



# City Council Meeting and Workshop

## September 8, 2015

### Agenda

#### 5:30 P.M. Workshop

- A. School Budget Amendment – Katy Grondin (30 minutes)
- B. 62 Spring Street Project – Reine Mynahan/Howard Kroll (60 minutes)

*After each workshop item is presented, the public will be given an opportunity to comment.*

#### 7:00 P.M. City Council Meeting - Roll call votes will begin with Councilor Young

#### Pledge of Allegiance

- I. **Consent Items** – All items listed with an asterisk (\*) are considered as routine and will be approved in one motion. There will be no separate discussion of these items unless a Councilor or citizen so requests. If requested, the item will be removed from the consent agenda and considered in the order it appears on the agenda.
  - 1. **Order 64-09082015\***  
Approving the temporary sign request for Saint Dominic's Academy.
  - 2. **Order 65-09082015\***  
Setting the date for the election amending the School Budget for November 3, 2015.
- II. **Minutes**
  - August 17, 2015 Regular Council Meeting
- III. **Communications, Presentations and Recognitions**
  - LAEGC (Lewiston Auburn Economic Growth Council) Presentation – John Holden
  - Presentation to the Mayor and City Council by Chief of Police Phil Crowell
- IV. **Open Session** – Members of the public are invited to speak to the Council about any issue directly related to City business which is *not on this agenda*.
- V. **Unfinished Business - None**
- VI. **New Business**
  - 1. **Order 66-09082015**  
Authorizing the City Manager to sign a memorandum of understanding between the City and St. Mary's Nutrition Center dedicating 61 Webster Street as a community garden.
- VII. **Executive Session**
  - Discussion on a real estate matter (comprehensive plan/property acquisition) pursuant to 1 M.R.S.A. §405 (6)(C).

# Auburn City Council Meeting & Workshop

September 8, 2015

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- Discussion on a real estate matter (1 Minot Avenue) pursuant to 1 M.R.S.A. §405 (6)(C) *with possible action to follow.*
- Discussion on a real estate matter (review of a proposed lease for a crematorium at Oak Hill Cemetery) pursuant to 1 M.R.S.A. §405 (6)(C).

## VIII. Reports

**Jill Eastman, Finance Director** – July 2015 Monthly Finance Report

**Mayors Report**

**City Councilors' Reports**

**City Manager's Report**

**Committee Reports**

- **Transportation**
  - **Lewiston Auburn Transit – Councilor Gerry**
  - **Airport, Railroad – Councilor Hayes**
  - **Bike-Ped Committee – Councilor Lee**
- **Housing**
  - **Citizens Advisory Committee – Councilor Lee**
  - **Auburn Housing Authority – Councilor Gerry**
- **Economic Development**
  - **L-A Economic Growth Council, Auburn Business Development Corporation – Councilor Lee**
- **Education**
  - **Auburn School Committee – Councilor LaFontaine**
  - **Auburn Public Library – Councilor LaFontaine**
  - **Great Falls TV – Councilor Young**
- **Environmental Services**
  - **Auburn Water District, Auburn Sewerage District – Councilor Crowley**
  - **Mid-Maine Waste Action Corporation – Councilor Walker**
- **Recreation**
  - **Recreation and Special Events Advisory Board – Councilor Crowley**
- **Public Safety**
  - **LA 911 – Councilor Walker**

**IX. Open Session** - Members of the public are invited to speak to the Council about any issue directly related to City business which is *not on this agenda*.

## X. Adjournment

**Executive Session:** On occasion, the City Council discusses matters which are required or allowed by State law to be considered in executive session. Executive sessions are not open to the public. The matters that are discussed in executive session are required to be kept confidential until they become a matter of public discussion. In order to go into executive session, a Councilor must make a motion in public. The motion must be recorded, and 3/5 of the members of the Council must vote to go into executive session. An executive session is not required to be scheduled in advance as an agenda item, although when it is known at the time that the agenda is finalized, it will be listed on the agenda. The only topics which may be discussed in executive session are those that fall within one of the categories set forth in Title 1 M.R.S.A. Section 405(6). Those applicable to municipal government are:

# Auburn City Council Meeting & Workshop

September 8, 2015

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A. Discussion or consideration of the employment, appointment, assignment, duties, promotion, demotion, compensation, evaluation, disciplining, resignation or dismissal of an individual or group of public officials, appointees or employees of the body or agency or the investigation or hearing of charges or complaints against a person or persons subject to the following conditions:

(1) An executive session may be held only if public discussion could be reasonably expected to cause damage to the individual's reputation or the individual's right to privacy would be violated;

(2) Any person charged or investigated must be permitted to be present at an executive session if that person so desires;

(3) Any person charged or investigated may request in writing that the investigation or hearing of charges or complaints against that person be conducted in open session. A request, if made to the agency, must be honored; and

(4) Any person bringing charges, complaints or allegations of misconduct against the individual under discussion must be permitted to be present.

This paragraph does not apply to discussion of a budget or budget proposal;

B. Discussion or consideration by a school board of suspension or expulsion of a public school student or a student at a private school, the cost of whose education is paid from public funds, as long as:

(1) The student and legal counsel and, if the student is a minor, the student's parents or legal guardians are permitted to be present at an executive session if the student, parents or guardians so desire;

C. Discussion or consideration of the condition, acquisition or the use of real or personal property permanently attached to real property or interests therein or disposition of publicly held property or economic development only if premature disclosures of the information would prejudice the competitive or bargaining position of the body or agency;

D. Discussion of labor contracts and proposals and meetings between a public agency and its negotiators. The parties must be named before the body or agency may go into executive session. Negotiations between the representatives of a public employer and public employees may be open to the public if both parties agree to conduct negotiations in open sessions;

E. Consultations between a body or agency and its attorney concerning the legal rights and duties of the body or agency, pending or contemplated litigation, settlement offers and matters where the duties of the public body's or agency's counsel to the attorney's client pursuant to the code of professional responsibility clearly conflict with this subchapter or where premature general public knowledge would clearly place the State, municipality or other public agency or person at a substantial disadvantage;

F. Discussions of information contained in records made, maintained or received by a body or agency when access by the general public to those records is prohibited by statute;

G. Discussion or approval of the content of examinations administered by a body or agency for licensing, permitting or employment purposes; consultation between a body or agency and any entity that provides examination services to that body or agency regarding the content of an examination; and review of examinations with the person examined; and

H. Consultations between municipal officers and a code enforcement officer representing the municipality pursuant to Title 30-A, section 4452, subsection 1, paragraph C in the prosecution of an enforcement matter pending in District Court when the consultation relates to that pending enforcement matter.



## City Council Information Sheet

City of Auburn

**Council Workshop or Meeting Date:** 9-8-2015

**Author:** Sue Clements-Dallaire and Katy Grondin

**Subject:** School Budget Amendment

**Information:** The school department received State funding in July and in order to expend any of those funds, a referendum vote has to take place. If the referendum vote is to take place on November 3, 2015, the soonest Council can take action is October 5, 2015. Title 20-A sec 1486 (2) states *the budget validation referendum must be held on or before the 30<sup>th</sup> calendar day following the scheduled date of the RSU (in this case the City Council) budget meeting.*

**Advantages:** The Acting Commissioner Desjardin clearly stated in his letter to Superintendents that the intent of the additional funds was to be expended on education. The School Committee is asking to expend \$200,404 of the \$488,404 state funds, saving \$288,000 in order to support next year's budget. Currently, the school department uses \$906,882 of fund balance as revenue to reduce the impact of the school budget on local taxes. Attached is the list of items that will be funded by the \$200,404.

**Disadvantages:** The \$200,404 partially restores the over \$600,000 reduction to the FY16 proposed maintenance budget that was approved in the first budget referendum.

**City Budgetary Impacts:** None

**Staff Recommended Action:** Discussion with action on October 5, 2015. It is recommended that Council approve the request.

**Previous Meetings and History:** On 8/17/2015 Superintendant Katy Grondin spoke on this matter during open session and shared a copy of the letter from Acting Commissioner Desjardin.

**Attachments:**



NOTICE OF AMOUNTS ADOPTED AT AUBURN CITY COUNCIL MEETING  
FOR VOTERS AT SPECIAL SCHOOL BUDGET  
VALIDATION REFERENDUM

TO: Clerk of City of Auburn, State of Maine

Pursuant to 20-A M.R.S.A. §§ 1486(2), 1488, and 2307 this Notice is to be displayed at all polling places for the special school budget validation referendum to be held on November 3, 2015, to assist the voters in voting on whether to ratify the amended school budget for school year 2015-16 as proposed by the School Committee and adopted by City Council.

<i>Cost Center Summary Budget Category</i>	<i>Original School Budget Approved by Voters June 9, 2015</i>	<i>Proposed Adjustments to Cost Centers</i>	<i>Amended School Budget</i>
Regular Instruction	\$15,417,903	\$ 40,555	\$15,458,458
Special Education	\$ 8,693,851	\$ 3,476	\$8,697,327
Career and Technical Education	\$ -0-	\$ -0-	\$ 0
Other Instruction	\$ 785,509	\$2,697	\$788,206
Student and Staff Support	\$ 4,074,510	\$ 152,476	\$4,226,986
System Administration	\$ 861,384	\$ 0	\$861,384
School Administration	\$ 1,367,775	\$ 0	\$1,367,775
Transportation and Buses	\$ 1,097,905	\$ 1,200	\$1,099,105
Facilities Maintenance	\$ 5,214,297	\$ 0	\$5,214,297
Debt Service and Other Commitments	\$ 1,128,505	\$ 0	\$1,128,505
All Other Expenditures	\$ 420,558	\$ 0	\$420,558
<b>Summary of Total Authorized Expenditures</b>	<b>\$39,062,197</b>	<b>\$200,404</b>	<b>\$39,262,601</b>


*A majority of the School Committee*

Completed and countersigned by: \_\_\_\_\_ 8 /    /2015  
*Superintendent of Schools*

A true copy of the Notice, attest: \_\_\_\_\_, Clerk  
*City of Auburn*

### Proposed Items for Additional Funds

Item	Cost	Note
<b>Instructional Coach-K-12</b>	\$64,000	This position will support our Vision 2020 to include the implementation of Customized Learning, Proficiency-based Diploma Extension plan and Performance Evaluation/Professional Growth Model.
<b>Aspiration Specialist</b>	\$64,000	This position will direct and implement internships, apprenticeships, early college readiness programs and community service projects.
<b>Building Budgets</b>	\$22,668	Building Budgets were reduced as part of the overall reductions to the school's budget.
<b>OLT Budget</b>	\$6,910	This amount restores half of the reduction made to the OLT budget.
<b>Youth Diversion Program</b>	\$22,826	secondary suspension rate and community daytime crime. The program gives students an opportunity to seek assistance for issues impacting school success. Students work on a plan for improvement, completing school assignments and the staff follow through with students after the suspension
<b>Early College Funds</b>	\$20,000	These funds will support programs such as Bridges, Central Maine Community College and USM-Lewiston Auburn pathways, and other dual credit programs.

		Available FY15 Fund Balance was \$1,260,744. \$906,882 will be used for FY16 budget. Anticipating the difference of the FY15 Fund Balance and the unaudited fund balance from the June 30, 2015 financials will be \$815,761. The additional \$200,000 will bring the FY16 Fund Balance to \$1,015,761.
<b>Fund Balance</b>	\$288,000	
<b>Total</b>	<b>\$488,404</b>	July 2, 2015 ED 279

Tizz Crowley, Ward One  
Robert Hayes, Ward Two  
Mary Lafontaine, Ward Three  
Adam Lee, Ward Four



Leroy Walker, Ward Five  
Belinda Gerry, At Large  
David Young, At Large

Jonathan LaBonte, Mayor

## IN CITY COUNCIL

### ORDER XX-xxxxxxx

**WHEREAS**, on May 11, 2015, this Council adopted Order #36-05112015, authorizing various sums for the school operating expenditure budget for the 2015-16 school year, including a total school operating budget in the amount of \$38,641,639.00 and total authorized expenditures, including adult education and community services-crossing guards, of \$39,062,197 (the "School Budget Order"); and

**WHEREAS**, the School Budget Order included a provision at numbered section 19, to the effect that the total school budget and applicable cost centers would be increased "to the extent of any unanticipated increase in the adjusted state contribution;" and

**WHEREAS**, on June 9, 2015, pursuant to sections 2307 and 1486 of the Maine Revised Statutes, the voters of the City ratified the School Budget Order; and

**WHEREAS**, on or about July 21, 2015, the Department of Education notified the School Department of an increase in the adjusted state contribution for the City's school operating budget, but thereafter, on or about July 30, 2015, the Commissioner of Education issued a Notice interpreting the state statutes under the Commissioner's administration to require supplemental Council and voter action on school budgets to expend the state's increases in the adjusted state contributions; and

**WHEREAS**, Department of Education staff subsequently confirmed that the Commissioner's Notice regarding additional budget action applies even to school systems like Auburn, whose School Budget Order, as originally approved by the Council and validated by the City's voters, already had made express provision for expenditure of any such increase; and

**WHEREAS**, the school committee has voted to request Council and voter action to increase expenditures authorized for the school budget for the 2015-16 school year by \$200,404; and

**WHEREAS**, the recent Notice issued by the Commissioner will prevent the implementation of section 19 of the School Budget Order, as approved by the Council and validated at referendum election by the City voters, unless further school budget action is taken.

**Now therefore, be it Ordered** as follows:

1. That the Auburn City Council hereby adopts and approves the following amendments to the authorized school budget expenditures for the 2015-16 school budget:

<i>Cost Center Summary Budget Category</i>	<i>Original School Budget Approved by Voters June 9, 2015</i>	<i>Proposed Adjustments to Cost Centers</i>	<i>Amended School Budget for 2015- 2016</i>
Regular Instruction	\$15,417,903	\$ 40,555	\$15,458,458
Special Education	\$ 8,693,851	\$ 3,476	\$8,697,327
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Facilities Maintenance	\$ 5,214,297	\$ 0	\$5,214,297
Debt Service and Other Commitments	\$ 1,128,505	\$ 0	\$1,128,505
All Other Expenditures	\$ 420,558	\$ 0	\$420,558
<b>Summary of Total Authorized Expenditures</b>	<b>\$39,062,197</b>	<b>\$200,404</b>	<b>\$39,262,601</b>

2. That the increases in expenditures authorized by this Order shall be funded by the state's increase in the adjusted state contribution with no increases in taxes, as originally provided by section 19 of Order 36-05112015.
3. That the City hold a Special School Budget Validation Referendum on November 3, 2015, on the following Question:

*Question \_\_: Do you favor approving the amended school budget for 2015-16 that was adopted at the \_\_\_\_\_, 2015 City Council meeting and which authorized additional expenditures of up to \$200,404 for school purposes with no increase in local taxes?*



## City Council Information Sheet

City of Auburn

**Council Workshop Date:** September 8, 2015

**Order**

**Author:** Reine Mynahan, Community Development Director

**Subject:** FY2015 Annual Action Plan Program Amendment

**Information:** In order for the 62 Spring Street project to increase their scoring in the competitive process for the Low Income Housing Tax Credit Program, the developer has requested additional funding from the amount that was reserved in the FY2015 budget for rental development. This amendment is to increase the budget by \$100,000.

If the project is selected for funding, the closing will occur about 9 months after award. By then we will have received program income from the sale of 132 Hampshire Street. I did not project this income in the current budget; therefore, it has not yet been committed to an activity. I propose dedicating this income to cover the commitment shortfall for this project. The additional \$25,000 will come from the Homebuyer Loan Program.

This amendment will require a public hearing and action by the City Council.

**Advantages:** Dedicates future income to the development of 62 Spring Street making it possible for the project to be selected for tax credits.

**Disadvantages:** Reduction in Homebuyer funding may result in fewer applications processed.

**City Budgetary Impacts:** n/a

**Staff Recommended Action:** Approval

**Previous Meetings and History:** n/a

**Attachments:** 2015 HOME Investment Partnerships Program Current and Proposed Budget

City Manager or Assistant City Manager signature: \_\_\_\_\_ Date: \_\_\_\_\_

**City of Auburn**  
**HOME Investment Partnerships Program**  
**Fiscal Year 2015**

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	FY2015 Budget		Amended Budget	
PROGRAM ADMINISTRATION				
General Administration	\$	26,000	\$	26,000
Project Delivery Costs	\$	25,000	\$	25,000
Goods and Services	\$	2,500	\$	2,500
Sub Total	\$	53,500	\$	53,500
Prevent Deterioration of Housing				
Homeowner Rehabilitation	\$	80,000	\$	80,000
Increase Owner Occupancy				
Homebuyer Assistance	\$	75,000	\$	50,000
Special Project/Homebuyer	\$	132,881	\$	132,881
Prevent Homelessness				
Security Deposits	\$	18,750	\$	18,750
Support Construction of New Affordable Housing				
Rental Set-Aside	\$	150,000	\$	250,000
Sub Total	\$	456,631	\$	531,631
TOTAL BUDGET	\$	510,131	\$	585,131
Anticipated Program Income /132 Hampshire Street	\$	75,000		
	\$	585,131		



## City Council Information Sheet

City of Auburn

**Council Workshop Date:** September 8, 2015

**Order**

**Author:** Reine Mynahan, Community Development Director

**Subject:** Authorize Community Development Director to issue a \$250,000 Commitment of HOME funds to 62 Spring Street

**Information:** The 62 Spring Street project will produce 31 affordable rental units of which 2 will be HOME funded units. HOME funds will be allocated towards the construction cost of these two units.

Maine Housing allocates points for below market rate financing on Low Income Housing Tax Credit applications. Current practice is to allocate the points only when there is a formal commitment of funds. This requirement is in contradiction with one of the HOME Investment Partnerships Program regulations which do not allow a community to commit HOME funds that may create a choice limiting action prior to project underwriting and the receipt of a Release of Funds from HUD. Project underwriting includes a subsidy layering analysis which cannot be done until after all sources have been identified. Also the release of funds comes after the completion of the environmental review process. For these reasons the proposed commitment letter has several conditions. Once the underwriting and environmental are complete, a new commitment letter will be issued. This action is to authorize the commitment of \$250,000 of HOME funds to the project.

**Advantages:** Creates affordable housing for Auburn's low income residents; provide 2,400 square feet of new commercial space and market rate apartments; increases the tax base.

**Disadvantages:** none

**City Budgetary Impacts:** Dedicates \$250,000 of HOME funds to the 62 Spring Street project.

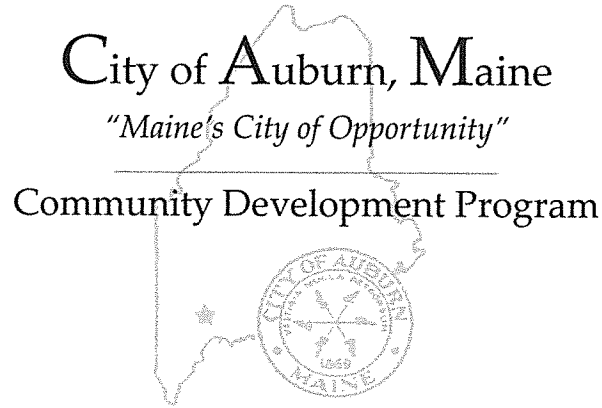
**Staff Recommended Action:** Approve

**Previous Meetings and History:** 9-8-2014 TIF Approval

**Attachments:**

City Manager or Assistant City Manager signature: \_\_\_\_\_ Date: \_\_\_\_\_





September\_\_\_\_, 2015

Richard S. Whiting, Secretary  
Auburn Housing Development Corporation  
P.O. Box 3037  
Auburn, ME 04212-3037

Dear Rick:

Pursuant to the authorization of the Auburn City Council at its meeting on August 17, 2015, Council Order #\_\_\_\_\_. I am pleased to provide Auburn Housing Development Corporation, referred to herein as the "Borrower," with this letter of conditional commitment to lend up to \$250,000.00 (the "Loan") in order to facilitate the development of a mixed use Project consisting of 31 units of affordable housing units, 8 market rate rental housing units, and 2,400 square feet of first floor commercial space (the "Project"), to be located at 62 Spring Street in Auburn, Maine (the "Property"). The City's commitment to make the loan is conditioned on and subject to satisfaction of the terms and conditions described below.

**Conditional Commitment:**

The City will conditionally commit to lend the Borrower an amount up to \$250,000, provided that the Borrower and its partners in the Project maximize the Low Income Housing Tax Credit ("LIHTC") equity, of HUD HOME Program funds (including HOME CHDO funding) available to this Project, subject to the terms and conditions in this letter. This conditional commitment will remain in place for a period of ten (10) months beginning with the date of this letter, and is subject to the Project's substantial conformance to the projections and assumptions identified in the letter and Project Budget of Anew Development, LLC (the "Developer"), dated June 8, 2015. The City reserves the right to reconsider, and adjust this conditional commitment if any significant alterations occur in the Project budget, as determined in the City's sole discretion. The City's final decision to make the Loan will remain subject to the City's analysis of the Project budget based on actual bids received for construction of the Project.

The City's commitment to make the Loan is further subject to and conditioned upon completion of the environmental review required by 24 CFR Part 58, as well as the following:

1) a determination that a request for release of Project funds will not significantly affect the quality of the human environment and hence, an environmental impact statement will not be undertaken under the National Environmental Policy Act of 1969 (NEPA, 42 USC 4321); and

2) a determination that the Project falls under 24 CFR Part 58.36 Environmental Assessments, and is not of sufficient size, scale, or mass and does not exceed the threshold criteria established for the preparation of an Environmental Impact Statement, nor will the Project have a significant impact on the human environment under the National Environmental Policy Act of 1969 (NEPA, 42 USC 4321).

This conditional commitment will not be valid without a Notice of Removal of Environmental Grant Conditions and authorization from HUD to incur costs and expend funds on this Project.

### SUMMARY OF LOAN TERMS

<b>Project Owner:</b>	62 Spring Street, LP
<b>General Partner and Borrower:</b>	Auburn Housing Development Corporation
<b>Developer:</b>	Anew Development, LLC
<b>Loan Amount:</b>	\$250,000.00
<b>Source of Funds:</b>	HOME Investment Partnerships Program funds
<b>Use of Funds:</b>	To be used exclusively for construction of 2 HOME units to be occupied by households that are eligible as low-income families and meet the requirements of 24 C.F.R. § 92.252 and related HOME regulations to qualify as affordable housing, to be located at 62 Spring Street, Auburn, Maine (the "Property") based on the maximization of LIHTC equity raised.
<b>Property Location:</b>	Downtown Community Development Target Area
<b>Project:</b>	The Project is substantially described in the proposal to the City dated July 14, 2014 and subsequently amended in the Developer's letter and budget dated June 8, 2015. The Project will include construction of a 40,000 square foot building with 2,400 square feet of commercial space on the first floor, and 39 units of residential units on the second, third and fourth floors.
<b>HOME Units:</b>	Two (2) HOME Units: one 1-bedroom unit, one 2-bedroom unit. These will be floating units. Rents for these units may not exceed rent limits as required by the HOME program. The Borrower will be required to certify eligibility of tenant income prior to occupancy and annually. The City reserves the right to conduct a review of tenant incomes and rent levels on an annual basis.

