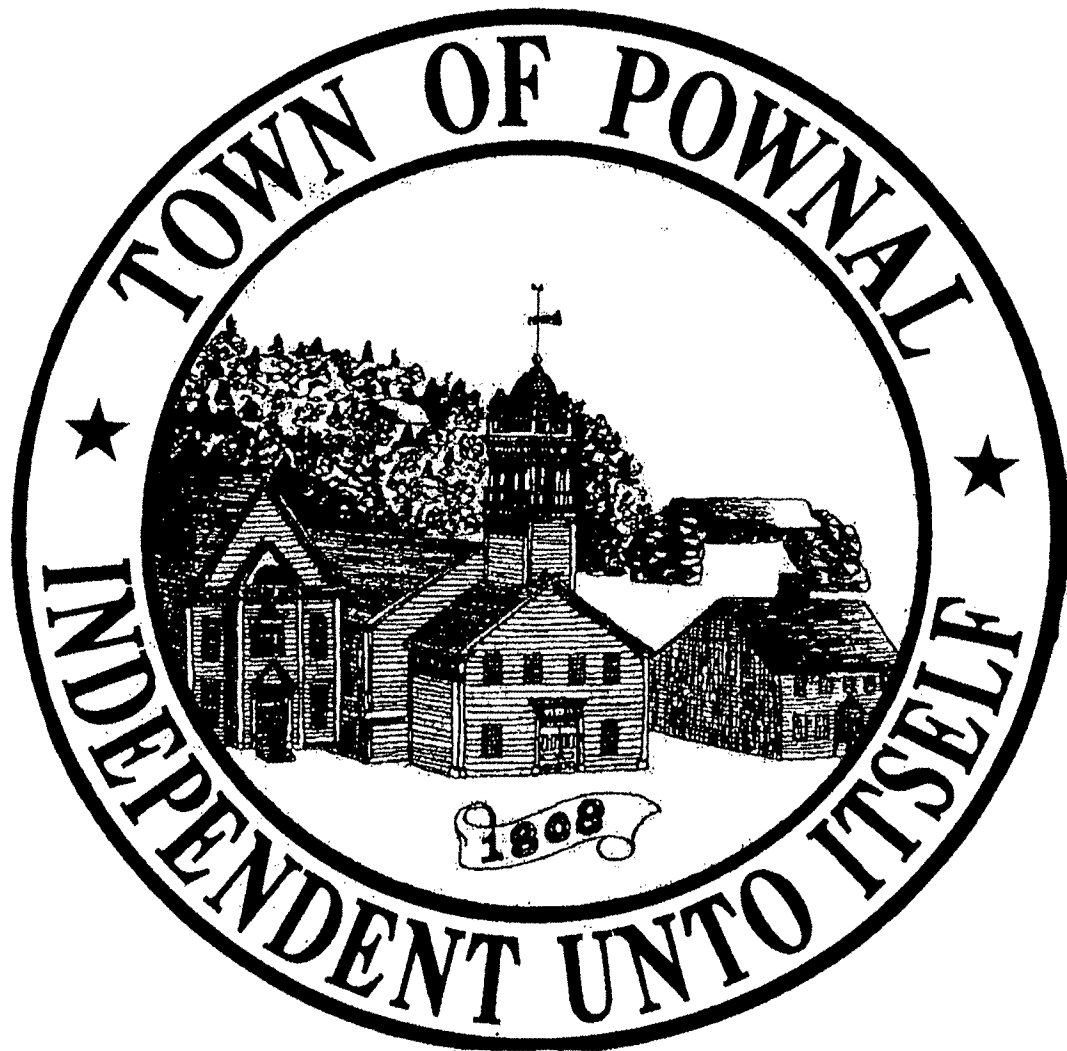


Town of Pownal, Maine  
Annual Report



July 1, 2011 – June 30, 2012



ANNUAL REPORT

Of The

Town Officers

TOWN OF POWNAL, MAINE

July 1, 2011 – June 30, 2012

## Dedication

The Selectmen wish to dedicate this annual report to William Dewitt and Edna Menchen. Both have been honored in past Town Reports. Their biographies reveal a pre-Facebook assemblage of Friends that include many of Pownal's residents. Bill and Edna's contributions to this town are interwoven in the minutes of countless committee, board, and organizational meetings. Their names are synonymous, perhaps could replace the definition of Citizen in Pownal's civic lore.

The Selectmen could laud Bill and Edna effusively with words. Hoping to have learned something from both, we suggest that the best way for Pownal to honor Bill and Edna is a living eulogy, dedicated to the proposition that all citizens of Pownal will contribute to the town, in some way or manner, their time, their ideas, their aspirations, so that the vision of Pownal that William Dewitt and Edna Menchen helped create will be perpetuated.

Volunteering is hard work. A few years back, while pruning Edna's Northern Spy apple tree, under Edna's watchful eye, I let slip, under my breath, how hard the work was.

"Hard work never hurt me," commanded Edna.

Pownal has been built and will only continue with all of us working. Please consider giving back to Pownal through volunteering your time, your ideas and your aspirations.

Did we get it right, Bill and Edna?

## TABLE OF CONTENTS

Dedication	4
Senator Susan Collins	6-7
Senator Olympia Snowe	8
US Government Directory	9
Cumberland County Sheriff	10
Town of Pownal Officials	11-12
Town Information	13
Selectmen's Message	14
Report of the Budget Committee	15-16
Town Meeting Warrant	17-28
Needs Assessment Comm. Report	29-38
Report of the Town Clerk	38
Report of the Public Works Dept.	39-40
Report of the Fire Department	40-42
Report of the Planning Board	42-43
Report of the Conservation Comm.	43-44
Mallett Hall Buildings and Grounds	44
Solid Waste & Recycling Report	45
Pownal Scenic & Historical Society Report	46-47
Outstanding Property Taxes	48
Report of Financial Statements	49

SUSAN M. COLLINS  
MAINE

413 DIRKSEN SENATE OFFICE BUILDING  
WASHINGTON, DC 20510-1904  
1 (202) 224-3323  
1 (202) 224-2693 (TAXI)

United States Senate  
WASHINGTON, DC 20510-1904

COMMITTEES:  
HOMELAND SECURITY AND  
GOVERNMENTAL AFFAIRS,  
RANKING MEMBER  
APPROPRIATIONS  
ARMED SERVICES  
SPECIAL COMMITTEE  
ON AGING

February 3, 2012

Town of Pownal  
429 Hallowell Road  
Pownal, ME 04069

Dear Friends,

As we begin a new year, I welcome this opportunity to share some of my recent work for the people of our great state.

The economy and jobs remain my highest priorities. More efficient transportation is essential to our economic growth. After a years-long, hard-fought battle, I successfully pushed through Congress a bill I wrote to allow the heaviest trucks to travel on Maine's federal interstates, instead of forcing them to use our secondary roads and downtown streets. This will make our streets safer, reduce fuel consumption, and allow our businesses to be more competitive. I was pleased to have the support of many Maine groups, from the Maine State Police and the Parent-Teacher Association to the Maine Motor Transport Association and many others that helped me advocate for this sensible change.

I was also successful in my efforts to prevent the federal government from limiting certain vegetables, including Maine's potatoes, in school meal programs. Nationwide this ill-conceived proposal would have cost our schools, the states, and families an estimated \$6.8 billion over five years. I built support from both sides of the aisle and from across the country to ensure that schools maintain the flexibility they need to serve students healthy and affordable meals. This proposed rule was a prime example of excessive Washington regulation.

In my effort to protect jobs, I also introduced bipartisan legislation to ensure that the proposed EPA regulations known as the "Boiler MACT" rules protect the environment and public health without jeopardizing jobs in our state, particularly in the forest products industry. I also continued to help advance the development of deep water, off-shore wind energy at the University of Maine, which has the potential to provide clean energy and to create thousands of new jobs.

On the Armed Services Committee, I worked to secure funding for shipbuilding at Bath Iron Works, submarine overhauls at Portsmouth Naval Shipyard, and the manufacturing of aircraft engines at Pratt and Whitney, as well as to strengthen the 101st Air Refueling Wing in Bangor and the Maine Military Authority in Limestone. The new defense funding bill also includes my amendment to expedite the claims of veterans with

severe disabilities like the soldier I met who is suffering from ALS, also known as Lou Gehrig's disease.

Last year, the President signed legislation I coauthored creating a national plan for combating Alzheimer's disease, which affects more than five million Americans and their families. In another health-related development, at my urging, the Food and Drug Administration allowed clinical trials to begin on the artificial pancreas, a device that could dramatically improve the health and quality of life for people with Type I diabetes.

Many Mainers have contacted me to express concern about the Postal Service, which is the linchpin of a nearly \$1 trillion mailing industry that employs 8.6 million people. I've sponsored bipartisan legislation to rescue the U.S. Postal Service from financial failure next year. This bill provides flexibility to the USPS to restructure itself in an effort to save billions of dollars and preserve universal postal service for all Americans, no matter where they live.

In December, I cast my 4,825<sup>th</sup> consecutive vote, making me the longest currently serving Senator never to have missed a vote. I am grateful for the opportunity to serve the Town of Pownal and Maine in the United States Senate.

If ever I can be of assistance to you, please contact my Portland state office at (207) 780-3575, or visit my website at <http://collins.senate.gov>. May 2012 be a good year for your family, your community, and our state.

Sincerely,

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

Susan M. Collins  
United States Senator

OLYMPIA J. SNOWE  
MAINE  
154 RUSSELL SENATE OFFICE BUILDING  
(202) 224-5344  
Web Site: <http://snowe.senate.gov>  
DEPUTY WHIP

## United States Senate

WASHINGTON, DC 20510-1903

January 3, 2012

COMMITTEES:  
COMMERCE, SCIENCE, AND  
TRANSPORTATION  
OCEANS, ATMOSPHERE, FISHERIES AND  
COAST GUARD SUBCOMMITTEE  
FINANCE  
INTELLIGENCE  
RANKING MEMBER, SMALL BUSINESS

Dear Friends:

*I want to thank you for the opportunity to extend my warm greetings to the people of Pownal, and take just a moment to offer a few thoughts about the past year as we look ahead to the year to come. Indisputably, as we continue to face historic challenges as a nation, as a state, and as individual towns and cities, our economy remains of paramount concern, and justifiably so, as we are still plagued by the worst economic downturn since World War II. Indeed, as countless Mainers have conveyed to me in roundtable discussions and on Main Street tours, the crushing job creation drought that too many have endured for far too long must not become the new normal.*

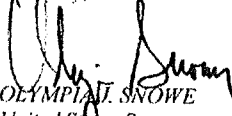
*Thankfully, there are steps that Congress and the Administration can take right now to expand our private sector. We can best unleash the genius and innovation that have made our country the most exceptional in human history, I believe, by addressing the following three pro-growth pillars, consisting of a balanced budget amendment, regulatory reform, and tax code overhaul, all of which I have championed in the Senate.*

*It is long past time that Congress bridge the partisan divide and unite around a pro-growth jobs agenda to pass a balanced budget amendment to the Constitution just as Maine and 48 other states already have, to end the regulatory rampage in Washington that has hamstrung our economy, and to overhaul the far-too-complicated, unwieldy tax code. American taxpayers expend 7.6 billion hours and spend \$140 billion -- or one percent of GDP -- just struggling to comply with tax filing requirements -- and that burden must end.*

*The fundamental question is, what kind of country do we want America to be? Mainers, like all Americans, are rightly frustrated and angry that we have an expansionist government and a record accumulation of debt, and yet they don't see any positive difference in their own lives. I share that frustration and anger. And I hope you will work with me to forge a brighter future worthy of the greatest nation on Earth, bearing in mind as we move forward that economic and homeland security cannot be mutually exclusive. In that light, we remember today -- and every day -- the extraordinary service and sacrifice of our brave servicemen and women in Iraq, Afghanistan, and around the world who comprise the finest defense force on the planet.*

*Please be assured, I will continue to work tirelessly on behalf of the people of Maine and America. I encourage you to visit my Senate website at [www.snowe.senate.gov](http://www.snowe.senate.gov) for additional details on how you can join with me in these efforts, obtain helpful government information, and share any concerns or legislative input you may have. You may also visit with members of my staff at my Regional Office located at 3 Canal Plaza, Suite 601 in Portland or by calling 874-0883 or toll free in Maine at 1-800-432-1599.*

Sincerely,

  
OLYMPIA J. SNOWE  
United States Senator

AUBURN  
TWO GREAT FALLS PLAZA  
SUITE 7B  
AUBURN, ME 04210  
(207) 786-2451

AUGUSTA  
40 WESTERN AVENUE, SUITE 408C  
AUGUSTA, ME 04330  
(207) 622-8292

BANGOR  
ONE CUMBERLAND PLACE, SUITE 305  
BANGOR, ME 04401  
(207) 945-0432

BIDDEFORD  
277 MAIN STREET  
BIDDEFORD, ME 04005  
(207) 282-4144

PORTLAND  
3 CANAL PLAZA, SUITE 601  
PORTLAND, ME 04101  
(207) 874-0893  
MAINE RELAY SERVICE  
TDD 1-956-3323

PIRSQUE ISLE  
169 ACADEMY STREET, SUITE 3  
PIRSQUE ISLE, ME 04769  
(207) 764-5124

IN MAINE CALL TOLL-FREE 1-800-432-1599

PRINTED ON RECYCLED PAPER

### United States Senators

**Senator Olympia Snowe**  
154 Russell Senate Office Bldg.  
Washington, DC 20510-0001  
Phone: (202) 224-5344 or (800) 432-1599  
Fax: (202) 224-1946  
<http://snowe.senate.gov>

**Senator Susan Collins**  
413 Dirksen Senate Office Bldg.  
Washington, DC 20510-0001  
Phone: (202) 224-2523  
Fax: (202) 224-2693  
<http://collins.senate.gov>

### Representative to Congress

**Representative Chellie Pingree**  
1037 Longworth House Office Bldg.  
Washington, DC 20515  
Phone: (202) 225-6116  
Fax: (202) 225-5590  
<http://pingree.house.gov/>

### State Senator

**Stan Gerzofsky, District #10**  
Senate of Maine, Office of the President  
3 State House Station  
Augusta, ME 04333-0003  
Phone: (1-800) 423-6900 or 287-1515  
<http://janus.state.me.us/legis>

### Representatives to the Legislature

**Hon. David C. Webster, District 106**  
P.O. Box 124  
Freeport, Maine 04032  
Residence/Business: (207) 865-4311  
[RepDavid.Webster@legislature.maine.gov](mailto:RepDavid.Webster@legislature.maine.gov)

**Hon. Anne P. Graham, District 109**  
97 Farms Edge Road  
North Yarmouth, Maine 04097  
Residence/Business: (207) 846-0049  
[RepAnne.Graham@legislature.maine.gov](mailto:RepAnne.Graham@legislature.maine.gov)

**Maine State Capital Address**  
House of Representatives  
2 State House Station  
Augusta, Maine 04333-0002  
(207) 287-1400 (voice)  
(207) 287-4469 (TTY)

Year-Round Toll Free House of Representatives Message Center: 1-800-423-2900  
Maine Legislative Internet Web Site: <http://janus.state.me.us/legis>



## CUMBERLAND COUNTY SHERIFF'S OFFICE

- Kevin J. Joyce  
SHERIFF
- Naldo S. Gagnon  
CHIEF DEPUTY

---

36 COUNTY WAY, PORTLAND, MAINE 04102

PHONE (207)774-1444 - FAX (207)828-2373

May 21, 2012

Dear Citizens of Pownal,

On behalf of the men and women of the Cumberland County Sheriff's Office, I would like to express my sincere appreciation to you for the privilege of providing law enforcement services for the Town of Pownal. As we embark on another year of service, please know that we shall continue our commitment of providing prompt, efficient and professional law enforcement services to the citizens of Pownal.

The Cumberland County Sheriff's Office has made some technological improvements in the past year that helps our patrol deputies be more effective and efficient while performing their duties. The Sheriff's Office will use computerized data retrieved from police reports to plot incident occurrences on a crime map, aiding supervisors and command staff in defining trends and deploying resources effectively. This technology has proven to be a major asset in solving and alleviating crimes as well as quality of life issues.

Also, the Cumberland County Sheriff's Office is beginning to work toward earning accreditation through the Commission of Accreditation for Law Enforcement Agencies (CALEA). The Accreditation Process is a proven and international law enforcement management model. Utilizing CALEA will further enhance our current commitment to providing the communities that we serve with efficient use of resources and quality of service delivery.

Lastly, I am honored to serve as your Sheriff and look forward to your support. Please know that I am open to your suggestions and input as together we build a law enforcement agency that accepts only excellence.

Best Regards,

A handwritten signature in black ink, appearing to read "K. Joyce".

