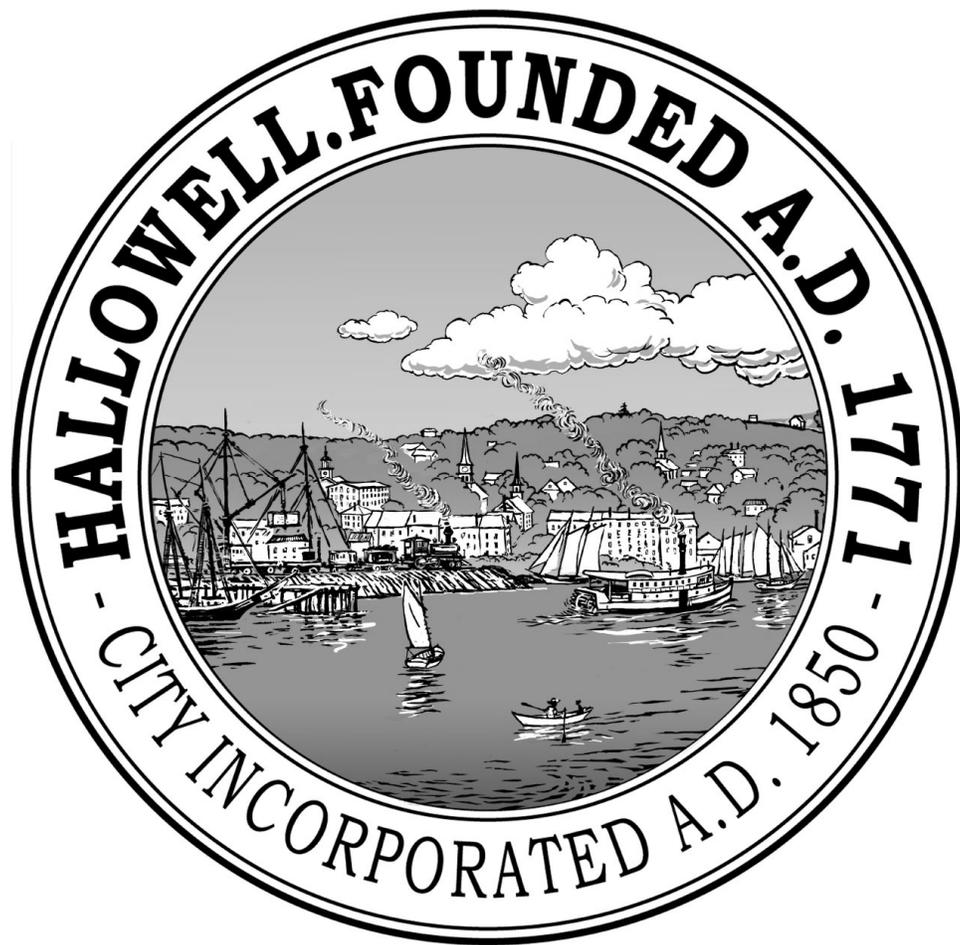


# City of Hallowell



## Annual Report

July 1, 2015 – June 30, 2016

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## 2016 CITY COUNCIL



### THE MAYOR AND CITY COUNCIL

Left to right: Councilor Lisa M. Harvey-McPherson, Ward Five; Councilor Kate Dufour, Ward One; Councilor Sophie Gabrion, Ward Two; Councilor Phillip W. Lindley, Ward Three; Councilor George D. Lapointe, At-Large; Councilor Alan B. Stearns, At-Large; Mayor Mark L. Walker; and Councilor Diano Circo, Ward Four.

Mayor Walker, Councilor Lapointe, Councilor Gabrion and Councilor Circo were elected at the Municipal Election on November 3, 2015, and were sworn in at the Inaugural Meeting of the City Council on January 4, 2016.



# MAYOR'S ADDRESS

January 4, 2016

Council members; City Manager and city staff; residents and voters; friends and family, welcome and thank you – for re-electing me again to serve as your Mayor! It's a tremendous honor.

During the past two years of budgets the Council, its Finance Committee and Chair Mark Sullivan faced a dilemma similar to that of every town or city in Maine – how to fill in revenue gaps resulting from reduced money from the State. I'm very proud of this Council that despite this challenge, Hallowell had no tax increase this past year and only a modest increase the prior year.

This year the Personnel Committee, led by Chair George Lapointe, negotiated a three year contract with our City employee association – I believe both sides were generally happy with this result, and it happened on time.

Continuing along with financial subjects, two years ago the City approved a new Downtown TIF District, which is now generating significant annual TIF revenue. This revenue is dedicated to capital improvements downtown and within the district, as well as for other needed expenditures.

We've examined and updated the City personnel policies and are now working on a Code of Conduct policy.

The City had adopted several new ordinances, including one dealing with buildings in disrepair – the City now has additional “teeth” to require improvements to maintain structural safety of the building.

While we have had these and other accomplishments, I want to focus the rest of these remarks on the future goals and issues for the City of Hallowell; and I'm going to do it in the form of a “Top 10” list.

- 10) Inventory of City-owned Property – Our property Committee and Conservation Commission will work on this matter, and will include identifying what properties, and what other items, are owned by the City, including valuable easements and rights-of-way. Identifying what we own helps make policy as to what to preserve, what may be sold, and city position as to acquiring new city property.
- 9) Fire Inspections – Our Council has requested the State Fire Marshall, working with Fire Chief Grant and Code Enforcement Officer AuCoin, to inspect and identify fire risks in downtown buildings. Many cities around the State are asking this question after serious fires such as the one in downtown Gardiner.
- 8) Infrastructure – Our water and sewer lines; stormwater drainage system, natural gas lines – combined make a tremendous investment by the City in infrastructure. With the opening of Water Street reconstruction and Stevens School development, Hallowell will have to invest in upgrading infrastructure.
- 7) Schools – Hallowell is part of RSU 2, which seeks to develop a “Destination School” system making our City very desirable for re-locating parents. I applaud the work of the School Board, including the ones from Hallowell, Dawn Gallagher and newly elected Jill Randall. Please note that the Hallowell City Council has repeatedly stepped up to fund needed educational services for our district and especially our students.
- 6) Parking – We will seek a permanent solution to this decades-long problem. While the Council will explore at least one major new opportunity for an increased number of permanent parking spots; and while we have been told by DOT that reconstruction will eliminate some parking along the streets – a new Parking Study Committee, chaired by Frank O'Hara, will review permanent parking alternatives. There will also be outreach to landowners for solutions to parking issues during reconstruction of Water Street.
- 5) Charter Commission – In November voters supported forming a Charter Commission, which will look at some outdated provisions in Hallowell's City Charter. One area for review becomes obvious tonight as I fill nearly 100 appointments! We have City employment contracts for some positions, so what exactly are the Mayor's or Manager's appointment powers? The Commission will look at this and may other provisions of our Charter.
- 4) Budget/TIF Revenue – I've praised the work of the Council and Finance Committee, but their work is ongoing. Our financial needs for the City's budget and our schools are ongoing and it becomes more and more difficult to balance expenditure needs with limited city revenue. We have a new TIF District that will capture revenue and allocate for special needs, including capital and infrastructure expenditures. Prioritizing these expenditures, preparing a better long term spending plan, and constantly updating both sources and needs allows proper focus on “spending limited resources correctly.”

- 3) Fire Services Study Committee – The one NEW Committee to be announced tonight, or rather, re-establishing and focusing a former committee. In December of 2011, consultant Neil Courtney delivered to Hallowell City Council a fire services report titled “Development of Options Relative to the Delivery of Fire Protection Services.” On May 31, 2012 Courtney delivered a “Hallowell Fire Department Strategic Plan” to the City. There was a special committee (I was on it) and after deliberation, we did nothing (almost). We did authorize expenditures to improve parts of the building (again, infrastructure), and at that time – Summer or Fall of 2012 – Fire Chief Grant stated, “These repairs should solve our issues over the next 3–5 years.” Well, it’s time to look for a permanent solution. And unlike our Study Committee of 3–4 years back, this Study will look ONLY at Fire Services and what services best fit the needs of Hallowell. Last time there was great debate about “what to do with the building.” That will not be the focus of this Study. This new committee will consist of Chair Robert Duplesis, Mark Sullivan, Dawn Gallagher, Dan Davis, City Manager Pakulski, and Councilor Gabrion. I invite others who have interest in this committee and studying this problem to contact me about serving on the committee. I would like to have a member of the Hallowell Board of Trade on this study.
- 2) Stevens School – While we had an Advisory Committee on this issue, as the State departs from the complex (and hopefully a buyer is found) I agree with others tonight that a “re-focus” of the Committee will be necessary. My concern all along is that doing nothing, and possibly being perceived as putting up a barrier to a State sale, results in abandoned buildings, increased cost to Hallowell as we provide fire and police services while allowing a valuable asset with the City to deteriorate. A lot of downside! As we move forward, I believe there is need for the City to coordinate between the Planning Board, the Ordinance Rewrite Committee, and the City Council. A special advisory committee, a coordinator within the City government, a task force from another committee – all may be the best way to accomplish what is needed. The Council will discuss this issue in its January and February meetings.
- 1) Water Street Reconstruction – Will we have funding for the 2018 construction season? How will the State use the information gathered to date? What is the final design for the reconstruction and how will these final decisions affect the length of construction that year? These are several of the many questions surrounding Reconstruction as we build a new downtown roadway. We will have two subcommittees of the Highway Committee – 1) Parking and 2) Marketing – as Hallowell addresses the impact to the City, its residents, business and commuters. As with Stevens School, and because the scope of this project and dire impact to the City, communication and coordination will be a huge factor. Do we envision a point person to manage these functions?

