

VERMONT ECONOMIC DEVELOPMENT AUTHORITY

ALCO COMMITTEE

Minutes

December 19, 2025

A meeting of the Members of the Vermont Economic Development Authority's Asset Liability Committee (ALCO) and VEDA Management convened on December 19, 2025, beginning at 8:35 a.m. Those Members of the Committee present in VEDA office: T. Gallagher, Chair; K. Hale. L. Kurrle and S. Voigt and T. Foster. Those Members present represented a quorum. Staff Members present: J. Goldstein, Chief Executive Officer; S. Croft, Director of Credit; T. Richardson, Chief Financial Officer; R. Grzankowski, Chief Operations Officer; J. Emens-Butler, Chief Legal Officer; and H. Hook, Controller.

Minutes of July 25, 2025

On a motion by L. Kurrle, seconded by S. Voigt, the Minutes of the July 25, 2025 ALCO meeting were approved by those Members of the Committee present by a vote of 4 to 0 with the Chair abstaining.

ALCO Policy Review

T. Richardson noted no additions or changes to the ALCO policy. Last approval was in 2023 and suggests recommending board approval during next board meeting. K. Hale noted liquidity coverage ratio may be looked at in the future to identify descriptors on what size of institution is required to follow it. K. Hale also noted to test the contingency funding plan on an annual basis and bring to the ALCO Committee. The testing of available credit lines can be documentation noting the open line and availability to draw against it.

Dashboard Review

T. Richardson noted asset quality moved to the yellow as a precaution. All other categories are trending well. Net interest incoming is trending up with a federal rate change. VEDA will continue to pass the rate cuts along to borrowers. Expenses are looking good. Liquidity looks good as well with plenty of funds available. TD maturities are coming due with favorable rates. VEDA is looking at stretching out maturities to align with the loans attached to the funding. T. Gallagher asked what the prediction is for rate decreases in the budget in the first

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half of the calendar year. T. Richardson notes that the budgeted rate decreases for FY26 have already occurred, as we were conservative in our forecast, so further cuts would be in our favor relative to budgeted net interest income.

Board Summary

T. Richardson noted a push to research local bank involvement on VEDA funding. Historically VEDA's needs were too large for community banks, but the increase in bank size and ability to participate may have improved the feasibility. Discussion ensued on this topic, being a good idea for local lending and keeping business relationships in state.

Risk Capital Allocation

T. Richardson and J. Goldstein noted that this topic is in progress. VEDA is looking at our loans and how we rate them. The idea is to classify the loans in the correct categories of risk. T. Foster asked if the entities become riskier, can we change the rate? J. Goldstein noted that it hasn't been done in the past as it is harder to change the term mid contract. T. Richardson noted that based on recent inquiries, we were considering pursuing the ability to originate large farm loans over our Policy limit of \$5MM. Working with CoBank and FarmerMac to consider all options in this area. T. Gallagher noted this was a good topic and suggests considering all options including the lack of interest in purchasing large farms.

Other Business

There being no other business to properly come before the Committee, on a motion by K. Hale, seconded by S. Voigt, the meeting adjourned at 9:10 a.m.

ATTEST:

Asset Liability Committee

By: _____

Thaddeus G. Richardson, Chief Financial Officer

Approved by vote of ALCO Members in attendance at duly warned March 27, 2026 meeting.

Video transcripts of all meetings will be made available here -
<https://www.youtube.com/@VEDAMeetingArchive>