

**TOWN OF WAYNE
FINANCIAL MANAGEMENT & INVESTMENT POLICY**

Be it hereby ordained that the Town of Wayne adopts the following Financial Management and Investment policies as described herein:

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SECTION 1. FINANCIAL MANAGEMENT

I. Accounting System

- A. The Town of Wayne has adopted the double-entry bookkeeping system. Every payment (debit) will have a second entry as a credit item, and records are maintained on TRIO governmental accounting and payroll software.
- B. Each employee accessing the Town's accounting system (TRIO) shall be assigned a password and must access accounting system using password. This password must be kept secure and shall not be shared with anyone.
- C. Invoices presented for payment should be filed in the bookkeepers file for payments. At least twice per month, the Town Manager will review and approve all invoices for payment prior to their processing.
- D. Each department head (i.e. Fire Chief and Ladd Recreation Center Director) will be required to review any invoices they incurred and to sign off on them that the work or item was satisfactorily received before any payment, or portion thereof, is made.
- E. The Town Manager will review and approve all invoices for payment prior to their processing.
- F. The bookkeeper will enter all approved invoices into TRIO for payment processing. Once entered, the Treasurer will validate the entries made into TRIO, compared to the invoice copies approved, prior to the release of the warrant. Any discrepancies will be addressed directly with the Town Manager and subsequently with the bookkeeper for amendment. Once reconciled and entries validated, the

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Warrant can be processed for approval by the Select Board.

- G. The same platform, TRIO, is used for the payroll system. Payroll entries and disbursements are to be approved by the Town Manager and entries made by the bookkeeper. All payroll checks shall be void if not cashed within 60 days of the date of issue.

II. Front Counter Procedures

- A. The Town Clerk and/ or Tax Collector shall both, based on availability, wait on customers at the front counter. If 2 separate individuals are available to wait on customers, separate cash drawers should be used, one for each.
 - In the event the Clerk and/or Tax Collector are not present in the office, the Town Manager may assist customers at the Front Desk. The Town Manager should use their own sign-on credentials across all platforms so as to maintain a record of any transactions processed.
 - If there is an instance where the Town Manager must share a drawer with either the Clerk or Tax Collector, the cash in the drawer should be counted in between the changeover as time allows.
- B. Customers will be attended to as soon as they enter the building to avoid customer line-ups.
- C. Town employees shall represent the Town of Wayne in a professional manner.
- D. If a customer is irate and cannot be calmed or satisfied by front office personnel, he/she shall be referred to the Town Manager.

III. Transactions at the Counter

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- A. All transactions are entered into the Town computer system. The purpose of this is to track the revenues and to provide a receipt to the person conducting the transaction.
- B. Unless approved by the Town Manager, two-party checks will not be accepted for any transaction.
- C. Post-dated checks will not be accepted.
- D. Funds (checks only) may be left by a customer in advance of the transaction. If payments are left in advance of a transaction, the transaction is recorded by the "Clerk/ Collector" as soon as the check is received. A receipt is printed and mailed to all customers who leave payments in advance of a transaction.
- E. There shall be a \$35 charge for all checks returned to the Town for non-sufficient funds. (See Protested Check Policy). Staff will attempt to limit the amount of cash in the drawer to no more than \$500 throughout the work day. Cash in excess of \$500 will be placed in a bank bag and taken to the vault and locked.
- F. Credit and debit cards will be accepted at a rate charge equal to the banks for all online and at counter transactions.

IV. Daily Cash-up Procedures

- A. At the end of each day, the appropriate balance shall be left for the cash drawer. The amount in the drawer shall be \$150. Each teller "Clerk/ Collector" will have a separate cash drawer; at no time should a "Clerk/ Collector" comingle cash drawers. Each cash drawer should be lock-up every night in the vault.

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- B. The Treasurer shall maintain in an appropriate location all receipts for deposits. The Clerk/ Collector shall post and maintain the daily audit paperwork/reports.

V. Proofing of Previous Day's Work

- A. At least weekly, a total of receipts shall be compared to the daily audit reports to determine if the day's work is in balance. If the work does not match the reports, activities will be examined to identify the discrepancy.
- B. Any work found to be deficient should be forwarded to the teller responsible for the transaction for corrective action.

