

**Town of North Yarmouth
Select Board Meeting Agenda
Tuesday, June 7, 2022
Regular Business Meeting
5:00PM**

Wescustogo Hall & North Yarmouth Community Center

Select Board Members

Brian Sites, Chairperson
Paul Hodgetts, Board Member

James Moulton, Vice-Chairperson

David Reed, Board Member

I. Call to Order

- Pledge of Allegiance

The format and structure for Select Board meetings are authorized and governed by our Town Charter and the Select Board Bylaws with overarching guidance from Maine Statues. Select Board members are not collectively or individually allowed to speak about personnel matters and may only address personnel matters in an executive session per State Statute Title 1 § 401-410

II. Executive Session Consultation with Legal Title 1 M.R.S. section 405 (6)(E).

III. Public Hearing

- Trudy Bird LLC-On Premises Liquor License-New

IV. Appointments

V. Special Presentations

VI. Announcements

VII. Consent Agenda

Items under "Consent Agenda" are routine items that require Board action but typically do not contain much discussion. The consent agenda does not call for any discussion, but any Select Board member may request a particular item to be removed by a vote of the Select Board to be discussed further under "Old Business".

- Payroll Accounts Payable Warrants
- Municipal Accounts Payable Warrants
- May 3, 2022, Business Meeting Minutes
- May 17, 2022, Business Meeting Minutes
- Fiscal Year 2022 Audit Engagement Letter

VIII. Public Comment - Non-Agenda Items

Comments regarding non-agenda issues, concerns, commendations, or matters of general public information are welcome. The public is encouraged when commenting or expressing points of view about an individual(s) that they do so respectfully and constructively. Topics relating to personnel matters cannot be acknowledged.

Each individual must be recognized by the Chair and will have up to three (3) minutes to speak. The Chair may recognize members of the public at their discretion and will prioritize individuals who have not spoken more than once.

Management Reports & Communications

- Town Manager's Report

IX. Old Business

- Trudy Bird, LLC – On Premises Liquor License Approval (New)

X. New Business

- Financial Policy Amendment
- Living Well-Story Walk

XI. Any Other Business

XII. Adjournment

REMINDERS TO THE ATTENDING PUBLIC: Please mute all digital devices; Select Board meetings are open to the public, but the public may not speak unless recognized by the Chairperson first. **Workshops:** The public is welcome to attend workshops and listen to the discussion that takes place. The purpose of holding a workshop is to provide the Select Board with the opportunity to focus on specific town matters to later present at a regular business meeting. Therefore, public participation is limited to only regular business meetings of the Select Board.

Version 2 June 2, 2022

Town of North Yarmouth Select Board Business

II. *Public Hearing(s)*

June 7, 2022

Trudy Bird, LLC – On Premises Liquor License (NEW)

OPENING THE PUBLIC HEARING

Move that the Select Board open the public hearing on the liquor license application provided by Trudy Bird, LLC. Second, discussion and vote follow.

AUDIENCE PARTICIPATION

Once the Chair opens the public hearing, those present who wish to speak may approach the microphone and address the Chair with their comments. Those wishing to speak shall state their name and street address for the record.

CLOSE THE PUBLIC HEARING

Move that the Select Board close the public hearing on the liquor license application provided by Trudy Bird, LLC. Second, discussion and vote follow.

Town Manager Comments:

This item is listed under “Old Business” for further discussion and acceptance by the Select Board.

Town of North Yarmouth

Select Board Business

VI. Consent Agenda

June 7, 2022

Consent Agenda items are considered routine and will be considered for adoption by one (1) motion with no separate discussion unless a Select Board member requests and item to be removed.

- Payroll Accounts Payable Warrants
- Municipal Accounts Payable Warrants
- May 3, 2022, Business Meeting Minutes
- May 17, 2022, Business Meeting Minutes
- Fiscal Year 2022 Audit Engagement Letter (Authorizing the Town Manager to sign the attached agreements)

Town Manager's Comments:

Find attached an understanding of the nature and limitations for services for both the annual audit and for the auditor to provide Fixed Asset services for the Town. The Town currently has a three (3) year contract with RHR Smith & Company.

APPROVE CONSENT AGENDA, AS PRESENTED

Move that the Select Board approve the Consent Agenda, as presented. Second, discussion and vote follow.

OR

FURTHER DISCUSSION

Move to remove _____ from the "Consent Agenda" for further discussion under "Any Other Business". Second, discussion and vote follow.

NOTE: WHEN A SELECT BOARD MEMBER WISHES TO TAKE AN ITEM OUT OF ORDER, THE BOARD MEMBER MAY MAKE A MOTION TO DO SO, AS LISTED UNDER "FURTHER DISCUSSION".

Example

- 1) "I move to remove the April 19, 2022, Business Meeting Minutes from the Consent Agenda for further discussion under 'Any Other Business'". *Second, discussion and vote.*
- 2) *At this point, there is a vote on the motion (if there is a second). A vote to approve the Consent Agenda, **as amended**, is then required without any further discussion. (see below)*
- 3) "I move to approve the 'Consent Agenda', as amended". *Second, discussion and vote.*

**Town of North Yarmouth
Select Board
Meeting Minutes of Tuesday, May 3, 2022
Wescustogo Hall & North Yarmouth Community Center**

Call to Order (7:45) – Brian Sites, James Moulton, David Reed, and Paul Hodgetts were present. The Town Manager, Diane Barnes, was also present. Chairperson Sites called the meeting to order at 7:00 PM.

Proclamations (8:29) – Chairperson Sites moved that the Select Board recognize May 1st, 2022, through May 7th, 2022, as Public Service Recognition Week. Selectperson Hodgetts seconded. Discussion: none. **Vote: 4 Yes – 0 No.**

Public Hearing(s) (11:36):

Opening the Public Hearing

Chairperson Sites moved to open the public hearing. Selectperson Reed seconded the motion. **Vote: 4 Yes – 0 No.**

Public Recognition

Mike Mallory, Walnut Hill Road, commented on the following sections of the bylaws:

Section 1: Mike Mallory made an inquiry on the language of this section and its purpose. Selectperson Moulton clarified the process with Mike Mallory.

Section 2: Section 2, § A: Mike Mallory commented on the terms of the Select Board Chair in the bylaws. Section 2, § C: Mike Mallory inquired on the Board's Chair's authority. Section 2, § D: Mike Mallory suggested that there be more references to statute or other law that support the Select Board's authority. Section 2, § F: Mike Mallory commented on the section's need for clarity on the vote.

Section 3, § D: Mike Mallory commented on the presented new requirements for posting the agenda. Chairperson Sites suggested to amend the language to clarify that notices will be posted to all the "Town communication channels".

Section 3, § B: Selectperson Moulton commented with his disagreements with requiring an agenda being posted seven (7) days in advance. Chairperson Sites clarified that the agendas do have indications when they are changed.

