



TOWN OF KITTERY

200 Rogers Road, Kittery, ME 03904
Telephone: (207) 475-1329 Fax: (207) 439-6806

KITTERY TOWN COUNCIL COUNCIL CHAMBERS

March 13, 2023

6:00PM

Meetings may be watched in person, on Channel 22, the Town's website, or Kittery Channel 22 Facebook page.

The public may submit public comments via email, US Mail, or by dropping off written comments at the Town Hall. Emailed comments should be sent to:

TownComments@kitteryme.org.

The public may participate in person or via Zoom webinar. **To register for the Zoom webinar, click this link:**

https://us02web.zoom.us/webinar/register/WN_ZpRxsBF_TbKfA1-0j6BRLA

Written comments received by noon on the day of the meeting will become part of the public record and may be read in whole or in summary by the Council Chair.

1. Call to Order
2. Introductory
3. Pledge of Allegiance
4. Roll Call
5. Agenda Amendment and Adoption
6. Town Manager's Report
7. Acceptance of Previous Minutes
8. Interviews for the Board of Appeals and Planning Board.

9. All items involving the town attorney, town engineers, town employees or other town consultants or requested offices.
 - a.(030123-01) The Kittery Town Council moves to accept the presentation of the FY22 Audit.
 - b.(030123-02) The Kittery Town Council moves to accept a presentation on the Main Spring project.
10. PUBLIC HEARINGS
11. DISCUSSION
 - a. Discussion by members of the public (three minutes per person)
 - b. Response to public comment directed to a particular Councilor
 - c. Chairperson's response to public comments
12. UNFINISHED BUSINESS
13. NEW BUSINESS
 - a. Donations/gifts received for Council disposition.
 - i. (030123-03) The Kittery Town Council moves to accept a donation in the amount of \$4,005.19 from NH Charitable Foundation to be deposited into the George Smart Santa Fund account.
 - b.(030123-04) The Kittery Town Council moves to approve a request from the Kittery Rotary After Hours Club to place signage around Town from April 20th to May 7th for a Cinco De Mayo dinner.
 - c. (030123-05) The Kittery Town Council moves to appoint Christine Spinella to the Board of Assessment Review for a three-year term to expire December 31, 2026.
 - d.(030123-06) The Kittery Town Council moves to receive a report on the Seapoint and Crescent Beaches Fire Permits.
 - e.(030123-07) The Kittery Town Council moves to schedule a public hearing on March 27, 2023, on the June Warrant Articles.
 - f. (030123-08) The Kittery Town Council moves to schedule a public hearing on April 10, 2023, on amendments to Title 16 – Stormwater Management.
 - g.(030123-09) The Kittery Town Council moves to authorize the Town Manager to execute an easement agreement to address encroachment and utility maintenance

at 3 Walker Street.

h.(030123-10) The Kittery Town Council moves to accept the resignation of John McCollett from the Climate Adaptation Committee.

14. COUNCILOR ISSUES OR COMMENTS

15. COMMITTEE AND OTHER REPORTS

- a.Communications from the Chairperson
- b.Committee Reports

16. EXECUTIVE SESSION

17. ADJOURNMENT

Posted: [Date]



TOWN OF KITTERY

Office of the Town Manager

200 Rogers Road, Kittery, ME 03904

Telephone: 207-475-1329 Fax: 207-439-6806

kamaral@kitteryme.org

Town Manager's Report to the Town Council

March 13, 2023

1. **Kittery Citizen, Volunteer, and Business of the Year** – Please help me in congratulating the Kittery Citizen of the Year Dianne Fallon, Kittery Volunteer of the Year the Founders and Leaders of Seacoast Fridge, and the Kittery Business of the Year Warren's Lobster House. The awardees were recognized at a reception held by the York Region Chamber of Commerce on March 8th.

Dianne Fallon was recognized for her tireless work in supporting the Rice Public Library renovation and expansion project. She led the fundraising effort that successfully raised over \$1M in grants and donations for the project and Children's Garden (coming soon) at the Rice Public Library. Seacoast Fridge was recognized for their organization's work in addressing food insecurity in a community-centric approach. Their motto is leave what you can, take what you need, and has a network of hundreds of volunteers providing easy access to food. Warrens Lobster House was recognized for their years of service in Kittery, their support of the community and other businesses through donations and sponsorships, and their engagement with the Chamber.

Chairperson Judy Spiller, Library Director Lee Perkins, Communications Director Suzanne Esposito, and family and friends of the recipients attended the reception and joined in the chorus of praise for the work the awardees do in our community.

The York Region Chamber of Commerce accepts nominations for each award annually. Anyone interested in nominating a person, business, or organization for their service to our community, please check out www.gatewaytomaine.org for nomination forms.

2. **Books and Big Ideas – Community Book Club** - The Town is pleased to announce the launch of *Books and Big Ideas*, a new community book club. The year-long program will celebrate and foster community dialogue around important themes affecting our town and those living and working within it.

Year each the *Books and Big Ideas* program will focus on two topics. Topics for the program will range from affordable housing to diversity, equity and inclusion, climate change and more. The program will expand our understanding about critical topics and goals of the Town and offer new ways to engage in the conversation.

Each topic featured as part of Books & Big Ideas will include options for a fiction, non-fiction and children/young adult title. Whenever possible, titles selected will be offered in multiple formats, including audio, large print, ebook, etc. A new list of books will be offered in the fall, and each spring and fall thereafter, and all tied to important topics impacting Kittery.

The spring 2023 *Books & Big Ideas* program will be from March 2023 - May 2023 and focus on the theme of housing. Kittery, and Maine as a whole, are in a housing crisis which means there is a shortage of affordable housing options available to residents and workers of all ages. The selected

books have a shared theme of housing insecurity, and the importance of "home". Through these stories, we seek to enrich the discussion about affordable housing and its place in our community.

The topic is “sponsored” by the Housing Committee and is part of their year-long community information drive.

The selected titles are:

Fiction: *Paper Things* by Jennifer Richard Jacobsen

Non-fiction: *Housing for Humans* by Ileana Schinder

Children:

Last Stop on Market Street by Matt de la Peña

A Chair For My Mother by Vera B. Williams

Book discussions are being planned for May for the Fiction and Non-fiction titles. Information about the discussion events will be released in late April. For more information about the books, schedule of book discussions, and for access to the books please contact the Rice Public Library.

3. **Notary Public Service Available at Town Hall** – We are pleased to announce we will begin offering Notary Public services at the Town Hall. The service will be offered at our Customer Service Counter, during normal business hours. The fee for service is \$5 per document up to three signatures/seals; thereafter it will be \$2 per signature/seal. We hope this service will be an added convenience for our customers.
4. **Sludge Disposal** – The Council is aware that the Kittery Sewer Department, along with many other wastewater utilities throughout the State of Maine were plunged into imminent crisis two weeks ago, when our sludge hauler notified their customers they were unable to receive sludge on schedule due to the new State law that prohibits out of state construction debris. We were further forced to accept a 50% increase in sludge disposal fees because sludge is now having to be shipped out of state and in some cases to Canada. Construction waste and sludge have an unlikely connection because one is used to mix with sludge before being applied to landfills.

I reached out to our State legislators and have received responses that the State is looking at options to relieve the immediate pressure and to find a path to longer term solutions. Without State action, the Sewer Department is expected to spend \$100,000 more annually to dispose of sludge. This is an unanticipated cost escalation and could lead to rate adjustments, and put downward pressure on economic growth.

Sewer Superintendent Tim Babkirk has been contacting multiple out-of-state facilities and haulers to have backup plans for further delays in sludge disposal with little luck. We cannot violate our state regulated permit for sludge storage and disposal, but we also are running out of options due to the new laws.

We continue to monitor the progress of legislation and are ready to advocate for solutions that protect water quality, public health, and rate payers.

Upcoming Dates:

- 236/Dennett Road Hydrologic Watershed Study Public Input Session – March 22, 6PM, Town Hall
- Native American Storytelling – March 22, 6PM, Rice Public Library
- Freebie Barn Community Swap – March 26, 8AM – 12PM, Kittery Community Center
- Youth Ad Hoc Com Applications Due – March 31. Town Clerk

- Easter Egg Hunt – April 1, 9AM, Kittery Community Center
- York River Partnership Stewardship Committee Applications Due – April 14, Town Clerk
- Mooring Renewal Deadline – April 15, Harbormaster

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Kendra', with a long horizontal flourish extending to the right.

Kendra Amaral
Town Manager

Landfill stops accepting sludge, putting Maine sewer plants in bind

pressherald.com/2023/02/28/landfill-instability-has-maine-sewer-plants-in-a-bind/

By Penelope Overton

March 1, 2023

Maine sewer plants have been plunged into chaos over the last week because the state has run out of room to dispose of their sludge and some are only days away from overflowing.

“If a truck doesn’t come for my sludge tomorrow, I’ll have no choice but to dump it on the ground or discharge it into the ocean,” said David Hughes, superintendent of the Scarborough Sanitary District. “It has to go someplace. It’s not like we’re going to stop making it.”

The contractor who runs the state-owned Juniper Ridge landfill in Old Town announced last Thursday that it can no longer safely accept the growing amount of sludge being hauled there for disposal from Maine’s wastewater treatment plants.



A dumpster full of dewatered sludge is seen on Tuesday at the city’s wastewater treatment plant in South Gardiner. *Joe Phelan/Kennebec Journal*

Juniper Ridge is getting too much wet, slippery sludge and not enough dry materials to bulk it up, such as dirt, wood, construction debris, or even garbage, according to Casella Resource Solutions. Without that bulk, the sludge could pancake and the landfill itself could collapse.

To maintain stability, Casella needs about five truckloads of dry waste for every one truckload of wet.

But two new state laws intended to protect the public from dangerous forever chemicals have collided to cause Juniper Ridge's stability problem: one that prohibits the composting or spreading of sludge over farm fields because of concerns about PFAS contamination and the other that bans out-of-state waste from Maine landfills.

Those laws have resulted in more sludge needing to be landfilled at Juniper Ridge, the one facility capable of accepting large sludge deposits, and less of the dry waste needed to bulk the sludge up for safe disposal, said Jeff Weld, Casella's director of communications.

Sludge deposits at Juniper Ridge are up 15 percent since the spreading ban was enacted in August, Weld said. That's an extra 1,000 tons of sludge per month. On the other side of the equation, the volume of dry waste available for bulking the sludge up is down by 14 percent.

"What we are seeing is the direct result of the passing of two diametrically opposed bills," Weld said.

Related

Bill to ban sludge recycling and spreading divides farmers

In the short term, Casella is reducing the volume of sludge accepted at Juniper Ridge by 60 percent, or about 4,000 tons per month, Weld said. It is hard to predict the severity of the capacity shortfall in the future because Casella doesn't know how much bulking-up material it will get.

"Everything is an absolute mess," said Phil Tucker, superintendent of the York Sewer District.

In the meantime, Casella has told its municipal customers that it will truck their sludge to disposal sites in New Brunswick, Canada, but warned most of them that it is going to cost them a lot more. Those extra miles, and the extra time it takes to drive them, will mean fewer pickups.

Three years ago, Scarborough was paying Casella about \$200,000 a year to haul away its sludge, either to be composted at Hawk Ridge Composting Facility or landfilled at Juniper Ridge. But new laws that prohibited sludge composting or spreading doubled that cost.

The cost of hauling the sludge to Canada is now going to drive that cost up even higher to \$600,000 a year, Hughes said. To cover that, Scarborough is going to have to dip into its reserves, which is money usually saved for infrastructure repairs or equipment purchases.

Related

Crisis building at Kennebec County wastewater treatment plants

Scarborough was expecting a truck to arrive to pick up its 30-ton trailer of sludge on Friday, but it didn't show up, Hughes said. Scarborough produces enough sludge to require a pickup every four days. Now two pickups behind, Hughes is running out of places to store it.

On Tuesday, Hughes called the lead developer of The Downs to say he could not sign any more sewer permits for the 1,000-unit, 524-acre property because Scarborough no longer had a viable long-term plan to dispose of the sludge it is already producing, much less any new sludge.

"I can't in good conscience take on any more capacity when I don't know what the hell I'm going to do with the sludge I already have," Hughes said. "I'm a day away from violation as it is, but let's make the problem even bigger. How do you explain that to an inspector?"

The backup has caused some minor disruptions at the Portland Water District, the state's largest. Last week, the district's Westbrook facility got three sludge pickups when it needed four. The East End facility is two truckloads behind, and the Wednesday pickup was canceled late Tuesday.

"As a utility, we're just trying to hold on," said Scott Firmin, director of the district's wastewater services. "This was all well-intended. Everybody is doing what they can to stabilize things. But as big as we are, we can only go two weeks at most before we are overwhelmed."

COSTS ALSO INCREASING

Portland Water District's sludge management costs have gone up about \$1 million since 2020. Those are indirectly passed along to consumers when it increases what it charges the six communities it serves: Cape Elizabeth, Cumberland, Gorham, Portland, Westbrook, and Windham.

The district's size and its five-year sludge disposal contract with Casella insulate the six communities' ratepayers from any huge price spikes because of Juniper Ridge's stability issues, but Firmin said the problem isn't going away.

"I'm certainly concerned over price increases, but I'm more concerned about our long-term plans," Firmin said. "Even without the price protection, we still haven't gotten trucks every day. In two weeks, our plant will be overflowing. Canada doesn't feel like a long-term

solution.”

The state Department of Environmental Protection, which regulates landfill operations and much of the sludge cleanup associated with its former agency-licensed farm fertilizer program, is working with other facilities and waste transporters in Maine to find a solution, officials say.

“The department understands that Maine’s wastewater utilities are in an untenable situation, and they are being forced to absorb huge price increases and try to avert disaster at their facilities,” Deputy Commissioner Dave Madore said in a written statement on Tuesday.

“DEP is working with all interested parties to support a variety of temporary solutions to ease this crisis, while also developing plans to prevent this situation from recurring,” Madore added.

[« Previous](#)

[Three bison escape pen, lead police and others on a chase in Fort Fairfield](#)
[Next »](#)

[Portland Planning Board approves 162 units of affordable housing in North Deering](#)

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Lawmakers to hear about Maine sludge disposal crisis

 [pressherald.com/2023/03/06/lawmakers-to-hear-about-maine-sludge-disposal-crisis/](https://www.pressherald.com/2023/03/06/lawmakers-to-hear-about-maine-sludge-disposal-crisis/)

By Penelope Overton

March 6, 2023

State lawmakers will get a briefing on Maine's sludge disposal crisis Wednesday in preparation for what is likely to be a political battle over a problem that has left sewer plants across the state facing huge price increases, long pickup delays and potential environmental violations.

The 1 p.m. briefing of the Environment and Natural Resources Committee was called so members could gather facts, but lawmakers already are exploring possible solutions, including new legislation, financial help for hard-hit municipalities and renegotiating the state's landfill contract.

Some want to work with other New England states to develop a long-term regional sludge disposal plan.

"The Legislature is committed to finding short- and long-term solutions to manage Maine sludge in a way that protects both human and environmental health," said Sen. Stacy Brenner, D-Scarborough, a committee co-chair. "But to do that, we need information, a lot more information."

The committee will hear from both the Maine Department of Environmental Protection and Casella, the Vermont-based operator of the state-owned Juniper Ridge Landfill. The 122-acre Old Town landfill that Maine bought in 2003 is the only one in the state equipped to accept large volumes of sludge.

Related

No immediate solution to Maine's sludge problem

The sludge crisis began this month when Juniper Ridge abruptly stopped accepting sewage sludge from most wastewater treatment plants. Casella said it lacked enough dry bulky waste to stabilize the wet sludge in the landfill since a state ban on out-of-state waste took effect last month.



An employee of Ferreira Trucking gets ready to head off after pumping a load of sewage sludge from Scarborough Sanitary District on Wednesday. *Brianna Soukup/Staff Photographer*

The state says that Casella doesn't have to use oversized bulky waste to stabilize the sludge. On Tuesday, the Department of Administrative and Financial Services – which oversees the landfill contract – said that if it wanted to Casella could tap into large quantities of wood debris to stabilize the sludge.

According to its contract, Maine can't force Casella to change how it handles sludge, DAFS said.

The state's long-term operating deal with Casella leaves Maine relatively powerless in this situation.

Related

Environmental group alleges Casella Waste Systems manufactured sludge crisis

"The operating services agreement governing how the (Juniper Ridge Landfill) is to be operated allows Casella to make decisions on engineering and management of the landfill, including what volumes and types of waste, within their permit, to accept," according to a DAFS statement issued Monday.

Brenner wants to ask Casella what it needs to help Maine responsibly manage all locally produced waste.

"I want to learn how to incentivize them to be a good partner and to help us find solutions," she said. "I think they are putting up some barriers at times, that maybe they could help the state to be a little more creative to find solutions that help protect environmental health."

Casella claims the sludge crisis was created when the Legislature passed two tough environmental laws, one meant to protect Maine from the spread of forever chemicals, a group of manmade chemicals found in most sludge that pose a risk to human health, and another to extend the life of Maine landfills.

Rep. Mike Soboleski, R-Phillips, a committee member, worries that the ban on out-of-state waste caused a crisis that could lead to sewer plant failures and sludge discharges into Maine's waterways. Soboleski and Rep. Scott Cyrway, R-Albion, recently toured the Kennebec Sanitary District.

"It is the contention of sanitary treatment districts that the Legislature created this crisis," Cyrway said.

Related

Landfill stops accepting sludge, putting Maine sewer plants in bind

Casella and some desperate sewer plant supervisors are asking lawmakers to repeal or at least suspend either the out-of-state waste ban or the ban on composting sludge. Some lawmakers are considering it, but others, like Brenner, say there must be other ways to protect both public and environmental health.

Casella is now trucking what it says it can't safely landfill – the equivalent of 4,000 tons of sludge every month – out of state. That is causing long, risky waits for Casella's contracted sludge pickups and driving up disposal costs for most of Casella's clients.

A dozen sewer districts are considering moratoriums on new sewer hookups until a solution is found.

Casella would not say exactly where it was hauling the sludge, but drivers picking up municipal sludge tell Maine plant managers it is headed to New Brunswick, Canada. Officials in New Brunswick say they are investigating the situation.

FINDING A MARKET FOR SLUDGE

In correspondence with its customers, Casella admits it is using some disposal fee hikes to build markets for Maine sludge – at least some of which is known to have unsafe PFAS levels – in states and countries with environmental laws that are not as strict as Maine's.

“Moving forward, Casella will have to bear the considerable cost of developing new markets for the compost in southern New England, New York and Canada,” a Casella director wrote to the manager of the Brunswick Sewer District last May.

The looming cost to homeowners in public sewer districts is the latest impact of so-called forever chemicals, or PFAS, from the decades-old practice of using sludge as farm fertilizer, leaving behind contaminated fields, wells, produce and livestock.

Related

Latest impact of PFAS contamination: Rising sewer rates

Last year, Maine adopted a law that banned the spreading or composting of industrial or municipal sludge after farms where sludge was spread through a state-licensed program began to test high for PFAS. Some farms pulled their products off the shelf; a few have closed altogether.

The long-lasting per- and polyfluoroalkyl chemicals that are found in industrial waste and common household items like cosmetics, non-stick cookware and fast-food wrappers build up in the water, soil and human body over time and pose a significant health risk.

According to the Maine DEP, all municipal sludge tests detected at least some level of PFAS.

The committee's House co-chair, Rep. Lori Gramlich, D-Old Orchard Beach, did not want to talk about the issue before the briefing, an aide said. In a written statement, Gramlich said Maine is "currently navigating the challenges that come with tackling a new and evolving issue."

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PUBLIC INPUT SESSION



Highway 236/Dennett Road
Hydrological Watershed Study

March 22, 2023 | 5:30 PM
Town Hall Council Chambers

The Town of Kittery wants to hear from you!

The public input session is an exciting opportunity to hear from the project team about the preliminary results of the resource inventory, modeling efforts, and nutrient pollutant load modeling, along with an introduction to the draft report.

Share your input

Community members who are unable to attend the public input session are encouraged to share comments and questions in advance that may be incorporated into the meeting discussion.

Comments and questions should be sent to Public Works Inspector, Jessa Kellog at: jkellogg@kitteryme.org by noon on the day of the meeting (March 22, 2023).

For more information

www.kitteryme.gov/watershedmeeting



BOOKS & Big Ideas

A KITTERY COMMUNITY READ PROGRAM

By reading and sharing unique perspectives about topics that affect our friends and neighbors, we can foster community understanding and find creative solutions to help Kittery thrive.

Read one of our selected titles and join the conversation at one of our upcoming public events.

For more information about what we're reading and why, please visit:

WWW.KITTERYME.GOV/READS



THE RICE PUBLIC LIBRARY PRESENTS

Native American Storytelling



MARCH 22, 2023 | 6:00 PM
RICE PUBLIC LIBRARY & ZOOM

JOIN ANNE JENNISON FOR AN INTERACTIVE NATIVE
AMERICAN STORYTELLING EXPERIENCE FILLED WITH
HUMOR, DRAMA, AND MOMENTS OF WONDER.

FMI OR TO REGISER, PLEASE VISIT:
[HTTPS://WWW.RICE.LIB.ME.US/](https://www.rice.lib.me.us/)



TOWN OF KITTERY

YOUTH AD HOC COMMITTEE



ABOUT THE COMMITTEE

The Town Council has established the Kittery Youth Ad Hoc Committee to represent diverse experiences, voices, and interests to assist the Town with assessing the passive recreation needs and interests of Kittery's youth and recommending next steps to implement solutions that address those needs.

GET INVOLVED

The Town is seeking three (3) at-large resident members and two (2) student representative members to join the committee.

To learn more about the Committee and download the application, please scan the QR code below, or visit us at:
www.kitteryme.gov/youthcommittee.

Completed applications should be sent to the Town Clerk's Office at 200 Rogers Rd, Kittery, ME 03904 or via email to:
jrichards@kitteryme.org.

DEADLINE TO APPLY

The deadline to apply is Friday, March 31, 2023.





Saturday, April 1

Easter Egg Hunt

Ages 2-5: 9:00AM | Ages 6-10: 10:00AM



Will you be lucky
enough to find a
golden egg?



KITTERY LAND TRUST PRESENTS

SEACOAST ENVIRONMENTAL FILM FESTIVAL

New Date: Saturday, April 22, 2023

Kittery Community Center - Star Theatre

GENEROUSLY SUPPORTED BY

Peter Lamb and Faith Harrington; Ralph E. Ogden Foundation
Eldredge Lumber & Hardware, Mr. Fox Composting
Altus Engineering, ARQ Architects

8:30 AM

CAFFEINE KICKOFF

Sponsored by LIL'S CAFE, BEACH PEA BAKING CO. AND WHITE HERON

9:15 AM

WELCOME

9:30 - 11:45 AM

**TRIPLE BOTTOM LINE - Protecting people,
profits and the planet**

IT'S BEAN TOO HOT (36 min)

SEEDING CHANGE (51 min)

Panel Discussion

Sponsored by PLACEWORKS, VERIS WEALTH PARTNERS

12:00 - 1:15 PM

LUNCH BREAK and EXHIBIT HALL

1:30 - 3:15 PM

**SEA FARMING IN MAINE - Using the ocean to produce food,
jobs and climate solutions**

OCEAN SOLUTIONS (14 min)

MAINE COAST HARVEST SEA FARMING SERIES (30 min)

Panel Discussion

Sponsored by OSPREY ECOLOGICAL SERVICES

3:30 - 5:45 PM

TAKING ON BIG AG - Challenging Monsanto to protect food sovereignty

THE SEEDS OF VANDANA SHIVA (81 min)

Panel Discussion

Sponsored by LEAGUE OF CONSERVATION VOTERS NH

Suggested donation \$5 per film or
Day-long VIP pass for all films plus lunch \$50

Additional information and VIP tickets
are available at www.kitterylandtrust.org



KITTERY LAND TRUST





Town of
Kittery, Maine

June 30, 2022

Financial Statement Presentation

Presentation of Financial Statement Audit Results

We were engaged by the Town of Kittery and have audited the financial statements of the Town of Kittery as of and for the year ended June 30, 2022. The following information, statements, schedules and tables have been excerpted from the 2022 financial statements, a complete copy of which, including our opinion thereon, will be available at the Town's office. Certain comparative information has been used from prior year audited financial statements. The information contained in this report should be used in conjunction with the audited financial statements as a whole and should not be used for any other purposes.

It has been our pleasure to work with the Town of Kittery and we appreciate all the help and consideration provided by the Town's staff.

Presented by:
Christina Howe
RHR SMITH & COMPANY



This presentation is intended as a tool to assist the Town of Kittery's Council and management in understanding its financial operating results. The information contained in this publication should be read in conjunction with the audited financial statements and related disclosures and should not be used for any other purposes without the expressed consent of **RHR SMITH & COMPANY**.

Relationship with the Auditors

- Auditors work with management to perform the audit.
- Auditors express an opinion on the financial statements, which are the responsibility of management.
- Auditors Report to those charged with governance.

Audit Process

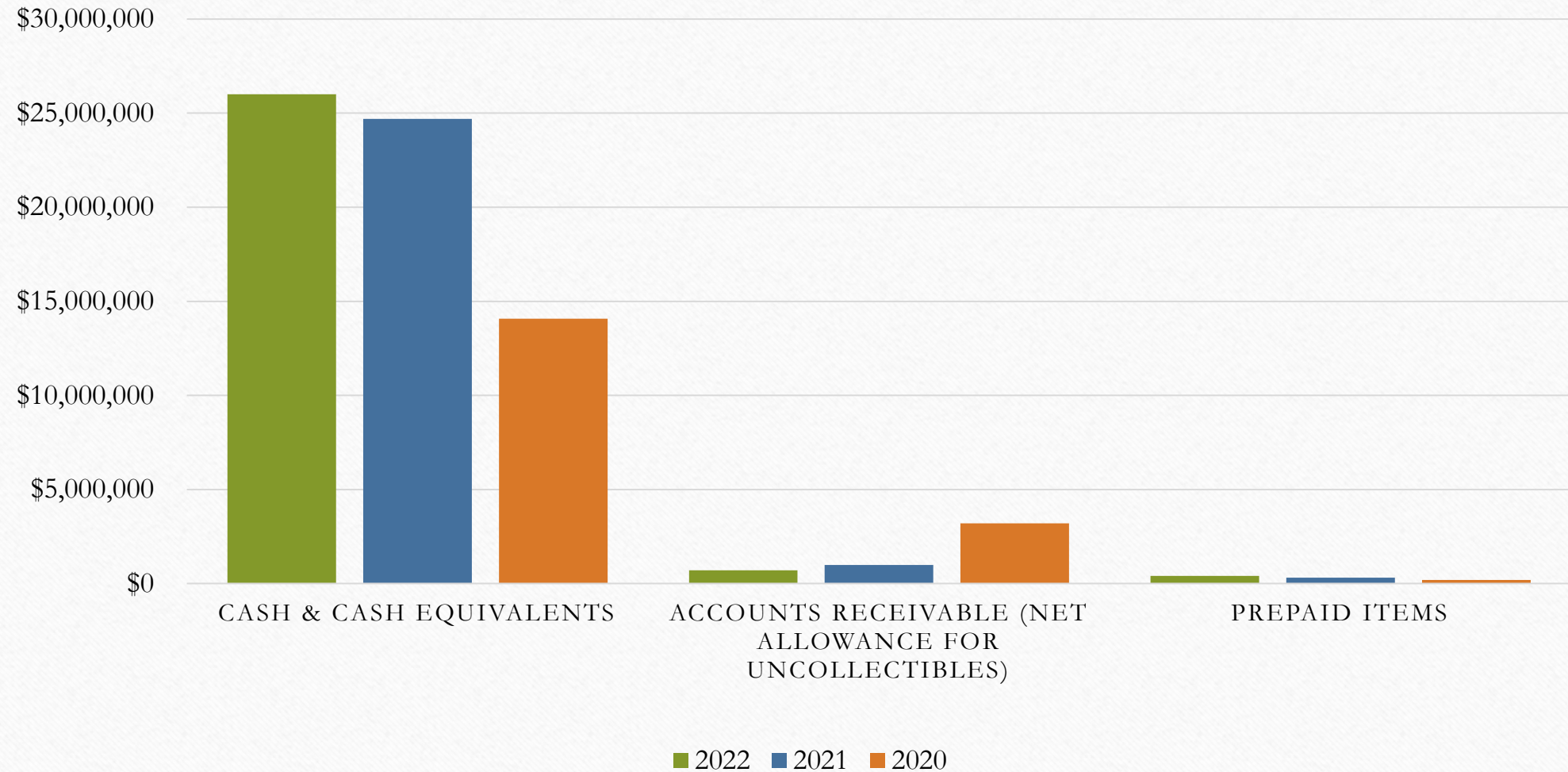
- Performing procedures to obtain audit evidence about amounts and disclosures in the financial statements
- Understanding the checks and balances that are present in the Town and testing transactions on a random sample basis.

Balance Sheet

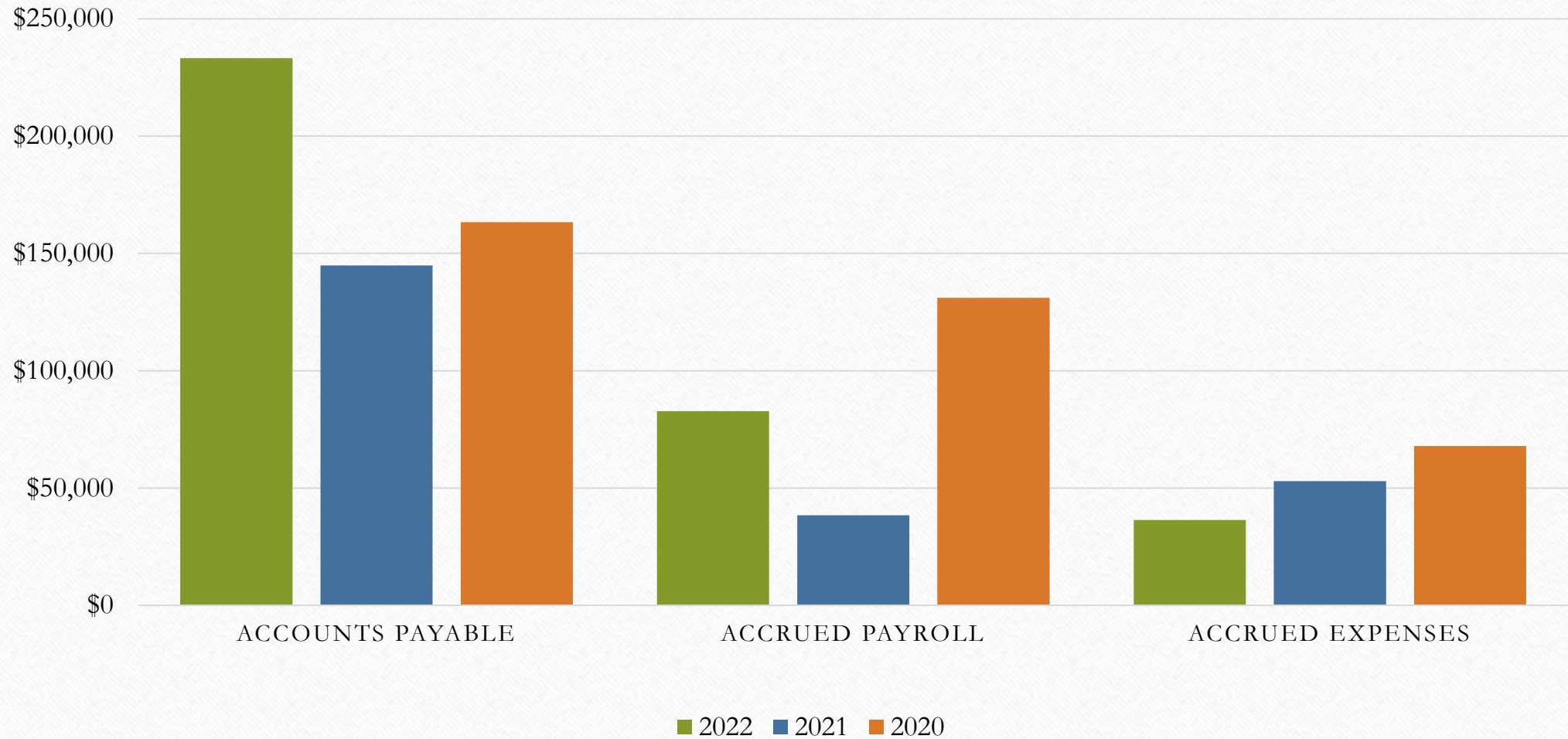
Governmental Funds

	General Fund	Education Fund	ARPA Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 25,999,168	\$ 95,474	\$ -	\$ 63,106	\$ 26,157,748
Investments	944,218	-	-	575,190	1,519,408
Accounts receivables (net of allowance for uncollectibles):					
Taxes/liens	656,093	-	-	-	656,093
Other	49,741	54,854	-	174,388	278,983
Prepaid items	412,950	158,489	-	-	571,439
Inventory	9,278	-	-	13,617	22,895
Tax acquired property	76,665	-	-	-	76,665
Due from other funds	2,612,184	6,236,581	604,326	11,009,219	20,462,310
TOTAL ASSETS	30,760,297	6,545,398	604,326	11,835,520	49,745,541
DEFERRED OUTFLOWS OF RESOURCES					
Due on property	157,666	-	-	-	157,666
TOTAL DEFERRED OUTFLOWS OF RESOURCES	157,666	-	-	-	157,666
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 30,917,963	\$ 6,545,398	\$ 604,326	\$ 11,835,520	\$ 49,903,207
LIABILITIES					
Accounts payable	\$ 233,204	\$ 307,908	\$ -	\$ 891,197	\$ 1,432,309
Accrued payroll	82,840	858,061	-	-	940,901
Accrued expenses	36,449	712,615	-	-	749,064
Due to other governments	10,866	-	-	-	10,866
Escrows	132,808	-	-	-	132,808
Due to other funds	19,028,683	2,328,131	-	284,053	21,640,867
TOTAL LIABILITIES	19,524,850	4,206,715	-	1,175,250	24,906,815
DEFERRED INFLOWS OF RESOURCES					
Prepaid taxes	3,128	-	-	-	3,128
Deferred tax revenues	517,735	-	-	-	517,735
TOTAL DEFERRED INFLOWS OF RESOURCES	520,863	-	-	-	520,863
FUND BALANCES					
Nonspendable	498,893	158,489	-	73,617	730,999
Restricted	-	-	604,326	2,570,579	3,174,905
Committed	188,000	-	-	7,597,931	7,785,931
Assigned	-	500,000	-	652,505	1,152,505
Unassigned	10,185,357	1,680,194	-	(234,362)	11,631,189
TOTAL FUND BALANCES	10,872,250	2,338,683	604,326	10,660,270	24,475,529

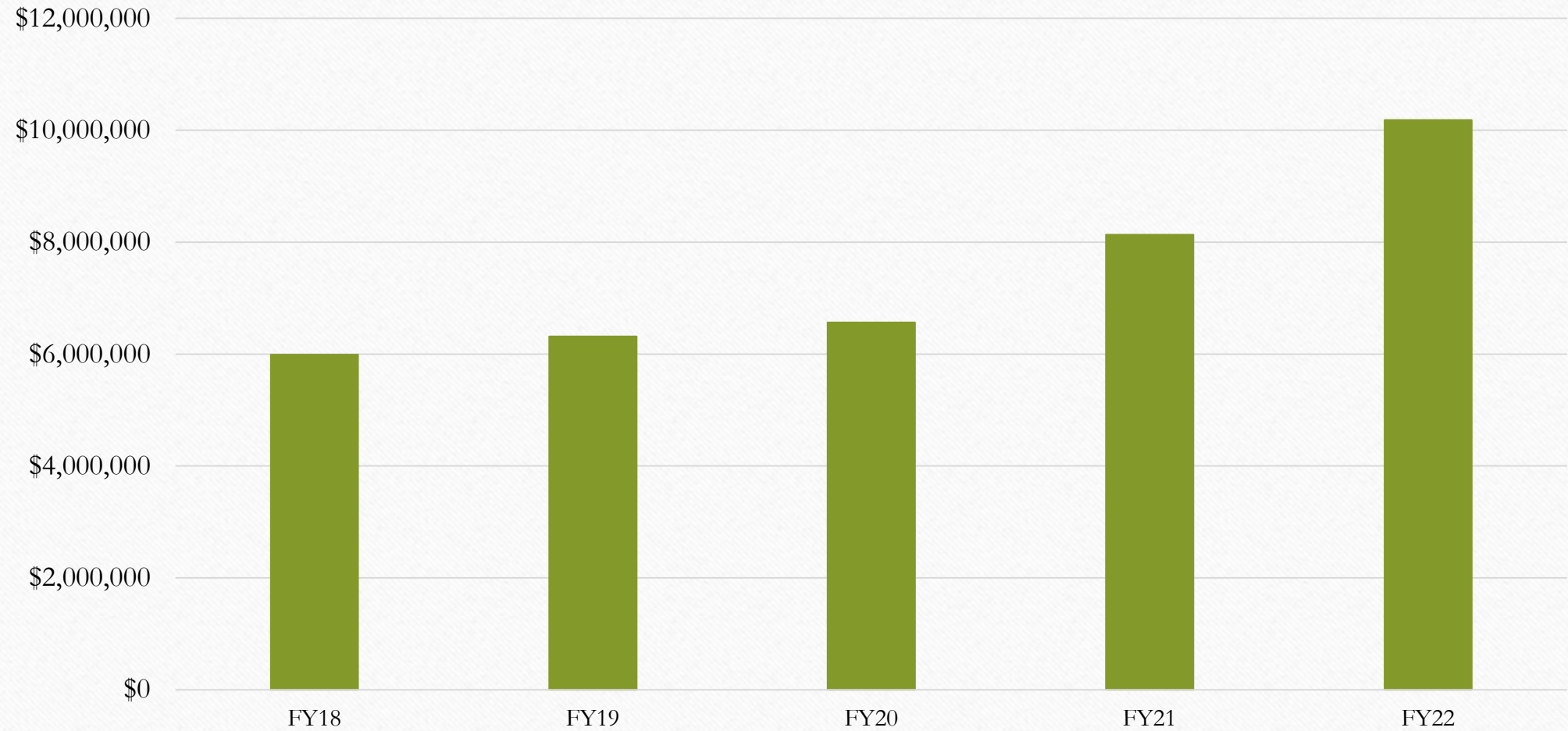
General Fund Assets Three-Year Comparison



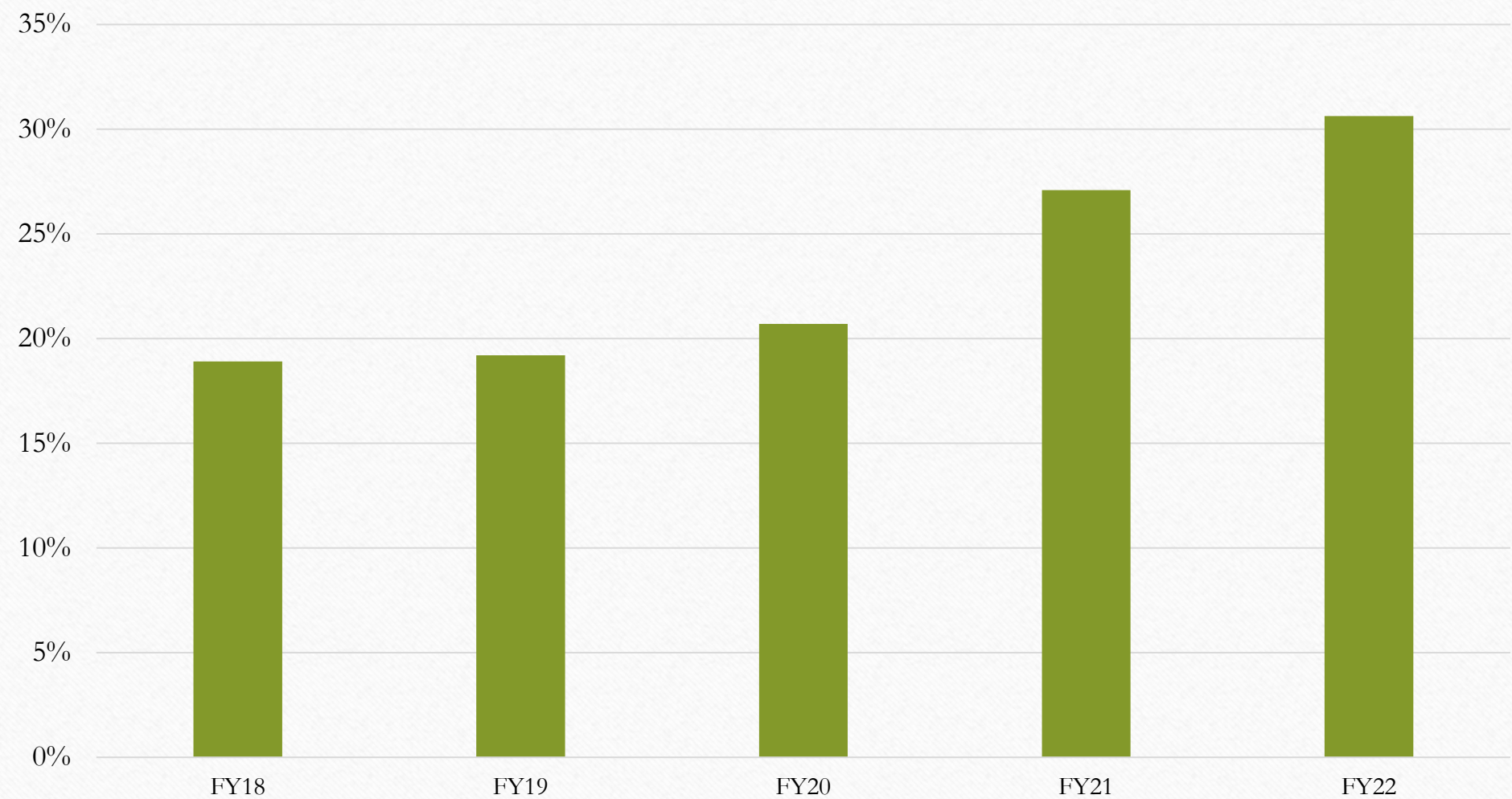
General Fund Liabilities Three-Year Comparison



General Fund Unassigned Fund Balance Comparison (Town Only)



