

2016

# Annual Town Meeting Fayette, Maine Year Ending June 30, 2016

Fayette, Me.

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*Annual Town Report*



*Fayette, Maine*

*Year Ending*

*June 30, 2016*

## FAYETTE BAPTIST CHURCH

**Established 1792**

The community of Fayette was largely settled by former soldiers of the American Revolution. As payment for their service, over seventy veterans moved and claimed their land in the 1780's on what was then part of the Massachusetts frontier, or Maine Territory. Originally known as Starling Plantation, Fayette was incorporated as a town in 1795, three years *after* the First Regular Baptist Church of Fayette was established.

In 1790, Eliphalet Smith, an evangelist who traveled across central Maine by horseback, discovered a need and desire for a church in Starling. He sought the help of a Baptist missionary and church planter, Issac Case, in 1792, and by August of that year the church was established. Eliphalet Smith was named the first pastor and served for seven years. His tombstone is located in Readfield.

During the first ten years church meetings were held in private homes or barns. A meeting house was erected on the present church site in 1802 and was shared with the town for multiple functions. In 1836 it was dismantled and parts were used to build the present structure. Church member and housewright, Andrew Sturtevant, erected the new building on land he donated from his farm. His descendants still reside there at Home-Nest Farm.

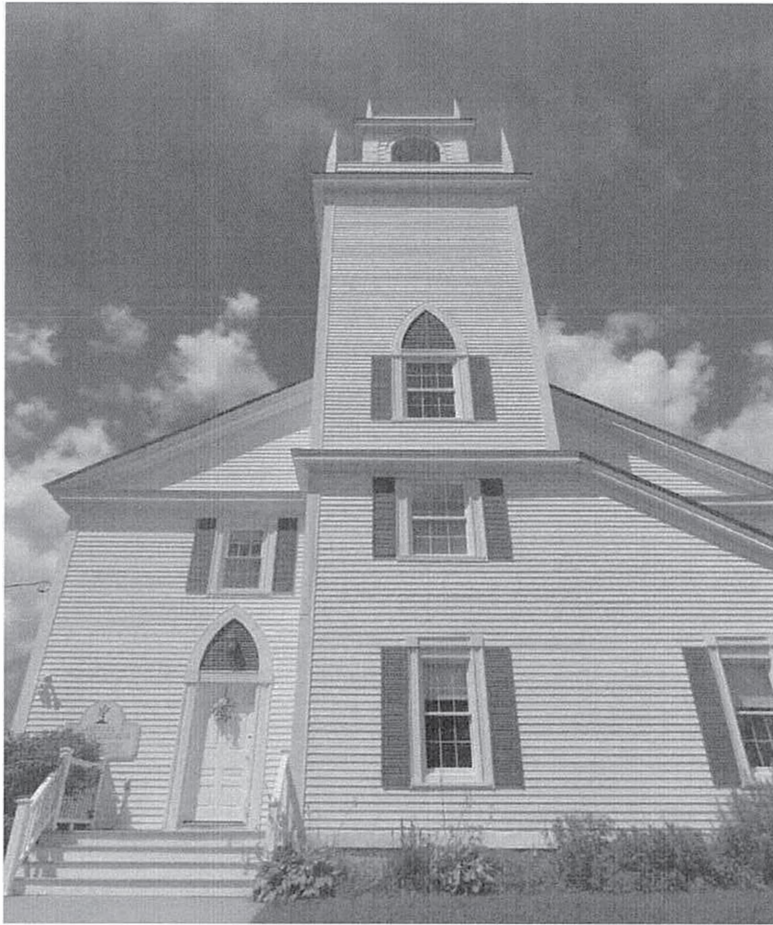


Oliver Billings and his wife, Lydia, were among the first seven people to be led to faith and baptized by Elder Case in 1792. Brother Billings was later ordained as a minister of the gospel in the spring of 1800, succeeding Elder Smith. He served for forty-two years during a time that wide reaching revivals swept the land and later would be known as "the second great awakening." New believers were baptized year round, even through the ice at nearby Tilton Pond! From seven converts the church grew to over 200 members by 1827. Billings was born in Sharon, Massachusetts, in 1767. He and his wife made their home on the Fayette Ridge Road and had seven children. They share a double tombstone and were buried in the Fayette Corner Cemetery.

Over the course of 225 years many changes and challenges occurred. Church membership stayed steady and strong until the late 1850's. Then the Civil War, a rocky economy, declining population, and the industrial revolution took their toll on the once thriving Fayette Corner. Prayers to keep the doors open by a handful of faithful people were answered. Pastors often were shared with area churches. There was even a Christian school that operated during the early 1980's. Through it all and more, the church has continued its presence on Baldwin Hill Road.

Today, Pastor Russell Cotnoir, Jr., has served for twenty-nine years as senior pastor. In 1988, while attending Bible College in South Portland, working, raising a family, and driving two or more times a week to Fayette from Augusta, the church hired him. According to Claire Flagg, the longest attending member at FBC, they were seeking a young pastor with a family to settle in and lead the church. She knew after hearing his first sermon he was the answer to prayer. A parsonage was built to show the church's commitment and support to the family. It was dedicated on the bi-centennial of the church in 1992. Pastor Russ with his wife Denise, still live there today, ministering to the community and beyond.

Yes, the church has grown with well over three hundred regular attendees. In the past twenty years three other pastors have been called to assist: Glenn Freeman-1999, Henry Cooper-2006, and Chris Blanche-2013. These four pastors, along with the elder board and many other ministry leaders oversee Fayette Baptist Church. For 225 years it has been the desire of generations of believers to *reach up* to worship the Lord, *reach in* to edify one another, and *reach out* to communicate Christ to the community.



Arnold and Leda Sturtevant's book, **FOOTPRINTS of PATRIOTS**, will be ready for Fayette Baptist Church's 225<sup>th</sup> anniversary. Town, church, and the Sturtevant family's history traverses over two centuries and contains wonderful stories, maps and photographs. If you would like to know more about the history of Fayette Baptist Church or would like access to church records for genealogy purposes, visit the following websites available through the Maine State Library.

[http://digitalmaine.com/fayette\\_books/1/](http://digitalmaine.com/fayette_books/1/) Fayette Baptist Church 1792-1967 by Reginald H. Sturtevant

[http://digitalmaine.com/fayette\\_books](http://digitalmaine.com/fayette_books) Church Records 1792-1953

## A message from the Town Manager

It is my duty and honor to report to the Towns people of Fayette the important, issues, activities, efforts and accomplishments of the past year in the Town.

- ❖ Fayette's real estate taxes will be increasing again this year. The only way you can control real estate taxes from increasing is to cut spending and/or find other means (revenues) to pay for the municipal, school and county services you receive and thereby minimize the total reliance on local taxation.
- ❖ Please keep in mind our total proposed school expenditure budget for next year is \$1,804,026 for which we will receive \$34,671 from the State. This amount contributed by the State is to help pay only 30% of what the state determines to be our cost of special education for the past year.
- ❖ Please keep in mind that our total Public Works operational expenditure budget including its share of the bond package debt service for road paving for the proposed year is \$437,432 of which we receive \$38,340 in State funds from the Local Road Assistance Program (LRAP). This amount is also characterized as minimal receivership designation by the State. Locally, the Town collects approximately \$200,000 in motor vehicle excise taxes from resident car registrations to support our road improvement portion of the public works budget. Combined, our two largest operational proposed expenditures (school and public works) total \$2,241,458 and for that we are proposed to receive a total of \$73,011 in outside funds from the State to offset real estate taxpayer burden. At a time when a mil on the tax rate equals \$160,000.

### HELPING HANDS

- ❖ Once again, the many hands that run the "keep me warm" suppers are to be thanked for all they do and dedicate to this effort. Everyone knows the angels that we rely on month in and out at these suppers and it is so important that they know how much we appreciate them.

- ❖ The Fayette Baptist Church was nominated the Spirit of America Award last year in recognition of the Church's ongoing effort to provide many important services to the community via the Food Pantry, Hope Chest Clothing Closet, Public Servant Recognition and Free Christmas Dinner, a gift to the community.
- ❖ Over the last two years a group of volunteers known as FOSH "Friends of Starling Hall" have organized an effort to preserve, protect and restore the Hall to its former glory. FOSH has now attained its 501c3 tax exempt non-profit status and is actively pursuing private funding to accomplish the necessary and desired building improvements.

### **ROAD WORK**

- ❖ Last year the roads of Fayette received significant treatment. Richmond Mill, South, Lovejoy Pond, Lovejoy Shores and Watson Heights Roads received full shim and overlays of cold mix asphalt. This was all the substantial work is in progress for 2016 as the result of the \$600,000 from a bond package that was approved at 2015 Town Meeting.

### **CHANGES OF A DEDICATED CREW**

- ❖ I would like to thank the Town Office crew for everything they do. The past year witnessed the departure of two longtime employees at the Town Office. Brenda Leclerc who served as Deputy Tax Collector since 2007 and was a helping hand to all who needed one on the other side of the counter and Clarissa Jean Herrin who served since 2002. Originally hired to file documents at the age of 19! Clarissa was quickly left alone to manage the office whilst the Town dealt with management crisis turn-over.

She did a remarkable job for the Town under what was less than ideal situations. I believe we all owe a bit of gratitude for the many jobs she did. I think the legacy both ladies leave behind is the appreciation by the Towns folk for the greetings they receive when they come to the Town Office and the service that is delivered.

This is especially important whereas we are usually liberating money from your checking account when you visit, therefore every effort is made to do so with kindness, competence and respect. It is truly an honor and pleasure to serve the people of Fayette.

To you I bid peace, goodness and grace.



Mark Robinson, Town Manager

## A Message from the Chairman

Dear Friends and Neighbors:

It is certainly an honor and a privilege to serve on the Fayette Board of Selectmen. We are all part of a wonderful community. This culture is made possible by the dozens of volunteers that willingly contribute their time and talents many in behind the scenes roles that never get any public acknowledgment. To you all we owe our gratitude and thanks.

We are also very fortunate to have an incredibly dedicated and talented group of Town employees who believe that public service is not a job but an attitude and principle. Led by Town Manager Mark Robinson, this group never asks if they can help or what needs to be done, they just do it!

The election brought two new members to the Board this year, Nancy Cronin and Lacy Badeau. They each have brought significant value to the Board in their opinions and skill sets. The Fayette Board of Selectmen functions through challenging discussions that are thorough and not contentious, with diverse opinions expressed openly without criticism.

The Board has had several challenges this year but the search for a new opportunity for citizens to dispose of trash, recyclables, construction & demolition debris etc. has certainly been at the forefront. Considering our options while balancing cost, convenience, regulations and the pursuit of a multi-year commitment, the Board is supporting the article at the April 3, 2017 Special Town Meeting to become a partner with the Towns of Readfield and Wayne in the operation of the Readfield Transfer Station.

Nancy Cronin has championed a "Raise the Floor" program with the legislature to provide additional school funding to the towns that receive very little state educational financial aid. With the support of several legislators and affected communities we are hoping that Fayette and other like towns benefit from Nancy's analytical evaluation and persistence by bringing additional funds to Fayette's education budget.

In closing, I would like to thank my fellow Board members. It is an honor to work with you in service to our community.

Sincerely,

Jon Beekman, Chair  
Fayette Board of Selectmen



# SUPERINTENDENT OF SCHOOLS ANNUAL REPORT

Let me begin by thanking you all for giving me opportunity to become the Superintendent of Schools in Fayette this year. I have thoroughly enjoyed having the chance to be a part of this very unique school system. Fayette should be very proud of the school that we have, and of all of the staff and students who are lucky enough to have the experience that you provide to them. I have stated many times over the years that small schools like ours are either the very best or worst setting to work in, or to be educated in. Fayette is clearly among the very best. The staff, students, parents, and community members have been truly amazing.

That being said, this has also been a very busy year at school. My time here began with stepping into the completion of the installation of the new boiler and controls for the school. While the boiler has been up and running for the entire school year, there have been a few “glitches” along the way. In true Fayette form, all of the issues have been handled quickly and efficiently. Related to that is the process of figuring out exactly how to integrate and coordinate the pellet boiler that was installed a few years ago. That work is on-going and should be fully functional in the near future.

One other issue, that was on the table as I entered this job, was the need to successfully complete teacher and staff negotiations. Again, working with the staff and the Fayette School Committee, we were able to complete that process and the impact of that is reflected in the proposed 2017-18 school budget.

Of course, the biggest news and change was the decision to create a full time building administrator and the hiring of Tara Blue. Ms. Blue has proven to be an amazing addition to the Fayette School. She is an exceptionally positive and student-focused educational leader. Her knowledge of educational practice is outstanding and her further focus on developing “mindfulness” has had a noticeable impact on the culture and climate of our school. I applaud the community and the Fayette School Board for taking the step to make this position full time. I notice it most in allowing the staff to focus on the needs of the students and to not worry about the needs of the building.

One last lingering issue is the on-going issue with the roof of our school. Fayette has joined in a class action suit with the manufacturer of the roof shingles, which are failing badly way ahead of the warranty for them. We have had to involve an attorney to assist us in the process of making this right.

The proposed 2017-18 budget only includes one new position. That is a one-day-a-week teacher for technology. The person will work with staff and students to use the technology that you have generously provided in the past, and to work with the teachers to find new and innovative ways to use that technology. No other positions are being requested. Tuition increases, the first payment on the boiler, salary increases, and adjusting this budget to match the hires that you made last year are the biggest reasons for the increase to the budget. I truly hope you are able to support the budget that has been presented.

Sincerely,

Jim Hodgkin- Supt. of Schools

Congress of the United States  
House of Representatives  
Washington, DC 20515-1902

Town of Fayette  
2589 Main Street  
Fayette, ME 04349

Dear Friends,

One of the greatest honors of my life is serving as your representative in Congress. This past year, we won some major victories for Maine families, communities, Veterans and local job creators, but there is still more work to be done. Since day one in Congress, I've worked with everyone regardless of party—Republicans, Democrats and Independents—to get the job done for Maine.

My number one priority is creating and protecting jobs. One of my main focuses this last Congress has been on helping secure 900 shoe manufacturing jobs in Maine at New Balance. For years, Maine politicians have worked unsuccessfully to get legislation through in Congress to require the Department of Defense (DOD) to adhere to the Berry Amendment, a provision which requires the DOD to use American-made products for new recruits whenever possible. New Balance is one of the few companies that continues to hire American workers and produce footwear here in the U.S.

I am absolutely thrilled that, after a months-long and hard fought effort, we finally had this monumental language officially signed into law this past year. This is a huge accomplishment, and I'm not going to let up an inch until it is fully implemented to secure the 900 Maine jobs at Skowhegan, Norway and Norridgewock.

In Congress, I have also been a steadfast opponent of bad and unfair trade deals, namely the Trans-Pacific Partnership (TPP), which have the potential to hurt jobs and local businesses in Maine. That's why I voted, twice, against "fast track" trade authority, or trade promotion authority, despite pressure from powerful Washington special interest groups and leaders of my own party. I don't work for any one party—I work for you, the people of Maine.

I am also extremely proud of the services that our Congressional office has been able to provide to help hundreds of Mainers in the past two years. Whether it is a Veteran experiencing issues at the VA or a citizen needing assistance with a case at the IRS, my staff is available to help. I encourage anyone who is experiencing problems with a government agency, including our Veterans when dealing with the VA, to contact one of my Congressional offices in Maine—Bangor (942-0583), Lewiston (784-0768), Presque Isle (764-1968)—or visit my website at [Poliquin.House.Gov](http://Poliquin.House.Gov).

There is much more work to be done. Our Great State of Maine and our Nation face many critical challenges. Please know that I am working hard, every day, to serve you and that I will continue to work here at home and in Washington for our families, local businesses and communities. It is an honor to represent you and our fellow Mainers in Congress.

Best wishes,



Bruce Poliquin  
Member of Congress

ANGUS S. KING, JR.  
MAINE

133 HARY SENATE OFFICE BUILDING  
(202) 224-5344  
Website: <http://www.King-Senate.gov>

# United States Senate

WASHINGTON, DC 20510

COMMITTEES  
ARMED SERVICES  
BUDGET  
ENERGY AND  
NATURAL RESOURCES  
INTELLIGENCE  
RULES AND ADMINISTRATION

Dear Friends of Fayette,

Since being sworn into the Senate in 2013, I have made it my mission to address at the federal level the most important issues facing our great state. Working closely with my colleagues in the Maine Congressional Delegation, we've been able to successfully secure a number of legislative victories that support our state's economy, our rich traditions, and the hardworking people I am proud to represent.

In an increasingly polarized Congress, my goal as an Independent is to put partisanship aside, build consensus and further common-sense solutions to address the needs of the American people. To this end, I have co-founded the Former Governors Caucus, a group of former state executives who are frustrated with legislative gridlock and eager to find bipartisan solutions. And as always, I aim to bridge the partisan divide by hosting barbeque dinners in Washington with colleagues ranging from Ted Cruz to Elizabeth Warren. If you know a person's children, then you see them as a mother or father and not a rival vote, and working to further personal dialogue and build relationships can lay the foundation for successful legislation.

One of the accomplishments of which I am most proud is the legislative victory that protects our college students and their families from an expensive hike in student loan interest rates. In 2013, as students faced a significant spike in interest rates that would have taken thousands of dollars out of their pockets, I brought together colleagues from across the political spectrum to broker compromise legislation called the Bipartisan Student Loan Certainty Act. Thanks to this bill, students will save \$50 billion over the next 10 years by lowering their interest rates, which means that a student in Maine will now save between \$3,000 and \$6,000 over the life of their loan.

Being an Independent in the Senate has allowed me to make calls and vote on policies that are best for Maine, but it has also made it possible to play key roles in finding simple solutions and legislative fixes that make good commonsense to both parties. Of course, much of what we do in the Senate doesn't happen on the Senate floor, or even in committee. Instead, it involves working across all levels of government to ensure the State of Maine receives attention and support from the federal government.

Take, for example, the opioid and heroin epidemic devastating communities across our state. While Congress has passed legislative solutions aimed at expanding access to medical treatment, I've also pressed for other changes that can be accomplished more quickly and make a more immediate difference in Maine. For example, I successfully urged the U.S. Department of Health and Human Services to increase the number of patients to whom a doctor can provide medication-assisted treatment, and in 2015 brought the Director of the Office of National Drug Control Policy to Brewer to meet directly with Mainers and hear their stories. I've also engaged law enforcement – including the Drug Enforcement Agency – to crack down on the production of opioids and work to limit their diversion. Together, Senator Collins and I helped pass the Northern Border Security Review Act to combat drug and human trafficking along our border with Canada.

While the opioid epidemic is certainly our biggest public health crisis, job loss in Maine is still our number one economic problem and that's why we need to focus on bringing good paying jobs back to Maine and protecting the ones we still have. As a member of the Armed Services Committee, I teamed up with Senator Collins and Representative Poliquin to successfully secure a provision in the defense bill that can help domestic shoe manufacturers like New Balance. The three of us also worked together with the Department of Commerce to establish an Economic Development Assessment Team, known as an EDAT, to assist Maine's forest industry in the wake of several mill closures. We have an incredible spirit of innovation and ingenuity in Maine and I believe finding ways to invest in that spirit will reignite Maine's forest products sector and our economy. Part of our economic path forward must also include expanding access to high-speed broadband, which can help connect our businesses and communities to information and economic opportunities.

AUGUSTA  
4 Gabriel Drive, Suite F1  
Augusta, ME 04330  
(207) 822-8292

BANGOR  
202 Harlow Street, Suite 20350  
Bangor, ME 04401  
(207) 945-8000

PRESQUE ISLE  
169 Academy Street, Suite A  
Presque Isle, ME 04769  
(207) 764-5124

SCARBOROUGH  
383 US Route 1, Suite 1C  
Scarborough, ME 04074  
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MAINE

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(202) 224-5344  
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## United States Senate

WASHINGTON, DC 20510

COMMITTEES  
ARMED SERVICES  
BUDGET  
ENERGY AND  
NATURAL RESOURCES  
INTELLIGENCE  
RULES AND ADMINISTRATION

As a member of the Senate Armed Services and Intelligence Committees, I work to keep Maine and our nation safe. Part of that important work means continuing to work for funding for the construction of Navy ships that will be used to protect American interests across the globe. We all know that "Bath Built is Best Built," which is why I've fought to authorize funding for Navy ships built at BIW. The best way to preserve peace is by deterring war through unassailable strength, and to do that we must support our shipbuilders and our brave service members and invest in our military. I strive to meet this solemn responsibility every day as a member of these committees, which is why I hardly ever miss a hearing and take great care in overseeing the agencies sworn to keep us safe. Armed Services Chairman John McCain called me "one of the most serious and hard-working members" of the Committee, and that's a humbling compliment from a true American hero.

As always, please call or write me with thoughts or concerns with matters currently before Congress, or if you need assistance navigating a federal agency. As a public servant, it is critical to me to listen and learn from you, which is why staying connected with people from all over our beautiful state remains a top priority for my work in the Senate. Please call my toll-free line at 1-800-432-1599 or one my offices: Augusta: (207)622-8292, Bangor: (207)945-8000, Presque Isle (207)764-5124, Scarborough (207)883-1588, or Washington, D.C. (202)224-5344. You can also write me on our website at [www.king.senate.gov/contact](http://www.king.senate.gov/contact).

It is an honor and a privilege serving the people of Maine in the Senate, and I look forward to working with you in our search for a more perfect Union.

