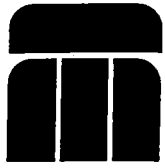


# MAINE STATE LEGISLATURE

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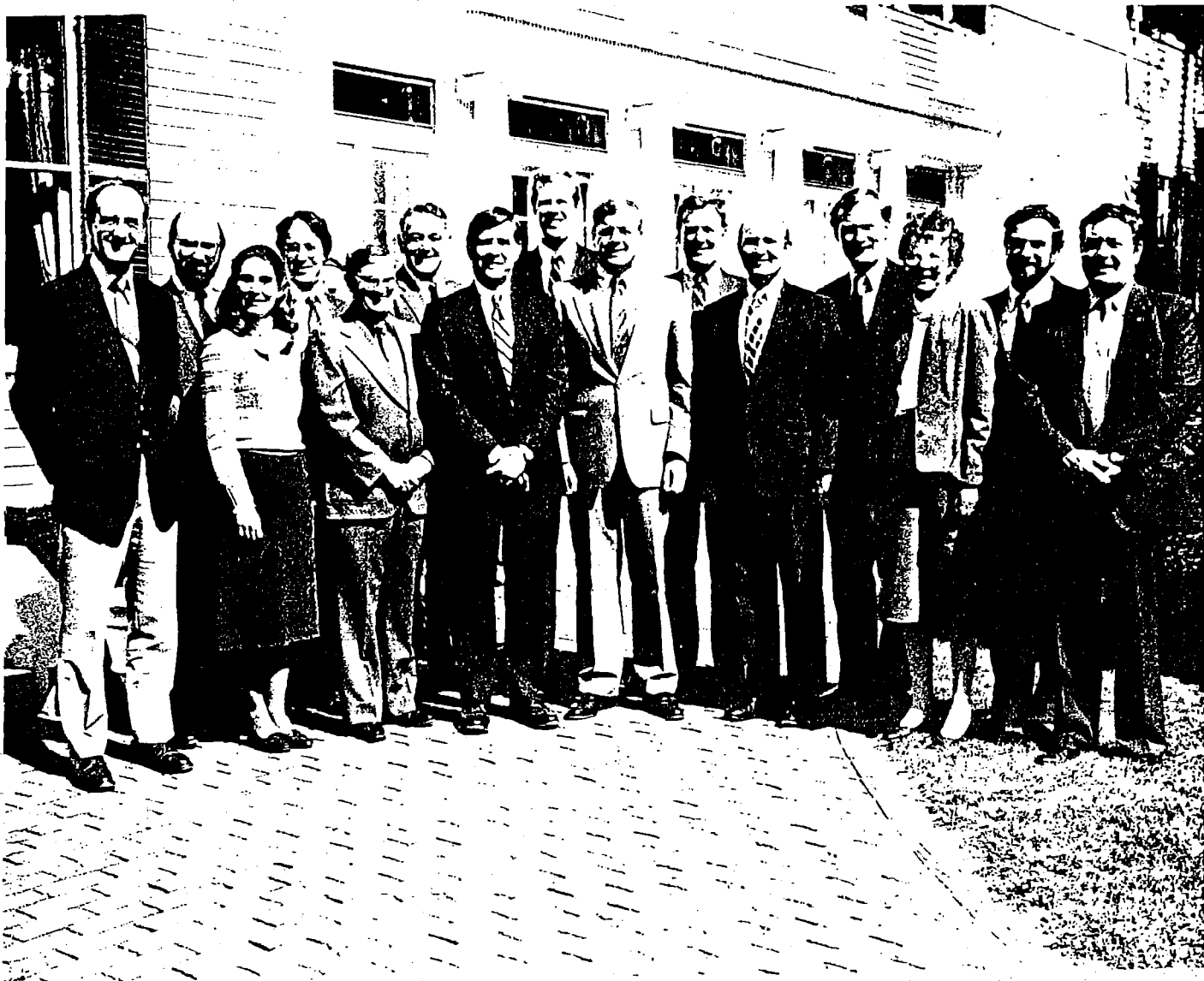
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THE MAINE DEVELOPMENT FOUNDATION  
**ANNUAL REPORT 1985**



*A business, government and education partnership to promote the Maine economy.*



**MDF BOARD OF DIRECTORS**

**Back Row Left to Right:**

Leslie E. Stevens  
Director, State Development  
Office

Stanley O. Provus  
Chief Executive Officer, Finance  
Authority of Maine

Alton Cianchette  
President, Cianbro Corporation

Stephen L. Griswold  
President, Shelter Group Inc.

Robert L. Woodbury  
President, Univ. of Southern  
Maine  
Vice Chairman, MDF Board of  
Directors

Robert W. Turner  
Manager, Regional Public Affairs,  
Champion International Corp.  
Treasurer, MDF Board of  
Directors

Henry Bourgeois  
President & Chief Executive  
Officer, Maine Development  
Foundation

**Front Row Left to Right:**

Philip O. McCarthy  
Town Manager, Town of Houlton

Pamela Plumb  
City Councilor, City of Portland

Lucien B. Gosselin  
City Administrator, City of Lewiston

Robert R. Masterton  
President, Maine Savings Bank  
Chairman, MDF Board of  
Directors, Current

Hon. Joseph E. Brennan  
Governor

Richard A. Jalkut  
Vice President, Maine New  
England Telephone  
Chairman, MDF Board of  
Directors, 1983-1985

Barbara McKernan  
Marketing Consultant, Bangor  
Savings Bank

Peter R. D'Errico  
Airport Manager, Bangor  
International Airport

**Not Shown:**

Kathryn Weare  
Owner/Manager, The Cliff House

## **T**O OUR CORPORATORS.

1985 was a very successful year for the Maine Development Foundation highlighted by the completion of several projects begun in 1984, described in the following pages.