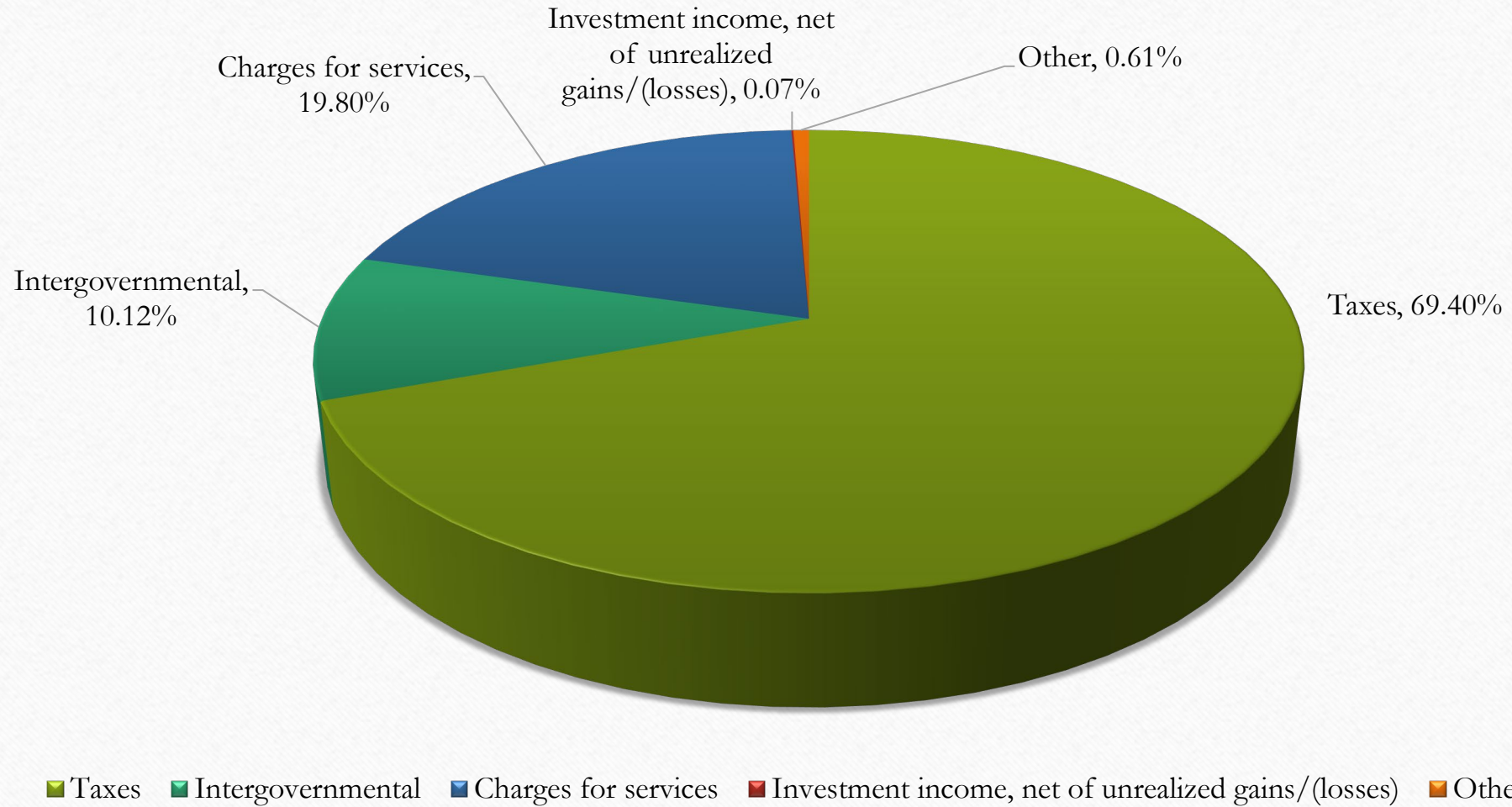
General Fund Unassigned Fund Balance as a Percentage of Revenue



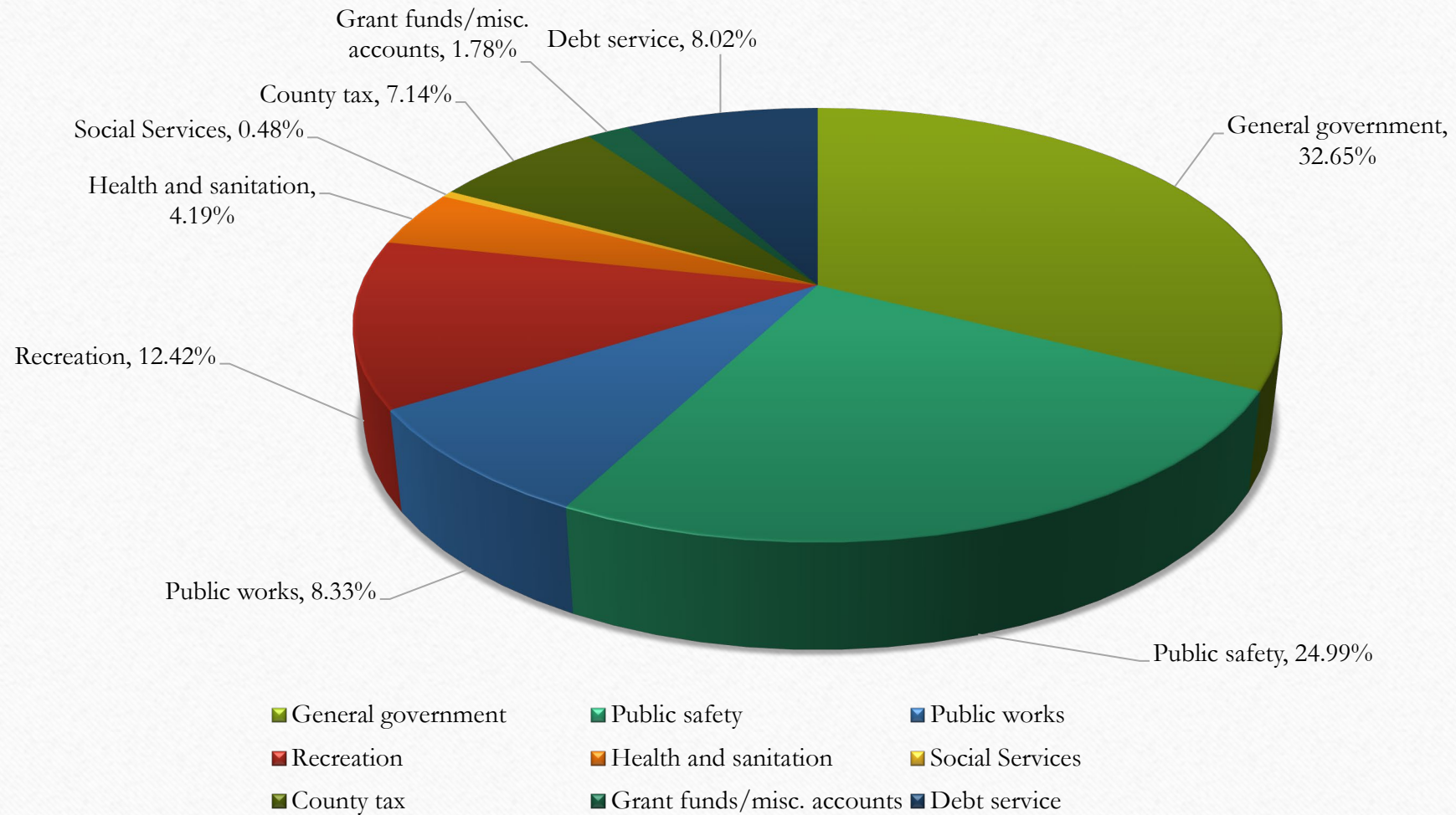
General Fund Budget to Actual

Town General Fund	BUDGET	ACTUAL	VARIANCE
REVENUE	\$16,152,815	\$18,130,218	\$1,977,403
EXPENSES	\$16,152,815	\$15,977,618	\$175,197

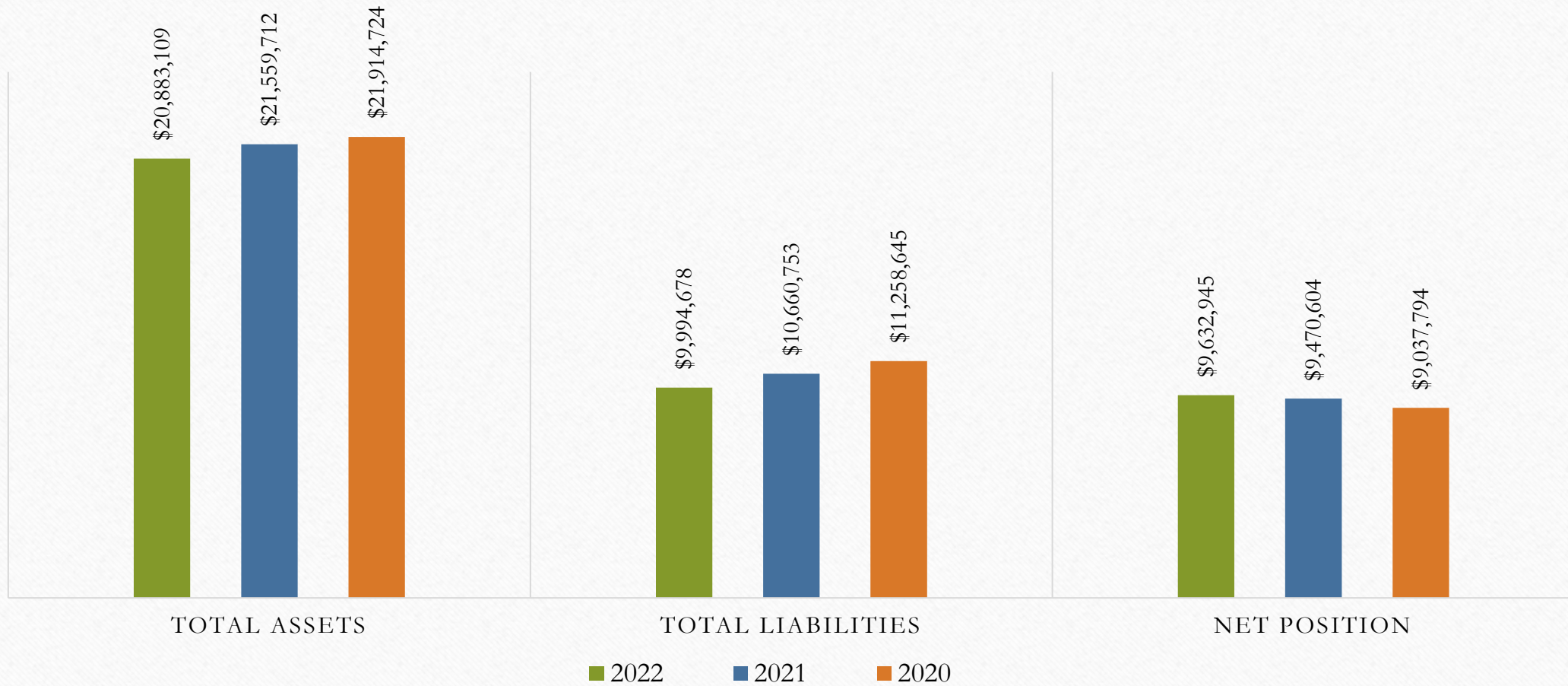
General Fund Revenues



General Fund Expenditures



Enterprise Fund, Sewer - Three-Year Comparison



Federal Compliance Audit

Town of Kittery, Maine

June 30, 2022



Proven Expertise & Integrity

TOWN OF KITTERY, MAINE

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JUNE 30, 2022

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INDEPENDENT AUDITOR'S REPORT

Town Council
Town of Kittery
Kittery, Maine

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Town of Kittery, Maine as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Town of Kittery, Maine's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Town of Kittery, Maine as of June 30, 2022 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Kittery, Maine and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation and maintenance of

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internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Kittery, Maine's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Kittery, Maine's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise doubt about the Town of Kittery, Maine's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension and OPEB information on pages 5 through 13 and 88 through 98 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Kittery, Maine's basic financial statements. The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund, combining and individual nonmajor fund financial statements and capital asset schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements

themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues, Schedule of Departmental Operations - General Fund, combining and individual nonmajor fund financial statements, capital asset schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 6, 2023, on our consideration of the Town of Kittery, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Town of Kittery, Maine's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Kittery, Maine's internal control over financial reporting and compliance.

Buxton, Maine
March 6, 2023

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

(UNAUDITED)

The following management's discussion and analysis of Town of Kittery, Maine's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2022. Please read it in conjunction with the Town's financial statements.

Financial Statement Overview

The Town of Kittery's basic financial statements include the following components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also includes required supplementary information which consists of the general fund budgetary comparison schedule, pension and OPEB schedules and other supplementary information which includes combining and other schedules.

Basic Financial Statements

The basic financial statements include financial information in two differing views: the government-wide financial statements and the fund financial statements. These basic financial statements also include the notes to financial statements that explain in more detail certain information in the financial statements and also provide the user with the accounting policies used in the preparation of the financial statements.

Government-Wide Financial Statements

The government-wide financial statements provide a broad view of the Town's operations in a manner that is similar to private businesses. These statements provide both short-term as well as long-term information in regard to the Town's financial position. These financial statements are prepared using the accrual basis of accounting. This measurement focus takes into account all revenues and expenses associated with the fiscal year regardless of when cash is received or paid. The government-wide financial statements include the following two statements:

The Statement of Net Position - this statement presents *all* of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference being reported as net position.

The Statement of Activities - this statement presents information that shows how the government's net position changed during the period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

Both of the above-mentioned financial statements have separate columns for the two different types of Town activities. The types of activities presented for the Town of Kittery are:

- *Governmental activities* - The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). Most of the Town's basic services are reported in governmental activities, which include general government, public safety, public works, recreation and culture, health and sanitation, social services, education, program expenses and grant funds/miscellaneous accounts.
- *Business-type activities* - These activities are normally intended to recover all or a significant portion of their costs through user fees and/or charges to external users for goods and/or services. These activities for the Town of Kittery include the sewer department.

Fund Financial Statements

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

Governmental funds: Most of the basic services provided by the Town are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported in governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources. They also focus on the balance of spendable resources available at the end of the fiscal year. Such information will be useful in evaluating the government's near-term financing requirements. This approach is known as the current financial resources measurement focus and the modified accrual basis of accounting. Under this approach revenues, are recorded when cash is received or when susceptible to accrual. Expenditures are recorded when liabilities are incurred and due. These statements provide a detailed short-term view of the Town's finances to assist in determining whether there will be adequate financial resources available to meet the current needs of the Town.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues,

expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are presented on the page immediately following each governmental funds financial statement.

The Town of Kittery presents four columns in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. The Town's major governmental funds are the general fund, the education fund and the ARPA fund. All other funds are shown as nonmajor and are combined in the "Other Governmental Funds" column on these statements.

The general fund and education fund are the only funds for which the Town legally adopted a budget. The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund and the Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - Education Fund provide comparisons of the original and final budget and the actual expenditures for the current year.

Proprietary Funds: The Town of Kittery maintains one proprietary fund, the Sewer Department Fund. This fund is used to show activities that operate more like those of commercial enterprises. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Like the government-wide financial statements, proprietary fund financial statements use the accrual basis of accounting. No reconciliation is needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements.

Fiduciary Funds: These funds are used to account for resources held for the benefit of parties outside the Town of Kittery. These funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the Town's own programs. The accounting used for fiduciary funds are much like that of proprietary funds. They use the accrual basis of accounting.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to Financial Statements can be found following the Statement of Changes in Net Position - Fiduciary Funds.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund, Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - Education Fund, a Schedule of Proportionate Share of the Net Pension Liability, a Schedule of Contributions - Pensions, a Schedule

of Proportionate Share of the Net OPEB Liability - Set Plan, a Schedule of Contributions - OPEB, a Schedule of Changes in Net OPEB Liability - MMEHT Plan, a Schedule of Changes in Net OPEB Liability and Related Ratios - MMEHT Plan, a Schedule of Changes in Net OPEB Liability - MEABT Plan, a Schedule of Changes in Net OPEB Liability and Related Ratios - MEABT Plan and Notes to Required Supplementary Information.

Other Supplementary Information

Other supplementary information follows the required supplementary information. These combining and other schedules provide information in regard to nonmajor funds, capital asset activity and other detailed budgetary information for the general fund.

Government-Wide Financial Analysis

Our analysis below focuses on the net position and changes in net position of the Town's governmental activities. The Town's total net position for governmental activities is \$37,037,954 compared to \$31,799,357 in the prior year, an increase of \$5,238,597. For the business-type activities, total net position is \$9,695,957 compared to \$9,506,892 in the prior year, an increase of \$189,065.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - is \$7,965,790 at the end of this year for governmental activities and \$555,382 for the business-type activities.

Table 1
Town of Kittery, Maine
Net Position
June 30,

	Governmental Activities		Business-type Activities	
	2022	2021 (Restated)	2022	2021 (Restated)
Assets:				
Current Assets	\$ 28,104,674	\$ 26,656,323	\$ 2,207,158	\$ 1,821,703
Noncurrent Assets - Capital Assets	39,462,856	35,879,512	18,675,951	19,774,297
Total Assets	67,567,530	62,535,835	20,883,109	21,596,000
Deferred Outflows of Resources:				
Deferred Outflows Related to Dineen Property	157,666	157,666	-	-
Deferred Outflows Related to Pensions	2,361,415	1,551,195	179,228	110,274
Deferred Outflows Related to OPEB	1,560,791	7,039,289	-	-
Total Deferred Outflows of Resources	4,079,872	8,748,150	179,228	110,274
Liabilities:				
Current Liabilities	4,919,501	4,793,701	701,625	694,663
Noncurrent Liabilities	22,069,041	34,463,918	8,908,968	9,966,090
Total Liabilities	26,988,542	39,257,619	9,610,593	10,660,753
Deferred Inflows of Resources:				
Deferred Revenue	-	-	1,360,409	1,533,278
Prepaid Taxes	3,128	3,206	-	-
Deferred Inflows Related to Pensions	4,244,759	176,711	395,378	5,351
Deferred Inflows Related to OPEB	3,373,019	47,092	-	-
Total Deferred Inflows of Resources	7,620,906	227,009	1,755,787	1,538,629
Net Position:				
Net Investment in Capital Assets	25,823,642	20,841,296	9,140,575	9,607,741
Restricted	3,248,522	2,730,353	-	-
Unrestricted (Deficit)	7,965,790	8,227,708	555,382	(100,849)
Total Net Position	\$ 37,037,954	\$ 31,799,357	\$ 9,695,957	\$ 9,506,892

Revenues and Expenses

Revenues for the Town's governmental activities increased by 5.90%, while total expenses increased by 0.60%. The increase in revenues was primarily due to charges for services and taxes. The increase in expenses was primarily due to public safety, recreation and culture and capital outlay partially offset by decreases in general government, education and State of Maine on-behalf payments.

Revenues decreased by 0.79% in the Town's business type activities, while the total expenses increased by 0.90%.

Table 2
Town of Kittery, Maine
Change in Net Position
For the Years Ended June 30,

	Governmental Activities		Business-type Activities	
	2022	2021	2022	2021
Revenues				
<i>Program Revenues:</i>				
Charges for services	\$ 5,056,525	\$ 1,952,392	\$ 2,896,356	\$ 2,924,101
Operating grants and contributions	3,541,322	4,779,857	-	-
<i>General Revenues:</i>				
Taxes	29,250,207	28,827,252	-	-
Grants and contributions not restricted to specific programs	5,711,395	6,345,174	-	-
Investment income	(25,962)	144,716	4,269	13,346
Miscellaneous	1,955,952	904,097	17,217	3,545
Total Revenues	45,489,439	42,953,488	2,917,842	2,940,992
Expenses				
General government	5,530,680	6,393,523	-	-
Public safety	4,106,912	3,497,044	-	-
Public works	2,054,468	2,001,631	-	-
Recreation and culture	2,152,783	1,724,001	-	-
Health and sanitation	816,080	1,009,373	-	-
Social services	67,095	46,765	-	-
Education	20,015,146	20,644,841	-	-
County tax	1,005,790	935,484	-	-
Program expenses	615,028	380,964	-	-
State of Maine on-behalf payments	1,774,450	2,841,207	-	-
Capital outlay	1,501,238	-	-	-
Grant funds/misc. accounts	249,933	237,252	-	-
Unallocated depreciation (Note 5)*	4,860	2,602	-	-
Interest on long-term debt	356,379	297,449	-	-
Sewer department	-	-	2,728,777	2,704,420
Total Expenses	40,250,842	40,012,136	2,728,777	2,704,420
Change in Net Position	5,238,597	2,941,352	189,065	236,572
Net Position - July 1, Restated	31,799,357	28,858,005	9,506,892	9,270,320
Net Position - June 30	\$ 37,037,954	\$ 31,799,357	\$ 9,695,957	\$ 9,506,892

Financial Analysis of the Town's Fund Statements

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

Table 3
Town of Kittery, Maine
Fund Balances - Governmental Funds
June 30,

	<u>2022</u>	<u>2021</u>	<u>Change Increase (Decrease)</u>
Major Funds:			
General Fund:			
Nonspendable	\$ 498,893	\$ 400,327	\$ 98,566
Committed	188,000	188,000	-
Unassigned	10,185,357	8,131,323	2,054,034
Education Fund:			
Nonspendable	158,489	27,718	130,771
Restricted	-	387,019	(387,019)
Assigned	500,000	-	500,000
Unassigned	1,680,194	1,712,481	(32,287)
ARPA Fund:			
Restricted	604,326	-	604,326
Total Major Funds	<u>\$ 13,815,259</u>	<u>\$ 10,846,868</u>	<u>\$ 2,968,391</u>
Nonmajor Funds:			
Special Revenue Funds:			
Nonspendable	\$ 13,617	\$ 8,402	\$ 5,215
Restricted	599,748	215,738	384,010
Committed	5,689,815	4,571,016	1,118,799
Assigned	652,505	499,889	152,616
Unassigned	(232,824)	(234,693)	1,869
Capital Projects Funds:			
Restricted	1,285,872	1,257,026	28,846
Committed	1,908,116	5,227,350	(3,319,234)
Permanent Funds:			
Nonspendable	60,000	60,000	-
Restricted	684,959	802,168	(117,209)
Unassigned	(1,538)	(1,538)	-
Total Nonmajor Funds	<u>\$ 10,660,270</u>	<u>\$ 12,405,358</u>	<u>\$ (1,745,088)</u>

The changes to total fund balances for the general fund, education fund, ARPA fund and other governmental funds occurred due to the regular activity of operations.

Proprietary funds: The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The sewer department fund had an increase in net position of \$189,065 from the prior year due primarily to operating income of \$317,884 that exceeded net nonoperating expenses of \$128,819.

Budgetary Highlights

The differences between the original and final budget for the general fund was the use of assigned fund balances.

The general fund actual revenues exceeded the budget by \$2,165,403. This was a result of all revenue categories being receipted within in or in excess of budgeted amounts with the exception of investment income and other revenue.

The general fund actual expenditures were under budget by \$175,197. All expenditure categories were within or under budget with the exception of health and sanitation and transfers to other funds.

There was no difference between the original and final budget for the education fund with the exception of the use of assigned fund balances.

The education fund actual revenues exceeded the budget by \$228,115. This was a result of all revenue categories being receipted within or in excess of budgeted amounts.

The education fund actual expenditures were below budget by \$1,015,607. All expenditure categories were within or under budget except for transportation and buses and operations and maintenance.

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2022, the net book value of capital assets recorded by the Town increased by \$2,484,998. This increase is a result of capital additions of \$5,759,316 less net disposals of \$68,841 and current year depreciation expense of \$3,205,477. Refer to Note 5 of Notes to Financial Statements for additional information.

Table 4
Town of Kittery, Maine
Capital Assets (Net of Depreciation)
June 30,

	2022	2021 (Restated)
Land	\$ 11,236,886	\$ 11,236,886
Construction in progress	387,116	1,524,298
Land improvements	985,606	773,724
Buildings and improvements	28,086,462	24,354,430
Machinery, equipment and vehicles	4,669,870	4,797,002
Infrastructure	12,772,867	12,967,469
Total	<u>\$ 58,138,807</u>	<u>\$ 55,653,809</u>

Debt

At June 30, 2022, the Town had \$23,174,590 in bonds and notes from direct borrowings payable versus \$25,204,772 last year. Refer to Note 6 of Notes to Financial Statements for more detailed information.

Currently Known Facts, Decisions or Conditions

Economic Factors and Next Year's Budgets and Rates

The Town has steadily maintained a sufficient unassigned fund balance to sustain government operations for a period of approximately eight months, while also maintaining significant reserve accounts for future capital and program needs. The FY 23 School Department budget could be severely impacted by the reduction of funding from the State.

Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Finance Department at 200 Rogers Road, Kittery, Maine 03904.

TOWN OF KITTEERY, MAINE

STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 26,157,748	\$ 2,557	\$ 26,160,305
Investments	1,519,408	-	1,519,408
Accounts receivable (net of allowance for uncollectibles):			
Taxes	656,093	-	656,093
Other	278,983	1,026,044	1,305,027
Prepaid items	571,439	-	571,439
Inventory	22,895	-	22,895
Tax acquired property	76,665	-	76,665
Internal balances	(1,178,557)	1,178,557	-
Total current assets	28,104,674	2,207,158	30,311,832
Noncurrent assets:			
Capital assets:			
Land and other assets not being depreciated	11,338,022	285,980	11,624,002
Buildings and vehicles net of accumulated depreciation	28,124,834	18,389,971	46,514,805
Total noncurrent assets	39,462,856	18,675,951	58,138,807
TOTAL ASSETS	67,567,530	20,883,109	88,450,639
DEFERRED OUTFLOWS OF RESOURCES			
Dineen property	157,666	-	157,666
Deferred outflows related to pensions	2,361,415	179,228	2,540,643
Deferred outflows related to OPEB	1,560,791	-	1,560,791
TOTAL DEFERRED OUTFLOWS OF RESOURCES	4,079,872	179,228	4,259,100
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 71,647,402	\$ 21,062,337	\$ 92,709,739

STATEMENT A (CONTINUED)

TOWN OF KITTERY, MAINE

STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 1,432,309	\$ 35,349	\$ 1,467,658
Accrued payroll	940,901	-	940,901
Accrued expenses	749,064	8,576	757,640
Due to other governments	10,866	-	10,866
Escrows	132,808	-	132,808
Current portion of long-term obligations	1,653,553	657,700	2,311,253
Total current liabilities	<u>4,919,501</u>	<u>701,625</u>	<u>5,621,126</u>
Noncurrent liabilities			
Noncurrent portion of long-term obligations:			
Bonds payable	11,874,452	8,898,394	20,772,846
Notes from direct borrowings payable	111,209	-	111,209
Accrued compensated absences	964,837	29,090	993,927
Net pension liability/(asset)	(178,516)	(18,516)	(197,032)
Net OPEB liability	9,297,059	-	9,297,059
Total noncurrent liabilities	<u>22,069,041</u>	<u>8,908,968</u>	<u>30,978,009</u>
TOTAL LIABILITIES	<u>26,988,542</u>	<u>9,610,593</u>	<u>36,599,135</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue	-	1,360,409	1,360,409
Prepaid taxes	3,128	-	3,128
Deferred inflows related to pensions	4,244,759	395,378	4,640,137
Deferred inflows related to OPEB	3,373,019	-	3,373,019
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>7,620,906</u>	<u>1,755,787</u>	<u>9,376,693</u>
NET POSITION			
Net investment in capital assets	25,823,642	9,140,575	34,964,217
Restricted	3,248,522	-	3,248,522
Unrestricted	7,965,790	555,382	8,521,172
TOTAL NET POSITION	<u>37,037,954</u>	<u>9,695,957</u>	<u>46,733,911</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 71,647,402</u>	<u>\$ 21,062,337</u>	<u>\$ 92,709,739</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- type Activities	Total
<u>Governmental activities:</u>							
General government	\$ 5,530,680	\$ 2,005,360	\$ 24,685	\$ -	\$ (3,500,635)	\$ -	\$ (3,500,635)
Public safety	4,106,912	250,722	-	-	(3,856,190)	-	(3,856,190)
Public works	2,054,468	5,997	-	-	(2,048,471)	-	(2,048,471)
Recreation and culture	2,152,783	1,079,120	-	-	(1,073,663)	-	(1,073,663)
Health and sanitation	816,080	240,933	-	-	(575,147)	-	(575,147)
Social services	67,095	-	-	-	(67,095)	-	(67,095)
Education	20,015,146	32,571	1,742,187	-	(18,240,388)	-	(18,240,388)
County tax	1,005,790	-	-	-	(1,005,790)	-	(1,005,790)
Program expenses	615,028	1,441,822	-	-	826,794	-	826,794
State of Maine on-behalf payments	1,774,450	-	1,774,450	-	-	-	-
Capital outlay	1,501,238	-	-	-	(1,501,238)	-	(1,501,238)
Grant funds/misc. accounts	249,933	-	-	-	(249,933)	-	(249,933)
Unallocated depreciation (Note 5)*	4,860	-	-	-	(4,860)	-	(4,860)
Interest on long-term debt	356,379	-	-	-	(356,379)	-	(356,379)
Total governmental activities	40,250,842	5,056,525	3,541,322	-	(31,652,995)	-	(31,652,995)
<u>Business-type activities:</u>							
Sewer department	2,728,777	2,896,356	-	-	-	167,579	167,579
Total business-type activities	2,728,777	2,896,356	-	-	-	167,579	167,579
Total government	\$ 42,979,619	\$ 7,952,881	\$ 3,541,322	\$ -	(31,652,995)	167,579	(31,485,416)

*This amount excludes the depreciation that is included in the direct expenses of the various programs.

STATEMENT B (CONTINUED)
TOWN OF KITTERY, MAINE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

	Governmental Activities	Business- type Activities	Total
Changes in net position:			
Net (expense) revenue	(31,652,995)	167,579	(31,485,416)
General revenues:			
Taxes:			
Property taxes, levied for general purposes	27,142,283	-	27,142,283
Excise taxes	2,107,924	-	2,107,924
Grants and contributions not restricted to specific programs	5,711,395	-	5,711,395
Investment income, net of unrealized gains/(losses)	(25,962)	4,269	(21,693)
Miscellaneous	1,955,952	17,217	1,973,169
Total general revenues	36,891,592	21,486	36,913,078
Change in net position	5,238,597	189,065	5,427,662
NET POSITION - JULY 1, RESTATED	31,799,357	9,506,892	41,306,249
NET POSITION - JUNE 30	\$ 37,037,954	\$ 9,695,957	\$ 46,733,911

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2022

	General Fund	Education Fund	ARPA Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 25,999,168	\$ 95,474	\$ -	\$ 63,106	\$ 26,157,748
Investments	944,218	-	-	575,190	1,519,408
Accounts receivables (net of allowance for uncollectibles):					
Taxes/liens	656,093	-	-	-	656,093
Other	49,741	54,854	-	174,388	278,983
Prepaid items	412,950	158,489	-	-	571,439
Inventory	9,278	-	-	13,617	22,895
Tax acquired property	76,665	-	-	-	76,665
Due from other funds	2,612,184	6,236,581	604,326	11,009,219	20,462,310
TOTAL ASSETS	30,760,297	6,545,398	604,326	11,835,520	49,745,541
DEFERRED OUTFLOWS OF RESOURCES					
Dineen property	157,666	-	-	-	157,666
TOTAL DEFERRED OUTFLOWS OF RESOURCES	157,666	-	-	-	157,666
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 30,917,963	\$ 6,545,398	\$ 604,326	\$ 11,835,520	\$ 49,903,207
LIABILITIES					
Accounts payable	\$ 233,204	\$ 307,908	\$ -	\$ 891,197	\$ 1,432,309
Accrued payroll	82,840	858,061	-	-	940,901
Accrued expenses	36,449	712,615	-	-	749,064
Due to other governments	10,866	-	-	-	10,866
Escrows	132,808	-	-	-	132,808
Due to other funds	19,028,683	2,328,131	-	284,053	21,640,867
TOTAL LIABILITIES	19,524,850	4,206,715	-	1,175,250	24,906,815
DEFERRED INFLOWS OF RESOURCES					
Prepaid taxes	3,128	-	-	-	3,128
Deferred tax revenues	517,735	-	-	-	517,735
TOTAL DEFERRED INFLOWS OF RESOURCES	520,863	-	-	-	520,863
FUND BALANCES					
Nonspendable	498,893	158,489	-	73,617	730,999
Restricted	-	-	604,326	2,570,579	3,174,905
Committed	188,000	-	-	7,597,931	7,785,931
Assigned	-	500,000	-	652,505	1,152,505
Unassigned	10,185,357	1,680,194	-	(234,362)	11,631,189
TOTAL FUND BALANCES	10,872,250	2,338,683	604,326	10,660,270	24,475,529
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 30,917,963	\$ 6,545,398	\$ 604,326	\$ 11,835,520	\$ 49,903,207

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

	Total Governmental Funds
Total Fund Balances	\$ 24,475,529
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	39,462,856
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds shown above:	
Taxes and liens receivable	517,735
Deferred outflows of resources related to pensions are not financial resources and therefore are not reported in the funds	2,361,415
Deferred inflows of resources related to OPEB are not financial resources and therefore are not reported in the funds	1,560,791
Long-term obligations are not due and payable in the current period and therefore are not reported in the funds:	
Bonds payable	(13,408,254)
Notes from direct borrowings payable	(230,960)
Accrued compensated absences	(964,837)
Net pension (liability)/asset	178,516
Net OPEB liability	(9,297,059)
Deferred inflows of resources related to pensions are not financial resources and therefore are not reported in the funds	(4,244,759)
Deferred inflows of resources related to OPEB are not financial resources and therefore are not reported in the funds	(3,373,019)
Net position of governmental activities	<u>\$ 37,037,954</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Education Fund	ARPA Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
General tax revenue	\$ 12,558,403	\$ 16,794,304	\$ -	\$ -	\$ 29,352,707
Intergovernmental revenue	1,831,068	2,246,477	1,038,246	2,362,476	7,478,267
Charges for services	3,582,132	32,571	-	1,441,822	5,056,525
Investment income, net of unrealized gains/(losses)	13,026	-	-	(38,988)	(25,962)
State of Maine on-behalf payments	-	1,419,061	-	-	1,419,061
Other revenue	110,589	160,635	-	1,684,728	1,955,952
TOTAL REVENUES	18,095,218	20,653,048	1,038,246	5,450,038	45,236,550
EXPENDITURES					
Current:					
General government	4,597,177	-	-	70,733	4,667,910
Public safety	3,518,402	-	-	226,099	3,744,501
Public works	1,172,475	-	-	-	1,172,475
Recreation and culture	1,748,419	-	-	180,232	1,928,651
Health and sanitation	590,140	-	-	223,431	813,571
Social services	67,095	-	-	-	67,095
Education	-	17,530,825	-	2,022,005	19,552,830
County tax	1,005,790	-	-	-	1,005,790
State of Maine on-behalf payments	-	1,419,061	-	-	1,419,061
Grant funds/misc. accounts	249,933	-	-	-	249,933
Program expenses	-	-	433,920	181,108	615,028
Debt service:					
Principal	889,955	603,500	-	-	1,493,455
Interest	238,882	117,497	-	-	356,379
Capital outlay	-	-	-	6,926,568	6,926,568
TOTAL EXPENDITURES	14,078,268	19,670,883	433,920	9,830,176	44,013,247
EXCESS REVENUES OVER (UNDER) EXPENDITURES	4,016,950	982,165	604,326	(4,380,138)	1,223,303
OTHER FINANCING SOURCES					
Transfers in	35,000	35,680	-	2,811,628	2,882,308
Transfers (out)	(1,899,350)	(806,380)	-	(176,578)	(2,882,308)
TOTAL OTHER FINANCING SOURCES (USES)	(1,864,350)	(770,700)	-	2,635,050	-
NET CHANGE IN FUND BALANCES	2,152,600	211,465	604,326	(1,745,088)	1,223,303
FUND BALANCES - JULY 1	8,719,650	2,127,218	-	12,405,358	23,252,226
FUND BALANCES - JUNE 30	\$ 10,872,250	\$ 2,338,683	\$ 604,326	\$ 10,660,270	\$ 24,475,529

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Net change in fund balances - total governmental funds (Statement E)	<u>\$ 1,223,303</u>
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense allocated to those expenditures over the life of the assets:	
Capital asset acquisitions	7,276,064
Capital asset disposals	(1,593,139)
Depreciation expense	<u>(2,099,581)</u>
	<u>3,583,344</u>
Deferred outflows of resources are a consumption of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds:	
Pensions	810,220
OPEB	(5,478,498)
	<u>(4,668,278)</u>
Revenues in the Statement of Activities that do not provide current financial resources are not reported:	
Taxes and liens receivable	<u>(102,500)</u>
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position	
	<u>(257,595)</u>
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Position	
	<u>1,656,597</u>
Deferred inflows of resources are an acquisition of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds:	
Pensions	(4,068,048)
OPEB	(3,325,927)
	<u>(7,393,975)</u>
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Accrued compensated absences	(33,444)
Net pension liability/(asset)	4,074,519
Net OPEB liability	<u>7,156,626</u>
	<u>11,197,701</u>
Change in net position of governmental activities (Statement B)	<u>\$ 5,238,597</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2022

	<u>Enterprise Fund</u> <u>Sewer</u> <u>Department</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 2,557
Accounts receivable (net of allowance for uncollectibles)	1,026,044
Due from other funds	1,178,557
Total current assets	<u>2,207,158</u>
Noncurrent assets:	
Capital assets:	
Land	285,980
Buildings and improvements	19,456,787
Machinery, equipment and vehicles	722,258
Infrastructure	11,723,215
Total capital assets	<u>32,188,240</u>
Less: accumulated depreciation	<u>(13,512,289)</u>
Total noncurrent assets	<u>18,675,951</u>
TOTAL ASSETS	<u>20,883,109</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	179,228
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>179,228</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 21,062,337</u>
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 35,349
Accrued expenses	8,576
Current portion of long-term obligations	657,700
Total current liabilities	<u>701,625</u>
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Bonds payable	8,898,394
Accrued compensated absences	29,090
Net pension liability	(18,516)
Total noncurrent liabilities	<u>8,908,968</u>
TOTAL LIABILITIES	<u>9,610,593</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred revenue	1,360,409
Deferred inflows related to pensions	395,378
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,755,787</u>
NET POSITION	
Net investment in capital assets	9,140,575
Unrestricted	555,382
TOTAL NET POSITION	<u>9,695,957</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 21,062,337</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	<u>Enterprise Fund</u> <u>Sewer</u> <u>Department</u>
OPERATING REVENUES	
Charges for services	\$ 2,896,356
Other	17,217
TOTAL OPERATING REVENUES	<u>2,913,573</u>
OPERATING EXPENSES	
Salaries and wages	524,688
Benefits	236,058
Increase (decrease) in expenses related to net pension liability, deferred outflows and inflows of resources related to pensions	(63,012)
Contracted services	93,379
Insurance	31,630
Utilities	198,574
Fuel / motor	29,242
Repairs, maintenance and equipment	48,650
Supplies and office	36,908
Chemicals	155,637
Sludge management	161,917
Depreciation	1,105,896
Other	36,122
TOTAL OPERATING EXPENSES	<u>2,595,689</u>
OPERATING INCOME (LOSS)	<u>317,884</u>
NONOPERATING REVENUES (EXPENSES)	
Interest income	4,269
Interest expense	(133,088)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(128,819)</u>
CHANGE IN NET POSITION	189,065
NET POSITION - JULY 1, RESTATED	<u>9,506,892</u>
NET POSITION - JUNE 30	<u><u>\$ 9,695,957</u></u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Enterprise Fund Sewer Department
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 2,836,538
Other receipts	17,217
Internal activity - receipts (payments) from/to other funds	(498,506)
Payments to employees	(805,383)
Payments to suppliers	(782,317)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>767,549</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	4,269
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>4,269</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Interest payments on bond payable	(133,088)
Principal payments on bond payable	(631,180)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(771,818)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-
CASH AND CASH EQUIVALENTS - JULY 1	<u>2,557</u>
CASH AND CASH EQUIVALENTS - JUNE 30	<u><u>\$ 2,557</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating income (loss)	\$ 317,884
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation and amortization expense	1,105,896
Changes in operating assets, deferred outflows of resources, liabilities and deferred inflows of resources:	
(Increase) decrease in accounts receivable	113,051
(Increase) decrease in due from other funds	(498,506)
(Increase) decrease in deferred outflows related to pensions	(68,954)
(Decrease) increase in accounts payable	7,449
(Decrease) increase in accrued expenses	2,293
(Decrease) increase in accrued compensated absences	(44,637)
(Decrease) increase in deferred revenues	(172,869)
(Decrease) increase in net pension liability	(384,085)
(Decrease) increase in deferred inflows related to pensions	390,027
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u><u>\$ 767,549</u></u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

STATEMENT OF NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2022

	<u>Private- Purpose Trust Funds</u>
ASSETS	
Cash and cash equivalents	\$ 8,317
Due from other governments	<u>5,380</u>
TOTAL ASSETS	<u><u>\$ 13,697</u></u>
LIABILITIES	
Accounts payable	<u>\$ -</u>
TOTAL LIABILITIES	<u>-</u>
NET POSITION	
Restricted - held in trust	<u><u>\$ 13,697</u></u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Private- Purpose Trust Funds
ADDITIONS	
Interest	\$ 1
Contributions	327
TOTAL ADDITIONS	<u>328</u>
DEDUCTIONS	
Scholarships	<u>2,650</u>
TOTAL DEDUCTIONS	<u>2,650</u>
CHANGE IN NET POSITION	(2,322)
NET POSITION - JULY 1	<u>16,019</u>
NET POSITION - JUNE 30	<u><u>\$ 13,697</u></u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Town of Kittery was incorporated under the laws of the State of Maine. The Town operates under Town council-manager form of government and provides the following services: general government, public safety, public works, recreation and culture, health and sanitation, social services, education, program expenses and grant funds/miscellaneous accounts.

The Town's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the Town has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Town has chosen not to do so.

The Town's combined financial statements include all accounts and all operations of the Town. We have determined that the Town has no component units as described in GASB Statement No. 14 and amended by GASB Statements No. 39 and No. 61.

Implementation of New Accounting Standards

During the year ended June 30, 2022, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 87 "Leases". The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. Management has determined the impact of this Statement is not material to the financial statements.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Statement No. 89 "Accounting for Interest Cost Incurred before the End of a Construction Period". This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 91 "Conduit Debt Obligations". The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 92 "Omnibus 2020". The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 93 "Replacement of Interbank Offered Rates (paragraphs 13-14)". The primary objectives of paragraphs 13-14 concern provisions of lease contracts that are amended while the contract is in effect. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 97 "Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans". The primary objectives of this Statement are to (1) increase consistency and

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements and (3) enhance the relevance, consistency and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Management has determined the impact of this Statement is not material to the financial statements.

Government-Wide and Fund Financial 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. The Town's sewer department and is categorized as a business-type activity. All other activities of the Town are categorized as governmental.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column and (b) are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts - net investment in capital assets, restricted net position and unrestricted net position. 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 and business-type activities (general government, public safety, etc.) excluding fiduciary activities. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, miscellaneous revenues, 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 (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the most part, the interfund activity has been eliminated from these government-wide financial statements.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The net costs (by function) are normally covered by general revenue (taxes, certain intergovernmental revenues and charges for services, etc.).

The Town does not allocate indirect costs. All costs are charged directly to the corresponding department.

The government-wide focus is more on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

Measurement Focus - Basic Financial Statements and Fund Financial Statements

The financial transactions of the Town are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. The following fund types are used by the Town:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of 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:

Major Funds

- a. The 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.
- b. The Education Fund is used to account for all financial resources of the Kittery School Department. Revenue sources are from intergovernmental revenues, charges for services and other revenues.
- c. The ARPA Fund is used to account for the proceeds of the Department of the Treasury grants that are legally restricted to expenditures for specified purposes.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Nonmajor Funds

- d. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- e. Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment.
- f. Permanent Funds are used to account for assets held by the Town that are legally restricted pursuant to Title 30-A, §5653 of the Maine State Statutes, as amended and unless otherwise specified, only earnings and not principal, may be used for purposes that benefit the Town or its citizenry. The Town's policy for authorizing and spending investment income follows State statutes.

2. Proprietary Funds:

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Operating revenues include charges for services, intergovernmental reimbursements and other miscellaneous fees which are a direct result of the proprietary activity. Nonoperating revenues are any revenues which are generated outside of the general proprietary activity, i.e. interest income. The following is a description of the proprietary funds of the Town:

- a. Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) established fees and charges based on a pricing policy designed to recover similar costs.

3. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Town programs. The reporting focus is on net position and changes in net position and is reported using accounting

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

principles similar to proprietary funds. Component units that are fiduciary in nature have been excluded from these financial statements.

The Town's fiduciary funds are presented in the fiduciary fund financial statements by type (private-purpose trusts). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide financial statements.

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 Statement No. 34 sets forth minimum criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenses of either the fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

Basis of Accounting

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

1. Accrual

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

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budget

The Town'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.

In accordance with Governmental Accounting Standards Board Statement No. 24, *Accounting and Reporting for Certain Grants and Other Financial Assistance*, payments made by the State of Maine to the Maine State Retirement System for teachers and certain other school employees are reported as offsetting revenues and expenditures of the education fund.

Revenues per budgetary basis	\$ 19,269,667
Add: On-behalf payments	1,419,061
Total GAAP basis	<u>\$ 20,688,728</u>
Expenditures per budgetary basis	\$ 19,058,202
Add: On-behalf payments	1,419,061
Total GAAP basis	<u>\$ 20,477,263</u>

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

1. Early in the second half of the year the Town prepares a budget for the fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Town Council was called for the purpose of adopting the proposed budget after public notice of the meeting was given.
3. The budget was adopted subsequent to passage by the Town Council.