Sincerely,



Angus S. King, Jr.  
United States Senator

AUGUSTA  
4 Gabriel Drive, Suite F1  
Augusta, ME 04330  
(207) 622-8292

BANGOR  
202 Harlow Street, Suite 20350  
Bangor, ME 04401  
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PRESQUE ISLE  
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Presque Isle, ME 04769  
(207) 764-5124

SCARBOROUGH  
383 US Route 1, Suite 1C  
Scarborough, ME 04074  
(207) 883-1588



HOUSE OF REPRESENTATIVES  
2 STATE HOUSE STATION  
AUGUSTA, MAINE 04333-0002  
(207) 287-1440  
TTY: (207) 287-4469

**Gary Hilliard**

511 Dunn Rd  
Belgrade, ME 04917  
Office Phone: (207) 287-1440  
Gary.Hilliard@legislature.maine.gov

January 2017

Dear Friends and Neighbors,

It has been an incredible honor and privilege to represent you in The House of Representatives during the 127<sup>th</sup> Maine Legislature. Thank you for electing me to a second term as your State Representative. In the 128<sup>th</sup> Legislature, I will serve as the ranking House Republican on the Joint Standing Committee on Taxation.

Although, this is a new committee to me, I am confident we will do what is the best for the State as a whole. The taxation committee, oversees a multitude of topics such as: Bureau of Revenue Services and State Property Tax Review Board; state and local taxes; tax exemptions and credits; taxpayer relief programs; property valuation and assessment; tax increment financing; municipal revenue sharing; taxation of unorganized territories; and tree growth and other current use tax issues. I look forward to working with the members of the committee to prepare meaningful legislation for Maine. Often times removing a rule or law has a more positive impact than creating one.

One of the most rewarding components of the job is being able to help constituents when they get bogged down attempting to navigate the bureaucracy of various government programs and agencies. Feel free to contact me if I can be of assistance in any way. The best way to contact me is via e-mail, at [Gary.Hilliard@legislature.maine.gov](mailto:Gary.Hilliard@legislature.maine.gov), or by **phone** which is **287-1440**. I do a weekly State News Update via e-mail which many people find to be useful for learning about state issues that affect their personal and business lives. I would love to add you to the newsletter list, and of course you may unsubscribe at any time.

Thank you again, for giving me the honor of serving you in Augusta!

Sincerely,

A handwritten signature in cursive script that reads "Gary Hilliard".

Gary Hilliard  
State Representative

*128th Legislature*  
*Senate of*  
*Maine*  
*Senate District 17*

*Senator Thomas B. Saviello*  
*3 State House Station*  
*Augusta, ME 04333-0003*  
*(207) 287-1505*

Dear Friends and Neighbors:

Let me begin by thanking you for allowing me the honor of serving you in the Maine Senate. I am humbled that you have put your trust in me for a fourth term and can assure you I will continue to work tirelessly on your behalf. Please let me provide you with a recap of the 127<sup>th</sup> Legislature, as well as my hopes for the upcoming 128<sup>th</sup> Legislature, which convenes in December.

Last year we continued the work of reforming our state's welfare system and achieved the long sought-after goal of banning the purchase of alcohol, tobacco and lottery tickets with welfare benefits. While there is more work to be done in reforming our welfare system, I believe these efforts will help to deter such abuse of the system and help ensure that benefits are going to those who truly need them.

The Legislature also worked in a bipartisan fashion to begin addressing the drug crisis affecting our state. We approved putting 10 new drug enforcement agents on the street, as well as provided funding for treatment programs and drug use prevention efforts.

In the upcoming session, it is clear that we must continue to do all we can to attract more jobs to our state. To that end, I will work to advocate for proposals which will expand economic opportunity for all Mainers. We must also continue to fight the drug epidemic threatening our state and hurting our families. It is my hope the Legislature can once again work together to find good solutions to what has become a widespread problem.

You have my humble and sincere thanks for allowing me to represent you in Augusta. Please feel free to contact me at 287-1505 or [drtom16@hotmail.com](mailto:drtom16@hotmail.com) if you have comments, questions or if you would like assistance in navigating our state's bureaucracy.

Sincerely,



Tom Saviello  
State Senator



## HOUSE OF REPRESENTATIVES

2 STATE HOUSE STATION

AUGUSTA, MAINE 04333-0002

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TTY: (207) 287-4469

### Gary Hilliard

511 Dunn Rd

Belgrade, ME 04917

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January 2017

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Thank you again, for giving me the honor of serving you in Augusta!

Sincerely,

A handwritten signature in black ink that reads "Gary Hilliard". The signature is written in a cursive, flowing style.

Gary Hilliard  
State Representative



## Fayette Volunteer Fire Department

Fire / Rescue Services

P.O. Box 238

Fayette, ME 04349

# Report of the Fayette Fire Department

Last year from January 1 2016 to December 31,2016 the Fayette Fire Department responded to the following types of calls;

Structure fires 15	Fire Alarm Investigations 27
Chimney Fires 12	Carbon Monoxide Investigation 0
Service calls 1	Forest/ Woods Fires 12
Medical Assist 76	Grass Fires 3
Electrical Power Lines 8	Vehicle Fires 3
Hazardous Materials 1	Motor Vehicle Accidents 13
Smoke Investigations 6	Un permitted Burns 3
Other 21	Total of 202

Dear Fayette Residents, The Fayette Fire Department has had a very busy past year, You can see by the number of calls above. We have also been successful in the past year in getting numerous grants to help stretch our budget a little further.

The past couple of years we have been given donations to be used for something that we need, but can't afford out of our yearly budget. We have also been doing the chicken barbeques. Along with a few larger donations this past year we have purchased an aluminum boat with motor and trailer. Over the years we are now seeing more water accidents and island fires. This will help Fayette and our mutual aide partners respond to these calls more easily. We are now prepping the boat to get ready for the upcoming season. This boat was purchased with donations and our fund raising money we have received.

Once again all fire department in our state are looking for more people to come out and join them. We belong to the Lakes Region Mutual aide group. This group consists of Readfield, Mt. Vernon, Vienna, Wayne, Manchester, and Fayette. More and More of our calls are now mutual aide calls to get the proper manning to handle some of these calls. If you might be interested in joining our organization please call or talk to one of our members. There is a certain amount of training all fire fighters have to have yearly and you will get a great sense of pride in serving your community.

Respectfully,

Marty Maxwell  
Chief, Fayette Fire Department



## REPORT OF PLANNING BOARD FOR 2016

I want to express my appreciation to our fellow town residents who diligently donate their time and efforts to the Planning Board. They are: Maggie Chadwick, Phil Colbath, Roy Kraut, Joe Longtin and Kirstie Ludwig.

It is easy to forget, and take for granted, how rare it is across this country for a small town to be run largely by volunteers who are motivated only by a desire to make their town a better place to live.

And we continue to be very lucky to have the dedicated, competent services provided by our Town Manager, Mark Robinson, Code Enforcement Officer, Brenda Medcoff, and the Selectpersons. I have many years' experience being active in town government and representing towns in legal proceedings; and I can say without hesitation that Fayette is a very well-run town.

At the request of the Select Board, we have been studying and discussing the implications for the town of the marijuana legalization vote. We concluded that there is no need for the town to pass its own moratorium ordinance in view of the State Legislature's enactment of a moratorium that expires in February 2018.

We are now investigating whether the town should adopt ordinances banning the retail sale of marijuana, and regulating its cultivation. Of particular concern is the unpleasant odor that flowering marijuana plants emit.

We will also be making recommended changes to the town's Land Use Ordinance in order to get it into compliance with state law.

Public hearings will be held before the Town Meeting to explain and discuss any new or amended ordinances.

The Board feels strongly that one of its highest priorities is to make the permit application process as painless and quick as possible. It is also one of our rules that there must be laughter at every Planning Board meeting.

In 2016, the Board approved 15 permit applications (7 less than in 2015), including only one for a single family home (compared to 11 in 2015).

I know I speak for all members of the Planning Board when I say that we get at least as much as we give by volunteering. It is very rewarding to contribute to making our little town a wonderful place to live.

March 21, 2017.

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Jed Davis, Chair

# CODE ENFORCEMENT REPORT 2016

There were 59 permits issued in 2016, of these the Planning Board issued 15, and the Code Enforcement Officer (CEO) issued 44 permits and 9 Notifications. The number of permits issued for new single-family homes doubled this year to 7, adding approximately \$806,500.00 to the taxable value. There were many permits issued for garages, barns, decks, and other accessory structures, as well as permits for filling and earth moving activities that also increased the taxable value approximately \$760,808.00.

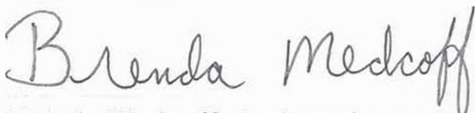
A quick reminder that although there is an exemption for one (1) free standing building per year that is 200 square feet or less, a notification form must be filled out and all other requirements of the ordinance must be met. When in doubt call the office to schedule an appointment with the Code Enforcement Officer to review your project to make sure all other requirements are being met. **As I have said in the past, it is less of an inconvenience to have to wait a few days for a site visit than it is to have to pay for something to be built one week and torn down the next!**

There were approximately 50-60 hours this year spent on violations. I will be continuing to monitor properties both from the water and on foot particularly around the lakes and ponds within the town this year. We have resolved several violations, continue to work with others, and have several under investigation.

The Planning Board and I have been continuing to work on some proposed changes to the Land Use Ordinance to make it consistent with State Regulations. Due to the amount of proposed changes, it is likely that the changes will be voted on at a Special Town Meeting at a later date than our regular June Town Meeting. Public hearings will be held prior to this, and I encourage all Fayette Residence to participate and/or call my office to get information regarding the changes. There will be the minimum changes that we have to adopt and some options and changes that the Town's people may adopt or fail. When we get the proposed changes finalized for the Special Town Meeting, there will be copies for interested residents to review prior that meeting.

I would like to thank the citizens of the Town of Fayette and all of my fellow employees for almost 11 years of service. I look forward to many more years.

Respectfully Submitted,



Brenda Medcoff, Code Enforcement Officer

*The Town of Fayette*

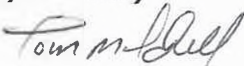
*LPI Report 2,016*

**Greeting:**

***I had another busy year in the Town (16) Internal permits were issued, (6) Subsurface Wastewater permit's. (37) inspections were performed.***

***Moneys collected \$2,844.25 was retained and \$711.00 was forwarded to the State of Maine***

**yours truly**



**Thomas Mitchell**

# FAYETTE FIRE AUXILIARY

## ANNUAL REPORT

2016

### MISSION STATEMENT

*The Fayette Fire Auxiliary was formed to help the people and firemen of Fayette during emergencies (i.e. fire, flood, power outage) and in times of need related to said emergencies; and to raise monies to make purchases for these needs.*

We started off in June serving coffee and refreshments at the Annual Town Meeting in our new Auxiliary shirts. Thanks to all who donated to the Auxiliary at the town meeting.

In July we held a very successful bake sale at Fayette School along with all the other events happening on Fayette Day. Lots of berry and other types of pies went fast.

In August we provided a meal for the Firemen's Mutual Aide meeting that was held at our station.

At our September meeting we discussed what to do at the upcoming Craft Fair, we decided to just do the RADA products. We also talked about the Keep Me Warm suppers starting in October. Most of the Auxiliary members help with the supper.

In October Elaine Wilcox went to lifetime member Jean Hewett's 80<sup>th</sup> birthday party and presented her with an Auxiliary shirt with her name on it.

We shared a Christmas Family dinner with the Fayette Firemen in December. Always good food and family fun.

We met in January and discussed what to put in our emergency boxes. Diane Polky shared what she had in hers and we came up with new ideas at the meeting.

Chief Marty Maxwell asked if we could serve coffee and cookies at a special training that they did at our station on February 13<sup>th</sup>. We also served a meal at the fire station for the Mutual-Aid meeting on February 23.

We have our meeting on the fourth Thursday of each month at 7:00 at the Fayette Fire Station. Please come and join us at one of our meetings, we are always in need of new members.

Auxiliary officers are President: Elaine Wilcox, Vice-President: Lisa Freeman, Secretary: Diane Polky and Treasurer: Cindy Lee. Other current active members are, Jen Bero, Marjie Bruen, Luanne Gray, Phyllis Hewett, Anne Piroso, Amy Rich and Crystal Rose.

Respectfully Submitted

Elaine Wilcox (President)



PAT WHEELER  
778-1422

Animal Control Officer  
Animal Damage Control-Region D Wildlife

### REPORT OF THE ANIMAL CONTROL OFFICER

Dear Citizens of Fayette:

I appreciate everyone that have come in and registered their dogs, it helps keep your dogs and community safe.

It is very important not to allow your dog to run at large for the safety of your neighbors and your dog.

All dog licenses expire December 31<sup>st</sup> each year. Spayed/Neutered dogs are \$6.00, all others are \$11.00. After February 1<sup>st</sup> any dog not licensed the price will be, spayed/neutered \$31.00 and all others \$36.00.

LD 1587 sec. 3.7 MRSA § 3923-A, sub-§4

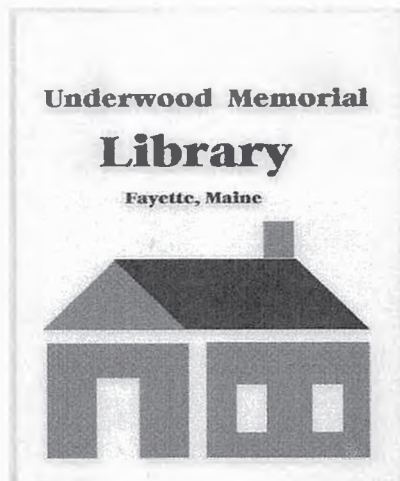
4. Late Fees: An owner of keeper required to license a dog under section 3922, subsection 1 or section 3923C, subsection 1 applying for a license for that dog after January 31<sup>st</sup> shall pay to the municipal clerk or dog recorder a late fee of \$ 25 in addition to the annual license fee paid in accordance with subsection 1 or 2 and section 3923C, Subsection 1. The clerk or dog recorder shall deposit all late fees collected under this subsection into the municipality's animal welfare account established in accordance with section 3945.

We have enjoyed being of service to the Town again this year and look forward to serving this upcoming year as well. If you have any questions regarding either domestic or wild animals I can be reached at 778-1422, or Kevin at 778-1815.

Thank You,  
Patrick Wheeler (778-1422)  
Animal Control Officer, Domestic &  
Animal Damage Control – Region D Wildlife

Kevin Wheeler (778-1815)  
Animal Control Officer, Domestic

UNDERWOOD  
ANNUAL REPORT  
2016



MEMORIAL LIBRARY

We are pleased to report Underwood Library. It has and new patrons coming Library offers.

to you about the past year at the been a busy one with both old in for various services that the

A reminder that we have audios, puzzles, in addition to our non-fiction books. The children's section is always welcoming with books, coloring pages and stuffed animals to match some of the books. The children's non-fiction section is used frequently by our homeschoolers as well as teachers.

lots of the best sellers, videos,

Some of the events that we held at the Library in 2016 were attended by lots of people. In April we had Mrs. Corey's 4th and 5th class from Fayette Central School come over for a Biography lesson to help prepare them for the Annual Wax Museum that they do at the school. Also on April 13th we had an open house and an Author visit during National Library Week, Ingrid Sunberg read excerpts from her book All We Left Behind. She also sold and signed books for the patrons who came.

We also had Author's John Ford and Mark Nickerson at Starling Hall on July 16th as part of the Fayette Days events. Blue Lights and Funny Cider was a great program with well over 60 people attending and enjoying the evening.

Summer story hour was done in July and August, we had a good turnout with about 18 children attending each week, we did a variety of past summer themes for the families. We ended our summer with Dragons, Dreams and Daring Deeds. A costumed parade to the Fayette Central School for our year end party. We were joined by Senator Tom Saviello and greeted by the new Principal at Fayette School, Tara Blue.

We will have story hours this summer on Thursday mornings at 10:00 a.m. from July 13th through August 24th. Come and join us for some summer fun with your children.

In October we had local Author Dale Potter Clark read from her book Summer Resorts and Kids' Camps at the Library. It was a very enjoyable evening.

A reminder that we have the \*We'll Keep You in Stitches\* group that meets at 6:00 p.m. every other Wednesday evening. They share their knowledge and have a great time together. Genealogy requests are welcome and our files on Fayette families can be accessed by the public, as well as the free Library Ancestry Program that is available to users at the Library.

A reminder that E-books are available through the Maine Infonet Download Library. If you need more information come in to the Library and see Assistant Librarian , Michele Briggs.

I would like to thank the Trustees of the Library. They are supportive of the Library, and listen to our requests. They are Adrien Polky, Doris Morris, Barrie Colbath, Marjie Bruen, Anne Piroso and Eveyln Feagin. Our volunteers have been a big help this past year, Thanks to Amy Rich, Bonnie Gantz and the Feagins: Emma, Charlie and Sylvie.

A big Thank You to all the people who have donated books, audios, videos and monies to the Library. Linda Siedel, Jennifer Davies, Louise Lake, Richard and Elaine Wilcox, Mark Isbister, Eveyln Feagin, Bonnie Gantz. Amy Rich, Angela Braithwood, Camp Winnebago, Donna Barrett, Larry & Suzanne Castle, Rachael Holland, Phillip Kerr, Charles Barrows, Al Godfrey, Janet Davis, Amanda Sparling, Ronald Beedy, Raising Readers and CMP.

A thank you to Mark Robinson and the Town Office Staff and Fayette Road Crew. They are always friendly and helpful when we need something and are a joy to work with.

Please come by and visit your town Library, we are open Wednesday 2-7 p.m. and Thursday 10:00 a.m. to 3:00 p.m.

Happy Reading

Elaine Wilcox

Librarian

# Report of the Town Clerk

## July 1, 2015 – June 30, 2016

### VITAL STATISTICS:

Marriages Recorded	5
Births Recorded	3
Deaths Recorded	11

### HUNTING & FISHING LICENSES:

Hunting & Fishing Combination	53
Hunting	7
Fishing	38
1 day Resident Fishing	0
3 day Resident Fishing	0
Junior Hunt	2
Archery	0
Muzzleloader Hunting	7
Coyote Night Hunt	6
Bear Permit	3
Small Game Hunt	1
Archery & Fishing Combination	0
Spring/Fall Turkey	4
Migratory Waterfowl	1
Salt Water Registry	0
Lifetime over 70 Hunt/Fish Combo	6
Military Hunt/Fish Combo	3
Military Depend Fish	1
1 day Non-Resident Fishing	0
3 day Non-Resident Fishing	1
7 day Non-Resident Fishing	0
15 day Non-Resident Fishing	1
Non-Resident Fishing	17
Non-Resident Hunting	0
Non-Resident Junior Hunting	0
Non-Resident Hunt/Fish Combo	1
Non-Resident 3-Day Small Gam	0

### BOAT REGISTRATIONS:

Boat Registrations	245
Lake & River Protection Sticker	7
Boat PWC Registration	5

### ATV REGISTRATIONS:

Resident New Registrations	64
Resident Re-Registrations	15
Non-Resident Re-Registrations	0

### Snowmobile Registrations:

Resident New Registrations	12
Resident Re-Registrations	44
Non-Resident Registrations	0
Snowmobile Trail Fund	1

# TOWN AND SCHOOL BOARDS AND COMMITTEES

## Selectmen

Joseph Young	06/30/2017
Lacy Badeau	06/30/2019
Berndt Graf	06/30/2017
Nancy Cronin	06/30/2019
Jon Beekman	06/30/2018

(3 year term)

## School Committee

Tammy Maxwell	06/30/2019
Katherine Ayer	06/30/2017
Elaine Wilcox	06/30/2017
Diane Polky	06/30/2018
Rachel Holland	06/30/2018

(3 year term)

## Planning Board

Roy Krout	06/30/2017
Phil Colbath	06/30/2017
Jed Davis	06/30/2018
Kirstie Ludwig	06/30/2018
Joseph Longtin	06/30/2017

(2 year term)

## Appeals Board

Bill Rogers	06/30/2018
Paula Thomson	06/30/2018
Gerald Mitchell	06/30/2018

Vacant

Vacant

(2 Year term)

