

TOWN OF YARMOUTH, MAINE

Annual Financial Report

For the year ended June 30, 2019

TOWN OF YARMOUTH, MAINE
Annual Financial Report
Year ended June 30, 2019

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Independent Auditor's Report

Town Council
Town of Yarmouth, Maine

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Yarmouth, Maine as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town of Yarmouth, Maine's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Yarmouth, Maine as of June 30, 2019, and the respective changes in financial position, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the net pension and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Yarmouth, Maine's basic financial statements. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Maine Department of Education, and is also not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2019 on our consideration of the Town of Yarmouth, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Yarmouth, Maine's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Remya Kristen Ouellette". The signature is written in a cursive, flowing style.

December 23, 2019
South Portland, Maine

TOWN OF YARMOUTH, MAINE
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2019

As management of the Town of Yarmouth, we offer readers of the Town of Yarmouth's financial statements this narrative overview and analysis of the financial activities of the Town of Yarmouth for the fiscal year ended June 30, 2019. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in the basic financial statements and the accompanying notes to those financial statements.

Financial Highlights

- The assets and deferred outflows of resources of the Town of Yarmouth exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$52 million (net position). Of this amount, \$0.5 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The ending fund balance for the governmental funds was \$10.8 million – a 22.1% decrease over last year largely due to the start of the School Capital Project that will be funded by bonds in FY20.
- As of June 30, 2019, the General fund held \$6.3 million in fund balance – \$3 million of which is available to the Town as unassigned fund balance. This is approximately 7.1% of total expenditures.

Overview of the Financial Statements

The financial statements presented herein include all of the activities of the Town of Yarmouth, Maine (Town) using the integrated approach as prescribed by Governmental Accounting Standards Board (GASB) Statement No. 34.

The Town's financial statements are comprised of a series of statements. The government-wide financial statements, statement of net position, and the statement of activities, (on pages 15 and 16) present the financial picture of the Town from the economic resource's measurement focus using the accrual basis of accounting.

The fund financial statements (beginning on page 17) provide a more detailed look at the governmental funds and the fiduciary funds. The governmental activities are prepared using the current financial resources measurement focus and modified accrual basis of accounting. The fiduciary activities are agency funds and are used to account for resources held for the benefit of others and are not available to support the Town's own programs. Agency funds only report a balance sheet and do not have a measurement focus. Reconciliation of the fund financial statements to the government-wide financial statements is provided to explain the differences created by the integrated approach.

Government-wide Financial Statements

The government-wide financial statements are designed to give the reader a broad overview of the Town of Yarmouth's finances, similar to a private-sector business.

The statement of net position presents information on all of the Town's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between these reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town of Yarmouth is improving or deteriorating.

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The Town of Yarmouth's statement of net position and its statement of activities report governmental activities only. These are the Town's basic services including: general government, public safety, public works, health and welfare, public services, education, unclassified, interest on debt and capital maintenance expenses.

TOWN OF YARMOUTH, MAINE
Management's Discussion and Analysis, Continued

Property taxes, intergovernmental revenue (primarily from the State of Maine), user fees, license and permit fees and state and local grants finance these activities. The government-wide statements can be found on pages 15 and 16 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Yarmouth, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental and fiduciary.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Town's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town of Yarmouth maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, York Trust Fund, Road Bond Capital Project Fund and School Renovation & Expansion Capital Project Fund, all of which are considered major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Town of Yarmouth adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the General fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 17 and 18 of this report.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the Town. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town of Yarmouth's own programs. The basic fiduciary fund financial statements can be found on page 21 of this report.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 22-49 of this report.

Other Information – The combining statements referred to earlier in connection with nonmajor governmental funds are presented beginning on page 53 of this report.

TOWN OF YARMOUTH, MAINE
Management's Discussion and Analysis, Continued

Government-wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Yarmouth, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$51.7 million at the close of the most recent fiscal year.

Statement of Net Position

	2019	Restated 2018	Increase (decrease)
Current and other assets	\$ 20,979,797	17,731,778	3,248,019
Capital assets	62,526,992	59,568,604	2,958,388
Total assets	83,506,789	77,300,382	6,206,407
Deferred outflows of resources	1,317,015	1,136,961	180,054
Noncurrent liabilities	22,933,018	25,308,359	(2,375,341)
Other liabilities	9,400,480	3,558,730	5,841,750
Total liabilities	32,333,498	28,867,089	3,466,409
Deferred inflows of resources	723,260	337,598	385,662
Net investment in capital assets	47,327,912	46,149,596	1,178,316
Restricted	3,925,497	3,495,770	429,727
Unrestricted	513,637	(412,710)	926,347
Total net position	\$ 51,767,046	49,232,656	2,534,390

The largest portion of the Town of Yarmouth's net position (91%) reflects its investment in capital assets (e.g., land, buildings, vehicles, equipment, and infrastructure) less any related debt used to acquire those assets that is still outstanding. The Town of Yarmouth uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The balance of unrestricted net position (\$0.5 million) may be used to meet the government's ongoing obligations to citizens and creditors.

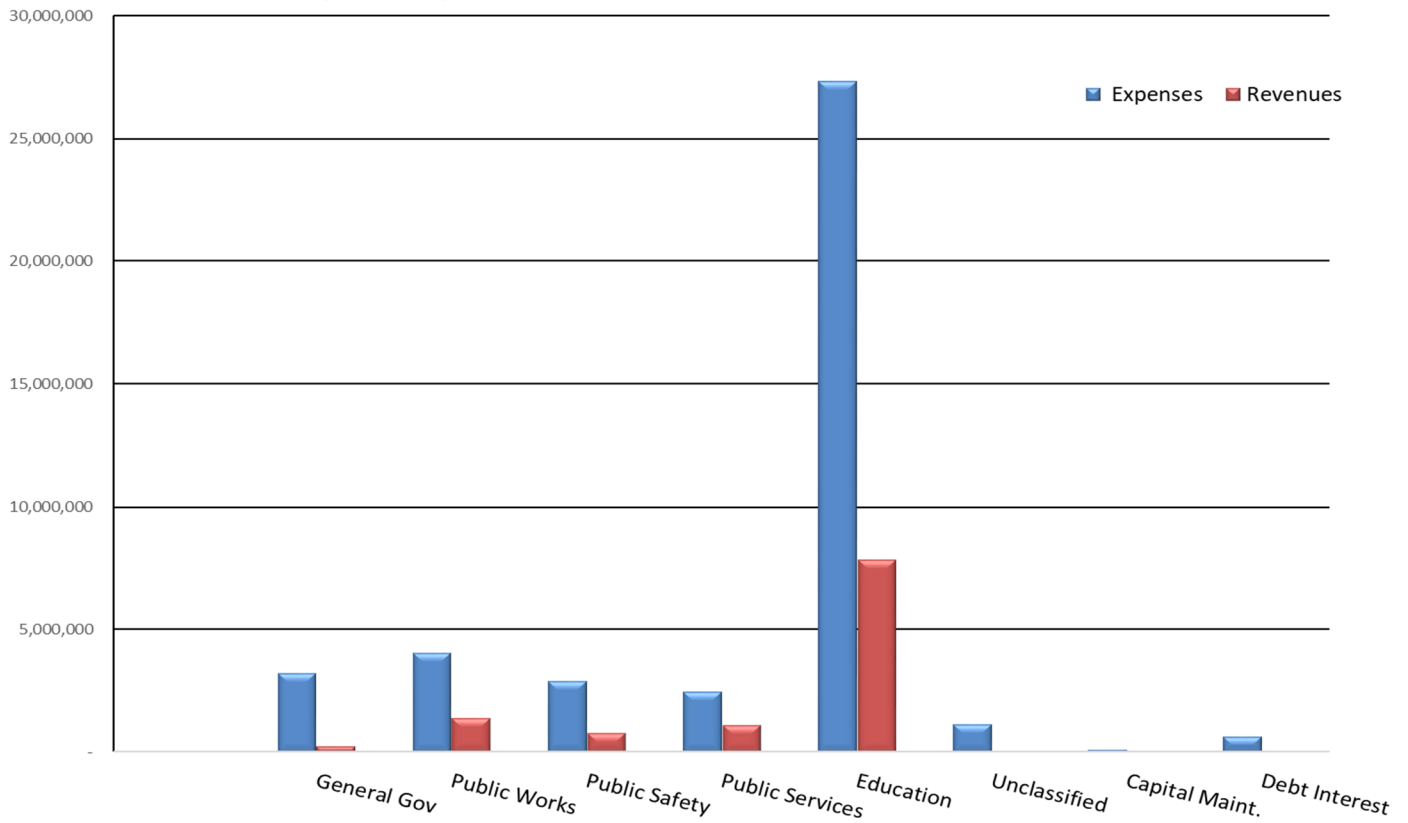
TOWN OF YARMOUTH, MAINE
Management's Discussion and Analysis, Continued

	Change in Net Position		
	2019	Restated 2018	Increase (Decrease)
Revenues:			
Program Revenues:			
Charges for Services	\$ 3,791,269	\$ 3,621,078	170,191
Operating Grants & Contributions	7,657,981	7,766,552	(108,571)
Capital Grants & Contributions	27,865	-	27,865
General Revenues			
Property Taxes	29,792,956	28,291,177	1,501,779
Motor Vehicle Excise Tax	2,087,425	1,984,512	102,913
Interest and Costs on Taxes	43,310	36,581	6,729
State Revenue Sharing	482,480	466,315	16,165
Homestead Exemption	413,792	320,333	93,459
Other State Aid	184,295	124,659	59,636
Unrestricted Investment Earnings	79,742	45,819	33,923
Miscellaneous Revenues	13,548	26,507	(12,959)
TOTAL REVENUES	44,574,663	42,683,533	1,891,130
Program Expenses:			
General Government	3,240,211	3,666,440	(426,229)
Public Works	4,080,625	4,112,199	(31,574)
Public Safety	2,937,093	2,867,505	69,588
Health & Welfare	135,294	117,601	17,693
Public Services	2,353,431	2,182,772	170,659
Education (excluding debt service)	27,355,835	29,361,125	(2,005,290)
Unclassified	1,152,601	1,112,932	39,669
Capital Maintenance Expenses	139,004	567,609	(428,605)
Interest on Debt	646,179	576,787	69,392
TOTAL EXPENSES	42,040,273	44,564,970	(2,524,697)
Change in net position	2,534,389	(1,881,437)	4,415,827
Net position – beginning of year	49,232,657	51,114,094	(1,881,437)
Net position – end of year	<u>\$ 51,767,046</u>	<u>\$ 49,232,657</u>	<u>2,534,390</u>

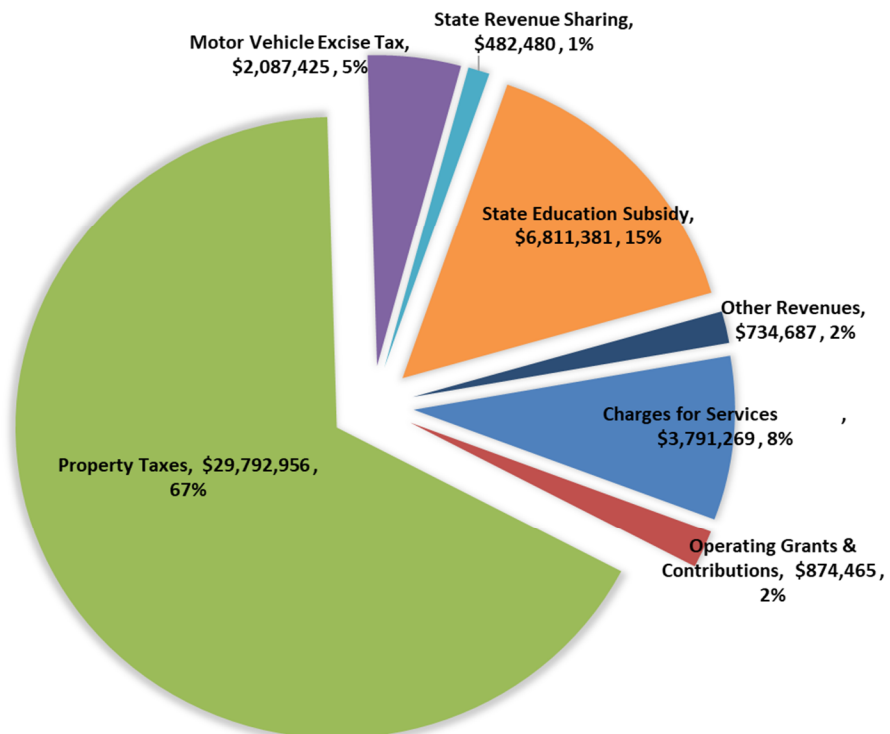
Governmental activities resulted in an increase in the Town of Yarmouth's net position of \$2.5 million with the majority of revenues (67%) coming from property taxes. Principal payments on bonds and lease payments totaled approximately \$2.75 million. These amounts are not considered expenses for purposes of full accrual financial statements. Governmental activities also included approximately \$2.8 million in depreciation expense.

TOWN OF YARMOUTH, MAINE
Management's Discussion and Analysis, Continued

Program Expenses & Revenues - Governmental Activities



REVENUE SOURCE - GOVERNMENTAL ACTIVITIES



TOWN OF YARMOUTH, MAINE
Management's Discussion and Analysis, Continued

Financial Analysis of the Government's Funds

The Town of Yarmouth uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Town of Yarmouth's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town of Yarmouth's governmental funds reported combined ending fund balances of \$10.8 million. Approximately 8.8% of this total amount constitutes General Fund unassigned fund balance, which is available for spending at the government's discretion. This does not include the School Renovation / Expansion Capital Project fund balance deficit. A bond anticipation note (BAN) provides resources for the School Capital Project in FY19 and is scheduled to receive permanent bond financing in FY20. The remainder of the fund balance is restricted, committed, or assigned to indicate that it is not available for new spending. It has been committed or assigned 1) to liquidate contracts and purchase orders of the prior period, 2) to fund future capital purchases, 3) to generate income for various charitable purposes and 4) for a variety of other unrestricted purposes.

The General Fund is the chief operating fund of the Town of Yarmouth. At the end of the current fiscal year, unassigned fund balance of the general fund was \$0.9 million, while total fund balance reached \$6.28 million. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents approximately 2.3% of total General Fund expenditures, while total fund balance represents approximately 15% of that same amount.

The Town has three other major funds - the York Trust Fund, the Road Bond Capital Project Fund and the School Renovation/Expansion Project Fund. The York Trust Fund has a fund balance of \$2.16 million and accounts for funds left to the Town of Yarmouth for various charitable purposes. The Road Bond Capital Project Fund has a fund balance of \$1.9 million and accounts for bond funds for various road projects. The School Renovation/Expansion Project Fund has a deficit fund balance of \$1.9 million, which will be funded by a bond in FY20, and used for the construction/renovation of the Yarmouth School Buildings.

General Fund Budgetary Highlights

During the current fiscal year, revenues for the Town of Yarmouth exceeded expenditures by \$1.9 million, of which \$1.58 million were allocated for other uses such as capital expenditures. This was \$0.8 million more than budgeted. Actual revenues to budget had a surplus of \$383,764.