<b>Total Units to Benefit Low Income:</b>	Thirty One (31) low income housing units.
<b>Term of Affordability:</b>	The Borrower agrees to maintain the affordability restrictions on the HOME units for 20 calendar years after the Project is initially occupied by tenants. The affordability restrictions will be secured by covenant restrictions and conditions and will survive repayment of City funds.
<b>Loan Term:</b>	Deferred payment loan.
<b>Interest Rate:</b>	Non-interest bearing loan (0%)
<b>Financing Repayment:</b>	No monthly payments are required provided the Project complies with HOME Investment Partnerships Program ("HOME") regulations and requirements during the affordability period. The loan will be paid in full upon any sale or transfer of title to the Property, or upon any change in the general partner of the Project Owner.
<b>Prepayment Penalty:</b>	None.
<b>Legal Fees:</b>	Borrower agrees to pay any legal expense incurred by the City in connection with pre-closing and post-closing costs including enforcement of the loan or any subsequent modifications to the loan documentation.
<b>Security:</b>	During construction, Borrower's obligations to the City under the Loan will be secured by a mortgage on the Property which is subordinate to a construction loan from Bangor Savings Bank in an amount not to exceed \$4,200,000, which mortgage shall rank pari passu with a mortgage to the Maine State Housing Authority ("MSHA") for a loan in an amount not to exceed \$1,240,000. Upon completion of the construction and the Project Owner's closing on permanent financing for the Project, the City and MSHA shall occupy a first priority security interest on the Property on a pari passu basis, and shall also hold a first priority security interest in all leases and rents arising from and related to the Property.
<b>HOME Program Conditions:</b>	The City's commitment to lend is subject to the laws, rules and regulations that apply to activities assisted by the HOME Investment Partnership Act (24 CFR Part 92), as authorized by Title II of the Cranston-Gonzalez National Affordable Housing act, also known as the HOME Investment Partnership Act. This commitment is also subject to requirements for compliance for

CHDO capacity requirements, submission of a market assessment that documents an examination of neighborhood market conditions and identifies adequate need for the Project, cost allocation plan, and any of the 2013 HOME Final Rule requirements.

**Borrower's Commitment:**

The completed Project shall have 2 rental units available to persons earning less than 80% of median income, and shall comply with HOME rent limitations and income targeting of tenants. The City's obligation to lend is conditioned upon the Borrower providing such evidence as reasonably satisfies the City that the Borrower or the Project Owner has obtained additional financing sufficient to complete the development of the Project.

**Handicap Accessible Units:**

The Project shall have reasonable accommodations for persons with disabilities. Five percent (5%) of the total housing units will meet ADA accessibility standards.

**Affirmative Marketing Plan:**

The Borrower shall develop an Affirmative Marketing Plan in accordance with the City's Fair Housing and Affirmative Marketing Policy, and shall remain in compliance with the Auburn HOME Consortium Fair Housing and Affirmative Marketing Policy during the duration of the loan.

**Disbursement of Funds:**

The City's Loan will be disbursed in two installments for construction costs incurred for the Project, in accordance with the terms of a construction loan agreement. The City will disburse \$125,000 at 50% completion of the Project's construction, and \$125,000 at 100% completion of the Project's construction. The Borrower will submit such documentation evidencing payments for construction improvements as the City may reasonably requests, including waivers of mechanic's liens. Requests for payments shall be submitted to and approved by the City.

**Inspections:**

The City shall have the right to inspect all construction work financed, in whole or in part, with the proceeds of the loan. The City will inform the Borrower and/or contractor of any non-compliance with respect to the construction work, and the corrective action needed. The Borrower agrees that the City shall have no obligation to fund a disbursement request to Borrower, and Borrower shall not fund a disbursement request to the Partnership, until the work is acceptable to the City. The Borrower will take all steps necessary to assure that the City is permitted to examine and inspect the construction work, and all contracts, materials, equipment, payrolls, and conditions of employment pertaining to the work, including all relevant data and records.

**Access to Records:**

The Borrower agrees to keep or to cause to be kept segregated such records as may be required by the City with respect to the construction work financed, in whole or in part, with the aid of the loan. The Borrower will, at any time during normal business hours, and as often as the City may deem necessary, permit, or cause to be permitted, the City or any agency or duly authorized representative providing funding for the Project, to have full and free access to its books, documents, papers, and records which are duly pertinent to this Project for the purpose of making audits, examinations, excerpts and transcriptions.

**Borrower's Responsibility:**

The Borrower will indemnify and hold harmless the City, its employees, agents, or invitees from any and all disputes on claims of any nature for damages which may arise from the performance of any duties and responsibilities performed on behalf of the Borrower or the Project Owner or the Developer and from the performance or any construction activity except to the extent such damages are caused by the City's gross negligence or intentional misconduct.

**Requirements:**

This commitment is subject to compliance with the following conditions:

- a. The general partner of the Partnership shall be a, or wholly owned and controlled by a, qualified community housing development organization pursuant to the HOME Investment Partnership Act.
- b. The Borrower shall provide evidence of a partnership vote or similar corporate action authorizing this borrowing and a legal opinion that the debt is the binding obligation of the partnership within 30 days after construction closing.
- c. Prior to loan closing, the Borrower will provide the City with acceptable construction proposals that document the cost and competitive pricing.
- d. Prior to loan closing, the partnership agreement of the Borrower shall be in a form acceptable to the City.
- e. The minimum of the retainage provided in bid terms and construction documents shall be acceptable to the City.
- f. The Borrower shall pay, or shall cause to be paid, all fees or charges for permits, as may be required by the local regulatory body.
- g. The Borrower shall execute a Loan Agreement satisfactory to the City, and the Borrower's other lenders shall execute an intercreditor agreement reasonably satisfactory to the City.

- h. The City shall disburse loan proceeds upon receipt of disbursement requests from the Borrower for itemized invoices from the general contractor indicating the work activity and percentage of work completed pursuant to the terms of Loan Documents.
- i. The Borrower agrees that a minimum of the retainage, as provided in the bid terms and construction documents approved by the City, on all construction-related invoices shall be withheld from all disbursement requests from Borrower until final acceptance of the Project.
- j. The construction of improvements shall commence by July 2016 and shall be complete by September 2017.
- k. The units shall be constructed in accordance with all applicable property codes.
- l. The Borrower accepts ultimate responsibility for fulfillment of the construction work.
- m. The Borrower shall be required to obtain the City's written approval prior to any partner, corporate officer, or designated representative, initiating any material change in the ownership structure, control, or operation of the Partnership, including, but not limited to 1) merger into or consolidation with any other person, firm, partnership or corporation; 2) selling or transferring any portion of the ownership or partnership interest in the Borrower, except for a transfer of limited partner interest provided the City receives prior written notice of such transfer and the transfer complies with the Partnership's first Amended and Restated Partnership Agreement approved by the City; 3) changing the nature of its business; or 4) distribution, liquidation, dissolution or other disposal of substantially all of the Borrower's assets.
- n. The Borrower shall supervise or cause to be supervised the construction work.
- o. The Borrower shall require that the general contractor keep the Project free of mechanics' liens and provide partial lien waivers.
- p. The Borrower shall pay for all cost overruns and shall not incur additional debt to pay for any such cost overruns without the prior written consent of the City, which consent shall not be unreasonably withheld.
- q. The Project Owner must be and continue to be for the duration of this Loan, a private limited partnership (or other acceptable form of entity) responsible for paying full property taxes on this Project. In the future, if the Project or a portion of the Project changes to non-profit ownership with 501(c)(3) organization status, the City will require the new owner to make payment-in-lieu of taxes in an amount equal to the assessed property taxes. The Borrower will notify any new potential owner of this requirement. This condition will be secured by a covenant that will run with the land.

**Compliance with Federal, State and Local Laws and Regulations:**

The commitment is subject to the Project's compliance with all applicable federal, state, and local laws, regulations, and ordinances, including, without limitation, all applicable federal, state, and local laws pertaining to land use, environment, the National Environmental Policy Act to the extent applicable, and equal access to public accommodations. If reasonably requested by the City, Borrower's counsel shall provide written opinions regarding these issues.

The Borrower further agrees to and shall comply with all terms and conditions below:

- r. Section 3 Compliance in the Provision of Training, Employment and Business Opportunities: This commitment is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968 (12 USC 1701u), as amended, the United States Department of Housing and Urban Development ("HUD") regulations issued pursuant thereto at 24 CFR part 135, and any applicable rules and orders of HUD.
- s. Civil Rights – Borrower shall comply with Title VIII of the Civil Rights Act of 1968 and the Fair Housing Amendments Act of 1988, barring discrimination upon the basis of race, color, religion, creed, sex, handicap, familial status, or national origin in the sale, lease, rental, use, or occupancy of the subject property.
- t. Interest of Members, Officers, or Employees of City of Auburn, Members of the Local Governing Body, or Other Public Officials - No elected or appointed official or employee of the City, and no member of any municipal board or committee which exercises any decision making functions with respect to the Community Development Programs, shall participate in negotiating or shall exercise any influence in the Borrower's awarding or administering any contract in which he has a direct or indirect pecuniary interest as that term is defined by 30-A M.R.S. § 2605.
- u. Equal Employment Opportunity - The Borrower shall require that all contractors comply with Executive Order 11246, entitled "Equal Employment Opportunity", as amended by Executive Order 11375 and as supplemented in Department of Labor regulations (41 CFR Part 60).
- v. Energy Efficiency: The construction work shall comply with the standards and policies relating to energy efficiency which are contained in the State of Maine energy conservation plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163) and HUD's Energy Star Standards. Compliance with MaineHousing energy standards shall be deemed to satisfy this provision.
- w. The Copeland Anti-Kickback Act: The Borrower shall require that the contractor comply with the Copeland Anti-Kickback Act. This Act provides that each contractor shall be prohibited from inducing, by any means, any person employed in the construction, completion or repair of public work, to give up any part of the compensation to which he is otherwise entitled.
- x. Contract Work Hours and Safety Standards Act: The Borrower shall require that the contractor comply with the Contract Work Hours and Safety Standards Act. Each contractor shall be required to compute wages of every mechanic or laborer on the basis of a standard workweek of 40 hours. No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous

or dangerous to his health and safety as determined under construction, safety and health standards promulgated by the Secretary of Labor.

- y. Fair Housing: The Borrower shall comply with applicable federal and state laws, executive orders and regulations pertaining to fair housing and equal housing opportunity under Title VI of the Civil Rights “Act of 1964, as amended, Title VIII of the Civil Rights Act of 1968, as amended, Executive Order 12259 Age Discrimination Act of 1975, as amended, and Maine Human Rights Act.
- z. Lead-Based Paint: The Borrower shall comply with applicable federal and state laws with respect to the Residential Lead-Based Paint Hazard Reduction Act of 1992, Title X of the Housing and Community Development Act of 1992, as amended.

#### **Legal Opinions:**

Borrower shall provide the City at closing a legal opinion from counsel satisfactory to the City as follows:

- a. Stating that all City Loan Documents have been duly authorized, executed, and delivered by Borrower.
- b. Indicating compliance of the real estate with all laws, ordinances, codes, rules and regulations applicable to the use, occupancy and operation thereof.
- c. Stating that there are no actions, suits, or proceedings pending or threatened against or affecting Borrower or its assets.
- d. That Borrower is duly authorized under the laws of the state of Maine and in good standing, and that the execution of the Loan Documents and the compliance with the obligations of Borrower pursuant to the Loan Documents will not violate any of Borrower’s constituent documents, and all Loan Documents will be binding and enforceable against the Borrower.

#### **Title Requirement:**

Borrower shall provide the City, prior to loan closing, a commitment from a mortgagee’s title insurance policy with respect to the Project from a title insurer acceptable to the City, in the face amount of Two Hundred Fifty Thousand Dollars (\$250,000.00), for a policy in standard ALTA form insuring the City that Borrower holds marketable fee simple title of the 62 Spring Street property in Auburn, Androscoggin County, Maine, and that the mortgage securing the loan will create a valid, enforceable and second priority lien on Borrower’s title to such property during construction and a shared first priority lien upon closing the permanent financing MSHA (defined below) loan described below, subject only to such exceptions as the City may approve in writing. The policy shall further contain such endorsements or affirmative insurance as the City in its discretion may require. The cost of the title insurance and any title search required for the issuance of the insurance shall be paid by the Borrower.

#### **Insurance Requirement:**



Borrower shall obtain and maintain or cause to be obtained with respect to the Project and any additional property which is to serve as collateral for the loan and its operations such insurance as the City may require including:

“all risks” property insurance on the Project written on a builder’s risk, completed value, non-reporting form and in compliance with any co-insurance clause;

“hazard and comprehensive general liability” insurance on all personal and business assets taken as security for this transaction, in such amounts and for such coverage as shall be satisfactory in all respects to the City.

“flood insurance only if the property is located in a designated flood hazard area or certification that the property is not located in a flood hazard area. If applicable, the Borrower will provide evidence of flood hazard insurance coverage and abide by the regulations of the Flood Disaster Protection Act of 1973.

The insurance policies shall name the City as mortgagee and loss payee and shall be first payable in case of loss to the City pursuant to standard non-contributory mortgage clauses and lender’s loss payable endorsements. The liability insurance policies shall name the City as an additional insured. For the purpose of insurance, the City shall be named as City of Auburn, its successor and assigns.

All insurance referred to in this commitment shall be issued by such insurers as are approved by the City and licensed by the Maine Bureau of Insurance. Policies shall provide for written notice to the City as least thirty (30) days prior to notice of cancellation, non-renewal, modification or expiration. The Borrower shall provide proof of insurance for the duration of the loan. Duplicate originals or certified copies or certificates of the insurance required above, together with proof of payment of premiums, shall be delivered to the City prior to the closing of the loan.

**Authority to Act:**

Borrower shall provide such evidence of its organization, existence, legal good standing, and authority to enter into the transaction contemplated by this commitment letter as may be required by the City and its counsel.

**Miscellaneous:**

The Borrower is required to obtain the City’s written approval prior to any corporate officer, or designated representative, initiating any material change in the ownership structure, control, or operation of the Borrower or Project Owner, including, but not limited to 1) merger into or consolidation with any other person, firm, partnership or corporation; 2) selling or transferring any portion of the ownership or capital stock of the Borrower; 3) changing the status of the Project Owner’s general partner as a qualified community housing development organization; or 4) distribution, liquidation, dissolution or other disposal of substantially all of the assets of the Borrower.

The Borrower shall obtain the City’s written consent to the Borrower’s approval of any material change in the ownership structure, control, or operation of the Borrower, including, but not limited to 1) merger into or consolidation with any other person, firm, partnership or corporation; 2) selling or transferring any portion of the ownership or

partnership interest in the Borrower except for a transfer of limited partner interests to and among affiliates of Northern New England Housing Investment Fund provided the City receives prior written notice of such transfer and the transfer complies with the Partnership's First Amended and Restated Partnership Agreement approved by the City; 3) changing the nature of its business; or 4) distribution, liquidation, dissolution or other disposal of the Partnership's assets.

This commitment letter shall not be assigned by the Borrower without the prior written consent of the City.

The transactions contemplated by this letter shall be governed by the laws of the State of Maine.

The City may terminate this commitment to the loan closing if:

- a. the Borrower fails or refuses to comply with any of the terms and conditions set forth herein; or
- b. any adverse change, in the sole opinion of the City, shall occur with respect to the Borrower, any partner of the Borrower, or any other person or entity connected with the loan, any collateral for the loan or other source of repayment of the loan, or the Project, or any adverse change to the Project at any time prior to the loan closing; or
- c. any part of the assets to be pledged as collateral for the loan shall have been taken in condemnation or other like proceeding, or any such proceeding is pending or threatened at the time of loan closing; or
- d. the Borrower, any partner to the Borrower or any other person or entity connected with the loan or any collateral for the loan or other source of repayment shall be insolvent or involved as debtor in any termination; or
- e. the Borrower fails to receive binding written commitments from MSHA, Bangor Savings Bank and the equity investor to receive amounts sufficient to fully fund the Project or fails to close on the Bangor Savings Bank loan;
- f. The Borrower fails to execute any or the City's required Loan Documents in a form reasonably satisfactory to the City.

Such termination shall become effective upon the mailing of notice to the Borrower at the address of the Borrower shown on this commitment letter.

The Borrower agrees that any and all disputes or claims or the Borrower or against the City or its agents arising out of or relating to this commitment letter, the loan, the Loan Documents, any collateral securing the loan or the conduct of the City or its agents, shall be resolved solely by means of binding arbitration conducted by JAMS in Androscoggin County, Maine, in accordance with the JAMS Streamlined Arbitration Rules & Procedures then in effect. The Borrower and the City hereby each irrevocably waive any right to trial by jury in any action, proceeding, or counterclaim, (whether based on

contract, tort, or otherwise) arising out of or relating to this letter, the Loan, the transactions contemplated herein, or any actions of the City or the Borrower in the negotiation, performance, or enforcement hereof.

The terms of the commitment will not be waived or modified except in writing and signed by the parties to this commitment. This commitment shall survive the closing of the loan and will apply to the continuing relationship of City and Borrower.

Unless the loan is closed within ten (10) months of this date, the commitment will expire. Any extension or revision of this commitment will be at the sole option of the City and must be in writing.

If these terms and conditions are satisfactory, please sign and return the enclosed copy of this letter no later than our close of business on September 1, 2015. Unless the City receives a signed copy of this letter by that date, this commitment will expire.

Sincerely,

Reine Mynahan  
Community Development Director

#### **ACCEPTANCE OF COMMITMENT LETTER**

The undersigned, duly authorized on behalf of Borrower, hereby accepts and agrees to the terms and conditions stated above.

AUBURN HOUSING DEVELOPMENT CORPORATION

\_\_\_\_\_  
By: Richard S. Whiting  
Its Secretary

Date: \_\_\_\_\_

Federal Compliance Audit

Auburn Housing Authority

March 31, 2015



*Proven Expertise and Integrity*

AUBURN HOUSING AUTHORITY

CONTENTS

MARCH 31, 2015

	PAGE
INDEPENDENT AUDITORS' REPORT	1 - 3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4 - 9
<u>BASIC FINANCIAL STATEMENTS</u>	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT A - STATEMENT OF NET POSITION	10
STATEMENT B - STATEMENT OF ACTIVITIES	11
STATEMENT C - STATEMENT OF CASH FLOWS	12 - 13
NOTES TO FINANCIAL STATEMENTS	14 - 25
<u>SUPPLEMENTAL INFORMATION</u>	
SCHEDULE A - SUPPLEMENTAL FINANCIAL DATA SCHEDULE	26 - 33
SCHEDULE B - SCHEDULE OF CAPITAL GRANT FUND COSTS – COMPLETED	34
<u>FEDERAL COMPLIANCE</u>	
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	35
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	36
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	37 - 38
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133	39 - 40
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	41



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## INDEPENDENT AUDITORS' REPORT

Board of Commissioners  
Auburn Housing Authority  
Auburn, Maine

### Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Auburn Housing Authority, as of and for the year ended March 31, 2015, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly,

we express not such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Auburn Housing Authority as of March 31, 2015, and the respective changes in financial position and cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

### Other Matters

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Auburn Housing Authority's basic financial statements. The supplemental HUD required financial data schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of expenditures of federal awards is presented for purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The financial data schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial data schedules and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 11, 2015, on our consideration of the Auburn Housing Authority internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in considering the Auburn Housing Authority's internal control over financial reporting and compliance.

*RHR Smith & Company*

Buxton, Maine  
August 11, 2015



**REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
MARCH 31, 2015**

**(UNAUDITED)**

The following management's discussion and analysis of the Auburn Housing Authority's financial performance provides an overview of the Authority's financial activities for the fiscal year ended March 31, 2015. Please read it in conjunction with the Authority's financial statements.

**Financial Statement Overview**

The Auburn Housing Authority's basic financial statements include the following components: 1) government-wide financial statements and 2) notes to the financial statements. This report also includes supplementary information which includes combining schedules.

**Basic Financial Statements**

The basic financial statements include the notes to financial statements that explain in more detail certain information in the financial statements and also provide the user with the accounting policies used in the preparation of the financial statements.

**Government - Wide Financial Statements**

The government-wide financial statements provide a broad view of the Authority's operations in a manner that is similar to private businesses. These statements provide both short-term as well as long-term information in regards to the Authority's financial position. These financial statements are prepared using the accrual basis of accounting. This measurement focus takes into account all revenues and expenses associated with the fiscal year regardless of when cash is received or paid. The government-wide financial statements include the following three statements:

The Statement of Net Position – this statement presents *all* of the government's assets and liabilities with the difference being reported as net position.

The Statement of Activities – this statement presents information that shows how the government's net position changed during the period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

The Statement of Cash Flows – this statement presents the classification of cash receipts and payments according to whether they are from operating activities, investing activities, capital and related financing activities or noncapital financing activities.

Both of the above mentioned financial statements have a separate column for the one type of Authority activity. The type of activity presented for the Authority is:

- *Business-type activities* – These activities are normally intended to recover all or a significant portion of their costs through user fees and / or charges to external users for goods and/or services. These activities for the Authority include all funds.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other local governments uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. All of the funds of the Authority can be classified in one category: proprietary funds.

*Proprietary Funds:* The Authority maintains one major proprietary fund. These funds are used to show activities that operate more like those of commercial enterprises. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Like the government-wide financial statements, proprietary fund financial statements use the accrual basis of accounting. No reconciliation is needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements.

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide Financial Statements. The Notes to Financial Statements can be found following the Statement of Cash Flows.

### **Government-Wide Financial Analysis**

Our analysis below focuses on the net position, and changes in net position of the Housing Authority's business-type activities. The Housing Authority's business-type net position increased by \$1,027,020 from \$15.42 million to \$16.44 million. The increase in business-type activities was due to grant and rental revenues received in excess of expenditures. Of this increase, \$752,803 was from net investment in capital assets.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - increased for business-type activities by \$353,444 from \$6,973,444 to a balance of \$7,326,888 at the end of this year.

**Table 1**  
**Auburn Housing Authority**  
**Net Position**  
**March 31,**

	<b>Business-Type Activities</b>	
	<b>2015</b>	<b>2014</b>
<b>Assets:</b>		
Current and Other Assets	\$ 8,915,821	\$ 8,666,279
Non-Current Assets	14,048,941	14,057,805
<b>Total Assets</b>	<b>\$22,964,762</b>	<b>\$22,724,084</b>
<b>Liabilities:</b>		
Current Liabilities	\$ 1,262,979	\$ 1,232,901
Non-Current Liabilities	5,258,281	6,074,701
<b>Total Liabilities</b>	<b>\$ 6,521,260</b>	<b>\$ 7,307,602</b>
<b>Net Position:</b>		
Net Investment in Capital Assets	\$ 7,797,578	\$ 7,044,775
Restricted Position	1,319,036	1,398,263
Other Net Position	7,326,888	6,973,444
<b>Total Net Position</b>	<b>\$16,443,502</b>	<b>\$15,416,482</b>

**Table 2**  
**Auburn Housing Authority**  
**Changes in Net Position**  
**For the Years Ended March 31,**

	<b>Business-type Activities</b>	
	<b>2015</b>	<b>2014</b>
<b>Revenues</b>		
Rental revenues	\$ 4,373,343	\$ 4,275,428
Intergovernmental	3,365,240	3,631,770
Interest	185,882	144,972
Miscellaneous	132,702	119,231
Total Revenues	<u>8,057,167</u>	<u>8,171,401</u>
<b>Expenses</b>		
Housing assistance payments	2,511,015	2,560,295
Administration	965,852	954,549
Tenant services	225,168	221,187
Utilities	638,036	596,381
Repairs and maintenance	791,290	805,483
Insurance expense	140,094	134,876
Depreciation and amortization expense	805,048	812,072
Interest expense	583,236	633,778
Other general expenses	370,408	349,785
Total Expenses	<u>7,030,147</u>	<u>7,068,406</u>
Change in Net Position	1,027,020	1,102,995
Net Position - April 1	<u>15,416,482</u>	<u>14,313,487</u>
Net Position - March 31	<u>\$ 16,443,502</u>	<u>\$ 15,416,482</u>

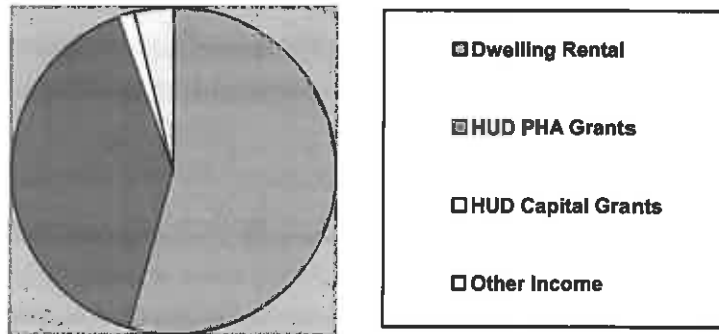
### **Revenues and Expenses**

The business-type activities revenues experienced a decrease of 1.4% while expenses decreased by .54%.