## Budget Committee

Brent St. Clair	06/30/2017
Eleanor Andrews	06/30/2017
Joel Swimm	06/30/2017

Vacant



**Non Zero Balance on All Accounts**

Tax Year: 2016-1 To 2017-2

As of: 06/02/2017

Acct	Name ----	Year	Original Tax	Payment / Adjustments	Amount Due
55	R ALLEN, RONALD L.	2017	113.15	0.00	113.15
56	R ALLEN, RONALD L.	2017	57.35	0.00	57.35
75	R ATHEARN, BRIAN H	2017	57.35	0.00	57.35
74	R ATHEARN, KATHERINE T.	2017	57.35	0.00	57.35
93	R BAKER, BARBARA HELEN	2017	75.95	37.98	37.97
94	R BAKER, BARBARA HELEN	2017	141.05	70.53	70.52
96	R BAKER, NANCY E	2017	4,347.75	2,173.88	2,173.87
1306	R BAKER, WILLIAM A.	2017	570.40	285.20	285.20
100	R BAMFORD, THEODORE	2017	1,763.90	0.00	1,763.90
1711	R BAMFORD,THEODORE	2017	201.50	0.00	201.50
1387	R BARCUS, AMY RUTH	2017	2,007.25	1,003.63	1,003.62
112	R BARNETT, BEATRICE	2017	891.25	0.00	891.25
1336	R BARTH, DAVID C. & NANCY R.	2017	2,121.95	2,567.58	-445.63
1492	R BARTLETT, BONNIE	2017	502.20	0.00	502.20
121	R BECK, WENDY D. KARSTEN-	2017	2,551.30	0.00	2,551.30
430	R BERUBE, DANIEL W.	2017	1,216.75	1,199.76	16.99
1562	R BLAIS, ANITA R	2017	754.85	0.00	754.85
958	R BOBER, PHILIP A & PATRICIA A	2017	2,743.50	2,263.75	479.75
1569	R BOWEN, WESLEY	2017	65.10	0.00	65.10
1527	R BOWEN, WESLEY E & JENNIFER D.	2017	375.10	0.00	375.10
179	R BOWEN, WESLEY E.	2017	257.30	0.00	257.30
180	R BOWEN, WESLEY E.	2017	1,579.45	0.00	1,579.45
1694	R BOWEN, WESLEY E.	2017	384.40	0.00	384.40
1019	R BRACKETT, ELOISE (NICHOLS)	2017	908.30	454.15	454.15
1132	R BRISKE, JESS E.	2017	192.20	0.00	192.20
206	R BROWER, ANDREA C.	2017	403.00	201.50	201.50
204	R BROWER, HOWARD	2017	472.75	236.38	236.37
205	R BROWER, HOWARD	2017	446.40	223.20	223.20
203	R BROWER, MIRIAN	2017	404.55	202.28	202.27
217	R BRUEN, LAURENCE J. & MARJORIE J.	2017	1,427.55	187.87	1,239.68
606	R BRYANT, DAVID R.	2017	2,512.55	1,256.28	1,256.27
223	R BRYANT, KENNETH & MARY	2017	1,822.80	1,494.22	328.58
222	R BRYANT, MARITA L. & CHRISTINA M.	2017	2,022.75	2,021.38	1.37
1046	R BURNELL, DANIEL	2017	71.30	35.65	35.65
1408	R BURNELL, DANIEL	2017	1,023.00	511.50	511.50
247	R CALLAHAN, JAMES & DIANNE L.	2017	134.85	67.43	67.42
248	R CALLAHAN, JAMES & DIANNE L.	2017	1,374.85	687.43	687.42
1182	R CAMPBELL, EBEN	2017	1,015.25	215.17	800.08
264	R CARPINETTI, DAVID J.	2017	3,298.40	1,616.06	1,682.34
581	R CERRATO, ANTHONY C	2017	269.70	225.00	44.70
1565	R CHABE, DAVID N & ELIZABETH	2017	255.75	0.00	255.75
1579	R CHABE, DAVID N & ELIZABETH	2017	976.50	0.00	976.50
270	R CHAMBERS, RICHARD D.	2017	480.50	0.00	480.50
1665	R CHICOINE, ANDY L.	2017	819.95	0.00	819.95
280	R CHICOINE, JASON N	2017	2,132.80	473.87	1,658.93
279	R CHICOINE, LARRY & DIANNE	2017	1,475.60	737.80	737.80
1300	R CHURCHILL JOHN & DENISE	2017	173.60	86.80	86.80

**Non Zero Balance on All Accounts**

Tax Year: 2016-1 To 2017-2  
As of: 06/02/2017

Acct	Name ----	Year	Original Tax	Payment / Adjustments	Amount Due
1517	R CHURCHILL, JOHN	2017	362.70	316.35	46.35
289	R CHURCHILL, JOHN & DENISE	2017	65.10	32.55	32.55
290	R CHURCHILL, JOHN & DENISE	2017	63.55	31.78	31.77
293	R CHURCHILL, JOHN & DENISE	2017	2,289.35	958.37	1,330.98
1256	R CHURCHILL, JOHN & ELDEN	2017	114.70	57.35	57.35
732	R CHURCHILL, JOHN P.	2017	170.50	85.25	85.25
291	R CHURCHILL, JOHN P. & ELDON L.	2017	100.75	50.38	50.37
1506	R CLARK, GERALD R	2017	570.40	0.00	570.40
300	R CLARKE, JUNE V.	2017	4,140.05	2,070.03	2,070.02
1652	R CLARKE, JUNE V.	2017	399.90	199.95	199.95
1653	R CLARKE, JUNE V.	2017	2,607.10	1,303.55	1,303.55
1626	R CLEMENTS, CHARLES L.	2017	438.65	0.00	438.65
674	R COCHRAN, ALFRED	2017	162.75	0.00	162.75
304	R COE, LUCILLE	2017	1,129.95	564.98	564.97
306	R COLE, CLAIRE	2017	404.55	202.28	202.27
307	R COLE, CLAIRE	2017	403.00	201.50	201.50
308	R COLE, HAROLD	2017	403.00	201.50	201.50
1435	R CONRAD, PAUL	2017	3,960.25	1,980.13	1,980.12
436	R CRANE , RAY L	2017	319.30	0.00	319.30
945	R CRONIN, SUSAN	2017	1,641.45	0.00	1,641.45
355	R CURRIER, NORMAN	2017	1,023.00	0.00	1,023.00
356	R CURRIER, NORMAN	2017	353.40	0.00	353.40
364	R DANGELO, ALESSIO & THERESA	2016	110.23	0.00	110.23
1568	R DAOUST, KEVIN & DOLORES	2017	1,114.45	0.00	1,114.45
829	R DEROCHER, NANCY J	2017	878.85	878.16	0.69
681	R DIRIGO TIMBERLANDS	2017	590.55	16.58	573.97
427	R DONEGAN, THOMAS D. & TERESA	2017	3,272.05	0.00	3,272.05
452	R DRAKE, CHARLES A., SR.	2017	2,038.25	98.41	1,939.84
425	R DUNN, GEORGE M. & JANET L.	2017	465.00	0.00	465.00
740	R DUTREMBLE, LIDIA	2017	706.80	0.00	706.80
741	R DUTREMBLE, LIDIA	2017	261.95	0.00	261.95
1097	R DWYER, HAROLD III	2017	190.65	0.00	190.65
177	R DWYER, HAROLD F	2017	299.15	0.00	299.15
176	R DWYER, HAROLD F III	2017	1,148.55	0.00	1,148.55
1418	R DWYER, HAROLD F III	2017	342.55	0.00	342.55
586	R DWYER, HAROLD III	2017	579.70	0.00	579.70
1404	R DWYER, JAMES	2017	27.90	0.00	27.90
1082	R ELLIOTT, AUGUSTUS	2017	1,233.80	616.90	616.90
451	R ELLIS, CALE C.	2017	4,338.45	0.00	4,338.45
1505	R ELLIS, CALE C.	2017	403.00	0.00	403.00
1646	R ENGLEHARDT, JON	2017	40.30	1,351.96	-1,311.66
456	R ENGLEHARDT, JON P & MARY T	2017	2,633.45	0.00	2,633.45
1126	R ENGLEHARDT, JON P & MARY T	2017	158.10	0.00	158.10
1555	R ENGLEHARDT, JON P & MARY T	2017	184.45	0.00	184.45
549	R EVANS, TANYA L.	2017	1,531.40	0.00	1,531.40
550	R EVANS, TANYA L.	2017	83.70	0.00	83.70
552	R EVANS, TANYA L.	2017	595.20	0.00	595.20
1632	R FEAGIN, JAMES R.	2017	5,121.20	2,560.60	2,560.60

**Non Zero Balance on All Accounts**

Tax Year: 2016-1 To 2017-2  
As of: 06/02/2017

Acct	Name ----	Year	Original Tax	Payment / Adjustments	Amount Due
466 R	FERGUSON, EFFIE GWENDOLYN	2017	709.90	354.95	354.95
1227 R	FERRARO, JOHN F.	2017	1,441.50	0.00	1,441.50
470 R	FERREIRA JR., EDWARD J. & KAREN L.	2017	322.40	0.00	322.40
881 R	FOLK, MARK N & LISA S	2017	1,433.75	716.88	716.87
193 R	GAFFNEY, RICHARD	2017	348.75	0.00	348.75
194 R	GAFFNEY-KESSELL, KATHLYNN	2016	2,615.32	0.00	2,615.32
194 R	GAFFNEY-KESSELL, KATHLYNN	2017	2,684.60	0.00	2,684.60
498 R	GAGNON, ROGER & JOAN	2017	106.95	0.00	106.95
527 R	GOELLNER, JUDITH	2017	227.85	0.00	227.85
906 R	GORDON, SUE A.	2017	3,131.00	0.00	3,131.00
348 R	GRAF, BERNDT & ELAINE D.	2017	953.25	476.63	476.62
559 R	GRAF, BERNDT & ELAINE D.	2017	4,625.20	2,312.60	2,312.60
1494 R	GRAF, BERNDT DAVID	2017	342.55	0.00	342.55
947 R	GREEN, RICHARD A.	2017	251.10	0.00	251.10
948 R	GREEN, RICHARD A.	2017	3,506.10	0.00	3,506.10
1576 R	GREENLEEF, LINDA A.	2017	207.70	103.85	103.85
1510 R	GREIFZU, TYSON A.	2017	587.45	285.55	301.90
575 R	GREINER, HOZUMI, NICOLE & DANIEL	2017	674.25	0.00	674.25
576 R	GREINER, HOZUMI, NICOLE & DANIEL	2017	1,184.20	0.00	1,184.20
314 R	HALLETT, JOHN P. & THERESE L.	2017	2,996.15	1,498.08	1,498.07
628 R	HENIKA, MORGAN (TRUSTEE)	2017	3,867.25	1,933.63	1,933.62
629 R	HENIKA, MORGAN (TRUSTEE)	2017	35.65	17.83	17.82
435 R	HEWINS, CRAIG L & BREANNE M	2017	1,529.85	0.00	1,529.85
1385 R	HILL, ANDREW F.	2017	2,042.90	0.00	2,042.90
648 R	HILL, TAMI J.	2017	937.75	82.73	855.02
1124 R	HOLMAN, JEFFREY R	2017	277.45	0.00	277.45
1125 R	HOLMAN, JEFFREY R	2017	1,002.85	0.00	1,002.85
1712 R	HOPPER, JAMES	2017	4,552.35	2,908.40	1,643.95
1438 R	HORNE, LINDA F., DONALD D.,	2017	372.00	0.00	372.00
1066 R	HUNTER, LARRY R.	2017	2,997.70	1,498.85	1,498.85
742 R	INNISFREE ASSOCIATION	2017	156.55	0.00	156.55
706 R	IRIZARRY, MARIA R.	2017	2,066.15	1,028.46	1,037.69
1054 R	JUDD, ALFRED	2017	675.80	337.90	337.90
752 R	KASSEL, JEANETTE	2017	2,405.60	1,794.11	611.49
318 R	KEEFE-PHILIPS, CATHERINE M.	2017	43.40	0.00	43.40
319 R	KEEFE-PHILIPS, CATHERINE M.	2017	124.00	0.00	124.00
253 R	KLINOFF, ANDREW A.	2017	1,880.15	0.87	1,879.28
254 R	KLINOFF, ANDREW A.	2017	457.25	0.00	457.25
790 R	KRAMER, BRUCE, MIRIAM & SCOTT	2017	4,919.70	2,426.88	2,492.82
210 R	LA FRANCE, ROXY FKA SYLVIA, ROXY-LEIGH	2017	57.35	28.68	28.67
520 R	LACLAIRE, PHILLIP M.	2017	2,501.70	1,250.85	1,250.85
812 R	LAKE, RODNEY M. & LAURIE L.	2017	356.50	0.00	356.50
1690 R	LAVERDIERE, RYAN L.	2017	2,484.65	1,242.33	1,242.32
837 R	LEBLANC, HUBERT	2017	57.35	0.00	57.35
1315 R	LEBLANC, TAMMY BEGIN & ANDRE B	2017	125.55	0.00	125.55
615 R	LECLAIR, NICHOLAS W.	2017	1,241.55	0.00	1,241.55
616 R	LECLAIR, NICHOLAS W.	2017	93.00	118.45	-25.45

**Non Zero Balance on All Accounts**

Tax Year: 2016-1 To 2017-2  
As of: 06/02/2017

Acct	Name ----	Year	Original Tax	Payment / Adjustments	Amount Due
1103 R	LITTLER, RACHEL C.	2017	2,493.95	1,225.40	1,268.55
1675 R	LYMAN, KARIN A	2017	2,332.75	1,166.38	1,166.37
871 R	MADEJ, EUGENE V TRUSTEE	2017	3,000.80	1,500.40	1,500.40
1703 R	MAINE STATE HOUSING AUTHORITY, C/O BRYANT, DAVID	2017	1,191.95	0.00	1,191.95
1377 R	MANN, THOMAS ANDREW	2017	173.60	0.00	173.60
113 R	MAROTTO, MARISOL M	2017	274.35	0.00	274.35
895 R	MARTINELLI, DAVID & MARY	2017	540.95	538.81	2.14
899 R	MASON, NANCY P.	2017	1,494.20	915.06	579.14
902 R	MATHEWS, THOMAS J. ET ALS	2017	2,645.85	0.00	2,645.85
952 R	MCDANIEL, KEITH E	2017	948.60	474.30	474.30
738 R	MCGOWAN, PATRICK K.	2017	4,048.60	0.64	4,047.96
683 R	MCNALLY, MICHAEL C	2017	4,118.35	2,061.16	2,057.19
1172 R	MELCHINSKEY, STEPHEN J.	2017	2,256.80	1,128.40	1,128.40
1174 R	MELCHINSKEY, STEPHEN J.	2017	310.00	154.60	155.40
946 R	MERRILL, FRANK & MARGARET	2017	1,833.65	916.83	916.82
12 R	MEYERS, KIMBERLY A.	2017	894.35	0.00	894.35
1541 R	MICHAUD, TROY E.	2016	2,049.07	761.32	1,287.75
1541 R	MICHAUD, TROY E.	2017	2,025.85	0.00	2,025.85
966 R	MITCHELL, MARY JANE	2017	1,106.70	0.00	1,106.70
968 R	MITCHELL, PAUL E. & NANCY J.	2017	807.55	0.00	807.55
1546 R	MITCHELL, STEVEN	2017	1,148.55	870.82	277.73
992 R	MOYER, ALAN JAMES	2017	322.40	0.00	322.40
995 R	MULCAHY, RICHARD & KATHLEEN	2017	4,030.00	0.00	4,030.00
1636 R	NELSON, GREGORY S. & LINDA M.	2017	730.05	365.03	365.02
39 R	NICHOLS, JEFFREY W.	2017	416.95	0.00	416.95
41 R	NICHOLS, JEFFREY W.	2017	63.55	0.00	63.55
654 R	NIEMI, LANCE N.	2017	1,709.65	1,709.15	0.50
1514 R	NORRIS, RALPH	2017	482.05	241.03	241.02
869 R	ORR, ROBERT A.	2017	571.95	0.00	571.95
870 R	ORR, ROBERT A.	2017	23.25	0.00	23.25
1057 R	PARKER, LEWIS H.	2017	1,996.40	998.20	998.20
1059 R	PARKER, LEWIS H.	2017	1,181.10	590.55	590.55
1060 R	PARKER, LEWIS H.	2017	83.70	41.85	41.85
1693 R	PAYNE, ERIC A.	2017	3,109.30	0.00	3,109.30
637 R	PEASE, JODY	2017	1,188.85	0.00	1,188.85
867 R	PEASE, JODY	2017	167.40	0.00	167.40
1670 R	PEPPER, TIMOTHY W & MEREDITH C.	2017	4,002.10	0.00	4,002.10
499 R	PETERSEN, JOHN A	2017	412.30	208.28	204.02
44 R	PETERSON, JAMES T	2017	294.50	0.00	294.50
48 R	PETERSON, JAMES T	2017	34.10	1.09	33.01
183 R	PETERSON, MARY LOU	2017	430.90	0.11	430.79
868 R	PHAIAH, MITCHELL	2017	877.30	0.00	877.30
1081 R	PHILIPP, ALLEN O. & CARMELLA M.	2017	2,480.00	1,240.00	1,240.00
1083 R	PHILLIPS JR., JAMES A. & NORMA	2016	536.05	514.15	21.90
1083 R	PHILLIPS JR., JAMES A. & NORMA C/O PHILLIPS III, JAMES	2017	641.70	0.00	641.70
935 R	PHILLIPS, LOUIS J. TRUSTEE OF	2017	2,374.60	2,374.00	0.60

**Non Zero Balance on All Accounts**

Tax Year: 2016-1 To 2017-2  
As of: 06/02/2017

Acct	Name ----	Year	Original Tax	Payment / Adjustments	Amount Due
1086 R	PIDDOCK JR., CHARLES A.	2017	3,848.65	0.00	3,848.65
1087 R	PIERSON, DOUGLAS H. (TRUSTEE)	2017	3,417.75	1,708.88	1,708.87
1736 R	POTTLE, DANIEL F.	2017	717.65	358.83	358.82
1141 R	REEVE, LINDA C.	2017	821.50	403.64	417.86
1144 R	REEVE, LINDA C.	2017	21.70	10.66	11.04
1140 R	REEVE, MICHAEL & LINDA	2017	3,785.10	1,862.37	1,922.73
1143 R	REEVE, MICHAEL & LINDA	2017	2,748.15	1,352.17	1,395.98
1302 R	REMINGTON, MELISSA	2017	3,716.90	1,535.12	2,181.78
1151 R	RICH, SUZANNE F.	2017	785.85	0.00	785.85
1153 R	RICH, SUZANNE F.	2017	3,534.00	0.00	3,534.00
1481 R	RINGUETTE JR., BERTRAND	2017	294.50	0.00	294.50
1168 R	RIZY, JOHN R(TRUSTEE)	2017	2,867.50	0.00	2,867.50
705 R	ROBERTSON, AARON	2017	120.90	0.00	120.90
591 R	ROGERS, CARLYLE W JR	2016	394.11	0.00	394.11
593 R	ROGERS, CARLYLE W JR	2016	989.05	0.00	989.05
1450 R	ROGERS, CARLYLE W JR	2016	2,290.67	0.00	2,290.67
511 R	RUBIN, JEFFREY A & WARD, STEPHANIE	2017	4,763.15	0.00	4,763.15
846 R	SANBORN, CAROL	2017	544.05	0.00	544.05
49 R	SARGENT, DANIEL R	2017	934.65	294.38	640.27
120 R	SAVAGE, ETHAN E & CARRIE E	2017	412.30	0.00	412.30
609 R	SCHMIDT, JAMIE E & TAMMY L.	2017	1,672.45	0.00	1,672.45
219 R	SCIARRETTA, LYNN	2017	94.55	0.00	94.55
700 R	SCRIBNER, KATHRYN A	2017	630.85	0.00	630.85
1214 R	SEARLES, JULIE T. BOWEN	2017	31.00	0.00	31.00
1218 R	SHAW FAMILY COTTAGE TRUST	2017	5,876.05	2,938.03	2,938.02
541 R	SKELTON, HAROLD	2017	863.35	431.68	431.67
542 R	SKELTON, HAROLD	2017	3,321.65	1,660.83	1,660.82
1317 R	SKELTON, HAROLD	2017	243.35	121.68	121.67
1231 R	SLEZAS, ALBINAS	2017	186.00	0.00	186.00
1409 R	SNOWFLAKE PRODUCTIONS, LLC	2017	11,248.35	0.00	11,248.35
761 R	SORMAN, NANCY E.	2017	4,236.15	2,118.08	2,118.07
1296 R	SORMAN, NANCY E.	2017	291.40	145.70	145.70
1199 R	SOUZA, CHERYL L.	2017	505.30	0.00	505.30
1638 R	SOUZA, SHANNA	2017	764.15	636.38	127.77
1538 R	SPIGNER, LEVIE	2016	415.25	0.00	415.25
1279 R	STEVENSON, CRAIG	2017	217.00	0.00	217.00
1280 R	STEVENSON, DOUGLAS, CRAIG, CHRISTO	2017	2,452.10	1,365.45	1,086.65
1056 R	STROH, ROY	2017	936.20	0.00	936.20
1341 R	SWEENEY, DANIEL J.	2017	35.65	17.83	17.82
1297 R	SYLVESTER, STEVEN A.	2017	2,211.85	0.00	2,211.85
1303 R	TAYLOR, STEPHEN F & VALERIE A	2017	2,182.40	0.00	2,182.40
1307 R	TERRANOVA, PAUL & EILEEN	2017	316.20	0.00	316.20
1320 R	TRACY, BARBARA	2017	168.95	0.00	168.95
1348 R	TYLER, BARBARA F ( HEIRS OF)	2017	94.55	47.28	47.27
1347 R	TYLER, BARBARA F. ( HEIRS OF)	2017	1,779.40	889.70	889.70
1358 R	VIGUE, VERNAL E. & JEANNE C.	2017	2,852.00	2,586.28	265.72

