

**MINUTES OF THE NOVEMBER 19, 2015 MEETING OF THE MEMBERS
OF THE FINANCE AUTHORITY OF MAINE**

Chair Nowak called the November 19, 2015 meeting of the members of the Finance Authority of Maine to order at 1:04 p.m. at the Holiday Inn By The Bay, 88 Spring Street, Portland, Maine.

Chair Nowak noted for the record that the members had received an Agenda and Notice of Meeting (*see Certificate of Mailing attached as Appendix 1*), and that notices of the meeting had been published in certain newspapers throughout the state (*see Affidavits of Publication attached as Appendix 2*).

A. CALL TO ORDER

1: Ascertainment of Quorum

Chair Nowak called the roll of the members and noted that there were sufficient members present for the purpose of beginning the meeting.

Those members present were as follows:

Raymond Nowak, Chair
James Violette, Jr., Vice Chair
Cheri Walker, Treasurer
Jonathan Block
George Gervais
Reis Hagerman
Terry Hayes
James Howard
Meredith Mendelson for Patrick Keliher
Gregory Miller
Larry Mitchell
Rosaire Pelletier
Christopher Pierce
Richard Roderick
Susan Snowden

Those members absent:

None

Staff present:

Bruce Wagner, Chief Executive Officer
Christopher Roney, General Counsel
Carlos Mello, Director of Business and Finance
Elizabeth Vanderweide, Director of Business Development/Marketing
Martha Johnston, Director of Education
Katrjn Gabrielson, Deputy General Counsel
Charles Emmons, Senior Commercial Loan Officer

Lisa Brown, Human Resource Manager
Scott Weber, Senior Credit Officer
Shelly Desiderio, Manager of Accounting and Finance
William Norbert, Governmental Affairs & Communications Manager
Adele Bickford, Executive/Legal Assistant

Guests Present:

Kristi Carlow, Deputy State Treasurer

CHAIR'S REPORT

Chair Nowak noted two changes to the agenda: the Election of Officers will be moved to the C6 position on the agenda and the Actions Items will be heard at 3:30 p.m.

A2: Approval of October 15, 2015 Board Meeting Minutes

A motion was made by Mr. Mitchell and seconded by Vice Chair Violette to approve the minutes of the October 15, 2015 board meeting.

Members went into Executive Session to address the notes regarding the Executive Session minutes of the October 15, 2015 Board meeting.

Treasurer Hayes moved to enter into Executive Session to discuss a matter for which confidentiality has been requested, and as to which the Authority finds access to the information by others would result in a business or competitive disadvantage, loss of business or other significant detriment. The motion was seconded by Vice Chair Violette and approved by a vote of 15 in favor, 0 opposed and 0 abstentions.

Members entered Executive Session #1 at 1:05 p.m.

Members exited Executive Session #1 at 1:06 p.m.

The motion was approved by a vote of 15 in favor, 0 opposed and 0 abstentions.

R-11-19-15-01

B1: Acceptance of the Report of the Executive Committee Meeting of October 23, 2015

Ms. Snowden moved to enter into Executive Session to discuss a matter for which confidentiality has been requested, and as to which the Authority finds access to the information by others would result in a business or competitive disadvantage, loss of business or other significant detriment. The motion was seconded by Treasurer Hayes and approved by a vote of 15 in favor, 0 opposed and 0 abstentions.

Members entered Executive Session #2 at 1:09 p.m.

Members exited Executive Session #2 at 1:10 p.m.

A motion was made by Treasurer Walker and seconded by Ms. Snowden to approve the Report of the Executive Committee Meeting of October 23, 2015 as amended. The motion was approved by a vote of 14 in favor, 0 opposed and 1 abstention (George Gervais).

R-11-19-15-02

A3: Approval of October 23, 2015 Board Meeting Minutes

Treasurer Hayes moved to enter into Executive Session to discuss a matter for which confidentiality has been requested, and as to which the Authority finds access to the information by others would result in a business or competitive disadvantage, loss of business or other significant detriment. The motion was seconded by Ms. Snowden and approved by a vote of 14 in favor, 0 opposed and 1 abstention (George Gervais).