Section 3, § E: Mike Mallory commented on the Chair's ability to call a meeting.

Section 5, § B: Mike Mallory suggested for clarification on if the Board allows consensus voting with references both in Section 5 and Section 2.

Section 9: Mike Mallory commented that the powers and authorities given under Charter should not also be addressed in the Select Board Bylaws. Chairperson Sites responded that he disagreed based on the language's purpose to clarify the actors of the government and their responsibilities.

Paul Whitmarsh commented that the Select Board should require more than state statute regarding meeting minutes and the official record of the meeting. Mr. Whitmarsh suggested that "personal remarks" be removed from Section 10, § A(1).

Kate Perrin, New Gloucester Road, asked if the Town Attorney would address the changes. She also commented that the Select Board Bylaws are different from other towns.

Judy Potter, Walnut Hill Road, commented on the public being able to speak outside of public comment and during agenda items. Judy Potter asked if amendments to the Select Board Bylaws required a public hearing.

Closing the Public Hearing

Selectperson Reed moved to close the public hearing. Selectperson Hodgetts seconded the motion. Discussion: Selectperson Moulton asked what would happen next. Chairperson Sites responded that the item will be

addressed under “New Business”. Selectperson Moulton inquired if an attorney has reviewed the document. Selectperson Reed requested a legal review of the document. **Vote: 4 Yes – 0 No.**

Appointment(s) (55:29):

Events Committee – Chairperson Sites moved that the Select Board appoint Elizabeth Jacobson to the Events Committee for a term to expire on June 30, 2022. Selectperson Reed seconded the motion. Discussion: Selectperson Reed noted that this item should have been addressed weeks ago. Selectperson Reed asked if the Select Board could include agenda items during the meeting for appointments. The Town Manager responded in the negative due to the constraints of being able to follow the process previously determined by the Board. **Vote: 4 Yes – 0 No.**

Consent Agenda (58:28) – Selectperson Hodgetts moved to approve the Consent Agenda, as presented. Selectperson Reed seconded the motion. Discussion: Selectperson Reed clarified that the Select Board would not discuss items under consent agenda. Motion failed.

Selectperson Hodgetts moved to remove the April 19, 2022, Business Meeting Minutes from the Consent Agenda. Chairperson Sites seconded the motion. Discussion: Selectperson Hodgetts requested that the names listed on page 27 and 29 be reviewed and corrected with the resident’s full names. **Vote: 4 Yes – 0 No.**

Public Comment - Non-Agenda Items (1:02:41):

Paul Whitmarsh, Wild Turkey Lane, commented on the Economic Development & Sustainability Committee’s recent charges provided by the Select Board.

A resident discussed the issues with the Town’s development and its effect on local wildlife, specifically white-tailed deer. The resident suggested a fund be created to address the issue in the future. Selectperson Moulton suggested that the resident speak with the Warden Service. The resident discussed with the Board potential solutions to address the issue.

Another resident commented on the speed sign located near Walnut Hill Road. The resident suggested that the Town implement slow down measures, mentioning the bollards placed on the road last year, in conjunction with the speed sign. The Town Manager responded that she and the Road Commissioner were speaking with MDOT to potentially reduce the speed coming into Town.

Eliza Bachelder, Walnut Hill Road, stated that she agreed with the implementation of the bollards on the highway and commented on further driver education.

Amy Hale, North Road, stated that there was concern for her and her husband when the bollards were installed last year as bikers were forced into the lane with vehicle traffic.

Rachel Whitmarsh, Wild Turkey Lane, stated that safety measures should be considered outside the Village Center.

Management Reports & Communications:

Town Manager’s Report (1:19:44) – The Town Manager reported that the Town Office was preparing to send letters to a list of truckers who have been identified as driving through Town as part of LWNY’s initiative to thank the drivers for their safe driving. The Town Manager reported the route of the “Trek Across Maine” event coming through North Yarmouth on June 19th – coming through Portland Road, Long Hill Road, Haskell Road, and Route 115. The Town Manager reported that the Town’s banking institution, Norway Savings Bank, will be waiving the fees on the Town’s accounts so that interest can be collected from the account.

Old Business:

Select Board Bylaws (1:21:09):

Section 1: No proposed changes.
Section 2 § (A): No proposed changes.

Section 2 § (F): Chairperson Sites recommended striking Section 2 § (F), “By affirmative vote of not less than four (4) members, the Select Board may vote to remove a Chair prior to the expiration of their term and thereafter by affirmative vote of no less than three (3) members, elect a replacement.”

Section 2 § (G): The Town Manager suggested a tape recorder be available. Selectperson Reed suggested that the language be amended to require that the minutes be made available with the video record.

Section 2 § (J): Selectperson Reed requested requiring the Select Board to provide a majority vote to have the Board provide instruction to the Town Manager. Chairperson Sites stated that the section’s proposed language as requiring a majority vote.

Section 3 § (B): Chairperson Sites stated that the Board would be striking the proposed “EXCEPTION” listed in this section. Selectperson Reed stated that the Board should include language that the agenda should be identified as being changed after it’s been posted. The Town Manager advised the Board that she was not sure if agendas could be posted seven (7) days prior to the meeting. Selectperson Reed responded that items should be addressed at the meeting. Chairperson Sites responded that the agenda should be posted no later than five (5) days prior to the meeting.

Section 3 § (D): Selectperson Reed stated that public hearings should have notice at least seven (7) days before the meeting with the understanding that the notice would be placed on the Town’s communication platforms.

Section 3 § (G): none.

Section 4 § (A): The Select Board agreed to allow four (4) minutes instead of three (3) for public comment. Selectperson Reed stated that the Board should allow public comment throughout the agenda. Selectperson Reed stated that Board should move section 4 (A) to a newly created section 3 (K).

Section 5 § (E): The Board agreed to strike this section.

Section 6-8: No comments.

Section 9: No comments.

Section 10: From the additions presented at the last meeting, the Select Board agreed to strike any language regarding arguing, debating, or personal remarks that are allowed at meetings.

Section 11: Selectperson Reed requested that an invalidity clause be added.

Selectperson Reed moved to present the changes to the Town Manager for entry into the draft “Select Board Bylaws” and to request that a full legal review be conducted on the proposed changes. Chairperson Sites seconded the motion. Discussion: none. **Vote: 4 Yes – 0 No.**

Public Recognition

Chairperson Sites recognized Mike Mallory, Walnut Hill Road, who made a comment. The Town Manager commented on late agenda items. Chairperson Sites recognized Judy Potter, Walnut Hill Road, commented on materials being posted to the website.

Chairperson Sites recognized Elizabeth Jacobson. The Town Manager addressed Elizabeth Jacobson’s questions. Chairperson Sites recognized Paul Whitmarsh who made a clarifying statement.

New Business:

Senior Policy (1:44:57) – Chairperson Sites stated that the Board would be looking into policy decisions that concern senior citizens.