**Non Zero Balance on All Accounts**

Tax Year: 2016-1 To 2017-2  
As of: 06/02/2017

Acct	Name ----	Year	Original Tax	Payment / Adjustments	Amount Due
1359 R	VINCENT, W. R.	2017	57.35	0.00	57.35
847 R	WALKER, MICHELLE L.	2017	920.70	460.18	460.52
949 R	WARREN, PAUL	2017	1,740.65	1,399.02	341.63
912 R	WARREN, PAUL D. & VIRGINIA M.	2017	1,125.30	814.69	310.61
1101 R	WARREN, PAUL D. & VIRGINIA M.	2017	1,486.45	1,194.72	291.73
1369 R	WARREN, PAUL D. & VIRGINIA M.	2017	35.65	19.75	15.90
1370 R	WARREN, PAUL D. & VIRGINIA M.	2017	4,620.55	3,223.67	1,396.88
185 R	WEIMONT, ROBERT A	2017	3,110.85	1,555.43	1,555.42
187 R	WEIMONT, ROBERT A	2017	102.30	51.15	51.15
1672 R	WELCH, WENDY L.	2017	217.00	0.00	217.00
1417 R	WILKINS, CLAYTON G	2017	1,160.95	0.00	1,160.95
1413 R	WILKINS, CLAYTON G & ARLENE B	2017	2,794.65	0.06	2,794.59
1266 R	WILSON, JEFFERY A. & LEE ANN	2017	714.55	678.14	36.41
331 R	WOOD, JOHN A.	2017	325.50	325.14	0.36
165 R	WOODARD, MARK A & ANDREA J	2017	768.80	0.00	768.80
1440 R	YARGER, FREDERICK L. & BARBARA K.	2017	2,455.20	1,227.60	1,227.60
518 R	YUZZI, ALICE	2017	782.75	391.38	391.37
841 R	ZEOLI, GERALD D & CHERYL L	2017	3,428.60	1,710.70	1,717.90

**Total for 252 Accounts:** 332,374.80 108,267.51 224,107.29

**Payment Summary**

Type	Principal	Interest	Costs	Total
A - Abatement	3,582.13	0.00	0.00	3,582.13
C - Correction	-1,298.06	0.00	0.00	-1,298.06
P - Payment	100,617.55	0.00	0.00	100,617.55
Y - Prepayment	5,365.89	0.00	0.00	5,365.89
<b>Total</b>	<b>108,267.51</b>	<b>0.00</b>	<b>0.00</b>	<b>108,267.51</b>

**Non Lien Summary**

2016-1	5,508.96
2016-2	2,615.32
2017-1	215,983.01
<b>Total</b>	<b>224,107.29</b>

100 L	BAMFORD, THEODORE	2016	1,841.04	1,749.21	91.83
1711 L	BAMFORD,THEODORE	2016	249.71	96.74	152.97
112 L	BARNETT,BEATRICE	2016	947.49	0.00	947.49
1562 L	BLAIS, ANITA R	2016	813.30	219.83	593.47
1569 L	BOWEN, WESLEY	2016	91.84	0.00	91.84
1527 L	BOWEN, WESLEY E & JENNIFER D.	2016	426.51	0.00	426.51
179 L	BOWEN, WESLEY E.	2016	306.53	0.00	306.53
180 L	BOWEN, WESLEY E.	2016	1,732.11	0.00	1,732.11
270 L	CHAMBERS, RICHARD D.	2016	533.87	0.00	533.87
1665 L	CHICOINE, ANDY L.	2016	879.60	0.00	879.60
1506 L	CLARK, GERALD R	2016	625.44	389.31	236.13
1626 L	CLEMENTS, CHARLES L.	2016	491.24	0.00	491.24

**Non Zero Balance on All Accounts**

Tax Year: 2016-1 To 2017-2  
As of: 06/02/2017

Acct	Name ----	Year	Original Tax	Payment / Adjustments	Amount Due
674 L	COCHRAN, ALFRED	2016	210.24	170.81	39.43
355 L	CURRIER, NORMAN	2016	1,165.35	0.00	1,165.35
356 L	CURRIER, NORMAN	2016	404.42	0.00	404.42
740 L	DUTREMBLE, LIDIA	2016	764.36	0.00	764.36
741 L	DUTREMBLE, LIDIA	2016	311.27	0.00	311.27
1097 L	DWYER, HAROLD III	2016	216.55	0.00	216.55
177 L	DWYER, HAROLD F	2016	262.33	0.00	262.33
176 L	DWYER, HAROLD F III	2016	1,242.71	0.00	1,242.71
1418 L	DWYER, HAROLD F III	2016	347.58	0.00	347.58
586 L	DWYER, HAROLD III	2016	465.98	0.00	465.98
549 L	EVANS, TANYA L.	2016	1,604.23	0.00	1,604.23
550 L	EVANS, TANYA L.	2016	129.72	0.00	129.72
552 L	EVANS, TANYA L.	2016	650.70	0.00	650.70
193 L	GAFFNEY, RICHARD	2016	399.68	0.00	399.68
906 L	GORDON, SUE A.	2016	3,233.45	2,153.95	1,079.50
948 L	GREEN, RICHARD A.	2016	3,571.44	1,694.75	1,876.69
575 L	GREINER, HOZUMI, NICOLE & DANIEL	2016	731.21	0.00	731.21
576 L	GREINER, HOZUMI, NICOLE & DANIEL	2016	1,250.60	0.00	1,250.60
435 L	HEWINS, CRAIG L & BREANNE M	2016	1,448.22	633.04	815.18
742 L	INNISFREE ASSOCIATION	2016	203.92	0.00	203.92
318 L	KEEFE-PHILIPS, CATHERINE M.	2016	88.67	0.00	88.67
319 L	KEEFE-PHILIPS, CATHERINE M.	2016	170.77	0.00	170.77
812 L	LAKE, RODNEY M. & LAURIE L.	2016	407.57	218.66	188.91
945 L	LANGELIER, PAMELA	2016	1,716.32	25.69	1,690.63
1703 L	MAINE STATE HOUSING AUTHORITY	2016	1,279.02	0.00	1,279.02
1377 L	MANN, THOMAS ANDREW	2016	94.17	0.00	94.17
113 L	MAROTTO, MARISOL M	2016	323.91	268.22	55.69
12 L	MEYERS, KIMBERLY A.	2016	955.38	0.00	955.38
995 L	MULCAHY, RICHARD & KATHLEEN	2016	4,005.44	1,981.54	2,023.90
39 L	NICHOLS, JEFFREY W.	2016	356.00	0.00	356.00
41 L	NICHOLS, JEFFREY W.	2016	109.20	0.00	109.20
869 L	ORR, ROBERT A.	2016	627.01	0.00	627.01
870 L	ORR, ROBERT A.	2016	68.15	0.00	68.15
1086 L	PIDDOCK JR., CHARLES A.	2016	3,951.78	3,942.29	9.49
1151 L	RICH, SUZANNE F.	2016	844.87	66.66	778.21
1153 L	RICH, SUZANNE F.	2016	3,722.86	0.00	3,722.86
1481 L	RINGUETTE JR., BERTRAND	2016	344.13	0.00	344.13
1214 L	SEARLES, JULIE T. BOWEN	2016	76.04	0.00	76.04
1231 L	SLEZAS, ALBINAS	2016	233.91	0.00	233.91
1199 L	SOUZA, CHERYL L.	2016	445.57	34.92	410.65
1279 L	STEVENSON, CRAIG	2016	265.46	265.10	0.36
1297 L	SYLVESTER, STEVEN A.	2016	2,297.28	0.00	2,297.28
1303 L	TAYLOR, STEPHEN F & VALERIE A	2016	1,140.17	0.00	1,140.17

**Non Zero Balance on All Accounts**

Tax Year: 2016-1 To 2017-2  
As of: 06/02/2017

Acct	Name ----	Year	Original Tax	Payment / Adjustments	Amount Due
1307 L	TERRANOVA, PAUL & EILEEN	2016	366.52	0.00	366.52
165 L	WOODARD, MARK A & ANDREA J	2016	906.44	0.00	906.44
<b>Total for 57 Accounts:</b>			52,349.28	13,910.72	38,438.56

**Payment Summary**

Type	Principal	Interest	Costs	Total
P - Payment	12,409.91	858.16	642.65	13,910.72
Total	12,409.91	858.16	642.65	13,910.72

**Lien Summary**

2016-1	38,438.56
Total	38,438.56

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**Total for 309 Accounts:**                      384,724.08                      122,178.23                      262,545.85



**Financial Statements**

**Town of Fayette, Maine**

**June 30, 2016**

## Contents

# Town of Fayette, Maine

June 30, 2016

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## **Independent Auditors' Report**

**To the Board of Selectmen  
Town of Fayette  
Fayette, Maine**

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

### **Management's Responsibility for the Financial Statements**

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.

### **Auditors' Responsibility**

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

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Fayette, Maine, as of June 30, 2016, and the respective changes in financial position 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, budgetary comparison information, the Schedule of the Town's Proportionate Share of the Net Pension Liability, the Schedule of Town Contributions, and the Notes to the Schedules, as noted 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 Fayette, Maine's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements 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 nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

  
Professional Association

Portland, Maine  
January 20, 2017

## Management's Discussion and Analysis

### Town of Fayette, Maine

As management of the Town of Fayette, Maine, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2016. The Town's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

#### Financial Highlights

The Town's assets exceed liabilities by \$2,815,806 as of June 30, 2016, compared to \$3,422,625 as of June 30, 2015.

The Town's governmental funds General Fund Balance was \$1,126,338 as of June 30, 2016, compared to \$923,964 as of June 30, 2015, an increase of \$202,374 from the previous year.

Please reference page 7 regarding this part of the analysis. The decrease in this year's asset/liability differential is related in part to a significant increase in "Bonds payable" whereas both the Town and School executed general obligation bonds from the Maine Municipal Bond Bank as borrowing activities for the year. The Town's borrowing related to a \$1.64 million bond to refinance older debt, road surface improvement and public works equipment replacement purchases and the school borrowed \$100,000 for the school oil boiler, air handling and heat distribution systems.

The budget versus actual expenditures for 2016 showed noteworthy variances. Please reference page 10 regarding this part of the analysis. As predicted in the previous years' audit report the Town and School contributed back to surplus by the end of June 30<sup>th</sup> of 2016. A net overall increase of \$237,114 was added back to the Town's undesignated fund balance (also known as surplus). There were noteworthy variances where actual expenditures exceeded defined final balances in the Public Works, County and Unclassified lines.

The largest variance was in the Public Works expense line. There were three factors contributing to the variance they are as follows:

1. An accounting adjustment that added \$12,000 to the expense line was related to the purchase price of the new plow truck. \$12,000 was a discount for trade-in value of equipment that the Town traded in as part of the purchase agreement. However, for accounting purposes the total value of the purchase must be represented in the expense line on page 10.
2. Other contributing factors include the use of the 2015 Local Road Assistance Program (LRAP) fund of \$38,732 that initially were applied as a credit/grant in the pavement line in the Public Works budget and not included as "other" revenue in the tax calculation. For accounting purposes this \$38,732 was adjusted back as a revenue and;

## Management's Discussion and Analysis - Continued

### Town of Fayette, Maine

3. The 2016 (LRAP) fund of \$38,556 was also devoted to the overall paving improvement program budgetary plan. It was anticipated that all the paving work would include both fiscal 15-16 and fiscal 16-17 and carry over into and be partially billed in July in 2016. However, a dry spring and favorable weather conditions were conducive to completion all road paving work prior to the end of fiscal 15-16 much earlier than planned or expected. This fund was received in December of 2016 and will not be utilized during 16-17 as it was devoted to the 2016 paving project.

Combined, these three items account for the Public Works variance. Other variances were County and Unclassified. The Unclassified variance represents the cash value of property tax abatements approved by the Board of Selectmen throughout the year. The County variance represents the difference of the proposed budget for the County and the final budget that was approved. The proposed budget number was entered in the 2015-16 tax commitment calculation in error.

#### Overview of the Financial Statements

The Management's Discussion and Analysis introduces the Town's basic financial statements. The basic financial statements include three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The Town also includes in this report supplemental information to the basic financial statements.

#### Government-wide Financial Statements

The government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements provide information about the activities of the Town as a whole and present both a long-term and short-term view of the Town's finances. Financial reporting at this level is similar to the accounting used by most private-sector companies.

The Statement of Net Position includes all assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in the Town's net position is one indicator of whether its financial health is improving or deteriorating. Evaluation of the overall economic health requires other non-financial factors, such as changes in the Town's property tax base and the condition of the Town's roads, as well as many others.

The Statement of Activities reports the current year change in net position. This statement includes all of the current year's revenues and expenses regardless of when cash is received or paid.

The Statement of Net Position and the Statement of Activities are divided into two kinds of activities:

- Governmental activities: Most of the Town's basic services are reported here, including general administration, public safety, health and welfare, education and public works. Property and sales taxes, fines, and state and federal grants finance most of these activities.
- Business-type activities: if the Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. Currently the Town has no business type activities.

## **Management's Discussion and Analysis - Continued**

### **Town of Fayette, Maine**

#### **Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Town uses funds to ensure and demonstrate compliance with finance related laws and regulations. Within the basic financial statements, fund financial statements focus on the Town's most significant funds rather than the city as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non major funds is provided in the form of combining statements in a later section of this report.

The Town has the following types of funds:

- Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is different with fund statements reporting short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the year. Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to the government-wide statements to assist in understanding the differences between these two perspectives.

#### **Notes to the Financial Statements**

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin immediately following the basic financial statements.

## Management's Discussion and Analysis - Continued

### Town of Fayette, Maine

#### Financial Analysis of the Town as a Whole - Government-wide Financial Statements

The following schedule is a summary of net position for the years ended June 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>	<u>Change</u>
<b>Governmental Activities</b>			
Current and other assets	\$ 1,405,265	\$ 1,204,004	\$ 201,261
Capital assets	3,002,173	2,963,268	38,905
<b>Total Assets</b>	<u>4,407,438</u>	<u>4,167,272</u>	<u>240,166</u>
Deferred outflows related to pension	61,253	22,379	38,874
<b>Total Deferred Outflows</b>	<u>61,253</u>	<u>22,379</u>	<u>38,874</u>
Long term-liabilities	1,291,048	187,181	1,103,867
Other liabilities	310,663	560,882	(250,219)
<b>Total Liabilities</b>	<u>1,601,711</u>	<u>748,063</u>	<u>853,648</u>
Deferred inflows related to pension	43,450	18,963	24,487
Deferred interest reimbursement	7,724	-	7,724
<b>Total Deferred Inflows of Resources</b>	<u>51,174</u>	<u>18,963</u>	<u>32,211</u>
Net position:			
Net investment in capital assets	1,533,729	2,339,940	(806,211)
Restricted	49,424	42,043	7,381
Unrestricted	1,232,653	1,040,642	192,011
	<u>\$ 2,815,806</u>	<u>\$ 3,422,625</u>	<u>\$ (606,819)</u>

Please reference page 18 regarding this part of the analysis.

Although paving maintenance is extremely costly from an accounting prerogative it is viewed as maintenance therefore not capitalized. Thus, the Town continues the trend of depreciation exceeding capital investments made by the Town. This is a remarkable statement given a year in which the Town borrowed \$1.64 million for roads, road debt refinancing and equipment.

The Town's acquired assets were the 2015 Western Star wheeler dump truck 2007 Chevy pick-up and plow \$183,078 and a gravel screen \$6,500 and the School invested in a new boiler and heating distribution control system \$39,531. Conversely, the Town divested itself from, retired, sold and or traded \$125,812 in equipment value.



## Management's Discussion and Analysis - Continued

### Town of Fayette, Maine

The following schedule is a summary of the statement of activities for the years ended June 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>	<u>Change</u>
<b>Governmental Activities</b>			
Revenues:			
Program revenues:			
Charges for services	\$ 12,574	\$ 10,517	\$ 2,057
Operating grants and contributions	124,673	102,457	22,216
General revenues			
Property taxes	2,436,963	2,399,627	37,336
Excise taxes	218,301	213,815	4,486
Intergovernmental	143,056	173,949	(30,893)
Other	28,075	55,089	(27,014)
<b>Total Revenues</b>	<u>2,963,642</u>	<u>2,955,454</u>	<u>8,188</u>
Expenses:			
General			
General government	\$ 298,844	\$ 302,914	\$ (4,070)
Public safety	107,558	101,022	6,536
Health and welfare	35,255	33,665	1,590
Recreation and culture	11,751	11,984	(233)
Education	1,705,736	1,768,348	(62,612)
Public works	1,201,240	521,448	679,792
Unclassified	189,667	218,600	(28,933)
Interest on long-term debt	20,410	18,168	2,242
<b>Total Expenses</b>	<u>3,570,461</u>	<u>2,976,149</u>	<u>594,312</u>
<b>Change in Net Position</b>	<u>\$ (606,819)</u>	<u>\$ (20,695)</u>	<u>\$ (586,124)</u>

The most noteworthy activity and change from 2015 and 2016 was the Public Works activity related to the aforementioned paving projects and equipment purchases.

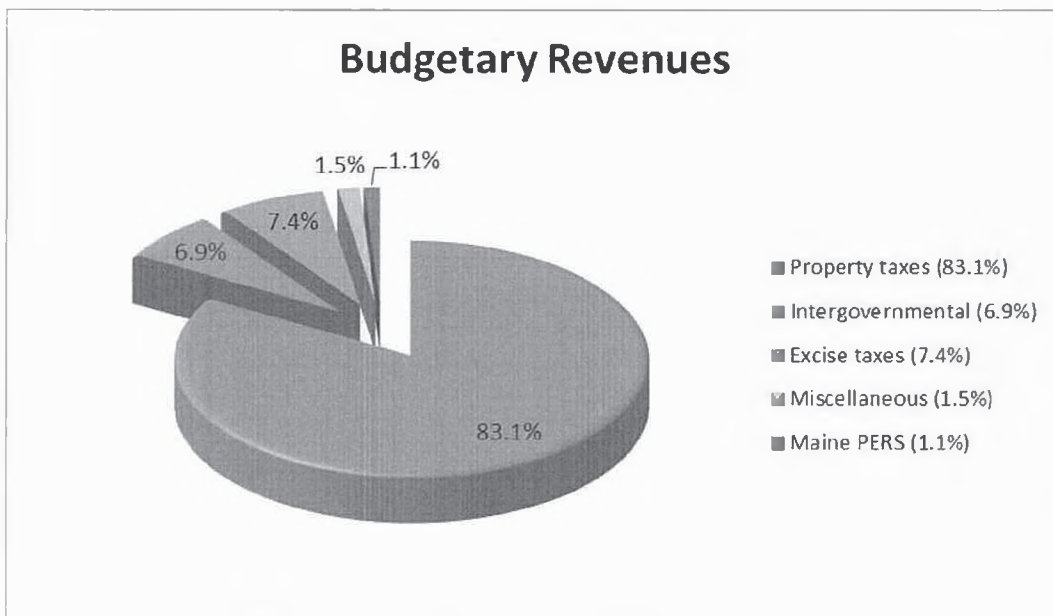
## Management's Discussion and Analysis - Continued

### Town of Fayette, Maine

#### Financial Analysis of the Town's Funds - Fund Financial Statements

The focus of the Town of Fayette'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, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

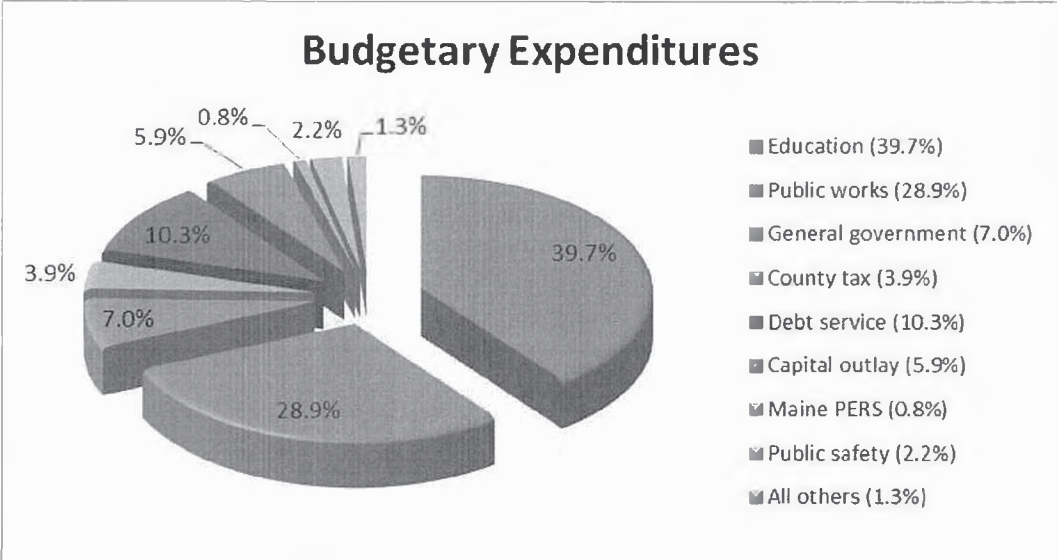
Current year revenues on a budgetary basis in the general fund were made up of the following:



**Management’s Discussion and Analysis - Continued**

**Town of Fayette, Maine**

Current year expenditures on a budgetary basis in the general fund were made up of the following:



**General Fund Budgetary Highlights**

The 2016 expenditure chart demonstrates a modest decrease in expenditures for most categories displayed. The revenue chart showed little change and still a reliance on the local property tax to pay for it all.

**Noteworthy Reserve Funds Include:**

The most significant reserve account continues to be the municipal educational facility reserve account. This account was borne out of the Town’s concern that unexpended school funds would become confiscated by school consolidation by virtue of the law initiated by Governor Baldacci in 2006. This fund is comprised of local funds that were raised by taxation and not expended for school operational costs. The voters at the 2007 annual Town Meeting took action to protect these funds. These funds may be used for any purpose that benefits the Fayette Central School as approved by the voters of Fayette. Given the increase in school surplus future consideration of this fund should be addressed by the Town.

## **Management's Discussion and Analysis - Continued**

### **Town of Fayette, Maine**

#### **Capital Assets**

At year-end, the Town had \$3,002,173 in net capital assets compared to \$2,963,268, last year.