Members entered Executive Session #3 at 1:12 p.m.

Members exited Executive Session #3 at 1:24 p.m.

A motion was made by Treasurer Hayes and seconded by Mr. Hagerman to approve the minutes of the October 23, 2015 board meeting. The motion was approved by a vote of 14 in favor, 0 opposed and 1 abstention (George Gervais).

R-11-19-15-03

B3: CEO Evaluation

Treasurer Hayes moved to enter into Executive Session to discuss a personnel matter. The motion was seconded by Mr. Pelletier and approved by a vote of 15 in favor, 0 opposed and 0 abstentions.

Staff and guest exited the meeting.

Members entered Executive Session #3 at 1:25 p.m.

Members exited Executive Session #3 at 1:52 p.m.

Mr. Pelletier exited the meeting at 1:53 p.m.

Vice Chair Violette exited the meeting at 1:53 p.m.

C: CEO's and STAFF REPORT

C1: CEO's Report:

Mr. Pelletier re-entered the meeting at 2:01 p.m.

Mr. Pierce exited the meeting at 2:10 p.m.

Vice Chair Violette re-entered the meeting at 2:11 p.m.

Mr. Howard exited the meeting at 3:10 p.m.

Mr. Howard re-entered the meeting at 3:13 p.m.

Ms. Snowden moved to enter into Executive Session to discuss a matter for which confidentiality has been requested, and as to which the Authority finds access to the information by others would result in a business or competitive disadvantage, loss of business or other significant detriment. The motion was seconded by Mr. Mitchell and approved by a vote of 13 in favor, 0 opposed and 0 abstentions.

Members entered Executive Session #4 at 2:01 p.m.

Members exited Executive Session #4 at 3:14 p.m.

Mr. Howard moved to enter into Executive Session to discuss a matter for which confidentiality has been requested, and as to which the Authority finds access to the information by others would result in a business or competitive disadvantage, loss of business or other significant detriment. The motion was seconded by Mr. Hagerman and approved by a vote of 14 in favor, 0 opposed and 0 abstentions.

Members entered Executive Session #5 at 3:14 p.m.

Members exited Executive Session #5 at 3:15 p.m.

3:15C2: Education Update

Mr. Miller exited the meeting at 3:15 p.m.

Mr. Pelletier exited the meeting at 3:15 p.m.

Vice Chair Violette exited the meeting at 3:15 p.m.

Ms. Snowden exited the meeting at 3:17 p.m.

Chair Nowak exited the meeting at 3:17 p.m.

Mr. Pelletier re-entered the meeting at 3:20 p.m.

Ms. Johnston reviewed the Education Quarterly Report in the board packet, pointing to the four underlying statistical reports produced by her staff. In addition to the report information, Ms. Johnston added that Education has been busy bringing MELA on line and preparing and getting ready for the launch of the Private Education Refinance and Loan Consolidation Insurance product.

C3: Quarterly Financial Report for September 30th

Commissioner Gervais exited the meeting at 3:22 p.m.

Mr. Miller re-entered the meeting at 3:23 p.m.

Vice Chair Violette re-entered the meeting at 3:25 p.m.

Chair Nowak re-entered the meeting at 3:25 p.m.

Mr. Block exited the meeting at 3:25 p.m.

Mr. Miller exited the meeting at 3:25 p.m.

Commissioner Gervais re-entered the meeting at 3:26 p.m.

Mr. Block re-entered the meeting at 3:28 p.m.

Ms. Desiderio referred members to the Fiscal 2016 Financial Review as of September 30, 2015 in their board packets. She noted that some variances in the actual to budget are the result of timing issues but indicated that actuals are in line with the budget.

C4: Scorecard

Treasurer Walker exited the meeting at 3:30 p.m.

Ms. Desiderio reviewed the FY 2016 Scorecard and noted that it is early in the year to actually measure the performance of the goals, but that the goals are being monitored closely.