Deposits and Investments

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

It is the Town's policy to value investments at fair value. None of the Town's investments are reported at amortized cost. For purposes of the statement of cash

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be a cash equivalent. The Town Treasurer is authorized by State Statutes to invest all excess funds in the following:

- Obligations of the U.S. Government, its agencies and instrumentalities
- Certificates of deposit and other evidence of deposits at banks, savings and loan associations
- Prime bankers' acceptances
- Prime commercial papers
- Repurchase agreements whose underlying collateral consist of the foregoing
- Money market mutual funds whose portfolios consist of the foregoing

It is the policy of the Town of Kittery, Maine to invest public funds in a manner in which will provide safety of principal with a market rate of return while meeting the daily cash flow demands of the Town and conforming to all state and local statutes governing the investment of public funds.

Receivables

Receivables include amounts due from governmental agencies. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. The allowance for uncollectible accounts is estimated to be \$40,000 as of June 30, 2022. Accounts receivable netted with allowances for uncollectibles were \$1,305,027 for the year ended June 30, 2022.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Inventories

Inventories consist of expendable supplies held for consumption and are valued at cost which approximates market, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when used (consumption method). The general fund inventory consists of diesel fuel and gasoline. The school lunch fund inventory consists of school lunch supplies and food on hand at the end of the year.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tax Acquired Property

Real property becomes tax acquired when tax liens placed on property and associated costs remain unpaid eighteen months after the filing of the tax lien in accordance with 36 M.R.S.A. § 943. The amount of the taxes and associated costs become assets classified as tax acquired property receivables that are secured by the real property that foreclosed.

After real property becomes tax acquired, the Town Manager will seek Town Council approval to dispose of the property. This can be done through sealed bid, public auction or other alternative methods as determined by the Town Manager. The policy and procedures are outlined in the Policy for Collection of Unpaid Property Taxes adopted May 30, 2018.

Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Any residual balances outstanding between governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances".

Transactions Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Infrastructure such as streets, traffic signals and signs 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 estimated useful lives.

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated capital assets are reported at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Infrastructure assets include roads, bridges, underground pipe (other than related to independently owned utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the Town. The Town has not retroactively recorded infrastructure.

Estimated useful lives are as follows:

Buildings and land improvements	20 - 50 years
Infrastructure	50 - 100 years
Machinery and equipment	3 - 50 years
Vehicles	3 - 25 years

Long-term Obligations

The accounting treatment of long-term obligations depend on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in government-wide statements. The long-term obligations consist of bonds payable, notes from direct borrowings payable, accrued compensated absences, net pension liability and net OPEB liability.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

Pensions

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

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

OPEB

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, management received and relied on an actuarial report provided to them by the Maine Municipal Employees Health Trust (MMEHT) and Maine Education Association Benefits Trust (MEABT), which determined the School's fiduciary net position as a single employer defined benefit plan based on information provided solely by MMEHT and MEABT to complete the actuarial report. Additions to/deductions from the MMEHT and MEABT OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by MMEHT and MEABT. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

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

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislations adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

Fund Balance

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Town is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

Nonspendable - This includes amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted - This includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governments.

Committed - This includes amounts that can be used only for specific purposes determined by a formal action of the inhabitants of the Town or the Town Council in accordance with its charter. The inhabitants of the Town, through Town meetings, are the highest level of decision-making authority of the Town in that they must approve certain annual budgets (School), bonding and appropriation of unassigned fund balance. The Town Council must approve other annual budgets (capital and Town operating) and spending. Commitments may be modified or rescinded in the same manner they were established.

Assigned - This includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The authority for assigning fund balance given annually by the taxpayers and is expressed by the Town Council.

Unassigned - This includes all other spendable amounts. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Town meeting vote has provided otherwise in its commitment or assignment actions.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Town has a fund balance policy that guides the Town to maintain an unassigned fund balance equal to at least 8.34% but preferable at 12% of the Town's general fund budget, i.e. an amount equal to 2.5 months of operating expenses from the then current operating budget, whichever is higher.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has three types of this item, deferred outflows related to the Dineen property, which is reported in both the statements of net position and governmental funds balance sheet, deferred outflows related to pensions and deferred outflows related to OPEB, which are reported in the statement of net position.

In addition to liabilities, the statement of financial position and or balance sheet will at times report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred tax revenues, which arises only under a modified accrual basis of accounting qualifies for reporting in this category. Accordingly, this item is reported in the governmental funds balance sheet. Prepaid taxes and deferred revenue also qualify for reporting in this category. These items are reported in both the statements of net position and governmental funds balance sheet. Deferred inflows related to pensions and OPEB qualify for reporting in this category as well. These items are reported only in the statement of net position. All items in this category are deferred and recognized as an inflow of resources in the period that the amounts become available.

Revenue Recognition - Property Taxes - Modified Accrual Basis

The Town's property tax for the current year was levied September 13, 2021 on the assessed value listed as of April 1, 2021, for all real and personal property located in the Town. Taxes were due on November 1, 2021, February 15, 2022 and May 31, 2022. Interest on unpaid taxes commenced on November 2, 2021, February 16, 2022 and June 1, 2022, at 6% per annum.

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

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 \$157,292 for the year ended June 30, 2022.

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.

Program Revenues

Program revenues include all directly related income items applicable to a particular program (charges to customers or applicants for goods, services or privileges provided, operating or capital grants and contributions, including special assessments).

Operating/Nonoperating Proprietary Fund Revenues

Operating revenues consist mainly of direct revenue sources and/or charges for services applicable to that fund's ongoing operations. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Encumbrance Accounting

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end. The Town does not utilize encumbrance accounting for its general fund.

Use of Estimates

During the preparation of the Town's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from these estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

The Town's investment policies, which follow state statutes, require that all investments be made considering the safe and sound investment of principal and

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

preservation of capital in the overall portfolio, maintenance of sufficient liquidity to meet day-to-day operations and other cash requirements and maximization of income, within established investment risk guidelines, with consistent cash flows throughout the budgetary cycle. These investment policies apply to all Town funds.

Deposits:

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Town will not be able to recover its deposits. The Town does not have a policy covering custodial credit risk for deposits. However, the Town maintains deposits in qualifying financial institutions that are a member of the FDIC or NCUSIF as defined in Title 30-A, Section 5706 of the Maine Revised Statutes.

At June 30, 2022, the Town's cash balance of \$26,168,622 was comprised of bank deposits amounting to \$27,152,916. Bank deposits and cash equivalents are adjusted primarily by outstanding checks and deposits in transit to reconcile to the Town's cash and cash equivalents balance. Of these bank deposits, \$447,361 was insured by federal depository insurance and consequently was not exposed to custodial credit risk. The remaining bank deposits of \$26,705,555 were collateralized with securities held by the financial institution in the Town's name or an irrevocable stand-by letter of credit.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 2,388,661
Savings accounts	3,108
Money market accounts	4,508,705
Sweep accounts	20,190,563
Cash and cash equivalents	61,879
	<u>\$ 27,152,916</u>

Investments:

Custodial credit risk for investments is that, in the event of failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the Town does not have a policy for custodial credit risk for investments. However, in accordance with its investment policy, the Town seeks to minimize custodial credit risk by doing business with authorized institutions, depositories and broker/dealers.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Interest rate risk - is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates.

Of the Town's investments of \$1,519,408, all were covered by the Securities Investor Protection Corporation (SIPC) and consequently were not exposed to custodial credit risk.

At June 30, 2022, the Town had the following investments and maturities:

Investment Type	Fair Value	N/A	< 1 Year	1 - 5 Years
Debt securities:				
U.S. Agency securities	\$ 322,673	\$ -	\$ 322,673	\$ -
Corporate bonds	240,011	-	240,011	-
Equity securities:				
Common stock - domestic	661,931	661,931	-	-
Mutual funds:				
Equity - domestic	212,586	212,586	-	-
Equity - foreign	82,207	82,207	-	-
	<u>\$ 1,519,408</u>	<u>\$ 956,724</u>	<u>\$ 562,684</u>	<u>\$ -</u>

Fair Value Hierarchy

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Town has the following recurring fair value measurements as June 30, 2022:

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

		Fair Value Measurements Using		
	June 30, 2022	Quoted Prices in Active Markets for Identical Assets (Level I)	Significant Other Observable Inputs (Level II)	Significant Unobservable Inputs (Level III)
	Total			
<u>Investments by fair value level</u>				
Debt securities:				
U.S. Agency Securities	\$ 322,673	\$ 322,673	\$ -	\$ -
Corporate bonds	240,011	-	240,011	-
Total debt securities	562,684	322,673	240,011	-
Equity securities:				
Common stock - domestic	661,931	661,931	-	-
Mutual funds - domestic and foreign	294,793	294,793	-	-
Total equity securities	956,724	956,724	-	-
Total investments by fair value level	1,519,408	\$ 1,279,397	\$ 240,011	\$ -
<u>Cash equivalents measured at the net asset value (NAV)</u>				
Money market mutual funds	61,879			
Total cash equivalents measured at the NAV	61,879			
Total investments and cash equivalents measured at fair value	\$ 1,581,287			

Equity securities classified in Level I of the fair value hierarchy are valued using prices quoted in active markets for those securities. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The Town has no Level II or III investments. The fair value of money market mutual funds that are measured at NAV per share (or its equivalent) is calculated as of June 30, 2022 in a manner consistent with the Financial Accounting Standards Board's measurement principles for investment companies.

Credit risk - Statutes for the State of Maine authorize the Town to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Maine, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. The Town does not have an investment policy on credit risk. Generally, the Town invests excess funds in repurchase agreements, savings accounts and various insured certificates of deposit. Certain long-term trust funds are invested through a financial institution with trust powers in a mix of securities that comply with state and federal regulations to provide long-term growth and income.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2022 consisted of the following individual fund receivables and payables:

	(Due from)	(Due to)
General fund	\$ 2,612,184	\$ 19,028,683
Education fund	6,236,581	2,328,131
ARPA fund	604,326	-
Nonmajor special revenue funds	7,308,599	284,053
Nonmajor capital projects funds	3,595,495	-
Nonmajor permanent funds	105,125	-
Proprietary funds	1,178,557	-
	<u>\$ 21,640,867</u>	<u>\$ 21,640,867</u>

The result of amounts owed between funds are considered to be in the course of normal operations by the Town. Reconciliation of the amounts owed between funds may or may not be expected to be repaid within one year in their entirety due to the recurring nature of these transactions during operations.

NOTE 4 - INTERFUND TRANSFERS

At June 30, 2022, the Town had the following interfund transfers:

	Transfers From	Transfers To
General fund	\$ 35,000	\$ 1,899,350
Education fund	35,680	806,380
Nonmajor special revenue funds	2,204,628	101,897
Nonmajor capital projects funds	607,000	39,681
Nonmajor permanent funds	-	35,000
	<u>\$ 2,882,308</u>	<u>\$ 2,882,308</u>

Interfund transfers are the results of legally authorized activity and are considered to be in the course of normal operations.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2022:

	Balance, 7/1/21 (Restated)	Additions	Disposals	Balance, 6/30/22
<u>Governmental activities</u>				
Non-depreciated assets:				
Land	\$ 10,950,906	\$ -	\$ -	\$ 10,950,906
Construction in progress	1,524,298	387,116	(1,524,298)	387,116
	<u>12,475,204</u>	<u>387,116</u>	<u>(1,524,298)</u>	<u>11,338,022</u>
Depreciated assets:				
Land improvements	2,203,634	382,517	(34,319)	2,551,832
Buildings and improvements	43,369,273	5,124,353	(49,015)	48,444,611
Machinery, equipment and vehicles	11,146,184	759,453	(92,079)	11,813,558
Infrastructure	13,137,687	622,625	-	13,760,312
	<u>69,856,778</u>	<u>6,888,948</u>	<u>(175,413)</u>	<u>76,570,313</u>
Less: accumulated depreciation	<u>(46,452,470)</u>	<u>(2,099,581)</u>	<u>106,572</u>	<u>(48,445,479)</u>
	<u>23,404,308</u>	<u>4,789,367</u>	<u>(68,841)</u>	<u>28,124,834</u>
Net capital assets	<u>\$ 35,879,512</u>	<u>\$ 5,176,483</u>	<u>\$ (1,593,139)</u>	<u>\$ 39,462,856</u>
<u>Business-type activities</u>				
Non-depreciated assets:				
Land	\$ 285,980	\$ -	\$ -	\$ 285,980
	<u>285,980</u>			<u>285,980</u>
Depreciated assets:				
Buildings and improvements	19,456,787	-	-	19,456,787
Machinery, equipment and vehicles	714,708	7,550	-	722,258
Infrastructure	11,723,215	-	-	11,723,215
	<u>31,894,710</u>	<u>7,550</u>	<u>-</u>	<u>31,902,260</u>
Less: accumulated depreciation	<u>(12,406,393)</u>	<u>(1,105,896)</u>	<u>-</u>	<u>(13,512,289)</u>
	<u>19,488,317</u>	<u>(1,098,346)</u>	<u>-</u>	<u>18,389,971</u>
Net capital assets	<u>\$ 19,774,297</u>	<u>\$ (1,098,346)</u>	<u>\$ -</u>	<u>\$ 18,675,951</u>

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 - CAPITAL ASSETS (CONTINUED)

Current year depreciation expense:

General government	\$ 121,360
Police	145,691
Fire	216,720
Public works	921,993
Recreation and culture	142,327
Health and sanitation	2,509
Harbormaster	81,805
School department	462,316
Town-wide	4,860
Subtotal governmental	<u>2,099,581</u>
Sewer department	<u>1,105,896</u>
Subtotal business-type	<u>1,105,896</u>
Total depreciation expense	<u><u>\$ 3,205,477</u></u>

NOTE 6 - LONG-TERM DEBT

The following is a summary of changes in the long-term debt for the year ended June 30, 2022:

	Balance, 7/1/21	Additions	Deletions	Balance, 6/30/22	Due Within One Year
<u>Governmental activities:</u>					
Bonds payable	\$ 14,941,709	\$ -	\$ (1,533,455)	\$ 13,408,254	\$ 1,533,802
Notes from direct borrowings payable	96,507	257,595	(123,142)	230,960	119,751
Total governmental activities	<u>\$ 15,038,216</u>	<u>\$ 257,595</u>	<u>\$ (1,656,597)</u>	<u>\$ 13,639,214</u>	<u>\$ 1,653,553</u>
<u>Business-type activities:</u>					
Bonds payable	<u>\$ 10,166,556</u>	<u>\$ -</u>	<u>\$ (631,180)</u>	<u>\$ 9,535,376</u>	<u>\$ 636,982</u>

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6 - LONG-TERM DEBT (CONTINUED)

The following is a summary of the outstanding bonds and notes from direct borrowings payable:

	Governmental	Business-type
<u>Bonds:</u>		
\$1,323,000, 2003A Waste Water State Revolving Loan due in annual principal installments and semiannual interest installments through October of 2022. Interest is charged at fixed rate of 1.94% per annum. Annual principal installments vary.	\$ -	\$ 70,646
\$3,268,766, 2010 General Obligation Bond due in annual principal installments and semiannual interest installments through April of 2030. Interest is charged at a fixed rate of 1.00% per annum. Annual principal installments vary from \$148,142 to \$179,346.	-	1,386,024
\$5,500,000, 2012 General Obligation Bond due in annual principal installments and semiannual interest installments through January of 2032. Interest is charged at a fixed rate ranging from 2.00% to 3.15% per annum. Annual principal installments are \$275,000.	2,750,000	-
\$2,100,000, 2013 General Obligation Bond due in annual principal installments and semiannual interest installments through December of 2022. Interest is charged at a fixed rate ranging from 1.50% to 2.00% per annum. Annual principal installments are \$210,000.	210,000	-
\$150,000, 2014 General Obligation Bond due in annual principal installments and semiannual interest installments through November of 2034. Interest is charged at a fixed rate of 2.00% per annum. Annual principal installments vary from \$6,043 to \$10,111.	106,312	
\$958,000, 2015 General Obligation Bond due in annual principal installments and semiannual interest installments through November of 2025. Interest is charged at a fixed rate of 2.00% per annum. Annual principal installments vary from \$95,000 to \$103,000.	380,000	
\$1,300,000, 2015 General Obligation Bond due in annual principal installments and semiannual interest installments through November of 2025. Interest is charged at a fixed rate of 2.00% per annum. Annual principal installments are \$130,000.	520,000	-
\$821,000, 2015 General Obligation Bond due in annual principal installments and semiannual interest installments through November of 2025. Interest is charged at a fixed rate of 2.00% per annum. Annual principal installments vary from \$80,000 to \$86,000.	320,000	-
\$11,990,025, 2015 General Obligation Bond due in annual principal installments and semiannual interest installments through November of 2036. Interest is charged at a fixed rate of 1.00% per annum. Annual principal installments vary from \$377,865 to \$742,381.	-	8,078,706

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 6 - LONG-TERM DEBT (CONTINUED)

	<u>Governmental</u>	<u>Business-type</u>
\$275,000, 2016 General Obligation Bond due in annual principal installments and semiannual interest installments through November of 2036. Interest is charged at a fixed rate ranging from 0.91% to 3.50% per annum. Annual principal installments vary from \$11,352 to \$17,779.	216,942	-
\$1,140,000 2016 General Obligation Bond due in annual principal installments and semiannual interest installments through November 2026. Interest is charged at a fixed rate ranging from 2% to 2.25% per annum. Annual Installments vary from \$147,100 to 111,238.	555,000	-
\$8,960,000 2021 General Obligation Bond due in annual principal and semiannual interest installments through March 2041. Interest is charged at a fixed rate ranging from 1% to 3% per annum. Annual principal installments vary from \$610,000 to \$250,000.	8,350,000	-
Total bonds payable	<u>\$ 13,408,254</u>	<u>\$ 9,535,376</u>
<u>Notes from direct borrowings payable:</u>		
\$131,156, 2016 Capital Lease payable to Norway Savings Bank for photocopiers due in annual installments of \$28,669 through August 2021. Interest is charged at a fixed rate of 3.04% per annum.	\$ 23,866	\$ -
\$44,818, 2021 Capital Lease payable to M.S.T. Government Leasing, LLC. For photocopiers due in annual installments of \$9,580 through August 2025. Interest is charged at a fixed rate of 3.29% per annum.	35,364	-
\$257,595, 2022 Capital Lease payable to Apple Financial Services. For computer equipment due in annual installments of \$85,865 through August 2025. Interest is charged at a fixed rate of 3.29% per annum.	171,730	-
Total notes from direct borrowings payable	<u>\$ 230,960</u>	<u>\$ -</u>

The following is a summary of outstanding bond and notes from direct borrowings payable principal and interest requirements for the following fiscal years ending June 30:

	<u>Governmental Activities</u>				
	<u>Bonds Payable</u>		<u>Notes from Direct Borrowings Payable</u>		<u>Total Debt Service</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2023	\$ 1,533,802	\$ 138,772	\$ 119,751	\$ 1,507	\$ 1,793,832
2024	1,319,188	118,551	94,559	887	1,533,185
2025	1,319,612	99,743	8,979	601	1,428,935
2026	1,320,078	80,802	7,671	305	1,408,856
2027	1,015,590	64,014	-	-	1,079,604
2028-2032	4,537,692	167,668	-	-	4,705,360
2033-2037	1,362,292	9,099	-	-	1,371,391
2038-2042	1,000,000	-	-	-	1,000,000
	<u>\$ 13,408,254</u>	<u>\$ 678,649</u>	<u>\$ 230,960</u>	<u>\$ 3,300</u>	<u>\$ 14,321,163</u>

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6 - LONG-TERM DEBT (CONTINUED)

	<u>Business-type Activities</u>		
	<u>Bonds Payable</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
2023	\$ 636,982	\$ 125,601	\$ 762,583
2024	572,019	119,918	691,937
2025	744,231	121,627	865,858
2026	751,701	114,156	865,857
2027	759,249	106,610	865,859
2028-2032	3,548,021	400,877	3,948,898
2033-2037	2,523,173	179,348	2,702,521
	<u>\$ 9,535,376</u>	<u>\$ 1,168,137</u>	<u>\$ 10,703,513</u>

No interest costs were capitalized during the period. The amount of interest costs incurred and charged to expense for the business-type activities for the year ended June 30, 2022 was \$133,088.

All bonds payable are direct obligations of the Town, for which its full faith and credit are pledged. The Town is not obligated for any special assessment debt. All debt is payable from taxes levied on all taxable property within the Town.

NOTE 7 - OTHER LONG-TERM OBLIGATIONS

The following is a summary of changes in other long-term obligations for the year ended June 30, 2022:

	<u>Balance, 7/1/21 (Restated)</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, 6/30/22</u>	<u>Due Within One Year</u>
<u>Governmental activities:</u>					
Accrued compensated absences	\$ 931,393	\$ 59,364	\$ (25,920)	\$ 964,837	\$ -
Net pension liability	3,896,003	1,084,775	(5,159,294)	(178,516)	-
Net OPEB liability	16,453,685	680,203	(7,836,829)	9,297,059	-
	<u>\$ 19,376,983</u>	<u>\$ 1,824,342</u>	<u>\$ (13,022,043)</u>	<u>\$ 10,083,380</u>	<u>\$ -</u>
<u>Business-type activities:</u>					
Accrued compensated absences	\$ 94,445	\$ 754	\$ (45,391)	\$ 49,808	\$ 20,718
Net pension liability	365,569	68,954	(453,039)	(18,516)	-
	<u>\$ 409,936</u>	<u>\$ 69,708</u>	<u>\$ (498,430)</u>	<u>\$ 31,292</u>	<u>\$ 20,718</u>

Refer to Notes 8, 16, 18 and 20 for more detailed information regarding other long-term obligations.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 - ACCRUED COMPENSATED ABSENCES

The Town's policies regarding vacation and sick time do permit employees to accumulate earned but unused vacation and sick leave. The liability for these compensated absences is recorded as long-term obligations in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. As of June 30, 2022, the Town's liability for compensated absences is \$1,014,645.

NOTE 9 - NET INVESTMENT IN CAPITAL ASSETS

The following is the calculation of the net investment in capital assets for the Town at June 30, 2022:

	Governmental Activities	Business-type Activities
Invested in capital assets	\$ 87,908,335	\$ 32,188,240
Accumulated depreciation	(48,445,479)	(13,512,289)
Outstanding capital related debt	(13,639,214)	(9,535,376)
	<u>\$ 25,823,642</u>	<u>\$ 9,140,575</u>

NOTE 10 - RESTRICTED NET POSITION

At June 30, 2022, the Town had the following restricted net position:

ARPA fund	\$ 604,326
Nonmajor special revenue funds (Schedule E):	
Public safety impact fees	357,956
MMA grants	285
Affordable housing fund	150,000
Additional snow and ice damages	37,278
School special revenue funds	67,846
Nonmajor capital projects funds (Schedule I):	
State aid to roads	1,285,872
Nonmajor permanent funds:	
Public health trust	26,378
Lester Raynes trust	10,000
Mary Safford Wildes	632,892
George Smart Santa	5,404
Recycling scholarship	11,684
Connie Samuels beautification	58,601
	<u>\$ 3,248,522</u>

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 11 - NONSPENDABLE FUND BALANCES

At June 30, 2022, the Town had the following nonspendable fund balances:

General fund:	
Prepaid items	\$ 412,950
Inventory	9,278
Tax acquired property	76,665
Education fund	158,489
Nonmajor special revenue funds (Schedule E)	13,617
Nonmajor permanent funds (Schedule I)	60,000
	<u>\$ 730,999</u>

NOTE 12 - RESTRICTED FUND BALANCES

At June 30, 2022, the Town had the following restricted fund balances:

ARPA fund	\$ 604,326
Nonmajor special revenue funds (Schedule E)	599,748
Nonmajor capital projects funds (Schedule G)	1,285,872
Nonmajor permanent funds (Schedule I)	684,959
	<u>\$ 3,174,905</u>

NOTE 13 - COMMITTED FUND BALANCES

At June 30, 2022, the Town had the following committed fund balances:

General fund:	
Fort Foster/beach signage	\$ 20,000
Traffic circle landscaping	40,000
Police - social services partnership	20,000
Police officer	108,000
Nonmajor special revenue funds (Schedule E)	5,689,815
Nonmajor capital projects funds (Schedule G)	1,908,116
	<u>\$ 7,785,931</u>

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 14 - ASSIGNED FUND BALANCES

At June 30, 2022, the Town had the following assigned fund balances:

Education fund	\$ 500,000
Nonmajor special revenue funds (Schedule E)	652,505
	<u>\$ 1,152,505</u>

NOTE 15 - DEFICIT FUND BALANCES

At June 30, 2022, the Town had the following deficit fund balances:

Nonmajor funds:	
Oil and More Donations	\$ 15
PREPA Grant	5,390
Tax Acquired Properties	44,978
Legion Invasives	8,080
Police Grant Support Det.	21,512
Joint Land Use OEA PH1	14,975
Police New Officer	6,513
PFAS	23,902
School Special Revenue Funds	107,459
Total	<u>\$ 232,824</u>

NOTE 16 - DEFINED BENEFIT PENSION PLANS

MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM

PARTICIPATING LOCAL DISTRICT CONSOLIDATED PLAN

Plan Description

Town employees contribute to the Maine Public Employees Retirement System (MainePERS), a cost-sharing multiple-employer defined benefit pension plan established by the Maine State Legislature. Title 5 of the Maine Revised Statutes Annotated assigns the authority to establish and amend benefit provisions to the Participating Local District (PLD) Consolidated Plan's advisory group, which reviews the terms of the plan and periodically makes recommendations to the Legislature to amend the terms. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Consolidated Plan. That report may be obtained online at www.mainebers.org or by contacting the System at (207) 512-3100.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Benefits Provided

The Maine Public Employees Retirement System provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. The System's retirement programs provide defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e., eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit (effective October 1, 1999, the prior ten-year requirement was reduced by legislative action to five years for employees of PLDs). In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. For PLD members, normal retirement age is 60 or 65. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. The System also provides disability and death benefits which are established by contract with PLD employers under applicable statutory provisions. As of June 30, 2021, there were 305 employers in the plan.

Upon termination of membership, members' accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits and membership rights. The annual rate of interest credited to members' accounts is set by the System's Board of Trustees and is currently 0.93%.

Contributions

Retirement benefits are funded by contributions from members and employers and by earnings on investments. Disability and death benefits are funded by employer normal cost contributions and by investment earnings. The Town's police and fire department employees are part of the PLDs special plan "1C" (effective July 1, 2007) and are required to contribute 8.8% of their annual salary, while all other employees are part of regular plan "AC" and are required to contribute 8.1% of their annual salary. The Town is required to contribute the actuarially determined rates of 16.0% for special plan "1C" members' covered payroll and 10.1% for regular plan "AC" members' covered payroll during the year. The contribution rates of plan members and the Town are established and may be amended by the Maine Public Employee Retirement Systems advisory group. The Town's contribution to the MainePERS PLD Consolidated Plan for the year ended June 30, 2022 was \$723,239.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM

STATE EMPLOYEE AND TEACHER PLAN

Plan Description

All school teachers, plus other qualified educators, participate in the Maine Public Employees Retirement System's (MainePERS) State Employee and Teacher (SET) Plan. The teacher's program is a multi-employer cost-sharing plan with a special funding situation, established by the Maine State Legislature. The State of Maine is also a non-employer contributing entity in that the State pays the initial unfunded actuarial liability on behalf of teachers, while school districts contribute the normal cost, calculated actuarially, for their teacher members. Title 5 of the Maine Revised Statutes Annotated assigns the authority to establish and amend benefit provisions to the State Legislature. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial and actuarial information for the SET Plan. That report may be obtained online at www.mainebers.org or by contacting the System at (207) 512-3100.

Benefits Provided

The Maine Public Employees Retirement System provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. The authority to establish and amend benefit provisions rests with the State Legislature. The System's retirement programs provide defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e., eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit (effective October 1, 1999, the prior ten year requirement was reduced by legislative action to five years for State employees and teachers). In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. Normal retirement age for State employees and teachers is age 60, 62 or 65. The normal retirement age is determined by whether a member had met certain creditable service requirements on specific dates, as established by statute. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. The System also provides disability and death benefits which are established by statute for State employee and teacher members. As of June 30, 2021, there were 238 employers, including the State of Maine, participating in the plan.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Upon termination of membership, members' accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits and membership rights. The annual rate of interest credited to members' accounts is set by the System's Board of Trustees and is currently 0.93%.

Contributions

Retirement benefits are funded by contributions from members and employers and by earnings on investments. Disability and death benefits are funded by employer normal cost contributions and by investment earnings. The Department's teachers are required to contribute 7.65% of their compensation to the retirement system. The Department's payroll for teachers covered by this program was approximately \$9,930,446 for the year ended June 30, 2022. Title 5 of the Maine Revised Statutes Annotated requires the State to contribute 14.29% of the Department's contractually required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability (UAL). Contributions paid by the State were approximately \$1,419,061 for the year ended June 30, 2022. Title 5 of the Maine Revised Statutes Annotated also requires the Department to contribute at an actuarially determined normal cost rate of 3.84%, which totaled \$381,923 for 2022. In addition, the Department is required to contribute toward the UAL of the plan and pay a small percentage of payroll towards the administrative costs for federally funded teachers, which amounts to 14.89% of compensation and totaled \$41,304 the year ended June 30, 2022.

Pension Liabilities

PLD Consolidated Plan

At June 30, 2022, the Town reported a liability/(asset) of (\$312,682) for its proportionate share of the net pension liabilities for the plan. The net pension liabilities were measured as of June 30, 2021 and the total pension liabilities used to calculate the net pension liabilities was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liabilities were based on a projection of the Town's long-term share of contributions to each pension plan relative to the projected contributions of all PLDs, actuarially determined. At June 30, 2021, the Town's proportion was 0.97299%, which was a decrease of 0.05621% from its proportion measured as of June 30, 2020.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

SET Plan

At June 30, 2022, the Town reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the Town. The amount recognized by the Town as its proportionate share of the net pension liability, the related State support and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$ 115,650
State's proportionate share of the net pension liability associated with the Town	<u>5,707,190</u>
Total	<u>\$ 5,822,840</u>

The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating school units and the State actuarially determined. At June 30, 2021, the Town's proportion was 0.013673%, which was an increase of 0.00311% from its proportion measured as of June 30, 2020.

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

For the year ended June 30, 2022, the Town recognized total pension revenue of \$799,336 for the PLD plan and total pension expense of \$1,419,061 and revenue of \$1,488,359 for support provided by the State of Maine for the SET plan. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

	PLD Plan		SET Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 202,268	\$ 21,252	\$ 1,714	\$ 2,364
Changes of assumptions	1,049,962	-	78,848	-
Net difference between projected and actual earnings on pension plan investments	-	4,261,976	-	157,583
Changes in proportion and differences between employer contributions and proportionate share of contributions	29,321	139,346	32,064	57,616
Contributions subsequent to the measurement date	723,239	-	423,227	-
Total	<u>\$ 2,004,790</u>	<u>\$ 4,422,574</u>	<u>\$ 535,853</u>	<u>\$ 217,563</u>

\$723,239 for the PLD plan and \$423,227 for the SET plan were reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Actuarial Methods and Assumptions

The respective collective total pension liability for the plans was determined by an actuarial valuation as of June 30, 2021, using the following methods and assumptions applied to all periods included in the measurement:

	PLD Plan	SET Plan
Plan year ended June 30:		
2022	\$ (518,049)	\$ (45,819)
2023	(468,478)	20,604
2024	(970,178)	(35,795)
2025	(1,184,318)	(43,924)
2026	-	-
Thereafter	-	-

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Actuarial Cost Method

The Entry Age Normal actuarial funding method is used to determine costs. Under this funding method, the total employer contribution rate consists of two elements: the normal cost rate and the unfunded actuarial liability (UAL) rate.

The individual entry age normal method is used to determine liabilities. Under the individual entry age normal method, a normal cost rate is calculated for each employee. This rate is determined by taking the value, as of age at entry into the plan, of the member's projected future benefits and dividing it by the value, also as of the member's entry age, of his or her expected future salary. The normal cost for each member is the product of the member's pay and normal cost rate. The normal cost for the group is the sum of the normal costs for all members.

Experience gains and losses, i.e., decreases or increases in liabilities and/or in assets when actual experience differs from the actuarial assumptions, affect the unfunded actuarial accrued liability.

Asset Valuation Method

The actuarial valuation employs a technique for determining the actuarial value of assets which reduces the impact of short-term volatility in the market value. The specific technique adopted in this valuation recognizes in a given year one-third of the investment return that is different from the actuarial assumption for investment return.

Amortization

The net pension liability of the PLD Consolidated Plan is amortized on a level percentage of payroll using a method where a separate twenty-year closed period is established annually for the gain or loss for that year.

The net pension liability of the State Employee and Teacher Retirement Plan is amortized on a level percentage of payroll over the amortization period then in effect under statutory and constitutional requirements. All other gains, losses and changes are amortized over ten-year periods beginning on the date as of which they occur.

Significant actuarial assumptions employed by the actuary for funding purposes as of June 30, 2021 are as follows:

Investment Rate of Return - For the PLD and State Employee and Teacher Plans, 6.50% per annum for the year ended June 30, 2021, compounded annually.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Salary Increases, Merit and Inflation - Members of the consolidated plan for PLDs, 2.75% - 11.48%; teachers, 2.80% - 13.03% per year.

Mortality Rates - For the PLD Consolidated Plan and the State Employee and Teacher Plan, the rates are based on the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC_2020 model.

Cost of Living Benefit Increases - for PLD Consolidated 1.91% and Teacher Plans, 2.20% per annum for the year ended June 30, 2021.

The long-term expected rate of return on pension plan assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major class of assets. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as June 30, 2021 are summarized in the following table.

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Public equities	30.0%	6.0%
US Government	7.5%	2.3%
Private equity	15.0%	7.6%
Real assets:		
Real estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural resources	5.0%	5.0%
Traditional credit	7.5%	3.0%
Alternative credit	5.0%	7.2%
Diversifiers	10.0%	5.9%

Discount Rate

The discount rate used to measure the collective total pension liability was 6.50% for 2021 for each of the Plans. The projection of cash flows used to determine the

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and non-employer entity contributions will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following table shows how the collective net pension liability as of June 30, 2021 would change if the discount rate used was one percentage point lower or one percentage point higher than the current rate. The current rate is 6.50% for each of the Plans.

	1% Decrease	Discount Rate	1% Increase
<u>PLD Plan:</u>			
Discount rate	5.50%	6.50%	7.50%
Town's proportionate share of the net pension liability	\$ 4,449,651	\$ (312,682)	\$ (4,251,760)
<u>SET Plan:</u>			
Discount rate	5.50%	6.50%	7.50%
Town's proportionate share of the net pension liability	\$ 303,710	\$ 115,650	\$ (40,929)

Changes in Net Pension Liability

Each employer's share of the collective net pension liability is equal to the collective net pension liability multiplied by the employer's proportionate share as of June 30, 2021 as shown in the schedules of employer and non-employer contributing entity allocations. Changes in net pension liability are recognized in pension expense for the year ended June 30, 2021 with the following exceptions.

Differences between Expected and Actual Experience

The difference between expected and actual experience with regard to economic or demographic factors is recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

resources or deferred inflows of resource. For 2021 and 2020, this was three years for the SET Plan and the PLD Consolidated Plan. For 2020, this was three years for the SET Plan and four years for the PLD Consolidated Plan. For 2018 and 2017, this was three years for both plans; prior to 2017, this was four years for the PLD Consolidated Plan.

Differences between Expected and Actual Investment Earnings

Differences between projected and actual investment earnings are recognized in pension expense using a straight-line amortization method over a closed five-year period. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

Changes in Assumptions

Differences due to changes in assumptions about future economic or demographic factors or other inputs are recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The actuarial assumptions used for the year ended June 30, 2021 valuation were based on the results of an actuarial experience study for the period of June 30, 2016 through June 30, 2020. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. Please refer to the *Actuarial Methods and Assumptions* section for information relating to the use of assumptions.

Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions

Differences resulting from a change in proportionate share of contributions and differences between total employer contributions and the employer's proportionate share of contributions are recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. Differences between total employer contributions and the employer's proportionate share of contributions may arise when an employer has a contribution requirement for an employer specific liability.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 16 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Pension Plan Fiduciary Net Position

Additional financial and actuarial information with respect to the Plan can be found in the MainePERS' 2021 Annual Comprehensive Financial Report available online at www.maineopers.org or by contacting the System at (207) 512-3100.

NOTE 17 - DEFERRED COMPENSATION PLAN

MissionSquare Retirement

A. Plan Description

The Town contributes to a deferred compensation plan created in accordance with Internal Revenue Service Code Section 457 through the MissionSquare Retirement. The plan, available to all Town employees permits them to defer a portion of their salary, in addition to Town contributions, until future years. Employee's participation in this plan is voluntary. The deferred compensation is not available to employees until termination, retirement, death or unforeseen emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) to be held in a trust for the exclusive benefit of the participants and their beneficiaries.

It is the opinion of the Town's management that the Town has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

B. Funding Policy

The contribution requirements of plan members and the Town are established and may be amended by the Town Council. Effective July 1, 2001, the Town agrees to expand the coverage of the MissionSquare Retirement 457 plan currently in effect. This plan will be available for current employees who are not enrolled in the Maine State Retirement System and any newly-hired employee who wishes to enroll in the MissionSquare Retirement plan instead of the MSRS plan. The Town will match the employee's contribution into the 457 plan, up to a maximum Town contribution of six percent. The Town will make a contribution to either MSRS or the MissionSquare Retirement plan, but not both.

The Town's contributions to the plan for the year ended June 30, 2022 were \$32,873.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 17 - DEFERRED COMPENSATION PLAN (CONTINUED)

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 403. The plan, available to all School Department employees as part of a collective bargaining agreement, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseen emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) to be held in a trust for the exclusive benefit of the participants and their beneficiaries.

It is the opinion of the Town's management that the Town has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

NOTE 18 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

ALLEGiant CARE AND MAINE MUNICIPAL EMPLOYEES' HEALTH TRUST

Plan Description

The Town and Town retirees contribute to the Town's OPEB Plan with Allegiant Care and the Maine Municipal Employees Health Trust (MMEHT), a single employer defined benefit plan. Contributions and membership in this Plan are voluntary and may be terminated at any time by the Town and/or the Town retirees. Allegiant Care and MMEHT are fully funded, self-insured trusts which provides benefits to municipal and quasi-municipal organizations and county governments and acts as the agent to the Town concerning administration of this Plan. Title 24-A Chapter 81 of the Maine Revised Statutes Annotated authorizes the regulation of MMEHT as a Multiple Employer Welfare Arrangement by the State of Maine Bureau of Insurance. Benefits and plans are designed and governed by MMEHT participants and are administered by a number of third-party administrators contracted by MMEHT. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. MMEHT issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by MMEHT at (800) 852-8300.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 18 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Benefits Provided

This Plan provides medical/prescription drug benefits during retirement to Medicare and non-Medicare retirees and their surviving spouses with varying levels of benefits determined by voluntary plan selection by the retiree as well as applicable Medicare statutes and regulations. The Plan also provides an automatic life insurance benefit of \$2,000 to participants which includes a surviving spouse benefit for the same. The employee must meet the minimum requirement of age 55 with at least 5 years of service at retirement to be eligible for the Plan. The retiree must enroll when first eligible and continue coverage without interruption.

Employees Covered by Benefit Terms

At January 1, 2022, the following employees were covered by the benefit terms:

Active members	74
Retirees and spouses	27
Total	<u>101</u>

Contributions

Retiree and spouse premium amounts are funded by the retiree at the rate for the coverage elected by the retiree. Premium rates are those determined by the MMEHT's Board of Trustees to be actuarially sufficient to pay anticipated claims. Premiums for retiree life insurance coverage are factored into the premiums paid for basic coverage. Retirees and spouses must contribute 100% of the premium amounts. The sponsoring employer pays the remainder of the premium. Medical benefits are provided for the life of the retiree and surviving spouses.

Retiree Premium Amounts:

The following monthly premium amounts were reported on the individual data file. Actual plan election was reflected in expected retiree premium amounts.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 18 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

	2021-2022			
	Pre 65		Post 65	
	Single	Two Person	Single	Two Person
Allegiant Care - Union	\$ 10,980.00	\$ 23,184.00	\$ 2,107.20	\$ 4,214.40
Allegiant Care - Union Rx	N/A	N/A	\$ 3,132.00	\$ 6,264.00
MME Health Trust - POS A - Non Union	\$ 15,252.84	\$ 34,214.64	\$ 7,141.68	\$ 14,283.48
MME Health Trust - Dental - Non Union	\$ 520.32	\$ 898.20	\$ 530.76	\$ 916.20

	2022-2023			
	Pre 65		Post 65	
	Single	Two Person	Single	Two Person
Allegiant Care - Union	\$ 11,244.00	\$ 23,616.00	\$ 2,107.20	\$ 4,214.40
Allegiant Care - Union Rx	N/A	N/A	\$ 1,018.56	\$ 2,037.12
MME Health Trust - PPO 500 - Non Union	\$ 12,603.24	\$ 28,270.80	\$ 7,206.00	\$ 14,412.00
MME Health Trust - Dental - Non Union	\$ 525.48	\$ 907.20	\$ 536.04	\$ 925.32

Total OPEB Liability, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2022, the Town reported a liability of \$6,425,964 for its total OPEB liability for this Plan. The total OPEB liability was measured as of January 1, 2022 and was determined by an actuarial valuation as of that date. The Town's total OPEB liability was based on the Entry Age Normal Actuarial Cost Method which does not reflect future changes in benefits, subsidies, penalties, taxes or administrative costs that may be required as a result of the Patient Protection and Affordable Care Act of 2010 (ACA) related legislation and regulations.

For the year ended June 30, 2022, the Town recognized OPEB expense of \$1,484,483. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 18 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

	MMEHT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 876,239	\$ -
Net difference between projected and actual earnings on OPEB plan investments	-	3,341,625
Total	<u>\$ 876,239</u>	<u>\$ 3,341,625</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Plan year ended June 30:	
2022	\$ 118,891
2023	118,891
2024	(311,707)
2025	(354,596)
2026	(1,018,462)
Thereafter	(1,018,403)

Discount Rate

The discount rate is the assumed interest rate used for converting projected dollar related values to a present value as of the valuation date of January 1, 2022. The discount rate determination is based on the high-quality AA/Aa or higher bond yields in effect for 20-year, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index. The rate of 3.54% per annum for June 30, 2022 was based upon a measurement date of December 30, 2021. The sensitivity of net OPEB liability to changes in discount rate are as follows:

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 18 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

	1% Decrease	Discount Rate	1% Increase
	2.54%	3.54%	4.54%
Total OPEB liability	\$ 7,437,617	\$ 6,425,964	\$ 5,603,492
Plan fiduciary net position	-	-	-
Net OPEB liability	<u>\$ 7,437,617</u>	<u>\$ 6,425,964</u>	<u>\$ 5,603,492</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

Healthcare Trend

The healthcare trend is the assumed dollar increase in dollar-related values in the future due to the increase in the cost of health care. The healthcare cost trend rate is the rate of change in per capita health claim costs over time as a result of factors such as medical inflation, utilization of healthcare services, plan design and technological developments. The sensitivity of net OPEB liability to changes in healthcare cost trend rates are as follows:

	1% Decrease	Healthcare Trend Rates	1% Increase
Total OPEB liability	\$ 5,431,216	\$ 6,425,964	\$ 7,698,196
Plan fiduciary net position	-	-	-
Net OPEB liability	<u>\$ 5,431,216</u>	<u>\$ 6,425,964</u>	<u>\$ 7,698,196</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

Actuarial Methods and Assumptions

The total OPEB liability for the Plan was determined by an actuarial valuation as of January 1, 2022, using the following methods and assumptions applied to all periods included in the measurement:

Actuarial Cost Method

The Entry Age Normal Actuarial Cost Method is used to determine costs. Under this funding method, a normal cost rate is determined as a level percent of pay for each active Plan member and then summed to produce the total normal cost for this Plan. The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 18 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

For medical and pharmacy, historical claims and census records were assembled and provided through June 30, 2021. Medicare and non-Medicare eligible medical and prescription experience were analyzed. It was assumed that current enrollment distribution of benefit options would remain constant in the future for retirees. The cost was distributed based on the current covered population and the actuary's standard age curves which vary by age, gender and Medicare status. Children costs are converted to a load on the non-Medicare retirees which implicitly assumes that future retirees will have the same child distribution as current retirees.