This year's major additions included:

Contributing factors in the net capital assets include the Town's acquired assets which were the 2015 Western Star wheeler dump truck 2007 Chevy pick-up and plow and a gravel screen. The School invested in a new boiler and heating distribution control system

#### **Long Term Liabilities**

At year-end, the Town had \$1,451,500 in general obligation debt and \$16,944 in capital lease obligations compared to \$584,000 and \$39,328, respectively, last year. At year- end, the Town had a net pension liability of \$45,688 compared to \$31,438 last year.

Our pension liability for school staff has increased courtesy of decreased funding changes made by the State Legislature. As noted previously in the analysis, the Town and School executed general obligation bonds \$1.64 million for roads, road debt refinancing and equipment and \$100K for the School's new oil boiler and heating distribution control system.

#### **Economic Factors and Next Year's Budgets and Rates**

Moving forward, subsequent year audit reports should continue to identify modest gains and restoration of the Town undesignated fund (surplus). This desired outcome will not be easy. Today in Fayette, a dollar on the tax rate is the cash equivalent of \$160K. This year, we approved a school budget of \$1,761,018. The state education subsidy for this budget is \$32,694. The Fayette taxpayer pays exclusively 98.2% of its education costs this year. This status needs to change.

Other factors that will influence tax rate increases will include the impact of how Fayette services its solid waste and recycled material. At the time of this writing Fayette has yet to decide how it will dispose of its municipal solid waste and may realize an increase in taxation in the future as the result of those decisions.

#### **Contacting the Town's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, and 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 questions about this report or need additional financial information, contact the Town Office at 685-4373 and ask for the Town Manager. Citizens are welcomed to visit with the appropriate staff on any financial matters.

## Statement of Net Position

### Town of Fayette, Maine

As of June 30, 2016

	<u>Governmental Activities</u>
<b>Assets</b>	
Cash	\$ 1,137,949
Accounts receivable	28,586
Taxes receivable	189,741
Tax liens	45,519
Tax acquired property	3,470
Capital assets, net of accumulated depreciation	<u>3,002,173</u>
<b>Total Assets</b>	<b>4,407,438</b>
<b>Deferred Outflows of Resources</b>	
Deferred outflows related to pension	<u>61,253</u>
<b>Total Deferred Outflows of Resources</b>	<b>61,253</b>
<b>Liabilities</b>	
Accrued expenses	60,633
Prepaid taxes	12,146
Accrued interest payable	14,800
Long-term liabilities:	
Portion due or payable within one year:	
Bonds payable	219,300
Capital lease obligation	3,784
Portion due or payable after one year:	
Bonds payable	1,232,200
Capital lease obligation	13,160
Net pension liability	<u>45,688</u>
<b>Total Liabilities</b>	<b>1,601,711</b>
<b>Deferred Inflows of Resources</b>	
Deferred inflows related to pension	43,450
Unavailable revenue - interest reimbursement	<u>7,724</u>
<b>Total Deferred Inflows of Resources</b>	<b>51,174</b>
<b>Net Position</b>	
Net investment in capital assets	1,533,729
Restricted	49,424
Unrestricted	<u>1,232,653</u>
<b>Net Position</b>	<b>\$ <u>2,815,806</u></b>

See accompanying independent auditors' report and notes to the financial statements.

Statement of Activities

Town of Fayette, Maine

As of June 30, 2016

<u>Function/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Revenue and</u>
		<u>Services</u>	<u>Grants and</u>	<u>Changes in</u>
			<u>Contributions</u>	<u>Net Position</u>
				<u>Governmental</u>
				<u>Activities</u>
<b>Governmental Activities:</b>				
General government	\$ 298,844	\$ 12,574	\$ -	\$ (286,270)
Public safety	107,558	-	-	(107,558)
Health and welfare	35,255	-	-	(35,255)
Recreation and culture	11,751	-	-	(11,751)
Education	1,705,736	-	69,154	(1,636,582)
Public works	1,201,240	-	38,732	(1,162,508)
County tax	156,390	-	-	(156,390)
Unclassified	12,121	-	-	(12,121)
Maine PERS on-behalf payments	16,787	-	16,787	-
Interest on long-term debt	20,410	-	-	(20,410)
Capital outlay	4,369	-	-	(4,369)
<b>Total Governmental Activities</b>	<b>\$ 3,570,461</b>	<b>\$ 12,574</b>	<b>\$ 124,673</b>	<b>(3,433,214)</b>
General revenues:				
Taxes:				
Property				2,436,963
Excise				218,301
Intergovernmental				143,056
Interest				962
Miscellaneous				41,009
Loss on disposal of capital assets				(13,896)
			<b>Total General Revenues</b>	<b>2,826,395</b>
			<b>Change in Net Position</b>	<b>(606,819)</b>
Net position at beginning of year				<u>3,422,625</u>
			<b>Net Position at End of Year</b>	<b>\$ <u>2,815,806</u></b>

See accompanying independent auditors' report and notes to the financial statements.

## Balance Sheet - Governmental Funds

### Town of Fayette, Maine

As of June 30, 2016

	General	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>			
Cash	\$ 1,103,607	\$ 34,342	\$ 1,137,949
Accounts receivable	6,733	21,853	28,586
Taxes receivable	189,741	-	189,741
Tax liens	45,519	-	45,519
Tax acquired property	3,470	-	3,470
Due from other funds	6,771	18,085	24,856
	<u>1,355,841</u>	<u>74,280</u>	<u>1,430,121</u>
<b>Total Assets</b>			
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>			
<b>Liabilities</b>			
Accrued expenses	\$ 60,633	\$ -	\$ 60,633
Prepaid taxes	12,146	-	12,146
Due to other funds	-	24,856	24,856
	<u>72,779</u>	<u>24,856</u>	<u>97,635</u>
<b>Total Liabilities</b>			
<b>Deferred Inflows of Resources</b>			
Unavailable revenue - interest reimbursement	7,724	-	7,724
Unavailable revenue - property taxes	149,000	-	149,000
	<u>156,724</u>	<u>-</u>	<u>156,724</u>
<b>Total Deferred Inflows of Resources</b>			
<b>Fund Balances</b>			
Restricted			
Special revenue funds	-	22,052	22,052
Permanent funds	-	27,372	27,372
Assigned			
General fund - Town	211,910	-	211,910
General fund - School	412,315	-	412,315
Unassigned			
Special revenue funds	-	-	-
General fund	502,113	-	502,113
	<u>1,126,338</u>	<u>49,424</u>	<u>1,175,762</u>
<b>Total Fund Balances</b>			
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>			
	<u>\$ 1,355,841</u>	<u>\$ 74,280</u>	<u>\$ 1,430,121</u>

See accompanying independent auditors' report and notes to the financial statements.

**Reconciliation of Governmental Funds Balance Sheet  
to the Statement of Net Position**

**Town of Fayette, Maine**

**As of June 30, 2016**

**Total Fund Balances - Governmental Funds** \$ 1,175,762

Amounts reported for governmental activities in the Statement of  
Net Position is different because:

Capital assets used in governmental activities are not financial  
resources and therefore are not reported as assets in governmental  
funds. The cost of capital assets, net of accumulated depreciation is: 3,002,173

Property tax revenues are presented on the modified accrual basis  
of accounting in the governmental funds but in the Statement of  
Activities, property tax revenue is reported under the accrual method.  
The balance in unavailable revenue - property taxes in the  
governmental funds as a liability is: 149,000

The following deferred outflows below are not current assets or financial  
resources and the following deferred inflows are not current liabilities due  
and payable in the current period and therefore are not reported in the  
Balance Sheet:

Deferred outflows related to pension	\$ 61,253	
Deferred inflows related to pension	<u>(43,450)</u>	
		17,803

Long-term liabilities are not due and payable in the current period  
and therefore are not reported as liabilities in the funds. Long-term  
and related liabilities at year-end consist of:

Bonds payable	(1,451,500)	
Capital lease obligations	(16,944)	
Accrued interest payable	(14,800)	
Net pension liability	<u>(45,688)</u>	
		<u>(1,528,932)</u>

**Net Position - Governmental Activities** \$ 2,815,806

See accompanying independent auditors' report and notes to the financial statements.



**Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds**

**Town of Fayette, Maine**

**For the Year Ended June 30, 2016**

	General	Other Governmental Funds	Total Governmental Funds
	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>			
Property taxes	\$ 2,441,963	\$ -	\$ 2,441,963
Excise taxes	218,301	-	218,301
Intergovernmental	201,407	49,535	250,942
Maine PERS on-behalf payments	33,114	-	33,114
Miscellaneous	45,158	9,387	54,545
<b>Total Revenues</b>	<u>2,939,943</u>	<u>58,922</u>	<u>2,998,865</u>
<b>Expenditures</b>			
Current			
General government	295,028	-	295,028
Public safety	89,602	-	89,602
Health and welfare	35,255	-	35,255
Recreation and culture	10,891	-	10,891
Education	1,579,816	45,936	1,625,752
Public works	1,150,069	-	1,150,069
County tax	156,390	-	156,390
Unclassified	6,516	5,605	12,121
Maine PERS on-behalf payments	33,114	-	33,114
Debt service - principal	396,500	-	396,500
- interest	14,910	-	14,910
Capital outlay	233,478	-	233,478
<b>Total Expenditures</b>	<u>4,001,569</u>	<u>51,541</u>	<u>4,053,110</u>
<b>Revenues Over (Under) Expenditures</b>	(1,061,626)	7,381	(1,054,245)
<b>Other Financing Sources (Uses)</b>			
Proceeds from borrowing	1,264,000	-	1,264,000
<b>Total Other Financing Sources (Uses)</b>	<u>1,264,000</u>	<u>-</u>	<u>1,264,000</u>
<b>Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	202,374	7,381	209,755
Fund balances at beginning of year	923,964	42,043	966,007
<b>Fund Balances at End of Year</b>	<u>\$ 1,126,338</u>	<u>\$ 49,424</u>	<u>\$ 1,175,762</u>

See accompanying independent auditors' report and notes to the financial statements.

# Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

## Town of Fayette, Maine

**As of June 30, 2016**

**Net Change in Fund Balances - Total Governmental Funds** **\$ 209,755**

Amounts reported for governmental activities in the Statement of Activities are different because:

Property tax revenues are presented on the modified accrual basis of accounting in the governmental funds but in the Statement of Activities, property tax revenue is reported under the accrual method. The current year change in unavailable revenue - property tax revenue reported in the governmental funds and not in the Statement of Activities is: (5,000)

Governmental funds report capital asset additions as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense differed from capital asset additions and reductions in the current period:

Capital asset additions	\$ 229,109	
Depreciation expense	<u>(164,308)</u>	
		64,801

Governmental funds report the sale of capital assets as revenues. However, in the Statement of Activities, the sale of those assets is recognized as a gain or loss, depending on the sale and accumulated depreciation amounts:

Capital asset sale revenues	(12,000)	
Loss on sale of capital assets	<u>(13,896)</u>	
		(25,896)

Issuance of long-term debt and entering into capital lease obligations provide current resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount of proceeds and repayments of debt obligations in the current period:

Proceeds from capital lease obligation	(1,264,000)	
Principal portion of debt service payments	396,500	
Principal portion of capital lease obligation payments	<u>22,384</u>	
		(845,116)

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 the governmental funds.

Change in accrued interest payable	(5,500)	
Adjustment to pension expense	<u>137</u>	
		<u>(5,363)</u>

**Change in Net Position of Governmental Activities** **\$ (606,819)**

See accompanying independent auditors' report and notes to the financial statements.

**Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - General Fund**

**Town of Fayette, Maine**

**For the Year Ended June 30, 2016**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Taxes				
Property taxes	\$ 2,428,139	\$ 2,428,139	\$ 2,441,963	\$ 13,824
Excise taxes	208,000	208,000	218,301	10,301
Intergovernmental revenues				
State revenue sharing	45,752	45,752	46,138	386
Maine PERS on-behalf payments	-	-	33,114	33,114
Other	79,087	114,474	155,269	40,795
Miscellaneous revenues	39,765	39,765	44,184	4,419
<b>Total Revenues</b>	<u>2,800,743</u>	<u>2,836,130</u>	<u>2,938,969</u>	<u>102,839</u>
<b>Expenditures</b>				
Current				
General government	299,011	299,011	276,945	22,066
Public safety	89,035	89,035	89,602	(567)
Health and welfare	36,000	36,000	35,255	745
Recreation and culture	15,459	15,459	10,891	4,568
Education	1,683,391	1,683,391	1,579,816	103,575
Public works	1,062,299	1,062,299	1,150,069	(87,770)
County tax	153,708	153,708	156,390	(2,682)
Unclassified	-	-	6,516	(6,516)
Maine PERS on-behalf payments	-	-	33,114	(33,114)
Debt service - principal	396,500	396,500	396,500	-
- interest	13,595	13,595	14,910	(1,315)
Capital outlay	405,000	405,000	233,478	171,522
<b>Total Expenditures</b>	<u>4,153,998</u>	<u>4,153,998</u>	<u>3,983,486</u>	<u>170,512</u>
<b>Revenues Over (Under) Expenditures</b>	(1,353,255)	(1,317,868)	(1,044,517)	273,351
<b>Other Financing Sources (Uses)</b>				
Proceeds from borrowing	1,289,000	1,289,000	1,264,000	(25,000)
Operating transfers in	112,800	112,800	42,631	(70,169)
Operating transfers out	(25,000)	(25,000)	(25,000)	-
Utilization of unassigned fund balance	85,387	50,000	-	(50,000)
<b>Total Other Financing Sources (Uses)</b>	<u>1,462,187</u>	<u>1,426,800</u>	<u>1,281,631</u>	<u>(145,169)</u>
<b>Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	\$ 108,932	\$ 108,932	\$ 237,114	\$ 128,182
Budgetary fund balance at beginning of year			<u>512,134</u>	
<b>Budgetary Fund Balance at End of Year</b>			<u>\$ 749,248</u>	

See accompanying independent auditors' report and notes to the financial statements.

## Notes to Financial Statements

### Town of Fayette

#### Note A - Summary of Significant Accounting Policies

The Town of Fayette, Maine operates under a Selectmen - Town Manager form of government. The accounting policies of the Town of Fayette, Maine, conform to United States generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Town are discussed below.

#### Principles Determining Scope of Reporting Entity

The basic financial statements include the accounts of all Town operations. The criteria for including organizations as component units within the Town's reporting entity, as set forth in GAAP include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the Town holds the corporate powers of the organization
- the Town appoints a voting majority of the organization's board
- the Town is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the Town
- there is fiscal dependency by the organization on the Town

Based on the aforementioned criteria, the Town of Fayette has no component units.

#### Basis of Presentation

##### Government-wide Financial Statements

The statement of net position and statement of activities report information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. 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 services for support. Currently the Town has no 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 does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges 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.

## Notes to Financial Statements - Continued

### Town of Fayette, Maine

#### Note A - Summary of Significant Accounting Policies - Continued

##### Government-wide Financial Statements - Continued

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 and major individual enterprise funds are reported as separate columns in the fund financial statements.

##### Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which are considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures.

##### Governmental Activities

Governmental funds are identified as either general, special revenue, capital projects, or permanent funds based upon the following guidelines:

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

*Special Revenue Funds* are used to account for the proceeds of specific sources (other than major capital projects or expendable trusts) that are legally restricted to expenditures for specified purposes.

*Capital Projects Funds* are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

*Permanent Funds* are used to account for resources legally held in trust. All resources of the fund, including any earnings on invested resources, may be used to support the organization as stipulated by the specific trust instrument.

##### Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting is related to the timing of the measurements made, regardless of the measurement focus applied.

## Notes to Financial Statements - Continued

### Town of Fayette, Maine

#### Note A - Summary of Significant Accounting Policies - Continued

##### Accrual

Governmental activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

##### Modified Accrual

Governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt is recognized when due.

##### Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

##### Cash and Cash Equivalents

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

##### Inventories

Inventories of supplies are considered to be expenditures at the time of purchase.

##### Accounts Receivable

Accounts receivable are stated at the amount the Town expects to collect from outstanding balances. Town management closely monitors outstanding balances and records an allowance for doubtful accounts as necessary based upon historical trends of bad debts as well as a detailed review of current year receivables and their aging. Management has deemed an allowance for doubtful account is not necessary.

##### Capital Assets

In the government-wide financial statements, capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line method.

Estimated useful lives are as follows: buildings and improvements, 20 to 50 years; infrastructure, 5 to 60 years; and vehicles and equipment, 3 to 15 years.

## **Notes to Financial Statements - Continued**

### **Town of Fayette, Maine**

#### **Note A - Summary of Significant Accounting Policies - Continued**

##### **Capital Assets - Continued**

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

##### **Vacation and Sick Leave**

Under the terms of personnel policies, vacation leave is granted in varying amounts according to length of service. Sick leave is granted in equal amounts to all employees. In some cases, employees are entitled to payment for unused vacation upon termination or retirement. No liability is recorded for accrued compensated absences at June 30, 2016, the inclusion of which would not be material to the financial statements.

##### **Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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.

##### **Deferred Inflow of Resources**

In addition to assets, the statement of financial position and the governmental funds balance sheet will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until that time. The Town has one item that meets this criterion, deferred pensions, which is reported in the statement of financial position.

In addition to liabilities, the statement of financial position and the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resource, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Town has one type of item, unavailable revenue, which results from property taxes, which arises under the modified accrual basis of accounting that qualifies for reporting in this category and is reported in the governmental funds balance sheet. The Town also has one type of item, deferred pensions, which is reported in the statement of financial position.

## Notes to Financial Statements - Continued

### Town of Fayette, Maine

#### Note A - Summary of Significant Accounting Policies - Continued

##### Pensions

In government-wide financial statements, retirement plans (pensions) are required to be recognized and disclosed using the accrual basis of accounting (see Note F and the required supplementary information beginning on page 41), regardless of the amount recognized as pension expenditures on the governmental fund statements, which use the modified accrual basis of accounting.

In general, the Town recognizes a net pension liability, which represents the Town's proportionate share of the excess of the total pension liability over the fiduciary net position of the pension reflected in the actuarial report provided by the Maine Public Employees Retirement System (MainePERS). The net pension liability is measured as of the Town's prior fiscal year-end. Changes in the net pension liability are recorded, in the period incurred, as pension expense or as deferred inflows of resources or deferred outflows of resources depending on the nature of the change. The changes in net pension liability that are recorded as deferred inflows of resources or deferred outflows of resources (that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience) are amortized over the weighted average remaining service life of all participants in the respective pension plan and are recorded as a component of pension expense beginning with the period in which they are incurred.

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 Teachers Pension Plan (TPP) and additions to/deductions from the TPP's fiduciary net position have been determined on the same basis as they are reported by the TPP. 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.

Projected earnings on pension investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred inflows of resources or deferred outflows of resources and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred. Each subsequent year will incorporate an additional closed basis five-year period of recognition.

##### Government-wide Fund Net Position

Government-wide net position is divided into three components:

*Net investment in capital assets* - consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.

*Restricted net position* - consist of net assets that are restricted by the Town's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.



## Notes to Financial Statements - Continued

### Town of Fayette, Maine

#### Note A - Summary of Significant Accounting Policies - Continued

##### Government-wide Fund Net Position - Continued

*Unrestricted* - All other net asset positions are reported in this category.

##### Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified 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 are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed through constitutional provisions or enabling legislation.

*Committed* - resources which are subject to limitations the government imposes upon itself at its highest level of decision making, and that remain binding unless removed in the same manner.

*Assigned* - resources neither restricted nor committed for which a government has a stated intended use as established by the Town Council or a body or official to which the Town Council has designated the authority to assign amounts for specific purposes.

*Unassigned* - resources which cannot be properly classified in one of the other four categories.

##### Use of Restricted Resources

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

##### Interfund Activity

Interfund activity is reported as loans, reimbursements, or transfers. Loans are reported as interfund loan receivables and payables as appropriate and are subject to elimination upon consolidation in the government-wide presentation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as a reimbursement. Since not all funds maintain a separate cash account, cash is pooled in the General Fund cash account and activity for individual funds are recorded through the General Fund and each respective individual fund through the recognition of a "due to/due from" as appropriate. The due to/from other funds balances are subject to elimination upon consolidation in the government-wide presentation. All interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

## Notes to Financial Statements - Continued

### Town of Fayette, Maine

#### Note A - Summary of Significant Accounting Policies - Continued

##### **Budget**

The Town of Fayette's policy is to adopt an annual budget for operations. The budget is presented on the modified accrual basis of accounting, which is consistent with generally accepted accounting principles.

The following procedures are followed in establishing budgetary data reflected in the financial statements:

- Early in the second half of the last fiscal year the Town prepared a budget for this fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
- A vote of the inhabitants of the Town was then taken for the purpose of adopting the proposed budget after public notice of the vote was given.
- The budget was adopted subsequent to passage by the inhabitants of the Town.

The Town does not adopt budgets for special revenue funds.

##### **Revenue Recognition - Property Taxes**

The Town's property tax for the current year was levied October 5, 2015, on the assessed value listed as of April 1, 2015, for all real and personal property located in the Town. Taxes were due November 30, 2015 and April 30, 2016 with interest on unpaid taxes commencing on December 1, 2015 and May 1, 2016, at 7% per annum.

Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected within sixty days after year end. The remaining receivables have been recorded as deferred inflow of resources.

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 \$108,932 for the year ended June 30, 2016.

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.

##### **New Accounting Pronouncements**

During the year ended June 30, 2016, the Town implemented Governmental Accounting Standards Board Statement (GASBS) No. 73 *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Balances were not restated as a result of this Statement.

