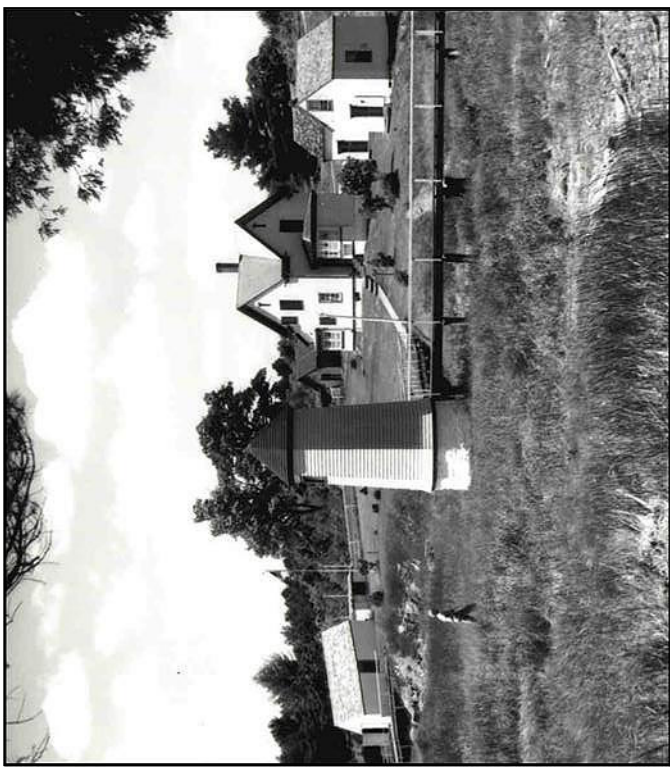


Annual Report

of the Municipal Officers
of the Town of

Arrowsic

Maine



ARROWSIC TOWN MEETING

at

Georgetown
Central School

Wednesday
June 13, 2007
6:30 PM

Please bring this report to the meeting

Warrant for 2007 – 2008
Preliminary Report for 2006 – 2007
Audited Report for 2005 – 2006

Cover

Range Light Station 1948, photograph by W.H. Ballard

ances in Town dedicated funds to postpone or eliminate the need to borrow in anticipation of taxes. Funds reduced in this way would be restored with incoming tax revenues.

Art. 58. To see what sum the Town will vote to authorize for Annual Interest on all taxes paid 60 days after posting.

Selectmen recommend 6.0% (State Maximum Allowed—12%)

Art. 59. To see if the Town will vote to approve the following resolution regarding the current war in Iraq.

A Resolution of the Town of Arrowsic, Maine, To End the War in Iraq

Whereas, the Town of Arrowsic, Maine, supports the women and men serving in the United States Armed Forces in Iraq and recognizes the sacrifices that each of them is making; and,

Whereas, the human cost of this war now stands at more than 3,000 United States soldiers killed, over 47,000 non-mortal United States casualties, and over 650,000 Iraqis killed; and,

Whereas, the economic cost of this war now exceeds \$450 billion, with estimates of total costs during and after exceeding \$2 trillion, so that we cannot adequately fund basic social services, including health care and education, and maintain essential infrastructure;

Now, Therefore, be it Resolved that the Town of Arrowsic, Maine, urges the President and U.S. Congress to act swiftly and decisively to immediately stop all funding for the war in Iraq, end the occupation of Iraq, and bring all U.S. troops safely home.

Art. 60. To see what date the Town will select for the 2008 Annual Town Meeting.

Selectmen recommend Wednesday, June 11, 2008, at 6:30 PM.

LAWRENCE WILSON
MICHELE GAILLARD
SUZANNAH HEARD

Attest:
Heather Baker

2006-2007 Preliminary Report*

of the Municipal Officers
of the Town of

Arrowsic

Maine

Incorporated in 1841

*Includes unaudited Preliminary Report for Fiscal Year ending June 30, 2007, and audited Financial Statement for Fiscal Year July 1, 2005, through June 30, 2006

Annual Report Production
Larry Wilson

Town Website (www.arrowsic.org)

Paul Kalkstein, Webmaster, paulk@mainefolks.com
Ken Baker, Web Manager, h.kbaker@netzero.net

Table of Contents

Town Hall Address/Hours, Committee Meetings/Times.....	5
Elected Officials.....	6
Appointed Officials.....	7-8
Elected State Officials.....	9
A Letter from State Representative George R. Bishop, Jr.	10
A Letter from State Senator Arthur F. Mayo III.....	11
Selectmen's Report.....	12-14
Taxpayers' List.....	15-24
Tax Collector's Report, July 04-June 05, July 05-April 06	25-28
Treasurer's Report, July 05-May 06.....	29-30
Independent Auditors' Report.....	31-51
Planning Board Report.....	52
Zoning Board of Appeals Report.....	53
Conservation Commission Report.....	54
Shellfish Conservation Committee Report.....	55
Shellfish Warden's Report.....	56
Town Clerk's Report.....	57-58
Code Enforcement Officer's Report.....	59-60
Superintendent of Schools Report and Report of Arrowsic Students Educated at Public Expense for the 2005-2006 School Year.....	61-62
School Committee Report.....	63-65
Scholarship Fund Advisory Committee.....	65
Patten Free Library.....	66
Recycling/Solid Waste Committee Report.....	67
Volunteer Fire Department Report.....	68
Local Emergency Management Agency.....	69
General Assistance.....	69
Animal Control Officer's Report.....	69
Road Commission Report.....	70
Town Property Management Committee Report.....	71
The Range Light Keepers.....	72-73
Friends of the Doubling Point Light.....	74
Summary of Warrant Articles.....	75
Warrant for Town Meeting.....	76-86

Art. 45. To see what sum the Town will vote to raise and appropriate to pay for coverage of the Town office hours in the event of the absence of the Town Clerk and/or Tax Collector.

Selectmen recommend \$300.00

Art. 46. To see if the Town will vote to appropriate \$6,000 from **surplus** for Town Hall improvements and maintenance.

Art. 47. To see if the Town will vote to continue to allocate all revenues from the sale of shellfish licenses, and any fines received for violation of the Shellfish Conservation Ordinance, to the dedicated Shellfish Conservation Fund, to be used by the Shellfish Conservation Committee for shellfish management, conservation, and ordinance enforcement.

Art. 48. To see if the Town will vote to collect all Watercraft Excise Taxes in a dedicated Water Access Fund.

Art. 49. To see if the Town will vote to authorize the Selectmen to accept and expend grants to be used for various municipal and planning-related services.

Art. 50. To see if the Town will vote to allocate all revenues from dog license fees to a dedicated Animal Control Account and authorize the Selectmen to draw from that account for the purpose of funding animal control work in town.

Art. 51. To see if the Town will vote to authorize the Selectmen to draw from **surplus** such funds as necessary to meet the Town's responsibilities for uncollectible ambulance fees (Actual 06-07 \$1,000).

Art. 52. To see if the Town will vote to authorize the Selectmen to draw from **surplus** such funds as necessary to meet the Town's legislated responsibilities for providing General Assistance (Actual 06-07 \$0).

Art. 53. To see if the Town will vote to authorize the Selectmen to draw from **surplus** such funds as necessary for tax abatements due to overpaid taxes.

Art. 54. To see if the Town will vote to authorize the Selectmen on behalf of the Town to sell and dispose of any real estate acquired by the Town for nonpayment of taxes, on such terms as they deem advisable, and to execute quit-claim deeds for such property.

Art. 55. To see if the Town will vote to use all proceeds from the sale of tax delinquent property in the dedicated Town Capital Improvement Fund.

Art. 56. To see if the Town will vote to authorize the Selectmen to borrow money from time to time in anticipation of taxes.

Art. 57. To see if the Town will vote to authorize the Selectmen to utilize bal-

Town of Arrowsic

340 Arrowsic Road
 Arrowsic, ME 04530
 207-443-4609
 Fax 442-9082
 www.arrowsic.org

Town Office Hours

Wednesdays, 3:00 – 5:30 PM
 Fridays, 8:30 – 11:00 AM

Committee Meeting Dates and Times

COMMITTEE.....	DATE.....	TIME
Board of Selectmen.....	2 nd & 4 th Monday.....	6 PM
Planning Board.....	1 st Monday.....	7 PM
Zoning Board of Appeals.....	As Needed	
Recycling/Solid Waste.....	As Needed	
Road Commission.....	1 st Tuesday.....	7 PM
Conservation Commission.....	3 rd Monday.....	7 PM
Town Property Management.....	3 rd Tuesday.....	7 PM
Shellfish Conservation Committee.....	2 nd Monday.....	4:30 PM
School Committee.....	1 st Friday.....	8:45 AM

(Union 47 Office, West Bath)

Art. 38. To see what sum the Town will vote to raise and appropriate for the Miscellaneous Expenses of the Planning Board.

FY 05-06	FY 06-07	FY 07-08
REQUEST ACTUAL	REQUEST ACTUAL	REQUEST
500 1,014	900 3,000	2,500

Art. 39. To see what sum the Town will vote to raise and appropriate for the Miscellaneous Expenses of the Zoning Board of Appeals

FY 05-06	FY 06-07	FY 07-08
REQUEST ACTUAL	REQUEST ACTUAL	REQUEST
100 0	100 0	100

Art. 40. To see what sum the Town will vote to raise and appropriate for the Miscellaneous Expenses for the Conservation Commission.

FY 05-06	FY 06-07	FY 07-08
REQUEST ACTUAL	REQUEST ACTUAL	REQUEST
250 21	200 50	500

Art. 41. To see what sum the Town will vote to appropriate from the dedicated Shellfish Conservation Fund for the Miscellaneous Expenses of the Shellfish Conservation Committee and the Shellfish Warden.

FY 05-06	FY 06-07	FY 07-08
REQUEST ACTUAL	REQUEST ACTUAL	REQUEST
450 352	500 230	500

Art. 42. To see what sum the Town will vote to raise and appropriate for the Miscellaneous Expenses of the Local Emergency Management Agency.

FY 05-06	FY 06-07	FY 07-08
REQUEST ACTUAL	REQUEST ACTUAL	REQUEST
250 26	250 0	100

Art. 43. To see what sum the Town will vote to appropriate from surplus to provide Legal Services.

FY 05-06	FY 06-07	FY 07-08
REQUEST ACTUAL	REQUEST ACTUAL	REQUEST
3,500 1,900	3,000 200	3,000

Art. 44. To see what sum the Town will vote to raise and appropriate for the annual upgrading of Town tax maps.

FY 05-06	FY 06-07	FY 07-08
REQUEST ACTUAL	REQUEST ACTUAL	REQUEST
0 0	700 800	800
1		

Elected Officials

TOWN CLERK & DEPUTY REGISTRAR

Heather Baker, 443-1713

SELECTMEN, ASSESSORS & OVERSEERS OF THE POOR SURVEYORS OF WOOD, LUMBER AND BARK FENCE VIEWERS

Lawrence Wilson, 443-6970, lwilson@gwi.net
Michele Gaillard, 442-7443, gaillard@gwi.net
Suzannah Heard, 443-6768, sukeyheard@gwi.net

TREASURER

Ray Paradis, 443-3209

TAX COLLECTOR

Elizabeth Rollins, 386-0391

SCHOOL COMMITTEE

Frances Smith Tolan, Chairman, 443-4893

Walter Briggs

Tim Harkins

Art. 32. To see if the Town will vote to accept the categories of State funding listed below, as provided by the Maine State Legislature.

State Municipal Revenue Sharing	Estimated	39,178.97
MDOT Block Grant	Estimated	10,000
State Aid to Education (including Federal pass-through funds and property tax relief)	Estimated	18,000
Tree Growth Reimbursement	Estimated	2,000
Veterans Exemption Reimbursement	Estimated	300
Snowmobile Registration money	Estimated	700
State grants or other funds not included above	Unknown(s)	
Homestead	Estimated	11,500

Art. 33. To see what sum the Town will vote to raise and appropriate for Contingent expenses for the ensuing year.

	FY 05-06	FY 06-07	FY 07-08
	REQUEST	REQUEST	REQUEST
	ACTUAL	ACTUAL	ACTUAL
	6,000	6,500	3,000

Art. 34. To see what sum the Town will vote to raise and appropriate for Administration expenses such as bank service charges, office supplies, postage, printing, software, payroll processing, small dues and training, small repairs, travel reimbursements and website expenses for the ensuing year.

	FY 05-06	FY 06-07	FY 07-08
	REQUEST	REQUEST	REQUEST
	ACTUAL	ACTUAL	ACTUAL
	0	0	8,000

Art. 35. To see what sum the Town will vote to raise and appropriate for printing the Annual Report for the fiscal year ending June 30, 2008.

	FY 05-06	FY 06-07	FY 07-08
	REQUEST	REQUEST	REQUEST
	ACTUAL	ACTUAL	ACTUAL
	3,000	3,500	3,500

Art. 36. To see what sum the Town will vote to raise and appropriate for Insurance for the coming year.

	FY 05-06	FY 06-07	FY 07-08
	REQUEST	REQUEST	REQUEST
	ACTUAL	ACTUAL	ACTUAL
	7,200	7,000	7,200

Art. 37. To see what sum the Town will vote to raise and appropriate for Municipal Utilities for the coming year.

	FY 05-06	FY 06-07	FY 07-08
	REQUEST	REQUEST	REQUEST
	ACTUAL	ACTUAL	ACTUAL
	3,500	3,500	3,500

Art. 27. To see if the Town will vote to keep the Town alewife resource closed to harvesting during the 2008 season for conservation purposes.

Art. 28. To see what sum the Town will vote to raise and appropriate for disposal of septage waste for the ensuing fiscal year.

	FY 05-06	FY 06-07	FY 07-08
	REQUEST	ACTUAL	REQUEST
	3,000	3,000	2,500
	2,100	1,275	2,500

Art. 29. To see which organizations the Town will support for the coming year.

	FY 05-06	FY 06-07	FY 07-08
	REQUEST	ACTUAL	REQUEST
Arrowsic Arrow	800	800	800
Bath Area Family YMCA	250	250	250
Bath Area Senior Citizens, Inc.	250	600	600
Bath-Brunswick Hospice	1,000	500	500
Sweetser	572	600	600
Big Brothers/Big Sisters of Bath-Brunswick	600	600	600
Coastal Economic Development (CED)	325	325	325
Lincoln County Animal Shelter	239	239	250
Coastal Trans	300	300	300
Community Health & Nursing Serv. (CHANS)	350	350	350
Friends of Doubting Point Light	100	100	100
Elmhurst Assn. for Retarded Citizens, Inc.	500	750	750
Family Crisis Shelter	500	500	500
Maine Public Broadcasting	250	250	250
Maine Writers & Publishers Alliance	100	50	50
MidCoast Council for Bus. Development	100	100	100
Midcoast REACH			
Patten Free Library	6,916	7,026	7,210
Senior Spectrum (Meals on Wheels)	357	350	350
Tedford Shelter	150	150	150
The Park	200	0	0
<u>The Range Light Keepers</u>	<u>100</u>	<u>100</u>	<u>100</u>
Total	13,118	13,941	14,035

Art. 30. To see what sum the Town will vote to appropriate from surplus to fund Article 29.

Art. 31. To see what sum the Town will vote to raise and appropriate for dues in the coming year.

	FY 05-06	FY 06-07	FY 07-08
	ACTUAL	REQUEST	ACTUAL
Maine Municipal Assn.	1,078	1,078	1,078
Total	1,162	1,078	1,078
Amount to be Raised		1,094	1,078

Appointed Officials

CODE ENFORCEMENT OFFICER

Michael Kreindler, 442-7443

PLANNING BOARD

Roger Heard, Chair, 443-6768

Chris Brett,
Jean Kane
Ray Belleville (Alt)

Will Neilson
Brian Detwiler
Jeff Galuza (Alt)

BOARD OF APPEALS

Mark Geiger, Chair, 443-1072

Heather Baker
Lois Hewlett

Wendy Briggs
John McLaughlin

RECYCLING/SOLID WASTE COMMITTEE

Judy Jones, Chairman, 442-7612

Heather Baker
Roz MacLean

John Hinds
Liz Ware

FIRE Department

Chris Cummings, Chief 443-4609

Dale Carlton, Deputy Fire Chief

Mike Kreindler, Captain

STATE FIRE WARDEN

Dale Carlton, 442-8343

Town Constable

Chris Cummings, 443-4609

DIRECTOR OF LOCAL EMERGENCY MANAGEMENT

AGENCY

Ruth Fatscher, 443-8603

HEALTH OFFICER

Mildred Stafford, 443-5832

REGISTRAR OF VOTERS

Jean Kane, 443-4978

ELECTION CLERKS

Donald Beaton
Harold M. Blanchard
Marty Hill
Fred Hill

Mary Louise Blanchard
Nancy Brown Stump
Jeff Mann

Heather Baker-Election Warden

ROAD COMMISSION

James Stump, Chairman, 442-7527

Brian Elwell

Richard Elwell

John Wood

CONSERVATION COMMISSION

Josephine Ewing, Chairman, 443-9795

Noreen Blaiklock (Alt)
Karen Robbins
Mildred Stafford

William Blaiklock
Nancy Sferra
Roger Heard (Alt.)

TOWN HISTORIAN

Mildred Stafford, 443-5832

ANIMAL CONTROL OFFICER

Jeremy Blaiklock
Home 443 4630
Cell 232-0055

TOWN PROPERTY MANAGEMENT COMMITTEE

Robert Ater, Chairman, 443-1519

Ann Ater
Mildred Stafford

George Stafford
Doug Ware

Elizabeth Wilson

SHELLFISH CONSERVATION COMMITTEE

William Blaiklock, Acting Chairman, 443-3725

Gretchen MacLeod
Richard Higgins

Lois Hewlett
Phil Packard

SHELLFISH WARDEN

Jon Hentz, 371-2732

SCHOLARSHIP FUND ADVISORY COMMITTEE

Jeremy Blaiklock, Chairman, 443-4630

Maria Grill
Ray Paradis

Roger Heard
Nancy Brown Stump

Art. 23. To see what sum the Town will vote to raise and/or draw from Excise Tax and the MDOT Block Grant for general maintenance and repair of Town Ways and other Properties for the ensuing year, including snow removal.

	FY 05-06	FY 06-07	FY 07-08
Budgeted	144,000	76,500	138,000
Excise Tax	85,000	65,000	70,000
MDOT Block Grant	12,370	12,370	10,000
Surplus	40,000	0	0

Road Commission Proposed Budget 2007-2008

General Maintenance	5,000
Culverts	2,500
Grading	10,000
Asphalt Repair; Roadside Fill	2,500
Road Sign Replacement	1,000
Paving	60,000
Emergency	2,000
Snowplow	55,000
Total	138,000

Appropriations:

Excise Tax	70,000
MDOT Block Grant	10,000
Amount to be raised:	58,000

Art. 24. To see what sum the Town will vote to raise and appropriate to cover the costs of recycling and other related activities.

	FY 05-06	FY 06-07	FY 07-08
REQUEST ACTUAL	4,100	REQUEST ACTUAL	REQUEST
4,500	4,850	3,400	5,000

Art. 25. To see what sum the Town will vote to raise and appropriate to cover the costs of solid waste disposal.

	FY 05-06	FY 06-07	FY 07-08
REQUEST ACTUAL	24,000	REQUEST ACTUAL	REQUEST
23,500	25,000	20,800	28,000

Art. 26. To see what sum the Town will vote to raise and appropriate for FY 06-07 Auditor's Report and associated services.

