

2005 Statement of Income and Expenses Modified Cash Basis

Revenues

Contracts	226,500
Grants	231,561
Donations	33,953
Subscriptions/Sales	5,057
Event Revenues	18,147
Interest	4,436
Total	519,654
2004 Carryforward to 2005	116,807*

*Includes multi-year grant reserves

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University of Maine

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The Nature Conservancy

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Garrett Martin
Maine Community Foundation

Kevin Mattson
Harper's Development LLC

Ken Morgan
Maine AFL-CIO

Fred Pease
Retired Minister

Kay Rand
BSSN Resources

Expenses

Personnel	272,359
Contractors	75,497
Office	28,408
Printing	22,243
MECEP Event Expenses	14,171
Development Activities	11,222
Materials/Dues/Other	7,925
Travel	5,150
Total	436,975
Accrual Adjustments	(2,253)
2005 Carryforward to 2006	197,233

Barbara Reinertsen, Chair
United Way of Mid Coast Maine

Peter Schwindt
Retired Businessman

Joan Sturmthal
Civil Liberties Advocate

David Vail
Bowdoin College

Elizabeth Ward-Saxl
Maine Coalition Against Sexual Assault

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for Public Policy

Douglas Woodbury
Sweetser

Staff:

Christopher St. John
Executive Director

Lisa Pohlmann
Associate Director

Edmund Cervone
Policy Analyst

Judy Ward
Administrative Assistant

Thanks to outgoing board members in 2005:

Ken Morgan, AFL-CIO
David Vail, Bowdoin College

Thanks for Your Support in 2005!

MECEP's 2006 Annual Fund goal is \$70,000!
We can't do it without you!

Individual donations \$100 or more

Anonymous
Cheryl Abbott
John & Janet Alexander
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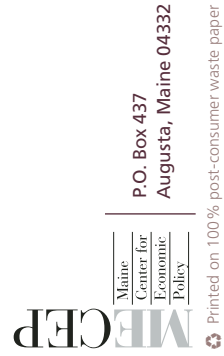
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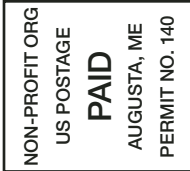
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Organizations
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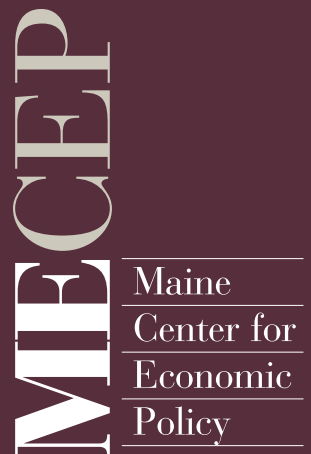


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2005

annual report



From the ED

MECEP works for public policies that benefit all of us. Like most Mainers, we believe that a prosperous, fair and sustainable Maine economy will only be achieved with thoughtful investments in public services as well as in private enterprise. We are especially committed to involving Maine people in the important tax and budget decisions that impact each of our lives. Thanks as always to our many friends and colleagues who have partnered with us and supported our work for the last 12 years.

Christopher St. John
MECEP Executive
Director



Policy Analyst Joins Staff

Ed Cervone joined the MECEP staff in June 2005. Ed has a MS from the University of Maine and a BA from Princeton, and has worked most recently for the National Oceanic and Atmospheric Association (NOAA).



2005 Reports

The Federal Budget:
What's at Stake for Maine
MECEP staff, December 2005

Spreading Prosperity
to the "Other Maines":
Reflections on Regional
Disparities

Lisa Pohlmann and David Vail,
editors, October 2005

Getting By: Maine Livable Wages in 2004
MECEP Staff, October 2005

Estate Tax Reform:
Investing in Maine's Future
Clifford Ginn, August 2005

Maine Small Business Health Insurance:
A 2004 Survey

Frank O'Hara and Lisa Pohlmann, July 2005

2006 Off and Running! Latest Reports:

Maine Revenue Primer 2006
Edmond Cervone, May 2006

Maine's Property Taxes:
Does the Circuit Breaker Relieve the Burden?
Michael Allen and Richard Woodbury, April 2006

MaineCare Matters:
Mainers Share Their Views
Frank O'Hara and Lisa Pohlmann, March 2006

About MECEP

The Maine Center for Economic Policy is an independent, nonpartisan research organization. Our mission is to advance public policy solutions to achieve a prosperous, fair and sustainable economy. We focus on how state and federal policies impact low- and moderate-income Maine citizens.

MECEP is one of thirty-one state groups in the State Fiscal Analysis Initiative, funded by the Ford, Charles Stewart Mott, Annie E. Casey, and Stoneman Family Foundations.