VI. Deposits

- A. It shall be the normal procedure to make a deposit of cash receipts at least weekly or if cash receipts total more than \$2,500. Exceptions should be considered when there is less than 3 people in the office during a normal business day.
- B. All deposits for a day's activity shall be accounted for on an individual deposit slip.
- C. If there is a discrepancy identified in the deposit while at the bank, the entire deposit shall be returned to the Town Manager for reconciliation.
- D. At least once a year, a member of the Select Board shall review a random selection of bank deposit activity by comparing the daily cash receipting print outs, maintained in the office binders, to deposit slips and then to bank statements to insure timely deposits and that deposits are intact. This will determine that the Town's policy is being followed.

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VII. Cash Reconciliation

- A. The Treasurer is required to make a monthly reconciliation of all accounts with the bank statement. Each month's reconciliation will be reviewed and signed off by the Town Manager to ensure proper accounting and bank balance. The Town Manager shall provide any Select Board member, upon request, the signed reconciliations for review. In the event the Town Manager is not available for a period longer than 30 days, a Select Board member should review and sign off on the reconciliations.

- B. By the 10th of each month, the Treasurer shall prepare a monthly Undesignated Fund Balance reconciliation, for the previous month then ended, as well as a Financial Report of all financial activity for the previous month. Copies of the monthly Undesignated Fund Balance reconciliation and Financial Report will be provided to Select Board members for their review no later than the Friday preceding the second regularly scheduled Select Board meeting of each month.

VIII. Authorizations

- A. **General Fund: Contingency Account (Town-wide).** At any Town Meeting money may be set aside in a non-departmental contingency account to be used for unexpected unbudgeted expenses. These funds shall lapse into the Town's Undesignated Fund Balance at the end of the fiscal year. The Town Manager shall require authorization from the Select Board to use General Fund: Contingency Account (Town-wide) funds.

- B. **Capital Reserve Funds.** At any Town Meeting funds may be set aside for special large capital purposes (e.g. Fire Truck, Roads). These funds shall not lapse into the Town's Undesignated Fund Balance at the end of the fiscal year. The Town Manager and/or Department Head shall receive authorization from the Select Board to use Capital Reserve Funds for Town

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Meeting approved purposes. Any change in the use of Capital Reserve Funds, must receive prior Town Meeting approval.

C. **Special Reserve Funds.** Special Reserve Funds may be established by Town Meeting. These funds may be utilized exclusively for the purposes specified and subject to any restrictions set forth at the time of their creation. Special Reserve funds may be designated by Town Meeting as non-lapsing. Any change in the use of Special Purpose Funds must receive prior Town Meeting approval.

SECTION 2. TAX COLLECTION. LIENS AND FORECLOSURES

I. Tax Payment

- A. Taxes shall be posted against the oldest year owed on any account unless otherwise approved by the Town Manager.
- B. Multiple distribution payments will be verified in advance of data entry to ensure that the payments reflect the amount owed.
- C. Partial payments are accepted.
- D. Payments in advance of commitment are accepted.
- E. Payments by credit card or other electronic manner are accepted.
- F. Request for information from mortgage holders or real estate agents shall be handled by the Assessors' Agent or Tax Collector.

II. Liens

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- A. Approximately 12 months after tax bills are mailed, a 30-day notice will be sent to property owners who have a balance on their taxes.
- B. Only cash or bank checks will be acceptable payment the seven (7) days before liens are mailed.
- C. The seven (7) days prior to foreclosures coming due, only cash or bank checks will be accepted.

**III. Tax Foreclosure - Tax-Acquired Property
(See Ordinance Regarding Tax Acquired Property)**

SECTION 3. INVESTMENT POLICY

I. Policy

It is the policy of the Town of Wayne to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Town and conforming to all state and local statutes governing investment of public funds.

II. Scope

This investment policy applies to all financial assets of the Town of Wayne. These funds are accounted for in the Town of Wayne Annual Financial Report and include:

- General Fund
- Special Reserve Fund
- Capital Reserve Fund
- Trust Fund

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III. Definitions:

- A. **Sufficiently Liquid:** Shall mean, 1) at no time Cash Flow, during the time of any investment period, will be less than the Recommended Minimum Fund Balance and 2) at no time will the Maximum Maturities (defined in XI below) exceed the Cash Flow needs of the Town during the period of investment.
- B. **Investment Risk Constraints:** Shall mean, 1) maintaining Sufficiently Liquid cash flow, 2) use of Authorized Financial Institutions, 3) use of Authorized and Suitable Investments, 4) maintaining Adequate Safekeeping and 5) maintaining suitable Custody of the instruments, as all defined below.
- C. **Cash Flow Characteristics:** Shall mean, investments with more highly liquid aspects, such as CD's, MMA's and Savings accounts, can serve as short-term investments and better fund tighter cash flow cycles. Whereas, US Treasury Securities such as: Bonds, Notes and Bills and certain Mutual Funds may be used for longer term investments and are more designed to serve extended cash flow requirements.

