

**Town of North Yarmouth
Select Board Meeting Agenda
Tuesday, December 4, 2018
7:00PM - Town Office Meeting Room**

I. Call to Order

- Pledge of Allegiance

II. Minutes of Previous Meeting(s)

- November 20, 2018

III. Public Comment - Non-Agenda Items

Comments regarding issues, concerns, commendations or matters of general public information are welcome. Individuals shall have three (3) 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.

IV. Management Reports & Communications

- Town Manager's Report

V. Old Business

- Wescustogo Hall & Community Center Project
 - Change Order #3 - Wood Rot
 - Matrix Update
- Finance Policy - First Draft Review

VI. New Business

- Personal Property - Letter from Assessor
- January - First Regular Meeting Date Change

VII. Accounts Payable

- Review & Approval

VIII. Any Other Business

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

VIII. Executive Session - Personal Matter - The Select Board in accordance with their roles and responsibilities will enter into executive session with Town Manager Rosemary Roy pursuant to Title 1 MRSA § 405 6 (A) to discuss a personnel matter.

IX. 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.

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.

Yarmouth Water District - I met with Bob McKinnon, Superintendent of the Yarmouth Water District, and was advised that effective March 1, 2019, there will be a 9% increase in water fees. The increase to the current FY19 budget for the remaining four (4) months of the fiscal year will be an estimated \$1800. The projected impact to the FY20 budget is an estimated \$5,400. These fees are within the parameters authorized by the Public Utilities Commission (PUC).

Marijuana Survey - With the assistance of some volunteers research has begun what other towns have used for survey questions relating to the new laws for adult marijuana use. The plan is to present our findings to the Select Board at the meeting of December 18th. In discussing the matter with our economic consultant, Vanessa Farr, we agreed that offering opportunities for conversation and education to the public are important and if possible should take place prior to an official survey. Marijuana is rapidly becoming the new light manufacturing product that is replacing other types of manufacturing products that have been reduced in scope or exhausted due to changing times and demand. It is essential that the public understand not only the law but the pros and cons to the different allowances within the law. Additionally, we concurred that the Economic Development & Sustainability Committee (EDSC) should be directly involved in these efforts of communicating with the public, thus providing the Select Board with a good policy going forward.

Bus Department / Cumberland Public Works Facilities - The joint meeting between the Cumberland Council and North Yarmouth Select Board will be held on December 19th at 6:00 pm at the Cumberland Town Office. In an effort to reduce an additional meeting in December for some officials the first 15 minutes of this meeting will be for the purpose of the Joint Standing Committee representatives to act on two brief items. We will then proceed with the presentation of our shared Public Works and Bus Department Facilities findings.

Municipal Facilities Repairs / Construction Schedule - Beginning with the repairs to the Fire Rescue Station with the removal of asbestos and flooring replacement which will begin December 17th. There will also be some minor alterations to the Historical Society's archival area in which the old sink and a non-weight bearing wall will be removed. This will provide better use of space and work area for the Historical Society as they complete the upgrades to their computer/software system.

At the Town Office, we are in the process of finalizing the order of installations, construction, and pricing to launch the project sometime in January. Presently the order of events begins with heat pumps and air quality unit installations, relocating server and phone systems, temporary moving of furniture, files, supplies, etc., etc., demolition of front counter, non-weight bearing wall, and existing AC removal, construction of new wall (Assistant Town Manager's Office), carpeting installation, modular office furniture installed, painting, and moving necessary items back into the main office. It will take a certain amount of precise planning to have this take place with as little shutdown time as possible. The plan will probably call for at least two business days that we will close down, but there is a chance it could be 3-4 over the period of two weeks; this is in addition to Fridays. Once the plan is solidified, I will provide the Select Board with a more detailed schedule.

Summit - Once again, I believe the Leadership Summit was a great success. My sincere thanks go out to the EDSC for sponsoring the event, the Living Well in North Yarmouth committee for crafting the community art project, staff members who worked to make sure all the specifications of the event were taken care of, to the Select Board for their continued support of the summits, and to all those who attended.