Thank you again. Before ending, I want to offer special recognition to retiring City Councilors Mark Sullivan and Lynn Irish. Both offered community service and brought diverse skills to their positions on the Council. Both also made major contributions to the City, and as I’ve said elsewhere publicly, the City has been well served by their involvement. Thank you both!

I want to conclude with a request and philosophical message. As Councilors, we are all civic servants to the City of Hallowell. I want to leave with those in attendance here understanding, and those who are employed here understanding, and those who serve understanding, that we will conduct out business with civility and respect, will listen and learn, will vote and then move on to accomplish more. Not always will my or your side prevail on votes, and not always will the issue be “easy” – but let’s treat everyone with courtesy and invite them to offer opinions and information, invite discussion and healthy debate, and vote. The political discord that seems prevalent in Washington and Augusta does not work here in Hallowell. If you struggle with issues, follow the sound advice of Baron Baptiste “Change your inner viewpoint, and your world Transforms.” We can move on from difficult issues, national, statewide, and in Hallowell, with respect and confidence that we have done what we thought was best.

You have all heard meme state that Hallowell is a Special City, vibrant, educated, cultural, and historic. I’m proud to call it my home! But as we move forward facing the issues identified above, and others, I quote Socrates from 2,000 years ago “The secret to change is to focus all of your energy, not on fighting (for) the old, but on building the New.”

Yes, I’m optimistic and have a very positive outlook, and I look forward to two more years working with all of you!

***Mark L Walker***  
***Mayor***

# CITY GOVERNMENT

July 1, 2015– June 30, 2016

MAYOR		Mark L Walker
CITY COUNCIL	At Large	Alan Stearns
	At Large	George D Lapointe
	Ward One	Kate F Dufour
	Ward Two	Lynn F Irish / Sophie Gabrion
	Ward Three	Phillip W Lindley
	Ward Four	J Mark Sullivan / Diano Circo
	Ward Five	Lisa Harvey-McPherson
CITY MANAGER		Michael Starn / Stefan Pakulski / Maureen AuCoin / Nate Rudy
CITY CLERK		Deanna Mosher Hallett
DEPUTY CITY CLERK		Diane D Polky
ASSISTANT CITY CLERK		Daniel P Kelley
CITY TREASURER		Dawna M Myrick
CITY SOLICITOR		Erik M Stumpf, Esq
TAX COLLECTOR		Michael Starn / Stefan Pakulski / Dawna Myrick
REGISTRAR OF VOTERS		Deanna Mosher Hallett
DEPUTY REGISTRAR OF VOTERS		Diane D Polky
PUBLIC WORKS DIRECTOR		Chris Buck
CODE ENFORCEMENT OFFICER		Maureen AuCoin /
BUILDING INSPECTOR		Maureen AuCoin /
PLUMBING INSPECTOR		Maureen AuCoin /
HARBOR MASTER		Daniel Davis
POLICE CHIEF		Eric L Nason
FIRE CHIEF		Michael F Grant
EMERGENCY MANAGEMENT DIR.		Eric L Nason
ANIMAL CONTROL OFFICER		Chris Martinez
HEALTH OFFICER		Michael Starn / Stefan Pakulski / Nate Rudy
PUBLIC ACCESS OFFICER		Michael Starn / Stefan Pakulski / Maureen AuCoin / Nate Rudy
E911 ADDRESSING OFFICER		Michael Starn / Stefan Pakulski / Maureen AuCoin / Nate Rudy
GENERAL ASSISTANCE DIRECTOR		Deanna Mosher Hallett
DEPUTY DIRECTOR		Diane D Polky
CITY HISTORIAN		Sumner A Webber, Sr

# BOARDS, COMMISSIONS AND COMMITTEES

## BOARD OF ASSESSORS

Jennie Marvelle, Chair  
Robert G Stubbs

Sophie Gabrion / Kara Walker

Assessors' Agent: Maureen AuCoin

## TRUSTEES OF THE CEMETERY

Deanna Mosher Hallett  
Anthony L Masciadri

Chris Buck

Superintendent of Cemetery: Carroll I Chapman, Sr

## BOARD OF APPEALS

Pamela Perry, Chair  
Loren Kinney  
Michael Frett  
Chris Vallee  
2nd alternate: Joshua Platt

Phillip Davidson  
Kevin McGinnis  
Kirk Rau  
1st alternate: David Young, Jr

## PLANNING BOARD

Jane Orbeton, Chair  
Judith Feinstein  
Richard Bostwick  
Sandra Johnson / Daniel Davis

Danielle Obery  
Darryl Brown, Jr  
Cary Colwell / Rosemary Presnar

1st alternate: Jeanne Hoxie / Lisa Leahy / Amy Mills

2nd alternate: Lisa Leahy / Amy Mills / Daniel Davis / Andrew Landry

## HALLOWELL CONSERVATION COMMISSION

Sarah Shed, Chair  
Theresa Davulis  
Deborah Sewall  
Catherine Murray  
Open

Jon Lund  
Peter McPherson  
Diano Circo  
Rosemary Presnar

## TREE BOARD

Wes Davis, Chair  
Ellen Gibson  
Mark Paisley  
Jane Moore

Margaret Newton  
Katie Tremblay  
Jennifer Paisley

## TREE WARDENS

Wes Davis

Open

# **BOARDS, COMMISSIONS AND COMMITTEES**

## **RECREATION COMMISSION**

Councilor George Lapointe, Chair  
Councilor J Mark Sullivan                      Daniel Davis  
Steve Vellani                                      Diano Circo  
Margaret Newton                                Chris Vallee  
City Manager Michael Starn / Stefan Pakulski

## **RECYCLING COMMITTEE – SOLID WASTE ADVISORY COMMITTEE**

Susan Farnsworth, Chair                      Clyde Williams  
Rick Seymour                                    Phillip Lindley  
Jennifer McGowan                              Amy Moulton  
City Manager Michael Starn / Stefan Pakulski

## **ORDINANCE REWRITE COMMITTEE**

Michael Frett, Chair                            Councilor Lynn Irish /  
Councilor Kate Dufour                        Dana Evans  
Pamela Perry                                    CEO Maureen AuCoin  
City Manager Michael Starn / Stefan Pakulski

## **TIF REVIEW COMMITTEE**

Councilor Phil Lindley, Chair                Mayor Mark Walker  
Johanna McQuoid                              Frank O’Hara  
Joel Davis                                        Kenneth Young  
Charlotte Warren

## **CITY MANAGER SEARCH COMMITTEE**

Councilor George Lapointe, Chair        Councilor Lisa Harvey-McPherson  
Councilor Kate Dufour                        Steve Vellani  
David Bustin                                    Deanna Mosher Hallett

## **CHARTER COMMISSION**

Steven Langsdorf, Chair                      David W Bustin Sr  
Eric J Perry                                      Maureen P AuCoin  
Christy C Cross                                Richard A Dolby  
Robert A McIntire                              Scott W Cowger

## **FIRE SERVICES STUDY COMMITTEE**

Robert Duplessie, Chair                      J Mark Sullivan  
Dawn Gallagher                                Daniel Davis  
Sandra Stubbs                                 Councilor Diano Circo  
City Manager Stefan Pakulski



## In Memoriam

Stefan M Pakulski  
City Manager

October 2, 2015 – March 5, 2016

# REPORT OF THE CITY CLERK

July 1, 2015 – June 30, 2016

The City Clerk's Office is pleased to welcome you to the City's website at [www.hallowell.govoffice.com](http://www.hallowell.govoffice.com)

The City's website provides information such as a Calendar of scheduled meetings, City Council and Planning Board Agendas and Minutes, City Budget, Tax Maps, Tax Commitment Book, Elections, Helpful Links and more. Sidebars are often added to the Home Page to provide important short-term information or to highlight Special Events. To access the City Clerk's webpage, click on "City Departments" → "Administration" → "City Clerk." If you have any comments or concerns, I would be glad to hear from you.

Email addresses for the City Clerk's Office:

City Clerk Deanna M Hallett: [deannamhcclerk@hallowellmaine.org](mailto:deannamhcclerk@hallowellmaine.org)  
Deputy City Clerk Diane Polky: [dianedeputycc@hallowellmaine.org](mailto:dianedeputycc@hallowellmaine.org)  
Assistant City Clerk Daniel Kelley: [assistantclerk@hallowellmaine.org](mailto:assistantclerk@hallowellmaine.org)

## VITAL RECORDS

Births Recorded: ..... 22      Marriage Licenses Issued: .. 16  
Marriages Recorded: ..... 13      Certified Copies Issued: ... 111  
Deaths Recorded: ..... 44      Burial Permits Issued: ..... 14

## MARRIAGES

<u>Party A*</u>	<u>Party B*</u>	<u>Date</u>	<u>Place of Marriage</u>
AuCoin, Maureen Patricia	Browne, Michelle Jean	June 3, 2016	Hallowell
Cote, Sarah Emily	Edwards, Andrew Elijah	September 12, 2015	Standish
DelDuca, Karen Ann	Chavan, Kaushik Prakash	August 12, 2015	Hallowell
Gagne, Jane Catherine	Olson, Stephen James	July 24, 2015	Manchester
Mason, Alexandra Kathleen	Penney, Sean Michael	September 5, 2015	Gardiner
Mayberry, Sarah Jane	Gagner, Melanie Anne	June 11, 2016	Fairfield
Mosher, Janet Julie	Armington, Scott Allan	March 5, 2016	Hallowell
Naous, Michelle Maria	Gagliano, Domenico	July 12, 2015	Hallowell
Napolitano, Amanda Marie	McGarr, Sean Elliott	January 2, 2016	Augusta
Ribeiro, Armando Pereira	Heimer, Janet Fay	December 12, 2015	Farmingdale
Tondreau, Donald Arthur	Singer, Deborah E	November 21, 2015	Augusta
Valliere, Constance Therese	Filson, DiAnn L	September 11, 2015	Hallowell
Veilleux, Jill Marie	MacDonald, Scott Richard	December 31, 2015	Hallowell

\* Effective December 29, 2012, Marriage Licenses became gender-neutral and the designations for Groom and Bride were changed to Party A and Party B.