## Notes to Financial Statements - Continued

### Town of Fayette, Maine

#### Note B - Cash

The Town conducts all its deposit transactions with depository banks. Cash resources of several individual funds are combined to form a pool of cash.

#### Custodial Credit Risk - Deposits

At June 30, 2016, the carrying amount of the Town's deposits was \$1,137,949, and the bank balance was \$1,898,588. The difference between these balances relates to deposits in transit, outstanding checks and cash on hand at year-end. 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 does not have a deposit policy on custodial credit risk. As of June 30, 2016, none of the Town's bank balance of \$1,898,588 was exposed to credit risk.

#### Note C - Capital Assets

A summary of capital assets transactions for the year ended June 30, 2016, follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
Non-Depreciable Assets:				
Land	\$ 167,657	\$ -	\$ -	\$ 167,657
Construction in progress	-	39,531	-	39,531
Depreciable Assets:				
Buildings	3,139,595	-	-	3,139,595
Land Improvements	95,147	-	-	95,147
Equipment	1,158,218	6,500	-	1,164,718
Vehicles	981,310	183,078	125,812	1,038,576
Road network	<u>2,467,130</u>	<u>-</u>	<u>-</u>	<u>2,467,130</u>
Totals at historical cost	8,009,057	229,109	125,812	8,112,354
Less accumulated depreciation:				
Buildings	1,362,647	65,926	-	1,428,573
Land Improvements	91,439	73	-	91,512
Equipment	482,780	50,686	-	533,466
Vehicles	773,617	45,234	99,916	718,935
Road network	<u>2,335,306</u>	<u>2,389</u>	<u>-</u>	<u>2,337,695</u>
Total accumulated depreciation	<u>5,045,789</u>	<u>164,308</u>	<u>99,916</u>	<u>5,110,181</u>
Capital Assets, Net	<u>\$ 2,963,268</u>	<u>\$ 64,801</u>	<u>\$ 25,896</u>	<u>\$ 3,002,173</u>

**Notes to Financial Statements - Continued**

**Town of Fayette, Maine**

**Note C - Capital Assets - Continued**

Depreciation expense was charged to the following functions:

**Governmental activities:**

General Government	\$ 3,816
Public Safety	17,956
Recreation and Culture	860
Education	83,680
Public Works	<u>57,996</u>
Total governmental activities depreciation expense	<u>\$ 164,308</u>

**Note D - Interfund Balances**

Interfund balances at June 30, 2016 consisted of the following amounts:

<b>Governmental Activities</b>	<u>Receivables</u> <u>Due from</u>	<u>Payables</u> <u>Due to</u>	<u>Net Internal</u> <u>Balances</u>
General Fund:			
Special Revenue Fund:			
School Categorical Programs	\$ 17,906	\$ -	
Starling Hall Fund	-	(5,752)	
Keep Me Warm	<u>-</u>	<u>(12,333)</u>	
	17,906	(18,085)	
Permanent Funds - Trust Funds:			
Cemetery	<u>6,950</u>	<u>-</u>	
	<u>6,950</u>	<u>-</u>	
	24,856	(18,085)	\$ 6,771
Special Revenue Fund:			
General Fund:			
School Categorical Programs	-	(17,906)	
Starling Hall Fund	5,752	-	
Keep Me Warm	<u>12,333</u>	<u>-</u>	
	18,085	(17,906)	179
Permanent Funds - Trust Funds:			
General Fund:			
Cemetery	<u>-</u>	<u>(6,950)</u>	
	<u>-</u>	<u>(6,950)</u>	<u>(6,950)</u>
	<u>\$ 42,941</u>	<u>\$ (42,941)</u>	<u>\$ -</u>

## Notes to Financial Statements - Continued

### Town of Fayette, Maine

#### Note D - Interfund Balances - Continued

All interfund balances resulted from the time lag between (1) the dates that interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

#### Note E - Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2016 was as follows:

	Beginning			Ending	Amounts
	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>Due within</u>
					<u>One Year</u>
General obligation debt	\$ 584,000	\$ 1,264,000	\$ 396,500	\$ 1,451,500	\$ 219,300
Net pension liability	31,438	14,250	-	45,688	-
Capital lease obligation	<u>39,328</u>	<u>-</u>	<u>22,384</u>	<u>16,944</u>	<u>3,784</u>
Total	<u>\$ 654,766</u>	<u>\$ 1,278,250</u>	<u>\$ 418,884</u>	<u>\$ 1,514,132</u>	<u>\$ 223,084</u>

At June 30, 2016 long term debt consisted of the following:

2012 Qualified School Construction Bond for a wood pellet boiler for the school with Kennebec Savings Bank, due in annual principal installments of \$12,500, and annual interest installments at varying amounts through July 2030. Interest is stated at 4.75%. The IRS will credit the Town approximately 93% of the interest each year.

\$ 187,500

2016 General Obligation Bond for road construction and the refinancing of the 2010 General Obligation Bond for road construction, with Maine Municipal Bond Bank, due in annual principal installments of \$206,800, and semi-annual interest installments at varying amounts ranging between 0.65% and 2.17% through November 2021.

1,164,000

2016 School General Obligation Bond for heating improvements with Maine Municipal Bond Bank, due in annual principal installments of \$10,000 and semi-annual interest installments at varying amounts ranging between 0.91% and 2.25% through November 2021.

100,000

\$ 1,451,500

## Notes to Financial Statements - Continued

### Town of Fayette, Maine

#### Note E - Long-Term Liabilities - Continued

The annual requirements to amortize bonds payable are as follows:

Year Ended <u>June 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 219,300	\$ 26,510	\$ 245,810
2018	229,300	24,115	253,415
2019	229,300	20,808	250,108
2020	229,300	16,949	246,249
2021	229,300	12,554	241,854
Thereafter	315,000	37,731	352,731
	<u>\$ 1,451,500</u>	<u>\$ 138,667</u>	<u>\$ 1,590,167</u>

#### Capital Lease Obligations:

The present value of capital lease obligations and future years' minimum lease payments are as follows:

Year ending June 30,	
2017	\$ 4,743
2018	4,743
2019	4,743
2020	4,499
2021	546
	<u>19,274</u>
Less amount representing interest (various rates)	<u>2,330</u>
Obligation under capital leases	<u>\$ 16,944</u>

As of June 30, 2016 the gross amount of fixed assets associated with capital lease obligations was \$299,347 with accumulated depreciation of \$190,335.

#### Note F - Pension Plan

##### Plan Description

Teaching-certified employees of the Fayette School Department (Department) are provided with pensions through the Teacher's Pension Plan (TPP) – a cost-sharing multiple-employer defined benefit pension plan administered by the Maine Public Employees Retirement System (MainePERS). Chapter 423 of the State Statutes grants the authority to establish and amend benefit terms to the MainePERS Board of Trustees (MainePERS Board). MainePERS issues a publicly available financial report that can be obtained on the MainePERS website.

## Notes to Financial Statements - Continued

### Town of Fayette, Maine

#### Note F - Pension Plan - Continued

##### **Benefits Provided**

MainePERS provides retirement, disability, and death benefits to plan members. Employees who retire at or after age 60, 62, or 65 (depending on their date of hire) with five to twenty-five years of credited service (depending on their date of hire and inactive or active status) are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to two percent of the average of their highest three years earnings per year of service.

Employees are eligible for service-related disability benefits regardless of length of service. Disability benefits may be available if an employee participating in the plan becomes mentally or physically disabled while in MainePERS-covered service and is permanently unable to perform the duties of his/her position. The amount of the disability benefit is either 66 2/3% or 59% of the average final compensation, depending on the date the employee was hired.

Ordinary death benefits are available if death occurs before retirement. Beneficiaries can receive either a lump-sum refund of the employee's contributions and interest or a monthly benefit. If death occurs as a result of an injury while working or while the employee is working, accidental death benefits are also available.

##### **Contributions**

Per Chapter 423 of the State Statutes, contribution requirements of the active employees and the participating school districts are established and may be amended by the MainePERS Board. Maine State requires the State to contribute a portion of the Town's contractually required contributions, which 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. Employees are required to contribute 7.65% of their annual pay. The school departments' contractually required contribution rate for the year ended June 30, 2016 was 13.38% of annual school district payroll of which 3.36% of payroll was required by the School Department and 10.02% was required from the State. All federally funded teachers' contributions were paid the Fayette School Department. All other teachers' contributions were paid by the State of Maine. Contributions to the pension plan from the Town were \$14,375 for the year ended June 30, 2016. Contributions to the pension plan from the State were \$33,114 for the year ended June 30, 2016

## Notes to Financial Statements - Continued

### Town of Fayette, Maine

#### Note F - Pension Plan - Continued

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

At June 30, 2016, 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 support of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability (asset)	\$ 45,688
State's proportionate share of the net pension liability (asset) associated with the Town	<u>369,184</u>
Total	<u>\$ 414,872</u>

The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2015, the Fayette School Department's proportion was 0.003384% which was an increase of 0.000474% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the Town recognized total pension expense of \$31,023 and revenue of \$16,787 for support provided by the State on its government-wide financial statements and recognized pension expense of \$47,489 and revenue of \$33,114 for support provided by the State on its fund financial statements. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits. At June 30, 2016, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 318
Changes of assumptions	1,259	-
Net difference between projected and actual earnings on pension plan investments	9,668	11,734
Changes in proportion and differences between Town contributions and proportionate share of contributions	35,951	31,398
Town contributions subsequent to the measurement date	<u>14,375</u>	<u>-</u>
	<u>\$ 61,253</u>	<u>\$ 43,450</u>



## Notes to Financial Statements - Continued

### Town of Fayette, Maine

#### Note F - Pension Plan - Continued

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

Deferred outflows of resources and deferred inflows of resources on the previous page represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner.

Of the amount reported as a deferred outflow of resources related to pensions resulting from Town contributions subsequent to the measurement date, \$14,375 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. 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>	
2017	\$ 1,851
2018	654
2019	(1,494)
2020	2,417

##### Actuarial assumptions

The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.5%
Salary increases	3.5% plus merit component based on employee's years of service
Investment rate of return	7.125%
COLA	2.55%

Mortality rates were based on the sex distinct RP-2000 Combined Mortality Table, as appropriate, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actual experience study for the period July 1, 2010 through June 30, 2015.

## Notes to Financial Statements - Continued

### Town of Fayette, Maine

#### Note F - Pension Plan - Continued

##### Actuarial assumptions - Continued

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. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equities	20%	5.2%
International equities	20%	5.5%
Private equity	10%	7.6%
Real estate	10%	3.7%
Infrastructure	10%	4.0%
Hard assets	5%	4.8%
Fixed income	<u>25%</u>	0.0%
	<u>100%</u>	

##### Discount rate

The discount rate used to measure the total pension liability was 7.125%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from Towns will be made at contractually required rates (actuarially determined), and contributions from the State will be made at current statutorily required rates. Based on those assumptions, the pension plan's 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 liability.

**Notes to Financial Statements - Continued**

**Town of Fayette, Maine**

**Note F - Pension Plan - Continued**

**Sensitivity of the Town's proportionate share of the net pension liability 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 7.125%, 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 one percentage point lower (6.125%) or one percentage point higher (8.125%) than the current rate:

	1% Decrease <u>(6.125%)</u>	Discount Rate <u>(7.125%)</u>	1% Increase <u>(8.125%)</u>
Town's proportionate share of the net pension liability (asset)	\$ 79,989	\$ 45,688	\$ 17,119

**Pension plan fiduciary net position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued MainePERS financial statements. The plan's fiduciary net position has been determined on the same basis as that used by the plan.

## Notes to Financial Statements - Continued

### Town of Fayette, Maine

#### Note G - Budget to Actual Reconciliation

An explanation of the differences between budgetary inflows and outflows and revenues and expenditures determined in accordance with generally accepted accounting principles follows:

**Budgetary Basis:**

Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 237,114
---	------------

*Sources/inflows of resources reconciling items:*

Interest and investment income allocated to assigned balances not included in general fund operating budget	974
---	-----

Transfers from other funds are inflows of budgetary resources but are not transfers under generally accepted accounting principles	(42,631)
--	----------

*Uses/outflows of resources reconciling items:*

Expenditures allocated from assigned balances are not included in general fund operating budget	(18,083)
---	----------

Transfers to other funds are outflows of budgetary resources but are not expenditures under generally accepted accounting principles	<u>25,000</u>
--	---------------

**Generally Accepted Accounting Principles Basis:**

Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ 202,374</u>
---	-------------------

## Notes to Financial Statements - Continued

### Town of Fayette, Maine

#### Note H - Assigned Fund Balances

At June 30, 2016, the assigned general fund balance for the Town consisted of the following:

Salt Shed	\$	26,140
Fire Capital		32,249
Bus Purchase		21
Highway Capital		27,472
Starling Hall		32,226
Town Hall		25,021
Library Reserve		14,720
Library Relocation		3,980
New Fire Station		8,641
Highway Building Repair		20,343
Pole Barn Reserve		374
Muni Educational Capital Reserve		168,180
Health Care Reserve		17,723
Comprehensive Plan ( <i>carry-forward</i> )		3,000
School Department - capital outlay ( <i>carry-forward</i> )		181,100
School Department ( <i>carry-forward</i> )		<u>63,035</u>
	\$	<u>624,225</u>

#### Note I - Restricted Fund Balances

As of June 30, 2016, restricted fund balances consisted of the following:

		Other <u>Governmental</u>
School Categorical Programs	\$	3,967
Starling Hall		5,752
Keep Me Warm		12,333
Permanent Trust Funds		<u>27,372</u>
	\$	<u>49,424</u>

## Notes to Financial Statements - Continued

### Town of Fayette, Maine

#### Note J - 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. Currently, the Town participates in several public entity and self-insured risk pools sponsored by the Maine Municipal Association (MMA). These pools, and the risks of loss to which the Town is exposed, are as follows:

MMA's workers' compensation fund retains \$400,000 of risk and purchases excess insurance for claims, which exceed \$400,000 up to a maximum coverage of \$200,000 per occurrence.

MMA's property and casualty risk pool retains \$100,000 of risk and purchases excess insurance for claims which exceed \$100,000 up to a maximum coverage \$1,000,000 for property and casualty coverage per occurrence, \$200,000,000 cumulative coverage for the entire pool, and \$250,000 for crime per entity per occurrence.

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, 2016.

#### Note K - Expenditures Over Appropriation

The following appropriations were exceeded by actual expenditures:

	<u>Excess</u>
Public Safety	\$ 567
Public Works	85,319
County Tax	2,682
Debt Service	1,315

**Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual - School Department**

**Town of Fayette, Maine**

**For the Year Ended June 30, 2016**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>			
Property taxes	\$ 1,576,737	\$ 1,576,737	\$ -
State subsidies	69,154	69,154	-
Maine PERS on-behalf payments	-	33,114	33,114
Miscellaneous	-	550	550
<b>Total Revenues</b>	<u>1,645,891</u>	<u>1,679,555</u>	<u>33,664</u>
<b>Expenditures</b>			
Current			
Regular instruction	1,072,621	1,008,804	63,817
Special education	120,578	116,532	4,046
Student and staff support	80,597	75,219	5,378
System administration	74,624	77,277	(2,653)
School administration	71,755	73,323	(1,568)
Transportation	123,737	110,604	13,133
Facilities maintenance	122,059	99,545	22,514
All other expenses	17,420	18,512	(1,092)
Maine PERS on-behalf payments	-	33,114	(33,114)
Debt service	12,500	12,500	-
Capital outlay	225,000	43,900	181,100
<b>Total Expenditures</b>	<u>1,920,891</u>	<u>1,669,330</u>	<u>251,561</u>
<b>Revenues Over (Under) Expenditures</b>	(275,000)	10,225	285,225
<b>Other Financing Sources (Uses)</b>			
Proceeds from borrowing	125,000	100,000	(25,000)
Operating transfers in	100,000	39,531	(60,469)
Utilization of unassigned fund balance	50,000	-	(50,000)
<b>Total Other Financing Sources (Uses)</b>	<u>275,000</u>	<u>139,531</u>	<u>(135,469)</u>
<b>Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>\$ -</b>	<b>149,756</b>	<b>\$ 149,756</b>
Fund balance at beginning of year		<u>262,559</u>	
<b>Fund Balance at End of Year</b>		<u><b>\$ 412,315</b></u>	

See accompanying independent auditors' report.

**Combining Balance Sheet  
Nonmajor Governmental Funds - Other Governmental Funds**

**Town of Fayette, Maine**

**As of June 30, 2016**

	<u>Permanent Funds</u>	<u>Special Revenues</u>	<u>Total Other Governmental Funds</u>
<b>Assets</b>			
Cash	\$ 34,322	\$ 20	\$ 34,342
Accounts receivable	-	21,853	21,853
Due from other funds	-	18,085	18,085
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Assets</b>	<u>\$ 34,322</u>	<u>\$ 39,958</u>	<u>\$ 74,280</u>
 <b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Due to other funds	\$ 6,950	\$ 17,906	\$ 24,856
Accounts payable	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Liabilities</b>	6,950	17,906	24,856
 <b>Fund Balances</b>			
Restricted	27,372	22,052	49,424
Unassigned	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Fund Balances</b>	<u>27,372</u>	<u>22,052</u>	<u>49,424</u>
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 34,322</u>	<u>\$ 39,958</u>	<u>\$ 74,280</u>

See accompanying independent auditors' report.



**Combining Schedule of Revenues, Expenditures and Changes  
in Fund Balances - Special Revenue Funds**

**Town of Fayette, Maine**

**For the Year Ended June 30, 2016**

	Categorical Programs	Starling Hall	Keep Me Warm	Total
	(See page 33)			
<b>Revenues</b>				
Intergovernmental	\$ 49,535	\$ -	\$ -	\$ 49,535
Miscellaneous	-	1,558	6,762	8,320
<b>Total Revenues</b>	49,535	1,558	6,762	57,855
<b>Expenditures</b>	45,936	-	5,605	51,541
<b>Revenues Over (Under) Expenditures</b>	3,599	1,558	1,157	6,314
Fund balances at beginning of year	368	4,194	11,176	15,738
<b>Fund Balances (Deficit) at End of Year</b>	<u>\$ 3,967</u>	<u>\$ 5,752</u>	<u>\$ 12,333</u>	<u>\$ 22,052</u>

See accompanying independent auditors' report.

**Schedule of Changes in Fund Balances  
Special Revenue Funds - School Categorical Programs**

**Town of Fayette, Maine**

**For the Year Ended June 30, 2016**

	Balance			Transfers	Balance 6/30/16	
	7/1/15	Revenues	Expenditures	In (Out)	Unassigned	Restricted
Title IA - Disadvantaged	\$ -	\$ 12,905	\$ 12,905	\$ -	\$ -	\$ -
REAP	-	4,457	4,457	-	-	-
Local Entitlement	-	17,521	17,521	-	-	-
PEPG Grant	-	4,600	2,049	-	-	2,551
Federal Grant Program	20	8,504	8,504	-	-	20
Standards Based Diploma	348	1,548	500	-	-	1,396
	<u>\$ 368</u>	<u>\$ 49,535</u>	<u>\$ 45,936</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,967</u>

See accompanying independent auditors' report.

**Combining Schedule of Revenues, Expenses and Changes in Fund Balances  
Permanent Funds - Trust Funds**

**Town of Fayette, Maine**

**For the Year Ended June 30, 2016**

	Cemetery	Worthy Poor	Conservation	Library	Total
<b>Revenues</b>					
Principal additions	\$ 1,000	\$ -	\$ -	\$ -	\$ 1,000
Interest	50	6	6	5	67
<b>Total Revenues</b>	<u>1,050</u>	<u>6</u>	<u>6</u>	<u>5</u>	<u>1,067</u>
<b>Expenses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Revenues Over Expenses</b>	1,050	6	6	5	1,067
<b>Other Financing Sources (Uses)</b>					
Operating transfers in	-	-	-	-	-
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Other Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Revenues and Other Sources Over (Under) Expenses and Other Uses</b>	1,050	6	6	5	1,067
Fund balances at beginning of year	<u>17,392</u>	<u>3,269</u>	<u>3,338</u>	<u>2,306</u>	<u>26,305</u>
<b>Fund Balances at End of Year</b>	<u><u>\$ 18,442</u></u>	<u><u>\$ 3,275</u></u>	<u><u>\$ 3,344</u></u>	<u><u>\$ 2,311</u></u>	<u><u>\$ 27,372</u></u>

See accompanying independent auditors' report.

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (1 of 2)**  
**General Fund - Assigned Balances**

**Town of Fayette, Maine**

**For the Year Ended June 30, 2016**

	<u>Salt Shed</u>	<u>Fire Capital</u>	<u>Bus Purchase</u>	<u>Highway Capital</u>	<u>Starling Hall</u>	<u>Town Hall</u>	<u>Library Reserve</u>
<b>Revenues</b>							
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	52	144	-	217	66	63	62
<b>Total Revenues</b>	<u>52</u>	<u>144</u>	<u>-</u>	<u>217</u>	<u>66</u>	<u>63</u>	<u>62</u>
<b>Expenditures</b>							
	-	-	-	-	-	-	-
<b>Revenues Over (Under) Expenditures</b>	52	144	-	217	66	63	62
<b>Other Changes in Fund Balance</b>							
Appropriations in from Town Meeting	-	-	-	-	-	-	-
Appropriations (out) from Town Meeting	-	(3,100)	-	-	-	-	-
<b>Total Other Changes</b>	<u>-</u>	<u>(3,100)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Revenues and Other Sources Over (Under) Expenditures and Other Changes</b>	52	(2,956)	-	217	66	63	62
Fund balances at beginning of year	<u>26,088</u>	<u>35,205</u>	<u>21</u>	<u>27,255</u>	<u>32,160</u>	<u>24,958</u>	<u>14,658</u>
<b>Fund Balances at End of Year</b>	<u>\$ 26,140</u>	<u>\$ 32,249</u>	<u>\$ 21</u>	<u>\$ 27,472</u>	<u>\$ 32,226</u>	<u>\$ 25,021</u>	<u>\$ 14,720</u>

See accompanying independent auditor's report.

