

**MINUTES OF THE APRIL 27, 2023 MEETING OF THE MEMBERS
OF THE FINANCE AUTHORITY OF MAINE**

Chair Trafton called the April 27, 2023 meeting of the Finance Authority of Maine to order at 9:00 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:

Richard Trafton, Chair
Dustin Brooks, Vice Chair
Rebecca Asen, Treasurer
Henry Beck
Renee Ouellette
Blue Keim
Fritz Onion
Heather Johnson (joined at 9:15)
Amanda Beal
Jean Hoffman
William Tracy
Jennifer Hogan

Those members absent:

Omar Andrews
Steve Shannon
David Daigler

Staff present:

Carlos Mello, Chief Executive Officer
Christopher Roney, General Counsel
Shelly Desiderio, Chief Accounting Officer
Martha Johnston, Director of Education

Jennifer Cummings, Director of Business Programs
Jonathan Poole, Director of Strategic Growth
Bert Audette, Chief Information Officer
Summer Knowlton, Legal/HR Assistant

A: CALL TO ORDER

A1: Ascertainment of Quorum 9:00 a.m.

A2: Approval of the March 9, 2023 Executive Committee Meeting Minutes

A3: Approval of the April 5, 2023 Risk Management and Audit Committee Meeting Minutes

A4: Approval of the March 16, 2023 Board Meeting Minutes

A motion was made by Mr. Trafton and seconded by Mr. Keim to approve/accept (1); the minutes of the March 9, 2023 Executive Committee Meeting; (2) the minutes of the April 5, 2023 Risk Management and Audit Committee Meeting (2) the minutes of the March 16, 2023 Board Meeting. The motion was approved by a vote of 11 in favor, 0 opposed, and 0 abstentions.

B: CHAIR'S REPORT 9:08 a.m.

Mr. Trafton reported the Executive Committee's continued focus on the HAF/ASF agreement negotiations. Mr. Mello presented a brief history of the relationship between FAME and ASF before presenting a resolution for the board's consideration that lays out FAME's position in the continued negotiations with ASF regarding the administration agreement of the Alford Grant. Mr. Brooks provided his support for the resolution as a member of the Ad Hoc ASF Steering Committee. Mr. Trafton read aloud Mr. Daigler's comments on the resolution expressing his support for the resolution and the continued partnership between FAME and ASF in helping Maine families save for college. Mr. Mello provided some relevant NextGen data and statistics, such as the market penetration rate, total NextGen accounts, total Alford Grant holders, etc.

A motion to approve the resolution as presented was made by Mr. Brooks, seconded by Ms. Hogan, and approved unanimously.

C: ACTING CEO REPORT 9:35 a.m.

Mr. Mello reported that FAME had created \$97 million in lender debt thus far in FY23, a 22% increase over last year. Mr. Mello also reported that FAME submitted its request for the second

tranche of SSBCI funding to deploy. Mr. Mello highlighted some education activities including the effort to increase FAFSA filings, where filing rates are .5% away from pre-pandemic levels. Mr. Mello noted that April was financial wellness month and FAME's efforts to promote financial well-being, including a financial wellness event for hospitality workers.

Ms. Beal left the meeting at 9:30 a.m.

D: ACTION ITEMS

D1: Approval of NextGen Program Services Agreement 9:45 a.m.

Ms. Giles presented the NextGen Program Services Agreement

A motion to enter Executive Session under 10 MRSA §975-A(2)(A) to discuss the details of the proposed Program Services Agreement was made by Mr. Brooks, seconded by Ms. Ouellette, and approved unanimously.

Members entered Executive Session No. 1 at 9:48 a.m.

Members exited Executive Session No. 1 at 9:56 a.m.

A motion to approve the Program Services Agreement was made by Mr. Beck, seconded by Ms. Ouellette, and approved by a vote of 11 in favor, 0 opposed, and 1 abstention (Asen.)

D2: Approval of Bond Resolution- Finance Authority of Maine Education Loan Revenue Bonds 9:56 a.m.

Ms. Johnston presented the bond resolution, where staff is recommending a bond issue in the amount of up to \$30 million, but more likely \$25 million to issue education loans and redeem the 2012 series bond.

A motion to approve the bond resolution was made by Mr. Keim, seconded by Ms. Asen, and approved by a vote of 11 in favor, 0 opposed, and 0 abstentions.

D3: Approval of Information Security Program and IT Acceptable Use Policy 10:00 a.m.

Mr. Audette presented the Information Security Program and Acceptable Use policy, which were written in accordance with applicable law and standard industry practice.

A motion to approve the policy and information security program was made by Mr. Brooks, seconded by Mr. Onion, and approved by a vote of 11 in favor, 0 opposed, and 0 abstentions.

E: STAFF REPORTS 10:05 a.m.

Mr. Mello reported that the RFP for the Maine Lender Portal had been issued and FAME is awaiting responses.

Ms. Desiderio presented the results for the third quarter of FY2023, where the major themes were market volatility, increasing and decreasing the value of FAME's investment portfolio drastically over the quarter, making predictions difficult. However, the quarter still ended \$6 million ahead of budget. Ms. Desiderio reviewed the required sponsorships, memberships, and dues and investments. Ms. Desiderio also presented the scorecard, where the only goal that was not met was NextGen account openings and contributions, which are down across the plan due to market conditions.

Mr. Norbert gave a legislative update, where there are a few bills that FAME is tracking such as a bill to increase the Maine State Grant and a bill to fund the Social Worker Loan Repayment Program.

ADJOURN- 10:55 a.m.