Respectfully,

Rosemary

Rosemary E. Roy, Town Manager



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PROPOSED CHANGE ORDER

Project Name	Wescustogo
Project Number	18.02
PCR Description	Rot Repair

Date	11/15/2018
Status	Pricing
PCR Number	3

Subcontractor	Cost Code	Cost Type	Description	Amount
Gleason Construction	06-100.03	S	Rot repair (Bought out)	\$1,800.00
Hancock	18-103.05	M	Rot repair materials	\$1,327.49
BMADE	18-103.05	L	Rot repair labor	\$440.00
BMADE	18-103.05	L	Supervision	\$680.00

Sub Insurance	\$1.80
Change Order Markup	\$424.93
Total	\$4,674.22

Client Signature _____ Date _____

Barrett Made Signature _____ Date _____

WESCUSTOGO HALL & COMMUNITY CENTER FACILITY				
Task	Who	Start Date	End Date	Notes
Authorization to Proceed	TM	6/19/18	6/20/18	Letter of authorization for Barrett Made to proceed with the project directed by Select Board. COMPLETE
Local Subcontractor Listing	TM	6/28/18	7/6/18	TM and OR compiling list, to be sent to BM by 7/6. COMPLETE
BM Contract - Commence Construction Pricing	TM/BM	7/7/2018 ONGOING		To be presented to Select Board at 7/7 meeting. Details still being ironed out by BM and NY Attorneys Signed 8/16/18. COMPLETE
Bond Anticipated Note (BAN)/Bond Financing	TM	7/3/18		Financial representative and bond council will be at the 7/3 Select Board meeting. TM has started the bond application process. Interview with S&P was held on 9/25/18; waiting on rating- looks to be favorable. Funding expected end of October. Funds received 10/31/18. COMPLETE.
Master Construction Calendar	BM	7/11/18		Will be available to TM, office staff, Select Board and the public
Bid Solicitation from Subcontractors/Vendors	BM	7/18/18	8/3/18	Bids will be presented by trade and line item. Bids to be presented to SB at 8/28 meeting. Approved by SB 8/28. Electrical subcontractor to be presented at 10/16 SB MTG. COMPLETE
Planning Board Process	BM/CEO	7/10/18	8/7/18	Planning Board Meeting of July 10th. BM information was submitted to CEO 6/20. Next PB Mtg 8/13. PB Approved Plans with a Parking Requirement Waiver at the 8/13 Meeting. COMPLETE
Site Management Plan	BM	7/17/18	8/13/18	Fence location has been finalized. Fence was installed first week in august, Site sign and BM trailer to arrive mid-August. COMPLETED
MMA - Construction Insurance (builder's risk)	TM	Nov-19		Certificates on file, cost \$ 854. for 7/1/18 - 7/1/19. COMPLETED
Close NYMS	TM	7/20/18		Notifications will be sent out 6/29/18. COMPLETED
NYMS - Playground Removal	TM	7/20/18		PWD to remove and store playground. COMPLETED
BM Subcontractor Walkthrough	BM	7/26/18		BM will be onsite with potential subcontractors. COMPLETED
MMA - Remaining Insurance Proceeds	TM	9/17/18		Will not be received until project is complete.
Generator/Grant Funds	Fire Chief	Jul-18		Chief Payson to research grant funds. Application process 7/9-7/25. BM gathering info to fill out paperwork. Submitted 7/25/18. The town received \$20,000 in grant money, to be used for "phase I" of generator installation. GRANT APPROVED.

