

Washington County Development Authority

ANNUAL REPORT October 1, 2023 - September 30, 2024

Introduction

Pursuant to the provisions of Title 5 of Maine Revised Statutes Annotated, Chapter 383, Subchapter 3, Article 2-A, the Washington County Development Authority is required to submit an annual report to the Governor, the Executive Director of the Legislative Council, and the joint standing committee of the Legislature having jurisdiction over business and economic development matters. The report must be submitted no later than 120 days after the close of the authority's fiscal year. The Authority's fiscal year ended on September 30, 2024.

Section 13083-F of 5 MRSA requires that the annual report of the Authority include:

- A. A description of the authority's operations and activities;
- B. An accounting of the authority's receipts and expenditures and assets and liabilities at the end of its fiscal year;
- C. A listing of all property transactions pursuant to section 13083-D;
- D. A statement of the authority's proposed and projected activities for the ensuing year; and
- E. Recommendations regarding further actions that may be suitable for achieving the purposes of this article.

History of the Authority

The Washington County Development Authority was established by the Second Regular Session of the 120th Maine Legislature as Chapter 568 of the Laws of Maine 2001. The Authority was established in response to the need to create a state entity that could take title to the former Naval Computer and Telecommunications Station in Cutler, Maine from the United States Navy. Since that time, the legislation was amended to broaden the scope of the authority's mission to allow the authority to provide financial and technical assistance to any governmental entity and nonprofit located within Washington County in support of community and economic development projects. Representation was expanded to include all municipalities in Washington County, including the unorganized territories.

For the reporting period, the Authority was comprised of the following members: Elizabeth "Betsy" Fitzgerald (Machiasport), Renee Gray (Addison), Ron McAlpine (Crawford), Lewis Pinkham (Milbridge), Heron Weston (Eastport) and Lani Reynolds (Northfield). The DECO Appointee seat is currently vacant. Heron Weston and Lani Reynolds are no longer attending monthly board meetings.

For this time period, the following officers were elected: Renee Gray (Chair), Lewis Pinkham (Vice Chair). The WCDA set monthly meetings on the third Monday of every month at 1:00 pm. During this period, all meetings were held virtually using the Zoom platform.

The Authority can have up to 13 voting members. At this point, there are 6 Trustees. The Authority would like to increase board membership and will work with Sunrise County Economic Council to provide a list of potential Trustees to the Governor.

Operations and Activities

The WCDA Trustees scheduled eleven (11) regular meetings from October 2023 to September 2024, all of which meet with numbers to reach a quorum. Also, five (5) additional Special Board meetings with 1 not meeting quorum.

Additional regular attendees increased this year as the Authority is working closely with the EPA, DEP, Edie Smith –Regional Representative for the Office of Angus King, State Senator Marianne Moore, Debra Baldwin (Beachwood Condos), Dan Morton – Property Developer. Representatives from TRC and Sevee & Maher attended several board meetings in their role as qualified environmental professionals in the Brownfields assessment and clean-up projects on the former base.

Major items of discussion during the reporting period included the following subjects:

The Washington County Development Authority continues to contract with Sunrise County Economic Council to provide administrative and bookkeeping services.

Upon the Authority's request, the EPA granted an extension of the Brownfields Clean Up Grant for the Recreation Building. The Authority continues to work with the EPA, Maine DEP, and Sevee & Maher Engineers to plan for the partial clean-up and possible re-use of the Recreation Building.

WCDA trustees, Maine DEP, EPA, and Sevee & Maher met with the US Navy around funding for the clean-up of the Recreation building. The Navy's current position is that there is no funding from the Navy for the clean-up of the Recreation Building for the foreseeable future.

The Authority sought additional funding for the Administration Building and are now currently working with Sunrise County Economic Council (SCEC) and TRC Companies Inc. (TRC) with funds from a Brownfields Assessment Grant awarded to SCEC. This grant is for a Phase I and Phase II assessments of the Administration Building. There has been a field visit done at the Admin Building by the EPA, TRC, DEP, SCEC and WCDA.

TRC has also secured the Admin Building by sealing open doorways to the building.