Kevin J. Joyce, Sheriff

□ JAIL 50 County Way, Portland, ME 04102 (207) 774-5939 - FAX (207) 879-5600

**TOWN OF POWNAL**

**Elected Officials**

**Board of Selectmen**

Timothy Giddinge, Chairman	2013
Alfred Fauver	2014
Jonathan Morris	2012

**RSU #5 Directors**

Eric Bowie	2012
Kathrine Brown	2012

**Cemetery Commission**

Lorraine Merrill	2014
Duane Snow	2012
Craig A Vosmus	2013

**Appointed Officers**

Administrative Assistant (Town Clerk, Tax Collector & Treasurer)	Scott Seaver
Deputy Town Clerk/Deputy Tax Collector	Kim Best
Road Commissioner	Shawn Bennett
Fire & Rescue Chief	Jesse Peters
Code Enforcement Officer (Building, Electrical & Plumbing Inspector)	Craig A Vosmus
Moderator	James G Boyles
Constable	Craig A Vosmus
Animal Control Officer	John Rankins
Health Officer	Leslie Searfoss
General Assistance Administrator	Jonathan Morris

**Boards, Committees & Commissions**

Planning Board	Ronald R Hodsdon Elizabeth Q Nichols Joan Mueller Antonio Wescott John Bowdren
Town Planner	Jeremy Gould (alternate) Anthony Dater

Board of Appeals	Richard E Hogue Lois Pervier Philip Wentworth Stephen Litchfield Cliff Ruprecht David Steckler (alternate) Thomas Hall (alternate)
Pownal Solid Waste/Recycle	James Welch Andrew Wyatt
Conservation Commission	Ruth Hannan Derek Lovitch Kirk Niese Matthew Welch RoseMary Whitney
Ordinance Review	James Briggs Donald Arnold John Greene
Mallett Hall Building & Grounds	James Boyles Donna Boyles Doris Blackstone Kathy Hogue Jane Mittel Jan Pieter van Voorst van Beest Marie Wendt
Budget Committee	Andrew Wyatt Kim Best John Greene Carlene Harvey Mary Ann Hodsdon Kathy Hogue Jan Peiter van Voorst van Beest Jeremy Willis
Capital Projects Planning	Rodney Richard Shawn Bennett Jan Peiter van Voorst van Beest Jesse Peters

## Town Information

### **Town Office Hours**

Monday	8:30am – 6:30pm
Tuesday	8:30am – 4:30pm
Wednesday	8:30am – 4:30pm
Thursday	8:30am – 4:30pm
Friday	CLOSED

### **Board of Selectmen Meetings**

Monday evening, 7:00pm @ Mallett Hall (except legal holidays)

### **Phone Numbers**

Emergency /Police/ Fire & Rescue	911
Town Clerk/ Treasurer/ Tax Collector	688-4611
Selectmen/ Assessors	688-4431
Road Commissioner	688-4407
Animal Control Officer	939-4475
Town Fax	688-4978

### **Email Addresses**

Selectmen/ Assessors	<a href="mailto:selectmen@pownalmaine.org">selectmen@pownalmaine.org</a>
Town Clerk	<a href="mailto:kbest@pownalmaine.org">kbest@pownalmaine.org</a>
Tax Collector	<a href="mailto:sseaver@pownalmaine.org">sseaver@pownalmaine.org</a>
Road Commissioner	<a href="mailto:publicworks@pownalmaine.org">publicworks@pownalmaine.org</a>
Code Enforcement Officer	<a href="mailto:ceo@pownalmaine.org">ceo@pownalmaine.org</a>
Animal Control	<a href="mailto:jrankins44@hotmail.com">jrankins44@hotmail.com</a>

### **Town Website**

[www.pownalmaine.org](http://www.pownalmaine.org)

## Selectmen's Message

It's been a busy year at Mallett Hall. Grappling with change is always challenging. We are fortunate to have Scott Seaver come aboard as the Administrative Assistant. Scott's experience has been invaluable. There are times when the three selectmen sit with Scott in an empty Dewitt Room wondering how to react to change in the Town of Pownal's best interest. Truth be told, there is a bit of curmudgeon in all three selectmen; we love Pownal the way it is and sometimes drag our heels.

However, recognizing that things have to change at some point, the selectmen formed and charged the Needs Assessment Committee with exploring change in Pownal's infrastructure. Their report can be found in the following pages. Two of this year's warrant articles are a result of this committee's recommendation to better plan for Pownal's future needs. As last year's Compensation Committee recommended and Town meeting adopted, we are conducting yearly performance reviews of town employees. Per the emended compensation policy this year's compensation rates are based on those reviews.

The Town's business is now organized solely with TRIO software. This creates a better system of checks and balances in our accounting system. It also collaborates well with our auditors and the States systems. The Selectmen of Pownal and Durham are exploring the possibility of sharing a road commissioner position. There appears to be a possibility of real savings to both towns by doing so. The Highway Department has collaborated with the Fire Department on maintenance scheduling. The Fire Department is in the process of upgrading their communication system and has a new pumper tanker in the station. And, thanks to the Granite Grange, Mallett Hall Building and Grounds Committee and the Historical Society, the Town has installed a beautiful new flagpole in front of the town hall entrance. The Town has never had a municipal flag pole and we feel that it is a necessary and welcome addition to the Town.

What hasn't changed is the empty Dewitt Room during most Selectmen's meetings. Our system of government is a Participatory Democracy. The outstanding men and women who volunteer their time to do the real work of the Town in committees and boards not only need our gratitude, but our assistance. That the Selectmen choose to print only 200 Town Reports is a stark reality. Please consider participating in this enterprise called Pownal.

Respectfully Submitted,

Timothy J. Giddinge, Chairman

Alfred N. Fauver

Jonathan Morris

## **Pownal Budget Committee Report 2012**

The role of the Budget Committee is to provide citizen oversight for the development of the municipal budget. This is the budget that is examined and voted on at the annual Town Meeting. The municipal budget is one of three budgetary components that make up the total amount that the Town must support each year from taxation and other sources of revenue. The other two budgetary components are the Regional School Unit (RSU5) and the Town's contribution to the Cumberland County budget. Of these three, the RSU5 budget is the largest.

Aside from property taxation, the town uses these other sources of revenue:

- Excise taxes (associated with boat and automobile registrations)
- Fees (e.g. building permits, dog licenses, Mallett Hall rental, trash bag sales, etc.)
- Federal Highway Block Grant funds (to help with road maintenance and construction).
- State Revenue Sharing
- State reimbursement for Homestead Property Tax Exemptions
- State Aid to Education

In 2010/2011 about 63% of the municipal budget was funded by property taxes. In 2011/2012, about 65% of the revenue came from property taxes. For the 2012/2013 proposed budget, this ratio shifts to 69%. This can be attributed to the fact that the total municipal budget is increasing each year, but the other sources of revenue are declining or remaining steady.

This year's Budget Committee consists of seven members who bring a range of perspectives on taxation and management of the town. Starting in January, we meet seven or eight times to review the proposed budgets of the various Town departments. Through this process we consult with the department heads, [volunteer] committee chairs and the Selectmen who are responsible for managing the Town's finances. Our goal is to be able to assure our fellow residents that the budget presented to them represents a responsible balance between two [often conflicting] concerns: to keep the property tax burden as low as possible, while still meeting the town's needs, such as managing our roads, buildings and cemeteries, providing public safety services, and waste management.

The single largest contributor to the increase in this year's municipal budget is debt service. There is really no immediate opportunity to reduce this since this is driven primarily by commitments that we've made in previous town meetings, e.g. the bond for road reconstruction and lease payments on the new fire truck.

The town also has yet to realize budgetable savings from converting the heating systems of town buildings to natural gas. It's not that the savings aren't expected, but simply

that the conversion was just done too recently to predict how much savings to incorporate into this year's budget.

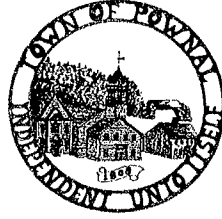
The public are always welcome to attend Budget Committee meetings. For meeting dates and times, please go to the Town website (<http://www.pownalmaine.org/>) and click on the community calendar. Also, we welcome new members to serve starting with the next budget preparation cycle in January 2013. If you're interested in serving with this committee, please notify one of the Selectmen that you'd like to be appointed.

The 2012 Budget Committee:

Kim Best  
John Green  
Carlene Harvey  
Mary Ann Hodsdon  
Kathy Hogue  
Jan Pieter van Voorst van Beest  
Andy Wyatt, Chair

**Board of Selectmen**

Timothy Giddinge, Chair  
Alfred N. Fauver  
Jonathan Morris



Town of Pownal  
Mallett Hall  
429 Hallowell Road  
Pownal, Maine 04069

**Administrative Assistant**

Scott W. Seaver

TOWN MEETING WARRANT

To Kim Best, a resident of the Town of Pownal, in the County of Cumberland and the State of Maine:

Greetings:

In the name of the State of Maine, you are hereby required to notify and warn the inhabitants of the said Town of Pownal, qualified by law to vote in town affairs, to assemble at the Town Hall in said Town of Pownal on Tuesday, the twelfth day of June, A.D. 2012, at 8:00 o'clock in the morning to act on Articles 1 and 2, of this warrant:

And to notify and warn the inhabitants of said Town of Pownal, qualified by law to vote in Town affairs, to assemble at the Pownal Elementary School on Monday, the eighteenth day of June, A.D. 2012, at 6:30 o'clock in the evening to act on the remaining articles in this warrant beginning with Article 3:

The polls will open at the Town Hall at 8:00 AM and will close at 8:00 PM on the 12<sup>th</sup> day of June, A.D. 2012. Voting on Articles 1 and 2 will be by secret ballot.

Article 1. To choose a Moderator to preside at said meeting.

Article 2. To elect the following officers, to wit: one Selectman/Assessor/Overseer of the Poor for a three year term; one Cemetery Commissioner for a three year term; one Director of Regional School Unit #5 for an unexpired two year term; and one Director of Regional School Unit #5 for a three year term.

Action on all further articles will continue at 6:30 PM on the evening of Monday, June 18<sup>th</sup>, 2012 at the Pownal Elementary School.

Article 3. To hear the report of the Town-Appointed Committees and Boards and take any action relative thereto.

Article 4. To see if the Town will vote to adopt an ordinance as follows:

**ORDINANCE EXEMPTING ELEGIBLE ACTIVE DUTY MILITARY PERSONNEL FROM  
VEHICLE EXCISE TAX**

**ORDINANCE EXEMPTING ELEGIBLE ACTIVE DUTY MILITARY PERSONNEL FROM  
VEHICLE EXCISE TAX**

Section 1. Authority

This ordinance is enacted pursuant to 36 M.R.S.A ss 1483-A, which expressly authorizes such ordinances.

Section 2. Excise tax exemption: qualifications

Vehicles owned by a resident of this municipality who is on active duty serving in the United States Armed Forces and who is either permanently stationed at a military or naval post, station or base outside this State or deployed for military service for a period of more than 180 days and who desires to register that resident's vehicle(s) in this State are hereby exempted from the annual excise tax imposed pursuant to 36 M.R.S.A. ss 1482.

To apply for this exemption, the resident must present to the municipal excise tax collector certification from the commander of the resident's post, station or base, or from the commander's designated agent, that the resident is permanently stationed at that post, station or base or is deployed for military service for a period of more than 180 days.

For purposes of this section, "United States Armed Forces" includes the National Guard and the reserves of the United States Armed Forces.

For purposes of this section, "deployed for military service" has the same meaning as in 26 M.R.S.A. ss 814(1)(A).

For purposes of this section, "vehicle" has the same meaning as in 36 M.R.S.A. ss 1481(5) and does not include any snowmobiles as defined in 12 M.R.S.A. 13001.

Section 3. Effective date: duration.

This ordinance shall take effect immediately upon enactment by the municipal legislative body unless otherwise provided and shall remain in effect unless and until it or 36 M.R.S.A. ss 1483-A is repealed.

---

Article 5. To see if the Town will vote to adopt an ordinance as follows:

**PROPERTY ASSESSED CLEAN ENERGY (PACE) ORDINANCE.**

**PREAMBLE**

WHEREAS, the 124<sup>th</sup> Maine Legislature has enacted Public Law 2009, Chapter 591, "An Act to Increase the Affordability of Clean Energy for Homeowners and Businesses," also known as "the Property Assessed Clean Energy Act" or "the PACE Act"; and

WHEREAS, that Act authorizes a municipality that has adopted a Property Assessed Clean Energy ("PACE") Ordinance to establish a PACE program so that owners of qualifying property can access financing for energy saving improvements to their properties located in the City/Town,

financed by funds awarded to the Efficiency Maine Trust under the Federal Energy Efficiency and Conservation Block Grant (EECBG) Program and by other funds available for this purpose, and to enter into a contract with the Trust to administer functions of its PACE program; and

WHEREAS, the Municipality wishes to establish a PACE program; and

NOW THEREFORE, the Municipality hereby enacts the following Ordinance:

## **ARTICLE I - PURPOSE AND ENABLING LEGISLATION**

### **Section-1 Purpose**

By and through this Chapter, the Town of Pownal declares as its public purpose the establishment of a municipal program to enable its citizens to participate in a Property Assessed Clean Energy ("PACE") program so that owners of qualifying property can access financing for energy saving improvements to their properties located in the Town. The Town declares its purpose and the provisions of this Chapter/Ordinance to be in conformity with federal and State laws.

### **Section-2 Enabling Legislation**

The Town enacts this Chapter/Ordinance pursuant to Public Law 2009, Chapter 591 of the 124<sup>th</sup> Maine State Legislature -- "An Act To Increase the Affordability of Clean Energy for Homeowners and Businesses," also known as "the Property Assessed Clean Energy Act" or "the PACE Act" (codified at 35-A M.R.S.A. § 10151, *et seq.*).

## **ARTICLE II - TITLE AND DEFINITIONS**

### **Section-3 Title**

This Chapter/Ordinance shall be known and may be cited as "the Town of Pownal Property Assessed Clean Energy (PACE) Ordinance" (the "Ordinance")."

### **Section-4 Definitions**

Except as specifically defined below, words and phrases used in this Chapter/Ordinance shall have their customary meanings; as used in this Chapter/Ordinance, the following words and phrases shall have the meanings indicated:

**I. Energy saving improvement.** "Energy saving improvement" means an improvement to qualifying property that is new and permanently affixed to qualifying property and that:

A. Will result in increased energy efficiency and substantially reduced energy use and:

(1) Meets or exceeds applicable United States Environmental Protection Agency and United States Department of Energy Energy Star program or similar energy efficiency standards established or approved by the Trust; or

- (2) Involves air sealing, insulating, and other energy efficiency improvements of residential, commercial or industrial property in a manner approved by the Trust; or
- B. Involves a renewable energy installation or an electric thermal storage system that meets or exceeds standards established or approved by the trust.
2. **Municipality.** "Municipality" shall mean the Town of Pownal, Maine.
3. **PACE agreement.** "Pace agreement" means an agreement between the owner of qualifying property and the Trust that authorizes the creation of a PACE mortgage on qualifying property and that is approved in writing by all owners of the qualifying property at the time of the agreement, other than mortgage holders.
4. **PACE assessment.** "PACE assessment" means an assessment made against qualifying property to repay a PACE loan.
5. **PACE district.** "Pace district" means the area within which the Municipality establishes a PACE program hereunder, which is all that area within the Municipality's boundaries.
6. **PACE loan.** "PACE loan" means a loan, secured by a PACE mortgage, made to the owner(s) of a qualifying property pursuant to a PACE program to fund energy saving improvements.
7. **PACE mortgage.** "PACE mortgage" means a mortgage securing a loan made pursuant to a PACE program to fund energy saving improvements on qualifying property.
8. **PACE program.** "PACE program" means a program established under State statute by the Trust or a municipality under which property owners can finance energy savings improvements on qualifying property.
9. **Qualifying property.** "Qualifying property" means real property located in the PACE district of the Municipality.
10. **Renewable energy installation.** "Renewable energy installation" means a fixture, product, system, device or interacting group of devices installed behind the meter at a qualifying property, or on contiguous property under common ownership, that produces energy or heat from renewable sources, including, but not limited to, photovoltaic systems, solar thermal systems, biomass systems, landfill gas to energy systems, geothermal systems, wind systems, wood pellet systems and any other systems eligible for funding under federal Qualified Energy Conservation Bonds or federal Clean Renewable Energy Bonds.
11. **Trust.** "Trust" means the Efficiency Maine Trust established in 35-A M.R.S.A. § 10103 and/or its agent(s), if any.

### ARTICLE III - PACE PROGRAM

**1. Establishment; funding.** The Municipality hereby establishes a PACE program allowing owners of qualifying property located in the PACE district who so choose to access financing for energy saving improvements to their property through PACE loans administered by the Trust or its agent. PACE loan funds are available from the Trust in municipalities that 1) adopt a PACE Ordinance, 2) adopt and implement a local public outreach and education plan, 3) enter into a PACE administration contract with the Trust to establish the terms and conditions of the Trust's administration of the municipality's PACE program, and 4) agree to assist and cooperate with the Trust in its administration of the municipality's PACE program.