WESCUSTOGO HALL & COMMUNITY CENTER FACILITY				
Task	Who	Start Date	End Date	Notes
Lead and Asbestos Testing	TM	Jul-18		Ashley is coordinating lead testing of the gym roof and asbestos testing inside the building to be done by the end of July. Testing done 7/24. Report and pricing due 7/27. Pricing came in, will be covered under contract.
NYMS - Murals (high resolution pictures)	TM	7/9/18	8/24/18	Ashley to take pictures. Possibility of having canvas prints made for renovated gymnasium 8/22/18. COMPLETE
Clean Out Building / Storage	TM	7/20/18	8/24/18	Storage containers delivered on 7/19. Most of building contents have been moved to storage trailers as of 7/25, Ashley is researching more storage options. 53 FT Container was purchased, Building is empty. COMPLETE
NYMS - Heating/Utilities/Alarms (shutdown)	TM/BM	7/23/18	8/24/18	Oil/boiler, water/sprinklers, propane. Alarm to be disabled 8/24. All utilities are disabled. COMPLETE
Biweekly Meetings with the Select Board	TM/BM	Beginning 8/7/18		OR (Ryan) will have construction reports at each Select Board meeting
Construction Site Signage	BM	Mid- August		BM working on signage and will have for approval by 7/25. Signage Finalized, will be installed along with fencing mid August. COMPLETE
Interior Selective Demolition and Abatement to begin	BM	9/3/18		Interior demolition beginning 9/10/18. 10/9/18 - Interior abatement and demo is complete, exterior demolition starting. Both wings of old building have been removed. Gymnasium interior demo nearing completion
Site Coordination Meeting	BM	9/7/18		Meeting held 9/7 with Dugas, OR, PW Director and BM. COMPLETE
Groundbreaking Ceremony		9/13/18		Ceremony to be held at 10AM - invites going out 8/23/18. COMPLETE
Demo Begins	BM	Sep-18		All possible materials will be transported to the appropriate facilities to be recycled. Demolition beginning week of 10/8/18
Sitework Begins	BM	Nov-18		
Building Weather Tight	BM	12/31/18		
Solar Panels	BM			Ashley coordinating meeting with Revision solar to discuss solar design and financing options week of 10/8/18. Proposals were requested from Sundog Solar, Assured and Revision, Due on 11/7/18. OPTIONS TO BE PRESENTED TO SB 12/18/18
Bi-Weekly Construction Progress Photos	AA	Ongoing		Construction progress photos will be taken and posted to the Towns Website, Facebook and Instagram. ONGOING
Selection of Fixtures	OR	TBD		Selection to go through OR (Ryan).

Potential Change Orders
1. Install a fire hydrant on the property BM quoting wall mounted unit. BM presented wall mounted unit to TM and Fire Chief. Chief is getting quotes on a stand alone fire hydrant, possibility of a separate project down the road. Chief has concerns regarding the sprinkler system not having enough flow when the wall mounted fire hydrant is in use. 10/3/18 wall mounted unit will stay, at this time the stand alone unit will not be added to the project.
2. BM presented a revision to the current building plans, The existing exterior wall of the "community room" is a frost wall, which will be more cost effective to keep in place and add square footage to the building. BM will present a change order for final approval at 11/6/18 SB MTG.
3. There is a slight change in the heating units being installed in the community room; wall cassettes to be installed in lieu of ceiling cassettes. This will have little impact to the design and minimal cost implications. This change is being reviewed and re-designed by Ripcord.
4. The underlaying roof shingles have tested positive for asbestos. The roofing will be removed and all associated costs will be tracked on a time and material basis with a not to exceed \$15,000 budget. Ashley to have discussion with BM on if this will be a CO or come out of contingency; if contingency, which one.
5. There is rot at the north side of gymnasium, the sheathing and framing needs to be removed and replaced. BM is looking into the best course of action and will provide a quote.
6. During removal of the existing slabs, Dugas discovered additional frost walls supporting slabs that were not included in the original scope of work. Removal of the extra material will be performed, tracked and a change order will be issued.
7. The gable wall in the rear of the building was not originally constructed per code. It will need to be re-framed.
Considerations
1. There is a concrete pad behind the building - it may be possible to cut the pad into pavers, move them and create a patio rather than demolishing and throwing away the material. 7/18 it was determined that the pad is not able to be cut and moved, the SB voted in favor of demolishing the pad as originally planned.
2. Replace electrical panel - current panel is unable to be used due to age. BM had anticipated this and included it in the contract. Not CO work.
3. Water Line. RR looking into cost of putting in smaller line. BM and CEO recommended keeping existing for fire suppression system/future expansion. It was decided to keep the existing water line.
WESCUSTOGO HALL & COMMUNITY CENTER FACILITY
Construction Team
Barrett Made Project Manager: Bruce Hourigan
North Yarmouth - Owner Representative: Ryan Keith
North Yarmouth - Town Manager: Rosemary Roy
North Yarmouth - Administrative Assistant: Ashley Roan
Barrett Made Director of Design Services: Matthew Ahlberg
Barrett Made - Owner: Rob Barrett
Barrett Made - Design Services: Dylan Baker

