

**Town of North Yarmouth**  
**Workshop - Review Town Meeting Warrant 6pm-7pm**  
**Select Board Business Meeting Agenda**  
**Tuesday, March 7, 2017**  
**7:00PM - Town Office Meeting Room**

**I. Call to Order**

**II. Public Hearing** - Proposed changes to the CATV (Cable TV) Ordinance

**III. Public Hearing** - Proposed changes to the Property Tax Assistance Program

**IV. Special Presentation** - FY16 Audit - Marc Roy, Barry • Talbot • Royer

**Note: The Auditor will be bringing bound copies of the report to the meeting; I am only providing an electronic copy.**

**V. Minutes of Previous Meeting(s)**

- February 21, 2017

**VI. Public Comment - Non-Agenda Items**

Comments regarding issues, concerns, commendations or matters of general public information are welcome. Individuals shall have two (2) minutes to speak and be asked to state their name & legal residence. The public is encouraged when commenting or expressing points of view about an individual(s) that they do so in a respectful and constructive manner. Topics relating to personnel or personnel matters cannot be acknowledged.

**VII. Management Reports & Communications**

- Town Manager's Report

**VIII. Old Business**

None

**IX. New Business**

- Joint Standing Committee - Update & Select Board Request - A. Carr
- Proposed Town Park Rules for Domestic Animals Ordinance - B. Sites/A. Carr

**Note: In preparing this document I made the assessment that it would be in the Town's best interest to incorporate this request into the existing Parks & Recreation ordinance that is in need of amendments. I believe you will agree. Concluding, instead of a new ordinance this will now be treated as amending an existing one.**

- Proposed Changes to the Town Charter - Town Manager
- Request to Repeal Victualer's Ordinance - Town Manager

**X. Accounts Payable - Review & Approval**

- Accounts Payable

**XI. Any Other Business**

(Board communications of written, electronic, or verbal information to include but not limited to pending or future agenda meeting topics.)

**XII. Adjournment**

**REMINDERS TO THE ATTENDING PUBLIC:** Please shut off all cell phones; Select Board Meetings are open to the public, but the public may not speak unless recognized by the Chairperson first.

TOWN OF NORTH YARMOUTH, MAINE

CATV ORDINANCE

Preamble

~~AN~~ SECTION I PURPOSE

The purposes of this Ordinance ~~providing~~ **are to provide** for Town regulation and use of ~~the~~ community antenna television ~~system~~ **systems** including ~~its all aspects of their~~ construction, ~~operation and installation,~~ maintenance ~~in,~~ **along, upon, across, over, and operation,** and ~~under the streets, alleys, public ways and public places now laid out~~ **any additions** or ~~dedicated, and all~~ extensions ~~thereof and additions~~ thereto in the Town of North Yarmouth, ~~including poles, wires, cables, underground conduits, manholes, conductors and fixtures necessary;~~ **and to provide rules, regulations, and conditions** for the **granting of franchises or any part thereof for the construction, installation, maintenance, and operation** ~~in the Town of North Yarmouth of the~~ **of** community antenna television ~~system and to provide conditions accompanying the grant of franchise; and providing for the Town regulation of CATV operation~~ **systems in the Town of North Yarmouth, in the best interests of the Town of North Yarmouth and its citizens.**

Section 1.

SECTION II DEFINITIONS

~~a. "C.A.T.V."~~ **Board** - shall mean ~~any community antenna television system or~~ **the CATV Regulatory Board of the Town of North Yarmouth as established by this Ordinance.**

**B. Community Antenna Television System (referred to in this Ordinance as "CATV System" - shall mean any facility that, in whole or in part, receives ~~directly or indirectly, over the air, and amplifies or otherwise modifies signals transmitting programs broadcast by one or more~~ television or radio ~~stations.~~ signals** or originates its own signal or signals ~~produced through any of its community access channels and distributes such signals by wire or cable to subscribing members of the public who pay~~ **and transmits them to subscribers paying a fee** for such ~~services~~ **service**, but ~~such term~~ shall not include any such facility ~~that serves~~ **servicing** only the residents of one or more apartment dwellings under common ownership, control, or management, **unless such facility operates in the municipal right of way.**

~~b. "Cable Television Co."~~ **C. Company** - shall mean any person, **persons,** firm, **partnership,** or corporation ~~owning, controlling, operating, managing or leasing~~ **granted** a CATV ~~system within~~ **System Franchise** by the Town of North Yarmouth, ~~sometimes herein after referred to as "~~

**D. Franchise** - shall mean ~~the company."~~ **written agreement between the Company and the Town which defines the rights, duties, and liabilities of the parties regarding the construction, installation, maintenance, and operation of a CATV System within the Town, as set forth by the Town.**

~~c. "Town"~~ **E. Municipal Officers** - shall mean those persons duly elected as the governing body of the Town of North Yarmouth.

**F. Subscriber** - shall mean any person or group electing to have CATV System services on their premises.

**G. Town** - shall mean the Town of North Yarmouth, organized and existing under the laws of the State of Maine, and the area within its territorial ~~limits~~ **boundaries.**

Section 2.

SECTION III FRANCHISE REQUIRED

—No person, **persons**, firm ~~or~~, **partnership**, corporation, **or other entity** shall **construct**, install, maintain ~~or~~, operate, **or own a CATV System or any part thereof** within the Town ~~or any of its public streets or other public areas~~ **any equipment or facilities for the operation of a CATV system** unless ~~a franchise authorizing the use of said public streets or areas~~ it has ~~first been~~ obtained **a franchise from the Town** pursuant to the **terms and** provisions of this Ordinance and unless said franchise is in full force and effect.

**Section 3.**

**SECTION IV REGULATORY BOARD**

**A. Upon adoption of this Ordinance, the Municipal Officers are hereby authorized to appoint a CATV Regulatory Board. In the absence of such appointment, the municipal officers shall serve as The Board. The term of office of an appointed member shall be three years.**

**B. The Board shall have a Chair, Vice Chair, and Secretary, and shall have the following responsibilities and duties:**

- 1. Create, revise, and update the application form for CATV Systems;**
- 2. Recommend regulations to the Municipal Officers concerning CATV Systems;**
- 3. Review and recommend to the Municipal Officers all applications and any renewals or extensions for CATV Systems within the Town;**
- 4. Review the performance of the Company and its compliance with the franchise agreement at least once a year;**
- 5. Review the rates, fees, and deposits for CATV System services at least once a year;**
- 6. Review all notices for rate increases and make recommendations to the Municipal Officers;**
- 7. Review and recommend to the Municipal Officers local programming and services, if applicable;**
- 8. Review and settle disputes and grievances concerning CATV Systems;**
- 9. Assume other CATV related duties as designated by the Municipal Officers or this Ordinance.**

**C. Grievance Procedure**

- 1. This section shall regulate the Grievance Procedure concerning CATV Systems.**
- 2. All complaints and disputes concerning the Company regarding any aspect of the CATV System shall be submitted in writing to the Board.**
- 3. The Board shall investigate the complaint, hear all parties, and shall file a written report stating its findings of facts, and either dismiss the complaint or direct the Company to remedy the complaint, which remedy may include the ordering of a refund or rebate to any subscriber. The Board shall give reasonable notice to all parties of the time and place of the hearing.**
- 4. The decision of the Board shall be binding unless appealed to the Municipal Officers within ten (10) days after the decision of the Board is announced. Said appeal shall be in writing and filed with the Town Clerk.**

**SECTION V PROCEDURES FOR OBTAINING A FRANCHISE**

- A. Any person, firm, partnership, or corporation desiring to obtain a franchise to establish or operate a CATV System must apply only in response to a Request for Applications issued by the Town. An incumbent operator must notify the Town in accordance with Section 626 of the Cable Act**
- B. An applicant must first complete an application form furnished by the Town and in addition to this form, the applicant shall furnish any information requested by the Town or the Board.**
- C. Upon receipt of all applications pursuant to its Request for Applications, the Municipal Officers shall hold a public hearing to review the Applications. The public hearing shall be advertised and conducted in accordance with the North Yarmouth Town Charter.**
- D. Applications for a franchise to operate a CATV system in the Town and related documents are public records maintained by the Town Clerk pursuant to the State Freedom of Access Law (1 M.R.S.A. Sec. 401 et seq. as amended from time to time) and the public has the right to inspect and copy such applications and documents during the regular business hours of the North Yarmouth Town Clerk's office.**
- E. The municipal officers shall assess such fees as are reasonably necessary to defray the costs of public notice, advertising and other expenses incurred by the Town in acting upon franchise applications and renewals**

**SECTION VI FRANCHISE CONTRACT TERMS**

- ~~\_\_\_\_\_~~ **a.A. The terms of the franchise shall be set forth in the franchise agreement. The Company shall abide by the terms of this Ordinance and the franchise agreement.**
- B. The Municipal Officers ~~of the Town~~ may ~~contract~~ grant a non-exclusive franchise for a period not to exceed ten (10) years, on such terms, and conditions ~~and fees~~ as are in the best interests of the ~~municipality~~ Town and its ~~residents with one~~ citizens to include:**
  - 1. A statement of the area or ~~more~~ areas to be served by the Cable Television ~~Companies for the~~ Company;**
  - 2. A line extension policy;**
  - 3. Provision for renewal not to exceed 10 Years**
  - 4. Procedures for the investigation and resolution of the complaints by the Cable Television Company; and**
  - 5. Any other terms and conditions that are in the best interests of the Town.**
- C. The company shall report all information requested by the Board or the Municipal Officers concerning the construction, installation, maintenance, or operation of ~~a the~~ CATV ~~system within the Town, including the granting of a franchise or franchises for the operation thereof for a period not to exceed ten (10) years.~~ System.**
- ~~\_\_\_\_\_~~ **b. Applicants for a franchise ~~Further, the Company~~ shall ~~pay a non refundable filing fee to the Town of \$100.00 to defray the cost of public notice, and advertising expenses relating to such application. The applications shall be filed with the Town Clerk and shall contain such~~ submit any information ~~as the Town may require.~~**
- ~~\_\_\_\_\_~~ **c. Said Franchise Contract ~~may be revoked~~ requested by the Board or the Municipal Officers ~~for good and sufficient~~ necessary for reviewing rates, determining rate increases, settling disputes or grievances, or evaluating the general performance of the company.**



**D. All fees, rates, deposits, or charges to subscribers shall be fair and reasonable, and shall be filed with the Municipal Officers 30 days prior to becoming effective.**

**E. The Municipal Officers shall have the right, in addition to any other remedy contained herein or in the franchise agreement, to revoke a franchise for cause after ~~due~~ notice to the ~~company~~Company and a public hearing thereon; ~~with the right to~~. The Company may appeal such action to the Cumberland County Superior Court under Rule ~~80-B~~80B of the Maine Rules of Civil Procedure.**

**SECTION VII PERFORMANCE BOND**

**Upon the signing of the franchise agreement, the Company shall file and maintain a surety company performance bond in an amount which the Municipal Officers deem fair and appropriate, conditioned on its performance of the franchise contract and its compliance with any rule, regulation, ordinance, or law concerning the franchise and CATV Systems. The amount of this bond may be reduced at the discretion of the Municipal Officers as construction of the CATV System is completed.**

**SECTION VIII INSURANCE**

**The Company shall carry public liability insurance covering its activities in constructing, installing, maintaining, and operating a CATV System in the Town, in an amount and on such terms as set forth in the franchise agreement.**

**SECTION IX ENFORCEMENT**

**Any person, persons, partnership, firm, or corporation violating any provision of this Ordinance shall be punished by a fine not to exceed Two-Hundred Dollars (\$200.00) for each such violation. In addition, this Ordinance and any franchise agreement awarded hereunder may be enforced by injunctive relief or any other legal means of enforcement.**

**SECTION X SEPARABILITY**

**In the event a Court ~~Rules of Civil Procedure in accordance with due process~~ declares any provision of this Ordinance invalid, illegal, or unconstitutional, such provision shall be deemed to stand alone and all other provisions shall remain in full force and effect.**

**~~Section 4. PUBLIC HEARING.~~**

~~Before authorizing the issuance of any such franchise contract or contracts, the Municipal Officers shall review the applicant's character, financial and technical qualifications and the adequacy and feasibility of its qualifications to operate a CATV system within the Town, and shall conduct a public hearing thereon with at least seven (7) days advertised notice prior to said public hearing.~~

**~~Section 5. CATV REGULATORY BOARD.~~**

~~The Municipal Officials are hereby authorized to appoint a CATV Regulatory Board.~~

**~~Section 6. DUTIES OF THE BOARD.~~**

~~The CATV regulatory Board shall have a chairman, Vice Chairman, and a Secretary and shall have the following duties:~~

~~a. Adopt such rules and regulations as it may deem necessary for monitoring and regulating the operation of the system said rules and regulations being subject to the approval of the Municipal Officials.~~

~~b. Make recommendations to the Cable Television Company concerning educational and local interest programming.~~

~~c. Resolve complaints, disputes, or disagreements between subscribers and the company.~~

~~d. have the authority to conduct public hearings and issue such appropriate orders as it may deem necessary to correct any deficiencies in the operation of said system. The Board's decisions and findings shall be final and binding upon all parties including the company, except such a decision or finding may be appealed to the Municipal Officers and/or to the Cumberland County Superior Court under Rule 80 B.~~

~~e. Regulate rates and charges to subscribers of the Cable Television Company.~~

~~f. Shall make recommendations on the awarding of a franchise, said recommendations being subject to the approval of Municipal Officials.~~

~~g. After the awarding of the franchise, shall negotiate the franchise agreement between the company and the Town of North Yarmouth.~~

**TOWN OF NORTH YARMOUTH  
PROPERTY TAX ASSISTANCE ORDINANCE**

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**SECTION 1. Title, Purpose, Authority**

Subsection 1.1 Purpose:

The purpose of this Ordinance is to establish a program to provide property tax assistance to persons ~~65-70~~ **seventy** years of age and over, **whose household income is \$40,000 or less**, who reside in the Town of North Yarmouth. Under this program, the Town of North Yarmouth will provide **a tax credit** ~~supplemental cash refund payments~~ to those individuals who qualify as North Yarmouth resident beneficiaries of the State of Maine Residents Property Tax Program pursuant to Chapter 907 of Title 36 of the Maine Revised Statutes and meet the criteria established by this Ordinance.

**SECTION 2. Definitions**

Subsection 2.1 Homestead: A homestead is a dwelling owned or rented by the person seeking tax assistance under this Ordinance or held in a revocable living trust for the benefit of that person. The dwelling must be **the applicant's primary place of residence**. ~~occupied by that person and that person's dependents as a home.~~

Subsection 2.2 Qualifying Applicant: A qualifying applicant is a person who is determined by the ~~Treasurer~~ **Town Manager**, after review of a complete application under Section 4 of this Ordinance, to be eligible for a ~~refund payment~~ **tax credit** under the terms of this Ordinance.

**SECTION 3. Criteria for Participation**

Subsection 3.1 - In order to participate in the Property Tax Assistance Program, an applicant shall demonstrate all of the following:

- 3.1.1 The applicant shall be ~~65-70~~ **seventy** years of age or more at the time of application.
- 3.1.2 The applicant shall have a homestead in the Town of North Yarmouth at the time of the application and for the entire year prior to the date of application.
- ~~3.1.3 The applicant can provide proof of applying for a refund under the provisions of Chapter 907 of 36 M.R.S.A.~~
- 3.1.4 ~~3~~ The applicant has been a resident of the Town of North Yarmouth for at least **10 (ten)** years immediately ~~preceeding~~ **preceding** the date of application for participation in the Program.

**SECTION 4. Application and ~~Payment~~ Tax Credit Procedures**

Subsection 4.1 - Person(s) seeking to participate in the Property Tax Assistance Program shall submit ~~an~~ **written application** to the ~~Treasurer~~ **Town Manager** no later than ~~November~~ **June** 30<sup>th</sup>. Applications are required every year to participate in this program. The ~~Treasurer~~ **Town Manager** shall provide an application form for the program, which shall include, at a minimum, the applicant's name, homestead address and contact information. Attached to all applications shall be ~~either~~ proof of **household income**. ~~applying for or the dollar amount (copy of check) of State Refund under Chapter 907 of Title 36 (State Circuit Breaker Program).~~ The ~~Treasurer~~ **Town Manager** shall review and determine if the application is complete and accurate and if the applicant is otherwise eligible to participate in the Program. The ~~Treasurer~~ **Town Manager** shall notify an applicant if an application is determined to be incomplete. The ~~Treasurer~~ **Town Manager**'s decision on eligibility to participate in the Program shall be final.

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## SECTION 5. Determination of Eligibility and Amount of Eligibility

Subsection 5.1 - If the ~~Treasurer~~**Town Manager** determines that the applicant is eligible to participate in the Program, he/~~she~~ shall determine the total amount of such eligibility. Eligibility shall be the lesser of the following amounts:

~~5.1.1 15% of the amount of the refund awarded by the State under Chapter 907, Title 36 M.R.S.A. (Maine Circuit Breaker Program) or;~~

5.1.2 Available monies in the Town ~~Circuit Breaker~~**Tax Assistance Program** fund or;

5.1.3 ~~\$300.00~~**1,000.00 per household.**

Subsection 5.2 - The ~~Treasurer~~**Town Manager** shall report to the ~~Board of Selectmen~~**Select Board** at the ~~second~~**first** meeting in ~~December~~**August of** each year, the projected ~~payments~~**credits** and number of eligible applicants requesting assistance for the program fund.

## SECTION 6. Program Fund - Limitations Upon ~~Payments~~**Credits**

Subsection 6.1 - ~~Payments~~**Credits** under this Ordinance shall be conditioned upon the existence of sufficient monies in the Program Fund the year in which participation is sought. If there are not sufficient monies in the Program Fund to pay all qualifying applicants under this Ordinance, ~~payments~~**credits** shall be limited to the amounts available in the Fund. In the event that a lack of funding results in no ~~payment~~**credit** or less than the full ~~payment~~**credit** to a qualifying applicant, the request will not carry over to the next year.

## SECTION 7. Creation of the Program Fund

Subsection 7.1 - The Program Fund from which ~~payments~~ **tax credits** shall be made under the terms of this Ordinance shall be created as follows:

Subsection 7.2 - As funds are available, the ~~Board of Selectmen~~**Select Board** shall request from the Annual Town Meeting to appropriate monies from the general fund or other **Town** sources to support this program. Any surplus monies available after all ~~payments~~**credits** have been made shall be ~~carried forward~~ **retained with** in the ~~specified Fund~~**fund for future years program use.**~~to the next fiscal year.~~

## SECTION 8. Timing of ~~Payments~~ **Tax Credits**

Subsection 8.1 - A person who qualifies for ~~payment a tax credit~~ under this Program shall have their ~~award credit amount~~ applied to their outstanding real estate taxes (~~or pro-rated amount if inadequate funds are available~~) no later than ~~January 15th~~**October 1st** for the year in which participation is sought.