**2. Amendment to PACE program.** In addition, the Municipality may from time to time amend this Ordinance to use any other funding sources made available to it or appropriated by it for the express purpose of its PACE program, and the Municipality shall be responsible for administration of loans made from those other funding sources.

#### **ARTICLE IV – CONFORMITY WITH THE REQUIREMENTS OF THE TRUST**

**1. Standards adopted; Rules promulgated; model documents.** If the Trust adopts standards, promulgates rules, or establishes model documents subsequent to the Municipality's adoption of this Ordinance and those standards, rules or model documents substantially conflict with this Ordinance, the Municipality shall take necessary steps to conform this Ordinance and its PACE program to those standards, rules, or model documents.

#### **ARTICLE V – PROGRAM ADMINISTRATION; MUNICIPAL LIABILITY**

##### **1. Program Administration**

**A. PACE Administration Contract.** Pursuant to 35-A M.R.S.A. §10154(2)(A)(2) and (B), the Municipality will enter into a PACE administration contract with the Trust to administer the functions of the PACE program for the Municipality. The PACE administration contract with the Trust will establish the administration of the PACE program including, without limitation, that:

- i. the Trust will enter into PACE agreements with owners of qualifying property in the Municipality's PACE district;
- ii. the Trust, or its agent, will create and record a Notice of the PACE agreement in the appropriate County Registry of Deeds to create a PACE mortgage;
- iii. the Trust, or its agent, will disburse the PACE loan to the property owner;
- iv. the Trust, or its agent, will send PACE assessment statements with payment deadlines to the property owner;

- v. the Trust, or its agent, will be responsible for collection of the PACE assessments;
- vi. the Trust, or its agent, will record any lien, if needed, due to nonpayment of the assessment;
- vii. the Trust or its agent on behalf of the Municipality, promptly shall record the discharges of PACE mortgages upon full payment of the PACE loan.

**B. Adoption of Education and Outreach Program.** In conjunction with adopting this Ordinance, the Municipality shall adopt and implement an education and outreach program so that citizens of the Municipality are made aware of home energy saving opportunities, including the opportunity to finance energy saving improvements with a PACE loan.

**C. Assistance and Cooperation.** The Municipality will assist and cooperate with the Trust in its administration of the Municipality's PACE program.

**D. Assessments Not a Tax.** PACE assessments do not constitute a tax but may be assessed and collected by the Trust in any manner determined by the Trust and consistent with applicable law.

**2. Liability of Municipal Officials; Liability of Municipality**

**A.** Notwithstanding any other provision of law to the contrary, municipal officers and municipal officials, including, without limitation, tax assessors and tax collectors, are not personally liable to the Trust or to any other person for claims, of whatever kind or nature, under or related to a PACE program, including, without limitation, claims for or related to uncollected PACE assessments.

**B.** Other than the fulfillment of its obligations specified in a PACE administration contract with the Trust entered into under Article VI, §1(A) above, a municipality has no liability to a property owner for or related to energy savings improvements financed under a PACE program.

Article 5. To see what sum of money the Town will vote to raise and / or appropriate for the Capital Project Fund.

Board of Selectmen Recommends	\$95,000
Budget Committee Recommends	\$95,000

Article 6. To see what sum the Town will vote to appropriate from the Capital Outlay budget to repair / replace the side entry ramp to Mallett Hall and to improve the communication system (radio repeater) for the Pownal Fire / Rescue Dept.

Board of Selectmen Recommends	Mallett Hall Ramp	up to \$20,000
Board of Selectmen Recommends	Radio Repeater	up to \$10,000

Budget Committee Recommends Mallett Hall Ramp up to \$20,000  
 Budget Committee Recommends Radio Repeater up to \$10,000

Article 7. To see what sum of money the Town will vote to raise and / or appropriate for General Government Budget.

Board of Selectmen Recommends \$178,615  
 Budget Committee Recommends \$178,615

(Historic and suggested use of funds)

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Budget	FY 2013 Request
General Government	67,491	58,110	64,717	71,697	60,331
Technology	4,726	4,726	6,390	9,060	10,336
Animal Control	1,934	1,976	2,447	2,700	2,500
Compensation		92,950	88,812	98,820	102,148
Planning Board				7,700	3,300
	74,151	157,762	162,366	189,977	178,615

Article 8. To see what sum of money the Town will vote to raise and / appropriate to a dedicated fund to conduct a town wide property revaluation in the future.

Board of Selectmen Recommends \$20,000

Article 9. To see what sum of money the Town will vote to raise and / or appropriate for Human Services.

Board of Selectmen Recommends \$9,500  
 Budget Committee Recommends \$9,500

(Historic and suggested use of funds)

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Budget	FY 2013 Request
General Assistance	1,049	3,337	6,936	4,500	4,500
Freeport Community Services	3,500	4,000	4,500	4,000	4,500
Family Crisis Center				500	500
	4,549	7,337	11,436	9,000	9,500

Article 10. To see what sum of money the Town will vote to raise and / or appropriate for the Mallett Hall Budget.

Board of Selectmen Recommends \$24,795  
 Budget Committee Recommends \$24,795

(Historic and suggested use of funds)

	FY 2009	FY 2010	Actual	FY 2012	FY 2013
Mallet Hall	Actual	Actual	2010-2011	Approved	Request
Elevator License/Smoke Testing	438	447	270	270	500
Electricity	1,867	1,867	1,838	1,838	2,200
Heating	2,355	2,355	3,566	3,566	4,000
Janitorial Services	5,460	5,460	5,115	5,115	4,600
Security Contract	555	555	473	473	550
Elevator Repairs	1,201	1,201	279	279	1,000
Elevator Contract	1,148	1,148	873	873	900
Building Maintenance	1,729	1,729	238	238	10,000
Janitor Supplies	494	494	415	415	500
Licenses/Fees(Extinguishers)	99	99	180	180	250
Sprinkler Contract		585		-	295
Furnace Cleaning/Repairs	98		360	360	
Sprinkler Antifreeze Replacement					
	15,443	15,940	13,607	13,607	24,795

Article 11 To see what sum of money the Town will vote to raise and / or appropriate for the Public Safety Budget.

Board of Selectmen Recommends \$88,948  
 Budget Committee Recommends \$88,948

(Historic and suggested use of funds)

PUBLIC SAFETY	FY 2011	FY 2012	FY 2013
	Actual	Budget	Request
Public Safety	23,700	25,850	26,350
FD Administration	12,445	7,318	3,928
First Responders	7,212	4,700	-
Vehicle & Equipment Maint	12,465	10,710	11,200
Health & Safety	6,941	6,749	7,789
Equipment & Supplies	1,095	3,336	6,684
Building Maint.	480	845	1,300
Utilities	6,548	6,500	6,310
Training	6,896	2,050	2,800
Communications	3,058	3,300	3,900
Payroll	6,896	14,887	18,687
	87,736	86,245	88,948

Article 12. To see what sum of money the Town will vote to raise and / or appropriate to purchase a used Utility truck for the Fire and Rescue Department.

Board of Selectmen Recommends up to \$40,000

Article 13. To see what sum of money the Town will vote to raise and / or appropriate for the Public Works Budget.

Board of Selectmen Recommends \$601,432  
 Budget Committee Recommends \$601,432

(Historic and suggested use of funds)

PUBLIC WORKS DEPT	FY 2012	FY 2013
	Budget	Request
Winter Roads	55,400	55,700
Utilities	3,925	3,925
Facilities Maint.	6,750	5,000
Fleet Maint.	32,550	32,935
Fuel	44,000	41,000
Road Maintenance	225,000	239,300
Supplies	3,200	3,200
Administrative	1,350	1,350
Compensation	211,387	219,022
	583,562	601,432

Article 14. To see if the Town will vote to authorize the Selectmen to enter into a lease/purchase agreement to replace the town's road grader, under terms they deem to be in the best interest of the Town for this purpose. (anticipated terms of lease to be for 10 years with annual cost at approximately \$22,800 per year, to be added to the Debt Service category)

Article 15. To see what sum of money the Town will vote to raise and / or appropriate for the Solid Waste Budget.

Board of Selectmen Recommends	\$110,942
Budget Committee Recommends	\$110,942

(Historic and suggested use of funds)

SOLID WASTE	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
	Actual	Actual	Actual	Budget	Request
Solid Waste Hauling	56,993	60,147	63,546	67,084	69,556
EcoMaine Tipping Fees	26,772	16,900	18,000	14,805	15,572
Eco Maine Assessment	28,259	28,288	28,288	25,404	18,039
Recycling Roll Off Fees	5,732				
L/A Water District	250	250	250	250	250
NY Landfill	1,100	1,100			
Pownal Pride Day	375	300	300		325
PAYT Education	1,000				
PAYT Bags					7,200
	120,481	106,985	110,384	107,543	110,942

Article 16. To see what sum of money the Town will vote to raise and / or appropriate for the Cemetery Commission Budget.

Board of Selectmen Recommends	\$1,000
Budget Committee Recommends	\$1,000

Article 17. To see if the Town will vote to dedicate the \$10,145.36 received from the harvesting of the woodlot located on the Elmwood Cemetery property to the support of the Pownal Cemeteries by transferring said funds received in 2011-2012 to the Cemetery Commission General Fund as maintained by the Treasurer of the Town of Pownal.

Board of Selectmen Recommends	Ought to Pass
-------------------------------	---------------

Article 18. To see what sum of money the Town will vote to raise and / or appropriate for the Pownal Center Water Association.

Board of Selectmen Recommend \$1,600  
 Budget Committee Recommends \$1,600  
 (Historic and suggested use of funds)

PCWA	FY 2009	FY 2011	FY 2012	FY 2013
	Actual	Budget	Budget	Request
Electricity	381	895	900	\$ 900
Licenses / Fees	118	80	50	\$ 50
Insurance	913	500	500	\$ 500
Water Testing	102	150	150	\$ 150
Well Purge & Testing		495		\$ -
	1514	2120	1600	1600

Article 19. To see what sum of money the Town will vote to raise and / or appropriate to establish a fund entitled "PCWA Maintenance Fund" to be held as a dedicated fund for the replacement or repair of facilities or equipment associated with the PCWA, with the Board of Selectmen authorized to expend monies from the fund for such purposes.

Board of Selectmen Recommend \$5,000  
 Budget Committee Recommends \$5,000

Article 20. To see what sum of money the Town will vote to raise and / or appropriate for Debt Service and Other Obligations.

Board of Selectmen Recommend \$287,754  
 Budget Committee Recommends \$287,754

DEBT SERVICE & OTHER OBLIGATIONS	Actual	FY 2012	FY 2013
	2010-2011	Budget	
2007 Road Repair	\$ 89,140	\$ 86,815	\$ 84,971
2007 Fire Truck	\$ 38,805	\$ 37,493	\$ 35,278
2010 Road Bond		\$ 51,948	\$ 100,286
Fire Truck Lease			\$ 30,381
Excavator Lease			\$ 14,038
NEW GRADER LEASE			\$ 22,800
	\$127,945	\$ 176,256	\$ 287,754

Article 21. To see what sum of money the Town will vote to raise and / or appropriate for Payroll Taxes.

Board of Selectmen Recommend \$23,837  
 Budget Committee Recommends \$23,837

Article 22. To see the Town will appropriate the following estimated revenues to reduce the 2012-2013 Tax Commitment:

	Budget 11-12	Actual to Date 11-12	Proposed 12-13
CABLE FRANCHISE FEE	11,000	11,236	11,000
AUTO EXCISE	200,000	197,006	200,000
BOAT EXCISE	-	1,307	-
TOWN FEES	11,000	6,950	10,000
VITAL STATISTICS FEES	-	1,293	-
REVENUE SHARING	85,000	92,995	95,000
HOMESTEAD EXEMPTION	32,000	33,095	33,000
VETERANS REIMBURSEMENT	250	831	800
LIEN COSTS	-	1,294	2,000
REAL ESTATE INTEREST	-	3,880	-
STATE PARK FEES	-	1,325	-
SNOWMOBILE REIMBURSEMENT	-	781	-
CEO PERMITS	-	3,766	-
TIMBER HARVEST	5,000	13,952	-
CHECKING ACCT INTEREST	-	1,042	-
ACO FEE	500	346	500
LATE FEE	1,500	425	500
SITE PLAN	100	1,000	100
SUBDIVISION	300	100	100
ROAD MAINTENANCE	47,436	23,718	47,436
ADMINISTRATIVE	-	2,699	-
MAINTENANCE	1,200	1,348	1,200
GENERAL ASSISTANCE	2,000	1,864	1,000
PAYT BAGS	47,000	36,519	45,000
Final Totals	444,286	438,774	447,636

Article 23. To see if the Town will authorize the Board of Selectmen to negotiate and enter into an interlocal agreement that will allow the Towns of Durham and Pownal to share the services of Pownal's appointed Road Commissioner, and to allow the Board of Selectmen to negotiate the terms of such agreement outside of the Town of Pownal Personnel and Compensation Policy as previously approved and amended.

Article 24. To see if the Town will vote to increase the property tax levy limit of \$841,852 established for Pownal by State law in the event that the municipal budget approved under the preceding articles will result in a tax commitment that is greater than the property tax limit.

Board of Selectmen Recommend Ought to Pass.

Article 25. To see if the Town will vote to cover certain overdrafts from the 2010-2011 fiscal year budget by reducing fund balance to compensate for such overdrafts as found in the audited financial reports for the 10-11 Fiscal Year.

Board of Selectmen Recommend Public Works \$5,033  
 Board of Selectmen Recommend Human Services \$4,936

Article 26. To see if the Town will authorize the Select Board and Treasurer, on behalf of the Town, to rent, sell, or otherwise dispose of any parcel of real estate or any portion thereof acquired by the Town of Pownal between July 1, 2012 and June 30, 2013 for non-payment of taxes thereon, on such terms as they deem advisable.

Board of Selectmen Recommend Ought to Pass

Article 27. To see if the Town will vote to authorize the Board of Selectmen to transfer not more than 3% of the Town's budgeted expenditures between budget line items provided that the Town's total budgeted expenditures shall not be increased.

Board of Selectmen Recommends: Ought to Pass

Article 28. To see if the Town will vote to authorize the Tax Collector to accept prepayments of taxes not yet committed pursuant to 36 M.R.S.A. Section 506, at a rate of zero interest. (Note: This article is required by State Law, Title 36 M.R.S.A., Section 506 at each Annual Town Meeting, in order to collect any prepayment—such as Tax Club payments for taxes paid prior to the committing of said taxes)

Board of Selectmen Recommend Ought to Pass.

Article 29. To see if the Town will vote to fix September 15<sup>th</sup>, 2012; December 15<sup>th</sup>, 2012; March 15<sup>th</sup>, 2013 and June 15<sup>th</sup>, 2013 as the dates on which one quarter of taxes shall be due and payable as the dates from which interest will be charged on any unpaid taxes at a rate of 7% per year, (Note: Maximum interest allowed is 7% per the State of Maine).

Board of Selectmen Recommend Ought to Pass.

Article 30. To see if the Town will vote to set the interest rate of 3% to be paid by the Town on abated taxes pursuant to 36 M.R.S.A section 506A.

Board of Selectmen Recommend Ought to Pass.

Article 31. To see if the Town will vote to authorize the Selectmen to accept and expend any other revenue from State, Federal, local and private sources for the support of the Town.

Board of Selectmen Recommend Ought to Pass.

Article 32. To see if the Town will vote to accept any gifts, unanticipated donations, or pass-through funds that may be provided by individual(s), business associations, charitable groups, or other organizations, which have not been listed in any of the previous or following articles, if the Select Board determines that the gifts, donations, or pass-through funds and their purposes are in the best interest of the Town.

Board of Selectmen Recommend Ought to Pass.

Given under our hands this \_\_\_\_\_ day of June, 2012.

Selectmen of Pownal Maine:

Timothy J. Giddinge, Chairman  
Alfred N. Fauver  
Jonathan W. Morris

# Pownal Needs Assessment Committee Report

**June 14, 2010**

## **1. Background**

In 2010, the Pownal Board of Selectmen determined that it was appropriate to appoint a committee to conduct a needs assessment for the Town.

The Committee undertook its task based on the charge and process outlined below. Several items of note:

- a. In order to stay on task, the committee reviewed from time to time the Committee's charge as given by the Selectmen (Section 2 below).
- b. The Committee sought input from as many parties in Town as we could identify.
- c. Everyone who met the committee was generous with their time and input.
- d. It was outside the committee's scope and time to go into too many details.

## **2. Committee's Charge from the Selectmen**

The Purpose of this committee is to:

1. Identify the principal infrastructure needs of Pownal for the next twenty years;
2. Prioritize the list of needs;
3. Suggest strategies for meeting the identified needs.