## Operating Income

Revenues for the years ended March 31, 2015 and 2014 were \$8,171,401 and \$7,940,184, respectively. Following is a chart showing income from the various revenue sources:

Income by Revenue Source



## Capital Asset and Long-Term Debt Activity

### Capital Assets

As of March 31, 2015, the net book value of capital assets recorded by the Housing Authority decreased by \$8,864 from the prior year. Depreciation expense in the amount of \$805,047 was recorded while \$796,183 of new acquisitions.

**Table 3**  
**Auburn Housing Authority**  
**Capital Assets (Net of Depreciation)**  
**March 31,**

	<u>2015</u>	<u>2014</u>
Land	\$ 1,666,409	\$ 1,666,409
Construction in progress	36,508	72,655
Land improvements	2,555,932	2,503,241
Buildings	28,141,043	27,391,309
Furniture, equipment & machinery	<u>2,212,363</u>	<u>2,229,193</u>
	34,612,255	33,862,807
Accumulated depreciation	<u>(20,824,314)</u>	<u>(20,066,002)</u>
Net assets	<u><u>\$ 13,787,941</u></u>	<u><u>\$ 13,796,805</u></u>

## **Debt**

At March 31, 2015, the Authority had \$5,990,363 in notes payable outstanding versus \$6,752,030 million last year, a decrease of \$761,667, as shown in Note 6 of the financial statements.

### **Currently Known Facts, Decisions, or Conditions**

#### **Economic Factors**

Significant economic factors that affect the Authority are federal funding by the Department of Housing and Urban Development, local labor supply and demand, which can affect salary and wage rates, local inflationary, recessionary and employment trends, which can affect resident incomes and therefore the amount of rental income and inflationary pressure on utility rates, supplies, insurances and other costs.

#### **Contacting the Housing Authority's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Housing Authority's finances and to show the Housing Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Housing Authority's Accounting Department at 20 Great Falls Plaza, P.O. Box 3037, Auburn, Maine 04212.

## STATEMENT A

## AUBURN HOUSING AUTHORITY

STATEMENT OF NET POSITION  
MARCH 31, 2015

## ASSETS

## Current assets:

Cash - unrestricted	\$ 2,546,096
Cash - restricted	1,480,273
Investments - unrestricted	4,687,186
Receivables (net of allowance for uncollectibles)	152,746
Prepaid items	36,480
Inventories	13,040
Total current assets	<u>8,915,821</u>

## Non-current assets:

## Capital assets:

Land, infrastructure, and other assets not being depreciated	1,702,917
Buildings and equipment, net of accumulated depreciation	<u>12,085,024</u>
Total capital assets	<u>13,787,941</u>
Notes and mortgages receivable	260,000
Other assets	<u>1,000</u>
Total non-current assets	<u>14,048,941</u>

TOTAL ASSETS	<u><u>\$ 22,964,762</u></u>
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## LIABILITIES

## Current liabilities:

Accounts payable	\$ 133,237
Accounts payable - other governments	27,895
Accrued wages	64,817
Accrued compensated absences	9,210
Interest payable	20,569
Deferred revenue	31,052
Tenant security deposits	161,237
Current portion of long-term debt	<u>814,962</u>
Total current liabilities	<u>1,262,979</u>

## Non-current liabilities:

Accrued compensated absences	82,880
Long-term debt, net of current portion	5,175,401
Other	-
Total non-current liabilities	<u>5,258,281</u>

TOTAL LIABILITIES	<u>6,521,260</u>
-------------------	------------------

## NET POSITION

Net Investment in capital assets	7,797,578
Restricted	1,319,036
Unrestricted	<u>7,326,888</u>
TOTAL NET POSITION	<u>16,443,502</u>

TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 22,964,762</u></u>
------------------------------------	-----------------------------

See accompanying independent auditors' report and notes to financial statements.

## STATEMENT B

## AUBURN HOUSING AUTHORITY

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED MARCH 31, 2015

OPERATING REVENUES	
Tenant rental income	\$ 4,373,343
Other revenue	126,702
TOTAL OPERATING REVENUES	<u>4,500,045</u>
OPERATING EXPENSES	
Housing assistance payments	2,511,015
Administration	965,852
Tenant services	225,168
Utilities	638,036
Repairs and maintenance	791,290
Insurance expense	140,094
Depreciation and amortization expense	805,048
Other general expenses	370,408
TOTAL OPERATING EXPENSES	<u>6,446,911</u>
OPERATING (LOSS)	<u>(1,946,866)</u>
NON-OPERATING REVENUES (EXPENSES)	
HUD grants and contributions	3,232,189
Interest and investment revenue	185,882
Gain on sale of fixed assets	6,000
Interest expense	(583,236)
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>2,840,835</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>893,969</u>
CAPITAL CONTRIBUTIONS AND TRANSFERS	
HUD capital grants and contributions	133,051
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>133,051</u>
NET INCOME	1,027,020
NET POSITION - APRIL 1	<u>15,416,482</u>
NET POSITION - MARCH 31	<u><u>\$ 16,443,502</u></u>

See accompanying independent auditors' report and notes to financial statements.



## STATEMENT C

## AUBURN HOUSING AUTHORITY

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED MARCH 31, 2015

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from tenants	\$ 4,273,262
Other operating receipts	126,702
Payments to vendors	(5,654,309)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(1,254,345)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
HUD grants and contributions	3,232,189
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>3,232,189</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases of land, structure and equipment	(796,183)
HUD capital grants	133,051
Proceeds from the sale of fixed assets	6,000
Interest paid	(596,814)
Payments on long-term debt	(761,667)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(2,015,613)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest and dividends received	185,882
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>185,882</u>
NET INCREASE IN CASH	148,113
CASH AND CASH EQUIVALENTS - APRIL 1, 2014	<u>8,565,442</u>
CASH AND CASH EQUIVALENTS - MARCH 31, 2015	<u><u>\$ 8,713,555</u></u>

STATEMENT C (CONTINUED)  
AUBURN HOUSING AUTHORITY

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED MARCH 31, 2015

Operating income (loss)	\$ (1,946,866)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	805,048
Changes in operating assets and liabilities:	
(Increase) decrease in accounts receivable	(99,700)
(Increase) decrease in prepaid items	(986)
(Increase) decrease in inventories	(743)
(Decrease) increase in accounts payable	4,404
(Decrease) increase in accounts payable - other governments	(23,010)
(Decrease) increase in accrued wages	9,240
(Decrease) increase in deferred revenue	(1,081)
(Decrease) increase in tenant security deposits	700
(Decrease) increase in accrued compensated absences	(1,351)
Net cash provided (used) by operating activities	<u>\$ (1,254,345)</u>

See accompanying independent auditors' report and notes to financial statements.

AUBURN HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

***Reporting Entity***

The Auburn Housing Authority was established pursuant to the laws of the State of Maine to provide low rent housing for low and moderate income families and elderly individuals in accordance with rules and regulations prescribed by the Department of Housing and Urban Development and other federal agencies.

The Authority's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the Authority has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Authority has chosen not to do so.

The Authority's combined financial statements include all accounts and all operations of the Authority. We have determined that the Authority has a component unit, Auburn Residential Development Corporation, a not for profit organization which develops housing, as described in GASB Statement No. 14 and amended by GASB Statement No. 39.

The Authority maintains its accounting records by program and operates the following programs:

Low Rent Public Housing – Under this program, the Authority owns, operates and maintains rental housing acquired with grants from the U.S. Department of Housing and Urban Development (HUD). Dwelling units are leased to low income tenants at rates based on their ability to pay. Operations are supported by HUD through operating grants.

Public Housing Capital Fund and Capital Fund Formula Stimulus Grants – HUD provides grant funds to authorities with Low Rent Public Housing units on a formula basis. The funds are predominantly used to make physical improvements to buildings and dwelling units owned by the Authority under the Low Rent Public Housing Program. A portion of capital funds may also be used to support operations and to make improvements in the management and operation of the Authority.

AUBURN HOUSING AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Section 8 Housing Choice Voucher – HUD provides grants to the Authority to subsidize rents paid by low income families and individuals who rent dwelling units from private landlords. Under this program, qualified applicants are issued vouchers which may be used by the applicant to obtain housing in the private rental market. The Authority will subsidize the landlord for the difference between the rent requested and the tenant's share of the rent not to exceed a predetermined payment standard.

State and Local Programs – The Authority owns elderly housing projects which are financed by the Maine State Housing Authority and Bangor Savings Bank. The projects are subsidized with HUD Section 8 Substantial Rehab and New Construction HAP contracts. Under this program, the Authority receives subsidy from the Maine State Housing Authority equal to the difference between the tenants' share of the rent and the base rent approved by the Maine State Housing Authority.

***Government-Wide and Fund Financial Statements***

The Authority's basic financial statements include government-wide (reporting the Authority as a whole) financial statements.

The government-wide financial statements categorize primary activities as business-type. All funds of the Authority are categorized as business-type activities.

In the government-wide Statement of Net Position, the business-type activities column is (a) presented on a consolidated basis by column, and (b) is reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Authority's net position are reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The Authority first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Authority's functions and business-type activities (personnel salaries, utilities, maintenance, etc.). The functions are also supported by general government revenues (certain intergovernmental revenues, miscellaneous revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the most part, the interfund activity has been eliminated from these government- wide financial statements.

AUBURN HOUSING AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The net costs (by function) are normally covered by general revenue (certain intergovernmental revenues and charges for services, etc.).

The Authority allocates indirect costs such as travel and administration to individual programs within the Authority.

The government-wide focus is more on the sustainability of the Authority as an entity and the change in the Authority's net position resulting from the current year's activities.

**Measurement Focus - Basic Financial Statements & Fund Financial Statements**

The financial transactions of the Authority are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, net position, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund type is used by the Authority:

1. Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Operating revenues include charges for services, intergovernmental reimbursements and other miscellaneous fees which are a direct result of the proprietary activity. Non-operating revenues are any revenues which are generated outside of the general proprietary activity, i.e. interest income. The following is a description of the proprietary funds of the Authority:

- a. Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) established fees and charges based on a pricing policy designed to recover similar costs.

AUBURN HOUSING AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

1. Accrual

Governmental activities in the government-wide financial statements and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**Deposits and Investments**

The Authority's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

It is the Authority's policy to value investments at fair value. None of the Authority's investments are reported at amortized cost. The Authority is authorized by State Statutes to invest all excess funds in the following:

- Obligations of the U.S. Government, its agencies and instrumentalities.
- Certificates of deposits and other evidences of deposits at banks, savings and loan associations, and credit unions.
- Repurchase agreements
- Money market mutual funds

**Inventories**

Inventories of supplies are valued at the lower of cost or market with cost being determined on a first in, first out basis. In addition, an allowance for obsolete inventory has been recorded if applicable.

**Allowance for Uncollectible Accounts**

The allowance for uncollectible accounts is estimated to be \$20,060 as of March 31, 2015.

AUBURN HOUSING AUTHORITY

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Capital Assets**

Capital assets purchased or acquired are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated fixed assets are valued at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

Estimated useful lives are as follows:

Land improvements	15 years
Buildings and improvements	15 - 40 years
Furniture, equipment & machinery	3 - 10 years

**Long-term Obligations**

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in government-wide statements. The long-term debt consists primarily of notes payable and accrued compensated absences.

**Net Position**

Net position represent the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislations adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

AUBURN HOUSING AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Program Revenues**

Program revenues include all directly related income items applicable to a particular program (grant income/expenses).

**Operating/Non-operating Proprietary Fund Revenues**

Operating revenues consist mainly of direct revenue sources and/or charges for services applicable to that fund.

**Encumbrance Accounting**

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end. The Authority does not utilize encumbrance accounting for its general fund.

**Use of Estimates**

During the preparation of the Authority's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses / expenditures during the reporting period. Actual results may differ from these estimates.

NOTE 2 - CASH

The Authority's investment policies, which follow state statutes, require that all investments be made considering the safe and sound investment of principal and preservation of capital in the overall portfolio, maintenance of sufficient liquidity to meet day-to-day operations and other cash requirements and maximization of income, within established investment risk guidelines, with consistent cash flows throughout the budgetary cycle. These investment policies apply to all Authority funds.

**Deposits:**

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Authority will not be able to recover its deposits. The Authority does not have a policy covering custodial credit risk for deposits. However, the Authority maintains deposits in qualifying financial institutions that are a member of the FDIC or NCUSIF as defined in Title 30-A, Section 5706 of the Maine Revised Statutes. At March 31, 2015, the Authority's cash balances amounting to \$4,026,369.



AUBURN HOUSING AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015

NOTE 2 – CASH (CONTINUED)

were comprised of deposits of \$3,850,242. Of these bank deposits, \$1,562,297 was insured by federal depository insurance and consequently was not exposed to custodial credit risk and \$2,287,945 was collateralized with securities held by the financial institution in the Authority's name and consequently not exposed to custodial credit risk.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 1,182,351
Sweep accounts	101,673
Money market accounts	2,566,218
	<u>\$ 3,850,242</u>

**Investments:**

Custodial credit risk for investments is that, in the event of failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the Authority does not have a policy for custodial credit risk for investments.

At March 31, 2015, the Authority's investments of \$4,687,186 were comprised of \$1,260,135 of stocks that are registered in the Authority's name, held by the Authority and therefore not exposed to custodial credit risk. The remaining certificates of deposit of \$3,427,051 were collateralized with securities held by the financial institution in the Authority's name.

At March 31, 2015, the Authority had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Not Applicable</u>	<u>Less than 1 Year</u>	<u>1 - 5 Years</u>
Certificates of deposit	\$ 3,427,051	\$ -	\$2,480,621	\$946,430
Stocks	1,260,135	1,260,135	-	-
	<u>\$ 4,687,186</u>	<u>\$1,260,135</u>	<u>\$2,480,621</u>	<u>\$946,430</u>

Credit risk – Statutes for the State of Maine authorize the Authority to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Maine, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. The

AUBURN HOUSING AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015

**NOTE 2 – CASH (CONTINUED)**

Authority does not have an investment policy on credit risk. Generally, the Authority invests excess funds in money market accounts and various certificates of deposit.

Interest rate risk – is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority does not have a policy related to interest rate risk.

**NOTE 3 - RESTRICTIONS ON CASH AND CASH EQUIVALENTS**

Reported in the Authority's current restricted cash and cash equivalents are funds of \$20,493 representing funds held for future HAP payments and \$161,237 representing amounts held as tenant security deposits. Reported in the Authority's current restricted cash and cash equivalents balance are funds of \$803,344 and \$495,200 which are contractually required reserves funded by the Authority as part of its Auburn Esplanade and Roak Block respectively, (these funds may only be used for major repairs, capital improvements or to fund operating deficits of the property maintained by the program with the permission of the Maine State Housing Authority). The restricted cash balances are supported by corresponding liabilities or restricted net position of the funds.

**NOTE 4 - NOTES RECEIVABLE – RELATED PARTY**

The Authority, through its local program, loaned \$250,000 to Auburn Housing Development Corporation (a nonprofit (501©3) to provide affordable housing for low-income tenants), a related party with common management. The note accrues no interest and is due and payable in full on demand. The Authority also has other receivables totaling \$9,891 from Auburn Housing Development Corporation. In addition, the Authority loaned \$10,000 to Vincent Square LP, a related party with common management. The note accrues no interest and is due in 2040. The Authority also has other receivables totaling \$5,186 from Vincent Square LP.

AUBURN HOUSING AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015

NOTE 5 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended March 31, 2015:

	Balance, 4/1/14	Additions	Deletions	Balance, 3/31/15
Non-depreciated assets:				
Land	\$ 1,666,409	\$ -	\$ -	\$ 1,666,409
Construction in progress	72,655		(36,147)	36,508
	<u>1,739,064</u>	<u>-</u>	<u>(36,147)</u>	<u>1,702,917</u>
Depreciated assets:				
Land improvements	2,503,241	52,691	-	2,555,932
Buildings	27,391,309	749,734	-	28,141,043
Furniture, equipment & machinery	2,229,193	29,905	(46,735)	2,212,363
	<u>32,123,743</u>	<u>832,330</u>	<u>(46,735)</u>	<u>32,909,338</u>
Less accumulated depreciation:	<u>(20,066,002)</u>	<u>(805,047)</u>	<u>46,735</u>	<u>(20,824,314)</u>
	<u>12,057,741</u>	<u>27,283</u>	<u>-</u>	<u>12,085,024</u>
Net capital assets	<u>\$13,796,805</u>	<u>\$ 27,283</u>	<u>\$ (36,147)</u>	<u>\$13,787,941</u>

NOTE 6 - LONG-TERM DEBT

A summary of long-term debt is as follows:

	Balance, 4/1/14	Additions	Deletions	Balance, 3/31/15	Current Portion
Notes payable	\$6,752,030	\$ -	\$ (761,667)	\$5,990,363	\$814,962
Accrued compensated absences	93,441	-	(1,351)	92,090	9,210
	<u>\$7,546,249</u>	<u>\$ -</u>	<u>\$ (763,018)</u>	<u>\$6,082,453</u>	<u>\$824,172</u>

AUBURN HOUSING AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015

NOTE 6 - LONG-TERM DEBT (CONTINUED)

A summary of notes payable is as follows:

\$3,100,000 note payable dated October 18, 2005 to Bangor Savings Bank in connection with the Barker Mills Arms program. Interest is charged at a rate of 5.50% per annum. Monthly principal payments are \$26,863. Maturity is in November of 2020.	\$ 1,384,785
\$1,500,000 note payable dated November 9, 2010 to Bangor Savings Bank in connection with the Barker Mills Arms program. Interest is charged at a rate of 5.50% per annum. Monthly payments are \$17,329. Maturity is in February of 2020.	892,149
\$2,918,308 note payable dated November 1, 2010 to Maine State Housing Authority in connection with the Roak Block Apartments program. Interest is charged at a rate of 8% per annum. Annual payments are \$290,975. Maturity is in March of 2022.	1,555,728
\$243,908 note payable dated November 1, 2010 to Maine State Housing Authority in connection with the Roak Block Apartments program. Interest is charged at a rate of 8% per annum. Annual payments are \$20,189. Maturity is in November 1, 2036.	213,678
\$3,767,884 note payable dated December 11, 1991 to Maine State Housing Authority in connection with the Auburn Esplanade program. Interest is charged at a rate of 8.75% per annum. Monthly principal payments are \$29,764. Maturity is in January of 2022.	1,832,192
\$350,000 note payable dated October 3, 1989 to the City of Auburn, Maine in connection with the Auburn Residential Development Corporation. Interest is charged at a rate of 4.0% per annum. Monthly principal payments are \$1,671. Maturity is in July of 2019	98,489
\$50,850 note payable dated May 19, 2006 to the City of Auburn in connection with the Auburn Residential Development Corporation. Interest is charged at a rate of 2.0% per annum. Monthly principal payments are \$327. Maturity is in July of 2021.	13,342
	<hr/> <u>\$ 5,990,363</u>

AUBURN HOUSING AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015

NOTE 6 - LONG-TERM DEBT (CONTINUED)

The following is a summary of future principal and interest requirements by year, for the next five years ending March 31, and for subsequent five-year periods thereafter until maturity:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2016	\$ 814,962	\$ 419,685	\$ 1,234,647
2017	872,878	363,395	1,236,273
2018	934,553	302,904	1,237,457
2019	998,937	237,991	1,236,928
2020	1,028,321	168,242	1,196,563
2021-2025	1,182,918	176,362	1,359,280
2026-2030	50,268	53,673	103,941
2031-2035	74,893	29,052	103,945
2036-2040	32,633	5,453	38,086
	<u>\$ 5,990,363</u>	<u>\$ 1,756,757</u>	<u>\$ 7,747,120</u>

NOTE 7 – DEFINED BENEFITS PENSION PLAN

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

A. Plan Description

Authority employees contribute to the Participating Local Districts (PLDs) Consolidated Plan, a cost sharing multiple-employer defined benefit pension plan administered by the Maine Public Employees Retirement System. The PLD's Consolidated Plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Title 5 of the Maine Revised Statutes Annotated assigns the Authority to establish and amend benefit provisions to the PLD's Consolidated Plan Board of Trustees. The Maine State Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for PLDs Consolidated Plan. That report may be obtained by writing to Maine Public Employees Retirement System, 46 State House Station, Augusta, Maine 04333.

AUBURN HOUSING AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2015

NOTE 7 – DEFINED BENEFITS PENSION PLAN (CONTINUED)

B. Funding Policy

The contribution requirements of plan members and the Authority are established and may be amended by the PLD's Consolidated Board of Trustees. The Authority's employees are part of the regular plan and are required to contribute 6.5% of their annual salary. The Authority is required to contribute a percentage of the regular plan members' covered payroll annually to the system at a percentage of 6.5%. The Authority's contributions to the PLD's Consolidated Plan for the year ended March 31, 2015 was \$75,325

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS

The Authority, in accordance with its current life insurance company agreement, provides life insurance to eligible retirees. The Authority pays the premiums which are currently \$77.40 a month for the eleven retirees at March 31, 2015. The cost for future years cannot be determined at this time.

NOTE 9 – CONTINGENCIES

The Authority is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. Claims covered by the risk management program are reviewed and losses are accrued as required in the judgment of management. In the opinion of management, based on the advice of legal counsel, the ultimate disposition of lawsuits and claims will not have a material adverse effect on the financial position of the Authority.

The Authority receives federal funds through grants and loans. Closeout of these grants may not happen until subsequent fiscal years. The Authority may be responsible for returning federal funds based upon the close out of these grants.