**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (2 of 2)**  
**General Fund - Assigned Balances**

**Town of Fayette, Maine**

**For the Year Ended June 30, 2016**

	Library Relocation	New Fire Station	Highway Building Repair	Pole Barn Reserve	Educational Capital Reserve	Health Care Reserve	Total
<b>Revenues</b>							
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	8	17	39	-	306	-	974
<b>Total Revenues</b>	<u>8</u>	<u>17</u>	<u>39</u>	<u>-</u>	<u>306</u>	<u>-</u>	<u>974</u>
<b>Expenditures</b>							
	-	-	-	-	-	18,083	18,083
<b>Revenues Over (Under) Expenditures</b>	8	17	39	-	306	(18,083)	(17,109)
<b>Other Changes in Fund Balance</b>							
Appropriations in from Town Meeting	-	-	-	-	-	25,000	25,000
Appropriations (out) from Town Meeting	-	-	-	-	(39,531)	-	(42,631)
<b>Total Other Changes</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(39,531)</u>	<u>25,000</u>	<u>(17,631)</u>
<b>Revenues and Other Sources Over (Under) Expenditures and Other Changes</b>	8	17	39	-	(39,225)	6,917	(34,740)
Fund balances at beginning of year	<u>3,972</u>	<u>8,624</u>	<u>20,304</u>	<u>374</u>	<u>207,405</u>	<u>10,806</u>	<u>411,830</u>
<b>Fund Balances at End of Year</b>	<u>\$ 3,980</u>	<u>\$ 8,641</u>	<u>\$ 20,343</u>	<u>\$ 374</u>	<u>\$ 168,180</u>	<u>\$ 17,723</u>	<u>\$ 377,090</u>

See accompanying independent auditor's report.

**Schedule of Valuation, Assessment and Collection of Taxes**

**Town of Fayette, Maine**

**For the Year Ended June 30, 2016**

**Valuation**

Real estate	\$ 160,334,500
Personal property	<u>270,700</u>

**Total Valuation** \$ 160,605,200

**Assessment**

Valuation x Rate - \$160,605,200 x 0.01510	\$ 2,425,139
Supplemental taxes	<u>3,115</u>
<b>Total Assessment Charged to Collector</b>	\$ 2,428,254

**Collection and Credits**

Abatements	6,516
Cash collections	<u>2,232,215</u>
<b>Total Collection and Credits</b>	<u>2,238,731</u>

**2016 Taxes Receivable - June 30, 2016** \$ 189,523

See accompanying independent auditors' report.

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**Independent Auditors' Report on Compliance with  
Requirements of the Maine School Finance Act and on  
Annual Financial Data Submitted to the MEDMS  
Financial System**

**To the Board of Selectmen and  
School Board  
Town of Fayette  
Fayette, Maine**

We have audited the financial statements of the governmental activities and the aggregate remaining fund information of the Town of Fayette, Maine as of and for the year ended June 30, 2016, and we have issued our report thereon dated January 20, 2017, which contained an unqualified opinion on those financial statements.

As part of obtaining reasonable assurance about whether the Town of Fayette, Maine financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

In connection with that audit we:

1. Considered whether the Town of Fayette, Maine School Department has complied with budget content requirements of section 15693.
2. Considered whether the Town of Fayette, Maine School Department has complied with transfer limitations between budget cost centers pursuant to section 1485.
3. Considered whether the Town of Fayette, Maine School Department has exceeded its authority to expend funds.
4. Considered whether the annual financial data submitted to the department reconciled to the audited financial statement totals (see attached Reconciliation of Annual Financial Data Submitted to MEDMS Financial System to Audited Financial Statements).
5. Considered whether the Town of Fayette, Maine School Department was in compliance with applicable provisions of the Essential Programs and Services Funding Act.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under auditing standards generally accepted in the United States of America.

Our audit was performed for the purpose of forming an opinion on the financial statements of the Town of Fayette, Maine taken as a whole. The accompanying Reconciliation of Annual Financial Data Submitted to the MEDMS Financial System to Audited Financial Statements is presented for purposes of additional analysis as required by regulation of the Maine Department of Education and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements of the Town of Fayette, Maine taken as a whole.

The purpose of this report is solely to describe the scope of our testing of compliance with certain provisions of laws, regulations, contracts and grant agreements and to provide an opinion on the Reconciliation of Annual Financial Data Submitted to the MEDMS Financial System to Audited Financial Statements, but not to provide an opinion on compliance. Accordingly, this report is not suitable for any other purpose.

*Purdy Powers & Company*  
Professional Association

**Portland, Maine**  
**January 20, 2017**



**Reconciliation of Annual Financial Data Submitted to MEDMS  
Financial System to Audited Financial Statements**

**Town of Fayette School Department**

**As of June 30, 2016**

	General Fund				Special Revenue Funds	
	Total	Total	Total	Total	Total	Total
	Budgeted	Actual	Budgeted	Actual	Actual	Actual
	Revenues	Revenues	Expenditures	Expenditures	Revenues	Expenditures
<b>Amounts Reported per MEDMS Financial System</b>	\$ 1,920,891	\$ 1,646,441	\$ 1,920,891	\$ 1,635,987	\$ 71,424	\$ 37,432
Reconciling Items:						
Record Maine PERS on behalf payments	-	33,114	-	33,114	-	-
Record additional accrued wages	-	-	-	37,945	-	-
Remove additional expenditures	-	-	-	(1,321)	-	-
Remove accrued wages from previous fiscal year	-	-	-	(36,395)	-	-
Reverse revenues recorded in previous fiscal year	-	-	-	-	(52,248)	-
Record proceeds from borrowing	-	100,000	-	-	-	-
Additional grant revenues	-	-	-	-	30,357	-
Additional grant expenditures	-	-	-	-	-	8,504
Rounding	-	-	-	-	2	-
<b>Amounts Reported per Audited Financial Statements</b>	<u>\$ 1,920,891</u>	<u>\$ 1,779,555</u>	<u>\$ 1,920,891</u>	<u>\$ 1,669,330</u>	<u>\$ 49,535</u>	<u>\$ 45,936</u>

See accompanying independent auditors' report on reconciliation of annual report.

**Schedule of the Town's Proportionate Share of the Net Pension Liability**

**Town of Fayette, Maine**

**Last ten fiscal years\***

	<u>6/30/2016</u>	<u>6/30/2015</u>
Town's proportion of the net pension liability (asset)	0.0034%	0.0029%
Town's proportionate share of the net pension liability (asset)	\$ 45,688	\$ 31,438
State's proportionate share of the net pension liability (asset) associated with the Town	<u>369,184</u>	<u>299,176</u>
Total	\$ 414,872	\$ 330,614
Town's covered-employee payroll	<u>\$ 313,626</u>	<u>\$ 310,156</u>
Town's portortionate share of the net pension liability (asset) as a percentage of its covered employee payroll	14.568%	10.136%
Plan fiduciary net position as a percentage of the total pension liability	81.200%	84.040%

\*The amounts presented for each fiscal year were determined as of June 30 of the preceeding fiscal year. The first year of implementation was June 30, 2015. Therefore, only two years are shown.

See accompanying independent auditors' report.

## Schedule of Town Contributions

### Town of Fayette, Maine

#### Last ten fiscal years\*

	<u>6/30/2016</u>	<u>6/30/2015</u>
Contractually required contribution	\$ 14,801	\$ 13,610
Contributions in relation to the contractually required contribution	<u>14,801</u>	<u>13,610</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Town's covered-employee payroll	<u>\$ 313,626</u>	<u>\$ 310,156</u>
Contributions as a percentage of covered-employee payroll	4.719%	4.388%

\*The amounts presented for each fiscal year were determined as of June 30 of the preceeding fiscal year. The first year of implementation was June 30, 2015. Therefore, only two years are shown.

See accompanying independent auditors' report.

## **Notes to the Required Supplemental Information**

### **Town of Fayette, Maine**

#### **Notes to the Schedule of the Town's Proportionate Share of the Net Pension Liability and the Schedule of Town Contributions**

The information presented in the Schedule of the Town's Proportionate Share of the Net Pension Liability and the Schedule of Town Contributions was determined as part of the actuarial valuation at the dates indicated.

The information presented relates solely to the Town of Fayette School Department and not to the System as a whole.

See accompanying independent auditors' report.

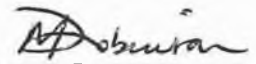
Fayette School Deptment  
Financial Performance History

<b>EXPENDITURES</b>	<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>2014-2015</b>	<b>2015-2016</b>	<b>2016-2017</b>	<b>2017-2018</b>
	<b>BUDGET</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>BUDGET</b>
Regular Instruction	963,055	927,522	988,361	1,065,090	1,072,621	1,040,393	1,117,962
Special Education	175,828	149,379	156,938	195,826	120,578	171,636	203,803
Career & Tech Ed	0	0	0		0	0	0
Other Instruction	0	0	0		0	0	0
Student & Staff Support	36,597	35,786	38,111	63,931	80,597	86,867	98,905
System Administration	50,727	51,624	52,679	64,391	74,624	98,589	79,195
School Administration	62,418	66,361	70,815	72,519	71,755	89,990	119,559
Trans & Buses	132,643	129,055	131,599	132,295	123,737	118,674	114,942
Facilities Maintenance	131,033	110,907	120,942	122,152	122,059	124,469	120,550
Debt Service & Other	0	14,000	22,594	12,500	12,500	12,500	25,156
Food Service	16,576	16,100	16,100	17,100	17,420	17,900	18,625
<b>Totals</b>	<b>1,568,877</b>	<b>1,500,734</b>	<b>1,598,139</b>	<b>1,745,804</b>	<b>1,695,891</b>	<b>1,761,018</b>	<b>1,898,697</b>

<b>REVENUES</b>							
State Share EPS	36,599	50,373	36,902	47,247	69,154	32,694	34,671
Local Share EPS	1,221,096	1,203,233	1,274,101	1,300,687	1,337,786	1,237,838	1,170,467
Additional Local Funds	213,005	197,128	126,260	317,870	238,951	410,486	633,559
Medicare/Misc.	0	0	0				0
Transfer-undesignated fund	50,000	50,000	160,876	80,000	50,000	80,000	60,000
Federal Jobs Fund	48,177						
<b>Totals</b>	<b>1,568,877</b>	<b>1,500,734</b>	<b>1,598,139</b>	<b>1,745,804</b>	<b>1,695,891</b>	<b>1,761,018</b>	<b>1,898,697</b>
	<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>2014-2015</b>	<b>2015-2016</b>	<b>2016-2017</b>	<b>2017-2018</b>
Local Property Tax to Raise	1,434,101	1,400,361	1,400,361	1,618,557	1,576,737	1,648,324	1,804,026

Attested as a True Copy by

**TOWN OF FAYETTE  
SECRET BALLOT ELECTION  
AND  
TOWN MEETING WARRANT**

  
Mark Robinson, Town Clerk

**Tuesday, June 13, 2017 and Saturday, June 17, 2017**

To: Crystal Rose, a resident of the Town of Fayette, in the County of Kennebec, State of Maine:

**GREETINGS:**

In the name of the State of Maine, you are required to notify and warn the voters in the Town of Fayette in the County of Kennebec, in the State of Maine, qualified by law to vote in Town affairs, to meet at Starling Hall, June 13, 2017, at 8:00 a.m., there and then to act on the following Article 1 and by secret ballot on Articles 2 as set out below, the polling hours therefore to be from eight o'clock in the forenoon until eight o'clock in the afternoon;

And, to notify and warn said inhabitants to meet at Fayette Central School in said Town on Saturday, the 17<sup>th</sup> day of June, 2017, at nine o'clock in the forenoon, then and there to act on Articles 3 through 38 as set out below, to wit:

**ARTICLE 1** To choose a moderator to preside at said meeting.

**ARTICLE 2** To proceed with the voting, by secret ballot, as directed by statute, on the election of Town Officers for the ensuing year(s) – Two Selectman/Assessor/Overseer of the Poor for a three-year term; Two School Committee Members for a three-year term.

**ARTICLE 3** To see if the Town of Fayette will vote to lapse all balances into the undesignated fund balance (surplus) with the exception of those special revenue accounts which must be carried forward by law.

Note: This applies to federally funded school programs and from year to year other federal and state funded programs for municipal operations.

**SUGGESTED SCHOOL BUDGET ARTICLES TO APPROPRIATE MONIES FOR  
THE FISCAL YEAR 2017-2018**

**ARTICLES PURSUANT TO 20-A M.R.S.A. SECTION 1485**

**Cost Center Summary Budget Format**

**ARTICLE 4** To see what sum the Fayette School Department will be authorized to expend for Regular Instruction.

Elementary Education Pre-K – Grade 5	\$ 399,423.00
Middle School	\$ 279,028.00
Secondary Education	\$ 436,484.00
Gifted & Talented	\$ 4,027.00

**School Committee Recommends \$1,117,962.00**  
**Budget Committee Recommends \$1,114,962.00**  
**(See Article 20) EA/JS 2-1 (St. Clair opposed)**  
**Selectmen Recommend \$1,114,962.00**

**ARTICLE 5** To see what sum the Fayette School Department will be authorized to expend for Special Education.

Elementary Education Pre-K – Grade 5	\$ 85,785.00
Middle School	\$ 28,292.00
High School	\$ 64,235 .00
Special Education Administration	\$ 18,086.00
Special Services	\$ 7,405.00

**School Committee Recommends \$203,803.00**  
**Budget Committee Recommends \$203,803.00**  
**Selectmen Recommend \$203,803.00**

**ARTICLE 6** To see what sum the Fayette School Department will be authorized to expend for Career and Technical Education.

**School Committee Recommends \$0.00**

**ARTICLE 7** To see what sum the Fayette School Department will be authorized to expend for Other Instruction.

**School Committee Recommends \$0.00**

**ARTICLE 8** To see what sum the Fayette School Department will be authorized to expend for Student and Staff Support.

Guidance	\$ 6,776.00
Health Services	\$ 38,426.00
Improvement of Instruction	\$ 2,738.00
Library Services	\$ 9,190.00
Technology	\$ 37,775.00
Student Assessments	\$ 2,000.00

**School Committee Recommends \$98,905.00**  
**Budget Committee Recommends \$96,905.00**  
**Selectmen Recommend \$96,905.00**

**ARTICLE 9** To see what sum the Fayette School Department will be authorized to expend for System Administration.

School Committee	\$ 12,556.00
Superintendent's Office	\$ 66,639.00

**School Committee Recommends \$79,195.00**  
**Budget Committee Recommends \$79,195.00**  
**Selectmen Recommend \$79,195.00**

**ARTICLE 10** To see what sum the Fayette School Department will be authorized to expend for School Administration.

**School Committee Recommends \$119,559.00**  
**Budget Committee Recommends \$119,559.00**  
**JS/EA 2-1 (St.Clair opposed)**  
**Selectmen Recommend \$119,559.00**

**ARTICLE 11** To see what sum the Fayette School Department will be authorized to expend for Transportation and Buses.

**School Committee Recommends \$114,942.00**  
**Budget Committee Recommends \$112,942.00**  
**Selectmen Recommend \$112,942.00**

**ARTICLE 12** To see what sum the Fayette School Department will be authorized to expend for Facilities Maintenance.

**School Committee Recommends \$120,550.00**  
**Budget Committee Recommends \$115,550.00**  
**Selectmen Recommend \$120,550.00**  
**3-1 (Badeau opposed)**



**ARTICLE 13** To see what sum the Fayette School Department will be authorized to expend for Debt Service and Other Commitments.

Wood Pellet Boiler	\$ 12,500.00
Oil Boiler	\$ 10,000.00
Interest	\$ 2,656.00

**School Committee Recommends \$25,156.00**

**Budget Committee Recommends \$25,156.00**

**Selectmen Recommend \$25,156.00**

*Note: See Article 20*

**ARTICLE 14** To see what sum the Fayette School Department will be authorized to expend for All Other Expenditures.

Contracted Food Service	\$ 18,625.00
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**School Committee Recommends \$18,625.00**

**Budget Committee Recommends \$18,625.00**

**Selectmen Recommend \$18,625.00**

ARTICLES PURSUANT TO 20-A M.R.S.A. Section 15690

PLEASE NOTE:

*Actions taken pursuant to items 1 – 3 must be taken by a recorded vote.*

**1. Fayette School Department Contribution to Total Cost of Funding Public Education from Kindergarten to Grade 12 (as required by Maine Revised Statutes, Title 20-A, §15690(1 A-B)):**

**ARTICLE 15** To see what sum the Town of Fayette will appropriate for the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act (**Recommend \$ 1,205,137.95**) and to see what sum the municipality will raise as the municipality's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688.

School Committee Recommends	\$1,170,467.00
Budget Committee Recommends	\$1,170,467.00
Selectmen Recommend	\$1,170,467.00

*“Explanation: The Fayette School Department’s contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act is the amount of money determined by state law to be the minimum amount that a municipality must raise in order to receive the full amount of state dollars.”*

**2. Appropriation of Additional Local Funds (as required by Maine Revised Statutes, Title 20-A, §15690 (3 A-B)):**

**ARTICLE 16** Shall the Town of Fayette raise and appropriate \$693,559.00 in additional local funds, which exceeds the State’s Essential Programs and Services allocation model by \$693,559.00 as required to fund the budget recommended by the Fayette School Committee.

The Fayette School Committee recommends \$693,559.00 for additional local funds and gives the following reasons for exceeding the State’s Essential Programs and Services funding model by \$693,559.00.

*Explanation: The additional local funds are those locally raised funds over and above the Fayette School Department’s local contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and local amounts raised for the annual payment on non-state funded debt service that will help achieve the (municipality/district) budget for educational programs.*

School Committee Recommends	\$693,559.00
Budget Committee Recommends	\$681,559.00
Selectmen Recommend	\$686,559.00

3-1 (Badeau opposed)

**3. Total Budget Article (as required by Maine Revised Statutes, Title 20-A, §15690 (4A)) :**

**ARTICLE 17** To see what sum the Town of Fayette will authorize the Fayette School Committee to expend for the fiscal year beginning July 1, 2017 and ending June 30, 2018 from the Fayette School Department's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act, non-state-funded school construction projects, additional local funds for school purposes under the Maine Revised Statutes, Title 20-A, section 15690, unexpended balances, tuition receipts, state subsidy and other receipts for the support of schools.

**School Committee Recommends \$1,898,697.00**  
**Budget Committee Recommends \$1,861,541.00**  
**Selectmen Recommend \$1,866,541.00**

**ARTICLE 18** In addition to the amounts approved in the preceding articles, shall the Fayette School Committee be authorized to accept and expend federal or state funds and such other sums as may be received from federal or state grants or programs or other sources during the fiscal year for school purposes, provided that such grants, programs or other sources do not require the expenditure of other funds not previously anticipated.

**School Committee Recommends YES**

**ARTICLE 19** To see what sum the Town of Fayette will authorize the School Committee to transfer from the undesignated fund balance.

**School Committee Recommends \$60,000.00**  
**Budget Committee Recommends \$100,000.00**  
**JS/EA 2-1 (St. Clair opposed)**  
**Selectmen Recommend \$100,000.00**

**ARTICLE 20** To see if the Town of Fayette will authorize the School Committee to transfer from the Municipal Educational Reserve fund to pay for the expenditures previously approved in Article 4 and Article 13. Total transfer to authorize is \$28,156 to lower the property tax commitment.

*Note: Article 4 \$3,000 for math curriculum textbooks and associated costs.*

*Article 13 \$25,156 for debt service for the wood and oil boiler heat exchange system projects.*

**Budget Committee Recommends Yes**  
**Board of Selectmen Recommends Yes**

**ARTICLE 21** To see if the Town shall accept and appropriate the categories of estimated funds listed below to reduce the 2017-2018 Property Tax Commitment:

Vehicle Excise Taxes	\$200,000
Supplemental Taxes	5,000
Interest on Taxes	\$15,000
Homestead Reimbursement	\$38,618
Investment Income	\$1,200
Building Permit Fees/Fines	\$7,200
Clerk & Agent Office Fees	\$5,200
Tree Growth Reimbursement	\$18,000
State Parks and Recreation	\$75
Veteran's Exemption Reimbursement	\$1500
Property Sale	\$5,000
State Revenue Sharing	\$32,000
Workers Comp Ins Proceeds	\$3,000
Surplus	sum not to exceed \$75,200*

*Explanation: The list of municipal revenues and estimated collections above serve as non-tax and previously raised revenue to be used to reduce the amount necessary to raise and appropriate through taxation. \*The Board of Selectmen is requesting utilization of Town surplus to limit the tax rate increase at the time of the tax commitment to no more than \$1 mil on the tax rate. Current tax rate is \$15.50 per \$1,000 of assessment. The current estimate of surplus needed to keep the mil rate at \$1.00 if all Selectmen recommendations are approved today is \$75,200. \*BOS Recommendation: 4-1, (Young) with the amount of surplus to be utilized not to exceed \$75,200 to be determined at the time the tax rate is set.*

**Selectmen Recommend: Yes**

**ARTICLE 22** To see if the Town will vote to transfer excise tax money, sum not to exceed \$1,000 received from the sale of snowmobile registrations from the Department of Inland Fisheries and Wildlife to the Rainbow Riders Snowmobile Club.