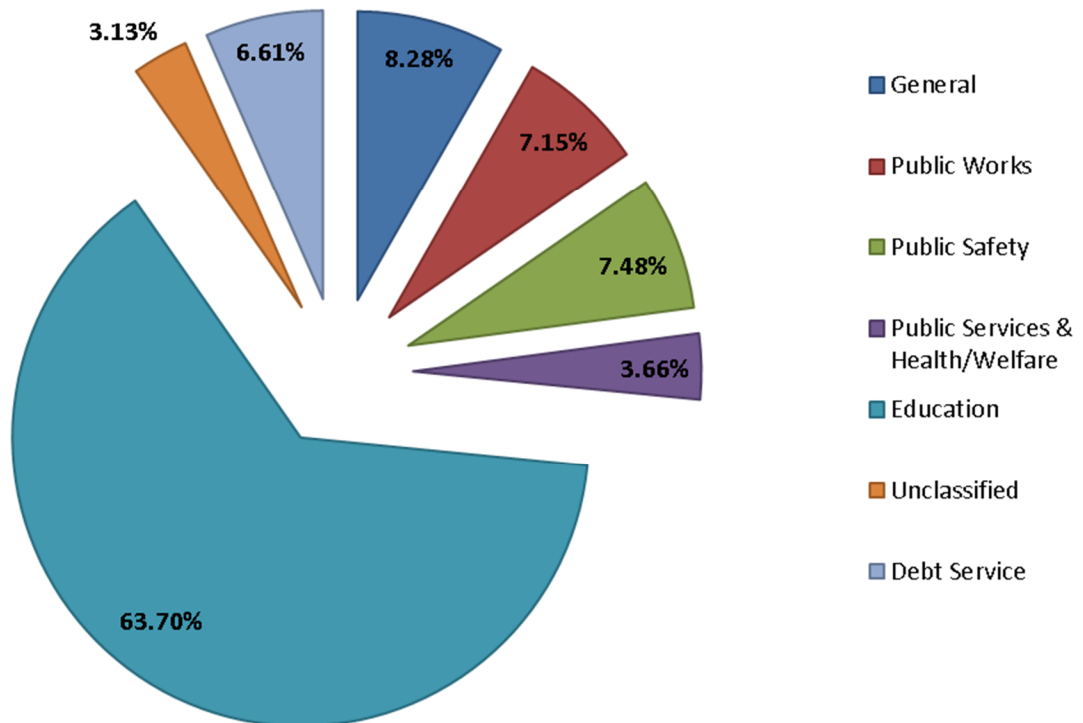
Variances on the expenditure side totaled \$477,141 under budget. School expenditures were \$40,464 less than budgeted along with a net savings in many Town departments.

TOWN OF YARMOUTH, MAINE
Management's Discussion and Analysis, Continued

General Fund Budget and Actual

	Final Budget	Actual	Variance
Revenues:			
Taxes	\$ 30,957,080	\$ 31,103,123	146,043
Intergovernmental	5,237,928	5,325,157	87,229
Other	1,661,800	1,812,292	150,492
Total revenues	\$ 37,856,808	\$ 38,240,572	383,764
Expenditures:			
General	\$ 2,978,964	3,007,043	(28,079)
Public Works	2,677,357	2,595,859	81,498
Public Safety	2,721,480	2,715,631	5,849
Health and Welfare	31,150	31,577	(427)
Public Services	1,369,004	1,298,562	70,442
Education	23,181,428	23,140,964	40,464
Unclassified	1,434,576	1,136,850	297,726
Debt Service	2,410,642	2,400,974	9,668
Total expenditures	\$ 36,804,601	\$ 36,327,460	477,141
Excess Revenues	\$ 1,052,207	\$ 1,913,112	860,905

Expenditures - General Fund



TOWN OF YARMOUTH, MAINE
Management's Discussion and Analysis, Continued

Capital Assets and Debt Administration

Capital Assets

The Town of Yarmouth's investment in capital assets (net of accumulated depreciation) as of June 30, 2019, was \$62.5 million. This investment in capital assets includes land, buildings and building improvements, furniture and equipment, vehicles, library collections and infrastructure assets such as roads, sidewalks, storm drains, traffic signals, sewer lines, and bridges.

During fiscal year 2019, the Town spent more than \$1 million on various capital assets - \$527,020 was spent on infrastructure (road improvements) and \$558,824 was spent to purchase equipment and vehicles for the Town's public works, police, and school departments. Construction in progress accounted for road improvements, wastewater infrastructure improvements and the start of the School renovation and expansion capital project.

Town of Yarmouth's Capital Assets (Net of Depreciation)

	2019	2018
Books and collections	\$ 870,302	\$ 870,302
Land	8,928,226	8,928,226
Construction in progress	5,383,142	651,725
Land Improvements	1,094,239	1,364,325
Buildings and building improvements	26,986,065	28,216,218
Furniture and equipment	867,363	985,865
Vehicles	2,142,388	2,050,341
Infrastructure	16,255,267	16,501,602
	\$ 62,526,992	\$ 59,568,604

Long-term Debt

The Town of Yarmouth's bond ratings is Aa2 from Moody's Investor Service and AA+ from Standard and Poor.

State statutes limit the amount of general obligation debt a municipality may issue to 15.0% of its total state assessed valuation. The current debt limitation for the Town of Yarmouth is in excess of \$200 million, considerably more than the Town's outstanding general obligation debt. Additional information on the Town of Yarmouth's long-term debt may be found in the notes to the financial statements.

Town of Yarmouth's Outstanding Debt

	2019	2018
General obligation bonds	\$ 12,627,762	\$ 14,969,914
Accrued Compensated Balances	946,033	999,719
Capital leases	2,221,843	1,624,894
Landfill post-closure costs	838,876	634,166
	\$ 16,634,514	\$ 18,228,693

TOWN OF YARMOUTH, MAINE
Management's Discussion and Analysis, Continued

Economic Factors and Next Year's Budget and Rates

Yarmouth's economy continues to be strong with an unemployment rate below both the State of Maine and the national average. Estimated household income was \$73,234 (2010) with a population of 8,349 in 3,819 housing units. Yarmouth's residential/commercial tax base was fairly consistent. Next Era's Wyman Station real estate decreased by \$4 million in FY19. There is a \$6 million decrease in real estate value for FY20.

The 2019-2020 general fund budget increases expenditures by 7.93% with a projected increase in revenues of approximately 11.29%. The tax rate for 2019-2020 is \$18.86 per thousand - a 5.96% increase or \$1.06 per thousand.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, and investors, creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the *Finance Director, 200 Main Street, Yarmouth, ME 04096, phone 207-846-9036 or e-mail at dmadden@yarmouth.me.us*.

BASIC FINANCIAL STATEMENTS

TOWN OF YARMOUTH, MAINE
Statement of Net Position
June 30, 2019

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 16,649,949
Cash held in escrow	546,034
Investments	2,470,998
Receivables:	
Accounts, net of allowance of \$70,687	563,207
Taxes - current year	486,782
Taxes - prior years	57,188
Tax liens	100,550
Sewer	65,033
Prepaid expenses	702
Inventories	39,354
Capital assets not being depreciated	15,181,670
Capital assets, net of accumulated depreciation	47,345,322
Total assets	83,506,789
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources related to pensions	1,164,023
Deferred outflows of resources related to OPEB	152,992
Total deferred outflows of resources	1,317,015
LIABILITIES	
Accounts payable and other current liabilities	2,410,751
Accrued payroll	2,423,323
Accrued interest	126,406
Bond anticipation notes	4,440,000
Noncurrent liabilities:	
Due within one year	2,371,676
Due in more than one year	20,561,342
Total liabilities	32,333,498
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources related to pensions	390,521
Deferred inflows of resources related to OPEB	332,739
Total deferred inflows of resources	723,260
NET POSITION	
Net investment in capital assets	47,327,912
Restricted for:	
Permanent funds, nonexpendable	2,680,790
Permanent funds, expendable	173,387
Grants and other purposes	156,368
Tax increment financing districts	914,952
Unrestricted	513,637
Total net position	\$ 51,767,046

See accompanying notes to basic financial statements.

TOWN OF YARMOUTH, MAINE
Statement of Activities
For the year ended June 30, 2019

Functions/programs	Expenses	Program Revenues			Net (expense) revenue and changes in net position
		Charges for services	Operating grants and contributions	Capital grants and contributions	Primary Government Governmental activities
Primary government:					
Governmental activities:					
General government	\$ 3,240,211	115,472	166,619	-	(2,958,120)
Public works	4,080,625	1,131,525	284,048	-	(2,665,052)
Public safety	2,937,093	754,188	56,260	2,640	(2,124,005)
Health and welfare	135,294	-	41,297	-	(93,997)
Public services	2,353,431	781,563	298,376	-	(1,273,492)
Education	27,355,835	1,008,521	6,811,381	25,225	(19,510,708)
Unclassified	1,152,601	-	-	-	(1,152,601)
Capital maintenance expenses	139,004	-	-	-	(139,004)
Interest on debt	646,179	-	-	-	(646,179)
Total governmental activities	42,040,273	3,791,269	7,657,981	27,865	(30,563,158)
Total primary government	\$ 42,040,273	3,791,269	7,657,981	27,865	(30,563,158)

General revenues:

Property taxes, levied for general purposes	29,792,956
Motor vehicle excise taxes	2,087,425
Interest and costs on taxes	43,310
Grants and contributions not restricted to specific programs:	
State Revenue Sharing	482,480
Homestead exemption	413,792
Other State aid	184,295
Unrestricted investment earnings	79,742
Miscellaneous revenues	13,548
Total general revenues	33,097,548

Change in net position 2,534,390

Net position - beginning, restated 49,232,656

Net position - ending \$ 51,767,046

See accompanying notes to basic financial statements.

TOWN OF YARMOUTH, MAINE
Balance Sheet
Governmental Funds
June 30, 2019

	General	York Trust Fund	Road Bond Capital Project	School Renovations and Expansion	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 16,351,184	228,533	-	-	70,232	16,649,949
Investments	-	1,859,490	-	-	611,508	2,470,998
Receivables:						
Accounts, net of allowance of \$70,687	106,030	-	-	-	9,158	115,188
Due from other governments	134,891	-	-	-	313,128	448,019
Taxes - current year	486,782	-	-	-	-	486,782
Taxes - prior years	57,188	-	-	-	-	57,188
Tax liens	100,550	-	-	-	-	100,550
Sewer	65,033	-	-	-	-	65,033
Prepaid expenditures	702	-	-	-	-	702
Inventory	22,670	-	-	-	16,684	39,354
Interfund loans receivable	-	79,707	2,462,180	2,441,383	1,963,731	6,947,001
Total assets	\$ 17,325,030	2,167,730	2,462,180	2,441,383	2,984,441	27,380,764
LIABILITIES						
Accounts payable and payroll withholding	1,479,862	-	572,014	289,219	52,035	2,393,130
Accrued wages - Town	181,959	-	-	-	37,197	219,156
Accrued wages - School	2,204,167	-	-	-	-	2,204,167
Taxes paid in advance	17,621	-	-	-	-	17,621
Interfund loans payable	6,820,485	-	-	-	126,516	6,947,001
Bond anticipation notes	-	-	-	4,040,000	400,000	4,440,000
Total liabilities	10,704,094	-	572,014	4,329,219	615,748	16,221,075
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	335,790	-	-	-	-	335,790
Total deferred inflows of resources	335,790	-	-	-	-	335,790
FUND BALANCES						
Nonspendable:						
Prepaid and inventory	23,372	-	-	-	16,684	40,056
Principal	-	2,088,023	-	-	592,767	2,680,790
Restricted:						
Grants and other purposes	-	-	-	-	139,684	139,684
TIF funds	-	-	-	-	914,952	914,952
Permanent funds	-	79,707	-	-	93,680	173,387
Committed:						
Reserves - Town	3,319,391	-	-	-	-	3,319,391
Reserves - School	1,105,318	-	-	-	-	1,105,318
Recreation and other programs	-	-	-	-	656,058	656,058
Capital projects	-	-	1,890,166	-	-	1,890,166
Assigned for Town purposes	877,947	-	-	-	-	877,947
Unassigned:						
Education (teacher summer salaries and benefits)	(2,018,615)	-	-	-	-	(2,018,615)
Education - tax stability reserve	480	-	-	-	-	480
Town	2,977,253	-	-	-	-	2,977,253
Grants and other purposes	-	-	-	(1,887,836)	(45,132)	(1,932,968)
Total fund balances (deficit)	6,285,146	2,167,730	1,890,166	(1,887,836)	2,368,693	10,823,899
Total liabilities, deferred inflows of resources, and fund balances	\$ 17,325,030	2,167,730	2,462,180	2,441,383	2,984,441	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	62,526,992
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	335,790
Cash held in escrow pertaining to capital leases	546,034
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds.	
Bonds payable	(12,627,762)
Premiums on bonds	(440,535)
Capital leases	(2,221,843)
Accrued interest	(126,406)
Landfill liability	(838,876)
Accrued compensated absences	(946,033)
Net pension liability with related deferred outflows and inflows of resources	(717,210)
Other postemployment benefits liabilities with related deferred outflows and inflows of resources	(4,547,004)

Net position of governmental activities **\$ 51,767,046**

See accompanying notes to basic financial statements.

TOWN OF YARMOUTH, MAINE
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2019

	General	York Trust Fund	Road Bond Capital Project	School Renovations and Expansion	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$ 31,103,123	-	-	-	842,372	31,945,495
Licenses and permits	295,223	-	-	-	-	295,223
Intergovernmental	7,356,309	-	-	-	699,071	8,055,380
Charges for services	2,146,312	-	-	-	1,343,512	3,489,824
Interest income	79,742	158,557	23,957	-	30,286	292,542
Unclassified	446,382	-	-	-	43,756	490,138
Total revenues	41,427,091	158,557	23,957	-	2,958,997	44,568,602
Expenditures:						
Current:						
General government	3,122,892	-	-	-	329,404	3,452,296
Public works	2,643,510	-	-	-	106,088	2,749,598
Public safety	2,810,960	-	-	-	2,563	2,813,523
Health and welfare	135,294	-	-	-	-	135,294
Public services	1,415,201	65,500	-	-	735,538	2,216,239
Education (excluding debt service)	25,702,185	-	-	-	1,154,975	26,857,160
Unclassified	1,136,850	-	-	-	15,751	1,152,601
Capital outlay	2,476,574	-	1,110,103	1,901,425	285,752	5,773,854
Debt service	2,400,974	-	140,643	11,636	414,103	2,967,356
Total expenditures	41,844,440	65,500	1,250,746	1,913,061	3,044,174	48,117,921
Excess (deficiency) of revenues over (under) expenditures	(417,349)	93,057	(1,226,789)	(1,913,061)	(85,177)	(3,549,319)
Other financing sources (uses):						
Capital lease proceeds	453,966	-	-	-	-	453,966
Premium on bond anticipation notes	-	-	-	25,225	2,640	27,865
Transfers from other funds	150,000	-	-	-	150,000	300,000
Transfers to other funds	(150,000)	-	(150,000)	-	-	(300,000)
Total other financing sources (uses)	453,966	-	(150,000)	25,225	152,640	481,831
Net change in fund balances	36,617	93,057	(1,376,789)	(1,887,836)	67,463	(3,067,488)
Fund balances, beginning of year	6,248,529	2,074,673	3,266,955	-	2,301,230	13,891,387
Fund balances (deficit), end of year	\$ 6,285,146	2,167,730	1,890,166	(1,887,836)	2,368,693	10,823,899

See accompanying notes to basic financial statements.

TOWN OF YARMOUTH, MAINE
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the year ended June 30, 2019

Net change in fund balances - total governmental funds (from Statement 4)	\$	(3,067,488)
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Amounts reported for governmental activities in the Statement of Activities (Statement 2) are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. More specifically, this is the amount by which depreciation expense and the loss on disposal exceeded capital outlay in the current period.

Capital outlays	5,817,261	
Less: loss on disposed assets	(18,721)	
Less: depreciation expense	(2,840,152)	2,958,388

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the change in unavailable revenue - property taxes.

(21,804)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the (increase) decrease in:

Other postemployment benefits	98,175	
Accrued compensated absences	53,686	
Net pension liability	653,489	
Deferred inflows and outflows of resources related to the net pension liability	(91,412)	
Deferred inflows and outflows of resources related to the OPEB liabilities	(114,196)	
Landfill post closure care costs	(204,710)	
Accrued interest payable	(50,473)	344,559

Bond and lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. More specifically, this represents the net amount of principal (increases) decreases in debt service made during the year.

Capital lease proceeds	(453,966)	
Capital lease repayments	403,051	
Bond principal repayments and premium amortization	2,371,650	2,320,735

Change in net position of governmental activities (see Statement 2)	\$	2,534,390
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See accompanying notes to basic financial statements.

