

**MINUTES
EXECUTIVE COMMITTEE**

SOUTHERN MAINE PLANNING and DEVELOPMENT COMMISSION

**9:00 AM
April 23, 2015**

In attendance were: Chairman Robert Heard, Jan Williams Treasurer, Executive Director Paul Schumacher, Jim Gulnac, Nancy Perkins, Greg Tansley, Perry Ellsworth, Richard Dutremble and Judy Bernstein. Staff: Lee Jay Feldman

Absent: Vice Chairman Joyce Wood, Mike Perro, Jim Nimon and Gary Lamb

Visitors: Dave DiPerri of Function Cubed

1. Minutes of the March 26, 2015 Meeting

*Perry Ellsworth made the motion to approve the minutes of March 26th as written and Jan Williams seconded it. **Approved Unanimously.***

2. Treasurer's Report

Paul and Dave DiPerri of Function Cubed have been working very hard to get a Treasurer's Report for February together for the Committee to review. Integrating Peg's records into QuickBooks has been very challenging. We are dealing with two sets of Accounting Systems.

Dave explained that we are digging into the structure of how a bill gets created. March and April bills should get this issue fixed. He will be meeting with each staff person to teach them how to put their times into accounts correctly. He will also meet with Chuck and discuss how loans and interest should be recorded.

Dave told the Committee that a Balance Sheet will be given to them each month. Because Chuck has been on vacation all week, the RLF Summary is incomplete. He has added the 2014 1M Grant though. There are issues because the loan funds and the operating budget needs to be separated. On the Profit and Loss Statement, the RLF is located at the bottom and separate. More work to do in the 5150 acct., we need to separate the two budgets.

It appears that all funds are accounted for, but in the wrong places. There were questions about the 4035 – Miscellaneous Acct. also.

It was felt that the P&L needs more background information to decipher. The Committee needs to understand the sheets and business better.

Paul told the committee that he felt that MeDOT's audit is coming to a resolution. It was believed that we owned back \$35,000. There has been internal meetings and their staff has issues with how the audit has come out. We are optimistic that we will not have to pay the \$35,000, however, there is a minor issues about food purchased for meetings, and we may have to reimburse about \$2,200 in

the end. Peg had listed some costs as Direct, when they should have been In-direct costs. We could dispute this amount, but Paul feels it best to just pay it and get pass the audit.

A thank you went out to Dave and the Budget Committee for working so hard to create this report and figure out the numbers.

*Jim Gulnac made the motion to accept the Treasurer's Report and Richard Dutremble seconded it. **Approved Unanimously.***

3. Proposed Draft Budget

A proposed budget was presented with the accepted budget being voted upon at the Annual Meeting. Generally after the Annual Meeting, there will be minor adjustments made.

Paul told the Committee that the Town of Waterboro has asked that we possibly cover their planning dept. in the near future. It was thought that as the Governor speaks of collaboration, this Agency is doing their part by working with multiple towns.

Jim Gulnac asked the Board to congratulate the staff on how quickly they spent the Brownfields' money. It is very, very important that you move that money from being allocated to the Agency to moving it out. As a matter of fact, he stated that the last numbers he saw, this RLF is the 2nd most funded in all of Region I. So that is a testament to the staff's work to get that money out there because it doesn't do any good to sit on a Balance Sheet. So as you talk about publicity, positive and inviting other communities to become involved. I think this is a real strong sum of it.

It was suggested that we be sure to put any purchased item that has a life of 5-years as a capital expense so we can receive the depression/deduction.

It was also suggested that we bring a wish list to the next meeting. There was a discussion about the Contingency Fund. It was felt that the amount should be about \$30 to \$50,000 higher, not the \$6,000. This account gives us an amount to fall back on. Maybe we should have the Finance Committee develop a plan on how monies should be spent.

4. EDA and EPA Loan Activity

EPA - Lincoln Mill Project in Biddeford of \$625K. We have offered them a \$650,000 loan. The Commitment Letter has been sent, but we have not received it back yet. This amount should closeout this grant. Chuck has sent in the application for Supplemental funding and we are awaiting word.

EDA – One loan for \$100,000 and another in the works for a complete \$100,000 (\$50,000 from EDA funds and Will Armitage will also loan \$50,000).

For accounting purposes, we will have to separate the principal and interest. Funds from the principal could be used for other loans and the interest will be ours to use for other economic development projects. The interest rate for these loans is 7%, which is really high. The Finance Committee should advise us on what to do with the interest revenue.

A Bond was passed in November (FAME) regarding Economic Development. Will Armitage applied and received funds for the York County area. We would like guidance on rather to amend the boundaries of Will's bond to include Oxford County or should we apply separately on Oxford County's behalf. If we remain with Will's program, we are giving up revenue, plus the Oxford area will be low on the list of priorities. Also, if we remain with Will's program, we should get some program funding as we do some of the promotion to the Oxford area.

Maybe we should revisit our relationship with Will Armitage's organization soon.

5. Possible Move

We continue to look for space that is compatible with our needs. Will Armitage is still interested in co-locating and share resources and services, but he has been a bit hesitant to commit. He met with his Board last week and they urged him to pursue co-location to save money. We are planning on staying here until our 5-year lease expires on November 1st. Chuck thinks that EPA Program Income could be used to fund a satellite office.

- The Pepperell Mill and North Dam are no longer an option, as we were priced out of that market.
- We have looked into the Sanford area, but cannot find anything.
 - It was suggested that Paul speak with King Winstein who owns the Goodall Mansion.
 - Jim suggested that because Goodall Hospital is consolidating with Southern Maine Hospital, there will be buildings available soon.
 - Also the Town Hall 3rd floor may become available after the remodeling is complete.
- Saco Island seems to be our best option yet. They have two spaces, one where we can co-locate with Will and the other alone. For the price of \$9.00 a square foot, we would not be able to find anything cheaper, especially in the Saco area.
- A flyer about a former Credit Union building for sale on Pool Street, Biddeford. Plenty of parking and near downtown.

There was some concern about the long-term relationship with Will Armitage possibly being an issue. Would he have a separate lease – Yes.

Purchase vs Rent, what would be the benefits? Where would we find the down payment? Lots of other regional agencies own their own buildings. How about looking into constructing a building with a long-term lease to the developer?

It was felt that we should have a final consensus by the next meeting. A site visit should be arranged to show the Committee the space. *Perry Ellsworth made the motion to make the final decision by June, even if we don't have one and continue to look. Richard Dutremble seconded the motion. Motion was later amended to having final decision by May, if possible. **Approved Unanimously.***

6. Board for Upcoming Year/Nominating Committee

Rob Heard informed the Committee that his plans were to be on the Board for another 3 years, and after that would not be running and would have to leave the Committee. Perry Ellsworth

asked that we consider Nancy Colbert Puff, Kittery's Town Manager as a member as she is very involved and would be advantageous to the Committee. She is a good person and would fit well on the Committee. He proposes that she be extended an opportunity. The Committee needs more people from the North on their Board. Nancy Perkins will no longer be on the Board of Selectmen, she is now a member of the Zoning Board of Appeals.

7. Annual Meeting:

The Annual Meeting is scheduled for Wednesday, June 24, 2015. We were thinking of a speaker who would know what changes have gone on in the past 50 years, and have a few suggestions.

- Kay Rand, Sen King's Chief of Staff would be a good one.
- Solar Energy
- Broadband

Both Solar Energy and Broadband impact the area and are both universal issues. "What's the future of broadband and solar energy?"

8. Next Meeting

May 28, 2015

Adjourned at 10:40 AM.