AUBURN HOUSING AUTHORITY  
SUPPLEMENTAL FINANCIAL DATA SCHEDULE  
MARCH 31, 2015

	Project Total	14,871 Housing Choice Vouchers	2 State/Local	1 Business Activities	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$961,758	\$19,697	\$2,706,156	\$2,397,110	\$6,084,721		\$8,084,721
112 Cash - Restricted - Modernization and Development							
113 Cash - Other Restricted		\$20,493	\$1,298,543		\$1,319,036		\$1,319,036
114 Cash - Tenant Security Deposits	\$58,314		\$96,185	\$6,738	\$161,237		\$161,237
115 Cash - Restricted for Payment of Current Liabilities							
100 Total Cash	\$1,020,072	\$40,190	\$4,100,884	\$2,403,848	\$7,564,994	\$0	\$7,564,994
121 Accounts Receivable - PHA Projects							
122 Accounts Receivable - HUD Other Projects	\$6,628				\$6,628		\$6,628
124 Accounts Receivable - Other Government							
125 Accounts Receivable - Miscellaneous	\$113,177	\$8,081	\$23,428	\$278	\$144,964		\$144,964
126 Accounts Receivable - Tenants	\$10,958		\$393	\$11	\$11,362		\$11,362
126.1 Allowance for Doubtful Accounts - Tenants	\$0	\$0	\$0	\$0	\$0		\$0
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current							
128 Fraud Recovery	\$5,000	\$13,702			\$18,702		\$18,702
128.1 Allowance for Doubtful Accounts - Fraud	-\$5,000	-\$13,702			-\$18,702		-\$18,702
129 Accrued Interest Receivable					\$0	-\$10,208	-\$10,208
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$130,763	\$8,081	\$23,821	\$289	\$162,954	-\$10,208	\$152,746
131 Investments - Unrestricted			\$1,148,561		\$1,148,561		1,148,561
132 Investments - Restricted							
135 Investments - Restricted for Payment of Current Liability							
142 Prepaid Expenses and Other Assets	\$14,260	\$6,342	\$13,925	\$1,953	\$36,480		36,480
143 Inventories	\$13,040				\$13,040		13,040
143.1 Allowance for Obsolete Inventories	\$0				\$0		\$0
144 Inter Program Due From	\$6,628				\$6,628	-\$6,628	\$0
145 Assets Held for Sale							
150 Total Current Assets	\$1,184,763	\$54,613	\$5,287,191	\$2,406,090	\$8,932,657	-\$16,836	\$8,915,821

## SCHEDULE A (CONTINUED)

AUBURN HOUSING AUTHORITY  
SUPPLEMENTAL FINANCIAL DATA SCHEDULE  
MARCH 31, 2015

161 Land	\$2,396,296		\$1,810,046	\$16,000	\$4,222,342		\$4,222,342
162 Buildings	\$10,238,573		\$17,015,480	\$886,990	\$28,141,043		\$28,141,043
163 Furniture, Equipment & Machinery - Dwellings	\$170,718		\$489,531	\$11,031	\$671,280		\$671,280
164 Furniture, Equipment & Machinery - Administration	\$436,538	\$15,060	\$1,082,837	\$8,647	\$1,541,082		\$1,541,082
165 Leasehold Improvements							
166 Accumulated Depreciation	-\$9,777,223	-\$6,752	-\$10,595,169	-\$445,170	-\$20,824,314		-\$20,824,314
167 Construction in Progress	\$15,906		\$20,602		\$36,508		\$36,508
168 Infrastructure							
160 Total Capital Assets, Net of Accumulated Depreciation	\$3,480,808	\$8,308	\$9,823,327	\$475,498	\$13,787,941	\$0	\$13,787,941
171 Notes, Loans and Mortgages Receivable - Non-Current			\$260,000	\$2,450,000	\$2,710,000	-\$2,450,000	260,000
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due							
173 Grants Receivable - Non Current							
174 Other Assets			\$1,000		\$1,000		1,000
176 Investments in Joint Ventures							
180 Total Non-Current Assets	\$3,480,808	\$8,308	\$10,084,327	\$2,925,498	\$16,498,941	-\$2,450,000	\$14,048,941
200 Deferred Outflow of Resources							
290 Total Assets and Deferred Outflow of Resources	\$4,665,571	\$62,921	\$15,371,518	\$5,331,588	\$25,431,598	-\$2,466,836	\$22,964,762
311 Bank Overdraft							
312 Accounts Payable <= 90 Days	\$2,209	\$884	\$130,144		\$133,237		133,237
313 Accounts Payable >90 Days Past Due							
321 Accrued Wage/Payroll Taxes Payable			\$64,817		\$64,817		64,817
322 Accrued Compensated Absences - Current Portion	\$3,806	\$1,647	\$3,957		\$9,210		9,210
324 Accrued Contingency Liability							
325 Accrued Interest Payable			\$30,426	\$351	\$30,777	-\$10,208	20,569
331 Accounts Payable - HUD PHA Programs							
332 Account Payable - PHA Projects							



SCHEDULE A (CONTINUED)

AUBURN HOUSING AUTHORITY  
SUPPLEMENTAL FINANCIAL DATA SCHEDULE  
MARCH 31, 2015

333 Accounts Payable - Other Government	\$27,895				\$27,895		27,895
341 Tenant Security Deposits	\$55,314		\$96,185	\$6,738	\$161,237		161,237
342 Unearned Revenue	\$18,244		\$14,807		\$31,051		31,051
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			\$794,970	\$19,992	\$814,962		814,962
344 Current Portion of Long-term Debt - Operating Borrowings							
345 Other Current Liabilities							
346 Accrued Liabilities - Other							
347 Inter Program - Due To	\$6,628				\$6,628	-\$6,628	\$0
348 Loan Liability - Current							
310 Total Current Liabilities	\$114,898	\$2,531	\$1,135,306	\$27,081	\$1,279,814	-\$16,836	\$1,262,978
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			\$7,633,563	\$91,838	\$7,625,401	-\$2,450,000	\$5,175,401
352 Long-term Debt, Net of Current - Operating Borrowings							
353 Non-current Liabilities - Other							
354 Accrued Compensated Absences - Non Current	\$32,450	\$14,819	\$35,611		\$82,880		82,880
355 Loan Liability - Non Current							
356 FASB 5 Liabilities							
357 Accrued Pension and OPEB Liabilities							
350 Total Non-Current Liabilities	\$32,450	\$14,819	\$7,569,174	\$91,838	\$7,708,281	-\$2,450,000	\$5,258,281
300 Total Liabilities	\$147,346	\$17,350	\$8,704,480	\$118,919	\$8,988,095	-\$2,466,836	\$6,521,259
400 Deferred Inflow of Resources							
508.4 Net Investment in Capital Assets	\$3,480,808	\$8,308	\$1,494,794	\$363,688	\$5,347,578	\$2,450,000	7,797,578
511.4 Restricted Net Position	\$0	\$20,493	\$1,298,543	\$0	\$1,319,036		1,319,036
512.4 Unrestricted Net Position	\$1,037,417	\$16,770	\$3,873,701	\$4,849,001	\$9,776,889	-\$2,450,000	7,326,889
513 Total Equity - Net Assets / Position	\$4,518,225	\$45,571	\$5,667,038	\$5,212,689	\$16,443,503	\$0	\$16,443,503
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$4,665,571	\$62,921	\$15,371,518	\$5,331,588	\$25,431,598	-\$2,466,836	\$22,964,762
600 Total Liab., Def. Inflow of Res., and Equity - Net Assets / Position							

AUBURN HOUSING AUTHORITY  
SUPPLEMENTAL FINANCIAL DATA SCHEDULE  
MARCH 31, 2015

	Project Total	14,871 Housing Choice Vouchers	2 State/Local	1 Business Activities	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue	\$651,060		\$3,559,989	\$90,619	\$4,291,668		\$4,291,668
70400 Tenant Revenue - Other			\$81,675		\$81,675		\$81,675
70500 Total Tenant Revenue	\$651,060	\$0	\$3,641,664	\$90,619	\$4,373,343	\$0	\$4,373,343
70600 HUD PHA Operating Grants	\$521,570	\$2,710,819			\$3,232,189		\$3,232,189
70610 Capital Grants	\$133,051				\$133,051		\$133,051
70710 Management Fee							
70720 Asset Management Fee							
70730 Book Keeping Fee							
70740 Front Line Service Fee							
70750 Other Fees							
70700 Total Fee Revenue					\$0	\$0	\$0
70800 Other Government Grants							
71100 Investment Income - Unrestricted	\$3,922	\$335	\$35,240	\$143,959	\$183,456		\$183,456
71200 Mortgage Interest Income							
71300 Proceeds from Disposition of Assets Held for Sale							
71310 Cost of Sale of Assets							
71400 Fraud Recovery		\$6,016			\$6,016		\$6,016
71500 Other Revenue	\$12,398	\$2,017	\$112,812	\$1,590	\$128,817	-\$8,131	\$120,686
71600 Gain or Loss on Sale of Capital Assets	\$6,235		\$1,279	-\$1,514	\$6,000		\$6,000
72000 Investment Income - Restricted			\$2,426		\$2,426		\$2,426
70000 Total Revenue	\$1,328,236	\$2,718,987	\$3,793,421	\$224,654	\$8,085,298	-\$8,131	\$8,057,167

SCHEDULE A (CONTINUED)

AUBURN HOUSING AUTHORITY  
SUPPLEMENTAL FINANCIAL DATA SCHEDULE  
MARCH 31, 2015

91100 Administrative Salaries	\$209,140	\$163,784	\$192,005		\$554,929		\$554,929
91200 Auditing Fees	\$2,904	\$3,872	\$2,024	\$100	\$8,900		\$8,900
91300 Management Fee				\$8,131	\$8,131	-\$8,131	\$0
91310 Book-keeping Fee	\$3,650	\$4,860	\$19,259	\$2,298	\$30,067		\$30,067
91400 Advertising and Marketing			\$1,004		\$1,004		\$1,004
91500 Employee Benefit contributions - Administrative	\$83,732	\$62,257	\$76,234		\$222,223		\$222,223
91600 Office Expenses	\$7,003	\$12,892	\$5,745	\$48	\$25,688		\$25,688
91700 Legal Expense	\$9,738	\$740	\$2,339		\$12,817		\$12,817
91800 Travel	\$7,109	\$9,466	\$5,377		\$21,952		\$21,952
91810 Allocated Overhead							
91900 Other	\$27,724	\$36,992	\$20,526	\$3,030	\$88,272		\$88,272
91000 Total Operating - Administrative	\$351,000	\$284,863	\$324,513	\$13,607	\$973,983	-\$8,131	\$965,852
92000 Asset Management Fee							
92100 Tenant Services - Salaries	\$54,074		\$101,588		\$155,642		\$155,642
92200 Relocation Costs							
92300 Employee Benefit Contributions - Tenant Services	\$25,628		\$36,016		\$61,644		\$61,644
92400 Tenant Services - Other	\$7,882				\$7,882		\$7,882
92500 Total Tenant Services	\$87,584	\$0	\$137,584	\$0	\$225,168	\$0	\$225,168
93100 Water	\$35,619		\$18,738	\$1,748	\$56,105		\$56,105
93200 Electricity	\$29,540		\$168,700	\$1,939	\$200,179		\$200,179
93300 Gas	\$132,103			\$7,416	\$139,519		\$139,519
93400 Fuel	\$15,180		\$171,335		\$186,515		\$186,515
93500 Labor							
93600 Sewer	\$35,619		\$18,351	\$1,748	\$55,718		\$55,718
93700 Employee Benefit Contributions - Utilities							
93800 Other Utilities Expense							
93000 Total Utilities	\$248,061	\$0	\$377,124	\$12,851	\$638,036	\$0	\$638,036

SCHEDULE A (CONTINUED)

AUBURN HOUSING AUTHORITY  
SUPPLEMENTAL FINANCIAL DATA SCHEDULE  
MARCH 31, 2015

94100 Ordinary Maintenance and Operations - Labor	\$155,532		\$196,098		\$351,630		\$351,630
94200 Ordinary Maintenance and Operations - Materials and Other	\$22,168		\$71,722	\$1,766	\$95,656		\$95,656
94300 Ordinary Maintenance and Operations Contracts	\$116,497		\$94,973	\$6,231	\$216,701		\$216,701
94500 Employee Benefit Contributions - Ordinary Maintenance	\$53,978		\$73,325		\$127,303		\$127,303
94000 Total Maintenance	\$347,175	\$0	\$436,118	\$7,997	\$791,290	\$0	\$791,290
95100 Protective Services - Labor							
95200 Protective Services - Other Contract Costs							
95300 Protective Services - Other							
95500 Employee Benefit Contributions - Protective Services							
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance	\$29,760	\$14,429	\$44,583	\$3,770	\$82,542		\$82,542
96120 Liability Insurance	\$16,533	\$8,016	\$4,101	\$3,622	\$32,272		\$32,272
96130 Workmen's Compensation	\$5,511	\$2,672	\$1,387		\$9,550		\$9,550
96140 All Other Insurance	\$3,307	\$1,803	\$820		\$5,730		\$5,730
96100 Total Insurance Premiums	\$55,111	\$26,720	\$50,871	\$7,392	\$140,094	\$0	\$140,094
96200 Other General Expenses			\$55,087	\$578	\$55,665		\$55,665
96210 Compensated Absences	\$53,113	\$22,129	\$59,274		\$134,516		\$134,516
96300 Payments in Lieu of Taxes	\$27,895		\$115,250	\$3,591	\$146,736		\$146,736
96400 Bad debt - Tenant Rents	\$5,284				\$5,284		\$5,284
96500 Bad debt - Mortgages							
96600 Bad debt - Other							
96800 Severance Expense							
96000 Total Other General Expenses	\$86,292	\$22,129	\$229,611	\$4,169	\$342,201	\$0	\$342,201

## SCHEDULE A (CONTINUED)

AUBURN HOUSING AUTHORITY  
SUPPLEMENTAL FINANCIAL DATA SCHEDULE  
MARCH 31, 2015

96710 Interest of Mortgage (or Bonds) Payable			\$436,429	\$4,537	\$440,966		\$440,966
96720 Interest on Notes Payable (Short and Long Term)			\$142,270		\$142,270		\$142,270
96730 Amortization of Bond Issue Costs							
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$578,699	\$4,537	\$583,236	\$0	\$583,236
96900 Total Operating Expenses	\$1,175,223	\$333,712	\$2,134,520	\$50,553	\$3,694,008	-\$8,131	\$3,685,877
97000 Excess of Operating Revenue over Operating Expenses	\$153,013	\$2,385,275	\$1,658,901	\$174,101	\$4,371,290	\$0	\$4,371,290
97100 Extraordinary Maintenance	\$7,350				\$7,350		\$7,350
97200 Casualty Losses - Non-capitalized	\$20,857				\$20,857		\$20,857
97300 Housing Assistance Payments		\$2,511,015			\$2,511,015		\$2,511,015
97350 HAP Portability-In							
97400 Depreciation Expense	\$297,282	\$2,688	\$476,790	\$28,288	\$805,048		\$805,048
97500 Fraud Losses							
97600 Capital Outlays - Governmental Funds							
97700 Debt Principal Payment - Governmental Funds							
97800 Dwelling Units Rent Expense							
90000 Total Expenses	\$1,500,712	\$2,847,415	\$2,611,310	\$78,841	\$7,038,278	-\$8,131	\$7,030,147
10010 Operating Transfer In	\$1,000		\$3,946	\$650,000	\$654,946	-\$654,946	\$0
10020 Operating transfer Out	-\$1,000		-\$653,946		-\$654,946	\$654,946	\$0
10030 Operating Transfers from/to Primary Government							
10040 Operating Transfers from/to Component Unit							
10050 Proceeds from Notes, Loans and Bonds							
10060 Proceeds from Property Sales							
10070 Extraordinary Items, Net Gain/Loss							
10080 Special Items (Net Gain/Loss)							
10091 Inter Project Excess Cash Transfer In							
10092 Inter Project Excess Cash Transfer Out							
10093 Transfers between Program and Project - In							
10094 Transfers between Project and Program - Out							
10100 Total Other financing Sources (Uses)	\$0	\$0	-\$650,000	\$650,000	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	-\$172,476	-\$128,428	\$532,111	\$795,813	\$1,027,020	\$0	\$1,027,020

SCHEDULE A (CONTINUED)

AUBURN HOUSING AUTHORITY  
SUPPLEMENTAL FINANCIAL DATA SCHEDULE  
MARCH 31, 2015

11020 Required Annual Debt Principal Payments	\$0	\$0	\$870,889	\$19,992	\$890,881	\$890,881
11030 Beginning Equity	\$4,690,701	\$173,999	\$8,134,827	\$4,416,858	\$15,418,483	\$15,418,483
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0				\$0	\$0
11050 Changes In Compensated Absence Balance						
11060 Changes In Contingent Liability Balance						
11070 Changes In Unrecognized Pension Transition Liability						
11080 Changes In Special Term/Severance Benefits Liability						
11090 Changes In Allowance for Doubtful Accounts - Dwelling Rents						
11100 Changes In Allowance for Doubtful Accounts - Other						
11170 Administrative Fee Equity		\$25,078			\$25,078	\$25,078
11180 Housing Assistance Payments Equity		\$20,493			\$20,493	\$20,493
11190 Unit Months Available	2124	6586	3492	120	12322	12322
11210 Number of Unit Months Leased	2100	6586	3468	119	12273	12273
11270 Excess Cash	\$944,716				\$944,716	\$944,716
11610 Land Purchases	\$0				\$0	\$0
11620 Building Purchases	\$133,051				\$133,051	\$133,051
11630 Furniture & Equipment - Dwelling Purchases	\$0				\$0	\$0
11640 Furniture & Equipment - Administrative Purchases	\$0				\$0	\$0
11650 Leasehold Improvements Purchases	\$0				\$0	\$0
11660 Infrastructure Purchases	\$0				\$0	\$0
13510 CFFP Debt Service Payments	\$0				\$0	\$0
13901 Replacement Housing Factor Funds	\$0				\$0	\$0

## AUBURN HOUSING AUTHORITY

SCHEDULE OF CAPITAL GRANT FUND COSTS - COMPLETED  
FOR THE YEAR ENDED MARCH 31, 2015

Annual Contributions Contract CF 501-12

Project Number	<b>ME36P00750112</b>
Funds Approved	\$ 197,549.00
Funds Expended	197,549.00
Excess (Deficiency) of Funds Approved	<u>\$ -</u>
 Funds Advanced	 \$ 197,549.00
Funds Expended	197,549.00
Excess (Deficiency) of Funds Advanced	<u>\$ -</u>

The distribution of costs by project as shown on the Final Statement of Modernization Costs accompanying the Actual Modernization Cost Certificate submitted to HUD for approval is in agreement with the PHA's records.

All modernization costs have been paid and all related liabilities have been discharged through payment.

No budget overruns occurred.

AUBURN HOUSING AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED MARCH 31, 2015

Federal Grantor Pass-through Grantor Program Title	CFDA Number	Pass-Through Grantor Number	Federal Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:			
Direct programs:			
Low Rent Public Housing - operating subsidy	14.850	N/A	<u>\$ 519,570</u>
Section 8:			
Housing Choice Voucher	14.871	N/A	<u>2,710,619</u>
Capital Fund Programs	14.872	N/A	<u>135,051</u>
Passed through State of Maine - Maine State Housing Authority:			
Section 8:			
New Construction and Substantial Rehabilitation	14.182	N/A	<u>860,100</u>
Housing Assistance Payments Program - Esplanade	14.195	N/A	810,647
Housing Assistance Payments Program - Roak Block	14.195	N/A	<u>761,405</u>
			<u>1,572,052</u>
Total U.S. Department of Housing and Urban Development			<u>5,797,392</u>
TOTAL FEDERAL AWARDS			<u>\$ 5,797,392</u>



## AUBURN HOUSING AUTHORITY

### NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED MARCH 31, 2015

#### 1. General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards of Auburn Housing Authority. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included on the schedule.

#### 2. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting.

#### 3. Major Programs - Federal

The following programs were considered major programs as defined by OMB Circular A-133 and also Type A programs as defined by Circular A-133. These programs were tested due to the Agency being classified as high-risk also defined in OMB Circular A-133:

<u>Program</u>	<u>CFDA #</u>
Housing Choice Voucher	14.871

#### 4. Reporting Guidance

The accompanying Schedule of Expenditures of Federal Awards has been prepared following the guidance provided by the U.S. Department of Housing and Urban Development's Real Estate Assessment Center (REAC).



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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners  
Auburn Housing Authority  
Auburn, Maine

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Auburn Housing Authority, as of and for the year ended March 31, 2015, and the related notes to the financial statements, which collectively comprise Auburn Housing Authority basic financial statements, and have issued our report thereon dated August 11, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Auburn Housing Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Auburn Housing Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Auburn Housing Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify and deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Auburn Housing Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### Purpose of the Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*RHR Smith & Company*

Buxton, Maine  
August 11, 2015



***Proven Expertise and Integrity***

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY OMB CIRCULAR A-133**

Board of Commissioners  
Auburn Housing Authority  
Auburn, Maine

**Report on Compliance for Each Major Federal Program**

We have audited the Auburn Housing Authority's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Auburn Housing Authority's major federal programs for the year ended March 31, 2015. The Auburn Housing Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the Auburn Housing Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Auburn Housing Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Auburn Housing Authority's compliance.

## Opinion on Each Major Federal Program

In our opinion, the Auburn Housing Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended March 31, 2015.

## Report on Internal Control Over Compliance

Management of the Auburn Housing Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Auburn Housing Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of the Auburn Housing Authority's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Auburn Housing Authority's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this communication is not suitable for any other purpose.

*RHR Smith & Company*

Buxton, Maine  
August 11, 2015

AUBURN HOUSING AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED MARCH 31, 2015

**Section I - Summary of Auditor's Results**

• *Financial Statements*

Type of auditor's report issued : Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified? ☐ yes ☒ no
- Noncompliance material to financial statements noted ☐ yes ☒ no

• *Federal Awards*

Internal control over major programs:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified? ☐ yes ☒ no

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported

In accordance with section 510(a) of OMB Circular A-133? ☐ yes ☒ no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
14.871	Housing Choice Voucher

Dollar threshold used to distinguish between type A and B: \$300,000

Auditee qualified as low-risk auditee? ☒ yes ☐ no

**Section II – Financial Statement Findings**

None

**Section III – Federal Awards Findings and Questioned Costs**

None





## City Council Information Sheet

City of Auburn

**Council Workshop or Meeting Date:** 9-8-2015

**Order** 64-09082015\*

**Author:** Sue Clements-Dallaire

**Subject:** Temporary Sign Request – St. Dominic Academy

**Information:** This is a request to allow St. Dominic Academy to place a temporary sign for their Holiday Festival. They would like to place the sign on Mt. Auburn Avenue beside Starbucks from October 26<sup>th</sup> through November 9<sup>th</sup>.

**Advantages:** Promotes this local event

**Disadvantages:** Some may not like the appearance of the temporary sign.

**City Budgetary Impacts:** None

**Staff Recommended Action:** Staff recommends approval of their request.

**Previous Meetings and History:** This is a yearly request.

**Attachments:**

Letter

Photo of the sign

Map showing placement of the sign

Order 64-09082015





# SAINT DOMINIC ACADEMY

*Donald Fournier, President*

*Donald Bilodeau, Principal*  
Grades Pre K-6  
17 Baird Avenue  
Lewiston, Maine 04240  
207-783-9323 fax: 207-783-9491

*Joline Girouard, Principal*  
Grades 7-12  
121 Gracelawn Road  
Auburn, Maine 04210  
207-782-6911 fax: 207-795-6439

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To Susan Clements-Dallaire (Auburn City Council):

St. Dominic Academy is holding its 10<sup>th</sup> Annual Holiday Festival at our High School campus in Auburn on Saturday November 7<sup>th</sup>, 2015. St. Dominic's mission is to educate students according to the highest moral and educational standards. We anticipate several hundred attendees at this year's Holiday Festival that will include crafts, baked goods, games and activities for all ages. It is one of our largest events of the year and helps us raise needed funds to support our educational mission.