TOWN OF YARMOUTH, MAINE
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the year ended June 30, 2019

	Budgeted amounts			Variance with final budget positive (negative)
	Original	Final	Actual	
Revenues:				
Taxes	\$ 30,957,080	30,957,080	31,103,123	146,043
Licenses and permits	266,100	266,100	295,223	29,123
Intergovernmental	5,237,928	5,237,928	5,325,157	87,229
Charges for services	1,360,300	1,360,300	1,446,083	85,783
Investment earnings	6,400	6,400	54,833	48,433
Unclassified	29,000	29,000	16,153	(12,847)
Total revenues	37,856,808	37,856,808	38,240,572	383,764
Expenditures:				
Current:				
General government	2,964,164	2,978,964	3,007,043	(28,079)
Public works	2,677,357	2,677,357	2,595,859	81,498
Public safety	2,721,480	2,721,480	2,715,631	5,849
Health and welfare	31,150	31,150	31,577	(427)
Public services	1,454,004	1,369,004	1,298,562	70,442
Education (excluding debt service)	23,181,428	23,181,428	23,140,964	40,464
Unclassified	1,434,576	1,434,576	1,136,850	297,726
Debt service	2,410,642	2,410,642	2,400,974	9,668
Total expenditures	36,874,801	36,804,601	36,327,460	477,141
Excess of revenues over expenditures	982,007	1,052,207	1,913,112	860,905
Other financing sources (uses):				
Use of prior year surplus	550,000	674,800	674,800	-
Appropriations for reserves	(1,467,007)	(1,467,007)	(1,467,007)	-
Transfers to general fund reserves	-	(110,000)	(110,000)	-
Transfers to other funds	(65,000)	(150,000)	(150,000)	-
Total other financing uses	(982,007)	(1,052,207)	(1,052,207)	-
Net change in fund balance - budgetary basis	-	-	860,905	860,905
Reconciliation to GAAP:				
Appropriations for reserves			1,467,007	
Transfers to reserves from the General Fund			110,000	
Use of fund balance			(674,800)	
Reserves revenues			1,609,333	
Reserves expenditures			(3,360,416)	
Transfer in to reserves from other funds			150,000	
Change in teacher summer salaries			(125,412)	
Net change in fund balance - GAAP basis			36,617	
Fund balance, beginning of year			6,248,529	
Fund balance, end of year	\$		6,285,146	

See accompanying notes to basic financial statements.

TOWN OF YARMOUTH, MAINE
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2019

	Agency Funds
ASSETS	
Cash and cash equivalents	\$ 199,526
Total assets	199,526
LIABILITIES	
Funds held on behalf of student groups	199,526
Total liabilities	\$ 199,526

See accompanying notes to basic financial statements.

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of Yarmouth, Maine conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant of such policies.

Reporting Entity

The Town of Yarmouth, Maine was incorporated in 1849 under the laws of the State of Maine. The Town operates under a Council-Manager form of government.

In evaluating how to define the reporting entity, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit was made by applying the criteria set forth by accounting principles generally accepted in the United States of America. The criterion used defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. Application of this criterion and determination of type of presentation involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. Based upon the application of these criteria, there are no potential component units that should be included as part of this reporting entity.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent on fees and charges for support. The Town does not have any business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Town has elected not to allocate indirect costs among the programs, functions, and segments. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as certain compensated absences and claims and judgments, are recorded only when the payment is due.

Those revenues susceptible to accrual are property taxes, interest, and charges for services. Other receipts and taxes become measurable and available when cash is received by the Town and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The Town reports the following major governmental funds:

The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *York Trust Fund* (a Permanent Fund) accounts for resources left to the Town for various charitable purposes.

The *Road Bond Capital Project Fund* accounts for the bond and premium proceeds issued for road reconstruction and the related expenditures.

The *School Renovations and Expansion Fund* accounts for the renovation and expansion of schools within the Town of Yarmouth.

Additionally, the Town reports the following fund type:

Fiduciary funds account for assets held by the Town in a trustee capacity or as an agent on behalf of others. The Town's fiduciary funds include the following fund types:

Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. The funds are used to account for assets that the Town holds for others in an agency capacity.

Cash, Cash Equivalents, and Investments - Cash and cash equivalents consist of highly liquid investments with original maturities of three months or less. Investments are stated at fair value.

Inventory - Inventory consists of food, supplies, fuel, and is valued at the lower of cost (first-in, first-out basis) or market. Inventories of the school nutrition program include the value of the USDA commodities donated to the program.

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Encumbrances - Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of funds are recorded in order to reserve that portion of the applicable appropriations, is employed in the governmental funds. Encumbrances do not constitute expenditures or liabilities. At year-end, encumbrances, if any, are recorded as assigned fund balance.

Capital Assets - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant, and equipment of the primary government is depreciated using the straight-line method over the assets' estimated useful lives ranging from 3 to 60 years.

Deferred Outflows and Inflows of Resources - In addition to assets and liabilities, the statement of net position and balance sheet will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. These separate financial statement elements, deferred outflows of resources and deferred inflows of resources, represent a consumption or acquisition of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) or inflow of resources (revenue) until that time. The governmental funds only report a deferred inflow of resources, unavailable revenue from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The governmental activities have deferred outflows and inflows that relate to the net pension and OPEB liabilities, which include the Town's contributions subsequent to the measurement date, which is recognized as a reduction of the net pension and OPEB liabilities in the subsequent year. They also include changes in assumptions, differences between expected and actual experience, and changes in proportion and differences between Town contributions and proportionate share of contributions, which are deferred and amortized over the average expected remaining service lives of active and inactive members in the plan. They also include the net difference between projected and actual earnings on pension plan investments, which is deferred and amortized over a five-year period.

Vacation and Sick Leave - Under terms of personnel policies and union contracts, vacation and sick leave are granted in varying amounts according to length of service. Accumulated vacation and sick time have been recorded as a liability in the government-wide financial statements. Sick time is not paid unless an employee is ill, or retires in good standing. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

Long-term Obligations - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Bond premiums and discounts, if material to the basic financial statements, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Maine Public Employees Retirement System Consolidated Plan for Participating Local Districts (PLD Plan) and the Maine Public Employees Retirement System State Employee and Teacher Plan (SET Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Interfund Transactions - Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly chargeable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Use of Estimates - Preparation of the Town's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

Comparative Data/Reclassifications - Comparative data for the prior year has been presented only for certain funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

Fund Balance - Governmental Fund fund balance is reported in five classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which those funds can be spent.

The five classifications of fund balance for the Governmental Funds are as follows:

- *Nonspendable* – resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.
- *Restricted* – resources with constraints placed on the use of resources which are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or; b) imposed by law through constitutional provisions or enabling legislation.
- *Committed* – resources which are subject to limitations the government imposes on itself at its highest level of decision making authority, and that remain binding unless removed in the same manner.
- *Assigned* – resources that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.
- *Unassigned* – resources which have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Generally, all unexpended budgetary accounts lapse at the close of the fiscal year except some on-going projects which may be assigned for subsequent year expenditure and capital reserve accounts which are carried forward to the next fiscal year. The Town's fund balance policy establishes a fund balance target for unassigned fund balance of 8.3% of the annual budget, including education, contributions to capital reserves and debt service.

The voters at the Town Meeting have the responsibility for committing fund balance amounts and likewise would be required to modify or rescind those commitments. The Town has established certain designated accounts, which are carried forward each year and have been classified as assigned fund balance.

Although there is no formal policy, when both restricted and unrestricted resources are available for use, it is the Town's practice to use restricted resources first, then unrestricted resources as they are needed. When committed, assigned, and unassigned resources are available for use, it is the Town's practice to use committed or assigned resources first, and then unassigned resources as they are needed.

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The Town utilizes a formal budgetary accounting system to control revenues and expenditures. These budgets are established by vote of the Town's citizens, after considering the manager's and Town Council's recommendations. The Town Council may appropriate a supplemental amount up to \$100,000. The citizens of the Town must approve supplemental appropriations in excess of \$100,000. The Town Council exercises its legal level of control at the department level. Appropriations lapse at year end unless they are specifically reserved.

Budgets are adopted for the General Fund only and are adopted on a basis consistent with generally accepted accounting principles (GAAP), except for Maine Public Employees Retirement on-behalf payments, use of fund balance, teacher summer salaries, and activity in the General Fund reserves.

Maine Public Employees Retirement contributions are made by the State of Maine on behalf of the Yarmouth School Department. These amounts have not been budgeted in the General Fund and result in a difference in reporting on a budgetary basis of accounting versus reporting under accounting principles generally accepted in the United States of America of \$2,031,152. These amounts have been included as intergovernmental revenue and education expenditure/expense in the General Fund on Statement 4 (GAAP basis) and in the entity-wide Statement of Activities (Statement 2). There is no effect on fund balance or net position at the end of the year.

B. Revised Budget

The budgeted financial statements represented in this report reflect the final budget authorization, including all amendments.

The revised budget presented for the General Fund in the Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Statement 6) includes various adjustments as follows:

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY, CONTINUED

	<u>Revenues</u>	<u>Expenditures</u>	<u>Other financing sources (uses)</u>
2018-2019 budget as originally adopted	\$ 38,233,882	38,233,882	-
Overlay not included in budget	297,726	297,726	-
Appropriations for reserves - Town	-	(1,197,007)	(1,197,007)
Appropriations for reserves - School	-	(270,000)	(270,000)
Transfers to general fund reserves	-	(110,000)	(110,000)
Transfers to special revenue funds - School	-	(150,000)	(150,000)
Utilization of prior year balance - Town	(674,800)	-	674,800
Total adjusted budget	\$ 37,856,808	36,804,601	(1,052,207)

C. Excess of Expenditures over Appropriations

For the year ended June 30, 2019, expenditures exceeded appropriations in the following department:

General government	\$ 28,079	Health and welfare	427
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These overexpenditures lapsed to fund balance.

D. Deficit Fund Balances

At June 30, 2019, the following funds had deficit fund balances:

Recreational trail fund	\$ 4,660	Title IV drug free	214
Yarmouth Education Foundation	194	School renovations	1,887,836
Local entitlement	3,480	Public safety building	36,523
Local entitlement preschool	61		

These deficits will be covered by anticipated future revenues, bond issuances, or transfers from the General Fund.

DEPOSITS AND INVESTMENTS

A. Deposits

Custodial Credit Risk-Town Deposits: Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town's policy is to invest in only financial institutions that are insured by the F.D.I.C. or additional insurance. Funds will not be deposited or invested in institutions wherein the Town's deposits or investments will exceed 10% of the total reserve fund or capital of such institution. As of June 30, 2019, the Town reported deposits of \$16,849,475 with a bank balance of \$17,324,996. All of the Town's bank balances were covered by the F.D.I.C. or by additional insurance purchased on behalf of the Town by the respective banking institutions.

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

DEPOSITS AND INVESTMENTS, CONTINUED

The Town's deposits have been reported as follows:

Reported in governmental funds	\$ 16,649,949
Reported in fiduciary funds	199,526
Total deposits	\$ 16,849,475

B. Investments

At June 30, 2019, the Town had the following investments and maturities:

	<u>Fair Value</u>	<u>Less than 1 year</u>	<u>1-5 years</u>	<u>More than 5 years</u>
Equities/stock	\$ 891,065		N/A	
Mutual funds	154,751		N/A	
Exchange traded funds	1,425,182		N/A	
Total investments	\$ 2,470,998			

All investments have been reported in the governmental funds.

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the Town's investments as of June 30, 2019 were valued using quoted market prices (level 1 inputs).

Interest Rate Risk: It is the Town's policy that unless matched to a specific cash flow, the Town will not directly invest in securities maturing more than one year from the date of purchase.

Credit Risk: Maine statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies, repurchase agreements and certain corporate stocks and bonds. In accordance with its investment policy, the Town minimizes credit risk by limiting the types of investments to be purchased and diversifying the investment portfolio so that the impact of potential losses will be minimized.

Concentration of Credit Risk: It is the Town's policy that with the exception of U.S. Treasury and agency securities, no more than 60% of the Town's total investment portfolio will be invested in a single security type.

Custodial Credit Risk - Town's investments: For investments, custodial credit risk is the risk that, in the event of failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

PROPERTY TAX

Property taxes for the current year were committed on August 22, 2018 on the assessed value listed as of the prior April 1st for all real and personal property located in the Town. Interest was charged at 8.0% on all taxes unpaid as of November 14, 2018 and May 1, 2019. Assessed values are periodically established by the Town's Assessor at 100% of assumed market value.

The Town is permitted by the laws of the State of Maine to levy taxes up to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay, and amounted to \$297,726 for the year ended June 30, 2019.

Tax liens are placed on real property within twelve months following the tax commitment date if taxes are delinquent. The Town has the authority to foreclose on property eighteen months after the filing of the lien if tax liens and associated costs remain unpaid.

Property taxes levied during the year ended were recorded as receivables at the time the levy was made. The receivables collected during the year ended and in the first sixty days following the end of the fiscal year have been recorded as revenues. The remaining receivables have been recorded as deferred inflows of resources.

The following summarizes the periods ended June 30, 2019 and 2018 levies:

	<u>2019</u>	<u>2018</u>
Assessed valuation:		
Real estate	\$ 1,613,861,300	1,592,731,500
Personal property	61,063,000	58,794,300
Total assessed valuation	1,674,924,300	1,651,525,800
Assessed valuation	1,674,924,300	1,651,525,800
<u>Tax rate (per \$1,000)</u>	<u>17.80</u>	<u>17.16</u>
Commitment	29,813,653	28,340,183
<u>Supplemental taxes assessed</u>	<u>14,515</u>	<u>33,646</u>
Total tax levy	29,828,168	28,373,829
Less:		
Collections, abatements and other adjustments	(29,341,386)	(27,917,303)
Current year receivables at June 30	\$ 486,782	456,526
Collection rate	98.37%	98.39%

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019 was as follows:

	Balance June 30, <u>2018</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2019</u>
Governmental activities:				
Capital assets, not being depreciated:				
Books and collections	\$ 870,302	-	-	870,302
Land	8,928,226	-	-	8,928,226
<u>Construction in progress</u>	<u>651,725</u>	<u>5,062,370</u>	<u>330,953</u>	<u>5,383,142</u>
Total capital assets, not being depreciated	10,450,253	5,062,370	330,953	15,181,670
Capital assets, being depreciated:				
Land improvements	4,774,282	-	-	4,774,282
Buildings and building improvements	47,364,012	-	-	47,364,012
Furniture and equipment	3,726,770	48,518	137,000	3,638,288
Vehicles	6,059,766	510,306	219,037	6,351,035
<u>Infrastructure</u>	<u>28,772,099</u>	<u>527,020</u>	<u>-</u>	<u>29,299,119</u>
Total capital assets being depreciated	90,696,929	1,085,844	356,037	91,426,736
Less accumulated depreciation for:				
Land improvements	3,409,957	270,086	-	3,680,043
Buildings and building improvements	19,147,794	1,230,153	-	20,377,947
Furniture and equipment	2,740,905	167,020	137,000	2,770,925
Vehicles	4,009,425	399,538	200,316	4,208,647
<u>Infrastructure</u>	<u>12,270,497</u>	<u>773,355</u>	<u>-</u>	<u>13,043,852</u>
Total accumulated depreciation	41,578,578	2,840,152	337,316	44,081,414
<u>Total capital assets being depreciated, net</u>	<u>49,118,351</u>	<u>(1,754,308)</u>	<u>18,721</u>	<u>47,345,322</u>
<u>Governmental activities capital assets, net</u>	<u>\$59,568,604</u>	<u>3,308,062</u>	<u>349,674</u>	<u>62,526,992</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 351,121
Public safety	187,537
Public works, including depreciation of general infrastructure assets	1,174,081
Public services	137,192
<u>Education</u>	<u>990,221</u>
<u>Total depreciation expense – governmental activities</u>	<u>\$ 2,840,152</u>

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

INTERFUND BALANCES/TRANSFERS

Individual interfund receivables and payables and transfers at June 30, 2019 were as follows:

	<u>Interfund receivables</u>	<u>Interfund payables</u>	<u>Interfund transfers</u>
General Fund	\$ -	6,820,485	-
York Trust Fund	79,707	-	-
Road Bond Capital Project	2,462,180	-	(150,000)
School Renovations and Expansion	2,441,383	-	-
Other Governmental Funds:			
School Nutrition Program	93,991	-	65,000
Other Federal, State and Local Grants	-	126,516	-
Recreation Programs	527,116	-	85,000
Community Garden	11,135	-	-
Trust Funds	7,233	-	-
Capital Projects Funds	1,324,256	-	-
Total Other Governmental Funds	1,963,731	126,516	150,000
Totals	\$ 6,947,001	6,947,001	-

These transfers were budgeted transfers to fund certain activities.

CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2019 was as follows:

	<u>Restated Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Due within one year</u>
Governmental activities:					
General obligation bonds	\$ 14,969,914	-	2,342,152	12,627,762	1,894,152
Premium on bonds	470,033	-	29,498	440,535	29,498
Total bonds payable	15,439,947	-	2,371,650	13,068,297	1,923,650
Capital leases	1,624,894	1,000,000*	403,051	2,221,843	448,026
Accrued compensated absences	999,719	-	53,686	946,033	-
Other postemployment benefits	4,465,432	-	98,175	4,367,257	-
Net pension liability	2,144,201	-	653,489	1,490,712	-
Landfill closure liability	634,166	204,710	-	838,876	-
Governmental activity					
long-term liabilities	\$ 25,308,359	1,204,710	3,580,051	22,933,018	2,371,676

* The capital lease is on a draw down basis as costs are incurred. \$453,966 of lease proceeds were recognized in the fund financial statements for the year ended June 30, 2019. The Town has \$546,034 of costs held in escrow for the remainder of the lease proceeds.

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

BONDS PAYABLE

Bonds payable at June 30, 2019 is comprised of the following:

	<u>Date of issue</u>	<u>Original amount issued</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Balance June 30, 2019</u>
General obligation bonds:					
2008 Road bonds	5/15/08	\$ 2,400,000	11/01/2019	2.3-5.5%	200,000
2009 CWSRLF	1/04/09	1,532,282	4/1/2023	1.415%	560,762
2009 General obligation	11/01/09	817,718	11/1/2019	2.0-5.5%	75,000
2011 Refunding bonds	6/1/11	13,155,000	11/15/2021	3.0-5.0%	3,480,000
2013 Series A GOB	10/1/13	5,493,000	11/15/2033	2.0-4.0%	4,925,000
2018 Series A GOB	5/1/18	3,000,000	11/15/2033	3.0-5.0%	3,000,000
2018 Series B GOB	5/1/18	387,000	11/15/2033	8.625%	387,000
Total					\$ 12,627,762

The annual requirements to amortize all outstanding bonds at June 30, 2019 are as follows. Such amounts exclude overlapping debt requirements, but include school debt requirements to be reimbursed by the State of Maine.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 1,894,152	463,740	2,357,892
2021	1,602,152	392,489	1,994,641
2022	1,527,152	326,958	1,854,110
2023	762,152	285,012	1,047,164
2024	782,154	264,449	1,046,603
2025 - 2029	2,900,000	988,856	3,888,856
2030 - 2034	3,160,000	342,009	3,502,009
Totals	\$ 12,627,762	3,063,513	15,691,275

The State of Maine currently reimburses the Town for a portion of financing costs of school building and bus purchases. Continuation of such reimbursements is dependent upon continued appropriations by the state legislature.

SHORT-TERM DEBT

The Town issued bond anticipation notes for interim financing until long-term bonds are issued. The bond anticipation notes were for \$4,040,000 and \$400,000 with interest rates of 3.00% and are due October 16, 2019 and May 1, 2020, respectively. Bond anticipation note activity for the year ended June 30, 2019 was as follows:

	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>
Series A	\$ -	4,040,000	-	4,040,000
Series B	-	400,000	-	400,000
Total bond anticipation notes	\$ -	4,440,000	-	4,440,000

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

CAPITAL LEASES

The Town has entered into lease agreements as lessee for financing the purchases of computer equipment, wastewater dewatering system upgrades, and energy upgrades. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of future minimum lease payments as of the inception date.

The following is a schedule of the future minimum lease payments under the capital leases, and the present value of the net minimum lease payments at June 30, 2019:

2020	\$ 505,418
2021	271,333
2022	271,333
2023	271,333
2024	271,333
2025-2029	940,958
<u>2030</u>	<u>31,424</u>
Total minimum lease payments	2,563,132
Less amounts representing interest	(341,289)
Present value of future minimum	
<u>lease payments</u>	<u>\$ 2,221,843</u>

LANDFILL LIABILITY

Statement No. 18 of the Government Accounting Standards Board (GASB) entitled "Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs" requires the Town to record a liability for the estimated costs of landfill closure and postclosure care, as required by governmental authorities. State and federal regulations require that the Town place a final cover on its current operating landfill when waste is no longer accepted, and to perform certain maintenance and monitoring functions at the landfill for a period of thirty years after closure. In addition to operating expenditures related to current activities of the landfill, a related liability is recognized based on the future closure and postclosure care costs that will be paid near or after the date that the landfill stops accepting waste. The Town reports a portion of these closure and postclosure care costs as a liability in the statement of net position based on landfill capacity used as of June 30, 2019.

The Town currently has one landfill, the Yarmouth construction and demolition debris landfill. As of June 30, 2019 The Town estimates the facility has a remaining capacity of 30.21% or 17,465 tons. The Town estimates the final closure cost for the entire facility to be approximately \$812,000 and the total postclosure costs are estimated at \$390,000, which is an average annual cost of \$13,000 for 30 years. Of the total estimated liability of \$1,202,000, the Town estimates that \$838,876 is applicable to the facility based on the estimated capacity used as of June 30, 2019.

OVERLAPPING DEBT

The Town is subject to an annual assessment of its proportional share of Cumberland County expenses, including debt repayment, as determined by the percentage of the Town's state valuation to the County's state valuation. At June 30, 2019, the Town's share is \$1,382,953 (3.65%) of Cumberland County's outstanding debt of \$37,893,997.

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

CONDUIT DEBT OBLIGATIONS

From time to time, the Town has issued revenue bonds to provide financial assistance to North Yarmouth Academy for capital improvements and to restructure existing debt. Upon repayment of the bonds, ownership of the acquired assets transfers to the Academy. Neither the Town, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 2019, the principal amount of the revenue bonds payable was \$284,475

STATUTORY DEBT LIMIT

In accordance with Maine law, no municipality shall incur debt for specified purposes in excess of certain percentages of state valuation of such municipality. At June 30, 2019, the Town was in compliance with these limitations.

JOINTLY GOVERNED ORGANIZATION

The Town of Yarmouth participates in a jointly governed organization, which is not part of the Town's reporting entity.

ecomaine - ecomaine is a solid waste management corporation servicing 40 municipalities in Cumberland, Oxford, and York counties in Maine. Owned and controlled by 21 member communities, ecomaine creates electricity through its processing of waste and operates an extensive recycling program. The Town is a member community in ecomaine. Interlocal (waste handling) agreements between ecomaine and participating communities obligate the members to deliver certain solid waste produced within the community to ecomaine for processing and to make service payments and pay tipping fees for such processing. The Town has no explicit, measurable equity interest and therefore; has not reported an asset in these financial statements in connection with its participation in ecomaine. Selected balance sheet information for ecomaine for the year ended June 30, 2019 includes total assets of \$63,227,321 total liabilities of \$18,166,889 and unrestricted net position of \$14,041,866. The liabilities include an accrual for landfill closure and postclosure care amounting to \$15,082,777. ecomaine has a plan to fund this liability in the form of a cash reserve over the period of years between 2011 and a projected closing date. The separate audited financial statements of ecomaine may be obtained at their administrative office: ecomaine, 64 Blueberry Rd., Portland, Maine 04102.

BUDGETARY VS GAAP BASIS OF ACCOUNTING

The Town currently budgets for all summer salaries and benefits on the cash basis. Since teachers and certain other positions have provided all of the required services under their contracts at June 30, 2019, accounting principles generally accepted in the United States of America require that the cost associated with those services be recorded during that period. In order to be in conformance with generally accepted accounting principles (GAAP), the accompanying statements have been adjusted to reflect these liabilities. If these liabilities had not been recorded, unassigned fund balance would be as follows:

School Department fund balance per Statement A-3 (GAAP basis)	\$ (912,817)
Items not included on a budgetary basis:	
Accrued wages and benefits	2,204,167
Unassigned fund balance at June 30, 2019, budgetary accounting basis	\$ 1,291,350

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

BUDGETARY VS GAAP BASIS OF ACCOUNTING, CONTINUED

As required by generally accepted accounting principles (GAAP), the Town has recorded a revenue and expenditure/expense for Maine Public Employees Retirement contributions made by the State of Maine on behalf of the School Department. These amounts have not been budgeted in the General Fund and result in a difference in reporting on a budgetary basis of accounting versus reporting under generally accepted accounting principles of \$2,031,152. These amounts have been included as an intergovernmental revenue and an education expenditure in the General Fund on Statement 4 (GAAP basis) and an educational expense on the Statement of Activities. There is no effect on fund balance or net position at the end of the year.

FUND BALANCES

The General Fund unassigned fund balance total of \$959,118 represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the General Fund. Of the General Fund unassigned fund balance, the amounts available for future use by the Town and School Department are \$2,977,253 and (\$2,018,135), respectively.

As of June 30, 2019, other fund balance components consisted of the following:

	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>
General Fund:				
Inventory and prepaid expenditures	\$ 23,372	-	-	-
Reserves	-	-	4,424,709	-
Carryforward accounts	-	-	-	327,947
Assigned for subsequent budget	-	-	-	550,000
York Trust	2,088,023	79,707	-	-
Road Bond Capital Project	-	-	1,890,166	-
Other Governmental Funds:				
Inventory and prepaid expenditures	16,684	-	-	-
Grants and other purposes	-	139,684	-	-
Tax increment financing districts	-	914,952	-	-
Recreation and other programs	-	-	656,058	-
Trusts	592,767	93,680	-	-
Totals	\$ 2,720,846	1,228,023	6,970,933	877,947

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

FUND BALANCES, CONTINUED

At June 30, 2019 and 2018, portions of the General Fund fund balance were assigned to future periods as follows:

	<u>2019</u>	<u>2018</u>
Budgeted use of surplus	\$ 550,000	550,000
Beth Condon memorial garden	4,631	3,631
Bike and pedestrian	8,700	8,700
Brown tail moth	1,640	-
Dog control	10,709	12,441
Development/Offsite improvements	2,000	2,000
Fire training facility	3,402	890
Herbie Tree Memorial	-	1,157
Jayne Giese special program	10,862	10,862
Memorial bandstand	981	981
Natural gas inspections	17,446	-
Parks and rec projects	9,880	-
Recycling committee	191	191
Safety committee	13,908	16,197
Sam Lacroix scholarship	2,789	2,789
Sanders-Winslow field	4,747	4,747
Shellfish conservation	32,945	25,249
Subdivision inspection	75,618	77,762
Woodchips	36,370	27,484
Westside trail	22,714	1,284
Yarmouth PD dog fund	4,100	5,433
Yarmouth tree program	64,314	59,087
Total assigned fund balance	\$ 877,947	810,885

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

FUND BALANCES, CONTINUED

Additionally, at June 30, 2019 and 2018, portions of the General Fund fund balances have been committed as follows:

	<u>2019</u>	<u>2018</u>
Town:		
Cousins Island dock maintenance	\$ 323,056	277,947
Dam maintenance	5,198	4,173
Dredging	101,709	101,212
Economic development	54,099	53,835
Fire equipment	438,175	332,306
Harbor and waterfront	8,741	23,178
Hillside	-	23,131
Historic building preservation	35,787	30,614
Housing support	72,909	66,588
Library maintenance	37,231	38,753
Municipal building maintenance	106,390	67,004
Police equipment	29,999	17,452
Property acquisitions	109,324	103,792
Parks and playgrounds	125,201	126,252
Public works equipment	285,829	318,854
Public works future projects	365,279	367,191
Road improvement	-	65,305
Sidewalk improvements	137,100	126,434
Wastewater	763,366	832,731
Solid waste	96,782	67,567
Stay program	21,901	344
Tax revaluation	2,271	-
Technology reserve	198,799	155,394
Unemployment compensation	245	-
<u>Total Town</u>	<u>3,319,391</u>	<u>3,200,057</u>
School Department:		
Our house II FR	173,971	166,123
School equipment	15,174	15,100
School maintenance	189,979	392,877
School retirement	126,702	126,083
Special education reserve	148,681	171,598
Turf field	446,368	359,464
Text book reserve	4,443	9,112
<u>Total School Department</u>	<u>1,105,318</u>	<u>1,240,357</u>
<u>Total committed fund balance</u>	<u>\$ 4,424,709</u>	<u>4,440,414</u>

Additionally, the School Department had a tax stability reserve that was classified as unassigned. The amount at June 30, 2019 and 2018 was \$480 and \$478, respectively.

The above table does not include reserves with deficit balances.

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

NET POSITION

Net Position - Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds and capital leases payable and adding back any unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The Town's net investment in capital assets was calculated as follows at June 30, 2019:

Capital assets	\$ 106,608,406
Accumulated depreciation	(44,081,414)
Unamortized premiums on bonds	(440,535)
Bonds payable	(12,627,762)
Bond anticipation notes payable	(4,440,000)
Capital leases	(2,221,843)
<u>Unspent debt proceeds</u>	<u>4,531,060</u>

<u>Net investment in capital assets</u>	<u>\$ 47,327,912</u>
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NET PENSION LIABILITY

General Information about the Pension Plan

Plan Description - Employees of the Town and certain School Department employees are provided with pensions through the Maine Public Employees Retirement System Consolidated Plan for Local Participating Districts (PLD Plan) and teaching-certified employees of the Town are provided with pensions through the Maine Public Employees Retirement System State Employee and Teacher Plan (SET Plan), cost-sharing multiple-employer defined benefit pension plans, administered by the Maine Public Employees Retirement System (MPERS). Benefit terms are established in Maine statute. MPERS issues a publicly available financial report that can be obtained at www.maineopers.org.

Benefits Provided - The PLD and SET Plans provide defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e., eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit. In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. For PLD members, normal retirement age is 60 (65 for new members to the PLD Plan on or after July 1, 2014). For SET Plan members, normal retirement age is 60, 62, or 65. The normal retirement age is determined by whether a member had met certain creditable service requirements on specific dates, as established by statute. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. MPERS also provides disability and death benefits, which are established by contract under applicable statutory provisions (PLD Plan) or by statute (SET Plan).

Contributions - Employee contribution rates are defined by law or Board rule and depend on the terms of the plan under which an employee is covered. Employer contributions are determined by actuarial valuations. The contractually required contribution rates are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

NET PENSION LIABILITY, CONTINUED

PLD Plan - Employees are required to contribute 8.0% of their annual pay. The Town's contractually required contribution rates for the year ended June 30, 2019 were 10.0% for the regular plan and 16.3% for the special plan of annual payroll. Contributions to the pension plan from the Town were \$315,617 for the year ended June 30, 2019.

SET Plan - Maine statute requires the State to contribute a portion of the Town's contractually required contributions. Employees are required to contribute 7.65% of their annual pay. The Town's contractually required contribution rate for the year ended June 30, 2019, was 15.05% of annual payroll of which 3.97% of payroll was required from the Town and 11.08% was required from the State. Contributions to the pension plan from the Town were \$544,812 for the year ended June 30, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

The net pension liabilities were measured as of June 30, 2018, and the total pension liabilities used to calculate the net pension liabilities were determined by actuarial valuations as of that date. The Town's proportion of the net pension liabilities were based on projections of the Town's long-term share of contributions to the pension plans relative to the projected contributions of all participating local districts (PLD Plan) and of all participating School Administrative Units and the State (SET Plan), actuarially determined.

PLD Plan - At June 30, 2019, the Town reported a liability of \$1,419,502 for its proportionate share of the net pension liability. At June 30, 2018, the Town's proportion of the PLD Plan was 0.5187%.

SET Plan - At June 30, 2019, the Town reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the Town. The amount recognized by the Town as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$ 71,210
State's proportionate share of the net pension liability associated with the Town	<u>14,428,519</u>
Total	<u>\$ 14,499,729</u>

At June 30, 2018, the Town's proportion of the SET Plan was 0.0053%.

For the year ended June 30, 2019, the Town recognized pension gain of \$220,841 for the PLD Plan and a pension expense of \$2,039,726 for the SET Plan with revenue of \$1,520,533 for support provided by the State.