I. PURPOSE

The purpose of this policy is to provide objectives, 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.

II. PURCHASING

~~Section 1.~~ Purpose

~~The purposes of this policy are:~~ Purchasing policies to set forth the duties and responsibilities of the Town Manager, Department Heads, and the ~~Board of Selectmen~~ Select Board in; ~~to standardize~~ standardizing the purchasing of goods and services for ~~policies of~~ the Town of North Yarmouth.; ~~thereby~~ ~~Thereby~~ securing for the Town the advantages of a centralized and uniform purchasing ~~policy~~ saving the taxpayers money and increasing public confidence in the procedures for municipal purchasing.; ~~to~~ This policy establishes an overall purchasing policy from which the Town Manager will establish procedures 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.

~~Section 2.~~ A. Purchasing Definitions

- A1. Approved ~~vendors~~ Vendors and ~~contractors~~ Contractors: ~~—means those~~ Those vendors and contractors identified by each Department Head to the Town Manager. The Town Manager and ~~Department Head~~ 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 lists for each department on file at all times. Such listing shall be reviewed and updated every two fiscal years.
- B2. ~~Bid most~~ Most advantageous Advantageous Bid: ~~to the Town~~ —means a 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.
- C3. Competitive ~~bidding~~ Bidding: ~~—means the~~ The process of obtaining the bid most advantageous to the town for any purchase, whether through formal or informal bidding procedures.
- D4. Field ~~purchase~~ Purchase: ~~—means an~~ 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.
- E5. Formal ~~bid~~ Bid: ~~—means a~~ 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
- F6. Emergency: —A situation by its nature and severity, that would require an override of the timeframes set out in this policy.
- G7. Informal ~~bid~~ Bid: ~~—means a~~ 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.

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- H8. Purchase: ~~—means b~~Buying, contracting, renting, leasing or otherwise acquiring supplies or services for a price.
- I9. Services: ~~—means the~~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 ~~g~~Government.
- 10J. Specifications: ~~—means standards~~Standards, including quality, set by ~~department~~Department ~~heads~~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.

~~Section 3.~~ K11. 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.

~~Section 4.~~ B. Purchasing Parameters

A1. 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 ranges specified below must meet the requirements listed. Dollar ranges are per piece or in order total, which ever would meet the dollar range last and are meant to be guidelines and not rigidly defined.

B2. Products, Goods & Equipment

- 4a. \$0 - ~~\$499~~1,000: Defined as Field purchases
- 2b. ~~\$500~~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.
- 3c. \$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 ~~BOS~~Select Board.
- 4d. \$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 ~~BOS~~Select Board prior to being advertised. This is a formal bid process the ~~BOS~~Select Board has the final awarding responsibility. The ~~BOS~~Select Board will award ~~to the bid Bid- Most-most Advantageous advantageous or in the best interest~~ to the Town.
- 5e. Record of ~~Formal~~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.

