
ANNUAL REPORT
OF THE
MUNICIPAL OFFICERS

OF THE TOWN OF
ISLE au HAUT, MAINE



Also included:
Annual Town Meeting Warrant



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OF THE
MUNICIPAL OFFICERS
OF THE TOWN OF
ISLE AU HAUT, MAINE



2017

Also included:
Annual Town Meeting Warrant





Art credits: Abigail Schrader Hiltz

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List of Town Officers 2017

Selectboard	First	Peggi Stevens
	Second	Daniel MacDonald
	Third	Alvah MacWilliam
Clerk		Roz Santospago
Treasurer		Karen Teague
Tax Collector		Lisa Turner
Assessors	Chair	Debra Schrader Tina Tully Linda Greenlaw
Fire Chief		Luther Smith
Road Commissioner		Leland Small
School Board	Chair	Kendra Chubbuck (2018) Karen Teague (2018) Alison Richardson (2019) Roz Santospago (2019) Melanie Guzek (resigned) (2020) Maria Lombardo (appointed until Town Meeting)
Planning Board	Chair	Tucker Runge (2020) Daniel MacDonald (2020) Christine Hill (2019) William Stevens (2018) Melanie Guzek (resigned) (2018) Wendell Chamberlain (appointed until Town Meeting)
	Alternate	Wendell Chamberlain (2019) (appointed regular member)
	Alternate	Jeffery Burke (2020)

Lighthouse Committee	Lisa Turner (2020) Jeffery Burke (2019) Alison Richardson (2020) Martha Greenlaw (2019) Bernadine Barter (2018)
Alternate	Marshall Chapman (2018)
Alternate	Kathie Fiveashe (2018)
Colwell Ramp Committee	Daniel MacDonald (Selectboard) (yearly) Linda Greenlaw Wessel (2019) Bob Gerber (2018)
Maine Island Coalition	Kendra Chubbuck (2018)
Alternate	Rudi Graf (2019)
Harbormaster	Tucker Runge (2018)
Local Plumbing Inspection	Roger Stone (2018)
Code Enforcement Officer	Robert Gerber (resigned) Matthew Skolnikoff (2018)
Emergency Management Director	Alison Richardson (2018)
911 Addressing Officer	Tucker Runge (2018)
Animal Control Officer	Selectboard
Overseers of the Poor	Selectboard
Sealer of Weights and Measures	Selectboard
Surveyors of Wood and Lumber	Selectboard

ANGUS S. KING, JR.
MAINE

1 HART SENATE OFFICE BUILDING
12071 224-5344
website: <http://www.king.senate.gov>

United States Senate

WASHINGTON, DC 20510

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

January 3, 2018

Dear Friends,

Representing Maine in the United States Senate is an honor.

I continue my work on the Senate Armed Services Committee, each year authorizing the funding required to build our military capabilities and ensuring that our service members are trained and equipped to defend our nation. I was pleased to be part of a bipartisan effort to enact a new law to simplify the appeals review process to reduce the backlog our veterans are facing, as well as a new law that provides critical funding to the VA Choice Program, allowing veterans in rural Maine to access services closer to home.

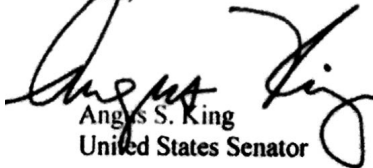
While my committee work is important, working to combat the opioid epidemic is one of my top priorities. Although Congress has made some important strides, much remains to be done to provide additional funding for prevention, treatment and enforcement. I am working with colleagues on both sides of the aisle to pressure the Drug Enforcement Administration to reduce the amount of opioids produced and to thwart the flow of fentanyl and other deadly drugs into our country.

I am very optimistic about the integrated, multiagency effort I led with Senator Collins to foster innovation and commercialization in Maine's forest economy. Through the Economic Development Assessment Team (EDAT) we are already experiencing increased federal investments that will strengthen our existing forest products industry and help support job creation in rural communities. Initiatives like Cross Laminated Timber, Combined Heat and Power, nanocellulose, 3D printing with biobased materials and other biobased products will mean that Maine's wood-basket will continue to be a major jobs and economic contributor for our future.

Finally, the coming year will continue the work of the Senate Select Committee on Intelligence in the ongoing investigation of Russian interference in the 2016 election. Our Committee has held seven public hearings and numerous classified sessions, reviewed tens of thousands of pages of documents and conducted hundreds of interviews. I remain focused on the security of our elections and committed to developing strategies to prevent interference by foreign governments in our democracy.

May 2018 be a good year for you, your family, your community and our great State.

Best,



Angus S. King
United States Senator

AUGUSTA
Arlene Drive, Suite F1
Augusta, ME 04330
(207) 622-8282

BANGOR
202 Harlow Street, Suite 20350
Bangor, ME 04401
(207) 946-8000

PRESQUE ISLE
168 Academy Street, Suite A
Presque Isle, ME 04769
(207) 764-8124

SCARBOROUGH
383 US Route 1, Suite
Scarborough, ME 0407
(207) 883-1988

2162 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515

PHONE: 202-225-6116
FAX: 202-225-5590

WWW.PINGREE.HOUSE.GOV



COMMITTEE ON APPROPRIATIONS

SUBCOMMITTEES:
AGRICULTURE, RURAL DEVELOPMENT, AND
RELATED AGENCIES

INTERIOR, ENVIRONMENT, AND RELATED
AGENCIES

CHELLIE PINGREE
CONGRESS OF THE UNITED STATES
1ST DISTRICT, MAINE

Dear Friend,

I hope this letter finds you well. It's a privilege to share an update on my work to represent you and your family in Washington and in Maine.

Even though Washington is so bitterly divided these days, I've continued to look for bipartisan opportunities to address issues important to our state. Nearly all the bills I've introduced this Congress have Republican cosponsors.

One piece of legislation would help protect our state's economy by investing in working waterfronts. Another would allow Mainers to import less expensive prescriptions from Canada. And several bills would help our farmers capitalize on the fastest growing areas of agriculture—local and organic sales—by investing in research, increasing consumer access to healthy food, and improving farmer programs.

I'm happy to report bipartisan victories for our veterans as well. After working for years with Maine's Congressional Delegation, we were finally able to push a much-needed expansion of the Portland VA Community Based Outpatient Clinic through Congress. Legislation I introduced to help veterans who find themselves in debt to the Department of Veterans Affairs unanimously passed the House of Representatives. And full GI Bill benefits were extended to a group of veterans who had been denied them previously—an issue I've introduced legislation to address.

While I strive to find common ground with my colleagues on everything from rural broadband access to economic development, there are many areas where I will not compromise. I have serious concerns about the direction the Trump Administration and its allies in Congress are taking our country. In so many ways, they have abandoned America's leadership in the world, made our country less safe, and are jeopardizing our future. They've weakened our health care system, rigged the tax code against working families, and endangered the environment. With one hand, they are taking away resources our families and communities need. With the other, they are offering generous giveaways to giant corporations and the wealthiest Americans.

Over the last year, I've received an unprecedented amount of feedback on these issues from my constituents. With their concerns and interests in mind, I have fought hard against these policies. I will continue using my role in Congress and the Appropriations Committee to hold the Administration and the President accountable.

Please keep in touch with your views or if there is anything I might be able to help you with. My office assists hundreds of constituents every year who have issues with federal programs or agencies. It's an honor to serve you.

Take care,

Chellie Pingree
Member of Congress

2 PORTLAND FISH PIER, SUITE 304
PORTLAND, ME 04101
PHONE: 207-774-5019
FAX: 207-871-0720



1 SILVER STREET
WATERVILLE, ME 04902
PHONE: 207-873-5713
FAX: 207-873-5717

SUSAN M. COLLINS
MAINE

413 DIRKSEN SENATE OFFICE BUILDING
WASHINGTON, DC 20510-1904
(202) 224-2523
(202) 224-2493 (FAX)

United States Senate

WASHINGTON, DC 20510-1904

Dear Friends:

It is an honor to represent Maine in the United States Senate. I am grateful for the trust the people of our State have placed in me and welcome this opportunity to share some key accomplishments from this past year.

Maine has the oldest average age in the nation. As Chairman of the Senate Aging Committee, my top three priorities for the Committee are fighting fraud and financial abuse directed at our nation's seniors, increasing investments in biomedical research, and improving retirement security. Following the Committee's investigation into skyrocketing prescription drug costs, I authored bipartisan legislation to foster generic competition, which was signed into law. The Aging Committee's toll-free hotline (1-855-303-9470) makes it easier for seniors to report suspected fraud and receive assistance. To support the 40 million family caregivers in the United States, I am proud to have authored the RAISE Family Caregivers Act to create a coordinated strategy to support family members who make countless personal and financial sacrifices to care for their loved ones.

The opioid crisis touches families and communities across our state. As a member of the Appropriations Committee, I fought for significant increases in funding to support community, law-enforcement, and public health efforts. In April, the State of Maine was awarded over \$2 million to fight this devastating public health crisis. Additionally, I have authored legislation to support grandparents and other extended family members who are raising grandchildren as a result of the nation's opioid epidemic.

Biomedical research has the potential to improve and save lives, and also supports good jobs at research facilities here in Maine. Last year, the Appropriations Committee approved a \$2 billion increase for the National Institutes of Health for the third consecutive year. This includes an increase of nearly 30 percent for research on Alzheimer's, our nation's most costly disease. As founder and co-chair of the Senate Diabetes Caucus, I work to raise awareness of the threats posed by diabetes, invest in research, and improve access to treatment options. My bill to establish a national commission of health care experts on diabetes care and prevention was signed into law in 2017.

We owe our veterans so much. Last year, I worked to secure the authorization of a Community-Based Outpatient Clinic in Portland to support the health care of Maine's veterans in the southern part of our state. I also worked to secure funding extensions to help veterans throughout rural Maine receive health care within their communities. I also worked to secure funding for housing vouchers for veterans to reduce veterans' homelessness.

Maine's contributions to our national security stretch from Kittery to Limestone. I successfully advocated for critical funding for projects at the Portsmouth Naval Shipyard for construction of an additional ship that will likely be built at Bath Iron Works. This funding will strengthen our national security and preserve great jobs in our state.

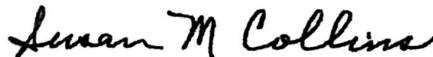
As chairman of the Transportation and Housing Appropriations Subcommittee, I worked to increase funding for the TIGER program that has provided Maine with more than \$122 million for vital transportation projects. For housing, I worked to provide \$160 million to help communities protect children from the harmful effects of lead poisoning.

Growing our economy remains a top priority. I supported the comprehensive tax reform bill because it will help lower- and middle-income families keep more of their hard-earned money; boost the economy; and encourage businesses, both small and large, to grow and create jobs here in Maine and around the country. This legislation contains key provisions I authored that are important to Mainers, including preserving the deduction for state and local taxes, expanding the deduction for medical expenses, and enabling public employees such as firefighters, teachers, and police officers, as well as clergy and employees of nonprofits, to make "catch-up" contributions to their retirement accounts. I led the effort to ensure that the tax cut will not trigger automatic budget cuts to Medicare or any other programs.

A Maine value that always guides me is our unsurpassed work ethic. As of December 2017, I have cast more than 6,500 consecutive votes, continuing my record of never missing a roll-call vote since my Senate service began in 1997.

I appreciate the opportunity to serve Knox County and Maine in the United States Senate. If ever I can be of assistance to you, please contact my Augusta office at 207-622-8414 or visit my website at www.collins.senate.gov. May 2018 be a good year for you, your family, your community, and our state.

Sincerely,



Susan M. Collins
United States Senator



HOUSE OF REPRESENTATIVES

2 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0002

(207) 287-1400

TTY: (207) 287-4469

Walter A. Kumiega III

36 Cedar Lane
Little Deer Isle, ME 04650
Residence: (207) 348-2548
Cell Phone: (207) 479-5459
Walter.Kumiega@legislature.maine.gov

Dear Isle au Haut Residents,

It is an honor to serve once again as your State Representative. As I enter my final year in office due to term limits, I intend to work hard throughout the session to provide responsive constituent services and advance legislation that benefits the people of our island and coastal communities.

This year the Legislature's agenda will be limited mostly to emergency legislation and bills carried over from 2017. We are scheduled to adjourn by the end of April.

The bills we will be taking up cover a wide range of topics, but our chief focus will be on making sure Maine properly implements the MaineCare expansion overwhelmingly passed by voters last November. We will also work to implement the recommendations of a task force that studied Maine's opioid crisis, continue to wrestle with education costs and property taxes, revisit our approach to energy and technology infrastructure in the wake of recent storms, find consensus on the voter-approved citizen initiative legalizing the limited recreational use and sale of marijuana and address any unexpected situations that might arise during the spring.