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

NET PENSION LIABILITY, CONTINUED

At June 30, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>PLD Plan</u>		<u>SET Plan</u>	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	11,146	\$ 2,175	-
Changes of assumptions	226,562	-	4,479	-
Net difference between projected and actual earnings on pension plan investments	-	342,753	-	9,258
Changes in proportion and differences between Town contributions and proportionate share of contributions	70,378	-	-	27,364
Town contributions subsequent to the measurement date	315,617	-	544,812	-
Total	\$ 612,557	353,899	551,466	36,622

\$860,429 is reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	<u>PLD Plan</u>	<u>SET Plan</u>
2020	\$ 226,187	(9,771)
2021	38,614	(11,119)
2022	(233,173)	(6,590)
2023	(88,587)	(2,488)

Actuarial Assumptions - The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>PLD Plan</u>	<u>SET Plan</u>
Inflation	2.75%	2.75%
Salary Increases, per year	2.75% to 9.0%	2.75% to 14.5%
Investment return, per annum, compounded annually	6.75%	6.75%
Cost of living benefit increases, per annum	1.91%	2.20%

Mortality rates were based on the RP2014 Total Dataset Healthy Annuitant Mortality Table, for males and females.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period June 30, 2012 to June 30, 2015.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

NET PENSION LIABILITY, CONTINUED

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Public equities	30.0%	6.0%
US Government	7.5%	2.3%
Private equity	15.0%	7.6%
Real estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural resources	5.0%	5.0%
Traditional credit	7.5%	3.0%
Alternative credit	5.0%	4.2%
Diversifiers	10.0%	5.9%

Discount Rate - The discount rate used to measure the total pension liability was 6.75% for the PLD and the SET Plan. The projection of cash flows used to determine the discount rates assumed that employee contributions will be made at the current contribution rate and that contributions from participating local districts will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liabilities.

Sensitivity of the Town's Proportionate Share of the Net Pension Liabilities to Changes in the Discount Rate - The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 6.75% for the PLD Plan and the SET Plan, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75% for PLD Plan and the SET Plan) or 1 percentage-point higher (7.75% for PLD Plan and the SET Plan) than the current rate:

<u>PLD Plan</u>	1% Decrease (<u>5.75%</u>)	Current Discount Rate (<u>6.75%</u>)	1% Increase (<u>7.75%</u>)
Town's proportionate share of the net pension liability	\$3,345,577	1,419,502	(380,850)
<u>SET Plan</u>	1% Decrease (<u>5.75%</u>)	Current Discount Rate (<u>6.75%</u>)	1% Increase (<u>7.75%</u>)
Town's proportionate share of the net pension liability	\$131,596	71,210	20,918

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

NET PENSION LIABILITY, CONTINUED

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued MPERS financial report.

Payables to the Pension Plan - None as of June 30, 2019.

OTHER RETIREMENT PLANS

Defined Contribution Plan

The Town offers its regular employees and certain school employees not participating in the Maine Public Employees Retirement system a defined contribution money purchase plan created in accordance with Internal Revenue Code Section 401(a). In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate and are vested from the date of employment. The Town matches the employees' contribution to the plan up to 5% of compensation for the plan year for School employees and 7% of compensation for the plan year for Town employees. For the years ended June 30, 2019 and 2018, the Town contributed \$165,613 and \$153,921, respectively.

Deferred Compensation Plan

The Town of Yarmouth offers all its employees not participating in Maine Public Employees Retirement a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The plan permits participating employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Assets of the plan are placed in trust for the exclusive benefit of participants and their beneficiaries. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on plan assets are not included in the Town's financial statements.

OTHER POSTEMPLOYMENT BENEFITS (OPEB) – LIFE INSURANCE

General Information about the OPEB Plan

Plan Description - The Town sponsors two post-retirement benefit plans providing group term life insurance to retiring employees. For municipal employees and certain School Department employees the Town participates in Group Life Insurance Plan for Participating Local District (PLD). Teachers also participate in the Group Term Life Insurance Plan for State Employees and Teachers (SET). Both plans are a cost-sharing multiple-employer defined benefit OPEB plan administered by the Maine Public Employees Retirement System (MPERS). The MPERS Board of Trustees has the authority to establish and amend the benefit terms and financing requirements for each plan. MPERS issues a publicly available financial reports that are available at www.maineopers.org.

Benefits Provided - Under each plan, MPERS provides basic group life insurance benefits, during retirement, to retirees who participated in the plan prior to retirement for a minimum of 10 years. The level of coverage is initially set to an amount equal to the retirees' average final compensation. The initial amount of basic life is then subsequently reduced at the rate of 15% per year to the greater of 40% of the initial amount or \$2,500.

Contributions - Premium rates are determined by the MPERS Board of Trustees to be actuarially sufficient to pay anticipated claims.

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

OTHER POSTEMPLOYMENT BENEFITS (OPEB) – LIFE INSURANCE, CONTINUED

PLD OPEB Plan - Premiums total \$0.46 per \$1,000 of coverage per month during the post-employment retirement period. Employer contributions to the PLD OPEB plan from the Town were \$21,721 for the year ended June 30, 2019.

SET OPEB Plan - The State of Maine is required to remit the total dollar amount of each year's annual required contribution. Contributions to the OPEB plan by the State of Maine on-behalf of the Town were \$29,845 for the year ended June 30, 2019. Employers and employees are not required to contribute to the OPEB plan.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability for each plan was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Town's proportion of the net OPEB liability was based on a projection of the Town's long-term share of contributions to the OPEB plans relative to the projected contributions of all participating employers, actuarially determined.

PLD OPEB Plan - At June 30, 2019, the Town reported a liability of \$303,434 for its proportionate share of the net OPEB liability. At June 30, 2018, the Town's proportion was 1.5021%.

SET OPEB Plan - At June 30, 2019, the Town reported no liability related to the plan. The State of Maine's proportionate share of the net OPEB liability associated with the Town was \$327,068 as of June 30, 2019. At June 30, 2019, the Town's proportion was 0.00%.

For the year ended June 30, 2019, the Town recognized OPEB expense of \$10,886 for the PLD OPEB Plan and recognized OPEB expense and revenues of \$29,845 for support provided by the State related to the SET OPEB plan. At June 30, 2019, the Town reported no deferred outflows of resources nor deferred inflows of resources related to the SET OPEB plan. At June 30, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to the PLD OPEB plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 25,606	-
Changes of assumptions	-	36,537
Net difference between projected and actual earnings on OPEB plan investments	-	15,924
Changes in proportion and differences between Town contributions and proportionate share of contributions	-	25,894
Town contributions subsequent to the measurement date	21,721	-
Total	\$ 47,327	78,355

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

OTHER POSTEMPLOYMENT BENEFITS (OPEB) – LIFE INSURANCE, CONTINUED

\$21,721 is reported as deferred outflows of resources related to the PLD OPEB plan resulting from Town contributions subsequent to the measurement date and will be recognized as a reduction of the OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ended June 30:</u>	<u>PLD Plan</u>
2020	\$ (15,600)
2021	(15,600)
2022	(15,600)
2023	(12,594)
2024	6,645

Actuarial Assumptions - The total OPEB liability in the June 30, 2018 actuarial valuations was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

	<u>PLD OPEB Plan</u>	<u>SET OPEB Plan</u>
Inflation	2.75%	2.75%
Salary increases	2.75% - 9.00%	2.75% - 14.50%
Investment rate of return	6.75%	6.75%

Mortality rates for each plan were based on the RP2014 Total Dataset Healthy Annuitant Mortality Table, for males and females.

The actuarial assumptions used in the June 30, 2018 valuations were based on the results of an actuarial experience study conducted for the period June 30, 2012 to June 30, 2015.

The long-term expected rate of return on both OPEB plan investments was determined using a building-block method which best estimates ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major class of assets. These ranges are combined to produce long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of long-term real rates of return for each major asset class included in the target asset allocation as of June 30, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Public equities	70.0%	6.0%
Real estate	5.0%	5.2%
Traditional credit	15.0%	3.0%
U.S. Government Securities	10.0%	2.3%

Discount Rate - The rate used to measure the total OPEB liability for the PLD OPEB plan was 5.13%, which is a blend of the assumed long-term expected rate of return of 6.75% and a municipal bond index rate of 3.87%, based on the Bond Buyer GO 20-Year Municipal Bond Index as of June 30, 2018. Projections of the plan's fiduciary net position indicate that it is not expected to be sufficient to make projected benefit payments for current members beyond 2047. Therefore, the portion of the future projected benefit payments after 2047 are discounted at the municipal bond index rate.

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

OTHER POSTEMPLOYMENT BENEFITS (OPEB) – LIFE INSURANCE, CONTINUED

The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at contractually required rates, actuarially determined.

The rate used to measure the total OPEB liability for the SET OPEB plan was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at contractually required rates, actuarially determined. Based on this assumption, the OPEB plans' fiduciary net position was projected to be available to make all projected OPEB payments for current and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Town's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate - The following presents the Town's proportionate share of the net PLD OPEB plan liability calculated using the discount rate of 5.13%, as well as what the Town's proportionate share of the net PLD OPEB plan liability would be if it were calculated using a discount rate that is 1 percentage-point lower (4.13%) or 1 percentage-point higher (6.13%) than the current rate:

	1% Decrease (4.13%)	Discount Rate (5.13%)	1% Increase (6.13%)
Net OPEB liability	\$ 400,882	303,434	226,603

Sensitivity of the Town's proportionate share of the net SET OPEB plan liability to the changes in the discount rate are not presented as the Town does not have any liability related to this plan given that the SET OPEB plan is 100% funded by contributions from the State of Maine.

OPEB Plan Fiduciary Net Position - Detailed information about both the PLD and SET OPEB plan's fiduciary net positions are available in a separately issued MPERS financial report.

OTHER POSTEMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE – TOWN

General Information about the OPEB Plan

Plan Description - The Town sponsors a post-retirement benefit plan providing health insurance to retiring employees (hereafter referred to as the Health Plan). The plan is a single-employer defined benefit OPEB plan administered by the Maine Municipal Employees Health Trust (MMEHT). The Town Council has the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Benefits Provided - Under the Health Plan, MMEHT provides healthcare and life insurance benefits for retirees and their dependents. Town employees over the age of 55 with 5 years of continuous service are allowed to participate in the plan. Retirees that are designated in a plan pay 100% of the single coverage premium and 100% of the family coverage premium. For those Town employees eligible for Medicare (post-65 Retiree Plan), the plan is offered in conjunction with Medicare Parts A and B and the Companion Plan B.

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

OTHER POSTEMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE – TOWN, CONTINUED

Employees Covered by Benefit Terms – At June 30, 2019, the following employees were covered by the Health Plan benefit terms:

Inactive employees or beneficiaries currently receiving benefits	12
Inactive employee entitled to but not yet receiving benefits	-
Active employees	<u>63</u>
Total	<u>75</u>

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The Town's total Health Plan OPEB liability of \$892,199 was measured as of January 1, 2019, and was determined by an actuarial valuation as of January 1, 2018.

Changes in the Total Health Plan OPEB Liability

Balance at June 30, 2018	\$ 929,740
Changes for the year:	
Service cost	37,957
Interest	32,700
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(73,701)
Benefit payments	<u>(34,497)</u>
Net changes	<u>(37,541)</u>
Balance at June 30, 2019	<u>\$ 892,199</u>

Change in assumptions reflects a change in the discount rate from 3.44% to 4.10%.

For the year ended June 30, 2019, the Town recognized OPEB expense of \$14,927 related to the Health Plan. At June 30, 2019, The Town reported deferred outflows of resources and deferred inflows of resources related to the Health Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	17,129
Changes of assumption or other inputs	-	119,476
Total	<u>\$ -</u>	<u>136,608</u>

Deferred outflows of resources and deferred inflows of resources related to the Health Plan will be recognized in OPEB expense as follows:

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

OTHER POSTEMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE – TOWN, CONTINUED

Year ended June 30:	
2020	\$ (21,233)
2021	(21,233)
2022	(21,233)
2023	(21,233)
2024	(21,233)
Thereafter	(30,443)

Actuarial Assumptions - The total OPEB liability in the January 1, 2019 measurement for the Health Plan was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00% per annum
Salary increases	2.75% per annum
Discount rate	4.10% per annum
Healthcare cost trend rates	8.27% for 2018, decreasing to 4.00% for 2032
Retirees' share of the benefit related costs	100% of projected health insurance premiums

Mortality rates for the Health Plan were based on the RP2014 Total Dataset Healthy Annuitant Mortality Table, for males and females.

The actuarial assumptions used in the January 1, 2018 valuation for the Health Plan were based on the results of an actuarial experience study for the period June 30, 2012 through June 30, 2015.

Discount Rate - The rate used to measure the total OPEB liability for the Health plan was 4.10% per annum. Since the plan is pay as you go and is not funded, the discount rate will be based on a 20-year tax-exempt general obligation municipal bond index. The rate is assumed to be an index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher, for pay as you go plans.

Sensitivity of the Total Health Plan OPEB Liability to Changes in the Discount Rate - The following presents the Town's total OPEB liability related to the Health Plan calculated using the discount rate of 4.10%, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (3.10%) or 1 percentage-point higher (5.10%) than the current rate:

	1% Decrease (3.10%)	Discount Rate (4.10%)	1% Increase (5.10%)
Total OPEB liability	\$ 1,007,763	892,199	796,836

Sensitivity of the Total Health Plan OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the Town's total OPEB liability related to the Health Plan calculated using the healthcare cost trend rates, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 783,896	892,199	1,026,389

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

OTHER POSTEMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE – SCHOOL DEPARTMENT

General Information about the OPEB Plan

Plan Description - The Town sponsors a post-retirement benefit plan providing health insurance to retiring employees. The plan is a single-employer defined benefit OPEB plan administered by the Maine Education Association Benefits Trust (MEABT). The State Legislature has the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Benefits Provided - MEABT provides healthcare insurance benefits for retirees and their dependents. The employee must have participated in the MEABT health plan for the 12 months prior to retirement and have 10 years of continuous active service and enrollment in the health plan (under age 50), or 5 years of continuous active service and enrollment in the health plan (age 50 or above), in order to be eligible for postretirement benefits. The retiree is eligible for a State subsidy of 45% of the blended single premium for the retiree only. Under State laws, the blended premium is determined by blending rates for active members and retired members. The retiree pays 55% of the blended premium rate for coverage selected. Spouses must contribute 100% of the blended premium amounts. Thus, the total premium is paid for by both the State and the retiree and or spouse.

Employees Covered by Benefit Terms – At June 30, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	74
Inactive employee entitled to but not yet receiving benefits	-
Active employees	191
Total	<u>265</u>

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The Town's total OPEB liability of \$3,171,624 was measured as of June 30, 2018, and was determined by an actuarial valuation as of that date.

Changes in the Total OPEB Liability

Balance at June 30, 2018	\$ 3,273,819
Changes for the year:	
Service cost	24,866
Interest	116,283
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(141,331)
Benefit payments	(102,013)
Net changes	<u>(102,195)</u>
Balance at June 30, 2019	<u>\$ 3,171,624</u>

Change in assumptions reflects a change in the discount rate from 3.58% to 3.87%.

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

OTHER POSTEMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE – SCHOOL DEPARTMENT, CONTINUED

For the year ended June 30, 2019, the Town recognized OPEB expense of \$117,594. At June 30, 2019, The Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumption or other inputs	\$ -	117,776
Town contributions subsequent to measurement date	105,665	-
Total	\$ 105,665	117,776

\$105,665 is reported as deferred outflows of resources related to OPEB resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2020	\$ (23,555)
2021	(23,555)
2022	(23,555)
2023	(23,555)
2024	(23,556)
Thereafter	-

Actuarial Assumptions - The total OPEB liability in the June 30, 2018 actuarial valuation for the total OPEB liability was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	Not reported
Salary increases	2.75% - 14.50% per year
Discount rate	3.87% per annum
Healthcare cost trend rates - Pre-Medicare	5.55% for 2018 grading over 15 years to 3.73%
Healthcare cost trend rates - Medicare	3.72% for 2018 grading over 15 years to 2.81%
Retirees' share of the benefit related costs	55% of the blended premium rate with a State subsidy for the remaining 45% of the blended premium rate

Mortality rates were based on the RP2014 Total Dataset Healthy Annuitant Mortality Table, for males and females.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period June 30, 2012 through June 30, 2015.