## SECTION 9. Limitations Upon ~~Payments~~**Tax Credits**

Subsection 9.1 - Only one qualifying applicant per household shall be entitled to ~~payment~~**credit** under this Program each year. The right to file an application under this Ordinance is personal to the applicant and does not survive the applicant's death, but the right may be exercised on behalf of an applicant by the applicant's legal guardian or attorney-in-fact. If an applicant dies after having filed a timely complete application that results in a determination of qualification, the amount determined by the ~~Treasurer~~**Town Manager** shall be disbursed to another member of the household as determined by ~~the Town Assessor or~~ the ~~Treasurer~~**Town Manager**. If the applicant was the only member of a household, then no ~~payment~~ **tax credit** shall be made under this Ordinance.

ADOPTED: May 30, 2009

AMENDED: June 18, 2011

AMENDED: \_\_\_\_\_

**Town of North Yarmouth**  
Annual Financial Statements



As of and for the Year Ended  
June 30, 2016

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**INDEPENDENT AUDITOR'S REPORT**

Select Board and Town Manager  
Town of North Yarmouth, Maine

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of North Yarmouth, Maine as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

*Management's Responsibility for the Financial Statements*

The Town's 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*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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, we 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

*Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of North Yarmouth, Maine as of June 30, 2016, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 – 12 and 37 – 40 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. We 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 and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of North Yarmouth, Maine's basic financial statements. Schedules 2 through 6 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Schedules 2 through 6 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, Schedules 2 through 6 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Certified Public Accountants  
February 28, 2017





## **Management Discussion and Analysis**

The Town of North Yarmouth (the Town) provides this Management Discussion and Analysis to present additional information to the readers of the Town's basic financial statements. This narrative overview and analysis of the financial activities of the Town is for the fiscal year ended June 30, 2016. Readers are encouraged to consider this information in conjunction with the additional information that is furnished in the Town's basic financial statements, required supplementary information, and other supplementary information.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Town's financial statements. The Town's basic financial statements include three components: 1) Government-wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Financial Statements. This report also contains required supplementary information that provides budgetary comparisons with actual results. The components of the financial statements are described in the following sections.

#### **Basic Financial Statements**

The basic financial statements include two types of financial statements that present different views of the Town – the Government-wide Financial Statements and the Fund Financial Statements. The Notes to the Basic Financial Statements supplement the financial statement information and clarify line items that are part of the financial statements.

##### *Government-wide Financial Statements*

The Government-wide Financial Statements provide a broad view of the Town's operations in a manner similar to a private sector business. The statements provide both short-term and long-term information about the Town's financial position, which assists in assessing the Town's economic condition at the end of the fiscal year. These are prepared using the economic resources measurement focus and the accrual basis of accounting. This basically means they follow methods that are similar to those used by most businesses. They take into account all revenues and expenses connected with the fiscal year even if cash involved has not been received or paid. The Government-wide Financial Statements include two statements:

- The *Statement of Net Position* presents all of the government's assets, liabilities, and deferred inflows of resources, with the difference between total assets and the sum of total liabilities and total deferred inflows of resources reported as total net position. Over time, increases or decreases in the Town's net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

**Town of North Yarmouth**  
Management Discussion and Analysis  
June 30, 2016

- The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods (such as uncollected taxes and earned but unused vacation leave). This statement also presents a comparison between direct expenses and program revenues for each function of the Town.

Both of the above financial statements present the net position and activities of *governmental activities*. Governmental activities are those activities that are mostly supported by taxes and intergovernmental revenues (federal and state grants), and are the only major category of activities carried on by the Town.

#### *Fund Financial Statements*

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The Fund Financial Statements focus on individual parts of the Town government, reporting the Town's operations in more detail than the Government-wide Financial Statements. The Town maintains only two categories of funds: governmental funds and fiduciary funds. It is important to note that these fund categories use different accounting approaches and should be interpreted differently.

#### Governmental Funds

All of the basic services provided by the Town are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the Government-wide Financial Statements. However, unlike the Government-wide Financial Statements, the Governmental Fund Financial Statements focus on near term inflows and outflows of spendable resources. They also focus on the balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Town's near term financing requirements. This approach is known as using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under this approach, revenues are recorded when cash is received or when susceptible to accrual (i.e., measurable and available to liquidate liabilities of the current period). Expenditures are generally recorded when liabilities are incurred, except for those related to long-term liabilities, which are recorded when due and payable. These statements provide a detailed short term view of the Town's finances to assist in determining whether there will be adequate financial resources available to meet the current needs of the Town.

Because the focus of governmental funds is narrower than that of the Government-wide Financial Statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the Government-wide Financial Statements. By doing so, readers may better understand the long term impact of the government's near term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and the governmental activities. These reconciliations are presented on the page immediately following each governmental fund financial statement.

The Town presents five columns in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances. The Town's town major governmental funds are the General Fund, the Wescustogo Hall Fund, and the PWD/FRD Heavy Equipment Reserve Fund. All non-major governmental funds are combined in the "Other Governmental Funds" column on these statements.

**Town of North Yarmouth**  
Management Discussion and Analysis  
June 30, 2016

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the Town government. Fiduciary funds are not reflected in the Government-wide Financial Statements because the resources of these funds are not available to support the Town's own programs.

The Town's sole fiduciary fund is a private-purpose trust fund that accounts for money held and administered by the Town on behalf of third parties for the cemetery.

**Current Year Financial Highlights**

- The Town's real and personal property increased in taxable valuation from \$418,307,619 to \$422,299,869, an overall increase of \$3,922,250 – an increase of just over 0.9%.
- The Town's mil-rate increased from \$17.15 in fiscal year 2015 to \$17.52 in fiscal year 2016, an increase of \$0.37 per thousand.
- The Town's assets exceeded its liabilities and deferred inflows of resources by \$24,862,480 as of the end of the fiscal year. This year's total net position includes an unrestricted portion totaling \$3,004,272 (a decrease from prior year of \$669,398), which may be used to meet the Town's ongoing obligations to employees, citizens, and creditors.
- The Town's operations for this year resulted in a decrease in net position of \$738,835. The Town's general revenues of \$8,681,810 did not completely offset its net expenses of \$9,420,645.
- Total governmental activities' expenses in fiscal year 2016 were up by \$638,101 from fiscal year 2015. The bulk of the change was due to a \$469,816 increase in education expenses assessed by MSAD 51. Total governmental activities' revenues were also up in fiscal year 2016 compared to fiscal year 2015 by \$276,043, the majority of the increase coming from excise tax revenue.
- In the General Fund, the Town's unassigned fund balance decreased by \$32,403 from June 30, 2015 (as restated) to June 30, 2016. This is due the General Fund's overall decrease in fund balance of \$83,074 being offset by liquidations from other fund balance components totaling \$50,671.
- At the close of the current fiscal year, the Town's General Fund's unassigned fund balance as a percentage of the General Fund's expenditures for the fiscal year was 16.82% – down from 17.94% in the prior year.
- The Town's total bonded debt decreased from \$76,373 to \$13,187 during the current fiscal year as a result of schedule principal payments. As of June 30, 2016, all of the Town's bonded debt is currently due.

**Town of North Yarmouth**  
Management Discussion and Analysis  
June 30, 2016

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Town's net position totaled \$24.9 million at the end of fiscal year 2016, compared to \$25.6 million at the end of fiscal year 2015.

**Table A**  
Town of North Yarmouth  
Condensed Statement of Net Position  
As of June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>	<u>\$ Change</u>	<u>% Change</u>
Current assets	\$ 3,374,883	\$ 3,808,855	\$ (433,972)	-11.4%
Capital assets, net	<u>21,806,324</u>	<u>21,998,686</u>	<u>(192,362)</u>	-0.9%
Total assets	25,181,207	25,807,541	(626,334)	-2.4%
Current liabilities	260,742	147,635	113,107	76.6%
Long-term liabilities	<u>54,687</u>	<u>53,266</u>	<u>1,421</u>	2.7%
Total liabilities	315,429	200,901	114,528	57.0%
Deferred inflows of resources	<u>3,298</u>	<u>5,325</u>	<u>(2,027)</u>	-38.1%
Net investment in capital assets	21,792,988	21,921,180	(128,192)	-0.6%
Restricted	65,220	6,465	58,755	908.8%
Unrestricted	<u>3,004,272</u>	<u>3,673,670</u>	<u>(669,398)</u>	-18.2%
Total net position	<u>\$ 24,862,480</u>	<u>\$ 25,601,315</u>	<u>\$ (738,835)</u>	-2.9%

*\*2015 restated. See note 12 in the Notes to the Basic Financial Statements*

The change in current assets is due primarily to approved expenditures from the reserve funds totaling \$599,859.

The change in capital assets during the year is the net between \$799,294 in new capital additions and \$991,656 in current year depreciation.

The change in current liabilities is primarily due to the timing of the payment of outstanding invoices. At June 30, 2016, the Town had two significant invoices - \$119,850 for a new excavator and \$29,920 for a new defibrillator – that were paid in early July 2016.

**Town of North Yarmouth**  
Management Discussion and Analysis  
June 30, 2016

**Table B**  
Town of North Yarmouth  
Condensed Statement of Activities  
For the Year Ended June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>	<u>\$ Change</u>	<u>% Change</u>
Charges for services	\$ 257,000	\$ 331,380	\$ (74,380)	-22.4%
Operating grants and contributions	39,958	93,949	(53,991)	-57.5%
Total program revenues	296,958	425,329	(128,371)	-30.2%
Taxes	8,241,357	7,968,433	272,924	3.4%
Intergovernmental	277,026	267,993	9,033	3.4%
Other	163,427	40,970	122,457	298.9%
Total general revenues	<u>8,681,810</u>	<u>8,277,396</u>	<u>404,414</u>	4.9%
Total revenues	8,978,768	8,702,725	276,043	3.2%
Municipal administration	518,849	486,238	32,611	6.7%
Community services	151,885	133,975	17,910	13.4%
Public safety	403,068	291,331	111,737	38.4%
Public works	1,284,645	1,181,443	103,202	8.7%
Solid waste and recycling	198,893	198,756	137	N/A
Fixed expenses	703,795	675,262	28,533	4.2%
Capital projects	29,045	32,881	(3,836)	N/A
Education	6,329,902	5,860,086	469,816	8.0%
Overlay / abatements	24,893	46,732	(21,839)	-46.7%
Other expenditures	<u>72,628</u>	<u>172,798</u>	<u>(100,170)</u>	-58.0%
Total expenses	<u>9,717,603</u>	<u>9,079,502</u>	<u>638,101</u>	7.0%
Change in net position	<u>\$ (738,835)</u>	<u>\$ (376,777)</u>	<u>\$ (362,058)</u>	96.1%

*\*2015 restated. See note 12 in the Notes to the Basic Financial Statements*

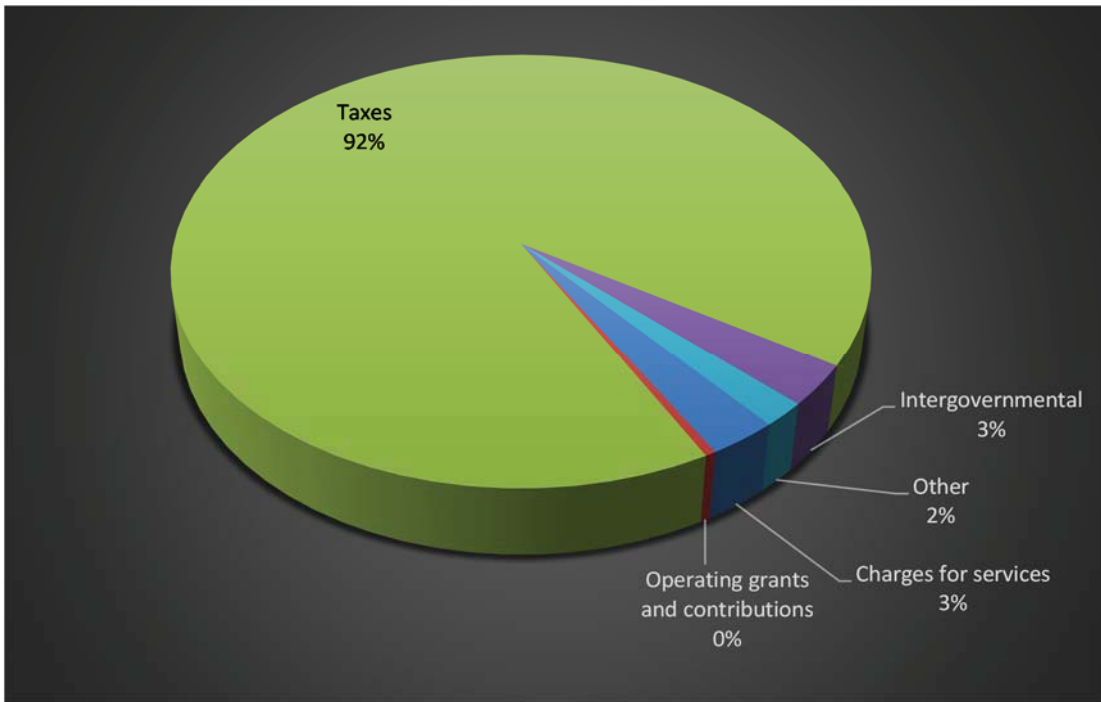
Overall, total revenues were up in fiscal year 2016 compared to fiscal year 2015 by just over 3%. Most of this increase came from property and excise taxes. Total expenses were up by 7.0%. This disparity led to a larger decrease in net position in fiscal year 2016 (\$738,835) as compared to 2015's decrease (\$376,777).

The largest increase in expenses was the \$469,816 increase in education. The other large variances were in the public safety and public works expense lines. While the variance in these two lines in terms of General Fund *expenditures* was actually a net decrease by \$40,536, on a full accrual basis the *expenses* in these lines increased a total of \$214,939. This is because fiscal year 2015 had \$239,571 more in capital asset expenditures in these lines than in 2016; and capital asset expenditures aren't recorded as expenses in the year of the outlay, but instead are expensed in the future through depreciation.

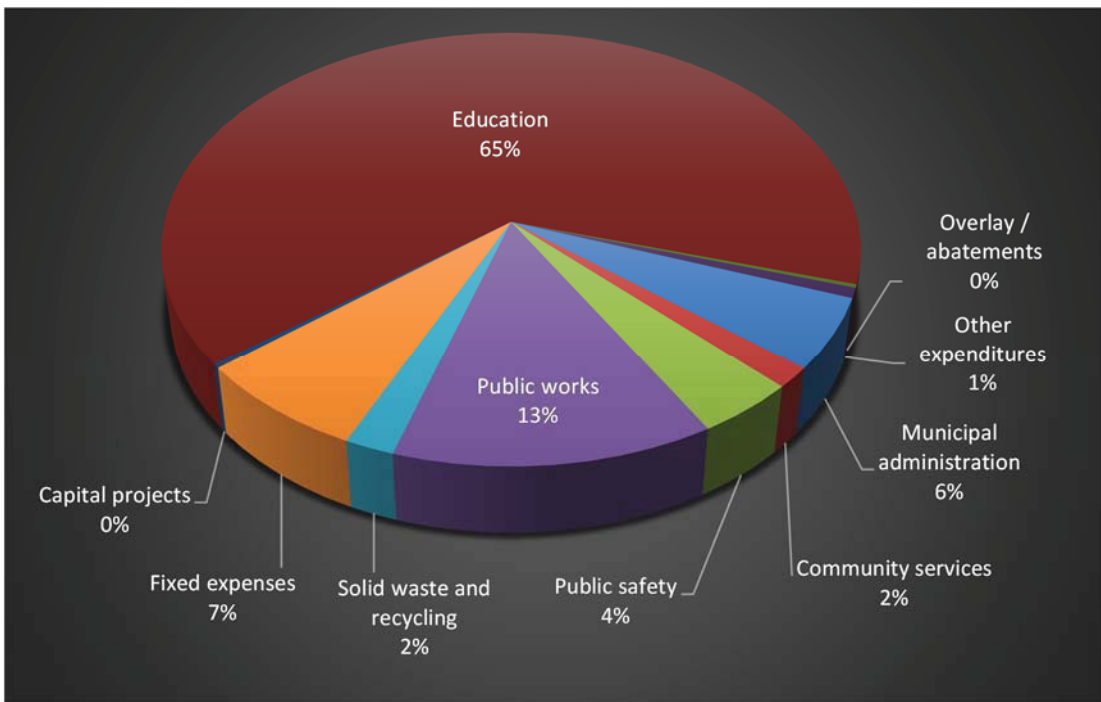
Charts A and B on the following page shows the relative sizes of revenues and expenses based on their source/category.

**Town of North Yarmouth**  
Management Discussion and Analysis  
June 30, 2016

**Chart A**  
Revenues by Source



**Chart B**  
Expenses by Category



**Town of North Yarmouth**  
Management Discussion and Analysis  
June 30, 2016

### **Analysis of the Town's Governmental Funds**

As noted earlier, the Town of North Yarmouth uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the Town's governmental funds is on near term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's financial position at the end of the fiscal year.

#### **General Fund**

The General Fund's net change in fund balance for the year was a decrease of \$83,074, compared to a fiscal year 2015 increase of \$61,480 (after restatement). The unassigned fund balance, however, had a net decrease of only \$32,403 and ended the fiscal year at \$1,505,934. This ending balance represents approximately 18% of fiscal year 2017's total budgeted expenditures, or roughly two months' worth.

The only other component of the General Fund's fund balance is \$150,000 that is considered *assigned* because the Town approved to use up to \$150,000 of fund balance at part of fiscal year 2017's appropriated budget.

#### **Wescustogo Hall Fund**

The Wescustogo Hall Fund had no activity during fiscal year 2016 apart from interest earned on the money in the fund. This fund accounts for any future expenditures related to replacing the Wescutogo Hall. Its ending fund balance is \$456,510.

#### **PWD/FRD Heavy Equipment Reserve Fund**

This is the largest of the "reserve" funds and is used to purchase heavy equipment for the public works and fire rescue departments. During fiscal year 2016, the fund expended \$427,802 on an ambulance and stretcher, an excavator, a new PWD truck, an FRD command vehicle and a service pick-up truck, and other miscellaneous equipment. Its ending fund balance is \$607,901.

