



CITY OF HALLOWELL ANNUAL REPORT

JULY 1, 2017 – JUNE 30, 2018

TABLE OF CONTENTS

	<i>Page</i>
Dedication of New Fire Station.....	1
Mayor’s Address.....	3–4
City Government.....	5
Boards, Commissions and Committees	6–7
Report of the City Manager.....	8–9
Report of the City Clerk.....	11–12
Report of the Registrar of Voters & Election Workers	13
Hallowell Deaths and Burials.....	14–15
Report of the Public Works Department.....	16
Report of the General Assistance Director	17
Report of the Board of Assessors	17
Report of the Police Department	18
Report of the Fire Department	19
Report of the Code Enforcement & Plumbing Department....	20–21
Report of the Planning Board.....	22
Report of the Conservation Commission	23–24
Report of the Hallowell Tree Board.....	25
Report of the City Historian.....	26
Outstanding Real Estate Taxes.....	27
Report of the Independent Auditor.....	28–52
Important Dates	Inside Back Cover
Telephone Numbers	Back Cover

DEDICATION OF THE HALLOWELL'S NEW FIRE STATION



Front row: City Manager Nate Rudy; Councilor at Large Lynn Irish; Ward Two Councilor Michael Frett; Ward Five Councilor Lisa Harvey-McPherson; Clerk of the Works Richard Seymour, Jr.; Fire Chief James Owens; Assistant Fire Chief Roy Girard; Firefighter Ryan Girard. Back row: Councilor at Large George Lapointe; Ward Three Councilor Kara Walker; Mayor Mark Walker (behind Mr. Frett); Ward Four Councilor Diano Circo; Firefighter Cameron Moulton; Fire Captain Michael Dovinski; and Firefighter Jesse Tozier.

Invited guests included representatives from the offices of Senators Susan Collins and Angus King, and Representatives Chellie Pingree and Bruce Poliquin, State Senator Shenna Bellows, and State Representative Charlotte Warren, along with Mayor Walker, Hallowell City Council and City staff.

In late March, an anonymous donor with ties to the Hallowell community pledged up to \$1 million for a new fire station, but the gift was contingent on the station being built at Stevens Commons. The work needed to be done at a “strident pace” to meet the donor’s eagerness to see the project started and to meet the City’s goal of relocating the Fire Department from its current location on Second Street to the new building before the Water Street reconstruction project began. The building was designed to be efficient and easy to maintain, but also to respect the great architectural presence of Hallowell’s most historic buildings and neighborhoods.

The fire station was built at the top of the Stevens Commons campus where the Farwell Building stood. Matt Morrill, who owns Stevens Commons, donated the .67 acre parcel of land to the City, and the City paid for the building’s demolition.

The 5,300-square-foot building, constructed on two levels at a cost of nearly \$2 million, houses a community/training space, a kitchen and an office for the fire chief on its upper level closest to Winthrop Street. The lower level houses the bays for the department’s firetrucks along with gear storage, and washing facilities. The first version of the design was for a bare-bones clapboard building architect Rosie Curtis said. The donor was generous enough to donate more money to make it beautiful. By adding brick cladding for the building, a commercial-type kitchen with countertops made of granite quarried in Hallowell, and doors for the truck bays that open to the side rather than sliding up.

Chief Owens said the goal if for the building to be open to the community. “The citizens didn’t pay for the building, but they pay to maintain it and all the equipment belongs to them. It’s theirs. It’s a gift to the City. We want to make sure people see it. We’re very proud of it.”

MAYOR'S ADDRESS

January 2, 2018

Honorable Council members; City Manager and city staff; residents and voters; friends and family, Welcome! Thank you for being here on this very cold winter night!

Last year I spoke of the turnover of Council members, and on City staff. There were many “BIG” issues facing our City with our new Council members, a new City Manager, a new City Clerk, a new Code Enforcement Officer and in early January a new Fire Chief – Working together to meet the many challenges, make those big decisions, and then to implement these decisions. First thing in this address is to thank these people for their work: Nate Rudy, City Manager; Diane Polky, City Clerk; Doug Ide, Code Enforcement; and Jim Owens, Fire Chief. What a year they have helped make so successful!

Two years previously in 2016 we had studied and acted on parking, written, then voted and implemented a new City Charter; reviewed provision of fire services to Hallowell; and for more than three years prepared the City for its reconstruction of Water Street.

Again, at this Inauguration last year I stated 2017 was a year for many more decisions, some having been “pushed down the road” for many years, even decades. As a City and with this Council we faced critical, long term decisions that will impact Hallowell for decades!

Major decisions made and acted upon during 2017 include:

- Support for a City bond for over \$2 million – to be invested in infrastructure development all around the City! In the past 6 months you have seen road work in Ward 5; improvements to City owned structures; utility and road work at Stevens Commons; and some prep work on Water Street before April 2018 reconstruction. We are investing in our City’s infrastructure!
- The almost miraculous anonymous citizen donation to build a new Hallowell Fire Station, which in turn led to our conclusion that we keep Hallowell’s Fire Department! You can see the progress. The building is rising ; and the City’s fire department has gained new members resulting in the most volunteer Hallowell firefighters in many years. Department morale is the best! And Chief Owens has done a terrific job working with our City Manager and with the architects to design and now build a new fire station our City will be proud of for several generations!
- Preparations for parking during the reconstruction of Water Street, and working with the community – businesses and property owners – to prepare for the construction project. DOT has hosted several meetings during 2017, and our Highway Committee and Chairwoman Lisa Harvey-MacPherson, continues to work to make this project as painless as possible, and complete a project that will impact the appearance of our wonderfully vibrant downtown for generations!
- City Manager Rudy has had countless meetings on parking off of Central Street and parking in the PUC upper lot as well as with DOT for parking solutions. While not complete, we are almost there – more to do in 2018.
- A year long study by the Marijuana Task Force, which assisted the City to implement the Referendum allowing legal retail sale of marijuana. Very strategically, we have implemented moratoriums so as to not be in front of the State, but at the same time have updated our City Ordinances so that when it is legal, we are ready to have safe, structured and “fair” sale in our downtown. Thanks very much to City Manager Rudy, our Code Enforcement Officer Doug Ide, and to the Task Force Chaired by Lynn Irish for their work on this issue.

Hallowell’s Inauguration is unique in how it both reflects on the work of the past Council (Final meeting of the Old Council) and then begins the work of the new 2018 Council.

Since my involvement with City government, this is the first time we begin a year with the exact same Council – all seven Council members and Mayor return – and with the same City Manager! I for one appreciate that – and believe we are well prepared for dealing with the new decisions. Continuity will be a plus – experience has been gained and let me say, Working with this Council has been one of my greatest pleasures – THANK YOU for your leadership and your dedication to the City!

Now on to goals and challenges for 2018: We recently held a Council Retreat where we discussed Long and Short Term priorities for the Council.

Short term – its no secret – we must continue and complete the work with the DOT to reconstruct Water Street! New streets and sidewalks will result.

Also, we must continue to spend the funds from the 2017 Bond Issue on City infrastructure.

The City Manager will continue to work with the Communications Committee to improve technology and how the City communicates to its residents and businesses. This is one of the highest priorities during construction.

Under “Unfinished Business” there will be a meeting in early January of the City Owned Property Task Force. This group, which includes our City’s Property Committee chaired by Michael Frett, will review “best uses” for City owned property – the Dr. Hubbard House; the Public Works garage; some of our open spaces, the City Hall – but most importantly the City’s old Fire Station. This historic building will no longer serve as our fire station by Spring of 2018. There are a multitude of options to consider, including moving our Police Department into the first floor. Obviously, City investment will be required to re-purpose this building. It’s one of the bigger decisions for 2018.

One new initiative – at our Council Retreat we discussed how the RSU budget is over half of the City budget. The City Council has liaisons with the Historic Hallowell Committee, the Arts and Cultural Committee, the Recycling Committee and others – but no one Councilor serves as liaison with the RSU. Beginning in 2018, one City Councilor will attend every RSU meeting and keep us all informed as to the deliberations of our School Board!

We also discussed being more pro-active in developing and recruiting new business and new private investment. After spending literally millions of dollars – state, federal and our own City funds – on improvements to roads, buildings, utilities and the like – its time to invite new investors, new businesses and new citizens to join us here in Hallowell! Working with the Board of Trade and its Economic Development Committee we want to actively seek desirable businesses and investment in Hallowell.