We would like to get permission from the Auburn City Council to place a sign for the Holiday Festival on Mt. Auburn Avenue in Auburn beside Starbucks from October 26<sup>th</sup> through November 9<sup>th</sup>, 2015. Enclosed is a photo of the sign.

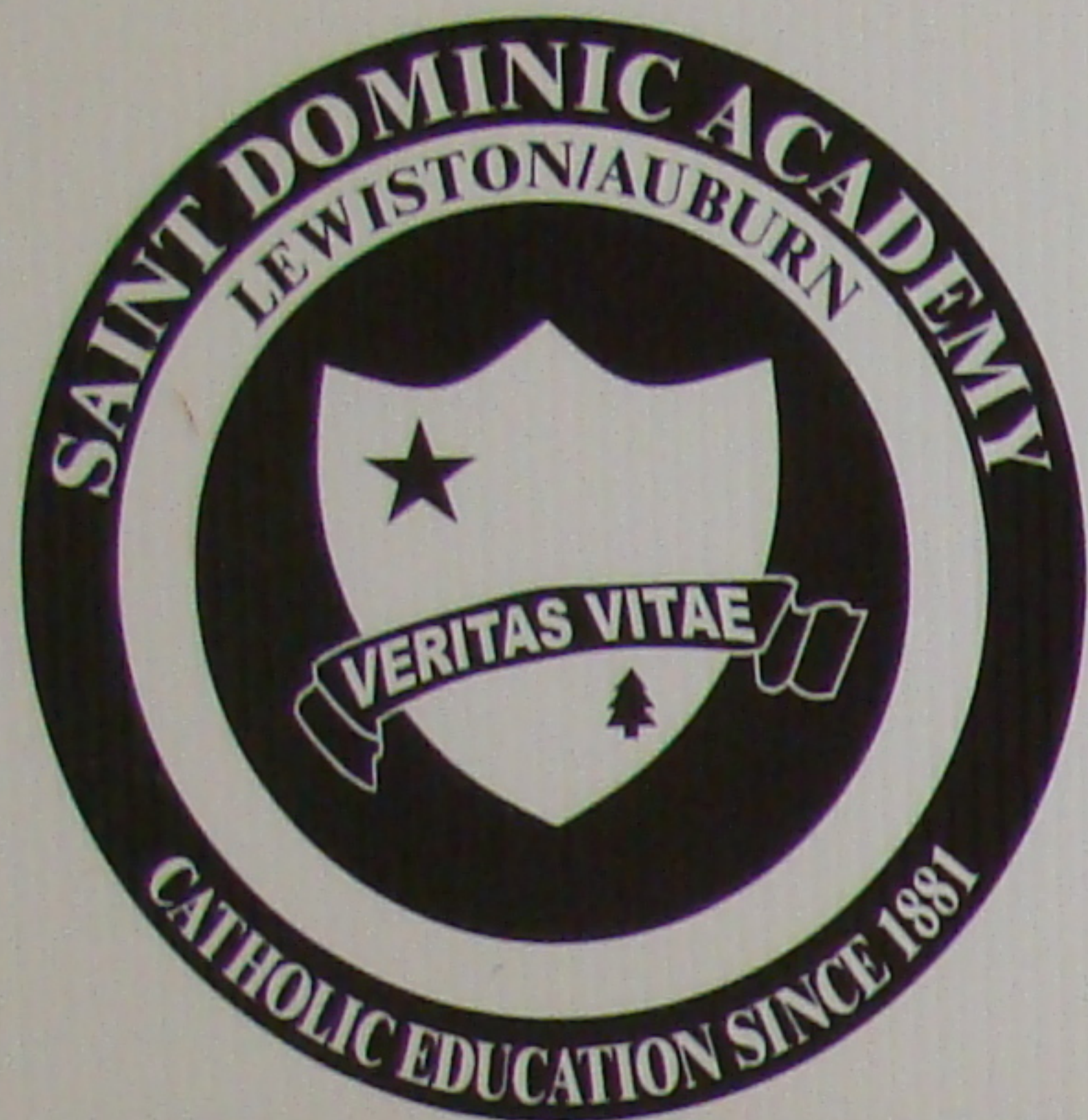
Please let me now if you need anything (Donna Cote at 207-345-3124 - [dcote@unum.com](mailto:dcote@unum.com)).

Thank you for your time and your support. May God bless you!

Sincerely,

Donna Cote  
Committee Chair - Saint Dominic Academy Holiday Festival





# **St. Dom's**

**GRACELAWN ROAD, AUBURN**

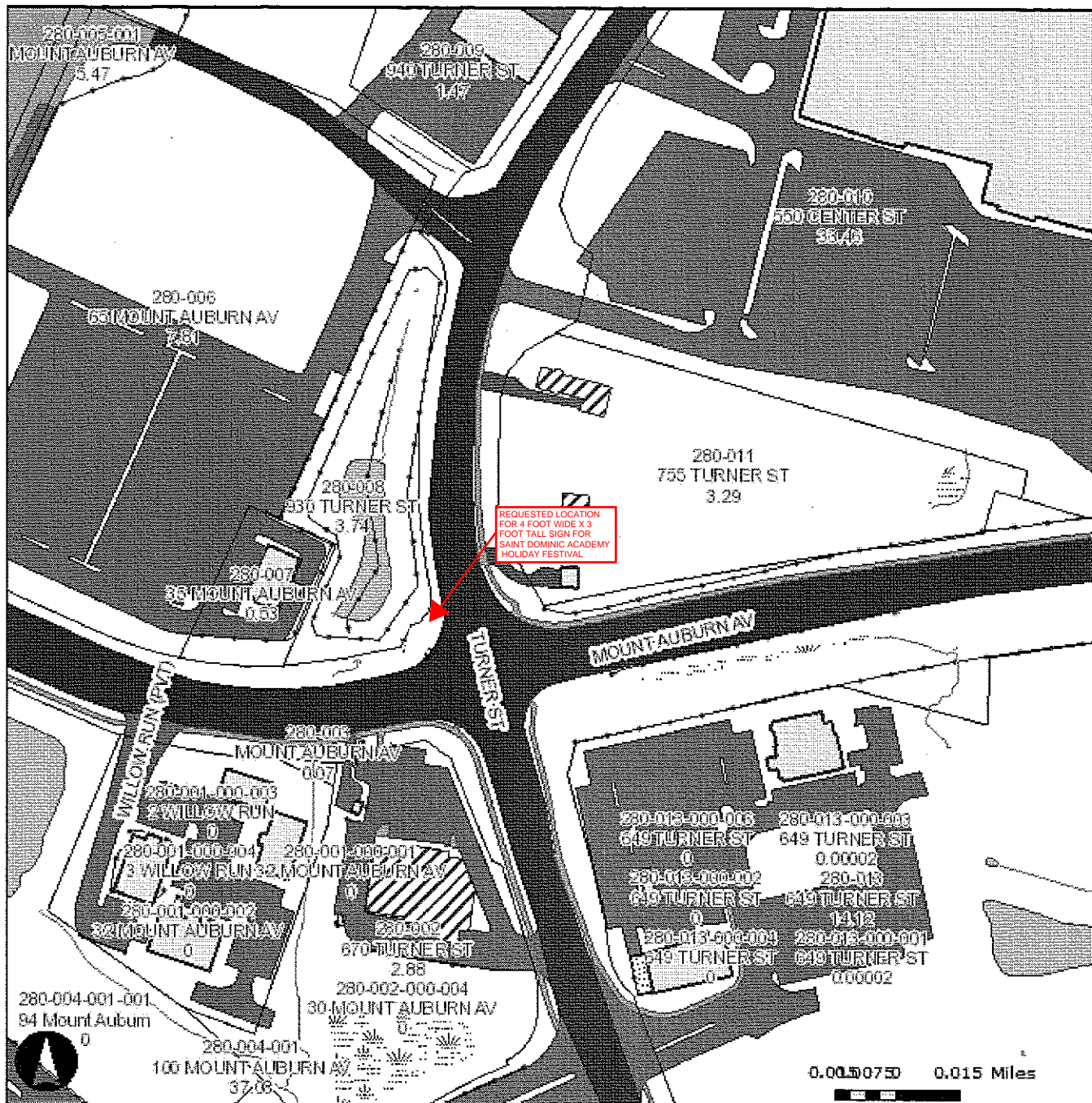
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# **Holiday Festival**

**Saturday, Nov 12th**  
**9 AM - 3 PM**



# Map



Tizz E. H. Crowley, Ward One  
Robert Hayes, Ward Two  
Mary Lafontaine, Ward Three  
Adam R. Lee, Ward Four



Leroy Walker, Ward Five  
Belinda Gerry, At Large  
David Young, At Large

Jonathan P. LaBonte, Mayor

## **IN CITY COUNCIL**

### **ORDER 64-09082015**

ORDERED, that the City Council hereby approves the request for Saint Dominic Academy to place a temporary sign for its Holiday Festival to be placed on Mount Auburn Avenue beside Starbucks from October 26<sup>th</sup> through November 9<sup>th</sup>, 2015.



## City Council Information Sheet

City of Auburn

**Council Workshop or Meeting Date:** 9/8/2015

**Order** 65-09082015\*

**Author:** Sue Clements-Dallaire, City Clerk

**Subject:** Setting November 3, 2015 as the date for the Special Municipal Election for the School Budget Amendment

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**Information:**

The School Department received funding from the State and before expending any of those funds, a referendum election must be held. We are recommending holding this election at the same time the State Referendum and Municipal Elections are to be held (Nov. 3, 2015)

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**Advantages:** A greater number of people voting.

**Disadvantages:**

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**City Budgetary Impacts:** N/A

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**Staff Recommended Action:** Recommend passage of this order.

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**Previous Meetings and History:** N/A

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**Attachments:** Order 65-09082015

Tizz E. H. Crowley, Ward One  
Robert Hayes, Ward Two  
Mary Lafontaine, Ward Three  
Adam R. Lee, Ward Four



Leroy Walker, Ward Five  
Belinda Gerry, At Large  
David Young, At Large

Jonathan P. LaBonte, Mayor

## **IN CITY COUNCIL**

### **ORDER 65-09082015**

ORDERED, that the City Council hereby sets the date of Tuesday, November 3, 2015 for the Special Municipal Election for the School Budget Amendment.

## IN COUNCIL REGULAR MEETING AUGUST 17, 2015 VOL. 34 PAGE 165

Mayor LaBonté called the meeting to order at 7:04 P.M. in the Council Chambers of Auburn Hall and led the assembly in the salute to the flag. Councilor LaFontaine had an excused absence. All other Councilors were present.

### I. Consent Items - None

### II. Minutes

- August 3, 2015 Regular Council Meeting

Motion was made by Councilor Walker and seconded by Councilor Hayes to accept the minutes of August 3, 2015 as presented. Passage 6-0.

### II. Communications, Presentations and Recognitions

- Proclamation – 80<sup>th</sup> Anniversary of the Social Security Act
- Ethan Boxer-Macomber and Rick Whiting - 62 Spring Street Potential Project Update

### III. Open Session – Members of the public are invited to speak to the Council about any issue directly related to City business which is *not on this agenda*.

**Melissa Dunn**, Tenant Rights Community Organizer for Neighborhood Housing League spoke about a press event she spoke at regarding tenant/landlord issues. Handouts were provided and a copy has been placed on file.

**Katy Grondin**, Auburn resident and Superintendant of the Auburn School Department talked about the State subsidy and the School Budget. In order to expend any of those funds in the current school year, a referendum vote is required.

**Andy Titus**, 24 Rubellite regarding the Barn project and he would like to see a “punch list”. He talked about the Community Gardens project and would like to see an inventory of property we own and can any of those be sold so funds could be used for revitalization projects. He also commented on the Spring Street presentation would like to hear more about financials and projections, parking and traffic.

**Joe Gray**, Sopers Mill Road commented on the 62 Spring Street presentation and because it was placed under presentations there was no information sheet. If it had been brought up during a workshop, there would be documents to reference. He said the same about the Superintendant who “came up out of nowhere” and “should have been a planned event”. He also mentioned that over the weekend, the United New Auburn Association had a pig roast, bottle drive, and yard sale. He thanked, the Boys and Girls Club and specifically Andrea, Christian, Savannah, Zac, Reginald, and Maurice who helped immensely.

### IV. Unfinished Business - None

### V. New Business

#### 1. Order 61-08172015

Authorizing the City Manager to purchase property at 14 Newbury Street.

**IN COUNCIL REGULAR MEETING AUGUST 17, 2015 VOL. 34 PAGE 166**

Motion was made by Councilor Lee and seconded by Councilor Young authorizing the City Manager to purchase property at 14 Newbury Street.

Public comment – Larry Pelletier, 129 Second Street commented.

Passage 6-0.

**2. Order 62-08172015**

Authorizing the discontinuance of Glenn Street.

Motion was made by Councilor Lee and seconded by Councilor Walker authorizing the discontinuance of Glenn Street.

Public comment – no one from the public spoke.

Passage 6-0.

**3. Order 63-08172015**

Confirming the City Manager's appointment of Denis D'Auteuil as Assistant City Manager.

Motion was made by Councilor Lee and seconded by Councilor Hayes confirming the City Manager's appointment of Denis D'Auteuil as Assistant City Manager.

Passage 4-2 (Councilors Walker and Gerry opposed).

**4. Resolve 06-08172015**

Authorizing the City Manager to request a quote from Androscoggin County for the provision of dispatch services under the fee-for-service program currently offered to other Androscoggin County Municipalities.

Motion was made by Councilor Crowley and seconded by Councilor Hayes authorizing the City Manager to request a quote from Androscoggin County for the provision of dispatch services under the fee-for-service program currently offered to other Androscoggin County Municipalities.

Public comment – no one from the public spoke.

Passage 5-0-1 (Councilor Lee abstained).

**VI. Executive Session**

- Discussion on a real estate matter pursuant to 1 M.R.S.A. §405 (6)(C).  
This executive session was not needed.
- Discussion on an economic development matter pursuant to 1 M.R.S.A. §405 (6)(C).  
Motion was made by Councilor Lee and seconded by Councilor Walker to enter into executive session. Passage 6-0. Time 8:11 P.M.



Council was declared out of executive session at 8:35 P.M.

## **VII. Reports**

**Mayor's Report** – The Mayor commented that it was nice that there were so many activities and events taking place this past Saturday here in Auburn. He thanked volunteers and businesses who help to make these events happen.

### **City Councilors' Reports**

**Councilor Gerry** reported that she attended an event in Lewiston at CMMC. It was a diabetic informational meeting that addressed making better life and food choices. She segued on to the community gardens and farmers markets and how she is personally working on making better food choices in order to improve her overall health.

**Councilor Walker** thanked everyone for a great weekend. A lot of businesses, business people and volunteers helped the United New Auburn Association on their event that took place over the weekend. It was a great time.

**Councilor Lee** reported that the last of the last of the Triple Crown series is on Saturday (The Bridge Run) and he welcomed people to join in.

**Councilor Hayes** had no report.

**Councilor Crowley** thanked the United New Auburn Association for sponsoring the Garage Sale/Pig Roast event that took place over the weekend, she also thanked the Boys and Girls Club members who helped out, she thanked the children who entered the box car driving contest held on Friday at Pettengill Park, she congratulated Tabers who are celebrating 75 years in business, Top it Off Yogurt Bar and Maine Gourmet Chocolate who are celebrating 2 years in business. She went over dates to watch, including the 95<sup>th</sup> anniversary of the ratification of the 19<sup>th</sup> amendment granting women the right to vote. She encouraged women to volunteer to serve on one of the boards or committees of the City. Thursday 8/20 is the deadline for filing nomination papers, 8/21 is the Great Falls Balloon Festival, 8/25 is St Louis Feast Day, Thursday, 8/27 Don Campbell will be performing at Festival Plaza. Monday, September 6<sup>th</sup> the movie Gone with the Wind will be featured at the Outlet Beach. She went over her visiting hours at the Library. She is working with a couple of constituents on determining if there is a cat leash law in Auburn and consideration of increasing the number of chickens one can keep under our current ordinance. She mentioned that currently swimming is allowed at the Outlet Beach, and she thanked Councilor Gerry for sharing her personal story during her report.

**Councilor Young** reported that the Androscoggin Historical Society will have the Knight House open during the Balloon Festival and the Great Falls TV Advisory Board will be meeting on Thursday.

**City Managers Report** reminded everyone that the Great Falls Balloon Festival will be taking place on both sides of the river over the weekend. He congratulated Café LA

located at the Auburn Public Library on their opening. The ribbon cutting took place last week. There will also be a ribbon cutting for Hartt Transportation. He wanted to wish both businesses the best of luck. He thanked Alan Manoian for his work on coordinating various events at Festival Plaza. Construction projects are taking place in New Auburn and he wanted to let those residents know how much he appreciated their cooperation and understanding during this construction. Great Falls TV will be having their quarterly meeting here at Auburn Hall on Thursday. University of Maine Hockey coach Red Gendron and his staff will be holding a clinic at the Norway Savings Bank Arena. He congratulated Denis D'Auteuil on his appointment as Assistant City Manager and he is confident that he will do a great job and he is looking forward to working with him.

- VII. Open Session** – Members of the public are invited to speak to the Council about any issue directly related to City business which is *not on this agenda*.

**Tim Goss**, 176 Val View Drive expressed concerns about construction projects in the City that are started but not completed. He used Park Avenue as an example. A project on Val View Drive was scheduled to begin this spring but just started a few weeks ago. Why have these projects been put on hold? He commented that if the contractors are too busy, there should be timelines, and there should be penalties for not meeting the timelines given and put back out to bid if needed.

- VIII. Adjournment** – Motion was made by Councilor Crowley and seconded by Councilor Lee to adjourn. All were in favor and the meeting adjourned at 8:53 PM.

A True Copy.

ATTEST *Susan Clements Dallaire*  
Susan Clements-Dallaire, City Clerk



**August 28, 2015**

**Ed Barrett, City Administrator**

City of Lewiston

**Howard Kroll, City Manager**

City of Auburn

This letter is to outline our request for additional funds to provide cash match to the Maine International Trade Center (MITC) Foreign Direct Investment (FDI) Program. I have briefed Council three times previously (March and twice in April) on this one-time grant that provides direct cash to support business development marketing (a very unique grant and opportunity).

First, allow me to give a bullet point update on LAEGC activities since I last met with Council.

- We have closed two loans in the past two months and are in the process of considering or working on applications for four others
- We are working on four new business investment leads, coordinating with City Staff
- We continue to reach out to the existing business community; are assisting with some current expansions and connecting business to other opportunities or contacts.
- We have launched our Blackstone Accelerates Growth entrepreneurship program with the following events planned
  - LA Maine Developers Boot Camp, Sept 28, 29.
  - September 9, 2015; Launch Intro & Input Session
  - November 12 Entrepreneur Leadership Networking Program
    - Note that this event and general date will become the LAEGC “annual dinner”
    - In regards to annual dinner, I would propose that LAEGC take on the nomination process to solicit and recommend one economic development award from each city, coordinated with City Staff and with approval of Council. Secondly, perhaps a dual city award as well, if and when warranted.

However, the focus of this letter, and subsequent discussion at your upcoming Workshop, is the MITC FDI grant and how we can use it to deliver on our Scope of Services and encourage new business and investment in LA.

This grant will help us expand efforts currently underway. LAEGC has engaged, through our existing networks with business in Atlantic Canada. Our approach is to identify communities, organizations, and “networks,” for the purpose of identifying potential new market opportunities for our existing business and possible new business investment opportunities. To that end, I have met with a company in Fredericton that is considering their first US expansion. I have also met a company who will be re-kindling past talks with a local company (as a value added supplier). Lastly, through our networks, we have another local business now in contact with three possible contract opportunities.

Lewiston Auburn Economic Growth Council

*415 Lisbon Street, Suite 400, Lewiston, ME, Telephone (207)784-0161, Fax (207)786-4412*

As I have informed you previously, I am asking each City to contribute \$20,000 towards this grant opportunity that will support our marketing plans to attract new business and investment to LA Maine. The RFP can be found at:

<http://www.investinmaine.net/wp-content/uploads/2014/12/Invest-in-Maine-Regional-Reimbursement-Program.pdf>

This is a one-time EDA grant to MITC that is being “sub-granted” to support regional FDI initiatives. Awardees in the first round of grants included the Kennebec Regional Development Authority (aka, “First Park”), Midcoast Regional Redevelopment Authority (aka, MRRA at Brunswick Landing), and Greater Portland (a coalition of cities and towns around Portland).

I have begun to outline our proposal in anticipation of submitting an application. The focus of our marketing will be on foreign markets, starting “next door” in Quebec and the Maritimes. This funding will be used over a 27-month time period (last quarter of 2015, full calendar years 2016, 2017). LAEGC will commit \$20,000 in cash match from our existing FY2016 budget. These are funds budgeted to redesign of our brand and website, as well as additional collateral material. We will then dedicate \$17,500 of our marketing budget over the balance of our FY2016, FY2017, FY2018 budgets towards cash match. In addition we are estimating 2,160 hours of in-kind match from LAEGC to this effort over the term of the grant program.

Presented at right is a **DRAFT** budget for the grant submission. This may be revised as we gather more details on events and other direct expenses, but is generally the overall budget.

Overall, our FDI application will focus on the following targeted audiences, markets, and sectors to complement MITC’s Invest in Maine program and the FDI initiatives of the other regional grant awardees. We will be focused on the following markets and sectors:

LA Maine Foreign Direct Investment Budget				
Invest in Maine Regional Program				
<b>Direct Expenditures Budget</b>				
<b>Activity</b>	<b>Total</b>	<b>LAEGC</b>	<b>City</b>	<b>MITC</b>
<u>Collateral Material, Branding</u>				
LAGEC	\$15,000	\$15,000		
Chamber	\$20,000			
Regional Brand	\$10,000	\$5,000		
<b>Subtotal</b>	<b>\$45,000</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$0</b>
<u>Direct Outreach</u>				
Atlantic Canada	\$42,500	\$5,000	\$10,000	\$7,500
Quebec	\$42,500	\$5,000	\$10,000	\$7,500
Balance of Canada	\$32,500	\$2,500	\$10,000	\$5,000
Europe	\$20,000	\$2,500	\$5,000	\$10,000
Hong Kong, China	\$15,000	\$2,500	\$5,000	\$5,000
<b>Subtotal</b>	<b>\$152,500</b>	<b>\$17,500</b>	<b>\$40,000</b>	<b>\$35,000</b>
<u>Consultant</u>				
				\$15,000
<b>Total</b>	<b>\$197,500</b>	<b>\$37,500</b>	<b>\$40,000</b>	<b>\$50,000</b>

Markets:

- Canada, specifically Quebec and Atlantic Canada
- Europe, interconnected with MITC and other regional Invest in Maine partners.
  - We are working closely with a private partner, Aizoon, Inc. to leverage their connections and introductions including upcoming visits by an Italian manufacturing company and a tour by a number of Italian entrepreneurs.
- Hong Kong; China
  - As a result recent public relations and social media outreach by LAEGC and the Chamber, LA was visited by Steve Barclay, director of the Hong Kong Economic and Trade Office in New York, during his recent visit in Maine. We will explore his eagerness to engage our community as a potential market.
  - Hong Kong offers an entry into the Chinese market. In addition, recent investments by Miracle Enterprise, which will partner with Central Maine Medical Center on a five-star “medical tourism facility” in Auburn, will open up additional avenues for our outreach. We will explore how to make those connections as these investors begin to establish their facility and programs in Auburn.