	FY 05-06	FY 06-07	FY 07-08
REQUEST ACTUAL	5,100	REQUEST ACTUAL	REQUEST
5,000	5,500	5,400	5,600

School Committee Recommends \$408,871.98

Explanation: The Town's contribution is the amount of money determined by state law to be the minimum amount that the Town must raise in order to receive the full amount of state dollars.

Art. 16 To see what sum the Town will authorize the School Committee to expend for the fiscal year beginning July 1, 2007, and ending June 30, 2008, from the Town's contribution to the total cost of funding public education from kindergarten to grade 12, as described in the Essential Programs and Services Funding Act, additional local funds for school purposes under the Maine Revised Statutes Title 20-A, section 15690, unexpended balances, tuition receipts, state subsidy, and other receipts for the support of the schools.

School Committee Recommends \$548,623.00

Art. 17 To see if the school committee shall be authorized to contract with the Town of Woolwich school committee for the education of Arrowsic students for a term of up to ten (10) years.

Art. 18 To see what sum the Town will vote to appropriate from **surplus** to fund the dedicated Scholarship Account.

School Committee Recommends \$5,400

Art. 19 To see what sum the Town will vote to appropriate from the Scholarship Fund for the purpose of providing scholarships to worthy and deserving students from the Town pursuing post-secondary education at an accredited educational institution; to be selected by the Selectmen on the recommendations of the School Committee.

	FY 05-06		FY 06-07	FY 07-08
REQUEST	ACTUAL	REQUEST	ACTUAL	REQUEST
6,600	6,000	4,800	4,800	6,300

Art. 20 To see if the Town will vote to authorize the Selectmen to accept donations to the Arrowsic Scholarship Fund and to provide appropriate receipts thereof.

NOTE: For Art 21, refer to the attached supplement entitled Warrant Supplement: Proposed Amendment to Subdivision Ordinance—June 2007 (“Supplement”).

Art. 21. To see if the Town will vote to amend the Arrowsic Subdivision Ordinance, Section 8.3.2, as set forth in the **Supplement** (regarding hydrogeological assessments).

Art. 22. To see if the Town will vote to raise and appropriate the sum of \$4,500 for the ensuing year for assessing expenses, including an Assessor's Agent.

Elected State Officials

REPRESENTATIVE TO THE LEGISLATURE

W. Bruce MacDonald

Home E-Mail: bmacdon@adelphia.net

656 Back River Road,

Boothbay, ME 04537

Home Tel: 633-0570

Cell 350-1368

State House E-Mail:

Legislative Web Site:

State House Message Phone:

State House TTY Line:

RepBruce.MacDonald@legislature.maine.gov

www.mainehousedeems.org/bmacdonald

1-(800) 423-2900

207-287-4469

STATE SENATOR

Senator Paula I. Benoit

Email: jbenoit@suscom-maine.net

Residence/Mailing Address:

61 Painted Point Road

Phippsburg, ME 04562

Home Tel: 389-1382

State House Address:

3 State House Station,

Augusta 04333

Phone & Fax Numbers

TTY Line: 207-287-1583

Message line (sessions only) 1-800-423-6900

Fax: 207-287-1527

Senate Republican Office: 207-287-1505



THE MAINE HOUSE OF

REPRESENTATIVES

A Message from Representative Bruce Macdonald

Dear Residents of Arrowsic:

It is an honor to serve you as your representative in Augusta in the 123rd legislature. As I wrote this, it is two days after the tragic Death of Rep. Abigail Holman of Fayette in a skiing accident at Sugarloaf. The unanimous sense of loss at her death is testimony to the common purpose in the Legislature; to do good for the people of Maine across party lines, across geographies, and across economic and social divides. She will be deeply missed.

I am sure that freshman legislators succumb too often to the belief that theirs is a historic session. I am sure that each biennium, we newcomers bring to the job a great vision that we can make major progress on the problems of our State. Perhaps falling into that trap, I will nonetheless say that his session is one that holds promise for truly great progress in consolidating state government, reforming the tax system, streamlining educational administration, helping economic development, and the creating of more affordable and more adequate health care. If so, the session truly will be historic.

Consolidations are already under way in two departments of State government that will save about a million dollars a year. Cuts have been ordered in all departments that average about 5% below last year's levels. Other proposals are still in the legislative pipeline.

I believe we will have before us soon a revenue-neutral bill that will lower income taxes, lower our dependence on property taxes, fund the circuit breaker at higher levels, and increase the state funded portion of the homestead tax, remove many of the exemptions on sales taxes and raise the meals and lodging tax. On balance these will mean Maine families will pay somewhat less in taxes than previous years, while visitors and non-residents will pay more of the share.

In the area of education, which is one of the two largest spending categories in the state, various plans are still under discussion which could save twenty to thirty million dollars a year in state and local taxes. I favor a go-slow, grass-roots approach that would save less than these numbers, but that would meet our educational needs with more local participation in the ongoing process of education. The debate has yet to start on this, so it unclear what sort of plan we will end up with.

On the economic development front, the Senate and the House nearly unanimously reported out a bond bill that will provide fifty million dollars over three years to stimulate Maine's growing economy. Other bond items include funds for Land for Maine's Future, and badly needed funds for roads and bridges.

In the area of health care, we continue to look for ways to lower the ranks of the uninsured and to make health care truly affordable and adequate. It does no good for a family to pay hundreds or even thousands a month in premiums and still have deductibles in the five thousand dollar range, or more. The jury is still out, in my mind, on the best way forward; the goal is adequate and affordable health care for all Mainers. I will be working toward that goal as we move into the second half of our legislative year.

I look forward to hearing from you at any time on any issue of concern to you. Please contact me at 633-0570, or at my new email address of:

bmacdon@roadrunner.com

(Art. 9, continued)

	FY 05-06		FY 06-07		FY 07-08
	Request	Actual	Request	Actual	Request
Training	1,500	0	1,500	0	1,500
Medical	1,000	0	1,000	0	1,000
Comm. Eq. & Sup.	0	0	0	0	0
Special Project	1,500	0	1,200	0	1,200
Total	11,750	4,099	12,000	0	12,000
Grants & Reimb.	0	290	0	0	0
Tax Commitment	12,200	11,600	11,750	3,809	12,000

Art. 10. To see what sum the Town will vote to raise and appropriate for a contract with the City of Bath for structural fire coverage for the ensuing year.

	FY 05-06		FY 06-07		FY 07-08
	REQUEST	ACTUAL	REQUEST	ACTUAL	REQUEST
	5,000	5,000	5,000	5,000	5,000

Art. 11. To see what sum the Town will vote to raise and appropriate to provide the Town with Ambulance Service for the ensuing year.

	FY 05-06		FY 06-07		FY 07-08
	REQUEST	ACTUAL	REQUEST	ACTUAL	REQUEST
	4,500	4,320	4,500	3,400	4,500

School Expenditure Articles

Art. 12. To see what sum the Town will authorize the School Committee to expend for the Instruction Cost Category, which consists of the Instruction and Special Education Instruction accounts.

School Committee Recommends \$510,184.00

Art. 13. To see what sum the Town will authorize the School Committee to expend for the Administration Cost Category, which consists of the Board of Education, Office of the Superintendent, and Special Services Administration accounts.

School Committee Recommends \$14,636.00

Art. 14. To see what sum the Town will authorize the School Committee to expend for the Transportation Cost Category, which consists of the Transportation accounts.

School Committee Recommends \$23,803.00

School Revenue Articles

Art. 15. To see what sum the Town will appropriate for the total cost of funding public education from kindergarten to grade 12, as described in the Essential Programs and Services Act (State Recommend \$427,502.71), and to see what sum the Town will raise as the local contribution in accordance with the Maine Revised Statutes, Title 20-A, section 15688.

(Art. 5, continued)

	FY 05-06	FY 06-07	FY 07-08
Deputy Chief.....	1,000	1,000	1,000
Captain (1 @ \$200).....	200	200	200
Fire Department Volunteers.....	0	0	0
Registrar Voters.....	300	300	300
Deputy Registrar.....	0	0	200
Election Wardens.....	200	200	200
Election Clerks.....	400	400	700
Election Counters.....	200	200	300
Planning Board.....	500	500	500
School Committee.....	400	400	400
Road Commission.....	500	500	500
Recycling.....	450	450	500
Board of Appeals.....	500	500	500
Conservation Commission.....	0	0	0
Totals.....	27,100	27,100	28,650

Art. 6. To see what sum the Town will vote to raise and appropriate to pay the Town Officers' Salaries.

	FY 05-06	FY 06-07	FY 07-08
	REQUEST ACTUAL	REQUEST ACTUAL	REQUEST
31,246	31,420	31,246	33,400

Art. 7. To vote to allow the Town to accept and expend the following grants, donations, or reimbursements of monies or materials for FY 07-08:

- Miscellaneous contributions, donations, grants, and reimbursements;
- Reimbursed chargeable expenses.

Art. 8. To see if the Town will vote to appropriate \$5,000 from surplus for the Fire Department Capital Improvement Fund.

Art. 9. To see what sum the Town will vote to raise and appropriate for Fire Protection for FY 07-08.

	FY 05-06	FY 06-07	FY 07-08
	Request	Request	Request
Equip., Fuel	3,000	3,000	3,000
Equip., Purchases	1,700	2,000	2,000
Equip., Repairs	2,500	2,500	2,500
Supplies	350	350	350
Dues & Subs.	200	200	0
Meals	0	0	0
Equip., Testing	0	0	0

(Art. 9, continued on next page)



A Message from State Senator Paula Benoit

Dear Friends and Neighbors:

After a long and exciting campaign, a close election and an emotional swearing-in ceremony, I am busy learning the process of the Legislature and starting to feel at home in the State Senate. It is an honor to represent the citizens of Sagadahoc County and Dresden in Augusta. It means a great deal to me that you have entrusted me with this responsibility. I want to express my heartfelt thanks to all of you who have made my service possible and I look forward to representing the residents of Arrowsic in the Maine Senate.

The 123rd Legislature is shaping up to be an exciting and action packed two years. State Senators and Representatives have submitted more than 2,400 bills for consideration, and you can be sure that there will be a lot of long nights and pots of coffee to get through all of them. I am looking forward to casting my votes on the floor of the Senate for the people of District 19.

Legislation that deals with lowering our tax burden, reducing the cost of Maine's health insurance and the Governor's proposal to consolidate school districts will take center stage. I've heard from many of you about the changes you would like to see, and I know you're looking for some action out of the legislature to make those changes a reality. I hope to hear from you on these and any other important issues coming before the Legislature.

During the first weeks of the session, I was appointed to serve on the Joint Standing Committee on State and Local Government. This committee has jurisdiction over state government organization, oversight of state officials, capitol area planning and county and regional government. I am very pleased with the committee assignment because of the opportunity to review how our state operates and make recommendations to increase government efficiency.

Once again, thank you for allowing me the opportunity to represent you in Augusta. Please let me know if I can ever be of assistance to you. I can be reached by calling my Senate office at 287-1505, home at 389-1382, or by e-mailing jbenoit@suscom-maine.net.

Sincerely,

Paula

Paula I. Benoit, State Senator

SUSAN M. COLLINS
MAINE
461 DUNSMIR SENATE OFFICE BUILDING
WASHINGTON, DC 20540-1904
202.224.2883 (FAX)



WASHINGTON, DC 20510-1904

January 2007

COMMITTEE ON
HOMELAND SECURITY AND
GOVERNMENTAL AFFAIRS, CHAIRMAN
PAMOL SERVICES
1000 GARDEN STREET
SOUTH BOSTON, MA 02125
617.452.1000

Dear Friends,

As you gather for your Annual Town Meeting, I welcome this opportunity to share some of the work that has made me proud to represent the people of Arrowsic and all of Maine in the United States Senate.

As Chairman of the Senate Homeland Security Committee, I am pleased to report that Congress made real progress in 2006 to protect our nation, including major legislation that I coauthored to improve the security of America's seaports. I also led a bipartisan effort to pass chemical security legislation that, for the first time, requires security measures at more than 3,400 chemical facilities nationwide.

Following the flawed response to Hurricane Katrina, the Homeland Security Committee conducted the most extensive investigation in its history, and I coauthored legislation that reorganizes and reunites the federal government's preparedness and response capabilities to meet the challenges of all aspects of emergency management.

Congress last year passed many pieces of legislation I authored to improve health care, assist those in need, protect our environment, support our economy and our workers, and strengthen our nation's defenses. The Older Americans Act includes my amendment to establish transportation services for America's seniors. I led the successful fight to reject proposed cuts in Medicare home health and hospice payments, and to prevent prescription drug plans from removing a drug *from* their formulary during the plan year. I have secured increased funding for diabetes and Alzheimer's research, and for support services for patients and their families.

In 2006, I helped secure a record level of funding for the Low Income Home Energy Assistance Program (LIHEAP), and Congress renewed the tax deduction I authored for teachers who spend their own money on classroom supplies and my renewable energy tax credit. The landmark Postal Reform legislation I coauthored will ensure affordable rates and preserve universal service. Major Defense bills include my provisions to help secure the future of Bath Iron Works and the jobs of our skilled shipbuilders.

I remain committed to doing all that I can to address your community's concerns on the federal level. If I may be of assistance to you in any way, I encourage you to contact my Portland office at 780-3575.

Sincerely,

Susan M. Collins United States Senator

Warrant for Town Meeting

Sagadahoc, ss:

To Chris Cummings, Constable for the Town of Arrowsic, County of Sagadahoc, State of Maine:

Greetings:

In the name of the State of Maine you are hereby required to notify and warn the inhabitants of the Town of Arrowsic qualified by law to vote in Town affairs, to assemble at the Georgetown Central School on Wednesday the 13th of June, A.D. 2007, at six-thirty in the evenings, to act on the following articles to wit:

Elections

Art. 1. To elect by ballot a Moderator to preside at said meeting.

Art. 2. To elect a Town Clerk for the ensuing year.

Art. 3. To elect by ballot, for a three-year term:

- Selectman, Assessor & Overseer of the Poor,
- Surveyor of Lumber and Bark & Fence Viewer

To elect by ballot for a three-year term:

- School Committee Member

Art. 4. To elect:

- A Treasurer
- A Tax Collector
- Any other Town Officers

(Note: 06-07 "Actuals" reflect expenditures through May 1, 2007.)

Art. 5. To see if the Town will vote to pay the following salaries to the Town Officers:

	FY 05-06	FY 06-07	FY 07-08
Selectman Chairman	2,250	2,250	2,750
Selectmen (2 @ \$2,250)	4,000	4,000	4,500
Town Clerk	3,000	3,000	3,000
Treasurer	3,000	3,000	3,000
Tax Collector	3,000	3,000	3,000
LEMA Director	100	100	250
Shellfish Committee	0	0	0
Shellfish Warden	500	500	500
Codes Enforcement Officer	2,500	2,500	2,500
Constable	500	500	500
Animal Control Officer	500	500	500
Fire Chief	2,600	2,600	2,600

**Surplus/
Dedicated
Funds** **To Be
Raised** **Amount
Voted**

Article **Description**

Salaries	33,400	
Fire Department Capital	5,000	
Fire Department Budget	12,000	
Structural Fires (bath)	5,000	
Ambulance Services (bath)	4,500	
Schools	408,871	
Scholarship Funds	6,300	
Assessor's Agent	4,500	
Roads	58,000	
Recycling	5,000	
Solid Waste	28,000	
Auditor's Report	5,600	
Septage	2,500	
Organizations	14,035	
Dues	1,078	
Contingency	3,000	
Administration	8,000	
Annual Report	3,500	
Insurance	7,200	
Utilities	3,500	
Planning Board	2,500	
Zoning Board of Appeals	100	
Conservation Commission	500	
Shellfish Conservation Commission	500	
LEMA	100	
Legal Service	3,000	
Town Office Hours Coverage	300	
Town Hall Maintenance & Improvement	6,000	
Total of Surplus and Dedicated Funds	29,835	
School and Town	602,149	
County Taxes	145,855	
Total of County Taxes, Town and School	748,004	
State Municipal Revenue Sharing	-39,178	
Total Amount to be Raised	708,826	

Previous Years

2006	706,229
2005	859,367
2004	746,252
2003	569,727
2002	517,936

If all Moneyed articles are voted as presented and property valuation stays the same, the mill rate will be approximately 11.5

Dedication



Ann Brian Christopher Dale

Ann and Dale Carlton moved to Arrowsic in 1982 just after getting married and before either one was more than twenty three years old. They came from as far away as Bath and Woolwich. The house

they bought was at the intersection of two town roads where they could watch selectpersons, planning board members, road commissioners, clerks and tax collectors, firefighters and conservation commission members, recycling committee members and Arrow editors come and go. They raised their two boys, Christopher and Brian, on the rhythms of the island as meted out by Bill Reed's school buses, Richard Elwell's plows, the Town of Arrowsic's fire trucks, the office hours at the Town Hall and the family gatherings around a dining table that afforded a clear view of the Old Stage Road. The Carlton family did their fair share of regular town doing. They worked the spring roadside cleanup and delivered town warrants for the selectpersons; they sorted their garbage into recycling and trash.; they attended town meetings and participated in winter solstice celebrations, they went trick-or-treating, and helped with the fire department.

In her official town capacities, Ann served as Town Clerk from July 1989 until the end of June 1993, but she was always more than the keeper of records and the administrator of licenses and the registrar of boats and dogs. She was also a resource, like clean water. She served as an unofficial deputy Tax Collector, assisting with excise collection when the lines for the Tax Collector got too long. Millie Stafford recalls a time she came to the Town Hall to drop off a report for the warrant. "Ann actually took the time to read the report and ask me about it before putting it in the selectman's box." Ann also served as a member of the Ladies Auxiliary to the Arrowsic Fire Department from January 1983 until 1991 and then again from 1996 to 2003, when she was the Auxiliary vice president.

Dale got officially involved with the town as a member of the Arrowsic Volunteer Fire Department, attending and then running trainings and helping new members get their bearings. Selectperson Larry Wilson credits Dale with a strong commitment to that organization. It is Dale, he says who “became the person around whom we were able to build our strong, respected and capable fire department.” Selectperson Sukey Heard recalls the days after Ike Heffron left as chief and before Chris Cummins became the chief. “Dale picked up on lots of little jobs including taking the trucks to be serviced and cleaning up the main fire barn.” Sukey and Larry both make mention of Dale’s recent work on the new little fire barn built co-operatively in the fall of 2003 on the old Frye property behind the Town Hall. “One to three times a week, Dale bundles up all the bottles at the Town Hall and takes them to the recycler,” Sukey explains. “Recently, with money collected from (returnable) bottles, Dale bought insulation and insulated the entire little barn (with some help from Brian).” He and Brian also sheet rocked the place. “Anything asked for gets done,” Chief Chris Cummins says of the Assistant Chief. “He’s a dedicated person...he steps to the plate. Captain Mike Kreindler believes that because of Dale, the department is able to meet its obligations. Where many of the volunteers work during the day, Dale works the second shift at the yard (BIW) which gives the town full coverage. “He’s versatile,” says Michael. “He’s willing to do the real physical work. Where others think and plan and talk, Dale’s a doer. He understands mechanical things. Thanks to him, our equipment is in place, because when the bell rings, it’s about doing. The Fire Department is action oriented. It has to be.”