Amortization

The total OPEB liability of this Plan is amortized on an open 30-year period. The amortization method is a level dollar amortization method.

Assumptions

The actuarial assumptions used in the January 1, 2022 actuarial valuation were adopted by the Maine State Retirement Consolidated Plan for Participating Local Districts as of June 30, 2021 and based on the experience study covering the period from June 30, 2016 through June 30, 2020. As of January 1, 2021, they are as follows:

Discount Rate - 3.54% per annum for year end 2022 reporting. 2.06% per annum for year end 2021 reporting.

Trend Assumptions:

Medical Trend assumptions were developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model. The SOA model was released in December 2007 and version 2022_fa was used for this valuation. The following assumptions were input into this model:

<u>Variable</u>	<u>Rate</u>
Rate of Inflation	2.40%
Rate of Growth in Real Income/GDP per capital 2031+	1.10%
Extra Trend due to Taste/Technology 2031+	1.00%
Expected Health Share of GDP 2031	19.00%
Health Share of GDP Resistance Point	20.00%
Year for Limiting Cost Growth to GDP Growth	2042

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 18 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

The SOA Long-Run Medical Cost Trend Model and its baseline projection are based on an econometric analysis of historical U.S. medical expenditures and the judgements of experts in the field. The long-run baseline projection and input variables have been developed under the guidance of the SOA Project Oversight Group.

The trends selected from 2022 to 2025 were based on plan design, population weighting, renewal projections and market analysis. For years 2026 to 2030, these are interpolated from 2025 to 2031 (which is the product of the inflation, GDP and extra trend rate assumptions).

Deductibles, Co-payments and Out of Pocket Maximums are assumed to increase at the above trend rates. The ultimate trend rate reflects an assumed nominal per capital GDP growth.

Administrative and claims expense: 3% per annum

Future plan changes: It is assumed that the current Plan and cost-sharing structure remains in place for all future years.

Retirement Rates - Rates vary for plans with no explicit employer subsidy (or payment) versus those plans defining an explicit employer subsidy (or payment). The rates are based on assumptions from the Maine State Retirement Consolidated Plan for Participating Local District at June 30, 2021.

Retirement Contribution Increases - Assumed to increase at the same rate as incurred claims. A constant cost sharing in plan design between employer and employees is assumed.

Family Enrollment Composition - For males, 50% of future retirees under the age of 65 and 50% of current retirees are married and elect spousal coverage while females are at 30% for both. 25% of male and female future retirees over the age of 65 are married and elect spousal coverage.

Age Difference of Spouses - Husbands are assumed to be 3 years older than wives.

Administrative expenses - Included in the per capita claims cost.

Disability Incidence - Disabled lives will be considered active employees and will not be valued separately.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 18 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Salary Increase Rate - 2.75% per year assumed using the level percentage of pay entry age method.

Dates of Hire - Needed to be assumed for some employees and will be based on the average age at hire for similar employees.

Rate of Mortality:

Healthy Annuitant- Based on 112% and 118.5% of the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, respectively, for males and females. The proposed rates are projected generationally using the RPEC_2020 model, with an ultimate rate of 1.00% for ages 80 and under, grading down to 0.05% at age 95 and further grading down to 0.00% at age 115, along with convergence to the ultimate rates in the year 2027. All other parameters used in the RPEC_2020 model are those included in the published MP-2020 scale. As prescribed by the Trust, mortality rates were taken from the assumptions for the Maine State Retirement Consolidated Plan for Participating Local Districts at June 30, 2021.

Active Employees - Rates of mortality are based on 83.5% and 88.6% of the 2010 Public Plan General Benefits- Weighted Employee Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the RPEC_2020 model as described in the healthy annuitant mortality. As prescribed by the Trust, mortality rates were taken from the assumptions for the Maine State Retirement Consolidated Plan for Participating Local Districts at June 30, 2021.

Retiree Continuation Percentage:

Medicare participant retirees - 100% assumed to continue in the plan elected

Pre-Medicare plan retirees and active participants - 75% assumed to continue coverage once Medicare-eligible

Pre-Medicare plan spouses and spouses of active participants - 50% assumed to continue coverage once Medicare-eligible

Changes in Net OPEB Liability

Changes in net OPEB liability are recognized in OPEB expense for the year ended June 30, 2022 with the following exceptions:

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 18 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Differences between Expected and Actual Experience

The difference between expected and actual experience are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. The difference between expected and actual experience as of January 1, 2021 was \$876,239.

Changes in Assumptions

Differences due to changes in assumptions about future economic, demographic or claim and expense factors or other inputs are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The actuarial assumptions used in the January 1, 2022 actuarial valuation were adopted by the Maine State Retirement Consolidated Plan for Participating Local Districts as of June 30, 2021 and based on the experience study covering the period from June 30, 2016 through June 30, 2020. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

Differences between Projected and Actual Earnings on OPEB Plan Investments

Differences between projected and actual investment earnings are recognized in OPEB expense using a straight-line amortization method over a closed five-year period. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

OPEB Plan Fiduciary Net Position

Additional financial and actuarial information with respect to this Plan can be found at the Town Office at 200 Rogers Road, Kittery, Maine 03904.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 19 - OTHER POST EMPLOYMENT BENEFIT (OPEB) GROUP LIFE
INSURANCE PLAN

MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM

STATE EMPLOYEE AND TEACHER PLAN

Plan Description

All School teachers, plus other qualified educators, participate in the Maine Public Employees Retirement System's (MainePERS) State Employee and Teacher (SET) Plan. The teacher's program is a multi-employer cost-sharing plan with a special funding situation, established by the Maine State Legislature. The State of Maine is also a non-employer contributing entity in that the State pays the initial unfunded actuarial liability on behalf of teachers, while school districts contribute the normal cost, calculated actuarially, for their teacher members. Title 5 of the Maine Revised Statutes Annotated assigns the authority to establish and amend benefit provisions to the State Legislature. As of June 30, 2021, there were 228 employers, including the State of Maine, participating in the plan. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial and actuarial information for the SET Plan. That report may be obtained online at www.mainebers.org or by contacting the System at (800) 451-9800.

Benefits Provided

The Group Life Insurance Plan (the Plan) provides basic group life insurance benefits, during retirement, to retirees who participated in the Plan prior to retirement for a minimum of 10 years (the 10-year participation requirement does not apply to recipients of disability retirement benefits). The level of coverage in retirement is initially set to an amount equal to the retiree's average final compensation. The initial amount of basic life is then subsequently reduced at the rate of 15% per year to the greater of 40% of the initial amount or \$2,500.

Contributions

Life insurance benefits are funded by contributions from members and employers. Premium rates are those determined by the MainePERS's Board of Trustees to be actuarially sufficient to pay anticipated claims. For Department's teachers, the premiums for retiree life insurance coverage are factored into the premiums paid for basic coverage while participants are active members. Premiums for basic life insurance coverage for retired teachers are paid by the State as the total dollar amount of each year's annual required contribution. The State participates in the SET Plan as a non-employer contributing entity in that the State pays the actuarially

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 19 - OTHER POST EMPLOYMENT BENEFIT (OPEB) GROUP LIFE
INSURANCE PLAN (CONTINUED)

determined premium contributions associated with retired teachers. The State's contribution to the Plan for the year ended June 30, 2022 were approximately \$27,008.

OPEB Liabilities and OPEB Expense

At June 30, 2022, the School reported a liability for its proportionate share of the net OPEB liability that reflected a reduction for State OPEB support provided to the School. The total portion of the net OPEB liability that was associated with the School were as follows:

Town's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the School	<u>240,532</u>
Total	<u>\$ 240,532</u>

For the year ended June 30, 2022, the District recognized net OPEB expense of \$27,996 and revenue of \$27,996 for support provided by the State of Maine.

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) MEDICAL PLAN

MAINE EDUCATION ASSOCIATION BENEFITS TRUST

Plan Description

The State of Maine and School retirees contribute to the School's OPEB Plan with the Maine Education Association Benefits Trust (MEABT), a single employer defined benefit plan. Contributions and membership in this Plan are voluntary and may be terminated at any time by the State, the School and/or the School retirees. MEABT is a fully funded, self-insured trust which provides benefits to education organizations and acts as the agent to the School concerning administration of this Plan. Title 24-A Chapter 81 of the Maine Revised Statutes Annotated authorizes the regulation of MEABT as a Multiple Employer Welfare Arrangement by the State of Maine Bureau of Insurance. Benefits and plans are designed and governed by MEABT participants and are administered by a number of third-party administrators contracted by MEABT. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits*

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) MEDICAL PLAN
(CONTINUED)

Other Than Pensions. MEABT issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by contacting MEABT at (888) 622-4418.

Benefits Provided

This Plan provides medical/prescription drug benefits during retirement to Medicare and non-Medicare retirees and their spouses with varying levels of benefits determined by voluntary plan selection by the retiree as well as applicable Medicare statutes and regulations. The employee must have participated in a plan for the 12 months prior to retirement and have 10 years (under age 50) or 5 years (age 50 or above) of continuous active service and enrollment in the health plan to be eligible for this Plan. The retiree who terminates coverage may elect to re-enroll in coverage if they participated in the health plan for 12 months prior to terminating coverage, as long as re-enrollment occurs within 5 years from coverage termination and as long as the retiree is not past age 62. The retiree must have maintained continuous health insurance coverage during the break in coverage with MEABT to be eligible for re-enrollment and is only eligible for re-enrollment once.

Employees Covered by Benefit Terms

At June 30, 2022, the following employees were covered by the benefit terms:

Active members	159
Retirees and spouses	72
Total	<u>231</u>

Cost Sharing Provisions/Contributions

Retirees are eligible for a State subsidy of 55% of the blended single premium for the retiree. The blended premium is determined by blending rates for active members and retired members, as determined by State law. The retiree contributes the remaining 45% of blended single premium and spouse must contribute 100% of the blended premium amount coverage elected.

Employee/Retiree Premium Amounts:

The following monthly premium amounts were reported on the individual data file. Actual plan election was reflected in expected retiree premium amounts.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) MEDICAL PLAN
(CONTINUED)

	<u>Employee</u>	<u>Employee/ Spouse</u>	<u>Employee/ Child(ren)</u>	<u>Family</u>
<u>Pre-Medicare</u>				
Choice Plus	\$ 782.02	\$ 1,762.53	\$ 1,384.00	\$ 2,145.23
Standard \$200 Ded	\$ 844.48	\$ 1,903.52	\$ 1,494.71	\$ 2,316.85
Standard \$500 Ded	\$ 742.91	\$ 1,674.40	\$ 1,314.81	\$ 2,037.97
Standard \$1,000 Ded	\$ 708.51	\$ 1,596.85	\$ 1,253.91	\$ 1,943.58
<u>Medicare</u>				
Medicare-eligible retirees	\$ 393.32	\$ 786.64		

**Total OPEB Liability, OPEB Expense and Deferred Outflows of Resources
and Deferred Inflows of Resources Related to OPEB**

At June 30, 2022, the Town reported a liability of \$2,871,095 for its total OPEB liability for this Plan. The total OPEB liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of that date. The Town's total OPEB liability was based on the Entry Age Normal Actuarial Cost Method which does not reflect future changes in benefits, subsidies, penalties, taxes or administrative costs that may be required as a result of the Patient Protection and Affordable Care Act of 2010 (ACA) related legislation and regulations.

For the year ended June 30, 2022, the Town recognized OPEB expense of \$163,316. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>MEABT</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 176,385	\$ -
Changes of assumptions	445,159	31,394
Net difference between projected and actual earnings on OPEB plan investments	-	-
Contributions subsequent to the measurement date	63,008	-
Total	<u>\$ 684,552</u>	<u>\$ 31,394</u>

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) MEDICAL PLAN
(CONTINUED)

\$63,008 was reported as deferred outflows of resources related to OPEB resulting from School contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>MEABT</u>
Plan year ended June 30:	
2022	\$ 116,020
2023	116,022
2024	131,720
2025	111,649
2026	111,647
Thereafter	3,092

Discount Rate

The discount rate is the assumed interest rate used for converting projected dollar related values to a present value as of June 30, 2021. The discount rate determination is based on the high-quality AA/Aa or higher bond yields in effect for 20-year, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index. The rate of 2.16% per annum for June 30, 2021 was based upon a measurement date of June 24, 2021. The sensitivity of total OPEB liability to changes in discount rate are as follows:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
	1.16%	2.16%	3.16%
Total OPEB liability	\$ 3,356,445	\$ 2,871,095	\$ 2,478,934
Plan fiduciary net position	-	-	-
Net OPEB liability	<u>\$ 3,356,445</u>	<u>\$ 2,871,095</u>	<u>\$ 2,478,934</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) MEDICAL PLAN (CONTINUED)

Healthcare Trend

The healthcare trend is the assumed dollar increase in dollar-related values in the future due to the increase in the cost of health care. The healthcare cost trend rate is the rate of change in per capita health claim costs over time as a result of factors such as medical inflation, utilization of healthcare services, plan design and technological developments. The sensitivity of total OPEB liability to changes in healthcare cost trend rates are as follows:

	1% Decrease	Healthcare Trend Rates	1% Increase
Total OPEB liability	\$ 2,430,151	\$ 2,871,095	\$ 3,428,364
Plan fiduciary net position	-	-	-
Net OPEB liability	<u>\$ 2,430,151</u>	<u>\$ 2,871,095</u>	<u>\$ 3,428,364</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

Actuarial Methods and Assumptions

The total OPEB liability for the Plan was determined by an actuarial valuation as of June 30, 2021, using the following methods and assumptions applied to all periods included in the measurement:

Actuarial Cost Method

The Entry Age Normal Actuarial Cost Method is used to determine costs. Under this funding method, a normal cost rate is determined as a level percent of pay for each active Plan member and then summed to produce the total normal cost for this Plan. The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets.

Assumptions

The demographic actuarial assumptions are the Teacher assumptions that were used by the Maine Public Employees Retirement System State Employee and Teacher Retirement Program valuation at June 30, 2021 and are based on the experience study covering the period from June 30, 2015 through June 30, 2020. The proposed assumptions were adopted by the Board of Trustees at their March 11, 2021.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) MEDICAL PLAN
(CONTINUED)

The economic assumptions are based on GASB 75 paragraph 36. Since the Plan is not funded via a qualified trust, the discount rates are selected based on the 20-year tax-exempt bond buyer rates as of the measurement dates. The other economic assumptions, ie trend rates, were developed based on historical and future projections of long term health care rates:

Discount Rate - 2.16% per annum for year-end 2021 reporting, 2.21% per annum for year-end 2020 reporting.

Trend Assumptions:

Health care trend assumptions used were developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model version 2022_b. The following assumptions were applied in this model as below:

Trend Assumption Inputs

Variable	Rate
Rate of Inflation	2.00%
Rate of Growth in Real Income/GDP per capita 2030+	1.23%
Extra Trend due to Taste/Technology 2030+	1.10%
Expected Health Share of GDP 2030	20.0%
Health Share of GDP Resistance Point	25.0%
Year for Limiting Cost Growth to GDP Growth	2040

The SOA Long-Run Medical Cost Trend Model and its baseline projection are based on an econometric analysis of historical U.S. medical expenditures and the judgments of experts in the field. The long-run baseline projection and input variables have been developed under the guidance of the SOA Project Oversight Group. Sample medical trends are listed in the table below.

Pre-Medicare - Initial trend of 6.21% applied in FYE 2021 and 6.83% applied in FYE 2022 grading over 18 years to 3.25% per annum.

Medicare - Initial trend of 0.0% applied in FYE 2022 and 6.30% applied in FYE 2022 grading over 18 years to 3.25% per annum.

Future plan changes - Assumes that the current Plan and cost-sharing structure remain in place for all future years.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) MEDICAL PLAN
(CONTINUED)

Significant actuarial assumptions employed by the actuary for demographic purposes are the assumptions that were adopted by Maine Public Employees Retirement System State Employee and Teacher Retirement Program at June 30, 2021 and based on the experience study covering the period from June 30, 2015 through June 30, 2020. The proposed assumptions were adopted by the Board of Trustees at their March 11, 2021 meeting. As of June 30, 2021, they are as follows:

Retirement Rates - Rates vary for plans based on age and service

Rates of Turnover - Rates vary for plans based on service

Disability Incidence - Rates vary for plans based on age

Retirement Contribution Increases - Assumed to increase at the same rate as incurred claims

Family Enrollment Composition - It is assumed that 80% is married with an eligible spouse.

Age Difference of Spouses - Husbands are assumed to be 3 years older than wives.

Administrative expenses - Included in the per capita claims cost

Salary Increase Rate - 2.75% per year assumed using the level percentage of pay entry age method

Salaries - Salaries were not provided by the client. Assumed salaries are inferred using the Teachers Age/Service Salary scatter from the Maine State Teachers Retirement System's salary age/service scatter from the June 30, 2020 Maine Public Employees Retirement System State Employee and Teacher Retirement Program valuation. Based on the dates of hire assumed above and the participant's actual age, pay was assigned using the salary age service scatter, unless otherwise supplied by the district group during its review of the active data.

Dates of Hire - Were not available from the client and were available from the State Retirement Agency. Dates of hire were inferred using the Maine State Retirement System's Age/Service scatter from the June 30, 2020 Maine Public Employees Retirement System State Employee and Teacher Retirement

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) MEDICAL PLAN
(CONTINUED)

Program valuation. Those under 1 year of service, the date was assumed to be January 1, 2020 and all other groups were assumed to be hired on July 1 of each service midpoint.

Rate of Mortality:

Healthy Annuitants: Based on the 2010 Public Plan Teacher Benefits Weighted Healthy Retiree Mortality Table adjusted as follows:

- 98.1% and 87.5% respectively of the rates for males before age 85 and females before age 80
- 106.4% and 122.3% respectively of the rates for males on and after age 85 and females on and after age 80

Rates are projected generationally using the RPEC_2021 model, with an ultimate rate of 1.00% for ages 80 and under, grading down to 0.05% at age 95 and further grading down to 0.00% at age 115, along with convergence to the ultimate rates in the year 2027. All other parameters used in the RPEC_2021 model are those included in the published MP-2021 scale.

Healthy Employees: Based on 93.1% and 91.9% of the 2010 Public Plan Teacher Benefits Weighted Employee Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the RPEC_2021 model as described in the healthy annuitant mortality.

Disabled Annuitants: Based on 94.2% and 123.8% of the 2010 Public Plan Non-Safety Benefits-Weighted Disabled Retiree Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the RPEC_2021 model described in the healthy annuitant mortality.

Retiree Continuation Percentage:

Retirees who are currently in the Medicare Advantage Plan (Medicare participants) are assumed to remain in the Medicare Advantage Plan.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) MEDICAL PLAN
(CONTINUED)

Retirees who are over the age of 65 and enrolled in a Pre-Medicare plan are assumed to never be eligible for Medicare and are assumed to remain enrolled in the Pre-Medicare plan.

Retirees who are currently under the age of 64 and enrolled in a Pre-Medicare plan are assumed to be eligible for Medicare and are assumed to remain in the

Pre-Medicare Plan until age 64 and enroll in the Medicare Advantage Plan at age 65.

Spouses who are currently in a Pre-Medicare plan will follow the same assumptions as the retired member. Thus if the member is never eligible for Medicare, the spouse is not either.

Significant actuarial assumptions employed by the actuary for claims and expense purposes are the based on the actual community rated premiums of the entire group. As of June 30, 2021, they are as follows:

Monthly Per Capital Claims and Expense Cost - Claims are based on community rated premiums through July 1, 2020 and projects through June 30, 2021 and associate enrollment in the various options offered. Annual administrative and claims adjudication expenses are assumed to be included in the annual premiums.

Medical Plan Election - Employees are assumed to continue in their current medical plan for their entire career. 50% of retirees are assumed to switch from the Choice Plan to the Standard Plan.

Medicare Eligibility - Assumed to be age 65, with the exception of retirees over age 65 who are not in the Medicare Advantage Plan are assumed to never be eligible for Medicare, all current actives with a hire date before March 31, 1986 are assumed to never be eligible for Medicare.

Changes in Total OPEB Liability

Changes in total OPEB liability are recognized in OPEB expense for the year ended June 30, 2021 with the following exceptions:

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 20 - OTHER POST EMPLOYMENT BENEFIT (OPEB) MEDICAL PLAN
(CONTINUED)

Differences between Expected and Actual Experience

The difference between expected and actual experience are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. As of July 1, 2021, this average was 8 years. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. For the fiscal year ended June 30, 2021, there were no differences between expected and actual experience.

Changes in Assumptions

Differences due to changes in assumptions about future economic, demographic or claim and expense factors or other inputs are recognized in OPEB expense over the average expected remaining service life of all active and inactive Plan members. As of July 1, 2021, this average was 8 years. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. The amortization period was six years for year ending June 30, 2020. For the fiscal year ended June 30, 2021, there were no changes in assumptions.

Differences between Projected and Actual Earnings on OPEB Plan Investments

Differences between projected and actual investment earnings are recognized in OPEB expense using a straight-line amortization method over a closed five-year period. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

OPEB Plan Fiduciary Net Position

Additional financial and actuarial information with respect to this Plan can be found at the Town Office at 200 Rogers Road, Kittery, Maine 03904.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 21 - EXPENDITURES OVER APPROPRIATIONS

At June 30, 2022, the Town had the following overspent appropriations:

Code enforcement	\$ 8,650
Hydrants	149
Parks	22,175
Solid waste	2,533
EPA stormwater program	1,467
EV charging electricity	601
Transfers to other funds	292,597
Total	<u>\$ 328,172</u>

NOTE 22 - CONTINGENCIES

With regard to pending legal claims or any unasserted claims, it is not feasible at this time to predict or determine their outcome. Management believes, however, that settlement amounts, if any, will not have a material adverse effect on the Town's financial position.

The Town participates in various intergovernmental grant programs which may be subject to future program compliance audits by the grantors or their representatives. Accordingly, the Town's compliance with applicable grant requirement may be established at some future date. The amount, if any, of any liabilities arising from the disallowance of expenditures or ineligibility of grant revenues cannot be determined at this time.

NOTE 23 - RISK MANAGEMENT - PARTICIPATION IN A PUBLIC ENTITY RISK POOL

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 or participates in a public entity and self-insured risk pool sponsored by the Maine Municipal Association.

Based on the coverage provided by the insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded as of June 30, 2022. There were no significant reductions in insurance coverage from that of the prior year and amounts of settlements have not exceeded insurance coverage in the past three years.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 24 - TAX INCREMENT FINANCING DISTRICTS

The Town currently has one tax increment financing district in accordance with Maine statutes to finance development programs in the Town of Kittery. The expenditures generated by these development programs will be recovered in the future years through incremental tax levied upon the districts so-called "captured assed value". A portion of the incremental tax revenues will be returned to the district to repay costs associated with development of the district.

Municipal Development District (Business Park)

On February 8, 2011, the Kittery Town Council, as well as the Maine Department of Economic and Community Development, approved a Tax Increment Financing District to expand and diversify the Town's tax base and improve its economy through commercial development. The area of the District is 132.78 acres. The potential projects that will be implemented under this Development Program include: improvements to roads within and outside the District, trolley's trolley stops and related facilities and improvements, sewer and water system improvements including installation of lines, economic development planning and administrative expenses associated with the development effort. The original assessed value of the property is \$2,105,200. The Town anticipates over the life of the district that new development, rehabilitation and redevelopment will result in approximately \$29,500,000 in new taxable value. Tax increment revenues generated from this value over the life of the district will be approximately \$8,648,766. The Development Program provides for 100% of the increase in assessed value of the District to be captured and designated as captured assessed value. The tax increment revenues will be deposited by the Town into the Development Program Fund for a period of 30 years. The Development Program Fund is pledged to and charged with the payment of the project costs in the manner provided in 30-A M.R.S.A. §5801.

The TIF District will remain in place for a period of 30 years from adoption. The allocation of tax increment revenues, through a credit enhancement agreement, to be paid to owners/developers of specified property, will commence by agreement between the Town and the owner/developer and will continue for a period not to exceed 30 years or the remainder of the term of the District designation, whichever is less. No more than 75% of the property taxes to be generated on the improvements within the District will be returned to the developer. The remaining amount will be retained by the Town and used to fund the development plan of the District. The Council shall determine in its discretion whether it is necessary or appropriate to enter any Credit Enhancement Agreement. The Town will not incur any indebtedness in connection with the Capital Program. The developers of privately-owned property within the District will finance the Capital Program through a combination of the developers' funds, various loans and a

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2022

NOTE 24 - TAX INCREMENT FINANCING DISTRICTS (CONTINUED)

portion of the tax increment of the District. The Town anticipates that it may elect, at a future date, to incur indebtedness to finance a portion of the public facilities, improvements and programs costs.

Tax Abatements:

As noted above, the Town of Kittery has established one tax increment financing district (TIF) in accordance with M.R.S.A. Title 30-A, §5221-§5235 for a variety of economic development purposes, including business retention and expansion and public infrastructure improvement. The Town has chosen to disclose information about its tax abatement (credit enhancement) agreements individually and negotiates property tax abatement agreements on an individual basis. The following is a brief description of and total amount of taxes abated for the tax increment financing district:

TIF District	Original Assessed Value	Current Assessed Value	New Taxes
TIF District (Business Park)	\$ 2,105,200	\$ 3,652,600	\$ 27,000

The Town has not made any commitments as part of the agreements other than to reduce taxes. The Town is not subject to any tax abatement agreements entered into by other governmental entities.

NOTE 25 - COLLATERALIZATION

At June 30, 2022, the Town had two outstanding irrevocable standby letters of credit issued by the Federal Home Loan Bank of Boston serving as collateral for its deposits held at People's United Bank. These letters of credit, which expire at the close of business on July 20, 2022, authorizes multiple and partial draws only up to the amount of \$24,200,000. There were no draws for the year ended June 30, 2022.

NOTE 26 - COMPARATIVE DATA/RECLASSIFICATIONS

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the Town's financial position and operations. Also, certain amounts presented in the prior year's data have been reclassified to be consistent with the current year's presentation.

TOWN OF KITTERY, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 27 - RESTATEMENTS

In 2022, it was determined that certain transactions were incorrectly recorded or omitted. The beginning balance for the governmental activities' capital assets was restated as of July 1, 2021 by an increase of \$466,508. The beginning balance for the business-type activities was restated as of July 1, 2021 by an increase of \$36,288.

The governmental activities net position was also restated to correct the beginning balance of the MMEHT OPEB net liability. This liability was reduced by \$1,179,730.

These restatements to the governmental activities increased net position from \$30,153,119 to \$31,799,357 and increased business-type activities from \$9,470,604 to \$9,506,892.

Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund
- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - Education Fund
- Schedule of Proportionate Share of the Net Pension Liability
- Schedule of Contributions - Pensions
- Schedule of Proportionate Share of the Net OPEB Liability - Set Plan
- Schedule of Contributions - OPEB
- Schedule of Changes in Net OPEB Liability - MMEHT Plan
- Schedule of Changes in Net OPEB Liability and Related Ratios - MMEHT Plan
- Schedule of Changes in Net OPEB Liability - MEABT Plan
- Schedule of Changes in Net OPEB Liability and Related Ratios - MEABT Plan
- Notes to Required Supplementary Information

TOWN OF KITTERY, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
Budgetary Fund Balance, July 1	\$ 8,719,650	\$ 8,719,650	\$ 8,719,650	\$ -
Resources (Inflows):				
General tax revenue	12,315,367	12,315,367	12,558,403	243,036
Intergovernmental revenue	1,735,103	1,735,103	1,831,068	95,965
Charges for services	1,735,390	1,735,390	3,582,132	1,846,742
Investment income	25,000	25,000	13,026	(11,974)
Other revenue	118,955	118,955	110,589	(8,366)
Transfers from other funds	35,000	35,000	35,000	-
Amounts Available for Appropriation	<u>24,684,465</u>	<u>24,684,465</u>	<u>26,849,868</u>	<u>2,165,403</u>
Charges to Appropriations (Outflows):				
General government	4,875,065	4,723,590	4,597,177	126,413
Public safety	3,361,227	3,603,702	3,518,402	85,300
Public works	1,134,950	1,174,950	1,172,475	2,475
Recreation and culture	1,775,569	1,832,569	1,748,419	84,150
Health and sanitation	587,607	587,607	590,140	(2,533)
Social services	68,420	68,420	67,095	1,325
County tax	1,006,515	1,006,515	1,005,790	725
Debt service:				
Principal	889,955	889,955	889,955	-
Interest	238,883	238,883	238,882	1
Overlay	157,292	157,292	-	157,292
Grant funds/misc. accounts	262,579	262,579	249,933	12,646
Transfers to other funds	1,606,753	1,606,753	1,899,350	(292,597)
Total Charges to Appropriations	<u>15,964,815</u>	<u>16,152,815</u>	<u>15,977,618</u>	<u>175,197</u>
Budgetary Fund Balance, June 30	<u>\$ 8,719,650</u>	<u>\$ 8,531,650</u>	<u>\$ 10,872,250</u>	<u>\$ 2,340,600</u>
Utilization of assigned fund balance	<u>\$ -</u>	<u>\$ 188,000</u>	<u>\$ -</u>	<u>\$ (188,000)</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 BUDGET AND ACTUAL - EDUCATION FUND
 FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
Budgetary Fund Balance, July 1	\$ 2,127,218	\$ 2,127,218	\$ 2,127,218	\$ -
Revenues (Inflows):				
Local assessments	16,794,304	16,794,304	16,794,304	-
Intergovernmental revenues:				
State subsidy	1,723,871	1,723,871	1,742,187	18,316
Medicaid	30,000	30,000	38,161	8,161
Impact aid	400,000	400,000	466,129	66,129
Tuition	-	-	11,774	11,774
Charges for services	7,500	7,500	20,797	13,297
Other revenue	3,200	85,877	131,784	45,907
Activity/Gate Fees	-	-	28,851	28,851
Transfers from other funds	-	-	35,680	35,680
Amounts Available for Appropriation	<u>21,086,093</u>	<u>21,168,770</u>	<u>21,396,885</u>	<u>228,115</u>
Charges to Appropriations (Outflows):				
Regular instruction	7,843,531	7,700,343	7,506,166	194,177
Special education	4,368,640	4,368,640	3,535,090	833,550
Career and technical	6,752	6,752	6,752	-
Other instruction	368,606	368,606	334,646	33,960
Student and staff support	2,054,848	2,144,229	2,144,229	-
System administration	748,914	786,314	776,322	9,992
School administration	1,080,586	1,080,886	1,066,875	14,011
Transportation and buses	686,979	720,979	754,821	(33,842)
Operations and maintenance	1,304,899	1,369,683	1,405,924	(36,241)
Debt service:				
Principal	603,500	603,500	603,500	-
Interest	117,497	117,497	117,497	-
Transfers to other funds	100,000	806,380	806,380	-
Total Charges to Appropriations	<u>19,284,752</u>	<u>20,073,809</u>	<u>19,058,202</u>	<u>1,015,607</u>
Budgetary Fund Balance, June 30	<u>\$ 1,801,341</u>	<u>\$ 1,094,961</u>	<u>\$ 2,338,683</u>	<u>\$ 1,243,722</u>
Utilization of assigned fund balance	<u>\$ 325,877</u>	<u>\$ 1,032,257</u>	<u>\$ -</u>	<u>\$ (1,032,257)</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST 10 FISCAL YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015
<u>PLD Plan:</u>								
Proportion of the net pension liability	0.97%	1.03%	1.00%	1.01%	0.98%	0.99%	1.02%	1.00%
Proportionate share of the net pension liability/(asset)	\$ (312,682)	\$ 4,089,141	\$ 3,064,549	\$ 2,771,205	\$ 4,022,261	\$ 5,257,645	\$ 3,253,198	\$ 1,538,376
Covered payroll	\$ 4,732,851	\$ 4,732,851	\$ 4,275,045	\$ 4,957,486	\$ 4,621,325	\$ 4,437,060	\$ 4,374,536	\$ 4,052,282
Proportionate share of the net pension liability as a percentage of its covered payroll	-6.61%	86.40%	71.68%	55.90%	87.04%	118.49%	74.37%	37.96%
Plan fiduciary net position as a percentage of the total pension liability	100.86%	88.35%	90.62%	91.14%	86.43%	81.60%	88.30%	94.10%
<u>SET Plan:</u>								
School Department's proportion of the net pension liability	0.01%	0.01%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%
School Department's proportionate share of the net pension liability	\$ 172,431	\$ 172,431	\$ 321,950	\$ 305,986	\$ 317,524	\$ 308,441	\$ 240,362	\$ 204,809
State's proportionate share of the net pension liability associated with the School Department	11,136,868	11,136,868	9,407,634	8,627,532	9,439,716	11,131,629	8,327,329	6,502,031
Total	\$ 11,309,299	\$ 11,309,299	\$ 9,729,584	\$ 8,933,518	\$ 9,757,240	\$ 11,440,070	\$ 8,567,691	\$ 6,706,840
School Department's covered payroll	\$ 8,988,666	\$ 8,988,666	\$ 8,204,989	\$ 8,135,669	\$ 8,075,196	\$ 7,602,064	\$ 7,506,846	\$ 6,957,837
School Department's proportionate share of the net pension liability as a percentage of its covered payroll	1.92%	1.92%	3.92%	3.76%	3.93%	4.06%	3.20%	2.94%
Plan fiduciary net position as a percentage of the total pension liability	90.90%	81.03%	84.52%	85.17%	80.78%	76.21%	81.18%	83.91%

* The amounts presented for each fiscal year were determined as of June 30 and are for those years for which information is available.

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

SCHEDULE OF CONTRIBUTIONS - PENSIONS
LAST 10 FISCAL YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015
<u>PLD Plan:</u>								
Contractually required contribution	\$ 723,239	\$ 663,384	\$ 563,331	\$ 514,920	\$ 562,108	\$ 503,516	\$ 464,330	\$ 416,802
Contributions in relation to the contractually required contribution	<u>(723,239)</u>	<u>(663,384)</u>	<u>(563,331)</u>	<u>(514,920)</u>	<u>(562,108)</u>	<u>(503,516)</u>	<u>(464,330)</u>	<u>(416,802)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 6,409,801	\$ 5,721,087	\$ 4,732,851	\$ 4,275,045	\$ 4,957,486	\$ 4,621,325	\$ 4,437,060	\$ 4,374,536
Contributions as a percentage of covered payroll	11.28%	11.60%	11.90%	12.04%	11.34%	10.90%	10.46%	9.53%
<u>SET Plan:</u>								
Contractually required contribution	\$ 423,227	\$ 415,310	\$ 393,956	\$ 386,762	\$ 355,212	\$ 299,625	\$ 277,171	\$ 220,876
Contributions in relation to the contractually required contribution	<u>(423,227)</u>	<u>(415,310)</u>	<u>(393,956)</u>	<u>(386,762)</u>	<u>(355,212)</u>	<u>(299,625)</u>	<u>(277,171)</u>	<u>(220,876)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School Department's covered payroll	\$ 9,930,446	\$ 9,335,191	\$ 8,988,666	\$ 8,204,989	\$ 8,135,669	\$ 8,075,196	\$ 7,602,064	\$ 7,506,846
Contributions as a percentage of covered payroll	4.26%	4.45%	4.38%	4.71%	4.37%	3.71%	3.65%	2.94%

* The amounts presented for each fiscal year are for those years for which information is available.

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
LAST 10 FISCAL YEARS*

	2022	2021	2020	2019	2018
<u>SET Life Insurance:</u>					
Proportion of the net OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the Town	240,532	240,532	237,241	228,880	210,553
Total	<u>\$ 240,532</u>	<u>\$ 240,532</u>	<u>\$ 237,241</u>	<u>\$ 228,880</u>	<u>\$ 210,553</u>
Covered payroll	\$ 8,988,666	\$ 8,988,666	\$ 8,204,989	\$ 8,135,669	\$ 8,075,196
Proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	55.40%	55.40%	49.51%	49.22%	48.04%

* The amounts presented for each fiscal year were determined as of June 30 and are for those years for which information is available.

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

SCHEDULE OF CHANGES IN NET OPEB LIABILITY - MMEHT PLAN
FOR THE YEAR ENDED JUNE 30, 2022

	Increase (Decrease)		
	Net OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 7/1/19 (Reporting July 1, 2020)	\$ 13,623,539	\$ -	\$ 13,623,539
Changes for the year:			
Service cost	333,782	-	333,782
Interest	214,485	-	214,485
Changes of benefits	-	-	-
Differences between expected and actual experience	(5,519,099)	-	(5,519,099)
Changes of assumptions	(1,864,338)	-	(1,864,338)
Contributions - employer	-	362,405	(362,405)
Contributions - member	-	-	-
Net investment income	-	-	-
Benefit payments	(362,405)	(364,989)	2,584
Administrative expense	-	-	-
Net changes	(7,197,575)	-	(7,197,575)
Balances at 7/1/20 (Reporting July 1, 2021)	<u>\$ 6,425,964</u>	<u>\$ -</u>	<u>\$ 6,425,964</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
MMEHT PLAN
LAST 10 FISCAL YEARS*

	2022	2021	2020	2019
<u>Total OPEB liability</u>				
Service cost (BOY)	\$ 333,782	\$ 719,758	\$ 704,195	\$ 308,137
Interest (includes interest on service cost)	214,485	282,953	269,416	239,907
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(5,519,099)	570,688	686,240	262,710
Changes of assumptions	(1,864,338)	(570,688)	4,299,838	-
Benefit payments, including refunds of member contributions	(362,405)	(364,989)	(357,097)	(253,943)
Net change in total OPEB liability	\$ (7,197,575)	\$ 637,722	\$ 5,602,592	\$ 556,811
 Total OPEB liability - beginning	 \$ 13,623,539	 \$ 12,985,817	 \$ 7,383,225	 \$ 6,826,414
Total OPEB liability - ending	\$ 6,425,964	\$ 13,623,539	\$ 12,985,817	\$ 7,383,225
 <u>Plan fiduciary net position</u>				
Contributions - employer	362,405	364,989	357,097	253,943
Contributions - member	-	-	-	-
Net investment income	-	-	-	-
Benefit payments, including refunds of member contributions	(362,405)	(364,989)	(357,097)	(253,943)
Administrative expense	-	-	-	-
Net change in fiduciary net position	-	-	-	-
 Plan fiduciary net position - beginning	 \$ -	 \$ -	 \$ -	 \$ -
Plan fiduciary net position - ending	\$ -	\$ -	\$ -	\$ -
 Net OPEB liability - ending	 \$ 6,425,964	 \$ 13,623,539	 \$ 12,985,817	 \$ 7,383,225
 Plan fiduciary net position as a percentage of the total OPEB liability	 -	 -	 -	 -
 Covered payroll	 \$ 4,559,321	 \$ 4,515,283	 \$ 4,426,748	 \$ 4,444,402
Net OPEB liability as a percentage of covered payroll	140.94%	301.72%	293.35%	166.12%

* The amounts presented for each fiscal year are for those years for which information is available.

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

SCHEDULE OF CHANGES IN NET OPEB LIABILITY - MEABT PLAN
FOR THE YEAR ENDED JUNE 30, 2022

	Increase (Decrease)		
	Net OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 7/1/2020 (Reporting June 30, 2021)	\$ 2,830,146	\$ -	\$ 2,830,146
Changes for the year:			
Service cost	47,703	-	47,703
Interest	62,601	-	62,601
Changes of benefits	-	-	-
Differences between expected and actual experience	-	-	-
Changes of assumptions	21,632	-	21,632
Contributions - employer	-	90,987	(90,987)
Contributions - member	-	-	-
Net investment income	-	-	-
Benefit payments	(90,987)	(90,987)	-
Administrative expense	-	-	-
Net changes	40,949	-	40,949
Balances at 6/30/2021 (Reporting June 30, 2022)	<u>\$ 2,871,095</u>	<u>\$ -</u>	<u>\$ 2,871,095</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
MEABT PLAN
LAST 10 FISCAL YEARS*

	2022	2021	2020	2019
<u>Total OPEB liability</u>				
Service cost (BOY)	\$ 47,703	\$ 23,756	\$ 19,953	\$ 21,415
Interest (includes interest on service cost)	62,601	80,861	84,343	81,110
Changes of benefit terms	-	(270,272)	-	-
Differences between expected and actual experience	-	246,939	-	-
Changes of assumptions	21,632	512,972	120,416	(94,186)
Benefit payments, including refunds of member contributions	(90,987)	(100,447)	(94,776)	(91,500)
Net change in total OPEB liability	\$ 40,949	\$ 493,809	\$ 129,936	\$ (83,161)
Total OPEB liability - beginning	\$ 2,830,146	\$ 2,336,337	\$ 2,206,401	\$ 2,289,562
Total OPEB liability - ending	\$ 2,871,095	\$ 2,830,146	\$ 2,336,337	\$ 2,206,401
<u>Plan fiduciary net position</u>				
Contributions - employer	90,987	100,447	94,776	91,500
Contributions - member	-	-	-	-
Net investment income	-	-	-	-
Benefit payments, including refunds of member contributions	(90,987)	(100,447)	(94,776)	(91,500)
Administrative expense	-	-	-	-
Net change in fiduciary net position	-	-	-	-
Plan fiduciary net position - beginning	\$ -	\$ -	\$ -	\$ -
Plan fiduciary net position - ending	\$ -	\$ -	\$ -	\$ -
Net OPEB liability - ending	<u>\$ 2,871,095</u>	<u>\$ 2,830,146</u>	<u>\$ 2,336,337</u>	<u>\$ 2,206,401</u>
Plan fiduciary net position as a percentage of the total OPEB liability	-	-	-	-
Covered payroll	\$ 7,631,982	\$ 7,445,836	\$ 7,718,042	\$ 7,511,476
Net OPEB liability as a percentage of covered payroll	37.6%	38.0%	30.3%	29.4%

* The amounts presented for each fiscal year are for those years for which information is available.

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

SCHEDULE OF CONTRIBUTIONS - OPEB
LAST 10 FISCAL YEARS*

	2022	2021	2020	2019
<u>MEABT:</u>				
Employer contributions	\$ 90,987	\$ 100,447	\$ 94,776	\$ 91,500
Benefit payments	(90,987)	(100,447)	(94,776)	(91,500)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 7,631,982	\$ 7,445,836	\$ 7,718,042	\$ 7,511,476
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

* The amounts presented for each fiscal year are for those years for which information is available.

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED JUNE 30, 2022

Changes of Assumptions

MEPERS PLD Plan:

The discount rate was reduced from 6.75% to 6.50%. In addition, the salary increases for the plan, increased from 2.75% to 2.75% - 11.48% per year.

MEPERS SET Plan:

The discount rate was reduced from 6.75% to 6.50%. In addition, the salary increases for the plan, increased from 2.75% to 2.80% - 13.03% per year.

MMEHT OPEB Plan:

The discount rate was updated to reflect the December 30, 2021 Bond Buyer 20-Bond GO Index. The ultimate trend assumption was reduced to reflect the reduction in the Bond Buyer 20-Bond GO Index.

The following demographic assumptions were updated based on the June 30, 2021 experience study:

Mortality, termination, retirement and salary rates.

The enrollment participation for plans with no employer subsidy was update for ages 65-70.

There was a change in the discount rate from 2.06% to 3.54% per GASB 75 discount rate selection. In addition, medical and prescription drug trend arrays were updated.

MEABT OPEB Plan

There was a change in the discount rate from 2.21% to 2.16% per GASB 75 discount rate selection.

Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues
- Schedule of Departmental Operations - General Fund
- Combining Balance Sheet - Nonmajor Governmental Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
- Combining Balance Sheet - Nonmajor Special Revenue Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds
- Combining Balance Sheet - Nonmajor Capital Projects Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds
- Combining Balance Sheet - Nonmajor Permanent Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Permanent Funds
- Combining Schedule of Fiduciary Net Position - Private-Purpose Trust Funds
- Combining Schedule of Changes in Fiduciary Net Position - Private-Purpose Trust Funds
- Combining Schedule of Changes in Agency Funds
- Schedule of General Capital Assets by Function
- Schedule of Changes in General Capital Assets by Function

TOWN OF KITTERY, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 BUDGET AND ACTUAL - GENERAL FUND REVENUES
 FOR THE YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
General tax revenues:				
Property taxes	\$ 10,359,367	\$ 10,359,367	\$ 10,450,479	\$ 91,112
Vehicle excise taxes	1,936,000	1,936,000	2,066,975	130,975
Boat excise taxes	20,000	20,000	40,949	20,949
Intergovernmental revenues:				
State revenue sharing	775,000	775,000	1,139,122	364,122
Homestead exemption	337,385	337,385	338,913	1,528
BETE	81,418	81,418	-	(81,418)
GMH Housing	306,000	306,000	311,742	5,742
General assistance	45,000	45,000	24,685	(20,315)
Other	190,300	190,300	16,606	(173,694)
Charges for services:				
Recreation fees	550,000	550,000	558,342	8,342
Library fees	2,000	2,000	2,251	251
Code enforcement fees	304,000	304,000	1,920,141	1,616,141
Registration fees	28,000	28,000	44,593	16,593
Town clerk fees	28,800	28,800	32,450	3,650
Planning fees	5,000	5,000	8,176	3,176
Solid waste/recycling	45,000	45,000	135,531	90,531
Solid waste/permits	80,000	80,000	105,402	25,402
Fort Foster fees	300,000	300,000	332,259	32,259
Dispatching services	154,360	154,360	154,360	-
Police department	95,530	95,530	92,416	(3,114)
Animal control	4,000	4,000	3,946	(54)
Public works	-	-	5,997	5,997
Mooring/launch fees	136,300	136,300	178,426	42,126
Harbor fees	2,400	2,400	7,842	5,442
Investment income:				
Investment income	25,000	25,000	13,026	(11,974)
Other income:				
Interest/fees on taxes	47,000	47,000	58,047	11,047
Payment in lieu of taxes	3,200	3,200	6,276	3,076
Rent	22,900	22,900	22,900	-
Other reimbursements	45,855	45,855	23,366	(22,489)
Transfers from other funds:				
Permanent funds	35,000	35,000	35,000	-
Total Revenues	<u>\$ 15,964,815</u>	<u>\$ 15,964,815</u>	<u>\$ 18,130,218</u>	<u>\$ 2,165,403</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budget	Budget Adjustments	Final Available	Actual	Variance Positive (Negative)
General government					
Administration	\$ 1,210,085	\$ (90,000)	\$ 1,120,085	\$ 1,078,240	\$ 41,845
Code enforcement	555,903	-	555,903	564,553	(8,650)
Benefits	1,058,310	(26,955)	1,031,355	1,010,105	21,250
Insurance	2,012,032	(49,520)	1,962,512	1,921,048	41,464
Planning board	10,785	15,000	25,785	9,414	16,371
Elections	20,600	-	20,600	10,952	9,648
Council	7,350	-	7,350	2,865	4,485
	<u>4,875,065</u>	<u>(151,475)</u>	<u>4,723,590</u>	<u>4,597,177</u>	<u>126,413</u>
Public safety					
Police department	2,425,736	242,475	2,668,211	2,655,821	12,390
Fire department	625,491	-	625,491	575,059	50,432
Street lights	55,000	-	55,000	32,373	22,627
Hydrants	255,000	-	255,000	255,149	(149)
	<u>3,361,227</u>	<u>242,475</u>	<u>3,603,702</u>	<u>3,518,402</u>	<u>85,300</u>
Public works					
Highways	1,134,950	40,000	1,174,950	1,172,475	2,475
	<u>1,134,950</u>	<u>40,000</u>	<u>1,174,950</u>	<u>1,172,475</u>	<u>2,475</u>
Recreation and culture					
Parks	201,767	-	201,767	223,942	(22,175)
Fort Foster	174,883	20,000	194,883	136,861	58,022
Recreation	864,497	-	864,497	829,208	35,289
Library	418,044	22,000	440,044	433,773	6,271
Harbormaster	116,378	15,000	131,378	124,635	6,743
	<u>1,775,569</u>	<u>57,000</u>	<u>1,832,569</u>	<u>1,748,419</u>	<u>84,150</u>
Health and sanitation					
Solid waste	587,607	-	587,607	590,140	(2,533)
	<u>587,607</u>	<u>-</u>	<u>587,607</u>	<u>590,140</u>	<u>(2,533)</u>
Social services					
General assistance	60,000	-	60,000	58,674	1,326
Community agencies	7,900	-	7,900	7,900	-
Public health services	520	-	520	521	(1)
	<u>68,420</u>	<u>-</u>	<u>68,420</u>	<u>67,095</u>	<u>1,325</u>

TOWN OF KITTERY, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budget	Budget Adjustments	Final Available	Actual	Variance Positive (Negative)
County tax	1,006,515	-	1,006,515	1,005,790	725
Debt service					
Principal	889,955	-	889,955	889,955	-
Interest	238,883	-	238,883	238,882	1
	1,128,838	-	1,128,838	1,128,837	1
Overlay	157,292	-	157,292	-	157,292
Grant funds/misc. accounts					
EPA stormwater program	20,000	-	20,000	21,467	(1,467)
Computer repair	65,000	-	65,000	53,787	11,213
Conservation commission	500	-	500	-	500
Mosquito/tick control	40,000	-	40,000	38,580	1,420
EV charging electricity	-	-	-	601	(601)
PSAP paid to York police dept.	35,000	-	35,000	33,772	1,228
Bank fees	500	-	500	147	353
Adult education	101,579	-	101,579	101,579	-
	262,579	-	262,579	249,933	12,646
Transfers to other funds					
Special revenue funds	17,853	-	17,853		17,853
Capital projects funds	1,588,900	-	1,588,900	1,899,350	(310,450)
	1,606,753	-	1,606,753	1,899,350	(292,597)
Total Departmental Operations	\$ 15,964,815	\$ 188,000	\$ 16,152,815	\$ 15,977,618	\$ 175,197

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 63,106	\$ 63,106
Investments	-	-	575,190	575,190
Accounts receivable (net of allowance for uncollectibles)	174,388	-	-	174,388
Inventory	13,617	-	-	13,617
Due from other funds	7,308,599	3,595,495	105,125	11,009,219
TOTAL ASSETS	<u>\$ 7,496,604</u>	<u>\$ 3,595,495</u>	<u>\$ 743,421</u>	<u>\$ 11,835,520</u>
LIABILITIES				
Accounts payable	\$ 489,690	\$ 401,507	\$ -	\$ 891,197
Due to other funds	284,053	-	-	284,053
TOTAL LIABILITIES	<u>773,743</u>	<u>401,507</u>	<u>-</u>	<u>1,175,250</u>
FUND BALANCES				
Nonspendable	13,617	-	60,000	73,617
Restricted	599,748	1,285,872	684,959	2,570,579
Committed	5,689,815	1,908,116	-	7,597,931
Assigned	652,505	-	-	652,505
Unassigned	(232,824)	-	(1,538)	(234,362)
TOTAL FUND BALANCES	<u>6,722,861</u>	<u>3,193,988</u>	<u>743,421</u>	<u>10,660,270</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 7,496,604</u>	<u>\$ 3,595,495</u>	<u>\$ 743,421</u>	<u>\$ 11,835,520</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES				
Intergovernmental revenues	\$ 2,060,543	\$ 301,933	\$ -	\$ 2,362,476
Charges for services	1,441,822	-	-	1,441,822
Investment income, net of unrealized gains/(losses)	-	-	(38,988)	(38,988)
Interest income	-	-	-	-
Other income	1,160,915	502,801	21,012	1,684,728
TOTAL REVENUES	<u>4,663,280</u>	<u>804,734</u>	<u>(17,976)</u>	<u>5,450,038</u>
EXPENDITURES				
General government	6,500	-	64,233	70,733
Public safety	226,099	-	-	226,099
Public works	-	-	-	-
Health and sanitation	223,431	-	-	223,431
Recreation and culture	180,232	-	-	180,232
Education	2,022,005	-	-	2,022,005
Capital outlay	2,274,192	4,652,376	-	6,926,568
Other	171,043	10,065	-	181,108
TOTAL EXPENDITURES	<u>5,103,502</u>	<u>4,662,441</u>	<u>64,233</u>	<u>9,830,176</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(440,222)</u>	<u>(3,857,707)</u>	<u>(82,209)</u>	<u>(4,380,138)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,204,628	607,000	-	2,811,628
Transfers (out)	(101,897)	(39,681)	(35,000)	(176,578)
TOTAL OTHER FINANCING SOURCES (USES)	<u>2,102,731</u>	<u>567,319</u>	<u>(35,000)</u>	<u>2,635,050</u>
NET CHANGE IN FUND BALANCES	1,662,509	(3,290,388)	(117,209)	(1,745,088)
FUND BALANCES - JULY 1	<u>5,060,352</u>	<u>6,484,376</u>	<u>860,630</u>	<u>12,405,358</u>
FUND BALANCES - JUNE 30	<u>\$ 6,722,861</u>	<u>\$ 3,193,988</u>	<u>\$ 743,421</u>	<u>\$ 10,660,270</u>

See accompanying independent auditor's report and notes to financial statements.

Special Revenue Funds

Special revenue funds are established to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditures for specific purposes.

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TOWN OF KITTERY, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	Real Estate	Oil and More Donations	Channel 22	Concert in the Park	D.A.R.E.	Fire Hazmat Spill Cleanup	Thresher Memorial
ASSETS							
Accounts receivable (net of allowance for uncollectibles)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inventory	-	-	-	-	-	-	-
Due from other funds	558,513	-	255,667	5,097	216	11,227	5,569
TOTAL ASSETS	\$ 558,513	\$ -	\$ 255,667	\$ 5,097	\$ 216	\$ 11,227	\$ 5,569
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ 29,488	\$ 3,450	\$ -	\$ -	\$ -
Due to other funds	-	15	-	-	-	-	-
TOTAL LIABILITIES	-	15	29,488	3,450	-	-	-
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	558,513	-	226,179	1,647	216	11,227	5,569
Assigned	-	-	-	-	-	-	-
Unassigned	-	(15)	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	558,513	(15)	226,179	1,647	216	11,227	5,569
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	\$ 558,513	\$ -	\$ 255,667	\$ 5,097	\$ 216	\$ 11,227	\$ 5,569

TOWN OF KITTERY, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	Accrued Compensated Absences	Ballot Counting Machines	Library Donations	Kittery Block Party	Kittery Community Center	Bike/Ped Master Plan	York Hospital
ASSETS							
Accounts receivable (net of allowance for uncollectibles)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inventory	-	-	-	-	-	-	-
Due from other funds	289,740	6,078	13,691	15,287	9,548	100,000	32,402
TOTAL ASSETS	<u>\$ 289,740</u>	<u>\$ 6,078</u>	<u>\$ 13,691</u>	<u>\$ 15,287</u>	<u>\$ 9,548</u>	<u>\$ 100,000</u>	<u>\$ 32,402</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ 2,072	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,072</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	289,740	6,078	13,691	13,215	9,548	100,000	32,402
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>289,740</u>	<u>6,078</u>	<u>13,691</u>	<u>13,215</u>	<u>9,548</u>	<u>100,000</u>	<u>32,402</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 289,740</u>	<u>\$ 6,078</u>	<u>\$ 13,691</u>	<u>\$ 15,287</u>	<u>\$ 9,548</u>	<u>\$ 100,000</u>	<u>\$ 32,402</u>

TOWN OF KITTERY, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	Police Forfeiture	Public Safety Impact Fees	Open Space	MMA Grants	Conservation Committee	375th Celebration	TIF Financial Plan
ASSETS							
Accounts receivable (net of allowance for uncollectibles)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inventory	-	-	-	-	-	-	-
Due from other funds	2,292	357,956	25,000	285	568	5,944	120,309
TOTAL ASSETS	<u>\$ 2,292</u>	<u>\$ 357,956</u>	<u>\$ 25,000</u>	<u>\$ 285</u>	<u>\$ 568</u>	<u>\$ 5,944</u>	<u>\$ 120,309</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	357,956	-	285	-	-	-
Committed	2,292	-	25,000	-	568	5,944	120,309
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>2,292</u>	<u>357,956</u>	<u>25,000</u>	<u>285</u>	<u>568</u>	<u>5,944</u>	<u>120,309</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 2,292</u>	<u>\$ 357,956</u>	<u>\$ 25,000</u>	<u>\$ 285</u>	<u>\$ 568</u>	<u>\$ 5,944</u>	<u>\$ 120,309</u>

TOWN OF KITTERY, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	PREPA Grant	Affordable Housing Fund	ASA	Sewer Impact Fees	Sewer Betterments	Keep Maine Healthy Grant	DPW Right of Way Reserve
ASSETS							
Accounts receivable (net of allowance for uncollectibles)	\$ -	\$ -	\$ -	\$ 43,690	\$ 36,000	\$ -	\$ -
Inventory	-	-	-	-	-	-	-
Due from other funds	-	150,000	8,033	499,082	948,798	867	177,804
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 150,000</u>	<u>\$ 8,033</u>	<u>\$ 542,772</u>	<u>\$ 984,798</u>	<u>\$ 867</u>	<u>\$ 177,804</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ 6,618	\$ -	\$ -	\$ -	\$ 148,636
Due to other funds	5,390	-	-	-	-	-	-
TOTAL LIABILITIES	<u>5,390</u>	<u>-</u>	<u>6,618</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>148,636</u>
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	150,000	-	-	-	-	-
Committed	-	-	1,415	542,772	984,798	867	29,168
Assigned	-	-	-	-	-	-	-
Unassigned	(5,390)	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>(5,390)</u>	<u>150,000</u>	<u>1,415</u>	<u>542,772</u>	<u>984,798</u>	<u>867</u>	<u>29,168</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ -</u>	<u>\$ 150,000</u>	<u>\$ 8,033</u>	<u>\$ 542,772</u>	<u>\$ 984,798</u>	<u>\$ 867</u>	<u>\$ 177,804</u>

TOWN OF KITTERY, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	Fort Foster Invasives	KCC Visual Arts Committee	Recreational Vehicle	Highway Vehicle	Fire Dept. Vehicle	KCC Playgrounds	Spruce Creek PH5 Grant
ASSETS							
Accounts receivable (net of allowance for uncollectibles)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inventory	-	-	-	-	-	-	-
Due from other funds	17,002	4,421	23,050	419,870	591	64,718	2,352
TOTAL ASSETS	<u>\$ 17,002</u>	<u>\$ 4,421</u>	<u>\$ 23,050</u>	<u>\$ 419,870</u>	<u>\$ 591</u>	<u>\$ 64,718</u>	<u>\$ 2,352</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ 231,460	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,460</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	17,002	4,421	23,050	188,410	591	64,718	2,352
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>17,002</u>	<u>4,421</u>	<u>23,050</u>	<u>188,410</u>	<u>591</u>	<u>64,718</u>	<u>2,352</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 17,002</u>	<u>\$ 4,421</u>	<u>\$ 23,050</u>	<u>\$ 419,870</u>	<u>\$ 591</u>	<u>\$ 64,718</u>	<u>\$ 2,352</u>

TOWN OF KITTERY, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	Tax Acquired Properties	Storm Drain Mapping	Port Authority Boat	Recreational Equipment	Computer	Mass Transit Reserve Fund	Legion Invasives
ASSETS							
Accounts receivable (net of allowance for uncollectibles)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inventory	-	-	-	-	-	-	-
Due from other funds	-	13,781	8,706	22,993	139,351	50,000	-
TOTAL ASSETS	\$ -	\$ 13,781	\$ 8,706	\$ 22,993	\$ 139,351	\$ 50,000	\$ -
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 4,395	\$ -	\$ -
Due to other funds	44,978	-	-	-	-	-	8,080
TOTAL LIABILITIES	44,978	-	-	-	4,395	-	8,080
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	13,781	8,706	22,993	134,956	50,000	-
Assigned	-	-	-	-	-	-	-
Unassigned	(44,978)	-	-	-	-	-	(8,080)
TOTAL FUND BALANCES (DEFICITS)	(44,978)	13,781	8,706	22,993	134,956	50,000	(8,080)
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	\$ -	\$ 13,781	\$ 8,706	\$ 22,993	\$ 139,351	\$ 50,000	\$ -

TOWN OF KITTERY, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	Police Vehicle Equipment	Emery Field PH 2 LCWF Grant	Records Preservation	Municipal Facility Reserve	Covid Grant	Parks Buildings and Grounds	Billable Police Details	Pol. Grant Support Det.
ASSETS								
Accounts receivable (net of allowance for uncollectibles)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inventory	-	-	-	-	-	-	-	-
Due from other funds	155,834	350,536	3,510	224,722	39,188	22,867	20,879	-
TOTAL ASSETS	<u>\$ 155,834</u>	<u>\$ 350,536</u>	<u>\$ 3,510</u>	<u>\$ 224,722</u>	<u>\$ 39,188</u>	<u>\$ 22,867</u>	<u>\$ 20,879</u>	<u>\$ -</u>
LIABILITIES								
Accounts payable	\$ 59,886	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-	21,512
TOTAL LIABILITIES	<u>59,886</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,512</u>
FUND BALANCES (DEFICITS)								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed	95,948	350,536	3,510	224,722	39,188	22,867	20,879	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(21,512)
TOTAL FUND BALANCES (DEFICITS)	<u>95,948</u>	<u>350,536</u>	<u>3,510</u>	<u>224,722</u>	<u>39,188</u>	<u>22,867</u>	<u>20,879</u>	<u>(21,512)</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 155,834</u>	<u>\$ 350,536</u>	<u>\$ 3,510</u>	<u>\$ 224,722</u>	<u>\$ 39,188</u>	<u>\$ 22,867</u>	<u>\$ 20,879</u>	<u>\$ -</u>

TOWN OF KITTERY, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	Kittery Community Center 5 Year	Joint Land Use OEA PH1	Port Authority Equipment	Fire Equipment Reserve	Sewer Vehicle Reserve	Sewer Depreciation Reserve	Sewer Safety Grants
ASSETS							
Accounts receivable (net of allowance for uncollectibles)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inventory	-	-	-	-	-	-	-
Due from other funds	24,107	-	45,482	211,794	45,722	246,782	27
TOTAL ASSETS	<u>\$ 24,107</u>	<u>\$ -</u>	<u>\$ 45,482</u>	<u>\$ 211,794</u>	<u>\$ 45,722</u>	<u>\$ 246,782</u>	<u>\$ 27</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	14,975	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>14,975</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	24,107	-	45,482	211,794	45,722	246,782	27
Assigned	-	-	-	-	-	-	-
Unassigned	-	(14,975)	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>24,107</u>	<u>(14,975)</u>	<u>45,482</u>	<u>211,794</u>	<u>45,722</u>	<u>246,782</u>	<u>27</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 24,107</u>	<u>\$ -</u>	<u>\$ 45,482</u>	<u>\$ 211,794</u>	<u>\$ 45,722</u>	<u>\$ 246,782</u>	<u>\$ 27</u>

TOWN OF KITTERY, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	Police New Officer	Additional Snow and Ice Damages	PFAS	Senior Tax Program	Wetland Mitigation	School Special Revenue Funds	Total
ASSETS							
Accounts receivable (net of allowance for uncollectibles)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 94,698	\$ 174,388
Inventory	-	-	-	-	-	13,617	13,617
Due from other funds	-	37,278	-	4,000	16,703	1,492,360	7,308,599
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 37,278</u>	<u>\$ -</u>	<u>\$ 4,000</u>	<u>\$ 16,703</u>	<u>\$ 1,600,675</u>	<u>\$ 7,496,604</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ 519	\$ -	\$ -	\$ 3,166	\$ 489,690
Due to other funds	6,513	-	23,383	-	-	159,207	284,053
TOTAL LIABILITIES	<u>6,513</u>	<u>-</u>	<u>23,902</u>	<u>-</u>	<u>-</u>	<u>162,373</u>	<u>773,743</u>
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	13,617	13,617
Restricted	-	37,278	-	-	-	54,229	599,748
Committed	-	-	-	4,000	16,703	825,410	5,689,815
Assigned	-	-	-	-	-	652,505	652,505
Unassigned	(6,513)	-	(23,902)	-	-	(107,459)	(232,824)
TOTAL FUND BALANCES (DEFICITS)	<u>(6,513)</u>	<u>37,278</u>	<u>(23,902)</u>	<u>4,000</u>	<u>16,703</u>	<u>1,438,302</u>	<u>6,722,861</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ -</u>	<u>\$ 37,278</u>	<u>\$ -</u>	<u>\$ 4,000</u>	<u>\$ 16,703</u>	<u>\$ 1,600,675</u>	<u>\$ 7,496,604</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	Real Estate	Oil and More Donations	Channel 22	Concert in the Park	D.A.R.E.	Fire Hazmat Spill Cleanup	Thresher Memorial
REVENUES							
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	7,700	-	-	-
Other income	558,513	-	98,948	-	-	-	1,750
TOTAL REVENUES	<u>558,513</u>	<u>-</u>	<u>98,948</u>	<u>7,700</u>	<u>-</u>	<u>-</u>	<u>1,750</u>
EXPENDITURES							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-	-
Recreation and culture	-	-	-	6,350	-	-	-
Education	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other	-	-	122,895	-	-	-	3,708
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>122,895</u>	<u>6,350</u>	<u>-</u>	<u>-</u>	<u>3,708</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>558,513</u>	<u>-</u>	<u>(23,947)</u>	<u>1,350</u>	<u>-</u>	<u>-</u>	<u>(1,958)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers (out)	-	-	(35,000)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>(35,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	<u>558,513</u>	<u>-</u>	<u>(58,947)</u>	<u>1,350</u>	<u>-</u>	<u>-</u>	<u>(1,958)</u>
FUND BALANCES (DEFICITS) - JULY 1	<u>-</u>	<u>(15)</u>	<u>285,126</u>	<u>297</u>	<u>216</u>	<u>11,227</u>	<u>7,527</u>
FUND BALANCES (DEFICITS) - JUNE 30	<u>\$ 558,513</u>	<u>\$ (15)</u>	<u>\$ 226,179</u>	<u>\$ 1,647</u>	<u>\$ 216</u>	<u>\$ 11,227</u>	<u>\$ 5,569</u>

TOWN OF KITTERY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	Accrued Compensated Absences	Ballot Counting Machines	Library Donations	Kittery Block Party	Kittery Community Center	Bike/Ped Master Plan	York Hospital
REVENUES							
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Other income	-	-	3,821	32,175	2,090	100,000	-
TOTAL REVENUES	-	-	3,821	32,175	2,090	100,000	-
EXPENDITURES							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-	-
Recreation and culture	-	-	-	19,848	7,719	-	-
Education	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other	-	-	1,556	-	-	-	800
TOTAL EXPENDITURES	-	-	1,556	19,848	7,719	-	800
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	2,265	12,327	(5,629)	100,000	(800)
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	20,000
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	20,000
NET CHANGE IN FUND BALANCES (DEFICITS)	-	-	2,265	12,327	(5,629)	100,000	19,200
FUND BALANCES (DEFICITS) - JULY 1	289,740	6,078	11,426	888	15,177	-	13,202
FUND BALANCES (DEFICITS) - JUNE 30	\$ 289,740	\$ 6,078	\$ 13,691	\$ 13,215	\$ 9,548	\$ 100,000	\$ 32,402

TOWN OF KITTERY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	Police Forfeiture	Public Safety Impact Fees	Open Space	MMA Grants	Conservation Committee	375th Celebration	TIF Financial Plan
REVENUES							
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	397,530	-	-	-	-	-
Other income	-	-	-	4,076	-	4,800	-
TOTAL REVENUES	-	397,530	-	4,076	-	4,800	-
EXPENDITURES							
General government	-	-	-	-	-	-	-
Public safety	9,096	128,886	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	8,856	-
Education	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Other	-	-	-	3,912	-	-	-
TOTAL EXPENDITURES	9,096	128,886	-	3,912	-	8,856	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(9,096)	268,644	-	164	-	(4,056)	-
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	25,000	-	-	10,000	20,000
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	25,000	-	-	10,000	20,000
NET CHANGE IN FUND BALANCES (DEFICITS)	(9,096)	268,644	25,000	164	-	5,944	20,000
FUND BALANCES (DEFICITS) - JULY 1	11,388	89,312	-	121	568	-	100,309
FUND BALANCES (DEFICITS) - JUNE 30	\$ 2,292	\$ 357,956	\$ 25,000	\$ 285	\$ 568	\$ 5,944	\$ 120,309

TOWN OF KITTERY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	PREPA Grant	Affordable Housing Fund	ASA	Sewer Impact Fees	Sewer Betterments	Keep Maine Healthy Grant	DPW Right of Way Reserve
REVENUES							
Intergovernmental revenue	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	69,800	789,000	-	-
Other income	-	-	12,845	-	-	-	-
TOTAL REVENUES	-	150,000	12,845	69,800	789,000	-	-
EXPENDITURES							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Health and sanitation	-	-	-	181,730	9,201	-	-
Recreation and culture	-	-	42,429	-	-	-	-
Education	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	1,210,832
Other	5,390	-	-	-	-	-	-
TOTAL EXPENDITURES	5,390	-	42,429	181,730	9,201	-	1,210,832
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(5,390)	150,000	(29,584)	(111,930)	779,799	-	(1,210,832)
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	650,000
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	650,000
NET CHANGE IN FUND BALANCES (DEFICITS)	(5,390)	150,000	(29,584)	(111,930)	779,799	-	(560,832)
FUND BALANCES (DEFICITS) - JULY 1	-	-	30,999	654,702	204,999	867	590,000
FUND BALANCES (DEFICITS) - JUNE 30	\$ (5,390)	\$ 150,000	\$ 1,415	\$ 542,772	\$ 984,798	\$ 867	\$ 29,168

TOWN OF KITTERY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Fort Foster Invasives	KCC Visual Arts Committee	Recreational Vehicle	Highway Vehicle	Fire Dept. Vehicle	KCC Playgrounds	Spruce Creek PH5 Grant
REVENUES							
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Other income	-	3,025	-	3,350	-	-	-
TOTAL REVENUES	-	3,025	-	3,350	-	-	-
EXPENDITURES							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-	-
Recreation and culture	46,998	969	-	-	-	-	-
Education	-	-	-	-	-	-	-
Capital outlay	-	-	-	375,311	288,000	-	-
Other	-	-	-	-	-	-	-
TOTAL EXPENDITURES	46,998	969	-	375,311	288,000	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(46,998)	2,056	-	(371,961)	(288,000)	-	-
OTHER FINANCING SOURCES (USES)							
Transfers in	64,000	-	-	475,000	93,000	-	-
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	64,000	-	-	475,000	93,000	-	-
NET CHANGE IN FUND BALANCES (DEFICITS)	17,002	2,056	-	103,039	(195,000)	-	-
FUND BALANCES (DEFICITS) - JULY 1	-	2,365	23,050	85,371	195,591	64,718	2,352
FUND BALANCES (DEFICITS) - JUNE 30	\$ 17,002	\$ 4,421	\$ 23,050	\$ 188,410	\$ 591	\$ 64,718	\$ 2,352

TOWN OF KITTERY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	Tax Acquired Properties	Storm Drain Mapping	Port Authority Boat	Recreational Equipment	Computer	Mass Transit Reserve Fund	Legion Invasives
REVENUES							
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Other income	-	-	-	-	50,000	-	-
TOTAL REVENUES	-	-	-	-	50,000	-	-
EXPENDITURES							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	32,500	-
Recreation and culture	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Capital outlay	-	16,066	583	12,170	28,329	-	-
Other	800	-	-	-	-	-	8,080
TOTAL EXPENDITURES	800	16,066	583	12,170	28,329	32,500	8,080
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(800)	(16,066)	(583)	(12,170)	21,671	(32,500)	(8,080)
OTHER FINANCING SOURCES (USES)							
Transfers in	-	25,000	-	30,000	63,000	-	-
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	25,000	-	30,000	63,000	-	-
NET CHANGE IN FUND BALANCES (DEFICITS)	(800)	8,934	(583)	17,830	84,671	(32,500)	(8,080)
FUND BALANCES (DEFICITS) - JULY 1	(44,178)	4,847	9,289	5,163	50,285	82,500	-
FUND BALANCES (DEFICITS) - JUNE 30	\$ (44,978)	\$ 13,781	\$ 8,706	\$ 22,993	\$ 134,956	\$ 50,000	\$ (8,080)

TOWN OF KITTERY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	Police Vehicle Equipment	Emery Field PH 2 LCWF Grant	Records Preservation	Municipal Facility Reserve	Covid Grant	Parks Buildings and Grounds	Billable Police Details	Pol. Grant Support Det.
REVENUES								
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ 2,500	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	51,082	9,737
Other income	-	-	-	-	-	-	-	-
TOTAL REVENUES	-	-	-	-	2,500	-	51,082	9,737
EXPENDITURES								
General government	-	-	6,500	-	-	-	-	-
Public safety	-	-	-	-	-	-	57,608	23,479
Public works	-	-	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-	-	-
Recreation and culture	-	-	-	-	6,070	29,054	-	-
Education	-	-	-	-	-	-	-	-
Capital outlay	97,407	20,209	-	32,709	-	-	-	-
Other	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	97,407	20,209	6,500	32,709	6,070	29,054	57,608	23,479
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(97,407)	(20,209)	(6,500)	(32,709)	(3,570)	(29,054)	(6,526)	(13,742)
OTHER FINANCING SOURCES (USES)								
Transfers in	112,000	-	10,000	39,000	-	10,000	-	-
Transfers (out)	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	112,000	-	10,000	39,000	-	10,000	-	-
NET CHANGE IN FUND BALANCES (DEFICITS)	14,593	(20,209)	3,500	6,291	(3,570)	(19,054)	(6,526)	(13,742)
FUND BALANCES (DEFICITS) - JULY 1	81,355	370,745	10	218,431	42,758	41,921	27,405	(7,770)
FUND BALANCES (DEFICITS) - JUNE 30	\$ 95,948	\$ 350,536	\$ 3,510	\$ 224,722	\$ 39,188	\$ 22,867	\$ 20,879	\$ (21,512)

TOWN OF KITTERY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	Kittery Community Center 5 Year	Joint Land Use OEA PH1	Port Authority Equipment	Fire Equipment Reserve	Sewer Vehicle Reserve	Sewer Depreciation Reserve	Sewer Safety Grants
REVENUES							
Intergovernmental revenue	\$ -	\$ 183,023	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-
TOTAL REVENUES	-	183,023	-	-	-	-	-
EXPENDITURES							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-	-
Recreation and culture	11,939	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Capital outlay	-	91,292	21,315	54,283	-	25,686	-
Other	-	-	-	-	-	-	-
TOTAL EXPENDITURES	11,939	91,292	21,315	54,283	-	25,686	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(11,939)	91,731	(21,315)	(54,283)	-	(25,686)	-
OTHER FINANCING SOURCES (USES)							
Transfers in	30,000	451	13,500	55,400	-	-	-
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	30,000	451	13,500	55,400	-	-	-
NET CHANGE IN FUND BALANCES (DEFICITS)	18,061	92,182	(7,815)	1,117	-	(25,686)	-
FUND BALANCES (DEFICITS) - JULY 1	6,046	(107,157)	53,297	210,677	45,722	272,468	27
FUND BALANCES (DEFICITS) - JUNE 30	\$ 24,107	\$ (14,975)	\$ 45,482	\$ 211,794	\$ 45,722	\$ 246,782	\$ 27

TOWN OF KITTERY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES and CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	Police New Officer	Additional Snow and Ice Damages	PFAS	Senior Tax Program	Wetland Mitigation	School Special Revenue Funds	Total
REVENUES							
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,725,020	\$ 2,060,543
Charges for services	-	-	-	-	-	116,973	1,441,822
Other income	-	-	-	-	-	285,522	1,160,915
TOTAL REVENUES	-	-	-	-	-	2,127,515	4,663,280
EXPENDITURES							
General government	-	-	-	-	-	-	6,500
Public safety	7,030	-	-	-	-	-	226,099
Health and sanitation	-	-	-	-	-	-	223,431
Recreation and culture	-	-	-	-	-	-	180,232
Education	-	-	-	-	-	2,022,005	2,022,005
Capital outlay	-	-	-	-	-	-	2,274,192
Other	-	-	23,902	-	-	-	171,043
TOTAL EXPENDITURES	7,030	-	23,902	-	-	2,022,005	5,103,502
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(7,030)	-	(23,902)	-	-	105,510	(440,222)
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	459,277	2,204,628
Transfers (out)	-	-	-	-	(64,000)	(2,897)	(101,897)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	(64,000)	456,380	2,102,731
NET CHANGE IN FUND BALANCES (DEFICITS)	(7,030)	-	(23,902)	-	(64,000)	561,890	1,662,509
FUND BALANCES (DEFICITS) - JULY 1	517	37,278	-	4,000	80,703	876,412	5,060,352
FUND BALANCES (DEFICITS) - JUNE 30	\$ (6,513)	\$ 37,278	\$ (23,902)	\$ 4,000	\$ 16,703	\$ 1,438,302	\$ 6,722,861

See accompanying independent auditor's report and notes to financial statements.

Capital Projects Funds

Capital projects funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust fund.

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TOWN OF KITTERY, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2022

	Community Center	Town Facilities	Street Lights Project	Pepperill Coves Paving/ Utilities	Fire Department Facility	Public Works Sign Shed
ASSETS						
Due from other funds	\$ -	\$ -	\$ 36,639	\$ -	\$ 37,319	\$ 20
TOTAL ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,639</u>	<u>\$ -</u>	<u>\$ 37,319</u>	<u>\$ 20</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	36,639	-	37,319	20
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>-</u>	<u>-</u>	<u>36,639</u>	<u>-</u>	<u>37,319</u>	<u>20</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,639</u>	<u>\$ -</u>	<u>\$ 37,319</u>	<u>\$ 20</u>

TOWN OF KITTERY, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2022

	Roadside Landscaping	Rice Building Rehab	Fort Foster Bench	State Aid to Roads	Abatement Reserve	Police Equipment Reserve
ASSETS						
Due from other funds	\$ 55,000	\$ 854,024	\$ 10,986	\$ 1,402,243	\$ 264,712	\$ 10,000
TOTAL ASSETS	<u>\$ 55,000</u>	<u>\$ 854,024</u>	<u>\$ 10,986</u>	<u>\$ 1,402,243</u>	<u>\$ 264,712</u>	<u>\$ 10,000</u>
LIABILITIES						
Accounts payable	\$ -	\$ 272,363	\$ -	\$ 116,371	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>272,363</u>	<u>-</u>	<u>116,371</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	1,285,872	-	-
Committed	55,000	581,661	10,986	-	264,712	10,000
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>55,000</u>	<u>581,661</u>	<u>10,986</u>	<u>1,285,872</u>	<u>264,712</u>	<u>10,000</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 55,000</u>	<u>\$ 854,024</u>	<u>\$ 10,986</u>	<u>\$ 1,402,243</u>	<u>\$ 264,712</u>	<u>\$ 10,000</u>

TOWN OF KITTERY, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2022

	Government St. Pier Reserve	Climate Action	Covid Vaccine Clinics	Zoning Record Upgrade	School Capital Projects Funds	Total
ASSETS						
Due from other funds	\$ 8,623	\$ 65,000	\$ 15,157	\$ -	\$ 835,772	\$ 3,595,495
TOTAL ASSETS	<u>\$ 8,623</u>	<u>\$ 65,000</u>	<u>\$ 15,157</u>	<u>\$ -</u>	<u>\$ 835,772</u>	<u>\$ 3,595,495</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 12,773	\$ 401,507
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,773</u>	<u>401,507</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	1,285,872
Committed	8,623	65,000	15,157	-	822,999	1,908,116
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>8,623</u>	<u>65,000</u>	<u>15,157</u>	<u>-</u>	<u>822,999</u>	<u>3,193,988</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 8,623</u>	<u>\$ 65,000</u>	<u>\$ 15,157</u>	<u>\$ -</u>	<u>\$ 835,772</u>	<u>\$ 3,595,495</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	Community Center	Town Facilities	Street Lights Project	Pepperill Coves Paving/ Utilities	Fire Department Facility	Public Works Sign Shed
REVENUES						
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other income	-	-	-	-	-	-
TOTAL REVENUES	-	-	-	-	-	-
EXPENDITURES						
Capital outlay	-	-	-	-	-	-
Other	-	-	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-	-
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	23,500	-
Transfers (out)	-	(4,001)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(4,001)	-	-	23,500	-
NET CHANGE IN FUND BALANCES	-	(4,001)	-	-	23,500	-
FUND BALANCES - JULY 1	-	4,001	36,639	-	13,819	20
FUND BALANCES - JUNE 30	\$ -	\$ -	\$ 36,639	\$ -	\$ 37,319	\$ 20

TOWN OF KITTERY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	Roadside Landscaping	Rice Building Rehab	Fort Foster Bench	State Aid to Roads	Abatement Reserve	Police Equipment Reserve
REVENUES						
Intergovernmental revenue	\$ -	\$ 125,000	\$ -	\$ 158,728	\$ -	\$ -
Other income	-	502,801	-	-	-	-
TOTAL REVENUES	-	627,801	-	158,728	-	-
EXPENDITURES						
Capital outlay	-	4,484,190	-	125,881	-	-
Other	-	-	-	-	-	-
TOTAL EXPENDITURES	-	4,484,190	-	125,881	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(3,856,389)	-	32,847	-	-
OTHER FINANCING SOURCES (USES)						
Transfers in	55,000	-	-	-	50,000	10,000
Transfers (out)	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	55,000	-	-	-	50,000	10,000
NET CHANGE IN FUND BALANCES	55,000	(3,856,389)	-	32,847	50,000	10,000
FUND BALANCES - JULY 1	-	4,438,050	10,986	1,253,025	214,712	-
FUND BALANCES - JUNE 30	\$ 55,000	\$ 581,661	\$ 10,986	\$ 1,285,872	\$ 264,712	\$ 10,000

TOWN OF KITTERY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	Government St. Pier Reserve	Climate Action	Covid Vaccine Clinics	Zoning Record Upgrade	School Capital Projects Funds	Total
REVENUES						
Intergovernmental revenue	\$ -	\$ -	\$ 18,205	\$ -	\$ -	\$ 301,933
Other income	-	-	-	-	-	502,801
TOTAL REVENUES	-	-	18,205	-	-	804,734
EXPENDITURES						
Capital outlay	7,457	-	-	-	34,848	4,652,376
Other	-	-	10,065	-	-	10,065
TOTAL EXPENDITURES	7,457	-	10,065	-	34,848	4,662,441
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(7,457)	-	8,140	-	(34,848)	(3,857,707)
OTHER FINANCING SOURCES (USES)						
Transfers in	8,500	-	-	-	460,000	607,000
Transfers (out)	-	-	-	-	(35,680)	(39,681)
TOTAL OTHER FINANCING SOURCES (USES)	8,500	-	-	-	424,320	567,319
NET CHANGE IN FUND BALANCES	1,043	-	8,140	-	389,472	(3,290,388)
FUND BALANCES - JULY 1	7,580	65,000	7,017	-	433,527	6,484,376
FUND BALANCES - JUNE 30	\$ 8,623	\$ 65,000	\$ 15,157	\$ -	\$ 822,999	\$ 3,193,988

See accompanying independent auditor's report and notes to financial statements.

Permanent Funds

Permanent funds are used to account for assets held by the Town of Kittery, Maine that are legally restricted pursuant to Title 30-A, §5653 of the Maine State Statutes, as amended and unless otherwise specified, only earnings and not principal, may be used for purposes that benefit the Town or its citizenry. These funds have been established for various purposes including the provision and/or maintenance of cemeteries and school department scholarships.

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TOWN OF KITTERY, MAINE

COMBINING BALANCE SHEET - NONMAJOR PERMANENT FUNDS

JUNE 30, 2022

	Cemetery Trust	Public Health Trust	Mary Safford Wildes	Lester Raynes Trust	George Smart Santa	Recycling Scholarship	Connie Samuels Beautification	Total
ASSETS								
Cash and cash equivalents	\$ -	\$ -	\$ 57,702	\$ -	\$ 5,404	\$ -	\$ -	\$ 63,106
Investments	-	-	575,190	-	-	-	-	575,190
Due from other funds	-	26,378	-	8,462	-	11,684	58,601	105,125
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 26,378</u>	<u>\$ 632,892</u>	<u>\$ 8,462</u>	<u>\$ 5,404</u>	<u>\$ 11,684</u>	<u>\$ 58,601</u>	<u>\$ 743,421</u>
LIABILITIES								
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES								
Nonspendable	-	-	-	10,000	-	-	50,000	60,000
Restricted	-	26,378	632,892	-	5,404	11,684	8,601	684,959
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	(1,538)	-	-	-	(1,538)
TOTAL FUND BALANCES	<u>-</u>	<u>26,378</u>	<u>632,892</u>	<u>8,462</u>	<u>5,404</u>	<u>11,684</u>	<u>58,601</u>	<u>743,421</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 26,378</u>	<u>\$ 632,892</u>	<u>\$ 8,462</u>	<u>\$ 5,404</u>	<u>\$ 11,684</u>	<u>\$ 58,601</u>	<u>\$ 743,421</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, CHANGES IN FUND BALANCES
 NONMAJOR PERMANENT FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	Cemetery Trust	Public Health Trust	Mary Safford Wildes	Lester Raynes Trust	George Smart Santa	Recycling Scholarship	Connie Samuels Beautification	Total
REVENUES								
Investment income, net of unrealized gains/(losses)	\$ -	\$ -	\$ (38,988)	\$ -	\$ -	\$ -	\$ -	\$ (38,988)
Other income	-	-	-	-	5,182	15,830	-	21,012
TOTAL REVENUES	-	-	(38,988)	-	5,182	15,830	-	(17,976)
EXPENDITURES								
Other	14,680	-	31,257	-	6,296	12,000	-	64,233
TOTAL EXPENDITURES	14,680	-	31,257	-	6,296	12,000	-	64,233
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(14,680)	-	(70,245)	-	(1,114)	3,830	-	(82,209)
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers (out)	-	-	(35,000)	-	-	-	-	(35,000)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(35,000)	-	-	-	-	(35,000)
NET CHANGE IN FUND BALANCES	(14,680)	-	(105,245)	-	(1,114)	3,830	-	(117,209)
FUND BALANCES - JULY 1	14,680	26,378	738,137	8,462	6,518	7,854	58,601	860,630
FUND BALANCES - JUNE 30	\$ -	\$ 26,378	\$ 632,892	\$ 8,462	\$ 5,404	\$ 11,684	\$ 58,601	\$ 743,421

See accompanying independent auditor's report and notes to financial statements.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the Town as an agent for individuals, private organizations or other governmental units. These assets are not available to support Town programs.