Sectors (to be further refined in the coming weeks):

- Food and Food Distribution
- Heavy (bulk) logistics, transportation, materials
- Manufacturing
- Health Care Products—manufacturing

The City funds will complement the MITC (grant) funds and be used for direct marketing expenses. This includes costs of networking events and travel. We will do very limited advertising, but we intend to develop a collateral piece that can be used on FDI and domestic business development marketing. We also anticipate contracting with a business consultant to generate “qualified leads” of companies that we will meet with. A qualified lead will be one that has serious intention about a US investment, partnership, or expansion.

I am confident we can submit a very compelling application. The matching funds are critical to the success of our application.

I look forward to discussing this with you at the upcoming Workshops and your input.



John Holden, President  
[jholden@economicgrowth.org](mailto:jholden@economicgrowth.org)



## City Council Information Sheet

City of Auburn

**Council Workshop or Meeting Date:** 9-8-2015

**Order** 66-09082015

**Author:** Reine Mynahan, Community Development Director

**Subject:** Community Gardens

**Information:** The Memorandum of Understanding has been revised to address concerns expressed by the City Council on August 3<sup>rd</sup> and August 17<sup>th</sup>. As highlighted in the attached memo from Kirsten Walter, the concept of a coordinating team remains as suggested in the original proposal. The project budget and need for CDBG resources has been reduced and performance measures have been incorporated into the MOU.

**Advantages:**

- Converts a vacant lot into a place where neighbors can gather to socialize, share knowledge and skills while growing their own food for a healthier diet.
- Incorporates targets for performance measures that will address the garden's success.
- Addresses match targets identified by the City Council.
- As a pilot project the City Council will have an opportunity to review the performance prior to the establishment of another garden.

**Disadvantages:** Ties up a city-owned property for 10 years.

**City Budgetary Impacts:** Construction of first garden is already funded in FY2015 Community Development Program.

**Staff Recommended Action:** Approval for City Manager to sign Memorandum of Understanding with St. Mary's Nutrition Center.

**Previous Meetings and History:** A grant from Harvard Pilgrim for \$5,000 was awarded to the City to cover a portion of the construction costs.

**Attachments:** Memorandum of Understanding and Order 66-09082015



# ST. MARY'S NUTRITION CENTER

August 28, 2015

Dear Mayor and Honorable Council Members,

The St. Mary's Nutrition Center worked with City staff and Coordinating Team partners to revise the community garden program agreement in response to discussion at the August 3<sup>rd</sup> and August 17, 2015 meetings. Much of the Memorandum of Understanding (MOU) remains the same as the draft that was submitted in the original report, however new sections were added to address resources and performance measures. We would like to highlight a few key pieces of the attached Memorandum of Understanding:

1. The MOU scope focuses on the planning and implementation of a community garden at 61 Webster Street.
2. Coordination of the garden is structured as a joint endeavor managed by a "Coordinating Team." The Nutrition Center will provide leadership for this team, with other members including the University of Maine Cooperative Extension and City staff. This team has shared responsibility for the success of the garden program and is designed for sustainability by utilizing the unique strengths of the team members.
3. The resources needed for the garden are outlined in the MOU with each party committing to support upon approval. The Coordinating Team will be responsible for raising the remainder and securing in-kind support.
4. End of season performance measures and targets were added with targets to be measured by November 2016. These will be assessed using in person interviews and surveys of gardeners. We will conduct feedback session with gardeners and partners to solicit input on design, management and feedback for the following year. We have also identified interim targets to be complete by February 2016 for review during the CDBG planning and budgeting process:
  - Phase one garden construction complete in fall 2015
  - Coordinating Team established and meeting quarterly
  - Coordinating Team secured all additional resources needed to complete pilot year
  - Initial fall outreach to community gardeners complete, with 50% occupancy committed

We are hopeful that a decision will be reached at the September 8<sup>th</sup> meeting, as the timeline for this project is significantly impacted by the upcoming winter season. Both Auburn Public Services and the Nutrition Center have availability in the fall to complete the first phase of garden installation. Capacity for this work will be much more limited in spring, when we'd like to focus on planting with gardeners, and thus we hope to capitalize on the fall window. Additionally, starting work in the fall will strengthen the community gardener, partner and business outreach efforts upon which this project depends.

Sincerely,



Kirsten Walter  
Director, St. Mary's Nutrition Center

## **MEMORANDUM OF UNDERSTANDING**

St. Mary's Nutrition Center  
City of Auburn - Community Garden at lot 250-331  
61 Webster Street, Auburn, Maine

This document shall represent a mutual understanding of a legal agreement between the City of Auburn (hereafter referred to as "the City") and the St. Mary's Nutrition Center, part of St. Mary's Regional Medical Center (hereafter referred to as "NC").

### **SCOPE**

The scope of this project involves the NC developing a Coordinating Team to lead the coordination of construction, operation and maintenance of a community garden at the former house lot 250-331 of 61 Webster Street, Auburn Maine as part of the 2015-2019 Consolidated Plan for the City of Auburn and Lewiston Community Development Block Grant (CDBG), which lists as a priority the creation and establishment of at least three distinct community gardens in the three underserved neighborhoods of Union Street, Downtown, and New Auburn.

The scope of this project shall also include the installation of a fence for security, the installation of water access in the form of spigot using an already existing "tap" service pipe and isolation valve (curb stop), the installation of a garden sign, the construction of a shed to store tools and equipment, the construction of compost bins to store plant debris, the construction of raised garden beds for individual and family garden plots and the creation of a perennial flower bed along the perimeter of the garden. All work and actions shall meet all requirements of local, state, and federal regulations and codes.

### **COORDINATION**

The development and implementation of the community garden at 61 Webster Street will be jointly managed by a Coordinating Team (hereafter referred to as "the Team") with the NC serving as lead coordinator, and the University of Maine Cooperative Extension and other invested community stakeholders serving as supporting members. Additionally, the Team will include representatives from the Economic and Community Development departments of the City of Auburn. Representatives will provide guidance and approval for decisions throughout the project, as well as participate in quarterly Team meetings and periodic conversations as needed to execute different stages of the project.

### **COMMUNICATION**

Both the City and the NC shall designate a primary and secondary contact person to act as representatives throughout the project. All communications, documents, etc. shall be coordinated through these individuals during regular Team meetings and scheduled conversations outside of these meetings. Until otherwise stated, the primary contact person on behalf of the City shall be the Community Development Director and the primary contact person from the NC will be the Executive Director. Secondary contact people will be designated at a future time.



## **RESOURCES**

The resources needed to install the garden and complete the pilot year have been outlined in the budget submitted to City Council on August 17, 2015. Upon signing this agreement, the following commitments will be considered approved:

City of Auburn CDBG budget - \$14,000

Secured grants - \$6,000

In-kind staff time and ancillary support commitments from NC - \$5,120

The additional resources needed to complete the project are estimated to be \$4,000-\$6,000.

The Coordinating Team will be jointly responsible for raising the additional funds and in-kind donations needed to successfully complete the pilot year of the 61 Webster Street Community Garden.

## **PLANS**

The size of the garden will be approximately 39'X100' and provide at minimum 20 garden plots (roughly 10'X4')

- 1) The Team, along with community input, shall produce plans and specifications for the garden at 61 Webster Street including but not limited to:
  - a) A site plan identifying and locating project components.
  - b) Sufficient details and specifications to illustrate methods of construction, the location of the tool shed and all component materials of fencing and grading.
- 2) City departments, through participation in the Team, shall approve plans and specifications for a garden at 61 Webster Street
  - a) The Team shall provide all plan information, product and performance specifications as needed by the City.
  - b) The City shall review documents for compliance with departmental standards and provide feedback and suggest corrections or additional data.
  - c) Corrections/additional data requested by the City shall be provided by the Team and resubmitted for another review and final approval.

## **PERMITS**

- 1) The City shall inform the NC which improvements, if any, require permits or licensing.
- 2) If the City determines that permits are required, the NC with support from the Team will obtain necessary permits required for construction, demolition, or reconstruction

## **CONSTRUCTION**

- 1) All construction plans will be coordinated and approved by City representatives serving as members of the Team prior to construction taking place.
- 2) The NC will coordinate with the Auburn Water District to re-establish water in that area from existing equipment and coordinate seasonal activation and de-activation of the access point each year.

## **OWNERSHIP/MAINTENANCE**

Lot 250-331 will remain City owned. Responsibility for operations and maintenance for the community garden at 61 Webster Street will be jointly held by the Team

- 1) Maintenance will be coordinated by the Team and executed in large part by community volunteers and residents, with limited additional support from the Public Services Department if and when capacity permits.
- 2) Team representatives from the City will help to ensure maintenance practices are being followed.

## **LIABILITY**

The City, as owner of the lot and any improvements and infrastructure contained or built upon it, will maintain liability for the lot's use as a community garden.

## **PARAMETERS OF USE**

This document acknowledges that the former house lot at 61 Webster Street will be designated for use as a community garden space with leadership being provided by the NC with support from the Team.

The NC commits to ensuring that the space will be used for the purposes of a community garden and uses ancillary thereto and no other, and work to provide opportunities for individuals and families to grow food in distinct plots and support them in this activity through a community garden program that is supported by the Team as well as additional volunteers.

## **PERFORMANCE MEASURES**

The Coordinating Team will assess the success of the community garden pilot using the following end of season performance measures:

- 15-20 households engaged as community gardeners
- 85% of community gardeners that successfully complete growing season
- 75% of gardeners that report increase in household vegetable consumption
- 70% of gardeners that report that they feel more connected to community and neighbors
- 80% of gardeners that report that they have greater confidence in growing their own food
- A minimum of ten volunteers engaged
- A minimum of five partner organizations and businesses involved through volunteering or in-kind support

A final expense report will be provided by the Coordinating Team to the City Manager by November 30, 2016.

## **TERM, RENEWAL, AND ASSIGNMENT**

The term of use for the lot at 61 Webster Street as a community garden space, and uses ancillary thereto and no other, will be 5 years from the day this document is signed. This MOU will automatically renew for an additional term of 5 years on the same terms and conditions unless the NC or the City provides written notice of its intent to terminate before the end of the term. This agreement is not assignable without express written consent of the other party.

## TERMINATION

Both the NC and the City reserve the right to terminate this agreement in the middle of the term at any time after completion of the first 5-year term (*enter date*).

- 1) Termination Request- Request for termination shall be submitted in writing to the other party involved in this agreement
  - a) Should the NC terminate this agreement another member of the Team will be allowed to enter into an agreement with the City to maintain and coordinate the garden.
  - b) Should the City terminate this agreement, the City agrees to facilitate transition of the garden and infrastructure investments to another lot within the City of Auburn, deemed suitable by the Team, within (180) days from the date of request for termination.
- 2) During the 180 day termination period, the Team has the option to continue use of space as agreed upon in this document without interference from the terminating party.
- 3) Once the terms of the Termination Request have been agreed upon, the City and the NC will draft a document evidencing termination of use of 61 Webster Street as a community garden space in recordable form.

The undersigned do hereby agree to the terms and conditions of this agreement as stated herein:

Concur: \_\_\_\_\_ Date:  
Howard Kroll  
City of Auburn, ME  
City Manager

Concur: \_\_\_\_\_ Date:  
Elizabeth Keene  
VP of Mission Integration  
St. Mary's Health System

Tizz E. H. Crowley, Ward One  
Robert Hayes, Ward Two  
Mary Lafontaine, Ward Three  
Adam R. Lee, Ward Four



Leroy Walker, Ward Five  
Belinda Gerry, At Large  
David Young, At Large

Jonathan P. LaBonte, Mayor

## **IN CITY COUNCIL**

### **ORDER 66-09082015**

ORDERED, that the Auburn City Council hereby authorize the City Manager to sign a Memorandum of Understanding between the City of Auburn and St. Mary's Nutrition Center dedicating 61 Webster Street as a community garden.



## City Council Information Sheet

City of Auburn

**Council Meeting Date:** 09/08/2015

**Subject:** Executive Session

**Information:** Discussion regarding a real estate matter (comprehensive plan/property acquisition), pursuant to 1 M.R.S.A. Section 405(6)(C).

**Executive Session:** On occasion, the City Council discusses matters which are required or allowed by State law to be considered in executive session. Executive sessions are not open to the public. The matters that are discussed in executive session are required to be kept confidential until they become a matter of public discussion. In order to go into executive session, a Councilor must make a motion in public. The motion must be recorded, and 3/5 of the members of the Council must vote to go into executive session. An executive session is not required to be scheduled in advance as an agenda item, although when it is known at the time that the agenda is finalized, it will be listed on the agenda. The only topics which may be discussed in executive session are those that fall within one of the categories set forth in Title 1 M.R.S.A. Section 405(6). Those applicable to municipal government are:

A. Discussion or consideration of the employment, appointment, assignment, duties, promotion, demotion, compensation, evaluation, disciplining, resignation or dismissal of an individual or group of public officials, appointees or employees of the body or agency or the investigation or hearing of charges or complaints against a person or persons subject to the following conditions:

- (1) An executive session may be held only if public discussion could be reasonably expected to cause damage to the individual's reputation or the individual's right to privacy would be violated;
- (2) Any person charged or investigated must be permitted to be present at an executive session if that person so desires;
- (3) Any person charged or investigated may request in writing that the investigation or hearing of charges or complaints against that person be conducted in open session. A request, if made to the agency, must be honored; and
- (4) Any person bringing charges, complaints or allegations of misconduct against the individual under discussion must be permitted to be present.

This paragraph does not apply to discussion of a budget or budget proposal;

B. Discussion or consideration by a school board of suspension or expulsion of a public school student or a student at a private school, the cost of whose education is paid from public funds, as long as:

- (1) The student and legal counsel and, if the student is a minor, the student's parents or legal guardians are permitted to be present at an executive session if the student, parents or guardians so desire;

C. Discussion or consideration of the condition, acquisition or the use of real or personal property permanently attached to real property or interests therein or disposition of publicly held property or economic development only if premature disclosures of the information would prejudice the competitive or bargaining position of the body or agency;

D. Discussion of labor contracts and proposals and meetings between a public agency and its negotiators. The parties must be named before the body or agency may go into executive session. Negotiations between the representatives of a public employer and public employees may be open to the public if both parties agree to conduct negotiations in open sessions;

E. Consultations between a body or agency and its attorney concerning the legal rights and duties of the body or agency, pending or contemplated litigation, settlement offers and matters where the duties of the public body's or agency's counsel to the attorney's client pursuant to the code of professional responsibility clearly conflict with this subchapter or where premature general public knowledge would clearly place the State, municipality or other public agency or person at a substantial disadvantage;

F. Discussions of information contained in records made, maintained or received by a body or agency when access by the general public to those records is prohibited by statute;

G. Discussion or approval of the content of examinations administered by a body or agency for licensing, permitting or employment purposes; consultation between a body or agency and any entity that provides examination services to that body or agency regarding the content of an examination; and review of examinations with the person examined; and

H. Consultations between municipal officers and a code enforcement officer representing the municipality pursuant to Title 30-A, section 4452, subsection 1, paragraph C in the prosecution of an enforcement matter pending in District Court when the consultation relates to that pending enforcement matter.



## City Council Information Sheet

City of Auburn

**Council Meeting Date:** 09/08/2015

**Subject:** Executive Session

**Information:** Discussion regarding a real estate matter (1 Minot Ave), pursuant to 1 M.R.S.A. Section 405(6)(C).

**Executive Session:** On occasion, the City Council discusses matters which are required or allowed by State law to be considered in executive session. Executive sessions are not open to the public. The matters that are discussed in executive session are required to be kept confidential until they become a matter of public discussion. In order to go into executive session, a Councilor must make a motion in public. The motion must be recorded, and 3/5 of the members of the Council must vote to go into executive session. An executive session is not required to be scheduled in advance as an agenda item, although when it is known at the time that the agenda is finalized, it will be listed on the agenda. The only topics which may be discussed in executive session are those that fall within one of the categories set forth in Title 1 M.R.S.A. Section 405(6). Those applicable to municipal government are:

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- (1) The student and legal counsel and, if the student is a minor, the student's parents or legal guardians are permitted to be present at an executive session if the student, parents or guardians so desire;

C. Discussion or consideration of the condition, acquisition or the use of real or personal property permanently attached to real property or interests therein or disposition of publicly held property or economic development only if premature disclosures of the information would prejudice the competitive or bargaining position of the body or agency;

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E. Consultations between a body or agency and its attorney concerning the legal rights and duties of the body or agency, pending or contemplated litigation, settlement offers and matters where the duties of the public body's or agency's counsel to the attorney's client pursuant to the code of professional responsibility clearly conflict with this subchapter or where premature general public knowledge would clearly place the State, municipality or other public agency or person at a substantial disadvantage;

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H. Consultations between municipal officers and a code enforcement officer representing the municipality pursuant to Title 30-A, section 4452, subsection 1, paragraph C in the prosecution of an enforcement matter pending in District Court when the consultation relates to that pending enforcement matter.



## City Council Information Sheet

City of Auburn

**Council Meeting Date:** 09/08/2015

**Subject:** Executive Session

**Information:** Discussion regarding a real estate matter (review of a proposed lease agreement for a crematorium at Oak Hill Cemetery), pursuant to 1 M.R.S.A. Section 405(6)(C).

**Executive Session:** On occasion, the City Council discusses matters which are required or allowed by State law to be considered in executive session. Executive sessions are not open to the public. The matters that are discussed in executive session are required to be kept confidential until they become a matter of public discussion. In order to go into executive session, a Councilor must make a motion in public. The motion must be recorded, and 3/5 of the members of the Council must vote to go into executive session. An executive session is not required to be scheduled in advance as an agenda item, although when it is known at the time that the agenda is finalized, it will be listed on the agenda. The only topics which may be discussed in executive session are those that fall within one of the categories set forth in Title 1 M.R.S.A. Section 405(6). Those applicable to municipal government are:

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- (1) The student and legal counsel and, if the student is a minor, the student's parents or legal guardians are permitted to be present at an executive session if the student, parents or guardians so desire;

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H. Consultations between municipal officers and a code enforcement officer representing the municipality pursuant to Title 30-A, section 4452, subsection 1, paragraph C in the prosecution of an enforcement matter pending in District Court when the consultation relates to that pending enforcement matter.

# City of Auburn, Maine

*"Maine's City of Opportunity"*

## Financial Services



**TO: Howard Kroll, City Manager**  
**FROM: Jill Eastman, Finance Director**  
**REF: July 2015 Financial Report**  
**DATE: September 1, 2015**

The following is a discussion regarding the significant variances found in the City's July financial report. Please note that although the monthly financial report contains amounts reported by the School Department, this discussion is limited to the City's financial results and does not attempt to explain any variances for the School Department.

The City has completed its first month of the current fiscal year. As a guideline for tracking purposes, revenues and expenditures should amount to approximately 8.33% of the annual budget. However, not all costs and revenues are distributed evenly throughout the year; individual line items can vary based upon cyclical activity.

### **Revenues**

Revenues collected through July 31st were \$1,053,275, or 1.92%, of the budget, which is higher than last year at this time by 0.76%. The accounts listed below are noteworthy.

- A. Excise taxes of \$324,481-up \$32,476 from last year.
- B. State Revenue Sharing for the month of July is 14.52% or \$214,516. This is up from last year by \$134,076. Last year a portion of the July revenue sharing was held back and disbursed to the municipalities over the course of the fiscal year.
- C. \$320,376 was collected in July to pay off prior year property tax liens. This is \$182,752 more than the same period last year.



### **Expenditures**

City expenditures through July 31st were \$2,466,137, or 6.41%, of the budget as compared to last year at \$2,712,955, or 7.16%. Noteworthy variances are:

- A. Public Library is less than last year by \$88,011. We pay the Library in 12 equal monthly payments during the fiscal year. Last year the September payment was processed at the end of August.
- B. Facilities is \$148,964 more this year than last year at this time. The annual insurance premium was paid in full in July this year, last year it was paid in 2 installments.
- C. Airport is at 25% - annual subsidy paid in four installments
- D. E911 – Quarterly payment of \$262,327 paid in July last year, nothing paid in July this year.

### **Investments**

This section contains an investment schedule as of July 31<sup>st</sup> with a comparison to June 30<sup>th</sup>: Currently the City's funds are earning an average interest rate of .23%, which is the same as last July. The CD rates have been increasing steadily. I will invest a small amount in CDs after property taxes for September are collected. The balance will be invested with Androscoggin Bank at .35%.

Respectfully submitted,

A handwritten signature in black ink, reading "Jill M Eastman". The signature is written in a cursive, flowing style.