Discount Rate - The rate used to measure the total OPEB liability was 3.87% per annum. Since the plan is pay as you go and is not funded, the discount rate was based upon high quality AA/Aa or higher bond yields in effect for 20 years, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index.

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

OTHER POSTEMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE – SCHOOL DEPARTMENT, CONTINUED

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the Town's total OPEB liability calculated using the discount rate of 3.87%, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.87%) or 1 percentage-point higher (4.87%) than the current rate:

	1% Decrease (2.87%)	Discount Rate (3.87%)	1% Increase (4.87%)
Total OPEB liability	\$ 3,700,873	3,171,624	2,747,954

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the Town's total OPEB liability calculated using the healthcare cost trend rates, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 2,724,127	3,171,624	3,731,671

RESTATEMENT OF NET POSITION

For the fiscal year ended June 30, 2019, the Town has restated beginning net position in the government-wide statement of net position to account for the addition of the Town's total OPEB liability in regards to an implicit liability for retiree health insurance through the Maine Education Association Benefits Trust (MEABT), which effectively decreased the Town's net position as of July 1, 2018 by \$3,171,806

RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, and natural disasters for which the Town either carries commercial insurance, participates in a public entity risk pool, or is effectively self-insured. The Town participates in a public entity and self-insured risk pool sponsored by the Maine Municipal Association for workers' compensation coverage. Based on the coverage provided by the pools described above, as well as coverage provided by commercial insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded at June 30, 2019.

SIGNIFICANT TAXPAYER

Central Maine Power Company (CMP) has historically paid approximately 40% of the Town's property taxes. In 1999, several parcels of land owned by CMP on Cousins Island in proximity to CMP's W.F. Wyman power plant, and representing substantially all of CMP's taxable properties were sold to FPL Energy, Inc. (FPLE – which is now NextEra). Concurrent with this transaction, the Town entered into an agreement with CMP and NextEra whereby the total taxable assessed valuation for real estate properties owned by CMP and NextEra was established.

The value of NextEra property for 2019 is \$35,970,100.

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

TAX INCREMENT FINANCING DISTRICT

Under the State of Maine Title 30-A M.R.S., the Town has established four Tax Increment Financing Districts (TIFs) to finance development programs located in the Town of Yarmouth. The following is a summary of the four TIF districts:

	<u>Original value</u>	<u>Increase in value</u>	<u>Percent captured</u>	<u>Captured value</u>	<u>Captured taxes</u>
Downtown TIF	\$ 49,620,500	17,490,000	100%	17,490,000	311,322
Route One North	33,177,400	12,502,900	100%	12,502,900	222,552
Route One South	27,929,900	14,934,800	100%	14,934,800	265,839
Affordable Housing	-	2,396,600	100%	2,396,600	42,659

GASB Statement 77, *Tax Abatements Disclosures*, defines a tax abatement, for financial reporting purposes, as a reduction in tax revenue resulting from “an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments”.

While not called a “tax abatement”, the Town of Yarmouth does currently have a Credit Enhancement Agreement (CEA), which fits this definition under the Municipal Tax Increment Financing District approved by the State of Maine Department of Economic and Community Development. The Town entered into a CEA to encourage the development of affordable housing within the Town.

For the year ended June 30, 2019, the Town captured and paid out real estate taxes totaling \$42,659 through the credit enhancement agreement as follows:

<u>TIF District CEA Entity</u>	<u>Beginning Duration</u>	<u>Percentage of Assessed Value Abated</u>	<u>Amount Paid in FY 2019</u>
Affordable Housing Bartlet Circle 2 LP	April 1, 2016 30 years	100%	\$42,659

CONSTRUCTION COMMITMENT

The Town has entered into contracts in connection with construction projects. The following is a summary of commitments as of June 30, 2019:

	<u>Contract amount</u>	<u>Percentage complete</u>	<u>Billed to date</u>	<u>Balance remaining</u>
School renovations – design	\$ 3,262,501	53.27%	1,738,090	1,524,411

TOWN OF YARMOUTH, MAINE
Notes to Basic Financial Statements, continued

SUBSEQUENT EVENTS

In October of 2019, the Town issued a bond anticipation note in the amount of \$4,588,000 with an interest rate of 2.50% and a due date of December 30, 2019. The proceeds of this note were used to cover \$4,040,000 of principal due on a previous bond anticipation note, and additional project costs related to the school renovations project.

TOWN OF YARMOUTH, MAINE
Required Supplementary Information

Schedule of Town's Proportionate Share of the Net Pension Liability
Maine Public Employees Retirement System Consolidated Plan (PLD) and State Employee and Teacher Plan (SET)
Last 10 Fiscal Years*

	<u>2019**</u>	<u>2018**</u>	<u>2017**</u>	<u>2016**</u>	<u>2015**</u>
<u>PLD Plan</u>					
Town's proportion of the net pension liability	0.5187%	0.4962%	0.4833%	0.4907%	0.4802%
Town's proportionate share of the net pension liability	\$ 1,419,502	2,031,455	2,567,746	1,565,502	738,914
Town's covered payroll	2,374,192	2,205,002	2,016,980	1,933,689	1,780,742
Towns' proportionate share of the net pension liability as a percentage of its covered payroll	59.79%	92.13%	127.31%	80.96%	41.49%
Plan fiduciary net position as a percentage of the total pension liability	91.14%	86.43%	81.61%	88.27%	94.10%
<u>SET Plan</u>					
Town's proportion of the net pension liability	0.0053%	0.0078%	0.0085%	0.0059%	0.0054%
Town's proportionate share of the net pension liability	\$71,210	112,746	150,237	79,468	58,003
State's proportionate share of the net pension liability associated with the Town	14,428,519	15,138,373	17,704,106	13,415,265	10,519,065
<u>Total</u>	<u>\$ 14,499,729</u>	<u>15,251,119</u>	<u>17,854,343</u>	<u>13,494,733</u>	<u>10,577,068</u>
 Town's covered payroll	 \$ 13,212,359	 12,693,280	 11,873,465	 11,471,223	 10,927,004
 Town's proportion share of the net pension liability as a percentage of its covered payroll	 0.53%	 0.89%	 1.27%	 0.69%	 0.53%
 Plan fiduciary net position as a percentage of of the total pension liability	 82.90%	 80.78%	 76.21%	 81.18%	 83.91%

* Only five years of information available.

** The amounts presented for each fiscal year were determined as of the prior fiscal year.

TOWN OF YARMOUTH, MAINE
Required Supplementary Information, Continued

Schedule of Town Contributions
Maine Public Employees Retirement System Consolidated Plan (PLD) and State Employee and Teacher Plan (SET)
Last 10 Fiscal Years*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 315,617	287,930	254,302	226,771	191,898
Contributions in relation to the contractually required contribution	(315,617)	(287,930)	(254,302)	(226,771)	(191,898)
<u>Contribution deficiency (excess)</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Town's covered payroll	2,538,725	2,374,192	2,205,002	2,016,980	1,933,689
Contributions as a percentage of covered payroll	12.43%	12.13%	11.53%	11.24%	9.92%
<u>SET Plan</u>					
Contractually required contribution	\$ 544,812	524,531	426,494	398,948	303,987
Contributions in relation to the contractually required contribution	(544,812)	(524,531)	(426,494)	(398,948)	(303,987)
<u>Contribution deficiency (excess)</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Town's covered payroll	13,723,222	13,212,359	12,693,280	11,873,465	11,471,223
Contributions as a percentage of covered payroll	3.97%	3.97%	3.36%	3.36%	2.65%

* Only five years of information available.

TOWN OF YARMOUTH, MAINE
Required Supplementary Information, Continued

Schedule of Changes in the Health Insurance – Town Total Health Plan OPEB Liability and Related Ratios
Last 10 Fiscal Years*

	<u>2019</u>	<u>2018</u>
Total OPEB Liability		
Service cost	\$ 37,957	37,238
Interest	32,700	37,921
Changes of benefit terms	-	-
Differences between expected and actual experience	-	(22,839)
Changes of assumptions or other inputs	(73,701)	(73,321)
Benefit payments	(34,497)	(30,139)
Net change in total OPEB Liability	(37,541)	(51,140)
 Total OPEB liability - beginning	 929,740	 980,880
Total OPEB liability - ending	\$ <u>892,199</u>	<u>929,740</u>
 Covered-employee payroll	 \$ 3,622,859	 3,622,859
Total OPEB liability as a percentage of covered-employee payroll	24.60%	25.70%

* Only two years of information available.

TOWN OF YARMOUTH, MAINE
Required Supplementary Information, Continued

Schedule of Town's Proportionate Share of the Net OPEB Liability
Last 10 Fiscal Years*

	2019	2018
<u>PLD OPEB Plan</u>		
Town's proportion of the net OPEB liability	1,5021%	1.5661%
Town's proportionate share of the net OPEB liability	\$ 303,434	261,873
Town's covered-employee payroll	2,374,192	2,205,002
 Town's proportionate share of net OPEB liability as a percentage of its covered-employee payroll	 12.78%	 11.83%
Plan fiduciary net position as a percentage of the total OPEB liability	43.92%	47.42%
 <u>SET OPEB Plan</u>		
Town's proportion of the net OPEB liability	0.00%	0.00%
Town's proportionate share of the net OPEB liability	\$ -	-
State's proportionate share of the net OPEB liability associated with the Town	327,068	329,295
Total	<u>327,068</u>	<u>329,295</u>
 Plan fiduciary net position as a percentage of the total OPEB liability	 48.05%	 47.29%

* Only two years of information available. Amounts presented for each fiscal year were determined as of the end of the previous fiscal year.

TOWN OF YARMOUTH, MAINE
Required Supplementary Information, Continued

Schedule of Town OPEB Contributions
Last 10 Fiscal Years*

	2019	2018
<u>PLD OPEB Plan</u>		
Contractually required contribution	\$ 21,721	19,660
Contributions in relation to the contractually required contribution	<u>(21,721)</u>	<u>(19,660)</u>
Contribution deficiency (excess)	\$ <u>-</u>	-
 Town's covered-employee payroll	 \$ 2,538,725	 2,374,192
Contributions as a percentage of covered-employee payroll	0.85%	0.82%

* Only two years of information available.

TOWN OF YARMOUTH, MAINE
Required Supplementary Information, Continued

Schedule of Changes in the Health Insurance – School Department Total OPEB Liability and Related Ratios
Last 10 Fiscal Years*

	<u>2019</u>
Total OPEB Liability	
Service cost	\$ 24,866
Interest	116,283
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions or other inputs	(141,331)
Benefit payments	<u>(102,013)</u>
Net change in total OPEB Liability	<u>(102,195)</u>
 Total OPEB liability - beginning	 <u>3,273,819</u>
Total OPEB liability - ending	\$ <u><u>3,171,624</u></u>
 Covered-employee payroll	 \$ 9,014,627
Total OPEB liability as a percentage of covered-employee payroll	35.2%

* Only one year of information available.

TOWN OF YARMOUTH, MAINE
Notes to Required Supplementary Information

Net Pension Liability

Changes of Benefit Terms - None

Changes of Assumptions (Pension) - The following are changes in actuarial assumptions used in the most recent valuations:

	<u>2018</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Discount rate – PLD	6.750%	6.875%	7.125%	7.250%	7.250%
Discount rate – SET	6.750%	6.875%	7.125%	7.125%	7.250%
Inflation rate	2.75%	2.75%	3.50%	3.50%	3.50%
Salary increases – PLD	2.75-9.00%	2.75-9.00%	3.50-9.50%	3.50-9.50%	3.50-9.50%
Salary increases – SET	2.75-14.50%	2.75-14.50%	3.50-13.50%	3.50-13.50%	3.50-13.50%
Cost of living increases – PLD	1.91%	2.20%	2.55%	3.12%	3.12%
Cost of living increases – SET	2.20%	2.20%	2.55%	2.55%	2.55%

** This schedule is intended to show information for ten years, but only the years in which changes occurred have been displayed. Additional years' information will be displayed as it becomes available.*

Mortality rates:

In 2015, mortality rates were based on the RP2000 Combined Mortality Table projected forward to 2015 using Scale AA. In 2016 and going forward, mortality rates were based on the RP2014 Total Data Set Health Annuitant Mortality Table.

Changes of Benefit Terms (OPEB) - None

Changes of Assumptions (OPEB) - The following are changes in actuarial assumptions used in the most recent valuations regarding the MPERS life insurance plans:

	<u>2018</u>	<u>2017</u>
Discount rate – PLD	5.130%	5.410%
Discount rate – SET	6.750%	6.875%

Under the Health Plan, changes of assumptions and other inputs reflects the changes in the discount rate each period. The following are the discount rates used in each period:

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Discount rate – Town	4.10%	3.44%	3.78%
Discount rate – School Department	3.87%	3.58%	N/A

Additionally, the valuation method was changed from the Projected Unit Credit funding method in 2017 to the Entry Age Normal funding method in 2018.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS

These statements provide a more detailed view of the "basic financial statements" presented in the preceding subsection.

Combining statements are presented when there is more than one fund of a given fund type. Several individual fund financial statements are presented to provide additional detail and to present budgetary comparison.

GENERAL FUND

The General Fund is the general operating fund of the Town. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. Most governmental services are provided by the General Fund including general government, public works, public safety, education, health and welfare, and assessments from other governmental agencies.

TOWN OF YARMOUTH, MAINE
General Fund
Comparative Balance Sheets
June 30, 2019 and 2018

	2019	2018
ASSETS		
Cash and cash equivalents	\$ 16,351,184	14,052,370
Receivables:		
Accounts, net of allowance of \$70,687 and \$109,242	106,030	101,649
Due from other governments	134,891	86,609
Taxes - current year	486,782	456,526
Taxes - prior years	57,188	50,460
Tax liens	100,550	80,828
Sewer	65,033	47,127
Prepaid expenditures	702	365
Inventory	22,670	32,422
Total assets	\$ 17,325,030	14,908,356
LIABILITIES		
Accounts payable and payroll withholding	1,479,862	955,426
Accrued wages - Town	181,959	166,385
Accrued wages - School	2,204,167	1,937,904
Taxes paid in advance	17,621	347,561
Interfund loans payable	6,820,485	4,894,957
Total liabilities	10,704,094	8,302,233
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	335,790	357,594
Total deferred inflows of resources	335,790	357,594
FUND BALANCE		
Nonspendable for inventory and prepaids	23,372	32,787
Committed for Town reserves	3,319,391	3,200,057
Committed for School reserves	1,105,318	1,240,357
Assigned for Town purposes	877,947	810,885
Unassigned:		
Education (teacher summer salaries and benefits)	(2,018,615)	(2,078,755)
Education - tax stabilization	480	478
Town	2,977,253	3,042,720
Total fund balance	6,285,146	6,248,529
Total liabilities, deferred inflows of resources, and fund balances	\$ 17,325,030	14,908,356

TOWN OF YARMOUTH, MAINE
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis
For the year ended June 30, 2018
(with comparative totals for the year ended June 30, 2018)