The Process shall:

1. Identify projects that will make the most measurable difference in the long term for the municipality;
2. Obtain broad participation by the citizens of Pownal;
3. Encourage collaboration with other communities in developing plans to meet Pownal's long-term needs;
4. Be fair and transparent;
5. Assist Pownal in meeting goals of its Comprehensive Plan
6. Be consistent with best practices of municipal policy as outlined by the Maine Municipal Association (MMA);
7. Lead to the creation of a plan that will guide Pownal in meeting its anticipated infrastructure needs for the next 20 years.

## **3. Committee Members**

Kristian Carr, Patrick Christian, Pat Fairbanks, Jennifer Kaplan, Susan Mack, Clifford Ruprecht, Paul Schumann, Philip Wentworth

## **4. Process the Committee Followed**

- a. The Committee decided to meet every other Tuesday evening at 7:00 October through May in order to do its assigned tasks thoroughly.
- b. The Committee interviewed the following companies or departments, all of whom were generous in sharing their time, experience and knowledge

- Pownal Selectman
- Town Administrator
- Public Works
- Fire Department
- Rescue
- Planning Board, Planner and CEO
- Capital Projects Committee
- Sheriff's Department
- RSU 5
- Maine Natural Gas
- Time Warner
- Estabrooks Greenhouse
- Bradbury Mountain State Park
- Other
- Advertised and held a public meeting
- Site-visit at Public Works and Fire Department

**5. Summary**

The Needs Assessment Committee was formed in the fall of 2010 with the first meeting being held on October 5, 2010. The Committee was charged with identifying the infrastructure needs of the Town of Pownal for the next 20 years and to examine the possible strategies for meeting those needs.

Over the course of the fall, winter and early spring the committee met with a number of groups, and individuals including the Selectmen, Fire Chief, Public Works Director, County Sheriff, representatives from various public utilities, potential businesses, and home occupations

The citizens of Pownal have chosen to live in a rural community. Our neighboring towns with new housing developments, businesses, Pineland Farms and Bradbury Mountain State Park, all with ever expanding programs will impact our town. Increased numbers of commuters, trucks supplying the needs of surrounding development and public safety for all those who drive through town or use the Bradbury Mountain facilities add to our overall cost of maintaining our way of life.

It becomes evident when touring Town facilities that the Fire Department should have a new modern facility that would house all of their equipment under one roof. The current public works buildings should also be redone to accommodate most of the necessary daily functions into one building. They have a lot of heavy, expensive equipment that should all be stored under cover.

There is the potential of an accident in the vicinity of the Town Office when equipment is entering and exiting.

All of this would not come without a substantial cost to the Town. This is where some creative long range planning for the town enters into this committee's and other committee's planning.

The Town should explore the possibility of encouraging businesses to invest in the Town. In order for this to happen a number of changes to the Town's ordinances and people's attitudes will need to be adjusted. New growth in Town, especially with the addition of the natural gas pipeline, should be encouraged but planned in a realistic way. The reason to recommend business development over residential development is the Committee's belief that the net impact of business development is more favorable to the Town. Both kinds of development have some positive impacts (e.g. increased revenue, increased availability of goods and services, broadening the population base) and negative impacts (e.g. increased school costs, increased demand on public safety and public works, potential negative changes to the rural character of the Town). While the Committee believes business development has more of a net favorable impact than residential development, the Committee has not studied the issue or been presented with any detailed analysis of it. Before the Town makes final decisions on a direction for its strategic development, such issues would need to be explored in greater depth.

As part of the planning process, the Town will need to look at the region to coordinate and/or supply fire, public works and municipal administration as it has already accomplished with education, public safety and rescue.

It is becoming evident that without a larger tax base in the near future the general home owner will contribute increasing amounts in order to maintain the status quo in Pownal. None of this will happen overnight but the sooner plans are put forth as to the direction and the type of atmosphere we want to create, the sooner some of our projected wants could start to become realities.

## **6. Financial Projections**

The Committee generated and reviewed detailed spreadsheets that project future Town revenues and expenses based on the Town's historical financial data along with growth assumptions for the next 20 years. The growth "models" are generally organized in three categories: (a) no-growth, (b) moderate growth and (c) high growth. The projections are not meant to be to be precise for budgeting purposes but to be used to indicate future trends.

Some of the conclusions reached based on these trends are:

1. The Town budget is growing at approximately 7-10% a year.
2. Road maintenance and personnel costs along with debt service are a significant portion of this increase.
3. The projected growth under any of the three scenarios may not be sustainable.

4. A significant investment in a new fire house and or public works facility would increase debt service significantly, thus substantially increasing the local tax burden.
5. This information may point toward more regionalization as one way to try to contain costs.

## **7. Recommendations**

The Pownal Needs Assessment Committee recommends that the Selectmen continue to invest in a thorough long range planning process, one that will look closely at how Pownal's zoning and land use ordinances may be adapted to allow or encourage residential and commercial growth that is in keeping with the spirit of the Town's 2006 Comprehensive Plan. The overwhelming sentiment expressed in the Comprehensive Plan is to maintain Pownal's rural character and protect its precious open spaces. As the Town faces difficult choices about public spending, revenue generation, development and strategic direction, however, even people who uniformly agree with that sentiment will not agree on which options that sentiment favors. To the extent that Selectmen can get broad input on some of the more difficult, specific choices that face the Town, and not just on the broad sentiments that are essentially uncontroversial within the Town, the better.

The PNAC recognizes that achieving the goal of maintaining the Town's rural character, as well as enabling improvements to current infrastructure, will no doubt require a thorough analysis and likely modification of many of the Town's existing ordinances. This would include full consideration of, for example, how businesses, agricultural enterprises, and artisans could contribute to the growth of Pownal's business sector while supporting the Town's rural character. Current zoning laws that regulate residential development must also be scrutinized to consider alternatives that may better support the maintenance of Pownal's essential and unique character.

In summary, this committee recommends:

1. Financial, growth and economic development planning.
2. Long range plans for each department, as highlighted in the Comprehensive Plan. This would include having each department identify the "drivers" of their budgets. These drivers usually include costs of fuel, paving materials, labor, training, required regulations, safety, etc. At a minimum this would mean that each department would update their 3-5 year projections annually.
3. Have the financial projections reviewed by a knowledgeable source (like Charles Colgan) to determine if there are other trends or "nuggets" that are discernible.
4. Benchmark ourselves against neighboring towns and towns of similar size to Pownal. This would allow us to compare our tax commitment as a percentage of valuation. (Note: MMA has this information and in the past Pownal places in the middle when compared to similar sized towns).

5. Take the financial projections and results from #1 and #2 above and make them easily accessible and understandable to Pownal residents. The Town's website would be a likely location for this material.

## **8. Appendix**

Attachment 1—Charge of the Committee

Attachment 2—Financial Projections

Attachment 3—Fire Department Assessment

Attachment 4—Public Works Inventory and Operations

Attachment 5—Other Inventory

Note: Minutes of the Committee meetings are available by request from the Town Clerk. The electronic version (Excel spreadsheet) of the Financial Projections Model is available through the Town Offices.

### **Attachment 2      Financial Projections**

The Financial Projections Model is available in an electronic version (Excel spreadsheet) and can be reviewed by contacting the Town Offices. Observations about the model and how it can be used are listed below:

1. The model is a tool that hopefully stimulates discussion about the present and the future course of the Town;
2. The model can show us trends, both historical and projected, but is only as good as the assumptions made and the relationships identified in the model;
3. The model provides only a high level look at the budget, growth of the town and other factors affecting taxpayers; it should not be used for budgeting;
4. The model should be helpful in general planning for large ticket items that will be bonded and how they will impact the general budget;
5. The model works in broad strokes such as valuation , but cannot differentiate between residential or commercial valuation;
6. The model uses historical budget data to project future town spending. The historical data provided is limited so may not be representative. More historical budget data may improve the use of the Compound Annual Growth Rate (CAGR) variable. A manual override option is provided to make adjustments if deemed appropriate;
7. The model cannot account for economies of scale should they arise in the future. For instance, when we assumed that Solid Waste would increase at the same rate as net new valuation in addition to the CAGR then that growth is assumed throughout the projected

- period. No attempt was made to determine if some economy of scale would change that rate of growth in costs;
8. There was no attempt to validate the projections provided by the model either by using historical information or other studies;
  9. In the model there are no benchmarks comparing Pownal with neighboring communities or other like sized towns. Benchmarking key financial and operational metrics would be a worthwhile exercise in helping the town understand how it measures up to what others are doing.

### **Attachment 3          Fire Department Assessment**

The Pownal Fire Department brings with it a long history of dedication as a number of departments do with a "make do" attitude. With limited funding, they have improvised or built themselves whatever has been needed, accepted others hand-me-downs; whatever it takes to make the department functional. This is the way small departments have operated for years but that attitude is disappearing and unfortunately will have an effect on many departments and town financing. The normal group of towns people that have traditionally made up fire departments staffing have come from farmers, local business owners, and town employees to name a few. These folks were always around Town— living, working, socializing --and the fire department or local grange were about all there was for social events.

Those times have changed. No longer are the departments regarded as the "good old boys". These folks are a highly trained group of individuals comprised of all walks of life. They now typically work out of town and are usually only available evenings and weekends and then that free time is split between some school activity that their child is most likely involved in, extended vacations, or often some other town committee. When you combine all of that with the extended amount of time that is required for training and the annual mandates required it becomes a huge commitment. In times past everything was done on a strictly volunteer basis. With today's high cost of living, members may not be able to afford the price of gas to get to the station or the incident location.

Today's firefighter is not just a firefighter, he/she is expected to respond to all types of emergencies including calls for medical assistance, those could be at a residence or up on Bradbury Mountain or somewhere in between, vehicle accidents, ice water rescue. They are now the emergency plumber, the emergency electrician, and the list goes on and on. All of this requires a vast amount of training and costly specialized tools and equipment.

The list of equipment needed for the everyday firefighter to respond to emergencies is comprised of the turnout gear at a cost of approximately \$2,500 a set. This equipment has to meet specific specifications set forth by the National Fire Protection Association. After ten years the NFPA has set a standard that requires all gear to be retired (thrown out). The Maine Bureau of Labor Standards (BLS), which governs the state fire departments, has not chosen to enforce that standard, as yet, but gear must be inspected on a yearly basis. When it doesn't meet the specifications set forth by the manufacture then it will be retired. The belief is that in time, BLS will enforce the standard and this alone will impact the cost of providing fire protection. When

responding to any situation that requires the use of a self-contained breathing apparatus, an air pack is needed at a price of \$5,000. Air Packs contain a compressed air bottle which is only good for about twenty minutes of breathing time, so all departments have to have at least one spare bottle per pack. These bottles cost around \$775 today and are required to be hydro tested every three years at a cost \$30 per bottle. At the end of fifteen (15) years the bottles have to be retired from service. The packs themselves have to be flow tested every two years at a cost of \$45.00 per pack if they don't need any other repair work. They are under no life cycle other than the need for newer technology which is usually governed by the NFPA.

When responding to vehicle accidents the members were able use regular tools to remove patients from the wreck. However, today, the older cutting tools will no longer cut through the newer materials used to protect the occupants. Manufactures are using one half inch re rod and a variation of hardened metals that require special cutters which are generating upwards of 220,000 lbs. of cutting force. The normal price of a cutter is around \$6,000 and the spreaders will run about the same. Of course you now need a pump to build that necessary pressure and that will set the department back another \$3,500. Another tool never thought of years ago is the Thermal Imaging Camera. This camera gives the user the advantage of finding hidden fire behind walls or hot spots that a chimney fire has created. This can be of great advantage when wondering whether a wall should be opened up sometime unnecessarily causing the homeowner unneeded repair costs, but on the other hand when the fire is hidden it allows the user to find it lessening the chances of having to return to the residence later to find the building completely involved. The cost exceeds \$10,000 but is unequaled value when trying to find a hidden fire. These are just a few items of the arsenal of equipment needed today to assist the firefighter in the ever changing challenging job.

Fire trucks of today, are for the most part, much larger and heavier, and designed for the protection of the occupants. A lot of departments when buying something new may find it increasingly difficult to fit the trucks into their existing station, or in some cases must modify them to meet those requirements at additional expense. The trucks today are designed to carry all passengers inside rather than riding on the outside in the elements and subjecting to more injury should an accident occur. Any truck today has to meet NFPA 1901 a standard that has been set forth to protect the firefighter and make sure the trucks meet certain minimum specifications.

New trucks may often last twenty five years under the NFPA standards. Before it ever wears out, the truck will likely rust out due to our winter road conditions. The cost of a workable engine can go anywhere from the high two hundred thousand range to well into the eight or nine hundred thousand depending on equipment and what the truck is designed for. If we take a truck that costs \$325,000 today and factor in the 5% projected average increase per year in ten years alone we have added another \$193,000 to the projected cost.

The EMS side of public safety brings with it another set of questions much the same as the fire side. Does a town get into that service or do we continue to hire it out? A new ambulance which will run around \$165,000 today and we will need to equip it at another \$75,000. A town could choose to purchase a used ambulance which would cost a lot less. Local towns typically retire their ambulances between eight to ten years of age which are then sold at under \$10,000. The equipment still needs to be put into it at the same cost as a new one unless used equipment is

found. At a minimum, these services need a basic level responder and when the call goes out the turnaround time will be around two hours. Does the town have adequate staffing to provide this service? The revenue generated from this service will, in most cases, offset the cost of the equipment and manpower if there are enough responders available to provide this service. The next question comes as to where to house this piece of equipment? Which leads into the next question, what to do with the existing structures that currently house the fire equipment?

The current buildings which are housing the town's fire equipment have served the town well for years, and without the dedication of the current firefighters and those of many years past they have preserved the buildings as well as could be expected. An addition was put on to the main station several years ago to better facilitate their needs and for the most part it was done with volunteer labor, saving the Town many dollars. A new modern facility should be looked at which would better serve the community for years to come. At the present time the members are asked to work out of a facility that is inadequate for the size of the equipment, and when starting the equipment a level of Carbon Monoxide is emitted that far exceeds the standards for a healthy environment, and at the same time contaminating all of the members' gear which is stored in the station. This facility should be designed to accommodate current needs keeping in mind that someday more room for equipment or personnel may be needed. Consideration of the ever increasing cost of the equipment may point to consolidation with neighboring towns to reduce the amount of equipment needed along with better utilization of what we do have. Some type of program should be initiated to encourage more participation from the volunteers, and to try to retain those members, because without the volunteers, all thoughts of new equipment and buildings are of no value.

#### **Attachment 4            Public Works Inventory and Operations**

The Public Works Department is the largest department on the town side of the budget. Its four man crew is responsible for maintaining the Town's roads, bridges, culverts, signs, etc.

The Public Works Department currently maintains 34 miles of road--19 miles paved and 15 miles of gravel--for a total assessed value of \$12,290,000. They also maintain approximately 200 cross culverts, valued between \$150,000 and \$200,000 and 5 bridges which include pipe arch culverts.

The Public Works Department also maintains the Public Works buildings and assists with the maintenance of Mallett Hall. The personnel also maintain all of the Town owned or leased equipment which includes:

- Two 10 wheel trucks: \$130,000 each, with a life expectancy of 10 years.
- Two 6 wheel trucks: \$120,000 each, with a life expectancy of 10 years.

- One excavator: \$100,000, to be replaced after 20 years.
- One Loader backhoe: \$80,000, to be replaced after 10 years.
- One Motor Grader: \$250,000, to be replaced after 20 years.
- One 1-ton truck: \$40,000, to be replaced after 10 years
- One pick-up truck: \$30,000, to be replaced after 10 years,
- Smaller equipment including a hydraulic sweeper, hay mulcher, plate compactor and two trailers.

The Public Works Department also maintains the Fire Department vehicles.

The Public Works Department feels that a combination Public Works and Fire Station makes a lot of sense, so the replacement of its buildings may depend on the time frame for a new fire station.

Other long term expenses depend on these factors:

- New growth ordinances allowing for future new roadways.
- Future growth in nearby communities which would mean more traffic in Town.
- If Maine DOT should turn any more roads back to the Town for maintenance by the Town, there would be an increased maintenance cost to the Town for these roads.

The biggest challenge will be securing the necessary funding to rebuild and maintain the roads to the standards that are expected and needed for the safe travel by the citizens and public that uses them.

Currently the Public Works Department looks at many variables to determine the needs of the department. They always keep the cost to citizens in mind while determining their needs. They look at traffic counts, growth in Pownal and surrounding towns, recreational activity and legislation passed by the state. They currently work with other towns to cost share when they can. They share equipment with Yarmouth and Freeport when feasible. They work with the Greater Portland Council of Governments and have developed an equipment sharing program. There are some times that sharing does not work: If we need certain equipment at a certain time, and an area town needs it at the same time. They work diligently to keep costs down for the town and its taxpayers.

We believe that the capital project plan needs to be expanded to include future planning for roads, bridges, etc.

The current Public Works Crew works very hard to keep our roads in the best condition they can for safe travel, but if we can find a way to diversify the tax base by including some low-impact businesses, they can maintain them at the higher standards at which they should be maintained.