Jill M. Eastman  
Finance Director

**CITY OF AUBURN, MAINE**  
**BALANCE SHEET - CITY GENERAL FUND, WC AND UNEMPLOYMENT FUND**  
**AS of July 2015, June 2015 (unaudited), and June 2014**

	UNAUDITED July 31 2015	UNAUDITED June 30 2015	Increase (Decrease)	AUDITED JUNE 30 2014
<b>ASSETS</b>				
CASH	\$ 5,505,889	\$ 13,631,632	\$ (8,125,743)	\$ 5,319,835
RECEIVABLES			-	
ACCOUNTS RECEIVABLES	2,250,004	1,607,306	642,697	1,447,551
TAXES RECEIVABLE-CURRENT	(120,229)	37,898	(158,127)	140,913
DELINQUENT TAXES	560,885	571,005	(10,120)	533,344
TAX LIENS	1,306,654	1,471,014	(164,359)	1,390,006
NET DUE TO/FROM OTHER FUNDS	1,637,730	278,086	1,359,644	8,116,581
<b>TOTAL ASSETS</b>	<b>\$ 11,140,932</b>	<b>\$ 17,596,941</b>	<b>\$ (6,456,009)</b>	<b>\$ 16,948,230</b>
<b>LIABILITIES &amp; FUND BALANCES</b>				
ACCOUNTS PAYABLE	\$ (4,399)	\$ (188,675)	\$ 184,276	\$ (568,395)
PAYROLL LIABILITIES	(117,151)	(286,225)	169,074	-
ACCRUED PAYROLL	(1,282,876)	(24)	(1,282,851)	(2,480,654)
STATE FEES PAYABLE	(40,572)	(1,811)	(38,760)	-
ESCROWED AMOUNTS	(8,054)	(21,183)	13,128	(43,526)
DEFERRED REVENUE	(1,638,387)	(1,928,626)	290,239	(1,792,296)
<b>TOTAL LIABILITIES</b>	<b>\$ (3,091,439)</b>	<b>\$ (2,426,545)</b>	<b>\$ (664,895)</b>	<b>\$ (4,884,871)</b>
FUND BALANCE - UNASSIGNED	\$ (6,958,540)	\$ (14,079,444)	\$ 7,120,904	\$ (9,895,359)
FUND BALANCE - RESTRICTED FOR WORKERS COMP & UNEMPLOYMENT	776,017	776,017	-	-
FUND BALANCE - RESTRICTED	(1,866,970)	(1,866,970)	-	(2,168,000)
<b>TOTAL FUND BALANCE</b>	<b>\$ (8,049,493)</b>	<b>\$ (15,170,397)</b>	<b>\$ 7,120,904</b>	<b>\$ (12,063,359)</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ (11,140,932)</b>	<b>\$ (17,596,941)</b>	<b>\$ 6,456,009</b>	<b>\$ (16,948,230)</b>

**CITY OF AUBURN, MAINE  
REVENUES - GENERAL FUND COMPARATIVE  
THROUGH July 31, 2015 VS July 31, 2014**

REVENUE SOURCE	FY 2016 BUDGET	ACTUAL REVENUES THRU JULY 2015	% OF BUDGET	FY 2015 BUDGET	ACTUAL REVENUES THRU JULY 2014	% OF BUDGET	VARIANCE
<b>TAXES</b>							
PROPERTY TAX REVENUE-	\$ 44,021,283	\$ -	0.00%	\$ 43,055,996	\$ 10,024	0.02%	\$ (10,024)
PRIOR YEAR TAX REVENUE	\$ -	\$ 320,376		\$ -	\$ 137,624		\$ 182,752
HOMESTEAD EXEMPTION REIMBURSEMENT	\$ 505,000	\$ -	0.00%	\$ 495,000	\$ -	0.00%	\$ -
ALLOWANCE FOR ABATEMENT	\$ -	\$ -		\$ -	\$ -		\$ -
ALLOWANCE FOR UNCOLLECTIBLE TAXES	\$ -	\$ -		\$ -	\$ -		\$ -
EXCISE	\$ 3,350,000	\$ 324,481	9.69%	\$ 3,185,000	\$ 292,005	9.17%	\$ 32,476
PENALTIES & INTEREST	\$ 150,000	\$ 7,171	4.78%	\$ 145,000	\$ 7,415	5.11%	\$ (244)
<b>TOTAL TAXES</b>	<b>\$ 48,026,283</b>	<b>\$ 652,028</b>	<b>1.36%</b>	<b>\$ 46,880,996</b>	<b>\$ 447,067</b>	<b>0.95%</b>	<b>\$ 204,961</b>
<b>LICENSES AND PERMITS</b>							
BUSINESS	\$ 48,300	\$ 5,648	11.69%	\$ 48,300	\$ 2,955	6.12%	\$ 2,693
NON-BUSINESS	\$ 356,800	\$ 32,407	9.08%	\$ 339,300	\$ 20,462	6.03%	\$ 11,946
<b>TOTAL LICENSES</b>	<b>\$ 405,100</b>	<b>\$ 38,055</b>	<b>9.39%</b>	<b>\$ 387,600</b>	<b>\$ 23,417</b>	<b>6.04%</b>	<b>\$ 14,639</b>
<b>INTERGOVERNMENTAL ASSISTANCE</b>							
STATE-LOCAL ROAD ASSISTANCE	\$ 440,000	\$ -	0.00%	\$ 440,000	\$ -	0.00%	\$ -
STATE REVENUE SHARING	\$ 1,477,641	\$ 214,516	14.52%	\$ 1,649,470	\$ 80,439	4.88%	\$ 134,076
WELFARE REIMBURSEMENT	\$ 70,000	\$ 4,456	6.37%	\$ 70,000	\$ -	0.00%	\$ 4,456
OTHER STATE AID	\$ 22,000	\$ -	0.00%	\$ 22,000	\$ -	0.00%	\$ -
CITY OF LEWISTON	\$ 155,000	\$ -	0.00%	\$ 155,000	\$ -	0.00%	\$ -
<b>TOTAL INTERGOVERNMENTAL ASSISTANCE</b>	<b>\$ 2,164,641</b>	<b>\$ 218,972</b>	<b>10.12%</b>	<b>\$ 2,336,470</b>	<b>\$ 80,439</b>	<b>3.44%</b>	<b>\$ 138,532</b>
<b>CHARGE FOR SERVICES</b>							
GENERAL GOVERNMENT	\$ 133,040	\$ 8,381	6.30%	\$ 132,040	\$ 11,717	8.87%	\$ (3,336)
PUBLIC SAFETY	\$ 239,138	\$ 2,354	0.98%	\$ 485,703	\$ 17,136	3.53%	\$ (14,782)
EMS TRANSPORT	\$ 1,250,000	\$ 98,312	7.86%	\$ 987,551	\$ -	0.00%	\$ 98,312
<b>TOTAL CHARGE FOR SERVICES</b>	<b>\$ 1,622,178</b>	<b>\$ 109,047</b>	<b>6.72%</b>	<b>\$ 1,605,294</b>	<b>\$ 28,853</b>	<b>1.80%</b>	<b>\$ 80,194</b>
<b>FINES</b>							
PARKING TICKETS & MISC FINES	\$ 60,000	\$ 4,346	7.24%	\$ 26,000	\$ 1,428	5.49%	\$ 2,918
<b>MISCELLANEOUS</b>							
INVESTMENT INCOME	\$ 5,000	\$ -	0.00%	\$ 10,000	\$ -	0.00%	\$ -
INTEREST-BOND PROCEEDS	\$ 2,000	\$ -	0.00%	\$ 2,000	\$ -	0.00%	\$ -
RENTS	\$ 18,000	\$ 2,350	13.06%	\$ 122,000	\$ -	0.00%	\$ 2,350
UNCLASSIFIED	\$ 20,000	\$ 69	0.35%	\$ 20,000	\$ 924	4.62%	\$ (854)
SALE OF RECYCLABLES	\$ -	\$ -		\$ -	\$ -		\$ -
COMMERCIAL SOLID WASTE FEES	\$ -	\$ 10,970		\$ -	\$ 10,072		\$ 899
SALE OF PROPERTY	\$ 20,000	\$ -	0.00%	\$ 20,000	\$ 500	2.50%	\$ (500)
RECREATION PROGRAMS/ARENA	\$ -	\$ -		\$ -	\$ -		\$ -
MMWAC HOST FEES	\$ 210,000	\$ 17,438	8.30%	\$ 206,000	\$ 17,149	8.32%	\$ 289
9-1-1 DEBT SERVICE REIMBURSEMENT	\$ -	\$ -		\$ -	\$ -	0.00%	\$ -
TRANSFER IN: TIF	\$ 545,000	\$ -	0.00%	\$ 500,000	\$ -	0.00%	\$ -
TRANSFER IN: POLICE	\$ 45,000	\$ -	0.00%	\$ 20,000	\$ -		\$ -
TRANSFER IN: PARKING PROGRAM	\$ -	\$ -		\$ 55,000	\$ -		\$ -
TRANSFER IN: PD DRUG MONEY	\$ -	\$ -		\$ 45,000	\$ -		\$ -
TRANSFER IN: REC SPEC REVENUE	\$ 42,718	\$ -	0.00%	\$ 41,720	\$ -		\$ -
TRANSFER IN: SPECIAL REVENUE	\$ -	\$ -		\$ 290,000	\$ -		\$ -
ENERGY EFFICIENCY	\$ -	\$ -		\$ -	\$ -		\$ -
CDBG	\$ 58,000	\$ -	0.00%	\$ 58,000	\$ 14,757	25.44%	\$ (14,757)
UTILITY REIMBURSEMENT	\$ 37,500	\$ -	0.00%	\$ 37,500	\$ -	0.00%	\$ -
CITY FUND BALANCE CONTRIBUTION	\$ 1,650,000	\$ -	0.00%	\$ 1,350,000	\$ -	0.00%	\$ -
<b>TOTAL MISCELLANEOUS</b>	<b>\$ 2,653,218</b>	<b>\$ 30,828</b>	<b>1.16%</b>	<b>\$ 2,777,220</b>	<b>\$ 43,401</b>	<b>1.56%</b>	<b>\$ (12,574)</b>
<b>TOTAL GENERAL FUND REVENUES</b>	<b>\$ 54,931,420</b>	<b>\$ 1,053,275</b>	<b>1.92%</b>	<b>\$ 54,013,580</b>	<b>\$ 624,605</b>	<b>1.16%</b>	<b>\$ 428,670</b>
<b>SCHOOL REVENUES</b>							
EDUCATION SUBSIDY	\$ 20,854,672	\$ -	0.00%	\$ 20,411,239	\$ -	0.00%	\$ -
EDUCATION	\$ 856,607	\$ 25,113	2.93%	\$ 774,572	\$ -	0.00%	\$ 25,113
SCHOOL FUND BALANCE CONTRIBUTION	\$ 906,882	\$ -	0.00%	\$ 906,882	\$ -	0.00%	\$ -
<b>TOTAL SCHOOL</b>	<b>\$ 22,618,161</b>	<b>\$ 25,113</b>	<b>0.11%</b>	<b>\$ 22,092,693</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ 25,113</b>
<b>GRAND TOTAL REVENUES</b>	<b>\$ 77,549,581</b>	<b>\$ 1,078,388</b>	<b>1.39%</b>	<b>\$ 76,106,273</b>	<b>\$ 624,605</b>	<b>0.82%</b>	<b>\$ 453,783</b>

**CITY OF AUBURN, MAINE**  
**EXPENDITURES - GENERAL FUND COMPARATIVE**  
**THROUGH July 31, 2015 VS July 31, 2014**

DEPARTMENT	FY 2016 BUDGET	Unaudited EXP THRU JULY 2015	% OF BUDGET	FY 2015 BUDGET	Unaudited EXP THRU JULY 2014	% OF BUDGET	VARIANCE
<b>ADMINISTRATION</b>							
MAYOR AND COUNCIL	\$ 77,366	\$ 13,061	16.88%	\$ 78,532	\$ 19,050	24.26%	\$ (5,989)
CITY MANAGER	\$ 269,340	\$ 23,631	8.77%	\$ 280,750	\$ 27,441	9.77%	\$ (3,810)
ECONOMIC DEVELOPMENT	\$ 361,080	\$ 54,042	14.97%	\$ 359,500	\$ 19,050	5.30%	\$ 34,992
CITY CLERK	\$ 165,053	\$ 14,136	8.56%	\$ 164,593	\$ 12,547	7.62%	\$ 1,589
FINANCIAL SERVICES	\$ 619,855	\$ 59,502	9.60%	\$ 605,135	\$ 11,319	1.87%	\$ 48,183
HUMAN RESOURCES	\$ 143,526	\$ 13,181	9.18%	\$ 139,578	\$ 12,118	8.68%	\$ 1,063
INFORMATION TECHNOLOGY	\$ 390,190	\$ 20,437	5.24%	\$ 413,829	\$ 68,576	16.57%	\$ (48,139)
LEGAL SERVICES	\$ 65,000	\$ -	0.00%	\$ 65,000	\$ -	0.00%	\$ -
<b>TOTAL ADMINISTRATION</b>	<b>\$ 2,091,410</b>	<b>\$ 197,990</b>	<b>9.47%</b>	<b>\$ 2,106,917</b>	<b>\$ 170,101</b>	<b>8.07%</b>	<b>\$ 27,889</b>
<b>COMMUNITY SERVICES</b>							
PLANNING & PERMITTING	\$ 906,631	\$ 72,311	7.98%	\$ 902,494	\$ 69,292	7.68%	\$ 3,019
HEALTH & SOCIAL SERVICES	\$ 184,711	\$ 17,572	9.51%	\$ 192,954	\$ 14,802	7.67%	\$ 2,770
RECREATION & SPECIAL EVENTS	\$ 338,871	\$ 25,041	7.39%	\$ -	\$ -		\$ 25,041
PUBLIC LIBRARY	\$ 979,516	\$ 80,001	8.17%	\$ 960,692	\$ 168,012	17.49%	\$ (88,011)
<b>TOTAL COMMUNITY SERVICES</b>	<b>\$ 2,409,729</b>	<b>\$ 194,925</b>	<b>8.09%</b>	<b>\$ 2,056,140</b>	<b>\$ 252,106</b>	<b>12.26%</b>	<b>\$ (57,181)</b>
<b>FISCAL SERVICES</b>							
DEBT SERVICE	\$ 6,324,864	\$ -	0.00%	\$ 6,263,936	\$ -	0.00%	\$ -
FACILITIES	\$ 653,080	\$ 264,880	40.56%	\$ 698,335	\$ 115,916	16.60%	\$ 148,964
WORKERS COMPENSATION	\$ 496,536	\$ -	0.00%	\$ 468,081	\$ -	0.00%	\$ -
WAGES & BENEFITS	\$ 5,171,309	\$ 435,313	8.42%	\$ 4,737,117	\$ 460,048	9.71%	\$ (24,735)
EMERGENCY RESERVE (10108062-670000)	\$ 375,289	\$ -	0.00%	\$ 375,289	\$ -	0.00%	\$ -
<b>TOTAL FISCAL SERVICES</b>	<b>\$ 13,021,078</b>	<b>\$ 700,193</b>	<b>5.38%</b>	<b>\$ 12,542,758</b>	<b>\$ 575,964</b>	<b>4.59%</b>	<b>\$ 124,229</b>
<b>PUBLIC SAFETY</b>							
FIRE DEPARTMENT	\$ 4,099,634	\$ 439,974	10.73%	\$ 4,057,633	\$ 431,191	10.63%	\$ 8,783
FIRE EMS	\$ 549,801	\$ 129,146	23.49%	\$ 635,468	\$ 121,822	19.17%	\$ 7,324
POLICE DEPARTMENT	\$ 3,870,995	\$ 334,170	8.63%	\$ 3,738,108	\$ 346,579	9.27%	\$ (12,409)
<b>TOTAL PUBLIC SAFETY</b>	<b>\$ 8,520,430</b>	<b>\$ 903,290</b>	<b>10.60%</b>	<b>\$ 8,431,209</b>	<b>\$ 899,592</b>	<b>10.67%</b>	<b>\$ 3,698</b>
<b>PUBLIC WORKS</b>							
PUBLIC SERVICES DEPARTMENT	\$ 4,525,898	\$ 296,861	6.56%	\$ 5,806,379	\$ 379,987	6.54%	\$ (83,126)
SIKUD WASTE DISPOSAL	\$ 927,278	\$ -		\$ -	\$ -		\$ -
WATER AND SEWER	\$ 599,013	\$ 146,628	24.48%	\$ 599,013	\$ 146,628	24.48%	\$ -
<b>TOTAL PUBLIC WORKS</b>	<b>\$ 6,052,189</b>	<b>\$ 443,489</b>	<b>7.33%</b>	<b>\$ 6,405,392</b>	<b>\$ 526,615</b>	<b>8.22%</b>	<b>\$ (83,126)</b>
<b>INTERGOVERNMENTAL PROGRAMS</b>							
AUBURN-LEWISTON AIRPORT	\$ 105,000	\$ 26,250	25.00%	\$ 105,000	\$ 26,250	25.00%	\$ -
E911 COMMUNICATION CENTER	\$ 1,069,122	\$ -	0.00%	\$ 1,067,249	\$ 262,327	24.58%	\$ (262,327)
LATC-PUBLIC TRANSIT	\$ 209,244	\$ -	0.00%	\$ 235,373	\$ -	0.00%	\$ -
LA ARTS	\$ -	\$ -		\$ 17,000	\$ -	0.00%	\$ -
TAX SHARING	\$ 270,000	\$ -	0.00%	\$ 270,000	\$ -	0.00%	\$ -
<b>TOTAL INTERGOVERNMENTAL</b>	<b>\$ 1,653,366</b>	<b>\$ 26,250</b>	<b>1.59%</b>	<b>\$ 1,694,622</b>	<b>\$ 288,577</b>	<b>17.03%</b>	<b>\$ (262,327)</b>
<b>COUNTY TAX</b>	<b>\$ 2,142,268</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ 2,046,880</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ -</b>
<b>TIF (10108058-580000)</b>	<b>\$ 2,599,914</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ 2,584,032</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ -</b>
<b>OVERLAY</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ -</b>
<b>TOTAL CITY DEPARTMENTS</b>	<b>\$ 38,490,384</b>	<b>\$ 2,466,137</b>	<b>6.41%</b>	<b>\$ 37,867,950</b>	<b>\$ 2,712,955</b>	<b>7.16%</b>	<b>\$ (246,818)</b>
<b>EDUCATION DEPARTMENT</b>	<b>\$ 39,062,197</b>	<b>\$ 1,232,933</b>	<b>3.16%</b>	<b>\$ 38,241,323</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ 1,232,933</b>
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<b>\$ 77,552,581</b>	<b>\$ 3,699,070</b>	<b>4.77%</b>	<b>\$ 76,109,273</b>	<b>\$ 2,712,955</b>	<b>3.56%</b>	<b>\$ 986,115</b>

**CITY OF AUBURN, MAINE  
INVESTMENT SCHEDULE  
AS OF July 31, 2015**

INVESTMENT		FUND	BALANCE July 31, 2015	BALANCE June 30, 2015	INTEREST RATE
BANKNORTH MNY MKT	24-1242924	GENERAL FUND	\$ 55,499.89	\$ 55,493.04	0.13%
BANKNORTH MNY MKT	24-1745910	GF-WORKERS COMP	\$ 49,351.21	\$ 49,345.13	0.13%
BANKNORTH MNY MKT	24-1745944	GF-UNEMPLOYMENT	\$ 67,103.05	\$ 67,094.78	0.13%
BANKNORTH MNY MKT	24-1809302	SPECIAL REVENUE	\$ 52,716.01	\$ 52,709.51	0.13%
BANKNORTH MNY MKT	24-1745902	SR-PERMIT PARKING	\$ 198,589.19	\$ 198,564.71	0.13%
BANKNORTH MNY MKT	24-1745895	SR-TIF	\$ 1,121,192.24	\$ 1,121,054.02	0.13%
BANKNORTH MNY MKT	24-1746819	CAPITAL PROJECTS	\$ -	\$ -	0.13%
BANKNORTH MNY MKT	24-1745928	ICE ARENA	\$ 250,045.23	\$ 250,014.41	0.13%
ANDROSCOGGIN BANK	449	CAPITAL PROJECTS	\$ 3,252,213.15	\$ 3,251,246.60	0.35%
ANDROSCOGGIN BANK	502	SR-TIF	\$ 600,408.54	\$ 600,230.14	0.35%
ANDROSCOGGIN BANK	836	GENERAL FUND	\$ 2,933,866.97	\$ 2,932,995.10	0.35%
NORTHERN CAPITAL	02155	CAPITAL PROJECTS	\$ 750,000.00	\$ 750,000.00	0.45%
NORTHERN CAPITAL	02155	GENERAL FUND	\$ 500,000.00	\$ 500,000.00	0.50%
<b>GRAND TOTAL</b>			<b>\$ 9,830,985.48</b>	<b>\$ 9,828,747.44</b>	<b>0.23%</b>

**EMS BILLING**  
**BREAKDOWN -TOTAL CHARGES**  
**July 1, 2015 - June 30, 2016**  
**Report as of July 31, 2015**

	July 2015	Adjustment	Totals	% of Total
No Insurance Information			\$ -	0.00%
Bluecross	\$ 4,447.40		\$ 4,447.40	2.45%
Intercept	\$ 200.00		\$ 200.00	0.11%
Medicare	\$ 76,994.00		\$ 76,994.00	42.35%
Medicaid	\$ 32,852.00		\$ 32,852.00	18.07%
Other/Commercial	\$ 36,705.40		\$ 36,705.40	20.19%
Patient	\$ 30,593.00		\$ 30,593.00	16.83%
Worker's Comp			\$ -	0.00%
<b>TOTAL</b>	\$ 181,791.80	\$ -	\$ 181,791.80	100.00%

**EMS BILLING**  
**BREAKDOWN -TOTAL COUNT**  
**July 1, 2015 - June 30, 2016**  
**Report as of July 31, 2015**

	July 2015	Adjustment	Totals	% of Total
No Insurance Information			0	0.00%
Bluecross	5		5	2.28%
Intercept	2		2	0.91%
Medicare	91		91	41.55%
Medicaid	40		40	18.26%
Other/Commercial	44		44	20.09%
Patient	37		37	16.89%
Worker's Comp			0	0.00%
<b>TOTAL</b>	219	0	219	100.00%

**TOTAL REVENUE COLLECTED AS OF 07/31/15 \$98,312**  
**TOTAL EXPENDITURES AS OF 07/31/15 \$129,146.**

**EMS BILLING  
AGING REPORT  
July 1, 2015 to June 30, 2016  
Report as of July 31, 2015**

	Current		31-60		61-90		91-120		121+ days		Totals				
Bluecross	\$	9,536.51	102%	\$	-	0%	\$	(483.12)	-5%	\$	281.99	3%	\$	9,335.38	2.48%
Intercept	\$	-		\$	-		\$	-		\$	-		\$	-	
Medicare	\$	36,431.40	87%	\$	3,127.40	7%	\$	668.20	2%	\$	890.60	2%	\$	41,811.00	11.12%
Medicaid	\$	17,471.76	89%	\$	678.00	3%	\$	-	0%	\$	1,397.40	7%	\$	19,665.01	5.23%
Other/Commercial	\$	26,421.91	50%	\$	6,400.04	12%	\$	5,511.20	11%	\$	4,353.09	8%	\$	52,349.22	13.92%
Patient	\$	55,985.48	22%	\$	39,546.55	16%	\$	36,077.36	14%	\$	19,686.89	8%	\$	251,930.81	66.99%
Worker's Comp	\$	957.80		\$	-		\$	-	0%	\$	-		\$	957.80	0.25%
TOTAL	\$	146,804.86		\$	49,751.99		\$	42,256.76		\$	112,867.50		\$	376,049.22	
		39%			13%			11%			30%			100%	100.00%

# City of Auburn, Maine

*"Maine's City of Opportunity"*

## Financial Services

To: Howard Kroll, City Manager  
From: Jill Eastman, Finance Director  
Re: Arena Financial Reports for July 31, 2015



Attached you will find a Statement of Net Assets and a Statement of Activities and budget to actual reports for Norway Savings Bank Arena for revenue and expenditures as of June 30, 2015. I have not included Ingersoll this month. The only expenditures for Ingersoll were \$832 for utilities. In the October 2015 report I will begin to include the new Ingersoll Indoor Turf Facility.

The Norway Savings Bank Arena report now includes a budget to actual comparison with last fiscal year for both revenues and expenditures.

### **NORWAY SAVINGS BANK ARENA**

#### **Statement of Net Assets:**

The Statement of Net Assets lists current assets, noncurrent assets, liabilities and net assets and shows a comparison to the previous month, in this case, June 30, 2015.

#### **Current Assets:**

As of the end of July 2015 the total current assets of Norway Savings Bank Arena were (\$176,628). These consisted of cash and cash equivalents of \$91,281, accounts receivable of \$33,840 and an interfund payable of \$301,749, which means that Norway owes the General Fund \$301,749 at the end of July.

#### **Noncurrent Assets:**

Norway's noncurrent assets are equipment that was purchased, less depreciation (depreciation is posted at year end). There was an adjustment to the equipment to account for equipment that was transferred from Ingersoll Arena. The total value of the noncurrent assets as of July 31, 2015 was \$215,947. Depreciation of \$26,385 was posted as part of year end work that was done in preparation for the audit.

#### **Liabilities:**

Norway Arena had accounts payable of \$12,557 as of July 31, 2015.

#### **Statement of Activities:**

The statement of activities shows the current operating revenue collected for the fiscal year and the operating expenses as well as any nonoperating revenue and expenses.

The operating revenues for Norway Arena through July 2015 are \$50,404. This revenue comes from the concessions, sign advertisements, pro shop lease, youth programming, shinny hockey, public skating and ice rentals.



The operating expenses for Norway Arena through July 2015 were \$88,821. These expenses include personnel costs, supplies, utilities, repairs, rent, capital purchases and maintenance.

As of July 2015 Norway Arena has an operating loss of \$38,417 compared to the July 2014 operating loss of \$73,704 an decrease in the operating loss of \$35,287.

As of July 31, 2015 Norway Arena has a decrease in net assets of \$38,417.