In conclusion, when I think “Why people move to Hallowell” or possibly – to re-phrase “What makes Hallowell distinctive” I come to several major conclusions: our historic downtown and buildings; our strong support for education; our diversity and “Welcoming” nature of Hallowell; and the vibrant arts and cultural community we host. City Manager Rudy has offered a Vision Plan for Hallowell that includes basing economic development on Hallowell’s arts and cultural assets. Our live music scene, our artists and potters in residence and the wonderful Harlow Gallery, and the theater held right here in this room – this creative spirit is a unique factor making Hallowell such a desirable location.

While traveling in Maine this past year I’ve met folks from all over. Near Baxter State Park and our new National Monument, I was talking with a business owner who, unsolicited, said “when I think of Hallowell, I think of ‘Happy.’” We may not have every answer, we may debate and discuss and at times disagree, but at the end of the day – we have respect for our residents, enjoy our “uniqueness” and live our fulfilling and hopefully Happy Lives.

I continue to be humbled and honored to serve as Mayor of this fine City. Thank you!

CITY GOVERNMENT

July 1, 2017– June 30, 2018

MAYOR		Mark L Walker
CITY COUNCIL	At Large	Lynn F Irish
	At Large	George D Lapointe
	Ward One	Maureen AuCoin
	Ward Two	Michael V Frett
	Ward Three	Kara T Walker
	Ward Four	Diano Circo
	Ward Five	Lisa Harvey-McPherson
CITY MANAGER		Nate Rudy
CITY CLERK		Diane D Polky
DEPUTY CITY CLERK		Daniel P Kelley
CITY TREASURER		Dawna M Myrick
CITY SOLICITOR		Amy K Tchao, Esq
TAX COLLECTOR		Dawna M Myrick
REGISTRAR OF VOTERS		Diane D Polky
DEPUTY REGISTRAR OF VOTERS		Daniel P Kelley
MOTOR VEHICLE AGENT		Dawna M Myrick
PUBLIC WORKS FOREMAN		Chris Buck
CODE ENFORCEMENT OFFICER		Doug Ide
ASST CODE ENFORCEMENT OFFICER		Richard Dolby
BUILDING INSPECTOR		Doug Ide
PLUMBING INSPECTOR		Doug Ide
HARBOR MASTER		Daniel Davis
POLICE CHIEF		Eric L Nason
FIRE CHIEF		James Owens
ASSISTANT FIRE CHIEF		Roy Girard
EMERGENCY MANAGEMENT DIR.		Eric L Nason / James Owens
ANIMAL CONTROL OFFICER		Chris Martinez
HEALTH OFFICER		Nate Rudy
PUBLIC ACCESS OFFICER		Nate Rudy
E911 ADDRESSING OFFICER		Nate Rudy
GENERAL ASSISTANCE DIRECTOR		Dawna M Myrick
DEPUTY GENERAL ASSISTANCE DIR.		Diane D Polky
CITY HISTORIAN		Sumner A Webber, Sr
SUPERINTENDENT OF CEMETERIES		Chris Buck

BOARDS, COMMISSIONS AND COMMITTEES

BOARD OF ASSESSORS

Jennie Marvelle, Chair
Robert G Stubbs

Kate Dufour

Assessors' Agent: RJD Appraisal

BOARD OF ASSESSMENT REVIEW

Stephen Langsdorf, Chair
Linda Gilson
Open

Alexandra Serra
Harry Wolfington

TRUSTEES of the Cemetery

Deanna Mosher Hallett / Diane Polky
Chris Buck

Anthony L Masciadri

BOARD OF APPEALS

Phillip Davidson
Kevin McGinnis
Joshua Platt
1st alternate: Teresa Cloutier
2nd alternate: Open

Loren Kinney
David Young, Jr
Chris Vallee

PLANNING BOARD

Danielle Obery, Chair
Judith Feinstein
Richard Bostwick
Andrew Landry
1st alternate: Lisa Rigoulot / Melvin Morrison
2nd alternate: Lisa Rigoulot / Melvin Morrison / Matthew Rolnick

Jane Orbeton
Darryl Brown, Jr
Rosemary Presnar / Lisa Rigoulot

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
Jennifer Paisley

Margaret Newton
Katie Tremblay
Jane Moore

TREE WARDENS

Wes Davis

Open

BOARDS, COMMISSIONS AND COMMITTEES

RECREATION COMMISSION

Councilor George Lapointe, Chair	Daniel Davis
Steve Vellani	Catherine Murray
Margaret Newton	Chris Vallee
Ed Molleo	City Manager Nate Rudy

RECYCLING COMMITTEE – SOLID WASTE ADVISORY COMMITTEE

Susan Farnsworth, Chair	Clyde Williams
Rick Seymour	Ed Molleo
Jennifer McGowan	Councilor Kara Walker

ORDINANCE REWRITE COMMITTEE

Councilor Michael Frett, Chair	Councilor Lynn Irish
Pamela Perry	John Carson
City Manager Nate Rudy	Code Enforcement Officer Doug Ide
Danielle Obery (representing the Planning Board)	

TIF REVIEW COMMITTEE

Phillip Lindley, Chair	Mayor Mark Walker
Johanna McQuoid	Frank O'Hara
Joel Davis	Kenneth Young
Bob Ibeneme	City Manager Nate Rudy

MARIJUANA TASK FORCE

Councilor Lynn Irish, Chair	Brett Shain
Stephen Vellani	Lawrence Davis
Donna DeBlois	Councilor Maureen AuCoin
Sydney Sewall	

BROWNFIELDS ADVISORY COMMITTEE

Mayor Mark Walker, Chair	John Bastey III
Joel Davis	Sumner Webber, Sr
Justin Holmes	Harrison Wolfington
Gerald Mahoney	Ben Godsoe
Councilor Kara Walker	
<i>Non-Voting Advisory Members:</i>	
Nancy Smith (GrowSmart)	Patricia Oh (AARP)
Amy Hinkley (UMA Architecture)	Tracy Kelly (Maine DEP)

HALLOWELL AGE-FRIENDLY COMMITTEE

Councilor Michael Frett, Chair	Robert McIntire
Maggie Warren	Diane Polky (City Clerk)
Sara Grant (AARP)	Stephanie Hanner (Senior Spectrum)
Maryann Zagaria	Lyn Gray
Jackie Martin	Sandy Audet
Patricia Oh (AARP)	Amy Flowers (Analytical Insight)

REPORT OF THE CITY MANAGER

July 1, 2017 – June 30, 2018

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

It remains my privilege to serve the citizens of Hallowell and the City Council, and I wish everyone reading this report a joyous and prosperous 2019. In Hallowell, 2018 was a great whirlwind of activities, projects, triumphs, and losses. They say it is a curse if someone says to you, “may you live in interesting times.” But in Hallowell, we are counting our blessings and good fortune in some of the most interesting times that any one of us on the City staff can remember. Chief among these was our completing several major infrastructure projects, and making substantial progress on others. Hallowell’s new fire station and community meeting center / training room was completed with a \$2M budget that was almost completely funded by an anonymous donor whose only request was that we add to a plaque on the building this message: “This fire station is donated to the City of Hallowell in loving memory of a father who brought up a large family in Hallowell.” My greatest thanks, and the thanks of our fire fighters and all of us at City Hall, go out to our special friend whom we wish well and think of often.

Also this year we collaborated with Ms. Linda Bean on moving the Dummer House from its former location to a more prominent location on Second Street, which I hope will be the first of many improvement projects that highlight the historic value of the Second Street corridor, which includes the former fire station (also formerly City Hall) and the Hubbard Free Library, and also several other historic buildings and homes. Moving the house also made way for a new municipal parking lot on Central Street, which is now complete and serving the public. The hose tower in the Second Street fire station was also stabilized and the foundation repaired, in no small part thanks to encouragement and leadership from Sandy Stubbs and the Hallowell Citizens Initiative Committee, which will make way for exciting future development of the building.