Public Recognition

Paul Whitmarsh, Wild Turkey Lane, stated that he had some adjustments to the Town’s “Property Tax Assistance Ordinance”.

Fee Schedule – Call Public Hearing (1:47:39) – Selectperson Reed moved to set a public hearing on May 17, 2022, for the proposed changes to the Fee Schedule. Selectperson Hodgetts seconded the motion. Discussion: none. **Vote: 4 Yes – 0 No.**

Any Other Business (1:48:51) – Selectperson Hodgetts inquired if the Town’s contracted individual working on the removal of beaver dams had to have insurance to work for the Town. The Town Manager responded in the affirmative. Selectperson Reed read a pledge from the “Mayor’s Monarch Pledge” and inquired if the Select

Board would be interested in being involved. Selectperson Reed requested that the Board invite the individual who sent the email regarding the pledge to him at a future meeting.

Adjournment (1:53:00) – Selectperson Reed moved to adjourn at 8:48 PM. Selectperson Hodgetts seconded the motion.

Prepared By: Draven Walker
Executive Assistant/Recording Secretary

Select Board

Brian Sites, Chair

James Moulton, Vice Chair

David Reed

Paul Hodgetts

DRAFT

**Town of North Yarmouth
Select Board
Meeting Minutes of Tuesday, May 17, 2022
Wescustogo Hall & North Yarmouth Community Center**

Call to Order – (6:22) Brian Sites, James Moulton, David Reed, and Paul Hodgetts were present. The Town Manager was also present. Chairperson Sites called the meeting to order at 7:00 PM

Selectperson Moulton read the historical minute provided by the North Yarmouth Historical Society.

Proclamations:

Spirit of America Award (11:46) – The Town Manager explained the award and read the proclamation. The proclamation can be found on the Town's website or at the Town Office. Selectperson Reed moved that the Select Board award the Spirit of America Tribute to the North Yarmouth Historical Society for their 49 years of commendable community service. Selectperson Moulton seconded the motion. Discussion: none. **Vote: 4 Yes – 0 No.** President of the Historical Society, Katie Murphy, thanked the Select Board.

Public Hearing(s):

Fee Schedule (18:30)

Opening the Hearing

Chairperson Sites moved that the Select Board open the public hearing on the amendments to the Fee Schedule. Selectperson Reed seconded the motion. Discussion: none. **Vote: 4 Yes – 0 No.**

Public Recognition

Kate Perrin, New Gloucester Road, stated that the Town may only be able to generate so much funding off the Wescustogo Hall & North Yarmouth Community Center. Selectperson Reed clarified that he would just be looking to fund the positions.

Selectperson Hodgetts requested that the item be tabled until a new director is hired for the facility. Selectperson Hodgetts inquired about items that were increased and inquired on the "N/A" meaning in the schedule. Selectperson Reed commented that he believed the fees were not high enough. Selectperson Moulton stated that the fee schedule should be moved forward.

Closing the Hearing

Selectperson Reed moved that the Select Board close the public hearing on the amendments to the Fee Schedule. Selectperson Hodgetts seconded the motion. Discussion: none. **Vote: 4 Yes – 0 No.**

Appointments – none.

Consent Agenda – (24:40) Selectperson Reed stated that items could not be discussed out of order. Selectperson Hodgetts inquired about a check written to Ann Dillion and Donna Palmer. The Town Manager answered that the funds would come from the LWNV fund balance. Selectperson Moulton moved that the Select Board approve the consent agenda, as presented. Selectperson Reed seconded the motion. Discussion: none. **Vote: 4 Yes – 0 No.**

Public Comment - Non-Agenda Items:

(27:11) Judy Potter, Walnut Hill Road, discussed an incident regarding the Planning Board. Judy Potter questioned when the residents were able to discuss on agenda items. Selectperson Moulton responded that he was aware of the situation and clarified that the process allows certain times for the public to speak but stated that it needs to be clear when the public could speak. Kit Maloney, Walnut Hill Road, responded that certain item, such as the one discussed by Judy Potter, are classified differently depending on where in the process the

application is during a Planning Board meeting. There was further discussion on the item and Selectperson Reed made comments regarding the Planning Board's process for allowing public comment adding that there should be consistency in all the notices published regarding public participation at Planning Board meetings. Mike Mallory, Walnut Hill Road, described the event with the Select Board. Paul Whitmarsh, Wild Turkey Lane, clarified that the Site Plan Review happens prior to the public hearing and prior to the final approval. Selectperson Moulton further commented that the Planning Board has discretion to allow people to speak. Chairperson Sites encouraged residents to send communications to the Planning Board.

Tim Valenti, 15 Field Stone, introduced himself to the Select Board and shared his view on the proposed school being built in North Yarmouth. Tim Valenti is running for the M.S.A.D. 51 Board of Directors.

Bill Young, Sweetser Road, inquired about the Sharp's Field Agreement. Selectperson Moulton indicated that he would address the item under "Any Other Business".

Management Reports & Communications:

Town Manager's Report – (40:44) The Town Manager commented that the next year audit was in progress and requested that the Department Head Reports be available quarterly. Selectperson Moulton thanked the Fire Chief for a class he recently held.

Department Head Reports – These reports can be found on the Town's website, www.northyarmouth.org, or at the Town Office.

April Expense and Revenue Reports – These reports can be found on the Town's website, www.northyarmouth.org, or at the Town Office.

Old Business:

Fee Schedule – (42:10) Selectperson Reed moved to approve the Fee Schedule, as presented. Selectperson Hodgetts seconded the motion. Discussion: none. **Vote: 4 Yes – 0 No.**

New Business –

Trudy Bird, LLC – On Premises Liquor License Approval – New – (42:48) Selectperson Reed moved to set a public hearing for June 7th 2022. Selectperson Moulton seconded the motion. Discussion: Selectperson Hodgetts requested the applicants be available at the next meeting. **Vote: 4 Yes – 0 No.**

Waiver of Foreclosure – (43:44) Selectperson Moulton moved that the Select Board authorize the Treasurer to file a waiver of foreclosure for account #143, Hilda Gladstone, 111 Mountfort Road, Map/Lot 003-091, for the 2020 tax lien mortgage in the Cumberland County Registry of Deeds. Chairperson Sites seconded the motion. Discussion: Selectperson Moulton stated that the property may have some contaminants that would need to be looked at. Selectperson Hodgetts asked how long the property was in foreclosure. The Town Manager responded that the foreclosure was set prior but was extended to June 15, 2022 due a clerical error. The Town Manager stated that she wanted to have the waiver of foreclosure filed before June 15th. **Vote: 4 Yes – 0 No.**

Any Other Business – (46:24) Selectperson Moulton responded to a question from Bill Young, Sweetser Road, in public comment. Selectperson Moulton described his efforts to reach out to the facilities board with M.S.A.D. 51 and their concerns with the current agreement, as drafted. Selectperson Moulton clarified that the item would not go before the M.S.A.D. 51 Board of Directors. Selectperson Moulton recommended that the Board go forward with a restrictive covenant.