Of major importance in 1985 was the Institute on the Maine Economy — a training program for State Legislators on how the Maine economy works. The majority of staff time and Board/Corporator energy was directed toward accomplishing the Institute programs. The Institute conducted six issue briefings on productivity, technology, exporting, and other economic themes for legislators at the state capitol; five local economic forums were held from Presque Isle to Auburn; a major state-wide conference on the economy was held in January, attended by 145 of the 186 legislators; and a unique economic tour of eastern and northern Maine was held in the fall, attended by 62 legislators. The Institute, which is the only program of its kind in the country, will continue to be a major priority in 1986.

Implementing several new service programs to assist businesses and municipalities was another priority in 1985, and will continue to be a high priority in 1986. The Board of Directors took affirmative action in May to urge the staff to implement new service programs, including a new business counseling program and a venture source program which will help establish a network between investors and entrepreneurs.

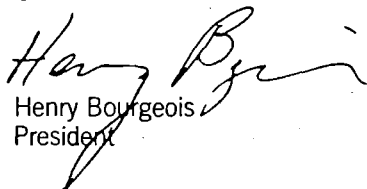
The Foundation continued to administer the Maine Science and Technology Board, which was created by the Governor to implement the Technology Strategy for Maine. In 1985, the Science and Technology Board awarded six technology innovation feasibility planning grants to consortiums of educational institutions and industries throughout the state. The Board prepared reports on entrepreneurship, incubator development, venture capital and established a business/University science and technology committee.

The Foundation continued to strengthen Maine's exporting base, by administering the Maine World Trade Association and supporting the efforts of the U.S. Department of Commerce's International Trade representative. In addition, the Foundation continued management of the Business Executives for the Enhancement of Maine, and initiated regional development strategies in Somerset, Kennebec and York Counties.

The Foundation is committed to focusing its energy on the most important issues affecting the Maine economy. As we move into 1986, the Foundation will continue to expand the Institute on the Maine Economy program, while at the same time searching for new opportunities to cement the business, government and education partnership which is so vitally important to our State's economic growth.



Robert R. Masterton  
Chairman



Henry Bourgeois  
President

## **INSTITUTE ON THE MAINE ECONOMY. A Training Program for Maine State Legislators on How the Maine Economy Works.**

The Institute on the Maine Economy is a series of educational programs for state legislators on how the Maine economy works. Created in 1984 by the Foundation, the Institute is the first of its kind in the nation to provide a comprehensive education program for state legislators. The Institute's Advisory Committee is co-chaired by the Honorable John Martin, Speaker of the House of Representatives and William Haggett, President and CEO of Bath Iron Works. Dr. Arthur Johnson, President of the University of Maine at Orono and a member of the Foundation's Board is the Dean of the Institute.

Only in its first full year of operation, the reaction to the Institute programs has been exceptionally enthusiastic:

"This is the best program I have ever attended. . . It was a real eye opener for me on different parts of our Maine economy".  
Senator Nancy Clark, Freeport

"I found the briefings on exporting and productivity extremely valuable. . . they gave me a chance to meet informally with business leaders in a non-adversarial setting and to learn about these important policy issues from their perspective."  
Representative Gennette Ingraham, Houlton

"The economic tour of eastern and northern Maine gave me a chance to view a part of the State I had never traveled to. . . Not only did it inform me about business operations and decisions which we make that affect them, but I also learned a great deal about the significance of the University of Maine system in this critically important part of our state. . ."  
Representative Merle Nelson, Portland

### **1985 Accomplishments**

In January, a **Workshop on the Maine Economy** was held for new state legislators, and was attended by 145 of the 186 solons. This workshop featured presentations by 17 Maine businesses and included a 100 page data book on the Maine economy.

**Six Legislative Briefings** were held in February-March 1985 dealing with basic economic concepts including productivity, exporting, technology, competition, marketing and entrepreneurship. Between 35 and 50 Legislators attended each briefing.

**Local Economic Forums** were held in Presque Isle, Auburn, Machias, Augusta and Waterville. Each forum was attended by up to 100 local business and government leaders and stressed the importance of a public-private partnership to accomplish economic development in these regions. Presentations also included data on the local and regional economy and its relationship to the larger Maine economy.

**An Economic Tour of Eastern and Northern Maine** was conducted early fall for 62 legislators who spent three days traveling over 700 miles and

### **1986 Priorities**

**Conduct 4 economic tours.**

**Prepare 5 data books.**

**Conduct another major workshop for newly elected legislators in December.**

**Prepare a long range program and funding strategy.**

*Legislators learning about the diverse industries of Maine.*



visiting 17 businesses. The tour began in Bangor and took the legislators to businesses in Machias, Bucksport, Eastport, Grand Lake Stream, New Limerick, Nashville Plantation, Presque Isle, Fort Kent and Limestone. In addition, the group visited four University campuses and met each evening with business and government leaders. The Foundation also prepared a data book on this tour which provided background information on the businesses visited and the region's economy.