- 6f. 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 ~~BOS~~ Select Board for a reversal or reinstatement.
- 7g. Rejection of Bids: The Town Manager and the Select Board shall have the authority to reject any and all bids, (or ~~RFPs~~ Request for Proposals) received in response to invitations for bids (or ~~RFP~~ 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.
- 8h. Product & Warranty Information: The Town Manager shall be responsible for these documents and for ensuring that appropriate insurance coverage is secured.
- 9i. Authorization of Documentation: The Town Manager has the authorization to execute such documents that are required to perfect the purchase.

C3. Service Contracts

- 4a. \$0 - \$4,999; Under one (1) year in duration: Purchase Order authorized in advance; formal competitive bidding is not required; contractor shall be on the approved vendors and contractors list. Town Manager or designee will approve the contract.
- 2b. \$5,000 - \$49,999; Under two (2) years in duration: Purchase Order authorized in advance is required. 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. The quotes will be attached to the purchase order. 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 ~~BOS~~ Select Board.
- 3c. \$50,000- and & Over; Under three (3) years in Duration: ~~Written-A written RFP~~ Request for Proposal specifications or equivalent shall be created by the Town Manager and approved by the ~~BOS~~ Select Board prior to being advertised. The ~~RFP-request~~ shall be advertised by the most efficient means possible, in order to encourage the widest possible competition. Sealed proposals shall be specified and opened at a public meeting by the Town Manager. The ~~BOS~~ Select Board has the final awarding responsibility. The ~~BOS~~ 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.
- 4d. \$50,000- & and Over three (3) years in Duration: Contract requires ratification of an annual Town meeting vote.
- 5e. 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.
~~Record of RFPs. The Town Manager shall keep a record of all RFP submitted, and such record shall be open to proper inspection by any interested party.~~
- 6f. 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.

- 7g. Authorization of Documentation: The Town Manager has the authorization to execute such documents that are required to perfect the contract.

~~D. Planning Board Peer Review Process~~

~~According to Article IV, Section 4-4 D. Fees (or the appropriate corresponding ordinance section of the North Yarmouth Land Use Ordinance). "In addition, the Planning Board may refer the developer to a firm, or individual chosen by the Planning Board, for peer review submissions. The peer review process is part of this policy, though the Chairman of the Planning Board has the authority to make a direct recommendation to the BOS for the approval of the contract."~~

~~Section 5. 4. Conflicts of Interest:~~

- A1. Any official, officer or employee of the ~~town~~-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~~-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.

~~Section 6. 5. Miscellaneous~~

- A1. 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
- B2. 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.
- C3. Tax Exemptions. The Town Manager shall act to procure for the ~~town~~-Town all Federal and State tax exemptions to which the town is entitled.
- D4. 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. ~~If the purchase is by the Town Manager, then the purchase must be approved by the Board of Selectmen.~~ Debit and Credit Card purchases shall not exceed amounts described here as Products, Goods & Equipment.

~~Adopted September 2013~~

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 active 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 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.
- 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:	\$150,000 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 [Administrative Assistant](#) ~~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 ~~discussed below. These items include firearms and computer equipment that fall below the established thresholds and any other assets specified by the Administrative Assistant.~~

~~Depreciation and Useful Life:~~

~~The Treasurer will assign an estimated useful life to all assets for the purposes of recording depreciation. The attached "Suggested Useful Lives" schedule will be used to establish lives for most assets. Asset lives will be adjusted as necessary depending on the present condition and use of the asset and based on how long the asset is expected to meet current service demands. Adjustments should be properly documented. Depreciation will be recorded based on the straight line method using actual month convention and depreciated down to the assets salvage value.~~

~~Safeguarding and Controlling Fixed Assets:~~

~~All machinery and equipment, vehicles and furniture whose values equal or exceed the capitalization thresholds will be assigned an asset number and identified with the fixed asset tab.~~

