continuing to decline slightly. The weather has made for a poor corn crop which will have long term impacts in Vermont and upstate New York.

VACC Minutes – August 25, 2017

Staff Authority – Loan Approvals

Staff presented the Directors with the Internal Loan Approval memo.

L. Graves asked why there was no guarantee on the Connor loan. J. Kimberly replied the Connor’s are not eligible for guarantees.

Staff Authority – Other Business

Staff presented the Directors with the Internal Other Business memo.

L. Graves asked why there was no milk check assignment for Brian R. Orleans. J. Kimberly replied the farm is no longer shipping milk and that was also the reason for the removal of the covenants. He continued, stating VACC is well secured with the remaining collateral and the FSA guarantee.

Vermont Refrigerated Storage Co., LLC, Barn-Dog LLC, Burnt-Bridge LLC, James B. Hodges, III, Paul G. O’Brien, Sunrise Orchards, Inc., VRS Solar, LLC and Ashley E. Meacham – Shoreham – Operating Loan – \$75,600

Uses			Sources	
Amount	Uses	Description	Amount	Sources
\$ 5,500	Machinery & Equipment Purchase	70 HP compressor motor.	\$ 75,600	VACC, 4.90% F., 7 year term and amortization. Monthly payment of \$1,064.97.
\$ 25,500	Machinery & Equipment Purchase	40 HP compressor.		
\$ 37,500	Leasehold Improvements	Upgrade power line.		
\$ 6,500	Other	Installation and Labor.		
\$ 600	Legal and Closing Fees	Closing costs and fees.		
\$ 75,600	Total Uses		\$ 75,600	Total Sources

C. Anderson explained Vermont Refrigerated Storage Co., LLC, et al, are requesting \$75,600 in VACC financing for the above purposes.

VACC Minutes – August 25, 2017

After discussion regarding loan security, borrower credit history and business owners' experience, on a motion by M. Tuttle, seconded by T. Gallagher, the above request was approved by those Directors of the Corporation present by a vote of 8 to 0 with the Chair abstaining.

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VACC Minutes – August 25, 2017

Sunrise Orchards, Inc., James B. Hodges, III and Christiana E. Hodges – Cornwall – Increase Line of Credit by \$100,000 to \$550,000

C. Anderson explained Sunrise Orchards, Inc., James B. Hodges, III and Christiana E. Hodges of Cornwall are requesting VACC increase their existing working capital line of credit by \$100,000 to \$550,000.

After discussion regarding business management experience, tree health, crop insurance and collateral, on a motion by L. Graves, seconded by T. Gallagher, the above request was approved by those Directors of the Corporation present by a vote of 8 to 0 with the Chair abstaining.

There being no other business to properly come before the corporation, on a motion by L. Graves, seconded by J. Snow, the meeting adjourned at 11:35 a.m.

ATTEST:

Vermont Agricultural Credit Corporation

By: _____
Rosalea W. Bradley, President

VACC Minutes – August 25, 2017

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