As committed as Dale and Ann are to Arrowsic, their community also includes the city of Bath. Ann has been involved with the Parent Teacher (Student) Associations (PTA) at Fischer Mitchell School, Bath Middle School and Morse High School. She has also worked for the Bath School Department’s food service at Morse High School. Ann and fellow education advocate, Ann London, may well have attended more Bath School Board meetings than any one else in all of Bath and School Union #47 combined. Both Ann and Dale are Morse High Alumni Association members and both have had a long involvement with the Morse High All Sports Boosters, where Ann served as President and both Ann and Dale took on the task of the Booster Snack Shack. Now, the task of the Booster Snack Shack may sound like a piece of cake, but it takes no small amount of dedication to show up at game after game, season after season, ready to keep an eye on the play while making sure there are steamed hot dogs and

2007

Town of Arrowsic

Warrant Articles

Follows

Friends of the Doubling Point Light

This spectacular photograph was taken by Steve Footer of B I W, who generously allowed its use in our fall newsletter. It was shot from the property of the Maine Maritime Museum using a telephoto lens. Many of you have witnessed this always exciting passage, whether from the Lighthouse walkway, the Bath bridge, or the banks of the Kennebec.

This winter Lighthouse preservationists lost their much admired and beloved "Mr. Lighthouse," Kenneth M. Black. After retiring from the Coast Guard over 30 years ago, Ken took it upon himself to preserve an

astomishing collection of Fresnel lenses, fog bells and all manner of lighthouse artifacts which would otherwise have been lost, tossed or allowed to vanish into oblivion. Some years ago we discovered the beautiful 5th order Fresnel lens from Doubling Point Light proudly on display at Ken's Shore Village Museum in Rockland, which now has become the Maine Lighthouse Museum in handsome new quarters on the Rockland waterfront. This original French lens was removed by the Coast Guard in the 1970s when the Lighthouse was "updated" to receive a five bulb changer inside a plastic lens. We have been less fortunate in discovering the fate of the Doubling Point fog bell, removed by the Coast Guard some while later. We hope it, too, may one day sit in a museum for all to enjoy or be returned to its former site overlooking the Kennebec.

We appreciate the support of the town and of our many members. With your help we continue to keep the Lighthouse in excellent condition, which this year included the cleaning and restaining the white walkway railings. Please enjoy visiting the Light and also our website at www.doublingpoint.org



fresh popped corn for all the hungry fans.

When Mike Kreindler speaks of Dale Carlton, he credits him with being easy going, pleasant, "nice to have at your back." then talks of how it takes a dependable group of people to pull together a community fire department. I'd like to suggest that perhaps it takes the efforts of all the Carltons for any one of them to give so generously to our town, and that the pulling together has also to do with each of our little and not so little bailiwicks and how they fit into the bigger communities beyond. In giving to Arrowsic at the same time they give to Bath, Dale and Ann and Christopher and Brian pull together two communities; they demonstrate how to be a village and then show how to connect that village to the wider and more diverse world beyond.

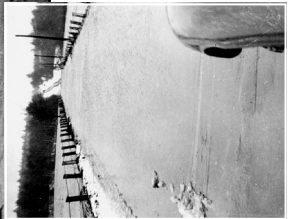
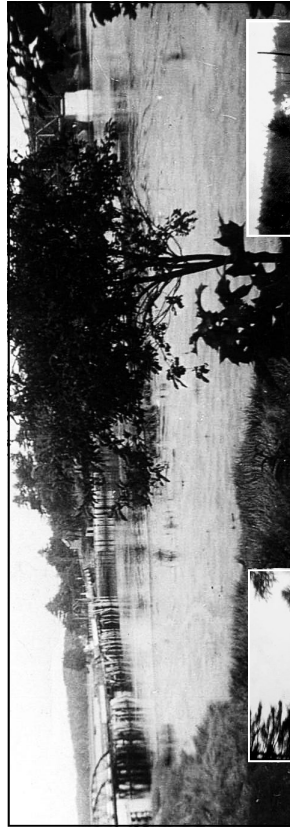
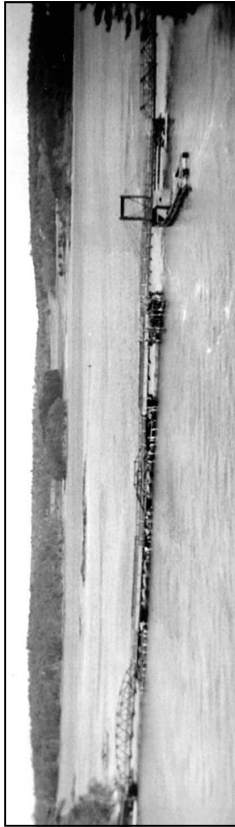
"It is with great pleasure," says Larry Wilson, "that the selectmen dedicate this year's annual report to the Carlton Family."

IN MEMORIUM
Lillian R. Gowen
2/23/21 to 4/28/07



With sadness, we report the recent death of longtime Arrowsic resident, Lillian Gowen. Lillian contributed to the town in many ways. She served as Tax Collector and Town Clerk from 1974 to 1980. She also served on the Arrowsic School Committee from 1952 to 1954. She was a member of the Ladies Auxiliary for the Arrowsic Fire Department for many, many years, and was a regular contributor to Arrowsic Artworks and Arrowsic Writers Read. A skilled seamstress, she used those talents to benefit of Grace Episcopal Church, of which she was a member, crafting a lace altar cloth and repairing clergy vestments. An enthusiastic cribbage player, she was also a regular at the Bath Senior Citizens Center. We will miss her.

Lillian, gave the pictures of old Arrowsic Road, shown below, to Larry for this years Annual Report.



Thanks Lillian

Recently, in a small ceremony at the Maine Lighthouse Museum in Rockland, we honored the last two Coast Guard family lighthouse keepers with the gift of our wood engraving print of the Range Lights. Karen and Dan McLean were stationed at the Range Lights, lived at the residence and were responsible for Coast Guard operations here, at Doubling Point Light and at Squirrel Point Light before they were fully automated in 1990

For more information or to arrange a guided tour, please contact us at fogdog@rlk.org or send donations to The Range Light Keepers, c/o Town of Arrowsic.

The Range Light Keepers

The Range Light Keepers have spent the past year in planning, planning, and more planning. Our last report concluded with a promising lead for the restoration of the Fiddler's Reach Fog Bell Tower. Although things didn't work out as we originally thought, something else quite marvelous has taken shape.



Spring 2007, photograph by Mike Kreindler

In 2006 the Keepers were awarded a matching grant from the Maine State Historic Preservation Commission to assist in the restoration of the fog bell tower. It is an honor to be selected for this recognition. Our goal is to restore the structure, bell and striker apparatus to be a complete demonstration of a mechanical fog signal station.

Earlier this year, we compiled a pictorial history of the section of the Kennebec River along Doubling Point. Entitled "Fiddler's Reach: Arrowsic's Dangerous Double Dogleg", it tells of the sometimes disastrous events that occurred here, the role of the navigational aids and keepers from the Lighthouse Service. Originally prepared for the Patten Library as part of the annual Sagadahoc History Series, the presentation will be repeated this summer at the Maine Maritime Museum.

As a result, interest and recognition for these historic structures from within the local and regional community has provided a critical mass of skilled volunteers, resources, and support for the preservation of these unique structures. Additional financial donations will still be needed to cover hard costs for this project but we are committed to moving ahead.

This year, the handsome tapered wooden tower will be lifted from its stone piers and will undergo major structural rehab and exterior refurbishing. Included in the challenge will be mounting the 1400-pound bell now residing at town hall onto the end of a cantilevered beam out over the Kennebec.

Thanks to the ongoing support of our complimentary host at Maine-based Great Works Internet (GWI), our website at www.rlk.org continues to be a portal of information about the Range Lights and Fog Signal. And special thanks go to the Town of Arrowsic and its many residents who have supported our work at the Range Lights.

2007 Selectmen's Report

Significant from 2006 Town--Meeting The 2006 Town Meeting was held at the Georgetown School on June. In addition to the usual warrant items there were two discussions that we feel important to recap here in the interest of institutional memory.

The first was a report by the School Committee on the results of their research into the merits of contracting with a local school or schools for Arrowsic children's education. The School Committee received proposals from 9 schools which they evaluated based on various factors, including tuition costs, term, required participation rate, MEA scores, overall program and condition of facilities. The Committee recommended against contracting due to the perceived advantages of school choice and the relatively insignificant impact contracting would have in reducing taxes.

Included in the warrant articles were several proposed changes to the Arrowsic Zoning Ordinance. Some were proposed by the Arrowsic Planning Board and some were the result of the work of an ad hoc committee. The ad hoc committee of Arrowsic residents came together with shared concerns about the effectiveness of our present Subdivision Ordinance to deal with the pressures of development on the island. The members of the ad hoc committee had previously come to the Selectmen with a moratorium petition that would have put on hold any pending subdivision proposals. The moratorium petition had been withdrawn after discussions with the Selectmen.

Following a lively discussion at Town Meeting, citizens overwhelmingly defeated the ad hoc committee proposals based on strong feelings that the town's process for presenting zoning ordinances had been subverted. Townspeople expressed their confidence in the Planning Board that had been appointed to act on the town's behalf regarding town zoning and subdivision ordinance review. They also made clear that all ordinance changes should be evaluated by the board and recommended for passage or defeat.

*Personnel--*It is the Selectmen's responsibility to appoint members to town committees. Following formal interviews, we appointed the following people to fill vacancies: Ray Belleville, Brian Detwiler and Jeff Galuza to the Planning Board, Gretchen MacLeod to the Shell fish Conservation Committee. Jeremy Blaiklock consented to be our Animal Control Officer, which turns out to be a bigger deal than we thought. Jeremy has received the necessary State training for certification and will now command a budget of \$250 for his yearly expenses and gear (cages, humane traps, gloves, and a long pole for picking up dead animals).

Several townspeople have volunteered as members of the Fire Department (see Chris' report) and we are pleased that they have been attending training and showing up when their pagers go off. It's a great example of public service and we thank them for their commitment to the town.

Town Hall--We continue to push forward on the repair and renovation of the Town Hall with the assistance of the Properties Committee. The Town Hall was painted this summer, the screens removed (permanently, we think), and work continues in the basement to make it suitable for storage.

Health and Safety--Ruth Fatscher has been doing an outstanding job as our local emergency management director. She represented Arrowsic at many meetings of the regional emergency management team as the pandemic flu preparations were in full swing. As Health Officer, Millie Stafford was also involved. Ruth has put a lot of effort and thought into what the town should be doing in the event of an emergency and we thank her for taking on that onerous task.

One Room Schoolhouse--Betsy Warren Davis, who owns several pieces of property on the island, made an offer to the School Committee and Selectmen to donate an acre of land on Route 127 if the town would build and operate a one-room schoolhouse there. Mrs. Davis attended one herself and believes that they provide a unique and excellent educational experience. Larry Wilson, who also attended one in western Pennsylvania, had less positive memories. After serious consideration, the School Board advised the Selectmen to refuse the offer based on the complications of the on-going regionalization process and the imminent construction of a new school in Woolwich.

Georgetown Bridge--The bridge from Arrowsic to Georgetown is scheduled to be replaced this summer by the Maine DOT. The Selectmen attended several informational meetings to understand the impact on our citizens. The existing bridge will be detached, floated westward and set up again. Traffic will be routed across the old bridge while the new one is constructed. The new bridge will be wider and have a sidewalk and bicycle lanes.

Education Issues--The Selectmen have been following the regionalization process as the Bath School System and Union 47 warily try to come up with a cooperative model for the state. Because both sides have such respect for William Shuttleworth, now the joint superintendent, he has been able to do some remarkable things. Arrowsic has been asked by the Superintendent and the Woolwich School Construction Committee to indicate our interest in sending Arrowsic children to their new school once it's built. This information would be used by the State to determine the size of the school to be constructed. This issue will likely come before the voters before long.

Tax Abatement--The Selectmen recently discovered that an incorrect figure was used in the calculation of last year's tax commitment. We mistakenly used the amount to be spent for education rather than the amount to be raised. We deeply regret our error because it caused the tax assessments to be considerably higher than they should have been. The surplus was refunded back to the tax payers with interest in April.

Road Commission Report (continued)

The specifics of the work. The State indicated that they will be working with the affected adjacent landowners.

The State Department of Transportation also re-measured the length of the Town roads this year, which affects the State Block Grant. You will be interested in knowing that based on their measurement, Arrowsic now has 12.61 miles of Town Roads, down a couple of tens of a mile from the E911 measurements taken a few years ago. It is a mystery.

In the upcoming year as many have probably noted in our budget, the Commission intends to resume the paving schedule by paving the next section of Old Stage Road due. That is the section running from about MacMahans to Withem Jones including along the Sewall Pond Conservation Area. The cost of paving has escalated dramatically in the last few years. The Commission hopes that by the time the work is done, we can still do that work for the budgeted amount.

In response to renewed difficulty with mud on the Bald Head Road, the Commission intends to push forward with building the gravel base at an increased pace. The issue of paving the road has again been raised. The Commission reiterates its position that we will pursue that possibility when a consensus of the residents of the road indicates a desire. To date that is not the case. In addition, the recent increased cost of paving makes the financial comparison to the current maintenance cost more in favor to the current gravel work.

The Commission is continuing maintenance of the E911 addressing of the Town.

For the Road Commission,
Jim Stump

Local Emergency Management Agency

This has been a busy year for emergency management. We participated in the area wide Emergency Drill in October, attended meetings to prepare for the possibility of a pandemic influenza epidemic, completed a plan for Arrowsic in the event of a pandemic influenza epidemic, and distributed pamphlets with information for residents about the pandemic flu. In the near future we hope to make water testing kits available to everyone so that the status of your water supply is known to you. The town emergency plan is nearing completion so that we are eligible for federal funds when emergencies occur.

Respectfully submitted

Ruth Fatscher

EMA Director

Road Commission Report

Following last year's Town Meeting, the Commission concentrated on catching up with maintenance on the shorter Town roads such as the Sirois Road, culvert replacement, pavement maintenance, etc. As reported at the Town Meeting, the Commission again deferred it's paving schedule. The weather and finances also limited the extent of the regular build up of the Bald Head Road.

Working out a Snowplow/Sand contract absorbed much of the Commission's time leading into the winter. Dick Elwell informed the Commission that he would not be able to plow the Town roads. Dick thought it was time for him to cut back on his winter workload. The Commission explored options, including putting the contract out to bid. The short time frame until winter, the contract cost of surrounding towns, and the uncertainty of the quality of the work caused concern. It was apparent that bidding out the work would not necessarily be financially advantageous. As October rolled into view, Charlie Collins stepped forward and offered to negotiate a contract in the same cost range as Dick's previous contract. The Town is, of course, familiar with Charlie since he plowed the Town road for several years. And the Commission proceeded to work out a one-year contract with Charlie.

This winter has been a difficult one for snowplow contractors. While the number of storms was less than usual, the character of the storms with alternating snow and freezing rain made it difficult to judge when best to plow and/or sand. As I write this in mid April, we still have snow on the ground and just had what in many locations was the heaviest storm of the year. The result of the difficult storms was that it likely appeared to residents that the quality of the snowplow work was not up to our expected standard. The Town has had the good fortune to have Dick Elwell and his crew plow the roads for over a decade and we have gotten used to that level of attention.

Looking forward to the coming year, the Commission has reviewed options. Putting the contract out to bid is time consuming, will likely result in considerably more cost, and will not likely result in higher quality work. The Commission, therefore, will recommend to the Selectmen to extend the contract to Charlie Collins with the understanding that the Commission will take some more proactive involvement to convey the high standard we have. We have discussed this with Charlie Collins and we are certain that Charlie is committed to doing a good job. We ask the Town to understand that it will be difficult, if not impossible, to match the work provided by Dick.

Thank you, Dick, for the years of great snowplowing, the standard you set will haunt us.

In other road news, there was another public meeting to review the status of the Arrowsic/Georgetown bridge. The project is moving forward. The design of the bridge is essentially complete. With the rather large caveat regarding funding, the State hopes to begin construction in 2008. There will undoubtedly be another Public Meeting when the funding is secured for those who wish to know t

Taxpayers' List

Name	Map Lot	Land	Building	Total	Exemption	Net Value	Taxes
Akar, Hamdi Jr.	002-006	254,900	2,200	257,100	0	257,100	3,470.85
Allen, Brian & Jane et al	003-047	53,100	16,500	69,600	0	69,600	939.60
Ames, Harold A. Jr & Sylvia	003-038	54,600	73,500	128,100	9,750	118,350	1,597.73
Appel, James M. Trust	003-039	83,800	58,400	142,200	9,750	132,450	1,788.08
Arseault, James E. & Holley, Lisa	005-034	65,300	136,300	201,600	9,750	191,850	2,589.98
Arseault, M.A. & P.J.	004-007	56,500	53,600	112,100	9,750	102,350	1,381.73
Ater, Michael J.	004-002-001	58,500	99,600	158,100	0	158,100	2,134.35
Ater, Robert C.	004-044-001	68,800	110,700	179,500	9,750	169,750	2,291.63
Baker, Kenneth & Heather	006-017	157,000	106,400	263,400	9,750	253,650	3,424.28
Barnes, Duncan & Ann (JT)	004-055-003	264,200	346,800	611,000	9,750	601,250	8,116.88
Bassett, Kenneth L.	005-002-002	52,700	123,900	176,600	0	176,600	2,384.10
Bassett, Leroy & Deborah	005-002	101,700	84,500	186,200	9,750	176,450	2,382.08
Beaton, Donald	003-002	219,100	20,000	239,100	9,750	229,350	3,096.23
Bejma, Anthony R & Hei-Mao	004-050-002	72,600	139,900	212,500	9,750	202,750	2,737.13
Bellefleur, Raymond & Carmen	002-019-005	180,400	121,700	302,100	9,750	292,350	3,946.73
Bertocci, Margaret	004-027	89,100	110,200	199,300	9,750	189,550	2,558.93
Bertocci, Margaret	004-027-002	8,800	0	8,800	0	8,800	118.80
Bertsch, Melane	003-012	80,000	148,100	228,100	9,750	218,350	2,947.73
Buttell, Lynn	005-004-014	220,900	150,700	371,600	0	371,600	5,016.60
Beveridge, Kathryn R.	004-014-001	83,500	219,900	303,400	9,750	293,650	3,964.28
Biehler, Jonathan	005-011-006	65,600	91,900	157,500	0	157,500	2,126.25
Biehler, J.	005-004-007	60,600	0	60,600	0	60,600	818.10
Blalock, Jeremy	005-038	68,500	65,900	134,400	9,750	124,550	1,681.43
Blalock, William	004-033	191,900	90,400	282,300	9,750	272,550	3,679.43
Blake, Lorrie A.	004-056	49,300	19,700	69,000	9,750	59,250	799.88
Blanchard, Mary Louise K.	003-005	90,900	274,300	365,200	9,750	355,450	4,798.58
Bonis, Howard L. & Susan W.	004-046-002	74,000	93,400	167,400	0	167,400	2,259.90
Boyer, Barbara	004-014-003	82,500	276,000	358,500	9,750	348,750	4,708.13
Brawn, Pamela S.	004-037	24,600	66,500	91,100	9,750	81,350	1,098.23
Brennan, Wm & Margaret C. Trust	006-008	5,300	0	5,300	0	5,300	71.55