~~As fixed assets are purchased or disposed of, the Department Head in custody of that asset will be responsible for preparing a fixed asset data sheet, which will then be forwarded to the Treasurer to ensure proper recording. A physical inventory will be taken annually on or about June 30th and compared to the physical inventory records. The results will be forwarded to the Treasurer where appropriate adjustments will be made to the fixed asset records.~~

~~Adopted: October 9, 2009~~

IV. INVESTMENTS

~~SECTION 1. PURPOSE & OBJECTIVES~~

The Town of North Yarmouth, ~~Maine~~ Investment Management Account (~~“the IMA”~~) has been established to segregate all capital reserve and special funds accounts into one investment account so that the funds are invested and managed in a manner consistent with appropriate municipal care. ~~The purpose of t~~ This ~~Investment Policy~~ ~~policy is to~~ 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~~ The investments will be managed and the performance will be monitored ~~by the Town Manager and the Investment Manager.~~

The ~~Board of Selectmen~~ ~~Select Board~~ shall ~~chose and appoint which~~ select a financial institution ~~shall to~~ serve as the Town’s Investment Manager.

~~The Policy’s specific~~ ~~Specific~~ objectives include:

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

~~SECTION 2. BOARD RESPONSIBILITIES~~

~~(As of May 15, 2012, KeyBank National Association (“KBNA”) serves as the Investment Manager as the North Yarmouth Board of Selectmen has appointed KBNA as Investment Manager and Custodian.)~~

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

~~SECTION 3. 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 ~~Board of Selectmen~~ ~~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~~ ~~IMA~~. Board members tend to serve only a few years at a

time, and those who adopt this ~~Policy~~ ~~policy~~ ~~Statement~~ today may not be here ten years from now to maintain the steady course that is one prerequisite of a successful investment plan.

The investment manager(s) shall manage the assets of the ~~IMA~~ ~~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 ~~Treasurer~~ ~~Manager~~ and or ~~Board of Selectmen~~ ~~Select Board~~ ~~Chairman~~ may request. The investment manager(s) will provide the Town ~~Treasurer~~ ~~Manager~~ with performance data quarterly and will be available to meet with the Town ~~Treasurer~~ ~~Manager~~ and or ~~Board of Selectmen~~ ~~Chair~~ ~~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;
- ~~The~~ Portfolio performance with respect to ~~Investment~~ ~~investment~~ ~~Objectives~~ ~~objectives~~ and relative benchmarks;
- ~~The expected~~ ~~Expected~~ levels of cash flow projected over the next fiscal year.

~~SECTION 4.~~ B. Investment Objectives

Return Requirements: The ~~Policy's~~ ~~policy's~~ primary return objective is to provide safety of principal through the diversification of the assets of the Town of North Yarmouth's ~~IMA~~ ~~Investment Management Account~~ by investing in high quality securities that will provide a high degree of liquidity. The ~~IMA's~~ ~~investment account~~ performance goal is expressed as a total return, without distinction between income and capital gains.

Risk Tolerance: Although the ~~IMA~~ ~~investment account~~ has an infinite time horizon, liquidity needs are scheduled only as needed and thus suggests that the ~~IMA~~ ~~investment account~~ should assume a low risk level.

~~SECTION 5.~~ C. Investment Constraints

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.

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.

Taxes: Not applicable. The Town is a tax exempt entity.

Laws/Regulations: Funds may be used only for those purposes that the legislative body of the Town has set for each individual fund.

~~SECTION 6.~~ 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:

Target Allocation (as a % of Fair Market Value)	
Equities	0%
Fixed	85% to 100%
Cash & Cash Equivalents	0% to 15%

~~SECTION 7.~~—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:

- A. Fixed income securities at the time of purchase must be investment grade or better by Standard & Poor's or Moody's Investor Service.
- B. 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.
- C. Fixed income mutual funds may be used from time to time in order to enhance yield during an interim investing period.

~~SECTION 8.~~—E. 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.

