



LORING COMMERCE CENTRE

Loring Development Authority of Maine
Board Meeting Minutes
October 11, 2017
154 Development Drive, Suite F
Loring Commerce Centre, Limestone, Maine

1. Call to Order

The meeting was called to order by Chair Miles Williams at 10:30 a.m.

LDA Board Members present were: Richard Ezzy, Miles Williams, Jim Cote, Carol Bell, Janet McGillan and Mark Wilcox.

LDA Board Members participating by conference call were: George Gervais and Mike Edgecomb.

LDA Board Member absent: Doug Damon, Dan LaPointe, Dana Saucier, Jim Clair and Steve Levesque.

LDA Staff present were: Carl Flora, Donna Sturzl, and Neal Haines.

Others present were: Jim Risner, Town of Fort Fairfield; Wendy Bencivenga, Fort Fairfield; Dennis McCartney, Economic Development Director, Town of Limestone; Matthew Pineo, Limestone Town Manager; Phil Bosse, Senator Collins' Office; Kim Rohn, Congressman Poliquin's Office; Sharon Campbell, Senator King's Office; Robert Dorsey, Aroostook Partnership and Chris Bouchard, Aroostook Republican.

2. Introduction of Board Members, Staff, and Guests

All those present introduced him/herself.

3. Minutes of Meetings of September 20, 2017

MOTION: Motion was made by Richard Ezzy and seconded by Janet McGillan to accept the minutes of the September 20, 2017 meeting as presented.

VOTE: Motion was voted on and passed unanimously.

4. Treasurer's Report for June 2017

Mr. Flora reported that on the Statement of Net Assets, the reduction in accounts receivables reflects \$797,000 of MMA receivables recorded as doubtful. Capital assets have also been reduced due to the revaluation of buildings. On the Statement of Change of Net Assets, receivables from the state are over the amount budgeted for the year and lease revenues are lower due to projects that did not materialize. Grant revenues are under budget due to timing of the grant project; the work will be done in the next fiscal year. Expenses include the annual depreciation expense, the one-time asset devaluation expense and the doubtful accounts expense. The 2017 net assets total is \$55,512,123.

MOTION: Motion was made by Richard Ezzy and seconded by Mark Wilcox to accept the June 2017 Treasurer's report as presented.

VOTE: Motion was voted on and passed unanimously.

5. Audited Financial Statements for 2017

LDA's finance committee reviewed the 2017 audited financial statements with our Independent Auditor. As you'll see in the report, the financial statements are a fair representation of LDA's financial position and there were no findings of deficiencies in internal controls. LDA's net position for FY17 decreased by \$5.5 million. The decrease is due mostly to the \$5.2 million decrease in the valuation of assets donated by the Air Force. New asset values better reflect the current facility conditions and are also a better reflection of potential lease rates for the various buildings. LDA's financial statements continue to reflect the need to increase the revenue base.

MOTION: Motion was made by Richard Ezzy and seconded by James Cote to accept the Fiscal Year 2017 Audited Financial Statements as presented.

VOTE: Motion was voted on and passed unanimously.

6. Presentation: Robert Dorsey of Aroostook Partnership (AP)

Mr. Dorsey provided an overview of the local economy and the many development initiatives AP is working on. He currently serves on a development committee with LDA Trustee Dana Saucier. AP works to support new projects, providing assistance needed to promote and develop local assets. The partnership encourages and helps to coordinate collaboration between business, education, government and other parties. AP can also help LDA with marketing and with promoting the benefits of the county's rural lifestyle.

7. President's Report

Miscellaneous Updates.

Altaeros Energies returned to Loring to work on developing and testing tethered airborne communications equipment. The company developed and tested an airborne wind turbine at Loring in 2013.

Lattice Technologies, a consulting firm in the defense industry, now has an office at Loring.

Work on the Arch hangar heating system and roof is being completed in support of new aviation activity.

Tim Poitras of Chester Kearney is helping to develop a 5-year financial projection that will include best, worst and probable outcomes for new development such as development of the airport, the proposed solar farm project, the Maine Power Express project, and Loring Industries.

The Phase IV Sewer replacement project is underway with new lines being installed in Connecticut Road and on Swamp Road lines will be replaced.

LDA is working on an arrangement with Joe Alosa to have access to a used snowplow to replace two very old and unreliable plow trucks.

8. Other

None.

9. Public Comment and Media Question and Answer Period

Responding to questions Mr. Flora stated that Altaeros Energies is operating out of the Alert Hangar and often has its equipment out for testing; and the developer for the MRO project plans to be here tomorrow or Friday.

10. Executive Session: Confidential discussions concerning contractual negotiations pursuant to Title 1 M.R.S.A. Section 405 Subparagraphs 6.C and 6.E

MOTION: Motion was made by Mark Wilcox and seconded by James Cote to enter into executive session to discuss real estate and economic development matters pursuant to Title 1 M.R.S.A. Section 405 Subparagraphs 6.C and 6.E. at 11:23 a.m.

VOTE: Motion was voted on and passed unanimously.

End Executive Session

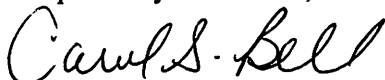
Return to public session.

11. Adjourn

MOTION: Motion was made by Rich Ezzy and seconded by Jim Cote to adjourn the meeting at 12:10 PM.

VOTE: Motion was voted on and passed unanimously.

Respectfully submitted,



Carol Bell
Secretary