#### **Other Governmental Funds**

All other governmental funds are composed of nonmajor special revenue funds, capital projects funds, and permanent funds. All told, these governmental funds had total revenues of \$27,707 and total expenditures of \$187,873. The bulk of the expenditures were out of the "reserve" funds that are maintained by the Town for specific projects or purposes. The combined ending fund balance for these other governmental funds is \$288,558.

**Town of North Yarmouth**  
Management Discussion and Analysis  
June 30, 2016

**General Fund Budgetary Highlights**

The Town approves appropriations for both the General Fund at its annual town meeting. The original budget, as adopted by the Town on April 11, 2015, budgeted a deficit of \$150,000 that was to be covered through the use of fund balance.

The variances between the original budget and the final budget were as follows:

- Increases in the budgeted deficit were a result of
  - a) Prior year unexpended appropriations being authorized to be carried forward totaling \$39,435
  - b) Decreases in estimated homestead exemption reimbursements of \$3,531
  - c) Decreases in the calculation of property taxes to be raised of \$123,720
- Decreases in the budgeted deficit were a result of
  - a) Increases in the estimated BETE reimbursement of \$1,439
  - b) Decreases in budgeted overlays of \$812

The net result of the variances above increased the budgeted deficit by \$164,435 – to \$314,435 in the final budget.

In analyzing comparisons between the final budget and actual results, revenues came in at \$177,722 above estimates, driven mostly by \$115,350 more in excise taxes than anticipated.

On the expenditures side, total expenditures came in \$31,044 under budget. The following line items were over budget, but these were offset by other line items being under budget.

- Municipal administration \$24,497 (6.4%)
- Public works \$25,513 (4.4%)
- Solid waste and recycling \$6,723 (3.5%)
- Capital projects \$9,408 (18.2%)
- Overlay / abatements \$9,017 (56.8%)

As a result of revenues coming in over budget and expenditures coming in under budget, the Town's actual deficit was lower than budgeted. On a budgetary basis, the actual deficit was \$44,331 less than the original budgeted deficit and was \$208,766 less than the final budgeted deficit.



**Town of North Yarmouth**  
Management Discussion and Analysis  
June 30, 2016

**Capital Assets and Long-term Debt Activity**

**Capital Assets**

The Town's investment in capital assets for governmental activities, as of June 30, 2016, has a net book value of \$21.8 million, made up of costs totaling \$41.4 million less accumulated depreciation of \$19.6 million. This investment includes land, buildings and improvements, equipment and vehicles, and infrastructure. Infrastructure assets are items that are normally immovable and have value only to the Town, such as roads, bridges, streets, sidewalks, drainage systems, lighting systems, and similar items.

The total decrease in the Town's investment in capital assets for the current fiscal year was \$192,632. This is a combination of \$799,294 in new acquisitions and \$991,656 in depreciation expense.

**Table C**  
Capital Assets Net Book Value Comparisons  
As of June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>	<u>\$ Change</u>	<u>% Change</u>
Land	\$ 989,942	\$ 889,771	\$ 100,171	11.3%
Buildings and improvements	684,835	675,345	9,490	1.4%
Equipment and vehicles	1,620,015	1,308,740	311,275	23.8%
Infrastructure	<u>18,511,532</u>	<u>19,124,830</u>	<u>(613,298)</u>	-3.2%
Totals	<u>\$21,806,324</u>	<u>\$21,998,686</u>	<u>\$ (192,362)</u>	-0.9%

**Long-term Debt**

At the end of the fiscal year, the Town had \$13,187 in outstanding debt – all of which is currently due.

**Table D**  
Long-term Debt Comparisons  
As of June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>	<u>\$ Change</u>	<u>% Change</u>
Notes payable	\$ 13,187	\$ 76,375	\$ (63,188)	-82.7%

**Town of North Yarmouth**  
Management Discussion and Analysis  
June 30, 2016

**Currently Known Facts, Decisions, or Conditions**

**Budget Related**

In April 2016, the Town's voters passed its fiscal year 2017 municipal budget in which they approved appropriations of \$6,446,477 for education, \$2,364,468 for municipal services, and \$299,907 for county taxes. The Town estimated to generate \$1,351,700 in non-property tax revenues for the fiscal year 2017, resulting in \$7,609,152 in taxes being levied on personal and real property. This is a 3.1% increase in the property tax commitment compared to the fiscal year 2016 and increases the mil rate from \$17.52 to \$17.62.

Significant changes between the Town's approved budget and the final budget or actual expenditures included a sudden labor shortage in the Public Works Department. Municipal Administration experienced an influx of needed labor due to local election and managerial needs.

**Other Items of Note**

The joint purchase of Knight's Pond & Blueberry Hill, by North Yarmouth and Cumberland was a significant investment for North Yarmouth. The Townspeople continue to work through the best solution for the reconstruction of Wescustogo Hall and the future use of the North Yarmouth Memorial School. Construction and land use permits continue to increase annually, and the Town remains diligent in its efforts towards finding solutions for future economic growth and a balanced tax burden.

**Requests for Information**

This financial report is designed to provide a general overview of the Town of North Yarmouth's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Rosemary Roy  
Town Manager  
Town of North Yarmouth  
10 Village Square Road  
North Yarmouth, ME 04097  
[manager@northyarmouth.org](mailto:manager@northyarmouth.org)

These annual financial reports are also available for download at the Town's website, [www.northyarmouth.org](http://www.northyarmouth.org).

## **BASIC FINANCIAL STATEMENTS**

**Town of North Yarmouth**  
Statement of Net Position  
As of June 30, 2016

	Governmental Activities
<b>Assets</b>	
Cash and investments	\$ 3,127,184
Accounts receivable	51,224
Taxes receivable	137,907
Liens receivable	58,332
Interest receivable	236
Total current assets	3,374,883
Land	989,942
Depreciable capital assets	40,414,844
Accumulated depreciation	(19,598,462)
Total capital assets, net of depreciation	21,806,324
<b>Total Assets</b>	25,181,207
<b>Liabilities</b>	
Accounts payable	216,663
Accrued wages	22,016
Accrued interest	149
Due to cemetery trust fund	8,727
Long-term debt - due within one year	13,187
Accrued compensated absences	54,687
<b>Total Liabilities</b>	315,429
<b>Deferred Inflows of Resources</b>	
Taxes collected in advance	3,298
<b>Net Position</b>	
Net investment in capital assets	21,792,988
Restricted for:	
Nonexpendable permanent fund principal	600
Expendable permanent fund balances	38,832
Special revenues	25,788
Other externally imposed purposes	-
Unrestricted	3,004,272
<b>Total Net Position</b>	\$ 24,862,480

*The accompanying notes are an integral part of these financial statements.*

**Town of North Yarmouth**  
Statement of Activities  
For the Year Ended June 30, 2016

Functions / Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Governmental Activities
<b>Primary Government</b>				
Governmental Activities				
Municipal administration	\$ 518,849	\$ 92,460	\$ -	\$ (426,389)
Community services	151,885	-	2,111	(149,774)
Public safety	403,068	42,466	-	(360,602)
Public works	1,284,645	-	27,152	(1,257,493)
Solid waste and recycling	198,893	122,074	-	(76,819)
Fixed expenses	703,795	-	-	(703,795)
Capital projects	29,045	-	-	(29,045)
Education	6,329,902	-	-	(6,329,902)
Overlay / abatements	24,893	-	-	(24,893)
Other expenses	<u>72,628</u>	<u>-</u>	<u>10,695</u>	<u>(61,933)</u>
<b>Total Primary Government</b>	<u>\$ 9,717,603</u>	<u>\$ 257,000</u>	<u>\$ 39,958</u>	(9,420,645)
General Revenues				
				7,410,507
				830,850
				277,026
				71,950
				<u>91,477</u>
				8,681,810
				<b>(738,835)</b>
				<b>25,601,315</b>
				<u><b>\$ 24,862,480</b></u>

The accompanying notes are an integral part of these financial statements.

**Town of North Yarmouth**  
Balance Sheet  
Governmental Funds  
As of June 30, 2016

	General Fund	Wescustogo Hall Fund	PWD/FRD Heavy Equip Reserve	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and investments	\$ 1,479,812	\$ 549,586	\$ 1,046,514	\$ 51,272	\$ 3,127,184
Accounts receivable	48,974	-	-	2,250	51,224
Taxes, liens, and interest receivable	196,475	-	-	-	196,475
Due from other funds	158,821	-	-	236,718	395,539
<b>Total Assets</b>	<u>\$ 1,884,082</u>	<u>\$ 549,586</u>	<u>\$ 1,046,514</u>	<u>\$ 290,240</u>	<u>\$ 3,770,422</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ 65,822	-	\$ 149,770	\$ 1,071	\$ 216,663
Accrued wages	22,016	-	-	-	22,016
Due to other funds	21,736	93,076	288,843	611	404,266
Total liabilities	109,574	93,076	438,613	1,682	642,945
Deferred Inflows of Resources					
Unavailable property taxes	115,276	-	-	-	115,276
Taxes collected in advance	3,298	-	-	-	3,298
Total deferred inflows of resources	118,574	-	-	-	118,574
<b>Fund Balance</b>					
Nonspendable	-	-	-	600	600
Restricted	-	-	-	64,620	64,620
Committed	-	456,510	607,901	223,338	1,287,749
Assigned	150,000	-	-	-	150,000
Unassigned	1,505,934	-	-	-	1,505,934
Total fund balance	1,655,934	456,510	607,901	288,558	3,008,903
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 1,884,082</u>	<u>\$ 549,586</u>	<u>\$ 1,046,514</u>	<u>\$ 290,240</u>	<u>\$ 3,770,422</u>

The accompanying notes are an integral part of these financial statements.

**Town of North Yarmouth**  
 Reconciliation of the Total Governmental Funds Balance  
 To the Net Position of Governmental Activities  
 As of June 30, 2016

<b>Total governmental funds balance (from Statement 3)</b>	<b>\$ 3,008,903</b>
<p>Capital assets are not financial resources and, therefore, are not reported in the governmental funds. They are, however, economic resources of governmental activities and are reported in the Statement of Net Position.</p>	
Net capital assets	21,806,324
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. They are, however, economic liabilities of governmental activities and are reported in the Statement of Net Position.</p>	
Accrued interest	(149)
Accrued compensated absences	(54,687)
Long-term debt	(13,187)
<p>Taxes that are not expected to be collected within 60 days of the end of the fiscal year and not considered financial resources and, therefore, are excluded from the governmental fund balances. They are, however, considered economic resources of governmental activities and, therefore, are included in the net position.</p>	
Unavailable property taxes	<u>115,276</u>
<b>Net position of governmental activities (see Statement 1)</b>	<b><u>\$ 24,862,480</u></b>

**Town of North Yarmouth**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2016**

	General Fund	Wescustogo Hall Fund	PWD/FRD Heavy Equip Reserve	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Taxes	\$ 8,263,952	\$ -	\$ -	\$ -	\$ 8,263,952
Intergovernmental	306,289	-	-	-	306,289
Licenses and permits	71,950	-	-	-	71,950
Charges for services	257,000	-	-	-	257,000
Other revenues	37,880	330	36,255	27,707	102,172
Total revenues	8,937,071	330	36,255	27,707	9,001,363
<b>Expenditures</b>					
Municipal administration	495,565	-	-	-	495,565
Community services	150,238	-	-	-	150,238
Public safety	318,296	-	-	-	318,296
Public works	608,171	-	-	-	608,171
Solid waste and recycling	198,893	-	-	-	198,893
Fixed expenses	767,970	-	-	-	767,970
Capital projects	61,218	-	-	-	61,218
Education	6,329,902	-	-	-	6,329,902
Overlay / abatements	24,892	-	-	-	24,892
Other expenditures	-	-	431,789	187,873	619,662
Total expenditures	8,955,145	-	431,789	187,873	9,574,807
<b>Revenue Surplus (Deficit)</b>	(18,074)	330	(395,534)	(160,166)	(573,444)

The accompanying notes are an integral part of these financial statements.



**Town of North Yarmouth**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2016

	General Fund	Wescustogo Hall Fund	PWD/FRD Heavy Equip Reserve	Other Governmental Funds	Total Governmental Funds
<b>Revenue Surplus (Deficit) from prior page</b>	\$ (18,074)	\$ 330	\$ (395,534)	\$ (160,166)	\$ (573,444)
<b>Other Financing Sources (Uses)</b>					
Transfers in	-	-	55,000	10,000	65,000
Transfers out	(65,000)	-	-	-	(65,000)
Total other financing sources (uses)	(65,000)	-	55,000	10,000	-
<b>Net Change in Fund Balances</b>	(83,074)	330	(340,534)	(150,166)	(573,444)
<b>Beginning Fund Balances, restated</b>	<u>1,739,008</u>	<u>456,180</u>	<u>948,435</u>	<u>438,724</u>	<u>3,582,347</u>
<b>Ending Fund Balances</b>	<u>\$ 1,655,934</u>	<u>\$ 456,510</u>	<u>\$ 607,901</u>	<u>\$ 288,558</u>	<u>\$ 3,008,903</u>

The accompanying notes are an integral part of these financial statements.

**Town of North Yarmouth**  
 Reconciliation of the Net Change in the Total Governmental Funds Balance  
 To the Change in Net Position of Governmental Activities  
 For the Year Ended June 30, 2016

<b>Net change in the total governmental funds balance (from Statement 5)</b>	<b>\$ (573,444)</b>
<p>Repayment of long-term debt principal is reported as expenditures in the governmental funds, but is not reported as expenses of governmental activities. Instead, it is reported as reductions in long-term debt in the Statement of Net Position.</p>	
Bond and note payments	63,188
<p>Capital assets acquired during the year are reported as expenditures in the governmental funds, but are not reported as expenses of governmental activities. Instead, they are reported as increases in capital assets in the Statement of Net Position.</p>	
Capital asset acquisitions	799,294
<p>Taxes not collected within sixty days after year end are not considered available financial resources and, therefore, not reported as revenue in the governmental funds. However, they are reported as revenue in the Statement of Activities.</p>	
Decrease in unavailable property taxes	(22,595)
<p>Certain expenses and expense adjustments reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>	
Depreciation expense	(991,656)
Decrease in accrued interest expense	985
Decrease in accrued compensated absences	<u>(14,607)</u>
<b>Change in net position of governmental activities (see Statement 2)</b>	<b><u><u>\$ (738,835)</u></u></b>

**Town of North Yarmouth**  
Statement of Fiduciary Net Position  
Private Purpose Trust Fund  
As of June 30, 2016

	Cemetery Trust
<b>Assets</b>	
Cash	\$ 104,164
Due from general fund	8,727
<b>Total Assets</b>	<b>\$ 112,891</b>
<b>Net Position</b>	
Held in trust for other purposes	<b>\$ 112,891</b>

*The accompanying notes are an integral part of these financial statements.*

**Town of North Yarmouth**  
Statement of Changes in Fiduciary Net Position  
Private Purpose Trust Fund  
For the Year Ended June 30, 2016

	Cemetery Trust
<b>Additions</b>	
Lot sales	\$ 3,150
Perpetual care fees	1,850
Administrative fees	3,150
Interest income	31
Total additions	8,181
 <b>Reductions</b>	
Cemetery expenditures	1,764
 <b>Change in Fiduciary Net Position</b>	 6,417
 <b>Beginning Fiduciary Net Position</b>	 106,474
 <b>Ending Fiduciary Net Position</b>	 \$ 112,891

*The accompanying notes are an integral part of these financial statements.*

**Town of North Yarmouth**  
**Notes to the Basic Financial Statements**  
**June 30, 2016**

**NOTE 1          SUMMARY OF ACCOUNTING POLICIES**

**The Reporting Entity**

The Town of North Yarmouth, Maine, incorporated in 1680, operates under a Select Board/Town Manager form of government. The Select Board consists of five members elected by the registered voters for staggered terms of three years. The financial statements of the Town of North Yarmouth conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its *Codification of Governmental Accounting and Financial Reporting Standards (Codification)*. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB), when applicable, that do not conflict with or contradict GASB pronouncements. The more significant accounting policies established in GAAP and used by the Town are discussed below.

**Principles Determining Scope of Reporting Entity**

In evaluating the Town as a reporting entity, management has addressed all potential component units for which the Town may or may not be financially accountable and, as such, be includable within the Town's basic financial statements. In accordance with the *Codification*, the Town (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the Town. The Town also is financially accountable for organizations that are fiscally dependent on it and there is a financial benefit or burden relationship. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's basic financial statements to be misleading or incomplete.

Based on the application of these criteria, there are no other entities within the Town that should be included as part of these basic financial statements.

**Basis of Presentation**

The Town's basic financial statements consist of government-wide financial statements that describe the Town's overall financial position and changes in financial position, and fund financial statements that provide a more detailed level of financial information.

*Government-Wide Financial Statements*

The government-wide financial statements, composed of the Statement of Net Position and the Statement of Activities, report information on all of the non-fiduciary activities of the Town. Governmental activities are normally supported by taxes and intergovernmental revenues.

The Statement of Net Position presents the financial condition of the governmental activities of the Town at year end. The Statement of Activities points out the extent to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are specifically associated with a function, service, program, or department. 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 requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from general revenues of the Town.

**Town of North Yarmouth**  
**Notes to the Basic Financial Statements**  
**June 30, 2016**

**NOTE 1        SUMMARY OF ACCOUNTING POLICIES (Continued)**

*Fund Financial Statements*

The financial transactions of the Town are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The Town currently uses two categories of funds: governmental funds and fiduciary funds. 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 are reported as separate columns in the fund financial statements. The Town's governmental funds are identified as either general, special revenue, capital projects, or permanent funds based upon the following guidelines.

The *General Fund* is the operating fund of the Town and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

*Special Revenue Funds* are used to account for the proceeds of specific sources that are legally restricted to expenditures for specified purposes. None of the special revenue funds is considered a major fund in the current year.

The *Capital Projects Fund* is used to account for financial resources to be used for the acquisition or construction of major capital assets that are primarily financed through bond issues. The Wescustogo Hall Fund and the PWD/FRD Heavy Equipment Reserve Fund are major funds in the current year.

*Permanent Funds* are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs—that is, for the benefit of the town or its citizenry. The Town maintains one permanent fund which is not considered a major fund in the current year.

Fiduciary funds are used to account for resources in which the Town acts as an agent or trustee. The Town currently maintains one type of fiduciary fund – a private-purpose trust fund. Private-purpose trust funds are used to report trust arrangements under which principal and income benefit individuals, private organizations, or other governments. These funds are not incorporated into the government-wide statements.