This year I will once again co-chair the Legislature's Marine Resources Committee. We will continue to work with the Department of Marine Resources on licensing and permitting issues, more effective enforcement, preventing unreasonable fee increases, providing more flexibility for fishermen and harvesters who experience medical issues and continuing to support ways to improve to health of our fisheries. The committee clerk maintains a list of interested parties that get email notification of the committee schedule. Please let me know if you would like to be added to that list.

Whether we are dealing with the above issues or any other topic, I will continue to work with all of my colleagues, regardless of party affiliation, to make sure we're doing the best work we can for the people of our district and all the people of Maine.

Please contact me if I can be of any help or if you want to discuss or testify on any legislation. My email is wkumiega36@gmail.com. My cellphone is 207-479-5459 for voice or text message. I also send out e-newsletters from time to time. Let me know if you would like to receive them.

Respectfully,

A handwritten signature in black ink that reads 'Walter A. Kumiega III'.

Walter Kumiega
State Representative

District 134 Cranberry Isles, Deer Isle, Frenchboro, Isle au Haut, North Haven, Southwest Harbor, Stonington, Swans Island, Tremont and Vinalhaven, plus the unorganized territory of Marshall Island Township

Printed on recycled paper



Senator David Miramant
3 State House Station
Augusta, ME 04333-0003
(207) 236-4845
SenatorMiramant@gmail.com

Dear Residents of Isle au Haut,

I hope 2018 finds you and your family doing well. It is an honor to represent you and this community as your State Senator.

This past year, the Legislature made progress in providing direct property tax relief to Maine homeowners. I fought tirelessly to increase the Homestead Property Exemption from \$15,000 to \$20,000. In addition to direct property tax relief, we also protected state funding for local services such as fire departments and road maintenance, and increased public K-12 education funding by \$162 million over the biennium. These efforts will decrease the pressure on municipalities to increase mil rates. I know this is a top priority for many in our district and I will continue to work towards greater relief.

I would also like to share some information about the state's unclaimed property list. "Unclaimed property" is money owed to Maine people by third parties, such as former employers, banks or utility companies. Organizations are required to give unclaimed property to the State Treasurer after a specified period of time, after which the owner of the unclaimed property can retrieve it from the state. Even if you have done everything right, you could have unclaimed property. It could be from a forgotten account, an overpaid bill or uncollected wages. This money could be unclaimed as a result of a change in name, addresses or bank account. Visit maine.gov/unclaimed or call 1-888-283-2808 to see if you have any unclaimed property.

This past session, we considered over 1,600 pieces of legislation on a variety of issues. As part of my effort to bring matters happening in Augusta back home to our district, I am pleased to email a legislative newsletter to share information about ongoing legislative issues and useful resources. Please contact me to join. I can be reached locally at (207) 236-4845 or by email at davemiramant@gmail.com.

Again, thank you for the opportunity to represent you in the Legislature. I look forward to seeing you around town.

Sincerely,

A handwritten signature in black ink, appearing to read "David Miramant".

Dave Miramant
State Senator

*Fax: (207) 287-1585 * TTY (207) 287-1583 * Message Service 1-800-423-6900 * Web Site: legislature.maine.gov/senate*

Assessor's Report
2017

Local Taxable Real Estate Valuation	\$78,096,714
Local Taxable Personal Property Value	27,450
Total Taxable Valuation	78,124,164
Total Homestead Exemption Valuation	<u>187,500</u>
Total Valuation Base	\$78,311,664

Appropriations

County Tax	\$88,597
Municipal Appropriations	287,105
School Appropriations	227,639
Overlay	<u>2,494</u>
Total Appropriations	\$605,835

Deductions

State Municipal Revenue Sharing	\$1,307
Homestead Reimbursement	1,421
Tree Growth	2,652
In Lieu of Taxes	8,216
Veterans Exemption	<u>58</u>
Total Deductions	\$13,654

To be raised by local property taxes \$591,108

Mil Rate: .007580

NOTICE TO TAXPAYERS

Before making an assessment the Assessors shall give reasonable notice in writing to all persons liable to take action in the municipality to furnish the Assessors true and perfect lists of their estate, not by law exempt from taxation, of which they were possessed on the first day of April of the same year.

The notice to residents may be given by posting notifications in some public place in the municipality or in such ways as the municipality directs. The notice to non-resident owners may be mailed directly to the last known address of the taxpayer.

If any such person after such notice does not furnish a list, he or she is hereby barred of his or her right to make application to the Assessors or County Commissioners for any abatement of his/her/their taxes, unless he/she/they furnished such a list with his/her/their application and satisfies them that he/she/they were unable to furnish at the times appointed.

NOW, MORE IMPORTANTLY:

The Assessors, or any one of them, may require the person furnishing the list to make an oath to it's truth, which any of the Assessors may administer, and any of them may require him/her/them to sign in writing all proper inquiries as to the nature, situation, and value of his/her/their property liable to be taxed in the state and refusal or neglect to answer such inquiries and subscribes to the same, bars an appeal to the County Commissioners, but such list and answers shall NOT be conclusive upon the Assessors.

Respectfully Submitted,

Debra Schrader, Chair
Arlena Tully
Linda Greenlaw

Board of Assessors
Town of Isle au Haut, Maine

Selectboard Report 2017

The Selectboard experienced a challenging but productive year, with all the Town's officers gaining knowledge and experience at their respective roles while performing the many tasks that Town governance requires. We thank all who have worked to learn their tasks and execute faithfully the demands of public service.

Town governance is a complex matter, more so than in the time of the 1917 Town Report (reprinted on back cover), discovered while cleaning the Town Office of much accumulation. Interestingly, as an example of gained complexity, there were 35 Articles in the 1917 Warrant - the 2017 Warrant lists seventy five. And an example of monetary expense, County Tax was \$179.95 vs \$88,596.74 over the centennial time spread, up a mere 492 times to present day - amazing!

Among accomplishments this year, we note Treasurer, Karen Teague, has instituted our new system of bookkeeping (TRIO); Selectboard members have worked at upgrading Town Office computer systems, improvements in efficient, LED lighting, and a general office reorganization. Our thanks to Abigail for helping to achieve this goal. Some of the Town Officers are new to their positions and work hard at gaining a greater proficiency at their respective tasks.

Other advances that have improved Town and personal living function can be attributed to The Isle au Haut Boat Services. The initiation of a mid-day scheduled mailboat run on Tuesday and Thursday have made life and business more efficient for all. Residents and professional technicians and tradesmen can better coordinate getting to the Island or Mainland for short term needs or tasks. We thank Geordie Cole, the Captains and Crew for their continual good service throughout the past year.

Finally, we regret acknowledging the passing of longtime seasonal friends Jenny Chamberlain, Dan Ellis Sr., and Richard Marks. They were great contributors to our community. Their smiling images and energetic spirits will remain in our memories.

We look forward to productive and rewarding 2018 in our exceptional Island Town.

Respectfully submitted,
Peggi Stevens
Daniel MacDonald
Alvah MacWilliam

SELECTBOARD'S REPORT

INTEREST

February 1, 2017 Balance Forward		-\$3,366.96
Auditor's Adjustment	\$4,867.38	
Transfer to Surplus/undesignated	-\$1,500.42	\$0.00

INCOME:

Tax Collector - Property Tax Interest	\$1,310.07	\$1,310.07
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EXPENSES:	\$0.00	
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January 31, 2018 Balance		\$1,310.07
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STATE MUNICIPAL REVENUE SHARING

February 1, 2017 Balance Forward		\$2,276.31
Auditor's Adjustment	-\$740.72	
		\$1,535.59

INCOME:

State of Maine	\$1,098.74	
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Total Income	\$1,098.74	\$2,634.33
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EXPENSES:	\$0.00	
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January 31, 2018 Balance		\$2,634.33
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TREE GROWTH REIMBURSEMENT

February 1, 2017 Balance Forward		\$5,231.91
Auditor's Adjustment	-\$2,580.00	
Transfer to Surplus/undesignated	\$2,651.91	\$0.00
INCOME:		
State of Maine	\$3,050.91	
Total Income	\$3,050.91	
EXPENSES:		
	\$0.00	\$3,050.91
January 31, 2018 Balance		\$3,050.91

PAYMENT IN LIEU OF TAXES

February 1, 2017 Balance Forward		\$14,338.93
Auditor's Adjustment	-\$6,841.00	
Transfer to Surplus/undesignated	\$7,497.93	\$0.00
INCOME:		
Maine Coast Heritage Trust	\$1,250.00	
United States Treasury - ANP payment	\$7,122.00	
DOI Treasury	\$411.00	
Total Income	\$8,783.00	
EXPENSES:		
	\$0.00	\$8,783.00
January 31, 2018 Balance		\$8,783.00

PROPERTY TAX RELIEF

February 1, 2017 Balance Forward	\$246.27
January 31, 2018 Balance	\$246.27

VETERANS TAX BENEFIT

February 1, 2017 Balance Forward		\$78.00
Auditor's Adjustment	-\$38.00	
		\$40.00
INCOME:		
State of Maine	\$31.00	
Total Income:	\$31.00	\$71.00
EXPENSES:		
	\$0.00	
January 31, 2018 Balance		\$71.00

HOMESTEAD EXEMPTION

February 1, 2017 Balance Forward		\$2,052.00
Auditor's Adjustment	-\$1,738.00	
		\$314.00
INCOME:		
State of Maine	\$1,899.00	
Total Income	\$1,899.00	\$2,213.00
EXPENSES:		
	\$0.00	
January 31, 2018 Balance		\$2,213.00

SURPLUS/UNDESIGNATED

February 1, 2017 Balance Forward		-\$5,470.89
Auditor's Adjustment	-\$7,611.65	
		-\$13,082.54
INCOME:		
Transfer from Interest	\$1,500.42	
Transfer from in Lieu of Taxes	\$7,497.93	
Transfer from Tree Growth	\$2,651.91	
Total Income /or transfers	\$11,650.26	-\$1,432.28
EXPENSES:		
	\$0.00	
January 31, 2018 balance		-\$1,432.28

COUNTY TAX

February 1, 2017 Balance Forward		\$43,833.59
Auditor's Adjustment	-\$42,032.49	
		\$1,801.10

INCOME:

Assessment Sheet	\$88,597.00	
Knox County Treasurer	\$145.43	
Total Income	\$88,742.43	\$90,543.53

EXPENSES:

Knox County Treasurer - 2016 final payment	\$49,687.02	
Knox County Treasurer - 2017 tax	\$86,616.74	
Knox County Treasurer - 2017 comm. fee	\$1,980.00	
Total Expenses	\$138,283.76	

January 31, 2018 Balance		-\$47,740.23
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PROPERTY TAX REVALUATION

February 1, 2017 Balance Forward		\$32,500.00
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INCOME:

Appropriation	\$10,000.00	
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Total Income		\$10,000.00
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EXPENSES:

Total Expenses	\$0.00	
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January 31, 2018 Balance		\$42,500.00
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GENERAL GOVERNMENT

February 1, 2017 Balance Forward		\$37,231.77
Auditor's Adjustment	-\$28,569.88	
		\$8,661.89
INCOME:		
Appropriations	\$80,000.00	
Transfer from Town Landing account	\$15,000.00	
Lisa Turner, Tax Collector - Agent	\$168.00	
Fees Coll.		
Camden National Bank - check	\$162.03	
mistake		
Isle au Haut Boat Services - legal fee	\$1,007.50	
reimburse		
MEMIC	\$403.02	
Fees Collected	\$16.18	
Total Income	\$96,756.73	
		\$105,418.62
EXPENSES: (Regular)		
Webmaster-Abigail Schrader Hiltz	\$2,566.63	
Allen Myers	\$120.00	
Alvah MacWilliam - reimbursement	\$46.40	
Bernstein Shur - Legal	\$1,105.00	
Bryn Montoya - Ballot Clerk	\$180.00	
Camden National Bank - loan	\$70,357.95	
repayment		
Debra Schrader - reimbursement	\$88.02	
Downeast Graphics - Town Report	\$2,233.50	
printing		
ESmart Payroll Filing	\$19.80	
Full Circle Printing Solutions	\$275.52	
Hanover Insurance - Commercial	\$12,657.75	
Package		
Harris Computer System - TRIO	\$5,003.92	
software		
Harris Computer System - Treasurer	\$1,740.00	
Training		
Heather Dugas - Ballot Clerk	\$142.50	
Hygrade Business Group - check cost	\$126.22	
IRS	\$17,435.06	
Isle au Haut Boat Services	\$164.00	

