

**MINUTES OF THE JUNE 16, 2022 MEETING OF THE MEMBERS
OF THE FINANCE AUTHORITY OF MAINE**

Chair Daigler called the June 16, 2022 meeting of the Finance Authority of Maine to order at 9:02 a.m. This meeting was conducted both in-person at the offices of the Authority at 5 Community Drive, Augusta, Maine and virtually through Zoom. Provisions were made for the public to attend.

Legal Assistant, Summer Knowlton, noted for the record that the members had received an Agenda and Notice of Meeting 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. Knowlton 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:

David Daigler, Chair
Richard Trafton, Vice Chair
Greg Olson, in place of Henry Beck
Randy Charette, in place of Amanda Beal
Blue Keim
Renee Ouellette
Bettyann Sheats
Steve Shannon
Jennifer Hogan
Heather Johnson (remote)

Those members absent:

Omar Andrews
Rebecca Asen
Dustin Brooks, Treasurer

Guests:

None

Staff present:

Christopher Roney, General Counsel
Shelly Desiderio, Chief Accounting Officer
Martha Johnston, Director of Education
Elizabeth Vanderweide, Director of Business Development
Jennifer Cummings, Director of Business Programs
Scott Weber, Senior Credit Officer
William Norbert, Governmental Affairs & Communications Manager
Summer Knowlton, Legal/HR Assistant

A: CALL TO ORDER

A1: Ascertainment of Quorum 9:02 a.m.

A2: Approval of the April 6, 2022 Risk Management and Audit Committee Meeting Minutes

A3: Approval of the April 12 and May 26, 2022 Executive Committee Meeting Minutes

A4: Approval of the April 8, 2022 Business Committee Meeting Minutes

A5: Approval of the February 22, 2022 Advisory Committee on Education Savings Meeting Minutes

A7: Approval of the April 21, 2022 Board Meeting Minutes

A motion was made by Mr. Trafton and seconded by Mr. Keim to approve/accept (1) the minutes of the April 6, 2022 Risk Management and Audit Committee Meeting Minutes; (2) the April 12 and May 26, 2022 Executive Committee Meeting Minutes; (3) the April 8, 2022 Business Committee Meeting Minutes; (4) the minutes of the February 22, 2022 Advisory Committee on Education Savings Meeting Minutes; (5) the minutes of the April 21, 2022 Board Meeting. The motion was approved by a vote of 12 in favor, 0 opposed, and 0 abstentions

B: CHAIR'S REPORT 9:16 a.m.

Mr. Mello discussed the process of hiring a Chief Financial Officer with a strategic planning element for FAME now that the position is vacant due to Mr. Mello being appointed Acting CEO.

Mr. Trafton gave an update on the continued negotiations with HAF/ASF and the coming agreement between FAME and HAF/ASF on the joint marketing and promotion of NextGen 529. Mr. Mello reported that FAME Staff would be meeting with HAF/ASF to foster continued cooperation. Mr. Daigler reported that the relationship between FAME and ASF/HAF has improved and discussed the possibility of another type of tax-advantaged savings account that would be better suited for most Alford Grantees. Ms. Johnston noted that the behavioral science firm hired by FAME, ideas42, is researching what methods would be best to get Maine families to save for college. Mr. Mello also reported that the NextGen 529 Program Services Agreement Request for Proposals would be going out in June of 2023 and that there may be a change in service providers.

C: ACTION ITEMS 10:25 a.m.

C1: NextGen 529 Program Modifications

A motion to enter Executive Session No. 1 under 1 MRSA §405(6)(F) and 1 MRSA §402(3)(A) was made by Mr. Trafton, seconded by Ms. Sheats, and approved unanimously.

Members entered Executive Session No. 1 at 10:26 a.m.

Members exited Executive Session No 1. At 10:35 a.m.

A motion to approve the modifications was made by Mr. Trafton, seconded by Mr. Keim, and approved by a vote of 12 in favor, 0 opposed, and 0 abstentions.

C2: Approval for Rulemaking- Chapter 601, Amendment 12 10:36 a.m.

Mr. Norbert presented the proposed rule amendment, which would conform with recent legislation to extend the eligibility for the grant for adult learners up to 12 semesters instead of 8, recognizing that there are life events that may prevent adult learners from completing their education within 8 semesters.

A motion to approve the proposed rule for commencement of the rulemaking process was made by Mr. Trafton, seconded by Mr. Olson, and approved by a vote of 12 in favor, 0 opposed, and 0 abstentions.

C3: Approval of FY2023 Budget 10:45 a.m.

Ms. Desiderio presented the FY2023 Budget, which highlights FAME's Strategic Goals in financial education, NextGen 529, and the deployment of SSBCI and ARPA funds, including the portal to do so. Ms. Desiderio highlighted any major changes or variances in the budget, most notably salaries and employee benefits due to several open positions at FAME that are currently vacant but still budgeted for. Ms. Desiderio reviewed the contributions, sponsorships, and memberships as well as the budgeted travel expenses as part of the required communications to the Board.

A motion to approve the FY 2023 Budget as presented was made by Mr. Keim, seconded by Mr. Brooks, and approved by a vote of 9 in favor, 0 opposed, and 1 abstention (Shannon.)

D: CEO and Staff Reports *11:00 a.m.*

Mr. Mello presented several questions for the board's consideration in regards to the recent legislation, LD 1733, that allows for a more liberal approach towards remote meetings for FAME. As a result, Mr. Mello requested that the board consider how frequently the full board should meet in person versus remote, how long those meetings should be, and if there should be a multiple day strategic planning retreat as has been tradition with FAME prior to COVID. Mr. Mello also suggested a Strategic Planning Committee of the board where the members would join by volunteer only.

Mr. Mello reported that FAME increased its lender debt by 100% in the past year, setting record at \$100 million.

Ms. Vanderweide presented the customer satisfaction survey, where FAME again set a record high with the total average rating being 4.75/5, increasing from 4.68 from last year and surpassing the scorecard goal.

Ms. Cummings reported that FAME was given a new program that is a relief loan program with 1 time funding of up to \$12 million for targeted hospitals in Maine addressing financial issues with MaineCare payments. The loan program has no FAME exposure, but FAME is doing the underwriting and credit analysis on behalf of the state and will administer the loan for 2 years. The program has had 1 applicant so far and FAME staff is working on their application.

Mr. Weber presented the CLI/ERLP snapshot reports, which reflected low delinquency rates despite current economic conditions.

Ms. Kunesh presented the WatchDesk report.

A motion to enter Executive Session under 10 MRSA §975-A(2)(D) was made by Mr. Trafton, seconded by Ms. Sheats, and approved by a vote of 12 in favor, 0 opposed, and 0 abstentions.

Members entered Executive Session No.2 at 11:46 a.m.

Members exited Executive Session No. 2 at 12:07 a.m.

Mr. Norbert noted that there is little activity to report in the legislative update and that board members may reach out to him with questions.

The meeting adjourned at 12:08 p.m.

Respectfully submitted,

David Daigler, Chair