**Budget Committee Recommend: Yes**  
**Selectmen Recommend: Yes**

**ARTICLE 23** To see if the Town will vote to transfer excise tax money, sum not to exceed \$3,000 received from the sale of boat registrations from the Department of Inland Fisheries and Wildlife to the 30 Mile River Watershed Association.

**Budget Committee Recommend: Yes**  
**Selectmen Recommend: Yes**

**ARTICLE 24** To see if the Town will vote to raise and appropriate from taxation the sum of \$289,628 to support the General Government budget. Total expense to authorize \$289,628.

MUNICIPAL EXPENDITURES	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	PROPOSED
General Government	\$273,522	\$273,341	\$279,169	\$285,395	\$289,311	\$273,377	\$289,628
	ACTUALS		\$274,111	\$279,531	\$279,219		

Estimated Summary of Accounts:	<b>Last Year</b>	<b>Proposed</b>
Selectmen Stipend	\$3,750	\$3,750
Selectmen Payroll Tax	\$287	\$287
Town Manager Payroll	\$56,108	\$56,108
Town Manager Payroll Tax	\$4,292	\$4,292
Town Manager Health Ins.	\$10,400	\$10,920
Town Office Staff Payroll	\$59,625	\$50,080
Town Office Payroll Tax	\$4,428	\$3,832
Town Office Health Ins.	\$5,304	\$10,080
Code Enforcement Payroll	\$21,118	\$21,118
Code Enforcement Payroll Tax	\$1,616	\$1,616
Training	\$100	\$100
General Operations	\$26,250	\$35,400
Assessing	\$22,000	\$22,000
Record Preservation/Mapping	\$500	\$6,500
Elections	\$1,077	\$1,077
General Assistance	\$3,000	\$6,500
Senior Spectrum	\$500	\$500
Planning Board	\$0	\$0
Legal Services	\$3,000	\$3,000
Audit	\$6,250	\$6,250
Town Office Heating Fuel	\$800	\$800
Starling Hall	\$3,750	\$3,450
KVCOG MMA memberships	\$4,543	\$4,618
Insurance	\$39,500	\$37,000
Veteran's Memorial	\$350	\$350

**Budget Committee Recommend: \$283,628**  
**Selectmen Recommend: \$289,628**

**ARTICLE 25** To see if the Town will vote to raise and appropriate from taxation the sum of \$92,220 to support the Public Safety budget. Total expense to authorize \$92,220

MUNICIPAL EXPENDITURES	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	PROPOSED
Public Safety	\$74,703	\$78,273	\$82,059	\$84,829	\$85,935	\$86,345	\$92,220
	<b>ACTUALS</b>			<b>\$80,174</b>	<b>\$83,377</b>	<b>\$87,955</b>	

Summary of Accounts:	<b>Last Year</b>	<b>Proposed</b>
Fire Protection	\$53,182	\$58,182
Rural Patrol	\$6,000	\$6,000
Street Lights	\$500	\$500
Ambulance	\$10,260	\$10,545
Dispatch	\$11,499	\$11,550
Animal Control	\$2,891	\$3,230
Humane Society	\$1,813	\$2,013
Supply	\$ 200	\$ 200

**Budget Committee Recommend: \$86,220**  
**Selectmen Recommend: \$92,220 (2-2) Graf /Young- Badeau/Cronin**

**ARTICLE 26** To see if the Town will vote to raise and appropriate from taxation the sum of \$11,428 to support the Recreation and Cultural Services budget Total expense to authorize \$11,428.

MUNICIPAL EXPENDITURES	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	PROPOSED
Recreation and Cultural	\$10,053	\$10,853	\$10,826	\$11,126	\$11,459	11,428	11,428
	<b>ACTUALS</b>			<b>\$10,582</b>	<b>\$11,016</b>	<b>\$10,632</b>	

Estimated Summary of Accounts:		<b>Last Year</b>	<b>Proposed</b>
	Books	\$2,750	\$2,750
	Staff	\$2,584	\$2,580
	Operations	\$5,876	\$6,098

**Budget Committee Recommend: \$11,428**  
**Selectmen Recommend: \$11,428**

**ARTICLE 27** To see if the Town will vote to raise and appropriate from taxation the sum of \$437,432 to support the Public Works budget. Total expense to authorize \$437,432

MUNICIPAL EXPENDITURES	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	PROPOSED
Public Works	\$369,697	\$444,019	\$428,845	\$438,865	\$442,672	\$302,054	437,432
	<b>ACTUALS</b>			<b>\$468,936</b>	<b>\$434,594</b>	<b>\$487,948</b>	

Estimated Summary of Accounts:		<b>Last Year</b>	<b>Proposed</b>
	Staff Payroll	\$115,000	\$125,000
	Staff Payroll Tax	\$8,798	\$9,563
	Staff Health Insurance.	\$14,756	\$16,269
	General Operations	\$17,100	\$17,700
	Signs	\$1,000	\$1,000
	Equipment Repair/Maintenance	\$30,000	\$30,000
	Sand	\$2,000	\$15,000
	Gravel	\$28,000	\$30,000
	Pavement Maintenance	\$0	\$100,000
	Rental/Hired Equipment	\$15,000	\$16,000
	Clothing	\$800	\$800
	Hay	\$500	\$500
	Fabric	\$500	\$500

Culverts	\$2,000	\$5,000
Discretionary Equipment Purchase	\$2,000	\$3,000
Salt	\$18,000	\$25,000
Radio/Repair	\$200	\$200
Training	\$200	\$200
Supplies	\$15,000	\$15,000
Motor Fuel	\$20,000	\$20,000
Cemeteries	\$6,000	\$6,500
Soldiers Memorial	\$100	\$200

**Budget Committee Recommend: \$412,432**  
**Selectmen Recommend: \$437,432 3-1 (Badeau opposed)**

**ARTICLE 28** To see if the Town will vote to raise and appropriate from taxation the sum of \$222,908 to support the Municipal Debt Service budget for a total expense to authorize \$222,908.

MUNICIPAL EXPENDITURES	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	PROPOSED
Municipal Debt Service	\$133,020	\$120,171	\$118,081	\$117,016	\$93,089	\$222,908	\$222,908

Note: First payment of the 6 year note that refinanced the 2010 Road Bond (3.99%), purchased the 2015 Western Star Wheeler plow truck, 2010 used ¾ ton pick with boss plow and material screen along with \$600,000 for road paving. *Maine Municipal Bond (1.67%) (To be paid off in FY 21-22)*

*\$206,800 in principal and \$16,108 in interest.*

**Budget Committee Recommend: \$222,908**  
**Selectmen Recommend: \$222,908**

**ARTICLE 29** To see if the Town will vote to raise and appropriate from taxation the sum of \$68,500 to support the Solid Waste budget. Total expense to authorize \$68,500

MUNICIPAL EXPENDITURES	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	PROPOSED
Solid Waste	\$31,500	\$35,000	\$37,000	\$36,000	\$36,000	\$41,365	\$68,500

Estimated Summary of Accounts: Readfield Transfer Station Partnership Share \$67,500  
Hazardous/Bulky Waste Programs \$1,000

**Budget Committee Recommend: \$68,500**  
**Selectmen Recommend: \$68,500**

**ARTICLE 30** To see if the Town will vote to raise from taxation \$15,000 dollars to support the Employee Health Care Reserve Account for the high deductible plan instituted four years ago for the 4 municipal employees that receive health insurance.

**Budget Committee Recommend: \$15,000**  
**Selectmen Recommend: \$15,000**

**ARTICLE 31** To see if the Town will vote to carry forward unexpended “**Keep Me Warm**” funds raised throughout the year as will be determined with the completion of the financial audit for the year ending June 30th 2015.

**Selectmen Recommend: YES**  
**Budget Committee Recommend: YES**

**ARTICLE 32** To see if the Town will vote to carry forward unexpended **Comprehensive Plan Update** funds as will be determined with the completion of the financial audit for the year ending June 30th 2016.

**Selectmen Recommend: YES**  
**Budget Committee Recommend: YES**

**ARTICLE 33** To see if the Town will vote to carry forward funds from “**Fire Protection Account**” to the Fire Department 17-18 budget the sum not exceed \$5000 to lower the tax commitment for the purchase of a radio repeater upgrade led by the mutual aid compact.

**Budget Committee Recommend: YES**  
**Selectmen Recommend: YES**

**ARTICLE 34 Retail Commercial Marijuana Prohibition Ordinance**  
**Separately Posted with This Warrant**  
**Selectmen Recommend: YES**

**ARTICLE 35 Timber Harvesting Amendment to the Land Use Ordinance**  
**Separately Posted with This Warrant**  
**Selectmen Recommend: YES**

**ARTICLE 36** To see if the Town of Fayette will vote to accept the maintenance and perpetual care of the North Road Cemetery.

**Selectmen Recommend: YES**

**ARTICLE 37** To see if the Town of Fayette will vote to increase the Property tax levy limit established for Fayette by State Law in the event that the municipal budget approved under the preceding articles will result in a property tax commitment that is greater than the property tax levy limit. This year’s LD 1 calculation allowed \$14,000 in new municipal spending.

**Selectmen Recommend: YES**  
**Budget Committee Recommend: YES**

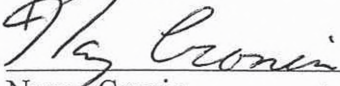


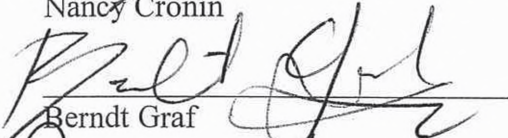
**ARTICLE 38 Motion to Adjourn.**

Given under our hands this 22<sup>nd</sup> day of May, 2017.

  
\_\_\_\_\_  
Lacy Badeau

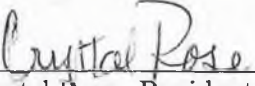
  
\_\_\_\_\_  
Jon Beekman

  
\_\_\_\_\_  
Nancy Cronin

  
\_\_\_\_\_  
Berndt Graf

  
\_\_\_\_\_  
Joseph Young

**By virtue of the written Warrant to me directed, I have notified and warned the inhabitants of the Town of Fayette, qualified to vote in Town affairs, to assemble at said time and place, and for the purposes therein named, by posting an attested copy of said Warrant at the Fayette Country Store, Underwood Memorial Library, Fayette Central School, and Fayette Town Office the same being public and conspicuous places within said Town, on the 22nd of May, 2017 being at least seven days before the meeting.**

  
\_\_\_\_\_  
Crystal Rose, Resident

**Ordinance Prohibiting Retail Marijuana Establishments and Retail Marijuana Social Clubs  
in the Municipality of Fayette, Maine**

**Section 1. Authority.**

This ordinance is enacted pursuant to the Marijuana Legalization Act, 7 M.R.S.A. c. 417; and Municipal Home Rule Authority, Me. Const., art. VIII, pt. 2; and 30-A M.R.S.A. § 3001.

**Section 2. Definitions.**

For purposes of this ordinance, retail marijuana establishments, including retail marijuana stores, retail marijuana cultivation facilities, retail marijuana products manufacturing facilities and retail marijuana testing facilities, and retail marijuana social clubs are defined as set forth in 7 M.R.S.A. § 2442.

**Section 3. Prohibition on Retail Marijuana Establishments and Retail Marijuana Social Clubs.**

Retail marijuana establishments, including retail marijuana stores, retail marijuana cultivation facilities, retail marijuana products manufacturing facilities, and retail marijuana testing facilities, and retail marijuana social clubs, are expressly prohibited in this municipality.

No person or organization shall develop or operate a business that engages in retail or wholesale sales of a retail marijuana product, as defined by 7 M.R.S.A. § 2442.

Nothing in this ordinance is intended to prohibit any lawful use, possession or conduct pursuant to the Maine Medical Use of Marijuana Act, 22 M.R.S.A. c. 558-C.

**Section 4. Effective date; duration.**

This ordinance shall take effect immediately upon enactment by the municipal legislative body unless otherwise provided and shall remain in effect until it is amended or repealed.

**Section 5. Penalties.**

This ordinance shall be enforced by the municipal officers or their designee. Violations of this ordinance shall be subject to the enforcement and penalty provisions of 30-A M.R.S.A. § 4452.

Rev. 12/1/16

*[Note: This sample ordinance prohibits all types of retail marijuana establishments as well as retail marijuana social clubs. However, the scope of the ordinance may be limited to only one or some but not all of these uses. This is a sample ordinance only. In order to thoroughly address concerns within a given municipality, MMA Legal Services advises that local counsel be consulted before enacting any ordinance.]*

## PROPOSED WARRANT ARTICLES FOR JUNE TOWN MEETING 2017

1. SHALL THE ORDINANCE ENTITLED "TOWN OF FAYETTE LAND USE ORDINANCE" ADOPTED JUNE 14<sup>TH</sup>, 2014 BE AMENDED BY REPEALING ARTICLE 8, SECTION 14 – TIMBER HARVESTING AND BECOME AN OPTION 1 TOWN TO HAVE THE STATE OF MAINE OVERSEE ALL TIMBER HARVESTING OPERATIONS AND REPLACE WITH THE FOLLOWING:

SECTION 14. TIMBER HARVESTING (REPEALED TO BE OPTION 1 TOWN, REFER TO THE STATE WIDE TIMBER HARVESTING REGULAITON).

**NOTE: IF THE ABOVE ARTICLE DOES NOT PASS THEN THE FOLLOWING ARTICLES MUST FAIL AS WELL TO BE COMPLIANT WITH THE STATE.**

2. SHALL THE ORDINANCE ENTITLED "TOWN OF FAYETTE LAND USE ORDINANCE" ADOPTED JUNE 14<sup>TH</sup>, 2014 BE AMENDED TO AMEND ARTICLE 7 – LAND USE DISTRICTS, SECTION 5, TABLE 1—LAND USES, TO READ AS FOLLOWS:

DISTRICTS	RP	SP	WP	SD	RD	RG
Timber Harvesting less than 75 Ft from Shore	NO	NO	NO	NO	CEO	CEO
Timber Harvesting more than 75 Ft from Shore	PB Key 7	PB Key 7	PB Key 7	PB Key 7	N/A	N/A

FOOTNOTE:

7. ~~Forest Management Plan may be required. See further restrictions in Article 8, Section 11-B)~~

3. SHALL THE ORDINANCE ENTITLED "TOWN OF FAYETTE LAND USE ORDINANCE" ADOPTED JUNE 14<sup>TH</sup>, 2014 BE AMENDED TO AMEND ARTICLE 9. DEFINITIONS, BY REMOVING THE FOLLOWING DEFINITIONS:

~~Crossing— means any timber harvesting and related activity involving the passage of ground-based equipment from one side to the opposite side of a water body, or to an island or upland within a water body. Such activities include, but are not limited to construction of roads, fords, bridges, and culverts, as well as maintenance work on these crossings.~~

~~Forest Management— timber cruising and other forest resource evaluation activities, pesticide or fertilizer application, management planning activities, timber stand improvement, pruning, regeneration of forest stands, and other similar or associated activities, exclusive of timber harvesting and the construction, creation or~~

maintenance of *roads*.

**Forest Stand**—a contiguous group of trees sufficiently uniform in age, class, distribution, composition, and structure, and growing on a site of sufficiently uniform quality, to be a distinguishable unit.

**Harvest Area**—the area where timber harvesting and related activities, including the cutting of trees, skidding, yarding, and associated road construction take place. The area affected by a harvest encompasses the area within the outer boundaries of these activities, excepting unharvested areas greater than 10 acres within the area affected by a harvest.

**Licensed Forester**—a forester licensed under 32 M.R.S.A. Chapter 76.

**Residual basal area**—the average of the basal area of trees remaining on a harvested site.

**Residual Stand**—a stand of trees remaining in the forest following timber harvesting and related activities.

**Skid Road or Skid Trail**—a route repeatedly used by forwarding machinery or animal to haul or drag forest products from the stump to the yard or landing, the construction of which requires minimal excavation.

**Slash**—the residue, e.g., treetops and branches, left on the ground after a timber harvest.

**Timber Harvesting and Related Activities**—the cutting and removal of trees from their growing site, for the primary purpose of selling or processing forest products; the construction and maintenance of *roads* and timber yarding areas used primarily for timber harvesting and other activities conducted to facilitate the timber harvest. The cutting or removal of trees in the Protected Districts on a lot that has less than two (2) acres within these Protected Districts shall not be considered timber harvesting. Such cutting or removal of trees shall be regulated pursuant to Article 8 Section 15, Clearing of Vegetation.

**Timber Harvest Best Management Practices**—timber harvest standards adopted by the Maine Forest Service and recommended for application, especially to Shoreland, Stream and Wetland Districts.

**Windfirm**—the ability of a forest stand to withstand strong winds and resist windthrow, wind rocking, and major breakage.

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**NOTE: THE FOLLOWING ARTICLE ONLY REQUIRES ACTION IF ARTICLE 1 FAILS!**

4. SHALL THE ORDINANCE ENTITLED "TOWN OF FAYETTE LAND USE ORDINANCE" ADOPTED JUNE 14<sup>TH</sup>, 2014 BE AMENDED TO AMEND ARTICLE 7 – LAND USE DISTRICTS, SECTION 5, TABLE 1—LAND USES, TO READ AS FOLLOWS:

DISTRICTS	RP	SP	WP	SD	RD	RG
Timber Harvesting less than 75 Ft from Shore	YES NO	YES NO	YES NO	YES NO	N/A CEO	N/A CEO
Timber Harvesting more than 75 Ft from Shore	<del>PB</del> Key 7 YES	<del>PB</del> Key 7 YES	<del>PB</del> Key 7 YES	<del>PB</del> Key 7 YES	N/A	N/A

FOOTNOTE:

7. Forest Management Plan may be required. See further restrictions in Article 8, Section 11 B.

## EMERGENCY NUMBERS

FIRE/ AMBULANCE / EMERGENCY	911
MAINE STATE POLICE	1-800-452-4664
ANIMAL CONTROL OFFICERS	778-1422 (PAT)
	778-1815 (KEVIN)

## BOARD OF SELECTMEN

MEETINGS ARE HELD AT STARLING HALL AT 7:00 P.M. ON THE SECOND AND FOURTH MONDAYS OF EACH MONTH EXCEPT ON HOLIDAYS

**Planning Board:** Meet every 3<sup>rd</sup> Monday of the Month at 6:30pm @ Fayette School (providing there is business to discuss)/ all applications due 2 weeks prior to meeting

## CODE ENFORCEMENT OFFICER

685-4373 / Brenda Medcoff

Email: [brendamedcoff@myfairpoint.net](mailto:brendamedcoff@myfairpoint.net)

Please call to schedule an Appointment

Monday	3:00 p.m. – 6:30 p.m.
Tuesday	8:00 a.m. – 3:30 p.m.
Wednesday	7:00 a.m. – 4:00 p.m.

## UNDERWOOD MEMORIAL LIBRARY

685-3778

Librarian: Elaine Wilcox – Assist. Librarian Michele Briggs

Wednesday 2:00 p.m. – 7:00 p.m.

Thursday 10:00 a.m. – 3:00 p.m.

Email: [faylib@fayette.lib.me.us](mailto:faylib@fayette.lib.me.us) / **Address:** 2006 Main Street, Fayette ME 04349

## FIRE DEPARTMENT

Fire Chief/Fire Warden: Marty Maxwell	685-3572
Deputy Wardens: Stacey Rose	685-4292
John Peterson	685-9421
John Churchill	685-9380

**Address:** 2475 Main Street Fayette, Maine 04349

Visit [Wardensreport.com](http://Wardensreport.com) for burn permits.

## E-911 ADDRESS OFFICER

Mark Robinson 685-4373

## TOWN OFFICE

Phone: 685-4373 / Fax: 685-9391

Visit the Town web Page at: [www.fayettemaine.org](http://www.fayettemaine.org)

Town Manager: Mark Robinson Email: [fayette@myfairpoint.net](mailto:fayette@myfairpoint.net)

Clerk: Meredith Pepper Email: [mpepperfayette@gmail.com](mailto:mpepperfayette@gmail.com)

Bookkeeper: Crystal Rose

Monday	7:00 a.m. – 4:30 p.m.
Tuesday	7:00 a.m. – 4:30 p.m.
Wednesday	7:00 a.m. – 4:30 p.m.
Thursday	7:00 a.m. – 6:30 p.m.
Friday-Sunday	Closed

Address: 2589 Main Street Fayette, Maine 04349

## HIGHWAY DEPARTMENT

Monday – Friday 7:00 a.m. – 3:00 p.m.

207-685-3391

Road Foreman: Pat Wheeler

Crew: Will Herrin, Charles Hawkes, Dick Smiley & Erlon Schmidt

## LOCAL TRASH HAULERS

Town of READFIELD TRASFER STATION: 685-3144

Fran Trask 622-9570

J & A Disposal 491-5024

Archie's 364-2425

## Plumbing Inspector

Tom Mitchell (home) 897-4193

## Fayette Central School

Phone #: 685-4770

Fax #: 685-4756

Address: 2023 Main Street Fayette, Maine 04349

## Starling Hall

897-9977

Address: 2769 Main Street Fayette, Maine 04349