**Measurement Focus and Basis of Accounting**

Measurement focus refers to which of the Town's resources are being measured. Basis of accounting refers to the timing of the measurements being made, regardless of the measurement focus being applied. That is, basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

Government-wide financial statements and fiduciary fund financial statements are reported using the economic measurement focus and the accrual basis of accounting. All economic resources and claims on those economic resources are measured, including fixed assets, other non-current assets, and long-term liabilities. Under the accrual basis of accounting, 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 period for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**Town of North Yarmouth**  
**Notes to the Basic Financial Statements**  
**June 30, 2016**

**NOTE 1           SUMMARY OF ACCOUNTING POLICIES (Continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. The current financial resources measurement focus excludes from measurement resources such as fixed assets, other non-current assets, and long-term liabilities. Under modified accrual accounting, revenues are recognized when 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. The Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, compensated absences, and claims and judgments are recorded only when payment is due.

**Interfund Transactions**

During the course of normal operations, transactions occur between individual funds. Interfund transactions are classified depending on the nature of the transaction.

*Interfund loans* are recorded as receivables and payables and are presented as “due from other funds” and “due to other funds,” respectively, on the balance sheets of the fund financial statements. For reporting purposes, current amounts due from and due to the same funds are offset and the net amounts are shown in the respective fund balance sheets. Non-fiduciary interfund loans are eliminated in the government-wide financial statements.

*Interfund services* provided and used are recorded as revenues in the fund providing the goods or services and as expenditures/expenses in the fund receiving the goods or services. Any unpaid amounts are recorded as receivables and payables and presented in the same manner as interfund loans.

*Interfund transfers* are flows of assets from one fund to another without equivalent flows of assets in return. Interfund transfers are recorded and are presented as “transfers in” and “transfers out” in the fund financial statements. In the governmental funds, these transfers are reported as other financing sources and uses.

*Interfund reimbursements* are repayments from funds responsible for particular expenditures/expenses to funds that initially paid for them. Reimbursements are not displayed in the financial statements.

**Cash and Investments**

The Town's cash is considered to be cash on hand, demand deposits, money market funds, and short-term investments with maturities of three months or less from the date of acquisition. The Town's investments are in U.S. corporate and government debt securities, and in certificates of deposits with maturities greater than three months from the date of acquisition. The Town invests its funds in an effort to ensure preservation of capital, remain sufficiently liquid and attain a reasonable market rate of return. Investments are reported at fair value.

**Receivables,**

Receivables consist of all revenues recognized by year-end (on the applicable basis of accounting) but not yet received. Management estimates no allowances for uncollectible accounts. This estimate is based on historical collection rates or, where appropriate, collection experience with specific payers.

**Town of North Yarmouth**  
**Notes to the Basic Financial Statements**  
**June 30, 2016**

**NOTE 1        SUMMARY OF ACCOUNTING POLICIES (Continued)**

**Capital Assets**

Capital assets, which include land, buildings and improvements, equipment and vehicles, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the government-wide financial statements. Such assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated capital assets are recorded at estimated fair market value on the date of donation. The Town defines capital assets as those with an initial, individual cost of \$5,000 or more with an estimated useful life in excess of two years. Expenditures that significantly increase the service capacity or extend the useful life of existing capital assets are also capitalized. The costs of normal maintenance and repairs are not capitalized.

Capital assets are depreciated using the straight-line method over their estimated useful lives. Land and construction in progress are not depreciated. The estimated useful lives are as follows:

Buildings and improvements	15 - 100 years
Equipment and vehicles	5 - 30 years
Infrastructure	5 - 40 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

**Deferred Outflows / Inflows of Resources**

In addition to assets, the Statement of Net Position (government-wide financial statements) and Balance Sheet (fund financial statements) will sometimes report an additional financial statement element called *deferred outflows of resources*. This element represents a consumption of resources that applies to a future period and, therefore, will not be recognized as an outflow of resources (expense/expenditure) until then. The Town currently has no deferred outflows of resources.

In addition to liabilities, the Statement of Net Position (government-wide financial statements) and Balance Sheet (fund financial statements) will sometimes report an additional financial statement element called *deferred inflows of resources*. This element represents an acquisition of resources that applies to a future period and, therefore, will not be recognized as an inflow of resources (revenue) until that time. In the government-wide financial statements, the Town's deferred inflows of resources consist solely of property taxes collected in advance. In the fund financial statements, due to requirements under the modified accrual basis of accounting, deferred inflows of resources also include unavailable property taxes (property taxes not collected within 60 days after the financial statement date).

**Accrued Compensated Absences**

In the government-wide financial statements, liabilities that are attributable to services already rendered are accrued as employees earn the rights to the benefits and are recognized in the period incurred. In the governmental fund financial statements, compensated absences are recognized as related payments come due each period. Pursuant to the terms of the personnel policies, vacation time is granted in varying amounts according to length of service. As of June 30, 2016, the accrual for compensated absences was determined to be \$54,687.



**Town of North Yarmouth**  
**Notes to the Basic Financial Statements**  
**June 30, 2016**

**NOTE 1          SUMMARY OF ACCOUNTING POLICIES (Continued)**

**Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts, if material to the basic financial statements, are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of debt and premiums received are reported as other financing sources. Discounts on debt issuances are reported as other financing uses.

**Components of Net Position**

Net position in the government-wide Statement of Net Position is required to be classified into the following three components:

*Net Investment in Capital Assets* is the portion of net position that consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Capital assets	\$ 41,404,786
Accumulated depreciation	(19,598,462)
Bonds payable	(13,187)
Accrued interest payable	(149)
Net investment in capital assets	\$ 21,792,988

*Restricted* is the portion of net position that has constraints placed on its use which are either externally imposed by debt covenants, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.

*Unrestricted* is the portion of net position that does not meet the definition of either *net investment in capital assets* or *restricted*.

**Fund Balance Components**

Fund balances in the governmental funds Balance Sheet is required to be classified into five components. Classifications are hierarchical and are based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. The components of fund balance are:

*Nonspendable* is the portion of fund balance that represents amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact.

*Restricted* is the portion of fund balance that has externally enforceable legal restrictions.

*Committed* is the portion of fund balance that represents resources whose use is constrained by limitations that the government imposes upon itself at its highest level of decision making and that remain binding unless removed in the same manner.

**Town of North Yarmouth**  
**Notes to the Basic Financial Statements**  
**June 30, 2016**

**NOTE 1           SUMMARY OF ACCOUNTING POLICIES (Continued)**

*Assigned* is the portion of fund balance constrained by the town's "intent" to be used for specific purposes, but are neither restricted nor committed. The Select Board and Town Manager have the authority to assign amounts to be used for specific purposes.

*Unassigned* is the portion of fund balance that is available for any purpose. Only the General Fund may carry a positive unassigned fund balance.

The Town has no formal revenue spending policy for programs with multiple revenue sources. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance.

**Revenue Recognition**

As described previously, the government-wide financial and fiduciary fund financial statements are reported on the accrual basis of accounting. Under this method, revenue is recognized in the period earned, regardless of the timing of cash flows. Property taxes and special assessments are recognized in the fiscal year for which they are certified for levy; penalties are recognized in the period assessed; interest is recognized in the period earned. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met. Expenditure-driven grants are recognized when the qualifying expenditures have been incurred and all other grant requirements have been met. Charges for services and other exchange and exchange-like transactions are recognized when the exchange takes place.

The governmental fund financial statements are reported on the modified accrual basis of accounting. Under this method, revenue is recognized when it becomes measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property taxes, special assessments, intergovernmental revenue, penalties, interest, and charges for services are susceptible to accrual, given the measurable and available requirement. Excise taxes, licenses, permits, fees, and miscellaneous revenue are not susceptible to accrual because they are not measurable until collected. Such revenue is recorded only when received.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the individual programs are used as guidance.

**Unearned Revenue**

Resources received in advance are recorded as unearned revenues. Unearned revenues arise when resources are received by the Town before it has a legal claim to them. In subsequent periods, when both the measurable and available criteria are met, or when the Town has legal claim to the resources, the liability for unearned revenue is reduced and revenue is recognized.

**Use of Estimates**

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. These estimates and assumptions affect the reported amounts of assets, liabilities, the disclosure of contingent liabilities, and the reported revenues and expenses. Actual results could differ from these estimates.

**Town of North Yarmouth**  
**Notes to the Basic Financial Statements**  
**June 30, 2016**

**NOTE 2 CUSTODIAL CREDIT RISK**

For deposits, custodial credit risk is the risk that, in the event of the bank's failure, the Town will not be able to recover the value of its deposits. As of June 30, 2016, of the Town's \$2,182,900 in bank deposits, \$250,000 was insured by the FDIC, and the remaining \$1,932,900 was covered by a collateral agreement with the bank.

**NOTE 3 INVESTMENTS**

At June 30, 2016, the Town had the following investments and maturities.

	Fair Value	Maturities		
		< 1 Year	1 -5 years	6 - 10 years
Corporate bonds	\$ 734,490	\$ 25,011	\$ 355,654	\$ 353,825
US agencies	135,610	-	135,610	-
State municipalities	51,310	-	51,310	-
Certificates of deposit	110,716	-	110,716	-
	<u>\$ 1,032,126</u>	<u>\$ 25,011</u>	<u>\$ 653,290</u>	<u>\$ 353,825</u>

*Interest Rate Risk*

Interest rate risk is the risk that changes in interest rates will adversely affect the fair market value on an investment. The Town's policy states that maturities of securities should be structured to provide an average life of five (5) to ten (10) years.

*Concentration of Credit Risk*

The Town's potential losses from credit risk are heightened if a significant portion of its resources are invested with a single issuer. The Town's investment policy does not specifically address concentration of credit risk. Investments in any one issuer that are greater than 5% of total investments at June 30, 2016, are as follows:

	<u>% of Total</u>	<u>Fair Value</u>
AT&T	5.21%	51,145
Amgen Inc	5.24%	51,353
Bank of America	5.33%	52,263
Campbell Soup	5.20%	50,965
Morgan Stanley	5.18%	50,838
Texas Instruments	5.17%	50,757
Teva Pharmaceuticals	5.19%	50,859
Federal Farm Credit Bank	7.65%	75,000
Barclays Certificate of Deposit	5.19%	50,871
Maine Municipal Bond Bank	5.23%	51,310

**Town of North Yarmouth**  
**Notes to the Basic Financial Statements**  
**June 30, 2016**

**NOTE 3            INVESTMENTS (Continued)**

*Credit Risk*

Under Maine statute, municipalities may invest in corporate bonds and other obligations of any U.S. or Canadian corporation, provided that the securities are rated within the three highest grades by any rating service approved by the Superintendent of Financial institutions and are payable in U.S funds. At June 30, 2016, the Town's investments in corporate securities were in compliance with this statute, except for five securities with a fair value of \$128,285. Of these five, two securities had not been rated by Moody's, Standard & Poor's, or Fitch's ratings services. The remaining three securities had ratings of the fourth highest grade.

**NOTE 4            PROPERTY TAX**

The Town's property taxes for the July 1, 2015 to June 30, 2016 fiscal year were committed on August 10, 2015. Taxes were due semi-annually on October 1, 2015 and April 1, 2016. Unpaid taxes are charged interest of 7% per annum. The tax commitment was based on the April 1, 2015 assessed real estate and personal property values totaling \$422,299,869.

The Town is permitted by the laws of the State of Maine to levy taxes to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay, and amounted to \$15,875 for the year ended June 30, 2016.

For both government-wide financial statements and the General Fund's financial statements, property taxes levied for the fiscal year are recorded as receivables at the time the levy is made. In the General Fund's financial statements, however, outstanding taxes receivable that are estimated to be collected after sixty (60) days after the end of the fiscal year recorded as unavailable property taxes (under the *deferred inflows of resources* financial statement element) and the year-over-year changes in this account are netted with tax revenues.

Tax liens are placed on real property within twelve months following the tax commitment date if taxes are delinquent. The Town has the authority to foreclose on property eighteen months after the filing of the lien if tax liens and associated costs remain unpaid. Property acquired by foreclosure for non-payment of taxes is recorded at the amount of expired tax liens plus the cost involved in foreclosure. Liens and any current taxes on the same parcel are not included as part of the tax acquired property account until expiration of statutory time limits.

The following summarizes the tax levy for fiscal year 2016:

Real estate valuation	\$ 414,779,400
Personal property valuation	<u>7,520,469</u>
Total valuation	422,299,869
Mil rate (per \$1,000 of valuation)	<u>17.52</u>
Tax commitment	<u><u>\$ 7,398,694</u></u>

**Town of North Yarmouth**  
**Notes to the Basic Financial Statements**  
**June 30, 2016**

**NOTE 4      PROPERTY TAX (Continued)**

Collection of fiscal year 2016 taxes levied is as follows:

Original tax commitment	\$	7,398,694
Supplemental taxes		<u>11,813</u>
Total tax commitment		7,410,507
Less:		
Abatements of current year taxes		24,892
Current year taxes receivable at year end		<u>137,907</u>
Current year tax collections	\$	<u><u>7,247,708</u></u>
Collection rate of current year taxes		98.1%

**NOTE 5      INTERFUND TRANSACTIONS**

*Interfund Receivables and Payables*

Individual interfund receivable and payable balances at June 30, 2016 are as follows:

	Due From Other Funds	Due To Other Funds
General fund	\$ 158,821	\$ 21,736
Wescustogo Hall fund	-	93,076
PWD/FRD Heavy Equip Reserve fund	-	288,843
Other governmental funds	236,718	611
Cemetery trust fund	<u>8,727</u>	<u>-</u>
Totals	<u><u>\$ 404,266</u></u>	<u><u>\$ 404,266</u></u>

*Interfund Transfers*

Interfund transfers for the year ended June 30, 2016 consisted of the following:

	Transfers In	Transfers Out
General fund	\$ -	\$ 65,000
PWD/FRD Heavy Equip Reserve fund	55,000	-
Contingency reserve fund	<u>10,000</u>	<u>-</u>
Totals	<u><u>\$ 65,000</u></u>	<u><u>\$ 65,000</u></u>

**Town of North Yarmouth**  
**Notes to the Basic Financial Statements**  
**June 30, 2016**

**NOTE 6          CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2016 was:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Non-depreciable Capital Assets				
Land	\$ 889,771	\$ 100,171	\$ -	\$ 989,942
Depreciable Capital Assets				
Buildings and improvements	1,190,870	39,854	-	1,230,724
Equipment and vehicles	2,453,897	441,870	-	2,895,767
Infrastructure	<u>36,070,954</u>	<u>217,399</u>	<u>-</u>	<u>36,288,353</u>
Total capital assets	40,605,492	799,294	-	41,404,786
Less: Accumulated Depreciation				
Buildings and improvements	515,525	30,364	-	545,889
Equipment and vehicles	1,145,157	130,595	-	1,275,752
Infrastructure	<u>16,946,124</u>	<u>830,697</u>	<u>-</u>	<u>17,776,821</u>
Total accumulated depreciation	<u>18,606,806</u>	<u>991,656</u>	<u>-</u>	<u>19,598,462</u>
Total capital assets, net of depreciation	<u>\$ 21,998,686</u>	<u>\$ (192,362)</u>	<u>\$ -</u>	<u>\$ 21,806,324</u>

Depreciation expense, reported only in the government-wide financial statements, was charged to governmental functions as follows:

Community services	\$ 2,687
Municipal administration	13,234
Public safety	81,449
Public works	<u>894,286</u>
Total depreciation expense	<u>\$ 991,656</u>

**Town of North Yarmouth**  
**Notes to the Basic Financial Statements**  
**June 30, 2016**

**NOTE 7            LONG-TERM DEBT**

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

Beginning balance	\$ 76,375
Payments on principal	<u>(63,188)</u>
Ending balance	<u>\$ 13,187</u>
Interest payments	\$ 1,889

On the modified accrual basis, total long-term debt interest expenditure from the General Fund for the year ended June 30, 2016 was \$1,889. On the accrual basis, interest expense of governmental activities includes changes in accrued interest liabilities; total interest expense on long-term debt for the year ended June 30, 2016 was \$904.

The entire outstanding balance on long-term debt at June 30, 2016, matures within the next fiscal year and, thus, is all considered currently due and no non-current portion exists.

General long-term debt outstanding at year end consisted of a general obligation bond held by Key Bank. The bond was issued November 14, 2008 at an initial principal amount of \$105,500. It carries an interest rate of 4.45%, and matures on October 1, 2016.

In accordance with 30-A MRSA, Section 5702, as amended, no municipality shall incur debt (a) for school purposes in excess of 10% of its last full state valuation, (b) for storm or sanitary sewer purposes in excess of 7.5% of its last full state valuation, (c) for municipal airport and special district purposes in excess of 3% of its last full state valuation, and (d) for all other purposes in excess of 7.5% of its last full state valuation. Additionally, a municipality's total debt may not exceed 15% of its last full state valuation. The Town's last full state valuation, dated January 27, 2016, was \$442,700,000.

**NOTE 8            OVERLAPPING DEBT**

The Town's proportionate share of Cumberland County's and Maine School Administrative District No. 51's bonded debt are not reported in the Town's financial statements. Debt service is included in the annual County and School assessments to the Town. The Town's share is 1.08% (\$387,678) of Cumberland County's outstanding debt of \$35,735,000, and 26.88% (\$6,028,648) of Maine School Administrative District No. 51's outstanding bonded debt of \$22,424,572.

**NOTE 9            CONTINGENT LIABILITY**

*Ecomaine*

The Town is a member community in ecomaine, a solid waste management corporation serving forty municipalities in Cumberland, Oxford, and York counties in Maine. Owned and controlled by twenty-one member communities, ecomaine creates electricity through its processing of waste and also operates an extensive recycling program. Interlocal (waste handling) agreements between ecomaine and participating communities obligate the members to deliver certain solid waste produced within the community to ecomaine for processing and to make service payments and pay tipping fees for such processing.

**Town of North Yarmouth**  
**Notes to the Basic Financial Statements**  
**June 30, 2016**

**NOTE 9            CONTINGENT LIABILITY (Continued)**

The Town has no explicit, measurable equity interest and therefore, has not reported an asset in these financial statements in connection with its participation in ecomaine. Selected balance sheet information for ecomaine for the year ended June 30, 2016, includes total assets of \$62,510,802, total liabilities of \$18,994,187 and unrestricted net position of \$14,477,555. ecomaine has a plan to fund this liability in the form of a cash reserve over the period of years between 2012 and a projected closing date. The separate audited financial statements of ecomaine may be obtained from ecomaine's website: <http://www.ecomaine.org>.

In addition, the projected costs for closure and post-closure of the ecomaine landfill are to be allocated among the twenty-one participating municipalities, including the Town of North Yarmouth. As of June 30, 2016, the outstanding share of projected landfill closure and post-closure costs totaled \$16,746,994, of which the Town's share, based on estimated tonnage, amounts to \$249,042 (1.50%).