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*Newspaper editorial reprinted from the Portland Press Herald  
— January 23, 1986*

### **TOURS / Getting to know the territory**

"When the bells for a roll call vote sound in the Legislature, no one asks law-makers to prove they know anything about the proposal they're voting on. Their only test comes at re-election time.

"Even so, many lawmakers, not content to rely on secondhand knowledge, have taken up the Maine Development Foundation's offer to see and learn about different parts of the state for themselves. Good for them. They're on their way — literally — toward casting more knowledgeable votes.

"The series of four planned tours began last October, when lawmakers, including many from southern Maine, traveled 700 miles through northern and eastern parts of the state. Some saw for the first time the vast fields at the heart of Aroostook County's economy. What they experienced there will be part of the attitude they bring to every vote on potatoes. The same is true of their experience with the blueberry industry of Washington and Hancock counties.

"Now dozens of lawmakers are touring Cumberland and York counties, seeing for themselves that there's more to both areas than intown Portland and shopping malls. For those from distant communities like Caribou, Houlton and Dover-Foxcroft, that discovery may counter a persistent legislative bias: namely, that southern Maine is awash in unbroken prosperity.

"That is, at any rate, one point the MDF hopes the three-day tour ending tomorrow will make. Other points will come in next month's tour of the Lewiston-Auburn area and a later tour of central Maine.

"With trips to industrial plants, farms and university campuses augmented by talks with those who run them, legislators are getting to know the territory they make laws to govern.

"All of Maine can only benefit from that."



# **D** EVELOPMENT AND FINANCE SERVICES TO BUSINESSES AND MUNICIPALITIES.

An integral component of the Foundation's program is the provision of services to businesses and municipalities throughout the state. These services, which include business counseling and financial packaging, are briefly summarized below:

**Potato Marketing Improvement Fund** is administered by the Foundation through a contract with the Maine Department of Agriculture. This \$5 million loan program was established by the Legislature to finance the construction of quality potato storage and central packing facilities. High quality storage is essential to improving the quality, image and marketability of the Maine potato.

During 1985, the Foundation closed 11 loans to potato growers and packers. This added 302,000 cwt of capacity of high quality potato storage to the storage inventory. Loans are made in conjunction with local banks and agricultural finance agencies in Aroostook County and throughout the state.

At the end of 1985 MDF transferred administration of this program to the Finance Authority of Maine.

**Business Counseling.** In 1985, the Foundation assisted over 200 firms with business plans, feasibility studies, cash flow analysis, break-even analysis, financial statements, commercial loan packages and marketing plans. This counseling was provided through the Foundation's Small Business Development Center, which is funded in part by the Small Business Administration, the State Development Office and the University of Southern Maine and is administered state-wide by USM.

The Foundation has delivered this service in tandem with its SBA 503 loan responsibility in the four southern Maine counties of Kennebec, Somerset, York and Cumberland.

**The Small Business Administration 503 Loan Program** is managed by the Foundation as a certified development company, operating in all areas of the state not covered by other certified development companies — Cumberland, Kennebec, Somerset and York Counties. These loans covered such diverse projects as retail expansion, fishing boat construction, and manufacturing industries.

Through 1985, the Foundation had closed nine loans with a total portfolio value of \$2,076,000. These financings helped preserve or create a total of 418 jobs for Maine businesses.

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## **1986 Priorities**

**Increase marketing and expansion of the SBA 503 Loan Program.**

**Transfer responsibility for delivering the SBDC functions to regional development corporations.**

**Implement a business counseling network to provide quality management and finance assistance to Maine businesses.**

Since 1983, the Foundation has supported efforts to help Maine businesses use technology to be more competitive in an international market place. Following the preparation of the Technology Strategy for Maine in 1984, by the Foundation, Governor Joseph E. Brennan created the Maine Science & Technology Board to implement the technology strategy recommendations. The Foundation is charged with administration of the Board. Operating as a conduit for government, higher education and the business sector, the Board stimulates the development of models for enhancing technological innovation and growth in Maine industries. The Science and Technology Board is supported entirely by a special State appropriation. The 19 member Board has government, business and educational leaders from throughout the state as members. Kirk Pond, General Manager and Executive Vice President of Fairchild Digital Unit is chair of the Board of Directors.

## 1985 Accomplishments

**1. Technology Innovation Programs.** Six technology innovation project feasibility study grants were awarded, ranging from \$4,000 to \$11,000 and matched with private resources, to bring higher education institutions and industries together to transfer technology:

**University of Maine Technology Center,** will make the expertise and facilities of the UMO College of Engineering and Science more available to Maine's business and industry.

**Maine Biotechnology Consortium** will establish a network of businesses, institutions and individuals interested in biotechnology.

**Food Research Center** is proposed to include a food processing plant and access to personnel with expertise in food, science, engineering and business along with technology transfer.