IV. Prudence

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

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V. Objective

The primary objectives of the Town of Wayne's investment activities shall be:

- A. Safety. Safety of principal is the foremost objective of the investment program. Investments of the Town of Wayne shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

To attain this objective, *diversification* is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

- B. Liquidity. The Town of Wayne's investment portfolio will remain Sufficiently Liquid to enable the Town to meet all operating requirements, which might be reasonably anticipated.

- C. Return on Investments. The Town of Wayne's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the Town's investment risk constraints and the cash flow characteristics of the portfolio.

VI. Delegation of Authority

Authority to manage the Town of Wayne's investment program is derived from State Statute. Management responsibility for the investment program is hereby delegated to the Town Manager in conjunction with the Town Treasurer who shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

VII. Ethics and Conflicts of Interest

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Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions and investment officials shall disclose to the Select Board any material financial interests in financial institutions that conduct business within their jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the Town of Wayne.

VIII. Authorized Financial Institutions

The Town Manager shall deal with well-established financial institutions (banks, credit unions) or other recognized investment services. If the Town Manager desires, she should request a certified audit from any financial institution the Town of Wayne invests in.

IX. Authorized & Suitable Investments

The Wayne Select Board desires that special care be taken to ensure that instruments of investment include only those allowed by law and that they approve of the Town Manager's investments. Items such as, but not limited to the following, are acceptable instruments of investment: CDs, money market accounts, repurchase agreements, bank savings accounts, U.S. Treasury securities, or investment accounts.

All of the funds in the custody of the Town of Wayne must be fully insured in Level 1 investment, either through FDIC insurance, NCUA, perfected sureties or collateralization. When using collateralization as a method for securing Town monies, the Town of Wayne will not engage in any measure less than perfected securities (bank securities and bonds to be held by a third party, in the Town's name, to be turned over to the Town in the event of a bank failure).

X. Investment Program Management

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The Town of Wayne hereby adopts a policy using Cash Flow Analysis as a basis for measuring the term of investments. The Town seeks to allow maximum flexibility and liquidity while still obtaining favorable yields.

The Treasurer shall prepare a Cash Flow Analysis for presentation to the Select Board, during a regularly scheduled meeting, for consideration prior to engaging in any investment opportunities. The analysis should include the period for which the investment will cover. Additionally, the Treasurer shall provide the Select Board with a summary of the investments returns and any costs associated.

XI. Safekeeping and Custody

All investment transactions entered into by the Town Manager for the Town of Wayne shall be held in safe-keeping and in certain instances based on the type of investment held by a third party designated by the Town Manager. The Town of Wayne will diversify its investments by security type and institution. With the exception of U.S. Treasury securities and authorized pools, no more than 50% of the Town's total investment portfolio will be invested in a single security type or with a single financial institution.

XII. Maximum Maturities

To the extent possible, the Town of Wayne will attempt to match its investments with anticipated cash flow requirements. Reserve funds or capital project funds may be invested in various securities for deferring time frames such that investments are made to coincide as nearly as practicable with the expected use of funds.

XIII. Redemption

Upon maturity of investment instruments, or as required by the town to meet its cash

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flow requirements, the Town Manager, or in her/his absence, the Treasurer, shall redeem the investment securities so the proceeds of such investments shall be applied to the purpose for which the monies were originally designated or shall be placed in the Town Treasury. All monies from the redemption of investment instruments shall be transferred directly to an account of the Town.

XIV. Internal Control

The Town Manager shall annually have an independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures and lawful investment of funds.

XV. Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout the budgetary process and economic cycles, commensurate with the investment risk constraints and the cash flow needs. The Town Manager shall review market yields and determine appropriate investment strategy on current yields and projected market trends.

XVI. Reporting

The Town Manager and Treasurer shall provide the Wayne Select Board investment reports, which provide a clear picture of the status of the current investment portfolio as needed. The Town Manager and Treasurer may, at their judgement, include other pertinent information in reference to investment strategies, economic conditions, or possible changes in the portfolio.