TOWN OF ISLE AU HAUT

Karen Teague	\$240.07	
Kendra Chubbuck - Ballot Clerk & Reimburse	\$658.15	
Lisa Turner - Reimbursement and Agent Fee	\$375.74	
Maine Municipal Association	\$1,447.00	
Maine Revenue Service	\$2,513.79	
Maine Town & City Clerks Association	\$10.00	
Mark's Printing House	\$76.00	
Matthew Skolnikoff - CEO	\$140.00	
MEMIC	\$2,699.00	
Merle B. Grindle Agency - Auto Insur./Bonds	\$3,709.00	
Peggi Stevens - Reimbursement	\$560.71	
Penobscot Bay Press	\$44.85	
Postmaster	\$998.70	
Roz Santospago - Election Clerk & Reimburse	\$897.88	
Susan MacDonald - Ballot Clerk	\$180.00	
TDS Telecom	\$634.29	
United States Treasury - Penalties	\$2,124.45	
James Wadman, CPA	\$7,742.75	
 Total Regular Expenses	 \$139,016.50	
		-\$33,597.88
 Compensations: 2017		
Peggi Stevens - Selectboard	\$12,000.00	
Dan MacDonald - Selectboard	\$4,000.00	
Alvah MacWilliam - Selectboard	\$4,000.00	
Rozalyn Santospago - Town Clerk	\$4,000.00	
Karen Teague - Treasurer	\$8,000.00	
Lisa Turner - Tax Collector	\$7,000.00	
Debra Schrader	\$1,500.00	
Leland Small - Road Commissioner	\$300.00	
 Total Compensation:	 \$40,800.00	
Total Expenses and Compensations	\$179,816.50	
 January 31, 2018 Balance		 -\$74,397.88

**Note - this includes the payment of the tax anticipation loan we took out in 2016.

ASSETS

MISCELLANEOUS BUILDINGS (changed as of 3/11/17)

February 1, 2017 Balance Forward		\$5,605.39
Auditor's Adjustment	\$699.18	
		\$6,304.57

INCOME:

Rita MacWilliam	\$950.00	
Total Income	\$950.00	\$7,254.57

EXPENSES:

Island Store	\$192.46	
Stevens' Sawmill & Construction	\$302.94	
Isle au Haut Boat Services	\$32.00	
Total Expenses	\$527.40	\$6,727.17

January 31, 2018 Balance		\$6,727.17
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Note** this account has been changed to Coomb's Mtn. House, Miss Lizzie House and the Head Harbor Schoolhouse with separate accounts as of 3/11/2017

HEAD HARBOR SCHOOL HOUSE

April 24, 2017 Balance Forward		\$0.00
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INCOME:

Ed & Ian White	\$1,875.00	
Total Income	\$1,875.00	

EXPENSES:	\$0.00	
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January 31, 2018 Balance		\$1,875.00
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COOMB'S MTN. HOUSE

April 24, 2017 Balance Forward		\$0.00
Transfer from D. Furrow land purchase	\$6,231.28	
 INCOME:		
Bryn Montoya and Michael Delchamp	\$1,422.81	
Karen Teague	\$250.00	
 Total Income	 \$1,672.81	 \$7,904.09
 EXPENSES:		
Alvah MacWilliam	\$20.00	
Gross Gas	\$154.00	
Isle au Haut Boat Services	\$32.00	
Isle au Haut Electric PoCo	\$312.47	
Island Store	\$251.63	
Karen Teague	\$475.00	
Luther Smith	\$2,159.00	
Norlen's Water Treatment	\$3,386.52	
Robert L. Gray Co., Inc.	\$790.00	
 Total Expenses	 \$7,580.62	 \$323.47
 January 31, 2018 Balance		 \$323.47

MISS LIZZIE HOUSE

April 24, 2017 Balance Forward		\$0.00
INCOME:		
Rita MacWilliam	\$5,480.56	
Total Income	\$5,480.56	\$5,480.56
EXPENSES:		
Alvah MacWilliam	\$114.00	
Island Store	\$224.40	
C. L. Haskell & Son	\$150.00	
Stevens' Sawmill & Construction	\$317.00	
Robert L. Gray Co., Inc.	\$790.00	
Downeast Monitor	\$151.93	
Total Expenses	\$1,747.33	\$3,733.23
January 31, 2018 Balance		\$3,733.23

MUNICIPAL OWNED LANDS

February 1, 2017 Balance Forward	\$8,993.46
January 31, 2018 Balance	\$8,993.46

FIRE DEPARTMENT

February 1, 2017 Balance Forward		\$4,778.77
Auditor's Adjustment	\$601.44	
		\$5,380.21
 INCOME:		
Appropriation	\$14,800.00	
Donations	\$216.00	
Fire Extinguisher Reimbursements	\$143.50	
 Total Income	 \$15,159.50	 \$20,539.71
 EXPENSES:		
Barter Lumber Company	\$2,016.00	
Darren Carlow	\$4,732.00	
Isle au Haut Boat Services	\$140.00	
Isle au Haut Electric PoCo	\$499.56	
Island Fishing Gear	\$268.15	
Island Store	\$69.85	
Luther Smith	\$800.20	
M. D. Joyce	\$177.69	
Sprint	\$1.47	
Stevens' Sawmill & Construction	\$5,247.00	
TDS	\$702.81	
 Total Expenses	 \$14,654.73	 \$13,856.29
 January 31, 2018 Balance		 \$5,884.98

Isle au Haut Fire Department Report

1. Clearing and reclaiming parking area. This past year we made an attempt to finish the parking area by removing tree stumps, removing a large boulder, bringing in gravel and leveling area. This was not in our budget but it was an ongoing project that needed to be completed. It cost \$5,247.00
2. Roof replacement: total cost \$7,053.69
3. Front roll up door: the concrete curb that the door seals on was repaired.
4. In town storage water tank: Permit has been applied for. The Fire Department has purchased a 3500 gallon tank to be placed underground and insulated, providing year round use and less maintenance. The system will be located at the Fire Department, in the back of the parking area, and will still get water from the nearby creek in the spring. Tank cost: \$4,000.00 and installation will be \$1,200.00
5. Gravel pit dry hydrant .This project is on track for construction this year. It did get put on the back burner because of the other projects. We have the permit and location to build.

Pond Hydrant is on hold given the complexity of public use.

Isle Au Haut hosted a conference here last summer with other State and Federal Agencies, Isle Au Haut EMS services, and the Isle Au Haut Fire Department. A big thank you to the EMS team and the selectboard for organizing the event.

FD responded to a small burn pile that was thought to be extinguished even after rain. No property was damaged .

FD responded to a burn pile thought to be extinguished after heavy rain - 30 volunteers responded to 1.5 acre fire, mainly smoldering peat. No property was damaged

Isle Au Haut Fire Dept. sponsored a fire extinguisher exchange of 20# tanks, for home protection. The event was a success in that over 30 tanks were exchanged, however, donations were asked to be mailed into the department . We collected a few but, absorbed much of the cost which was over \$2,000. Money was moved from other projects to cover the expense. The Point Lookout Association also had a large exchange of 32 tanks.

All Equipment and trucks are operational at this time.
Luther Smith, Chief
Isle Au Haut Fire Dept.

REVERE MEMORIAL HALL

February 31, 2017 Balance Forward		\$12,383.58
Auditor's Adjustment	-\$9.28	
		\$12,374.30
INCOME:		
Appropriations	\$6,000.00	
Transfer from 100th Anniversary	\$6,461.82	
Donation	\$30.00	
Total Income	\$12,491.82	\$24,866.12
EXPENSES:		
C. L. Haskell & Son	\$1,135.90	
Darren Carlow	\$120.00	
Elmer Eaton	\$19.84	
Isle au Haut Boat Services	\$15.00	
Isle au Haut Electric PoCo	\$1,617.49	
Island Fishing Gear	\$10.49	
Island Store	\$8,334.74	
Luther Smith	\$460.00	
Robert L. Gray Co., Inc.	\$274.68	
Total Expenses	\$11,988.14	\$12,877.98
January 31, 2018 Balance		\$12,877.98

COMPREHENSIVE PLANNING

February 1, 2017 Balance Forward	\$69.12
January 31, 2018 Balance	\$69.12

PLANNING BOARD

February 1, 2017 Balance Forward		\$961.54
Auditor's Adjustment:	\$5.74	
		\$967.28
INCOME:		
Total Income	\$0.00	
EXPENSES:		
TDS	\$10.18	
Fred Michaud, reference book	\$30.00	
Total Expenses	\$40.18	\$927.10
January 31, 2018 Balance		\$927.10

**Annual Report from the Isle au Haut Planning Board
and Code Enforcement Officer**

The Planning Board was playing catch up in 2017 as there was a glut of outstanding permits, including several large building projects, from the previous year due to the transition to a mostly new Board. Catching up with the backlog and reviewing several new building permits was the main focus of the Board. We lost one member (Melie Guzek) last summer but thankfully one of the Alternates, Wendell Chamberlain, stepped up and joined the Board as a full member. We are all caught up now and are ready for business as usual.

The new Code Enforcement Officer, Matthew Skolnikoff, has come up with a new permit application and information for permit applicants which will be posted on the town website soon. He assisted the Planning Board with questions regarding ordinance interpretation, assisted landowners and contractors with information about ordinances and permit applications, and gently reminded several people to apply for permits for projects that required them.

We are currently researching how to change the Shoreland Zoning for both the store and town landing lots so that they can legally be allowed to contain the diverse uses the community wants to use them for presently. These ordinance changes will be reviewed at a public hearing and discussed/voted on at a town meeting in 2018.

Permits Issued by Planning Board:

2 Roads/Driveways, 2 Garages, 2 Houses, 2 Sheds, 3 Other
Total: 11 Permits issued

Planning Board Members:

Tucker Runge (Chairman)
Daniel MacDonald
Christine Hill (Secretary)
William Stevens
Wendall Chamberlain
Jeffrey Burke (Alternate)

Respectfully submitted (March 2018),

Tucker Runge, Chairman, Planning Board
Matthew Skolnikoff, Code Enforcement Officer

REVERE MEMORIAL LIBRARY

February 1, 2017 Balance Forward		\$13,694.69
Auditor's Adjustment	\$27.22	
		\$13,721.91
INCOME:		
Appropriation	\$6,000.00	
Donations	\$975.50	
Total Income	\$6,975.50	\$20,697.41
EXPENSES:		
Baker & Taylor	\$475.62	
Brenda Clark	\$4,734.94	
Maine Infonet	\$150.00	
Networkmaine	\$100.00	
Library World Inc.	\$439.00	
Total Expenses	\$5,899.56	\$14,797.85
January 31, 2018 Balance		\$14,797.85

REVERE MEMORIAL LIBRARY 2017

I would like to thank everyone for their generous donations of time, books and money for the Revere Memorial Library. Your continued support helps us strive to meet the needs of our community. With the help of volunteers we have continued with our weeding of books, some to be discarded and others packed up and donated, had a successful book and bake sale and have continued with our cataloging of books on line with Library World. Book Buddies is still a highlight on Wednesdays through the school year, where our school children read to our library visitors. A fun time for all!

Also continuing is our Wednesday coffee and snack time and not to forget, our Book Club that meets once a month.

What makes our library special is our Community. Two such special people who frequented the library, Jenny Chamberlin and Dick Marks, will be missed by all. Jenny was always one of the first to arrive on library day with a big smile and a lending hand to help wherever she could. I will always remember Dick with his friendly way, his quick wit and always ready to help as well. Their gentle and courageous spirits will always be a part of our library and Isle au Haut.