**Hazardous Materials Resource and Training Center** will provide information and training on hazardous materials for Maine businesses through the Southern Maine Vocational Technical Institute.

**Fisheries Technology Institute** will focus on solving technical needs and questions for the fishing industry, and will be governed by the Maine Fishermen's Forum.

**The University of Maine Center for Computer Applications and Production Technology** will provide technical assistance and resources, cooperative research and development projects and information and exchange services.

**2. Entrepreneurship in Maine** was the theme of two reports prepared by the Foundation for the Board. The first report was a proposal for **incubator development** and the second report was on **equity financing**.

**3. Business/University Science and Technology Committee** was organized by the Board and included university and business leaders who examined opportunities for cooperative efforts.

**4. A Business and Technology Innovation Conference** was attended by over 100 business, college and university, VTI and government officials. Highlighting the conference were presentations by each of the technology innovation project managers.

## 1986 Priorities

**Report on research and development activities in Maine.**

**Develop a model to create a Maine Academy of Science and Technology.**

**Implement technology innovation programs.**

**Award another round of technology innovation feasibility study awards.**

**Work in the area of telecommunications, entrepreneurial assistance, and information on federal grant assistance to businesses.**

*The Maine Science and Technology Board discussing how to popularize science and technology at a meeting in the USM Planetarium.*





## INTERNATIONAL TRADE.

The economic vitality of Maine's businesses, particularly its manufacturing firms, is dependent upon their ability to market their products outside of Maine's borders — domestically and internationally. For several years, the Foundation has been encouraging Maine businesses to export their products more vigorously.

In 1985, the Foundation had several accomplishments in the international trade area, which are enumerated below:

**Maine World Trade Association.** The Association was revitalized in 1985, with 40 new businesses joining this organization. The Association is a membership organization of over 125 Maine businesses who are involved in or supportive of exporting in the Maine economy. The Foundation administers the Association which, in 1985, accomplished the following:

Trade Mission to Halifax in the Fall was attended by a dozen Maine businesses. The Trade Mission was the first time the Association attempted to help Maine businesses take advantage of the Canadian market.

Maine World Trade Day in May was attended by over 100 business leaders who learned about marketing their products overseas.

In addition, the Association published a monthly newsletter, and the Board of Directors was strengthened in 1985.

**U.S. Department of Commerce International Trade Representative.**

The Foundation provides office space and administrative support to the International Trade Representative of the U.S. Department of Commerce. In 1985, the Trade Representative provided technical assistance to over 100 Maine businesses.

In addition, the Trade Representative installed a computerized networking system which enables any Maine business to communicate immediately with the commercial officers in the United States Consulates throughout the free world. This service is provided by the Department of Commerce through MWTA and the Foundation.

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### 1986 Priorities

**Conduct more trade missions.**

**Further expand the MWTA membership base.**

**Strengthen Maine's international trade partnership.**

*Participants of Maine World Trade Association mission to Halifax, N.S.*



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## OTHER FOUNDATION ACCOMPLISHMENTS.

**Regional Economic Development Strategies** were initiated in three counties in 1985: **York County, Somerset County, and Mid-Maine** (Waterville, Oakland, Winslow and Fairfield). These development strategy initiatives included the conduct of a major county-wide conference in York County in the Fall, the formation of a blue ribbon planning committee of business and government leaders in Mid-Maine, and the formation of a similar panel in Somerset County organized by the Kennebec Valley Vocational Technical Institute.

**Business Executives for the Enhancement of Maine (BEEM)** continues to be a priority for the Foundation. BEEM is a group of 50 business leaders from throughout the State who assist in the state's effort to attract new industry. Members of BEEM help identify expansion-minded out-of-state business firms who may be interested in moving to Maine. In 1985 BEEM members held several regional meetings to discuss attraction opportunities, and the BEEM chairman presented his findings to the Business Advisory Council of the Governor's Office.

**Regulatory Reform** became a priority for the Foundation in the fall of 1985 when the Foundation was asked to convene a meeting of senior government, business and legislative executives to examine alternative approaches to regulating Maine businesses. The two-day program resulted in a consensus on several action steps to reform the regulatory system as it affects the Maine economy.

State agencies should publish a semi-annual regulatory agenda of proposed rules/regulations.

Conduct informal oversight meetings with agency heads, no less than every three years, with the purpose of reviewing regulations for statutory intent, clarity, consistency, coordination and economic impact.

Undertake two pilot projects using negotiation in both the rulemaking process and the adjudicatory decision-making process.

Conduct regular, informal and non-adversarial conferences on agency or issue-specific topics for all parties.

