

VERMONT AGRICULTURAL CREDIT CORPORATION

Minutes

May 25, 2018

A meeting of the Vermont Agricultural Credit Corporation (VACC) convened at the offices of the Vermont Economic Development Authority, Montpelier, Vermont on May 25, 2018 beginning at 10:16 a.m. Those Directors of the Corporation present were: D. Kurzman, Chair; L. Graves; T. Gallagher; D. Kittell; E. Delhagen (designee for J. Tierney); S. Voigt; M. Snyder; B. Pearce; M. Tuttle and J. Goldstein (designee for M. Schirling). Staff members present were: R. Bradley, President; C. Polhemus, Vice President; D. Carter, Treasurer; S. Isham, Secretary; R. Grzankowski, Director of Operations; T. Porter, Director of Commercial Lending; J. Kimberly, Deputy Director of Agricultural Lending; C. Houchens, Chief Compliance and Loan Review Officer; Senior Loan Officers: A. Curler; J. Conklin and S. Croft; Loan Officers: A. Wood; C. Leonard; E. Paradee and E. Denny; S. Anechiarico, Commercial Credit Analyst and C. Brown, Office Manager. Senior Loan Officer M. Dussault and Credit Specialist P. Fitzgerald participated via phone. Those Directors present constituted a quorum.

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On a motion by L. Graves, seconded by M. Tuttle, the minutes for the April 27, 2018 meeting were approved by those Directors of the Corporation present by a vote of 9 to 0 with the Chair abstaining.

Agricultural Update

L. Graves noted milk prices are up slightly. He thanked R. Bradley for moving forward with the Farm Operating Loan Program (FOLP).

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Staff Authority – Loan Approvals

Pursuant to a Resolution adopted by the Directors of the Vermont Agricultural Credit Corporation at the July 29, 2016 meeting, Staff has approved the following loans since the last VACC meeting:

Name	Town	Loan Amount
KBMG, LLC; Aaron T. Locker and Tonya H. Howell	Warren	\$297,000 – FO \$ 25,000 – LOC
Ackermann Dairy, LLC; James A. and Sara F. Ackermann	Hardwick	\$266,750 – OL \$ 30,000 – LOC
Swainbank, Caleb T. and Ashley K.	Enosburg	\$142,000 – FO
Robb Family Farm, LLC; Charles Sr. & Helen Robb; Charles Jr. & Karen Robb	West Brattleboro	\$ 25,000 – OL \$ 25,000 – LOC
Rainville Dairy, LLC; Jeannine T. and Matthew B. Rainville; Denis T. Rainville and Jeannine T. Rainville Joint Revocable Trust	Highgate Center	\$83,750 – FO \$51,000 – OL
Manning Dairy LLC; Robert J., Sandra L. and David R. Manning; Shadee Acres Farm, LLC	St. Albans	\$379,000 – FO
Meacham, Edward L. and Kelly H.; DBA Lemax Farm	North Hartland	\$ 95,000 – OL
Barabe, John and Margie	Enosburg Falls	\$ 20,000 – OL
Gevry, Ethan	Addison	\$288,000 – FO
Willson Acres, LLC; Dorothy Willson and Angela Willson	Waterford	\$ 75,000 – OL

Staff Authority – Other Business

Staff presented the Directors with the Internal Other Business memo.

At 10:19 a.m. E. Denny left for the remainder of the day.

Correia Family Limited Partnership/Anthony H., Barbara L., Jeffrey D. and Stephen A. Correia – Addison – \$310,000 Operating Loan – \$290,000 Operating Loan – \$550,000 Farm Ownership Loan

A. Curler explained Correia Family Limited Partnership, et al., are requesting \$1,150,000 in VACC financing. The loans will be secured by security interests in all owned and hereafter acquired cattle, all products and proceeds thereof and insurance proceeds thereof, security interests in milk and all products and proceeds, a security interest in now owned or hereafter

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acquired machinery and equipment and a mortgage lien on conserved real estate and buildings in Addison, Vermont.

After discussion regarding milk pricing, dairy management and the reasons for this request, on a motion by T. Gallagher, seconded by S. Voigt, the above loan request was approved, with the added condition that Correia Family Limited Partnership, et al. continue to comply with the FDA's drug administering policy, by those Directors of the Corporation present by a vote of 9 to 0 with the Chair abstaining.

Michael L. and Julie L. Pyle – Cornwall – \$400,000 Operating Loan – \$150,000 FOLP Loan – Other Business: Request to Subordinate

J. Kimberly explained Michael L. and Julie L. Pyle of Cornwall are requesting \$550,000 in VACC financing and request to subordinate existing VACC loans.

At 10:51 a.m. B. Pearce left for the remainder of the day.

The loans will be secured by security interests in all now owned or hereafter acquired cattle, machinery and equipment and all products and proceeds thereof and insurance proceeds thereof, a mortgage lien on land and buildings in Bridport, Vermont and security interests in milk and all products and proceeds thereof.

After discussion regarding herd management, strong milk production, excellent financial management and production recordkeeping and overall borrower strength, on a motion by L. Graves, seconded by T. Gallagher, the above loan 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 M. Snyder, the meeting adjourned at 10:54 a.m.

ATTEST:

Vermont Agricultural Credit Corporation

By: _____
Rosalea W. Bradley, President