## **Attachment 5      Other Inventory**

### **Town Owned Land**

**Mallett Hall**—Pownal’s Town Hall: with the exception of those items listed in the Capital Plan (painting and front entrance work) Mallett Hall is not only in good condition but will likely be able to serve the Town’s administrative functions through the coming decade or more unless there is a sizeable increase in the Town’s population.

**Cemeteries**

**REPORT OF THE TOWN CLERK**

From May 24<sup>th</sup>, 2011 there were recorded in the Town of Pownal the following vital statistics.

DEATHS AS OF 5/24

DATE	NAME	PLACE OF DEATH	AGE
6/7/2011	Frances H Armstrong	Portland	90
7/10/2011	Ruth E Beisman	Pownal	92
8/5/2011	Arlene G Smigh	Pownal	90
8/11/2011	Marjorie Dean	Portland	84
8/12/2011	William S DeWitt	Bangor	71
9/26/2011	Florence C Jewett	Brunswick	84
11/21/2011	Linwood P York	Portland	85
12/9/2011	Pearl D Powell	Pownal	89
1/23/2012	Kenneth F Harlow	Portland	92
3/10/2012	Edna M Menchen	Portland	94

6 YEAR VITAL STATISTICS COMPARISON AS OF 5/24

YEAR	2011/2012	2010/2011	2009/2010	2008	2007	2006	2005
Births	8	7	13	12	17	19	14
Deaths	10	12	13	7	8	12	14
Marriages	6	6	5	9	12	8	6

DOG LICENSES AS OF 5/24

Dogs	173
Kennels	2

## PUBLIC WORKS DEPARTMENT

The mission of the Public Works Department is to plan and to use our resources wisely, to improve the quality of life through maintenance and protection of the Towns infrastructure and natural resources. The Public Works Department will strive to be a respected, well managed financially prudent department. *"Public Works in the Public Interest"*.

In keeping with our mission we had another productive year moving our roadway infrastructure forward to improve quality of life for residents as well as reducing our environmental impacts.

One item that we are continually working on is reducing the amount of salt and sand we use during the winter months. One new method that we have been watching for a few years came into play, this method of anti-icing entails placing liquid salt brine on the roads prior to a storm. This material is as simple as mixing salt with water to achieve a 23% solution and then placing the liquid through the use of a tank in a truck and a spreader bar onto the roads.

Using salt brine before a snowstorm significantly reduces the amount of rock salt needed. On a typical pretreatment application of rock salt we may place between 500 and 700 pounds of rock salt per mile, when brine is used we end up placing 110 to 250 pounds per mile. Promising results for the environment and the budget.

Another liquid we tested is a product called Ice B Gone. This product is a sugar beet molasses material and is mixed with standard rock salt. The product has been designated by the U.S. Environmental Protection Agency as **"Designed for the Environment"**. This product reduces the bounce and scatter effect you see when straight rock salt is being applied, more stays on the road therefore less material is used, it reduces the temperature at which the salt works to well below zero also resulting in less material needed. It is claimed by the producer to actually reduce the corrosive tendencies of the salt it is mixed with. Again we saw promising results with this product.

As most of you know we had 90% of the reconstruction of Poland Range Rd. completed last summer, one more stretch of dilapidated road off the list. This summer we will be removing the bridge deck, water blasting the steel I-beam substructure, repainting and installing a new deck. Once the bridge work is completed contractors will be placing the surface course of asphalt on the road.

In conjunction with the Poland Range project our crew did a great job improving the drainage on the Lawrence Rd. in North Pownal. We installed rip rap lined ditches, built proper slopes and installed under drain prior to having the existing surface recycled and new asphalt placed. With the heavy rains we have witnessed since the project was completed it appears that the erosion issues we had have been addressed. This section of road will have the surface course of asphalt installed as well this year. With our crew doing the drainage work and negotiating with the contractors on the Poland Range project we were able to save money on the project.

The Department completed many other projects around town;

- Aprons paved on gravel roads

- Improvements to the Chadsey Allen Rd intersection
- “Grader” ditching on Loring Ln and Poland Range Rd.
- Graded gravel roads several times and added gravel, a gravel road loses up to 1” of gravel per year from dust and migration of aggregate from traffic
- Major brush and tree work prior to Poland Range Rd reconstruction
- Brush and Tree work on Lower Lawrence Rd in anticipation of drainage work
- Shouldering on new Poland Range Rd and Lawrence Rd

Something that I would like to make folks aware of is the fact that with all of the road improvements and drainage work over the past 9-10 years we are witnessing a large reduction in washouts. In the past it would only take a heavy 3” rain storm and we would have some fairly major washout issues, especially on gravel roads. We can now handle up to 6” of water before we begin to see issues; this is great for the environment and the budget allowing us to use funds on improvements instead of repairs.

Looking to the coming year we have a few exciting things that we are working on. As some of you may know I have been working on a part time basis as the Interim Road Commissioner for the Town of Durham, in doing this we have opened up dialogue between the two towns and are looking at ways to provide services as efficiently as possible by working together. One of the first projects is going on as I am writing this and that is a combined crack sealing effort. We are using 2 members of our crew in conjunction with 2 members of Durham’s crew. I am planning on this saving a fairly large amount of money in comparison to contracting this work and, fostering a long term relationship of working together to provide “exceptional” service to the Tax Payers in both communities.

Check us out on Facebook to keep up with projects and “goings on”.

Respectfully,  
Shawn M. Bennett,  
Road Commissioner

**Pownal Fire and Rescue Department**  
Annual Report  
May 2011 – May 2012

During the time period between May 3, 2011 and May 1, 2012, the Pownal Fire and Rescue Department answered 165 calls for service. This was an increase of approximately 8% over the previous year.

<b>4 Building Fires</b>	<b>2 Propane Leaks</b>
<b>1 Vehicle Fire</b>	<b>3 False Alarms</b>
<b>2 Woods/ Brush Fires</b>	<b>19 Public Service Calls</b>

In addition to the calls listed above, we responded to 24 requests for mutual aid to surrounding communities as part of Coastal Mutual Aid. The town of Pownal received mutual aid fifteen times in this same time period.

Our firefighters and EMS personnel spent many hours training in techniques and procedures needed to perform duties safely and effectively. Each firefighter, for example, must attend approximately 24 hours of training annually. We also sent members to outside trainings at the Cumberland County Fire Attack School. There they received training in vehicle accident extrication, use of Self Contained breathing Apparatus, and several EMS courses. Members also attended a class in Freeport on the dangers of modern day fires. Today's homes and the things we put in them burn approximately 25% faster and hotter than they did 30 years ago. This presents new problems and challenges to firefighters of today.

As you may know, due to the hard work by members of the Pownal Fire and Rescue Department, Pownal's fire protection class rating has changed from a 9 to 8B. This was accomplished through a review by the Insurance Services Office, who set the classification rating. This change was based on the training we do, along with the equipment and water that we carry. Another factor is that when we have a building fire, we generally have a good turnout of highly motivated and trained personnel. I would suggest that if you have not already done so, that you check with your insurance company to see if there may be some cost savings to your homeowners insurance rates due to this change. In the coming year we hope to pursue lowering our ISO classification even further through training and demonstrating our water flow capabilities. Again, we hope this will help to lower homeowner's insurance rates.

By the time this goes to print, we will have taken delivery of our new Tanker/Pumper approved at last year's town meeting. This truck will have the same firefighting capability as a normal pumper; however its primary roll will be to serve as a water hauler with a tank capacity of 2,500 gallons. Tank 4, as it will be called, will meet all current NFPA requirements and standards and will be a safe and effective vehicle to deliver much needed water to fire scenes safely, quickly, and effectively. I would like to thank the citizens of Pownal for supporting this purchase.

We are still in the process of upgrading and narrow banding our communications system. The narrow banding is a requirement from the FCC due in 2013. We will be asking the town to approve monies from the Capital Projects fund to purchase a new radio repeater. The current repeater is outdated and not narrowband compliant. Currently there are many "dead" spots in the town due to terrain issues. The new repeater, along with the voter/comparer system, will increase firefighter safety and improve communications on emergency scenes.

It is difficult to come up with the appropriate words to thank the Fire Fighters, EMS personnel, and Fire Police of the Pownal Fire and Rescue Department. They are a special group of people, willing to give up their personal time, time with their families, their sleep, and willing to put their own well-being at risk for the citizens and guests of our town. We would like to mention two particular incidences from this past year as examples of this dedication. The first is the hurricane last August. Members staffed trucks and responded to numerous calls for down electrical wires and trees across roadways which made roads impassable. The second was a call on Christmas day. While many of you were enjoying time with family and friends, the tone went out for an engine and a tanker from Pownal to respond to a structure fire in North Yarmouth. Dedicated members of the Pownal Fire department dropped what they were doing

and responded to a neighbor in need. We as a town are extremely fortunate to have such a dedicated staff.

We would like to take this opportunity to give a HUGE thank you the Pownal Fire Company for their support...from supplying food and drinks for training or after long calls like the hurricane, to purchasing T-Shirts, the Smokey Bear sign and much, much more.

In conclusion we would like to thank the citizens of Pownal for their support. We speak for all members of the department when we say you are the reason we are here and we are happy and thankful for the opportunity to serve you.

We are always looking for new members. If you are interested in joining our department as a firefighter or EMS provider, please contact Chief Peters at 688-2211 or e-mail at [pownalcar1@maine.rr.com](mailto:pownalcar1@maine.rr.com).

Respectfully submitted,  
Chief Jesse Peters

On behalf of,  
Deputy Chief Erik Nielsen  
Deputy Chief Richard Hogue  
Captain Daniel brown  
Captain Robert Ginn

## **Planning Board Report 2011-2012**

The main focus for the Planning Board this past year has been to review and update town ordinances. This past spring the Ordinance Review Committee received a draft of the reformatted Land Use Codes for Pownal done by the Greater Portland Council of Governments (GPCOG) – the first step in the ongoing process to make our ordinances easier to use and relevant. The Committee and the Board divided up responsibilities which have resulted in twice-monthly workshops devoted to the update along with our regular monthly meetings. It's proving to be a long slow complicated process; our objective is to produce a document that is up to date and consistent throughout. Stay tuned.

Several people approached the Board this year with ideas for projects they wish to pursue, however, as of this date nothing in the form of an application has materialized. In November the Board did receive an application from AT&T Mobility for an antenna array on, and back-up generator at, U.S. Cellular's existing Wireless Telecommunication Tower off Loring Lane. After an onsite inspection and public hearing the application was approved in December.

Last spring some Board members attended a presentation on the GIS mapping the town has embarked on with Spatial Alternatives of Yarmouth. Maps can be layered with varying information and features of the town - useful to officers, boards and committees

and updated yearly. The Board will now be asking for subdivision plans in digital form as well as paper for accurate input to the tax maps.

In September Hutch, Joan, Liza, John and Tony attended a seminar for municipalities held by Jensen, Baird, Gardner and Henry, Pownal's legal firm, where they were brought up to speed on the year's legislation and resulting consequences to towns' operations. It was a very well attended and informative event.

The Planning Board meets the third Wednesday of each month at 7:00 PM at Mallett Hall and the public is welcome to all its meetings, workshops, onsite inspections and hearings. Planner Tony Dater is available once a month by appointment to preview applications to the Board and answer any questions.

Planning Board members are:

Ronald Hodsdon, Chair  
Joan Mueller, Vice-Chair  
Elizabeth Nichols, Secretary  
John Bowdren  
Matther St. Cyr  
Tony Dater, Town Planner

## **Conservation Commission Report**

The Conservation Commission continues to work on the actions prescribed by the Town's forestry plan. The Sweetser Road harvest and Cemetery lot harvest (behind the cemetery on Elmwood Road) were completed this year. After the harvest, we seeded the landing on the Cemetery lot and a boulder was placed at the entrance to control access. There are no other timber harvests currently planned.

Member of the Conservation Commission are periodically walking theses Town-owned properties to review the general conditions and to look for invasive plant species, such as bush honeysuckle. Honeysuckle threatens the health of the forest as well as its wildlife and recreational value.

We walked the Sweetser Road property and evaluated the condition of the property after the harvest. We also looked for invasive plants, but did not find any.

Honeysuckle has been identified on the Goddard Road property. If not curtailed, the honeysuckle will threaten the health of native plants. The Conservation Commission is formulating a plan to control the spread of the plant and begin the process of its removal.

The Commission meets on the 4<sup>th</sup> Monday of the month (excluding July and August) at Mallett Hall.

Respectfully Submitted, Ruth Hannan, Secretary  
Matt Welch (Chair)  
Ruth Hannan  
Derek Lovitch, Kirk Niese, Rosemary Whitney

### **Mallett Hall Building and Grounds Committee**

During previous years, the committee has overseen and brought to completion the renovation of the majority of usable interior spaces in our original Mallett Hall. This year (2011–2012) we turned our attention to landscaping and exterior spaces around the building. A number of potential projects were proposed. Chief among them was the possibility of creating a small park on the North side of the building, coupled with improved landscaping and a paved walkway in front. A flag pole was part of this project. Some funds were available for this kind of project from both the Pownal Scenic and Historical Society and Granite Grange #14. (Granite Grange #14, upon disbanding in 2007, had donated monies to the Mallett Hall Improvement Fund earmarked for use on a park of some type on building grounds.) In the event, estimated costs for the newly proposed project exceeded monies available and would have necessitated significant fund raising activity. It was then suggested that a better site for a flag pole would be in the garden on the South side of the building near the active entrance. This less expensive project gained favor with the committee, and members of Granite Grange #14 were consulted to see if such use of some of their donated monies would be appropriate. They agreed, and this new project went forward. In its long history as the town's central building, Mallett Hall has lacked a permanent municipal flag pole installed on its grounds. That has now been remedied. The dedication ceremony on May 27, 2012 was a memorable one, as was the memorial exhibition by community organizations held the same day. The exhibition was sponsored by this committee and the Scenic and Historical Society. Today, the town boasts a permanent high quality flag pole with a flag that is lit every night by an energy efficient light. Flanking the pole is a monument identifying Granite Grange #14 as the donor and honoring its many years of service to Pownal. The committee extends its thanks to the Grange, to the Historical Society, and to all who helped bring this project to fruition.

*James Boyles (chair), Doris Blackstone, Kathy Hogue, Jane Mittel, Jan Pieter van Voorst van Beest, Marie Wendt.*

## SOLID WASTE AND RECYCLING

Pownal residents deserve great recognition for continually having the highest recycling rate of the 26 **ecomaine** member communities. Every month Pownal residents recycle at an average rate of 45% by weight. That's more than Portland, Freeport, North Yarmouth and all the other **ecomaine** communities. Why is this important? Because disposal of recyclables is free while trash disposal is an expense to the town. How does this impact us? The more we recycle compared to other **ecomaine** communities, the lower our annual **ecomaine** assessment fee. Therefore, the more we recycle and compost, the less money that needs to be raised from taxation for the Solid Waste and Recycling Budget. The proof: Assessment fees for all **ecomaine** communities are decreasing for fiscal year 2013 but Pownal has the 3<sup>rd</sup> greatest percentage decrease in assessment fees. Our assessment fee for fiscal year 2013 will decrease 29% where many communities will see only a 20% decrease. The above average decrease in assessment fees for Pownal is a direct result of the increase in recycling we have observed after the introduction of our Pay-As-You-Throw and curbside recycling system. The recycling rate for Pownal jumped from 28% to 45%. If we continue to be the top recycler in **ecomaine** we will eventually see the greatest decrease in assessment fees for all **ecomaine** communities. The trend has been for decreasing assessment fees but should **ecomaine** ever need to raise assessment fees we would see the smallest increase. So congratulate yourself for being a part of the most successful waste and recycling system in **ecomaine** and challenge yourself to recycle more and reduce your waste. It will not only be beneficial for our environment but also to your wallet!

In addition to the year-long success Pownal has experienced with recycling, Pownal recently held another successful Pownal Pride Day Metal Collection event and roadside cleanup. Pownal residents were able to dispose of metal free of charge during this event (a fee at most transfer stations) while raising funds for the town. 23,920 lbs. of scrap metal was collected and the town expects to receive a check for \$2,525 for the sale of this metal. The money raised will go directly towards reducing the Solid Waste and Recycling Budget for 2011.

For the remainder of 2012 the committee will focus its attention on providing helpful recycling, composting, and e-waste disposal resources on the [pownalmaine.org](http://pownalmaine.org) website. The Pownal Solid Waste Reduction and Recycling Committee is actively recruiting new members. For more information please contact Jamie Welch at 688-4641 or one of the Selectmen.