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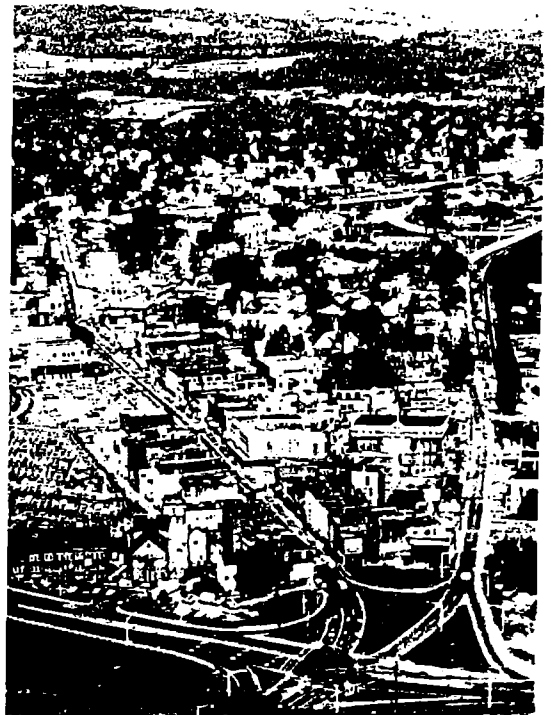
### 1986 Priorities

**Complete the Somerset County and Mid-Maine Strategies in the spring, with local implementation by mid-summer.**

**Implement the York County strategy findings in the spring.**

**Implement two alternative approaches to the business regulatory process, including negotiation of rulemaking and adjudicatory decisions.**

*Aerial view of Waterville used on the cover of one of the Mid-Maine Economic Analysis Reports.*



**BALANCE SHEET**  
**DECEMBER 31, 1985 AND 1984**

<b>ASSETS</b>	<b>1985</b>	<b>1984</b>
<b>CURRENT ASSETS</b>		
Cash — unrestricted	\$ 24,783	\$ 10,481
Cash — restricted	96,653	24,880
Matching funds receivable — State (Note 4)	27,564	17,630
Project receivables (Note 5)	39,753	63,154
Other receivable	344	362
Prepaid insurance	1,311	1,272
<b>TOTAL CURRENT ASSETS</b>	<b>\$190,408</b>	<b>\$117,779</b>
<b>EQUIPMENT AND FURNISHINGS (Note 1)</b>		
Equipment and furnishings	\$ 64,779	\$ 58,814
Leasehold improvements	2,506	650
Accumulated depreciation	(48,202)	(38,778)
<b>TOTAL EQUIPMENT AND FURNISHINGS</b>	<b>\$ 19,083</b>	<b>\$ 20,686</b>
<b>OTHER ASSETS</b>		
Telephone deposit	\$ 410	\$ 410
<b>TOTAL ASSETS</b>	<b>\$209,901</b>	<b>\$138,875</b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 6,527	\$ 29,472
Accrued payroll	12,809	5,537
Payroll withholding payable	2,134	3,907
Notes payable (Note 2)	2,136	3,278
Deferred income (Note 4)	80,708	24,880
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$104,314</b>	<b>\$ 67,074</b>
<b>LONG-TERM LIABILITIES</b>		
Notes payable (Note 2)	308	2,686
<b>TOTAL LIABILITIES</b>	<b>\$104,622</b>	<b>\$ 69,760</b>
<b>FUND BALANCE</b>	<b>105,279</b>	<b>69,115</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$209,901</b>	<b>\$138,875</b>

**STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN FUND BALANCE  
FOR THE YEARS ENDED DECEMBER 31, 1985 AND 1984**

<b>REVENUES</b>	<b>1985</b>	<b>1984</b>
Corporator support	\$192,464	\$198,763
State matching funds	192,464	198,763
Projects	258,731	137,384
<b>TOTAL REVENUES</b>	<b>\$643,659</b>	<b>\$534,910</b>
<b>EXPENSES</b>		
Salaries and wages	\$282,758	\$206,564
Fringe benefits	34,855	30,446
Temporaries and other personnel costs	7,209	2,046
Legal and accounting	4,697	3,950
Consultants	132,477	161,845
Advertising and promotion	12,992	12,691
Postage	5,490	4,786
Dues, fees and subscriptions	1,764	404
Telephone	17,152	12,188
Rental — equipment	2,945	2,913
Rental — office space (Note 3)	23,844	17,934
Automobile expense	5,804	4,952
Travel	30,837	15,699
Janitorial services	1,817	1,498
Insurance	2,621	2,869
Office supplies and publications	30,817	18,451
Depreciation (Note 1)	9,424	9,916
Meetings, seminars and education	33,271	22,331
Miscellaneous	947	1,875
<b>TOTAL EXPENSES</b>	<b>\$641,721</b>	<b>\$533,358</b>
<b>NET REVENUE FROM OPERATIONS</b>	<b>\$ 1,938</b>	<b>\$ 1,552</b>
<b>OTHER REVENUE (EXPENSE)</b>		
Interest earned	\$ 2,909	\$ 3,992
Refund of prior years' pension contribution	33,098	-0-
Interest expense	(1,781)	(1,754)
<b>TOTAL OTHER REVENUE</b>	<b>\$ 34,226</b>	<b>\$ 2,238</b>
<b>NET REVENUE</b>	<b>\$ 36,164</b>	<b>\$ 3,790</b>
<b>FUND BALANCE — Beginning of year</b>	<b>69,115</b>	<b>65,325</b>
<b>FUND BALANCE — End of year</b>	<b>\$105,279</b>	<b>\$ 69,115</b>

