



LORING COMMERCE CENTRE

Loring Development Authority of Maine
Board Meeting Minutes
October 31, 2018
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 10:02 a.m.

LDA Board Members present were: Carol Bell and Jim Cote.

LDA Board Members participating by conference call were: Miles Williams, Denise Garland, Richard Ezzy, Mike Edgecomb Janet McGillan, Dana Saucier, Steve Levesque and Mark Wilcox.

LDA Board Member absent: Doug Damon, Dan LaPointe and Jim Clair.

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

2. Introduction of Board Members, Staff, and Guests

Attendance roll call was taken.

3. Minutes of Meeting of September 19, 2018

MOTION: Motion was made by Jim Cote and seconded by Carol Bell to accept the minutes of the September 9, 2018 meeting as presented.

VOTE: Motion was voted on and passed unanimously.

4. Treasurer's Report for June 2018

The Statement of Net Assets now includes Other Post-Employment Benefits (OPEB) items. On the Statement of Changes in Net Assets, the lease revenue is \$288,000 below budget because new projects did not materialize. The statement also includes the depreciation expense, which is not budgeted, and an adjustment for the donation of property by Bangor Gas in a prior year is reported under other income. The change in net assets of \$461,064 and the total net assets for the year, \$55,873,881, are in line with the audited financial statements.

MOTION: Motion was made by Carol Bell and seconded by Jim Cote to accept the June 2018 Treasurer's report as presented.

VOTE: Motion was voted on and passed unanimously.

5. Audited Financial Statements for 2018

LDA's finance committee reviewed the 2018 audited financial statements with our Independent Auditor from Chester M. Kearney. 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 FY18 increased by \$461,065. Other Post Employment Benefits (OPEB) are reported for the first time this year. LDA has an implicit OPEB liability. LDA does not offer retiree benefits, but its employees have the option of participating in The Maine Municipal Employee Health Trust plan after retirement. Current payments made by LDA into the group plan contribute to group rates for retired employees; that contribution is considered an implicit subsidy and is reported as an OPEB liability. The 2017 net position was adjusted to reflect an OPEB liability of \$99,306; the 2018 liability is \$87,027. As in prior years, LDA's financial statements continue to reflect the need to increase the revenue base.

MOTION: Motion was made by Carol Bell and seconded by Jim Cote to accept the Fiscal Year 2018 Audited Financial Statements as presented.

VOTE: Motion was voted on and passed unanimously.

6. President's Report

Miscellaneous Updates.

Loring Industries (LI) and MMA. Tim Corbett is no longer with MMA. General Douglas Farnham has taken the lead at MMA and is negotiating with LI. LDA is not contributing to the negotiations but is kept informed.

[Chair, Miles Williams left the meeting at this time; Vice Chair, Mark Wilcox presided over the remainder of the meeting.]

Base Redevelopment Forum. Carl Flora and Steve Levesque attended a Base Redevelopment Forum sponsored by the Association of Defense Communities held in Portland earlier this month. During one meeting, participants discussed issues common to rural bases with the Office of Economic Adjustment (OEA). Many closed rural bases are dealing with aging infrastructure, sluggish growth and delays in infrastructure maintenance. Most have issues with Perfluorinated Compounds (PFOA/PFAS) in groundwater, which, fortunately, has little impact on Loring since the PFOA/PFAS are in an isolated area and do not affect the drinking water supplies. The forum included a bus tour through Brunswick Landing, led by Steve Levesque.

Air Force Public Hearing. The Air Force held a public hearing on its Proposed Plan to deal with soil vapor intrusion (SVI), which potentially affects several buildings at Loring. Kirk Cote, who leases the former laundry building, has concerns about the proposed SVI remediation for that building and is now interested in the former gym for manufacturing operations. The laundry building would be used for storage.

We continue to work with serious prospects interested in aviation, food processing, energy and manufacturing.

7. Other

None.

8. Public Comment and Media Question and Answer Period

None

9. 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 Carol Bell and seconded by Jim 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 10:25 a.m.

VOTE: Motion was voted on and passed unanimously.

End Executive Session

Return to public session.

10. Adjourn

MOTION: Motion was made by Carol Bell and seconded by Jim Cote to adjourn the meeting at 10:45 AM.

VOTE: Motion was voted on and passed unanimously.

Respectfully submitted,



Dana Saucier
Secretary