Selectperson Reed requested that he have the opportunity to access the town's legal services and search for a third party. Selectperson Moulton requested that the warrant article be reviewed for further options to move forward. Selectperson Reed requested an hour with the legal services to make the agreement more concise to be attractive to another board or organization. Selectperson Reed clarified that the purpose of the article was meant to have an entity check the town. Chairperson Sites stated that he was concerned with entering in an agreement with the Veteran's Park due to the indefinite length that an agreement would require (Selectperson Reed suggested this entity as a third party to meet the warrant article's language to enter into

an agreement with a third party). Selectperson Moulton stated that the lawyer should provide further advice. Selectperson Hodgetts asked how long the item would be brought back to the board from the attorney. Chairperson Sites recognized Bill Young, Sweester Road. Selectperson Reed moved for a point of information to read Article 2 of the FY2021 Town Meeting Warrant. Selectperson Reed read Article 2 of the FY2021 Town Meeting Warrant.

Public Recognition

Bill Young made inquiries on who would be responsible for the insurance and who would address the scheduling of the sport's field (Sharp's Field). Selectperson Moulton responded with comments indicating that the school district would be responsible for both items.

Adjournment – (1:11:55) Selectperson Hodgetts moved to adjourn at 8:07 PM. Selectperson Reed seconded the motion. Discussion: none. **Vote: 4 Yes – 0 No.**

Prepared By: Draven Walker
Executive Assistant/Recording Secretary

Select Board

Brian Sites, Chair

James Moulton, Vice Chair

David Reed

Paul Hodgetts



Proven Expertise & Integrity

May 16, 2022

Ms. Diane Barnes, Town Manager
Town of North Yarmouth
10 Village Square Road
North Yarmouth, ME 04097

Dear Ms. Barnes,

We are pleased to confirm our understanding of the nature and limitations of the services we are to provide the Town of Yarmouth for the fiscal year ended 2022.

We will apply the agreed-upon procedures which the Town has specified, indicated below, to provide for Fixed Assets services for the fiscal year ended 2022.

Our Responsibilities and Services to be Performed:

- Maintain a list of the Town's fixed assets as they have been provided and updated annually by the Town.
- Classify and identify the useful lives of those fixed assets in accordance with IRS standards and other applicable regulatory authority guidelines, using information provided by the Town.
- Provide annual depreciation amounts in accordance with IRS standards and other applicable regulatory authority guidelines for the preparation of the Town's financial statements.
- Provide a listing of the Town's fixed assets report on an annual basis for the Town's review and use for the preparation of the Town's financial statements.

This engagement is solely to assist the Town with the above-mentioned Fixed Asset services. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified above. Consequently, we make no representation regarding the sufficiency of the procedures described above for any purpose. If, for any reason, we are unable to complete the procedures, we will describe any restrictions on the performance of the procedures in a report or will not issue a report as a result of this engagement.

Because the agreed-upon procedures listed above do not constitute an examination, we will not express an opinion on Fixed Asset services. In addition, we have no obligation to perform any procedures beyond those listed above.

Ron Smith is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Town's Responsibilities:

During our engagement, the Town's management is responsible to provide us with annual additions and deletions to the fixed asset database in compliance with the Town's own adopted policies and procedures, including, but not limited to:

- all required or requested documentation to verify fixed asset purchase details (including which Town account(s) were expensed for the asset in their accounting system)
- all documentation needed to appropriately identify and classify the fixed asset
- all documentation needed to verify ownership of the fixed asset
- any specific details regarding the useful life of the fixed asset (as applicable)
- specific details regarding any asset retirement obligations or restrictions on the fixed asset

Unless unforeseeable problems are encountered, the engagement should be completed by June 30, 2023.

The above-mentioned Fixed Asset services will be provided at a flat rate charge of \$250 to be billed on an annual basis. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their responsibility for the sufficiency of procedures.

RESPONSE:

This letter correctly sets forth the understanding of the Town of Yarmouth.

By: _____

Title: _____

Date: _____



Proven Expertise & Integrity

May 16, 2022

Ms. Diane Barnes, Town Manager
Town of North Yarmouth
10 Village Square Road
North Yarmouth, ME 04097

Dear Ms. Barnes,

We are pleased to confirm our understanding of the services we are to provide the Town of North Yarmouth for the year ended June 30, 2022. We will audit the financial statements of the governmental activities, any business-type activities, any aggregate discretely presented component units, each major fund, and any aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Town of North Yarmouth of and for the year ended June 30, 2022. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the basic financial statements of the Town of North Yarmouth. 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. As part of our engagement, we will apply certain limited procedures to the Town of North Yarmouth RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding 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 will 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. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis

We have also been engaged to report on supplementary information other than RSI that accompanies the Town of North Yarmouth's financial statements. We will subject the supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements.

3 Old Orchard Road, Buxton, Maine 04093

T. 800.300.7708 | 207.929.4606 | F. 207.929.4609

www.rhrsmith.com

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the Town of North Yarmouth and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Town of North Yarmouth's financial statements. Our report will be addressed to the Select Board of the Town of North Yarmouth. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that Town of North Yarmouth is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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 will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited

to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Town of North Yarmouth's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist the Town of North Yarmouth in: preparing draft financial statements that are based on management's chart of accounts and trial balance and any adjusting, correcting, and closing entries that have been approved by management; preparing draft Management's Discussion and Analysis and notes to the financial statements based on information determined and approved by management; reviewing Town of North Yarmouth-maintained depreciation schedules for which management has determined the method of depreciation, rate of depreciation, and salvage value of the asset, all in conformity with U.S. generally accepted accounting principles, permissible nonattest services under the AICPA Code of Conduct and nonaudit services under *Government Auditing Standards* for attest/audit engagements. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. Management responsibilities for these services are listed below.

We will perform the nonattest/nonaudit services in accordance with applicable professional standards, including the Code of Conduct issued by the American Institute of Certified Public Accountants. These services are limited to the financial statements and depreciation schedule services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, and contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Audit Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to oversight agencies; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of RHR Smith & Company and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to an oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of RHR Smith & Company personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by an oversight agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party (ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Ronald H.R. Smith is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$15,550, broken down as follows:

June 30, 2022:

Financial Statement Audit	\$15,550
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Additional annual price of Single Audit (if necessary) - \$3,000 for each major program

Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the

date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

We appreciate the opportunity to be of service to the Town of North Yarmouth and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very Best,



RHR Smith & Company, CPAs
RHRS/22

RESPONSE:

This letter correctly sets forth the understanding of the Town of North Yarmouth.