The budget to actual reports for revenue and expenditures, with comparison to the same period last year show that revenue for FY16 is \$691 higher the in FY15 and expenditures in FY16 are \$36,580 less than last year in July.

**CITY OF AUBURN, MAINE**  
**Statement of Net Assets**  
**Norway Savings Bank Arena**  
**July 31, 2015**  
**Business-type Activities - Enterprise Fund**

	July 31, 2015	(Pre-Audit) June 30, 2015	Increase/ (Decrease)
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 91,281	\$ 91,281	\$ -
Interfund receivables	\$ (301,749)	\$ (301,811)	\$ 62
Accounts receivable	33,840	\$ 33,840	\$ -
Total current assets	(176,628)	(176,690)	62
Noncurrent assets:			
Capital assets:			
Buildings	38,905	38,905	-
Equipment	285,813	285,813	-
Land improvements	-	-	-
Less accumulated depreciation	(108,771)	(82,386)	(26,385)
Total noncurrent assets	215,947	242,332	(26,385)
Total assets	39,319	65,642	(26,323)
<b>LIABILITIES</b>			
Accounts payable	\$ 12,557	\$ 463	\$ 12,094
Total liabilities	12,557	463	12,094
<b>NET ASSETS</b>			
Invested in capital assets	\$ 215,947	\$ 242,332	\$ (26,385)
Unrestricted	\$ (189,185)	\$ (177,153)	\$ (12,032)
Total net assets	\$ 26,762	\$ 65,179	\$ (38,417)

**CITY OF AUBURN, MAINE**  
**Statement of Revenues, Expenses and Changes in Net Assets**  
**Norway Savings Bank Arena**  
**Business-type Activities - Enterprise Funds**  
**Statement of Activities**  
**July 31, 2015**

	<b>Norway Savings Arena</b>
Operating revenues:	
Charges for services	\$ 50,404
Operating expenses:	
Personnel	25,738
Supplies	481
Utilities	15,387
Repairs and maintenance	-
Rent	42,207
Depreciation	-
Capital expenses	800
Other expenses	4,208
Total operating expenses	88,821
Operating gain (loss)	(38,417)
Nonoperating revenue (expense):	
Interest income	-
Interest expense (debt service)	-
Total nonoperating expense	-
Gain (Loss) before transfer	(38,417)
Transfers out	-
Change in net assets	(38,417)
Total net assets, July 1	65,179
<b>Total net assets, July 31, 2015</b>	<b>\$ 26,762</b>

**CITY OF AUBURN, MAINE**  
**REVENUES - NORWAY SAVINGS BANK ARENA**  
Through July 31, 2015 compared to July 31, 2014

REVENUE SOURCE	FY 2016 BUDGET	ACTUAL REVENUES THRU JULY 2015	% OF BUDGET	FY 2015 BUDGET	ACTUAL REVENUES THRU JULY 2014	% OF BUDGET	VARIANCE
<b>CHARGE FOR SERVICES</b>							
Concussions	\$ 30,000	\$ -	0.00%	\$ 30,000	\$ -	0.00%	\$ -
Sign Advertisements	\$ 230,000	\$ 23,000	10.00%	\$ 233,225	\$ 26,850	11.51%	\$ (3,850)
Pro Shop	\$ 8,500	\$ 617	7.26%	\$ 8,500	\$ -	0.00%	\$ 617
Programs	\$ 280,000	\$ 900	0.32%	\$ 172,450	\$ 225	0.13%	\$ 675
Rental Income	\$ 398,500	\$ 25,888	6.50%	\$ 753,260	\$ 22,639	3.01%	\$ 3,249
Tournaments	\$ 50,000	\$ -	0.00%	\$ 24,500	\$ -	0.00%	\$ -
<b>TOTAL CHARGE FOR SERVICES</b>	<b>\$ 997,000</b>	<b>\$ 50,405</b>	<b>5.06%</b>	<b>\$ 1,221,935</b>	<b>\$ 49,714</b>	<b>4.07%</b>	<b>\$ 691</b>
<b>INTEREST ON INVESTMENTS</b>	<b>\$ -</b>			<b>\$ -</b>			
<b>GRAND TOTAL REVENUES</b>	<b>\$ 997,000</b>	<b>\$ 50,405</b>	<b>5.06%</b>	<b>\$ 1,221,935</b>	<b>\$ 49,714</b>	<b>4.07%</b>	<b>\$ 691</b>

**CITY OF AUBURN, MAINE**  
**EXPENDITURES - NORWAY SAVINGS BANK ARENA**  
Through July 31, 2015 compared to July 31, 2014

DESCRIPTION	ACTUAL				ACTUAL			
	FY 2016 BUDGET	EXPENDITURES THRU JULY 2015	% OF BUDGET	FY 2015 BUDGET	EXPENDITURES THRU JULY 2014	% OF BUDGET	VARIANCE	
Salaries & Benefits	\$ 311,000	\$ 25,738	8.28%	\$ 318,446	\$ 22,094	6.94%	\$ 3,644	
Purchased Services	\$ 96,150	\$ 4,209	4.38%	\$ 67,800	\$ 2,440	3.60%	\$ 1,769	
Supplies	\$ 17,500	\$ 481	2.75%	\$ 9,000	\$ 1,889	20.99%	\$ (1,408)	
Utilities	\$ 200,200	\$ 15,387	7.69%	\$ 204,846	\$ 14,565	7.11%	\$ 822	
Capital Outlay	\$ 57,000	\$ 800	1.40%	\$ 80,000	\$ -	0.00%	\$ 800	
Rent	\$ 507,000	\$ 42,207	8.32%	\$ 528,408	\$ 84,414	15.98%	\$ (42,207)	
	\$ 1,188,850	\$ 88,822	7.47%	\$ 1,208,500	\$ 125,402	10.38%	\$ (36,580)	
<b>GRAND TOTAL EXPENDITURES</b>	<b>\$ 1,188,850</b>	<b>\$ 88,822</b>	<b>7.47%</b>	<b>\$ 1,208,500</b>	<b>\$ 125,402</b>	<b>10.38%</b>	<b>\$ (36,580)</b>	

**From:** [David Young](#)  
**To:** [Susan Clements-Dallaire](#)  
**Subject:** Great Falls TV  
**Date:** Tuesday, September 01, 2015 1:54:05 PM

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Great Falls TV Lewiston/Auburn meeting report held at Auburn City Hall second floor Community Meeting Room at 7:00 P.M. on Thursday, August 20, 2015. The Auburn City Assistant Manager was present an update of plans for re-location of the Great Falls Cable Television was given. Phil Nadeau of the City of Lewiston did most of the talking & many of the question were directed to him. It was the understanding to everyone in the room that GFTV had been asked to leave the Community College as they had plans on using that space.

The meeting was taped & the public can request to view all of the meeting part on request. A tour of the spaces selected for locating broadcast facilities, the studio, editing and programing operations, and required support equipment within the Municipal Building.was given. One plus of having the Station at the Auburn City Hall is that backup batteries & generator are on standby in case of loss of power from CMP.

It was a surprise that one of the Great Falls TV's employees tender his resignation, but an exit interview was done with the Auburn City Manager & the employee withdrew his resignation a few days later. It is great that we have a system in place & it works. Please note that the Great Falls TV committee is only an advisory committee. The only power it has it what is given it by the inter-local agreement of Lewiston & Auburn City Councils. Since there is no inter-local agreement all powers are with the two Cities. Another highlight of the day was that the Chair of the GFTV said he had a memo stating a City Councilor is a non voting member. Since the committee is an "undocumented committee" with no power I was okay with that for now.

Our next scheduled meeting is Wednesday, October 21, 5:30 P.M. at the Great Falls TV Station on CMCC campus.

The committee acknowledged that we might need a special meeting in the event that Mr. Nadeau had information concerning the inter-local agreement to present to the committee before the scheduled meeting. Two of the new GFTV had very little to say but a few days after the meeting request some ideas be added for a special meeting to start working on a few projects. A few whereas & therefore were stated in their emails but sorry to says someof the whereas states were untrue. Some of the ideas will be put on the agenda for the meeting in Oct.. The committee needs this inter-local agreement as it will spell out what our work will be. As I am City Councilor I am willing to meet with anyone who has ideas making GFTV better. I just feel that we should be open with what is shared.

David Colby Young, Auburn City Councilor @ Large

Below is an unofficial meeting place where people can talk about Great Falls TV. Not sure who set it up.  
<https://www.facebook.com/groups/785133984938106/members?order=alphabetical>

**From:** [Maine Running Photos](#)  
**To:** [Susan Clements-Dallaire](#)  
**Subject:** Next Open House for the Knight House will be Oct 10th  
**Date:** Wednesday, September 02, 2015 8:22:52 AM  
**Attachments:** [2015-2016 AHS Program.pdf](#)

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On 22 Aug 2015, the Androscoggin Historical Society hosted an open house for the Knight House & about 40 people took a free tour of the house & shoe shop.



Next open house will be Oct 10<sup>th</sup> see AHS Program for more information.

## Join the AHS

Please enroll me as a member of the  
Androscoggin Historical Society.

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ZIP: \_\_\_\_\_

E-mail: \_\_\_\_\_

Phone (optional): \_\_\_\_\_

Membership dues are:

- ☐ Individual, \$20 a year
- ☐ Family, \$30 a year
- ☐ Life, \$200

Larger contributions are welcome.  
Enclosed is my check for \$ \_\_\_\_\_

Mail to:  
Androscoggin Historical Society  
County Building  
2 Turner St., Unit 8  
Auburn, ME 04210-5978



A bugle, a drum, and a baritone from our collection were on display at the Maine Music Society's "Songs from the Civil War" concert.

## How AHS resources can be useful to you

The Androscoggin Historical Society has resources for people interested in local history – genealogists, teachers, researchers, or anyone who wants to learn more about their local heritage.

The purposes of the Society are to discover, preserve, and disseminate knowledge about the history of Androscoggin County and Maine.

You are invited to visit our unusual displays and archives, located on the third floor of the Androscoggin County Courthouse at the corner of Turner and Court Streets in Auburn. An elevator is available. Use the Court Street entrance.

Hours are Wednesdays and Thursdays, 1 to 4:30 p.m., and Fridays, 1 to 4 p.m.

## AHS

## Programs

## For 2015 – 2016

### The Androscoggin Historical Society

will present nine programs during the coming season.

Topics include genealogy, the chaotic 1879 Maine election, and the Christian sect known as the Kingdom of Shiloh.

Most of these programs will be presented at the Society's headquarters. There will be an open house at the Knight House and a genealogy workshop at the Auburn library.

There is no admission charge for these programs although donations are accepted. Details are inside.

### For information:

Phone: (207) 784-0586

Email: [info@androhist.org](mailto:info@androhist.org)

On the Web: [www.androhist.org](http://www.androhist.org)



**Sept. 22: Which Antiques to Buy?**

Daniel Buck Soules will offer advice on the ins and outs of antiquing. His forty years in the field have included being an appraiser on the PBS program, "Antiques Roadshow." 7 p.m. AHS

**October 10: Knight House Tour**

This historic house, built in 1796, and an adjoining shoe shop are in West Pitch Park, Auburn, near the Great Falls. They are typical of early Auburn structures. Open house will be from 10:30 a.m. to 3:30 p.m.

**October 27: The State Steal**

In the 1879 Maine election, the Republicans apparently won, but their opponents and Governor Alonzo Garcelon attempted to reverse the results through technicalities. There were two competing state governments and threats of violence in Augusta. Tune in for Doug Hodgkin's description of the maneuvers and the outcome. 7 p.m. AHS

**AHS** — Androscoggin Historical Society headquarters, third floor, County Building, 2 Turner Street, Auburn (elevator available).

**APL** — Auburn Public Library, 49 Spring Street, Auburn (downstairs Community Room).

**November 17: Passing Fancy**

e.phem.er.a (i fem' e ra), plural, noun: written or printed material not meant to be retained or preserved. Ah, but much of it was! Lew Alessio looks at paper from the past -- catalogues to greeting cards, trade cards to advertising, programs, billboards, and broad-sides. 7 p.m. AHS

**Feb 6: Genealogy Conference**

Humans are 99.9% genetically identical. Our differences come from the .1%. Nancy Milliken Mason of Genealogy Plus will give us the How, When, Where, and Why of Genetic Genealogy. Keith Ludden is an oral historian and folklorist. He will introduce us to Oral History for preserving and presenting the stories, voices, and cultural traditions. 2 p.m. APL

**February 23: Researching Historic Houses**

Margaret Naertner is an architectural historian/historic preservation consultant in Portland. Homeowners in Androscoggin County will learn about local collections sources and how to use and analyze the information one finds to create the whole story of one's house and its history. 7 p.m. AHS

**March 22: The Kingdom of Shiloh**

Shiloh, a controversial Christian sect founded in 1897 in Durham, Maine, had, at its height, six hundred members. This communal society "lived on faith" rather than be gainfully employed. Bill Hiss has studied Shiloh and has a rich collection of photographs regarding this movement. 7 p.m. AHS

**April 26: Klondike Mill in Sabattus**

Archeologist Rick Morris has been studying a mill in Sabattus that was constructed as a gristmill around 1800, then converted into cloth production, and then it became the Webster Rubber Company. The mill burned in 1981. Learn how an archeologist puts together the history of a site with documentary, newspaper, and on-the-ground research. 7 p.m. AHS

**May 24: Annual dinner meeting**

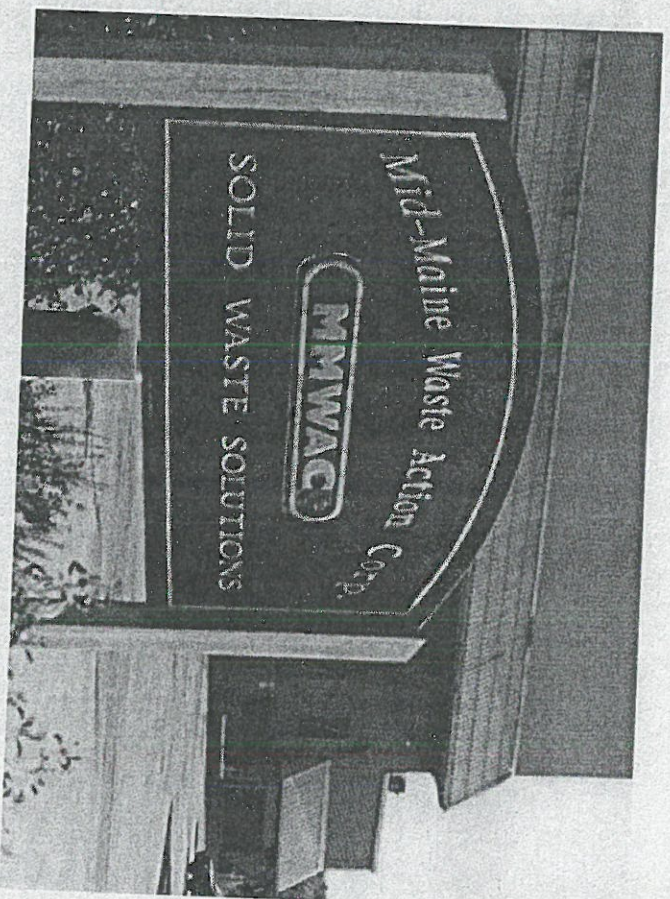
Maine State Historian Earle Shuttleworth will be our guest speaker to bring a program about the way things were in Lewiston and Auburn! This is the annual AHS dinner meeting. 6 p.m.

**THE FOLLOWING  
INFORMATION IS  
PROVIDED BY  
COUNCILOR  
LEROY WALKER  
AUBURN WARD 5**



# MONTHLY ACTIVITY REPORT

*Mid-Maine Waste Action Corporation  
July 2015  
2016 Fiscal Year*



## *Member Communities*


*Auburn • Bowdoin • Buckfield • Lovell • Minot • Monmouth • New Gloucester • Poland  
Raymond • Sumner • Sweden • Wales*



## Mid-Maine Waste Action Corporation

110 Goldthwaite Road  
P.O. Box 1750  
Auburn, Maine 04211-1750  
(207) 783-8805  
Fax (207) 783-9831  
[www.midmainewaste.com](http://www.midmainewaste.com)

### MEMORANDUM

To: Board of Directors  
From: Joseph E. Kazar, Executive Director   
Michael Daily, Finance Director  
Subject: July Financial/Activity Report - Unaudited  
Date: August 18, 2015

Enclosed please find the unaudited July Activity Report covering the period from July 1 through July 31, 2015.

#### General Summary

Plant throughput for the month was 5,929 tons processed, or about 191 tons per day and running time throughput was 194 tons per day. Operating Revenues exceeded Expenses resulting in July having an operating gain of \$48,587 (These figures do not reflect balance sheet expenses). Cash and investments totaled \$5,849,901. Cash and investments are down \$98,719 from the start of FY16. The reserve goal established by the Board for FY16 is \$5,872,511 and is now at 99.6% of goal. The balance sheet shows current assets less liabilities at \$6,371,681, which is up \$48,630 from the beginning of the fiscal year.

#### Waste Deliveries/Operations

A total of 6,113 tons were delivered to the pit for an average of 197 tons per day. 8,296 tons were received from all sources for the month. Details on deliveries are presented in the following table:

Waste Type	Year-To-Date Tons		Variance	
	FY16 Actual	FY15 Actual	Tons	%
MSW Member	1,566	1,476	90	6.1%
Comm Member	1,427	1,338	89	6.7%
Municipal Non-Member	1,980	2,067	(87)	-4.2%
Gate/Hauler	1,702	1,650	52	3.2%
OBW/Res TS	841	881	(40)	-4.5%
Other	780	542	238	43.9%
<b>Total</b>	<b>8,296</b>	<b>7,954</b>	<b>342</b>	<b>4.3%</b>

Waste flows to the plant and transfer station are running 4.3% above last year. Waste processed in the plant during the month was recorded at 5,929 tons, or an average of 191

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tons per day. The monthly running time thruput was 194 tons per day. The transfer station processed 1,972 tons during the month from all sources averaging 80.5 tons per day for the month, (5.5 day receiving week). Recyclables totaled 211 tons for the month. Prior year and budget comparisons of processing records as follows:

	Prior Year Comparison YTD				Budget Comparison YTD			
	FY16	FY15	Variance		FY16	FY16	Variance	
	Actual	Actual	Tons	%	Actual	Budget	Tons	%
Waste-To-Energy	5,929	6,180	(251)	-4.1%	5,929	5,948	(19)	-0.3%
Transfer Station	1,972	1,789	183	10.2%	1,972	1,696	276	16.3%
Recycling	211	133	78	58.6%	211	133	78	58.6%
Total	8,112	8,102	10	0.1%	8,112	7,777	335	4.3%

### Cash Available to Operations

Cash balances in checking and investments total \$5,849,901 down \$98,719 from the prior month. The following is the status of the reserve goal:

Reserve Status		
	FY 16 Goal	As of 7/31/15
Operating	1,996,654	1,988,967
Capital Improvement	939,602	935,984
20-Year Plan	1,703,028	1,696,471
Rate Stabilization	1,233,227	1,228,479
Total	5,872,511	5,849,901
Total Cash		5,849,901
Surplus or (Deficit)		(22,610)

### Revenue

Revenue for the month totaled \$584,749. Major categories of revenue by month include: tipping fees, \$524,819; power contract, \$38,308 ;recycling, \$16,396; interest, \$4,091; other, \$1,135. Revenue for the month was \$564 below budget projections and \$32,762 above FY15.

Total gross kWh for the latest period was 2,044,140 of which 1,407,521 were sold to the grid. Net kWh per ton equaled 237, as compared to 230 for the comparable period in FY15.

The table that follows shows detail relative to electrical sale:

	Price per MWhr			Electrical Output MWhr			Electrical Revenue		
	FY15	FY16		FY15	FY16		FY15	FY16	
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Month									
Jul	\$35	\$45	\$27	1,421	1,421	1,408	\$49,759	\$63,345	\$38,308
YTD	\$35	\$45	\$27	1,421	1,421	1,408	\$49,759	\$63,345	\$38,308

### Expenditures

Operating expenses in all categories total \$536,162 for the month, which is \$15,824 below budget projections, and \$10,154 above last year.

### Investments Status

As of July 31, MMWAC's investments totaled \$5,849,901. Table 8 details all of our investments.

### Capital Expenditures:

There were none for the month of July.

cc: Member Municipalities  
Reference No.: 03658

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www.midmainewaste.com*

**MEMORANDUM**

To: MMWAC Executive Committee  
From: Joseph E. Kazar, Executive Director  
Subject: Executive Committee Meeting  
Date: August 21, 2015



The Executive Committee will meet at 11:30 AM, Tuesday, September 1, 2015 at MMWAC's offices in Auburn.

The agenda as well as minutes from the last meeting are attached.

The Committee is starting to focus on the Executive Director succession process. Board members who have an interest in participating in the process are welcome to attend this and future meetings.

Please contact me if you have any questions.

cc: Board of Directors

Reference No.: 03663

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**MID-MAINE WASTE ACTION CORPORATION  
EXECUTIVE COMMITTEE MEETING**

**Tuesday, September 1, 2015; 11:30 A.M.**

Mid-Maine Waste Action Corporation  
Conference Room  
110 Goldthwaite Rd., Auburn

**Agenda**

**1. Roll Call**

- There are five (5) members of the Committee and three (3) members constitute a quorum.

**2. Minutes**

- Consider approval of the July 28, 2015 minutes

**3. Monthly Activity Reports**

- Consider approval of the July 2015 Monthly Activity Report

**4. Capital**

- Front end loader replacement

**5. Updates**

- Real Estate Appraisal
- Juniper Ridge Landfill Expansion Application
- Other

**6. Succession**

- Discuss the succession process
- Discussion with Art Boulay, Strategic Talent Management

Portions of the agenda of the Executive Committee meeting may be conducted in Executive Session, when appropriate, and upon a vote of the Committee.



**Draft - Minutes of the July 28, 2015  
Executive Committee Meeting**

The Executive Committee of the Mid-Maine Waste Action Corp. met on Tuesday, July 28, 2015, at 11:30 AM, at MMWAC's offices in Auburn.

**1. Roll Call**

President Landry called the meeting to order. Members present were: Curtis Lunt, Bradley Plante, Eda Tripp and Leroy Walker, as well as Executive Director Joseph Kazar.

**2. Minutes**

Ms. Tripp made a motion, seconded by Mr. Walker, and approved 5/0 to accept the minutes of the June 25, 2015 Executive Committee meeting.

**3. Monthly Activity Reports**

Ms. Tripp made a motion, seconded by Mr. Lunt, and approved 5/0 to accept the June 2015 Monthly Activity Report.

**4. Succession**

The Committee discussed Executive Director Kazar's planned retirement later in FY16. The Executive Committee discussed some of the issues to be decided in the process and will consider consulting assistance in the candidate evaluation process.

**5. Updates**

The draft appraisal of 726 Poland Rd. was reviewed. The final report is due soon.

All 14 municipal contracts have now been renewed for various terms.

The JCB front loader is experiencing fairly heavy maintenance costs. It is an older machine with many hours. The FY16 Capital budget anticipated a new machine. Staff is gathering quotes for consideration at the next Executive Committee meeting. Mr. Lunt made a motion, seconded by Mr. Walker, and approved 5/0 to authorize the Executive Director to purchase a loader should an emergency arise before the next Executive Committee meeting.

There being no further business Mr. Lunt made a motion, seconded by Mr. Walker, and approved 5/0, to adjourn at 1:20 PM.