

**MINUTES OF THE JANUARY 27, 2020 MEETING OF THE MEMBERS
OF THE FINANCE AUTHORITY OF MAINE**

Chair Violette called the January 27, 2020 meeting of the Finance Authority of Maine to order at 9:05 a.m. at the Finance Authority of Maine, 5 Community Drive, Augusta, Maine.

Chair Violette 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

Chair Violette 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:

James Violette, Chair
David Daigler, Vice Chair
James Howard, Treasurer
Blue Keim
Larry Mitchell
Timothy Nightingale
Rosaire Pelletier
Christopher Pierce
Richard Trafton
Matt Colpitts for Henry Beck
Amanda Beal
Denise Garland for Heather Johnson

Those members absent:

Cheri Walker
Lee Webb
Jonathan Block

Staff present:

Bruce Wagner, Chief Executive Officer
Christopher Roney, General Counsel
Carlos Mello, Chief Risk Officer
Jennifer Cummings, Director of Business Programs
Scott Weber, Senior Credit Officer
Kim Getchell, Commercial Loan Officer
Jeff Murch, Credit Analyst II

Jonathan Harvell, Chief Information Officer
Martha Johnston, Director of Education
William Norbert, Governmental Affairs and Communications Manager
Lisa Brown, Human Resources Manager
Shelly Desiderio, Chief Accounting Officer
Eva Giles, College Savings Program Manager
Roxanne Broughton, Commercial Loan Officer II
Kim Bard, Executive/Legal Assistant

Guests: Jonathan Tower, Uche Osuji, Andy Shepard, Greg Andrews, Tom Federle, Severin Belliveau

A: CALL TO ORDER

A1: Ascertainment of Quorum

A2: Approval of December 19, 2019 Board Meeting Minutes

A motion was made by Mr. Pelletier and seconded by Mr. Daigler to approve the minutes of the June 20, 2019 Board meeting with the noted change. The motion was approved by a vote of 11 in favor, 0 opposed and 1 abstention. (Beal)

R-01-27-20-01

B: CHAIR'S REPORT

Chair reports were tabled until the next board meeting.

D: ACTION ITEMS

D1: Arctaris Saddleback Company, LLC, Approval of Loan Insurance Application 9:07 a.m.

Mr. Wagner reinforced some comments found in the January 23rd memo to the board. It was noted that the structure of the deal has changed due to various circumstances. Currently, there is a request and an approval recommendation for \$2.5 million in leveraged loan insurance and a \$1.0 million direct loan. Mr. Wagner outlined the range of risks and mitigating factors identified by the Business Committee.

Ms. Getchell explained the changes to the request and the underwriting documents submitted to members in the board packet. Mr. Roney stated that Arctaris would be held to the same industry standard as a traditional lender.

Mr. Roney then provided an explanation of the complicated funding structure as outlined in the board packet diagram. Board members had an opportunity to ask clarifying questions. Mr. Nightingale asked Mr. Roney to walk the board through what they would have to do to move on their collateral. There were no other questions from members.

The board heard from guests Jonathan Tower, Uche Osuji, Andy Shepard, Greg Andrews, Tom Federle, and Severin Belliveau. Each gave an overview from their individual perspective on the transaction and what expertise they bring for the board to consider.

Mr. Daigler moved to enter into Executive Session to discuss records including any financial statement or tax return obtained or developed by the Authority in connection with any monitoring or servicing activity by the Authority pertaining to any financial assistance provided or to be provided by or with assistance of the Authority (10 MRSA §975-A(2)(D)). The motion was seconded by Mr. Howard and approved by a vote of 12 in favor, 0 opposed and 0 abstention.

Members entered Executive Session No. 1 at 10:15 a.m.

Mr. Violette exited the meeting at 10:20 a.m.

Mr. Violette reentered the meeting at 10:22 a.m.

Mr. Nightingale exited the meeting at 10:42 a.m.

Mr. Nightingale reentered the meeting at 10:44 a.m.

Ms. Garland exited the meeting at 10:56 a.m.

Ms. Garland reentered the meeting at 10:59 a.m.

Mr. Trafton exited the meeting at 11:14 a.m.

Mr. Colpitts exited the meeting at 11:15 a.m.

Mr. Trafton reentered the meeting at 11:16 a.m.

Mr. Colpitts reentered the meeting at 11:20 a.m.

Members exited Executive Session No. 1 at 11:20 a.m.

Mr. Howard moved to approve the loan insurance application and ERLP loan application. The motion was seconded by Mr. Trafton and approved by a vote of 11 in favor, 0 opposed and 1 abstentions. (Violette)

R-01-27-20-02

D2: Arctaris Saddleback, LLC Approval of ERLP Loan Application 11:35 a.m.

(See motion/approval above)

R-01-27-20-03

C: CEO and STAFF REPORTS

C1: CEO's Report - Verbal 11:40 a.m.

Mr. Wagner reported there has been collaboration with the Harold Alfond Foundation (HAF) to craft a plan that would include a partnership to increase account openings. FAME has put together a detailed marketing and sales plan. It was presented to HAF and the feedback was positive about the discussion. There is a possibility of HAF funding the marketing and sales efforts.

It was proposed that there be a long-term marketing plan with quarterly reviews instead of weekly. This new plan would be more process focused. Mr. Wagner stated there is a spirit of collaboration between the two organizations.

C1a: Articles of Interest

The articles of interest can be found in the Board packet. There were no questions or comments.

COMMISSIONERS' AND TREASURER'S UPDATE

None given.

A motion was made by Mr. Daigler and seconded by Mr. Trafton to adjourn the meeting.

The meeting adjourned at 11:47 a.m.

Respectfully submitted,

James Violette, Chair