Name	Map/Lot	Land	Building	Total	Exemption	Net Value	Tax
Brennan, Wm & Margaret C. Trust	006-010	44,800	156,600	201,400	0	201,400	2,718.90
Brett, Chris	002-002	267,500	108,000	375,500	9,750	365,750	4,937.63
Bridge, Alexander & Clare M	002-019-001	153,800	396,600	550,400	9,750	540,650	5,222.48
Briggs, Walter H. & Jane W.B	004-014	152,400	361,600	514,000	9,750	504,250	6,807.38
Brooks, David M. & Sally A.	005-004-010	219,500	140,000	359,500	9,750	349,750	4,721.63
Brown, Michael & Louise	004-001	86,400	106,600	193,000	9,750	183,250	2,473.88
Brown, Paul & Charlotte	002-012	68,700	122,700	191,400	9,750	181,650	2,450.93
Brunner, Kathleen D.	005-023	58,900	134,600	193,500	9,750	183,750	2,480.63
Bryant, Donald A. & Barbara	006-001-006	171,200	159,600	330,800	9,750	321,050	4,334.18
Burdick, Michael	005-043-000-01	0	26,500	26,500	9,750	16,750	226.13
Burke, John Ann Joanne	005-004-024	84,700	123,400	208,100	9,750	198,350	2,677.73
Campbell, Sherman & Elizabeth	004-030-001	100,100	230,900	331,000	9,750	321,250	4,336.88
Carleton, C. Edward	005-024	55,900	34,300	90,200	0	90,200	1,217.70
Carlton, Celia	005-016	38,000	31,700	69,700	9,750	59,950	809.33
Carlton, Celia	005-017	1,400	0	1,400	0	1,400	18.90
Carlton, Celia	005-025	117,700	0	117,700	0	117,700	1,588.95
Carlton, Dale & Ann	004-051	108,600	126,400	235,000	9,750	225,250	3,040.88
Carter, John S. & Karin B.	004-029-003	58,300	0	58,300	0	58,300	787.05
Cartmell, Geoffrey	003-011	84,200	93,300	177,500	0	177,500	2,396.25
Cassell, Ann L. & Michael	004-058	86,000	14,800	100,800	0	100,800	1,360.80
Caton Robert E.	006-009	24,600	37,000	61,600	9,750	51,850	699.98
Central Maine Power	003-035	314,500	0	314,500	0	314,500	4,245.75
Cerrone, Julie W.	003-003	223,400	97,200	320,600	0	320,600	4,328.10
Chaffee, John & Barbara	004-008	57,500	73,600	131,100	13,500	117,600	1,587.60
Chapin, E Barton III	002-013	144,200	154,600	298,800	9,750	289,050	3,902.18
Cimmet, Stephanie	002-019-001-002	59,000	0	59,000	0	59,000	796.50
Cobb, Leslie	004-012	66,000	91,400	157,400	0	157,400	2,124.90
Cobb, Leslie	004-019	4,300	0	4,300	0	4,300	58.05
Coleman, Gene And	005-004-020	83,700	80,100	163,800	9,750	154,050	2,079.68
Collier, David M. & Susan J.	005-004-023	87,900	176,800	264,700	9,750	254,950	3,441.83
Conner, Pat. & Fatscher Ruth Ann	005-004-012	218,500	192,100	410,600	9,750	400,850	5,411.48
Cossart, Ed & Molly	005-004-011	218,500	160,400	378,900	9,750	369,150	4,983.53

TOWN PROPERTY MANAGEMENT COMMITTEE REPORT

The Town Property Management Committee is responsible for the upkeep and improvement of structures and properties belonging to the Town. It has again been a productive year for the committee. We are happy to report that all projects planned for 2006-2007 have been completed.

Following is a list of the work that has been done:
Town Hall

- exterior sanded and painted
- windows caulked and sealed
- in-line water filter installed to reduce iron and mineral content
- oil tank repositioned, cleaning supplies, including new vacuum, purchased
- building renovations planned (American Disabilities Act compliance)
- emergency contact list compiled and posted
- ell roof replaced
- basement drainage improvements completed
- concrete basement floor installed
- basement electricity and lighting upgraded
- basement walls insulated
- concrete basement floor poured and leveled
- replacement basement windows installed

Fire Department

- deteriorating cedar siding removed
- new siding installation begun (to be completed by end of summer)

The projects anticipated for the coming year are intended to further enhance the functionality and aesthetics of the Town Hall property:

- redesign of back rooms
- aesthetic improvement of landscape and lot
- relocation of water pressure tank to basement area
- completion of building renovations for American Disabilities Act compliance

We would like to extend a special thank you to those who have contributed to various projects over the course of the year:

- | | |
|---------------|--|
| Dale Carlton | Mike Kriendler |
| Brian Carlton | John Heinz |
| Brian Elwell | Mike Kriendler |
| Dick Elwell | Ladies Auxiliary of the Arrowsic Fire Department |

Respectfully submitted,

- | | |
|--------------------|-----------------|
| BOB ATER, Chairman | GEORGE STAFFORD |
| ANN ATER | DOUG WARE |
| MILLY STAFFORD | BETTY WILSON |

Volunteer Fire Department Report

THE ARROWSIC FIRE DEPARTMENT has had a terrific year with many things happening to the fire department. We have been busy training, answering calls and updating our equipment.

Once again I would like to thank the firefighters and their families for there continued dedication and service during the year.

We have been lucky and found four new firefighters to join our department and they are fitting in very nicely. We still need to recruit firefighters to join and if interested please contact one of the firefighters for more information.

This year we have had a total of 34 calls for service in 2006. We had 30 in Arrowsic and 4 mutual aid calls, 3 in Woolwich and 1 in Georgetown.

Over the past year we have received four new radios through a Homeland security grant, at a cost savings of \$8,455 to the town. We also received a grant from the Cole Foundation out of Bangor for a brand new MSA Thermal Imaging Camera. The camera cost is over \$12,000 and the fire department had to come up with only \$1,000 which has already proving its value on calls. A special thanks to the Fire Department Ladies Auxiliary for purchasing a \$2,000 heating system for the brush barn, which has already been installed.

This year we will be applying for more grants to continue to upgrade fire department's equipment. We also intend to start replacing firefighter's turnout gear this year; our current gear is outdated and needs replacement.

In closing, I would like to thank the firefighters of the Arrowsic Fire Department who make things run smoothly, also the selectman and the citizens of the town of Arrowsic for there continued support over the years.

Respectfully submitted
 CHRISTOPHER M. CUMMINGS
 Fire Chief

General Assistance

In the fiscal year 2006-2007, the town incurred no expenses for general assistance.

Respectfully submitted
 Michele Gaillard
 Selectman and General Assistance Director

Name	Map/Lot	Land	Building	Total	Exemption	Net Value	Tax
Crabtree, Christian & Kathleen	002-019-002	78,500	234,700	313,200	9,750	303,450	4,096.58
Cunningham, Paul & Lynn	004-053-003	163,200	177,300	340,500	9,750	330,750	4,465.13
Damon, Craig & Leslie	004-053	131,900	0	131,900	0	131,900	1,780.65
Davis, James F.	004-035	107,600	60,400	168,000	0	168,000	2,268.00
Davis, Sheldon K. & Nancy	003-005-001	89,800	88,500	178,300	9,750	168,550	2,275.43
Demers, Thomas	004-050-008	78,300	91,800	170,100	9,750	160,350	2,164.73
Detwiler, Brian W, & Lyn C. (JT)	003-005-002	91,100	110,100	201,200	9,750	191,450	2,584.58
Dolan, James & Deborah	001-001	70,000	76,500	146,500	0	146,500	1,932.75
Doydenas, Barry & Linda	004-050-010	78,300	40,600	118,900	9,750	109,150	1,473.53
Downs, Georgia K.	004-029	221,900	120,500	342,400	9,750	332,650	4,490.78
Drake, Sally P.	005-011-001	70,100	82,600	152,700	9,750	142,950	1,929.83
Dresser, Arthur E. & Carol H.	003-037	59,100	162,400	221,500	9,750	211,750	2,858.63
Dube, Michael	005-005	180,200	0	180,200	0	180,200	2,432.70
Dunn, Floyd L. & Sally	003-027-001	77,700	53,200	130,900	9,750	121,150	1,635.53
Dunn, Floyd L. Jr.	003-027-004	1,800	0	1,800	0	1,800	24.30
Dunn, Floyd L. Sr.	003-027-003	73,000	0	73,000	0	73,000	985.50
Dunn, Floyd L. Sr. & Dolores M.	003-027	75,900	81,700	157,600	9,750	147,850	1,995.98
Durell, David	005-009	19,000	31,700	50,700	9,750	40,950	552.83
Edwards, Marys & Modeste, Leon	002-011	208,300	0	208,300	0	208,300	2,812.05
Elkin, Susan	006-019	163,400	186,800	350,200	9,750	340,450	4,596.08
Ellen, Allen L. & Maryanne	004-023-001	45,700	107,000	152,700	9,750	142,950	1,929.83
Ellen, Brian	003-024-003	62,500	51,700	114,200	0	114,200	1,541.70
Ellen, Fredrick & Kim	006-023	52,400	63,600	116,000	9,750	106,250	1,434.38
Ellen, Julie Ann & Roy, Sharon	003-024-002	74,000	144,100	218,100	9,750	208,350	2,812.73
Ellen, Richard	003-032	47,500	17,900	65,400	0	65,400	882.90
Ellen, Richard	004-023	69,000	0	69,000	0	69,000	931.50
Ellen, Richard	005-003	61,000	83,900	144,900	9,750	135,150	1,824.53
Ellen, Robert A.	003-024	86,400	170,000	256,400	9,750	246,650	3,329.78
Ellen, Robert A.	003-024-001	64,200	53,600	117,800	0	117,800	1,590.30
Ellen, Ronald	003-025	53,200	85,800	139,000	0	139,000	1,876.50
Ellen, Ronald C. & Susan D.	003-023	78,300	120,300	198,600	9,750	188,850	2,549.48
Favro, Phillip C. & Joan M.	004-052	37,500	88,000	125,500	0	125,500	1,694.25

Name	Map/Lot	Land	Building	Total	Exemption	Net Value	Tax
Fitzherbert, David A. & Melody	004-039	36,700	29,300	66,000	9,750	56,250	759.38
Fleming, Lora E., et al	004-055-004	238,500	120,200	358,700	0	358,700	4,842.45
Forsieff Trust	003-028	3,000	0	3,000	0	3,000	40.50
Forsieff Trust	003-035	87,300	79,200	166,500	9,750	156,750	2,116.13
Fox, Jill	004-053-002-001	42,600	0	42,600	0	42,600	575.10
Frahm, Shirley	006-003	30,000	76,200	106,200	9,750	96,450	1,302.08
Galuz, James J. & Andrea L.	002-019-003	91,700	177,000	268,700	9,750	258,950	3,495.83
Gamble, Lincoln	002-016-001	242,600	154,900	397,500	0	397,500	5,366.25
Gear, Bud S.	006-001-005	118,700	0	118,700	0	118,700	1,602.45
Geiger, Mark C. & Jennifer L.	004-042	69,700	118,900	188,600	9,750	178,850	2,414.48
Gibbons, Leo & Cindy	005-032	52,900	90,700	143,600	9,750	133,850	1,806.98
Giberson, Debra	005-004-025	83,000	162,200	245,200	9,750	235,450	3,178.58
Giles, Samuel D. & Dorothy J.	004-050-001	73,100	101,400	174,500	9,750	164,750	2,224.13
Gill, Deborah S.	006-002	37,700	59,200	96,900	9,750	87,150	1,176.53
Gilliam, Gretchen	005-011-007	77,600	184,100	261,700	9,750	251,950	3,401.33
Ginn, Adah, Trustee	005-007	106,000	0	106,000	0	106,000	1,431.00
Goodwin, Peter	004-030-003	218,500	173,700	392,200	9,750	382,450	5,163.08
Gowell, Randall	003-010	82,300	109,000	191,300	9,750	181,550	2,450.93
Gowell, Randall R.	003-009	67,200	0	67,200	0	67,200	907.20
Gowen, Lillian	006-011	29,300	35,800	65,100	13,500	51,600	696.60
Grill, Christopher J.	002-009	256,800	264,900	521,700	9,750	511,950	6,911.33
Grunthaler, George H Jr., Liv Trst	002-017-003	269,000	143,900	412,900	0	412,900	5,574.15
Guckenburgh, Gregory V. & Mary L.	005-004-022	89,900	128,300	218,200	9,750	208,450	2,814.08
Gunston, Kenneth A. & Suzanne	006-001-002	171,200	155,500	326,700	9,750	316,950	4,278.83
Hanson, June Andrea	004-029-001	232,000	271,200	503,200	9,750	493,450	6,661.58
Harcourt, Patricia L.	005-001	13,400	46,000	60,000	0	60,000	821.00
Harkins, Timothy III & Eileen	004-047	68,300	132,100	200,400	9,750	190,650	2,573.78
Harper, Mark & Debra	004-053-002	76,700	220,700	297,400	9,750	287,650	3,883.28
Harrington, Edwin Jr.	005-027-002	36,900	5,700	42,600	0	42,600	575.10
Head, Roger B. & Suzanne B.	004-057-001	160,300	170,300	330,600	9,750	320,850	4,331.48
Health, Al And Paule, Suzanne	005-011-004	79,400	119,000	198,400	0	198,400	2,678.40
Heselton, Carolyn A.	003-046	32,000	9,900	41,900	0	41,900	565.65
Hewlett, Herbert R. & Lois M. (JT)	005-004-004	86,700	133,000	219,700	9,750	209,950	2,834.33

Recycling/Solid Waste Committee Report

Recycling/Solid Waste Committee Report 2007 The most significant change in the Solid Waste picture in the last fiscal year has been the advent of Single Stream collection for recyclables and the addition to the stream of colored glass and enlarging the collection to include all types of plastic from #1 through #7.

When we all become committed to separating out recyclables it will make an important savings in our solid waste budget as currently we pay no tipping fee for recyclables, only a flat rate for pick up. The amount of trash that we generate has remained fairly stable at 150 to 160 tons yearly but the cost of disposal has risen from \$60 per ton in 2000 to \$90 a ton in 2006. This means that for the past year each resident produced 12.5 pounds of trash each week. We all hope that increased volume of recycling will be fostered, removing a significant amount of weight from the waste going to the landfill.

Arrowsic again participated with Bath and other surrounding towns in a collection of Household Hazardous Waste in May 2007. It is illegal to dispose of these items in the regular trash collection. We will continue to participate in HHW collection events. Universal Waste is the label for items that contain mercury, lead and other metals, such as TVs, computer monitors and fluorescent light bulbs, including compact fluorescent bulbs also. These items may not be put in with the trash. The owner, who will pay a modest fee for disposal, may take them to the Bath landfill or to the West Bath transfer station.

The Committee will continue to work to expand opportunities to reduce, reuse and recycle. If everyone participates it is quite possible that Arrowsic can achieve Maine's goal of recycling 50% of the solid waste stream. The town office has several handouts to help you get it right and questions may be directed to any of the committee members. REDUCE-by making responsible choices when purchasing. REUSE- by finding another use for outmoded items. RECYCLE-by sorting items that are destined to be discarded.

Recycling/Solid Waste Committee

- Heather Baker 443 - 1713
- John Hinds 443 - 4322
- Judy Jones 442 - 7612
- Roz McLean 386 - 0179
- Liz Ware 443 - 1490

Patten Free Library



The Patten Free Library is Arrowsic's Library!

The 2007 Community Read is in full swing as I'm writing this report. If any of our readers think that our community library is still only about books I hope they've either seen or heard that we have a 1939 Buick Special parked in the fiction stacks to set the scene for the events connected with *The Grapes of Wrath*. We were honored to receive a grant from the National Endowment for the Arts this year to be a Big Read library because of what we do with books and beyond books. 287 Arrowsic residents currently have Patten Free Library cards to check out videos, DVDs, books on tape or cd, magazines, CDs, and of course bestsellers. The Patten Free Library continues to be a community destination for readers, researchers, students, parents of young children, teens, seniors and everyone who values ideas, lifelong learning, and programming that enriches lives.

The Children's Room offers programming for babies age 6 mo. up through fifth grade – from Mother Goose time to preschool story time, family nights, chess club, pajama story time, bunny day, school vacation events, and a specially themed Summer Reading program (last year it was Paws, Claws, Scales, and Tales). This past year we added a program called Paws for Reading where children could sign up to read to a dog who was specially certified to be reader friendly.

Our better-than-Google reference staff continues to answer more questions even as the use of our public access computers grows and grows. The fast (T1) internet access is a convenience and word has spread about our wireless connection for laptops.

The History and Genealogy Room is hosting the third, very popular Town History series with six enlightening sessions planned, each representing one of our six communities.

Did you hear about the festive New Year's Eve fund raiser hosted by the Friends of the Library? They are an active group of library supporters who sponsor author talks, TGIF coffee mornings, and the annual Heritage Days book sale.

Your Library is a destination for multiple experiences. Come for a visit, take part in a program, or check out a DVD or bestseller. The Library's web site (www.patten.lib.me.us) always tells you "what's new".

Our funding is a partnership with Arrowsic and five other communities in our mid-coast region providing over 40% of our operating budget. We appreciate your support.

