

**MINUTES OF THE NOVEMBER 19, 2020 MEETING OF THE MEMBERS  
OF THE FINANCE AUTHORITY OF MAINE**

Chair Violette called the November 19, 2020 meeting of the Finance Authority of Maine to order at 9:06 a.m. This meeting was conducted virtually through Zoom. Provisions were made for the public to attend. This method was deemed necessary and appropriate due to the COVID-19 pandemic, and were determined authorized by PL 2020 ch 617, section G (**1 MRSA §403-A**).

Executive Assistant, Kim Bard 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**

Ms. Bard 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  
Rebecca Asen  
Henry Beck  
Dustin Brooks  
James Howard, Treasurer  
Blue Keim  
Timothy Nightingale  
Richard Trafton  
Cheri Walker  
Lee Webb

Those members absent:

Omar Andrews  
Amanda Beal  
Heather Johnson  
Christopher Pierce

Staff present:

Bruce Wagner, Chief Executive Officer  
Christopher Roney, General Counsel  
Lisa Brown, Human Resources Manager  
Jennifer Cummings, Director of Business Programs  
Eva Giles, College Savings Program Manager  
Jonathan Harvell, Chief Information Officer  
Martha Johnston, Director of Education  
Karen Kunesh, Commercial Loan and Workout Officer  
Carlos Mello, Chief Risk Officer  
Elizabeth Vanderweide, Director of Business Development  
Scott Weber, Senior Credit Officer  
Kim Bard, Executive/Legal Assistant  
Janeen Violette, Marketing Coordinator  
Mila Tappan, Outreach Manager

Guests:

Kris Eimicke, Pierce Atwood,  
Derek D'Andre, Saddleback Mountain

**A: CALL TO ORDER**

**A1: Ascertainment of Quorum** 9:08 a.m.

**A2: Approval of October 15, 2020 Board Meeting Minutes**

**A3: Approval of October 15, 2020 Executive Committee Meeting Minutes**

**A motion was made by Mr. Brooks and seconded by Mr. Trafton to approve (1) the minutes of the October 15, 2020 Board meeting and (2) the minutes of the October 15, 2020 Executive Committee meeting. The motion was approved by a vote of 10 in favor, 0 opposed and 0 abstention(s).**

*Mr. Webb entered at 9:10 a.m.*

**B: CHAIR'S REPORT**

**B1: Acceptance of the Election of Officers.**

Chair Violette indicated that Ms. Walker as head of the Nomination subcommittee had a slate of board officers that she was ready to present to the board for approval.

Chair Violette asked if any other persons were interested in serving, other than those who had been contacted by Ms. Walker. Hearing none, Chair Violette called for a motion.

**A motion was made by Ms. Walker and seconded by Mr. Nightingale to elect Mr. Daigler as Chair of the Board, Mr. Trafton as Vice Chair, and Mr. Brooks as Treasurer. The motion was approved by a vote of 8 in favor, 0 opposed and 3 abstention(s).**

Mr. Daigler took over the meeting as the newly elected Chair.

**B2: CEO Performance Evaluation.**

**Mr. Brooks moved to enter into Executive Session to discuss records designated confidential by statute (1 MRSA §402(3)(A)).**

1. {PERSONNEL MATTERS} Discussion or consideration of the employment, appointment, assignment, duties, promotion, demotion, compensation, evaluation, disciplining, resignation or dismissal of public officials, appointees or employees of the Authority, or the investigation or hearing of charges or complaints against persons, subject to the following conditions:
  - a. Public discussion could reasonably be expected to cause damage to the reputation or the individual's right to privacy would be violated;
  - b. Any person charged or investigated shall be permitted to be present upon request;
  - c. Any person charged or investigated may request in writing that the investigation or hearing of charges or complaints be conducted in open session;
  - d. Any person bringing charges, complaints or allegations of misconduct shall be permitted to be present.

(1 MRSA §405(6)(A)).

**The motion was seconded by Mr. Beck and approved by a vote of 11 in favor, 0 opposed and 0 abstentions.**

*Members entered executive session No. 1 at 9:15 a.m.*

*Members exited executive session No. 1 at 9:25 a.m.*

**C: ACTION ITEMS1: Removed From Agenda 9:27 a.m.**

Mr. Nightingale exited the meeting at 9:27 am.

**C2: Approval of Certification Application – Pacesetter CDE XL, LLC for Investment in Arctaris Saddleback Company, LLC under Maine New Markets Capital Investment Program 9:53 a.m.**

Mr. Roney presented the application of Pacesetter for Certification of their investment in Arctaris Saddleback Company (or affiliate) under the Maine New Markets Capital Investment Program, referring to his memo to the Board in the board materials. He indicated that Staff was recommending approval.

Mr. Eimicke spoke in favor of the application and confirmed the present transaction largely was structured the same as its prior investment, and gave a general update as to status of project.

Mr. D'Andre gave an update as to the project construction status.