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TOWN OF KITTERY, MAINE

COMBINING SCHEDULE OF NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
JUNE 30, 2022

	Adult Ed Scholarships	Bob Whitten	William Dennett
ASSETS			
Cash and cash equivalents	\$ -	\$ 5,620	\$ 32
Due from other governments	5,380	-	-
TOTAL ASSETS	<u>\$ 5,380</u>	<u>\$ 5,620</u>	<u>\$ 32</u>
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION			
Restricted - held in trust	5,380	5,620	32
TOTAL NET POSITION	<u>5,380</u>	<u>5,620</u>	<u>32</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 5,380</u>	<u>\$ 5,620</u>	<u>\$ 32</u>

TOWN OF KITTERY, MAINE

COMBINING SCHEDULE OF NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
JUNE 30, 2022

	Priscilla Guy	Louise Whelton Art	Total
ASSETS			
Cash and cash equivalents	\$ 2,196	\$ 469	\$ 8,317
Due from other governments	-	-	5,380
TOTAL ASSETS	<u>\$ 2,196</u>	<u>\$ 469</u>	<u>\$ 13,697</u>
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION			
Restricted - held in trust	2,196	469	13,697
TOTAL NET POSITION	<u>2,196</u>	<u>469</u>	<u>13,697</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 2,196</u>	<u>\$ 469</u>	<u>\$ 13,697</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

COMBINING SCHEDULE OF CHANGES IN NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Adult Ed Scholarships	Bob Whitten	William Dennett
ADDITIONS			
Interest	\$ -	\$ 1	\$ -
Contributions	327	-	-
TOTAL ADDITIONS	<u>327</u>	<u>1</u>	<u>-</u>
DEDUCTIONS			
Scholarships	-	1,500	-
TOTAL DEDUCTIONS	<u>-</u>	<u>1,500</u>	<u>-</u>
CHANGE IN NET POSITION	327	(1,499)	-
NET POSITION - JULY 1	<u>5,053</u>	<u>7,119</u>	<u>32</u>
NET POSITION - JUNE 30	<u>\$ 5,380</u>	<u>\$ 5,620</u>	<u>\$ 32</u>

TOWN OF KITTERY, MAINE

COMBINING SCHEDULE OF CHANGES IN NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Priscilla Guy	Louise Whelton Art	Total
ADDITIONS			
Interest	\$ -	\$ -	\$ 1
Contributions	-	-	327
TOTAL ADDITIONS	-	-	328
DEDUCTIONS			
Scholarships	-	1,150	2,650
TOTAL DEDUCTIONS	-	1,150	2,650
CHANGE IN NET POSITION	-	(1,150)	(2,322)
NET POSITION - JULY 1	2,196	1,619	16,019
NET POSITION - JUNE 30	\$ 2,196	\$ 469	\$ 13,697

See accompanying independent auditor's report and notes to financial statements.

General Capital Assets

General capital assets are those assets related to activities reported in the governmental funds. These assets are reported in the governmental activities' column of the government-wide statement of net position.

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TOWN OF KITTERY, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION

JUNE 30, 2022

	Land and Non-depreciable Assets	Buildings, Building Improvements and Land Improvements	Furniture, Fixtures, Equipment and Vehicles	Infrastructure	Total
Police	\$ -	\$ 122,076	\$ 1,372,087	\$ -	\$ 1,494,163
General government	-	2,933,449	428,946	8,479	3,370,874
Fire	692,985	2,678,208	3,238,504	-	6,609,697
Public works	8,579,000	3,601,461	5,134,274	12,872,190	30,186,925
Health and sanitation	-	58,183	-	-	58,183
Recreation and culture	1,989,284	14,606,005	293,746	-	16,889,035
Harbor master	47,331	928,751	131,409	879,643	1,987,134
School department	29,422	26,068,310	1,214,592	-	27,312,324
Sewer department	285,980	19,456,787	722,258	11,723,215	32,188,240
Total General Capital Assets	11,624,002	70,453,230	12,535,816	25,483,527	120,096,575
Less: Accumulated Depreciation	-	(41,381,162)	(7,865,946)	(12,710,660)	(61,957,768)
Net General Capital Assets	<u>\$ 11,624,002</u>	<u>\$ 29,072,068</u>	<u>\$ 4,669,870</u>	<u>\$ 12,772,867</u>	<u>\$ 58,138,807</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION
FOR THE YEAR ENDED JUNE 30, 2022

	General Capital Assets 7/1/21 (Restated)	Additions	Deletions	General Capital Assets 6/30/22
Police	\$ 1,369,377	\$ 124,786	\$ -	\$ 1,494,163
General government	3,366,635	4,239	-	3,370,874
Fire	6,185,859	423,838	-	6,609,697
Public works	29,273,815	913,110	-	30,186,925
Health and sanitation	58,183	-	-	58,183
Recreation and culture	12,868,160	4,136,367	(115,492)	16,889,035
Harbor master	1,930,761	56,373	-	1,987,134
School department	27,279,193	93,052	(59,921)	27,312,324
Sewer department	32,180,690	7,550	-	32,188,240
Total General Capital Assets	114,512,673	5,759,315	(175,413)	120,096,575
Less: Accumulated Depreciation	(58,858,863)	(3,205,477)	106,572	(61,957,768)
Net General Capital Assets	<u>\$ 55,653,810</u>	<u>\$ 2,553,838</u>	<u>\$ (68,841)</u>	<u>\$ 58,138,807</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF KITTERY, MAINE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor Pass-through Grantor Program or Cluster Title	Federal AL Number	Pass-through Grantor Number	Expenditures to Subrecipients	Federal Expenditures
U.S. Department of Agriculture				
Passed-through State of Maine - Department of Education and Cultural Services:				
Child Nutrition Cluster:				
School Breakfast Program	10.553	3014	\$ -	\$ 141,979
National School Lunch Program	10.555	3022	-	36,683
National School Lunch Program	10.555	3024	-	430,663
National School Lunch Program	10.555	6662	-	393
Summer Food Service Program for Children	10.559	3016	-	69,349
Subtotal Child Nutrition Cluster			-	679,067
State Administrative Expenses for Child Nutrition	10.560	6670	-	20,982
Pandemic EBT Administrative Costs	10.649	6184	-	1,842
Total U.S. Department of Agriculture			-	701,891
U.S. Department of Defense				
Direct Funding:				
Community Economic Adjustment Assistance for Compatible Use and Joint Land Use Studies	12.610	Land U--EN869-18-01	-	115,468
Total U.S. Department of Defense			-	115,468
U.S. Department of the Interior				
Passed-through State of Maine - Land, Water and Conservation Fund:				
Sportfishing and Boating Safety Act	15.622	23-00864	-	20,093
Total U.S. Department of the Interior			-	20,093

TOWN OF KITTERY, MAINE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor Pass-through Grantor Program or Cluster Title	Federal AL Number	Pass-through Grantor Number	Expenditures to Subrecipients	Federal Expenditures
U.S. Department of Justice				
Direct Funding:				
Bulletproof Vest Partnership Program	16.607	N/A	-	2,630
Edward Byrne Memorial Justice Assistance Grant Program (JAG)	16.738	N/A	-	4,337
Total U.S. Department of Justice			-	6,967
U.S. Department of Transportation				
Passed-through State of Maine - Department of Transportation:				
Highway Planning and Construction Cluster:				
Highway Planning and Construction	20.205	CSN #29499	-	9,510
Subtotal Highway Planning and Construction Cluster			-	9,510
Passed-through State of Maine Bureau of Highway Safety:				
NHTSA Discretionary Safety Grants and Cooperative Agreements	20.614	N/A	-	2,434
Total U.S. Department of Transportation			-	11,944
U.S. Department of Treasury				
Passed-through State of Maine - Department of Health and Human Services				
Coronavirus State and Local Fiscal Recovery Funds	21.027	ARPA-1505-0271	-	433,921
Total U.S. Department of Treasury			-	433,921
National Endowment for the Humanities				
Direct Funding:				
Promotion of the Humanities Challenge Grants	45.130	N/A	-	125,000
Total National Endowment for the Humanities			-	125,000

TOWN OF KITTERY, MAINE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor Pass-through Grantor Program or Cluster Title	Federal AL Number	Pass-through Grantor Number	Expenditures to Subrecipients	Federal Expenditures
U.S. Department of Education				
Passed-through State of Maine - Department of Education and Cultural Services:				
Title I Grants to Local Educational Agencies	84.010	3107	-	113,306
Special Education Cluster (IDEA):				
Special Education Grants to States	84.027	3046	-	174,095
Special Education Grants to States	84.027	7170	-	39,814
Special Education Preschool Grants	84.173	6247	-	-
Subtotal Special Education Cluster (IDEA)			-	213,909
Improving Teacher Quality State Grants	84.367	3042	-	40,760
Rural Education	84.358		-	-
Student Support and Academic Enrichment Program	84.424	3345	-	7,772
Education Stabilization Fund	84.425A	ESSERF II	-	157,422
Education Stabilization Fund	84.425U	ESSERF III	-	362,161
			-	519,583
Total U.S. Department of Education			-	895,330
TOTAL FEDERAL ASSISTANCE			\$ -	\$ 2,310,614

TOWN OF KITTERY, MAINE

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2022

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Town of Kittery, Maine under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Town of Kittery, Maine, it is not intended to and does not present the financial position, changes in net position or cash flows of the Town of Kittery, Maine.

2. Summary of Significant Accounting Policies

- a. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and/or OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- b. The Town of Kittery, Maine has not elected to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Town Council
Town of Kittery
Kittery, Maine

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Town of Kittery, Maine as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Town of Kittery, Maine's basic financial statements and have issued our report thereon dated March 6, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Kittery, Maine's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Kittery, Maine's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Kittery, Maine's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Kittery, Maine's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Buxton, Maine
March 6, 2023



Proven Expertise & Integrity

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Town Council
Town of Kittery
Kittery, Maine

Report on Compliance for Each Major Federal Program

We have audited the Town of Kittery, Maine's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Town of Kittery, Maine's major federal programs for the year ended June 30, 2022. The Town of Kittery, Maine's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Town of Kittery, Maine's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town of Kittery, Maine's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Town of Kittery, Maine's compliance.

Opinion on Each Major Federal Program

In our opinion, the Town of Kittery, Maine complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Report on Internal Control Over Compliance

Management of the Town of Kittery, Maine is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town of Kittery, Maine's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of Kittery, Maine's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this communication is not suitable for any other purpose.

Buxton, Maine
March 6, 2023

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TOWN OF KITTERY, MAINE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

Section I - Summary of Auditor's Results

• *Financial Statements*

Type of auditor's report issued : Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified? ☐ yes ☒ no
- Noncompliance material to financial statements noted? ☐ yes ☒ no

• *Federal Awards*

Internal control over major programs:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified? ☐ yes ☒ no

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported
in accordance with §200.516 of Uniform Guidance? ☐ yes ☒ no

Identification of major programs:

AL Numbers Name of Federal Program or Cluster

21.019 Coronavirus Relief Fund

Dollar threshold used to distinguish between type A and B: \$750,000

Auditee qualified as low-risk auditee? ☐ yes ☒ no

Section II – Financial Statement Findings

None

Section III – Federal Awards Findings and Questioned Costs

None



Proven Expertise & Integrity

INDEPENDENT AUDITOR'S REPORT ON STATE REQUIREMENTS

Town Council
Town of Kittery
Kittery, Maine

We have audited the financial statements of Town of Kittery, Maine for the year ended June 30, 2022 and have issued our report thereon dated March 3, 2023. Our audit was made in accordance with auditing standards generally accepted in the United States of America and applicable state and federal laws relating to financial and compliance audits and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In connection with our audit, we reviewed the budgetary controls that are in place and have reviewed the annual financial report that was submitted to the Maine Department of Education for accuracy. In addition, we have reviewed the Town of Kittery, Maine's compliance with applicable provisions of the Maine Finance Act as noted under MRSA Title 20A, section 6051 as we considered necessary in obtaining our understanding.

The results of our procedures indicate that with respect to the items tested, the Town of Kittery, Maine complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the Town of Kittery, Maine was in noncompliance with or in violation of, those provisions.

Management has determined that adjustments were necessary to the fiscal books of the Town of Kittery, Maine and have attached the following schedule as it relates to the reconciliation of audit adjustments to the updated annual financial data submitted to the Maine Education Financial System maintained at the Maine Department of Education.

This report is intended solely for the information of the Town Council, School Board, management and the Maine Department of Education. This report is not intended to be and should not be used by anyone other than the specified parties.

Buxton, Maine
March 6, 2023

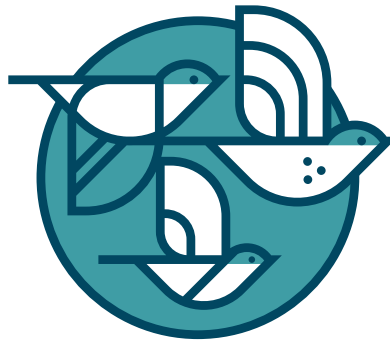
3 Old Orchard Road, Buxton, Maine 04093
Tel: (800) 300-7708 (207) 929-4606 Fax: (207) 929-4609
www.rhrsmith.com

KITTERY SCHOOL DEPARTMENT

RECONCILIATION OF AUDIT ADJUSTMENTS TO ANNUAL FINANCIAL DATA SUBMITTED TO THE MAINE EDUCATION FINANCIAL SYSTEM FOR THE YEAR ENDED JUNE 30, 2022

	General Fund (1000)	Special Revenue Funds (2000), (6000) & (9000)	Capital Projects Funds (3000)	Agency Funds (9000)	Total
June 30, 2022 Balance per MEFS	\$ -	\$ -	\$ -	\$ -	\$ -
Other adjustments:					
Funds Not Reported on MEFS:					
0901 - Mitchell Fund	-	-	-	-	-
0902 - Shapleigh Fund	-	-	-	-	-
0903 - Traip Fund	-	-	-	-	-
Audited GAAP Basis Fund Balance					
June 30, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Investing in Mainspring; INVESTING IN COMMUNITY



M A I N S P R I N G

The Seacoast Social Services Collective

CASE FOR SUPPORT

“Mainspring is the most exciting and impactful project in the Seacoast.”

– MARYELLEN JACKSON,

FORMER EXECUTIVE DIRECTOR OF THE NH CENTER FOR NONPROFITS



JOIN US

DEAR NEIGHBORS AND FRIENDS,

Surrounded by the beauty and charm of our beloved Seacoast communities are individuals and families who struggle to make ends meet. In the Southern Maine towns of Kittery, Eliot, York, and South Berwick, more than 3,000 people—about 8% of the population—live close to or below the poverty line. These are the folks hit hardest by rising inflation, many of them unable to afford the 13% increase in grocery bills and 10% hikes in rental rates we've seen this year. Food insecurity and housing needs can be invisible in a prosperous community, but the statistics don't lie: In 2022 alone, Footprints Food Pantry saw a near 50% increase in the number of people served and doubled the amount of food distributed to the community.

When we asked ourselves what more we could do to meet people's basic needs, we started by examining our current social services delivery model. Today, most people enter the system through a single agency. There, an intake process often involves an appointment, applications, and sharing with strangers the most personal details of their lives. More often than not, because these individuals require services offered by other agencies, they are sent off to repeat this time-intensive and emotionally draining process over and over again, always subject to the hours and availability of any one program. Seeking and receiving assistance can be a full-time job. But it doesn't have to be this way.

The process could be dignified, efficient and empowering for individuals as they navigate the pathway out of poverty.

To accomplish this, after years of discussions, Footprints and Fair Tide are joining forces. We are renovating the building at 22 Shapleigh Road in Kittery to create and house a model for service delivery that is being used successfully across the country. This facility, named Mainspring, will be a collection of nonprofit social service agencies working together under one roof to provide a comprehensive suite of programs and services to better support those in need. Our vision for Mainspring is to transform our current community model from a set of isolated services into an easy-to-access network of coordinated resources that holistically address the most basic human needs.

With a combined 55 years of experience serving the Seacoast community, Fair Tide and Footprints are well positioned to lead this endeavor. Together, they purchased the project site, utilizing \$750,000 of American Rescue Plan Act funds. Now they are raising another \$5 million to renovate and expand the existing structure to create a welcoming, user friendly space that allows people easy access to the myriad of services currently spread out across our communities. The two agencies, including their strong boards of directors and an experienced capital campaign committee, are directing a robust team of architects, engineers and consultants to bring the vision of a one-stop-shop resource center to life.

We are thrilled to invite you to be a part of the most exciting project in the Seacoast. A contribution to Mainspring will have a powerful impact for years to come. We look forward to welcoming you to this new space in 2024, and in the meantime we hope to visit with you, discuss our plans and vision, and invite your support of this effort.

FORWARD TOGETHER,



Emily Flinkstrom,
Fair Tide Executive Director



Megan Shapiro-Ross,
Footprints Executive Director



Ali Goodwin,
Fair Tide Board Chair



Lorianne Saniuk,
Footprints Board President

The Increasing NEED

“I can’t take another day off of work to go on a scavenger hunt for social services. I get denied everywhere I go. I’m starting to think that it would be easier to end up in the hospital or in prison where I’ll at least have a warm bed and three meals a day.”

This scenario is all too real and it occurs more and more often. In its last fiscal year, York County Community Action provided rental assistance to nearly 1,000 households in our Southern Maine communities. The effects of inflation, especially the increasingly high cost of living in this region are very real, with dire consequences for those already struggling financially. Many in our community are seeking multiple services, but when their pathway is delayed or blocked, exhaustion and hopelessness often outweigh the need for food, shelter, or heat.

We can and must do better.

The word **MAINSRING** is defined as “the chief or most powerful motive, agent, or cause.” As a partnership of social service agencies, **we will serve as the mainspring of a stronger and healthier community.**

Imagine if all these resources were under one roof, existing in a coordinated network of care where providers were systematically and physically connected. A family could drive to one place, visiting Footprints to gather their weekly groceries. While there, they could meet with Fair Tide’s case manager. Down the hall they would find other social service partners offering their resources and supports to the household. This model removes much of the weight from the household in crisis by streamlining access to the comprehensive care, resources, and support necessary to build a healthier life.

This is what we can create together.

The Community's Solution: **MAINSRING**

ABOUT OUR HOME

Mainspring's programs and services will primarily benefit residents of Kittery, Eliot, York, South Berwick, and Portsmouth – though no one seeking services will be turned away.

The site at 22 Shapleigh Road is easily accessible for those living in Kittery, Eliot and the surrounding communities by walking, biking, and local bus transportation. Our building's Shapleigh Road location near the center of Kittery makes it highly visible to families en route to the only pharmacy in the area, the post office, and to the main entrance to the Portsmouth Naval Shipyard. The full property, nearly 2 acres in size, is zoned for the variety of uses this project requires.

Mainspring will be anchored by two long-standing community organizations: Fair Tide and Footprints Food Pantry. Footprints will bring to the site a new and improved market-model food pantry and commissary kitchen, while Fair Tide will relocate its thriving thrift store, as well as its administrative, housing, and case management services to more appropriate spaces.



The mission of Fair Tide is to reduce homelessness by providing housing and supportive services to individuals and families in the Seacoast.



**FOOTPRINTS
FOOD PANTRY**

Footprints exists to reduce the impact of hunger in the communities of Kittery and Eliot and to share resources and support the lives of those who have joined the Footprints' community.

Sharing the property with Mainspring will be six new units of deeply affordable housing, to be owned and developed separately by Fair Tide. This work is being done in partnership with Community Housing of Maine and is fully funded through MaineHousing's HOME-ARP program. Residents in these units will have immediate and ready access to the services of Mainspring.

“Mainspring will be a beacon of hope, supporting community members in need with access to the programs, services, and resources vital to their health and wellbeing. Fair Tide and Footprints are leading the way forward, and ensuring we serve all members of our community with compassion and dignity.”

*-Kendra Amaral,
Kittery Town Manager*



Mainspring PROGRAMS & SERVICES

While food and shelter are two of our most basic human needs, there are many other prerequisites to a healthy and thriving life. In addition to Footprints and Fair Tide's offerings, Mainspring will provide direct access to a variety of other programs and services to ensure the whole person and family are supported.

PROSPECTIVE TENANTS AT MAINSPRING INCLUDE:

- York County Community Action, whose Outreach services and Women Infants and Children (WIC) programs are essential for individuals and families in need,
- Kittery and Eliot's General Assistance offices, which provide funding for emergency needs including shelter, utilities, and medical and dental care,
- Local utility support programs, which provide funds for essential home heating costs,
- Allies in anti-hunger work, and
- Flexible space for providers to deliver mental and behavioral healthcare, legal aid, medical and dental health clinics, and more.

“ Having a comprehensive assistance service model for the region is a sound and pragmatic approach to the challenge of poverty, as poverty has no respect for boundaries created by government. Addressing the challenges in a wholistic manner will impact not only the lives of those living in poverty, but be far more cost effective than treating each challenge in silos. We look forward to seeing the final model and participating with all the Mainspring partners to alleviate the burden in the underserved community.”

-Mike Sullivan,
Eliot Town Manager



© ARO Architects 2022

Design & RENDERINGS



The importance of this space and the physical link between programs and services can't be overstated. The building's design and layout reflect and enhance the coordinated collaboration that undergirds the support we offer. Upon entering the building—whether through Mainspring's door, Fair Tide's thrift store, or the Footprints market – individuals will be welcomed to a light, airy, calm space where they can easily navigate between floors and programs, feeling confident they have come to the right place to get the support they need.

The original 8,000 sq. ft. building will be renovated and optimized to support the function and flow required for various agency and visitor needs, including three distinct entrances for Mainspring social service offices, Fair Tide Thrift Store, and Footprints Market.



Designed by ARQ Architects, the energy-efficient space is being designed to meet LEED Certification criteria with ample light, fresh air, and sustainable materials to make it a welcoming and uplifting space for clients, now and well into the future.

Board LEADERSHIP

FAIR TIDE BOARD OF DIRECTORS

Ali Goodwin, *Chair*

Lead Real Estate Agent, Haven Homes & Lifestyle at Keller Williams Coastal and Lakes & Mountains Realty

Ryan Pope, *Vice Chair*

Vice President, Cambridge Trust

Steven Epstein, *Treasurer*

Finance, Banking and Non-Profit Professional, Retired

Hershey Hirschkop, *Secretary*

Affordable Housing Development Expert & Executive Director of Seacoast Outright

Bill Dignan, Real Estate Professional, Williams Realty Partners

George Dow, Vice President, TD Bank

Deanna Friedman, College Administrator & Retail professional, Retired

Dale Keller, Lived Experience of Homelessness

FOOTPRINTS FOOD PANTRY BOARD OF DIRECTORS

Lorianne Saniuk, *President*

Major Gift Officer, The Dempsey Center

Karen Brown, *Vice President*

Registered Nurse, Retired

Beth Hallissey, *Treasurer*

Realtor, Antique Home Restoration

Debbie Crosier, *Secretary*

Local Business Owner, Retired

Doug Craig, Statistical Analysis Manager, Retired

Lisa D'Angelo, Owner, Kittery Ace Hardware

David Davidson, Director of Dining Services at Harvard University, Retired

Deb Hall, Affordable Housing Developer, Retired

Meghan Harris, 20 year Volunteer at Footprints

Tracy Johnson, Local Business Owner

Eileen McKeel, 25 year Volunteer at Footprints

Investing in Mainspring; INVESTING IN COMMUNITY

\$5.45M

Our community is only as strong as its most vulnerable member.

This project offers an opportunity to create a new way to deliver social services and a better way to strengthen our community. Please join us!

Use of Funds

Construction (\$300/sf @ 11,266 sf)	\$3,379,800
Property Acquisition (Secured through ARPA funds)	\$754,723
Architecture and Engineering	\$271,586
Maintenance Reserve	\$100,000
Soft Costs	\$88,700
Furniture, Fixtures, & Equipment	\$155,000
Contingencies - Owner (2%), Design (5%), Construction (5%)	\$405,576
Campaign Costs (~6% goal)	\$300,000
Total	\$5,455,385

Fair Tide and Footprints are committed to the success of this campaign as well as to continuing the good work of both agencies over the course of this journey to develop Mainspring. Both organizations will be focused on raising funds for this exciting project, while additionally meeting their individual budgets. We hope donors will join together in supporting each agency, along with the capital campaign.

SUPPORT US!



WAYS TO GIVE

The Mainspring Campaign will accept multi-year pledges, cash/check, matching gifts, stocks and securities, donor advised funds, endowed gifts, in-kind support and services, and planned gifts or bequests.

Gift recognition opportunities are available. Please reach out if you're interested.

To learn more about Mainspring and follow our progress, please reach out:

www.mainspringcollective.org

CONTACT:

Emily Flinkstrom at 207-439-6376
Megan Shapiro-Ross at 207-439-4673

TO DONATE:

www.mainspringcollective.org/donate

OR MAIL TO:

Mainspring c/o Fair Tide
15 State Road, Kittery, ME 03904

NEW HAMPSHIRE
CHARITABLE FOUNDATION
37 Pleasant Street
Concord, NH 03301

X

109 874

Town of Kittery, ME
200 Rogers Road
Kittery ME 03904-1483



PAYMENT SUMMARY	
GRANT ID: GE-D23-149373-1	CHECK AMOUNT: 4,005.19 CHECK DATE: 02/17/2023
GRANT PURPOSE: George Smart Santa Fund - designated distribution.	AMOUNT 1.00-
<p>PLEASE REFER TO EMAILED GRANT AWARD LETTER FOR DETAILS OF THIS PAYMENT. By cashing this check you agree to comply with New Hampshire Charitable Foundation's Terms of Award. To view the Foundation's Terms of Award and Frequently Asked Questions, please visit http://www.nhcf.org/TermsOfAward. Email checkmint@nhcf.org with updated email addresses or questions that are not answered in the FAQ.</p>	

(Detach Here)

NEW HAMPSHIRE
CHARITABLE FOUNDATION
37 Pleasant Street
Concord, NH 03301

54-153/114

FOUR THOUSAND FIVE DOLLARS 19 CENTS

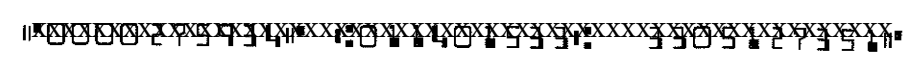
CHECK DATE: 02/17/2023
CHECK NUMBER: 0000275934

\$*****4,005.19

TO THE ORDER OF: Town of Kittery, ME
200 Rogers Road
Kittery ME 03904-1483

Citizens Bank
875 Elm St
Manchester, NH 03101

Michael G. L.



Kittery Rotary After Hours Cinco De Mayo

Deb Hartman <debrajhartman@hotmail.com>

Thu 2/16/2023 7:30 PM

[View details](#)

To: town comments <tcomments@kitteryme.org>;

Cc: Kittery-Rotary After-Hours <kitteryrotaryafterhours@gmail.com>;

Dear Kittery Town Council:

The Kittery Rotary After Hours Club requests that ten signs (no larger than real estate signs) be placed in various spots around Kittery to advertise their second annual Cinco De Mayo dinner.

The dinner will be held on Friday, May 5, 2023 at the Kittery Lions Club from 3:00 to 6:00 pm.

Respectfully request to place these signs around Kittery from April 20, 2023 and have them removed by May 7, 2023.

Thank you,
Debra Hartman
President, Kittery Rotary After Hours
207-475-7687

Sent from my iPhone

**TOWN COUNCIL BOARDS AND COMMITTEES
INTERVIEW FORM**

TO: KITTERY TOWN COUNCIL

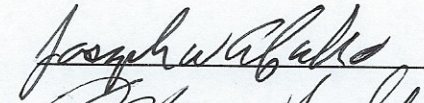
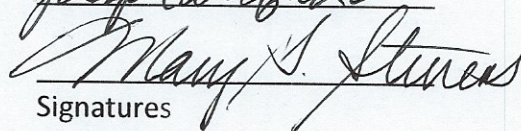
FROM: COUNCILOR STEVENS and JOSEPH AFLENKO

RE: APPOINTMENT TO BOARD OF ASSESSMENT REVIEW

DATE OF INTERVIEW: February 28, 2023 at 5:30 pm

We have interviewed Christine Spinella on the date and time above.

We approve recommendation of the applicant and whole heartedly endorse his/her appointment for a term to expire on _____.



Signatures

ATTENDANCE RECORD (for reappointments only)

Excellent _____

Good _____

Poor _____



TOWN OF KITTERY
200 Rogers Road, Kittery, ME 03904
Telephone: 207-475-1329

REPORT TO TOWN COUNCIL

Date: March 13, 2023
From: Kendra Amaral, Town Manager
Subject: Seapoint Beach Fire Permits
Councilor Sponsor: Chairperson Judy Spiller

EXECUTIVE SUMMARY

In accordance with §12.4.9.4 of the Seapoint and Crescent Beaches fire ordinance, the Town Manager is required to provide a report to the Town Council no later than one year from the date of enactment on the status of compliance, to determine if the total number of available licenses for issuance per year should be adjusted for the ensuing year.

The data in this report represents the first year of implementation of a new ordinance that requires a permit to have a fire, and restricts the number of fires allowed at Seapoint Beach between May and October each year.

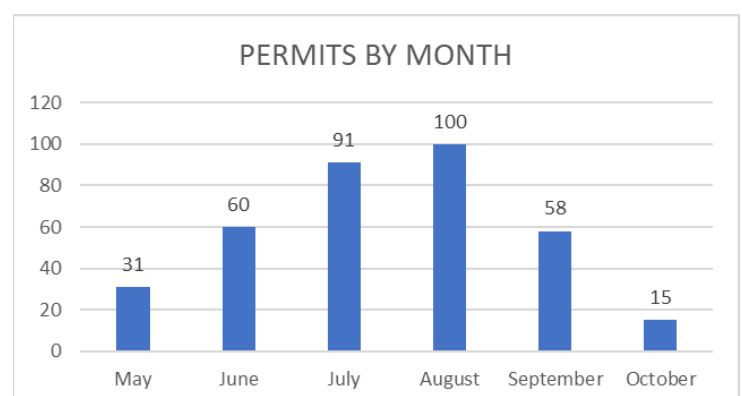
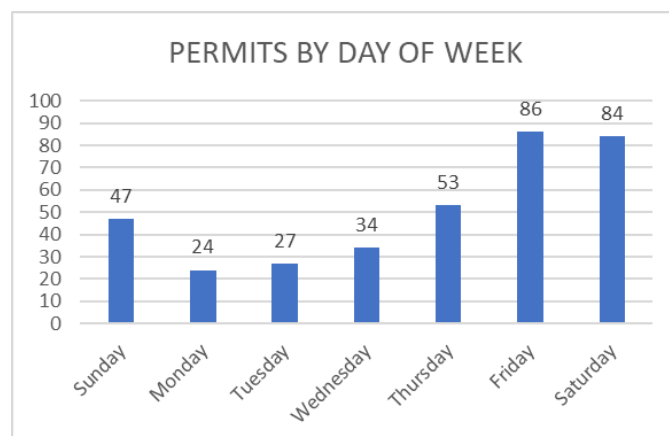
BACKGROUND

The Council adopted amendments to Title 12.4 Seapoint and Crescent Beaches to address the neighborhood complaints about debris and late-night noise from the growing number of fires at Seapoint Beach, and the strong community-wide interest in allowing fires to continue at the beaches.

The Council formed a Beaches Working Group to develop recommendations for addressing the issues. The Beaches Working Group included five citizen members, representatives from the Kittery Land Trust, Parks Commission, Town Council, the Fire and Police Chiefs, the Animal Control Officer, and Town Manager. For more information about the process and recommendations of the Beaches Fires Working Group, please see that attached Report to Council.

OUTCOMES

A total of 355 permits were issued between May and October of 2022 for Seapoint Beach Fires. Of those 270, or approximately 76% were issued to residents. Eighty-five permits were issued to nonresidents. Total revenue generated in this period was \$1,255.



COMPLIANCE

The Public Safety team has responded to complaints regarding fires at the beach 20 times last year. The majority of the calls for service were generated by adjacent land owners. Of the twenty responses, we sent firefighters and apparatus 7 times, the Fire Chief went 9 times alone, and Police Officers responded 4 times.

Eleven of the 20 responses occurred within the six weeks of implementation of the ordinance. This resulted in a report to Council on June 13, 2022, regarding the impact the calls for service were having on our emergency response resources and capabilities. The relevant report is attached.

As an outcome of the report, Council Chair Spiller, Public Safety staff and I met with the resident generating the majority of the calls for service and came to shared understanding of the monitoring limitations and expectations.

Responses to the beaches became much more manageable thereafter with only 9 additional responses needed over the remaining four months of the permitting season.

PROPOSED SOLUTION/RECOMMENDATION

Considerations for amendments:

- Remove §12.4.9.4 of the ordinance. The submission of this report has satisfied its requirement.
- Review fees for potential adjustments to reflect the cost of response/compliance monitoring.

ATTACHMENTS

- Beach Fires Working Group Report to Council, March 28, 2022
- Town Manager Report, June 13, 2022



TOWN OF KITTERY
200 Rogers Road, Kittery, ME 03904
Telephone: 207-475-1329 Fax: 207-439-6806

REPORT TO TOWN COUNCIL

Meeting Date: February 14, 2022
Update: March 28, 2022
From: Beaches Fires Working Group
Subject: Title 12 – Seapoint and Crescent Beaches Fires
Council Sponsor: Chairperson Judy Spiller

EXECUTIVE SUMMARY

The Kittery Town Council formed the Beaches Fires Working Group to provide recommendations to address the neighborhood complaints about debris and late-night noise from the growing number of fires at Seapoint Beach, and the strong community-wide interest in allowing fires to continue at the beaches.

The Beaches Working Group was comprised of five residents and representatives from the Kittery Land Trust, the Parks Commission, Town Council, the Fire and Police Chiefs, the Animal Control officer, and the Town Manager.

The Working Group's review of how beach communities from South Portland to Cape Cod regulate beach fires indicated that communities either do not allow beach fires or carefully regulate them through a permitting system.

The Working Group is recommending the Council adopt regulations that would continue to allow fires at the beaches, while attempting to control debris, trash, and noise. The proposed regulation:

- Establishes an online permitting system that allows for 5 fire permits to be issued per day by the Fire Department from April 1 to November 1;
- Establishes a ban on burning construction debris, pallets, furniture, trash, etc. (only firewood allowed);
- Requires that fires are extinguished with sea water, leaving no burning coals;
- Requires that the permit holder remove all trash.

The Working Group felt that fires at the relatively distant Crescent Beach, the structure of which naturally extinguishes fires with each high tide, not be restricted. The Working Group did agree that fires should be prohibited on the north end of Seapoint, beginning at the northern edge of the lower parking lot, where residences directly adjacent to the beach; and reaffirmed that the marsh area should remain off limits.

The Working Group recommends that residents (transfer station sticker holders) not be charged for fire permits, but non-residents pay fifteen dollars (\$15) per permit. Finally, the Working Group suggests that the policy and resulting regulations, if adopted by Council, be reviewed the year following adoption.

BACKGROUND

The Beaches Fires Working Group was formed by Town Council in spring of 2021, in response to growing complaints about fires on Seapoint Beach. The Working Group met five times from July until

December. Its membership included five residents (Michael Blackman, Ed Golden, Mike Murphy, Drika Overton, and Todd Thayer) -- all of whom responded to the Town's solicitation for membership -- as well as Kittery Land Trust representative Melissa Paly, Parks Commission representative Denise Payne, Town Councilor Judy Spiller, Town Manager Kendra Amaral, Fire Chief David O'Brien, Police Chief Robert Richer, and Animal Control Officer William Walsh.

Complaints about the fires focused on the number of fires occurring at one time, litter (cans, broken bottles, and other debris) associated with the fires, fires still burning the following morning, fire materials such as construction debris, pallets, branches from trees in the marsh, and sometimes, furniture remaining on the beach, and fires built up against the marsh, posing a fire hazard. Daytime beach users complained about the debris from the fires. Residents living adjacent to the beach complained about late-night noise; people relieving themselves on their property; and on some summer nights, so much smoke from the fires that they had to keep their windows closed.

Others in the community argued that the fires are part of a Kittery tradition and that most extinguished their fires and took their trash home. Several commented that beach fires were one of few ways young people could gather safely during the pandemic.

Seapoint is a small beach less than a mile long, bordered on the northwest by private residences and on the west by an extensive salt marsh. There is a low vegetated dune crest along that western border. The only access point is the small parking area at the end of Seapoint Road. During the day, particularly when the weather is warm, a combination of families and others can be found picnicking, sun-bathing, and swimming; there are beach walkers, many with dogs, during the permitted hours; and photographers, bird watchers, and others use the beach as well. Early morning and late in the day, surf fishing is common. Seapoint/Crescent is one of the darkest locations in the Seacoast, attracting those watching the stars when celestial events occur.

The past three summers, however, the number of fires and the number of people at those fires increased significantly, which increased the trash left behind. Last summer, on a typical warm evening, there was at least one fire and sometimes a dozen or more spread the length of the beach though mostly clustered close to the parking lot. The inaccessible nature of Crescent Beach with its steep cobble scarp placed a natural limit on fires. At Crescent, the remains of the few fires were carried away with the next tide.

Policing the area has always presented challenges. The only access is the small parking lot at the end of Seapoint Road. Walking the length of the beach after dark can take twenty minutes or more. Parking is restricted after 11 pm and before 3 am, but some people clearly risk being ticketed and stay beyond that time.

Current regulations do require permission for a fire at Seapoint and Crescent:

§ 12.4.9 Fires.

No person may start or allow any fire to burn within Seapoint or Crescent Beaches except in suitable facilities provided by the municipality or where permission has been obtained from the municipal Fire Chief, Town Forest Fire Warden. A permit will not be required for the use of portable stoves which are fueled by propane gas, sterno or briquettes. In the event that any cooking or other fire or burning herein allowed is undertaken by any person, said person before leaving such fire must totally extinguish the same.

The restriction has not been enforced for many years. It dates from when there was a bathhouse and a road along the marsh. These were washed away by a hurricane in the seventies. Until the last two years, there were not enough fires to merit concern.

COMMITTEE PROCESS

Goal

The Working Group wanted to limit the debris, noise, and bad behaviors associated with the large number of fires, while still retaining the ability to have fires for those who conducted themselves responsibly. Aware of the challenges associated with rule enforcement after dark on a beach on the edge of town, and only accessible by foot, it sought a simple system that provided rules, but was realistic in the enforcement.

Coastal Community Examples

To understand how to control the negative effects of the fires without completely prohibiting them, the Working Group first looked at how other communities address beach fires. It interviewed community representatives from South Portland to Cape Cod. Virtually all either did not allow fires or strictly controlled the number of fires with a limited number of permits. On Cape Cod, restrictions were either lifted or lightened during the winter months.

Consideration of Options

The Working Group then generated a list of options. It agreed that the preferred option would likely be a compromise and should to the extent possible 1) be fair to those wanting the occasional small beach fire, and to residents, abutting the beach; 2) be enforceable; and 3) protect the marsh. The options considered included do nothing, banning fires completely, allowing a limited number of fires by permit, and limiting permits to residents only.

Doing nothing meant that the level of debris, noise, and potential for damage would likely increase. Banning fires meant that the community would be denied an activity they have long enjoyed. While resident-only access to fires seemed attractive, it raised constitutional issues around requiring people to provide identification. Enforcement would be particularly challenging. Further, Kittery's past efforts to restrict parking to resident only at the Pepperrell Cove Wharf and Seapoint ended unsuccessfully for the Town in the courts.

After the above consideration, the Working Group agreed that a permit requirement would increase responsible behavior on the part of the permit holder, be an opportunity to communicate rules, reinforce staying off the marsh, and be a basis for enforcement. The Working Group considered various combinations of permit restrictions, and ultimately are recommending that five permits a day would be a good starting place. Too many permits would simply replicate the problem; too few would not be fair to the community that have enjoyed having fires at the beaches for generations.

The Working Group felt residents and taxpayers should have some advantage, and so it agreed that permits be free for residents, identified by eligibility for a transfer station sticker, and all others should pay a modest fee of \$15.00.

The Working Group considered designating specific areas for fires, using concrete fire rings or some other form of demarcation, but Shoreland Zoning rules prohibit structures within a certain buffer of the water. Some were concerned that fire rings or markers would detract from the beaches' natural beauty. It also concluded that periodic high intensity storms would obliterate markers and wash away fire rings

CONCLUSIONS AND RECOMMENDATIONS

The Working Group is recommending the Council adopt regulations and rules that:

- Prohibit beach fires on Seapoint Beach north of Seapoint Road parking lot (see map)
- Require a permit for a beach fire on Seapoint Beach south of Seapoint Road parking lot (see map) from May 1 to October 31
- There be **no** restriction on fires at Crescent Beach, and from November 1 through April 30 on the south side of Seapoint Beach

Fire Rules

- Only firewood is allowed to be used as fuel for a beach fire. Pallets, construction debris, furniture, trash, and other non-firewood materials are prohibited from being burned on the beach.
- Fires must be completely extinguished with seawater, leaving no visible burning coals, before vacating the beach.

Fire Permits

- Permits will be limited to five permits per day; permits will be issued for a full day (no partial day permits allowed) and will be date specific (i.e. a permit holder will be permitted to have a fire on Monday, May 9).
- Anyone having a fire on the south-side of Seapoint Beach, between May 1 and Oct 31 without a permit will be subject to a fine or summons.
- Permits will be issued by the Fire Department M-F, and will be issued up to one week in advance only.
- Permits will cost \$0 for Kittery “residents” and \$15 for non-residents. “Residents” will be determined the same way eligibility is determined for the Dump Sticker (property owner).

The Working Group recommends any regulations and rules adopted be reviewed one year following enactment to assess effectiveness and outcomes.

The Working Group was concerned about the issue of trash on Seapoint. The Town’s policy is carry-in/carry out – which is consistent with other Seacoast public parks and parkland best practices. Daytime compliance is generally good. At night though making people pick up after themselves presents special challenges. The Working Group would like the Town to be proactive in assuring Seapoint and Crescent remain clean. We considered recommending the Town hiring additional staff to clean the beaches and/or encouraging volunteer groups to continue their ongoing efforts. The Working Group leaves this to the Town Council to determine what if any action should be taken.

UPDATE

The text was updated to fix a disconnect between the report and the draft ordinance. Specifically, permits are proposed to be required May through October, not April through October

ATTACHMENTS

- Draft Title 12 – Seapoint and Crescent Beaches Fires Amendments
- Draft Title 12 – Enactment

TITLE 12
SEAPOINT & CRESCENT BEACHES
BEACH FIRES

1. Amend Seapoint and Crescent Beaches fire regulations as follows:

§ 12.4.9 Fires.

~~No person may start or allow any fire to burn within Seapoint or Crescent Beaches except in suitable facilities provided by the municipality or where permission has been obtained from the municipal Fire Chief, Town Forest Fire Warden. A permit will not be required for the use of portable stoves which are fueled by propane gas, sterno or briquettes. In the event that any cooking or other fire or burning herein allowed is undertaken by any person, said person before leaving such fire must totally extinguish the same.~~

§ 12.4.9.1 Fire Prohibited

Fires are prohibited on the north-side of Seapoint Beach beginning at the public entrance on Seapoint Road.

§ 12.4.9.2 Beach Fire Permit Required

~~A. Fires are permitted only with a valid permit on the~~ On the south-side of Seapoint Beach, beginning at the public entrance on Seapoint Road and running south to Seapoint Beach's southern border with Crescent Beach, fires are allowed with a valid permit only, between May 1 and October 31, inclusive. Permits may be obtained from the Town of Kittery and are valid only for the day indicated on the permit. Fires are allowed without a permit between November 1 and April 30 inclusive.

B. Only firewood is to be burned on Seapoint and Crescent beaches. The burning of any other type of fuel such as trash, pallets, furniture, construction debris or materials, or chemically treated wood is prohibited.

C. No person creating a beach fire may leave it burning unattended. Fires must be fully extinguished prior to vacating the beach, by thoroughly dousing the fire with seawater until there are no coals or embers burning.

D. The Town Manager may promulgate, and revise as change in conditions warrant, specific rules and regulations known as the "Beach Fires" to govern the operation of beach fires on Seapoint and Crescent Beaches.

E. Beach Fire Permit fees are established by the town Council and contained in Appendix A.

§ 12.4.9.3 Enforcement, Violations and Penalties.

A. This chapter is enforced by the Fire Department and Police Department.

B. Any violation of this chapter will be assessed a penalty of \$50. Repeat offenders and/or those who fail to pay fines in accordance with this Chapter may be prohibited from obtaining a Beach Fire Permit, and may be issued a no trespass order for Town parks for one year.

§ 12.4.9.4 Review of chapter.

No later than one year from the date of enacting amendments, the Kittery Town Council will receive a report from the Town Manager on the status of compliance with the chapter, to determine if amendments are necessary.

2. Add the following fees to Appendix A:

Chapter 12.4 Seapoint and Crescent Beaches

ADOPTED: March 28, 2022

EFFECTIVE: April 28, 2022

34 **Beach Fire Permits**

35 Kittery Property Owner \$0

36 Non-Kittery Property Owner \$15

**TOWN OF KITTERY
TOWN MEETING WARRANT
JUNE 13, 2023**

To Robert V. Richter, a Constable of the Town of Kittery, in the County of York, State of Maine.