Management signature: _____

Title: _____

Date: _____

Town of North Yarmouth Select Board Business

IX. Old Business

June 7, 2022

Trudy Bird, LLC – On Premises Liquor License Approval

Chairperson Sites and the Town Manager will lead the discussion.

SUGGESTED MOTION

Move that the Select Board [grant/deny] the attached liquor license for Trudy Bird, LLC. Second, discussion and vote follow.

Senior Policy Discussion

Chairperson Sites will lead the discussion.



STATE OF MAINE
DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
BUREAU OF ALCOHOLIC BEVERAGES AND LOTTERY OPERATIONS
DIVISION OF LIQUOR LICENSING AND ENFORCEMENT

TELEPHONE: (207) 624-7220

FAX: (207) 287-3434

EMAIL INQUIRIES: maineliquor@maine.gov

Thank you for your interest in becoming a licensed establishment to sell and serve alcoholic beverages in Maine. To avoid any delay in the processing of your application and the subsequent issuance of your liquor license, please use the following checklist to assist you in completing the application. If you are renewing your license, this checklist is useful as well.

- Your application has been completed in its entirety and is legible. For a renewal, please submit your application 30 days prior to the expiration date of your liquor license.
- Your application is signed and dated by a duly authorized person.
- The application is signed and approved by the Town or City Municipal Officers or County Commissioners.
- The license fee submitted is for the correct fee for the license class for which you are applying and includes the \$10.00 filing fee.
 - The check must be made payable to "Treasurer, State of Maine"; both the license and filing fees can be submitted on one check.
 - If the licensee/applicant(s) is in an unorganized township, the application must be approved by the County Commissioners and the \$10.00 filing fee must be paid to them. Please be sure to include a copy of the receipt of payment with your application.
- For a renewal, the dollar amount of your gross income for food, liquor and guest rooms, if applicable must be completed – see Section I.1
- A diagram of the facility to be licensed must accompany **all** applications whether for a new license or the renewal of an existing license
- If you are a registered business entity with the Maine Secretary of State's office like a corporation or a limited liability company, you must complete Section VII of the application. This does not need to be completed if you are a sole proprietor.
- Have you applied for other required licensing from other state and federal agencies? See attached list.

Important – all applications whether for a new license or to renew an existing license for an on-premises liquor licenses must contact their Municipal Officials or the County Commissioners in unincorporated places to have their application approved and signed prior to submitting it to the Bureau for further consideration.

The address to send your completed application to:

1. Mailing address:

Bureau of Alcoholic Beverages and Lottery Operations
Division of Liquor Licensing and Enforcement
8 State House Station
Augusta, ME 04333-0008

2. Courier/overnight address:

Bureau of Alcoholic Beverages and Lottery Operations
Division of Liquor Licensing and Enforcement
19 Union Street, Suite 301-B
Augusta, ME 04330

Town of North Yarmouth Select Board Business

X. *New Business*

June 7, 2022

Financial Policy Amendment

Town Manager's Recommendation:

It is recommended that the Select Board amend the Financial Policy to add language under section V., "Cash Management", § B(9) to include language that allows credit card payments to be taken over the phone. The Town currently allows credit card payments through a third-party (INFORME).

SUGGESTED MOTION

Move to amend the Financial Policy, as presented. Second, discussion and vote follow.



Town of North Yarmouth
Financial Policies
Adopted January 15, 2019
Amended December 15, 2020
Amended June 7, 2022

Contents

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Town of North Yarmouth
Financial Policies

I. PURPOSE

The purpose of this policy is to provide objectives, the delegation of authority, standards of prudence, reporting requirements, internal controls, eligible investments, transactions, risk tolerance, safekeeping and custodial procedures, and selected guidelines for the financial management of the Town of North Yarmouth under the direction of the Town Manager/Purchasing Agent for the Town or his or her designee.

II. PURCHASING

Purchasing policies set forth the duties and responsibilities of the Town Manager, Department Heads, and the Select Board in standardizing the purchasing of goods and services for the Town of North Yarmouth, thereby securing for the Town the advantages of a centralized and uniform purchasing saving the taxpayers money and increasing public confidence in the procedures for municipal purchasing. This policy establishes an overall purchasing policy from which the Town Manager will develop methods to be utilized by all Town departments, as well as boards and committees that receive budgetary appropriations from the Town; and to promote the fair and equitable treatment of all suppliers of goods and services.

A. Purchasing Definitions

1. **Approved Vendors and Contractors:** Those vendors and contractors identified by each Department Head to the Town Manager. The Town Manager and or Department Head is responsible for maintaining the list of such approved parties for bidding purposes and for promoting and soliciting North Yarmouth vendors and residents for said list. The Town Manager shall keep detailed records for each department on file at all times. Such listing shall be reviewed and updated every two fiscal years.
2. **Most Advantageous Bid:** A bid chosen on the basis of price, quality of merchandise, suitability of merchandise, and the service reputation of the vendor, and therefore may not necessarily mean the lowest bid received.
3. **Competitive Bidding:** The process of obtaining the bid most advantageous to the town for any purchase, whether through formal or informal bidding procedures.
4. **Field Purchase:** An informal purchase of supplies needed in small quantities for day-to-day operation made directly by a department head or his/her designated representative from an approved vendor.
5. **Formal Bid:** A written quotation obtained in a sealed envelope from an approved vendor or through advertisement and opened at a specific day, place, and time either by the Town Manager of the Board of Selectmen
6. **Emergency:** A situation by its nature and severity that would require an override of the timeframes set out in this policy.
7. **Informal Bid:** A written or oral quotation obtained from an approved vendor or contractor, but not required to be opened publicly at a specified day, place, and time.
8. **Purchase:** Buying, contracting, renting, leasing, or otherwise acquiring supplies or services for a price.

Town of North Yarmouth
Financial Policies

9. Services: The lease or rental of all grounds, buildings, offices, space or equipment required by the Town, the repair or maintenance of all equipment or real property owned by or the responsibility of the Town, and all labor furnished to the Town by persons, firms, individuals or corporations not part of or connected with Town government.
10. Specifications: Standards including quality set by Department Heads as a guide to the Town Manager and as a measure of that which successful vendors must achieve. Specifications shall be either technical specifications for bids, which shall state formulations as broadly as practicable, yet shall be specific enough to describe the requirements of the department, or non-technical specification for bids, which shall state the quality required in general terms.
11. Applicability: This policy shall apply to all purchases and services made by or used by departments and agencies of the Town, except as otherwise specified herein.

B. Purchasing Parameters

1. Spending Authorization

The Town Manager is designated as the Purchasing Agent for the Town. Accordingly, the Town Manager and Department Heads are authorized to spend within budget appropriations. Purchases within the dollar range specified below must meet the requirements listed. Dollar ranges are per piece or in the order total, whichever would meet the dollar range last and are meant to be guidelines and not rigidly defined.