C5: Quarterly Contributions, Sponsorships & Donations Report

Mr. Roderick exited the meeting at 3:32 p.m.

Ms. Desiderio noted that there are two new contributions that had not been previously identified: Greenlight Maine, which encourages entrepreneurs to compete on television for a prize, and annual membership dues to Maine Development Foundation, which provides support to workforce development in partnership with FAME. Greenlight Maine gives FAME brand exposure through televised segments.

BREAK: 3:35 p.m. – 3:42 p.m.

B2: Election of Officers

Ms. Snowden moved to enter into Executive Session to discuss a personnel matter. The motion was seconded by Treasurer Walker and approved by a vote of 14 in favor, 0 opposed and 0 abstentions.

Members entered Executive Session #6 at 3:42 p.m.

Members exited Executive Session #6 at 4:22 p.m.

Chair Snowden asked for a motion to approve the slate of officers: Ray Nowak-Chair, James Violette Jr.-Vice Chair and Cheri Walker-Treasurer.

A motion was made by Ms. Snowden to approve the slate of officers for 2016 as presented. The motion was seconded by Mr. Mitchell and approved by a vote of 13 in favor, 0 opposed and 1 abstention (Ray Nowak).

R-11-19-15-04

A1: Renewal of Commercial Loan Insurance – N.C. Hunt, Inc.

Ms. Snowden exited the meeting at 4:24 p.m.

Mr. Emmons referred members to the credit analysis for N.C. Hunt, Inc. in their board packets. People's United Bank is requesting that FAME approve the extension/restructure of their loan relationship with the company in its effort to terminate their relationship. All loans will mature on September 30, 2016. Additional modifications are detailed in the credit analysis and staff is recommending approval.

A motion was made by Commissioner Gervais and seconded by Mr. Howard to approve the Resolution authorizing renewal of loan insurance for a \$200,000 loan and modifications to existing \$1,120,000, \$880,000 and \$545,000 loans to N. C. Hunt, Inc. The motion was approved by a vote of 13 in favor, 0 opposed and 0 abstentions.

R-11-19-15-05

A2: Approval for Rulemaking – Chapter 612, Amendment 3, Maine Dental Education Loan and Loan Repayment Programs

Treasurer Hayes exited the meeting at 4:25 p.m.

Treasurer Hayes re-entered the meeting at 4:28 p.m.

Ms. Gabrielson outlined the proposed changes to Rule Ch. 612, Amendment 3-Maine Dental Education Loan and Loan Repayment Programs: loan repayments will be made directly to the holder of the loans; application process will be modified to capture certain information in the application essay; pro rata forgiveness will be available for less than full time employment, at least 20 hours per week; and the interest rates will change for first loans made after January 1, 2016 and renewals of those loans. Ms. Gabrielson indicated that the interest rates would be lower compared to current rates based on certain federal student loan rates. Ms. Johnston added that changes were made in consultation with the Advisory Committee on Dental Education.

A motion was made by Mr. Pelletier and seconded by Mr. Miller to approve Rule Ch. 612 for rulemaking. The motion was approved by a vote of 13 in favor, 0 opposed and 0 abstentions.

R-11-19-15-06

A3: Maine New Markets Capital Investment Program – Certification Application related to Proposed \$10,950,000 Investment in FEDEQDV001, LLC by CCG Sub-CDEE33, LLC

Tabled at the request of the Applicant.

A4: Ratification of Investment Purchases

Mr. Pelletier exited the meeting at 4:29 p.m.

Ms. Desiderio referred members to the Investment Allocations and Rates as of September 30, 2015 in their board materials, which provides current balances and the listing of purchases and maturities/sales/calls.

A motion was made by Mr. Roderick and seconded by Treasurer Walker to ratify investment purchases as presented. The motion was approved by a vote of 12 in favor, 0 opposed and 0 abstentions.

R-11-19-15-07

COMMISSIONERS' & TREASURER'S UPDATES

The meeting adjourned at 4:30 p.m.

Respectfully submitted,

James Violette, Jr., Vice Chair