In the name of the State of Maine, you are hereby required to notify and warn the inhabitants of the Town of Kittery in said county and state, qualified by law to vote in town affairs:

To meet, in said town, on Monday the 12th day of June 2023, at 6:00 p.m. to hold a public hearing on Articles 2 through 10.

To hold a **Municipal Election** at the Kittery Community Center Gymnasium, in said town, on Tuesday, the 13th day of June, 2023 at 8 a.m. to:

Act on Article 1 to elect a moderator by written ballot and to act on Articles 2 through 10 by secret ballot

The polls will be open from 8:00 a.m. until 8:00 p.m.

Absentee ballots will be processed centrally at 9:00 a.m., 10:00 a.m., 11:00 a.m., 12:00 p.m., 1:00 p.m., 2:00 p.m., 3:00 p.m., 4:00 p.m., 5:00 p.m., 6:00 p.m., 7:00 p.m., and 8:00 p.m.

Article 1. To elect a moderator to preside at said meeting and to vote by written ballot.

Article 2. Shall the town vote to authorize the Town Council to transfer up to \$125,000 from unassigned funds (unencumbered surplus) and appropriate and expend up to \$125,000 when necessary to maintain a positive fund balance in the Compensated Absences account and to pay for accrued vacation and/or sick leave to settle any unpaid benefits owed to retired or terminated employees in the fiscal year?

Town Council Recommends – Vote: Yes ____ No ____

Explanation:

The purpose of this article is to provide funds from the town's unassigned funds (unencumbered surplus) to pay for accrued benefits owed when a municipal employee retires or leaves. The reserve account balance is currently \$289,739. The unassigned fund balance (unencumbered surplus) is currently \$10,185,357.

Article 3. Shall the town vote to authorize the Town Council to transfer up to \$25,000 from unassigned funds (unencumbered surplus) and appropriate and expend up to \$25,000 when necessary for the purpose of paying the town's cost on accepted insurance claims against the town?

Town Council Recommends – Vote: Yes ____ No ____

Explanation:

The purpose of this article is to provide funds from the town's unassigned funds (unencumbered surplus) to pay the deductible and other associated costs on insurance claims that may be made in the fiscal year. The unassigned fund balance (unencumbered surplus) is currently \$10,185,357.

Article 4. Shall the town vote to authorize the Town Council to transfer up to \$500,000 from unassigned funds (unencumbered surplus) and appropriate and expend up to \$500,000 when necessary for the purpose of providing the town's match to federal, state, and non-profit grants?

Town Council Recommends – Vote: Yes ____ No ____

Explanation:

Grant applications are filed by different town departments to assist with the operations and capital projects of the Town. These grants, if successful, often require a local match to be raised. The purpose of this article is to provide funds from the town's unassigned funds (unencumbered surplus) when and if necessary, for the purpose of meeting grant match requirements. The unassigned fund balance (unencumbered surplus) is currently \$10,185,357.

Article 5. Shall the town vote to authorize the Town Council to transfer up to \$40,000 from unassigned funds (unencumbered surplus) and appropriate and expend up to \$40,000 when necessary for the purpose of covering shortfalls in the town departments' fuel accounts due to the unpredictable fuel pricing markets?

Town Council Recommends – Vote: Yes ____ No ____

Explanation:

The purpose of this article is to provide departments, who have exhausted their allocated fuel budgets in the fiscal year, access to funds for fuel needs. The Town Council favored keeping the fiscal year fuel and utility accounts as low as possible, with this article making available surplus funds as a safety net in case of an unstable market for fuel. The unassigned fund balance (unencumbered surplus) is currently \$10,185,357.

Article 6. Shall the town vote to authorize the Town Council to transfer up to \$40,000 from unassigned funds (unencumbered surplus) and appropriate and expend up to \$40,000 when necessary for the purpose of providing for the town's General Assistance Program as required by town, state, and federal laws in the fiscal year?

Town Council Recommends – Vote: Yes ____ No ____

Explanation:

The General Assistance Program is budgeted from the town's operational budget each year. The program assists town citizens with welfare type services by following very strict state and federal guidelines for income eligibility within the General Assistance Ordinance. The purpose of this article is to create a method for the Town Council to supplement the General Assistance budget if needed. The unassigned fund balance (unencumbered surplus) is currently \$10,185,357.

Article 7. Shall the town vote to authorize the Town Council to transfer up to \$50,000 from unassigned funds (unencumbered surplus) and appropriate and expend up to \$50,000 when necessary for the purpose of paying for emergency repairs and energy efficiency improvements to town-owned facilities that are not contemplated in the regular fiscal year operating budget?

Town Council Recommends – Vote: Yes ____ No ____

Explanation:

Occasionally, repairs to town facilities are needed that have not been budgeted. In addition, energy efficiency projects are being identified to further save the town funds. The purpose of this article is to allow the Town Council to make unplanned emergency facility repairs and undertake energy efficiency projects that may arise in the fiscal year. The unassigned fund balance (unencumbered surplus) is currently \$10,185,357.

Article 8. Shall the town vote to authorize the Town Council to transfer up to \$50,000 from unassigned funds (unencumbered surplus) and appropriate and expend up to \$50,000 for a Municipal Property Tax Assistance program to credit property taxes owed by certain residents that meet the program requirements?

Town Council Recommends – Vote: Yes ____ No ____

Explanation:

The Senior Tax Credit program allows for taxpayers that qualify to receive a credit on their property taxes each year. The program assists seniors with their property tax obligations. The unassigned fund balance (unencumbered surplus) is currently \$10,185,357.

Article 9.

Shall the town vote to authorize the Town Council to transfer up to \$100,000 from unassigned funds (unencumbered surplus) and appropriate and expend up to \$100,000 to convert the Town Hall Complex light fixtures to efficient LED light fixtures?

Town Council Recommends – Vote: Yes ____ No ____

Explanation:

This purpose of this article is to fund the LED conversion of interior and site lighting for the Town Hall Complex (including School Administration Offices, Police, and DPW). Once complete the project is expected to reduce annual electrical consumption for lighting by approximately 70% for these buildings. The average return on investment for the project is 9.32 years. The estimated project cost is net of anticipated rebates and incentives from Efficiency Maine. The unassigned fund balance (unencumbered surplus) is currently \$10,185,357.

Article 10.

Shall the town vote to authorize the Town Council to transfer up to \$97,000 from unassigned funds (unencumbered surplus) and appropriate and expend up to \$97,000 to complete the Fort Foster Invasive Plant Management Project?

Town Council Recommends – Vote: Yes ____ No ____

Explanation:

The Invasive Plant Management Project was developed in collaboration with the Parks Commission and the Conservation Commission. The project includes a combination of mechanical, chemical, and hand removal of identified invasive plants that are impacting the native plants and animals at Fort Foster. The first two years of the project were funded through the grants and the Capital Improvement Plan. The purpose of this article is to fund the remaining three years of the project implementation. The unassigned fund balance (unencumbered surplus) is currently \$10,185,357.

Article 11.

Shall the town vote to authorize the Town Council to transfer up to \$250,000 from unassigned funds (unencumbered surplus) and appropriate and expend up to \$250,000 to resurface the Shapleigh Field running track?

Town Council Recommends – Vote: Yes ____ No ____

Explanation:

The purpose of this article is to fund the resurfacing of the running track at Shapleigh Field at the Shapleigh Middle School. The track is in need of replacement due long-term wear and tear. The Shapleigh Field track is used by students during the school day and for athletic competitions, and by the broader community as a

safe outdoor surface to run and walk on. The unassigned fund balance (unencumbered surplus) is currently \$10,185,357.

The Registrar of Voters will hold office hours while the polls are open to correct any error in, or change a name or address on, the voting list; to accept registration of any person who becomes 18 years of age on Election Day or after the close of registration prior to it; and to accept new enrollments.

A person who is not registered as a voter may not vote in any election.

Dated at Kittery this 28th day of March, 2023.

_____	_____
_____	_____
_____	_____

Municipal Officers

A true copy

ATTEST: _____
Town Clerk

RETURN ON THE WARRANT

County of York
of Maine

State

Pursuant to the within warrant to me directed, I have notified and warned the inhabitants of Kittery, qualified as herein expressed, to meet at said time and place, and for the purposes therein named, by posting an attested copy of said warrant at the Kittery and Kittery Point Post Offices, Kittery Municipal Office, Kittery Community Center, and Kittery Resource Recovery Facility in said town, being public and conspicuous places in said town on

_____, 2023, being at least seven days before the meeting.

Robert V. Richter

Date



TOWN OF KITTERY
200 Rogers Road, Kittery, ME 03904
Telephone: 207-475-1329 Fax: 207-439-6806

REPORT TO TOWN COUNCIL

Meeting Date: March 13, 2023
From: Kendra Amaral, Town Manager
CC: Dutch Dunkelberger, Planning Board Chair
Subject: Title 16 – Stormwater Management
Sponsor: Chairperson Judy Spiller

OVERVIEW

Please see the attached report from Jason Garnham, Director of Planning and Development.

PROPOSED SOLUTION/RECOMMENDATION

Adopt amendment to Title 16 as proposed.

ATTACHMENTS

- Staff Memo outlining updates to the draft ordinance
- Draft Title 16 – Stormwater Management
- Draft Title 16 – Stormwater Management Enactment
- Southern Maine Stormwater Ordinance Change Overview
- January 3, 2023 Integrated Environmental Engineering Report to Planning Board
- [Click here](#) for video of the February 23, 2023 vote on recommendation



TOWN OF KITTERY
Planning & Development Department
200 Rogers Road, Kittery, ME 03904
Telephone: 207-475-1307 Fax: 207-439-6806

Jason Garnham, AICP
Director

TO: KENDRA AMARAL, TOWN MANAGER
FROM: JASON GARNHAM, DIRECTOR OF PLANNING AND DEVELOPMENT
SUBJECT: MS4 STORMWATER MANAGEMENT ORDINANCE UPDATES
DATE: MARCH 6, 2023

SUMMARY:

Kittery's Planning Board voted 7-0 to recommend the Town Council adopt amendments to Title 16 related to stormwater management during their February 23, 2023 meeting. These amendments are required in order for the Town's ordinance to comply with updated state and federal regulations.

BACKGROUND:

The federal Clean Water Act requires the U.S. Environmental Protection Agency (EPA) to control pollution of federal waters such as estuaries, lakes, and rivers via a National Pollutant Discharge Elimination System permit process. The EPA authorizes the Maine Department of Environmental Protection (DEP) to administer these requirements in most parts of Maine, including Kittery and surrounding communities. A major source of water pollution is stormwater runoff carrying sediments, chemicals, and nutrients from roads and properties. This permit system requires stormwater discharges from municipal stormwater systems to meet certain standards for water quality. The Town of Kittery is currently subject to a 2022-2027 DEP General Permit for Stormwater Discharges from Municipal Separate Storm Sewer Systems (MS4) along with four other Towns (York, Eliot, South Berwick, and Berwick). To administer these regulations the Town must also require private development projects to be designed and constructed in accordance with specific performance standards before discharging runoff to nearby waterbodies, groundwater resources, or the municipal stormwater system.

PROPOSED AMENDMENTS:

The 2022-2027 General Permit includes specific updates which apply to private and public development projects and are required to be adopted in Title 16 of the Town's land use code by June 30, 2023. The attached draft amendments were prepared on the Town's behalf by Kristie Rabasca of Integrated Environmental Engineering through a regional contract with the Southern Maine Planning and Development Commission. These updates include:

1. Adoption of specific erosion and sedimentation control standards for proposed developments;
2. Requiring timely maintenance of private stormwater infrastructure after construction and updating schedules for enforcement; and
3. Requiring timely removal of non-stormwater discharges from the Town's separated storm drainage system.

REVIEW PROCESS:

An overview of these requirements was presented to Kittery's Town Council on February 28, 2022 and to Kittery's Planning Board on May 26, 2022. Draft amendments were subsequently reviewed by Kittery's Land Issues Committee on December 12, 2022 and by the Planning Board as a workshop item on January 12, 2023, as a regular item on February 9, 2023, and as a public hearing on February 23, 2023.

EXHIBITS:

Please find attached for your review:

1. January 3, 2023 memo from Kristie Rabasca, Integrated Environmental Engineering
2. Draft amendments to Title 16
3. Powerpoint presentation dated January 5, 2023 and presented to the Planning Board January 12, 2023.

OTHER RESOURCES:

Town of Kittery: [Stormwater/MS4 Program | Kittery ME](#)

Maine DEP: [MS4, Stormwater Program, Land & Water Quality, Maine Department of Environmental Protection](#)

Title 16: [Town of Kittery, ME Title 16: Land Use and Development Code \(ecode360.com\)](#)

TITLE 16
STORMWATER REQUIREMENTS

1. AMEND § 16.2.13 Violations as follows:

D. Notice of violation and order (notice).

(5) Additionally, if there is a violation of § 16.5.19, Nonstormwater Discharge, the enforcement authority will order compliance by written notice of violation to that person, indicating the nature of the violation and ordering the action necessary to correct it, including, without limitation:

(a) The elimination of nonstormwater discharges to the storm drainage system, including, but not limited to, disconnection of the premises from the MS-4;

(b) The immediate cessation of discharge practices or operations in violation of this section;

(c) At the person's expense, the abatement or remediation (in accordance with best management practices in DEP rules and regulations) of nonstormwater discharges to the storm drainage system and the restoration of any affected property; and/or

(d) The payment of fines, of the municipality's remediation costs, and of the municipality's reasonable administrative costs and attorneys' fees and costs. If abatement of a violation and/or restoration of affected property is required, the notice will set forth a deadline within which such abatement or restoration must be completed.

(e) If abatement of a violation and/or restoration of affected property is required, or if immediate cessation is not possible or if elimination of the Non-Stormwater Discharge is not possible within 60 days of identification of the source, the notice shall set forth a deadline within which such elimination, abatement, or restoration must be completed.

2. AMEND § 16.3.2 Definitions as follows:

QUALIFIED EROSION AND SEDIMENTATION CONTROL PROFESSIONAL – A person who is certified by Enviro-Cert International in erosion and sedimentation control practices or is certified by completing the Maine Department of Environmental Protection Erosion and Sedimentation Control Practices Workshop, or is a Maine Professional Engineer with at least two years' experience in designing Erosion and Sedimentation Control BMPs.

QUALIFIED POST-CONSTRUCTION STORMWATER INSPECTOR — A person who conducts post-construction stormwater management facilities inspections for compensation and who has received a Certification in Inspection and Maintenance of Stormwater BMPs ~~the appropriate training for the same~~ from the Maine Department of Environmental Protection or is a Professional Engineer in the State of Maine with an understanding of stormwater infrastructure and its required maintenance.

REGULATED SMALL MS4 — Any small municipal separate storm sewer system

(MS4) regulated by the State of Maine general permit for the discharge of stormwater from small municipal separate storm sewer systems, dated July 2013 ("general permit"), [renewed October 15, 2020, modified November 23, 2021 and any amendment or renewal thereof](#); including all those located partially or entirely within an urbanized area (UA) and those additional small MS4s located outside an UA that as of the issuance of the general permit have been designated by the DEP as regulated small MS4s. The Town of Kittery is a regulated small MS4.

URBANIZED AREA (UA) — The areas of the State of Maine so defined by the ~~latest~~ [inclusive sum of the 2000](#) decennial census [and the 2010 decennial census](#) by the U.S. Bureau of the Census.

3. AMEND §16.5 General Performance Standards as follows:

A. Basis/purpose/objectives.

(1) The Maine Department of Environmental Protection, through its ~~promulgation of the "General Permit for the Discharge of Stormwater from Small Municipal Separate Storm Sewer Systems" dated July 2013, has listed the Town of Kittery as having a regulated small municipal separate storm sewer system (small MS4); under this general permit, listing as~~ [listing of Kittery as](#) a regulated small MS4, necessitates enactment of this section as part of the municipality's stormwater management plan.

(2) The creation, initiation, origination and maintenance of the following nonstormwater discharges to the storm drainage system are allowed as long as they do not cause or contribute to a violation of the state's water quality standards:

- (a) Flow. Landscape irrigation; diverted stream flows; rising groundwaters; uncontaminated groundwater infiltration [as defined at 40 CFR 35.2005(20)]; uncontaminated pumped groundwater; uncontaminated flows from foundation drains; air-conditioning and compressor condensate; irrigation water; flows from uncontaminated springs; uncontaminated water from crawl space pumps; uncontaminated flows from footing drains; lawn watering runoff; flows from riparian habitats and wetlands; residual street wash water (where spills/leaks of toxic or hazardous materials have not occurred, unless all spilled material has been removed and detergents are not used); hydrant flushing and firefighting activity runoff; water line flushing and discharges from potable water sources; individual residential car washing; and dechlorinated swimming pool discharges, as defined as having ~~0.5~~ [0.05](#) ppm or less. Pools may only be emptied a minimum of 48 hours after any chemical treatments were added.

4. AMEND §16.7 General Development Requirements as follows:

§ 16.7.10 Review process and submission requirements

C. Preliminary plan review.

(4) Plan requirements.

(o) Erosion and sedimentation control plan ~~endorsed by the York County Soil and Water Conservation District or the Town's engineering consultant~~
prepared by a Qualified Erosion and Sedimentation Control Professional in accordance with the requirements of § 16.7.11.C;

§ 16.7.11 Performance Standards and Approval Criteria

C. Stormwater and surface drainage.

(1) Adequate provision must be made for drainage of all stormwater generated with the development and any drained groundwater through a management system of natural and constructed features. Where possible, existing natural runoff control features, such as berms, swales, terraces and wooded areas must be retained to reduce runoff and encourage infiltration of storm waters. Otherwise, drainage may be accomplished by a management system of constructed features such as swales, culverts, underdrains and storm drains.

(2) To ensure proper functioning, stormwater runoff control systems must be maintained in good working order per § 16.7.11D, Post-construction stormwater management.

(3) Where a development is traversed by a stream, river or surface water drainageway, or where the Planning Board or Director of Planning and Development determines that surface runoff should be controlled, easements and or drainage rights-of-way must be provided which conform substantially to the lines of existing natural drainage paths. The minimum width of the drainage easements or rights-of-way is 30 feet.

(a) The minimum pipe size for any storm drainage pipe must be 12 inches. Maximum trench width at the pipe crown must be the outside diameter of the pipe plus two feet. The pipe must be bedded in a fine granular material, containing no stones larger than three inches, lumps of clay, or organic matter, reaching a minimum of six inches below the bottom of the pipe extending to six inches above the top of the pipe.

(b) Except for normal thinning and landscaping, existing vegetation must be left intact to prevent soil erosion.

(4) When proposed development does not require Maine Department of Environmental (MDEP) approval under MDEP Chapters 500 and 502, the following applies:

(c) Downstream drainage requirements must be studied to determine the effect of the proposed development. The storm drainage must not overload existing or future planned storm drainage systems downstream from the development. The developer is responsible for financing any improvements to existing drainage systems required to handle the

increased storm flows.

[2] All sediment and erosion control measures must be designed in accordance with MDEP's "Maine Erosion and Sediment Control BMPs," ~~March 2003~~ October 2016 or latest revision.

[5] Where the Board has required a stormwater management and erosion control plan and MDEP approval under Chapters 500 and 502 is not required, said plan must be reviewed and approved by the Town's peer review engineer ~~endorsed by the York County Soil and Water Conservation District~~.

(5) When proposed development does require Maine Department of Environmental (MDEP) approval under the latest revision of MDEP Chapters 500 and 502 or the Maine Construction General Permit, the Erosion and Sediment Control Standards of Maine DEP Stormwater Rule Chapter 500 Appendix A – Erosion and Sediment Control, Appendix B – Inspections and Maintenance and Appendix C Housekeeping, shall apply.

D. Post-construction stormwater management.

(2) Authority. The Maine Department of Environmental Protection, through its dissemination of the general permit for the discharge of stormwater from small municipal separate storm sewer systems, has listed the Town of Kittery, Maine, as having a regulated small municipal separate storm sewer system (small MS4); under this general permit, listing as a regulated small MS4 requires enactment of this section as part of the Town's stormwater management program in order to satisfy the Post Construction minimum control measures ~~required by Part IV-D-5 ("Post construction stormwater management in new development and redevelopment")~~.

(3) Applicability.

(d) Post-construction stormwater management plan compliance.

[1] General requirements. Any person owning, operating, leasing or having control over stormwater management facilities required by a post-construction stormwater management plan approved under the Town's subdivision, site plan or other zoning, planning or other land use ordinances must comply with that plan and demonstrate compliance with that plan as follows:

[a] ~~That person or a~~ A qualified post-construction stormwater inspector ~~hired by that person~~ must, at least annually, inspect the stormwater management facilities in accordance with all municipal and state

inspection, cleaning and maintenance requirements of the approved post-construction stormwater management plan;

[b] If the stormwater management facilities require maintenance ~~to function as intended~~ by the approved post-construction stormwater management plan, that person must take corrective action(s) to address the deficiency or deficiencies within 60 days of identification of the deficiency. If 60 days is not possible, then the person shall propose an alternate expeditious schedule to complete the maintenance, which if approved by the Code Enforcement Officer must be met; and

[c] That person or a qualified post-construction stormwater inspector hired by that person must, on or by July 1 of each year, provide a copy of the annual inspection and a completed and signed certification to the Code Enforcement Officer in a form provided by the Town, certifying that the person has inspected the stormwater management facilities and that they are adequately maintained and functioning as intended by the approved post-construction stormwater management plan or that they require maintenance or repair, describing any required maintenance and any deficiencies found during inspection of the stormwater management facilities, and if the stormwater management facilities require maintenance or repair of deficiencies in order to function as intended by the approved post-construction stormwater management plan, the person must provide a record of the required maintenance or deficiency and corrective action(s) taken. If any deficiencies are still outstanding when the certification is submitted in accordance with paragraph [b] of this section, that person or a qualified post construction stormwater inspector shall provide documentation of completion of the maintenance within 30 days of completion.

5. AMEND § 16.8 Subdivision Review as follows:

§ 16.8.9. Review process and submission requirements.

C. Preliminary plan review.

(6) Written submission requirements, preliminary plan.

(d) Erosion and sedimentation control plan ~~endorsed by the York County Soil and Water Conservation District or the Town's engineering consultant~~ prepared by a Qualified Erosion and Sedimentation Control Professional in accordance with the requirements of § 16.8.10.E;

§ 16.8.10 Performance standards and approval criteria.

E. Stormwater and surface drainage.

(4) When proposed development does not require Maine Department of Environmental (MDEP) approval under MDEP Chapters 500 and 502, the following applies:

(c) Downstream drainage requirements must be studied to determine the effect of the proposed development. The storm drainage must not overload existing or future planned storm drainage systems downstream from the development. The developer is responsible for financing any improvements to existing drainage systems required to handle the increased storm flows.

[1] Wherever the storm drainage system is not within the right-of-way of a public street, perpetual easements must be provided to the Town allowing maintenance and improvement to the system.

[2] All sediment and erosion control measures must be designed in accordance with MDEP's "Maine Erosion and Sediment Control BMPs," ~~March 2003~~ October 2016 or latest revision.

[3] Catch basins in streets and roads must be installed where necessary and located at the curblin. In parking lots and other areas, catch basins must be located where necessary to ensure proper drainage.

[4] Where soils require a subsurface drainage system, the drains must be installed and maintained separately from the stormwater drainage system.

[5] Where the Board has required a stormwater management and erosion control plan and MDEP approval under Chapters 500 and 502 is not required, said plan must be reviewed and approved by the Town's peer review engineer ~~endorsed by the York County Soil and Water Conservation District~~.

[6] Drainage easements for existing or proposed drainageways located outside a public way must be maintained and/or improved in accordance § 16.8.10F, Post-construction stormwater management.

(5) When proposed development does require Maine Department of Environmental (MDEP) approval under most current revision of MDEP Chapters 500 and 502 or the Maine Construction General Permit, the Erosion and Sediment Control Standards of Maine DEP Stormwater Rule Chapter 500 Appendix A – Erosion and Sediment Control, Appendix B – Inspections and Maintenance and Appendix C Housekeeping, shall apply.

F. Post-construction stormwater management.

(2) Authority. The Maine Department of Environmental Protection, through its dissemination of the general permit for the discharge of stormwater from small municipal separate storm sewer systems, has listed the Town of Kittery, Maine, as having a regulated small municipal separate storm sewer system (small MS4); under this general permit, listing as a regulated small MS4 requires enactment of this section as part of the Town's stormwater management program in order to satisfy the Post Construction minimum control measures ~~required by Part IV-D-5 ("Post-construction stormwater management in new development and redevelopment")~~.

(3) Applicability.

(d) Post-construction stormwater management plan compliance.

[1] General requirements. Any person owning, operating, leasing or having control over stormwater management facilities required by a post-construction stormwater management plan approved under the Town's subdivision, site plan or other zoning, planning or other land use ordinances must comply with that plan and demonstrate compliance with that plan as follows:

[a] ~~That person or a~~ A qualified post-construction stormwater inspector ~~hired by that person~~ must, at least annually, inspect the stormwater management facilities in accordance with all municipal and state inspection, cleaning and maintenance requirements of the approved post-construction stormwater management plan;

[b] If the stormwater management facilities require maintenance ~~to function as intended~~ by the approved post-construction stormwater management plan, that person must take corrective action(s) to address the deficiency or deficiencies within 60 days of identification of the deficiency. If 60 days is not possible, then the person shall propose an alternate expeditious schedule to complete the maintenance, which if approved by the Code Enforcement Officer must be met; and

[c] That person or a qualified post-construction stormwater inspector hired by that person must, on or by July 1 of each year, provide a copy of the annual inspection and a completed and signed certification to the Code Enforcement Officer in a form provided by the Town, certifying that the person has inspected the stormwater management facilities and that they are adequately maintained and functioning as intended by the approved post-construction stormwater management plan or that they require maintenance or repair, describing any required maintenance and any deficiencies found during inspection of the stormwater management facilities, and if the stormwater management facilities require maintenance or repair of deficiencies in order to function as intended by the approved post-construction stormwater management plan, the person must provide a

259 record of the required maintenance or deficiency and corrective action(s)
260 taken. If any deficiencies are still outstanding when the certification is
261 submitted in accordance with paragraph [b] of this section, that person or a
262 qualified post construction stormwater inspector shall provide
263 documentation of completion of the maintenance within 30 days of
264 completion.

**KITTERY TOWN CODE –
TITLE 16
STORMWATER MANAGEMENT**

AN ORDINANCE relating to the municipality's authority for Town governance to give due and proper attention to its many demands pursuant to the Town Charter, Federal law, and Maine Revised Statutes, and more particularly where set forth in Maine Revised Statutes Title 30-A, Municipalities and Counties.

WHEREAS, the Kittery Town Council is authorized to enact this Ordinance, as specified in Sections 1.01 and 2.07(3) of the Town Charter; and 30-A MRS §3001, pursuant to its powers that authorize the town, under certain circumstances, to provide for the public health, welfare, morals, and safety, and does not intend for this Ordinance to conflict with any existing state or federal laws; and

WHEREAS, the Town of Kittery is required to adopt updates to its stormwater management requirements in its Land Use Code by June 30, 2023 in accordance with its Maine Department of Environmental Protection stormwater permit; and

WHEREAS, the Town of Kittery recognizes improved management of stormwater on public and private development projects is necessary to protect Kittery's water bodies and reduce water pollution from stormwater runoff carrying sediments, chemicals, and nutrients from roads and properties; and

WHEREAS, the proposed amendments to the Town's Land Use Code reflect best management practices and proven strategies to reduce the negative impacts of stormwater runoff;

NOW THEREFORE, IN ACCORDANCE WITH TITLE 30-A MRS §3001, AND TOWN CHARTER §2.14, THE TOWN OF KITTERY HEREBY ORDAINS AMENDMENTS TO TOWN CODE, TITLE 16, LAND USE and DEVELOPMENT CODE, AS PRESENTED.

INTRODUCED and read in a public session of the Town Council on the ____ day of _____, 20____, by: _____ {NAME} Motion to approve by Councilor _____ {NAME}, as seconded by Councilor _____ {NAME} and passed by a vote of _____.

THIS ORDINANCE IS DULY AND PROPERLY ORDAINED by the Town Council of Kittery, Maine on the ____ day of _____, 20____, {NAME}, _____, Chairperson

Attest: {NAME}, _____ Town Clerk

Ordinance Change Overview

(Required by the Stormwater Permit)

Focus: Erosion/Sediment Control Standards, Post Construction changes and Non-Stormwater Discharge changes to be adopted by 6/30/2023

Presented to Kittery Planning Board 1/12/2023

Kristie Rabasca,
Integrated Environmental Engineering, Inc.
Environmental Engineer



Stormwater Ordinance Changes

- Ordinance changes required by General Permit for Stormwater Discharges from the Municipal Separate Storm Sewer System (MS4 General permit)
- Town has been regulated by this since 2003.
- Previously presented to PB 5/26/2022 (if this looks familiar)

Stormwater Ordinance Changes

Maine DEP MS4 Permits

2003 – 2008

2008 – 2013

2013 – 2022

New Permit Began 7/1/2022

Stormwater Management Plan
provides more detail.
(Available on Public Works
Stormwater Page)

STORMWATER MANAGEMENT PLAN

FOR

TOWN OF KITTERY, MAINE




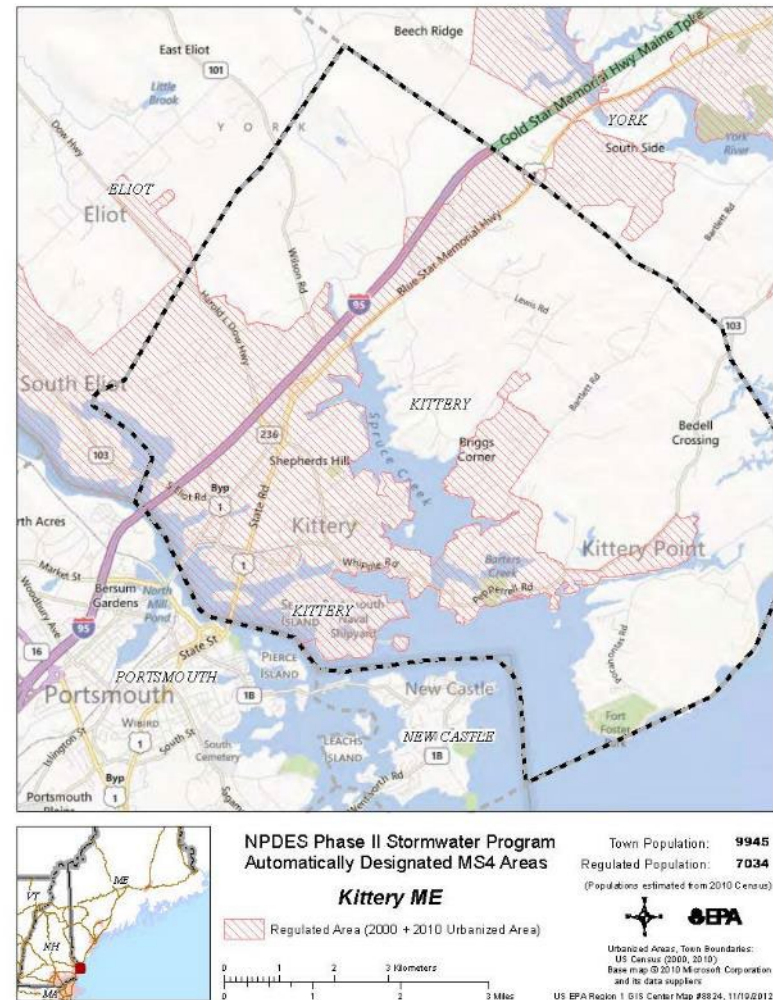
MS4 General Permit Effective July 1, 2022
Initially Submitted to Maine DEP March 17, 2021
Updated July 28, 2021 to address DEP comments
Resubmitted as final September 3, 2021

Stormwater Ordinance Changes

General Permit only required in Urbanized Area

- US census high density areas with lots of impervious surface
- Shown here in pink hashing (2000 and 2010 only, 2020 does not apply)

 Regulated Area (2000 + 2010 Urbanized Area)

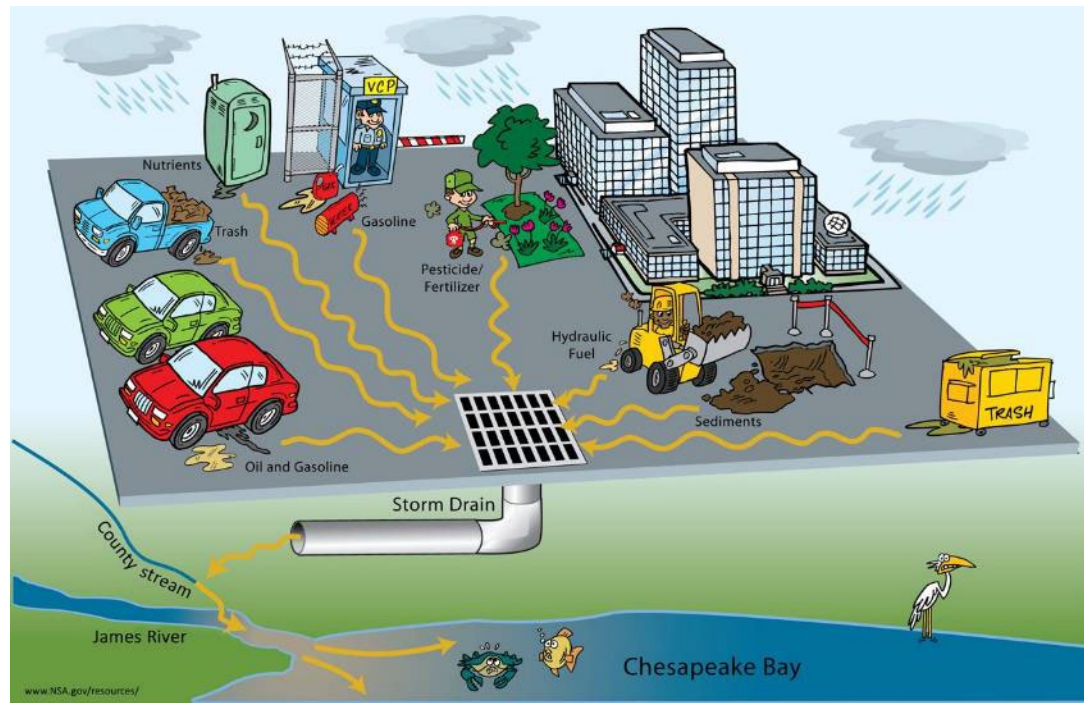


Stormwater Ordinance Changes

High impervious cover (paved and roofed areas)

Allows pollutants to build up

Which are released to waters when it rains.



Graphic credit: www.NSA.gov

Stormwater Ordinance Changes

Control Measures to Minimize Pollutants

1. Public Education/Outreach
2. Public Participation
3. Illicit Discharge Detection and Elimination
4. **Construction Runoff Control**
5. Post Construction Runoff Control
6. Pollution Prevention/Good Housekeeping

Erosion Sediment Control (ESC) Requirements

- “Create or Update an ordinance or other regulatory mechanism that requires the use of erosion and sediment control BMPs at construction sites consistent with the minimum standards outlined in Appendix C, *Erosion and Sedimentation Control, Inspections and Maintenance and Housekeeping* of this GP” by 6/30/2023.

MS4 Appendix C is same as Chapter 500 State Requirements in Appendices A, B, and C, including waste control for some additional items.

Sampling of ESC Requirements

Erosion Sediment Control (ESC) Requirements:

- ✓ Threshold is one acre or more of disturbance, or smaller sites if they are part of a larger common plan of development or sale that would disturb one acre or more.
- ✓ ESC Measures in place before construction begins
- ✓ Remain in place throughout construction
- ✓ Adequate and timely maintenance required

Sampling of ESC Requirements

Inspections During Construction – By Contractor/Developer

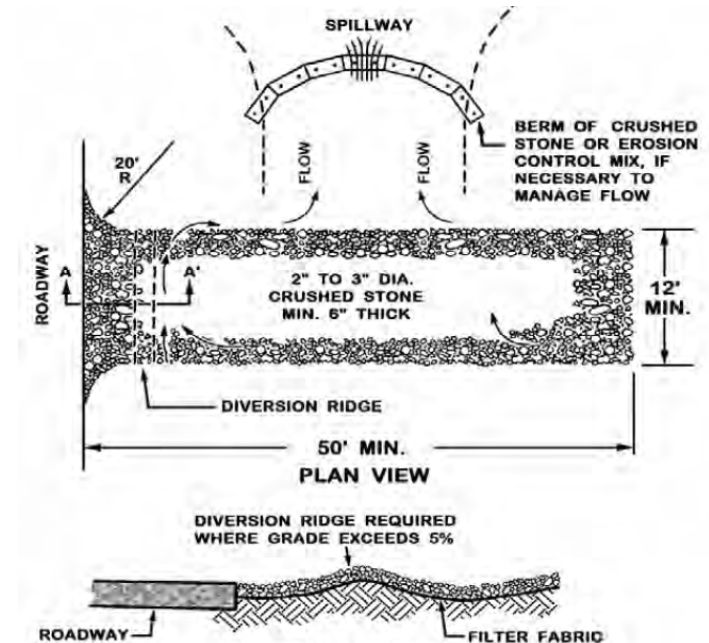
- ✓ Weekly,
- ✓ Before a rain event, and
- ✓ After a rain event (w/in 24 hours).
- ✓ Keep a log (for DEP and Town to inspect)

- ✓ When needed repair ESC BMPs as follows:
 - Initiate upon discovery
 - Complete before end of next workday
 - Allows completion within 7 days if longer needed, and
 - Prior to any rain event.

Sampling of ESC Requirements

Stabilized Construction Entrances

- ✓ Aggregate and filter fabric
- ✓ Protects public right of way
- ✓ Maintenance required until all areas are stabilized.



Sampling of ESC Requirements

Definitions and standards for Permanent Stabilization and Winter Construction

6. Permanent stabilization: If the area will not be worked for more than one year or has been brought to final grade, then permanently stabilize the area within 7 days by planting vegetation, seeding, sod, or through the use of permanent mulch, or riprap, or road sub-base. If using vegetation for stabilization, select the proper vegetation for the light, moisture, and soil conditions; amend areas of disturbed subsoils with topsoil, compost, or fertilizers; protect seeded areas with mulch or, if necessary, erosion control blankets; and schedule sodding, planting, and seeding so to avoid die-off from summer drought and fall frosts. Newly seeded or sodded areas must be protected from vehicle traffic, excessive pedestrian traffic, and concentrated runoff until the vegetation is well-established with 90% cover by healthy vegetation. If necessary, areas must be reworked and restabilized if germination is sparse, plant coverage is spotty, or topsoil erosion is evident. Permanent Stabilization Definitions are as follows:

- a. Seeded areas. For seeded areas, permanent stabilization means a 90% cover of the disturbed area with mature, healthy plants with no evidence of washing or rilling of the topsoil.
- b. Sodded areas. For sodded areas, permanent stabilization means the complete binding of the sod roots into the underlying soil with no slumping of the sod or die-off.
- c. Permanent mulch. For mulched areas, permanent mulching means total coverage of the exposed area with an approved mulch material. Erosion Control Mix may be used as mulch for permanent stabilization according to the approved application rates and limitations.
- d. Riprap. For areas stabilized with riprap, permanent stabilization means that slopes stabilized with riprap have an appropriate backing of a well-graded gravel or approved geotextile to prevent soil movement from behind the riprap. Stone must be sized appropriately. It is recommended that angular stone be used.
- e. Paved areas. For paved areas, permanent stabilization means the placement of the compacted gravel subbase is completed, provided it is free of fine materials that may runoff with a rain event.
- f. Ditches, channels, and swales. For open channels, permanent stabilization means the channel is stabilized with a 90% cover of healthy vegetation, with a well-graded riprap lining, turf reinforcement mat, or with another non-erosive lining such as concrete or asphalt pavement. There must be no evidence of slumping of the channel lining, undercutting of the channel banks, or down-cutting of the channel.

7. Winter construction: "Winter construction" is construction activity performed during the period from November 1 through April 15. If disturbed areas are not stabilized with permanent measures by November 1 or new soil disturbance occurs after November 1, but before April 15, then these areas must be protected and runoff from them must be controlled by additional measures and restrictions.

- a. Site stabilization: For winter stabilization, hay mulch is applied at twice the standard temporary stabilization rate. At the end of each construction day, areas that have been brought to final grade must be stabilized. Mulch may not be spread on top of snow.
- b. Sediment barriers: All areas within 75 feet of a protected natural resource must be protected with a double row of sediment barriers.
- c. Ditch: All vegetated ditch lines that have not been stabilized by November 1, or will be worked during the winter construction period, must be stabilized with an appropriate stone lining backed by an appropriate gravel bed or geotextile unless specifically released from this standard by the Department.
- d. Slopes: Mulch netting must be used to anchor mulch on all slopes greater than 8% unless erosion control blankets or erosion control mix is being used on these slopes.

8. Stormwater channels: Each channel should be constructed in sections so that the section's grading, shaping, and installation of the permanent lining can be completed the same day. If a channel's final grading or lining installation must be delayed, then diversion berms must be used to divert stormwater away from the channel, properly-spaced check dams must be installed in the channel to slow the water velocity, and a temporary lining installed along the channel to prevent scouring.

Sampling of ESC Requirements

These are already state requirements under Chapter 500.

Nominal Impact to Developers or Staff (Time and \$)



Post Construction Ordinance changes

Has been a Kittery requirement since 2009

Requires private developments to:

- Maintain stormwater systems
- Certify annual to Town they have inspected and maintained

Updates required:

- Use a “Qualified” inspector
- Provide a copy of the inspection report
- Correct any maintenance issues within 60 days

Non-Stormwater Discharge changes

This ordinance has been a Kittery requirement since 2004

Prohibits discharge of pollutants and illegal connections into storm drain system.

Updates required:

Definition and “authority” updates for new permit

Requires immediate cessation of discharge

Requires a formal schedule if a connection cannot be eliminated within 60 days of identification.

Low Impact Development update

- **Low Impact Development (LID)** - Means a broad approach to site planning that preserves natural resources, processes, and habitat, defines what portions of the site are suitable for development and then utilizes Stormwater Treatment Measures to manage runoff from the proposed developed impervious areas. In LID, Stormwater Treatment Measures using natural processes such as vegetated buffers are given preference over constructed treatment Stormwater Treatment Measures. The goals of LID are to minimize the environmental impacts of the development.

Low Impact Development update

- Town submitted an intent to adopt document to DEP in August 2022
- DEP sent out for Clean Water Act Public Comment
- Friends of Casco Bay commented
- DEP gave okay to adopt Kittery Submittal without changes.

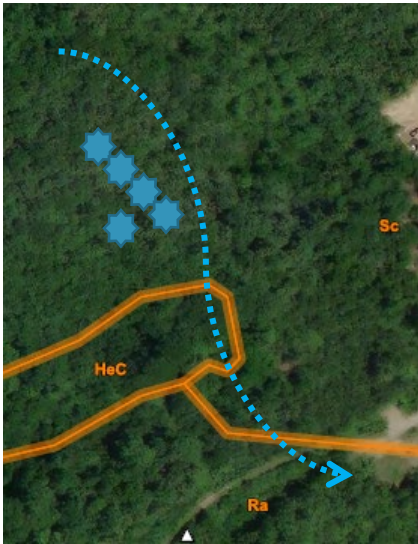
- But DEP is also updating Chapter 500 and may incorporate LID, so we should HOLD. (changes not due until 6/30/2024, so okay to hold).