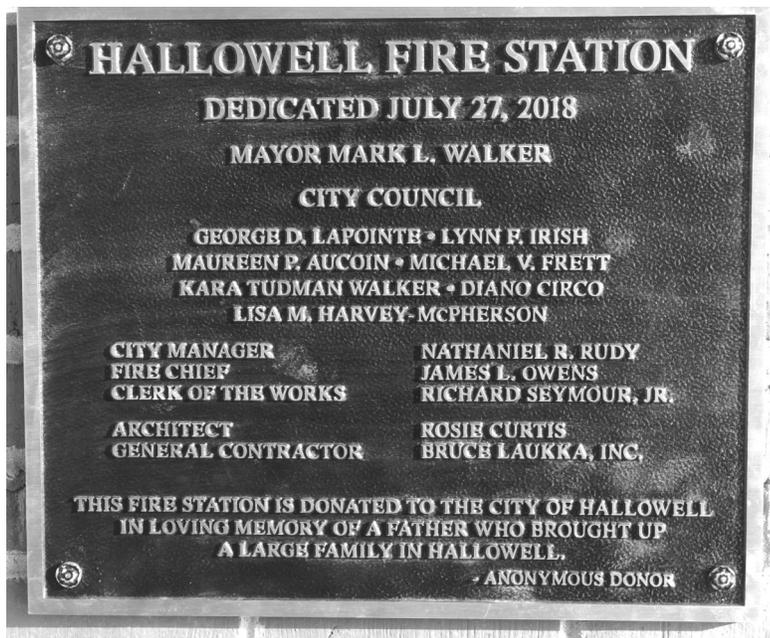
Infrastructure improvements at Stevens Commons have been matched by construction projects in the historic buildings around the quad, including additional tenants added at the Baker Building, new tenants in the beautifully restored white house along Winthrop Street, and early phase construction of a University of Maine at Augusta student apartment complex in the Stevens Building across the street from the new fire station. We know there are other exciting prospects in the wings for Stevens Commons, and wish Mastway Development continued success in 2019. Lastly, the City invested in repaving of rural roads in Ward 5 that have reportedly made the bicycle loop down Town Farm Road, Central Street, Shady Lane, and Vaughan Road a far safer and less painful experience for some of our most dedicated local riders.

The Maine DOT road construction project running through downtown Hallowell has been a positive process according to the vast majority of business and property owners I have heard from, with great thanks to the MDOT staff and especially Karen Libby, and also thanks and appreciation to the Sargent Corporation crews who have made the work as high in quality as it is in execution. We feel fortunate to have a great team working on this project, very few surprises or unexpected issues, and great cooperation between the crews and the downtown stakeholders. The downtown mural project, hosted by Hallowell’s Arts & Cultural Committee and Down with the Crown (DWTC) with support from The Harlow, was a great celebration of a pivotal moment in the construction, where one lane’s construction ended and the other was going to start. We

were also very fortunate to have support from the Down With the Crown group, with John Bastej serving as community ombudsman, and I am excited for the future prospects of Vision Hallowell, part of the DWTC volunteer group, becoming a driving force for community economic development, downtown design and programming, and stronger collaboration in and around downtown.

Aside from these many projects we felt some pain in City Hall as staff and some people close to us experienced some family losses and some long-time employees moved on. We are always reminded that every day brings new challenges and opportunities, and that we are fortunate to have such a unique, beautiful place to work in Hallowell, so many people who are friends and who support each other, so many neighborhoods that make our community a strong and enduring fabric, and so many places and businesses who contribute in great and small ways to keeping Hallowell great. Personally, I want to thank everyone who supported this year's Second Annual Maine Luthiers Exhibition and Music Festival and all those who contributed to its success, especially our event coordinators Deb Fahy, Cassie Bouton, Sadie Bliss, Dorothy Royle, Susan MacPherson, and Christine Poulson, with a shout out to Cary Colwell for distributing an impressive number of t-shirts, raffle tickets, and bumper stickers during the festival. Folks like you are the reason I come to work every day. Thank you. Also my continued thanks to Mayor Walker and the City Council for your support and enthusiasm.

Respectfully submitted,
 Nate Rudy
 City Manager



Dedication Plaque at the new Hallowell Fire Station.



Logo for the Second Annual Maine Luthiers Exhibition and Music Festival.

MOVING A LANDMARK

During May and June of 2018, Geddes Building Movers relocated the Nathaniel Dummer house from its location on Dummers Lane to its present location at the corner of Second and Central Streets. The relocation was part of a project to construct additional parking off Central Street.



Photos courtesy of Harold Booth

REPORT OF THE CITY CLERK

July 1, 2017 – June 30, 2018

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

The City's website at www.hallowell.govoffice.com 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 added to the Home Page to provide important short-term information or to highlight Special Events. If you have any comments or concerns, please address them to the City Clerk's Office.

Email addresses for the City Clerk's Office:

City Clerk Diane Polky: cityclerk@hallowellmaine.org
Deputy City Clerk Daniel Kelley: depclerk@hallowellmaine.org

VITAL RECORDS

Births Recorded:	25	Marriage Licenses Issued: ...	21
Marriages Recorded:	20	Certified Copies Issued:	120
Deaths Recorded:	51	Burial Permits Issued:	11

MARRIAGES

The following marriages were registered in Hallowell.

<u>Party A*</u>	<u>Party B*</u>	<u>Date</u>	<u>Place of Marriage</u>
Bissell, Donald Jensen Jr	Whitcomb, Breena Dee	June 1, 2018	Augusta
Blevins, Angela Beth	Loisel, Michaela Teresa	July 1, 2017	Belgrade
Crumley, George Alan	Chandler, Susanne Marie	September 17, 2017	Hallowell
Davenport, Kelly Ruth	Blake, Brett Martin	September 16, 2017	Manchester
Delano, Catherine Anne	Lovering, Nathan Robert	July 15, 2017	Jefferson
Ende, Jillian Lauve	Sample, Ian Thomas	May 27, 2018	Wiscasset
Krueger, Sharon Ruth	Kenny, Robert Martin	September 16, 2017	Saco
Lamey, Meghan Green	Chisholm, Grant Thomas	September 3, 2017	West Kennebunk
Marston, Nancy Elizabeth	Morang, Jeremy Stephen	September 24, 2017	Hallowell
Marvelle, Jennie Hope	Hubley, Seth Jabez	September 10, 2017	Dedham
Miles, Colby Phillip	Thiem, Leela Meltzer	June 16, 2018	Hallowell
O'Neil, Laurie Jean	Romagnoli, Yann	December 27, 2017	Hallowell
Peterson, Erik Gilbert	Singer, Rebecca Pauline	July 30, 2017	Hallowell
Richards, Jessica Lynne	Wilkinson, Victor Duane	September 2, 2017	New Sharon
Robinson, Christopher Lee Jr.	Hinds, Stephanie Lauren	December 31, 2017	Hallowell
Schaafsma, Mallory Anne	Schaafsma, Dale Frederic	July 9, 2017	Hallowell
Soberanes, Ivan	Stuart, Jessica Anne	June 30, 2018	Harpwell
Willey, Dylan James	Howard, Rhonda Jean	November 4, 2017	Hallowell
Yeaton, Angela Dawn	McLaughlin, John Joseph	October 21, 2017	Hallowell
Zahn, Daniel Cameron	Segura Arias, Micaela Jose	December 21, 2017	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	23	Amusement/Vending Machine Licenses.....	3
Innkeeper’s Licenses	3	ATV Registrations	11
Transient Seller’s Licenses	0	Boat Registrations	122
Farmers’ Market Licenses	7	Snowmobile Registrations	29
Liquor/Catering Licenses	19		

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.

The City of Hallowell participates in the Rapid Renewal Program, which allows residents to renew their motor vehicle registrations on-line provided there are no changes being made to the registration.

HUNTING & FISHING LICENSES

Archery	1	Hunting/Fishing Combination	23
Archery/Expanded Antlerless	2	Non-Resident Hunting/Fishing Comb.	1
Archery/Expanded Either Sex	3	Bear Hunting	0
Fishing	30	Crossbow	0
3-Day Fishing	0	Migratory Waterfowl.....	4
Non-Resident Fishing	3	Spring or Fall Turkey	3
Saltwater Registry	5	Muzzleloading	3
Hunting.....	4	Over-70 Lifetime	1
Non-Resident Hunting.....	0	Duplicate License.....	2

DOG LICENSES

Male/Female:	39
Neutered/Spayed:	298
Service Dogs:	2
Kennel:	1

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

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 31st.

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.