**STATEMENT OF CHANGES IN FINANCIAL POSITION  
FOR THE YEARS ENDED DECEMBER 31, 1985 AND 1984**

<b>INCREASE (DECREASE) IN CURRENT ASSETS</b>	<b>1985</b>	<b>1984</b>
Cash — unrestricted	\$ 14,302	\$(10,992)
Cash — restricted	71,773	(6,894)
Matching funds receivable — State	9,934	(6,760)
Project receivables	(23,401)	34,434
Other receivables	(18)	362
Prepaid insurance	39	259
<b>TOTAL INCREASE IN CURRENT ASSETS</b>	<b>\$ 72,629</b>	<b>\$ 10,409</b>
<b>INCREASE (DECREASE) IN CURRENT LIABILITIES</b>		
Accounts payable	\$(22,945)	\$ 12,056
Accrued payroll	7,272	2,412
Payroll withholding payable	(1,773)	(1,181)
Notes payable	(1,142)	1,690
Deferred income	55,828	(6,894)
<b>TOTAL INCREASE IN CURRENT LIABILITIES</b>	<b>\$ 37,240</b>	<b>\$ 8,083</b>
<b>TOTAL INCREASE IN WORKING CAPITAL</b>	<b>\$ 35,389</b>	<b>\$ 2,326</b>
<b>WORKING CAPITAL PROVIDED BY</b>		
Net income for the period	\$ 36,164	\$ 3,790
Add: items not requiring outlay of working capital — depreciation	9,424	9,916
Working capital provided by operations	\$ 45,588	\$ 13,706
Increase in notes payable — long-term	—0—	1,000
<b>TOTAL WORKING CAPITAL PROVIDED</b>	<b>\$ 45,588</b>	<b>\$ 14,706</b>
<b>WORKING CAPITAL APPLIED TO</b>		
Increase in equipment and furnishings	\$ 5,965	\$ 11,730
Increase in leasehold improvements	1,856	650
Decrease in notes payable — long-term	2,378	—0—
<b>TOTAL WORKING CAPITAL APPLIED</b>	<b>\$ 10,199</b>	<b>\$ 12,380</b>
<b>TOTAL INCREASE IN WORKING CAPITAL</b>	<b>\$ 35,389</b>	<b>\$ 2,326</b>

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 1985 AND 1984**

**NOTE 1. PRINCIPAL ACCOUNTING POLICIES**

The Maine Development Foundation was created by the 108th Legislature of the State of Maine in October 1977 to foster, support and assist the economic growth and revitalization of Maine.

Contributions to the Foundation at or above the legislatively set minimum qualify the contributor as a corporator who can vote in the election of directors. Minimum levels set by the law are as follows: **\$250 per year for private sector corporators/\$50 per year for public sector corporators.**

The Foundation recognizes revenues and expenses on an accrual basis. Grant receivables are recorded and income recognized at the time of billing by Maine Development Foundation to the funding source for work completed.

The Foundation has been determined to be exempt from Federal income taxes under Section 501 (c) (3) of the Internal Revenue Code.

**EQUIPMENT AND FURNISHINGS** — Equipment and furnishings are recorded at cost. Items which do not extend the useful lives of the equipment and furnishings are charged to appropriate expense accounts in the year incurred.

**DEPRECIATION** — Depreciation is computed by using the straight-line method for both book and tax purposes. Lives are as follows: **Equipment and furnishings/2-10 years; leasehold improvements/15 years.**

**NOTE 2. NOTES PAYABLE**

December 31, 1985	Security	Interest Rate	Total	Current Portion	Long-term Portion
Maine Savings	Copier	15%	\$2,444	\$2,136	\$ 308
December 31, 1984					
North American Leasing	Telephone system	24%	\$1,686	\$1,445	\$ 241
Maine Savings	Copier	15%	4,278	1,833	2,445
TOTAL			\$5,964	\$3,278	\$2,686

**NOTE 3. LEASE COMMITMENTS**

The Foundation leases office space under a noncancelable operating lease. The three-year lease provides renewal options after June 1, 1989. The monthly rental charge is \$2,250 for 1986. Additionally, after two years, the lessor may pass on certain increases in operating costs and taxes as additional rental charges.

**NOTE 4. DEFERRED INCOME**

Certain monies received from corporators and the State of Maine have been recorded as deferred income at year end. These amounts result from restricted contributions and represent income which has not yet been earned at year end because the required services have not yet been provided.

**NOTE 5. PROJECT RECEIVABLES/**Project receivables are summarized as follows:

	1985	1984
BEEM	\$ 1,747	\$ 214
Potato Marketing Improvement	13,857	—
Port Development — Sears Island	5,067	11,355
Somerset County Development	1,694	—
Maine World Trade Association	4,080	3,108
Coastal Enterprises Monitoring	1,094	—
Entrepreneurship Education Center	5,000	—
Regulatory Workshop Conference	2,685	—
Small Business Development Center	4,529	18,300
City of Augusta	—	4,542
Technical Strategy	—	16,063
Orono Research Park	—	9,572
<b>TOTAL</b>	<b>\$39,753</b>	<b>\$63,154</b>

**AUDITOR'S REPORT,** issued May 5, 1986 by Schatz, Fletcher & Associates

We have examined the balance sheets of Maine Development Foundation as of December 31, 1985 and 1984 and the related statements of revenues and expenses and changes in fund balance and changes in financial position for the years then ended. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of Maine Development Foundation at December 31, 1985 and 1984 and the results of its operations and changes in its financial position for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