2. Products, Goods, and Equipment

- a) \$0 - \$1,000: Defined as Field purchases
- b) \$1,001-\$4,999: Purchase Order authorized in advance is required. Formal competitive bidding is not required. However, the purchaser should endeavor to get the best value for the money spent. Town Manager or designee will approve the purchase.
- c) \$5,000 - \$99,999: Purchase Order authorized in advance is required. Informal bids will be solicited from a minimum of three bidders, if available. Preferably these bidders will be found on the department list of approved vendors and contractors. The quotes will be attached to the purchase order. If within appropriation amounts, the purchase only needs approval by the Town Manager; if outside the appropriation amounts, needs a recommendation by the Town Manager and approval from the Select Board.
- d) \$100,000 and Over: Written bid specifications or equivalent shall be created by the Department Head and approved by both the Town Manager and the Select Board prior to being advertised. This is a formal bid process the Select Board has the final awarding responsibility. The Select Board will award the bid to the most advantageous or in the best interest to the Town.
- e) Record of Bids: The Town Manager shall keep a record of all bids submitted for a time period of at least three (3) years, and such record shall be open to proper inspection by any interested party.

Town of North Yarmouth
Financial Policies

- f) Disqualification of Bidders: The Town Manager shall have the authority to disqualify bidders who default on their bids, quotations, contracts, or purchase orders from receiving further awards from the Town. Such decisions will be subject to the right of the disqualified bidder to appeal to the Select Board for a reversal or reinstatement.
- g) Rejection of Bids: The Town Manager and the Select Board shall have the authority to reject any, and all bids (or Request for Proposals) received in response to invitations for bids (or Request for Proposals) are deemed non-responsive, token, collusive or otherwise non-acceptable and when such action is in the best interests of the Town.
- h) Product & Warranty Information: The Town Manager shall be responsible for these documents and for ensuring that appropriate insurance coverage is secured.
- i) Authorization of Documentation: The Town Manager has the authorization to execute such documents that are required to perfect the purchase.

3. Service Contracts

- a) \$0 - \$4,999; formal competitive bidding is not required; contractor shall be on the approved vendors and contractors list. Town Manager or designee will approve the contract.
- b) \$5,000 - \$49,999; Informal bids shall be solicited from a minimum of three bidders, if available. Preferably these bidders will be found on the department list of approved vendors and contractors. If within appropriation amounts, the contract only needs approval by the Town Manager; if outside the appropriation amounts, it needs a recommendation by the Town Manager and approval from the Select Board.
- c) \$50,000 and over; A written Request for Proposal specifications or equivalent shall be created by the Town Manager and approved by the Select Board prior to being advertised. The request shall be advertised by the most efficient means possible, in order to encourage the broadest possible competition. Sealed proposals shall be specified and opened at a public meeting by the Town Manager. The Select Board has the final awarding responsibility. The Select Board may award the service contract to someone other than the lowest bidder if they feel that it is in the best interests of the Town.
- d) Record of Bids: The Town Manager shall keep a record of all bids submitted for a time period of at least three (3) years, and such record shall be open to proper inspection by any interested party.
- e) Contract Information: The Town Manager shall be responsible for these documents and for ensuring that appropriate insurance coverage is secured. All contracts shall contain language that it falls under the jurisdiction of the State of Maine legal provisions, and should their duration extend over one (1) year, that the contract is subject to a non-appropriation clause.
- f) Authorization of Documentation: The Town Manager has the authorization to execute such documents that are required to perfect the contract.

4. Conflicts of Interest

- a) 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 of North Yarmouth
Financial Policies

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.

- b) 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.
- c) 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. Miscellaneous

- a) Emergencies - In such defined times, the Town Manager may authorize immediate negotiated purchases of supplies or services, not to exceed \$5,000 that are needed to protect the best interests of the Town
- b) Revision Power in the Town Manager - The Town Manager shall examine each purchase order and shall have the authority to revise it as to quantity, quality, or estimated cost, but revision as to quality shall be only with the concurrence of the using agency or department.
- c) Tax Exemptions - The Town Manager shall act to procure for the Town all Federal and State tax exemptions to which the town is entitled.
- d) Town Debit and Credit Cards - The ability to purchase with the town credit card is allowed only by prior approval. If the purchase is made by a Department Head, then the Town Manager or Assistant Town Manager grants the approval. Debit and Credit Card purchases shall not exceed amounts described here as Products, Goods & Equipment.

III. FIXED ASSETS

This policy establishes the minimum cost value (capitalization amount) that shall be used to determine the capital assets, including infrastructure assets that are to be recorded in the Town's annual financial statements in order to comply with the requirements of GASB Statement No. 34. The Town Manager and Department Heads shall be responsible for updating and maintaining asset records on an annual basis or as activity occurs.

It is the policy of the Town of North Yarmouth to annually adopt a Capital Improvement Program (CIP) to ensure regularly scheduled maintenance of existing assets and the funding of mandated or much-needed new capital projects. In order to qualify as a CIP item, the project or item must exhibit a useful life and have a minimum value of no less than \$5,000.

- A. Capital Asset Definition - Capital assets will be defined as tangible and intangible assets that have initial useful lives that extend beyond a single reporting period (1 year).
- B. Capitalization Method - All capital assets will be recorded at historical costs as of the date acquired or constructed. If historical cost information is not available, assets will be recorded at estimated historical cost by calculating current replacement cost and deflating the cost using the appropriate price-level index.

Town of North Yarmouth
Financial Policies

C. Capitalization Thresholds - The Town establishes the following minimum capitalization thresholds for capitalizing fixed assets:

- Land and Improvements: \$ 25,000
- Buildings and Improvements: \$ 50,000
- Machinery/Equipment/Vehicles: \$ 5,000
- Infrastructure: \$ 50,000

D. Infrastructure Assets - In accordance with GASB Statement #34, the Town will record, at a minimum, “major” infrastructure assets as defined in Statement #34 that were acquired, constructed or significantly reconstructed, or that received significant improvements after June 30, 1980. Other infrastructure assets may be capitalized as deemed appropriate. The Town does not intend to use the “modified approach” to record infrastructure.

E. Other Assets - Detailed records shall be maintained at the discretion of the Town Manager for all items below the capitalization thresholds that should be safeguarded from loss. These items will be part of the annual physical inventory.

IV. INVESTMENTS

The Town of North Yarmouth Investment Management Account has been established to segregate all capital reserve and special fund accounts into one investment account so that the funds are invested and managed in a manner consistent with appropriate municipal care. This policy shall provide the Investment Manager with a general framework within which the investment objectives will be defined and general guidelines outlining how the investment portfolio will be structured. The investments will be managed, and the performance will be monitored by the Town Manager and the Investment Manager.

The Select Board shall select a financial institution to serve as the Town’s Investment Manager.

Specific objectives include:

- Assure policy compliance;
- Developing investment objectives and performance standards which are acceptable to the Town of North Yarmouth’s Select Board;
- Reviewing asset allocations;
- Reporting to the Select Board and or Town Manager on a regular basis, including a face to face meeting at least annually.