Diane D Polky
City Clerk

REPORT OF THE REGISTRAR OF VOTERS

July 1, 2017 – June 30, 2018

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

I hereby submit the following report of the Registrar of Voters. As of June 30, 2018, the number of registered voters stood as follows:

Ward	Democratic	Green-Independent	Libertarian	Republican	Unenrolled	Total
1	229	12	1	89	101	432
2	237	11	1	64	112	426
3	288	7	2	86	103	486
4	185	18	0	76	93	372
5	119	14	1	150	95	379
Total	1,058	63	5	465	504	2,095

ELECTIONS

There were two elections in Fiscal Year 2018:

November 7, 2017	Referendum/Municipal Election	960 ballots cast
June 12, 2018	Primary/Referendum/RSU 2 Budget Validation	892 ballots cast

Election workers for these elections were:

John Bastey	Linda Gilson	Robert Nason	David Thornton
Harold Booth	Martha Jovin	Mary Radsky	Martha Thornton
Elsie Brackett	Loren Kinney	Barbara Rohrbaugh	Sumner Webber, Sr.
Elizabeth Davis	Nancy McGinnis	Elizabeth Schecher	Wendy Wingate
Richard Dolby	William Meehan	David Shepherd	
Maria Fuentes	Richard Morrow	Karen Simpson	

*Diane D Polky,
Registrar of Voters*



REPORT OF DEATHS AND BURIALS

July 1, 2017– June 30, 2018

Hallowell Deaths

<u>Name</u>	<u>Date of Death</u>	<u>Age</u>	<u>Place of Death</u>	<u>Place of Burial</u>
Bailey, Elizabeth Louise	October 21, 2017	87	Augusta	Augusta
Baker, Lorraine G	September 4, 2017	87	Hallowell	Gardiner
Bell, Leighton Henry	September 22, 2017	95	Augusta	Gardiner
Bourque, Mary E	January 17, 2018	95	Augusta	Auburn
Bowman, Veronica A	January 30, 2018	73	Skowhegan	Gardiner
Brown, Jacquelyn Patricia	July 29, 2017	94	Augusta	Richmond
Center, Beverly H	June 4, 2018	91	Augusta	Auburn
Chase, Anna Jean	March 6, 2018	91	Bangor	Gardiner
Conway, Deloris Muriel	June 10, 2018	94	Hallowell	Augusta
Cooke, Richard Casey	July 1, 2017	93	Hallowell	Gardiner
Courtemanche, Roland Raoul	April 16, 2018	84	Hallowell	Hallowell
Curtis, Stephanie Anne	January 23, 2018	82	Augusta	Hallowell
Desilva, Loretta	December 9, 2017	79	Augusta	Gardiner
Doyon, Roberta Louise	December 6, 2017	57	Hallowell	Richmond
Duncklee, James Kenneth Roche	April 14, 2018	60	Augusta	Hallowell
Gervais, Glenna Marie	July 15, 2017	84	Augusta	Waterville
Gledhill, Anna Margaret	April 30, 2018	99	Hallowell	Providence, RI
Granger, Thomas Meylert	May 22, 2018	77	Augusta	Lexington, MA
Haselton, Robert Henry Sr	May 27, 2018	95	Hallowell	Gardiner
Hathaway, Louise Q	June 6, 2018	97	Augusta	Gardiner
Hatheway, Darwin Leo Sr	December 12, 2017	87	Hallowell	Auburn
Hawes, Arthur E	June 9, 2018	76	Lewiston	Gardiner
Hughes, Bessie B	May 2, 2018	100	Hallowell	Gardiner
LaChance, Joeseeph Leo	February 9, 2018	91	Waterville	Augusta
Lapham, Dorothy Stewart	September 27, 2017	103	Hallowell	Gardiner
Lauder, Archibald Hawley	July 4, 2017	97	Augusta	Gardiner
Layton, Barbara M	May 4, 2018	83	Augusta	Auburn
Leach, Phillip Vernon	March 24, 2018	93	Togus USVA	Hallowell
Ledew, Audrey Colby	October 7, 2017	97	Augusta	Augusta
Lingley, Edward	September 27, 2017	33	Augusta	Auburn
Lockwood, Cynthia Ann	November 20, 2017	71	Auburn	Gardiner
Lord, Duane R	January 19, 2018	76	Augusta	Gardiner
McLeary, Gladys Clark	August 28, 2017	97	Augusta	Gardiner
McQuarrie, John M	May 23, 2018	67	Lewiston	Portland
Mulherin, Melanie	July 28, 2017	75	Hallowell	Richmond
Nilson, Sharrel Ruth	June 5, 2018	75	Augusta	Bangor
Ohler, Ernestine D	August 20, 2017	98	Augusta	Gardiner
Paterson, Catherine Betty	April 10, 2018	97	Hallowell	Auburn
Pulis, Linnea G	December 13, 2017	79	Hallowell	Augusta

(Continued on page 15)

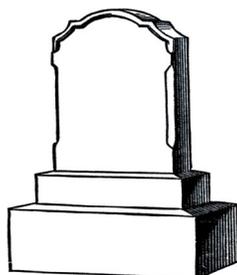
REPORT OF DEATHS AND BURIALS

(Continued)

<u>Name</u>	<u>Date of Death</u>	<u>Age</u>	<u>Place of Death</u>	<u>Place of Burial</u>
Salois, Bernadette Florence	September 21, 2017	84	Augusta	Gardiner
Smart, Anita G	September 6, 2017	87	Hallowell	Readfield
Sousa, Randy C	August 22, 2017	58	Augusta	Auburn
St. Pierre, Roland Norman	March 30, 2018	80	Augusta	Auburn
Stewart, David Alan	June 1, 2018	80	Augusta	Augusta
Taylor, Phyllis Georgina	February 2, 2018	93	Augusta	Gardiner
Truman, Burton B	May 1, 2018	83	Hallowell	Auburn
Turnbull, Dorothy Jean	April 13, 2018	80	Augusta	Gardiner
Wallace, Florence P	July 4, 2017	79	Augusta	Gardiner
Webb, Eleanor M	June 1, 2018	92	Hallowell	South Portland
Weir, Pamela J	November 11, 2017	63	Augusta	Searsport
Wilson, Penelope	November 20, 2017	62	Augusta	Richmond

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>
Auger, Jeffrey Scott	October 23, 2017	Portland	October 27, 2017
Ballard, Scott Wing	April 8, 2017	Augusta	May 12, 2018
Beudoin	March 3, 2017	Augusta	July 8, 2017
Douglass, Ivan	March 3, 2018		June 8, 2018
Downing, Frederick W	November 5, 2017	Oakmont, PA	June 11, 2018
Gatchell, Charles Jr	November 11, 2016		July 25, 2017
Haskell, Terry	February 2017		October 23, 2017
Hughes, Steven			September 5, 2017
Margolis, Norma Diane	October 10, 2011	San Francisco, CA	June 8, 2018
McDonald, Barbara Jean	December 12, 2017	Camden	May 10, 2018
Moore, Constance Norma	October 15, 2012	San Francisco, CA	June 8, 2018
Rich, Joan	January 5, 2018	Augusta	May 18, 2018
Sheldon, Christina	January 25, 2017		August 6, 2017
Skidgel, Nancy Patrick	September 25, 2017	Augusta	October 2, 2017
Sliva, Gretchen Vickery	October 3, 2017	Randolph	October 10, 2017
Snell, Claire	November 19, 2017		December 2, 2017



REPORT OF THE PUBLIC WORKS DEPARTMENT

July 1, 2017 – June 30, 2018

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

It is a great pleasure to present the Public Works Department's 2017/18 Annual Report. This is a brief overview of the department's annual maintenance log.

The year always begins with preparing for the great Old Hallowell Days. This year was especially challenging due to the Water Street reconstruction.

Outlet, Vaughan and Town Farm Roads received their final surface pavement. I also oversaw the completion of Beech street and Coos Lane at Stevens Common.

We repaired several storm water basins and collapsed pipes.

Public Works performs general maintenance and mowing of all City Parks and Cemetery. Granite City Park had a new granite pad installed for the flag pole. The city has compost, brush grindings and fill available for its Citizens.

The City has 56 lane-miles that we plow, sweep, and ditch. Once again, it was a very long and challenging winter with all different types of precipitation.

This year the City purchased a new Ford 550.

The public works department is comprised of four full-time employees. We take great pride in serving the needs of all of Hallowell's citizens.

Respectfully submitted,
Chris Buck
Public Works Foreman

GENERAL ASSISTANCE DIRECTOR'S REPORT

July 1, 2017 – June 30, 2018

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 vouchers payable to specific vendors, who supply the services or goods.

Each case is carefully examined to see if a general assistance client qualifies. Applications and appointments must be made ahead of time with proof of income and expenses attached. Applicants are seen by appointment only on Wednesdays from 9:00–3:00. In a life-threatening emergency after hours, the Hallowell Police Department can reach the G.A. Director

There are times in the winter months that some Hallowell citizens need a helping hand with heat but do not qualify for assistance. 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.

Respectfully submitted,
Dawna M Myrick,
GA Director

BOARD OF ASSESSORS

July 1, 2017 – June 30, 2018

This year the tax mil rate was set at \$19.70 per \$1000 of value based on a taxable valuation of \$252,817,662 for real and personal property as of April 1, 2017. The certified sales ratio remained at 100%. Taxes were committed on August 14, 2017. The Property Tax Levy was \$4,976.468.