Respectfully Submitted,
Brenda Clark
Librarian, RML

Library Committee: Marie Hamly, Meg Gailey, Tim Gailey, Judi Burke, Sharen Wilson, Jean Archibald, Sue MacDonald, Linda Giragosian, Jean McBean, Marion Breeze-Williams, Julia Cogan

LIGHTHOUSE FUND RESERVE

February 1, 2017 Balance Forward		\$59,245.29
INCOME:		
Donations	\$12,309.44	
Total Income	\$12,309.44	\$71,554.73
EXPENSES:		
Jeffrey Burke	\$5,536.12	
Full Circle Printing Solutions	\$909.10	
Woodland Studios, Inc.	\$1,250.00	
Barter Lumber Co.	\$230.00	
Resurgence Engineering & Preservation	\$1,250.00	
Isle au Haut Boat Services	\$34.00	
Postmaster	\$287.10	
Leland Small	\$230.00	
Isle au Haut Lighthouse Committee	\$406.37	
Total Expenses	\$10,132.69	\$61,422.04
January 31, 2018 Balance		\$61,422.04

**Isle au Haut Lighthouse Committee
Treasurer's Report 2017**

July		\$ 466.00
August		\$5,366.00
September		\$1,175.44
October		\$ 900.00
December		\$3,647.00
January		\$ 755.00
	Total	\$12,309.44

Respectfully Submitted,

Lisa Louise Turner
Treasurer

Lighthouse Committee

Phase One Restoration is underway. Last fall we started by installing heavy posts inside the lighthouse to support the crumbling steel beams holding up the interior decks. Replacement steel parts are being fabricated for the entire structure, paid for by a grant from the United States Lighthouse Society. If all goes according to plan, as you read this Town Report, by the end of April our construction plans and bidding documents will be in circulation looking for a contractor this season to:

- 1) Replace all the interior structural steel
- 2) Replace rotten wood nailing blocks and compromised brickwork in the interior brick wall
- 3) Strengthen and restore the footbridge from the tower to the shore
- 4) Install volunteer-built mahogany bell doors and the mount for the bell beam on the waterside of the lighthouse (thanks to Luther for the use of his workshop).

Over the past three years the Lighthouse Committee and our collaborators from Friends of Isle au Haut Lighthouse 501c3 have raised all funds needed for Phase One (for twenty years the Lighthouse Committee has cared for the Town's Lighthouse without any tax-appropriated funds.) This year's fundraising was strengthened by the sale of Alison's second edition tee shirts and Jeff's book, *The Lighthouse and Me* (Alison and Josh pulled a marathon all-nighter getting out 500 postcards to promote it!). The Lighthouse Preservation Society has offered to do a national promotion for the book this fall – all profits from tee shirts, books, and all events go directly to Lisa for the Town's Lighthouse Fund. A special "thank you" to Nick and Coleen Filler for their autumn challenge grant, and to the hundreds of folks who responded to these various calls for support.

This past summer Committee volunteer docents welcomed visitors for four open houses, including an educational/technical afternoon with our friends from Swan's Island Lighthouse Committee, and for Open Lighthouse Day sponsored by the American Lighthouse Foundation with participation by Isle au Haut Boat Services. Thanks to Wen, Sue, Tom, and Rich for volunteering docent skills, and to Marshall, Char, and the Keepers House for hosting as always, as well as the Archibald and Greenlaw families whose family ties and affection for the lighthouse and its history continue to bring collaborative support for these occasions by permitting access across their properties.

Our local community efforts would be impossible without the professional skills and unflinching guidance from our engineer, Al Hodson from Resurgence Engineering, and Mike Johnson from the Maine State Historic Preservation Office, as well as the support of our IAH Selectboard. And - of course - thanks to those who hold these pages in their hands, the people of Isle au Haut!

Keep the light shining! Onward to Phase Two!

Your Lighthouse Committee,
Jeff, Lisa, Kathie, Alison, Marshall, Martha, Bernie, and Alvah for the Selectboard

HARBORMASTER ACCOUNT

February 1, 2017 Balance Forward \$2,500.00

INCOME:

Appropriation \$5,000.00

Total Income \$5,000.00 \$7,500.00

EXPENSES:

Tucker Runge - course reimb. \$275.00

Tucker Runge - Compensation \$5,000.00

Total Expenses \$5,275.00 \$2,225.00

January 31, 2018 Balance \$2,225.00

HARBORMASTER'S REPORT

In the spring of 2017, I attended the Maine Harbormaster Association's harbor master training in Castine, Maine. Upon returning to the island I conferred with the selectmen. Upon my recommendation the selectmen decided to define a 150' channel through the harbor for navigation purposes. They also declared the harbor "full" of moorings. Upon that determination of "full" within these town waters, there comes a wait list for mooring positions.

Through the spring and summer I had a few moorings removed from the channel, however there are still a couple that need removal. I have informed folks that permits from the Army Corps of Engineers are a requirement for floats and rental moorings. During the 2017 summer months I had some difficulty with a herring seiner cutting gear, and a number of other issues and complaints. These were dealt with as best they could be at the time. Later in the fall after an IAH Special Town Meeting, there was a Q&A about the harbormaster's job and associated duties.

My plan for 2018, first and foremost, is to write a proper harbor ordinance for the town. Following that I would like to get moorings properly permitted and remove the last of the moorings from the channel in the harbor.

Respectfully submitted,

Tucker Runge
Harbormaster, Isle au Haut

JACK AND ALICE CROMWELL MEMORIAL TRUST FUND

February 1, 2017 Balance Forward	\$298.80
Auditor's Adjustment	\$3.52
January 31, 2018 Balance	\$302.32

COLWELL WATERFRONT ACCESS

February 1, 2017 Balance Forward	\$786.20
INCOME:	
Appropriation	\$2,000.00
EXPENSES:	
Colwell Ramp - IAH share	\$2,000.00
Total Expenses	\$2,000.00
January 31, 2018 Balance	\$786.20

MAINE ISLANDS COALITION

February 1, 2017 Balance Forward	-\$267.74
Auditor's Adjustment	\$348.87
	\$81.13
INCOME:	
Appropriation	\$300.00
Transfer from PERC Zone C	\$500.00
Total Income	\$800.00
	\$881.13
EXPENSES:	
Maine Islands Coalition	\$200.00
Kendra Chubbuck - reimburse.	\$347.56
Total Expenses	\$547.56
January 31, 2018 Balance	\$333.57

The Maine Islands Coalition - 2017 Annual Report

In 2017, the MIC convened and hosted four discussions which are, or should be, of great interest and concern to all of Maine's fifteen year-round island communities. But, all four topics certainly hold the potential for having a major impact here on Isle au Haut.

In March, after a snow postponement in February, we met in Augusta and focused on **Fire Safety**. Our special guest was Joe Thomas, former Portland Fire Chief and current Maine State Fire Marshall. We heard about safety policies and practices around Aging in Place; the Red Cross Partnership for getting smoke detectors into all homes; recommended steps around mobility issues of our Wounded Warriors; the State program for clearing dangerous growth away from our homes; and Senator Collins' co-sponsorship of a Fire Safety Act focusing on the installation of sprinklers in institutional buildings. *We were fortunate to have had fourteen legislators in attendance at this meeting.*

In May, back at the Island Institute in Rockland, we discussed the impacts of all sorts of **short term rentals**, including AirBnB's, hotels and even floating rental units. Should these rentals have regulations particular to them? What are any tax implications? Are they stiff competition for traditional longer-term rentals or are they making the industry more user-friendly for both parties?

In August, with school openings, we heard a report from The Island Institute's Yvonne Thomas on **School Sustainability**. There are 467 students living on these fifteen islands and, as we know on Isle au Haut, schools are what make these islands year-round communities and entities. With only a handful of pupils, Isle au Haut ranks in the bottom third; Vinalhaven is at the top. The Teaching and Learning Collaborative (TLC) came in for great praise as a means of electronically linking the pupils in the smallest schools together – replacing isolation with collaboration.

In November, we participated in an incredible program around **Sea Level Rise**. Expert speakers from the Gulf of Maine Research Institute (GMRI), the National Oceanic and Atmospheric Administration (NOAA) and the Maine Geological Survey amazed us with mapping and graphic imagery. They loaned us all laptop computers and taught us how to see what our islands could look like in future decades with varying rates of rise. By current estimation, sea levels could rise anywhere from one to eight feet by the year 2100.

As many of you have probably read in previous Annual Reports, the Maine Islands Coalition (MIC) was officially formed in March of 2004 to represent and advocate for the concerns and interests of the fourteen year-round Maine Coast Island communities. Each island's municipal governing body or primary civic organization sends an elected or appointed representative to the quarterly meetings in Rockland or Augusta.

There are two constant components on each Meeting's agenda. The first – and most popular - is *Island Check-ins*, wherein we each speak at some length about current matters, issues and events on our own island and field questions from other island representatives; it is an invaluable exchange of information. The second is *Legislative Check-ins*; there are usually a couple of legislators present and they inform us about anything happening in Augusta which could affect our communities. Often there is at least one legislator from the House and one from the Senate; also, often there is both a Republican and a Democrat, so that we can enjoy both comprehensive and balanced reporting from the Capitol.

As always, any questions about what happens at the MIC meetings as well as suggestions for what needs addressing from the Isle au Haut community's viewpoint will be welcome. Please contact either myself or Rudi Graf if you have questions or want us to address a topic at MIC. Anyone is welcome to attend these meetings. Meeting dates for 2017 are Friday, May 4, Friday, August 3, and Friday, November 2, 2018, at Island Institute, 4th floor, Rockland. Extensive minutes of all meetings are available at <http://www.islandinstitute.org/program/community-development/mic>.

We are honored to represent the Isle au Haut community.

Kendra P. Chubbuck
MIC Representative

Rudi Graf
MIC Alternate

**HEALTH AND SANITATION PLUMBING CODE
ENFORCEMENT**

February 1, 2017 Balance Forward		\$85.18
Auditor's Adjustment	\$427.50	
INCOME:	\$0.00	\$512.68
J. Nicholas Filler	\$40.00	
Stevens' Sawmill & Construction	\$530.00	
Robert L. Gray Co. Inc.	\$230.00	
Total Income	\$800.00	
EXPENSES:	\$0.00	\$1,312.68
Janauary 31, 2018 Balance		\$1,312.68

SOLID WASTE AND RECYCLING

February 1, 2017 Balance Forward		-\$642.33
Auditor's Adjustment	\$1,750.00	
		\$1,107.67
INCOME:		
Appropriation	\$28,000.00	
Total Income	\$28,000.00	\$29,107.67
EXPENSES:		
William Clark	\$7,875.00	
Alvah MacWilliam	\$12,454.00	
Total Expenses	\$20,329.00	\$8,778.67
January 31, 2018 Balance		\$8,778.67

EMERGENCY MEDICAL SERVICES

February 1, 2017 Balance Forward \$3,756.32

INCOME:

Appropriation \$2,000.00

Shore Shope Gifts - water bottle sales \$110.00

Total Income \$2,110.00 \$5,866.32

EXPENSES:

Bound Tree Medical \$2,204.57

Brown's Communication Inc. \$1,944.43

Dept. of Public Safety \$100.00

Kristin Dillon -reimbursement \$45.56

Total Expenses \$4,294.56 \$1,571.76

January 31, 2018 Balance \$1,571.76

EMERGENCY MEDICAL SERVICES REPORT

In 2017, Isle au Haut EMS had a great year for updating radio communication and improving relations with agencies available to a patient on Isle au Haut.

In June, a multi-agency emergency services meeting was held in the Town Hall open for the community. Representatives from LifeFlight, Maine Forest Service, Knox County Dispatch, Hancock County Dispatch, Acadia Dispatch, the Mailboat Company, Marine Patrol, North Country Fire, Memorial Ambulance, and the National Guard were present. Each agency was able to discuss what their role would be in relation to Isle au Haut response. Life Flight and the National Guard landed helicopters in the ball field, gave tours of the helicopters and gear, and answered community questions. A Life Flight powerpoint presentation was given. Other discussion covered in the meeting was how to let 911 know your location (name of homeowner), information to share with dispatchers, AED locations, EMS equipment locations, and patient privacy.

Under guidance from Life Flight representatives, IAH town plow trucks have been keeping a landing zone clear of snow in the ball field for winter emergencies. This greatly enhances opportunities for rapid medical rescue in the winter. Thank you, plow truck drivers!

Items purchased this year were new batteries for the two town AED's, new pagers, handheld radio cleaning, frequency updates, and some new radios purchased. Money raised from the Isle au Haut Triathlon and donated to IAH EMS was able to cover most of the cost of a full body vacuum splint. Thank you!

Seasonal EMT's on Isle au Haut last year were Alison Richardson, Kristin Dillon, Charlie Sisk, Marshall Chapman.

A big thank you to all the town people who came out to help on a Western Head Trail carryout of an injured hiker, to Waylan Small for his assistance in a rescue off Western Head, and for those who gave their time to transport patients off island with their own boats. Thank you to Brenda Clark for arranging transportation for patients and getting people together when extra hands were needed! Thank you to all the community members who assisted in anyway with the safety of our town residents and those who visit!