*Litigation*

The Town is subject to certain legal proceedings and claims which arise in the ordinary course of conducting its activities. In the opinion of management, the Town has defensible positions and any ultimate liabilities are covered by insurance or will not materially affect the financial position of the Town.

*State and Federal Grants*

The Town participates in numerous state and federal grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Town has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the Town, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

**NOTE 10            RISK MANAGEMENT**

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions, and natural disasters for which the Town either carries commercial insurance or participates in a public entity risk pool. Currently, the Town participates in a public entity risk pool sponsored by the Maine Municipal Association. Based on coverage provided by the pool, as well as coverage provided by commercial insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded at June 30, 2016.

**NOTE 11            RETIREMENT PLAN**

The Town participates in a 401(a) money purchase retirement plan on behalf of each full-time non-union employee. The plan is a defined contribution plan and is administered by the ICMA Retirement Corporation. The funds are invested in the ICMA Retirement Trust, a trust established by public employers for the collective investment of funds held under their retirement and deferred compensation plan. The Town contributes 5% of each qualified employees' earnings for the plan and employees may elect to defer a portion of their salary as well. For the fiscal year ending June 30, 2016, the Town's contributions on behalf of the qualified employees amounted to \$23,928.

Assets of the plan are placed in trusts for the exclusive benefit of participants and their beneficiaries. Accordingly, the assets and the liability for the compensation deferred, including earnings on plan assets, are not included in the Town's financial statements.



**Town of North Yarmouth**  
**Notes to the Basic Financial Statements**  
**June 30, 2016**

**NOTE 12 RECLASSIFICATIONS AND PRIOR PERIOD RESTATEMENTS**

As of July 1, 2015, management reclassified items that had previously been accounted for in the general fund as separate governmental funds. The reclassification also affected funds that had previously been presented as fiduciary funds that should have been presented as governmental funds. The net effect of the reclassifications are as follows:

- The general fund's fund balance was reduced by \$1,217,064 in order to separate the reserve funds and the Keep North Yarmouth Ward funds into their own capital project funds and special revenue funds.
- The PWD/FRD Heavy Equipment Reserve fund's fund balance was increased by \$831,738 as a result of the above separation of funds.
- Non-major governmental funds increased their fund balances by a total of \$429,108 as a result of the above separate of funds as well as a reclassification of the Flag Committee fund and the Scholarship fund as governmental funds from fiduciary funds.

Additionally, during the year, management identified errors in the prior year financial statements that affected the general fund, the Wescustogo Hall fund, the PWD/FRD Heavy Equipment Reserve fund, and other governmental funds. Additionally, an error regarding the calculation of accrued compensated absences affected the government-wide statement of net position. The errors resulted from presenting liabilities that no longer existed at June 30, 2015, as well as failing to record several expenditures that related to fiscal year 2015 and earlier. The net effect of these restatements are as follows:

- The general fund's fund balance increased by a net of \$122,574.
- The Wescustogo Hall fund's fund balance decreased by \$117,122
- The PWD/FRD Heavy Equipment Reserve fund's fund balance increased by \$116,697.
- Non-major governmental funds' fund balances decreased by \$526.
- The governmental activities' net position decreased by an additional \$6,094 from the amounts above.

The overall effect of the reclassifications and restatements is that the total governmental fund balances increased by a net of \$165,405, and the governmental activities' net position increased by a net of \$159,311.

**NOTE 13 COMPONENTS OF THE GENERAL FUND'S FUND BALANCE**

The general fund's fund balance at June 30, 2016, is composed of an assigned fund balance of \$150,000, which represents the budgeted use of fund balance for fiscal year 2017, and an unassigned fund balance of \$1,505,934.

**NOTE 14 SUBSEQUENT EVENTS**

In preparing these financial statements, the Town has evaluated events and transactions for potential recognition or disclosure through February 28, 2017, the date the financial statements were available to be issued.

**REQUIRED SUPPLEMENTARY INFORMATION**

**Town of North Yarmouth**  
 Budgetary Comparison Schedule  
 Budget and Actual ▪ General Fund ▪ Budgetary Basis  
 For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Property Taxes</b>	\$ 7,522,414	\$ 7,398,694	\$ 7,410,507	\$ 11,813
<b>Excise Taxes</b>				
Boat excise taxes	-	5,500	8,503	3,003
Vehicle excise taxes	710,000	710,000	822,347	112,347
Total excise taxes	710,000	715,500	830,850	115,350
<b>Intergovernmental</b>				
BETE reimbursement	1,000	2,439	2,467	28
General assistance	2,500	2,500	853	(1,647)
Homestead exemption	93,759	90,228	90,228	-
Local road assistance program	26,876	26,876	27,152	276
Municipal revenue sharing	173,524	173,524	179,369	5,845
Snowmobile clubs assistance	1,000	1,000	1,258	258
Tree growth exemption	1,566	1,566	2,718	1,152
Veterans exemption	2,029	2,029	2,244	215
Total intergovernmental	302,254	300,162	306,289	6,127
<b>Licenses and Permits</b>				
Agent fees	12,000	12,000	12,449	449
Appeals	-	-	50	50
Building permits	15,000	15,000	33,958	18,958
CEO miscellaneous permits	500	500	300	(200)
Clerk fees	6,255	755	545	(210)
Dog license fees	1,400	1,400	1,714	314
Electrical permits	4,800	4,800	7,216	2,416
Impact fees	12,000	12,000	176	(11,824)
Peer review	2,000	2,000	275	(1,725)
Planning board	1,100	1,100	1,600	500
Plumbing permits	7,000	7,000	9,613	2,613
Site plan review	-	-	1,100	1,100
Vital records	2,845	2,845	2,954	109
Total licenses and permits	64,900	59,400	71,950	12,550

See the accompanying Notes to the Required Supplementary Information.

**Town of North Yarmouth**  
 Budgetary Comparison Schedule  
 Budget and Actual ▪ General Fund ▪ Budgetary Basis  
 For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Charges for Services</b>				
Ambulance fees	\$ 42,500	\$ 42,500	\$ 42,466	\$ (34)
Cable TV franchise fees	29,000	29,000	27,797	(1,203)
Cell tower rental	37,000	37,000	37,970	970
CEO Pownal services	10,000	10,000	12,908	2,908
Customer service fees	1,250	1,250	780	(470)
Genealogy search	250	250	-	(250)
Rental fees	12,000	12,000	13,005	1,005
Solid waste and recycling	108,500	108,500	121,999	13,499
Solid waste hauler	100	100	75	(25)
Total charges for services	<u>240,600</u>	<u>240,600</u>	<u>257,000</u>	<u>16,400</u>
<b>Other Revenues</b>				
Donations	1,500	1,500	825	(675)
Insurance claims	-	-	20,699	20,699
Investment interest	500	500	-	(500)
Property and casualty pool	1,998	1,998	-	(1,998)
MSAD elections	2,200	2,200	-	(2,200)
Miscellaneous revenue	2,200	2,200	1,026	(1,174)
Tax interest	9,100	9,100	12,845	3,745
Tax penalties	4,900	4,900	2,485	(2,415)
Total other revenues	<u>22,398</u>	<u>22,398</u>	<u>37,880</u>	<u>15,482</u>
<b>Total Revenues</b>	8,862,566	8,736,754	8,914,476	177,722
<b>Expenditures</b>				
Municipal administration	385,340	385,340	409,837	(24,497)
NYMS public use	111,158	111,158	85,728	25,430
Community services	171,224	210,659	150,238	60,421
Public safety	337,326	337,326	318,296	19,030
Public works	582,658	582,658	608,171	(25,513)
Solid waste and recycling	192,170	192,170	198,893	(6,723)
Fixed expenses	769,291	769,291	767,970	1,321
Capital projects	51,810	51,810	61,218	(9,408)
Education	6,329,902	6,329,902	6,329,902	-
Overlay / abatements	16,687	15,875	24,892	(9,017)
Total Expenditures	<u>8,947,566</u>	<u>8,986,189</u>	<u>8,955,145</u>	<u>31,044</u>
<b>Revenue Surplus (Deficit)</b>	(85,000)	(249,435)	(40,669)	208,766

See the accompanying Notes to the Required Supplementary Information.

**Town of North Yarmouth**  
 Budgetary Comparison Schedule  
 Budget and Actual ▪ General Fund ▪ Budgetary Basis  
 For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenue Surplus (Deficit) (from prior page)</b>	\$ (85,000)	\$ (249,435)	\$ (40,669)	\$ 208,766
<b>Other Financing Uses</b>				
Transfers out to other funds	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>	<u>-</u>
<b>Budgetary Surplus (Deficit)</b>	<u>\$ (150,000)</u>	<u>\$ (314,435)</u>	<u>\$ (105,669)</u>	<u>\$ 208,766</u>
<b>Additions to (Use of) Fund Balance</b>				
Nonspendable	\$ -	\$ -	\$ (4,771)	
Restricted	-	-	(6,465)	
Committed	-	-	-	
Assigned	(150,000)	(189,435)	(39,435)	
Unassigned	<u>-</u>	<u>(125,000)</u>	<u>(54,998)</u>	
	<u>\$ (150,000)</u>	<u>\$ (314,435)</u>	<u>\$ (105,669)</u>	

**Town of North Yarmouth**  
**Notes to the Required Supplementary Information**  
**June 30, 2016**

**NOTE 1            BUDGETARY ACCOUNTING**

On an annual basis, the Town adopts an appropriated budget for the General Fund. Formal budgetary integration is employed as a management control device. The budget is prepared on budgetary basis of accounting that differs from the modified accrual basis of accounting used to prepare financial statements of the General Fund.

**NOTE 2            RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS**

The following is a reconciliation between the Budgetary Comparison Schedule (Schedule 1) prepared on a budgetary basis of accounting and the General Fund's Statement of Revenues, Expenditures, and Changes in Fund Balance (Statement 5) prepared on the modified accrual basis of accounting, in accordance with U.S. generally accepted accounting principles (US GAAP).

<b>Total revenues reported in Schedule 1</b>	\$ 8,914,476
Changes in unavailable property taxes, a deferred inflow of resources, is not budgeted for, but is required on the modified accrual basis. The changes from year to year are charged to property tax revenue.	<u>22,595</u>
<b>Total revenues reported in Statement 5</b>	<u><u>\$ 8,937,071</u></u>

Additionally, at the annual town meeting, the Town voted separately on appropriations for municipal administration (\$385,340) and North Yarmouth Memorial School public use (\$111,158), and thus they are presented separately on Schedule 1 for budgetary comparison purposes. For managerial purposes, however, all expenditures for these two lines are accounted for under the municipal administration department, as presented on Statement 5.

**NOTE 3            FUND BALANCE COMPONENTS OF BUDGETARY DEFICITS**

For fiscal year 2016, the Town adopted an original budget with a deficit of \$150,000. The deficit was to be funded by the General Fund's assigned fund balance.

The final budget had the following changes to the original budget:

- Prior year unexpended appropriations were authorized to be carried forward totaling \$39,435
- An increase in the estimated BETE reimbursement revenue of \$1,439
- A decrease in the estimated homestead exemption reimbursement revenue of \$3,531
- A decrease in the estimated overlays of \$812
- A decrease in the calculation of property taxes to be raised of \$123,720

Overall, the changes above resulted in a final budget that increased the budgeted deficit to \$314,435.

During the year, actual performance on a budgetary basis resulted in a deficit of only \$105,669 – \$44,331 less than the original budgeted deficit and \$208,766 less than the final budgeted deficit.

**OTHER SUPPLEMENTARY INFORMATION**

**Town of North Yarmouth**  
**Combining Balance Sheet**  
**Reserve Funds**  
**As of June 30, 2016**

	Assets		
	Cash and Investments	Due From Other Funds	Total Assets
PWD / FRD heavy equipment	\$ 1,046,514	\$ -	\$ 1,046,514
Technology and communication	-	58,359	58,359
Future land fund	-	19,333	19,333
Parks and recreation	-	23,405	23,405
Municipal facilities	-	33,885	33,885
Contingency	-	6,394	6,394
Capital investments	-	22,220	22,220
Impact fees	-	34,191	34,191
Ambulance fees	-	535	535
Miscellaneous capital equipment	-	25,388	25,388
<b>Totals</b>	<b><u>\$ 1,046,514</u></b>	<b><u>\$ 223,710</u></b>	<b><u>\$ 1,270,224</u></b>

	Liabilities and Fund Balance			
	Accounts Payable	Due To Other Funds	Fund Balance	Total Liab & Fund Balance
PWD / FRD heavy equipment	\$ 149,770	\$ 288,843	\$ 607,901	\$ 1,046,514
Technology and communication	371	-	57,988	58,359
Future land fund	-	-	19,333	19,333
Parks and recreation	-	-	23,405	23,405
Municipal facilities	-	-	33,885	33,885
Contingency	-	-	6,394	6,394
Capital investments	-	-	22,220	22,220
Impact fees	-	-	34,191	34,191
Ambulance fees	-	-	535	535
Miscellaneous capital equipment	-	-	25,388	25,388
<b>Totals</b>	<b><u>\$ 150,141</u></b>	<b><u>\$ 288,843</u></b>	<b><u>\$ 831,240</u></b>	<b><u>\$ 1,270,224</u></b>

*Note: "Reserve Fund" is not a fund category under GASB reporting standards. The above funds are classified as capital project funds under GASB reporting standards, with the exception of the Impact Fees reserve and Contingency reserve, which are classified as special revenue funds. The funds above are presented as "reserve funds" to assist the user when comparing with other Town reports that refer to "reserves."*



**Town of North Yarmouth**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Reserve Funds**  
**For the Year Ended June 30, 2016**

	Beginning Balance	Investment Revenue	Transfers In	Approved Expenditures	Investment Expenditures	Ending Balance
PWD / FRD heavy equipment	\$ 948,435	\$ 36,255	\$ 55,000	\$ 427,802	\$ 3,987	\$ 607,901
Technology and communication	98,486	3,723	-	43,816	405	57,988
Future land fund	117,791	1,913	-	100,171	200	19,333
Parks and recreation	29,100	1,160	-	6,727	128	23,405
Municipal facilities	49,385	2,066	-	17,343	223	33,885
Contingency	-	441	10,000	4,000	47	6,394
Capital investments	21,283	1,052	-	-	115	22,220
Impact fees	32,750	1,618	-	-	177	34,191
Ambulance fees	512	25	-	-	2	535
Miscellaneous capital equipment	24,318	1,202	-	-	132	25,388
<b>Totals</b>	<b>\$ 1,322,060</b>	<b>\$ 49,455</b>	<b>\$ 65,000</b>	<b>\$ 599,859</b>	<b>\$ 5,416</b>	<b>\$ 831,240</b>

*Note: "Reserve Fund" is not a fund category under GASB reporting standards. The above funds are classified as capital project funds under GASB reporting standards, with the exception of the Impact Fees reserve and Contingency reserve, which are classified as special revenue funds. The funds above are presented as "reserve funds" to assist the user when comparing with other Town reports that refer to "reserves."*

**Town of North Yarmouth**  
Combining Balance Sheet  
Committee Funds and Special Funds  
As of June 30, 2016

	Assets			Total Assets
	Cash and Investments	Accounts Receivable	Due From Other Funds	
<b>Committee Funds</b>				
Town events committee	\$ 6,417	\$ 1,820	\$ -	\$ 8,237
Flag committee	5,023	430	-	5,453
Scholarship fund	39,832	-	-	39,832
<b>Special Funds</b>				
Wescustogo Hall fund	549,586	-	-	549,586
Keep North Yarmouth Warm fund	-	-	13,008	13,008
<b>Totals</b>	<u>\$ 600,858</u>	<u>\$ 2,250</u>	<u>\$ 13,008</u>	<u>\$ 616,116</u>
	Liabilities and Fund Balance			
	Accounts Payable	Due To Other Funds	Fund Balance	Total Liab & Fund Balance
<b>Committee Funds</b>				
Town events committee	\$ 700	\$ 211	\$ 7,326	\$ 8,237
Flag committee	-	-	5,453	5,453
Scholarship fund	-	400	39,432	39,832
<b>Special Funds</b>				
Wescustogo Hall fund	-	93,076	456,510	549,586
Keep North Yarmouth Warm fund	-	-	13,008	13,008
<b>Totals</b>	<u>\$ 700</u>	<u>\$ 93,687</u>	<u>\$ 521,729</u>	<u>\$ 616,116</u>

*Note: "Committee Fund" and "Special Fund" are not fund categories under GASB reporting standards. The above funds are categorized under GASB reporting standards as follows: Wescustogo Hall fund is a capital project fund, Scholarship fund is a permanent fund, and the three remaining funds are special revenue funds. The funds above are presented as "committee funds" and "special funds" to assist the user when comparing with other Town reports that refer to these activities.*

**Town of North Yarmouth**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Committee Funds and Special Funds  
For the Year Ended June 30, 2016

	Beginning Balance	Revenue	Expenditures	Ending Balance
<b>Committee Funds</b>				
Town events committee	\$ 9,616	\$ 10,623	\$ 12,913	\$ 7,326
Flag committee	4,406	2,120	1,073	5,453
Scholarship fund	39,376	456	400	39,432
<b>Special Funds</b>				
Wescustogo Hall fund	456,180	330	-	456,510
Keep North Yarmouth Warm fund	11,701	1,307	-	13,008
<b>Totals</b>	<u>\$ 521,279</u>	<u>\$ 14,836</u>	<u>\$ 14,386</u>	<u>\$ 521,729</u>

*Note: "Committee Fund" and "Special Fund" are not fund categories under GASB reporting standards. The above funds are categorized under GASB reporting standards as follows: Wescustogo Hall fund is a capital project fund, Scholarship fund is a permanent fund, and the three remaining funds are special revenue funds. The funds above are presented as "committee funds" and "special funds" to assist the user when comparing with other Town reports that refer to these activities.*

**Town of North Yarmouth**  
 Schedule of Departmental Operations  
 For the Year Ended June 30, 2016

	Amounts Carried Forward from Last Year	Current Year Appropriations	Transfers and Other Adjustments	Total Available for Expenditure	Actual Expenditures	Appropriation Balances			Amounts Carried Forward to Next Year
						Lapsed Appropriations			
						Amounts Overdrawn	Amounts Unexpended	Amounts	
<b>Municipal Admin</b>									
Wages/allowances	\$ -	\$ 210,071	-	\$ 210,071	\$ 208,880	\$ -	\$ 1,191	\$ -	-
Operating expenses	-	59,008	-	59,008	68,850	9,842	-	-	-
Professional services	-	54,785	-	54,785	75,299	20,514	-	-	-
Buildings & repairs	-	58,198	-	58,198	53,251	-	4,947	-	-
Communications	-	3,278	-	3,278	3,557	279	-	-	-
NYMS public use	-	111,158	-	111,158	85,728	-	25,430	-	-
	-	496,498	-	496,498	495,565	30,635	31,568	-	-
<b>Community Svcs</b>									
Planning	39,435	140,926	-	180,361	126,347	-	54,014	-	-
Parks & rec	-	9,550	-	9,550	8,099	-	1,451	-	-
General assistance	-	7,688	-	7,688	3,907	-	3,781	-	-
Soc svc agencies	-	8,800	-	8,800	8,800	-	-	-	-
Cemetery operations	-	4,260	-	4,260	3,085	-	1,175	-	-
	39,435	171,224	-	210,659	150,238	-	60,421	-	-

