HUDSON VALLEY AGRIBUSINESS DEVELOPMENT CORPORATION (HVADC)
Board of Directors Draft Meeting Minutes
Date: November 21, 2025
Time: 8:45am (via virtual meeting after FFGF meeting)

Board members present: Mark Doyle, Ann Finnegan, Dennis Doyle, Kirsten Foster

Staff members present: Todd Erling & Mary Ann Johnson

Meeting Called to Order: 8:45 AM by Mark

Approval of Prior Meeting Minutes – October 17, 2025
The prior meeting minutes were presented for review.
- Motion: To approve the prior meeting minutes as written.
  o Moved by: Ann [Last Name]
  o Seconded by: Kirsten Foster
  o Vote: Unanimous approval

Policy Discussion: Equipment Purchase Capitalization Threshold
The Board revisited discussion of the capitalization threshold for equipment purchases, consistent with the earlier Farm and Food Growth Fund discussion.
Current Policy:
- Capitalization threshold of $500 for equipment with a useful life of more than one year.
Discussion:
- Board members agreed that a $500 threshold is no longer appropriate.
- Accounting best practices and peer nonprofit benchmarks suggest thresholds ranging from $2,500 to $5,000.
- Staff noted that New York State uses a $5,000 threshold, though this does not govern HVADC's internal policy.
- Board members emphasized the importance of adopting a consistent threshold across both HVADC and Farm and Food Growth Fund.
Consensus:
- No formal action was taken.
- Management will advance a recommended threshold (between $2,500 and $5,000) for formal consideration at the next Board meeting, with the intent to align policies across entities.

Program Updates
Meat Processing Expansion Grant (MPEG)
- The program is entering its final year.

- Some projects are closing successfully, while others—particularly those involving new construction—may not meet original timelines.
- The State has advised HVADC to prepare to roll unused funds from MPEG 1.0 into MPEG 2.0.
- HVADC has submitted a scope of work and budget for MPEG 2.0, authorized in the April 2025 State budget.
- MPEG 2.0 totals $5 million, including approximately 15% for program delivery and administration.
- Proposed grant size range is anticipated to be approximately $100,000–$250,000.

Board Discussion:
- The Board discussed eligibility considerations for projects unable to complete under MPEG 1.0.

Ulster County ARPA Program and Bridge Financing
- The Ulster County ARPA program continues to progress, including drawdown requests and site visits.
- HVADC staff have conducted joint site visits with County representatives.
- HVADC is coordinating with Grow America and Farm Credit East to support interim bridge financing.
- Management reported some demand for financing beyond reimbursable grant amounts.
- Every project requesting bridge financing has indicated a need for additional loan capital beyond grant awards.

Tariff Impacts:
- Staff reported rising equipment costs due to tariffs, affecting both grant-funded projects and bridge loan needs.
- One recent example involved a grant award of approximately $43,000 where equipment costs increased by $8,000–$9,000 since the original quote.

Ulster County Discussions: Revolving Loan Fund
Management provided an update on discussions with Ulster County regarding a potential revolving loan fund.
- A meeting was held with the County Executive, during which two key issues were raised:
    1. Interest in returning to a year-to-year service contract model with HVADC.
    2. Exploration of a dedicated revolving loan fund to support farm viability.
- Subsequent discussions suggest HVADC may be asked to manage a loan portfolio similar to its ARPA or JDA-administered funds.

Board Discussion:
- Board members emphasized the importance of designing any future loan program based on lessons learned from ARPA and other lending experience.
- Management will continue discussions with County staff and keep the Board informed as proposals develop.
- Board supports returning to professional services contract.

Adjournment
With no further business, the meeting was adjourned at approximately 9:05 AM.