Submitted by Alison Richardson

OTHER ASSETS

TOWN LANDING

February 1, 2017 Balance Forward		\$22,739.45
Auditor's Adjustment	-\$16.64	
Transfer to General Gov't	-\$15,000.00	
		\$7,722.81
INCOME:	\$0.00	
EXPENSES:		
Isle au Haut Electric PoCo	\$1,029.44	
C.L. Haskell & Sons	\$2,726.47	
Hamilton Marine	\$230.63	
Island Fishing Gear	\$89.99	
Robert L. DeWitt Jr.	\$260.66	
 Total Expenses	 \$4,337.19	 \$3,385.62
 January 31, 2018 Balance		 \$3,385.62

TOWN LANDING WHARF REPLACEMENT

February 1, 2017 Balance Forward:	\$0.36
January 31, 2018 Balance	\$0.36

TOWN LANDING PARKING LOT

February 1, 2017 Balance Forward	\$20,000.00
INCOME:	
Appropriation	\$25,000.00
Total Income	\$25,000.00 \$45,000.00
EXPENSES:	
	\$0.00
 January 31, 2018 Balance	 \$45,000.00

TOWN LANDING BUILDING

February 1, 2017 Balance Forward	\$4,000.00
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INCOME:

Appropriation	\$5,000.00	
Total Income	\$5,000.00	\$9,000.00

EXPENSES:

Isle au Haut Electric PoCo	\$249.60	
Stevens' Sawmill & Construction	\$300.00	
Hancock County Regional Planning Comm.	\$650.00	
Total Expenses	\$1,199.60	\$7,800.40

January 31, 2018 Balance	\$7,800.04
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SNOW REMOVAL

February 1, 2017 Balance Forward	\$7,715.85
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Auditor's Adjustment	\$680.00	
		\$8,395.85

INCOME:

Appropriation	\$7,000.00
Stewart Foelix	\$75.00

Total Income	\$7,075.00	
		\$15,470.85

EXPENSES:

Darren Carlow	\$1,315.00	
Isle au Haut Boat Services	\$42.00	
Island Store	\$24.45	
Landon DeWitt	\$2,546.25	
Luther Smith	\$180.00	
M.D. Joyce	\$238.50	
Stevens' Sawmill & Construction	\$10,192.00	

Total Expenses	\$14,538.20	\$932.65
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January 31, 2018 Balance	\$932.65
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TOWN ROADS, BRIDGES AND TRUCKS

TRUCKS AND PLOWS

February 1, 2017 Balance Forward		\$0.00
INCOME:		
Appropriation	\$5,000.00	
Total Income	\$5,000.00	\$5,000.00
EXPENSES:		
Isle au Haut Boat Services	\$107.00	
Island Fishing Gear	\$329.68	
Island Store	\$782.22	
Landon DeWitt	\$227.50	
Luther Smith	\$3,110.52	
On the Road - pump repair	\$293.13	
Ron's	\$593.92	
Sunrise Glass	\$960.00	
Total Expenses	\$6,403.97	\$1,403.97
January 31, 2018 Balance		-\$1,403.97

TRUCK RESERVE

February 1, 2017 Balance Forward		\$8,756.50
INCOME:		
Appropriation	\$5,000.00	
Total Income	\$5,000.00	
EXPENSES:		
	\$0.00	
January 31, 2018 Balance		\$13,756.50

SALT AND SAND SHED RESERVE

February 1, 2017 Balance Forward	\$12,500.00
January 31, 2018 Balance	\$12,500.00

TOWN ROADS AND BRIDGES

February 1, 2017 Balance Forward	\$25,595.84
Auditor's Adjustment	-\$737.50
	\$24,858.34

INCOME:

Appropriation	\$15,000.00	
Transfer from Vehicle Excise Tax	\$7,772.10	
 Total Income	 \$22,772.10	 \$47,630.44

EXPENSES:

Aiden O. Olney	\$975.00	
Isle au Haut Boat Services	\$87.50	
Island Fishing Gear	\$231.74	
Island Store	\$605.98	
John Carnes	\$2,837.50	
Land Construction Co. - road patch	\$1,872.20	
Leland Small	\$9,676.12	
Stevens' Sawmill & Const.	\$20,121.00	
 Total Expenses	 \$36,407.04	 \$11,223.40

January 31, 2018 Balance	\$11,223.40
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DOT LOCAL ROADS ASSISTANCE (DOTLRA)

February 1, 2017 Balance Forward		\$94,313.61
Auditor's Adjustment	\$11.31	
		\$94,324.92
 INCOME:		
State of Maine - Annual	\$10,000.00	
Transportation Fee		
State of Maine - LRAP	\$9,856.00	
 Total Income	 \$19,856.00	 \$114,180.92
 EXPENSES:		
	\$0.00	
 January 31, 2018 Balance		 \$114,180.92

DOT TRANSPORTATION ACCOUNT (DOTTA)

February 1, 2017 Balance Forward:		\$29,180.54
Auditor's Adjustment	\$14.65	
		\$29,195.19
 INCOME:		
	\$0.00	
 EXPENSES:		
	\$0.00	
 January 31, 2018 Balance		 \$29,195.19

Mud Season

Ruts inroad
 Ruts on road
 Mutt's in road
 Plot in ruts with mutt on road
 Ruts in mud get old
 Mutt in mud gets told not
 To plop in mud in ruts in road
 Such is life
 Ruts inroad!

Written by a former Road Commissioner
 Wm. F. Stevens

VEHICLES AND BOATS

VEHICLE EXCISE TAX

February 1, 2017 Balance Forward		\$7,772.10
Transfer to Town Roads and Bridges	-\$7,772.10	
		\$0.00
INCOME:		
Tax Collector	\$8,098.35	
Total Income	\$8,098.35	\$8,098.35
January 31, 2018 Balance		\$8,098.35

VEHICLE STATE REGISTRATION FEES

February 1, 2017 Balance Forward		\$1,032.25
Auditor's Adjustment	\$100.00	
		\$1,132.25
INCOME:		
Tax Collector	\$3,719.56	
Total Income	\$3,719.56	\$4,851.81
EXPENSES:		
Secretary of State	\$1,711.00	
Total Expenses	\$1,711.00	\$3,140.81
January 31, 2018 Balance		\$3,140.81

VEHICLE STATE SALES TAX

February 1, 2017 Balance Forward	\$675.15
January 31, 2018 Balance	\$675.15

BOAT EXCISE TAX

February 1, 2017 Balance Forward		\$298.10
INCOME:		
Tax Collector	\$1,814.20	
Total Income	\$1,814.20	\$2,112.30
EXPENSES:		
	\$0.00	
January 31, 2018 Balance		\$2,112.30

BOAT STATE REGISTRATION FEES

February 1, 2017 Balance Forward	-\$250.50
January 31, 2018 Balance	-\$250.50

BOAT STATE SALES TAX

February 1, 2017 Balance Forward	\$675.00
January 31, 2018 Balance	\$675.00

CLERK LICENSES AND FEES

February 1, 2017 Balance Forward		\$458.10
INCOME:		
	\$179.00	
Total Income	\$179.00	
EXPENSES:		
	\$0.00	
Total Expenses	\$0.00	
January 31, 2018 Balance		\$637.10

FEDERAL WITHHOLDING TAX

February 1, 2017 Balance Forward -\$18,142.84

INCOME:

Aiden Olney	\$88.07	
Allen Meyers	\$3.15	
Alvah MacWilliam	\$170.00	
Brenda Clark	\$222.50	
Bryne Montoya	\$9.15	
Daniel MacDonald	\$398.99	
Darren Carlow	\$51.57	
John Carnes	\$332.02	
Karen Teague	\$550.83	
Landon DeWitt	\$320.22	
Leland Small	\$750.62	
Lisa Turner	\$549.71	
Matthew Skolnikoff	\$5.15	
Peggi Stevens	\$988.75	
Roz Stantospago	\$236.11	
Sue MacDonald	\$9.15	
Tucker Runge	\$270.00	
Total Income	\$4,955.99	-\$13,186.85

EXPENSES:

U. S. Treasury - IRS	\$13,052.51	
Total Expenses	\$13,052.51	

January 31, 2018 Balance -\$26,239.36

SOCIAL SECURITY (FICA) WITHHOLDING TAX

February 1, 2017 Balance		\$6,718.53
Forward		

INCOME:

Aiden Olney	\$60.46	
Allen Meyers	\$7.44	
Alvah MacWilliam	\$248.00	
Brenda Clark	\$280.55	
Bryn Montoya	\$11.16	
Dan MacDonald	\$248.00	
Darren Carlow	\$81.54	
Debra Schrader	\$93.00	
Heather Dugas	\$8.84	
John Carnes	\$175.93	
Karen Teague	\$496.00	
Kendra Chubbuck	\$22.32	
Landon DeWitt	\$157.84	
Leland Small	\$493.70	
Lisa Turner	\$395.14	
Luther Smith	\$26.66	
Matthew Skolnikoff	\$8.68	
Peggi Stevens	\$744.00	
Roz Santospago	\$290.63	
Sue MacDonald	\$11.16	
Tucker Runge	\$310.00	
	\$4,171.05	
 Total Income	 \$4,171.05	 \$10,889.58

EXPENSES:

U. S. Treasury - IRS	\$3,711.77	
 Total Expenses	 \$3,711.77	 \$7,177.81
 January 31, 2018 Balance		 \$7,177.81

MEDICARE WITHHOLDING TAX

February 1, 2017 Balance Forward		\$2,573.01
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INCOME:

Aiden Olney	\$14.14	
Allen Meyers	\$1.74	
Alvah MacWilliam	\$58.00	
Brenda Clark	\$65.61	
Bryn Montoya	\$2.61	
Dan MacDonald	\$58.00	
Darren Carlow	\$19.07	
Heather Dugas	\$2.07	
John Carnes	\$41.14	
Karen Teague	\$116.00	
Kendra Chubbuck	\$5.22	
Landon DeWitt	\$36.92	
Leland Small	\$115.45	
Lisa Turner	\$98.90	
Luther Smith	\$6.24	
Matthew Skolnikoff	\$2.03	
Peggi Stevens	\$174.00	
Roz Santospago	\$67.97	
Sue MacDonald	\$2.61	
Tucker Runge	\$72.50	
Total Income	\$960.22	\$3,533.23

EXPENSES:

U.S. Treasury	\$1,694.17	
Total Expenses	\$1,694.17	\$1,839.06
January 31, 2018 Balance		\$1,839.06

STATE WITHHOLDING TAX

February 1, 2017 Balance Forward		\$388.19
Auditor's Adjustment	\$631.32	
		\$1,019.51
 INCOME:		
Aiden Olney	\$17.52	
Dan MacDonald	\$104.58	
Darren Carlow	\$5.00	
John Carnes	\$106.02	
Landon DeWitt	\$39.00	
Leland Small	\$240.57	
Lisa Turner	\$91.26	
Peggi Stevens	\$188.50	
Roz Santospago	\$83.55	
 Total Income	 \$876.00	 \$1,895.51
 EXPENSES:		
Maine Revenue Services	\$7,496.11	
 Total Expenses	 \$7,496.11	 -\$5,600.60
 January 31, 2018 Balance		 -\$5,600.60

BOND TO FUND D. SCHRADER PROPERTY

February 1, 2017 Balance Forward		\$0.00
INCOME:		
Appropriation	\$9,250.00	
Total Income		\$9,250.00
EXPENSES:		
Bar Harbor Bank & Trust	\$9,250.00	
Total Expenses	\$9,250.00	\$0.00
Janauary 31, 2018 Balance		\$0.00

INTEREST TO FUND D. SCHRADER PROPERTY

February 1, 2017 Balance Forward		-\$391.06
INCOME:		
Appropriation	\$7,050.00	
Total Income	\$7,050.00	\$6,658.94
EXPENSES:		
Bar Harbor Bank & Trust	\$6,622.67	
Total Expenses	\$6,622.67	\$36.27
January 31, 2018 Balance		\$36.27

EDUCATION

COMMON SCHOOLS

February 1, 2017 Balance Forward		\$110,648.13
Auditor's Adjustment	-\$15,617.43	
		\$95,030.70
 INCOME:		
Appropriation	\$226,222.00	
Isle au Haut Elementary School (REAP)	\$10,241.40	
State of Maine - EPS subsidy	\$12,222.24	
Maine Public Employees Retirement Sys.	\$243.43	
State of Maine	\$95.66	
Total Income	\$249,024.73	
		\$344,055.43
 EXPENSES:		
School Payrolls	\$218,108.77	
IRS	\$2,703.04	
Total Expenses	\$220,811.81	\$123,243.62
 January 31, 2018 Balance		 \$123,243.62

SCHOOL ROOF RESERVE

February 1, 2017 Balance Forward \$9,390.00

INCOME:

Appropriation \$1,000.00

Total Income \$1,000.00

EXPENSES: \$0.00

January 31, 2018 Balance \$10,390.00

ARTHUR BARTER EDUCATIONAL SCHOLARSHIP FUND

February 1, 2017 Balance Forward \$274.14

Auditor's Adjustment \$67.65

\$206.49

INCOME:

Dividends \$274.66

Total Income \$274.66

EXPENSES:

Total Expenses \$0.00

January 31, 2018 Balance \$481.15

ISLE AU HAUT HISTORICAL SOCIETY 2017

February 1, 2017
Beginning Balance \$5,685.18

Income:

Town Donation 2015 - 2016 \$2,000.00
Town Donation 2017 \$1,000.00
Annual Dues \$110.00
Tom Guglielmo, Donation \$100.00

Total Income: \$3,210.00

Expenses:

Kris Carlson-Lewis, reimburse supplies \$110.11
Rita MacWilliam \$100.00
Isle au Haut Boat Service (2 books tickets) \$330.00

Total Expenses: \$540.11

Ending Balance Jan. 31, 2018: \$8,355.07

Respectfully Submitted,

Brenda Clark, Treasurer

ISLE AU HAUT HISTORICAL SOCIETY REPORT

2017 was a year of major changes. Harold Van Doren, our long-time president, raconteur extraordinaire and guiding light, resigned after moving away. Marie Hamly, the Society's hard-working secretary, retired after many years of dedicated service. In addition, Pat Cole chose to step down as Vice President. Sadly, Barbara Brown, our founder, who understood that preserving the history of Isle Au Haut was important, passed away April 2017 at the age of 96. Also, long-time member Dr. Richard Marks died in November of 2017. We thank them for their contribution and service.