Low Impact Development update

Required LID Measure to address	Performance Standard	Model Ordinance Content
2. Protect the Natural Drainage System and others	Require the use of Maine Stream Smart Principles for crossings of Waters of the State	Submittals: Show Waters of the State on Project Plans Provide detailed plans Completed by Professional Engineer who has completed Audubon Stream Smart program

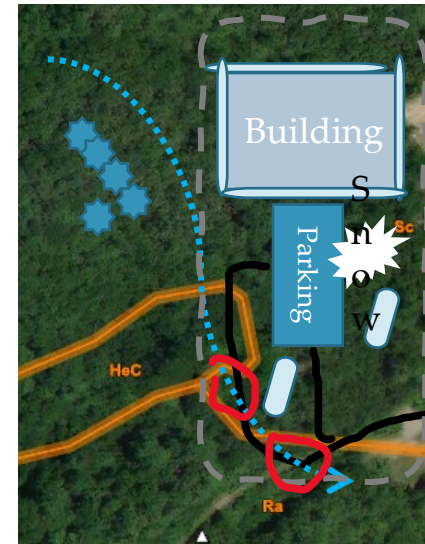


Model Ordinance for Low Impact Development (LID) Strategies



1. Protect sensitive areas from development
 2. Limits of disturbance
 3. Main Stream Smart Crossings
 4. Parking stall size
 5. Requiring treatment of runoff
 6. Snow storage
 7. Tilling and soil testing if needed
 8. Use Native/Climate Resil. vegetation
- Any other optional items

Predevelopment – 2 acre wooded site,
mostly type C and D soils (not well
drained)
One drainage area with one Drainageway
 $T_c = 18$ minutes, flow length = 600 feet



Post development – 3-4 drainage areas
Installation of Stream Smart crossings
would preserve predevelopment
Drainageway or could adjust roadways to
avoid.

Overview – Staff recommendations

3 proposed changes before you now have nominal impact to staff or development

Though MS4 requirements are only for Urbanized Area, staff recommends Town wide (consistent with historical application)

Staff also recommends adopting ESC standards in Chapter 500 by reference to facilitate understanding by developers and reviewers.

Maine DEP will be updating Chapter 500, so adoption by reference will likely prevent us from having to update standards again.

Note that Staff also recommends holding on implementation of Low Impact Development standards (begin ~September 2023 for 6/30/2024 adoption)



Ms. Jessa Kellogg
Public Works Inspector
200 Rogers Road Ext
Kittery, ME 03904

January 3, 2023

Subject: MS4 Stormwater Ordinance changes required to be implemented by 6/30/2023 and Low Impact Development Changes update – For Planning Board Consideration.

Dear Ms. Kellogg:

This letter provides materials for review by the Planning Board related to three ordinance changes required by the General Permit for Stormwater Discharges from the Municipal Separate Storm Sewer Systems (MS4s) as well as an update related to a fourth ordinance change for Low Impact Development.

Changes required by 6/30/2023: The changes listed below are required to be incorporated into the Kittery Code by 6/30/2023:

1. adoption of specific erosion and sedimentation control standards for proposed developments,
2. requiring timely maintenance of private stormwater infrastructure after construction and updating schedules for enforcement and
3. requiring timely removal of non-stormwater discharges from the Town's separated storm drain system.

The changes will be limited to several sections of Title 16 Land Use and Development Code.

We provided a brief overview of these requirements to the Town Council at their February 28, 2022 meeting, and a more detailed overview to the Planning Board at their May 26, 2022 meeting. We also reviewed these documents with the Kittery Land Issues Committee (KLIC) on 12/12/2022 and have incorporated changes based on their review and comment.

We have also updated the text of the non-stormwater discharge ordinance to better reflect the language in the MS4 General Permit.

The attachment to this letter provides an introductory overview of each of the three requirements and as well as proposed redline/strike out changes to the Code.

Because these changes must be codified by 6/30/2023, we understand the Planning Board intends to review them at their 1/12/2023 workshop to allow the Town Council to review the changes and hold public hearings in early 2023.

LID Ordinance Updates required by 6/30/2024: On 8/22/2022 we advised the Town Council about the above listed changes and reviewed the MS4 requirements to adopt Low Impact Development Standards. We provide a draft set of standards that the Town intended to adopt,

which were based on a Model Ordinance prepared under a Maine Coastal Program Grant. The draft set of LID standards were subsequently sent to the Maine DEP for Clean Water Act-based Public Comment. Maine DEP sent these out for Public Comment in September. Though there were comments from Friends of Casco Bay on the standards, the Maine DEP approved the Town's submittal without change, and the Town is clear to commence adoption of these standards.

The approval letter provided to the Town stated:

The Department has no objection to the proposal as written. However, the Department would like the Town to be aware that the Department is in the process of commencing rulemaking to revise 06-096 Chapter 500, Stormwater Management. The rulemaking process will include stakeholder meetings to receive input from regulated entities, consulting firms, non-governmental organizations and other interested parties. Kerem Gungor in the Bureau of Land Resources will be the Department contact for this rulemaking and he will be reaching out to stakeholders for their participation in early to mid-March 2023.

The final rule is likely to contain clear, specific and measurable LID measures and techniques that the Town may want to incorporate into the final LID Ordinance to clarify expectations and the enforceability of the ordinance.

As such, the Town may want to wait to adopt the LID changes until the Chapter 500 Rulemaking process has progressed so they can ensure there are no conflicts between the LID standards proposed by the Town and the LID standards that may be adopted statewide. We suggest postponing adoption of the LID standards until the Fall of 2023, when the Chapter 500 update schedule and content may be clearer.

Closing: I have held open the meeting dates you proposed to support review of these changes. If you have any questions about this information or need changes in advance of the meetings, please let me know. I can be reached at 207-415-5830 or via email krabasca@integratedenv.com.

Sincerely,

Integrated Environmental Engineering, Inc.



Kristie L. Rabasca, P.E., LEED AP BD + C

Attachments: Redline Strikeout proposed changes to Title 16 Land Use and Development Code to address MS4 General Permit requirements.

1/3/2023 Proposed Changes to Kittery Land Use and Development Code to address MS4 Requirements by 6/30/2023

EROSION AND SEDIMENTATION CONTROL CHANGES

Erosion and Sedimentation Control (ESC) standards must be incorporated into the Town's ordinances for any proposed development that disturbs one or more acres of land. The standards are listed in the MS4 General Permit, and are the same as the Maine DEP Chapter 500 standards for erosion and sedimentation control. Staff recommends incorporating the standards by reference to facilitate design and understanding by developers and reviewers.

One change we have made to the standards that is different than the State Chapter 500 regulations is to require that a Qualified Erosion and Sedimentation Control Professional prepare any Erosion and Sedimentation Control Plan. The proposed changes to the affected sections of the Land Use and Development Code are presented below (additions are shown in italics and underlined, deletions are shown as strikethrough):

§ 16.3.2 Definitions

QUALIFIED EROSION AND SEDIMENTATION CONTROL PROFESSIONAL – A person who is certified by Enviro-Cert International in erosion and sedimentation control practices or is certified by completing the Maine Department of Environmental Protection Erosion and Sedimentation Control Practices Workshop, or is a Maine Professional Engineer with at least two years' experience in designing Erosion and Sedimentation Control BMPs.

16.7 General Development Requirements

§ 16.7.10 Review process and submission requirements

C. Preliminary plan review.

(4) Plan requirements.

(o) Erosion and sedimentation control plan ~~endorsed by the York County Soil and Water Conservation District or the Town's engineering consultant~~
prepared by a Qualified Erosion and Sedimentation Control Professional in accordance with the requirements of § 16.7.11.C;

§ 16.7.11 Performance Standards and Approval Criteria

C. Stormwater and surface drainage.

(1) Adequate provision must be made for drainage of all stormwater generated with the development and any drained groundwater through a management system of natural and constructed features. Where possible, existing natural runoff control features,

such as berms, swales, terraces and wooded areas must be retained to reduce runoff and encourage infiltration of storm waters. Otherwise, drainage may be accomplished by a management system of constructed features such as swales, culverts, underdrains and storm drains.

- (2) To ensure proper functioning, stormwater runoff control systems must be maintained in good working order per § 16.7.11D, Post-construction stormwater management.
- (3) Where a development is traversed by a stream, river or surface water drainageway, or where the Planning Board or Director of Planning and Development determines that surface runoff should be controlled, easements and or drainage rights-of-way must be provided which conform substantially to the lines of existing natural drainage paths. The minimum width of the drainage easements or rights-of-way is 30 feet.
 - (a) The minimum pipe size for any storm drainage pipe must be 12 inches. Maximum trench width at the pipe crown must be the outside diameter of the pipe plus two feet. The pipe must be bedded in a fine granular material, containing no stones larger than three inches, lumps of clay, or organic matter, reaching a minimum of six inches below the bottom of the pipe extending to six inches above the top of the pipe.
 - (b) Except for normal thinning and landscaping, existing vegetation must be left intact to prevent soil erosion.

(4) When proposed development does not require Maine Department of Environmental (MDEP) approval under MDEP Chapters 500 and 502, the following applies:

(c) Downstream drainage requirements must be studied to determine the effect of the proposed development. The storm drainage must not overload existing or future planned storm drainage systems downstream from the development. The developer is responsible for financing any improvements to existing drainage systems required to handle the increased storm flows.

[2] All sediment and erosion control measures must be designed in accordance with MDEP's "Maine Erosion and Sediment Control BMPs," ~~March 2003~~ October 2016 or latest revision.

[5] Where the Board has required a stormwater management and erosion control plan and MDEP approval under Chapters 500 and 502 is not required, said plan must be reviewed and approved by the Town's peer review engineer ~~endorsed by the York County Soil and Water Conservation District~~.

(5) When proposed development does require Maine Department of Environmental (MDEP) approval under the latest revision of MDEP Chapters 500 and 502 or the Maine Construction General Permit, the Erosion and Sediment Control Standards of Maine DEP Stormwater Rule Chapter 500 Appendix A – Erosion and Sediment

Control, Appendix B – Inspections and Maintenance and Appendix C Housekeeping, shall apply.

§ 16.8 Subdivision Review

§ 16.8.9. Review process and submission requirements.

C. Preliminary plan review.

(6) Written submission requirements, preliminary plan.

(d) Erosion and sedimentation control plan ~~endorsed by the York County Soil and Water Conservation District or the Town's engineering consultant~~ prepared by a Qualified Erosion and Sedimentation Control Professional in accordance with the requirements of § 16.8.10.E;

§ 16.8.10 Performance standards and approval criteria.

E. Stormwater and surface drainage.

(4) When proposed development does not require Maine Department of Environmental (MDEP) approval under MDEP Chapters 500 and 502, the following applies:

(c) Downstream drainage requirements must be studied to determine the effect of the proposed development. The storm drainage must not overload existing or future planned storm drainage systems downstream from the development. The developer is responsible for financing any improvements to existing drainage systems required to handle the increased storm flows.

[1] Wherever the storm drainage system is not within the right-of-way of a public street, perpetual easements must be provided to the Town allowing maintenance and improvement to the system.

[2] All sediment and erosion control measures must be designed in accordance with MDEP's "Maine Erosion and Sediment Control BMPs," ~~March 2003~~ October 2016 or latest revision.

[3] Catch basins in streets and roads must be installed where necessary and located at the curbline. In parking lots and other areas, catch basins must be located where necessary to ensure proper drainage.

[4] Where soils require a subsurface drainage system, the drains must be installed and maintained separately from the stormwater drainage system.

[5] Where the Board has required a stormwater management and erosion control plan and MDEP approval under Chapters 500 and 502 is not required, said plan must be *reviewed and approved by the Town's peer review engineer* ~~endorsed by the York County Soil and Water Conservation District.~~

[6] Drainage easements for existing or proposed drainageways located outside a public way must be maintained and/or improved in accordance § 16.8.10F, Post-construction stormwater management.

(5) When proposed development does require Maine Department of Environmental (MDEP) approval under most current revision of MDEP Chapters 500 and 502 or the Maine Construction General Permit, the Erosion and Sediment Control Standards of Maine DEP Stormwater Rule Chapter 500 Appendix A – Erosion and Sediment Control, Appendix B – Inspections and Maintenance and Appendix C Housekeeping, shall apply.

POST CONSTRUCTION STORMWATER MANAGEMENT CHANGES

Post-Construction Stormwater Management requirements have been part of the Town's code since 2009 to ensure that stormwater infrastructure that is owned by private developments is inspected and maintained. This portion of the Town's code requires maintenance in accordance with a Post Construction Stormwater Plan, annual inspections on the infrastructure and certification annually to the Town that the system has been maintained, inspected and is functioning as intended.

The 2022 MS4 General Permit requires that we update this ordinance to ensure any corrective measures identified by the owner or inspector are implemented within 60 days of identification or if that is not possible, in accordance with a schedule that is approved by the Code Enforcement Office. The 2022 MS4 General Permit also requires that any inspector (whether the Owner/Operator or a third-party) be a Qualified Inspector and that a copy of the inspection report be provided to the Town. We have updated the Definitions sections and General Development and Subdivision sections to incorporate the new requirements. The affected sections of the Land Use and Development Code are presented below:

§ 16.3.2 Definitions

QUALIFIED POST-CONSTRUCTION STORMWATER INSPECTOR — A person who conducts post-construction stormwater management facilities inspections for compensation and who has received a Certification in Inspection and Maintenance of Stormwater BMPs ~~the appropriate training for the same~~ from the Maine Department of Environmental Protection or is a Professional Engineer in the State of Maine with an understanding of stormwater infrastructure and its required maintenance. .

16.7 General Development Requirements

§ 16.7.11 Performance standards and approval criteria

D. Post-construction stormwater management.

(2) Authority. The Maine Department of Environmental Protection, through its dissemination of the general permit for the discharge of stormwater from small municipal separate storm sewer systems, has listed the Town of Kittery, Maine, as having a regulated small municipal separate storm sewer system (small MS4); under this general permit, listing as a regulated small MS4 requires enactment of this section as part of the Town's stormwater management program in order to satisfy the Post Construction minimum control measures ~~required by Part IV D 5 ("Post-construction stormwater management in new development and redevelopment")~~.

(3) Applicability.

(d) Post-construction stormwater management plan compliance.

[1] General requirements. Any person owning, operating, leasing or having control over stormwater management facilities required by a post-construction stormwater management plan approved under the Town's subdivision, site plan or other zoning, planning or other land use ordinances must comply with that plan and demonstrate compliance with that plan as follows:

- [a] ~~That person or a~~ A qualified post-construction stormwater inspector ~~hired by that person~~ must, at least annually, inspect the stormwater management facilities in accordance with all municipal and state inspection, cleaning and maintenance requirements of the approved post-construction stormwater management plan;
- [b] If the stormwater management facilities require maintenance ~~to function as intended~~ by the approved post-construction stormwater management plan, that person must take corrective action(s) to address the deficiency or deficiencies within 60 days of identification of the deficiency. If 60 days is not possible, then the person shall propose an alternate expeditious schedule to complete the maintenance, which if approved by the Code Enforcement Officer must be met; and
- [c] That person or a qualified post-construction stormwater inspector hired by that person must, on or by July 1 of each year, provide a copy of the annual inspection and a completed and signed certification to the Code Enforcement Officer in a form provided by the Town, certifying that the person has inspected the stormwater management facilities and that they are adequately maintained and functioning as intended by the approved post-construction stormwater management plan or that they require maintenance or repair, describing any required maintenance and any deficiencies found during inspection of the stormwater management facilities, and if the stormwater management facilities require maintenance or repair of deficiencies in order to function as intended by the approved post-construction stormwater management plan, the person must provide a record of the required maintenance or deficiency and corrective action(s) taken. If any deficiencies are still outstanding when the certification is submitted in accordance with paragraph [b] of this section, that person or a qualified post construction stormwater inspector shall provide documentation of completion of the maintenance within 30 days of completion.

§ 16.8 Subdivision Review

§ 16.8.10 Performance standards and approval criteria.

F. Post-construction stormwater management.

(2) Authority. The Maine Department of Environmental Protection, through its dissemination of the general permit for the discharge of stormwater from small municipal separate storm sewer systems, has listed the Town of Kittery, Maine, as having a regulated small municipal separate

storm sewer system (small MS4); under this general permit, listing as a regulated small MS4 requires enactment of this section as part of the Town's stormwater management program in order to satisfy the *Post Construction* minimum control measures ~~required by Part IV D-5 ("Post-construction stormwater management in new development and redevelopment")~~.

(3) Applicability.

(d) Post-construction stormwater management plan compliance.

[1] General requirements. Any person owning, operating, leasing or having control over stormwater management facilities required by a post-construction stormwater management plan approved under the Town's subdivision, site plan or other zoning, planning or other land use ordinances must comply with that plan and demonstrate compliance with that plan as follows:

- [a] ~~That person or a~~ A qualified post-construction stormwater inspector ~~hired by that person~~ must, at least annually, inspect the stormwater management facilities in accordance with all municipal and state inspection, cleaning and maintenance requirements of the approved post-construction stormwater management plan;
- [b] If the stormwater management facilities require maintenance ~~to function as intended~~ by the approved post-construction stormwater management plan, that person must take corrective action(s) to address the deficiency or deficiencies within 60 days of identification of the deficiency. If 60 days is not possible, then the person shall propose an alternate expeditious schedule to complete the maintenance, which if approved by the Code Enforcement Officer must be met; and
- [c] That person or a qualified post-construction stormwater inspector hired by that person must, on or by July 1 of each year, provide a copy of the annual inspection and a completed and signed certification to the Code Enforcement Officer in a form provided by the Town, certifying that the person has inspected the stormwater management facilities and that they are adequately maintained and functioning as intended by the approved post-construction stormwater management plan or that they require maintenance or repair, describing any required maintenance and any deficiencies found during inspection of the stormwater management facilities, and if the stormwater management facilities require maintenance or repair of deficiencies in order to function as intended by the approved post-construction stormwater management plan, the person must provide a record of the required maintenance or deficiency and corrective action(s) taken. If any deficiencies are still outstanding when the certification is submitted in accordance with paragraph [b] of this section, that person or a qualified post construction stormwater inspector shall provide documentation of completion of the maintenance within 30 days of completion.

NONSTORMWATER DISCHARGE CHANGES

Nonstormwater Discharge prohibitions have been part of the Town's code since 2004 to ensure that pollutants are not discharged into the storm drain system (either by dumping or by direct connection). The 2022 MS4 General Permit requires that we update this section of the Land Use and Development Code to ensure that the source of an illicit discharge into the storm drain system is eliminated within 60 days of discovery, or if that is not possible, in accordance with a schedule that is approved by the Code Enforcement Office. We have updated § 16.2.13. Violations and penalties. And § 16.5.19. Nonstormwater discharge to incorporate these changes including updating some definitions in §16.3.2.

§ 16.3.2 Definitions

URBANIZED AREA (UA) — The areas of the State of Maine so defined by the ~~latest~~ *inclusive sum of the 2000* decennial census *and the 2010 decennial census* by the U.S. Bureau of the Census.

REGULATED SMALL MS4 — Any small municipal separate storm sewer system (MS4) regulated by the State of Maine general permit for the discharge of stormwater from small municipal separate storm sewer systems, dated July 2013 ("general permit"), *renewed October 15, 2020, modified November 23, 2021 and any amendment or renewal thereof*; including all those located partially or entirely within an urbanized area (UA) and those additional small MS4s located outside an UA that as of the issuance of the general permit have been designated by the DEP as regulated small MS4s. The Town of Kittery is a regulated small MS4.

§ 16.2.13. Violations and penalties.

D. Notice of violation and order (notice).

(5) Additionally, if there is a violation of § 16.5.19, Nonstormwater Discharge, the enforcement authority will order compliance by written notice of violation to that person, indicating the nature of the violation and ordering the action necessary to correct it, including, without limitation:

- (a) The elimination of nonstormwater discharges to the storm drainage system, including, but not limited to, disconnection of the premises from the MS-4;
- (b) The *immediate* cessation of discharge practices or operations in violation of this section;
- (c) At the person's expense, the abatement or remediation (in accordance with best management practices in DEP rules and regulations) of nonstormwater discharges to the storm drainage system and the restoration of any affected property; and/or

(d) The payment of fines, of the municipality's remediation costs, and of the municipality's reasonable administrative costs and attorneys' fees and costs. If abatement of a violation and/or restoration of affected property is required, the notice will set forth a deadline within which such abatement or restoration must be completed.

(e) If abatement of a violation and/or restoration of affected property is required, or if immediate cessation is not possible or if elimination of the Non-Stormwater Discharge is not possible within 60 days of identification of the source, the notice shall set forth a deadline within which such elimination, abatement, or restoration must be completed.

§ 16.5.19. Nonstormwater discharge.

A. Basis/purpose/objectives.

(1) The Maine Department of Environmental Protection, through its promulgation of the "~~General Permit for the Discharge of Stormwater from Small Municipal Separate Storm Sewer Systems~~" dated July 2013, has listed the Town of Kittery as having a regulated small municipal separate storm sewer system (small MS4); under this general permit, listing as *listing of Kittery* as a regulated small MS4, necessitates enactment of this section as part of the municipality's stormwater management plan.

(2) The creation, initiation, origination and maintenance of the following nonstormwater discharges to the storm drainage system are allowed as long as they do not cause or contribute to a violation of the state's water quality standards:

- (a) Flow. Landscape irrigation; diverted stream flows; rising groundwaters; uncontaminated groundwater infiltration [as defined at 40 CFR 35.2005(20)]; uncontaminated pumped groundwater; uncontaminated flows from foundation drains; air-conditioning and compressor condensate; irrigation water; flows from uncontaminated springs; uncontaminated water from crawl space pumps; uncontaminated flows from footing drains; lawn watering runoff; flows from riparian habitats and wetlands; residual street wash water (where spills/leaks of toxic or hazardous materials have not occurred, unless all spilled material has been removed and detergents are not used); hydrant flushing and firefighting activity runoff; water line flushing and discharges from potable water sources; individual residential car washing; and dechlorinated swimming pool discharges, as defined as having ~~0.5~~ 0.05 ppm or less. Pools may only be emptied a minimum of 48 hours after any chemical treatments were added.



TOWN OF KITTERY

200 Rogers Road, Kittery, ME 03904

Telephone: 207-475-1329 Fax: 207-439-6806

REPORT TO TOWN COUNCIL

Meeting Date: March 13, 2023
From: Kendra Amaral, Town Manager
Subject: 3 Walker Street Easement
Councilor Sponsor: Chairperson Judy Spiller

OVERVIEW

A property irregularity has been identified involving a Town parcel and private parcel in Wallingford Square. The irregularity was flagged by the new owners of 3 Walker, as they were preparing their applications for land use permits for redevelopment of the site.

Irregularities like these are not uncommon in older communities. There are a number of ongoing neighbor disputes over property lines and encroachments. We have also discovered areas where the Town failed to obtain public easements for drainage and stormwater infrastructure maintenance decades ago. As property is passed down, sold, and redeveloped over time, these irregularities surface.

In the case of 3 Walker Street, it has been discovered that the Town's parking lot is encroaching on a portion of the private property, and 3 Walker has encroached on the Town's property with their yard and driveway. This land issue impacts the applicant's Planning Board permitting effort for redevelopment of the site. Additionally, the Town does not have proper maintenance easements for the stormwater infrastructure that crosses the private property.

Upon review with staff and the Town Attorney, we are recommending mutual easements be granted for the encroachments and infrastructure maintenance. In our judgment, this sliver of land in question is too small to warrant a deeded land swap.

3 Walker Street LLC is expected to pay the Town a nominal fee in consideration of the easement being granted, because what we are granting is larger than what they are granting.

The Town Council does not generally need to approve the easement we are granting. I have exercised easement agreements in the past when they have been related directly to public stormwater, right-of-way, and sewer utility easements. I am seeking Council approval in this matter because it is not strictly a public infrastructure easement and because the Town would be granting an easement not just receiving one.

PROPOSED SOLUTION/RECOMMENDATION

Authorize the Town Manager to execute the easement agreement once finalized.

ATTACHMENTS

- Draft Easement and Map

EASEMENT AGREEMENT

AGREEMENT (“Agreement”) made and entered into the ____ day of _____, 2023 by and among **3 Walker Street, LLC**, a New Hampshire limited liability company with an address of 76 Exeter Road, Newmarket, NH 03857 (“3 Walker Street”), and the **Inhabitants of the Town of Kittery**, a municipality organized under the laws of Maine, located in Kittery, York County, Maine (“Kittery”)(each a “Party” and collectively the “Parties”).

R E C I T A L S

WHEREAS, 3 Walker Street is the owner of certain real property located at and known as 3 Walker Street, Kittery, Maine, also identified on the tax maps of the Town of Kittery as Map 4, Lot 99 (hereinafter, “Lot 99”) by virtue of a deed dated September 1, 2022 and recorded in the York Registry of Deeds at Book 19105, Page 610; and

WHEREAS, Kittery is the owner of certain real property located at Wallingford Square, Kittery, Maine, also identified on the tax maps of the Town of Kittery as Map 4, Lot 107 (hereinafter, “Lot 107” and together with Lot 31, the “Lots”) by virtue of a deed dated August 13, 2010 and recorded in the York Registry of Deeds at Book 15921, Page 853; and

WHEREAS, the Lots directly abut one another; and

WHEREAS, there exists upon 3 Walker Street’s Lot 99 a Sewer and Storm Drain Easement in favor of Kittery pursuant to an instrument recorded in the York County Registry of Deeds at Book 4173, Page 53 and there is a catch basin within said easement area to which a drain line is connected which runs from the said catch basin over Lot 99 and connects to a catch basin on Kittery’s Lot 107; and

WHEREAS, the existing driveway servicing Lot 99 travels over a portion of Lot 107; and

WHEREAS, a portion of the paved parking facility upon Lot 107 encroaches into Lot 99.

NOW THEREFORE, in consideration of the foregoing recitals which are hereby incorporated in the Agreement by reference and the mutual premises and conditions contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. The Parties acknowledge the forgoing recitals to be true and accurate.

2. **DRAINAGE EASEMENT.** 3 Walker Street hereby grants to Kittery a Drainage Easement for the repair, maintenance and replacement of the existing drain line described above. Said Drainage Easement Area is bounded and described as follows:

METES AND BOUNDS DESCRIPTION

. . .being 314 square feet, more or less as shown as “Proposed Drainage Easement in Favor of the Town of Kittery” on a plan entitled “Easement Plan for 3 Walker Street LLC and Inhabitants of the Town of Kittery dated January 19, 2023 by Doucet Survey, LLC (“the Plan”) to be recorded herewith.

Upon completion of any work within the Drainage Easement Area, Kittery shall restore the property therein to its original condition at its sole expense. Kittery shall not undertake any work within said Drainage Easement Area, except in the case of emergency, without first giving 3 Walker Street at least seven days notice of its intent to do so. Kittery shall undertake all such work with reasonable diligence and dispatch and without undue delay. Nothing herein shall prevent 3 Walker Street from the reasonable use and enjoyment of the Drainage Easement Area so long as such use does not impair or interfere with the easement rights granted hereby.

3. **DRIVEWAY EASEMENT.** Kittery hereby grants 3 Walker Street a permanent and exclusive easement to pass and re-pass for vehicular and pedestrian access over that portion of Lot 107 presently utilized by Lot 99 as a portion of its existing driveway. Said Driveway Easement Area is bounded and described as follows:

METES AND BOUNDS DESCRIPTION

. . . being 241 square feet, more or less as shown as “Proposed Driveway Easement in favor of 3 Walker Street LLC on the Plan.

3 Walker Street shall be solely responsible for all maintenance, repairs, improvements and landscaping within said Driveway Easement Area at its sole expense.

4. **PARKING EASEMENT.** 3 Walker Street hereby grants Kittery a permanent and exclusive easement to utilize that portion of Lot 99 presently utilized by Lot 107 as paved parking. Said Parking Easement Area is bounded and described as follows:

METES AND BOUNDS DESCRIPTION

. . . being 30 square feet, more or less as shown as “Proposed Parking Easement in favor of the Town of Kittery” on the Plan.

Kittery shall be solely responsible for all maintenance, repairs, improvements and landscaping within said Parking Easement Area at its sole expense.

5. The easement rights and obligations granted hereunder are not personal to the owners of the Lots who are Parties to this Agreement. Rather, all such rights and obligations shall be perpetual and shall run with the Lots that are burdened and benefited by the Easements and shall inure to the benefit of and be binding upon all future owners and occupants of the Lots.

6. This Agreement, and all rights, remedies, and obligations under this Agreement, including matters of construction, validity, and performance, shall be construed and enforced in accordance with the laws of the State of Maine, without regard to its principles concerning conflicts of laws.

[signature pages to follow]

Witness my hand and seal this ____ day of _____, 2023.

3 Walker Street, LLC

By: _____
Name: Lane W. Cheney
Title: Manager

STATE OF _____
_____, S.S.

This instrument was acknowledged before me on _____ by Lane W. Cheney
in his capacity as Manager of 3 Walker Street, LLC as his free act and deed for the purposes
contained therein.

Before me,

Notary Public/Justice of the Peace
Print Name: _____
My Commission Expires: _____

Witness our hands and seals this ____ day of _____, 2023.

The Inhabitants of the Town of Kittery

By: _____

Name: Kendra Amaral

Title: Town Manager, Duly Authorized

STATE OF _____
_____, S.S.

This instrument was acknowledged before me on _____ by Kendra Amaral in her capacity as Town Manager of the Town of Kittery as her free act and deed for the purposes contained therein.

Before me,

Notary Public/Justice of the Peace

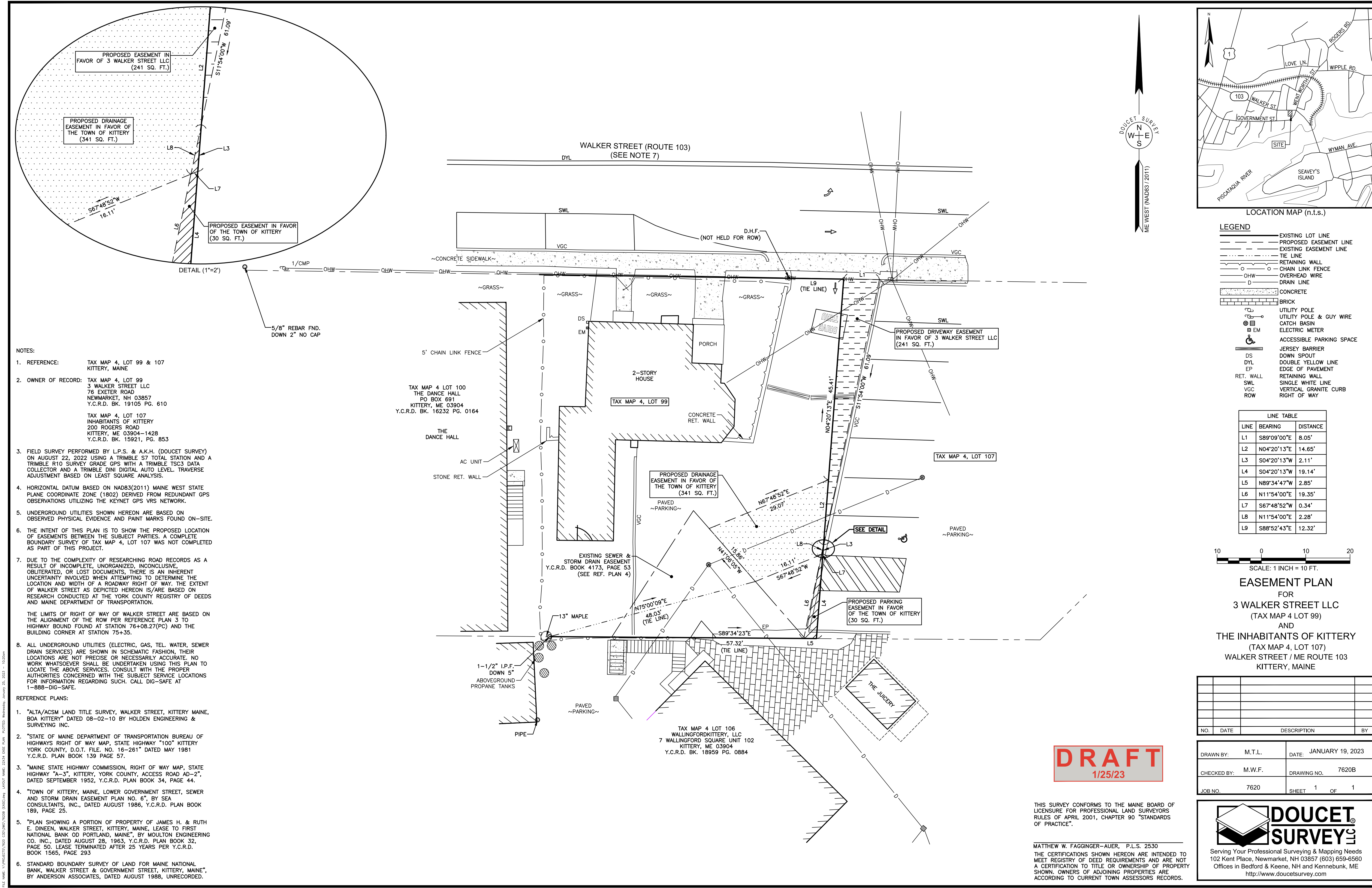
Print Name: _____

My Commission Expires: _____

No action of the Council is required at this time, though I welcome any questions, concerns, and/or feedback prior to formally presenting this to the Council for approval. Please contact me directly if you wish to discuss.

ATTACHMENTS

- Draft Easement and Map



NOTES:

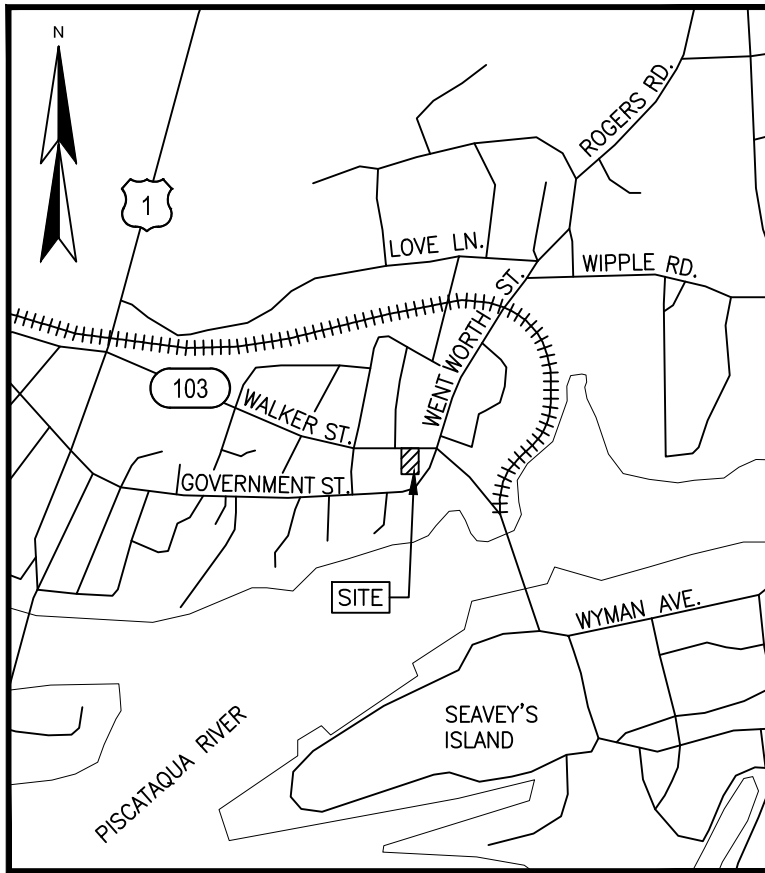
- REFERENCE: TAX MAP 4, LOT 99 & 107
KITTERY, MAINE
- OWNER OF RECORD: TAX MAP 4, LOT 99
3 WALKER STREET LLC
76 EXETER ROAD
NEWMARKET, NH 03857
Y.C.R.D. BK. 19105 PG. 610

TAX MAP 4, LOT 107
INHABITANTS OF KITTERY
200 ROGERS ROAD
KITTERY, ME 03904-1428
Y.C.R.D. BK. 15921, PG. 853
- FIELD SURVEY PERFORMED BY L.P.S. & A.K.H. (DOUCET SURVEY) ON AUGUST 22, 2022 USING A TRIMBLE S7 TOTAL STATION AND A TRIMBLE R10 SURVEY GRADE GPS WITH A TRIMBLE TSC3 DATA COLLECTOR AND A TRIMBLE DINI DIGITAL AUTO LEVEL. TRAVERSE ADJUSTMENT BASED ON LEAST SQUARE ANALYSIS.
- HORIZONTAL DATUM BASED ON NAD83(2011) MAINE WEST STATE PLANE COORDINATE ZONE (1802) DERIVED FROM REDUNDANT GPS OBSERVATIONS UTILIZING THE KEYNET GPS VRS NETWORK.
- UNDERGROUND UTILITIES SHOWN HEREON ARE BASED ON OBSERVED PHYSICAL EVIDENCE AND PAINT MARKS FOUND ON-SITE.
- THE INTENT OF THIS PLAN IS TO SHOW THE PROPOSED LOCATION OF EASEMENTS BETWEEN THE SUBJECT PARTIES. A COMPLETE BOUNDARY SURVEY OF TAX MAP 4, LOT 107 WAS NOT COMPLETED AS PART OF THIS PROJECT.
- DUE TO THE COMPLEXITY OF RESEARCHING ROAD RECORDS AS A RESULT OF INCOMPLETE, UNORGANIZED, INCONCLUSIVE, OBLITERATED, OR LOST DOCUMENTS, THERE IS AN INHERENT UNCERTAINTY INVOLVED WHEN ATTEMPTING TO DETERMINE THE LOCATION AND WIDTH OF A ROADWAY RIGHT OF WAY. THE EXTENT OF WALKER STREET AS DEPICTED HEREON IS/ARE BASED ON RESEARCH CONDUCTED AT THE YORK COUNTY REGISTRY OF DEEDS AND MAINE DEPARTMENT OF TRANSPORTATION.

THE LIMITS OF RIGHT OF WAY OF WALKER STREET ARE BASED ON THE ALIGNMENT OF THE ROW PER REFERENCE PLAN 3 TO HIGHWAY BOUND FOUND AT STATION 76+08.27(PC) AND THE BUILDING CORNER AT STATION 75+35.
- ALL UNDERGROUND UTILITIES (ELECTRIC, GAS, TEL. WATER, SEWER DRAIN SERVICES) ARE SHOWN IN SCHEMATIC FASHION. THEIR LOCATIONS ARE NOT PRECISE OR NECESSARILY ACCURATE. NO WORK WHATSOEVER SHALL BE UNDERTAKEN USING THIS PLAN TO LOCATE THE ABOVE SERVICES. CONSULT WITH THE PROPER AUTHORITIES CONCERNED WITH THE SUBJECT SERVICE LOCATIONS FOR INFORMATION REGARDING SUCH. CALL DIG-SAFE AT 1-888-DIG-SAFE.

REFERENCE PLANS:

- "ALTA/ACSM LAND TITLE SURVEY, WALKER STREET, KITTERY MAINE, BOA KITTERY" DATED 08-02-10 BY HOLDEN ENGINEERING & SURVEYING INC.
- "STATE OF MAINE DEPARTMENT OF TRANSPORTATION BUREAU OF HIGHWAYS RIGHT OF WAY MAP, STATE HIGHWAY "100" KITTERY YORK COUNTY, D.O.T. FILE. NO. 16-261" DATED MAY 1981 Y.C.R.D. PLAN BOOK 139 PAGE 57.
- "MAINE STATE HIGHWAY COMMISSION, RIGHT OF WAY MAP, STATE HIGHWAY "A-3", KITTERY, YORK COUNTY, ACCESS ROAD AD-2", DATED SEPTEMBER 1952, Y.C.R.D. PLAN BOOK 34, PAGE 44.
- "TOWN OF KITTERY, MAINE, LOWER GOVERNMENT STREET, SEWER AND STORM DRAIN EASEMENT PLAN NO. 6", BY SEA CONSULTANTS, INC., DATED AUGUST 1986, Y.C.R.D. PLAN BOOK 189, PAGE 25.
- "PLAN SHOWING A PORTION OF PROPERTY OF JAMES H. & RUTH E. DINEEN, WALKER STREET, KITTERY, MAINE, LEASE TO FIRST NATIONAL BANK OF PORTLAND, MAINE", BY MOULTON ENGINEERING CO. INC., DATED AUGUST 28, 1963, Y.C.R.D. PLAN BOOK 32, PAGE 50. LEASE TERMINATED AFTER 25 YEARS PER Y.C.R.D. BOOK 1565, PAGE 293
- STANDARD BOUNDARY SURVEY OF LAND FOR MAINE NATIONAL BANK, WALKER STREET & GOVERNMENT STREET, KITTERY, MAINE", BY ANDERSON ASSOCIATES, DATED AUGUST 1988, UNRECORDED.



LEGEND

- EXISTING LOT LINE
- PROPOSED EASEMENT LINE
- EXISTING EASEMENT LINE
- TIE LINE
- RETAINING WALL
- CHAIN LINK FENCE
- OVERHEAD WIRE
- DRAIN LINE
- CONCRETE
- BRICK
- UTILITY POLE
- UTILITY POLE & GUY WIRE
- CATCH BASIN
- ELECTRIC METER
- ACCESSIBLE PARKING SPACE
- JERSEY BARRIER
- DOWN SPOUT
- DOUBLE YELLOW LINE
- EDGE OF PAVEMENT
- RETAINING WALL
- SINGLE WHITE LINE
- VERTICAL GRANITE CURB
- RIGHT OF WAY

LINE TABLE		
LINE	BEARING	DISTANCE
L1	S89°09'00"E	8.05'
L2	N04°20'13"E	14.65'
L3	S04°20'13"W	2.11'
L4	S04°20'13"W	19.14'
L5	N89°34'47"W	2.85'
L6	N11°54'00"E	19.35'
L7	S67°48'52"W	0.34'
L8	N11°54'00"E	2.28'
L9	S88°52'43"E	12.32'



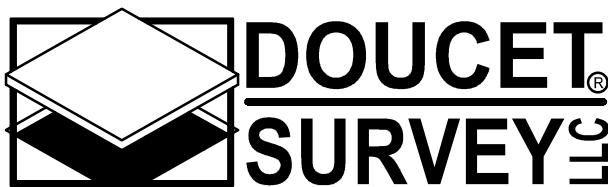
EASEMENT PLAN

FOR
3 WALKER STREET LLC
(TAX MAP 4 LOT 99)

AND
THE INHABITANTS OF KITTERY
(TAX MAP 4, LOT 107)
WALKER STREET / ME ROUTE 103
KITTERY, MAINE

NO.	DATE	DESCRIPTION	BY

DRAWN BY:	M.T.L.	DATE:	JANUARY 19, 2023
CHECKED BY:	M.W.F.	DRAWING NO.	7620B
JOB NO.	7620	SHEET	1 OF 1



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http://www.doucetsurvey.com

DRAFT
1/25/23

THIS SURVEY CONFORMS TO THE MAINE BOARD OF
LICENSURE FOR PROFESSIONAL LAND SURVEYORS
RULES OF APRIL 2001, CHAPTER 90 "STANDARDS
OF PRACTICE".

MATTHEW W. FAGGINGER-AUER, P.L.S. 2530

THE CERTIFICATIONS SHOWN HEREON ARE INTENDED TO
MEET REGISTRY OF DEED REQUIREMENTS AND ARE NOT
A CERTIFICATION TO TITLE OR OWNERSHIP OF PROPERTY
SHOWN. OWNERS OF ADJOINING PROPERTIES ARE
ACCORDING TO CURRENT TOWN ASSESSORS RECORDS.

From: [Judy Spiller](#)
To: [Jillian Richards](#)
Subject: Fwd: Climate Committee/Task Force 5:30 Tuesday, March 7, conf rm A
Date: Thursday, March 9, 2023 9:59:17 AM

From: John Mccollett <dustem718@gmail.com>
Sent: Friday, March 3, 2023 8:05 PM
To: Judy Spiller <judyspiller43@gmail.com>
Subject: Re: Climate Committee/Task Force 5:30 Tuesday, March 7, conf rm A

It is with deep regret that I have to resign from the committee . I have not been to meetings or contribute to the committees work.

On Thu, Mar 2, 2023, 5:29 PM Judy Spiller <judyspiller43@gmail.com> wrote:

Sorry to hear that John. Town Council appointed you so could you just email me that you are resigning. Thanks.

On Mar 2, 2023, at 5:17 PM, John Mccollett < wrote:

Tonight I'm going to announce to port authority I'm dropping out of climate committee

On Thu, Mar 2, 2023, 4:41 PM Judy Spiller <judyspiller43@gmail.com> wrote:

Attached are the agenda and minutes from the Feb 7 meeting.