**Town of North Yarmouth**  
 Schedule of Departmental Operations  
 For the Year Ended June 30, 2016

	Amounts Carried Forward from Last Year	Current Year Appropriations	Transfers and Other Adjustments	Total Available for Expenditure	Actual Expenditures	Appropriation Balances			Amounts Carried Forward to Next Year
						Lapsed Appropriations		Amounts Unexpended	
						Amounts Overdrawn	Amounts		
<b>Public Safety</b>									
Fire rescue dept	\$ -	\$ 243,961	\$ -	\$ 243,961	\$ 225,343	\$ -	\$ 18,618	\$ -	-
Dispatch service	-	23,186	-	23,186	23,882	696	-	-	-
Animal control	-	13,644	-	13,644	12,644	-	1,000	-	-
Health officer	-	400	-	400	300	-	100	-	-
Hydrants	-	53,500	-	53,500	53,124	-	376	-	-
Street lights	-	2,635	-	2,635	3,003	368	-	-	-
	-	337,326	-	337,326	318,296	1,064	20,094	-	-
<b>Public Works</b>									
Wages/allowances	-	178,390	-	178,390	189,039	10,649	-	-	-
Operating expenses	-	164,268	-	164,268	179,132	14,864	-	-	-
Roadway maintenance	-	240,000	-	240,000	240,000	-	-	-	-
	-	582,658	-	582,658	608,171	25,513	-	-	-
<b>Solid Waste/Recycling</b>									
MSW disposal	-	63,500	-	63,500	63,885	385	-	-	-
Recyclables collection	-	63,845	-	63,845	64,639	794	-	-	-
MSW coll surcharge	-	1,000	-	1,000	-	-	1,000	-	-
Ecomaine tonnage	-	45,825	-	45,825	46,351	526	-	-	-
PAYT disposal bags	-	12,400	-	12,400	15,887	3,487	-	-	-
Clean up day	-	5,600	-	5,600	8,131	2,531	-	-	-
	-	192,170	-	192,170	198,893	7,723	1,000	-	-

**Town of North Yarmouth**  
 Schedule of Departmental Operations  
 For the Year Ended June 30, 2016

	Amounts Carried Forward from Last Year	Current Year Appropriations	Transfers and Other Adjustments	Total Available for Expenditure	Actual Expenditures	Appropriation Balances			Amounts Carried Forward to Next Year
						Lapsed Appropriations			
						Amounts Overdrawn	Amounts Unexpended	Amounts Carried Forward to Next Year	
<b>Fixed Expenses</b>									
Debt service	\$ -	\$ 66,880	\$ -	\$ 66,880	\$ 65,077	\$ -	\$ 1,803	\$ -	-
Municipal insurance	-	31,100	-	31,100	34,163	3,063	-	-	-
Employee benefits	-	221,960	-	221,960	219,571	-	2,389	-	-
Shared services	-	155,981	-	155,981	155,789	-	192	-	-
County taxes	-	293,370	-	293,370	293,370	-	-	-	-
	-	769,291	-	769,291	767,970	3,063	4,384	-	-
<b>Capital Projects</b>									
	-	51,810	-	51,810	61,218	9,408	-	-	-
<b>Other</b>									
Education	-	6,329,902	-	6,329,902	6,329,902	-	-	-	-
Overlay/abatements	-	15,875	-	15,875	24,892	9,017	-	-	-
	-	6,345,777	-	6,345,777	6,354,794	9,017	-	-	-
<b>Totals</b>	\$ 39,435	\$ 8,946,754	\$ -	\$ 8,986,189	\$ 8,955,145	\$ 86,423	\$ 117,467	\$ -	\$ -

**Town of North Yarmouth  
Select Board  
Meeting Minutes of February 21, 2017**

**I. Call to Order**

Members Present: Alex Carr, Paul Napolitano, Anne Graham & Peter Lacy. Town Manager Rosemary Roy was also present. Chairperson Chadbourne was absent with notification.

**II. Minutes of Previous Meeting**

Selectperson Carr moved to approve meeting minutes of February 7, 2017. Selectperson Napolitano seconded the motion. Discussion: None. **Vote: 4-Yes 0-No**

**III. Public Comment-Non-Agenda Items**

None.

**IV. Management Reports & Communications**

Town Manager's Report: The Town Manager addressed concerns of Route 9 paving. The MDOT is scheduled to pave in the spring of 2017. Winter road maintenance costs are high due to snow removal and salt consumption. Chief Payson was thanked for volunteering his time to assist in snow plowing during recent storms.

The Living Well Committee has received 480 responses as of this date. They are in the process of compiling the results.

**V. Old Business**

Cable TV Ordinance: Mike Edgecomb from Sewell Company fielded questions whether to form a Regulatory Board verses the Select Board handling the responsibilities. Selectperson Napolitano motioned to accept the cable ordinance as presented and place it on the warrant for Town Meeting, seconded by Selectperson Carr. Discussion: None **Vote: 4 -Yes 0-No**

Wescustogo Hall - Reconstruction: Matt Ahlberg & Rob Barrett from Barrett Made reviewed rates and fees by phase. Brian Sites confirmed that the Committee should have enough information by Town Meeting to make recommendation for Select Board to present to the residents to vote on. Selectperson Napolitano suggested putting to the public for vote. Selectperson Carr made a motion to enter into a contract for \$121,074.00 to get through to design and development. Seconded by Selectperson Graham. Discussion: None **Vote: 3-Yes 1-No (Selectperson Napolitano)**

Senior Tax Break Ordinance: The Town Manager made the suggested changes provided in the draft. Selectperson Graham motioned to table action until the March 7<sup>th</sup> meeting then amended the motion to place the Senior Tax Break Ordinance on the Town Warrant. Seconded by Selectperson Carr. Discussion: None **Vote: 4-Yes 0-No**

Selectperson Napolitano made a motion to hold a Public Hearing on March 21<sup>st</sup> for both the Cable TV Ordinance and Senior Tax Break Ordinance. Seconded by Selectperson Carr. Discussion: None **Vote: 4 - Yes 0 - No**

Spirit of America Tribute – Selection - The Select Board tabled action.

**VI. New Business**

Yarmouth Water District sent letter suggesting a trade of land on Dexter Lane. The Select Board requested Town Manager Roy send a letter requesting more information.

**VII. Accounts Payable – Review & Approval**

Selectperson Carr moved to approve the accounts payable Warrants 39 & 40 in the amount of \$705,715.41. Selectperson Napolitano seconded the motion. Discussion: None **Vote: 4-Yes 0-No**

**VII. Any Other Business**

None

**IX. Adjournment**

Selectperson Napolitano moved to adjourn the meeting.

Cheryl Trenoweth  
Recording Secretary

Select Board

\_\_\_\_\_  
Jeanne Chadbourne, Chairperson

\_\_\_\_\_  
Peter Lacy, Vice Chairperson

\_\_\_\_\_  
Anne Graham

\_\_\_\_\_  
Paul Napolitano

\_\_\_\_\_  
Alex Carr



The information contained in this report is intended to inform the Select Board, staff, and residents, some of the current activities taking place within the manager's office or the Town in general. All topics are open for discussion.

**Dept. of Agriculture, Conservation, & Forestry** - On February 17<sup>th</sup> the Town received a revenue sharing payment of \$6,007.26 for 2015. However, there was no explanation as to program source and or purpose. I am currently researching this with the DACF so it can be applied to an appropriate account.

**Budget/Warrant/Legislative Materials** - Final budget computations continued during this period which included the preparation of the Annual Town Meeting warrant and several legal documents.

**Health Insurance** - The Asst. Town Manager and I met with a representative from MMA's Health Trust to talk about options, costs, and implementations of providing a different Health Plan for employees of the Town. The plan we are looking at is an HRA (Health Reimbursement Account) which has an active track record of saving both the Town and employees money on premiums and other parts of the plan. The target date to begin the plan is January 1, 2018, which provides the time needed to explore the options and the funding thoroughly and talk to employees before presenting it to Select Board. I will keep the Board updated on our progress.

**LMF Access Improvements Grant** - Penny Asherman (LMF) presented this grant to the Joint Standing Committee, for improvements to Knight's Pond Preserve and the committee agreed to apply for the subsidy that will enhance the public's experience at the preserve. A copy of the grant is with this report.

**Reminder** - Wescustogo Building & Design Committee Forum - Thursday, March 9<sup>th</sup> at 7 pm, NYMS.

Respectfully,

*Rosemary*

Rosemary E. Roy, Town Manager

## Knight's Pond Preserve Access Improvement Grant Proposal



**Applicant:**

Town of Cumberland  
290 Tuttle Road,  
Cumberland, ME 04021  
William Shane, Town Manager  
207-829-2205, [wshane@cumberlandmaine.com](mailto:wshane@cumberlandmaine.com)

(Application is submitted in coordination with the Town of North Yarmouth, Chebeague & Cumberland Land Trust and Royal River Conservation Trust)

**Application Date:** March 3, 2017

**Project Title:** Knight's Pond Preserve Public Access Improvement Project

The Towns of Cumberland and North Yarmouth purchased Knight's Pond Preserve on October 22, 2015. LMF project agreements were signed the following year on October 18, 2016 and funds were received October 20, 2016.

**Geographic Location:** Knight's Pond Preserve is located in the Towns of Cumberland and North Yarmouth, Cumberland County, Maine. The town property line crosses through Knight's Pond Preserve. Proposed access improvements will mostly be on the Cumberland side of the property with the exception of an entrance sign in North Yarmouth. A map of the property with primary access points is attached.

**Grant Amount Requested:** \$4500

Knight's Pond Preserve Access Improvement Budget attached.

**Project Description:**

Knight's Pond Preserve is a beloved destination in our region for hiking, mountain biking, ice skating, snowshoeing, snowmobiling, hunting and fishing. The pond is also wonderful habitat for birds and waterfowl and the upland forest contains unique oak-hickory stands not normally found this far north. The property was purchased by the Towns of Cumberland and North Yarmouth in October 2015 and the Towns granted conservation easements to the Chebeague & Cumberland Land Trust and Royal River Conservation Trust on their respective land. The collaborative effort among the partners to acquire and manage this property for the enjoyment of the public and protection of its natural resources has been extremely positive. A management plan has been adopted by the Joint Standing Committee between the two towns.

Since the property was purchased, the Towns and Land Trusts have completed some work to improve public access. A twenty car parking area has been built at the main entrance to the Preserve, two dilapidated cabins have been removed, two stream crossing bridges have been built and one existing bridge repaired. In addition, the land trusts collaborated to mark existing trails, build a new trail and connecting trails on adjacent properties to create a trail network for the public. A Knight's Pond Preserve trail map is available at each of the primary access points. In addition, property boundaries have been marked to respect abutting private land owners.

The Joint Standing Committee met February 23<sup>rd</sup> to discuss and prioritize new access improvement projects for Knight's Pond Preserve and respectfully submit these items as part of the LMF Access Improvement Grant for consideration by the LMF Board.

1) Signage. The first priority of the Committee is to improve signage at the property. This grant proposal includes two entrance signs, one for the Town of Cumberland and one for the Town of North Yarmouth. The welcome signs have been designed and will be made by local businesses in our community. The signs will be installed by the Town Public Works Department at primary access points.

Welcome signs:

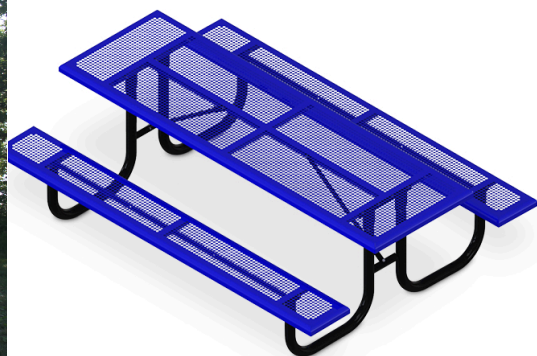


In addition, the Committee is interested in installing an educational sign about the pond ecosystem and its importance in the Casco Bay Watershed. The Preserve is located close to the school campus and two town centers and educational signage would enhance the visitor experience and encourage visitors to appreciate and respect the natural resources of the property.

Educational sign example:



2) Picnic Tables. The second priority to provide two picnic tables for families to gather and enjoy the scenic and natural beauty of Knight’s Pond. Whether it is a winter day skating, spring day watching bird migration, summer day frog hunting and fishing or a fall day enjoying the foliage, Knight’s Pond is enjoyed during all seasons. Offering a place for families and friends to stop and have a picnic by the pond will be a very popular activity. The tables will be located near the pond, which is only a short and easy quarter mile walk from the parking area. The tables proposed are durable and have stood the test of time and Maine weather at other nearby community parks and would be ordered in green to blend with the topography.



3) Fire Pit. The third priority is a fire pit. Ice skating is a popular activity at Knight’s Pond and it is a local tradition to have a fire to warm skaters on cold winter days. Makeshift fire pits have been erected over the years, but an established fire pit would provide a designated area for fires. This not only would protect natural resources, but also prevent unintentional forest fires and protect the safety



of visitors. The Knight's Pond Preserve Management Plan calls for a designated fire pit for all of these reasons. The fire pit would be built and installed by a local business in our community.



**Suitability of Intended Use:**

The LMF Project Agreements allow for minor structures and improvements with permitted outdoor activities; such as unlighted signs, informational kiosks, benches and picnic tables. (Project Agreement Section 7.a). There is also a conservation easement held by the Chebeague & Cumberland Land Trust and the Royal River Conservation Trust on the Knight's Pond Preserve property. The Grantor (Towns) reserved the right in the easement to locate, construct and maintain minor structures to accommodate low impact outdoor recreation and nature observation and study. (Section 2.E.1). This reserved right includes, but is not limited to; signage, information kiosks, and picnic tables among other structures. The property is already being used for low impact recreation such as picnicking, educational hikes and skating gatherings. In addition, the Knight's Pond Preserve Management Plan adopted by the Joint Cumberland/North Yarmouth Standing Committee which oversees the property, envisions each of these proposed access improvement items.

**Impact on Natural Resources:**

The overall impact of the access improvements proposed will be minimal. The installation of the welcome signs will have little impact on natural resources and will be located at primary access points. The educational sign will arguably enhance appreciation of and respect for the natural resources of the property by visitors and will be located near the pond. The picnic tables will likely be placed in the area by the pond where two small cabins were removed, thereby minimizing any new impact. Lastly, the designated fire pit will prevent multiple areas from being used for miscellaneous fires as is the custom now. There are no rare plants or species in the proposed areas for placement of the proposed structures. Maine Natural Areas Program and Inland Fisheries and Wildlife have been notified of the intended proposal.

**Project Timeline:**

If the grant is awarded, the Towns would install the entrance sign, picnic tables and fire pit as soon as possible, preferably before summer activity increases. The project partners would work together to

develop the appropriate content for the pond ecosystem educational sign and hope to have that in place this Fall or next Spring.

**Proposed Knight’s Pond Preserve LMF Access Improvement Project Budget:**

Entrance Signs (2) designed by KBT Creative (local business) made by Graph X, Inc. (local business), and installed by Towns of Cumberland/North Yarmouth Public Works	\$750.00 for two signs
Educational Sign (1) designed by KBT Creative (local business) made by Fossil Industries, Inc. and installed by Cumberland/North Yarmouth Public Works	\$1250.00
Picnic Tables (2) made by Belson Outdoors Company	\$2200.00 for two tables
Fire Pit (1) made by MJ Storey Landscape Design (local business)	\$1000.00
<b>Total</b>	<b>\$5200.00</b>

**Already Completed Knight’s Pond Preserve Access Improvement Projects:**

20 car parking lot installed by Town of Cumberland and North Yarmouth Public Works, including permitting services by Sevee & Maher Engineering Services of Cumberland	\$19,177.00 infrastructure \$10,000.00 engineering
Trail map, trail markers, boundary markers, nails	\$482.00
Removal of two old cabins by Town of Cumberland Public Works	\$2000.00
Two bridges - materials (not including land trust staff and volunteer time)	\$647.00
<b>Total:</b>	<b>\$32,306.00</b>

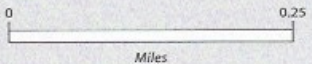
The project partners appreciate the opportunity to apply for LMF access improvement grant funds. The additional access improvements will increase the shared enthusiasm for the recreational opportunities and unique natural resources at this wonderful property. Thank you for your consideration.



# Knight's Pond Preserve



- Color-Blazed Trail
- Other Trail
- Orange-Blazed Snowmobile Trail
- Other Snowmobile Trail (selected)
- Parking
- Knight's Pond Preserve
- Conservation Easement (FAA)
- Powerline Corridor



Contour interval: 20 ft    November 2016

**Trail distances, from/to primary parking:**  
 White to red cut-off, return on Greely Rd Ext: 1.7 miles  
 White loop, return on Greely Rd Ext: 2.0 miles  
 White to blue loop to white, return on Greely Rd Ext: 2.9 miles

**Getting There:** From Route 9 in Cumberland Center, turn west onto Greely Road Extension. The preserve entrances are at the end of the road; GPS address for the primary parking lot is 477 Greely Road Extension, Cumberland.

