

VERMONT ECONOMIC DEVELOPMENT AUTHORITY

ALCO COMMITTEE

Minutes

March 27th, 2026

A meeting of the Members of the Vermont Economic Development Authority's Asset Liability Committee (ALCO) and VEDA Management convened on March 27, 2026, beginning at 8:31 a.m. Those Members of the Committee present in VEDA office: T. Gallagher, Chair; L. Kurrle; S. Voigt and T. Foster. Those members of the Committee present via video conference call: K. Hale. Those Members present represented a quorum. VEDA Staff Members present: J. Goldstein, Chief Executive Officer; S. Croft, Chief Lending Officer; T. Richardson, Chief Financial Officer; R. Grzankowski, Chief Operations Officer. Staff Members present via video conference call: H. Hook, Controller.

Minutes of December 19, 2025

On a motion by L. Kurrle, seconded by S. Voigt, the Minutes of the December 19, 2025, ALCO meeting were approved by those Members of the Committee present by a vote of 4 to 0 with the Chair abstaining.

Dashboard Review

T. Richardson noted solid loan volume and above budget however this has been offset by loan payoffs. All other categories are trending well. VEDA is keeping a close eye on the impact of cost of funds in relation to the discount given to borrowers and how this tracks with next year's budget. We will be reviewing the current pricing structure and making necessary adjustments to ensure margins remain adequate and meet capital growth goals. T. Gallagher asked if we are pricing different based on risk rating. T. Richardson notes that we are, although there is a limited difference between high rated credits and borrowers who need the funds the most, which has always been a challenge in balancing mission with risk management. J. Goldstein notes that mission driven doesn't necessarily mean low cost. T. Richardson notes that specific funding sources such as the USDA RESP program will allow us to provide lower-cost lending for qualifying projects, but we are back in a borrowing mode to fund growth and this comes at a higher cost of funds.

VEDA will be repricing \$55MM in term loans with TD at a more favorable rate, providing some improvement to net interest margin. T. Gallagher asked if VEDA is seeing an impact as growth is not there with things tightening up and as VEDA remains to stay mission driven.

Board Summary

T. Richardson noted interest income is slightly below budget. The question is how long we can stay here and feel comfortable. Non-interest expenses have been lower this year due to employees absorbing roles and reallocating costs. The investment portfolio has performed well and VEDA was able to withdraw \$2MM of excess cash to pay a portion of the \$4MM TD principal payment due in February.

T. Richardson mentioned that in the proposed strategic plan, VEDA is looking to grow capital by \$10MM in the next three years. This will come primarily from core operating income, as well as SSBCI capital earned from the deployment of venture capital funding.

Other Business

There being no other business to properly come before the Committee, on a motion by S. Voigt, seconded by L. Kurrle, the meeting adjourned at 9:04 a.m.

ATTEST:

Asset Liability Committee

By: _____

Thaddeus G. Richardson, Chief Financial Officer

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