**A motion was made by Mr. Trafton and seconded by Mr. Beck to approve the Resolution, approving the Certification Application for Pacesetter CDE XL, LLC for Investment in Arctaris Saddleback Company, LLC under 10 MRSA §1100-Z, 36 MRSA §5219-HH; and Chapter 325. The motion was approved by a vote of 10 in favor, 0 opposed and 0 abstentions.**

### **B2: Approval of CEO Performance Evaluation**

**A motion was made by Mr. Violette and seconded by Mr. Trafton to approve the CEO evaluation as discussed in Executive Session. The motion was approved by a vote of 10 in favor, 0 opposed and 0 abstention(s).**

### **C3: Maine State Grant Status and Support 9:33 a.m.**

Mr. Wagner reported the importance of the Maine State Grant as it pertains to Maine's students and workforce. At some times in the past, FAME has supplemented Maine State Grant funds provided by the State through allocation of 529 (NextGen) reserves, but has not recently. Mr. Wagner stated that Staff is considering whether to do so again. He outlined the current Nextgen reserve totals, and expressed his view that those funds be used judiciously as they will not likely be added to in the future. Ms. Johnston reported background information on the Decennial Review of the Maine State Grant program as required by the Maine Legislature to be delivered on January 1, 2021. Ms. Johnston reported the core elements of this review to include the continued advocacy for increasing the dollar amount of the Maine State Grant, the continued improvements to the program (potential use for support summer semester and other credentials, ), and the problems that the Grant can address. She also indicated that Staff is reviewing how the Pandemic effects could be addressed with the Grant program. She also referenced the Reserves policy for NextGen. She indicated that Ms. Tappan and Ms. Giles were available for questions.

Mr. Daigler asked about the Grant funds balance. Ms. Desiderio indicated no surplus exists. Discussion ensued regarding how funds are deployed to ensure all available funds are used each year.

No action decision was made. Action will be taken on using the 529 (NextGen) surplus to supplement the State Grant program funds upon further analysis.

Ms. Johnston indicated she would bring the Decennial Report to the the upcoming Educational Committee meeting in December.

## **D. CEO and STAFF REPORTS**

### **D1: CEO Report** *10:18 a.m.*

Mr. Wagner reported on FAME's continued response to the COVID-19 pandemic as it pertains to FAME staff safety, including the contingency plan to limit the amount of staff in office to 15 members.

Mr. Wagner also reported to the Board on the Morningstar Opinion rating the 529 (NextGen) Plans that FAME offers. Mr. Wagner and FAME Staff sent a letter to Morningstar requesting that some of the downgrades to the 529 Plans be reviewed based on updated information and has been given assurances that the request will be considered. However, Mr. Wagner also reported that some of the criticisms from Morningstar were correct but that FAME's mission was not necessarily getting a better rating. Ms. Giles reported that other organizations, such as Saving for College, have continued to give the 529 (NextGen) program positive ratings.

Mr. Beck and Mr. Violette added their thoughts, including around criticism over governance issues.

### **D1a: Articles of Interest**

No discussion on Articles of Interest.

*Mr. Nightingale returned to the meeting at 10:30 am.*

*Mr. Kiem left the meeting at 10:30 am.*

Mr. Wagner began discussing the delayed consideration of the GWI application for Loan Insurance and Direct loans, and then asked to go into Executive Session to give additional detail.

**Mr. Nightingale moved to enter into Executive Session to discuss records designated confidential by statute (1 MRSA §402(3)(A)). Any record including 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 to be provided by or with the assistance of the Authority (10 MRSA §975-A(2)(D)). The motion was seconded by Mr. Brooks and approved by a vote of 10 in favor, 0 opposed and 0 abstentions.**

*Members entered Executive Session No. 2 at 10:36 a.m.*

*Members exited Executive Session No. 2 at 11:00 a.m.*

### **D1b: PMA Update** *11:00 a.m.*

Mr. Wagner began discussion of the current status of Program Management of the NextGen program. He then asked to go into Executive Session to get into additional detail.

**A motion to enter Executive Session was made by Mr. Trafton 1 MRSA §405(6)(F) and §402(3)(A), to discuss information in records of the Authority which are declared confidential by Statute. . The motion was seconded by Mr. Nightingale and approved by a vote of 10 in favor, 0 opposed and 0 abstentions.**

*Members entered into Executive Session No. 3 at 11:01 AM*

*Members exited Executive Session No. 3 at 11:14 AM*

**D1c: Strategic Update 11:18 a.m.**

Mr. Wagner gave a Strategic Update as is the practice every 3 months. He highlighted certain topics, , including the impact of the COVID-19 Pandemic as it pertains to all FAME programs and operations, the Claim Your Future program (to be outlined later in the meeting), and ensuring that morale and efficiency remains high despite current challenges posed by the pandemic. Mr. Wagner also stressed the importance of revisiting the Plan and a plan to create a 1 to 2 year strategic plan to be in place for the incoming Chief Executive Officer.

**D2: Financial Quarterly Review 11:30 a.m.**

Ms. Desidario gave a brief summary of the FAME financial performance compared to budget for the most recent quarter.

**D3: Claim Your Future 11:32 a.m.**

Mary Dyer and Elizabeth Vanderweide gave a detailed presentation of the status of the Claim Your Future program, and the results of the recent review of how to enhance sales of the product. They outlined the current plan for updating and marketing the program.

**ADJOURN 12:07 p.m.**

**A motion was made by Mr. Trafton and seconded by Mr. Daigler to adjourn and was approved unanimously.**

The meeting adjourned at 12:30 p.m.

Respectfully submitted,

David Daigler, Chair