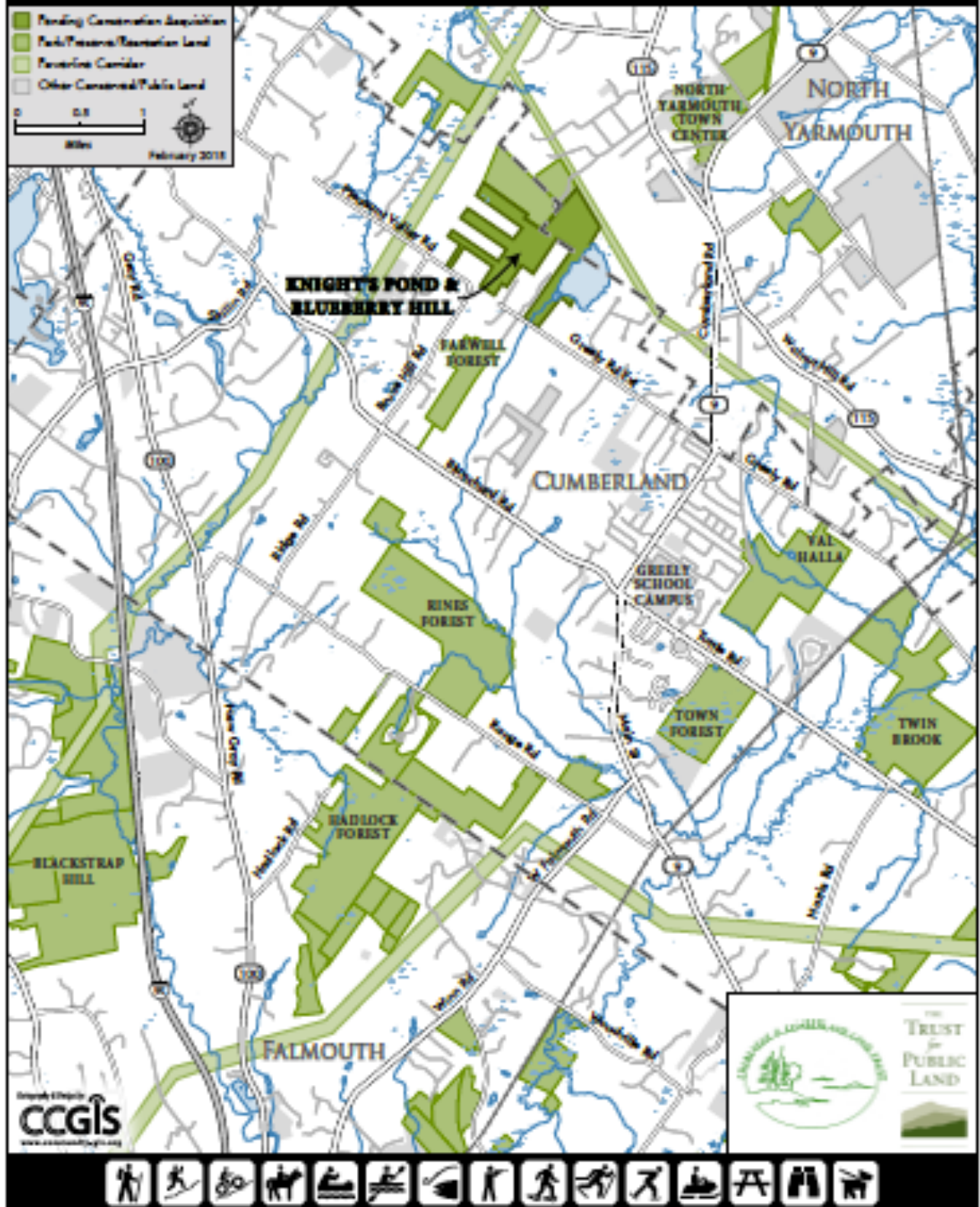
Owned and managed by the Towns of Cumberland and North Yarmouth. Conservation easements held by Royal River Conservation Trust and Chebeague and Cumberland Land Trust.



- picnic tables & educational sign
- \* entrance signs
- \* fire pit



# Knight's Pond to Hadlock Forest





Town of North Yarmouth  
Regulations for the Use of Parks and Recreation Areas Ordinance

**SECTION 1: TITLE**

**1.1** This ordinance shall be known and be cited as the “Regulations for the Use of Parks and Recreation Areas within the Town of North Yarmouth (Town).

**SECTION 2: AUTHORITY**

**2.1** This ordinance is adopted pursuant to and consistent with Title 30-A M.R.S.A. Section 3001.

**SECTION 3: PURPOSE**

**3.1** The purpose of this ordinance is to regulate the use of the public parks and recreation areas of the Town so as to preserve these areas for the use of members of the public and to protect these areas from misuse, damage, or destruction.

**SECTION 4: ~~PARK AND RECREATION AREAS DEFINED:~~DEFINITIONS**

~~Subsection~~4.1 ~~Recreation Area-Definition:~~ All lands owned by the Town of North Yarmouth which allow public access by deed, conservation easement, Town Meeting vote, action of the ~~Board-of Selectmen~~**Select Board** or common practice.

~~Subsection~~4.2 ~~Park-Definition:~~ A subset of recreation areas; Those recreation areas with Town built infrastructure, outbuildings, etc. and/or established parking lots, existing upon them or associated with them at the time this ordinance is adopted and designated as parks by this ordinance, and those recreation areas subsequently designated as parks by action of the ~~Board-of Selectmen~~**Select Board** under Section ~~9~~**11.1**.

~~Subsection~~4.3 **Domestic Animal: A domestic animal means any of various non-venomous animals domesticated so as to live and breed in a tame condition. Specific but not limited to dogs, horses, cows, and goats.**

**4.4 User: A User is defined as a resident of North Yarmouth, Business, Organization or Visitor.**

**SECTION 5. DESIGNATED AREAS**

**5.1 Parks -** For purposes of establishing rules and regulations, the following areas are designated as parks within the Town of North Yarmouth ~~at the time of adoption of this ordinance.~~

- A. Wescustogo Park~~:-~~ - All Town owned acreage where New Gloucester Road intersects with the Royal River.
- B. Old Town House Park~~:-~~ - All Town owned acreage behind the Old Town House on Memorial Highway including the boat launch.
- C. Baston Park  
~~Veteran’s Memorial Park~~
- D. Sharp’s Field

Town of North Yarmouth  
Regulations for the Use of Parks and Recreation Areas Ordinance

E. The Village Green, ~~not including Wescustogo Hall~~

F. Chandler Brook Preserve

**G. Sam Ristich Trail** - Portion of Public Work's property bordered by Parsonage Road. ~~that contains the Sam Ristich Trail~~

**H. Former North Yarmouth Memorial School** - Those portions of the Sam Ristich Trail that intermix with the property.

**G. Knight's Pond Preserve** - Specifically the North Yarmouth portion.

**Subsection 4.45.2 Recreation Areas** -- For purposes of establishing rules and regulations, the following areas are designated as recreation areas within the Town of North Yarmouth at the time of adoption of this ordinance:

A. Eleanor Hayes Town Forest: East and West side of Memorial Highway

B. Deer Brook Forest: All Town owned land adjacent to Wild Turkey Lane

**SECTION 56: HOURS OF OPERATION**

**Subsection 56.1** All Town Parks shall be open to the public only between the hours of 5:00 A.M. and 9:00 P.M. No person shall be present in the parks outside of these hours without the permission of the Public Works ~~Foreman~~**Director** or ~~Administrative Assistant~~**Town Manager**.

**Subsection 56.2** Closures: Any park or section of any park may be declared closed to the public by the Public Works ~~Foreman~~**Director**, the ~~Administrative Assistant~~**Town Manager** or the ~~Board of Selectmen~~**Select Board** for any interval of time, and notice of such will be posted at the entrance of the park.

**SECTION 67: TOWN DEPARTMENT OR TOWN CONTRACTED WORK**

**Subsection 67.1** All Town departments or Town contracted work projects that occur in the park and recreation areas are exempt from Sections ~~5-6~~ and ~~9-11~~ of this Ordinance.

**SECTION 78: DOMESTIC ANIMALS IN PARKS**

**8.1 North Yarmouth Parks are for the enjoyment of North Yarmouth citizens and their guests. It is the goal of NY that citizens can bring domestic animals to our parks for their owners' enjoyment and the animal. Priority shall always be given to citizens, wildlife, and the parks themselves. Citizens should be able to address issues between themselves using the rules, but may refer disputes to the Animal Control Officer or Town Manager.**

**8.2 Commercial businesses, groups, or organized groups (profit or non-profit) must obtain permission from Town Manager for use. Fee shall apply.**

**8.3 All domestic animals must be under the control of owners, leash or immediate voice recall.**

**8.4 Any user must leash their domestic animal if requested to do so by another user.**

**8.5 All users shall clean up after their domestic animal.**

**8.6 Domestic animals shall not harass wildlife, the user shall leash their animal if this occurs.**

**8.7 Damage to Parks by domestic animals shall be repaired by user or charged to user by Town.**

**8.8 Domestic animals that pose risk to citizens, other domestic animals, wildlife, or the park infrastructure can and will be barred from NY parks at the Town Manager's discretion. Progressive restrictions may not be warranted.**

**8.9 Grazing of animals is not allowed unless permission is granted by the Town Manager in conjunction with a weed control program or other conservation effort.**

**8.10 Organized town events take precedence over domestic animal use, specifically off leash use.**

**8.11 Where allowed, hunting will not be curtailed in favor of domestic animal use. State law shall apply to users deliberately impeding a legal hunt.**

**8.12 These rule apply to all users. Citizens and guests of NY may be subject to being barred from the use of NY parks. Citizens may appeal restrictions to the Board of Selectmen, via the Parks and Recreation committee.**

## **9. PROHIBITED USES**

~~Subsection 79.1~~ Littering: No person shall deposit any waste material in a park or recreation area, except in the receptacles so provided. Where receptacles are not provided, all such waste shall be carried away from the park or recreation area by the person or persons generating the waste.

~~Subsection 79.2~~ Camping Prohibited: No person or groups of persons shall use any park or recreation area in the Town of North Yarmouth for the purpose of overnight camping or either as a temporary or permanent abode of habitation.

~~7.2.1~~ Exception: After review by the ~~Administrative Assistant~~ **Town Manager** and with the written permission of the Town's Code Enforcement Officer, non-profit groups are allowed to use a park or recreation area for overnight camping for a period of time not to exceed **five (5)** days only if the chosen camping area will not be located in a resource protection or shoreland zoning district.

~~Subsection 79.3~~ Alcoholic Beverages:— - No person shall consume or possess alcoholic beverages in a park or recreation area. ~~with the exception of persons occupying Wescustogo Hall and adjacent outdoor areas pursuant to a valid rental agreement for the use of the Hall.~~

~~Subsection 79.4~~ Fires:— - No person shall build a fire in a park or recreation area, except as authorized by the Fire **Rescue** Chief ~~and or Administrative Assistant~~ **Town Manager** as part of a special event.

Town of North Yarmouth

Regulations for the Use of Parks and Recreation Areas Ordinance

~~Subsection 79.5~~ On-site Sales: - No person may offer for sale any food or merchandise within any park property. ~~without the approval of the Code Enforcement Officer pursuant to a Victualer's Permit procedure with the following exceptions~~ **Exception:**

~~7.5.1 Those individuals who have a valid rental agreement for the use of Wescustogo Hall;~~

~~7.5.2~~ Town sponsored events.

~~Subsection 79.6~~ Discharge of Firearms: -

~~7.6.1~~ The discharge of firearms for target practice on any park or recreation area is prohibited.

**SECTION 810: HUNTING & TRAPPING**

~~Subsection 810.1~~ At the time of the ordinance adoption, there are existing designations of park and recreation areas that allow or disallow hunting and trapping by deed easement and/or restrictions. These designations will supersede language in this ordinance.

~~Subsection 810.2~~ Should any park or recreation areas have no such designation as referenced in Section 8.1, then the ~~Board of Selectmen~~ **Select Board**, following Section ~~1012.1~~, shall establish for each park and recreation area a hunting and or trapping designation as defined in Section ~~1012~~.

**SECTION 911: VEHICLE OPERATION**

~~Subsection 911.1~~ State Law Applies – All provisions of state law relating to the operation of motor vehicles shall apply within Town parks.

~~Subsection 911.2~~ Use Areas – No person shall operate any vehicle in a park on any areas except a public way, park road, parking area, and any other areas specifically designated by the Town.

~~Subsection 911.3~~ Night Parking Prohibited – A person shall not leave a vehicle, construction equipment or construction materials standing or parked at night in a park after closing hours, without written permission from the ~~Administrative Assistant~~ **Town Manager**. Any vehicle found in a park after closing hours will be removed and stored at the expense of the owner.

~~Subsection 911.4~~ Restricted Vehicles – All terrain vehicles (ATVs) and motorized dirt bikes are not allowed in any of the park areas.

**SECTION 1012: BOARD OF SELECTMENSELECT BOARD PROVISIONS**

~~Subsection 1012.1~~ The ~~Board of Selectmen~~ **Select Board** upon 1) receiving written recommendations from the ~~Recreation Commission~~ **Parks & Recreation Committee**; 2) posting required notice; 3) completing a public hearing; shall have the authority:

~~10.1.1A.~~ To designate “parks” and “recreation areas” as property is acquired or located within the boundaries of the Town.

~~10.1.2B.~~ To modify rules and regulations referenced in Section ~~56~~, Section ~~79~~, and Section ~~911.4~~

Town of North Yarmouth

Regulations for the Use of Parks and Recreation Areas Ordinance

~~10.1.3~~**C.** To establish for each park and recreation area not previously designated by Section ~~79~~**1** a hunting and or trapping designation.

~~10.1.4~~**D.** To establish procedures for the use and regulation of all park and recreation areas at least once annually.

~~Subsection 1012.2~~ When establishing or modifying rules, regulations, designations or procedures, the ~~Board of Selectmen~~**Select Board** shall attempt to accomplish the following purposes:

~~10.2.1~~**A.** To assure safe and healthful conditions on all park and recreation areas;

~~10.2.2~~**B.** To promote peaceful and considerate public use and enjoyment of the parks and recreation areas;

~~10.2.3~~**C.** To minimize any nuisance, disturbance, interference, or safety concerns on adjoining or nearby lands;

~~10.2.4~~**D.** To protect or enhance the scenic, recreational and environmental value of the property and to prevent erosion, unreasonable disturbance of natural habitat and wildlife, and to prevent pollution;

~~10.2.5~~**E.** To allocate the limited use of time and space fairly and equitably among various persons or groups seeking use of the parks and recreation areas;

~~10.2.6~~**F.** To provide for efficient care and maintenance of all park and recreation areas.

**SECTION ~~11~~13: PENALTY**

**13.1** Any person found in violation of any provision of this ordinance shall be punished by a fine of not more than One Hundred dollars (\$100) per offense to be recovered on complaint for the use of the Town.

ADOPTED: JUNE 18, 2011

**Amended:** \_\_\_\_/\_\_\_\_/\_\_\_\_

## Charter of the Town of North Yarmouth

### Article I. Town Meeting and Elections

1. **Town Meeting.** Town meetings shall be held as provided below:
  - a. The ~~Board of Selectmen~~**Select Board** shall convene an annual Town Meeting on a Saturday in April of each year for the purpose of considering and adopting the budget and such other matters as appear on the meeting's warrant. The annual Town Meeting date shall be established by the ~~Board of Selectmen~~**Select Board** not later than the preceding February 1<sup>st</sup>.
  - b. Special Town Meetings may be called by the ~~Board of Selectmen~~**Select Board** in accordance with state law or as specified in Article II 5 § c of this Charter.
  - c. The moderator of any Town Meeting shall be elected at the beginning of such meeting.
2. **Elections.** An annual municipal election shall be held in June for the purpose of electing town officials and for voting on referendum questions and other secret ballot questions. Except as otherwise provided herein or in state law, the following offices shall be elected by secret ballot at the annual municipal election: Selectmen & Overseers of the Poor; Yarmouth Water District Trustee; Directors of MSAD #51; Budget Committee; and Cemetery Commission. Other elections shall be held as provided by state law.
3. **Petitions.** The voters may petition the ~~Board of Selectmen~~**Select Board** pursuant to state law, including, but not limited to, Title 30-A, Section 2522 and Title 30-A, Section 2528(5) as such provisions may be amended, superseded, or replaced from time to time. The manner, validity, and effect of such petitions are as determined by state law.

### Article II. ~~Board of Selectmen~~**Select Board**

1. **Selectmen/Overseers of the Poor.** There shall be a ~~Board of Selectmen~~**Select Board**/overseers of the poor consisting of five (5) members elected to staggered three (3) year terms. The terms of those elected to the ~~Board of Selectmen~~**Select Board** shall expire on June 30<sup>th</sup> of their expiration year.
2. **Qualifications.** Selectmen shall be registered voters of the town who maintain a permanent, principal residence in the town at all times during their term of office.
3. **Chair of ~~Board of Selectmen~~**Select Board**.**

At the first regular meeting of the ~~Board of Selectmen~~**Select Board** on or after July 1<sup>st</sup> of a year, the selectmen shall elect a chair to serve until the following June 30<sup>th</sup>. In the event the chair ceases to serve as a ~~selectman~~**selectperson**, resigns as chair, or is otherwise unable to discharge his or her duties prior to the end of such term, the ~~Board of Selectmen~~**Select Board** shall elect a new chair as soon as practicable. By an affirmative vote of not less than four members, the Selectmen may vote to remove a chair prior to the expiration of their term and thereafter by an affirmative vote of no less than three members, elect a replacement.

  - a. The chair or his or her designee shall have the following responsibilities:
    - (i) Serve as the official spokesperson of the ~~Board of Selectmen~~**Select Board**;
    - (ii) Preside over all meetings of the ~~Board of Selectmen~~**Select Board**;

## Charter of the Town of North Yarmouth

- (iii) Establish the schedule and agendas of the ~~Board of Selectmen~~**Select Board**; and
- (iv) Ensure that the ~~Board of Selectmen~~**Select Board** develop and maintain bylaws.

### **4. Powers and Duties.**

- a. The ~~Board of Selectmen~~**Select Board** shall hold regular meetings no less than monthly, and give notice of such meetings as required by law.
- b. The ~~Board of Selectmen~~**Select Board** may call special meetings as are necessary, and must give notice as required by law.
- c. The ~~Board of Selectmen~~**Select Board** may call emergency meetings as needed with notice as required by law, to meet public emergencies affecting life, health, property or the public peace.
- d. The ~~Board of Selectmen~~**Select Board**'s compensation shall be determined by the annual Town Meeting.
- e. The ~~Board of Selectmen~~**Select Board** shall annually review and prioritize the goals and objectives for ad hoc committees.
- f. The ~~Board of Selectmen~~**Select Board** shall review and approve an annual town budget for inclusion in the annual Town Meeting warrants, as well as all other warrants required by law or necessary for the good management of the town.
- g. The ~~Board of Selectmen~~**Select Board** shall make appointments to boards, commissions and committees from time to time. In the case of elected positions described in Article IV below, the ~~Board of Selectmen~~**Select Board** shall have the authority to appoint members to otherwise elected committee positions in the event of removal, disability, or resignation and in the event no qualified candidate is elected on a secret ballot. Such appointments shall be for the unexpired term of such position.
- h. The ~~Board of Selectmen~~**Select Board** shall appoint the Town Assessor, who shall be licensed as a certified Maine assessor and appointed by the ~~Board of Selectmen~~**Select Board** to a term of one (1) year. The term of the appointed assessor shall expire on June 30<sup>th</sup>. In addition to the duties provided by law, the assessor shall maintain the town's tax maps. Compensation shall be fixed by the ~~Board of Selectmen~~**Select Board** and in addition, the assessor shall receive the actual and necessary expenses incurred in the performance of the assessor's duties.
- i. The ~~Board of Selectmen~~**Select Board** may, after a public hearing:
  - (i) Amend ordinances in order to correct typographical or editorial errors, inaccurate statutory references, or changes to forms prescribed by the town
  - (ii) Except as otherwise provided herein, and except for ordinances within the exclusive authority of the ~~Board of Selectmen~~**Select Board** to enact, all ordinances and other ordinance amendments shall be enacted by Town Meeting.
- j. The ~~Board of Selectmen~~**Select Board** shall deal with town employees solely through the Town Manager and shall not give orders to any subordinates of the manager, either publicly or privately. This section does not prevent the ~~Board of Selectmen~~**Select Board** from appointing committees or commissions of its own members or of citizens to conduct investigations into the conduct of any official or department, or any matter relating to the welfare of the town.