A. Investment Manager Responsibilities

In its fiduciary capacity, the Town’s chosen Investment Manager will act prudently and implement the policy solely in the interest of the Town of North Yarmouth.

The Investment Manager shall also guard this policy. The policy statement also guards against “Board Risk” the possibility that the Select Board members at some stress point (most frequently a low point in the stock or bond markets) will react in a manner detrimental to the long-term health of the investment management account. Board members tend to serve only a few years at a time, and those who adopt this policy today may not be here ten years from now to maintain the steady course that is one prerequisite of a successful investment plan.

Town of North Yarmouth
Financial Policies

The investment manager(s) shall manage the assets of the investment account with the care, skill, prudence, and diligence that a prudent person familiar with such matters would use. Responsibilities include, but are not limited to, providing the Town with strategic investment counsel, custody of securities, income collection, portfolio management (including all buy/sell decisions), trade execution, and cash flow analysis. The investment manager will be available for meetings at such times as the Town Manager and or Select Board may request. The investment manager(s) will provide the Town Manager with performance data quarterly and will be available to meet with the Town Manager and or Select Board no less than annually. The agenda for meetings with the investment manager will include, at a minimum, the following:

- Current investment strategy;
- Prospective economic climate;
- Portfolio performance with respect to investment objectives and relative benchmarks;
- Expected levels of cash flow projected over the next fiscal year.

B. Investment Objectives

1. Return Requirements - The policy's primary return objective is to provide safety of principal through the diversification of the assets of the Town of North Yarmouth's Investment Management Account by investing in high-quality securities that will provide a high degree of liquidity. The investment account performance goal is expressed as a total return, without distinction between income and capital gains.
2. Risk Tolerance - Although the investment account has an infinite time horizon, liquidity needs are scheduled as needed and thus suggests that the investment account should assume a low-risk level.

C. Investment Constraints

1. Liquidity - Prudence dictates maintaining some liquidity for scheduled distributions and emergency expenses. This avoids a sudden need to sell long-term investments to meet unexpected demands for cash.
2. Time Horizon - A relatively long time horizon can be assumed for planning purposes. The investment portfolio is likely to remain in existence for at least twenty (20) years and beyond.
3. Taxes - Not applicable; the Town is a tax-exempt entity.
4. Laws and Regulations - Funds may be used only for those purposes that the legislative body of the Town has set for each individual fund.

D. Investment Guidelines

The investment manager(s) shall maintain a diversified portfolio employing a fixed income investment strategy to meet the cash flow needs.

Within the parameters below, the investment manager(s) shall have the discretion to allocate funds to fixed-income investments or cash reserves depending on the investment manager's outlook for the investment markets. Unless otherwise determined by the Town from time to time, the asset allocation for the funds shall be guided by the following:

Town of North Yarmouth
Financial Policies

Target Allocation (as a % of Fair Market Value)

- Equities 0%
- Fixed 85% to 100%
- Cash & Cash Equivalents 0% to 15%

E. Fixed Income Investments

Fixed income investments shall be limited to direct debt obligations of the US Treasury, domestic corporations, securities issued by Federal Agencies, and US Government Agencies. In addition, fixed-income investments shall be limited to the following guidelines:

1. Fixed income securities at the time of purchase must be investment grade or better by Standard & Poor's or Moody's Investor Service.
2. Maturities of fixed income securities shall be structured to provide an average life of five (5) to ten (10) years, with an average life of up to fifteen (15) years for mortgage-backed securities.
3. Fixed-income mutual funds may be used from time to time in order to enhance yield during an interim investing period.

F. Cash Reserves

Investments in cash and cash equivalents shall be limited to insured or collateralized bank deposits, US Treasury Bills, repurchase agreements, or money market funds whose investments are limited to short-term direct obligations of the US Treasury, US Government Agencies, or domestic corporations.

G. Performance Benchmarks

The performance will be monitored on a regular basis and evaluated relative to the IMA's long-term objectives using appropriate benchmarks for comparison. The account will be compared against the following indices:

- | | |
|-------------------------------|--|
| ▪ Cash Reserve Component | 91 Day Treasury Bill |
| ▪ Convertible Securities | ML Investment Grade Convertibles |
| ▪ International | MSCI EAFE Index |
| ▪ Large Capitalization Equity | Standard & Poor's 500 Index |
| ▪ Mid Cap Equity | Standard & Poor's 400/Russell Midcap |
| ▪ Small Cap Equity | Standard & Poor's 600/Russell 2000 |
| ▪ Taxable Fixed Income | Barclays Capital Aggregate Bond Index |
| ▪ Tax-Free Fixed Income | Barclays's Five (5) year Municipal Index |

V. CASH MANAGEMENT

Cash management establishes uniform procedures to be followed in the collection, custody, reporting, and deposit of cash receipts for all departments within the Town of North Yarmouth (the Town). "Cash," as referenced herein, includes coin, currency, checks, cashier's checks, traveler's checks, money orders, and debit/credit card transactions.

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A. Cash Policy

Cash received at each department shall be adequately safeguarded at all times and properly receipted and/or documented. Until deposited, all cash collections shall be kept in locked drawers, cash boxes, or cash registers. All cash kept overnight will be moved into the safe and locked. All customer checks, cashier's checks, traveler checks, and money orders will be restrictively endorsed immediately upon receipt. The restrictive endorsement will be made with stamped imprint indicating, "For Deposit Only, Town of North Yarmouth."

The Town Manager (or his/her designee) will be responsible for depositing cash received by the Town to the proper bank depository account every fourth (4th) business day. Funds accumulating to more than \$5,000 shall be promptly deposited. During transport of deposits, prudent measures shall be taken to assure that funds are adequately safeguarded.

Under no circumstances should disbursements be made from cash receipts. Cash receipts should be accounted for in detail and reconciled against the corresponding source journal(s). No checks are to be cashed from the cash receipt coin/currency originally collected. Refunds may only be authorized by only by the Town Manager (or his/her designee) against like-tender; currency for currency, credit card for a credit card, etc.

No employee has authorization to receipt any transaction for themselves.

B. Transactions Policies

1. Currency, Personal Checks, Bank Checks, Money Orders, and Debit/Credit Cards are all acceptable forms of payment for any transaction.
2. Coinage payment shall not exceed \$10 per transaction.
3. Checks should be made payable to the Town of North Yarmouth.
4. Any check presented shall have a full name, current address, phone number, and license/id number written or listed on the check.
5. No check may be written for cash or in excess of the amount of the transaction.
6. Tax payments made in the form of a check that is inadvertently written in excess of the amount owed, the Town Manager (or his/her designee) shall authorize a refund once the check has passed through the Town bank's clearinghouse.
7. Visa, MasterCard, Discover, and American Express are accepted.
8. The name on the debit/credit card must be verified that it matches the receipted name, along with verifying the signature upon receipt.
9. All debit/credit card payments shall be processed immediately through the third party card authorization system, and a receipt showing the transaction is accepted must be printed and signed by the cardholder when paying in person. Credit Card payments over the phone may be accepted.