Spreading Prosperity to All of Maine

MECEP's Spreading Prosperity project is developing a strategic vision and action plan for Maine's most rural regions. Through publications and symposiums, we are generating lively discussion and policy direction in order to promote new rural economic and community development.

LOOK!

A New Improved Website
Coming soon! Our website redesign will provide readers with easier navigations, faster facts, and more ways to stay connected with MECEP.

State of the State TV Show

MECEP now hosts a weekly talk show with guests on cable networks across the state. Check our website for the latest show.



Rep. John Piotti and Lisa Pohlmann on the State of the State TV show

Western Maine Sustainable Development

For several years, MECEP has worked with partners Coastal Enterprises, Inc., Western Mountain Alliance, and Mountain Counties Heritage, Inc. to promote policies and investments that will enhance sustainable development in the western mountains region. In the fall of '05, the collaborative hosted a "community investment fair" in Farmington to feature western Maine community development projects ripe for public and private investments.

Maine's Minimum Wage Increase

In 2005, we published our third edition of Getting By, with livable wage estimates for 2004. Our estimates were regularly used in the recent minimum wage debate. The legislature voted to increase Maine's minimum wage to \$7.00 by 2007, helping us to keep pace with the rest of New England.

MECEP Annual Conference

Each January, MECEP hosts a statewide conference, attended by over 175 businesses, nonprofit leaders, legislators, and interested members of the public. In 2005 we held our biennial budget conference "Maine Choices", providing a preview of the '06-07 Maine state budget. In 2006 we held "Maine's Business Climate: What Really Matters."



Federal Budget

For every dollar of federal taxes Maine families pay in, Maine receives \$1.36 back. In '05 and '06 we have worked hard to educate the press and public about the severe impact on Maine's public services and economy of numerous federal budget proposals, including spending caps, Medicaid cuts, and repeal of the estate tax. We have issued weekly press releases during key debates in Washington and organized letters to Maine's Congressional delegation signed by over 80 organizations opposing cuts to essential programs like Head Start, and community development funding.

Health Care for Health Care Workers

Since 2002, MECEP has facilitated the Maine Direct Care Worker Coalition, which works to address the frontline worker shortage in long-term care. In '05 and '06, MECEP worked with the national Paraprofessional Healthcare Institute to increase policy-makers' awareness of the high rate of uninsurance among direct care workers. In '06 the legislature directed DHHS, in conjunction with the coalition, to determine the cost of increasing wages and benefits for this critical workforce.



MECEP in the News

Tax rights bill panel

Ed Cervone ... said if Colorado's experience with TABOR were replicated in Maine, the policy would represent a potential threat to public services in the state, which, in turn, would be "detrimental to economic development."

Bangor Daily News
March 31, 2006

Wage talk more than minimum
Raising the minimum wage creates a "modest ripple effect upward" that leads to higher pay for nearly 7 percent of the work force, ... said Christopher St. John.

By Edward D. Murphy
Portland Press Herald
February 21, 2006

Livable wage elusive for many

A single Kennebec County parent with one child needs to earn \$11.71 an hour to cover basic living expenses, according to a report released by the Maine Center for Economic Policy.

Kennebec Journal
October 8, 2005

Working Poor Families Project

MECEP has been participating in the national Working Poor Families Project since 2004, funded by the Annie E. Casey Foundation. MECEP has been working with state partners to promote greater access to post-secondary education for low-income working adults. The national project is also funded by the Ford, Joyce, and Charles Stewart Mott Foundations.

TABOR

The Taxpayer Bill of Rights, known as TABOR, will be on the November '06 ballot. Colorado is the only state that has passed a TABOR, where it had the effect of shrinking government revenue so severely that the quality of their higher education system dropped drastically and there was debate about selling public parks. In '05 MECEP began educating the press, policymakers and citizen groups about the harmful effects of TABOR on Maine communities. With our help, an anti-TABOR coalition of over 80 Maine groups has organized under the name Community Voices Against TABOR.

Survey: Mainers strongly support MaineCare

"... Most Maine adults strongly believe that government should be providing health care for people who cannot afford it and that lawmakers should make no further cuts to the MaineCare program," said Lisa Pohlmann ...

By David Farmer

Lewiston Sun Journal
March 24, 2006

Insurance rates still growing for employers in Maine

A survey released this summer by the Maine Center for Economic Policy found that one in 12 small-business respondents had dropped health benefits between 2002 and 2004.

Boston Globe
October 23, 2005

A Moral Budget?

"It is not an exaggeration to say that adopting President Bush's proposed budget could significantly harm the Maine economy." says Christopher St. John ...

The Times Record
March 16, 2005