## THE MAINE DEVELOPMENT FOUNDATION CORPORATORS.

Financial and moral support for the Foundation come from the growing number of private and public corporators representing business, organizations, and communities all over the state. Some have been closely involved with the Maine Development Foundation since the beginning — others have been with us a few months. In total, they have invested in and are deeply involved in the economic future of our state. These corporators are listed here:

### Private Corporators

Advest Inc.  
ALH Professional Associates  
Augat Inc.  
Accutemp Inc.  
Adams Russell, ANZAC Division  
American Bank  
Androscoggin Savings Bank  
Aroostook Trust Co.  
Bangor & Aroostook Railroad  
Bangor Hilton Inn  
Bangor Mall  
Bangor Publishing Co.  
Bangor Savings Bank  
Bar Harbor Airlines  
Bar Harbor Banking & Trust Co.  
Bath Iron Works  
L.L. Bean  
Bernstein Shur Sawyer & Nelson  
Biddeford Textile Co.  
Blue Alliance Mutual Insurance Co.  
Boise Cascade  
Boston & Maine Express  
Boulos Co.  
N.H. Bragg & Sons  
Brescia Construction Co.  
Brooks & Carter C.P.A.  
J.B. Brown & Sons  
Brunswick Coal & Lumber  
Business Equipment Unlimited  
C & G Associates  
CYRO Industries  
H.E. Callahan Construction Co.  
Camden National Bank  
Camden Tanning Co.  
Canteen Service Inc.  
Cascade Woolen Mill  
Casco Northern Bank, N.A.  
Central Furniture & Appliances Inc.  
Central Maine Morning Sentinel  
Central Maine Power Co.

Champion International Corp.  
John Christie Associates  
Cianbro Corporation  
Clark International Corp.  
Cliff House & Motels Inc.  
Coastal Savings Bank  
Coles Express  
Community Broadcasting Inc.  
Consolidated Constructors & Builders Inc.  
Consumers Water Company  
Coopers & Lybrand  
Cozy Harbor Seafood  
C.B. Cummings & Sons  
Curtis Thaxter Lipez Stevens  
Broder & Micoleau

Data General Corporation  
Dead River Co.  
Deering Ice Cream  
De Lorme Publishing Co.  
Development Concepts Inc.  
Dexter Shoe Company  
T.W. Dick Co.  
Digital Equipment Corporation  
Donovan & Donovan Inc.  
Down East Enterprises  
John D. Downing Agency, Inc.  
Drummond Woodsum Plimpton & MacMahon  
Dugas Express Corp.  
Dunlap Agency

Eaton Peabody Bradford & Veague  
A.G. Edwards & Sons Inc.  
Energy Services & Management Group

Fairchild  
First Federal Savings & Loan Association  
First National Bank of Damariscotta  
Fischbach and Moore  
Fisher Engineering  
R.H. Foster Inc.  
Fox Lumber Co. Inc.  
Frank Pomerleau Inc.

Gallo Construction, Inc.  
GAR Development Co.  
Gates Formed-Fibre Products, Inc.  
Georgia Pacific  
Geiger Brothers  
General Electric Company  
Gogan Advertising Agency  
Gorham Savings Bank  
Governmental Services Inc.  
Grant's Dairy Inc.  
Great Northern Paper Co.  
GTE Sylvania Inc.

Guilford Industries Inc.  
Hallowell Printing  
Hannaford Bros. Co.  
Harriman Associates  
Harvard Equities Incorporated  
C.F. Hathaway Co.  
Hussey Manufacturing Co.  
Husson College  
E.F. Hutton & Company, Inc.

International Paper Co.  
Interstate Food Processing  
Irving Oil Corporation

Fred S. James Co. of Maine  
James River Otis Inc.  
Jordan's Meats

Katahdin Trust Company  
Kennebec Federal Savings  
Kennebec Savings Bank  
Kennebunk Savings Bank  
Key Bancshares of Maine, Inc.  
Keyes Fibre Company  
Kidder Peabody & Co. Inc.  
Knowlton & McLeary Company

Lee Management Co.  
Lepage Bakeries  
W.S. Libbey Co.  
Locust Farm Dairy  
Louisiana Pacific Corporation  
Lund Division of TEK REP Inc.

METCO  
Macdonald Page and Company  
Maine Awards/RODCO  
Maine Broadcasting System  
Maine Capital Corporation  
Maine Central Railroad  
Maine Inc.  
Maine Machine Products  
Maine National Bank  
Maine Savings Bank  
Maine Wild Blueberry Co.  
Marden's Inc.  
J.S. McCarthy Co. Inc.  
Merrill Bankshares Co.  
Merrill Industries Inc.  
Mid-Maine Mutual Savings Bank  
Montalvo Corporation  
Moody & Co.  
Morse, Payson & Noyes  
Morse, Payson & Noyes Capital Corporation

Nelson & Small  
New England Communications  
New England Telephone  
New York Times Company  
George W. Newman 3rd-Realty  
W.H. Nichols Co.