~~SECTION 9.~~ F. Performance Benchmarks

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	Barclay's Five (5) year Municipal Index

~~Approved: May 15, 2012~~

~~Amendments Approved: April 16, 2013~~

V. 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, travelers checks, money orders, and debit/credit card transactions.

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. 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 on a daily basis, with the exception of Thursday's deposit which may be deposited on the next available business day. 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 credit card, etc.

No employee is authorized 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 are 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 clearing house.
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.
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.

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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 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 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 to project such year-end balances and recommend 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 in 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.)

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.

TO: North Yarmouth Selectboard
FROM: Robert Konczal, Town Assessor
RE: PERSONAL PROPERTY ADVISORY
DATE:

History

Under the law, personal property has been assessed over the years in North Yarmouth, even though there are few significant accounts. This last year, the Board took a vote advising the assessor to forgo assessing it, owing to the difficulty of equitable enforcement, difficulty of collections from non-payers, and the considerable staff effort relative to revenue collected. Other smaller towns have made the same decision.

Current status

- The Town is being advised by legal counsel and auditors to reinstitute the assessment.
- To restore the files for the coming year, I have engaged the assistance of the Cumberland assessor (John Brushwein) to get our digital records back up to speed.
- I have given my notice to leave as the assessor, effective December 31 for family life reasons unrelated to this issue.
- There has been discussion that the assessor should send out a mass mailer to all property owners so as to collect data, then issue supplemental tax bills to personal property accounts for this current fiscal year.

Advisory

I strongly advise against such a mailer and supplemental bills, for the following reasons:

- The Town's tax rate has already been set apart from including any of this value.
- The Municipal Valuation Return has already been filed.
- Local Assessors are actually agents of the State. The regulatory agency actually responsible for supervising correct municipal assessing procedures, Maine Revenue Services, has not required such action.
- By Town Charter and State law, only the Town Assessor has authority to levy assessments. I will not issue such supplementals. I will depart in a month and it would be irrational to issue such bills only for taxpayers to find that they cannot talk to the person who created the assessments, since he has resigned from the position.
- In conferring with other assessors, I have found it very doubtful that you will be able to hire a successor assessor willing to issue such supplementals.
- Collections will be a serious issue. Residents already don't understand the tax and will resent its levy.
- There is little enforcement power when such bills go unpaid. Real estate cannot be liened for it.
- There would be heavy administrative cost in terms of data handling, mailers, processing complaints, increasing distrust by taxpayers, accounting, writing off non-collectables, etc.
- The Town has already advised property owners that it would not levy this tax this year, and now would be going back on its word.
- History: about 20 years ago, the Town of Windham hired a very seasoned assessor and asked him to notify all towns people to declare their property then tax accordingly. The net result was a public uproar, the assessor was fired and all town councilors who stood for re-election were defeated.

In sum, while it may be worthwhile to reinstitute the levy next year, surveying all taxpayers and issuing supplements this year is quite inadvisable.

With Sincere Regards,

Robert A. Konczal, CMA
Town Assessor

TO: North Yarmouth Selectboard
CC: Rosemary Roy, Town Manager
FROM: Robert Konczal, Town Assessor
RE: ASSESSOR POWERS AND DUTIES ADVISORY
DATE: 11/30/18

Purpose

The manager has asked that I put together a short note that covers some of the powers and duties of the local assessor. I have tried to distill the law as much as possible so as not to be overly burdensome.

>The overarching THEME of Maine law is that the Town Assessor is an agent of the state whose actions are guided by state law, court cases, and their own judgment of market value of property.

>The overarching SEQUENCE of taxation is:

- The Selectboard drafts a proposed budget and presents it to
- The Town meeting, who debates/votes a warrant and hands it to
- The Assessors, who value property, apply a tax rate to cover all warrants, and commit it to
- The Collectors, who bill out/collect the taxes committed to them, who hand over their work to
- The Treasurer, who makes sure all monies from the collector matches the certificate from the assessor.

The powers of each office are defined in law and do not overlap.