## LICENSES & REGISTRATIONS

Victualer’s Licenses .....28	Amusement/Vending Machine Licenses ..... 4
Innkeeper’s Licenses .....3	Motor Vehicle Transactions..... 2,448
Transient Seller’s Licenses .....1	ATV Registrations..... 22
Farmers’ Market Licenses.....1	Boat Registrations ..... 126
Liquor/Catering Licenses .....27	Snowmobile Registrations..... 21

First-time Liquor License Applications must be approved by the City Council before being submitted to the Bureau of Alcoholic Beverages & Lottery Operations. Liquor License Renewal Applications are approved by the City Clerk on behalf of the City Council. Victualer’s Licenses must be approved by the City Council.

## HUNTING & FISHING LICENSES

Archery ..... 5	Bear Hunting ..... 0
Archery/Expanded Antlerless ..... 2	Hunting/Fishing Combination ..... 26
Archery/Expanded Either Sex ..... 4	Non-Resident Hunting/Fishing Comb..... 1
Archery/Fishing Combination ..... 1	Crossbow ..... 1
Fishing ..... 38	Migratory Waterfowl..... 2
3-Day Fishing ..... 4	Spring or Fall Turkey ..... 4
Non-Resident Fishing .....0	Muzzleloading ..... 4
Saltwater Registry..... 1	Over-70 Lifetime ..... 2
Hunting ..... 14	

## DOG LICENSES

Male/Female:	57
Neutered/Spayed:	317
Kennel:	1

The State of Maine requires all dogs older than 6 months to be licensed. Dog licenses expire on December 31<sup>st</sup> and must be renewed by January 31<sup>st</sup>. Licenses for the up-coming year become available on October 15<sup>th</sup>.

Fees: Male/Female = \$11.00, Neutered/Spayed = \$6.00, Kennel licenses = \$42.00 for one to ten dogs. A late fee of \$25 is charged after January 31<sup>st</sup>.

Rabies certificates are required for all dogs. Some certificates are good for more than one year. A veterinarian's certificate is required when registering spayed or neutered dogs for the first time.

Once again, I would like to thank the City Council and the residents of Hallowell for the opportunity to serve them. The City Clerk’s Office is always happy to work with the residents and the various departments. I would also like to give a special “thank you” to my Deputy Clerk Diane Polky and Assistant Clerk Daniel Kelley for their continuous support and assistance.

Deanna Mosher Hallett  
City Clerk



# REPORT OF DEATHS AND BURIALS

July 1, 2015 – June 30, 2016

## Hallowell Deaths

<u>Name</u>	<u>Date of Death</u>	<u>Age</u>	<u>Place of Death</u>	<u>Place of Burial</u>
Agronick, David Daniel	September 6, 2015	68	Hallowell	Auburn
Bangs, Ernest A Jr	November 7, 2015	50	Hallowell	Gardiner
Bolstridge, Grace Mae	March 20, 2016	90	Augusta	Augusta
Bonner, James M	January 19, 2016	75	Augusta	Gardiner
Brush, Clarence J Jr	April 29, 2016	78	Hallowell	Searsport
Bucknam, Viola Elizabeth	February 26, 2016	92	Hallowell	Gardiner
Buker, George William	September 11, 2015	79	Augusta	Gardiner
Castonguay, Rene A	November 18, 2015	85	Hallowell	Auburn
Colby, Rita (Lucille) O	January 3, 2016	94	Hallowell	Hallowell
Cordtsen, Marilyn Jane	August 11, 2015	86	Augusta	Gardiner
Cunningham, Stephen Walter	May 2, 2016	62	Hallowell	Gardiner
Curtis, James Robert	November 10, 2015	82	Augusta	Gardiner
Cyr, Joseph Roland Donat	January 22, 2016	86	Togus	Auburn
Daiute, Susan Alice	November 23, 2015	66	Hallowell	Gardiner
Dearnley, Haskell Calder	February 23, 2016	97	Hallowell	Richmond
DeWolfe, Barbara L	May 8, 2016	87	Augusta	Richmond
Dickson, Pauline Marie	March 1, 2016	81	Hallowell	Auburn
Dogherty, Virginia P	June 16, 2016	97	Augusta	Gardiner
Gustavsen, Blanche Pearl	June 16, 2016	95	Hallowell	Augusta
Hemeon, Verna E	January 25, 2016	95	Augusta	Richmond
Johnson, Kristin A	May 23, 2016	68	Hallowell	Gardiner
Kirschner, Joseph Vincent	December 9, 2015	95	Augusta	Manchester
Kuzmanich, Bernice May	September 28, 2015	93	Hallowell	Searsport
Lambert, Jeannett Leona	October 22, 2015	84	Hallowell	Oakland
Lapham, Judith Carol	January 12, 2016	71	Hallowell	Gardiner
Lasselle, Ethelyn Ida	August 29, 2015	99	Hallowell	Auburn
Luken, Mary Catherine	January 5, 2016	90	Augusta	Gardiner
Mendall, Ruth Eleanor	September 21, 2015	100	Hallowell	Auburn
Merchant, Doris J	October 25, 2015	77	Auburn	Auburn
Merriam, Constance F	January 30, 2016	91	Hallowell	Auburn
Misner, Peter L	December 25, 2015	82	Augusta	Gardiner
Moinester, Gertrude E	June 17, 2016	94	Augusta	Auburn
Neville, Dorothy Louise	June 27, 2016	92	Augusta	Searsport
Niles, Alden L	September 15, 2015	91	Augusta	Hallowell
Noyes, Richard Craig	April 17, 2016	57	Togus	Augusta
Ouellette, Marian Katherine	October 20, 2015	84	Augusta	Gardiner
Ramage, Kenneth Haycroft	April 19, 2016	96	Augusta	Auburn
Rohrbaugh, Stephen Bunker	June 1, 2016	77	Augusta	Richmond
Scharpenack, Marcelle Z	August 7, 2015	94	Augusta	Auburn

(Continued on page 13)

# REPORT OF DEATHS AND BURIALS

(Continued)

<u>Name</u>	<u>Date of Death</u>	<u>Age</u>	<u>Place of Death</u>	<u>Place of Burial</u>
Small, Gloria Ann	January 28, 2016	84	Hallowell	Gardiner
Smith, Gladys Ruth	January 13, 2016	94	Hallowell	Vassalboro
Spencer, Catherine Theresa	September 23, 2015	94	Hallowell	Gardiner
St Amand, Jeane F	January 15, 2016	83	Augusta	Auburn
Wadleigh, Lucille Elizabeth	July 15, 2015	89	Hallowell	Gardiner

## The following were brought here for Burial

<u>Name of Deceased</u>	<u>Date of Death</u>	<u>Place of Death</u>	<u>Date of Burial</u>
Adams, Lee Sumner Jr	April 6, 2015	Augusta	July 11, 2015
Drouin, Greta Witham	April 5, 2016	Augusta	May 2, 2016
Gregoire, Gerald	December 24, 2015		May 11, 2016
Hillier, Florence Lurana	September 8, 2015	Mount Airy, MD	September 16, 2015
Holt, Robert Glenwood	September 28, 2015	Farmingdale	October 5, 2015
Ireland, Shirley	November 18, 2014		September 13, 2015
Lemar, Claudette Marie	June 24, 2015	Augusta	July 2, 2015
Mason, Richard Franklin	September 19, 2015	Augusta	October 10, 2015
Mazerolle, Frances	August 14, 2015		September 5, 2015
Moore, Norma Aubine	August 16, 2015	Augusta	August 20, 2015
Nilson, Ermaline	July 10, 2015		August 7, 2015
Parlin, Eugene	November 1, 2015	Marietta, GA	November 7, 2015
Peters, Marie	May 8, 2016	Augusta	June 2, 2016
Rollins, William Kennedy Jr	April 28, 2015	Fort Myers, FL	October 9, 2015
Sheldon, Sharon Shaw	September 5, 2015		November 7, 2015
Sliva, John Joseph	July 19, 2015	Randolph	July 23, 2015
Weeks, Eric L	July 3, 2015	Windsor	July 12, 2015

# **REPORT OF THE PUBLIC WORKS DEPARTMENT**

July 1, 2015 – June 30, 2016

The Public Works Department starts the year preparing for Old Hallowell Day. Roads are swept, crosswalks painted, City-owned property cleaned up and mowed. Storm basins were cleaned and inspected for any repairs. Summer involves lots of time with maintenance of City parks. Grading of gravel roads, mowing, repairs to bathrooms at the Res and footpaths at Vaughan Field and the new Granite City Park.

The winter months were much milder than previous years, giving us time for needed indoor maintenance of the Public Works garage and City Hall. Spring arrived and it started all over. Big thanks to the crew and the City officials for their support.