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,
Rob Duplisea, Assessors Agent
For the Board of Assessors
Jennie Marvelle, Chair
Robert Stubbs
Kate Dufour



REPORT OF THE POLICE DEPARTMENT

July 1, 2017 – June 30, 2018

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

The Police Department continues to seek and find ways to affirmatively promote, preserve and deliver a feeling of security, safety and productive quality of services for all citizens in our community. We continuously review the way we deploy our staffing resources in an effort to increase our ability to respond to community needs and maximize our resources.

During the past year, we responded and investigated 6,283 calls for service, 79 traffic accidents, 1,650 motor vehicle stops and issued 613 parking tickets.

The department is staffed by 1 Chief, 1 Patrol Sergeant, 3 Full-Time Police Officers, 6 Reserve Police Officers, 1 Animal Control Officer and 1 Parking Enforcement Officer. We provide services 24 hours a day, 7 days a week and encourage our citizens to call the department at any time with questions or concerns they may have.

We understand that building, cultivating and maintaining the community's trust is the key element in crime reduction in our community. We are committed to reducing crime and traffic issues in our neighborhoods by targeting all areas. Our ultimate goal at the Hallowell Police Department is to improve the quality of life for all our citizens by maintaining close partnerships.

Strong connections between our department and the citizens we serve have always been very important to us. We encourage and enjoy interactions with the community.

I encourage citizens to offer suggestions on how we might provide better police services in the future.

Respectfully submitted,
Eric L. Nason
Chief of Police



REPORT OF THE FIRE DEPARTMENT

July 1, 2017 – June 30, 2018

To the Honorable Mayor and City Council:

The previous year has been a historic and eventful year for the Hallowell Fire Department. The department made the move from our home of 119 years on Second Street to our beautiful new firehouse at Stevens Common. New breathing equipment and turnout gear was placed in service and the membership of the department stands at 19 members. Eleven of our members are certified interior firefighters.

There were no significant fires in the city last year however the number of calls for service continues to rise dramatically. During the fiscal year we responded to 159 calls for service. These range from smoke alarm activations to mutual aid structure fires. We currently respond to mutual aid calls in Farmingdale, Manchester and Augusta. We have added Randolph Fire Department to our alarm responses in Hallowell to add additional resources especially in the downtown area.

We are conducting improved ongoing training programs and planning for equipment to better prepare the department for the future. During this year the members completed Hazardous materials Operations training preparing them for operating at serious Haz Mat incidents.

Although our firefighters are volunteers, they continue to show professionalism and dedication comparable to any department in Maine, and the citizens should be proud of these men and women who dedicate time and their lives to service to their community.

Respectfully submitted,

James Owens, Fire Chief

REPORT OF THE CODE ENFORCEMENT AND PLUMBING DEPARTMENT

**The following is the permit activity report for the period
July 1, 2017 to June 30, 2018**

Last year's amounts are in (parentheses).

Category*	No.	Construction Cost (\$)	Fee (\$)
Building Permits:			
Commercial	9 (0)	2,585,000 (0)	1,197.00 (0)
Single Family Homes	3 (2)	669,000 (680,000)	605.80 (320.00)
Garages	4 (2)	150,000 (97,000)	120.00 (265.20)
Additions, Decks	4 (1)	181,000 (9,600)	158.00 (30.00)
Sheds, Barns	6 (6)	25,000 (1,115,800)	180.00 (180.00)
Renovations, Int. & Ext.	3 (4)	858,500 (110,000)	95.00 (120.00)
Other Permits and Application Fees:			
Signs	8 (14)		200.00 (350.00)
Miscellaneous	0 (0)		0.00 (0.00)
Demolition	2 (0)		50.00 (0.00)
Conditional Use	2 (2)		200.00 (125.00)
Subdivision	1 (1)		100.00 (100.00)
Site Plan Review	0 (2)		0.00 (450.00)
Historic District	25 (18)		625.00 (450.00)
Zoning Appeal	0 (1)		0 (50.00)

*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, or 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 the flood prone areas.

(Continued on page 21)

REPORT OF THE CODE ENFORCEMENT AND PLUMBING DEPARTMENT
(Continued)

Development in any area of the City’s wetland and Shoreland zones requires additional state and 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	2	\$295.00	\$221.25
Internal	13	\$1,523.00	\$1,142.25

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 inspection by the Plumbing Inspector are required by the Code for internal plumbing work, and for external plumbing work the system must be approved prior to being covered. Please ensure that all plumbing work will meet the 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, 2017 – June 30, 2018

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 voting status 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, 2018, the Board met 12 times and heard the following:

Historic District Certificate of Appropriateness Applications 29 (21)
Conditional Use Applications 3 (3)
Sign Permit Applications 0 (0)
Site Plan Review Applications 3 (1)
Swimming Pool Permit Applications*	.. 0 (0)
Subdivision Applications 2 (0)
Public Hearings:	
Conditional Use 1 (1)
Major Subdivision 1 (0)
Minor Site Plan Review 2 (0)

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.

The Board also heard an appeal from a decision by the Code Enforcement Officer to deny a Sign Permit.

At the City Council’s request, the Planning Board reviewed the draft of a proposed Ordinance Regarding Adult-Use Cannabis and a proposed Ordinance Amendment Regarding the Performance Standards for Dumpsters.

Respectfully submitted,
Danielle Obery, Chair

REPORT OF THE CONSERVATION COMMISSION

July 1, 2017 – June 30, 2018

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 places. The Commission benefits from the knowledge and experience of two Maine Master Naturalists, a past Eagle Scout, past board members of the Kennebec Land Trust, and your dedicated neighbors serving as commissioners. The 2017-2018 Commissioners are Rosemary Presnar, Chair; Karen Simpson, Recorder; Ben Godsoe, John Lund, Cathie Murray, Deb Sewall, Sarah Shed, and Peter Spiegel.

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. Please check the City Calendar for specifics. If you are interested in volunteering or our activities, please e-mail HallowellConservation@gmail.com

Key activities for the fiscal year (July 2017-June 2018) included:

- ◆ **The Effie L. Berry Conservation Area dedication with the Kennebec Land Trust (KLT) at Stevens Commons on Earth Day 2018.** On March 28, 2018, The City of Hallowell donated an eight-acre conservation easement, the Effie L. Berry Conservation Area, to KLT. The property, including its pond and field, abuts the Howard Hill Conservation Area in Augusta and the Stevens Commons complex in Hallowell. The Berry Conservation Area will serve as conserved open space with trail connectivity to the Kennebec River Rail Trail, Hall-Dale Elementary School, and Howard Hill. Mastway Development, owner of Stevens Commons, donated the land and kiosk to the City. Allowable uses for the area are low impact, non-motorized, outdoor recreation to include hiking, birding, cross-country skiing, and snowshoeing; bow hunting by permission only.
- ◆ **The Rivers, Trails, and Conservation Assistance (RTCA) Program award from the U.S. National Park Service.** The RTCA supports community-led natural resource conservation and outdoor recreation projects across the nation. The HCC's successful application focused on the 168 acre Hallowell Recreation Area (aka The RES). The project's goal is to create a working partnership between the City of Hallowell and diverse stakeholders to develop a



Photo courtesy of Kevin Kane

REPORT OF THE CONSERVATION COMMISSION

(Continued)

management plan for the Hallowell Recreation Area including conservation of natural resources while improving access to sustainable multi-use trails and recreational opportunities. The HCC held a public kick-off meeting in December 2017 and efforts continue with a diverse working group with volunteers from HCC, area mountain bike and snowmobile associations, Manchester Conservation Commission, and City officials. Tangible outcomes planned for 2018 include trail assessments, an information kiosk, and trail signage at the RES.

- ◆ **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 continued to battle Japanese Knotweed, Loosestrife, Buckthorn, and other invasive plants that destroy and smother native landscapes at the RES, Vaughan Field, and Granite City Park.
- ◆ **Coordination and public updates on the wildlife habitat plan at Jamies Pond Wildlife Management Area.** The HCC continued to work with the Maine Department of Inland Fisheries and Wildlife (IF&W) to inform residents of the status of timber harvesting related to long-term wildlife habitat enhancements at Jamies Pond. The wildlife habitat plan is expected to be complete in the 2018-2019 winter season.
- ◆ **Ongoing engagement and communications with Hallowell residents, the City Manager, City Council and City Committees, Commissions, and Boards including the Tree Board, Recreation Commission, Property Committee, Public Works, and Planning Board.** The HCC has members on the Tree Board and Recreation Commission. HCC members consistently attend Council meetings and other City meetings to advocate for the City's public spaces and natural resources. HCC members maintain a social media Facebook page and an informational kiosk along the Kennebec River Rail Trail.
- ◆ **Membership in the Maine Association of Conservation Commissions (MEACC).** The HCC is a long time member of the MEACC. The MEACC is Maine's clearinghouse for conservation related resources.