	2019		Variance positive (negative)	2018 Actual
	Final budget	Actual		
Revenues:				
Taxes:				
Property taxes - Town	\$ 8,634,077	8,635,185	1,108	8,654,573
Property taxes - School	20,337,203	20,337,203	-	18,905,057
Excise taxes	1,944,800	2,087,425	142,625	1,984,512
Interest and costs on taxes	41,000	43,310	2,310	36,581
Total taxes	30,957,080	31,103,123	146,043	29,580,723
Licenses and permits:				
Public safety permits and fees	24,500	26,297	1,797	26,179
Code enforcement fees	162,000	180,934	18,934	147,048
Permit fees	68,000	77,161	9,161	71,622
Business licenses	1,600	1,560	(40)	1,924
Other clerk fees	10,000	9,271	(729)	10,612
Total licenses and permits	266,100	295,223	29,123	257,385
Intergovernmental revenues:				
State Revenue Sharing	480,000	482,480	2,480	466,315
Homestead reimbursement	413,792	413,792	-	320,333
General Assistance - State reimbursement	9,000	10,309	1,309	9,836
Snowmobile refund	500	-	(500)	695
Veterans reimbursement	7,800	6,950	(850)	6,682
BETE reimbursement	177,181	177,345	164	117,282
Education - State subsidies	4,144,655	4,230,511	85,856	4,633,973
State Agency subsidy	5,000	3,770	(1,230)	5,339
Total intergovernmental revenues	5,237,928	5,325,157	87,229	5,560,455
Charges for services:				
Agent fees	26,000	27,480	1,480	26,577
Harbor and waterfront fees	72,800	79,432	6,632	66,527
Rescue billings	260,000	260,000	-	240,000
Sewer fees	626,000	633,207	7,207	616,843
Recycling fees	37,000	32,607	(4,393)	40,974
Library fines and fees	6,000	6,000	-	6,000
School Department rental income	2,500	655	(1,845)	2,440
School Department tuition and fees	330,000	406,702	76,702	410,012
Total charges for services	1,360,300	1,446,083	85,783	1,409,373
Investment earnings:				
Interest income	6,400	54,833	48,433	32,949
Total investment earnings	6,400	54,833	48,433	32,949
Other revenues:				
Miscellaneous - Town	12,000	13,548	1,548	26,507
Miscellaneous - School	17,000	2,605	(14,395)	9,858
Total other revenues	29,000	16,153	(12,847)	36,365
Total revenues	37,856,808	38,240,572	383,764	36,877,250

TOWN OF YARMOUTH, MAINE
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis, Continued

	2019		Variance positive (negative)	2018 Actual
	Final budget	Actual		
Expenditures:				
Current:				
General government:				
Administration	\$ 818,780	859,481	(40,701)	829,382
Insurance	221,078	233,688	(12,610)	209,009
Employee benefits	1,790,670	1,771,317	19,353	1,664,009
Town buildings	148,436	142,557	5,879	131,210
Total general government	2,978,964	3,007,043	(28,079)	2,833,610
Public works:				
Highways	835,078	808,010	27,068	812,140
Solid waste	542,677	589,014	(46,337)	574,388
Wastewater	901,300	849,236	52,064	854,382
Mechanical	354,302	313,103	41,199	321,126
Tree care	44,000	36,496	7,504	41,248
Total public works	2,677,357	2,595,859	81,498	2,603,284
Public safety:				
Police department	1,192,468	1,219,951	(27,483)	1,108,153
Fire/rescue department	666,824	656,148	10,676	650,461
Communications division	208,136	196,132	12,004	205,445
Harbor and waterfront	59,327	52,678	6,649	46,765
Miscellaneous	594,725	590,722	4,003	583,126
Total public safety	2,721,480	2,715,631	5,849	2,593,950
Health and welfare:				
General assistance	26,300	26,727	(427)	26,052
Human services agencies	4,850	4,850	-	4,850
Total health and welfare	31,150	31,577	(427)	30,902
Public services:				
Library	519,690	502,024	17,666	477,926
Parks	427,040	392,930	34,110	370,937
Cemeteries	25,200	29,997	(4,797)	22,746
Community development	90,537	90,661	(124)	83,065
Planning	306,537	282,950	23,587	289,182
Total public services	1,369,004	1,298,562	70,442	1,243,856

TOWN OF YARMOUTH, MAINE
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis, Continued

	2019		Variance positive (negative)	2018 Actual
	Final budget	Actual		
Expenditures, continued				
Current, continued:				
Education (excluding debt service):				
Regular instruction	\$ 11,475,159	11,498,513	(23,354)	10,844,273
Special education instruction	3,653,833	3,564,090	89,743	3,442,757
Career and technical instruction	21,392	-	21,392	129,518
Other instruction	981,178	997,597	(16,419)	963,263
Student and staff support	2,407,679	2,455,250	(47,571)	2,315,274
System administration	859,929	803,105	56,824	778,788
School administration	1,144,116	1,125,324	18,792	1,113,982
Transportation	846,072	920,333	(74,261)	851,538
Facilities and maintenance	1,792,070	1,776,752	15,318	1,725,746
Total education	23,181,428	23,140,964	40,464	22,165,139
Unclassified:				
County tax	1,136,850	1,136,850	-	1,094,470
Overlay	297,726	-	297,726	-
Total unclassified	1,434,576	1,136,850	297,726	1,094,470
Debt service:				
Town:				
Principal	861,048	861,048	-	749,889
Interest and fees	224,164	218,360	5,804	250,883
Fees	5,500	1,636	3,864	1,065
Education:				
Principal	1,139,000	1,139,000	-	1,126,000
Interest	180,930	180,930	-	251,730
Total debt service	2,410,642	2,400,974	9,668	2,379,567
Total expenditures	36,804,601	36,327,460	477,141	34,944,778
Excess of revenues over expenditures	1,052,207	1,913,112	860,905	1,932,472

TOWN OF YARMOUTH, MAINE
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Budgetary Basis, Continued

	2019		Variance positive (negative)	2018 Actual
	Final budget	Actual		
Other financing sources (uses):				
Appropriations for reserves - Town	(1,197,007)	(1,197,007)	-	(1,237,540)
Appropriations for reserves - School	(270,000)	(270,000)	-	(229,892)
Transfer to reserves - Town	(110,000)	(110,000)	-	(8,700)
Transfer to reserves - School	-	-	-	(129,918)
Transfers to special revenue funds	(150,000)	(150,000)	-	(150,000)
Transfer from trust funds	-	-	-	1,000
Utilization of prior year surplus - Town	674,800	674,800	-	550,000
Total other financing uses	(1,052,207)	(1,052,207)	-	(1,205,050)
Net change in fund balance - budgetary basis	-	860,905	860,905	727,422
Reconciliation to GAAP:				
Appropriations for reserves		1,467,007		1,467,432
Transfers to reserves from General Fund		110,000		138,618
Use of fund balance		(674,800)		(550,000)
Reserves revenues		1,609,333		1,133,874
Reserves expenditures		(3,360,416)		(2,551,571)
Transfer in to reserves from other funds		150,000		-
Change in teacher summer salaries		(125,412)		(77,941)
Net change in fund balance - GAAP basis		36,617		287,834
Fund balance, beginning		6,248,529		5,960,695
Fund balance, ending	\$	6,285,146		6,248,529

TOWN OF YARMOUTH, MAINE
School Department - General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Budgetary Basis
For the year ended June 30, 2019
(with comparative totals for the year ended June 30, 2018)

	2019			Variance positive (negative)	2018 Actual
	Original Budget	Final Budget	Actual		
Revenues:					
Property taxes	\$ 20,337,203	20,337,203	20,337,203	-	18,905,057
State education subsidy--school	4,144,655	4,144,655	4,230,511	85,856	4,633,973
State Agency subsidy	5,000	5,000	3,770	(1,230)	5,339
Tuition and fees	330,000	330,000	406,702	76,702	410,012
Rental income	2,500	2,500	655	(1,845)	2,440
Miscellaneous	17,000	17,000	2,605	(14,395)	9,858
Total revenues	24,836,358	24,836,358	24,981,446	145,088	23,966,679
Expenditures:					
Current:					
Regular instruction	11,522,285	11,475,159	11,498,513	(23,354)	10,844,273
Special education instruction	3,579,208	3,653,833	3,564,090	89,743	3,442,757
Career and technical instruction	21,392	21,392	-	21,392	129,518
Other instruction	973,442	981,178	997,597	(16,419)	963,263
Student and staff support	2,433,701	2,407,679	2,455,250	(47,571)	2,315,274
System administration	859,929	859,929	803,105	56,824	778,788
School administration	1,153,329	1,144,116	1,125,324	18,792	1,113,982
Transportation	846,072	846,072	920,333	(74,261)	851,538
Facilities and maintenance	1,792,070	1,792,070	1,776,752	15,318	1,725,746
Debt service	1,319,930	1,319,930	1,319,930	-	1,377,730
Other financing uses:					
Transfer to reserves	270,000	270,000	270,000	-	229,892
Transfer to school nutrition program	65,000	65,000	65,000	-	65,000
Total expenditures and other financing uses	24,836,358	24,836,358	24,795,894	40,464	23,837,761
Net change in fund balance - budgetary basis	-	-	185,552	185,552	128,918
Reconciliation to GAAP:					
Change in teacher summer salaries			(125,412)		(77,941)
Transfer to reserves			270,000		229,892
Reserves revenues			16,052		80,644
Reserves expenditures			(421,089)		(314,126)
Net change in fund balance - GAAP basis			(74,897)		47,387
Fund balance (deficit), beginning of year			(837,920)		(885,307)
Fund balance (deficit), end of year	\$		(912,817)		(837,920)

TOWN OF YARMOUTH, MAINE
General Fund Reserves
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2019

		Fund balances beginning of year	Revenues			Expenditures		Current Year Appropriation	Transfers	Fund balances (deficits) end of year
			Charges for services	Interest	Other	Non-capital expenditures	Capital outlay			
Education:										
7140	Tax stability reserve	\$ 478	-	2	-	-	-	-	-	480
8521	School maintenance	392,877	-	1,575	-	373,041	16,432	185,000	-	189,979
8522	School equipment	15,100	-	74	-	-	-	-	-	15,174
8523	School retirement	126,083	-	619	-	-	-	-	-	126,702
8524	Special education	171,598	-	758	-	23,675	-	-	-	148,681
8525	School textbooks	9,112	-	272	-	4,941	-	-	-	4,443
8526	Turf field	359,464	-	1,904	-	-	-	85,000	-	446,368
8527	Our House II FR	166,123	-	828	10,020	3,000	-	-	-	173,971
Total School reserves		1,240,835	-	6,032	10,020	404,657	16,432	270,000	-	1,105,798
General government:										
4003	Cable TV/technology	155,394	-	753	134,620	101,968	-	10,000	-	198,799
4005	Historical buildings	30,614	-	173	-	-	-	5,000	-	35,787
4008	Tax revaluation	(2,739)	-	10	-	-	-	5,000	-	2,271
4012	Property acquisitions	103,792	-	532	-	-	-	5,000	-	109,324
4014	Unemployment compensation	(5,802)	-	1	46	-	-	6,000	-	245
4017	Municipal buildings	67,004	-	480	27,498	11,592	-	23,000	-	106,390
Public works:										
4002	Road improvements	65,305	5,376	1,680	100,478	8,201	1,022,614	624,000	150,000	(83,976)
4007	Public works equipment	318,854	-	1,924	-	-	322,449	160,000	127,500	285,829
4009	Wastewater	832,731	381,790	4,058	453,966	-	864,179	-	(45,000)	763,366
4016	Solid waste	67,567	28,849	452	-	16,086	-	36,000	(20,000)	96,782
4018	Public works future project match	367,191	-	2,132	-	-	84,044	80,000	-	365,279
4026	Hillside	23,131	-	108	-	-	23,239	-	-	-
4027	Sidewalks	126,434	-	666	-	-	-	10,000	-	137,100
Public safety:										
4001	Dam maintenance	4,173	-	25	-	-	-	1,000	-	5,198
4006	Fire-rescue equipment	332,306	188,211	1,657	-	36,003	47,996	-	-	438,175
4010	Cousins Island Dock	277,947	-	1,489	38,528	-	-	5,092	-	323,056
4013	Harbor and waterfront	23,178	-	61	-	19,398	-	9,900	(5,000)	8,741
4019	Dredging	101,212	-	497	-	-	-	-	-	101,709
4023	Police equipment	17,452	-	200	8	13,561	18,615	77,015	(32,500)	29,999
Health and welfare:										
4024	Housing support	66,588	-	333	30,988	25,000	-	-	-	72,909
4029	Senior tax assistance program	344	-	274	-	78,717	-	25,000	75,000	21,901
Public services:										
4004	Economic development	53,835	-	264	-	-	-	-	-	54,099
4011	Parks and playgrounds	126,252	-	902	29,627	51,302	55,278	95,000	(20,000)	125,201
4015	MM Library building	38,753	-	206	-	-	21,728	20,000	-	37,231
Total Town reserves		3,191,516	604,226	18,877	815,759	361,828	2,460,142	1,197,007	230,000	3,235,415

TOWN OF YARMOUTH, MAINE
General Fund Reserves
Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Continued

		Fund balances beginning of year	Revenues			Expenditures		Current Year		Fund balances (deficits) end of year
			Charges for services	Interest	Other	Non-capital expenditures	Capital outlay	Appropriation	Transfers	
General government:										
5031	Sam Lacroix Scholarship	\$ 2,789	-	-	-	-	-	-	-	2,789
5045	Jayne Giese special program	10,862	-	-	-	-	-	-	-	10,862
5047	Safety committee	16,197	-	-	-	2,289	-	-	-	13,908
Public works:										
5006	Tree program	59,087	-	-	4,070	-	-	-	1,157	64,314
5030	Herbie Tree Memorial	1,157	-	-	-	-	-	-	(1,157)	-
5033	Recycling committee	191	-	-	-	-	-	-	-	191
5035	Wood chips	27,484	8,886	-	-	-	-	-	-	36,370
5048	Natural gas inspections	-	40,810	-	-	23,364	-	-	-	17,446
5052	Development/offsite improvements	2,000	-	-	-	-	-	-	-	2,000
Public safety:										
5001	Dog control	12,441	5,268	-	-	7,000	-	-	-	10,709
5008	Shellfish conservation	25,249	14,046	-	5,750	12,100	-	-	-	32,945
5016	YPD dog fund	5,433	-	-	20	1,353	-	-	-	4,100
5025	Fire training facility	890	-	-	8,426	5,914	-	-	-	3,402
Public services:										
5005	Subdivision inspection	77,762	26,993	-	-	29,137	-	-	-	75,618
5018	Sanders Winslow Field	4,747	-	-	-	-	-	-	-	4,747
5019	Beth Condon Memorial Garden	3,631	-	-	1,000	-	-	-	-	4,631
5020	Memorial bandstand	981	-	-	-	-	-	-	-	981
5040	Westside Trail	1,284	-	-	29,870	8,440	-	-	-	22,714
5041	Bike and pedestrian FBC	8,700	-	-	-	-	-	-	-	8,700
5053	Parks and rec projects	-	-	-	1,640	-	-	-	-	1,640
5054	Brown tail moth	-	-	-	7,640	27,760	-	-	30,000	9,880
Total Town assigned		260,885	96,003	-	58,416	117,357	-	-	30,000	327,947
Total reserves		\$ 4,693,236	700,229	24,909	884,195	883,842	2,476,574	1,467,007	260,000	4,669,160

OTHER GOVERNMENTAL FUNDS

Special revenue funds are established to account for resources obtained and expended for specific purposes that are restricted by law or committed by administrative actions. Permanent funds are established to account for resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the government.

Special revenue funds are established for the following purposes:

School Nutrition Program

This fund accounts for revenues and expenditures for school lunch purposes.

Other Federal, State, and Local Grants

This fund accounts for various federal, state, and local programs administered by the School Department and the Town.

Recreation Programs

This fund accounts for revenues and expenditures related to various recreation programs.

Community Garden

This fund accounts for funds raised and spent by a citizen's group organized to operate a community garden on Town-owned property.

Permanent funds are established for the following purposes:

Trust Funds

This fund accounts for monies entrusted to the Town for various purposes including scholarships, cemetery maintenance, housing and medical assistance, programs for youth, library programs, etc.

Capital project funds are established for the following purposes:

Tax Increment Financing (TIF) Funds

These fund accounts for property taxes assessed and collected within the Town's TIF districts and expenditures for purposes related to the TIF districts.

Public Works Garage

This fund accounts for the refunding of the 2013 series B general obligation bond.

Public Safety Building

This fund accounts for the debt issuance and expenditure related to the construction of the new public safety building.