Respectfully Submitted,

Jamie Welch (Chair)  
Andy Wyatt  
Will Johnston

## Pownal Scenic & Historical Society 2011 Annual Report

The Pownal Scenic and Historical Society has had another busy and productive year. In April, Maine Historical Society and Osher Map Library invited members to a reception, book signing, and interesting lecture by Professor Edward V. Thompson, author of Printed Maps of the District and State of Maine 1793-1860. (PSHS purchased the book for our archives.) Among the many maps on display that evening were two early Maine wall-maps gifted, to the Osher Map Library (OML) by Connie Tryon, on behalf of her in-laws Philip and Arleen Tryon. In May, PSHS co-sponsored with North Yarmouth Historical Society (NYHS), a program presented by Holly Hurd, Education Outreach Coordinator at the OML and NYHS & PSHS member, on "Moses Greenleaf Maine Map-maker." Moses Greenleaf, cartographer, published the first map of the District of Maine in 1815. As part of the educational component of an OML project, the book for school-age children, The Moses Greenleaf Primer, was written by Holly with illustrations by her daughter Lena Champlain. A copy of the book was gifted to the society. Over sixty attended our fall program, "Sharing the One-Room School Experience – Pownal All Class Reunion." The event was co-sponsored with The Friends of the North Pownal One-Room School and was held in the Brooks and Snow Rooms of the Methodist Church. Photographs and other school related memorabilia from PSHS archives were viewed with much interest. The program, led by Donna Boyles, focused on sharing the one-room school experience during the 1920s to 1940s. PSHS members Josephine Pervier Allen, Lois Vosmus Sanders, Marion Knight Reed, and Frank Knight (ranging from age 87 years to 103 years) regaled those present with memories and humorous stories of their experiences attending a one-room school so many years ago.

The 1878 town hearse and the 1834 hearse house received much attention this year. The hearse house south wall was repaired and shingled with new cedar shakes by PSHS member Matt Welch. Pownal's hearse made its first appearance in a short film "Preserving Horse-Drawn Carriages" recently produced by New Gloucester Community Television. The film in DVD format includes narrative history relating to horse-drawn carriages. Included are conveyances from the New Gloucester Historical Society's collections, sleighs and carriages from Skyline Farm in North Yarmouth, and Pownal's hearse and hearse house. (DVD can be purchased from PSHS for \$2.00)

The society was gifted or purchased several important items for the archives. Members of the Dr. S. Addison Vosmus family: Earle Raymond Steeves, Grandson; Janet Milner Steeves, Granddaughter-in-law; and Sharen Steeves Casazza MD, Great Granddaughter gifted items from Dr. Vosmus' medical career to the society in the name of the late David Louis Steeves, Great Grandson. The Collection includes Bowdoin College Medical School note books, patient care lists, miscellaneous books, and a photo of a sampling of the bottles used in his practice. PSHS members Stephen Hyde and Christopher Ayres gifted the society a signed copy of their recently published book, Between House and Barn – A Rural Interlude. The society purchased, through ebay, segments of Samuel L. Tryon's Diary dating to 1878. These segments are additions to some in our current collection. Also purchased was a political letter, dating to Aug. 14,

1836, from Dr. G. P. Tompson who resided at current 848 Lawrence Road to his brother Joshua Tompson at Cherokee Pond, S.C. Three books were purchased: History of Cumberland County 1880, Ancient North Yarmouth and Yarmouth Maine 1636-1936, and Printed Maps of District and State of Maine 2011.

We are deeply saddened by the deaths of member Joseph Malloy, Jr. and three Honorary Life Members: William DeWitt, Carl "Sam" Mason, and Edna Snow Menchen. For many years their gifts have sustained the work of the society.

We are grateful for the continued support of all our members and donors.

*Donna Boyles, President; Jane Mittel, Vice President; Jen Blackstone Kaplan, Secretary; James Boyles, Treasurer.*

OUTSTANDING TAXES AS OF 6/30/2011		Amount		Name ----		Name ----		Amount		Name ----		Amount	
Year	Due	Year	Due	Year	Due	Year	Due	Year	Due	Year	Due	Year	Due
2009	514.65 *	2010	424.45 *	CHIPMAN, SAMUEL B.	MERRILL, CHAD	2010	7.19 *	MERRILL, CHAD	2010	2,633.28	MERRILL, CHAD	2010	7.19 *
2009	1,372.78	2010	275.06 *	CHIPMAN, SAMUEL B.	MILLEY, STEPHEN K., TRUSTEE	2010	3,152.34 *	MILLEY, STEPHEN K., TRUSTEE	2010	620.34	MILLEY, STEPHEN K., TRUSTEE	2010	3,152.34 *
2009	301.70	2010	502.43 *	CONNELLY, COLEEN J.	MOLL, BRADLEY S.	2010	4,677.87 *	MOLL, BRADLEY S.	2010	3,044.83 *	MOLL, BRADLEY S.	2010	4,677.87 *
2009	61.23	2010	173.84 *	CONNOLLY, ROBERT J.	MOODY, JOSEPH	2010	179.28 *	MOODY, JOSEPH	2010	588.69 *	MOODY, JOSEPH	2010	179.28 *
2009	1,992.60	2010	1,266.04 *	CURRY, GREGORY S.	MORGAN, SUSAN MARIE	2010	2,633.28	MORGAN, SUSAN MARIE	2010	1,326.93 *	MORGAN, SUSAN MARIE	2010	2,633.28
2009	2,823.11	2010	4,630.39 *	CUSHMAN, HEIDI W.	MORGAN, SUSAN MARIE	2010	620.34	MORGAN, SUSAN MARIE	2010	15.26 *	MORGAN, SUSAN MARIE	2010	620.34
2009	699.12	2010	911.52 *	CUVA, SUSAN (SWAZYE)	MORGAN, TIM I., SR	2010	3,044.83 *	MORGAN, TIM I., SR	2010	2,267.14 *	MORGAN, TIM I., SR	2010	3,044.83 *
2009	685.76	2010	1,488.34 *	DANIELE, MARK R.	NEWTON, ANSLEY S.	2010	588.69 *	NEWTON, ANSLEY S.	2010	56.97 *	NEWTON, ANSLEY S.	2010	588.69 *
2009	870.49	2010	513.52 *	DAVIS, ROBERT N.	OLIVER, BRIAN	2010	1,326.93 *	OLIVER, BRIAN	2010	838.71 *	OLIVER, BRIAN	2010	1,326.93 *
		2010	1,846.77 *	ESTATE OF JEWETT, GRETA	PABST, MICHAEL	2010	15.26 *	PABST, MICHAEL	2010	371.88 *	PABST, MICHAEL	2010	15.26 *
		2010	932.144	FEAGLES, CUYLER	PARDUS, LISA	2010	2,267.14 *	PARDUS, LISA	2010	1,130.13 *	PARDUS, LISA	2010	2,267.14 *
		2010	334.81 *	FICKETT, CARLENE M.	POLLOCK, REBECCA L.	2010	56.97 *	POLLOCK, REBECCA L.	2010	560.19 *	POLLOCK, REBECCA L.	2010	56.97 *
		2010	375.33 *	FICKETT, NANCY	RANDALL, PAUL T.	2010	838.71 *	RANDALL, PAUL T.	2010	1,579.33 *	RANDALL, PAUL T.	2010	838.71 *
		2010	346.16 *	FINNEGAN, JANICE	RANDALL, PAUL T.	2010	37.19 *	RANDALL, PAUL T.	2010	213.88 *	RANDALL, PAUL T.	2010	37.19 *
		2010	913.10 *	GARDNER, KATHY L.	RAY, CATRIONA A.	2010	371.88 *	RAY, CATRIONA A.	2010	1,180.54 *	RAY, CATRIONA A.	2010	371.88 *
		2010	82.29 *	GIDDINGE, GINIFIR S.	RIDLEY, JUDY L.	2010	1,130.13 *	RIDLEY, JUDY L.	2010	607.68	RIDLEY, JUDY L.	2010	1,130.13 *
		2010	514.31 *	GINN, ELEANOR L.	RODEL, KEVIN P.	2010	560.19 *	RODEL, KEVIN P.	2010	47.47 *	RODEL, KEVIN P.	2010	560.19 *
		2010	484.23 *	GINN, WILLIAM J.	ROMANOWSKY, ERIC W.	2010	1,579.33 *	ROMANOWSKY, ERIC W.	2010	772.26	ROMANOWSKY, ERIC W.	2010	1,579.33 *
		2010	4,496.68 *	GREEN, JOHN M.	SCHMIDT, RUSSELL DALE	2010	213.88 *	SCHMIDT, RUSSELL DALE	2010	63.30 *	SCHMIDT, RUSSELL DALE	2010	213.88 *
		2010	572.85 *	HALL, ANTHONY H.	SEARLE, MELANIE J.	2010	1,180.54 *	SEARLE, MELANIE J.	2010	368.72 *	SEARLE, MELANIE J.	2010	1,180.54 *
		2010	3,269.45 *	HALL, DOUGLAS J.	SMALL, DEBRA M.	2010	607.68	SMALL, DEBRA M.	2010	527.76 *	SMALL, DEBRA M.	2010	607.68
		2010	2,923.38	HALL, DOUGLAS J.	SOULE, MARGARET B.	2010	47.47 *	SOULE, MARGARET B.	2010	967.22 *	SOULE, MARGARET B.	2010	47.47 *
		2010	460.50 *	HALL, DOUGLAS J.	STIMPSON, JUDITH	2010	772.26	STIMPSON, JUDITH	2010	3,405.54	STIMPSON, JUDITH	2010	772.26
		2010	542.24 *	HALL, MERIDITH, ET ALS	TRIPP, BENJAMIN S.	2010	63.30 *	TRIPP, BENJAMIN S.	2010	1,501.61 *	TRIPP, BENJAMIN S.	2010	63.30 *
		2010	496.89 *	HANNA, JAMES G.	TUTTLE, THOMAS L.	2010	368.72 *	TUTTLE, THOMAS L.	2010		TUTTLE, THOMAS L.	2010	368.72 *
		2010	1,277.07 *	HANSCOM, CLARENCE L.	WARD, SANDRA	2010	527.76 *	WARD, SANDRA	2010		WARD, SANDRA	2010	527.76 *
		2010	2,006.61	HART, WILLIAM J.	WHITE, BRUCE W.	2010	967.22 *	WHITE, BRUCE W.	2010		WHITE, BRUCE W.	2010	967.22 *
		2010	334.58 *	HOOPER, WILLIAM W.	WILEY, RICHARD L.	2010	3,405.54	WILEY, RICHARD L.	2010		WILEY, RICHARD L.	2010	3,405.54
		2010	104.44 *	HUMPHREY, ROBERT	WYMAN, ELAINE C.	2010	1,501.61 *	WYMAN, ELAINE C.	2010		WYMAN, ELAINE C.	2010	1,501.61 *
		2010	2,218.60	JELLISON, JOANN	Unpaid as of 6/30/2011		\$102,644.96	Unpaid as of 6/30/2011			Unpaid as of 6/30/2011		\$102,644.96
		2010	790.03	JORDAN, ANDREW F.	* Denotes Paid in Full since 6/30/2011			* Denotes Paid in Full since 6/30/2011			* Denotes Paid in Full since 6/30/2011		
		2010	735.07 *	JORDAN, WILLIAM C.									
		2010	626.67	JORDAN-BROWN, ANNA MARIE									
		2010	370.42 *	LIBBY, DANIEL G.									
		2010	389.40	MALONE, DAVID A.									
		2010	1,166.30	MCILVAINE, PATRICIA									
		2010	1,835.70 *	MCNAMARA, MICHAEL W.									
		2010	1,435.32	MELCHER, SCOTT F.									
		2010	827.64 *										

**TOWN OF POWNAL**

**POWNAL, MAINE**

**FINANCIAL AUDIT REPORT**

**JUNE 30, 2011**

**TOWN OF POWNAL  
POWNAL, MAINE  
JUNE 30, 2011**

**TABLE OF CONTENTS**

**FINANCIAL SECTION**

Independent Auditors' Report

**Basic Financial Statements**

**Government-Wide Financial Statements**

Statement of Net Assets

Statement of Activities

**EXHIBITS**

Exhibit I

Exhibit II

**Fund Financial Statements**

**Governmental Funds**

Balance Sheet

Reconciliation of the Governmental Funds Balance Sheet

to Statement of Net Assets

Statement of Revenues, Expenditures, and Changes in Fund Balance

Reconciliation of the Statement of Revenues, Expenditures, and Changes

in Fund Balance of Governmental Funds to the Statement of Activities

Exhibit III

Exhibit IV

Exhibit V

Exhibit VI

**Notes to Basic Financial Statements**

**REQUIRED SUPPLEMENTARY INFORMATION**

Statement of Revenues, Expenditures and Changes in Fund Balance –  
Budget to Actual – General Fund

Exhibit VII

# Smith & Associates, CPAs

*A Professional Association*

---

50 Forest Falls Drive, Suite 3 • Yarmouth, Maine 04096  
Ph (207) 846-8881 • Fax (207) 846-8882  
www.smithassociatescpa.com

## REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

### **Independent Auditors' Report**

Board of Selectmen  
TOWN OF POWNAL  
Pownal, Maine

We have audited the accompanying financial statements of the governmental activities, major funds, and remaining fund information, which collectively comprise the basic financial statements, of the Town of Pownal, Maine as of and for the year ended June 30, 2011, as listed in the table of contents. These financial statements are the responsibility of the Town's Management. 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 of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We were unable to obtain sufficient evidential source documentation to support the permanent funds because the relevant legal indentures could not be located.

As discussed in the notes to the financial statements, management has not recorded certain general capital assets in governmental activities and, accordingly, has not recorded depreciation expense on those assets. Accounting principles generally accepted in the United States of America require that those general capital assets, be capitalized and depreciated, which would increase the assets, net assets, and expenses of the governmental activities. The amount by which this departure would affect the assets, net assets, and expenses of the governmental activities is not reasonably determinable.

In our opinion, because of the significance of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Statement of Net Assets of the Town of Pownal, Maine, as of June 30, 2011, or the Statement of Activities position thereof for the year then ended.

In addition, except for the permanent funds, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund, and remaining fund information of the Town of Pownal and the respective changes in financial position and cash flows, where applicable, of those activities and funds and the budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Town of Pownal, Maine has not presented Management's Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

*Smith & Associates*

**SMITH & ASSOCIATES, CPAs**  
**A Professional Association**

**Yarmouth, Maine**  
**December 15, 2011**

**Smith & Associates, CPAs**  
*A Professional Association*  

---

Yarmouth, Maine 04096

**EXHIBIT I**

**TOWN OF POWNAL  
STATEMENT OF NET ASSETS  
JUNE 30, 2011**

	<u>Primary Government Governmental Activities</u>
<b>Assets</b>	
Cash	\$1,862,924
Investments	73,752
Accounts Receivable	10,484
Taxes Receivable	100,535
Tax Liens Receivable	12,063
Capital Assets, Net of Accumulated Depreciation	<u>1,798,811</u>
<b>Total Assets</b>	<b><u>\$3,858,569</u></b>
<b>Liabilities</b>	
Accounts Payable	\$ 83,159
Accrued Expenses	25,738
Non-Current Liabilities	
Due Within One Year	69,416
Due in More than One Year	<u>2,530,836</u>
<b>Total Liabilities</b>	<b><u>\$2,709,149</u></b>
<b>Net Assets</b>	
<i>Invested in Capital Assets, Net of Related Debt</i>	\$(801,441)
<i>Restricted for:</i>	
Permanent Funds, Non Expendable	51,895
Road Reconstruction	1,317,193
Provision for Future Expenses	240,115
<i>Unrestricted</i>	<u>341,658</u>
<b>Total Net Assets</b>	<b><u>\$1,149,420</u></b>

The Notes to the Financial Statements are an Integral Part of This Statement.

**EXHIBIT II.**

**TOWN OF POWNAL  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2011**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue &amp; Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants &amp; Contributions</u>	<u>Governmental Activities</u>
<b>Primary Government</b>				
<b>Governmental Activities</b>				
General Government	\$ 213,580	\$ 23,817	\$ 0	\$ (189,763)
Public Works	90,687	11,901	50,440	(28,346)
Public Safety	80,644	0	642	(80,002)
Health & Sanitation	108,509	45,968	0	(62,541)
Human Services & Welfare	11,436	0	2,958	(8,478)
Education	1,663,915	0	0	(1,663,915)
Interest on Long-Term Debt	69,113	0	0	(69,113)
Depreciation - Unallocated	<u>268,649</u>	<u>0</u>	<u>0</u>	<u>(268,649)</u>
<b>Total Primary Government</b>	<b><u>\$ 2,506,533</u></b>	<b><u>\$ 81,686</u></b>	<b><u>\$ 54,040</u></b>	<b><u>\$(2,370,807)</u></b>
<b>General Revenues</b>				
Property & Other Taxes				\$2,593,468
Grants & Contributions not Restricted to Special Programs				119,057
Unrestricted Investment Earnings				8,654
Miscellaneous				<u>11,046</u>
<b>Total General Revenues</b>				<b><u>\$2,732,225</u></b>
<b>Changes in Net Assets</b>				<b>\$ 361,418</b>
<b>Net Assets – July 1, 2010</b>				<u>788,002</u>
<b>Net Assets – June 30, 2011</b>				<b><u>\$1,149,420</u></b>

The Notes to the Financial Statements are an Integral Part of This Statement.