Respectfully submitted,  
Chris Buck  
Public Works Foreman

## **BOARD OF ASSESSORS**

July 1, 2015 – June 30, 2016

This year the tax mil rate was set at \$17.6 per \$1,000 of value based on a taxable valuation of \$251,378,137 for real and personal property as of April 1, 2015. The certified sales ratio remained at 100%. Taxes were committed on August 12, 2015. The Property Tax Levy was \$4,373,589.26.

The Board reviewed abatement requests, exemption applications, and other tax relief programs. They visited new construction projects and adjusted valuations as needed.

The Assessors' agent recorded all new real estate transfers and adjusted tax maps, property cards and land and building values, when warranted, as well as responded to inquiries for parcel information.

Reimbursement programs and tax relief programs are offered by the State and administered by the Assessor's Office. These include Homestead Exemption, Veterans Exemption, and Blind Exemption for real property. Personal property programs include Business Equipment Tax Reimbursement (BETR) and Business Equipment Tax Exemption (BETE). Applications are available online or at City Hall. Please call or stop by for more information on these programs.

Respectfully submitted,  
Jennie Marvelle, Chair  
Robert Stubbs  
Kara Walker  
Maureen AuCoin, Agent

# **GENERAL ASSISTANCE DIRECTOR'S REPORT**

July 1, 2015 – June 30, 2016

General Assistance is a last resort “safety net” program, which each municipality in the State is required to administer according to guidelines established by the State and by the local municipality. The Department of Health and Human Services (DHHS) oversees the administration of all the Municipal G.A. Programs and provides partial reimbursement to municipalities for assistance furnished to G.A. clients, along with the Social Security Administration for SSI-approved clients. Assistance is limited to basic necessities and is granted to clients in the form of purchase orders payable to specific vendors, who supply the services or goods.

Each case is carefully examined by the G.A. Director to see if a general assistance client qualifies. Applications need to be made ahead of time with proof of income and expenses attached.

There are times in the winter months that some Hallowell citizens need a helping hand with heat but do not qualify for G.A. Heating Fuel Gift cards are always welcome and can be used for these citizens during emergency times. If you would like to give a gift card, please go to one of the heating oil companies and purchase a gift card and send them to the G.A. Director to be distributed.

The General Assistance Office is open Wednesdays. In a life-threatening emergency after hours, the Hallowell Police Department can reach the G.A. Director.

Respectfully submitted,  
Deanna Mosher Hallett, G.A. Director

## **REPORT OF THE CEMETERY TRUSTEES**

July 1, 2015 – June 30, 2016

The cemetery roads and repair work to monuments are an annual on-going expense, along with tree pruning, loaming and re-seeding.

Since the water lines broke underground several years ago, the City continues each year installing more water lines with faucets at the same time as the road repairs are being done.

The Cemetery Department has one seasonal worker and the Public Works Department continues to assist with burials, mowing and trimming maintenance.

Respectfully submitted Cemetery Trustees,  
Deanna Mosher Hallett  
Anthony L. Masciadri  
Chris Buck



ERIC L NASON  
CHIEF OF POLICE

CITY OF HALLOWELL  
POLICE DEPARTMENT  
1 Winthrop Street  
Hallowell, Maine 04347

Business:(207) 622-9710  
Non-Emergency:(207) 623-3131  
Fax:(207) 623-7147

**To the Honorable Mayor, City Council, and Citizens of Hallowell**

On behalf of the Hallowell Police Department, I am pleased to share with you the 2015/2016 annual report. We take great pride in having the privilege to serve and work with the residents of the City of Hallowell. We are honored that you have placed your trust in us and we are thankful for the many relationships we have established or enhanced across the city.

We have accomplished much this past year and we realize that we would not have been able to do this without your active collaboration, partnership, participation, and support.

During the past year, we have responded and investigated 7,869 calls for service, 71 traffic accidents, conducted 1,952 motor vehicles stops, 2,381 building checks and issued 236 parking tickets.

The department is staffed 24 hours a day throughout the year and consists of 1 Chief of Police, 1 Patrol Sergeant, 3 Full-time Patrol Officers, 6 Reserve Police Officers, and 1 Animal Control Officer.

We continue to face challenges that require a flexible, adaptable approach and have to understand that our role goes beyond the slogan “to serve and protect.” The Police Department will to continue on focus our efforts on building community and bringing people together.

The Department encourages our citizens to contact the department at any time with questions or concerns they may have or ideas on how to better improve services to our community.

Respectfully Submitted,  
Eric L. Nason  
Chief of Police



# CITY OF HALLOWELL

FIRE DEPARTMENT  
ONE WINTHROP STREET  
HALLOWELL, ME 04347

Michael F. Grant  
Chief Engineer

## ANNUAL REPORT FOR FISCAL YEAR 2016

To the Honorable Mayor and City Council:

The Hallowell Fire Department is currently staffed by 10 paid call firefighters on a 24-hour basis. Department personnel are issued pagers, which are activated whenever a fire or other emergency is reported to the dispatch center at the Augusta Police Department. City firefighters are required to live or work within 8 miles driving distance to the fire station and include members from other communities; in fact the majority of the department members reside in neighboring towns. Average response time is 8–12 minutes from time of activation with evening responses shorter

Call firefighters are paid hourly when involved in department operations, and fire officers are paid a premium rate for the additional administrative duties performed to support the Chief, which is also a call position. City firefighters also volunteer many hours towards community events requiring non-duty participation such as Old Hallowell Day and other community events and parades.

A designated Fire Warden is available for issuing burning and consumer fireworks permits; when he is not available residents may go on-line to the State website to obtain an outdoor burning permit with a nominal fee. We encourage folks not to burn materials unless absolutely necessary, and any outdoor open fire or use of consumer fireworks within the downtown area East of Middle Street is prohibited by City Fire Ordinance.

Recreational fireplaces do not require a permit when properly operated with safety screens, although it is advised to have the area inspected for safety and appropriateness. Nuisance smoke from outdoor burning is prohibited.

There were two building fires during the reporting period and in both cases the fires were responded to quickly and appropriately with assistance from Mutual Aid towns. The structures have since been repaired.

Respectfully submitted  
Michael F. Grant, Chief Engineer

## HALLOWELL FIRE DEPARTMENT ROSTER FOR YEAR 2016

Michael Grant	Chief	Joseph Galeco	Firefighter
Aaron Selwood	Captain	Ian Ayers	Firefighter
Richard Clark	Captain/Engineer Foreman	Jesse Tozier	Firefighter
Roy Girard	Lieutenant	Norman Cormier	Traffic Control
Peter Schumacher	Lieutenant	Peter Inchcombe	Chaplain
Ryan Girard	Firefighter	Richard Seymour	Clerk
Travis Frith	Firefighter		

# REPORT OF THE CODE ENFORCEMENT AND PLUMBING DEPARTMENT

**The following is the permit activity report for the period  
July 1, 2015 to June 30, 2016  
Last year's amounts are in (parentheses).**

Category*	No.	Construction Cost (\$)	Fee (\$)
<b>Building Permits:</b>			
Commercial	0 (2)	0 (61,500)	0.00 (60.00)
Single Family Homes	8 (7)	1,133,600 (1,845,000)	806.10 (1,618.00)
Garages	3 (1)	46,500 (32,172)	90.00 (30.00)
Additions, Decks	8 (7)	80,250 (61,200)	240.00 (205.00)
Sheds, Barns	2 (1)	6,984 (8,000)	60.00 (30.00)
Renovations, Int. & Ext.	5 (7)	239,881 (159,000)	150.00 (210.00)
<b>Other Permits and Application Fees:</b>			
Signs	12 (6)		300.00 (150.00)
Miscellaneous	0 (0)		0.00 (0.00)
Demolition	3 (0)		90.00 (0.00)
Conditional Use	1 (2)		100.00 (200.00)
Subdivision	0 (1)		0.00 (125.00)
Site Plan Review	0 (0)		0.00 (0.00)
Historic District	19 (11)		475.00 (275.00)
Zoning Appeal	1 (0)		25.00 (0.00)

\*Note: Some projects are included in several categories (i.e. garages as part of single-family homes, etc.)

All construction work costing or valued at \$1,500 or more requires a building permit. Any work causing structural alterations to a building requires a building permit, regardless of cost. All construction must conform to the Maine Uniform Building and Energy Code.

Any exterior additions or alterations to properties, buildings, and structures within the Historic District require approval of the Planning Board prior to acquiring a building permit. This approval is known as a Historic District Certificate of Appropriateness and has a fee of \$25.00 attached to it. Activities that require Planning Board approval and have not been commenced within one year require re-approval.

A Certificate of Occupancy must be obtained prior to occupancy of any structure. Twenty-four hours' notice is required for inspection requests. Any development in the City's Shoreland Zone or Floodplain District requires pre-construction review and often the issuance of additional permits prior to the start of construction. An Elevation Certificate may be required of projects in the Floodplain or Floodway. If you don't know, please ask the Code Officer if you are in these flood prone areas. Development in any area of the City's wetland and shoreland zones requires additional state and

*(Continued on page 19)*

**REPORT OF THE CODE ENFORCEMENT AND PLUMBING DEPARTMENT**  
*(Continued)*

federal review. Development has a very broad definition when it comes to these areas, so when in doubt, ask.

ADA and the Maine Human Rights Act require that new, expanded, or altered places of public accommodations must apply for a barrier free permit from the State Fire Marshal prior to construction start up. All commercial projects are also required to obtain a Fire Marshal's permit prior to the beginning of construction.