REPORT OF THE TREE BOARD

July 1, 2017 – June 30, 2018

The Hallowell Tree Board members include Maggie Newton, Jan Paisley, Ellen Gibson, Bill Allen, Peter Spiegel, and Wes Davis. The board meets the second Tuesday of the month, generally at City Hall.

The Tree Board sponsored a float in the 2017 Old Hallowell day parade. Ellen Gibson organized the float preparation. Balsam Fir seedlings were distributed for local children to plant near their homes. This program is enjoyed many with positive feedback received each year.

In 2017 Maggie Newton was able to finalize the Project Canopy Tree planting grant, which included planting 2 oak trees at the Vaughan Field. Maggie coordinated the movement of granite blocks to help protect these trees and most importantly ensured the trees were watered throughout the summer.

The 2018 State of Arbor Day Celebration was attended by Maggie Newton who accepted the City's 2018 Tree City USA designation. The Tree Board ensures that that National Arbor Day Foundation criteria is met on an annual basis, allowing the City to file the annual recertification paper work. The board also proclaimed the third week of May as Arbor Week. The Tree Board coordinated a display at the Hubbard Free Library.

The Tree Board hosted a work day in early May where recently planted trees at Vaughan field were weeded, mulched, and pruned. The project is part of the ongoing effort to enhance the quality of this park.

The Tree Board members continue efforts to inventory and track city trees planted over the last 20 years. The tree locations have been entered into an electronic map data base.

The Tree Board has been working with Hallowell Conservation Committee on the Rails and Trails community grant. The objective is to develop a process to assist the City with the management of trails located on public land.

Respectively Submitted,
Wes Davis

REPORT OF THE CITY HISTORIAN

July 1, 2017– June 30, 2018



Artifacts were removed from the Dr. Hubbard Medical Office Museum by the Maine State Museum in the fall of 2017. Lack of climate control, possible sale of the building by the City and nearby construction were factors prompting the removal. The future of the museum is uncertain.

The City was in the process of purchasing the Dummer lot from Linda Bean. Plans include moving the Dummer House to the corner of Second and Central streets and build a public parking lot.

Water Street reconstruction began in April which raises the possibility of unearthing 19th century artifacts. The DOT would notify the City Historian if anything of significance is found.

The City Historian was appointed to the Brownfields Advisory Committee to provide historic information relating to possible contaminated sites in Hallowell.

Regular business included answering historic related requests from the public and supplying information for City related projects.

Respectfully Submitted,

Sumner A. Webber, Sr., City Historian

Unpaid Real Estate Taxes

As of June 30, 2018

Tax Year: 2018

Blanche, Carlton & Katherine	\$370.96
Blouin, Paul T.	\$356.65
Dale, Robert	\$4,305.76
Dale, Robert O	\$3,755.91
Dix, Sara E & Parsells, N King	\$8,432.70
Fairbanks, Seth & Chiharu	\$2,069.21
Fuller, Freese & Porter, Carol	\$2,763.13
Fuller, Nancy L	
"Person In Possession"	\$2,850.40
Goodall Properties LLC	\$3,373.67
Goodall Properties LLC	\$3,811.10
Harrington, Julie Deane	\$1,408.17
Howe, Anne G, Randall H & Madeline M	\$2,285.57
Jones, Phyllis L	\$2,071.61
Kempa LLC	\$8,431.59
Kempa LLC	\$192.89
Kimball, Mark B	\$4,181.07
Leaman, Edward B	\$3,169.27
Lemar, Grace	\$2,500.86
Lord-Lockhart, Wendy	\$182.48
Luosey, Dennis	\$4,240.34
Morgan, George G.	\$2,282.14
Nolan, Gerald – Estate	\$1,555.31
Omar, Frank M.	\$1,472.71
Pickle, David James	\$5,219.45
Total for 24 accounts	\$ 81,444.21

Tax Year: 2017

Blanche Carlton & Katherine	\$364.44
Blanche Carlton & Katherine	\$350.74
Dale Robert	\$4,262.80
Dale Robert	\$2,881.01
Dale Robert O	\$3,718.10
Dale Robert O	\$2,881.01
Dix Sara E & Parsells N King	\$8,088.80
Fuller, Nancy L	
"Person In Possession"	\$2,740.12
Goodall Properties LLC	\$1,681.38
Goodall Properties LLC	\$1,895.29
Harrington Julie Deane	\$1,585.72
Jones Phyllis L	\$2,642.26
Lemar, Grace	\$2,405.21
Luosey Dennis	\$1,969.78
Nolan, Gerald – Estate	\$1,430.73
Omar, Frank M.	\$1,518.01
Total for 16 accounts	\$ 40,415.40

Tax Year: 2016

Fuller, Nancy L	
"Person In Possession"	\$1,342.32
Nolan, Gerald – Estate	\$1,430.73
Total for 2 accounts	\$ 2,773.05

Tax Year: 2015

Nolan Gerald W & Joy J	\$709.97
Total for 1 account	\$ 709.97

CITY OF HALLOWELL, MAINE
 ANNUAL FINANCIAL REPORT
 with Independent Auditors Report
 For the Year Ending June 30, 2018

CITY OF HALLOWELL, MAINE
 ANNUAL FINANCIAL REPORT
 Year Ended June 30, 2018
Table of Contents

	Statement
Independent Auditors Report	
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	1
Statement of Activities	2
Fund Financial Statements	
Balance Sheet - Governmental Funds	3
Statement of Revenues, Expenses and Changes in Fund Balances - Governmental Funds	4
Statement of Net Position - Fiduciary Fund	5
Statement of Changes in Fiduciary Net Position	6
Notes to the Financial Statements	
	Schedule
Required Supplemental Information	
Budget Comparison Schedule - General Fund	1

KEEL J. HOOD
Certified Public Accountant
PO Box 302 - Fairfield, Maine 04937 - (207)453-2007

INDEPENDENT AUDITORS REPORT

July 20, 2018

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, 2018, 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, 2018, 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 20, 2018 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.



CITY OF HALLOWELL, MAINE
Statement of Net Position
June 30, 2018

Statement 1

ASSETS	Governmental Activities
Current Assets:	
Cash	\$ 1,763,446
Receivables	
Taxes	5,013
Liens	99,310
Accounts	7,554
Tax acquired property	7,163
Due from trust fund	101,117
Total Current Assets	<u>1,983,603</u>
Noncurrent Assets:	
Capital assets, net	6,480,689
Total Assets	<u>8,464,292</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	156,137
Total Deferred Outflows of Resources	<u>156,137</u>
LIABILITIES	
Current Liabilities:	
Accrued wages	49,371
Accounts payable	70,237
Lease payable within one year	26,022
Bonds payable within one year	150,000
Total Current Liabilities	<u>295,630</u>
Noncurrent Liabilities:	
Lease payable	28,369
Bonds payable	1,998,000
Net pension liability	236,536
Total Noncurrent Liabilities	<u>2,262,905</u>
Total Liabilities	<u>2,558,535</u>
DEFERRED INFLOWS OF RESOURCES	
Pension related	99,558
Total Deferred Inflows of Resources	<u>99,558</u>
NET POSITION	
Invested in capital assets, net of related debt	4,278,298
Unrestricted	1,684,038
Total net position	<u>\$ 5,962,336</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, 2018

Function/Programs	Program Revenues			Net (Expense) Revenues
	Expenses	Charges for Services	Operating grants and contributions	
Governmental activities:	\$			
General government	464,305	32,241	103,411	(328,653)
Public safety	910,678	47,922		(862,756)
Public works	695,069	73,218	686	(621,165)
Human services	36,695		218	(36,477)
Leisure Services	45,624	46,717		1,093
Special assessments	3,316,736			(3,316,736)
Unclassified	54,723			(54,723)
Debt service	17,932			(17,932)
Capital outlay	202,788			(202,788)
Total governmental activities	5,744,550	200,098	104,315	0

	<u>Governmental Activities</u>
Net (expense) / revenue	
General revenues:	
Property taxes	4,893,077
Excise taxes	434,044
Interest and costs on taxes	17,345
Intergovernmental:	
State revenue sharing	131,909
Local roads assistance	16,604
Homestead exemption	75,593
Tree growth	515
Veterans reimbursement	1,623
BETE	13,674
Unrestricted interest	6,651
Donation	1,999,143
Total general revenues	7,590,178
Change in Net Position	2,150,041
Net Position - beginning	3,812,295
Prior Period Entry	
Net Position - restated	<u>3,812,295</u>
Net Position - ending	<u><u>5,962,336</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, 2018