**EXHIBIT III**

**TOWN OF POWNAL  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2011**

	<u>General Fund</u>	<u>Road Re- Construction</u>	<u>Provision for Future Expenses</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<b>Assets</b>					
Cash	\$1,862,924	\$ 0	\$ 0	\$ 0	\$1,862,924
Investments	0	0	0	73,752	73,752
Accounts Receivable	10,484	0	0	0	10,484
Taxes Receivable	100,535	0	0	0	100,535
Liens Receivable	12,063	0	0	0	12,063
Due From Other Funds	<u>1,869</u>	<u>1,317,193</u>	<u>240,115</u>	<u>82,615</u>	<u>1,641,792</u>
<b>Total Assets</b>	<b><u>\$1,987,875</u></b>	<b><u>\$1,317,193</u></b>	<b><u>\$ 240,115</u></b>	<b><u>\$ 156,367</u></b>	<b><u>\$3,701,550</u></b>
<b>Liabilities &amp; Fund Balance</b>					
<b>Liabilities</b>					
Accounts Payable	\$ 83,159	\$ 0	\$ 0	\$ 0	\$ 83,159
Accrued Expenses	5,230	0	0	0	5,230
Deferred Revenues	53,175	0	0	0	53,175
Due to Other Funds	<u>1,641,792</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,641,792</u>
<b>Total Liabilities</b>	<b><u>\$1,783,356</u></b>	<b><u>\$ 0</u></b>	<b><u>\$ 0</u></b>	<b><u>\$ 0</u></b>	<b><u>\$1,783,356</u></b>
<b>Fund Balance</b>					
<i>Reserved, Reported In:</i>					
<i>Nonspendable</i>					
Permanent Funds – Nonexpendable	\$ 0	\$ 0	\$ 0	\$ 51,895	\$ 51,895
<i>Restricted</i>	0	0	0	0	0
<i>Committed</i>					
Reserved for Property Taxes	114,651	0	0	0	114,651
<i>Unreserved, Reported In:</i>					
<i>Assigned</i>					
Special Revenue Funds	0	0	0	60,936	60,936
Capital Projects	0	1,317,193	240,115	15,073	1,572,381
Permanent Funds, Expendable	0	0	0	28,463	28,463
<i>Unassigned</i>					
General Fund	<u>89,868</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>89,868</u>
<b>Total Fund Balance</b>	<b><u>\$ 204,519</u></b>	<b><u>\$1,317,193</u></b>	<b><u>\$ 240,115</u></b>	<b><u>\$ 156,367</u></b>	<b><u>\$1,918,194</u></b>
<b>Total Liabilities &amp; Fund Balance</b>	<b><u>\$1,987,875</u></b>	<b><u>\$1,317,193</u></b>	<b><u>\$ 240,115</u></b>	<b><u>\$ 156,367</u></b>	<b><u>\$3,701,550</u></b>

The Notes to the Financial Statements are an Integral Part of This Statement.

**EXHIBIT IV**

**TOWN OF POWNAL  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO  
STATEMENT OF NET ASSETS  
JUNE 30, 2011**

**Total Fund Balance – Total Governmental Funds** \$ 1,918,194

**Amounts Reported for Governmental Activities in the  
Statement of Net Assets are different because:**

Capital Assets Used in Governmental Activities are Not  
Current Financial Resources and Therefore are Not  
Reported in the Governmental Funds Balance Sheet. 1,798,811

Property Tax Revenues are Reported in the Governmental Funds  
Balance Sheet Under NCGA Interpretation-3, Revenue Recognition-  
Property Taxes and Intergovernmental Revenues were Deferred. 53,175

Deferred Intergovernmental Revenues Reported in the Governmental  
Funds Meet the Criteria for Revenues Under Accrual Accounting. (17,527)

Long Term Debt Liabilities are not due and payable in the Current Period and  
therefore are not reported in the Governmental Funds Balance Sheet:

Due in One Year	\$ 69,416	
Due in More than One Year	2,530,836	
Accrued Compensated Absence Pay	<u>2,981</u>	<u>(2,603,233)</u>

**Net Assets of Governmental Activities** \$ 1,149,420

The Notes to the Financial Statements are an Integral Part of This Statement.

**EXHIBIT V**

**TOWN OF POWNAL**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

	General Fund	Road Re- Construction	Provision for Future Expenses	Other Governmental Funds	Total
<b>Revenues</b>					
Taxes	\$ 2,589,108	\$ 0	\$ 0	\$ 0	\$ 2,589,108
Intergovernmental	172,455	0	0	642	173,097
Licenses, Permits & Fees	13,836	0	0	0	13,836
Charges for Services	52,469	0	0	12,680	65,149
Investment Income	4,826	32	0	3,796	8,654
Miscellaneous	<u>11,020</u>	<u>600</u>	<u>0</u>	<u>2,125</u>	<u>13,745</u>
<b>Total Revenues</b>	<b><u>\$ 2,843,714</u></b>	<b><u>\$ 632</u></b>	<b><u>\$ 0</u></b>	<b><u>\$ 19,243</u></b>	<b><u>\$ 2,863,589</u></b>
<b>Expenditures</b>					
<i>Current</i>					
General Government	\$ 211,978	\$ 0	\$ 0	\$ 1,558	\$ 213,536
Public Works	567,483	9,439	0	5,644	582,566
Public Safety	80,644	0	0	0	80,644
Health & Sanitation	108,509	0	0	0	108,509
Human Services & Welfare	11,436	0	0	0	11,436
Education	1,663,915	0	0	0	1,663,915
Debt Service	127,945	0	0	0	127,945
Fixed Charges	101,474	0	0	0	101,474
<i>Capital Outlay</i>	<u>26,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>26,000</u>
<b>Total Expenditures</b>	<b><u>\$ 2,899,384</u></b>	<b><u>\$ 9,439</u></b>	<b><u>\$ 0</u></b>	<b><u>\$ 7,202</u></b>	<b><u>\$ 2,916,025</u></b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b><u>\$ (55,670)</u></b>	<b><u>\$ (8,807)</u></b>	<b><u>\$ 0</u></b>	<b><u>\$ 12,041</u></b>	<b><u>\$ (52,436)</u></b>
<b>Other Financing Resources (Uses)</b>					
Transfers In (Out)	\$ (52,000)	\$ 0	\$ 35,000	\$ 17,000	\$ 0
Proceeds from Long-Term Debt	<u>0</u>	<u>1,326,000</u>	<u>0</u>	<u>0</u>	<u>1,326,000</u>
<b>Total Other Financing Resources (Uses)</b>	<b><u>\$ (52,000)</u></b>	<b><u>\$ 1,326,000</u></b>	<b><u>\$ 35,000</u></b>	<b><u>\$ 17,000</u></b>	<b><u>\$ 1,326,000</u></b>
<b>Net Change in Fund Balance</b>	<b><u>\$ (107,670)</u></b>	<b><u>\$ 1,317,193</u></b>	<b><u>\$ 35,000</u></b>	<b><u>\$ 29,041</u></b>	<b><u>\$ 1,273,564</u></b>
<b>Fund Balance – July 1, 2010</b>	<b><u>312,189</u></b>	<b><u>0</u></b>	<b><u>205,115</u></b>	<b><u>127,326</u></b>	<b><u>644,630</u></b>
<b>Fund Balance – June 30, 2011</b>	<b><u>\$ 204,519</u></b>	<b><u>\$ 1,317,193</u></b>	<b><u>\$ 240,115</u></b>	<b><u>\$ 156,367</u></b>	<b><u>\$ 1,918,194</u></b>

The Notes to the Financial Statements are an Integral Part of This Statement

**EXHIBIT VI**

**TOWN OF POWNAL  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2011**

**Net Change In Fund Balance – Total Governmental Funds** \$ 1,273,564

**Amounts Reported for Governmental Activities in the  
Statement of Net Assets are different because:**

Governmental Funds Report Capital Outlays as Expenditures. However, In the Statement of Activities the Cost of Those Assets is Allocated Over Their Estimated Useful Lives and Reported as Depreciation Expense. This is the Amount of Capital Assets Recorded in the Current Period. 622,290

Depreciation Expense on Capital Assets is Reported in the Government-Wide Statement of Activities and Changes in Net Assets, But They Do Not Require the Use of Current Financial Resources. Therefore, Depreciation Expense is Not Reported as Expenditure in Governmental Funds. (268,649)

Some Property Tax will not be Collected for Several Months After the Town's Fiscal Year End; They are not Considered "Available" Revenues in the Governmental Funds. This Amount is the Net Effect of the Differences. 4,360

The Issuance of Long-Term Debt (e.g. Bonds and Accrued Compensated Absence Pay) Provides Current Financial Resources to Governmental Funds, While the Repayment of the Principal of Long-Term Debt Consumes the Current Financial Resources of Governmental Funds. Neither Transaction, However, has Any Effect on Net Assets. Also, Governmental Funds Report the Effect of Issuance Cost, Premiums, Discounts, and Similar Items When Debt is First Issued, Whereas the Amounts are Deferred and Amortized in the Statement of Activities. This Amount is the Net Effect of These Differences in the Treatment of Long-Term Debt and Related Items. (1,259,565)

Accrued Interest Expense on Long-Term Debt is Reported in the Government-Wide Statement of Activities and Changes in Net Assets, But Does Not Require the Use of Current Financial Resources; Therefore, Accrued Interest Expense is not Reported as Expenditures in Governmental Funds. (10,582)

**Change in Net Assets of Governmental Activities** \$ 361,418

The Notes to the Financial Statements are an Integral Part of This Statement.

**TOWN OF POWNAL**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. – General Statement**

The Town of Pownal, Maine was incorporated in 1808 under the laws of the State of Maine and currently operates under a Selectmen-Town Meeting Form of Government.

The accounting and reporting policies of the Town relating to the funds and account groups included in the accompanying basic financial statements conform to generally accepted accounting principles as applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units* and by the Financial Accounting Standards Board (when applicable). The more significant accounting policies of the Town are described below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Certain of the significant changes in the Statement include the following:

The financial statements include:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Town's overall financial position and results of operations. Management of the Town has elected to omit the MD&A as indicated in the Independent Auditors' Report.
- Financial statements prepared using full accrual accounting for all of the Town's activities.
- A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements including notes to financial statements.

**B. – Financial Reporting Entity**

The Town's combined financial statements include the accounts of all Town of Pownal operations. The criteria for including organizations as component units within the Town's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

**TOWN OF POWNAL**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. – Financial Reporting Entity (Continued)**

- 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 Pownal has no component units.

**C. – Basic Financial Statements – Government-Wide Statements**

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type.

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net assets are reported in three parts – invested in capital assets, net of related debt; restricted net assets, and unrestricted net assets. The Town first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functions. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, charges for services, etc). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (whether operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function) are normally covered by general revenue (property taxes, intergovernmental revenues, interest income, etc).

**D. – Basic Financial Statements – Fund Financial Statements**

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

**TOWN OF POWNAL**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. – Basic Financial Statements – Fund Financial Statements (Continued)**

The following fund types are used by the Town:

**Governmental Funds**

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Town:

*General Fund* is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

*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 business-type/proprietary funds). The Road Reconstruction and the Provision for Future Expenses are major funds.

*Permanent Funds* are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry. A permanent fund would be used, for example, to account for the perpetual care endowment of a municipal cemetery.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements

**E. – Measurement Focus/Basis of Accounting**

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net assets and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

**TOWN OF POWNAL**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. – Measurement Focus/Basis of Accounting (Continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. A one-year availability period is used for recognition of all other Governmental fund revenues. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

**F. – Budgetary Control**

Formal budgetary accounting is employed as a management control for the general fund of the Town of Pownal.

The Town of Pownal'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 Town is currently preparing budgets under a net budgeting concept, which does not estimate total revenues of the Town. Budgets are not prepared annually for the special revenue funds.

During the fiscal year, the Town over-expended certain budget amounts, which will be raised through taxation in the next fiscal year.

**G. – Cash & Investments**

Maine statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies, repurchase agreements and certain corporate stocks and bonds. Generally, the Town invests certain funds in checking, savings accounts, or certificates of deposit.

The Town has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agent. Investments are recorded at fair market value.

**H. - Capital Assets**

Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments, requires that governmental entities report all infrastructure assets on a prospective basis starting at the appropriate effective date of the standard. It does not require governmental entities with annual revenues of less than \$10 million to retroactively report infrastructure assets.

**TOWN OF POWNAL  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**H. – Capital Assets (Continued)**

Accounting principles generally accepted in the United States of America require capital assets, which include land, buildings, vehicles, machinery and equipment, and infrastructure assets be reported in the applicable governmental activities in the government-wide financial statements.

Capital assets purchased or acquired with an original cost of \$10,000 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 basis over the following estimated useful lives:

Land Improvements	20	Years
Buildings & Improvements	40	Years
Machinery & Equipment	10-20	Years
Vehicles	10-20	Years
Infrastructure	40	Years

Management believes it is not cost effective to report general capital assets acquired before January 1, 2008, but may report them in the future.

**I. – Compensated Absences**

- A. The Town of Pownal recognizes accumulated sick and annual leave compensation during the period in which the related liability is incurred.

*Level I* – An employee who works (or is expected to work) on average at least thirty-six (36) hours per week for the town is eligible for “Level I” benefits. The term “work” means time spent on town business for which the individual receives monetary compensation. The hours worked will be based on the records of the town’s payroll system. The “average” will be based on a rolling full three (3) months average as determined at the end of each month. For this calculation, any Employee Benefit Time taken within these guidelines will be considered as “work” time.

*Paid Time Off* – Only Level I employees are eligible for paid time off based on the schedule below. The time off is to be used for Vacation, Illness, Bereavement, Doctor Visits, etc. If an employee terminates having taken time off prior to the accumulated accrual time, such employee will owe any such wages back to the Town.

<u>Time Worked for Town</u>	<u># of Annual Paid Days Off</u>	<u>Monthly Accrual Rate</u>
30 Days – 4 Years	15	1.25 Days
5 – 9 Years	20	1.66 Days
10+ Years	25	2.08 Days

- B. To comply with the Town’s personnel policies, a liability for accrued compensated absence pay of \$2,981 at June 30, 2011 is recorded.

**TOWN OF POWNAL**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**J. – Interfund Activity**

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market, or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

**K. – Equity Classifications**

**Government-Wide Statements**

Net assets represent the differences between assets and liabilities. Equity is classified as net assets and displayed in three components:

- Invested in capital assets, net of related debt – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net assets – consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net assets – all other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

**Fund Statements**

Governmental fund equity is classified as fund balance. In the governmental fund financial statements, fund balances are classified as nonspendable, restricted, or unrestricted (committed, assigned or unassigned). Restricted represents those portions of fund balance where constraints placed on the resources are either externally imposed or imposed by law through constitutional provisions or enabling legislation. Committed fund balance represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Selectmen, such as an appropriation. Assigned fund balance is constrained by the Board’s intent to be used for specific purposes by directive. See Note 10 for additional information about fund balances.

**L. – Use of Estimates**

Preparation of financial statements in conformity with GAAP requires the use of management’s estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

**TOWN OF POWNAL**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 2 – CASH AND CASH EQUIVALENTS**

Maine statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements and certain corporate stocks and bonds. Generally, the Town invests such excess funds in checking accounts, savings accounts or certificates of deposit.

**Deposits**

The Town's deposits are categorized as follows to give an indication of the level of risk assumed by the Town at year end: Category 1 includes deposits covered by federal depository insurance or by collateral held by the Town or by the Town's agent in the Town's name; Category 2 includes uninsured deposits covered by collateral held by the pledging financial institution's trust department or agent in the Town's name; Category 3 includes uninsured and uncollateralized deposits.

At June 30, 2011 cash and cash equivalents were all considered Category 1.

**Investments**

Government Accounting Standards Board Statement No. 3 requires the investments to be classified into three categories. Category 1 includes investments which are insured or registered or for which the securities are held by the Town or its agent in the Town's name. Category 2 includes uninsured and unregistered investments, investments held by the financial institution's trust department or agent in the Town's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the financial institution's trust department or agent, but not in the Town's name.

At June 30, 2011, all investments were considered either Category 1 (\$24,716) or Category 3 (\$49,037).

**NOTE 3 – PROPERTY TAXES**

The Town is responsible for assessing, collecting, and distributing property taxes in accordance with enabling state legislation. The Town of Pownal's property tax is levied on the assessed value listed as of the prior April 1<sup>st</sup> for all taxable real and personal property located in the Town. Assessed values are periodically established by the Assessor at 100% of assumed market value. The assessed value for the list of April 1, 2010, upon which the levy for the year ended June 30, 2011, was based, amounted to \$74,702,860. This assessed value was 100.0% of the estimated market value and 39.54% of the 2011 State valuation of \$188,950,000.

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 \$39,951 for the year ended June 30, 2011.