**PLUMBING PERMITS ISSUED**

<u>Category</u>	<u>No.</u>	<u>Total Fee</u>	<u>City's Share</u>
External	7	\$1,875.00	\$1,406.25
Internal	10	\$870.00	\$652.50

The State's internal and external plumbing codes allow plumbing permits to be valid for a two-year period and permits shall be issued only by the local plumbing inspector. Any plumbing installed without a permit will be charged a double fee. Only a licensed master plumber can be issued a permit with the exception of a homeowner doing their own work on their PRIMARY single family residence. A homeowner is required to perform all work to code and must meet the same inspection requirements of a master plumber.

Periodic inspections by the Plumbing Inspector are required by the Code for internal plumbing work, and for external plumbing work and system must be approved prior to being covered. Please ensure that all plumbing work will meet Code before calling for inspection. An air test or equivalent is required to verify a leak free system.

Respectfully submitted,  
Doug Ide  
Code Enforcement Officer/Plumbing Inspector

# REPORT OF THE PLANNING BOARD

July 1, 2015 – June 30, 2016

To the Honorable Mayor, City Council and Citizens of Hallowell:

The function of the Hallowell Planning Board, in conjunction with the Code Enforcement Officer, is to assure compliance with the City’s 1997 “Revised Code of Ordinances” (i.e. the Code). In general, the Code addresses “permitted” or “conditional” uses in the twelve land use zones established within the City of Hallowell. The Code maintains consistency of use within zones and requires the applicant to comply with the Code’s conditional use standards and the Maine Uniform Building & Energy Code.

The Planning Board consists of nine members, two of whom are alternates who move into full voting positions when regular members are absent or vacate their seats. The Board meets regularly in public meetings on the third Wednesday of each month at 7 PM in the City Hall Council Chamber. Special meetings may be scheduled as needed to complete business in a timely manner.

The majority of applications before the Planning Board fall within the Historic District. The stated purpose of the Historic District is to preserve historical structures and areas of historical and architectural value. Activity in this area is substantial and indicates a strong interest in property maintenance and improvement.

During the fiscal year that ended June 30, 2016, the Board met 12 times and heard the following:

Historic District Certificate of Appropriateness Applications.....	23(21)
Conditional Use Applications.....	0(2)
Sign Permit Applications.....	1(0)
Site Plan Review Applications .....	1(0)
Swimming Pool Permit Applications* .....	0(0)
Minor Subdivision Applications.....	0(1)
Public Hearings:	
Zoning District Amendment .....	1(2)
Minor Subdivision .....	0(1)

Figures in ( ) are for the previous year.

\*In June 2014 the Planning Board delegated authority to approve above-ground swimming pools outside the Historic District to the Code Enforcement Officer.

Respectfully submitted,  
Danielle Obery, Chair

# REPORT OF THE CONSERVATION COMMISSION

July 1, 2015 – June 30, 2016

The Hallowell Conservation Commission (HCC) is the advocate for the City's natural resources including woodlands, open spaces, and wetlands. We preserve and protect the City's natural areas and their benefits for present and future residents by monitoring their use and development. We also promote activities for the enjoyment of our special natural resources and places. The Commission benefits from the knowledge of two Maine Master Naturalists serving as commissioners.

The HCC meets the first Tuesday of the month at City Hall, September through June. All meetings are open to the public and we welcome public participation. If you are interested in volunteering or our activities, email: [HallowellConservation@gmail.com](mailto:HallowellConservation@gmail.com)

Key activities over the past fiscal year (July 2015–June 2016) included:

Ongoing invasive species control work at the City Forest/Res, Vaughan Field, Jamies Pond, and along the Kennebec River Rail Trail. HCC members and volunteers, including the October 2015 Day of Caring with Hall Dale High School students, continue to battle Japanese Knotweed, Loosestrife, Buckthorn, and other invasive plants that destroy and smother native landscapes. In May through July 2016, volunteers focused on the Rail Trail wall area at the southern end of the City, removing invasives and trimming native plantings. A kiosk was placed on the northern end of the Rail Trail to inform the public about invasives. We will continue to work with Nancy Olmstead of the Maine Natural Areas Program to document and map our invasives removal efforts.

Nature walks! The 2016 program included a Full Moon Walk, three Spring Migration Bird Walks in collaboration with the Augusta Bird Club, and a Fern Walk all at the City Forest/Res. Events averaged 15 to 20 participants.

Coordination and public updates on the wildlife habitat plan at Jamies Pond Wildlife Management Area starting in August 2016. The HCC worked with the Maine Department of Inland Fisheries and Wildlife (IF&W) to educate and inform residents of the purpose and timing of timber harvesting related to long-term wildlife habitat enhancements. The HCC provided updates to the City website and promoted a site walk and public meeting with IF&W staff. The HCC also continues to assist in maintaining the hiking trails at Jamies Pond via an annual Trail Day.



Spring Migration Bird Walk (Photo by Rosemary Presnar)

Ongoing conservation advocacy related to the development of the Stevens School complex during the sale and development of the property. HCC's goal is to maintain as much open space as possible in accordance with the City's Comprehensive Plan as well as ongoing public access and trail connectivity

## **REPORT OF THE CONSERVATION COMMISSION**

(Continued)

from Winthrop Street through the northern open field to the Howard Hill property in Augusta. HCC members will continue to work with all key stakeholders on the Stevens School Planned Development District Master Plan to monitor overall conservation and natural resources protection.

Working with the Recreation Commission on the need for a management and maintenance plan for the City Forest/Res. The HCC vision for the Res includes: a full survey of the property to clarify abutters and Manchester property lines, trail names and signage indicating single or multi-use to improve safety and to eliminate trail erosion caused by inappropriate use, continued ban on motorized vehicles including ATVs, and preserving native wetlands, waterways, and plant life. We have focused our nature walk program at the Res to improve public awareness of the year-round activities available on the City's largest natural area. We have also advocated against additional commercial use of the Fish & Game Road to protect habitat and water quality.

Ongoing engagement and communications with the City Manager, City Council and City Committees, Commissions, and Boards including the Tree Board, Recreation Commission, Stevens School Advisory Committee, the Property Committee, Public Works, and the Planning Board. The HCC has also provided written support for conservation grant applications by the Vaughan Woods & Historic Homestead and the Manchester Conservation Commission.

Membership in the Maine Association of Conservation Commissions (MEACC). HCC members attended the annual meeting to share and learn. The MEACC is a clearinghouse for grant opportunities and State resources.

# **REPORT OF THE TREE BOARD**

July 1, 2015 – June 30, 2016

The Hallowell Tree Board completed a busy and successful year, which encompassed the time period from July 1, 2015 to June 30, 2016. The current Tree Board is composed of Maggie Newton, Ellen Gibson, Jen Paisley, Bill Allen, Jan Moore, and Wes Davis. The Tree Board meets monthly where the public is encouraged to attend. New members are always welcome.

The Hallowell Tree Board submitted a project canopy grant application under the leadership of Maggie Newton. The approved grant included planting and mulching two shade trees at the Vaughan Field. Granite blocks help protect the young trees. Also hydrangea were replaced. Due the dry summer extensive watering was required by volunteers.

Hallowell Tree Board supported Day of Caring in September. Various Tree Board members supervised 120 Hal-Dale students working in the Town Forest, Rail Trail and at Vaughn Homestead areas of the community. Invasive weed control was a major focus of the work.

Work continued on a long-term plan for a GPS tree inventory. Tree Board Members continued a physical on site inventory where volunteers are recording the status of all city planted trees.

Tree Board continued to champion a forest management plan for the Town Forest located off Town Farm Road. Maggie Newton represents the Tree Board on the Parks and Recreation Committee. Local sustainable forestry remains an objective.

Vaughan Estate folks maintained the tree holding nursery at the Vaughan Homestead which includes 18 Balsam Firs & 11 American Chestnut trees. All trees are looking healthy. In the spring a permanent home will be required for the Balsam Fir trees.

The Tree Board renewed Hallowell's Tree-City USA status with the National Arbor Day Foundation. Maggie Newton and Ellen Gibson represented Hallowell and accepted the award at the state ceremony held in Orono, Maine.

During Arbor Week the Tree Board posted a display at the Hubbard Free Library and gave away seedlings to residents visiting our display.

The Tree Board sponsored a float in the July Old Hallowell Day parade. Six hundred Balsam Fir trees were passed out by members of the Tree Board, and Hallowell Conservation Committee. People enjoyed receiving the trees.

The Hallowell Tree Board and Hallowell Conservation Committee continue to tighten a working relation. Peter Spiegel has been a great addition to Tree Board meetings as the HCC representative.

The Tree Board looks forward to continued community support and another productive year.

Respectfully Submitted:

Wes Davis, Chairman, City of Hallowell Tree Board.

# REPORT OF THE CITY HISTORIAN

July 1, 2015– June 30, 2016



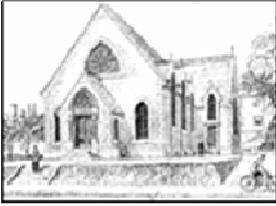
The high point of the year was the display and reading of Hallowell's Declaration of Independence broadside on July 3 & 4, 2015. The Hallowell Citizens Initiative Committee spent nearly a year preparing for the first public viewing and reading of the document since it disappeared in 1776. The celebration attracted over 200 viewers and media coverage in Maine and beyond. Lively readings by Mayor Mark Walker and former mayor/State Representative Charlotte Warren highlighted the two day event. Because of its historic significance and value, the city's broadside is stored at the Maine State Archives when not displayed.

The Doctor Hubbard Office Museum opened on Old Hallowell Day and was staffed again by volunteers. Many thanks to docents who make the museum a success. Over 100 visitors toured the museum from 11am to 3pm.

