

**MINUTES OF THE February 27, 2025 MEETING OF THE MEMBERS
OF THE FINANCE AUTHORITY OF MAINE**

Chair Renee Ouellette called the February 27, 2025 meeting of the Finance Authority of Maine to order at 9:00 a.m. This meeting was conducted in person at the offices of the Authority in Augusta, Maine, and virtually through Zoom. Provisions were made for the public to attend.

Legal Assistant, Elizabeth Polk, 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. Polk 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
Renee Ouellette, Chair
William Tracy, Vice Chair
Heather Johnson *entered 9:13 a.m. left at 9:30 a.m.*
Fritz Onion
Claire Hawkins- *proxy for Amanda Beal*
Jennifer Hogan
Blue Keim – *entered 9:51 am*
Joe Perry
Daniel Cummings - *entered 9:11 a.m.*
Steve Shannon
Andrew Mueller

Those members absent:

Dustin Brooks
Jean Hoffman
Dave Daigler

Staff present:

Carlos Mello, Chief Executive Officer
Sarah Nadeau-Balducci, Deputy General Counsel
Martha Johnston, Director of Education

Jennifer Cummings, Director of Business
Bert Audette, Chief Information Officer
William Norbert, Governmental Affairs & Communications Manager
Lisa Brown, Director of Human Resources
Elizabeth Vanderweide, Director of Business Development
Elizabeth Polk, Legal/Executive Assistant
Jonathan Poole, Director of Strategic Development
Christopher Roney, General Counsel
Ellen Curtiss, Credit Analyst
Kim Getchell, Senior Loan Officer
Karen Kunesh, Commercial Loan Officer

Guests:

Matthew O'Malia
Josh Henry
Paul Shin
Tony Grassi
Conor Bishop

Slalom

Molly Plaisted
Berry Devitt

A: CALL TO ORDER

A1: Ascertainment of Quorum 9:03 a.m.

A2: Approval of the October 1, 2024, Advisory Committee on Education Savings Meeting Minutes

A3: Approval of the November 22, 2024, Advisory Committee On Education Savings Meeting Minutes

A4: Approval of the December 12, 2024 Executive Committee Meeting Minutes

A5: Approval of the December 13, 2024 Business Committee Meeting Minutes

A6: Approval of the December 20, 2024 Board Meeting Minutes

A7: Approval of the January 9, 2025 Executive Committee Meeting Minutes

A8: Approval of the February 14, 2025 Business Committee Meeting Minutes

A motion was made by Mr. Tracy and seconded by Mr. Trafton to approve/accept (1) Approval of the October 1, 2024 Advisory Committee on Education Savings Meeting Minutes; (2) Approval of the November 22, 2024 Advisory Committee On Education

Savings Meeting Minutes; (3) Approval of the December 12, 2024 Executive Committee Meeting Minutes; (4) Approval of the December 13, 2024 Business Committee Meeting Minutes; (5) Approval of the December 20, 2024 Board Meeting Minutes; (6) Approval of the January 9, 2025 Executive Committee Meeting Minutes; (7) Approval of the February 14, 2025 Business Committee Meeting Minutes. The motion was approved by a vote of 9 in favor 0 opposed, and 0 abstentions.

B: CHAIR'S REPORT 9:06 a.m.

Skipped due to time constraints

C: ACTION ITEMS

Fritz Onion left the room due to a conflict of interest.

C1: Approval of Loan Change request—Timber HP/GOLab (ERLP) 9:07 a.m.

Ms. Kunesh asked to go into an executive session to discuss matters relating to TimberHP/Go Lab.

A motion to enter Executive Session No.1 under 10 MRSA §975-A(2)(B) and 10 MRSA §975-A(2)(D) was made by Mr. Trafton and seconded by Mr. Tracy and approved unanimously.

Entered executive session: 9:10 a.m.

Exited executive session: 9:30 a.m.