Town Charter

The North Yarmouth charter (Article 2, sec 4 H) authorizes the Board to appoint the local assessor, fix compensation, and provide for expenses incurred in the performance of the assessor's duties.

Statutes

The chief source of property tax law is Title 36. Here are some relevant sections...

328 (7) PHYSICAL INSPECTION and inventory of real and personal property is required at least every four years! (I am one of the few assessors I know who does it for real estate. I have approached Maine Revenue Services many times about enforcing this, but there is no response. No one physically inspects every personal property owner. We are generally too understaffed.) There is no requirement for an annual inspection.

655. HOUSEHOLD PERSONAL PROPERTY EXEMPTED- The household furniture, including television sets and musical instruments of each person; wearing apparel, farming utensils and mechanical tools necessary for his business; farm machinery, excised vehicles, vessels, livestock, agricultural produce, inventories, all individually owned items with depreciated values of less than \$1000 each (there are many more obscure exemptions, like beehives and mining equipment).

701-A. JUST VALUE- This requires that we assess according to 'just value' (meaning value on the open market; most personally owned stuff only has 'yard sale value' anyway).

706. REQUIRING LISTS- Assessors **may** (note the word 'may'- there is no requirement) give tax payers notice to furnish lists of their estates owned as of April 1. (in the past this was done by posting a

notice in the town hall and in the local newspaper). Notice isn't required in order to have a valid assessment. *City of Rockland v. Farnsworth*, 111 Me. 315, 89 A.65 (1913).

710. OVERLAY- The assessor sets the overlay not exceeding 5% above the sum necessary.

711. ASSESSMENT RECORD- Assessors shall make a record of their valuations/assessment and make it available for public inspection.

713 SUPPLEMENTAL ASSESSMENTS- These may be issued if a property was missed in its entirety and are deemed an amendment to the original commitment.

760-A. §760-A. MINOR OR BURDENSOME AMOUNTS- ... After the date for completing collections, municipal officers may discharge collectors from any obligation to collect unpaid personal property taxes deemed too small or too burdensome to collect economically and authorize the treasurer to remove them from the municipal books. (The amount is not specified; which begs the question... why assess those small amounts in the first place? Most assessors don't).

841. ABATEMENT- The method to correct any valuation is written application by a taxpayer within 185 days of commitment, or on assessor's own initiative within one year. If the assessor denies the appeal, the taxpayer may appeal to the Board of Assessment Review. Payment of the amount not in dispute is a prerequisite to the right of appeal.

30-A sec 5722(7)- Any revaluation is under the jurisdiction of the municipal assessor whose judgment, as opposed to that of any hired appraiser, is final.

30-A sec 2526-5(a)3)- Assessors are not allowed to be involved in the collection of taxes.

37-B sec 225- Whenever the Governor decides that it is necessary, the assessors shall enroll with the militia each non-exempt citizen ... Any assessor neglecting or refusing to perform this duty... is guilty of a Class E crime. (!-Yet, this shows the neutrality of judgment the Assessor is deemed to exercise.)

Caselaw

*The Maine Supreme Judicial Court has held that "local assessors have considerable leeway in choosing the method or combinations of methods to achieve just valuations." *Central Maine Power Co. v. Town of Moscow*, 649 A.2d 320, 324 (Me. 1994).

*The Court has held repeatedly that an assessor acts as an agent of the State in performing duties, which are imposed by State law and can't be directed by the local legislative body or municipal officers. For example, see *Frankfort v. Waldo Lumber Co.*, 128 Me. 1, 3, 145 A.241 (1929);

*A town meeting does not have the authority to reject or modify valuations determined by the assessors or to take any action directing the assessors regarding valuations or manner of assessment. *Rockland v. Farnsworth*, 93 Me. 178, 183 (1899);

*The legal presumption is that the assessment as determined by the assessors is valid until the taxpayer proves that it is manifestly wrong. *City of Biddeford v. Adams*, 1999 ME 49, 727 A.2d 346.