Town of North Yarmouth
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10. A third party card convenience fee as set by the authorization company shall be added to each transaction processed.
11. A printed receipt shall be provided to all customers showing the amount tendered.
12. The Town Manager (or his/her designee) shall be responsible for the collection of checks returned for non-sufficient funds. Non-sufficient fund procedures are followed until the collection is obtained.

VI. UNDESIGNATED FUND BALANCE

The undesignated fund balance or unreserved General Fund balances are reflected on the balance sheet of the Town of North Yarmouth. All surplus policy formulas and discussions refer specifically to the undesignated and unreserved fund balance at year-end (June 30) as reported in the audited financial statements of the Town. Excluded from the calculations and policy formulas are fund balances in designated capital reserve or special fund accounts, or any funds other than the General Fund.

A. Targeted Undesignated Fund Balance

The Town's management objective is to carry a fund balance of 17.5% (3/12) of the total annual budget. The "total annual budget" would include education, contributions to capital reserves, special funds, county taxes, and any debt service.

A fund balance of less than 17.5% is cause for some concern except in unusual and deliberate circumstances. Fund balance in excess of 19%, although attractive features on a balance sheet, are generally considered excessive, and should be applied to capital projects, debt reduction, or in certain cases, to reduce the annual tax requirements of the Town (when surplus fund balances are likely to be reliably available each year).

B. Undesignated Fund Balance Appropriations

On or about February 1st of each year, the Select Board shall determine the amount to be taken from the surplus fund balance, if any, that may be applied as a "revenue" for purposes of developing the subsequent municipal budget. The Town Manager is responsible for projecting such year-end balances and recommending an amount of surplus fund balance, if any, that may be applied to the budget proposal consistent with this policy.

C. Investment of Undesignated Fund Balance

Undesignated fund balance amounts represent an accounting balance and not necessarily a segregated investment account or pool of funds (idle cash) waiting to be expended or invested. The Town Manager/Treasurer is responsible for forecasting cash flow requirements for all town purposes and to safely invest any idle cash or capital reserve balances prudently and properly. As such, surplus fund balance investment does not have an investment policy distinct from the general investment guidance and objectives for all Town Funds as contained in these financial policies. (Certain trust accounts, accounts held under grant agreements, and escrow-type funds, such as security deposits, may have special investment rules or limitations, but otherwise, all town investments are subject to the general rules of prudence and state law. The Town, in that policy, seeks to provide security, liquidity, and return, in that order.)

Town of North Yarmouth
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D. Reserve Funds/Capital Improvement Plan

It is the policy of the Town of North Yarmouth to limit tax fluctuations by annually setting aside capital purchase reserve funds (designated by use). The Town Manager recommends amounts and uses in the annual proposed budget, which is then reviewed and recommended to Town Meeting by the Select Board and the Budget Committee. The Town Meeting vote establishes final amounts and uses for those reserve funds.

The Select Board and Town Manager/Treasurer are authorized to sell, on behalf of the Town, at public or private sale, used town vehicles and or equipment and to see that said sales are placed into the equivalent reserve fund. Additionally, the Selectpersons are authorized to expend amounts previously placed into reserve accounts only for purposes that are consistent with the intent of the reserve fund when created and funded.

VII. POLICY AMENDMENTS

The Board of Selectmen shall periodically review the Financial Policies and make modifications when warranted. Proposed modifications to this policy will be documented in writing and be put into effect only after an official majority vote of the Board.

Select Board

Brian Sites, Chairman

James Moulton, Vice Chairman

David Reed

Paul Hodgetts

STORYWALK IN NORTH YARMOUTH Presented by Living Well in North Yarmouth

PROJECT BACKGROUND AND DESCRIPTION

In collaboration with Prince Memorial Library & Living Well in North Yarmouth, we are requesting Select Board approval to create a StoryWalk® on the property located at Wescustago Hall and Community Center property. (map attached)

WHAT IS A STORYWALK ® ?

A StoryWalk® is a book, targeting 3-to-6-year old's, that has been dismantled, laminated, and presented page by page on a trail, walkway, park, etc. to promote reading and exercise. The pages are easily switched out so new books can be showcased. They are mounted in a variety of ways: posts, metal H sign holders. And display cases. Selection, purchase of books and lamination will come from PML's budget.

A little background... StoryWalk® was created by Anne Ferguson of Montpelier, VT and developed with the help of Rachel Senechal, formerly of the Kellogg-Hubbard Library.

Why so popular? StoryWalks® has been shown to inspire parents, teachers, and caregivers to take young children outdoors for physical activity and to learn.

What a great way to combine the outdoors and reading in a unique way.

Story Walks can be found throughout Maine including Cumberland, Yarmouth, Casco, New Gloucester, Oxford, Freeport, to name a few. (Storywalk®examples attached). You can also find them in all 50 states and many countries.

Also, Jody Ristich, Sam Ristich's daughter, felt her dad would be very happy to know that kids would be near his trail exploring the woods.

WHY A STORYWALK® IN NORTH YARMOUTH?

In response to an inquiry from a resident, LWNYS started looking into what would be needed to have one in our town.

Location - With the help of Bob Abbott and Ginny Van Dyke, both avid hikers, the property that parallels the Ristich Trail met many of the requirements, an easy hike for kids, ample parking, access to the Community Center for bathrooms and shelter. The trail is flagged and a test group of 4 kids, a 3-year-old and 3 four-year-olds found it fun and easy to do. This is before any clearing!

Volunteers – Trail clearing. LWNY has a list of people who can be contacted to help. A Boy Scout and Girl Scout troop have shown interest. Most of the work is clearing fallen branches and logs. Very few trees need to come down and those that do are not large. We have skilled chainsaw folks who are willing to do the job.

Books – As mentioned before, PML will cover the cost of the books and preparation for mounting.

Stations - In Phase One, the pages will be exhibited on H sign holders. The stations will be approximately 20 feet+ - apart.

Phase 1 Timeline

- JUNE – Approval from the Select Board.
- JUNE – Create a volunteer base to help with trail work, working with PML, mounting pages on H sign holders.
- JUNE – Clear trail. The trail will not meet standard accessibility requirements this year.
- JULY – Soft opening
- SEPTEMBER - Official Opening Celebration

Phase 2 Timeline

- LWNY writing and submitting grants to meet accessibility standards.
- The H sign holders are a temporary system. Budgeting for permanent stations to support long term use.

Lastly, the following quote taken from another town, seems relevant to ours:

“At its core, this program is about kids, reading, getting outside, and connecting with their family. But it’s also about how a community comes together to make something wonderful happen.”