XVII. Investment Policy Adoption

The Town of Wayne Select Board shall vote to adopt the investment policy. The Town

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Manager and Treasurer and/or the Select Board may review the adopted policy annually and any modification thereto by majority vote of the Select Board. The investment policy once adopted shall remain in effect unless action shall be taken by the Select Board to amend the document, create a new policy, or cancel the existing investment policy.

SECTION 4. FIXED ASSET POLICY

I. Policy

This policy establishes the minimum cost value (capitalization amount) that shall be used to determine the capital assets, including infrastructure assets that are to be recorded in the Town of Wayne, Maine's annual financial statements in order to comply with the requirements of GASB Statement Number 34 (Basic Financial Statements and MD&A). This policy also addresses other considerations for recording and depreciating fixed assets in order to comply with the provisions of GASB Statement number 34.

II. Capital Asset Definition

Capital Asset will be defined as tangible and intangible assets that have initial useful lives that extend beyond a single reporting period.

III. Capitalization Method

All Capital Assets will be recorded at historical costs as of the date acquired or constructed. If historical cost information is not available, assets will be recorded at estimated historical cost by calculating current replacement cost and deflating the cost using the appropriate price-level index.

IV. Capitalization Thresholds

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Fixed Asset Limits:

- A. Land. All land and permanent rights to land (i.e., easements) shall be recorded without regard to significant value.
 - B. Infrastructure. Additions to infrastructure assets (e.g., roads, bridges, utility systems) more than \$250,000 shall be recorded as Fixed Assets.
 - C. Buildings. All buildings shall be recorded at acquisition cost without regard to significant value. Additions to buildings less than \$10,000 per building shall not be recorded.
 - D. Machinery and equipment. Machinery and equipment costing \$10,000 and more shall be recorded as Fixed Assets. Additions to equipment costing \$10,000 or more shall be recorded as Fixed Assets.
 - E. Additional Fixed Assets. Additional fixed assets shall be recorded and maintained when required by other terms or agreements, if different from what is stated above.
- V. Items not Classified as Fixed Assets. As described above may be included in an inventory listing for internal control purposes.

In accordance with GASB Statement number 34, the Town will record, at a minimum, "major" infrastructure assets as defined in Statement 34 that were acquired, constructed or significantly reconstructed, or that received significant improvements after June 30, 1980. Other infrastructure assets may be capitalized as deemed appropriate. The Town does not intend to use the "modified approach" to record infrastructure.

VI. **Other Assets**

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Detailed records shall be maintained for all items below the capitalization thresholds that should be safeguarded from loss. These items will be part of the annual physical inventory discussed below. These items include computer equipment that falls below the established thresholds and any other asset specified by the Town Manager.

VII. Depreciation and Useful Life

Each appropriate Department Head will assign an estimated useful life to all assets for the purpose of recording depreciation. The below, "Suggested Useful Lives" schedule will be used to establish lives for most assets. Asset lives will be adjusted as necessary depending on the present condition and use of the asset, and based on how long the asset is expected to meet current service demands. Adjustments should be properly documented. Depreciation will be recorded based on the straight-line method using the half-year convention and depreciation down to the asset's salvage value.

Estimated useful lives are as follows:

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

VIII. Safeguarding and Controlling Fixed Assets

All machinery and equipment, vehicles and furniture will be assigned an asset number and identified with a fixed asset tag. As fixed assets are purchased or disposed of, the Department Head in custody of that asset will be responsible for preparing a fixed asset data sheet, which will then be forwarded to the Town Manager and Treasurer to ensure proper recording. A physical inventory will be taken annually on or about June 30 and compared to the physical inventory records. The results will be forwarded to the Town Manager and

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Treasurer where appropriate adjustments will be made to the fixed asset records.

SECTION 5. FUND BALANCE

I. Purpose

Sufficient fund balance is required to maintain liquidity, assure positive cash flow, prevent borrowing through tax anticipation notes, and provide effective cash management. Fund balance is not completely represented by liquid assets, such as cash, but includes unrealized receivables and other assets as components which require a certain period of time to convert to cash. Because of these factors, the Town of Wayne adopts this policy to maintain a healthy fund balance that will provide adequate funds to carry the Town through times of relatively low cash flow periods and provide funds for emergency situations.