- 5. Forfeiture of Office, Prohibitions Vacancies.** The office of a ~~selectman~~ **selectperson** shall become vacant upon death, resignation, non-acceptance, removal from office in any manner designated by law, or by forfeiture of office.



## Charter of the Town of North Yarmouth

- a. Forfeitures. A ~~selectman~~**selectperson** shall forfeit office if he or she lacks at any time during their term of office:
  - (i) any qualification of the office as described by this charter or by law.
  - (i) is convicted of a felony.
  - (ii) is found, by affirmative vote of at least three Selectmen, to have violated the conflict of interest provisions of this charter.
  - (iii) has failed to attend three (3) consecutive meetings of the ~~Board of Selectmen~~**Select Board** without being excused for due cause by the chair.
- b. Prohibitions. Except where otherwise authorized by law no ~~selectman~~**selectperson** shall be a town employee or serve on an elected or appointed board, commission or committee established under Article IV, Sections 1 and 2 of this charter during the term for which they were elected to the ~~Board of Selectmen~~**Select Board**; provided, however, that service as a per diem or similar status membership in the town fire and rescue department, shall not be grounds for disqualification from holding office as a ~~selectman~~**selectperson**.
- c. Vacancies. If a seat on the ~~Board of Selectmen~~**Select Board** becomes vacant more than six (6) months prior to the next regular election, the ~~Board of Selectmen~~**Select Board** shall vote to hold a special election and approve a warrant related thereto no more than sixty (60) days from the date the vacancy occurred to fill the unexpired term. Nomination papers must be filed with the Clerk during regular business hours by no later the 45th day prior to the election day. If the vacancy occurs less than six (6) months prior to the next election, the ~~Board of Selectmen~~**Select Board** may hold a special election.

### Article III. Town Manager

1. Town Manager Established; Role. Except as granted to the Town Manager herein, the administrative and executive functions of the town shall be reserved to the ~~Board of Selectmen~~**Select Board**.
2. Qualifications and Requirements. The Town Manager shall be chosen by the ~~Board of Selectmen~~**Select Board** on the basis of his or her executive and administrative qualifications, his or her technical knowledge of municipal administration, and his or her integrity of character.
  - a. The Town Manager need not be a resident of the town or state when appointed, but, while in office, may reside outside the town only with the approval of the ~~Board of Selectmen~~**Select Board**.
  - b. The Town Manager may not serve as any elected town official, assessor, or member of any board, commission or committee established under Article IV, Sections 1 or 2.
3. Roles and Responsibilities. The roles and responsibilities of the Town Manager shall include the following:



## Charter of the Town of North Yarmouth

- a. Act as the chief executive and administrative officer of the town.
  - b. Act as purchasing agent for all departments of the town and to put out to competitive bids any transactions of such minimum dollar amount as established by the ~~Board of Selectmen~~**Select Board** as the fiscal policy of the town from time to time.
  - c. Attend the regular meetings of the ~~Board of Selectmen~~**Select Board**, all Town Meetings and public hearings of the town or ~~Board of Selectmen~~**Select Board**.
  - d. Make recommendations, including orders or ordinance changes for adoption as the Town Manager may deem expedient for the efficient operation of the town.
  - e. Be responsible to the ~~Board of Selectmen~~**Select Board** for the administration of all departments and offices of the town and to keep the ~~Board of Selectmen~~**Select Board** advised as to the business, operations, and needs of the town.
  - f. Execute all laws and ordinances of the town.
  - g. Appoint, subject to confirmation by the ~~Board of Selectmen~~**Select Board**, supervise and manage the heads of departments and other town officials, except as otherwise designated. Subject to ratification in the town's budget, town department heads and other officials may include, but are not limited to the Town Clerk, Town Treasurer, Tax Collector, Registrar of Voters, Code Enforcement Officer, General Assistance Administrator, Road Commissioner, Director of Emergency Preparedness, Animal Control Officer, Health Officer, Electrical Inspector, Building Inspector, Plumbing Inspector, and Fire Chief.
  - h. Notwithstanding subsection g, the Town Manager may serve, with the permission of the ~~Board of Selectmen~~**Select Board**, as the head of one or more departments, offices, or agencies, or may appoint one person as the head of two or more of them.
  - i. Exercise administrative control over all departments created herein or that may be created hereafter either by general law or ordinance, including but not limited to all matters of hiring, firing, and employee discipline.
  - j. Have exclusive authority to remove for cause, after notice and hearing, all persons whom the Town Manager is authorized to appoint and report all removals to the ~~Board of Selectmen~~**Select Board**.
  - k. Unless otherwise provided by town ordinance or this charter, the Town Manager shall appoint, supervise and manage all town officials whom the ~~Board of Selectmen~~**Select Board** are required by law to appoint; and appoint, supervise and manage all other officials, subordinates and assistants, except that the Town Manager may delegate this authority to a department head and report all appointments to the ~~Board of Selectmen~~**Select Board**. The Town Manager shall not appoint or supervise any members of boards, commissions, committees and the assessor whether elected or appointed by the ~~Board of Selectmen~~**Select Board**, with respect to the performance of those duties.
  - l. Be liaison and resource person for all town boards and committees, and to attend public hearings and meetings when appropriate. The Town Manager shall assist, insofar as possible, residents and taxpayers in discovering their lawful remedies in cases involving complaints of unfair vendor, administrative and governmental practices.
  - m. Keep the ~~Board of Selectmen~~**Select Board** and the residents of the town informed as to the town's financial condition.
  - n. Collect data necessary to prepare the budget, and prepare a preliminary budget to present to the ~~Board of Selectmen~~**Select Board** and the Budget Committee.
4. **Compensation.** The ~~Board of Selectmen~~**Select Board** shall determine the compensation of the Town Manager, which shall be included in the annual budget approved at Town Meeting.

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### **5. Removal, Suspension, and Disability.**

- a. Removal and Suspension. The ~~Board of Selectmen~~**Select Board** may remove or suspend the Town Manager for cause in accordance with the following procedures.
  - (i) The ~~Board of Selectmen~~**Select Board** shall file a written preliminary resolution with the town clerk stating the specific reasons for the proposed removal or suspension. A copy of that resolution shall be delivered to the Town Manager within ten (10) days of filing. Within twenty (20) days of receiving the resolution, the Town Manager may reply in writing and request a public hearing.
  - (ii) Upon request for a public hearing, the ~~Board of Selectmen~~**Select Board** shall hold one at least ten (10) days but not more than thirty (30) days after the request is filed. After the public hearing or at the expiration of the time permitted the Town Manager to request the public hearing, if no such request is made, the ~~Board of Selectmen~~**Select Board** may adopt or reject the resolution of removal or suspension.
  - (iii) The ~~Board of Selectmen~~**Select Board** may suspend the Town Manager from duty in the preliminary resolution, but the Town Manager's salary may not be affected until the final resolution of removal has been adopted. In the case of such suspension, the ~~Board of Selectmen~~**Select Board** may appoint an acting Town Manager to serve at the pleasure of the ~~Board of Selectmen~~**Select Board** for not more than ninety (90) days.
  - (iv) The action of the ~~Board of Selectmen~~**Select Board** in removing the Town Manager shall be final, and shall be by majority vote of the ~~Board of Selectmen~~**Select Board**.
- b. Disability or Absence. The Town Manager may designate a qualified administrative official of the town to perform the Town Manager's duties during a temporary absence or disability, subject to confirmation by the ~~Board of Selectmen~~**Select Board**. If the Town Manager does not make this designation, the ~~Board of Selectmen~~**Select Board** may appoint a town official to perform the Town Manager's duties during the absence or disability and until the Town Manager returns or the disability ceases.

6. Regional Cooperation. The town may not jointly engage or cost share the Town Manager, except as approved by Town Meeting.

## **Article IV. Elected and Appointed Boards, Commissions, Committees, and Officials**

1. Elected Boards, Commissions, Committees, and Officials. The following positions shall be elected by secret ballot:
  - a. MSAD Directors. There shall be MSAD Directors, whose number, length of terms, powers and duties shall be as prescribed under the terms of the certificate of organization for the MSAD and who if more than one is provided for, shall be elected to staggered terms. The terms of those elected to serve as directors shall expire on June 30<sup>th</sup> of their expiration year.

## Charter of the Town of North Yarmouth

- b. Budget Committee. There shall be a Budget Committee consisting of seven (7) members elected to staggered three (3) year terms. The terms of those elected to the Budget Committee shall expire on June 30<sup>th</sup> of their expiration year. Members shall elect a chair and a secretary. The Budget Committee shall have the following duties and responsibilities:
- (i) The Budget Committee shall meet in conjunction or apart from the ~~Board of Selectmen~~**Select Board** to hear and review the Town Manager's proposed budget.
  - (ii) The Budget Committee shall meet to make comments and/or recommendations on said budget, either separately or jointly with the ~~Board of Selectmen~~**Select Board** for the annual town warrant.
  - (iii) The Budget Committee shall attend the annual Town Meeting to answer questions about said recommendations.
  - (iv) The Budget Committee's recommendations in all regards will be strictly advisory in nature and shall not be binding upon the ~~Board of Selectmen~~**Select Board**.
- c. Yarmouth Water District Trustee. There shall be one elected (1) Yarmouth Water District trustee. The terms, powers, and duties as prescribed by the Private and Special Legislation dealing with the Yarmouth Water District shall apply. The term of the elected trustee shall expire on June 30<sup>th</sup> of the expiration year.
- d. Cemetery Commission. There shall be a cemetery commission consisting of five (5) members elected to staggered five (5) year terms. The cemetery commission shall have responsibility for approving expenditure of trust funds for the care and maintenance of the cemeteries and set such other policies necessary for the respectful care and maintenance of town cemeteries.
2. Appointed Boards, Commissions, Committees and Officials. The following boards, commissions, committees and officials shall be appointed by the ~~Board of Selectmen~~**Select Board**.
- a. Board of Assessment Review. There shall be a Board of Assessment Review consisting of three (3) members appointed by the ~~Board of Selectmen~~**Select Board** to staggered three (3) year terms. The terms of those appointed to the Board of Assessment Review shall expire on June 30<sup>th</sup> of the expiration year. The Board of Assessment Review shall elect from their membership a chair and a secretary at its first regular meeting occurring on or after July 1<sup>st</sup> of each year.
  - b. Planning Board. There shall be a Planning Board consisting of five (5) regular members and two (2) alternate members appointed by the ~~Board of Selectmen~~**Select Board** to staggered three (3) year terms. The terms of those appointed to the planning board shall expire on June 30<sup>th</sup> of the expiration year. The members of the Planning Board shall elect from their membership a chair and a secretary annually at its first regular meeting occurring on or after July 1<sup>st</sup> of each year. Other than for purposes of electing the chair and secretary, an alternate

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may only vote in the absence of a regular member. The Planning Board shall execute such duties as prescribed in the ordinances of the town and by state law.

- c. Zoning Board of Appeals. There shall be a Zoning Board of Appeals consisting of five (5) regular members and two (2) alternate members. These members shall be appointed by the ~~Board of Selectmen~~ **Select Board** to staggered three (3) year terms. The terms of those appointed to the Zoning Board of Appeals shall expire on June 30<sup>th</sup> of their expiration year. The members of

the Zoning Board of Appeals shall elect from their membership a chair and a secretary at its first regular meeting occurring on or after July 1<sup>st</sup> of each year. Other than for purposes of

electing the chair and secretary, an alternate may vote only in the absence of a regular member. The Zoning Board of Appeals shall execute such duties as prescribed in the ordinances of the town and by state law.

- d. Parks & Recreation Committee. There shall be a Parks & Recreation Committee consisting of five (5) members appointed by the ~~Board of Selectmen~~ **Select Board** to staggered three (3) year terms. The terms of those appointed to the Parks & Recreation Committee shall expire on June 30<sup>th</sup> of their expiration year. The Recreation Committee shall elect from its membership a chair and a secretary at its first regular meeting occurring on or after July 1<sup>st</sup> of each year.

(i) The Parks & Recreation Committee shall advise the town and municipal officers on matters of parks and recreation and supervise any parks and recreation programs by the town.

(ii) The Parks & Recreation Committee shall oversee any town property designated as a parks and recreation area by the ~~Board of Selectmen~~ **Select Board** and make recommendations to the ~~Board of Selectmen~~ **Select Board** regarding its use.

- e. Shellfish Conservation Commission. There shall be a Shellfish Conservation Commission consisting of three (3) members appointed by the ~~Board of Selectmen~~ **Select Board** to staggered three (3) year terms. The terms of those appointed to the Shellfish Conservation Commission shall expire on June 30<sup>th</sup> of their expiration year. Members of the Shellfish Conservation Commission shall have the powers and duties as prescribed by the Private and Special Legislation dealing with the Shellfish Conservation Commission and as prescribed in the Town of Yarmouth's Shellfish Conservation Ordinance as may be amended, superseded, or replaced from time to time.

- f. Other Officials. The ~~Board of Selectmen~~ **Select Board** shall appoint such other officials to regional bodies as may be required from time to time to serve on such regional bodies required or permitted by law, agreement or otherwise.

3. Ad Hoc Committees. Any committee not otherwise mentioned in this charter shall be an ad hoc committee. Ad hoc committees are such committees as are necessary to the efficient functioning

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of the town. The ~~Board of Selectmen~~**Select Board** may, at its discretion, create or eliminate such ad hoc committees as it desires, subject to the following:

- a. The ~~Board of Selectmen~~**Select Board** shall meet annually with each Ad hoc committee to deliver a written charge to the ad hoc committee.
- b. The ~~Board of Selectmen~~**Select Board** shall appoint members in such numbers as are required.
- c. Each ad hoc committee shall remain in existence for a maximum of one (1) year; however, the ~~Board of Selectmen~~**Select Board** may extend the establishment of any ad hoc committee for additional terms. Each such term shall be up to one (1) year as necessary.
- d. Each of the ad hoc committees shall elect from their membership a chair and a secretary at its first regular meeting.
- e. The chair shall keep the ~~Board of Selectmen~~**Select Board** regularly apprised of the ad hoc committee's progress.

#### **4. Other Duties.**

- a. In addition to the duties and responsibilities set forth herein or by law, each board, commission, committee or individual official established pursuant to this Article IV shall prepare an annual report, which shall be due on such date and contain such information as directed by the chair of the ~~Board of Selectmen~~**Select Board**.
- b. Each board, commission or committee established pursuant to this Article IV may adopt, amend, or repeal bylaws from time to time as necessary and appropriate for its efficient operation. All current bylaws shall be maintained by the town and made available for public review.

### **Article V. General Provisions**

1. **Amendments.** This charter may be amended or revised under Title 30-A, Sections 2101 through 2109.
2. **Effective Date.** This charter is effective on July 1, 2013.
3. **Transition Provisions.**
  - a. All elected and appointed persons not otherwise addressed in this Article V, Section 3 shall continue to serve until the expiration of their term or until their successor is duly elected or appointed hereunder.
  - b. The prohibition on serving as a selectman pursuant to Article II, Section 5(b) shall apply to all selectmen as of the effective date of the charter. Should the prohibition create a conflict for any selectman elected prior to the effective date, that selectman's seat becomes vacant as of the effective date of the charter unless the selectman eliminates the conflict before the effective date.  
In order to reduce the number of Budget Committee members from nine (9) to seven (7), there will be two (2) seats available for election in June 2014 and two (2) seats for election in June 2015.
  - c. The Conservation Commission shall be disbanded as of the effective date of this charter. Any funds or other property held by or in the name of the Conservation Commission shall be

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deemed transferred to the Town. The ~~Board of Selectmen~~ **Select Board** shall perform or delegate any duties or obligations of the Conservation Commission subsequent to the effective date of this Charter.

d. Any committees in existence at the time of the enactment of the charter not specifically identified in the charter shall become ad hoc committees described in Article IV, Section 3. By September 30, 2013, the ~~Board of Selectmen~~ **Select Board** shall have the option to review these committees and deliver the charge to the committee. Otherwise such committees shall be disbanded automatically as of September 30, 2013.

e.e. The Board of Selectmen shall appoint an interim Town Manager to serve until such time as the Board of Selectmen has selected someone to serve as Town Manager.

4. **Conflicts of Interest**. Any official, officer or employee of the town who has a financial interest, direct or indirect, or by reason of ownership of stock in any corporation or ownership interest in a business entity, in any contract with the town, or in the sale of any land, material, supplies or services to the town or to a contractor supplying the town shall make known that interest and shall

refrain from voting upon or otherwise participating in his/her capacity as an official, officer or employee in making such sale or otherwise in the making or performing of such contract.

Any official, officer or employee who willfully conceals such financial interest or willfully violates the requirement of this section shall be guilty of malfeasance in office or position and shall forfeit his/her office or position. Violation of this section with the express or implied knowledge of the person or business entity contracted with or making a sale to the town shall, at the option of the town, render the contract or sale voidable.

In all proceedings before the town, every municipal official shall attempt to avoid the appearance of a conflict of interest by disclosure or abstention.

5. **Liberal Construction**. The powers of the town under this charter shall be construed liberally, and the specific mention of particular powers of the charter shall not be construed as limiting in any way the general power of these articles.

6. **Repealer**. All Acts or parts of Acts inconsistent herewith insofar as they relate to the town are hereby repealed.

7. **Invalidity**. If any portion of the charter shall be held invalid or unconstitutional, such portion will not affect the validity of the remaining portions thereof.

8. **Applicable Law**. Except as otherwise providing in this Charter, the Town of North Yarmouth operates under the laws of the State of Maine.