



Town Manager's Report to the Town Council

Submitted by:
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Town of Winslow - In the heart of Central Maine representing People, Pride and Progress.

FY2014 FINANCIAL AUDIT HIGHLIGHTS

Our FY2014 Financial Audit has been completed by the auditing firm of Runyon, Kerstein and Ouellette. The following are highlights of the audit:

- ◆ The Town's assets exceeded its liabilities by \$35,256,524 (*net position*). Of this amount, \$6,170,824 (*unrestricted net position*) may be used to meet the Town's ongoing obligations to citizens and creditors.
- ◆ The Town's total net position decreased by \$420,053. This decrease is due in part to the budgeted use of the unassigned fund balance.
- ◆ The Town's governmental funds reported combined ending fund balances of \$6,263,131, a decrease of \$886,353 in comparison with the prior FY.
- ◆ At the end of the fiscal year, the unassigned fund balance (*including School Department Operations*) for the general fund was \$3,495,799 or 18% of total general fund expenditures. This represents a decrease of \$649,560 when compared to the prior FY. We had budgeted to use \$1,066,030 of the unassigned fund balance.

Auditor Hank Farrah will be at our November 10th Council meeting to present the final audit to the Council.

LIBRARY EXTERIOR WALL REPAIRS

As you may recall, we requested bids to repair several deteriorated masonry exterior wall blocks at the Library. We only received one bid for the project which totaled \$52,750. I have attached a summary of the work to be performed to this report.

In the Council packet is Order No. 17-2014 which if approved will authorize me to complete the necessary repairs.

NEW POLICE CRUISER REQUEST

Police Chief Shawn O'Leary is requesting permission to purchase another police cruiser this year. This request is the result of having to retire the Detective's vehicle a year earlier than planned.

In the Council packet is Resolution No. 23-2014, which if approved will authorize me to purchase and outfit a 2015 Ford Utility Police Vehicle at a total cost of \$40,824.

COPIER LEASE AGREEMENT RENEWAL

Our current copier lease agreement will expire in May of 2015. Some of our copiers were purchased used and have now exceeded their useful life. As a result we are experiencing more frequent service calls.

In the Council packet is Order No. 16-2014 and if approved will authorize me to replace six (6) of our copiers. The new copiers will be financed through the US Bank with a 60 month lease totaling \$40,623.60.

With this new lease our monthly payment (*Equipment & Service*) will go from \$865.22 to \$806.14, which represents an annual savings of \$708.96.

ELECTRICITY SUPPLY AGREEMENT

Our existing electricity supply agreement with Maine PowerOptions (*MPO*) will be expiring on November 1st. In 2012 we signed a two year agreement with MPO for \$0.0577/kwh. That agreement expired in June of this year so we signed a five month agreement with MPO for \$0.06815/kwh with the hopes that prices would decline over that time period. Unfortunately, prices have only increased and MPO is proposing a new three year agreement for \$0.09056/kwh. (*continued on next page*)

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In the Council packet is Order No. 15-2014, which if approved will authorize me to negotiate for a more favorable rate for the Town. If I am able to find a more favorable rate then I will need to act immediately, which is why I am requesting the Order.

Due to Town Councilor Fletcher's extensive knowledge of the electricity market, I intend to work closely with him to achieve a more favorable rate.

Landlords Lien Waiver and Collateral Access Agreement

Orion RopeWorks is in the process of consolidating all of their banking to the Bank of Montreal. As a result, the bank is requesting we sign a Landlord Lien Waiver and Collateral Access Agreement. The agreement is similar to an agreement we signed in 2008 with Camden National Bank. Resolution No. 22-2014 will authorize me to sign the agreement.

Sale of Tax Acquired Property

As the Council may recall we advertised a request for bids for 325 Wyman Road and received no bids. I recently contacted Habitat for Humanity and asked if they were interested in the property and they declined due to the condition of the structure on the property.

Justin Smith of Winslow has offered the Town \$500.00 for the property, which we have assessed for \$83,000 (*see attached property card*). I have prepared Order No. 18-2014 that will authorize me to issue Mr. Smith a Municipal Quitclaim Deed for a sum of \$500.00.

Summit Natural Gas

Michael Duguay from Summit will be at our meeting on October 14th to provide us with an

update on Summit's planned expansion of Natural Gas into Winslow for 2015.

Former PW Garage Update

Maine DEP approved of our Declaration of Environmental Covenant (DEC). We have sent the DEC to the Kennebec County Registry of Deeds to be recorded.

I have contracted with the Maine Valuation Company to provide us with a property appraisal. I hope to have the appraisal by our November 10th Council meeting.

Old Brick Schoolhouse Update

The heirs of Francis Giddings who live in Maine have informed me that they are willing to convey the Old Brick Schoolhouse to the town. In preparation for deciding whether to accept the property or not I had the schoolhouse's condition assessed by Inspector Thomas Caron. His report is included in the Council packet. I am now waiting for Restoration Mason Richard Iron to give me a cost estimate to make the necessary repairs identified by Mr. Caron. I hope to have the estimate for our November 10th Council meeting.

Solid Waste Post 2018 Discussion

I have included Post 2018 as a discussion item on our October 14th agenda. I have also attached an email from Waterville's PW Director which summarizes their PAYT program for the first four weeks. I thought this would be helpful for our discussion.

Vacation

I am planning to take a vacation the week of October 20th. Since I do not intend to leave town I am not appointing anyone to act in my absence.