Anne Phillips

Name.....	Map/Lot.....	Land.....	Building.....	Total.....	Exemption.....	Net Value.....	Tax.....
Higgins, Richard A. & Alice T	005-011	196,300	132,500	328,800	9,750	319,050	4,307.18
Higginson, Chake K. & Peyton	003-048	36,900	27,200	64,100	0	64,100	865.35
Hight, Richard & Julie	003-030	68,100	60,300	128,400	0	128,400	1,733.40
Hight, Richard & Julie	003-049	56,300	5,900	62,200	0	62,200	839.70
Hight, Richard Jr & Jill	003-050	21,000	0	21,000	0	21,000	283.50
Hill, Frederic And Marguerite	004-030	218,200	131,300	349,500	0	349,500	4,718.25
Hill, Frederic & Marguerite	002-019-001-001	58,100	0	58,100	0	58,000	783.00
Hinds, John F. & Holly M	005-028	67,000	88,700	155,700	9,750	145,950	1,970.33
Hobbs, Jeffrey R	003-017	3,800	261,300	265,100	0	261,300	3,527.55
Holland, Raymond	003-001	225,800	137,700	363,500	0	363,500	4,907.25
Hudson, Donald & Ewing, Josephine	003-031-001	171,800	186,300	358,100	9,750	348,350	4,702.73
Inman, Harry & Elwell, Fred	006-013	42,800	92,400	135,200	0	135,200	1,825.20
Jenkins Family Trust	004-003	51,700	0	51,700	0	51,700	697.95
Jenkins Family Trust	004-044	67,500	42,700	110,200	0	110,200	1,487.70
Jenkins, Joseph A	004-044-02	68,500	105,300	173,800	0	173,800	2,346.30
Johnson, Peter & Maria	006-021	106,500	69,100	175,600	0	175,600	2,370.60
Johnson, Robert A. Liv. Trust	004-028	221,100	147,700	368,800	0	368,800	4,978.80
Jones, Judith	003-036-001	153,300	126,600	279,900	9,750	270,150	3,647.03
Jorgensen, Claire	005-007-001	78,800	0	78,800	0	78,800	1,063.80
Jorgensen, Claire Duffe et al	005-022	256,400	0	256,400	0	256,400	3,461.40
Jorgensen, Mark	005-008	281,300	210,300	491,600	9,750	481,850	6,504.98
Kahrl, Julia G	003-018	61,600	0	61,600	0	61,600	831.60
Kahrl, Julia G	002-016	862,900	0	862,900	0	862,900	11,649.15
Kahrl, Julia G	003-026	6,900	0	6,900	0	6,900	93.15
Kahrl, Julia G	003-056	200	0	200	0	200	2.70
Kahrl, Julia G et al	003-022	291,900	193,500	485,400	0	485,400	6,552.90
Kahrl, Julia G, C/O Wm Perkins	003-020	201,500	0	201,500	0	201,500	2,720.25
Kahrl, Thomas Jr. & Marguerite	002-016-002	155,600	59,300	214,900	0	214,900	2,901.15
Kalkstein, Paul & Marton	004-026	218,500	149,700	368,200	0	368,200	4,970.70
Kane, Joseph A. Jr. & Jean R	006-001-001	169,300	144,000	313,300	13,500	299,800	4,047.30
Keefe, Anthony	005-012	170,000	0	170,000	0	170,000	2,295.00
Kepler, Margaret	005-042	127,800	0	127,800	0	127,800	1,725.30
Kicken, Rudolf H	004-055-002	263,500	233,000	496,500	0	496,500	6,702.75

Map/Lot	Land	Building	Total	Exemption	Net Value	Tax
004-055-005	184,100	0	184,100	0	184,100	2,485.35
Kicken, Rudolf H.	004-055-006	115,100	0	115,100	115,100	1,533.85
Kidd, Mark R. & Nancy L.	004-050-009	78,400	77,500	155,900	146,150	1,973.03
Kimball,Duggan A. & Susan C.	002-019-007	127,600	154,800	282,400	272,650	3,680.78
King, Jeffrey H.	001-004	84,100	0	84,100	84,100	1,135.35
King, Stanley & Kathy	006-001-003	172,400	44,300	216,700	206,950	2,793.83
Kingsbury, Richard & Beverly	006-004	45,200	58,800	104,000	90,500	1,221.75
Kingsbury, Richard & Beverly	006-016	100	0	100	100	1.35
Kingsbury, Richard & Beverly	006-020	100	0	100	100	1.35
Klein, Peter	001-002	17,200	17,200	0	17,200	232.20
Knight, Michael & Bonnie	005-047	221,500	16,400	237,900	237,900	3,211.65
Knight, Mildred E.	006-012	25,800	54,400	80,200	70,450	951.08
Knowles, Robert L. & Eugenie	005-011-005	50,900	136,300	187,200	177,450	2,395.58
Kramer, Kenneth D.	002-019-009	64,800	0	64,800	64,800	874.80
Kramer, Kenneth D.	002-007	278,600	12,400	291,000	291,000	3,928.50
Kramer, Kenneth D.	002-019-008	94,600	0	94,600	94,600	1,277.10
Kreindler, Michael & Michele	004-024	250,800	194,700	445,500	435,750	5,882.63
Law, Donald	004-057-003	63,000	6,900	69,900	60,150	812.03
Lawrence, Rachel Estate	006-007	30,800	36,100	66,900	57,150	771.53
Lebrun, Leonard A.	004-050-011	68,000	88,700	156,700	146,950	1,983.83
Levesque, Clarence & Rebecca	004-040	43,100	68,500	111,600	101,850	1,374.98
Lovett, Wilbur	005-015	53,200	54,000	107,200	107,200	1,447.20
Lyden, David J.	006-014	41,800	58,300	100,100	90,350	1,219.73
MacDonald, Edward & Angela	005-045	96,700	0	96,700	96,700	1,305.45
MacKenzie, Mary Ann	004-045	60,500	85,100	145,600	145,600	1,965.60
MacLeod,Jessi Ruth, Rev. Trust	005-004-005	81,500	114,800	196,300	186,550	2,518.43
MacMahon, Joseph V. & Norma J. TC.	004-048	57,900	77,200	135,100	125,350	1,692.23
Maley, Kenneth D. & Dorothy L.	004-050-004	74,100	69,800	143,900	134,150	1,811.03
Mallett, David L.	003-004	92,200	155,100	247,300	247,300	3,338.55
Mann, Jeffrey & Laurie J.	004-050-006	101,300	68,600	169,900	160,150	2,162.03
Martin, James J & Marcela J	003-041	100,500	91,300	191,800	191,800	2,589.30
Martin,M.T. & A.J. (JT)	003-012-001	77,800	179,300	257,100	247,350	3,339.23

and I am available to discuss this if you wish.

I have also been given the opportunity to serve as the superintendent for the City of Bath and that has given me the chance to influence programming at both the middle and high schools. This is very exciting and it has opened my eyes to how valuable a seamless regional system will truly serve the needs of our kids in a much more complete way.

This is a very exciting time to be part of education and I am grateful for the privilege to serve the citizens and children in Arrowsic as their superintendent.

Sincerely,
 William C. Shuttleworth
 Superintendent

Registrar of Voters Report

The State has completed the electronic conversion of the Arrowsic's voter registration data and has confirmed that our municipality is now "live" on the Central Voter Registration System (CVR) and we are now able to maintain our town's voter data through the ElectroNet application. ElectroNet is a browser-based system and was designed to standardize and centralize the registration of voters statewide. It has taken well over a year to implement this system and there are still some bugs to iron out, but hopefully everything will be up and running smoothly by election time.

CVR is a central voter registration system for the whole state of Maine.

At this time we have 396 registered voter in the town of Arrowsic, 162 Democrats 17 Green Party, 80 Republicans and 137 Unenrolled.

Jean Kane, Registrar

Superintendent of Schools Report

Dear Citizens of Arrowsic,

What a difference a year makes. So much is happening to change the landscape for education in our area and it will affect Arrowsic. To begin with, let's start with some great news. The Arrowsic 11th graders performed at nearly the top of the state last year on the SATs. Their scores were out of this world, representing the culmination of strong family support and a well-developed educational program that meets the unique needs of strong academic students. Our Arrowsic graduates continue to go on to colleges and universities of their choice; we have many reasons to be proud of them.

During the last year, much work has been accomplished in the area of regionalization. The Regional Task Force Committee has passed their work on to the Transition Team. This team is seeking consensus on several sticky issues with the intent of initiating legislation to support a new region comprised of School Union 47 and Bath Public Schools. The handwriting is on the wall. If we do not regionalize through our own cooperative efforts, you can be sure the state will mandate it through one of several pieces of legislation currently being considered. The timeline is aggressive. It is the intent that whatever shape regionalization takes, the new region will be up and fully running by July 2008. Upon regionalization, all school boards and school districts will be dissolved and the new regional board will govern the new region. A demographer has worked to create 9 new 'wards' that will comprise the new region. Each ward will comprise parts of more than one of our communities to insure that no representative would represent just one town. If it works according to our initial plan, the new model should definitely improve student achievement and hopefully will slow the increase in the cost of education. Much work remains to be accomplished in a relatively short amount of time and many public hearings will be scheduled to allow for ample public input and dialogue. If you want to keep up with the fast pace of all of the work of the Transition Team, they have created a website, www.bathunion47.org. You can keep up with all the news and discussions on a regular basis.

As we have been working on the regional model, an Arrowsic landowner and part time resident, Betsy Warren Davis has met with the selectmen and with some members of the school committee to discuss her dream of offering land to build a one-room schoolhouse for the children of Arrowsic. Mrs. Davis has a very sweet vision of keeping kids in Arrowsic younger longer by providing them a nurturing small school setting.

The role of a new school that for Woolwich that will be open in September 2011 raises possibilities for Arrowsic to reserve slots for the school. Historically, when a new school opens it creates great excitement and interest

Name.....	Map/Lot.....	Land.....	Building.....	Total.....	Exemption.....	Net Value.....	Tax.....
McCarty, John Jr	004-034	49,300	0	49,300	0	49,300	665.55
McCarty, John Jr	005-039	86,400	0	86,400	0	86,400	1,166.40
McCarty, John Jr	005-048	900	0	900	0	900	12.15
McClead, Seth A	005-004-001	106,600	75,600	181,600	0	181,600	2,451.60
McDonald, Franklin	005-006	65,700	46,000	111,700	13,500	98,200	1,325.70
McGowan, Bonnie W	004-030-002	223,600	118,500	342,100	9,750	332,350	4,486.73
McLaughlin, John & Wells, Craik	002-017-001	268,000	187,600	455,600	9,750	445,850	6,018.98
McLean, Daniel & Karen	004-027-001	57,300	10,000	67,300	0	67,300	908.55
McLean, Rosamond	004-050-003	77,500	88,900	166,400	9,750	156,650	2,114.78
McLuer, John & Pauline	005-004-008	81,100	110,500	191,600	9,750	181,850	2,454.98
Mead Emma L	003-054	8,200	0	8,200	0	8,200	110.70
Miller, Allen Laird	002-004	267,100	197,500	464,600	9,750	454,850	6,140.48
Miller, Elaine B	006-001-004	170,000	201,600	371,600	9,750	361,850	4,884.98
Moore, George	004-038	54,500	1,600	56,100	9,750	46,350	625.73
Mount, Pamela	004-050	76,500	63,400	139,900	9,750	130,150	1,757.03
Neilson, William L & Pia B. (JT)	004-055	263,700	290,200	553,900	9,750	544,150	7,346.03
Neilson, Robert H	006-001-007	177,400	124,400	301,800	9,750	292,050	3,942.68
Nelson, Robert H	006-001-07A	0	13,200	13,200	0	13,200	178.20
Newcomb, Marcia P. Rev. Trust	006-018	82,500	228,000	310,500	9,750	300,750	4,060.13
Nodine, Annie	003-036	165,500	105,700	271,200	9,750	261,450	3,529.58
O'Donnell, Nanako & Natsuko	005-031	29,100	51,300	80,400	0	80,400	1,085.40
Olds, Patricia A & Flannery, Ann	003-031-003	75,400	90,100	165,500	0	165,500	2,234.25
O'Leary, June F & Robert W	004-002	60,500	90,500	151,000	9,750	141,250	1,906.88
O'Neil, Dennis & Kim	004-010	54,400	78,800	133,200	9,750	123,450	1,666.58
Orr, Wanda B	005-026	52,600	45,600	98,200	9,750	88,450	1,194.08
Packard, Phillip E	003-044	140,700	60,000	200,700	13,500	187,200	2,527.20
Packard, Phillip E	003-044-001	66,500	0	66,500	0	66,500	897.75
Pagan, Peter & Moira	003-004-001	75,100	114,700	189,800	0	189,800	2,562.30
Page, Robert B	002-019-006	93,600	214,700	308,300	9,750	298,550	4,030.43
Palmer, Lori & Craig	006-001-009	89,800	346,300	436,100	0	436,100	5,887.35
Paradis, Raymond R. & Anne P	005-004-015	84,600	260,600	345,200	9,750	335,450	4,528.58
Parshley, Priscilla A	005-044	174,000	4,000	178,000	0	178,000	2,403.00
Parson, Lea C	002-005	265,900	79,800	345,700	0	345,700	4,666.95

TOWN OF ARROWSIC

ANNUAL REPORT

Patzlaff, Gary H. & Nancy J.	005-011-008	68,900	47,000	115,900	9,750	106,150	1,433.03
Pelletier, R. & Pelletier-Walsh, L.	003-031	117,600	77,700	195,300	13,500	181,800	2,454.30
Peters, Jeffrey	005-004-009	219,900	308,500	528,400	0	528,400	7,133.40
Petroski, Henry & Catherine (JT)	004-016-001	218,900	125,700	344,600	0	344,600	4,652.10
Phinney, William T.	004-011	100	0	100	0	100	1.35
Pieh, Jerome & Lucy	004-018	222,700	117,800	340,500	9,750	330,750	4,465.13
Piette, James & Rebecca L.	003-030-001	67,500	109,200	176,700	9,750	166,950	2,253.83
Pinette, Jeffrey	004-054	50,600	11,000	61,600	0	61,600	831.60
Pinkham, Roger	003-007	21,500	242,800	264,300	0	264,300	3,277.80
Pope, Ralph & Jean	002-017-002	272,100	210,300	482,400	0	482,400	6,512.40
Puff, David M. & Kathleen S.	004-053-001	178,300	123,700	302,000	9,750	292,250	3,943.38
Rancourt, Peterj. & Wendy M. JT	004-036	8,600	0	8,600	0	8,600	116.10
Rancourt, Peterj. & Wendy M. JT	004-036-001	52,900	11,400	64,300	0	64,300	868.05
Raven, R.R. & Cameron, K.P. (JT)	003-051	55,400	5,600	61,000	0	61,000	823.50
Reynolds, Harrison G. II & et al	002-017-004	211,400	0	211,400	0	211,400	2,853.90
Robbins, Karen	003-031-002	77,900	99,600	177,500	9,750	167,750	2,264.63
Robbins, Mathew And Helen	004-042-001	75,600	137,200	212,800	9,750	203,050	2,741.18
Rochow, Jennifer J.	003-006-001	220,400	15,700	236,100	0	236,100	3,187.35
Rollins, John F. & Elizabeth	003-019	110,400	169,800	280,200	13,500	266,700	3,600.45
Root, Donald N. & Mary J.	003-021	47,700	79,400	127,100	13,500	113,600	1,533.60
Ross, William	005-004-021	84,300	132,700	217,000	13,500	203,500	2,747.25
Russell, Janlin	003-044-002	0	124,500	124,500	9,750	189,450	2,557.58
Safford, George & Lillian	005-002-001-01	52,500	27,100	79,600	13,500	66,100	892.35
Santerre, Robert F. & Virginia	004-057-002	159,300	557,100	716,400	9,750	706,650	9,539.78
Sasanoa Trust	005-041-001	223,700	130,300	354,000	0	354,000	4,779.00
Sasanoa Trust	005-041-002	450,100	93,700	543,800	0	543,800	7,341.30
Savedoff, Wm. & Smith, Anna Maria	005-004-019	82,200	130,100	212,300	9,750	202,550	2,734.43
Schlein, Paul & Mona	005-004-003	90,700	123,600	214,300	9,750	204,550	2,761.43
Schmacker, William & Jewett Darla	005-004-018	81,900	155,200	237,100	9,750	227,350	3,069.23
Scott, Brian D. & Nancy J.	003-040	68,100	90,400	158,500	9,750	148,750	2,008.13
Sewall, Edward III	005-029	246,000	161,300	407,300	9,750	397,550	5,366.93
Serra, Nancy J.	003-027-002	71,600	53,900	125,500	9,750	115,750	1,562.63

Waynflete School

Lincoln Academy
Mid-Coast Montessori
North Yarmouth Academy

18

57 Total students educated at public expense.

Report of students educated at public expense for the 2006-07 school year based on the October 1st state enrollment report.

Bath School Department	Grade	Enrollment
	K	1
	2	1
	3	1
	4	1
	6	2
	7	1
	8	2
	9	1
	10	6
	11	2
	12	6
		24
Georgetown Central School	K	1
	1	3
	2	2
	3	2
	4	3
	5	1
	6	1
		13
Woolwich Central School	6	1
	8	1
		2
Other:		
Brunswick	12	1
Center for Teaching and learning	K	1
	2	3
	4	3
	6	1
Hyde	12	1

Name	Map/Lot	Land	Building	Total	Exemption	Net Value	Tax
Shaw, Ronald C. & Joy C.	005-004-017	77,700	116,500	194,200	9,750	184,450	2,490.08
Shover, Evelyn	004-009	52,500	122,900	175,400	9,750	165,650	2,236.28
Shurtelt, Ernest F.	005-032-001	52,500	83,400	135,900	0	135,900	1,834.65
Shultz, Robert E.	004-016	218,100	381,500	599,600	9,750	589,850	7,962.98
Simmons, Willard & Connie L.	005-002-001	52,500	18,400	70,900	13,500	57,400	774.90
Sokol, Damian & Kehl, Janet	004-057	170,900	85,300	256,200	0	256,100	3,457.35
Spencer, James A.E.	004-032	210,600	79,100	289,700	3,750	285,950	3,860.33
Sperling, Walter J. III & Alice H.	003-008	84,200	89,000	173,200	0	173,200	2,338.20
Spinney Mill Limited	004-021-001	332,900	204,100	537,000	0	537,000	7,249.50
Spinney Mill Trust	004-021	16,700	0	16,700	0	16,700	225.45
Stafford, George	004-020	177,500	45,700	223,200	13,500	209,700	2,830.95
Stafford, George	004-020-001	100	0	100	0	100	1.35
Stahl-MacLeod, G & MacLeod, J.	005-004-002	100,000	303,100	403,100	9,750	393,350	3,960.23
Staub, Eric A. & Gay L. (JT)	004-041-001	53,100	105,500	158,600	9,750	148,850	2,009.48
Starbird, John S. Jr. & Jayne E.	005-004-006	82,500	111,400	193,900	9,750	184,150	2,486.03
Stearns, Christine J.	003-015	47,800	46,900	94,700	0	94,700	1,278.45
Stinson, Carl W. & Lucy	003-055	8,500	0	8,500	0	8,500	114.75
Stoebe, Jeffrey A. & Sarah (JT)	004-050-012	135,500	65,900	201,400	9,750	191,650	2,587.28
Stone, John & Patricia	005-033-001	68,900	98,100	167,000	9,750	157,250	2,122.88
Stone, John F. Sr. & Lillian	005-033	153,000	0	153,000	0	153,000	2,065.50
Stone, John K. P. & Kurrus, Caroline	002-003	270,000	136,600	406,600	0	406,600	5,489.10
Stump, James F. & Stump, Nancy B.	004-050-006-001	80,500	58,600	139,100	9,750	129,350	1,746.23
Sullivan, Kathleen	002-019-004	57,900	0	57,900	0	57,900	781.65
Sullivan, Michael	006-005	36,000	49,400	85,400	9,750	75,650	1,021.28
Sullivan, Timothy S.	006-006	165,000	80,500	245,500	9,750	235,750	3,182.63
Swearingen, Richard Troy	005-030	47,700	79,300	127,000	9,750	117,250	1,582.88
Tarbox, Christine & Charles	005-043-001	169,000	62,700	231,700	9,750	221,950	2,996.33
Textor, Kenneth & Melissa	006-001-008	68,400	137,400	205,800	9,750	196,050	2,646.68
Theodore, Steven & Wiebke	002-019-002-001	78,500	220,700	299,200	9,750	289,450	3,907.58
Thibeault, Cathleen	003-006	3,600	0	3,600	0	3,600	48.60
Thomas, Robert B. & Kathryn W. JT	003-043	216,000	171,800	387,800	9,750	378,050	5,103.68

2693.93	199.550	9,750	209,300	132,300	77,000	005-011-002	Tolan, James
2,476.58	183,450	9,750	193,200	95,500	97,700	003-013	Virelli, Eloise, Kalish, Robert
3,082.05	228,300	0	228,300	20,000	208,300	005-046	Von Borries, Philippe
4,459.73	330,350	9,750	340,100	120,400	219,700	005-019	Vonhune, Andreas& Katherine Mead
1,956.83	144,950	9,750	154,700	97,300	57,400	005-027-003	Warner, John W. III & Linda M.
4,698.68	348,050	9,750	357,800	191,700	166,100	002-014	Wasilewski, Erica et al
4,998.38	370,250	9,750	380,000	232,300	147,700	005-010	Weiss, David R. & Sandra W.
3,454.65	255,900	0	255,900	180,000	75,900	005-011-009	Welsh, Joseph & Lois Ann
4,192.23	327,350	9,750	337,100	119,000	218,100	005-004-013	West, Barbara & Barter, Marlene
771.53	57,150	9,750	66,900	30,100	36,800	006-015	White, John L. & Lesley M.
2,301.75	170,500	0	170,500	0	170,500	005-014	White, P. J. & Anderson, K. A.
2,277.45	168,700	0	168,700	0	168,700	005-014-001	White, Paul J.
2,466.45	182,700	0	182,700	12,600	170,100	002-015	Whitney, Rosemary F.
634.50	47,000	0	47,000	13,100	33,900	005-018	Wilkins, Lloyd & Mary
4,126.95	305,700	13,500	319,200	246,400	72,800	004-005	Wilson, Lawrence & Elizabeth
10,048.73	744,350	9,750	754,100	490,900	263,200	004-055-001	Wiseman, Elizabeth
2,314.58	171,450	9,750	181,200	98,000	83,200	004-013	Witham, Jack W.
2,260.58	167,450	9,750	177,200	93,700	83,500	005-004-016	Woodruff, Margaret S.
1,215.68	90,050	9,750	99,800	22,200	77,600	006-022	Yeaton, Guy

School Committee's Report *continued*

half of Union 47 and Bath. The state Department of Education is supporting our voluntary effort to regionalize.