Kristen Carlson-Lewis graciously stepped in as acting secretary--Thank you, Kris--and I as acting president.

Our Oral History Project, energized by Kris, continues to grow and included a few more interviews this year. Last summer an interview with Parker Waite was conducted. Parker was instrumental in the early beginnings of the IAH Power Company and participated in the laying of the cable. An interview was also done with Kendra Chubbuck and a later combined one with her aunt, Sonja Harjula Richards, exploring the roots of the Hamilton and Bowen families on Isle Au Haut. Next summer we plan to continue our oral history project.

During the summer, we continued the tradition of an Annual Story Night. Rita MacWilliam, our schoolteacher, and the school children, have been interviewing Islanders and shared some of their experiences. Gianna and Ocean read several of their interviews and Rita shared some of the interviews done by students who were not present. Several other personal stories were read by Jeff Burke, Nick Filler, Allen Meyers, Jenny Sawyer and Bill Barter. Thank you all for participating. The evening was very enjoyable.

This coming Summer 2018 we tentatively have three evenings planned:

- In late July, David Townsend, a biological oceanographer, will speak on the Gulf of Maine.
- In August Karen Wilson, a limnologist, will give a talk on Long Pond.
- Also, in August we plan to have our Third Annual Story Night. Please join us for an evening of island stories.

The Historical Society continues to search for a permanent home for our collection which is currently stored in file cabinets and glass cases at the Town Hall. We are always trying to expand our membership. Please join us for one of our summer evenings.

Respectfully submitted,
Tom Guglielmo, Acting President
Kris Carlson-Lewis, Acting Secretary

BROADBAND FUND FOR PLANNING

February 1, 2017 Balance Forward \$0.00

INCOME:

Island Institute \$10,000.00

Total Income \$10,000.00

EXPENSES:

Axiom Technologies \$10,000.00

Total Expenses: \$10,000.00

January 31, 2018 Balance \$0.00

BROADBAND COMMITTEE REPORT

Established as a town committee in 2017, the Broadband Committee's objectives are to obtain broadband internet access for Isle au Haut that meets or exceeds the federal minimum standard for broadband, allows residents and visitors to have reliable high speed internet access, creates opportunity to attract full time residents and to extend the summer season, and is financially feasible.

Activities in 2017 included:

Survey: The IAH community was well represented with 69 respondents: 30% of respondents live on the island 7-12 months/year, 41% spend 1-6 months/year and 29% spending < 1 month. Overwhelmingly respondents (96%) indicated that fast and reliable broadband service is important to critically important for IAH. Thank you to all who responded.

Grants: The Island Institute awarded the town of IAH a \$10,000 broadband planning grant that allowed initial design work to be completed. The normal town "matching funds" requirement was waived so that work could be advanced in 2017.

RFI: Working with the Island Institute, we issued a Request for Information to five providers. Only one of the five elected to respond. Using the planning grant funds we entered into agreement with Axiom Technologies, a Maine based company, to develop a technical design that would meet our objectives.

Technical Design: In brief, Axiom's design is a hybrid solution with fiber running along Main Road with wireless connections to homes.

The survey results, the RFI, and Axiom's technical design documents are all available on the Broadband Committee page of the IAH town web site.

Our plans for the coming year are to continue to refine the technical plan with Axiom and work with the Island Institute to explore financing and ownership/operational models.

We welcome input and support from anyone interested in participating to help IAH achieve reliable high speed internet access.

The Broadband Committee

Donna & Charlie Hopkins

Sue & Stew Foelix

Roz Santospago

**TREASURER'S REPORT
2017-2018**

INCOME

Beginning Balance February 1, 2017 \$753,417.44

Miss Lizzie House

Rita and Alvah MacWilliam \$5,700.00

Coombs Mt. House

Dan and Karen Teague \$250.00

Bryn Montoya and Michael Delchamp \$1,268.81

Total Received \$1,518.81

Head Harbor School House

Ed White \$1,875.00

Revere Memorial Hall

Kendra Chubbuck \$30.00

Revere Memorial Library

Marie Hamley \$200.00

Wendy Pomeroy \$300.00

Donations/Bake Sale \$375.50

Thomas Guglielmo \$100.00

Total Received \$975.00

Emergency Medical Services

Shore Shop Gifts/Water bottle sales \$110.00

Fire Department

Cash Donations at Town Meeting \$166.00

Brenda Clark \$25.00

Luther Smith \$25.00

Gerardine Wurzburg/Fire Extinguisher \$143.50

Total Received \$359.50

<u>Broadband Committee</u>	
Island Institute	\$10,000.00
<u>Health and Sanitation</u>	
Plumbing Permit Fees	\$800.00
<u>Isle au Haut Lighthouse Fund Reserve</u>	
Lisa Turner, Lighthouse Committee Treasurer	\$12,309.44
<u>Maine State Revenue Sharing</u>	
State of Maine	\$1,098.74
<u>Veteran's Exemption</u>	
State of Maine	\$31.00
<u>Tree Growth Reimbursement</u>	
State of Maine	\$3,050.91
<u>Homestead Exemption</u>	
State of Maine	\$1,899.00
<u>Payment in Lieu of Taxes</u>	
Maine Coast Heritage Trust	\$1,250.00
United States Treasury	\$7,122.00
Department of Interior	\$411.00
Total Received	\$8,783.00
<u>DOT Local Road Assistance</u>	
State of Maine	\$9,856.00
<u>Annual Transportation Fee</u>	
State of Maine	\$10,000.00
<u>Common Schools</u>	
Isle au Haut Elementary REAP	\$10,241.40
State of Maine – E.P.S. Subsidy	\$12,222.24
Total Received	\$22,463.64

Arthur J. H. Barter Trust Fund

“Given to 8th Grade Graduates”

AT&T \$254.80
Comcast \$19.86

Total Received \$274.66

2014 Property Taxes

Lisa Turner, Tax Collector \$3,028.71

2015 Property Taxes

Lisa Turner, Tax Collector \$18,067.30

2016 Property Taxes

Lisa Turner, Tax Collector \$589,164.80

2017 Property Taxes

Lisa Turner, Tax Collector \$508,003.46

2018 Property Taxes

Lisa Turner, Tax Collector \$6,761.26

Interest on Taxes

Lisa Turner, Tax Collector \$2,400.88

Vehicle Excise Tax

Lisa Turner, Tax Collector \$10,133.91

Vehicle Registration

Lisa Turner, Tax Collector \$1,680.00

Boat Excise Tax

Lisa Turner, Tax Collector \$1,814.20

Agent Fees

Lisa Turner, Tax Collector \$168.00

Clerk Fees

Rosalyn Santospago, Clerk \$115.00

Federal Tax Withholding

Common Schools	\$13,273.95
Town Payroll	\$2,771.76

Total Received	\$16,045.71
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Social Security Withholding

Common Schools	\$2,403.96
Town Payroll	\$3,581.16

Total Received	\$5,985.12
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Medicare Withholding

Common Schools	\$1,701.83
Town Payroll	\$837.55

Total Received	\$2,539.38
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State Withholding

Common Schools	\$8,627.82
Town Payroll	\$776.53

Total Received	\$9,404.35
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Camden National Bank

Interest Earned – Now Account	\$ 12.51
Interest Earned – Sweep Repo Account	\$128.65
Interest Earned – CD – Revere Memorial Library	\$11.80
Interest Earned – CD – DOT Transportation	\$10.24
Interest Earned – CD – Local Road Assistance	\$11.32
Corrected Credit	\$162.03

Total Received	\$336.55
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Knox County

Knox County Treasurer – refund of over payment	\$145.43
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Winter Roads

Stewart Foelix	\$75.00
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TOWN OF ISLE AU HAUT

Insurance

MEMIC – WC return premium audit	\$36.00
Insurance dividend	\$367.02
 Total Received	 \$403.02

Legal Fees

Isle au Haut Boat Services	\$1,007.50
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TOTAL RECEIPTS	\$1,268,413.80
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<u>WARRANTS DRAWN</u>	<u>\$840,042.19</u>
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Balance February 1, 2018	\$1,181,789.10
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Respectfully Submitted,

Karen K. Teague, Treasurer of Isle au Haut

2017 TAX COLLECTOR'S REPORT

2017 Tax Commitment to Tax Collector	\$592,181.00
2016 Tax Commitment to Tax Collector	\$609,643.00
Amount Collected as of January 31, 2018	\$1,151,222.52

Itemized Monies:

2017 Property Tax	\$561,332.91
2016 Property Tax	545,835.35
2015 Property Tax	18,067.30
2014 Property Tax	3,028.71
2018 Property Tax	6,761.26
2017 Property Tax Interest	358.93
2016 Property Tax Interest	1,045.48
2014 Property Tax Interest	971.29
2017 Vehicle Registrations	1,680.00
2017 Agent Fees	168.00
2017 Vehicle Excise Tax	10,133.91
2017 Boat Excise Tax	1,814.20
General Government	16.18
Total	\$1,151,222.52

Unpaid 2017 Property Taxes

Dianne Barter	\$2,471.57
Wayne Barter	1,160.59
*Charles Bowen	2,101.08
*Nathan Clark & Rachael Dugan	1,238.90
Landon DeWitt	2,479.49
IaH Lobsterman's Association	1,252.25
IaH Lobsterman's Associations	67.28
*Belvia MacDonald	515.60
Benjamin MacDonald	1,234.87
Arlena Tully	4,189.97
Ian Tully	3,467.67
Charles D. & Robin H. Bowen	198.30
Theresa Cousins	1,003.65
Merle Devereux	968.26
Susannah French	3,079.11

Joanne Greenlaw	2,941.59
Heirs of Solomon Hamilton	397.95
*Carolyn Lowe	1,243.23
Heirs of Ava & Walter Rich	1,207.34
Kimberly & Michael Stoddard	1,368.95
Total	\$32,587.65

Unpaid 2016 Property Taxes

Dianne Barter	\$2,559.61
IaH Lobsterman's Association	1,296.85
IaH Lobsterman's Association	69.68
Benjamin MacDonald	1,278.86
Arlena Tully	1,046.08
Ian Tully	3,591.19
Theresa Cousins	1,039.39
Kimberly & Michael Stoddard	531.93
Total	\$11,413.59

Unpaid 2015 Property Taxes

IaH Lobsterman's Association	\$1,215.90
IaH Lobsterman's Association	65.33
Benjamin MacDonald	1,235.83
Ian Tully	3,403.83
Total	\$5,920.89

Unpaid 2014 Property Taxes

Benjamin E. MacDonald	\$1,135.09
Island Telephone	182.03
Ian Tully	97.63
Theresa Cousins	895.07
Total	\$2,310.12

Unpaid 2013 Property Taxes

Benjamin E. MacDonald	\$1,029.30
Total	\$1,029.30

Unpaid 2012 Property Taxes

Benjamin E. MacDonald	\$905.64
Total	\$905.64

Unpaid 2011 Property Taxes

Benjamin E. MacDonald	\$1,990.39
Total	\$1,990.39

Unpaid 2010 Property Taxes

Benjamin E. MacDonald	\$,1118.34
Total	\$1,118.34

Unpaid 2008 Property Taxes

Benjamin E. MacDonald	\$1,062.25
Theresa Cousins	933.44
Total	\$1,995.69

Unpaid 2007 Property Taxes

Benjamin E. MacDonald	\$175.65
Total	\$175.65

TAXES COMMITTED TO PREVIOUS TAX COLLECTOR

Unpaid 2006 Property Taxes

Benjamin E. MacDonald	\$801.16
John & Theresa Cousins	690.15
Total	\$1,491.31

*taxes collected after January 31, 2018

SCHOOL UNION 76

BROOKLIN – DEER ISLE-STONINGTON CSD – SEDGWICK
251 N. DEER ISLE ROAD, UNIT 1, DEER ISLE, ME 04627

Office of the Superintendent

Telephone (207) 348-9100

Fax (207) 348-9103

“It takes a whole community to educate a child.”