TOWN OF YARMOUTH, MAINE
Other Governmental Funds
Combining Balance Sheet
June 30, 2019

	Special Revenue Funds				Permanent	Capital	
	School	Other Federal,	Recreation	Community	Funds	Project	
	Nutrition	State and Local	Programs	Garden	(Trust	Funds	Totals
	Program	Grants			Funds)		
ASSETS							
Cash and cash equivalents	\$ 2,501	-	25	-	67,706	-	70,232
Investments	-	-	-	-	611,508	-	611,508
Accounts receivable	135	9,023	-	-	-	-	9,158
Due from other governments	7,036	304,790	1,302	-	-	-	313,128
Inventory	16,684	-	-	-	-	-	16,684
Interfund loans receivable	93,991	-	527,116	11,135	7,233	1,324,256	1,963,731
Total assets	\$ 120,347	313,813	528,443	11,135	686,447	1,324,256	2,984,441
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	694	6,370	5,960	349	-	38,662	52,035
Accrued wages	-	-	29,072	960	-	7,165	37,197
Interfund loans payable	-	126,516	-	-	-	-	126,516
Bond anticipation notes	-	-	-	-	-	400,000	400,000
Total liabilities	694	132,886	35,032	1,309	-	445,827	615,748
Fund balances:							
Nonspendable	16,684	-	-	-	592,767	-	609,451
Restricted	102,969	36,715	-	-	93,680	914,952	1,148,316
Committed	-	152,821	493,411	9,826	-	-	656,058
Unassigned	-	(8,609)	-	-	-	(36,523)	(45,132)
Total fund balances	119,653	180,927	493,411	9,826	686,447	878,429	2,368,693
Total liabilities and fund balances	\$ 120,347	313,813	528,443	11,135	686,447	1,324,256	2,984,441

TOWN OF YARMOUTH, MAINE
Other Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2019

	Special Revenue Funds				Permanent	Capital	
	School	Other Federal,	Recreation	Community	Funds	Project	
	Nutrition	State and Local	Programs	Garden	(Trust	Funds	Totals
	Program	Grants			Funds)		
Revenues:							
Taxes	\$ -	-	-	-	-	842,372	842,372
Intergovernmental	155,359	537,347	6,365	-	-	-	699,071
Charges for services	601,164	-	725,545	16,803	-	-	1,343,512
Interest income	-	-	-	-	11,271	-	11,271
Gain (loss) on investments	-	-	-	-	19,015	-	19,015
Unclassified	1,746	6,650	5,730	6,222	23,408	-	43,756
Total revenues	758,269	543,997	737,640	23,025	53,694	842,372	2,958,997
Expenditures:							
Current:							
General government	-	4,455	-	-	-	324,949	329,404
Public works	-	106,088	-	-	-	-	106,088
Public safety	-	2,563	-	-	-	-	2,563
Public services	-	4,945	680,310	20,800	29,483	-	735,538
Education	773,828	375,897	-	-	5,250	-	1,154,975
Unclassified	-	-	-	-	-	15,751	15,751
Capital outlay	-	-	-	-	-	285,752	285,752
Debt service	-	-	-	-	-	414,103	414,103
Total expenditures	773,828	493,948	680,310	20,800	34,733	1,040,555	3,044,174
Excess (deficiency) of revenues over (under) expenditures	(15,559)	50,049	57,330	2,225	18,961	(198,183)	(85,177)
Other financing sources (uses):							
Premium on bond anticipation note	-	-	-	-	-	2,640	2,640
Transfers from other funds	65,000	-	85,000	-	-	-	150,000
Total other financing sources (uses)	65,000	-	85,000	-	-	2,640	152,640
Net change in fund balances	49,441	50,049	142,330	2,225	18,961	(195,543)	67,463
Fund balances, beginning of year	70,212	130,878	351,081	7,601	667,486	1,073,972	2,301,230
Fund balances, end of year	\$ 119,653	180,927	493,411	9,826	686,447	878,429	2,368,693

TOWN OF YARMOUTH, MAINE
Other Federal, State and Local Grants
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2019

		Fund balances (deficits) beginning of year	Program Revenues			Program expenditures	Fund balances (deficits) end of year
			Federal	State	Local		
Town Programs:							
State and local:							
2309	Underage drinking	\$ 3,435	-	965	-	-	4,400
2310	Wellness grant	-	-	-	2,455	2,455	-
2312	MMA Safety	-	-	-	2,000	2,000	-
Federal:							
2601	Firefighter assistance	-	1,205	-	-	1,205	-
2615	FEMA	(52,475)	153,903	-	-	101,428	-
2616	Bullet proof vests	-	814	-	-	814	-
2620	Justice assistance grant	-	544	-	-	544	-
2628	Planning grant	(948)	5,893	-	-	4,945	-
2633	Recreational trail fund	-	-	-	-	4,660	(4,660)
Total Town Programs		(49,988)	162,359	965	4,455	118,051	(260)
School Programs:							
0205	Yarmouth Education Foundation	(194)	-	-	2,195	2,195	(194)
0208	ecomaine SNP grant	23	-	-	-	-	23
0209	SNP breakfast grant	63	-	-	-	-	63
0223	MLTI grant	-	-	11,800	-	-	11,800
0225	School health grant	390	-	-	-	-	390
0230	Title 1A	1,124	59,359	-	-	59,359	1,124
0232	Proficiency based education	6,216	-	-	-	-	6,216
0233	PEPG grant	1	-	-	-	-	1
0240	Title IVA	-	8,811	-	-	8,811	-
0245	Certification grant	3,479	-	-	-	-	3,479
0247	Local entitlement	(3,480)	260,861	-	-	260,861	(3,480)
0251	Local entitlement - preschool	(61)	-	-	-	-	(61)
0260	Title IV - drug free	(214)	-	-	-	-	(214)
0270	Title IIA - teacher quality	-	33,192	-	-	33,192	-
0274	National Semiconductor HS Photo	17	-	-	-	-	17
0275	National Semiconductor Roots	216	-	-	-	-	216
0276	Noyce Foundation	2,677	-	-	-	-	2,677
0280	High school teacher	5,434	-	-	-	-	5,434
0290	Other private grants	875	-	-	-	-	875
0650	Daycare Rowe School	164,300	-	-	-	11,479	152,821
Total School Programs		180,866	362,223	11,800	2,195	375,897	181,187
Total		\$ 130,878	524,582	12,765	6,650	493,948	180,927

TOWN OF YARMOUTH, MAINE
Permanent Funds (Trust Funds)
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2019

		Fund balances beginning of year	Investment Income	Contributions	Gain (loss) on Investments	Expenditures	Fund balances end of year
0800	Yarmouth High School Scholarships	\$ 66,121	102	1,025	-	5,250	61,998
6001	Baptist Fund	68,250	1,335	-	2,273	-	71,858
6002	Coombs Fund	30,298	-	21,383	-	20,000	31,681
6004	Humphrey Fund	578	11	-	19	-	608
6005	Ledge Fund	3,802	74	-	127	-	4,003
6006	Mann Fund	11,546	226	-	384	-	12,156
6007	Mayall Fund	8,230	161	-	274	-	8,665
6008	Plummer Fund	16,397	321	-	546	500	16,764
6009	Sherburne Fund	18,032	353	-	600	500	18,485
7001	Doughty Fund	263,297	5,149	-	8,767	3,743	273,470
7002	Fitts Fund	5,709	112	-	190	-	6,011
7003	Grange Trust	2,305	45	-	77	-	2,427
7004	Hector Hebert Fund	17,987	352	1,000	599	240	19,698
7005	Johnson Fund	51,625	1,010	-	1,719	2,000	52,354
7006	O'Brien Fund	13,771	269	-	459	500	13,999
7007	Swegustagoe Fund	12,199	239	-	406	-	12,844
7008	Wilder Fund	3,134	61	-	104	-	3,299
7009	Ayer	74,205	1,451	-	2,471	2,000	76,127
Total		\$ 667,486	11,271	23,408	19,015	34,733	686,447

TOWN OF YARMOUTH, MAINE
Capital Project Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2019

	TIF Downtown District	TIF Route One North	TIF Route One South	TIF Affordable Housing	Public Works Garage	Public Safety Building	Totals
Revenues:							
Taxes	\$ 311,322	222,552	265,839	42,659	-	-	842,372
Total revenues	311,322	222,552	265,839	42,659	-	-	842,372
Expenditures:							
Current:							
General government	109,980	78,952	93,358	-	-	-	282,290
Unclassified	11,328	2,030	2,393	-	-	-	15,751
Credit enhancement payments	-	-	-	42,659	-	-	42,659
Capital outlay	117,321	74,742	54,526	-	-	39,163	285,752
Debt service	-	-	-	-	414,103	-	414,103
Total expenditures	238,629	155,724	150,277	42,659	414,103	39,163	1,040,555
Excess (deficiency) of revenues over (under) expenditures	72,693	66,828	115,562	-	(414,103)	(39,163)	(198,183)
Other financing sources (uses):							
Premium on bond anticipation note	-	-	-	-	-	2,640	2,640
Total other financing uses	-	-	-	-	-	2,640	2,640
Net change in fund balances	72,693	66,828	115,562	-	(414,103)	(36,523)	(195,543)
Fund balances, beginning of year	418,268	123,795	117,806	-	414,103	-	1,073,972
Fund balances, end of year	\$ 490,961	190,623	233,368	-	-	(36,523)	878,429

AGENCY FUNDS

TOWN OF YARMOUTH, MAINE
Combining Schedule of Cash Receipts, Disbursements, and Changes in Balances
Fiduciary Funds - Agency Funds
School Activity Funds
For the year ended June 30, 2019

		Balance		Balance	
		July 01, 2018	Additions	Deductions	June 30, 2019
Activity Fund:					
Yarmouth High School	Exhibit C-2	\$ 149,874	239,545	266,283	123,136
Harrison Middle School	Exhibit C-3	51,822	46,989	42,954	55,857
Yarmouth Elementary School	N/A	8,021	5,633	6,973	6,681
Rowe School	N/A	14,511	3,941	4,600	13,852
Total		\$ 224,228	296,108	320,810	199,526

TOWN OF YARMOUTH, MAINE
Agency Fund - Yarmouth High School Activity Fund
Statement of Cash Receipts, Disbursements and Changes in Balances
For the year ended June 30, 2019

Account name	Beginning balance (deficit)	Additions	Deductions	Ending balance (deficit)
Ambassadors Club	\$ 250	-	-	250
AP Online Classes	-	845	-	845
Art: clay	20	-	-	20
Art: photo	(36)	-	42	(78)
Art: other	241	-	-	241
Athletic Trainer	6,056	16,252	22,194	114
Athletics	4,516	-	4,061	455
Band	1,590	6,792	7,533	849
Cheer	363	-	58	305
Class 16	2,885	-	-	2,885
Class 17	1,464	-	1,464	-
Class 18	2,336	-	1,157	1,179
Class 19	12,723	7,018	11,571	8,170
Class 20	4,115	12,526	5,442	11,199
Class 21	2,191	4,138	1,379	4,950
Class 22	-	1,420	437	983
Community Backpack Program	445	55	-	500
Curriculum Enrichment	1,562	700	753	1,509
District School Garden	757	-	66	691
Drama	18,355	32,710	34,340	16,725
Environmental Club	878	104	-	982
Field Trips Account	794	-	694	100
Field Hockey Boosters	5,980	12,027	12,433	5,574
French Club	85	-	-	85
Freshman Team	1,217	1,400	1,960	657
General (Reimb)	(2,356)	-	304	(2,660)
Global Action Club	2,030	186	365	1,851
Golf Fundraiser	-	1,300	-	1,300
GSA	134	-	20	114
Guidance	2,825	49,557	50,392	1,990

continued

TOWN OF YARMOUTH, MAINE
Agency Fund - Yarmouth High School Activity Fund
Statement of Cash Receipts, Disbursements and Changes in Balances
For the year ended June 30, 2019

Account name	Beginning balance (deficit)	Additions	Deductions	Ending balance (deficit)
Industrial Arts	\$ 100	-	-	100
Interact	1,180	-	-	1,180
Ken Nye Poetry Fund	100	-	-	100
Laptop Repair Fund	22,105	20,032	16,091	26,046
Library	976	193	228	941
Literary Arts Special Projects	2,400	-	400	2,000
Model UN	-	5,940	5,680	260
NYC Art Trip	-	9,893	9,389	504
Outing Club	777	170	350	597
Pits	135	50	50	135
Playdays	-	8,762	6,420	2,342
Project graduation	21,767	-	21,767	-
Principal's Acct	734	2,628	3,342	20
Robotics Club	340	14,887	12,003	3,224
Special Olympics	1	-	-	1
Spirits Club	-	590	93	497
Staff Wellness	60	-	-	60
Stem	1,127	2,405	3,755	(223)
Student Assistance Fund	2,352	-	-	2,352
Student Senate	274	-	-	274
Student Support	1,425	285	285	1,425
Swim Boosters	-	7,102	3,248	3,854
Temp Fundraisers	3,167	1,560	3,596	1,131
Temporary Textbooks Account	1,426	625	1,748	303
Tulip Garden	328	-	-	328
Turkish Exchange Account	564	-	-	564
Western Maine Conference	723	-	-	723
XC/Track Fees	-	500	250	250
Yearbook	11,338	16,893	20,923	7,308
YPAC Piano Fund	3,085	-	-	3,085
YPAC Sign	1,970	-	-	1,970
Totals	\$ 149,874	239,545	266,283	123,136

TOWN OF YARMOUTH, MAINE
Agency Fund - Harrison Middle School Activity Fund
Statement of Cash Receipts, Disbursements and Changes in Balances
For the year ended June 30, 2019

Account name	Beginning balance	Additions	Deductions	Ending balance
Drama	\$ 7,584	5,971	3,609	9,946
Grade 5	262	100	120	242
General	1,791	60	1,358	493
Guidance	176	300	-	476
Laptop Insurance	24,417	7,655	8,560	23,512
Lets Go	200	-	200	-
Lexus Challenge	171	-	-	171
Library	833	6,413	2,535	4,711
Music	38	250	19	269
Music Boosters	535	9,950	4,646	5,839
OBOS	-	1,020	895	125
Principal	2,433	8,174	10,138	469
QSP	704	1,671	2,357	18
Robotics	685	2,390	1,950	1,125
Special Olympics	600	-	-	600
Steingert Scholarship	4,934	100	1,015	4,019
Student Council	2,105	-	1,843	262
Susan-YCAN	-	500	75	425
Technology	500	-	500	-
Textbooks	20	-	20	-
Yarmouth march for the ocean	-	150	135	15
YCAN	-	500	500	-
Yearbook	3,834	1,785	2,479	3,140
Totals	\$ 51,822	46,989	42,954	55,857

SCHEDULE

TOWN OF YARMOUTH, MAINE
Schedule of Expenditures of Federal Awards
For the year ended June 30, 2019

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass- through Grantor's Number	Total Federal Expenditures	Cluster Totals	Passed Through to Subrecipients
U. S. Department of Education, passed through the Maine Department of Education:					
Title I, Part A	84.010	3107	\$ 59,359		-
Title IIA - Supporting Effective Instruction	84.367	3042	33,192		-
Title IV - Student Support and Academic Enrichment	84.424	3345	8,811		-
Special Education Cluster:					
Local Entitlement	84.027	3046	260,861		-
Total Special Education Cluster				260,861	
Total U. S. Department of Education			362,223		-
U.S. Department of Homeland Security, passed through Maine Emergency Management Agency:					
Disaster Grants - Public Assistance	97.036	N/A	101,428		-
Total U.S. Department of Homeland Security			101,428		-
U. S. Department of the Interior, direct:					
Historic Preservation Fund Grants	15.904	N/A	4,945		-
Total U.S. Department of Interior			4,945		-
U.S. Department of Justice, direct:					
Bulletproof vests	16.607	N/A	814		-
passed through the Maine Department of Public Safety:					
Justice Assistance Grant	16.738	N/A	544		-
Total U.S. Department of Justice			1,358		-
U. S. Department of Transportation, direct:					
Regional Trails Program	20.219	N/A	4,660		-
Total U.S. Department of Transportation			4,660		-
U. S. Department of Agriculture, passed through the Maine Department of Education:					
Child Nutrition Cluster:					
School Lunch	10.555	3024	91,119		-
Donated Commodities	10.555	N/A	36,848		-
Breakfast Program	10.553	3014	19,360		-
Summer food program	10.559	3016	6,365		-
Total Child Nutrition Cluster				153,692	
passed through the Maine Forest Service:					
Cooperative Forestry Assistance	10.664	N/A	1,205		-
Total U.S. Department of Agriculture			154,897		-
Totals			\$ 629,511		-