A motion to enter Executive Session No. 2 under 1 MRSA §405(6)(E)) was made by Mr. Trafton, seconded by Mr. Daigler and approved unanimously.

Entered Executive session: 9:30 a.m.

Mr. Kiem entered at 9:51

Exited Executive session: 10:29 a.m.

A motion to approve the latest resolution and include conditions 7b, 8b with modifications (10 year amortization, 7 year balloon), 10b and 12c of Exhibit A, and all of Exhibit B, was made by Mr. Trafton and seconded by Mr. Cummings and approved by a vote of 10 in favor, 0 opposed, and 1 abstention.

Fritz Onion abstained from voting due to personal investments within the business.

Fritz Onion returned to the room.

F. Staff Reports 10:39 a.m.

1. Slalom Update

Mr. Devitt gave a presentation detailing the changes that Slalom recommends to improve FAME's business and technology capabilities, including business transformation and technology transformation. He stated the next steps that FAME leadership needs to make to start the transformation.

2. Strategic Plan Update

Mr. Poole stated the accomplishments of the strategic plan so far, including the percentage of progress towards completing the strategic plan for each department. Ms. Dyer then provided an education success story which included the College Savings series. Ms. Cummings provided a business success story, including increasing our internal approval limits and making the process more efficient. Mr. Audette then stated the next steps in the technology transformation strategic plan. Mr. Poole stated that there are different teams that need to be formed to accomplish this technology transformation. These include an Executive Leadership team, a transformation management committee, and different project teams. The Transformation Management Committee is designed to tackle a wide range of issues. Due to the complexity of FAME systems-how do you break that web and come back and make sure there is data consistency. Not as fast as the Maine funding network because that was a stand-alone silo with one platform. This a wide range of platforms with a variety of issues.

3. CEO Report

Mr. Mello provided business and education highlights. He also gave updates on Grow Maine, the Housing and Economic Development Committee, Maine State Grant, NextGen 529, Fiscal Year-to-Date 2025 Financial Results, and FAME's technology modernization.

4. Education Update

Ms. Dyer provided updates on Fall FAFSA-related activities and the ongoing financial aid support the college access team is providing. She then provided updates on NextGen529 and its Connect Series launch, Maine Loan, Maine Private Education Loan Network, Invest in ME Reads, and Outreach events.

5. December Financials Update

Ms. Desiderio presented the financial performance during the 2nd quarter of fiscal 2025 compared to the YTD budget and YTD to the end-of-year forecast.

6. Snapshot Report

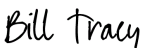
Ms. Curtiss presented the snapshot report. In both portfolios, the delinquents and loan percentages continue to rise. Charge off to increase in the coming months.

7. Watchdesk Report

Ms. Kunesh restated what Ms. Curtis stated that the delinquencies have increased but this was expected. She then stated Pennacook Falls had been added to Watchdesk.

ADJOURN- 11:52 A.M.

A true copy as adopted,

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Bill Tracy, Vice Chair to the FAME Board of Directors

Executive Session No. 1

Members of the Go Lab team provided updates on the state of the company. They stated that they did their best to remain realistic for their 2025 sales projections. Board members continued to ask questions to Jefferies and Go Lab.

Executive Session No. 2

The purpose of this executive session was to discuss legal concerns relating to the deal. Mr. Trafton stated that he was getting cold feet as BlackRock's lack of attendance and the complexities of the deal made him believe the deal is not viable. Mr. Trafton asked Ms. Kunesh, the loan officer in charge of handling Go Lab how she felt about the deal. Ms. Kunesh stated that as a workout officer, she cannot recommend approval. She stated that the company has had a lot of opportunities to succeed and they have not. Mr. Roney then provided details on the attached Exhibit B to the resolution that outlined options of different conditions that the board could approve. Board members then asked and Mr. Roney stated what conditions within Exhibit A would BlackRock most likely be okay with and therefore, should be approved.