In the fund financial statements, property taxes are recognized in compliance with NCGA Interpretation – 3, *Revenue Recognition – Property Taxes* which states that such revenue is recorded when it becomes measurable and available. Available means due, or past due and receivable within the current period and collected no longer than 60 days after the close of the current period. In the government-wide financial statements, property taxes are recognized under the accrual method.

**TOWN OF POWNAL**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 3 – PROPERTY TAXES (CONTINUED)**

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. The following summarizes the tax levy:

Assessed Value	\$ 76,648,160
Less Homestead Exemption	<u>(1,945,300)</u>
Net Assessed Value	\$ 74,702,860
Tax Rate	<u>31.65</u>
Commitment	\$ 2,364,346
Supplemental Taxes Assessed	<u>0</u>
Sub Total	\$ 2,364,346
Less:	
Abatements	0
Collections	<u>(2,263,811)</u>
Receivable at Year End	<u>\$ 100,535</u>
 Collection Rate	 <u>95.7%</u>

Property taxes on personal and real property accounts were due quarterly on September 16, 2010, December 16, 2010, March 16, 2011, and June 16, 2011. Interest was charged at a rate of 7% on delinquent accounts after those dates.

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2011 was as follows:

	Beginning Balance <u>7/1/10</u>	Additions/ Completions	Retirement/ Adjustments	Ending Balance <u>06/30/11</u>
<b>Governmental Activities</b>				
Capital Assets, Depreciated				
Vehicles	\$ 409,385	\$ 543,303	\$ 0	\$ 952,688
Infrastructure	<u>1,142,935</u>	<u>78,987</u>	<u>0</u>	<u>1,221,922</u>
Total Depreciated Capital Assets	\$ <u>1,552,320</u>	\$ <u>622,290</u>	\$ <u>0</u>	\$ <u>2,174,610</u>
Less: Accumulated Depreciation for:				
Vehicles	\$ 74,099	\$ 232,441	\$ 0	\$ 306,540
Infrastructure	<u>33,051</u>	<u>36,208</u>	<u>0</u>	<u>69,259</u>
Total Accumulated Depreciation	\$ <u>107,150</u>	\$ <u>268,649</u>	\$ <u>0</u>	\$ <u>375,799</u>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ <u>1,445,170</u></b>	<b>\$ <u>353,641</u></b>	<b>\$ <u>0</u></b>	<b>\$ <u>1,798,811</u></b>

Depreciation expense has not been charged as a direct expense.

**TOWN OF POWNAL**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 5 – INTERFUND ACTIVITY**

Interfund balances at June 30, 2011 consisted of the following:

<b>Due To</b>	
General Fund	\$ 1,869
Major Governmental Funds:	
Road Reconstruction	1,317,193
Capital Project Funds – Provision for Future Expenses	240,115
Non-Major Governmental Funds:	
Special Revenues	60,936
Capital Project Funds	15,073
Permanent Funds - Expendable	<u>6,606</u>
<b>Total</b>	<u>\$ 1,641,792</u>
 <b>Due From</b>	
General Fund	<u>\$ 1,641,792</u>

These balances resulted from the time lag between the dates that (1) 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.

Interfund transfers for the year ended June 30, 2011 consisted of the following:

<b>Transfer To</b>	
Major Governmental Funds:	
Capital Project Funds – Provision for Future Expenses	\$ 75,000
Minor Governmental Funds:	
Capital Project Fund	14,000
Special Revenues	<u>3,000</u>
<b>Total</b>	<u>\$ 92,000</u>
 <b>Transfer From</b>	
General Fund	\$ 52,000
Major Governmental Fund:	
Capital Project Funds – Provision for Future Expenses	<u>40,000</u>
<b>Total</b>	<u>\$ 92,000</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**TOWN OF POWNAL  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

**NOTE 6 – 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 carries commercial insurance.

There have been no significant reductions in insurance coverages during the fiscal year and no significant settlements that exceeded insurance coverage.

**NOTE 7 – OVERLAPPING DEBT**

The Town's proportionate share of RSU #5 debt is not reported in the Town of Pownal's financial statements. At June 30, 2011, the Town's share was approximately 12.6% (or \$397,771 of the District's outstanding debt of \$3,156,910.

The Town's proportionate share of Cumberland County's debt is not reported in the financial statements of the Town of Pownal. At June 30, 2011, the Town's share was 0.46% (or \$6,703) of the County's outstanding debt of \$1,445,000.

**NOTE 8 – FUND BALANCE APPROPRIATIONS**

At the annual Town meeting on June 8, and 14, 2010, the Townspeople voted appropriations of general fund balance totaling \$157,161, which are reflected as the excess of budgeted expenditures over budgeted revenues on Exhibit VII. These appropriations were for the following purposes:

To Reduce Commitment	\$83,404
Debt Service	28,000
Public Works Operations	27,757
Public Works Compensation	<u>18,000</u>
<b>Total Approved Appropriations</b>	<b><u>\$157,161</u></b>

**NOTE 9 – LONG-TERM DEBT**

At June 30, 2011, bonds payable consisted of the following individual issues:

	<u>Governmental Activities</u>
<b>Maine Bond Bank</b>	
Fire Truck Bond of 2007, Principal Payments of \$30,000, 10 Years, 2% - 6% Interest, Maturity on November 1, 2017	\$ 210,000
Road Reconstruction Bond of 2007, Principal Payments of \$39,416, 25 Years, 2% - 6% Interest, Maturity on November 1, 2033.	1,064,252
Road Reconstruction Bond of 2011, Principal Payments of \$45,725, 30 Years, 2.02% - 5.52% Interest, Maturity on November 1, 2033.	<u>1,326,000</u>
<b>Total Long-Term Debt</b>	<b><u>\$2,600,252</u></b>

**TOWN OF POWNAL  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

**NOTE 9 – LONG-TERM DEBT (CONTINUED)**

**Changes in Outstanding Debt**

Transactions for the year ended June 30, 2011 are summarized as follows:

	Balance <u>July 1</u>	Issues or <u>Additions</u>	Payments or <u>Expenditures</u>	Balance <u>June 30</u>	Due Within <u>One Year</u>
<b>Governmental Activities</b>					
Note Payable	\$ 1,343,668	\$ 1,326,000	\$ 69,416	\$ 2,600,252	\$ 69,416
Accrued Compensated Absences	<u>0</u>	<u>2,981</u>	<u>0</u>	<u>2,981</u>	<u>0</u>
	<u>\$ 1,343,668</u>	<u>\$ 1,328,981</u>	<u>\$ 69,416</u>	<u>\$ 2,603,233</u>	<u>\$ 69,416</u>

**Annual Requirements to Retire Debt Obligations**

The annual aggregate maturities for each debt type for the years subsequent to June 30, 2011, are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011/2012	\$ 69,416	\$ 106,838	\$ 176,254
2012/2013	115,141	106,396	221,537
2013/2014	115,141	101,877	217,018
2014/2015	115,141	97,668	212,809
2015/2016	115,141	93,577	208,718
2016/2021	485,703	404,552	890,255
2021/2026	425,705	301,324	727,029
2026/2031	425,705	217,135	642,840
2031/2036	425,705	132,517	558,222
2036/2041	<u>307,454</u>	<u>24,444</u>	<u>331,898</u>
<b>Total</b>	<u>\$ 2,600,252</u>	<u>\$ 1,586,328</u>	<u>\$ 4,186,580</u>

In accordance with 30-A MRSA, Section 5702, as amended, the amount of long-term debt that can be incurred by the Municipality is limited by state statute. Total outstanding long-term obligations during a year can be no greater than 7.5%, with certain exceptions, of the state valuation of taxable property as of the beginning of the fiscal year. As of June 30, 2011, the amount of outstanding long-term debt was equal to 3.4% of property valuation for the year then ended.

**NOTE 10 – GOVERNMENTAL FUND BALANCES**

For the fiscal year ended June 30, 2011, the Town implemented the following new accounting standard issued by the Governmental Accounting Standards Board (GASB):

- GASB Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions.

**TOWN OF POWNAL**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 10 – GOVERNMENTAL FUND BALANCES (CONTINUED)**

GASB Statement 54 clarifies the existing governmental fund type definitions and provides clearer fund balance categories and classifications. The new hierarchical fund balance classification is based primarily upon the extent to which a government is bound to follow constraints on resources in governmental funds and includes the terms: nonspendable, committed, restricted, assigned, and unassigned.

The Town's fund balances represent: **(1) Nonspendable Fund Balance**, resources that cannot be spent because of legal or contractual provisions that require they maintained intact. (e.g. the principal of an endowment). **(2) Restricted Purposes**, which include balances that are legally restricted for specific purposes due to constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; **(3) Committed Purposes**, which include balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Selectmen; **(4) Assigned Purposes**, which includes balances that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. **(5) Unassigned Fund Balance**, net resources in excess of what is properly categorized in one of the four categories already described. A positive amount of unassigned fund balance will never be reported in a governmental fund other than the general fund, because GASB Statement 54 prohibits reporting resources in another fund unless they are at least assigned to the purpose of that fund. However, funds other than the general fund could report a negative amount of unassigned fund balance should the total of nonspendable, restricted and committed fund balance exceeds the total net resources of the fund.

As per Exhibit III, a summary of the nature and purpose of these reserves by fund type at June 30, 2011 follows.

<i>Nonspendable</i>	
<b>Permanent Funds – Non Expendable</b>	
Cemetery – Non Expendable	\$ <u>51,895</u>
 <i>Committed</i>	
Reserved for Property Taxes	\$ <u>114,651</u>
 <i>Assigned</i>	
<b>Special Revenue Funds</b>	
Impact Fees	\$ 32,090
Fire Station	6,850
Snowmobile	6,064
Veteran's Memorial	4,630
Stewardship Fund for Town Owned Land	4,442
Mallet Hall Improvements	3,860
Formatted Ordinances	<u>3,000</u>
<b>Total</b>	<b>\$ <u>60,936</u></b>
 <b>Capital Project – Major Funds</b>	
Road Reconstruction	1,317,193
Reserve for Future Expenses	<u>240,115</u>
<b>Total</b>	<b><u>\$1,557,308</u></b>

**TOWN OF POWNAL  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

**NOTE 10 – GOVERNMENTAL FUND BALANCES (CONTINUED)**

<b>Capital Projects – Minor Funds</b>	
Communication Upgrades	14,000
Fire Truck	<u>1,073</u>
<b>Total</b>	<b>\$ <u>15,073</u></b>
<b>Permanent Funds – Expendable</b>	
Cemetery – Expendable	27,500
Scholarship Fund	<u>963</u>
<b>Total</b>	<b>\$ <u>28,463</u></b>
<b>Unassigned</b>	
General Fund	<b>\$ <u>89,868</u></b>

**NOTE 11 – PENSION PLAN**

The Town provides a defined contribution plan for eligible employees through ICMA. The Town contributes 6% of the annual basic gross pay (including overtime pay) of employees who work an average of 36 hours per week (Level I employee). Employees are eligible to participate after 90 days of services as a Level I employee. Employee's interest in Town contribution vests 20% for each year of service. Employee is 100% vested after five (5) years of service. This applies to employees hired after 5/1/08. Any employees hired before 5/1/08 are grandfathered under earlier vesting schedule, which allows the employee's interest in the Town's contribution to vest at 1/3 each year of full-time employment service. If the employee terminates, non-vested portion reverts to the Town. The Town contributes at the end of the year based on the Town's payroll records.

Employees who work on average fewer than 36 hours, but more than 20 hours per week (Level II employee) are eligible to defer pay into the plan, but the Town does not contribute. An employee is eligible to participate after ninety (90) days of service as a Level II employee. Employees are fully vested in their deferred contribution.

The pension expense of the Town of Pownal:

<u>Year-Ended</u>	<u>Eligible Wages</u>	<u>Pension Expense</u>
6/30/2011	\$ 170,690	\$ 10,241
6/30/2010	\$ 198,141	\$ 11,888
6/30/2009	\$ 212,600	\$ 12,756

**NOTE 12 – JOINT VENTURE**

In 1985, the Town entered into a joint venture known as Ecomaine. Ecomaine provides solid waste disposal services to the twenty-one participating communities. The governing bodies of the participating communities appoint the Board of Directors who establishes the budget and charges the communities and commercial enterprises that use the facility.

**TOWN OF POWNAL  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

**NOTE 12 – JOINT VENTURE (CONTINUED)**

The annual assessment to the Town for the period July 1, 2010 to June 30, 2011, (the Ecomaine fiscal year) is \$28,289. In addition to the annual assessment, tipping fees are being charged at a rate of \$88 per ton of waste. Total charges to the Town for the year ended June 30, 2011, were \$14,751.

Ecomaine has issued bonds to fund the design, construction, and start-up of a resource recovery system. The bonds are special revenue obligations of Ecomaine revenues. The bonds do not constitute a debt or liability within the meaning of any constitutional or statutory provision of the State of Maine, or a pledge of the full faith and credit of any political subdivision of the State of Maine. Ecomaine has no taxing power. However, pursuant to the Waste Handling Agreements, the participating municipalities are obligated severally to deliver certain solid waste produced within each such participating municipality to Ecomaine for processing and to make service payments and pay tipping fees for such processing in amounts which, when added to other available monies, will at least equal required debt service of the bonds.

The obligations of the participating municipalities under the Waste Handling Agreements are secured by the full faith and credit of the participating municipalities subject to certain limitations. At June 30, 2011, outstanding bonds of Ecomaine totaled \$2,660,000 of which the Pownal share, based on tonnage delivered in the past nineteen years, amounted to \$14,665.

Additionally, the Town of Pownal and twenty-six other municipalities have entered into an agreement with Ecomaine for a material recycling facility. At June 30, 2011, outstanding material recycling facility bonds of Ecomaine totaled \$1,900,000 of which Pownal's share, based on estimated tonnage to be delivered, amounts to \$9,310.

The Ecomaine landfill is in the process of being closed. The landfill is at 100% capacity to date. Therefore, the estimated remaining landfill life is zero years. The landfill closure and post closure costs have been estimated per Ecomaine's June 30, 2010, (the date of the most recent information available) audit at \$15,138,502 of which the Pownal share, based on tonnage delivered in the past seventeen years, amounts to \$84,504.

**NOTE 13 – OVERDRAFTS OF APPROPRIATIONS**

Certain overdrafts of appropriations will be ratified at the next Annual Town Meeting as a reduction of general fund balance.

**NOTE 14 – DATE OF MANAGEMENT REVIEW**

Management has evaluated subsequent events through December 15, 2011 the date on which the financial statements were available to be issued.

**EXHIBIT VII**

**TOWN OF POWNAL  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 2,594,346	\$ 2,594,346	\$ 2,589,108	\$ (5,238)
Intergovernmental	167,862	167,862	172,455	4,593
Licenses, Permits & Fees	16,110	16,110	13,836	(2,274)
Charges for Services	60,065	60,065	52,469	(7,596)
Investment Income	0	0	4,826	4,826
Miscellaneous	<u>15,900</u>	<u>15,900</u>	<u>11,020</u>	<u>(4,880)</u>
<b>Total Revenues</b>	<u>\$ 2,854,283</u>	<u>\$ 2,854,283</u>	<u>\$ 2,843,714</u>	<u>\$ (10,569)</u>
<b>Expenditures</b>				
<i>Current</i>				
General Government	\$ 237,033	\$ 237,033	\$ 211,978	\$ 25,055
Public Works	562,450	562,450	567,483	(5,033)
Public Safety	81,010	81,010	80,644	366
Health & Sanitation	113,165	113,165	108,509	4,656
Human Services & Welfare	6,500	6,500	11,436	(4,936)
Education	1,663,915	1,663,915	1,663,915	0
Debt Service	127,945	127,945	127,945	0
Fixed Charges	141,426	141,426	101,474	39,952
<i>Capital Outlay</i>	<u>26,000</u>	<u>26,000</u>	<u>26,000</u>	<u>0</u>
<b>Total Expenditures</b>	<u>\$ 2,959,444</u>	<u>\$ 2,959,444</u>	<u>\$ 2,899,384</u>	<u>\$ 60,060</u>
<b>Excess (Deficiency) of Revenue Over (Under) Expenditures</b>	<u>\$ (105,161)</u>	<u>\$ (105,161)</u>	<u>\$ (55,670)</u>	<u>\$ 49,491</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	<u>(52,000)</u>	<u>(52,000)</u>	<u>(52,000)</u>	<u>0</u>
<b>Net Change in Fund Balances</b>	<u>\$ (157,161)</u>	<u>\$ (157,161)</u>	<u>\$ (107,670)</u>	<u>\$ 49,491</u>
<b>Fund Balance – July 1, 2010</b>	<u>312,189</u>	<u>312,189</u>	<u>312,189</u>	<u>0</u>
<b>Fund Balance – June 30, 2011</b>	<u>\$ 155,028</u>	<u>\$ 155,028</u>	<u>\$ 204,519</u>	<u>\$ 49,491</u>

**Smith & Associates, CPAs**  
*A Professional Association*

Yarmouth, Maine 04096