Woolwich has received state approval to build a new school. It is anticipated that the school will open in the fall of 2011. This will be a wonderful addition to the choices that Arrowsic families have regarding the education of their children. The new school will continue to provide a K-8 education.

The school committee, along with the selectmen and the Union 47 superintendent reviewed a proposal from Mrs. Betsy Warren Davis regarding a one-room schoolhouse in Arrowsic. It was decided that in light of the various regionalization efforts, as well as the cost and upkeep of our own facility, it was not the time for Arrowsic to consider building its own school at the expense of the town.

Recent research has shown that pre-k education is a key component to early literacy and success in school. Last year, Phippsburg successfully began a pre-K program, financed by the town. The program allowed four-year olds to attend any of three accredited pre-K programs. The children have been transported to and from the programs for four half days each week, at the expense of the town. The Arrowsic school committee is investigating the possibility of a town financed pre-K program in the near future.

The Arrowsic School Committee meets on the first Friday of every month at 8:45 at the Union 47 Central Office in West Bath. We value input from Arrowsic residents and encourage you to come to our meetings or contact us with your comments.

Scholarship Fund Advisory Committee Report

It has been a great year of fundraising for the Committee. The citizens of Arrowsic have been very generous with donations as well, giving close to \$1000. In addition, we continued to invest a portion of the fund in a CD, in order to earn a better rate of interest. We are planning another yard sale in June, so please clean out your attics and garages and donate items for us to sell. We have a great group of seniors this year, who are very appreciative for the scholarships they will receive, and we on the Committee gratefully thank all who have helped grow the fund. Respectfully submitted,

Jeremy Blaiklock, Chairman

Arrowsic School Committee 2006-2007

This year Arrowsic educated 58 students at the expense of the town. We had budgeted for 67 students. Due to a combination of factors including children moving from town, no increase of new students, and students changing education options the actual number is quite a bit lower than was projected. Since we have fewer children in school than projected and actual tuition costs were lower than budgeted amounts, our total budget for 2007-2008 is 5.28% lower than last year.

The school committee has been working this past year with the other towns in School Union 47 (Georgetown, Phippsburg, West Bath, Woolwich) and with Bath on several issues. A situation arose at the end of 2006 in Bath when the superintendent of schools submitted her resignation. Bath approached Union 47 about contracting for the services of our superintendent, William Shuttleworth. After much discussion by the joint board, and concerned residents, it was voted to contract Mr. Shuttleworth's position to Bath as a 1/2-time superintendent. The Joint Union 47 and Bath School Boards recently met to evaluate how the split position was working. Both boards agreed that Mr. Shuttleworth was achieving the goals set forth at the beginning of 2007 and that the arrangement was mutually beneficial to both sides. Another evaluation of the arrangement will take place in June.

Building on work begun over one year ago, representatives from Union 47 and Bath have been meeting to discuss regionalization of our two school entities. Many factors led to the discussions. These included the need for a greater voice in governance at the secondary schools since many Union 47 students attend Bath Middle School and Morse High School, as well as creating cost efficiencies by streamlining services, aligning curricula and bulk buying. An appointed Task Force, with representative from all affected communities created the framework on which to build a regionalized school unit of the six towns. Both Union 47 and Bath accepted the recommendations of the Task Force. A 13 member Transition Team was then appointed to work on the details of what a regionalized school district would look like. Public workshops will take place to explain the decisions of the Transition Team as well as elicit input from the public. This team is meeting regularly and will submit a plan to be voted on by residents of all six towns this fall. The meetings of the Transition Team are open to the public, and residents are encouraged and welcome to attend. The schedule of meetings as well as minutes can be found at www.bathunion47.org.

At the state level there have been multiple proposals to consolidate school units, including one from the Governor's office that would drastically cut the number of school districts. Currently, the Appropriations Committee is looking at the recommendations from the Education Committee as well as other proposals. In light of all of the work going on at the state level, the Transition Team has been encouraged to continue its work on be-

Treasurer's Report

ASSETS

<u>Cash in Banks</u>	
Cash - FFS - Checking	76,433.82
Cash - BOA Money Mkt. Checking	679,330.10
Cash-BOA Scholarship Checking	3,740.48
G.S. Bank CD-66 - Scholarships	32,739.34
G.S. Bank CD-4 - Water Access	48,723.79
Total Cash in Banks	840,967.53
<u>Taxes and Leins Receivable</u>	
F.Y. 06-07 Taxes Receivable	42,222.78
F.Y. 02-03 Tax Liens	2,825.26
F.Y. 03-04 Tax Liens	2,984.23
F.Y. 04-05 Tax Liens	4,236.00
F.Y. 05-06 Tax Liens	644.00
Total Taxes and Leins Receivable	52,912.27

Total Assets 893,879.80

LIABILITIES AND FUNDS BALANCES

<u>Current Payables</u>	
Fisheries & Wildlife Payable	267.00
State Permits & Fees Payable	207.75
State Dog Registration Payable	12.00
Deferred Tax Revenue	26,000.00
Boat Excise Tax Due To WA Fund	171.80
Sasanoa Subdivision Payable	2,820.99
Accounts Payable	5,145.66
Total Current Payables	34,625.20
<u>Current Articles Payable</u>	
Organizations Payable	507.80
Town Hall Painting Payable	4,339.00
Town Hall Maintenance Payable	2,148.47
Legal Services Payable	2,807.50
Fire Dept. Brush Truck Payable	5,000.00
Shellfish Conservation Payable	96.39
Total Current Articles Payable	14,899.16

Treasurer's Report Continued

<u>Total Current Liabilities</u>	<u>49,524.36</u>
<u>Designated Funds</u>	
Due To Capital Improvements	73,039.59
Due To Fire Dept. Capital Imp.	73,341.89
Due To Water Access	48,723.79
Due To Scholarships	36,479.82
Due To Shellfish Conservation	1,816.00
Total Designated Funds	<u>233,401.09</u>
<u>Total Liabilities and Designated Funds</u>	<u>282,925.45</u>
<u>Surplus (Deficit)</u>	
Undesignated Funds - Surplus	217,934.52
Net Revenues (Expenditures)	<u>393,019.83</u>
Total Surplus (Deficit)	<u>610,954.35</u>

Total Liabilities and Funds Balances

-	<u>893,879.80</u>
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Revenues

	Year to Date	Fiscal Year	Variance
	06-07	06-07	06-07
	Actual R & E	Warrants/ Projections	Actual vs. Warrants
Property Tax	835,407.68	706,229.00	129,178.68
The Nature Conservancy	700.00	0.00	700.00
Shellfish Licenses & Fines	44.00	0.00	44.00
Shellfish L & Fines To SC Fund	(44.00)	0.00	(44.00)
Animal Ordinance Fines	300.00	0.00	300.00
Dog Registrations & Late Fees	280.00	0.00	280.00
Copies - Lists - Discharges	333.96	0.00	333.96
Prior Year I & F Balances	(88.00)	0.00	(88.00)
Prior Year Advanced Taxes	3,000.00	0.00	3,000.00
Town C.E.O. Fees	3,232.45	0.00	3,232.45
Town Clerk Fees	375.25	0.00	375.25
Town Tax Agent Fees	1,308.00	0.00	1,308.00
Auto Excise Tax	65,324.43	64,130.00	1,194.43
Boat Excise Tax	346.20	0.00	346.20
Boat Excise Tax To WA Fund	(346.20)	0.00	(346.20)

interpretation all played a part in preserving the owners' grandfathered land use.

The Subdivision Ordinance also got a good workout this year. A land-owner proposal included changes to an existing subdivision by moving property lines to create an additional lot. In another case, a developer sought approval for seven dwellings. I worked with the Planning Board, the Department of Environmental Protection, the applicants, and the nearby landowners in reviewing designs that were ultimately approved.

As CEO, I will continue to work to help everyone understand and abide by the Ordinances. Let them fairly reflect our collective wishes.

MICHAEL KREINDLER
Code Enforcement Officer

Code Enforcement Officer's Report

IN THE YEAR from April 27, 2006 through April 9, 2007, Code Enforcement included:

- 13 Building Permits issued:
 - 1 New Dwelling
 - 2 Addition to Dwelling
 - 1 Garage & Dwelling Addition
 - 1 Nonconforming Dwelling >50%
 - 2 Nonconforming Renovation <50%
 - 1 Nonconforming Shed >50%
 - 1 Storage Barn
 - 2 Temporary Boat Shed
 - 1 Workshop Addition
 - 1 Pool
- 5 Conditional Use Permits for:
 - 1 Dwelling in Shoreland
 - 1 Addition in Shoreland Zone
 - 2 Cutting in Shoreland Zone
 - 1 Driveway

This year marks the 5th year as your Codes Enforcement Officer and Local Plumbing Inspector. As is the standard for qualification, the State of Maine required my recertification in all major areas of responsibility by January 30, 2007. I am pleased to report that this has been completed.

I obtained 60 hours credit at state sponsored or equivalent training in five areas of concentration; Legal Issues, Land Use, Shoreland Zoning, Subsurface Wastewater Disposal, and Internal Plumbing. I attended six daylong sessions in Orono, Augusta, Rockland, and South Portland. The balance of credits was acquired by attending training in West Bath, Boothbay, Union, Rockport, Belfast, Washington, and Camden.

In town, CEO/LPI activities included permit reviews, plumbing and septic inspections, site reviews with land owners and agents, inquiries, ordinance interpretation and enforcement. The following two land use proposals were noteworthy for challenges they presented:

Structures on two properties at Duck Camp Road had been destroyed by fire. The ordinance requirements for reconstruction of non-conforming structures in the Shoreland District were administered under time-constrained circumstances and difficult site access. Deadlines for permitting, establishing accurate property line setbacks, limited structure expansion, flood plain delineation, alternative sanitation provisions, and ordinance

Treasurer's Report Continued

M.D.O.T. Block Grant	9,279.00	12,370.00	(3,091.00)
ME. Municipal Revenue Sharing	27,370.35	27,000.00	370.35
State G.I.S. Grant	1,368.00	0.00	1,368.00
Homestead & Veteran Exemption	11,854.00	0.00	11,854.00
Tree Growth	2,049.00	0.00	2,049.00
Interest Income - F.F. Savings	517.70	0.00	517.70
Interest Income - B.O. America	10,541.19	0.00	10,541.19
Interest Income-Scholarships	558.96	0.00	558.96
Interest Income To SF Fund	(558.96)	0.00	(558.96)
Interest Income-Water Access	1,173.41	0.00	1,173.41
Interest Income To WA Fund	(1,173.41)	0.00	(1,173.41)
Income - Bank Errors	0.42	0.00	0.42
Interest Income-Property Tax	994.62	0.00	994.62
Snowmobile Refunds	66.20	0.00	66.20
Town Hall Rental	50.00	0.00	50.00
Total Revenues	974,264.25	809,729.00	164,535.25
Expenditures			
Salaries - Prior Year	378.98	0.00	378.98
Salaries-Officers & Employees	28,690.28	27,100.00	1,590.28
Town C.E.O. Payments	3,232.45	0.00	3,232.45
Town Clerk Payments	333.25	0.00	333.25
Town Tax Agent Payments	1,200.00	0.00	1,200.00
Town Office Hours Coverage	0.00	300.00	(300.00)
Payroll Taxes - Prior Year	29.02	0.00	29.02
Payroll Taxes	2,559.46	4,146.00	(1,586.54)
Contingency	6,431.67	6,500.00	(68.33)
Bank Service Charges	52.22	0.00	52.22
Town Report - Printing	0.00	3,500.00	(3,500.00)
Insurances	6,864.00	7,000.00	(136.00)
Insurance Refunds	(256.00)	0.00	(256.00)
Assessor Fees/Assessing Costs	2,487.83	4,500.00	(2,012.17)
Auditors' Report	5,398.40	5,500.00	(101.60)
Municipal Utilities	2,712.17	3,500.00	(787.83)
Local Emergency Management	0.00	250.00	(250.00)
Planning Board	867.11	3,000.00	(2,132.89)
Zoning Board of Appeals	0.00	100.00	(100.00)
Conservation Commission	39.00	200.00	(161.00)
County Taxes	150,979.00	153,638.00	(2,659.00)
School Account	139,723.22	457,767.00	(318,043.78)
Road Maintenance	57,763.23	76,500.00	(18,736.77)

Treasurer's Report *continued*

Septage	1,272.50	3,000.00	(1,727.50)
Solid Waste	20,737.90	25,000.00	(4,262.10)
Recycling	3,366.03	4,850.00	(1,483.97)
Fire Department	5,503.69	12,000.00	(6,496.31)
Fire Protection - City of Bath	5,000.00	5,000.00	0.00
Ambulance Services	3,400.00	4,500.00	(1,100.00)
M.M.A. Dues	1,078.00	1,078.00	0.00
Abatements	3,880.60	0.00	3,880.60
Town Tax Report-G/L Variances	1,745.28	0.00	1,745.28
Town Tax Maps	710.00	800.00	(90.00)
Overcollected Taxes 06-07	121,422.46	0.00	121,422.46
Interest Paid On Taxes 06-07	3,642.67	0.00	3,642.67
Total Expenditures	581,244.42	809,729.00	(228,484.58)
Net Revenues (Expenditures)	393,019.83	0.00	393,019.83

Respectfully Submitted,

Ray Paradis
Treasurer

ELECTIONS

November 07 2006:
404 registered voters
304 total who voted
77% voter turnout

Most Votes:
 Referendum – TABOR, No – 164 votes
 Petition Deadlines, Yes - 139 votes
 Governor – Baldacci (D) 130 votes
 Senator – Snowe (R) 180 votes
 Congress District 1 – Allen (D) 202 votes
 Senator District 19 – Mayo (D) 162 votes
 House District 16 – MacDonald (D) 206 votes
 County Treasurer – Price 211 votes
 District Attorney – Rushlau 140 votes
 Registrar of Deeds – Troitt 213 votes

Clerks/Counters: Phine Ewing – Warden, Heather K. Baker – Deputy Warden,
 Clerks – Donald Beaton, Nancy Brown Stump, Thomas Walsh, Mary Louise Blanchard, Kenneth Textor, Marty Hill, Counters – Jeff Mann, Fred Hill, Robert Shultz, Bonney McGowen & Ann Barnes.

You may have noticed a table set up next to the polling booths. The equipment on that table was provided to the town by the state to assist voters who may not be able to vote independently in the conventional booths. The AVS (Automated Voter System) is a Vote-By-Phone voting system for accessible voting. The AVS is simple and easy to use. The voter goes to the polling place and checks in as usual. A poll worker dials into the system, enters a password and ballot access ID#, then hands the phone to the voter and leaves the voting booth to allow the voter to vote privately and independently. Please feel free to try it out at our next election.

Elections 06/06

June 13 2006:
401 registered voters
91 total who voted
23 % voter turnout

Clerks/Counter: Phine Ewing – Warden, Clerks – Heather K. Baker, Donald Beaton, Nancy Brown Stump, Wendy Briggs, Counters – Anne Barnes, Lynn Cunningham, Jeff Mann, and Mark Geiger.

June 14 2006 – Town Meeting
96 attended

Town Clerk's Report, *continued*

Independent Auditors' Report

Content

Town of Arrowsic, June 30, 2006

DOG LICENSES

	July '05-June '06 (complete)	July '06-Mar '07 (incomplete)
Male/Female (\$10)	10	15
Neutered (\$6)	93	91
Late Fee (\$15)	5	6
Total to State	\$369	\$402
Total to Town	\$186	\$184
Clerk Fees	\$103	\$108

HUNTING AND FISHING LICENSES

	July '05-June '06 (complete)	July '06-Mar '07 (incomplete)
Fish (\$22/\$21)	12	15
Hunt (\$22/\$21)	16	11
Hunt and Fish (\$38)	15	15
Duck (\$8.25/\$7.25)	8	2
Junior Hunt (\$8/\$7)	6	2
Archery (\$22/21)	2	3
Coyote (\$5/\$4)	1	1
Turkey (\$13/\$20)	4	1
Complimentary Licenses (Free)	2	1
Total Fees to State	\$1442	\$1355.50
Total Clerk Fees	\$262	\$50

Respectfully submitted,
HEATHER BAKER
Town Clerk

[Town Clerk's Report, *continued on next page*]

Financial Statements:	
Independent Auditors' Report	26
Selectmen's Financial Analysis	
Management's Discussion and Analysis	27-30
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	31
Statement of Activities	31
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	32
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Assets	32
Statement of Revenues, Expenditures and Changes in Fund Balances	33
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	33
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund (Budgetary Basis)	34
Notes to Financial Statements	35-41
Supplemental Information:	
Independent Auditors' Report on Supplemental Information	42
Combining Balance Sheet - Nonmajor Governmental Funds - Special Revenue Funds	43
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds - Special Revenue Funds	44
Schedule of Valuation, Assessment and Collection of Taxes	45



PURDY POWERS & COMPANY

Certified Public Accountants

Stephen H. Purdy, CPA, CMA Raymond G. Hamlin, CPA Richard E. Emerson, Jr., CPA, CVA
 Marc J. Powers, CPA, CVA Bruce D. Moir, CPA, JD, MPA David J. Shorelle, CPA, CVA

Independent Auditors' Report

To the Selectboard Town of Arrowsic Arrowsic, Maine

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Arrowsic, Maine, as of and for the year ended June 30, 2006, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with United States generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Arrowsic, Maine as of June 30, 2006, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund, thereof and for the year then ended, in conformity with United States generally accepted accounting principles.