The City Historian led two tours at the Hallowell Cemetery that highlighted the accomplishments of former community leaders. The tours were sponsored by the Hallowell Arts and Cultural Committee and the Hubbard Free Library.

During the year, I received and answered dozens of requests for historical and genealogical information pertaining to Hallowell. These came from both down the street and across the country. I also assisted several local people with their collections of memorabilia, photos and other documents which needed sorting and/or preservation.

Respectively submitted,  
Sumner A. Webber, Sr.  
City Historian



# HUBBARD FREE LIBRARY

115 Second Street – 622-6582

[www.hubbardfree.org](http://www.hubbardfree.org)

## ANNUAL REPORT July 1, 2015 – June 30, 2016

The Hubbard Free Library is a private non profit organization governed by a Board of Trustees, library director and four part time staff. The library is open six days a week and two evenings (Tuesday and Thursday) until seven pm.

The Hubbard Free Library serves the communities of Hallowell and Farmingdale. Patrons who do not reside in these towns may purchase a library card for forty dollars. If the patron lives in Farmingdale they will be reimbursed the library card fee from their town.

The Hubbard Library is in the process of writing grants for the purpose of refurbishing the stained glass windows. The annual fund collected this fiscal year was \$9,168.00.

Projects completed this year were re-modeling the bathroom and vestibule. Future projects include putting in a new back door (which will be handicapped accessible) a new light fixture outside, new computers and refurbishing the stained glass windows.

This past year 17,756 items were circulated including 600 downloads using the Maine-infonet service.

The library visits Cotton Mill, Hillside, Woodlands and Granite Hill offering various library services to the residents.

Every Wednesday the Hubbard Library has a children's program that has a story time followed by a craft.

The Friends of the Hubbard Library sponsored 25 programs for adults and children with an average of seventeen people per program. The library has also been collaborating with the Harlow Art Gallery and the Vaughan Homestead for future programs.

Our patrons are kept informed by the Hubbard Headlines, our web page, and email reminders about upcoming events and by our portable sign in front of the library. The Hubbard also promotes its programs on 92 Moose, Kennebec Journal and posting flyers at the Gardiner and Lithgow Libraries.

# Unpaid Real Estate Taxes

As of June 30, 2016

## Tax Year: 2016

2 L LLC	1,843.61
BLANCHE CARLTON W & KATHERINE A	336.91
BLANCHE CARLTON W & KATHERINE A	324.10
BROOKE PAUL K & VIVIAN C	1,143.71
BROWN DARRYL G JR & NICOLE L	2,856.61
BROWN DARRYL G JR & NICOLE L	444.80
DALE ROBERT	3,856.81
DALE ROBERT O	3,364.94
DIX SARA E & PARSELLS N KING	7,548.59
FAIRBANKS SETH & CHIHARU	2,170.55
FULLER FREESE & PORTER CAROL	2,488.76
FULLER NANCY L "PERSON IN POSSESSION"	2,554.90
GRANITE CITY CORP	1,431.56
GRANITE CITY CORP	64.14
GRANITE CITY CORP	519.44
GRANITE CITY CORPORATION	4,887.77
HARRINGTON JULIE DEANE	1,569.01
JONES PHYLLIS L	2,399.47
KIMBALL MARK B	3,745.26
LEMAR,GRACE	2,242.23
LORD DUANE RICHARD & BARBARA JEAN	2,028.29
LORD DUANE RICHARD & BARBARA JEAN	1,647.96
LORD DUANE RICHARD & BARBARA JEAN	1,538.24
LUNT PATRICK H	1,311.51
LUOSEY DENNIS	3,798.30
MORGAN ROBERTA P	1,498.01
NASON LEONARD W JR	78.78
NOLAN GERALD W & JOY J	1,139.63
OMAR, FRANK M.	1,512.33
PARADIGM DEVELOPMENT LLC	7,826.32
PARSELLS N KING & DIX SARA E	3,482.27
PARSELLS N KING & DIX SARA E	506.95
ZANG YOU ZUE	62.63
<b>Total for 33 accounts</b>	<b>\$72,224.39</b>

## Tax Year: 2015

2 L LLC	1,972.25
BROWN DARRYL G JR & NICOLE L	1,922.96
BROWN DARRYL G JR & NICOLE L	32.74
DALE ROBERT	4,114.85
DALE ROBERT O	3,589.64
FULLER FREESE & PORTER CAROL	2,227.71
FULLER NANCY L "PERSON IN POSSESSION"	2,724.73
GRANITE CITY CORP	1,498.01
GRANITE CITY CORP	64.76
GRANITE CITY CORPORATION	5,215.17
HARRINGTON JULIE DEANE	1,671.58
JONES PHYLLIS L	1,212.18
LORD DUANE RICHARD & BARBARA JEAN	1,483.20
LORD DUANE RICHARD & BARBARA JEAN	1,186.71
LORD DUANE RICHARD & BARBARA JEAN	1,025.20
LUNT PATRICK H	1,390.99
LUOSEY DENNIS	4,039.70
MORGAN ROBERTA P	326.86
NASON LEONARD W JR	80.39
NOLAN GERALD W & JOY J	625.93
ZANG YOU ZUE	10.50
<b>Total for 21 accounts</b>	<b>\$36,416.06</b>

CITY OF HALLOWELL, MAINE

ANNUAL FINANCIAL REPORT  
with Independent Auditors Report

For the Year Ending June 30, 2016

CITY OF HALLOWELL, MAINE  
ANNUAL FINANCIAL REPORT  
Year Ended June 30, 2016

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# KEEL J. HOOD

Certified Public Accountant

PO Box 302 - Fairfield, Maine 04937 - (207)453-2007

## INDEPENDENT AUDITORS REPORT

July 13, 2016

City Council  
City of Hallowell  
Hallowell, Maine

### Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, the major fund and the aggregate remaining fund information of City of Hallowell, Maine, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Town'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.

### Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with the 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. Those standards require that I 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 auditor's 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, I express no 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

### Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund and the aggregate remaining fund information of the City of Hallowell, Maine as of June 30, 2016, and the respective changes in financial position, and where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

**Other Matters**

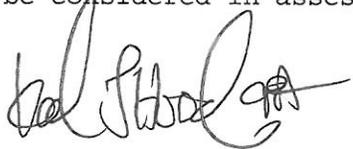
**Required Supplementary Information**

Management has omitted Management's Discussion & Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. My opinion of the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information 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. I 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 for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge I obtain during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, I have also issued my report Dated July 13, 2016 on my consideration of City of Hallowell, Maine's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my 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 considered in assessing the results of my audit.

A handwritten signature in black ink, appearing to be 'K. J. [unclear]', is written over the bottom of the text block.

CITY OF HALLOWELL, MAINE  
Statement of Net Position  
June 30, 2016

Statement 1

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current Assets:	
Cash	\$ 2,136,452
Receivables	
Taxes	137
Liens	121,162
Accounts	36,360
Tax acquired property	5,245
	<u>2,299,356</u>
Noncurrent Assets:	
Capital assets, net	3,772,804
	<u>6,072,160</u>
<b>LIABILITIES</b>	
Current Liabilities:	
Accrued wages	43,404
Accounts payable	36,704
Due to other funds	977,160
Bonds payable within one year	155,000
	<u>1,212,268</u>
Long term due to other funds:	
Bonds payable	805,000
	<u>805,000</u>
	<u>2,017,268</u>
<b>NET POSITION</b>	
Invested in capital assets, net of related debt	2,812,804
Unrestricted	1,242,088
	<u>4,054,892</u>
Total net position	\$ <u>4,054,892</u>

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF HALLOWELL, MAINE  
Statement of Activities  
For the Year Ended June 30, 2016

Function/Programs	Program Revenues				Net (Expense) Revenues
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating grants and contributions</u>	<u>Capital grants and contributions</u>	
Governmental activities:	\$				
General government	365,738	31,784			(333,954)
Public safety	817,924	35,120	22		(782,782)
Public works	621,047	31,265			(589,782)
Human services	27,048		5,051		(21,997)
Leisure Services	47,697	60,555			12,858
Special assessments	2,955,850				(2,955,850)
Unclassified	51,776				(51,776)
Debt service	52,738				(52,738)
Capital outlay	237,450				(237,450)
Total governmental activities	5,177,268	158,724	5,073	0	(5,013,471)

	<u>Governmental Activities</u>
Net (expense) / revenue	
General revenues:	
Property taxes	4,374,519
Excise taxes	403,703
Interest and costs on taxes	16,851
Intergovernmental:	
State revenue sharing	130,905
Local roads assistance	15,980
Homestead exemption	37,004
Snowmobile	444
Tree growth	582
Veterans reimbursement	1,441
BETE	13,588
Retirement system refund	160,823
Unrestricted interest	2,069
Miscellaneous	10,000
Total general revenues	<u>5,167,909</u>
Change in Net Position	154,438
Net Position - beginning	3,900,454
Net Position - ending	<u><u>4,054,892</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF HALLOWELL, MAINE  
Balance Sheet  
Governmental Funds  
June 30, 2016

Statement 3

ASSETS	General Fund	Total Governmental Funds
Cash	\$ 2,136,452	\$ 2,136,452
Receivables		
Taxes	137	137
Liens	121,162	121,162
Accounts	36,360	36,360
Tax acquired property	5,245	5,245
Total Assets	2,299,356	2,299,356
<b>LIABILITIES</b>		
Accounts payable	43,404	43,404
Due to other funds	977,160	977,160
Accrued compensated absences	36,704	36,704
Deferred property taxes	95,000	95,000
Total Liabilities	1,152,268	1,152,268
<b>FUND BALANCES</b>		
Fund Balances		
Committed:		
Capital purchases	735,499	735,499
Assigned:		
Revenues	48,631	48,631
Unassigned	362,958	362,958
Total Fund Equity	1,147,088	1,147,088
Total Liabilities and Fund Equity	\$ 2,299,356	\$ 2,299,356