Norstar Bank  
North Atlantic Enterprises Inc.  
Northern Mattress & Furniture Inc.  
Northern Utilities Inc.  
Northwestern Mutual Life Insurance

Ocean National Bank  
Otis & Ouellette Professional Assoc.  
Oxford Bank & Trust

Peat Marwick Mitchell & Co.  
Penobscot Bay Towing Co.  
Peoples Heritage Bank  
Pepperell Trust Co.  
Perkins Thompson Hinckley & Keddy  
Philips Elmet Corp.  
Pierce Atwood Scribner Allen Smith and Lancaster  
Pioneer Plastics  
Pizzagalli Construction Co.  
Portland Glass  
Pratt & Whitney Aircraft  
Prentiss & Carlisle  
Prescott Metal  
Preti Flaherty & Beliveau  
Prime Tanning Co., Inc.  
Professional Consultants of Maine  
Public Cable Company

Roberts Office Supply  
Rockwell International  
Russell Park Manor

Saco Defense Systems  
Saco River Telegraph & Telephone Co.  
St. Mary's Hospital  
Sanborn's Motor Express Inc.  
H.E. Sargent Inc.  
Saunders Brothers  
Sawyer Environmental Recovery  
Schatz Fletcher & Associates  
Scott Paper Co.  
Seltzer & Rydholm Inc.  
James N. Sewall Company  
Shaw's Supermarkets  
Shelter Group Inc.  
Sheridan Corp.  
J.R. Simplot Co.  
Skansen Food Packers, Inc.  
Skelton Taintor Abbott & Orestis  
Skowhegan Savings Bank  
D.W. Small & Sons Inc.  
Southern Maine Finishing Company  
Southworth Incorporated  
Speedway, Inc.  
Spencer Press Co.

Harlan F. Spiller Co. Inc. Sprague Electric Co. State Street Bank & Trust Co. Stinson Canning Co. Structure & Design Inc.	Associated Grocers of Maine Inc. Auburn Business Development Corporation Auburn, City of Augusta, City of	Farmington, Town of Fort Fairfield, Town of Fort Kent, Town of Freeport Economic Development Corporation Freeport, Town of	Northern Maine Vocational Technical Institute  Oakland, Town of Old Town, City of Orono, Town of Oxford County Community Services & Androscoggin Valley Community Action Oxford Hills Area Development Corporation
The Times Record Thomas DiCenzo Inc. Tom's of Maine Tribal Assets Management	Bangor, City of Bates College Biddeford-Saco Chamber of Commerce Bowdoin College Brunswick Area Chamber of Commerce Brunswick Industrial Development Committee Brunswick, Town of Business Executives for the Enhancement of Maine	Gardiner Board of Trade Gorham, Town of Greater Bangor Chamber of Commerce Greater Portland Council of Governments  Hallowell, City of Hampden, Town of Houlton, Town of	Paris, Town of Portland, City of Presque Isle, City of Presque Isle Industrial Council  Rockland, City of
Union Trust Company of Ellsworth Unionmutual Insurance Company United Bank University of Maine – Chancellor's Office University of Maine – Augusta University of Maine – Farmington University of Maine – Machias University of Maine – Orono University of Maine – Presque Isle University of New England University of Southern Maine	Calais, City of Cape Elizabeth, Town of Caribou, City of Caribou Chamber of Commerce Caribou Development Corporation Central Maine Health Services Central Maine Vocational Technical Institute Chamber of Commerce of the Greater Portland Region Coastal Enterprises Inc. Colby College Cumberland, Town of	Kennebec Valley Chamber of Commerce  Lewiston-Auburn Economic Growth Council Lewiston, City of Lewiston Development Corp. Limestone Development Foundation Lincoln, Town of Lisbon, Town of	Saco Economic Development Advisory Board Sanford, Town of Sanford-Springvale Chamber of Commerce Scarborough, Town of Searsport, Town of Somerset County Industrial Development Committee Somerset Economic Development Corp. South Portland, City of
Valley Distributors Venture Services Verrill & Dana Volk Packaging Corporation Vortech Corporation	Dexter, Town of Downtown Development & Management Corp.	Madawaska, Town of Maine Advancement Program Maine Bankers Association Maine Council on Economic Education Maine Maritime Academy Maine Medical Center Maine Municipal Association Maine Potato Commission Maine Potato Growers Inc. Maine Poultry Federation Mid-Maine Medical Center Mid-Maine Medical Center – Medical Staff	Training & Development Corp.  Washington County Vocational Technical Institute Waterville, City of Waterville Development Corp. Wells, Town of Westbrook, City of Westbrook College Windham, Town of Winslow, Town of
Wasco Products, Inc. Webber Energy Company Wetereau Food Distributors Group Willard Daggett Fish Co. Wood Structures Inc. Woodard and Curran Inc.	Eastern Maine Development Corporation Eastern Maine Healthcare Eastern Maine Vocational Technical Institute Eastport Port Authority	Northern Maine Regional Planning Commission	Yarmouth, Town of
<b>Public Corporators</b> Action Committee of 50 Androscoggin Valley Council of Governments Assoc. General Contractors of ME	Fairfield, Town of Falmouth, Town of		

**THE MAINE DEVELOPMENT FOUNDATION STAFF.**

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