Through a public bid process, the Authority selected Machias Glassworks to replace the doors on the Warehouse and the Chapel. Machias Glassworks completed the work at a cost of \$13,000.

The Authority also put bids out for general repairs this year and the following work has been completed on the Recreation building: roof repairs, replacing broken windows and door, removing overgrown vegetation, general debris removal inside the building and secured the building from any leaking. Total cost \$48,239.50

During the year, the Authority had continued to manage the commercial buildings at the de-commissioned Cutler Base. The WCDA continues to lease space for several small Maine businesses and as of September 30, 2024, all the space that can be leased on the

The Authority has been working closely with an interested developer. At the time of the report, negotiations are still in the early stages.

Receipts and Expenditures

See attached Financial Statement

Property Transactions

The WCDA did not sell or buy real estate this year.

Proposed and Projected Activities

Sunrise County Economic Council and Washington County Government have provided what staff support they can, but the Authority's Trustees are handling much of the day-to-day management of the property as volunteers.

The Authority's sole source of income is rent, which has been entirely used for the maintenance and repair of the property.

The Authority will be expending the current Brownfields Grant award in 2025 and applying for additional funding.

Recommendations

1. The Authority requests the Governor, Honorable Janet T. Mills, to appoint additional Trustees to the Washington County Development Authority's Board and that the Commissioner of Economic and Community Development appoint a designee to the Authority's Board of Trustees.

Attachments:

Financial reports: WCDA Annual Income Statement

Respectfully Submitted,


Renée Gray, WCDA Chair

Washington County Development Authority
Statement of Revenues and Expenditures - Detail - Unposted Transactions Included In Report
From 10/1/2023 Through 9/30/2024

	Current Period Actual
Operating Revenue	
Grant Revenue	
Investment Income	17,087.72
Other Income	9,137.14
	65,225.00
Total Operating Revenue	91,449.86
Total Revenue	91,449.86
Expenditures	
Program Expenses	
Professional Fees	31,546.22
Occupancy	4,814.83
Maintenance & Repairs	2,451.49
Miscellaneous	12,264.11
	1,606.00
Total Expenditures	52,682.65
Net Revenue Over Expenditures	38,767.21

Washington County Development Authority
 Balance Sheet
 As of 9/30/2024

	<u>Current Year</u>	<u>Prior Year</u>	<u>Current Year % Change</u>
Assets			
Current Assets			
Cash & Cash Equivalents			
Checking Account	133,277.84	109,373.78	21.86
Camden CD	103,826.78	87,000.00	19.34
Total Cash & Cash Equivalents	<u>237,104.62</u>	<u>196,373.78</u>	<u>20.74</u>
Total Current Assets	237,104.62	196,373.78	20.74
Long-term Assets			
Property & Equipment	<u>81,500.00</u>	<u>81,500.00</u>	<u>0.00</u>
Total Property & Equipment	<u>81,500.00</u>	<u>81,500.00</u>	<u>0.00</u>
Total Long-term Assets	<u>81,500.00</u>	<u>81,500.00</u>	<u>0.00</u>
Total Assets	<u><u>318,604.62</u></u>	<u><u>277,873.78</u></u>	<u><u>14.66</u></u>
Liabilities			
Short-term Liabilities			
Accounts Payable			
Accounts Payable	<u>1,963.63</u>	<u>0.00</u>	<u>100.00</u>
Total Accounts Payable	<u>1,963.63</u>	<u>0.00</u>	<u>100.00</u>
Total Short-term Liabilities	<u>1,963.63</u>	<u>0.00</u>	<u>100.00</u>
Total Liabilities	<u>1,963.63</u>	<u>0.00</u>	<u>100.00</u>
Net Assets			
Beginning Net Assets			
Net Assets	188,279.76	188,279.76	0.00
Current YTD Net Income			
Total Current YTD Net Income	<u>128,361.23</u>	<u>89,594.02</u>	<u>43.27</u>
Total Net Assets	<u>316,640.99</u>	<u>277,873.78</u>	<u>13.95</u>
Total Liabilities and Net Assets	<u><u>318,604.62</u></u>	<u><u>277,873.78</u></u>	<u><u>14.66</u></u>