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are financial resources and, therefore, are not reported in the funds.	3,772,804
Other long-term assets are not available to pay for current-periods expenditures and therefore are deferred in the funds.	95,000
Long-term liabilities, including bonds and notes are not due and payable in the current period and therefore are not reported in the funds.	
Bonds payable	(960,000)
Net assets of governmental activities	\$ 4,054,892

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF HALLOWELL, MAINE  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2016

	<u>General Fund</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>		
Taxes	\$ 4,804,074	4,804,074
Intergovernmental	206,313	206,313
Charges for services	122,663	122,663
Interest	2,069	2,069
MePERS refund	160,823	160,823
Miscellaneous	44,766	44,766
Total Revenues	5,340,708	5,340,708
<b>Expenditures:</b>		
Current:		
General government	347,756	347,756
Public safety	805,622	805,622
Public works	449,371	449,371
Human services	27,048	27,048
Special assessments	2,955,850	2,955,850
Unclassified	51,776	51,776
Leisure services	41,949	41,949
Debt service	207,738	207,738
Capital outlay	237,450	237,450
Total Expenditures	5,124,560	5,124,560
Excess of Revenues Over (Under) Expenditures	216,148	216,148
Net Change in Fund Balances	216,148	216,148
Fund Balances - beginning	930,940	930,940
Fund Balances - ending	\$ 1,147,088	\$ 1,147,088

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF HALLOWELL, MAINE  
 Reconciliation of the Statement of Revenues,  
 Expenditures, and Changes in Fund Balances  
 of Governmental Funds  
 to the Statement of Activities  
 For the Fiscal Year Ended June 30, 2016

Net change in fund balances - total governmental funds	\$	216,148
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. While governmental activities report depreciation expense to allocate those expenditures over the life of the assets:		
Depreciation expense		(207,710)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets:		
Capital bond obligation principle payments		155,000
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:		
Unearned property tax revenue		(9,000)
Change in Net Position of Governmental Activities	\$	154,438

CITY OF HALLOWELL, MAINE  
Statement of Net Position  
Fiduciary Fund - Cemeteries  
June 30, 2016

		Private Purpose <u>Trust Fund</u>
<b>ASSETS</b>		
Due from general fund, current portion	\$	473,160
Due from general fund, more than one year		504,000
	Total Assets	<u>977,160</u>
<b>NET POSITION</b>		
Held in Trust		977,160
	Total Liabilities	<u>\$ 977,160</u>

CITY OF HALLOWELL, MAINE  
Statement of Changes in Fiduciary Net Position  
Cemeteries  
June 30, 2016

		Private Purpose <u>Trust Fund</u>
Additions:		
Investment income	\$	15,750
Donations		625
Total Additions		<u>16,375</u>
Deductions:		
Other miscellaneous		<u>15,750</u>
Total deductions		<u>15,750</u>
Total Additions		<u>16,375</u>
Change in Net Position		625
Net Position - beginning		<u>976,535</u>
Net Position - ending		<u><u>977,160</u></u>

CITY OF HALLOWELL, MAINE  
Notes to Combined Financial Statements  
June 30, 2016

1. Summary of Significant Accounting Policies

The City of Hallowell was incorporated in 1869 under the laws of the State of Maine. The City operates under the City Manager/City Council form of government.

The City'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, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the City has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the City has chosen not to do so. The more significant accounting policies established in GAAP and used by the City are discussed below.

**A. Reporting Entity**

In evaluating how to define the reporting entity, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit is made by applying the criteria set forth in GAAP which defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. Application of this criterion and determination of type of presentation involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. Based upon the application of these criteria, there were no potential component units required to be included in this report.

**B. Government-wide and Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non fiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

1. Summary of Significant Accounting Policies, continued

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The City has elected not to allocate indirect costs among the programs, functions and segments. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Licenses, permits, fees, excise taxes and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Interest income and charges for services are recorded as revenues when earned, since they are measurable and available.

Those revenues susceptible to accrual are property taxes, interest, and charges for services. Other receipts and taxes become measurable and available when cash is received by the City and are recognized as revenue at that time.

1. Summary of Significant Accounting Policies, continued

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed.

The City reports the following major governmental fund:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Additionally, the City reports the following fund types:

**Fiduciary Funds**

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

Private-purpose trust funds are used to report trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

**D. Capital Assets**

Capital assets, which include property, plant, and equipment are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$10,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical costs or estimated historical cost if purchased or constructed. Donated capital assets are

1. Summary of Significant Accounting Policies, continued

recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives ranging from 3 to 50 years.

**E. Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, if material, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, if material, are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**F. Short-term Interfund Receivables/Payables**

During the course of operation, numerous transactions occur between individual funds primarily for cash flow purposes. These interfund receivables and payables are classified as "due from other funds or due to other funds" on the balance sheets.

**G. Fund Equity**

Committed fund balance indicates that a portion of the fund balance is constrained for a specific future use, and is indicated by the title of each purpose listed in the balance sheet. Committed fund balances are voted on by Council Vote. Assigned fund balances indicate amounts which either are intended to be carried forward by law or contractual agreement, or which the City Council has voted to carry forward.

**H. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the

1. Summary of Significant Accounting Policies, continued

reporting period. Actual results could differ from those estimates.

2. Budgetary Accounting

A budget is formally adopted for the General Fund, only, through the passage of a City warrant, and is prepared on a basis consistent with generally accepted accounting principles. Commitments for goods and services at the end of the year are recorded as encumbrances for budgetary control. These encumbrances lapse at the end of the year and become part of the following year's budgetary amounts. In the General Fund, the level of control (level at which expenditures may not exceed budget and applied revenues) is the accounts within each department. Generally, unexpended appropriations are not carried forward to future years (assigned), and unexpended revenues are lapsed at the close of the year. Once adopted, the budget can only be amended by City Council vote.

3. Deposits

The City's policy is to invest all available funds at the highest possible rates, in conformance with legal and administrative guidelines, while avoiding unreasonable risk. The City includes in cash, balances in certificates of deposits that are available for withdrawal.

At year end, the City's carrying amount of deposits was \$2,136,452. The bank balances for all funds totaled \$2,177,131. Custodial credit risk is the risk that, in the event of a bank failure the City's deposits might not be recovered. As of June 30, 2016, all of the Town's deposits were insured or collateralized by securities held in the government's name.

4. Operating Property

Operating and nonoperating property are recorded at cost or, in the case of contributed property, at the fair market value at the date of acquisition. Depreciation is computed on the straight line method based upon the estimated useful lives of the assets as follows:

4. Operating Property, continued

Governmental Activities:	Balance July 1 <u>2015</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30 <u>2016</u>
Assets not being depreciated				
Land and easements	\$ 119,600	\$	\$	\$ 119,600
Assets being depreciated				
Buildings	1,907,200			1,907,200
Vehicles and equipment	1,673,912			1,673,912
Infrastructure	3,716,640			3,716,640
	<u>7,417,352</u>	<u>0</u>	<u>0</u>	<u>7,417,352</u>
Less accumulated depreciation				
Buildings	1,057,739	23,509		1,081,248
Vehicles	1,271,972	81,323		1,353,295
Infrastructure	1,107,127	102,878		1,210,005
	<u>3,436,838</u>	<u>207,710</u>	<u>0</u>	<u>3,644,548</u>
Capital Assets, net	<u>\$ 3,980,514</u>	<u>\$ (207,710)</u>	<u>\$ 0</u>	<u>\$ 3,772,804</u>
Depreciation Expense:				
General government	\$ 17,982			
Public safety	12,302			
Leisure services	5,748			
Public works	171,679			
	<u>207,711</u>			

5. Property Tax

Property taxes for the year were committed on August 12, 2015, on the assessed value listed as of April 1, 2015, for all taxable real and personal property located in the City. Payment of taxes was due September 1, 2015, and March 1, 2016 with interest at 7% on all tax bills unpaid as of those dates.

Assessed values are periodically established by the City's Assessor at 100% of assumed market value. The last revaluation was completed for the list of April 1, 2015. The assessed value for the list of April 1, 2015 upon which the levy for the year ended June 30, 2016, was based, was \$248,499,390. This assessed value was 100% of the estimated market value.

Tax liens are placed on real property within twelve months following the tax commitment date if taxes are delinquent. The City has the authority to foreclose on property eighteen months after the filing of the lien if tax liens and associated costs remain unpaid.

Property taxes levied during the year were recorded as receivables at the time the levy was made. The receivables collected during the year and in the first sixty days following the end of the fiscal year have been recorded as revenues. The remaining receivables have been recorded as deferred revenues.

