

**MINUTES OF THE June 12, 2025 MEETING OF THE MEMBERS  
OF THE FINANCE AUTHORITY OF MAINE**

Chair, Ms. Oullette called the June 12, 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 via Zoom) were as follows:

Renee Ouellette  
William Tracy, Vice Chair  
Steve Shannon  
Jean Hoffman  
Fritz Onion  
Andy Mueller  
Joe Perry  
Richard Trafton  
Michael Foley  
Simon Ferland  
Michael Duguay- *joined the meeting remotely*

Those members absent:

Dustin Brooks, Treasurer  
Amanda Beal  
Daniel Cummings  
Blue Keim

Staff present:

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

Bert Audette, Chief Information Officer  
Lisa Brown, Director of Human Resources  
Elizabeth Polk, Legal/Executive Assistant  
Jonathan Poole, Director of Strategic Development  
Christopher Roney, General Counsel  
Kim Getchell, Senior Loan Officer  
Emily Babineau, Business Programs Manager  
Karen Kunesh, Workout Officer  
Eva Giles, College Savings Program Manger

Guests:  
Meredith Whitfield

### **A: CALL TO ORDER**

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

**A2: Approval of February 9, 2025 Advisory Committee on College Savings Meeting Minutes**

**A3: Approval of the March 3, 2025 Education Committee Meeting Minutes**

**A4: Approval of the May 13, 2025 Risk Management and Audit Committee Meeting Minutes**

**A5: Approval of the May 8 2025 Executive Committee Meeting Minutes**

**A6: Approval of the May 9, 2025 Business Committee Meeting Minutes**

**A7: Approval of the May 15, 2025 Board Meeting Minutes**

**A8: Approval of the June 2, 2025 Education Committee Meeting Minutes**

**A9: Approval of the June 5, 2025 Executive Committee Meeting Minutes**

A motion was made by Mr. Trafton and seconded by Mr. Perry to approve (1) Approval of February 9, 2025 Advisory Committee on College Savings Meeting Minutes; (2) Approval of the March 3, 2025 Education Committee Meeting Minutes; (3) Approval of the May 13, 2025 Risk Management and Audit Committee Meeting Minutes; (4) Approval of the May 8, 2025 Executive Committee Meeting Minutes; (5) Approval of the May 9, 2025 Business Committee Meeting Minutes; (6) Approval of the May 15, 2025 Board Meeting Minutes; (7) Approval of the June 2, 2025 Education Committee Meeting Minutes; (8) Approval of the June 5, 2025 Executive Committee Meeting Minutes

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

**B: CHAIR'S REPORT** *9:05 a.m.*

Ms. Ouellete stated that the October Board Retreat planning is under way and that it has been discussed in the Executive Committee meeting. She stated that the focus of the retreat will be in Southern Maine. In the Executive Committee meeting they debated between visiting Aroostook and Washington county but ultimately decided that Southern Maine would result in better turnout for the retreat. She then stated that tacos are being served for lunch after today's meeting.

**C: ACTION ITEMS**

**C1: Approval of FY2026 Budget** *9:10 a.m.*

Ms. Desiderio presented the FY2026 Budget to the board. She stated that \$1.6 million in the budget would be spent on FAME's enterprise architecture project and \$250,000 for software subscriptions. Ms. Desiderio then updated the board by stating that TimberHP is going to close in June and will hit the FY2025 budget and will not be a part of the FY2026 budget. Mr. Roney stated that TimberHP had their bankruptcy confirmation hearing on Tuesday June 10<sup>th</sup>. Mr. Mello then provided details of the bankruptcy stating that the total investment is \$170 million and all but \$19 million in existing debt was retained and another \$19 million was invested. Mr. Mello then stated the history of FAME and TimberHP and how FAME assisted them with a \$7 million dollar loan insurance on \$10 million dollar loan. Ms. Desiderio then stated that there was a decrease in Maine Loan revenue, a decrease in provision losses, and a decrease in reserve ratio which is related to TimberHP. Ms. Johnston stated that they extended the 2024 Maine State Grant deadline to accommodate for the new FAFSA completion process. This resulted in more applications being approved than were funds available, causing a budget shortfall. To rectify the issue, FAME used NextGen reserves. Mr. Mello stated that NextGen earns \$15 million a year and it costs \$5 million to run the program leading to a \$10 million in excess revenue. This revenue is then used to provide program benefits which uses about \$8 million, leaving approximately \$2 million undesignated for use, including for scholarships.. Ms. Desiderio then continued by presenting the rest of the budget to the board.

**A motion to approve the FY2026 Budget, was made by Mr. Trafton and seconded by Mr. Tracy and was approved by a vote of 11 in favor, 0 opposed, and 0 abstention.**

**2. Approval of NextGen 529 Program Modifications** *9:39 a.m.*

Ms. Giles asked to go into executive session to discuss the requested NextGen 529 program modifications.

**A motion to enter Executive Session No. 1 under 1 MRSA §450(6)(F), 1 MRSA §402(3)(A) was made by Mr. Trafton and seconded by Mr. Ferland and approved by a vote of 11 in favor, 0 opposed, and 0 abstentions.**

*Enter Executive Session: 9:40*

*Exited Executive Session: 9:45*

**A motion to approve the program modifications was made by Mr. Trafton and seconded by Mr. Keim and was approved by a vote of 11 in favor, 0 opposed, and 0 abstention.**

**3. Approval of Bond Resolution- Bowdoin College 9:46 a.m.**

Mr. Roney stated that the Bond deal does not pose any credit risk and it does not impact the state reserves. The purpose of the \$50 million bond is to finance campus projects. He stated that a public hearing was held and there was no objections to the bond and that there was no objections from the competitors.