The Management's Discussion and Analysis, as listed in the table of contents, is not a required part of the basic financial statements but is supplementary information required by United States generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Purdy Powers & Company

Portland, Maine
 September 6, 2006

130 Middle Street, Portland, Maine 04101 • (207) 775-3496 • FAX (207) 775-0176
 E-mail: info@cpafirme.com

Town Clerk's Report

VITAL STATISTICS April 1, 2006 – March 31, 2007

Births	Martin, Michael Thomas	06/07/06
	Appel, Jamie Michelle	07/10/06
Marriages	Crystle Lynn Tomlins & Kevin James Warner	04/01/06
	Shannon M. Levesque & Michael Charles Dudley	08/19/06
Deaths	Levesque, Clarence R.	07/26/06
	Moore, George D.	10/05/06

BOAT, ATV, SNOWMOBILE REGISTRATIONS

	July '05-June '06 (complete)	July '06-March '07 (incomplete)
BOATS \$10	30	9
\$15	34	4
\$21	20	3
\$29	22	2
Freshwater Sticker (\$10)	38	3

ATV (\$33)	19	15
Snowmobiles (\$33)	7	
Total fees to State	\$3106	\$1162
Clerk's Fees	\$237	\$232

CLAM LICENSES

	2006 Season	2007 Season (incomplete)
Resident Commercial (\$100)	1	1
Non-Resident Commercial (\$200)	2	0
Resident Recreational (\$10)	1	0
Resident Recreational (Comp)	1	0
Non-Resident Recreational	0	0

[Town Clerk's Report, continued on next page]

Shellfish Warden's Report

General Shellfish Information

PRIOR TO HARVESTING ANY SHELLFISH IN ARROWSIC, you must first obtain a shellfish license from the Town Hall. At that time, ask to look at the Repeal and Promulgation Regulation which will show you all clamflats that are open and closed. You should also pick up a Recreational shellfish Information Sheet from the Town Clerk. This way you can be absolutely sure the flats you are going to dig on are open. And prior to digging in the future, contact me at home (371-2732) or the Town Hall (443-4609). Openings and closings change at a moment's notice, so be sure to check. Open areas generally include all of the Squirrel Point Flats from May 15 through September 30. The remainder of the year, Squirrel Point Flats are closed, because up river sewage treatment plants do not chlorinate their discharge during the winter. Back River is closed due to pollution. The Shellfish Conservation Committee is working with Georgetown, Phippsburg, and the Department of Marine Resources to possibly correct the problem and move the closure line north of Crow Island. You may also be interested in checking Georgetown's website (www.state.me.us/local/sagadahoc/georgetown) where you can find a map showing Arrowsic's pollution closures. Rainfall (Maine Coast Flood), and Red Tide (Paralytic Shellfish Poisoning) are not shown on this map due to their unpredictable and constantly changing status. Openings and closings are subject to change without warning. The Warden makes every effort to post a closure sign on the bulletin board outside the Town Hall; however, never trust the absence of a sign, for they can be and, in many cases, are vandalized, or just plain vanish! The only notice you can completely trust is the one located in the Town Hall.

Please remember that if you use someone else's property to get to the clamflats, you must first obtain their permission.

The Red Tide Hotline number is 800-232-4733. If you have a problem understanding this recording, please look at a chart or map to find the points of reference being spelled out. If you are still in doubt, please call me at home for an answer.

Respectfully submitted,
 JON L. HENTZ
 Arrowsic Shellfish

SELECTMAN FINANCIAL ANALYSIS

This discussion and analysis of the Town of Arrowsic's financial performance provides an overview of the Town's financial activities for the year ended June 30, 2006 and is a requirement of the audit process. Prepared annually and included with the Auditor's Report, it presents the highlights of the town's financial position in comparison and over time rather than only in terms of revenues and expenses. It is intended to answer the question: "Has there been a change in Arrowsic's financial position as a result of this fiscal year's activities?" It will be most meaningful if read in conjunction with the Town's financial statements.

USING THE INDEPENDENT AUDITOR'S REPORT

This annual auditor's report consists of a series of financial statements:

- The **Statement of Net Assets** presents the relationship between Arrowsic assets and liabilities at the end of the fiscal year.
- The **Statement of Activities** provides information about the annual financial activities of the Town and adds the context of the previous year
- **Fund Financial Statements** tell how Arrowsic's expenditures were financed for this year's operation as well as what remains for future spending. Fund financial statements also report the town's operations in more detail by providing information about Town funds.

The Statement of Net Assets and the Statement of Activities

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by many private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report Arrowsic's net assets and changes in them. Over time, an increase or decrease in net assets is one indicator of whether our financial health is improving or deteriorating. Because Arrowsic does not carry debt, preferring to finance operations out of tax revenues or the undesignated fund, it is the value of our assets that is most important. Our assets include cash (tax payments, undesignated funds, and designated funds), taxes unpaid but expected, tax liens expected, and our capital assets like town properties, buildings and equipment. Tax payments are all earmarked for specific annual expenses so they flow in as revenues and out as we pay our bills. Each year, we use undesignated funds to pay for certain expenditures. When we spend less than approved and money is left over at the end of the year, it is added to the undesignated funds. The designated funds (water access, overboard discharge, scholarship, capital improvement, fire department capital improvement, school account and shellfish conservation) increase or decrease as voted at Town Meeting. *Our net assets as of June 30, 2006 were \$903,298. (p. 3) This is \$118,901 more than last year. (p. 4)*

Other indications of fiscal health are non-financial factors, such as the condition of the Town's roads and buildings, and the likelihood of an unexpected large expense that would affect tax rates.

In the Statement of Net Assets and the Statement of Activities, we divide the Town into its government activities explained as follows:

- Governmental activities - Most of the Town's basic services are reported here, including education, general Town administration, public safety, and public works. Property tax, excise taxes, registration fees, and state and federal grants finance most of these activities.

Fund Financial Statements

Our analysis of the Town's major funds begins with the fund financial statements on page 5 and provides detailed information about the most significant funds-not the Town as a whole. Some funds are required to be established by State law. However, the Town Selectmen establish many other funds to help control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

In the Governmental Fund Statements we report most of the Town's basic services, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of our general municipal operations and the basic services we provide. Governmental fund information helps us determine whether there are more or fewer financial resources that can be spent in the near future to finance town programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation at the bottom of the fund financial statements.

HOW ARE WE DOING?

Town Revenues and Expenses

The Town of Arrowsic took in revenues of \$1,076,719 (p. 9) from property taxes, excise taxes, intergovernmental revenues, and interest. Revenues exceeded expectations by \$59,960. Total expenses were \$959,843(p.9). Education expenses accounted for approximately 56% of total expenses, followed by public works (roads, septicage, solid waste, recycling) at 18.2%, taxes paid to Sagadahoc County at 11.3%, town administration (salaries, insurance, utilities, legal, auditing, assessing, and contingency expenses) at 8.4%, public safety (fire and ambulance) at 1.7%, and dues and support at 1.6%(all pg.9) Departmental expenditures were \$115,701 below budget. School expenditures came in at \$141,486 less than projected, which will be used to offset 2006-2007 school costs. (pg. 9)

State Support

In 2006, we received \$103,287 (pg.9) in intergovernmental revenues compared to \$71,675 in 2005. This is an increase of \$31,612. We still lag our state support of \$154,400 in 2003 and \$198,120 in 2002.

Undesignated Funds

Undesignated funds were to be used this year to defray certain town expenses, according to the wishes of the Town as expressed at Town Meeting. However, because revenues were stronger than anticipated, and departmental expenditures came in lower than expected, we funded all town operations out of revenue without using undesignated funds. We started the year with an undesignated fund balance of \$280,436 and ended with \$250,675 (pg.5). The net negative effect on the fund was \$29,761.

Shellfish Conservation Committee Report

The Arrowsic Shellfish Conservation Committee is charged with management of the Town's soft shell clam (*Mya arenaria*) resource, including enforcement of the Town shellfish conservation ordinance and applicable State regulations. This work breaks down into five areas: license allocation and issuance, enforcement, water quality sampling, shellfish conservation and administration. The Committee normally meets periodically, collects water samples from 6 stations monthly during the summer and conducts an annual shellfish survey of the Town's clam flat. In addition to the Committee members, we rely heavily on Town Clerk Heather Baker, our Shellfish Warden Jon Hentz and DMR Biologist Ron Aho.

For the 2006 season, the Town issued four commercial shell fish licenses, one to a resident and three to non residents; in addition two residents purchased recreational licenses. For the 2007 season we have allocated three commercial licenses and unlimited recreational licenses. We anticipate that the Squirrel Point flat will be open from May 15 to September 30, as in previous years. This area has the advantage of being accessible by land, using the path from Bald Head road to Squirrel Point Light.

This past winter our Chairman and long time member Peter Goodwin moved from town and thus resigned from the Committee. We thank Peter for his long service to the ASCC and especially for serving as chairman in recent years. Gretchen McLeod has joined the Committee to fill the vacancy.

The Committee would like to encourage all residents to take an interest in our clam resource. We can frequently use volunteers who would like to participate in particular activities, such as clam flat surveys. If you would like more information please call the Town Office or acting ASCC Chair William Blaiklock 443-3725.

Respectfully submitted,

William C. Blaiklock, Acting Chair

Philip Packard, Secretary

Richard Higgins

Lois Hewlett

Gretchen MacLeod

Conservation Commission Report

The Arrowsic Conservation Commission had a very busy year in 2006. The year was kicked off with the annual roadside cleanup on May 13. Twelve to fifteen people participated and almost all roadsides were cleaned with the exception of several short stretches on Rt. 127. The Nature Conservancy donated the use of their pickup truck to haul trash to the Town Hall.

Water testing at Sewall Pond was conducted from May to October. Phine Ewing, Bill and Noreen Blaiklock, and Karen Robbins were recertified by the Volunteer Lake Monitoring Program. Phosphorus levels were 34 parts per million in July, 37 ppm in August, and 49 ppm in September; our target level was 16 ppm. In addition to phosphorus, turbidity and dissolved oxygen readings were also taken. The test for E. coli was well within safe levels.

The Sewall Pond Conservation Area was cleaned of trash every week. New "Kindle No Fires" signs were posted at several locations along the shore and new "Carry In, Carry Out" and "Leave No Trace" signs were made. The misplaced "No Parking" signs were relocated after a year of searching. The remainder of the mulch pile was spread out on the trail and we are in the process of finding a new source of mulch for this year's work.

Several members of the Commission have started compiling a Flora of Arrowsic, beginning with Noreen Blaiklock compiling a list of species already recorded in other documents, including the flora of Holt Forest. To date, botanical surveys have been conducted around Sewall Pond and at Spinney Mill marsh.

There is renewed interest in alewife restoration at Sewall Pond. A survey soliciting historic knowledge of the alewife fishery was included in the Arrowsic Arrow with four surveys returned to the Conservation Commission. We are beginning to look at potential ways to improve alewife passage through the culvert under Rt. 127. We hope to begin a volunteer monitoring effort this spring to count the number of alewife returning to Sewall Pond for spawning. The obstruction in the middle of the culvert needs to be cleaned out and one debris obstruction downstream from the culvert will be removed this spring.

The fall field tour was held at Judy Karhl's property on Fisher Eddy

Respectfully submitted,
 BILL AND NOREEN BLAIKLOCK
 PHINE EWING
 ROGER HEARD
 NANCY SFERRA
 MILLY STAFFORD

Designated Funds (pg. 50 And 51)
 We have five designated funds. As of June 30, 2006:

- *Fire Department Capital Fund* increased by \$6,782 to \$73,342.
- *Water Access Fund* increased by \$3,646 to \$47,376.
- *Capital Improvement Fund* increased by \$731 to \$84,039.
- *Overboard Discharge Fund* decreased by \$1,598 to \$0.
- *School Scholarship Fund* increased by \$4,556 to \$34,671.
- *Shellfish Conservation Fund* increased by \$329 to \$2,272.

The total of these designated funds is \$241,700.

In addition, the School Fund, which holds the monies designated to be used to fund education expenses and tuition, had a positive balance at year's end of \$147,388. This is because budgeted students exceeded actual students. This balance will be carried over to offset education expenses in 2006-2007.

Capital Assets

Because of the requirements of the municipal accounting process, GASB 34, we now calculate the value of our fixed assets. Fixed assets include our real estate properties, town buildings, fire department vehicles and town roads. As you might expect, given the age of our buildings, vehicles and roads, practically everything is fully depreciated. *As of June 30, 2006, the value of our capital assets less accumulated depreciation is \$237,535. (Note C - p.14)*

Town Debt

Arrowsic continues to fund town needs from annual revenues, designated and undesignated funds. We do not anticipate the need to borrow in the near future.

Assessed Value and Mil Rate (p.21)

Each year the Selectmen determine the amount needed to fund the warrant articles voted at Town Meeting and divide that amount by the aggregate assessed value of the town to determine the mil rate. *For the year ending June 30, 2006, \$861,421 was voted to be raised from property taxes for payment of town expenses and the total assessed value of the town was \$61,530,050 making the mil rate \$14.00 per thousand dollars of valuation.*

WHAT'S ON THE HORIZON?

From a fiscal standpoint, Arrowsic is like a grandparent on a fixed income. Because our revenue expectations are proscribed and vary little from year to year, we manage our expenses with an eye to the tax rate. We invest in the children, choosing to ensure their success by sending them to the best schools we can afford. We wisely vote to contribute regularly to our (designated) savings funds which at some point will allow modest capital improvements. We buy second-hand and try to keep up with maintenance on our vehicles and buildings; usually getting the neighbors to do the work for free. Although most of us weren't Yankees to begin with, you wouldn't know it now.

Regarding education, the largest municipal expense, this coming year may see some movement on that front. With William Shuttleworth's appointment as the new superintendent for both the Bath School District and Union 47, the structure of the relationship between the Union and Bath finally looks ready to change. The Union's influence has increased at the same time Bath's political and structural problems have increased, which makes it likely that our support and advice will be more valued.

A report issued by the Regional Education Task Force recommended that Bath and Union 47 join together to form a regional education system. This would involve a change from a tuition-based system to a pro-rated cost structure. If the recommendations are accepted by the Bath and Union school boards, the new structure will still need to be vetted and voted on by the individual towns.

Woolwich has received State approval for a new K-8 school to replace the Woolwich Central School and come on line in 2011. They will want to draw as many of our students to their facility as they can. Since many of our students have been choosing Georgetown School, a gain for Woolwich could have a serious effect on the Georgetown program. It remains to be seen exactly how these changes will affect our school budget but we should all be paying close attention to these issues.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact one of the Selectmen.

Zoning Board of Appeals Report

The Zoning Board of Appeals held three appeals hearings this past year.

Respectfully submitted,
MARK C. GEIGER, Chair

Planning Board Report

The Planning Board and the Sasanoa Shore developer, beginning in September of 2005, met fourteen times (along with two site walks) on the proposed seven-lot subdivision on forty-seven acres at the confluence of the Sasanoa River and Hanson Bay. The Final Plan was approved by the Board at the March 2007 meeting. It was a very demanding site, which needed many Federal and State approvals along with considerable review of all phases of the proposal by the Board. This is the Town's first subdivision since 1991.

Four Conditional Use permits were approved this last year for two driveways and the reconstruction of two destroyed structures in the shoreland zone. At a separate public hearing, a single lot was divided into two lots in the Arrowhead Subdivision off Old Stage Road. We also met with various residents during the year to discuss zoning related issues that they had.

The Ad Hoc Committee submitted 13 articles to the Board last year in early April but we did not have sufficient time to review them and make recommendations for the 2006 Town Meeting which tabled them. The articles were reviewed and extensively discussed by the Board with the Ad Hoc Committee at two meetings in February and eight will be submitted for the 2007 Town Meeting.

At the current time we are working on the State mandated update of the shoreland zoning section of the Ordinance and we will present our recommendations to the 2008 Town Meeting. We will be doing a further updating of the Subdivision Ordinance in the future.

Nancy Sferra, Steven Theodore and Mary Hillery resigned from the Board this last year and we thank them all for volunteering their time. Mary was on the Board for over ten years and had been the Chairperson from 1999 to 2006. Brian Detwiler and Ray Belleville have recently joined the Board.

The Planning Board meets at 7:00 pm the first Monday of each month, except when that is a national holiday and then it changes to the first Wednesday. The public is welcome to come to any of our meetings.

Sincerely yours.

Roger Heard, Chairman
 Will Neilson
 Chris Brett, Jean Kane
 Brian Detwiler
 Ray Belleville

Statement of Net Assets Town of Arrowsic, Maine As of June 30, 2006

Assets	Governmental Activities
Cash	635,454
Taxes receivable	26,499
Tax liens receivable	11,607
Accounts receivable	203
Capital assets, net of accumulated depreciation	<u>237,535</u>
Total Assets	911,298
Liabilities	
Accounts payable	5,000
Other liabilities	3,000
Taxes paid in advance	<u>8,000</u>
Total Liabilities	8,000
Net Assets	
Invested in capital assets	237,535
Unrestricted	<u>665,763</u>
Total Net Assets	903,298

**Statement of Activities
 Town of Arrowsic, Maine
 For the Year Ended June 30, 2006**

	<u>Program Revenues</u>	<u>Capital</u>	<u>Charges for</u>	<u>Grants and</u>	<u>Governmental</u>
Function/Programs	Expenses	Services	Contributions	Contribution	Activities
Governmental Activities:					
Town administration	80,437	7,519			(72,918)
Public safety	24,242				(6,170)
Public works	186,094			18,072	(175,787)
County tax	108,864	10,307			(108,864)
Education	539,743	5,316			(514,267)
Dues and support	15,186				(15,186)
Unclassified	<u>9,667</u>				<u>(9,667)</u>
Total Governmental Activities	<u>964,233</u>	<u>835</u>		<u>30,467</u>	<u>(902,859)</u>
					Net
					(Expense) Revenue
					and Changes in
					Net Assets
					General revenues:
					Taxes:
					Property taxes
					861,421
					Excise taxes
					88,867
					Intergovernmental
					54,748
					Unrestricted interest income
					13,105
					Miscellaneous
					<u>3,619</u>
					Total General Revenues <u>1,021,760</u>
					Change in Net Assets
					118,901
					Net assets at beginning of year
					<u>784,397</u>
					Net Assets at End of Year <u>903,298</u>

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

**Balance Sheet - Governmental Funds Town of Arrowsic, Maine
As of June 30, 2006**

2006—2007 Tax Collector's Report, Continued

	General	Other Governmental Funds	Total Governmental Funds	
Assets				
Cash	635,454		635,454	
Taxes receivable	499		26,499	
Tax liens receivable	11,607		11,607	
Accounts receivable	203		203	
Due from other funds		<u>239,428</u>	<u>239,428</u>	
Total Assets	<u>673,763</u>	<u>239,428</u>	<u>913,191</u>	
Liabilities and Fund Balances				
Liabilities				
Accounts payable	239,428		239,428	
Due to other funds	3,000		3,000	
Taxes paid in advance	26,000		26,000	
Deferred property tax revenues	5,000		5,000	
Other liabilities	273,428		273,428	
Total Liabilities				
Fund Balances				
Unreserved:				
Designated	149,660	239,428	389,088	
Undesignated	<u>250,675</u>		<u>250,675</u>	
Total Fund Balances	<u>400,335</u>	<u>239,428</u>	<u>639,763</u>	
Total Liabilities and Fund Balances	<u>673,763</u>	<u>239,428</u>	<u>913,191</u>	

2006-2007 TAXES COLLECTED
Boat excise tax 263.20
Vehicle excise tax 61,573.05

61,836.25
61,836.25

REGISTRATION FEES COLLECTED
Vehicle registration fees 1,206.00
Retained by Motor Vehicle Agent