6. Long-term Debt

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2016:

Long-term debt payable at July 1, 2015	1,115,000
Debt Retired	(155,000)
Debt Proceeds	
Long-term debt payable at June 30, 2016	<u>960,000</u>
Interest Paid	<u>36,988</u>

6. Long-term Debt, continued

Long-term debt payable at June 30, 2016 is comprised of the following:

<u>General Long-term Debt</u>	<u>Interest rate</u>	<u>Final maturity date</u>	<u>Balance end of year</u>
2009 Bond	3%	2030	\$ 960,000
			<u>\$ 960,000</u>

The annual requirement to amortize all long-term debt outstanding as of June 30, 2016 are as follows:

<u>Year</u>	<u>Bonds and Notes</u>	
	<u>Principal</u>	<u>Interest</u>
2016	155,000	31,837
2017	155,000	26,994
2018	150,000	22,038
2019	150,000	16,975
2020	35,000	13,738
2021-2025	175,000	48,108
2026-2030	140,000	12,355
Total	<u>\$ 960,000</u>	<u>\$ 172,045</u>

In accordance with 30-A MRSA, Section 5702, as amended, no municipality shall incur debt for specified purposes in excess of 15 percent of the state valuation of such municipality. At June 30, 2016, the City was in compliance with these regulations.

7. General Fund Committed Balances

The General Fund reserves consists of the following:

	<u>Special</u>
Capital	\$ 735,499
	<u>\$ 735,499</u>

8. Unassigned General Fund Fund Equity

The undesignated General Fund fund equity reflected a change for the current year as follows:

Balance - July 1, 2015	\$ 213,464
Increase (Decrease):	
Estimated under actual revenues	17,208
Appropriations over expenditures	355,983
Budgeted utilization of fund equity	(223,697)
Net Increase (Decrease)	<u>149,494</u>
Balance - June 30, 2016	<u>\$ 362,958</u>

9. Assigned for Subsequent Year's Revenues

The portion of the General Fund fund equity which has been assigned by budgeting decisions represents amounts received during the current accounting period that are to be budgeted as revenues in the subsequent year. These accounts, were as follows at June 30, 2016:

Local roads	\$	3,431
State Revenue Sharing		45,200
Total	\$	<u>48,631</u>

10. Section 457 Plan

Employees of the City of Hallowell may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments).

The deferred compensation plan is available to all employees of the City. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency.

The deferred compensation plan is administered by an unrelated financial institution. Under the terms of an IRC Section 457 deferred compensation plan, all deferred compensation amounts held by the financial institution, until paid or made available to the employees or beneficiaries, are maintained in a trust with the beneficiary the City.

11. Risk Management

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For the past several years the City has obtained coverage from the Maine Municipal Association risk pool. All risk management activities are accounted for in the General Fund. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonable estimated. In determining claims, events that might create claims but for which none have been reported, are considered.

The City's Management estimates that the amount of actual or potential claims against the City as of June 30, 2016, are unknown. Therefore, the General Fund contains no provision for, and does not present, estimated claims.

12. Long-term due to trust fund

The City of Hallowell borrowed from the trust fund in lieu of borrowing from a financial institution. This borrowing was for major capital construction. In total the borrowing was for \$630,000 and is expected to be repaid over 5 years at a 3% interest rate, requiring annual principle payments of \$126,000. In the general fund the interfund loan is required by generally accepted accounting principles to be reflected as a liability, unlike borrowing from an outside source. This results in an unassigned fund equity position lower by \$504,000 than had the borrowing been from a financial institution. As of June 30, 2016, the City of Hallowell's committed balances include \$355,000 as a sinking fund to repay the loan from the Cemetery fund.

CITY OF HALLOWELL, MAINE  
Budget Comparison Schedule  
General Fund  
For the year ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance with final budget positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:	\$	\$	\$	\$
Taxes	4,748,589	4,748,589	4,804,074	55,485
Intergovernmental	198,219	198,219	206,313	8,094
Interest	1,000	1,000	2,069	1,069
Charges for services	136,300	136,300	122,663	(13,637)
Miscellaneous	230,000	230,000	205,589	(24,411)
Total revenues	<u>5,314,108</u>	<u>5,314,108</u>	<u>5,340,708</u>	<u>26,600</u>
Expenditures:				
Current:				
General government	421,925	421,925	347,756	74,169
Public safety	836,152	836,152	805,622	30,530
Public works	527,678	527,678	449,371	78,307
Human services	36,200	36,200	27,048	9,152
Special assessments	3,050,240	3,050,240	2,955,850	94,390
Leisure services	50,000	50,000	41,949	8,051
Unclassified	52,400	52,400	51,776	624
Debt service	333,738	333,738	207,738	126,000
Capital outlay	229,472	229,472	237,450	(7,978)
Total expenditures	<u>5,537,805</u>	<u>5,537,805</u>	<u>5,124,560</u>	<u>413,245</u>
Excess (deficiency) of revenues over (under expenditures)	<u>(223,697)</u>	<u>(223,697)</u>	<u>216,148</u>	<u>439,845</u>
Fund Balance - beginning	930,940	930,940	930,940	0
Fund Balance - ending	<u>\$ 707,243</u>	<u>\$ 707,243</u>	<u>\$ 1,147,088</u>	<u>\$ 439,845</u>

The accompanying notes to the financial statements are an integral part of this statement.

# KEEL J. HOOD

Certified Public Accountant

PO Box 302 - Fairfield, Maine 04937 - (207)453-2006

## INDEPENDENT AUDITOR'S 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

City Council  
City of Hallowell, Maine  
Hallowell, Maine

I have audited, in accordance with the auditing standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of City of Hallowell, Maine as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise City of Hallowell, Maine's basic financial statements, and have issued my report thereon dated July 13, 2016.

### Internal Control over Financial Reporting

In planning and performing my audits, I considered City of Hallowell, Maine's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Hallowell, Maine's internal control. and not to provide an opinion on the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of City of Hallowell, Maine'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 a 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.

My consideration of internal control 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### Compliance and Other Matters

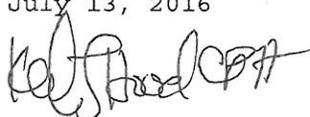
As part of obtaining reasonable assurance about whether City of Hallowell, Maine's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audits, and accordingly, I do not express such an opinion. The

results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my 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.

July 13, 2016

A handwritten signature in black ink, appearing to read "K. J. [unclear] CPA".

# IMPORTANT DATES



The City of Hallowell's fiscal year is from July 1<sup>st</sup> to June 30<sup>th</sup>.

The Assessors' cut-off date is April 1<sup>st</sup>.

Taxes are due September 1<sup>st</sup> and March 1<sup>st</sup>.

Tax Club Payments are due by the 30<sup>th</sup> of each month,  
with the final payment due by May 15<sup>th</sup>.

The City Council meets at 6:00 PM on the first Monday after the first Tuesday of each month.

Requests to be placed on the agenda must be made to the City Manager  
by the first Tuesday of each month.

The Planning Board meets at 7:00 PM on the third Wednesday of each month.

Applications must be submitted to the Code Enforcement Officer  
by 12 Noon on the first Wednesday of each month.

Dog Licenses are due January 1<sup>st</sup>, and are available beginning October 15<sup>th</sup>.

A late fee is added beginning on February 1<sup>st</sup>.

Hunting and Fishing Licenses are available on December 1<sup>st</sup> for the following year.

Boat Registrations are available December 1<sup>st</sup> for the following year.

ATV and Snowmobile Registrations are available May 1<sup>st</sup>  
for the following year (July 1<sup>st</sup> through June 30<sup>th</sup>).

Parking Permits for the Rec Area are required  
for non-residents from May 15<sup>th</sup> to September 15<sup>th</sup>.

Season Permits are \$25 and are available at the City Clerk's Office.

Hallowell residents do not need a Parking Permit.

*(Revised Code of Ordinances Section 6-309)*

Winter Parking Ban: No person shall park or permit a vehicle to remain parked

in any street of the City between 12:00 midnight and 6:00AM

from November 15<sup>th</sup> thru April 1<sup>st</sup>.

*(Revised Code of Ordinances Section 4-402)*

**CITY HALL HOURS: MONDAY – FRIDAY, 8 A.M. – 5 P.M.**

**Offices will be closed on all State Holidays.**

<b><u>AT YOUR SERVICE</u></b>	<b><u>TELEPHONE NUMBER</u></b>
AMBULANCE – EMERGENCY:	911
ASSESSORS' AGENT	623-4021 ext 206
CITY CLERK	623-4021 ext 200
DEPUTY CITY CLERK	623-4021 ext 204
CITY MANAGER	623-4021 ext 203
CITY TREASURER	623-4021 ext 201
CODE ENFORCEMENT OFFICER	623-4021 ext 205
FIRE DEPARTMENT – EMERGENCY:	911
GENERAL ASSISTANCE (Office hours: Wednesday)	623-4021 ext 201
GREATER AUGUSTA UTILITY DISTRICT	622-3701
HALLOWELL WATER DISTRICT (Office hours: Monday – Friday 8 am – Noon)	623-9151
HUBBARD FREE LIBRARY	622-6582
POISON CONTROL CENTER	1-800-442-6305
POLICE DEPARTMENT – EMERGENCY:	911
BUSINESS:	622-9710
PUBLIC WORKS DEPARTMENT	622-3993
SCHOOLS – SUPERINTENDENT'S OFFICE	622-6351
HALL-DALE HIGH	622-6211
HALL-DALE MIDDLE	622-4162
HALL-DALE ELEMENTARY	623-8677
U. S. POST OFFICE (Hallowell)	622-1121

**HALLOWELL NORTHBAY RECYCLING CENTER**

Public Works Building, 286 Water Street  
Open Monday – Saturday, 7 am – 3:30 pm

**HATCH HILL SOLID WASTE DISPOSAL FACILITY**

South Belfast Ave. (Rt. 105), Augusta – Tel. 626-2440  
Open Tuesday – Saturday, 8 am – 4 pm  
Permits are available at the Hatch Hill Facility or  
at Augusta City Center, Monday – Friday