II. Policy

The Town of Wayne hereby establishes a policy that adopts the MMA Recommendation of the median value of a) 10-12% of the Total Tax Commitment, b) 2 months average expenditures and c) the highest expenditures month.

To further define the calculations: The Total Tax Commitment will be for the current year in review. The 2 months average expenditures will be an average of the most recent 6-months then ended, coupled with the preceding 6 months projected expenditures, for any period being reviewed. The highest expenditures month will also be a 6 month look back and 6 months look forward. The balance of a look back and forward will ensure actual and projections are both under consideration.

This Policy and the calculation recommendation should be reviewed by the Select Board annually to ensure appropriate levels are maintained and are achievable.

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III. Procedures & Oversight

The Town Manager and Treasurer shall prepare and review an annual Cash Flow Analysis on or before January 1. The annual Cash Flow Analysis shall be presented to the members of the Select Board and Budget Committee for their information, comments, and approval, unless the requirement is waived by a majority of the members of the Select Board and Budget Committee.

Additionally, the monthly Undesignated Fund Balance reconciliation and Financial Report will be used by the Treasurer, the Town Manager, and the Select Board to monitor the undesignated fund balance each month, noting that the fund balance will ebb and flow according to cash flow (tax payments, other revenue collection, and expenditures.) An approximate idea of the fund balance will be known through the use of the aforementioned tools, but the actual year-end fund balance will finally be known upon the completion of the year-end audit. Financial planners must keep this policy in mind when determining the budget and its funding sources for each upcoming year.

SECTION 6. DEBT/ BORROWING LIMITATION

I. State Statute 30-A M.R.S.A §5702. Limitation

"No municipality may incur debt which would cause its total debt outstanding at any time, exclusive of debt incurred for school purposes, for storm or sanitary sewer purposes, for energy facility purposes or for municipal airport purposes to exceed 7-1/2% of its last full state valuation, or any lower percentage or amount that a municipality may set. A municipality may incur debt for school purposes to an amount outstanding at any time not exceeding 10% of its last full state valuation, or any lower percentage or amount that a municipality may set, for storm or sanitary sewer purposes to an amount outstanding at any time not exceeding 7-1/2% of its last full state valuation, or any lower percentage or amount that a municipality may set, and for municipal airport and special district purposes to an amount outstanding at any time not

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exceeding 3% of its last full state valuation, or any lower percentage or amount that a municipality may set; provided, however, that in no event may any municipality incur debt which would cause its total debt outstanding at any time to exceed 15% of its last full state valuation, or any lower percentage or amount that a municipality may set."

**II. The Wayne Select Board through this policy have set the following Debt/
Borrowing Limitations for the Town:**

- Total Bonded Indebtedness for **Roads** shall not to exceed \$1,000,000 any fiscal year.

III. All Bonded Debt must be approved at Town Meeting.

SECTION 7. POST ISSUANCE COMPLIANCE

The Town issues tax-exempt bonds from time to time to finance various capital improvements. As an issuer of such tax-exempt bonds, the Town is required by the Internal Revenue Code of 1986, as amended, (the "Code") and regulations promulgated by the United States Treasury Department to take certain actions subsequent to the issuance of such bonds to ensure the continuing tax-exempt status of the bonds

The Town recognizes that compliance with applicable provisions of the Code and Treasury Regulations is an on-going process, necessary during the entire term of a bond issue, and is an integral component of the Town's overall debt-management responsibilities. These requirements apply equally to capital leases. Accordingly, the implementation of these requirements will require on-going monitoring and consultation with Bond Counsel.

Issuance.

The Select Board shall approve the terms and structure of bonds issued by the Town. Such bonds shall be issued in accordance with United States Treasury Department Regulations, the

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Internal Revenue Code of 1986, as amended, and State statutes. Specific post-issuance compliance procedures are addressed below.

General Procedures.

The following guidelines will be used to monitor compliance with post-issuance requirements:

1. The Town Manager, or the Manager's designee, shall serve as the Compliance Officer and shall be the person primarily responsible for ensuring that the Town successfully carries out its post-issuance responsibilities. The Compliance Officer shall be assisted by the following persons or entities:

- a. Bond Counsel
- b. Financial Advisor
- c. Paying Agent
- d. Rebate Specialist

The Compliance Officer shall be responsible for assigning post-issuance responsibilities to other staff, Bond Counsel, the Financial Advisor, the Paying Agent and the Rebate Specialist, and shall utilize such other professional services as are necessary to ensure compliance with all post-issuance requirements.