Superintendent’s Memo

To: Town of Isle au Haut

From: Christian M. Elkington

Re: Superintendent’s Town Report

Date: 3-16-18

In completing my second full year as your superintendent, I am sharing my third Superintendent’s Report with you. I continue to be impressed with the hard work, special bonds and support the people of Isle au Haut give to your island school and its students. Thank you for your efforts in keeping our school alive and well during the 2017-2018 school year!

The school board and I are cognizant of the concerns community members have in regards to both running an island school and balancing the educational needs of our students. We were able to make adjustments using 2017-2018 budget numbers so as to continue to support student learning and growth in the coming year. The 2018-2019 School budget will continue to be very supportive of our student’s needs, without having to increase overall costs. The school budget being proposed to you has an overall expenditure decrease of 1.7% by again using balance-forward funds. There will not be a need for an education budget increase in 2018-2019.

The 18-19 IAH School Budget continues to support student learning by offering a wide range of learning opportunities. Our students will again be able to take advantage of Art, Music and Phys Ed along with their academic studies. The school board has been having some of our buildings most basic needs fixed or upgraded, with plans to continue this work while also starting a window project in the year to come. We will also continue to make sure that our technology resources support teaching and learning, with improvements as needed.

I must take this opportunity to thank the staff of our school for their hard work and support of our students. Rita MacWilliam and Lisa Turner 's dedication to our students' efforts is the cornerstone of support, kindness and deep learning our students receive each and every day at our school. Their efforts throughout the 2017-2018 school year not only support our parents, but also give our students the opportunity to be the best that they can be!

Lastly, special thanks must go to Kendra Chubbuck who will be ending her service, dedication and commitment to the IAH School Board this April. Kendra's hard work, follow-through and concern for "Job 1" will be missed! On behalf of Kendra and myself we thank you in advance you for your continued support of our students, staff and school in the year to come!

**Isle au Haut School
2018-2019 School Budget**

Report # 5169

Statement Code: 1819

Account Number / Description	2 Years Prior Actual 7/1/2016 - 6/30/2017	1 Year Prior SO FAR 7/1/2017 - 6/30/2018	1 Year Prior Budgeted 7/1/2017 - 6/30/2018	Budget Total 7/1/2018 - 6/30/2019	Inc/Dec 7/1/2018 - 6/30/2019
State Share					
1. 1000-0000-0000-43111-000 State Educ Subsidy	(4,231)	(6,850)	(10,154)	(11,241)	(1,087)
Total State Share	\$(4,231)	\$(6,850)	\$(10,154)	\$(11,241)	\$(1,087)
Local Share					
2. 1000-0000-0000-41211-000 Local EPS Allocation	0	0	(81,680)	(108,314)	(26,634)
3. 1000-0000-0000-41213-000 Additional Local Funds	0	0	(144,541)	(118,255)	26,286
Total Local Share	\$0	\$0	\$(226,221)	\$(226,569)	\$(348)
Balance Forward					
4. 1000-0000-0000-41000-000 Bal Frwd/Audit	0	0	(45,172)	(40,000)	5,172
Total Balance Forward	\$0	\$0	\$(45,172)	\$(40,000)	\$5,172
TOTAL EPS REVENUE	\$(4,231)	\$(6,850)	\$(281,547)	\$(277,810)	\$3,737
Allocation to Reserve					
5. 1000-0000-0000-41205-000 Roof Replacement Reserve	0	0	(1,000)	0	1,000
Notes: \$10,390.00 is now in Reserve for future replacement.					
Total Allocation to Reserve	\$0	\$0	\$(1,000)	\$0	\$1,000
TOTAL REVENUE	\$(4,231)	\$(6,850)	\$(282,547)	\$(277,810)	\$4,737

Isle au Haut School
2018-2019 School Budget

Report # 5169

Account Number / Description	2 Years Prior Actual 7/1/2016 - 6/30/2017	1 Year Prior SO FAR 7/1/2017 - 6/30/2018	1 Year Prior Budgeted 7/1/2017 - 6/30/2018	Budget Total 7/1/2018 - 6/30/2019	Inc/Dec 7/1/2018 - 6/30/2019
Regular Programs - Elementary					
6. 1000-1100-1000-51010-010 Reg Instr Prof Educ Salaries	66,994	47,643	93,162	89,722	(3,440)
Notes: Budgeted 3% increase for teachers. Includes .8 day a week music, art and 1 day every week phys. ed.					
7. 1000-1100-1000-51021-010 Reg Instr ET1 Salaries	17,105	15,544	23,888	24,605	718
Notes: Budgeted 3% increase					
8. 1000-1100-1000-51230-010 Reg Instr Temporary Salaries	150	75	900	400	(500)
9. 1000-1100-1000-52110-010 Reg Instr Health Prof	7,619	3,081	14,482	11,210	(3,272)
Notes: Includes health ins. for phys. ed.					
10. 1000-1100-1000-52111-010 Reg Instr Dental Prof	654	21	260	265	5
11. 1000-1100-1000-52120-010 Reg Instr Health ETs	6,948	8,142	10,000	10,100	100
12. 1000-1100-1000-52121-010 Reg Instr Dental ETs	178	193	281	265	(16)
13. 1000-1100-1000-52210-010 Reg Instr Medi/FICA Prof	971	691	1,351	1,301	(50)
14. 1000-1100-1000-52220-010 Reg Instr Medi/FICA ETs	1,309	1,189	1,827	1,882	55
15. 1000-1100-1000-52230-010 Reg Instr Medi/FICA Instr Subs	11	6	69	31	(38)
16. 1000-1100-1000-52310-010 Reg Instr MSRS Prof	1,932	1,626	3,130	2,748	(383)
Notes: Now includes music and phys. ed.					
17. 1000-1100-1000-52610-010 Reg Instr Unemp Prof	207	202	289	330	42
18. 1000-1100-1000-52620-010 Reg Instr Unemp ETs	47	54	76	98	23
19. 1000-1100-1000-52630-010 Reg Instr Unemp Instr Subs	1	1	6	3	(2)
20. 1000-1100-1000-54320-010 Reg Instr Tech Repair & Maint Svcs	0	0	500	500	0
21. 1000-1100-1000-55800-010 Reg Instr Staff Travel Other	913	1,197	1,000	1,200	200
22. 1000-1100-1000-56100-010 Reg Instr General Supplies	3,355	3,348	3,600	2,600	(1,000)
Notes: REAP funds are used for music, phys. ed. and art					
23. 1000-1100-1000-56110-010 Reg Instr Equipment & Furniture	0	0	500	250	(250)
24. 1000-1100-1000-56400-010 Reg Instr Books and Periodicals	4,544	738	1,500	1,000	(500)
25. 1000-1100-1000-56500-010 Reg Instr Technology Supplies	384	0	500	250	(250)
26. 1000-1100-1000-56600-010 Reg Instr Audiovisual Supplies	50	150	200	0	(200)
Notes: Will use REAP funds if needed.					
Total Reg Programs - Elem	\$113,372	\$83,901	\$157,521	\$148,760	\$(8,758)
Regular Programs - Secondary					
27. 1000-1200-1000-55610-990 Secondary Public Tuition In-State	18,991	2,112	21,500	22,000	500
Notes: 2 Students x \$11,000					
28. 1000-1200-1000-55630-990 Secondary Private Tuition	24,851	6,777	21,500	11,000	(10,500)
Notes: Student x \$11,000 (contingency)					
29. 1000-1200-1000-55680-990 Secondary Insured Value Factor	1,013	407	1,290	675	(615)
Notes: One student x \$675 (contingency)					
Total Reg Programs - Secondary	\$44,855	\$9,296	\$44,290	\$33,675	\$(10,615)
Special Educ Instruction					
30. 1000-2100-1000-51021-010 SpEd ET1 Salaries	4,833	389	0	0	0
31. 1000-2100-1000-52120-010 SpEd Health ETs	2,313	0	0	0	0

**Isle au Haut School
2018-2019 School Budget**

Report # 5169

Account Number / Description	2 Years Prior	1 Year Prior SO	1 Year Prior	Budget Total	Inc/Dec
	Actual	FAR	Budgeted		
	7/1/2016 - 6/30/2017	7/1/2017 - 6/30/2018	7/1/2017 - 6/30/2018	7/1/2018 - 6/30/2019	7/1/2018 - 6/30/2019
32. 1000-2100-1000-52121-010 SpEd Dental ETs	58	0	0	0	0
33. 1000-2100-1000-52220-010 SpEd Medi/FICA ETs	370	30	0	0	0
34. 1000-2100-1000-52620-010 SpEd Unemp ETs	13	0	0	0	0
35. 1000-2100-1000-56100-010 SpEd General Supplies	0	0	250	100	(150)
36. 1000-2100-1000-56400-010 SpEd Books and Periodicals	0	0	100	100	0
37. 1000-2500-2330-55610-990 SpEd HS Public Tuition In-State	8,370	852	10,000	9,000	(1,000)
38. 1000-2800-2110-53440-010 Soc Wk SpEd Contr Svcs	0	0	500	500	0
39. 1000-2800-2140-53440-010 SpEd Psych Contr Svcs Elem	0	1,223	2,000	2,000	0
Total Spec Educ Instr	\$15,957	\$2,494	\$12,850	\$11,700	\$(1,150)
Office of Special Education					
40. 1000-2500-2330-51040-900 Spec Svcs Ofc Admin Salary	846	475	951	979	28
Notes: 3% increase					
41. 1000-2500-2330-51180-900 Spec Svcs Ofc Support Salary	0	0	0	420	420
Notes: Probable stipend for 18-19.					
42. 1000-2500-2330-52240-900 Spec Svcs Ofc Medi/FICA Admin	12	7	14	14	0
43. 1000-2500-2330-52280-900 Spec Svcs Ofc Medi/FICA Support	0	0	0	32	32
44. 1000-2500-2330-52340-900 Spec Svcs Ofc MSRS Admin	28	19	32	39	7
45. 1000-2500-2330-52640-900 Spec Svcs Ofc Unemp Admin	5	4	6	8	2
46. 1000-2500-2330-52680-900 Spec Svcs Ofc Unemp Support	0	0	0	3	3
47. 1000-2500-2330-53440-900 Spec Services Ofc (Prorate)	20	0	50	50	0
48. 1000-2500-2330-55800-900 Spec Svcs Ofc Staff Travel Other	0	0	75	75	0
Total Special Educ Ofc	\$911	\$505	\$1,128	\$1,620	\$492
School Committee Services					
49. 1000-0000-2310-51500-900 School Cmte Stipends	2,500	1,180	2,600	2,600	0
50. 1000-0000-2310-52200-900 School Cmte Medi/FICA Stipends	191	90	199	199	0
51. 1000-0000-2310-52600-900 School Cmte Unemp Stipends	9	8	16	21	5
52. 1000-0000-2310-53400-900 School Cmte Other Prof Svcs	2,732	2,184	2,500	2,800	300
Notes: Audit services					
53. 1000-0000-2310-55200-900 School Cmte Liability Insurance	0	411	135	465	330
Notes: 17-18 figures not correct. Expecting 12% increase.					
54. 1000-0000-2310-55400-900 School Cmte Advertising	318	0	500	300	(200)
Notes: Includes yearly Schoolspring joint subscription with U76					
55. 1000-0000-2310-58100-900 School Cmte Dues and Fees	118	205	200	250	50
56. 1000-0000-2310-58140-900 School Cmte Conference Fees	350	0	0	0	0
57. 1000-0000-2310-58150-900 School Cmte Fingerprinting Fees	55	0	110	110	0
Total School Committee Svcs	\$6,273	\$4,078	\$6,260	\$6,745	\$485
Office of the Superintendent					
58. 1000-0000-2320-51040-900 Supt Ofc Admin Salaries	4,321	3,338	4,450	6,000	1,550
Notes: Based on 1 day a month Superintendent support.					
59. 1000-0000-2320-51180-900 Supt Ofc Support Salaries	565	658	582	1,465	883