Statement 3

ASSETS	General Fund	Capital Projects	Total Governmental Funds
Cash	\$	\$	\$
Receivables	1,259,995	503,451	1,763,446
Taxes	5,013		5,013
Liens	99,310		99,310
Accounts	7,554		7,554
Tax acquired property	7,163		7,163
Due from other funds	98,806	2,311	101,117
Total Assets	<u>1,477,841</u>	<u>505,762</u>	<u>1,983,603</u>
LIABILITIES			
Accounts payable	49,371		49,371
Accrued wages	70,237		70,237
Total Liabilities	<u>119,608</u>	<u>0</u>	<u>119,608</u>
UNEARNED INCOME			
Deferred property tax revenue	93,000		93,000
Total Liabilities and Unearned Income	<u>212,608</u>	<u>0</u>	<u>212,608</u>
FUND BALANCES			
Fund Balances			
Committed:			
Capital purchases	228,604	505,762	734,366
Assigned:			
Revenues	50,286		50,286
Unassigned	986,343		986,343
Total Fund Equity	<u>1,265,233</u>	<u>505,762</u>	<u>1,770,995</u>
Total Liabilities and Fund Equity	<u>\$ 1,477,841</u>	<u>\$ 505,762</u>	<u>\$</u>

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. 6,480,689

Other long-term assets are not available to pay for current-periods expenditures and therefore are deferred in the funds. 93,000

Long-term liabilities, including bonds and notes are not due and payable in the current period and therefore are not reported in the funds.

Lease payable (54,391)

Bonds payable (2,148,000)

Net pension liability including related outflows and inflows of resources (179,957)

Net assets of governmental activities \$ 5,962,336

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, 2018

	General Fund	Capital Projects	Total Governmental Funds
Revenues:			
Taxes	\$ 5,337,466		5,337,466
Intergovernmental	246,707		246,707
Charges for services	185,954		185,954
Interest	3,606	3,045	6,651
Donations		1,999,143	1,999,143
Miscellaneous	111,670		111,670
Total Revenues	5,885,403	2,002,188	7,887,591
Expenditures:			
Current:			
General government	446,703		446,703
Public safety	903,507	1,736,893	2,640,400
Public works	613,130	1,286,547	1,899,677
Human services	36,695		36,695
Special assessments	3,316,734		3,316,734
Unclassified	54,723		54,723
Leisure services	39,877		39,877
Debt service	200,525		200,525
Capital outlay	202,788		202,788
Total Expenditures	5,814,682	3,023,440	8,838,122
Excess of Revenues Over (Under) Expenditures	70,721	(1,021,252)	(950,531)
Other Financing Sources (Uses):			
Operating Transfer In (Out)	(29,014)	29,014	0
Debt issuance proceeds	81,984	1,498,000	1,579,984
Total Other Financing Sources	52,970	1,527,014	1,579,984
Net Change in Fund Balances	123,691	505,762	629,453
Fund Balances - beginning	1,141,542	0	1,141,542
Fund Balances - ending	1,265,233	\$ 505,762	\$ 1,770,995

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

CITY OF HALLOWELL, MAINE
Statement of Net Position
Fiduciary Fund - Cemeteries
June 30, 2018

		Private Purpose <u>Trust Fund</u>
ASSETS		
Cash	\$	15,392
Investment		1,042,616
		<u>1,058,008</u>
Liabilities		
Due from general fund		<u>101,117</u>
NET POSITION		
Held in Trust		956,891
		<u>956,891</u>
	\$	<u><u>956,891</u></u>

CITY OF HALLOWELL, MAINE
Statement of Changes in Fiduciary Net Position
Cemeteries
June 30, 2018

		Private Purpose <u>Trust Fund</u>
Additions:		
Investment income	\$	3,336
Donations		
Total Additions		3,336
Deductions:		
Other miscellaneous		26,184
Total deductions		26,184
Change in Net Position		(22,848)
Net Position - beginning		979,739
Net Position - ending		956,891

CITY OF HALLOWELL, MAINE
Notes to Combined Financial Statements
June 30, 2018

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 reporting 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 \$1,778,838. The bank balances for all funds totaled \$1,330,126. 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, 2018, 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>2017</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30 <u>2018</u>
Assets not being depreciated				
Land and easements	\$ 119,600	\$	\$	\$ 119,600
Assets being depreciated				
Buildings	1,907,200	1,736,892		3,644,092
Vehicles and equipment	1,673,912	110,457		1,784,369
Infrastructure	3,716,642	1,286,545		5,003,187
	<u>7,417,354</u>	<u>3,133,894</u>	<u>0</u>	<u>10,551,248</u>
Less accumulated depreciation				
Buildings	1,104,757	23,129		1,127,886
Vehicles	1,453,445	73,467		1,526,912
Infrastructure	1,312,883	102,878		1,415,761
	<u>3,871,085</u>	<u>199,474</u>	<u>0</u>	<u>4,070,559</u>
Capital Assets, net	\$ <u>3,546,269</u>	\$ <u>2,934,420</u>	\$ <u>0</u>	\$ <u>6,480,689</u>
Depreciation Expense:				
General government	\$ 17,602			
Public safety	12,201			
Leisure services	5,748			
Public works	163,923			
	<u>199,474</u>			

5. Property Tax

Property taxes for the year were committed on August 14, 2017, on the assessed value listed as of April 1, 2017, for all taxable real and personal property located in the City. Payment of taxes was due September 1, 2017, and March 1, 2018 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, 2017. The assessed value for the list of April 1, 2017 upon which the levy for the year ended June 30, 2018, was based, was \$247,835,807. 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, 2018:

Long-term debt payable at July 1, 2017	805,000
Debt Retired	(182,593)
Debt Proceeds	1,579,984
Long-term debt payable at June 30, 2018	<u>2,202,391</u>
Interest Paid	<u>45,525</u>

6. Long-term Debt, continued

Long-term debt payable at June 30, 2018 is comprised of the following:

	Interest rate	Final maturity date	Balance end of year
<u>General Long-term Debt</u>			
2009 Bond	3%	2030	\$ 650,000
2017 Bond	2.99%	2037	1,498,000
Lease	2.89%	2020	54,391
			<u>\$ 2,202,391</u>

The annual requirement to amortize all long-term debt outstanding as of June 30, 2018 are as follows:

<u>Year</u>	Bonds and Notes	
	<u>Principal</u>	<u>Interest</u>
2019	150,000	74,816
2020	274,211	85,697
2021	159,211	78,919
2022	159,211	73,720
2023	159,211	68,606
2024-2028	796,053	266,207
2029-2033	691,053	142,622
2034-2038	621,053	46,510
Total	<u>\$ 3,010,003</u>	<u>\$ 837,097</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, 2018, the City was in compliance with these regulations. The debt payment schedule is calculated to show the full approved \$2,360,000 2017 bond which has not been fully drawn down as of June 30, 2018.

7. General Fund Committed Balances

The General Fund reserves consists of the following:

	<u>Special</u>
Capital	\$ 228,604
	<u>\$ 228,604</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, 2017	\$ 803,441
Increase (Decrease):	
Estimated under actual revenues	115,303
Appropriations over expenditures	242,599
Budgeted utilization of fund equity	<u>(175,000)</u>
Net Increase (Decrease)	182,902
Balance - June 30, 2018	<u>\$ 986,343</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, 2018:

Local roads	\$	4,127
State Revenue Sharing		46,159
Total	\$	<u>50,286</u>

10. Capital Projects Fund Equity

The portion of the Capital Project Fund fund equity which is committed to capital projects is the funds remaining on two major town projects. The first project is a capital bonding for major road and structure renovations around the city; this project is ongoing and further drawdowns on the capital bond will be made during the subsequent year. The second major project accounts for a donation for the construction of a new city Fire Department Building. These accounts, were as follows at June 30, 2018:

Bonding Project	\$	223,918
Fire Station project		281,844
Total	\$	<u>505,762</u>

11. MePERS Plan

Plan Description

The City of Hallowell is a member of the Participating Local District of the Maine Public Employees Retirement System. Benefit terms are established in Maine statute. MePers issues a publicly available financial report that can be obtained at www.maineipers.org.