2. The Compliance Officer shall verify that the following post-issuance actions have

been taken on behalf of the Town with respect to each issue of tax-exempt bonds:

- a. Ensure that a full and complete record for the principal documents of each issue has been completed by Bond Counsel and the Financial Advisor;
- b. Ensure that the Internal Revenue Service (IRS) forms 8038 are properly filed with the IRS by Bond Counsel within the time limits imposed by

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Section 149(e) of the Code;

- c. Account for the allocation of the proceeds of the tax-exempt bonds to expenditures as required by the Code;
- d. Coordinate receipt and retention of relevant books and records with respect to the investment and expenditures of the issue proceeds;
- e. Identify proceeds of tax-exempt obligations, in consultation with Bond Counsel and the Financial Advisor, that are yield-restricted and monitor the investments of any yield-restricted funds to ensure that the yield on such investments does not exceed the bond yield to which such investments are restricted;
- f. Determine, in consultation with Bond Counsel and the Financial Advisor, whether the Town is subject to the rebate requirements of Section 148(£) of the Code and related Treasury Regulations with respect to each issue of the Town. The Compliance Officer shall contact a Rebate Specialist, as required, prior to the fifth anniversary of the date of issuance of each issue and each fifth anniversary thereafter until the obligation has matured to arrange for calculation of the rebate requirements, as needed, to be paid by the Town. If any rebate is required to be paid to the IRS, the Town Compliance Officer will file Form 8038-T, along with the required payment.
- g. Shall monitor the use of all financed facilities in order to determine whether private business uses of financed facilities have exceeded the de minimis limits set forth in Section 141(b) of the Code (generally a value or benefit equal to 10% of issue proceeds) that provide special legal entitlements to non-governmental persons.
- h. Shall, with the assistance of professional services as needed, ensure that any and all nonqualified bonds are remediated according to the requirements of the Code and relevant regulations.

3. The Compliance Officer shall collect and retain the following records with respect to each issue of tax-exempt obligations and with respect to the facilities financed with the

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proceeds of such Obligations:

- a. Audited financial statements of the Town;
- b. Appraisals, surveys, feasibility studies, if any, with respect to the facilities to be financed with issue proceeds;
- c. Trustee or Paying Agent statements;
- d. Records of all investments and the gains (or losses) from such investments;
- e. Expenditures reimbursed with the issue proceeds;
- f. Allocation of issue proceeds to expenditures (including cost of issuance) and the dates and amounts of each expenditure (including requisitions, draw down schedules, invoices, bills and cancelled checks as related to each expenditure);
- g. Construction or renovation contracts for financed facilities or projects;
- h. Maintain an asset list of all tax-exempt financed depreciable property and sales of tax-exempt financed assets;
1. Arbitrage rebate reports and records of rebate and yield reduction payments, if any;
- J. Orders, Resolutions and other actions, if any, adopted by the Town subsequent to the date of issue of the obligations; and
- k. Relevant correspondence relating to such bonds.

The records collected by the Town shall be stored in any format deemed appropriate by the Compliance Officer and shall be retained for a period equal to the life of the tax-exempt obligations, including the life of any obligations issued to refund obligations, plus three (3) years.

4. In addition to its post-issuance compliance requirements under the Code and Treasury Regulations, the Town has agreed to provide Continuing Disclosure, such as annual financial information and material event notices. The continuing disclosure obligations are

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governed by the Continuing Disclosure Documents and by the terms of Rule 15c2-12 under the Securities and Exchange Act of 1934, as amended and officially interpreted from time to time.

SECTION 8. ADOPTION / AMENDMENTS

This policy may be amended by the Municipal Officers of Wayne, Maine at a duly warned regular scheduled Select Board meeting at any time.

Adopted by the Select Board this 6th day of January, 2026.

Select Board Members

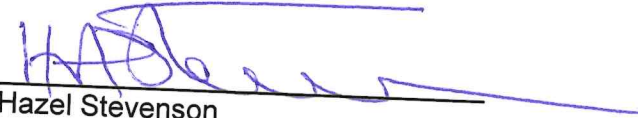


Henry Steck, Chair



Lloyd Irland, Vice-Chair

Marianne Butak



Hazel Stevenson



Tom Moran