**A motion to approve the Bond Resolution was made by Mr. Mueller and seconded by Ms. Hoffman and was approved by a vote of 11 in favor, 0 opposed, and 0 abstention.**

**4. Approval of Bond Resolution: Waynflete School 9:52 a.m.**

Mr. Roney presented Waynflete School's request. He stated that the facts for this bond deal are the same for that of Bowdoin College. The purpose of the bond is to refinance bonds issued in 2014 and to finance improvements to their gymnasium. He stated that they are currently waiting for the DEP assessment.

**A motion to approve the Bond Resolution was made by Ms. Ouellette and seconded by Mr. Trafton and was approved by a vote of 11 in favor, 0 opposed, and 0 abstention.**

**F. Staff Reports 9:55 a.m.**

**1. CEO Report**

Mr. Mello stated that Mr. Audette and Ms. Brown will continue being Mr. Mello's direct reports. He then stated that three new pillars have been added to the FAME executive teams including a communications pillar, a risk management pillar, and an operations pillar. Jonathan Poole will be the Chief Operations Officer, Sarah Nadeua-Balducci will be the Chief Risk Officer, and Meredith Whitfield will be our Chief Communications Officer. Mr. Mello went onto provide business highlights and education highlights.

*Start of Break: 10:10 a.m.*

*End of Break: 10:25 a.m.*

**2. Strategic Plan Update**

Ms. Sommers stated that she has helped Mr. Poole with the strategic transition. She stated that there is a balance between internal and external driving forces that are guiding the

transition. FAME is 1 year in on its 3 year plan. Their overall goal for 2024-2025 is to have 30 percent of the transition complete and so far as of May 2025 they have 33 percent of the plan completed.

Ms. Johnston stated that her team worked with Vestwell to create the connect series. This series offers low to moderate income families an option to open separate savings accounts through Vestwell to help build emergency savings.

Mr. Audette stated that his team worked with Slalom on a plan for improved technology capabilities. The cost to fix everything would be \$20 million and take about 5 years. He stated that this is not realistic. They are now taking the work they did with Slalom and working with Enterprise Architecture on a Design and Implementation plan. Their approach is to apply rationalization and resources constraints to the roadmap. He stated that FAME's capability requirements are not that unique. They will seek a single vendor that is capable of both design and implementation in one expanded project which will reduce risk and increase speed over time. He then stated that they are developing business requirements assumptions now which will allow FAME to accept a level of risk associated with early platform selection. They will confirm the assumptions during the design and evaluate the solution impact. The goal is to ensure continuous alignments through effective project management, and to establish clear exit ramps in the contract agreement. They are working to publish an RFP. They are in phase one of the process. They are going to get the enterprise capabilities. They are focused on implementing a scalable integrated technology architecture that supports core functions and enables future program growth and agility. The timeline of the project is to publish the RFP by June 30<sup>th</sup> and to host bidder conferences, Q&A, and receive bids in August, evaluate, select finalist and vendor presentations in September, award in early October and project will be launched in October/early November. Mr. Ferland then asked about the risks and timing of the plan. Mr. Audette said that they are doing their best to limit the amount of risks and that the timeline is aggressive but it is doable. Mr. Poole stated that they can take more time where needed.

Ms. Brown then listed the overall goals of the reorganization and the new people strategy.

### **3. Maine Funding Network Update**

Mr. Mello stated that the Maine Funding Network has been live for one year. He stated that the idea came from Mr. Poole's time at DECD when small businesses were having a hard time finding organizations that could provide funding. He stated that in 2023 they started to recruit members and then created an RFP and ended up working with Salesforce. To date 600 businesses have been registered and over 160 matches have been presented and \$300,000 in loan origination. The total number of members has grown from 15 to 24. Mr. Mello stated that they are working with Mr. Duguay to get tax organizations added and have also added the Maine Seed Capital Tax Credit Program in case any businesses are interested.

### **4. SSBCI Progress Update**

Ms. Cummings stated that the SSBCI program has deployed roughly \$2.2 billion to over 89 jurisdictions. The state of Maine was allocated \$62.2 million and of that \$42 million has been deployed. Maine is being recognized for its efforts as it is fifth in the nation in terms of deployment.

**5. FY2025 Customer Satisfaction Survey Results**

Ms. Vanderweide presented the results of the FY2025 customer satisfaction survey. She stated that our goal was 4.32 and our total weighted average was 4.22 therefore the goal was missed by two percent.

*Michael Duguay left the meeting at 11:33 a.m.*

**6. FY2026 Scorecard Progress Update**

Ms. Desiderio provided an overview of the goals of the programs within the scorecard and then stated the results. She stated overall we are at 85 percent of our total scorecard goal.

**7. Education Quarterly Update**

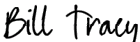
Ms. Johnston provided an Education Quarterly Update. She provided updates on the Financial Aid 101, Maine Education Pathway, FAFSA Completion, NextGen 529, Education Finance Programs, Financial Wellness and Education Savings Outreach.

**8. Legislative Update**

Mr. Norbert stated the house is still in session. The official adjourn date is June 18<sup>th</sup>. He stated that bills are being printed and 1,198 have been printed this session. The appropriations committee is working hard to close out a supplemental budget. Some are working to gather votes for a veto budget which would make it so that the supplementary budget would be the budget until the November election. The Maine Seed Tax Credit program was saved and approved by the House and Senate.

**ADJOURN- 11:57 A.M.**

A true copy as adopted,

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Bill Tracy, Vice Chair to the FAME Board of Directors