Benefits Provided

Benefit terms are established in Maine statute; in the case of the PLD Consolidated Plan, an advisory group, also established by statute, reviews the terms of the plan and periodically makes recommendations to the Legislature to amend them. The system's retirement programs provide defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (ie., eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit (effective October 1, 1999, the prior ten year requirement was reduced by legislative action to five years for employees of the PLD). In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. The normal retirement age is determined by whether a member had met certain creditable service requirements on specific dates, as established by statute. For PLD members, normal retirement age is 60 or 65. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. The System also provides disability and

11. MePERS Plan, continued

death benefits which are established by statute for State employee and teacher members and by contract with other participating employers under applicable statutory provisions.

Upon termination of membership, members' accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits and membership rights. The annual rate of interest credited to members' accounts is set by the System's Board of Trustees and is currently 5%

Member and Employer Contributions

Retirement benefits are funded by contributions from members and employers and by earnings on investments. Disability and death benefits are funded by employer normal cost contributions and by investment earnings. Member and employer contribution rates are each a percentage of applicable member compensation. Member employer contribution rates are defined by law or Board rule and depend on the terms of the plan under which a member is covered. Employer contribution rates are determined through actuarial valuations.

Financial Reporting

The plan issues stand alone financial reports which can be found online at the web address noted previously.

Pension Liabilities, Pension Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2018 the Town reported a liability for its share of the net pension liability of \$236,536.

The net pension liability was measured as of June 30, 2018, and the total pension liability was determined by an actuarial valuation as of that date. The city's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating local districts and the State, actuarially determined. At June 30, 2018 the City's proportion was 0.0577%.

Differences due to changes in assumptions about future economic or demographic factors or other inputs were recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The Plans change in the discount rate from 7.125% to 6.875% was the only change in assumption in the 2017 valuation.

For the year ended June 30, 2018, the city recognized pension expense of \$87,552. At June 30, 2018 the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

11. MePERS Plan, continued

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Differences between expected and actual experience	\$	11,364
Change of assumptions	20,127	
Net difference between projected and actual earnings on pension plan investments	81,517	88,021
Changes in proportion and differences between School Unit contributions and proportionate share of contributions	23,373	173
School Unit contributions subsequent to the measurement	31,120	
	<u>156,137</u>	<u>99,558</u>

\$31,120 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:
Year ended June 30:

2018	\$ 8,190
2019	31,787
2020	1,587
2021	(16,104)

Actuarial Methods and Assumptions

The collective total pension liability for the Plans was determined by an actuarial valuation as of June 30, 2018 and 2017 using the following methods and assumptions applied to all periods included in the measurement.

Actuarial Cost Method

The Entry Age Normal actuarial funding method is used to determine costs. Under this funding method, the total employer contribution rate consists of two elements: the normal cost rate and the unfunded actuarial (UAL) rate.

The individual entry age normal method is used to determine liabilities. Under the individual entry age normal method, a normal cost rate is calculated for each employee. This rate is determined by taking the value, as of age at entry into the plan, of the members projected future benefits, and dividing it by the value, also as of the members entry age, of his or her expected future salary. The normal cost for each employee is the product of his or her pay and his or her normal cost rate. The normal cost of the group is the sum of the normal costs for all members.

Experience gains and losses, i.e., decreases or increases in liabilities and/or in assets when actual experience differs from the actuarial assumptions, affect the unfunded actuarial accrued liability.

11. MePERS Plan, continued

Asset Valuation Method

The actuarial valuation employs a technique for determining the actuarial value of assets which dampens the swing in the market value. The specific technique adopted in this valuation recognizes in a given year one-third of the investment return that is different from the actuarial assumption for investment return.

Amortization

The net pension liability of the PLD Consolidated Plan as of June 30, 2018 is amortized on a level percentage of payroll using a method where a separate twenty-year closed period is established annually for the gain or loss for that year.

To the actuarial as of June 30, 2018, the net pension liability of the PLD Plan was amortized on an open basis over a period of fifteen years.

Significant actuarial assumptions employed by the actuary for funding purposes as of June 30, 2018 are as follows:

Investment Rate of Return - 6.875% per annum for the year ended June 30, 2018 and 6.875% for the year ended June 30, 2017, compounded annually.

Salary Increases, Merit and Inflation - members of the PLD consolidated Plan, 2.75% to 9% per year.

Mortality Rates - For non disabled retirees of the participating local districts, the RP2014 Tables projected forward to 2017 using Scale AA are used; for all recipients of disability benefits, the Revenue Ruling 96-7 Disabled Mortality table for Males and Females is used.

Cost of Living Benefit Increases - 2.2% for the year ended June 30, 2018 and 2.2% for the year ended June 30, 2017 for participating local districts.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Long-term Expected Real Rate of Return</u>
US equities	6.0%
Non-US equities	5.5%
Private equity	7.6%
Real estate	5.2%
Infrastructure	5.3%
Hard assets	5.0%
Fixed income	0.7%

11. MePERS Plan, continued

Discount Rate

The discount rate used to measure the pension liability was 6.875%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from participating local Districts will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School Unit's proportionate share of the net pension liability to changes in the discount rate

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.875%, as well as what the School Unit's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.875%) or 1 percentage-point higher (7.875%) than the current rate:

	1% Decrease (.875%)	Current Discount Rate (6.875%)	1% Increase (7.875%)
City's proportionate share of the net pension liability	474,564	236,536	57,338

12. 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 reasonably 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, 2018, are unknown. Therefore, the General Fund contains no provision for, and does not present, estimated claims.

CITY OF HALLOWELL, MAINE
Budget Comparison Schedule
General Fund
For the year ended June 30, 2018

	<u>Budgeted Amounts</u>			Variance with final budget positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:	\$	\$	\$	\$
Taxes	5,265,115	5,265,115	5,337,466	72,351
Intergovernmental	248,964	248,964	246,707	(2,257)
Interest	2,350	2,350	3,606	1,256
Charges for services	133,204	133,204	185,954	52,750
Miscellaneous	117,500	117,500	111,670	(5,830)
Total revenues	<u>5,767,133</u>	<u>5,767,133</u>	<u>5,885,403</u>	<u>118,270</u>
Expenditures:				
Current:				
General government	417,725	417,725	446,703	(28,978)
Public safety	930,376	930,376	903,507	26,869
Public works	525,296	607,280	613,130	(5,850)
Human services	47,300	47,300	36,695	10,605
Special assessments	3,387,051	3,387,051	3,316,734	70,317
Leisure services	44,000	44,000	39,877	4,123
Unclassified	59,891	59,891	54,723	5,168
Debt service	320,494	320,494	200,525	119,969
Capital outlay	210,000	210,000	202,788	7,212
Total expenditures	<u>5,942,133</u>	<u>6,024,117</u>	<u>5,814,682</u>	<u>209,435</u>
Excess (deficiency) of revenues over (under expenditures)	<u>(175,000)</u>	<u>(256,984)</u>	<u>70,721</u>	<u>327,705</u>
Other Financing Sources (Uses):				
Operating transfer out			(29,014)	(29,014)
Debt issuance proceeds.		81,984	81,984	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>81,984</u>	<u>52,970</u>	<u>(29,014)</u>
Excess of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>(175,000)</u>	<u>(175,000)</u>	<u>123,691</u>	<u>298,691</u>
Fund Balance - beginning	<u>1,141,542</u>	<u>1,141,542</u>	<u>1,141,542</u>	<u>0</u>
Fund Balance - ending	<u>\$ 966,542</u>	<u>\$ 966,542</u>	<u>\$ 1,265,233</u>	<u>\$ 298,691</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

July 20, 2018

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, 2018, 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 20, 2018.

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.

Juliff Hood, CPA

IMPORTANT DATES



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

The Assessors' cut-off date is April 1st.

Taxes are due September 1st and March 1st.

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

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 6:30 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.

Dogs must be licensed by January 1st; a late fee is added beginning on February 1st.
Licenses for the new year are available beginning October 15th.

Hunting and Fishing Licenses are available on December 1st for the following year.

Boat Registrations are available December 1st for the following year.

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

Parking Permits for the Rec Area are required
for non-residents from May 15th to September 15th.
Season Permits are \$25 and are available at the City Clerk's Office.
Residents of Hallowell do not need a Parking Permit.
(Revised Code of Ordinances §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 6:00 AM
from November 15th thru April 1st.
(Revised Code of Ordinances §4-402)

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

Offices will be closed on all State Holidays.

<u>AT YOUR SERVICE</u>	<u>TELEPHONE NUMBER</u>
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 BUSINESS: 623-2860
GENERAL ASSISTANCE (Office hours: Wednesday by appointment)	623-4021 ext 201
GREATER AUGUSTA UTILITY DISTRICT (Sewer)	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 SCHOOL	622-6211
HALL-DALE MIDDLE SCHOOL	622-4162
HALL-DALE ELEMENTARY SCHOOL	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