1,206.00

Repectfully submitted
Elizabeth Rollins
Tax Collector

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

Town of Arrowsic, Maine

As of June 30, 2006

Total Fund Balances - Governmental Funds

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

639,763

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

237,535

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

26,000

Total Net Assets - Governmental Activities 903,298

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

TAX COLLECTOR'S REPORT (Partial) July 1, 2006 - April 1, 2007

2005-2006 TAXES		
Uncollected as of June 30, 2006	24,754.33	
Interest	545.06	
Overpayments	15.67	25,315.06
Principal collected	19,132.35	
Interest	545.06	
Overpayments	15.67	
Tax liens deposited with Treasurer, Arrowsic	5,621.98	
2004-05 ABATEMENTS		
Peters, Jeffrey	587.70	587.70
2005-06 ABATEMENTS		
Peters, Jeffrey	914.20	914.20
2006-2007 TAXES		
Commitment	835,407.65	
Assessed but not committed	0.70	
Interest	70.49	
Overpayments	255.59	835,734.43
Principal collected	780,164.92	
Prepayment	110.08	
Interest	70.49	
Overpayments	255.59	
Abatements	2,378.70	
Uncollected as of April 1, 2007	52,754.65	
2006-2007 ABATEMENTS		
The Nature Conservancy	2,378.70	2,378.70
FEES COLLECTED		
Certified mail fees	73.80	
Lien fees	33.00	106.80
Retained by Tax Collector	33.00	
Paid to Treasurer, Arrowsic	73.80	106.80

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds Town of Arrowsic, Maine For the Year Ended June 30, 2006

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues			
Property taxes	865,421		865,421
Excise taxes	86,786	2,081	88,867
Intergovernmental revenues	103,287		103,287
Miscellaneous revenues	21,225	8,334	29,559
Total Revenues	<u>1,076,719</u>	<u>10,415</u>	<u>1,087,134</u>
Expenditures			
Current			
Town administration	80,208		80,208
Public safety	15,904		15,904
Public works	175,027		175,027
County tax	108,864		108,864
Education	539,743		539,743
Dues and support	15,186		15,186
Unclassified	5,467	4,200	9,667
Capital outlays	19,444		19,444
Total Expenditures	<u>959,843</u>	<u>4,200</u>	<u>964,043</u>
Revenues Over Expenditures	116,876	6,215	123,091
Other Financing Sources (Uses)			
Transfers in	3,098	11,000	14,098
Transfers out	(11,000)	(3,098)	(14,098)
Total Other Financing Sources (Uses)	<u>(7,902)</u>	<u>7,902</u>	<u>0</u>
Revenues and Other Sources Over Expenditures and Other Uses	108,974	14,117	123,091
Fund balances at beginning of year	291,361	225,311	516,672
Fund Balances at End of Year	<u>400,335</u>	<u>239,428</u>	<u>639,763</u>

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities Town of Arrowsic, Maine As of June 30, 2006

Net Change in Fund Balances - Total Governmental Funds	123,091
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital asset additions in the current period:	
Capital asset additions	19,444
Depreciation expense	(19,634)
	(190)
Property tax revenues are presented on the modified accrual basis of accounting in the governmental funds but in the Statement of Activities, property tax revenue is reported under the accrual method. The current year change in deferred property tax revenue reported in the governmental funds and not in the Statement of Activities is:	
Change in Net Assets of Governmental Activities	<u>(4,000)</u>
	<u>118,901</u>

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

Statement of Revenues, Expenditures and Changes in Fund Balance Budget and Actual General Fund (Budgetary Basis) Town of Arrowsic, Maine For the Year Ended June 30, 2006

	Budgeted Amounts		Actual	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Revenues				
Property taxes	861,421	861,421		4,000
Excise taxes	85,000	85,000	86,786	1,786
Intergovernmental	69,938	69,938	103,287	33,349
Interest			6,332	6,332
Miscellaneous	400	400	14,893	14,493
Total Revenues	1,016,759	1,016,759	1,076,719	59,960
Expenditures				
Current				
Town administration	72,439	72,439	80,208	(7,769)
Public safety	21,250	21,250	15,904	5,346
Public works	175,000	175,000	175,027	(27)
County tax	108,864	108,864	108,864	
Education	681,229	681,229	539,743	141,486
Dues and support	15,262	15,262	15,186	76
Unclassified	1,500	1,500	5,467	(5,467)
Capital outlays			19,444	(17,944)
Total Expenditures	075,544	1,075,544	959,843	115,701
Revenues Over (Under) Expenditures	(58,785)	(58,785)	116,876	175,661
Other Financing Sources (Uses)				
Operating transfers in	1,500	1,500	3,098	1,598
Operating transfers out	(11,000)	(11,000)	(11,000)	
Utilization of designated surplus	10,925	10,925		(10,925)
Utilization of undesignated surplus	73,668	73,668		(73,668)
Total Other Financing Sources (Uses)	75,093	75,093	(7,902)	(82,995)
Revenues and Other Sources Over (Under) Expenditures and Other Uses	16,308	16,308	108,974	92,666
Fund balance at beginning of year			<u>291,361</u>	
Fund Balance at End of Year			<u>400,335</u>	

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

2005-2006 UNCOLLECTED TAXES AS OF JUNE 30, 2006				
*Bertschy, Melane (balance)	2,053.19			
*Caton, Robert E.	704.06			
*Damon, Craig & Leslie (balance)	6.16			
Davis, Sheldon K. & Nancy	2,337.86			
*Edwards, Marlys & Modeste, Leon (balance)	467.64			
*Fitzherbert, David & Melody	765.66			
Harcourt, Patricia L.	644.00			
*Kicken, Rudolf H. (balance)	2,995.44			
*Kicken, Rudolf H.	2,577.40			
*Kicken, Rudolf H.	1,611.40			
*MacMahan, Joseph V & Norma J.	1,733.06			
*O'Neil, Dennis & Kim	1,706.46			
Orr, Wanda B.	1,216.46			
*Pinette, Jeffery	862.40			
*Rancourt, Peter J. & Wendy M. (balance)	204.08			
*Stone, John	2,179.66			
*Warner, John W. III & Linda M.	938.00			
*Warner, John W. III & Linda M.	1,093.40			
Wilkins, Lloyd & Mary	658.00			24,754.33
* Paid in full before going to lien				
FEES COLLECTED				
Certified mail fees	70.72			
Lien fees	48.00			118.72
Retained by Tax Collector	48.00			
Paid to Treasurer, Arrowsic	70.72			118.72
2005-2006 EXCISE TAXES COLLECTED				
Boat excise tax	1,976.20			
Vehicle excise tax	85,111.15			87,087.35
Paid to Treasurer, Arrowsic				87,087.35
REGISTRATION FEES COLLECTED				
Vehicle registration fees	1,812.00			1,812.00
Retained by Motor Vehicle Agent				
Respectfully submitted				
Elizabeth Rollins				
Tax Collector				

TAX COLLECTOR'S REPORT July 1, 2005 - June 30, 2006

2004-2005 TAXES			
Uncollected as of June 30, 2005	31,148.12		
Interest	734.05		31,882.17
Principal collected	20,627.36		
Interest	734.05		
Tax liens deposited with Treasurer, Arrowsic	10,520.76		31,882.17
2002-03 ABATEMENTS			
Jorgensen, Claire	231.98		231.98
2003-04 ABATEMENTS			
Dunn, Floyd	53.50		
Jorgensen, Claire	245.03		
Packard, Phillip	170.13		468.66
2004-05 ABATEMENTS			
Dunn, Floyd	54.00		
Jorgensen, Claire	296.40		
Packard, Phillip	190.80		541.20
2005-2006 TAXES			
Commitment	861,420.70		
Interest	744.19		
Overpayments	14.11		862,179.00
Principal collected	829,895.01		
Prepayment	3,000.00		
Interest	744.19		
Overpayments	14.11		
Abatements	3,771.36		
Uncollected as of June 30, 2006	24,754.33		862,179.00
2005-2006 ABATEMENTS			
Carlton, Dale and Ann	483.00		
Dunn, Floyd	60.90		
Kahl, Thomas and Marguerite	840.00		
Kalkstein, Paul	345.80		
The Nature Conservancy	1,173.20		
Packard, Phillip	222.60		
Abatement A	645.86		3,771.36

Notes to Financial Statements, Town of Arrowsic, Maine

Note A - Summary of Significant Accounting Policies

Notes to financial Statements, Town of Arrowsic, Maine

Note A - Summary of Significant Accounting Policies

The Town of Arrowsic, Maine was incorporated under the laws of the State of Maine and operates under a Selectboard form of government. The accounting policies of the Town of Arrowsic conform to 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. The more significant accounting policies established in GAAP and used by the Town are discussed below.

Principles Determining Scope of Reporting Entity

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

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

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

Basis of Presentation

Government-wide Financial Statements

The statement of net assets and statement of activities report information about the reporting government as a whole. Governmental activities are normally supported by taxes and intergovernmental revenues.

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

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

Fund Financial Statements

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

Governmental Activities

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

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

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

Basis of Accounting

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

Accrual

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

Modified Accrual

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

Cash and Cash Equivalents

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

Inventories

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

Capital Assets

In the government-wide financial statements, capital assets purchased or acquired with an original cost of \$10,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line method. Estimated useful lives are as follows: land improvements, 20 years; buildings and improvements, 20 to 50 years; infra-



A Rainy Day on Spinney Mill Road

Schedule of Valuation, Assessment and Collection of Taxes

Town of Arrowsic, Maine

For the Year Ended June 30, 2006

Valuation			
Real estate		61,530,050	
Personal property			
		<u>61,530,050</u>	
Assessment			
	Valuation x rate	\$ 61,530,050 x 0.014	861,421
Supplementals			
	Total Assessment Charged to Collector		861,421
Collection and Credits			
Cash collections		832,896	
Tax abatements		<u>3,771</u>	
	Total Collection and Credits		836,667
	2006 Taxes Receivable - June 30, 2006		<u>24,754</u>

See accompanying independent auditors' report on supplemental financial statements.

structure, 40 to 50 years; and vehicles and equipment, 10 to 15 years. In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets are not capitalized and related depreciation is not reported in the fund financial statements.

Vacation and Sick Leave

Under the terms of the personnel policies of the Town, paid vacation and sick leave is not available. As such, no liability for accrued compensated absences exists.

Budget

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

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

Early in the second half of the last fiscal year, the Town prepared a budget for this fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.

A vote of the inhabitants of the Town of Arrowsic was then taken for the purpose of adopting the proposed budget after public notice of the vote was given.

The budget was adopted subsequent to passage by the inhabitants of the Town.

The Town does not adopt budgets for special revenue funds.

Estimates

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

Interfund Activity

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

Revenue Recognition - Property Taxes

The Town's property tax for the current year was levied November 14, 2005, on the assessed value listed as of April 1, 2005, for all real and personal property located in the Town. Taxes were due January 17, 2006. Interest on unpaid taxes commenced on January 18, 2006 at 5.0% 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.

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 \$16,308 (1.9%) for the year ended June 30, 2006.

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.

Note B - Cash

The Town conducts all its banking transactions with its depository banks.

Custodial Credit Risk - Deposits

At June 30, 2006, the carrying amount of the Town's deposits was \$635,454 and the bank balance was \$681,302. The difference between these balances relates to deposits in transit, outstanding checks, and cash on hand at year-end.

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy on custodial credit risk. At June 30, 2006, \$403,743 of the Town's bank balance of \$681,302 was exposed to credit risk as follows:

Uninsured and uncollateralized 403,743

Note C - Capital Assets

	Beginning Balance	Additions	Retire- ments	Ending Balance
Governmental Activities:				
Non-Depreciable Assets:				
Land	74,001			74,001
Depreciable Assets:				
Land improvements	1,328,000			1,328,000
Buildings and improvements	18,250			18,250
Vehicles and equipment	77,000	19,444		96,444
Totals at historical cost	<u>1,497,251</u>	<u>19,444</u>		<u>1,516,695</u>
Less accumulated depreciation:				
Land improvements	1,189,626	11,067		1,200,693
Buildings and improvements	2,100	425		2,525
Vehicles and equipment	67,800	8,142		75,942
Total accumulated depreciation	<u>1,259,526</u>	<u>19,634</u>		<u>1,279,160</u>
Capital Assets, Net	<u>237,725</u>	<u>(190)</u>		<u>237,535</u>

Depreciation expense was charged to the following functions

Governmental activities:

General government	229
Public safety	8,338
Public works	<u>11,067</u>
Total governmental activities depreciation expense	<u>19,634</u>

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

	School Scholarship Fund	Overboard Discharge Grant Fund	Capital Improvement Fund	Water Access Fund	Fire Dept. Capital Improvement Fund	Capital Improvement Fund	Operating transfers in Other Financing Sources(Uses)	Operating transfers out Total Other Financing Sources(Uses)	Revenues and Other Sources Over (Under) Expenditures and Other Uses	Fund balances at beginning of year	Fund Balances at End of Year
Revenues	6,772	1,194	2,231	1,565	1,782	1,782	5,000	5,000	66,560	73,342	
Interest income				2,081							
Excise tax - boats											
Miscellaneous	2,081										
Total Revenues	<u>1,562</u>	<u>2,756</u>	<u>2,231</u>	<u>3,646</u>	<u>1,782</u>	<u>1,782</u>	<u>5,000</u>	<u>5,000</u>	<u>66,560</u>	<u>73,342</u>	
Expenditures	4,200	4,200									
Current											
Capital outlay	4,200	4,200									
Total Expenditures	<u>4,200</u>	<u>4,200</u>									
Revenues Over (Under) Expenditures	(1,444)	(1,444)	2,231	3,646	1,782	1,782	5,000	5,000	6,782	6,782	
Other Financing Sources(Uses)	11,000	6,000	(1,598)	(1,500)	(1,500)	(1,500)	(1,598)	(1,598)	83,308	84,039	
Operating transfers in											
Operating transfers out	(3,098)	7,902	(1,598)	(1,500)	(1,500)	(1,500)	(1,598)	(1,598)	83,308	84,039	
Total Other Financing Sources(Uses)	<u>7,902</u>	<u>6,000</u>	<u>(1,598)</u>	<u>(1,500)</u>	<u>(1,500)</u>	<u>(1,500)</u>	<u>(1,598)</u>	<u>(1,598)</u>	<u>83,308</u>	<u>84,039</u>	
Revenues and Other Sources Over (Under) Expenditures and Other Uses	14,117	4,556	(1,598)	3,646	6,782	6,782	5,000	5,000	6,782	6,782	
Fund balances at beginning of year	225,311	30,115	1,598	43,730	47,376	47,376	66,560	66,560	47,376	47,376	
Fund Balances at End of Year	<u>239,428</u>	<u>34,671</u>	<u>84,039</u>	<u>47,376</u>	<u>54,158</u>	<u>54,158</u>	<u>71,560</u>	<u>71,560</u>	<u>54,158</u>	<u>54,158</u>	

See accompanying independent auditors' report on supplemental financial statements.

Combining Balance Sheet Nonmajor Governmental Funds - Special Revenue Funds
Town of Arrowsic, Maine As of June 30, 2006

Assets	Cash	Due from other funds	Total Assets	Liabilities and Fund Balances	Liabilities	Fund Balances	Unreserved - designated
			73,342	73,342	73,342	73,342	73,342
			<u>73,342</u>	<u>73,342</u>	<u>73,342</u>	<u>73,342</u>	<u>73,342</u>
			47,376	47,376	47,376	47,376	47,376
			<u>47,376</u>	<u>47,376</u>	<u>47,376</u>	<u>47,376</u>	<u>47,376</u>
			84,039	84,039	84,039	84,039	84,039
			<u>84,039</u>	<u>84,039</u>	<u>84,039</u>	<u>84,039</u>	<u>84,039</u>
			34,671	34,671	34,671	34,671	34,671
			<u>34,671</u>	<u>34,671</u>	<u>34,671</u>	<u>34,671</u>	<u>34,671</u>
			<u>239,428</u>	<u>239,428</u>	<u>239,428</u>	<u>239,428</u>	<u>239,428</u>
			<u>239,428</u>	<u>239,428</u>	<u>239,428</u>	<u>239,428</u>	<u>239,428</u>

See accompanying independent auditors' report on supplemental financial statements.

Note D - Interfund Receivables and Payables
Interfund balances at June 30, 2006 consisted of the following individual fund receivables and payables

	Receivables	Payables	Net Internal Balances
	Due from	Due to	
Governmental Activities			
<u>General Fund:</u>			
<u>Other Governmental Funds:</u>			
Special Revenue:			
Fire Dept. Capital Improvement	73,342	\$(73,342)	
Water Access Fund	47,376	(47,376)	
School Scholarship	34,671	(34,671)	
Capital Improvement Fund	84,039	(84,039)	
	<u>239,428</u>	<u>(239,428)</u>	
<u>Other Governmental Funds:</u>			
Special Revenue:			
General Fund:			
Fire Dept. Capital Improvement	73,342		
Water Access Fund	47,376		
School Scholarship	34,671		
Capital Improvement Fund	84,039		
	<u>239,428</u>		
	<u>239,428</u>	<u>(239,428)</u>	

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Note E - Interfund Transfers
Interfund transfers for the year ended June 30, 2006 consisted of the following amounts:

	Transfers In	Transfers Out	Net Transfers
Governmental Activities			
<u>General Fund:</u>			
<u>Other Governmental Funds:</u>			
Special Revenues	3,098	(11,000)	(7,902)
<u>Other Governmental Funds:</u>			
Special Revenues:			
General Fund	11,000	(3,098)	7,902
	<u>14,098</u>	<u>(14,098)</u>	<u>7,902</u>
	<u>11,000</u>	<u>(11,000)</u>	<u>(7,902)</u>
	<u>25,098</u>	<u>(25,098)</u>	<u>7,902</u>
	<u>11,000</u>	<u>(3,098)</u>	<u>7,902</u>
	<u>14,098</u>	<u>(14,098)</u>	<u>7,902</u>
	<u>25,098</u>	<u>(25,098)</u>	<u>7,902</u>

Transfers are used to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note F - Designated Fund Balance

At June 30, 2006, the designated fund balance applicable to future periods was as follows

Shellfish Conservation Commission	2,272
School Account	<u>147,388</u>
	<u>149,660</u>

Note G - Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; and natural disasters for which the Town either carries commercial insurance or is effectively self-insured. Currently, the Town carries commercial insurance for any risks of loss to which it may be exposed. Based on the coverage provided by commercial insurance, the Town is not aware of any material actual or potential claim liabilities that should be recorded at June 30, 2006

Note H - Related Party Transactions

The Town conducts business with Richard Elwell, a construction contractor, who is also the Town's Road Commissioner. During the fiscal year ended June 30, 2006, the Town paid Mr. Elwell \$41,003 for road maintenance services.

Note I - Expenditures Over Appropriations

The following appropriations were exceeded by actual expenditures

	<u>Excess</u>
Town officer salaries	852
Contingency	301
Planning board	514
Road maintenance	850
Solid waste	526



PURDY POWERS & COMPANY
Certified Public Accountants

Stephen H. Purdy, CPA, CMA
 Raymond G. Hamlin, CPA
 Richard E. Emerson, Jr., CPA, CVA
 Marc J. Powers, CPA, CVA
 Bruce D. Moir, CPA, JD, MPA
 David J. Shorette, CPA, CVA

Independent Auditors' Report on Supplemental Information

**To the Selectboard
 Town of Arrowsic
 Arrowsic, Maine**

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental information contained in the following schedules for the year ended June 30, 2006, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Purdy Powers & Company

Professional Association

**Portland, Maine
 September 6, 2006**