Isle au Haut School 2018-2019 School Budget

Report # 5169

Account Number / Description	2 Years Prior Actual 7/1/2016 - 6/30/2017	1 Year Prior SO FAR 7/1/2017 - 6/30/2018	1 Year Prior Budgeted 7/1/2017 - 6/30/2018	Budget Total 7/1/2018 - 6/30/2019	Inc/Dec 7/1/2018 - 6/30/2019
Notes: This increase based on actual hours and hourly rate for U76 staff.					
60. 1000-0000-2320-52240-900 Supt Ofc Medi/FICA Admin	63	48	65	87	22
61. 1000-0000-2320-52280-900 Supt Ofc Medi/FICA Support	43	50	45	112	68
62. 1000-0000-2320-52340-900 Supt Ofc MSRS Admin	145	133	150	238	89
63. 1000-0000-2320-52640-900 Supt Ofc Unemp Admin	26	27	28	49	21
64. 1000-0000-2320-52680-900 Supt Ofc Unemp Support	3	5	4	12	8
65. 1000-0000-2320-53410-900 Asmt for Admin (Supt Ofc Prorate)	380	0	500	500	0
Notes: Office supplies, rent & communications. Not adjusted in 5 years.					
66. 1000-0000-2320-55800-900 Supt Ofc Staff Travel Other	83	158	300	300	0
Total Superintendent Ofc	\$5,629	\$4,417	\$6,124	\$8,763	\$2,641
Central Services					
67. 1000-0000-2500-51180-900 Cntrl Srvc Support Salaries	1,504	2,240	1,549	5,861	4,312
Notes: This increase based on actual hours and hourly rate of U76 staff.					
68. 1000-0000-2500-52280-900 Cntrl Srvc Medi/FICA Support	115	171	118	448	330
69. 1000-0000-2500-52680-900 Cntrl Srvc Unemp Support	9	18	10	48	38
70. 1000-0000-2500-53410-900 Asmt for Admin (Cntrl Srvc Prorate)	125	0	150	150	0
Notes: Accounting supplies					
Total Central Services	\$1,753	\$2,429	\$1,827	\$6,507	\$4,680
School Administration					
71. 1000-0000-2400-55300-010 School Admin Communications	1,170	762	1,300	1,400	100
Notes: TDS phone bill, Network of Maine					
Total School Administration	\$1,170	\$762	\$1,300	\$1,400	\$100
Student Transportation					
72. 1000-0000-2700-55140-900 Student Transp by Company	0	627	0	0	0
73. 1000-0000-2700-55190-950 Student Transp by Indiv In Distr	8,269	5,954	9,100	9,100	0
Notes: New two-year contract yearly rate.					
74. 1000-0000-2700-55190-990 HS Student Transp by Indiv	0	0	750	8,750	8,000
Notes: Budgeted in wrong account in 17-18.					
75. 1000-0000-2700-55200-900 Stu Transp Insurance	2,089	2,351	1,400	3,000	1,600
76. 1000-0000-2750-55140-900 SpEd Transp by Company	1,581	366	0	0	0
77. 1000-0000-2750-55190-900 SpEd Transp by Indiv	7,575	4,775	8,750	0	(8,750)
Notes: Budgeted in wrong account.					
Total Student Transportation	\$19,514	\$14,073	\$20,000	\$20,850	\$850
Operations and Maintenance					
78. 1000-0000-2600-55200-010 Operations Building Insurance	0	2,021	760	2,300	1,540
79. 1000-0000-2600-56050-010 Operations Equipment & Furniture	0	0	150	150	0
80. 1000-0000-2600-56220-010 Operations Electricity	2,198	1,314	2,400	2,400	0
81. 1000-0000-2600-56230-010 Operations Bottled Gas	409	145	650	650	0
82. 1000-0000-2600-56240-010 Operations Oil	4,346	2,769	4,900	4,900	0

**Isle au Haut School
2018-2019 School Budget**

Report # 5169

Account Number / Description	2 Years Prior Actual 7/1/2016 - 6/30/2017	1 Year Prior SO FAR 7/1/2017 - 6/30/2018	1 Year Prior Budgeted 7/1/2017 - 6/30/2018	Budget Total 7/1/2018 - 6/30/2019	Ino/Dec 7/1/2018 - 6/30/2019
83. 1000-0000-2610-51180-010 Custodial Regular Salaries Notes: 3% increase budgeted	8,368	5,704	8,807	9,072	265
84. 1000-0000-2610-52280-010 Custodial Medi/FICA Regular	640	436	674	694	20
85. 1000-0000-2610-52680-010 Custodial Unemp Regular	50	44	55	74	19
86. 1000-0000-2610-56000-010 Custodial General Supplies	511	208	550	550	0
87. 1000-0000-2620-54310-010 Repair & Maint Svcs	6,271	3,597	10,554	10,500	(54)
88. 1000-0000-2620-56000-010 Repair & Maint General Supplies	125	891	750	1,500	750
Total Operations/Maint	\$22,918	\$17,129	\$30,250	\$32,790	\$2,540
89. 1000-0000-2690-54310-010 Cap Rnwl Rvtn Repair & Maint Svcs Notes: Window replacement	0	0	0	5,000	5,000
Total Capital Improvements	\$0	\$0	\$0	\$5,000	\$5,000
TOTAL OPERATIONS & MAINTENANCE	\$232,352	\$139,084	\$281,550	\$277,810	\$(3,735)
TOTAL EPS EXPENSE	\$0	\$0	\$0	\$0	\$0
Reserve Accounts					
90. 1000-0000-2620-59114-010 Roof Replacement Reserve Notes: In reserve currently \$10,390	0	0	1,000	0	(1,000)
Total Reserve Accounts	\$0	\$0	\$1,000	\$0	\$(1,000)
TOTAL EXPENSE	\$232,352	\$139,084	\$282,550	\$277,810	\$(4,735)
Expense - Revenue	\$228,121	\$132,234	\$3	\$0	\$2

**OFFICE OF THE TOWN CLERK
ISLE AU HAUT, ME 04645**

FEBRUARY 1, 2017 TO JANUARY 31, 2018

Vital Statistics

Births	0
Deaths	0
Marriages	2
Certified Copies	1
Total Copies	3

Dog Licenses

Spayed/Neutered	11
Not Neutered	1
Late Fee	1
Total Licenses	12
Total late fees	1

Fees collected and deposited with Treasurer

Marriage Licenses	\$80.00
Certified Copies	\$15.00
Dog licenses	\$39.00
Late Fee	\$25.00
Human Remains Disposition Fee	\$20.00
Total	\$179.00

RESPECTFULLY SUBMITTED,

ROZALYN SANTOSPAGO/TOWN CLERK

CHARITABLE CONTRIBUTIONS

American Red Cross	\$250.00
Downeast Transportation, Inc.	\$55.00
Hancock County Homecare & Hospice	\$500.00
Health Equity Alliance (Downeast Aids Net.)	\$100.00
Island Family Medicine (Island Med. Center)	\$500.00
Isle au Haut Boat Services	\$50,000.00
Isle au Haut Historical Society	\$1,000.00
Lifeflight of Maine	\$500.00
Maine Public Broadcasting	\$150.00
Maine Seacoast Mission	\$500.00
Memorial Ambulance Corps	\$1,000.00
WERU	\$150.00

TOWN OF ISLE AU HAUT, MAINE

*FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT*

*FOR THE FISCAL YEAR
ENDED JANUARY 31, 2018*

TOWN OF ISLE AU HAUT

TOWN OF ISLE AU HAUT, MAINE
FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES
FOR THE FISCAL YEAR ENDED JANUARY 31, 2018

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James W. Wadman

CERTIFIED PUBLIC ACCOUNTANT

James W. Wadman, C.P.A.
Ronald C. Bean, C.P.A.
Kellie M. Bowden, C.P.A.
Wanese L. Lynch, C.P.A.
Amy E. Atherton, C.P.A.

INDEPENDENT AUDITOR'S REPORT

To the Board of Selectmen
Town of Isle au Haut
Isle au Haut, ME 04645

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Isle au Haut, Maine as of and for the fiscal year ended January 31, 2018, which collectively comprise the Town's basic financial statements as listed in the table of contents, including the related notes to the financial statements.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Isle au Haut, Maine, as of January 31, 2018, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension disclosure schedules on pages 3 through 7 and 23 through 26 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Isle au Haut, Maine's financial statements as a whole. The combining and individual nonmajor fund financial statements and supplementary information are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements and supplementary information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the State of Maine Department of Education and is also not a required part of the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Respectfully Submitted,

James W. Wadman, C.P.A.

James W. Wadman, C.P.A.
April 6, 2018

TOWN OF ISLE AU HAUT, MAINE
Management's Discussion and Analysis
For the Fiscal Year Ended January 31, 2018

The management of the Town of Isle au Haut, Maine (the Town) offers readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended January 31, 2018. We encourage readers to consider this information in conjunction with the financial statements and accompanying notes that follow.

FINANCIAL HIGHLIGHTS – PRIMARY GOVERNMENT

Government-wide Highlights:

Net Position – The assets of the Town exceeded its liabilities at the fiscal year ending January 31, 2018 by \$5,087,777 (presented as “net position”). Of this amount, \$400,199 was reported as “unrestricted net position”. Unrestricted net position represents the amount available to be used to meet the Town's ongoing obligations to citizens and creditors.

Changes in Net Position – The Town's total net position decreased by \$56,866 (a 1.1% decrease) for the fiscal year ended January 31, 2018.

Fund Highlights:

Governmental Funds – Fund Balances – As of the close of the fiscal year ended January 31, 2018; the Town's governmental funds reported a combined ending fund balance of \$623,377, an increase of \$34,481 in comparison with the prior year. Of this total fund balance, (\$13,813) represents general unassigned fund balance. This unassigned fund balance represents approximately -2.2% of the total general fund expenditures for the fiscal year.

Long-term Debt:

The Town's total long-term debt obligations had a net decrease of \$9,232 (5.5%) during the current fiscal year. No new debt obligations were issued. Existing debt obligations were retired according to schedule.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains additional required supplementary information (budgetary comparison) and other supplementary information. These components are described below:

Government-wide Financial Statements

The government-wide financial statements present the financial picture of the Town from the economic resources measurement focus using the accrual basis of accounting and are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business. They distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The statement of net position includes all assets of the Town (including infrastructure) as well as all liabilities (including long-term debt), with the difference between the two reported as net position. The statement of activities shows how the Town's net position changed during the year, regardless of the timing of related cash flows. The government-wide financial statements can be found on pages 8 - 9 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements include statements for one category of activity – governmental funds.

The governmental activities are prepared using the current financial resources measurement focus and the modified accrual basis of accounting and are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund

balance provide a reconciliation to explain the differences between the governmental funds and governmental activities. The basic governmental fund financial statements can be found on pages 10 - 11 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the fund financial statements. The notes to the financial statements can be found on pages 12 - 22 of this report.

Required Supplementary Information

This section includes schedules of historical pension information as well as a budgetary comparison schedule, which includes a reconciliation between the statutory fund balance for budgetary purposes and the fund balance for the general fund as presented in the governmental fund financial statements (if necessary). Required supplementary information can be found on pages 23 - 26 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

The largest portion of the Town's net position (87.0%) reflects its net investment in capital assets such as land, buildings, equipment and infrastructure (roads, bridges and other immovable assets); less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although, the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	<i>Governmental Activities 2018</i>	<i>Governmental Activities 2017</i>
Current Assets	\$ 702,298	\$ 814,160
Capital Assets	\$ 4,585,586	\$ 4,691,104
Deferred Outflows	\$ 2,137	\$ 3,304
<i>Total Assets & Deferred Outflows</i>	\$ 5,290,021	\$ 5,509,408
Current Liabilities	\$ 47,187	\$ 207,217
Other Liabilities	\$ 148,000	\$ 157,215
Deferred Inflows	\$ 7,056	\$ 334
Net Position;		
Invested in Capital Assets	\$ 4,428,336	\$ 4,525,462
Restricted	\$ 259,243	\$ 219,934
Unrestricted	\$ 400,199	\$ 399,246
<i>Total Liabilities and Net Position</i>	\$ 5,290,021	\$ 5,509,408

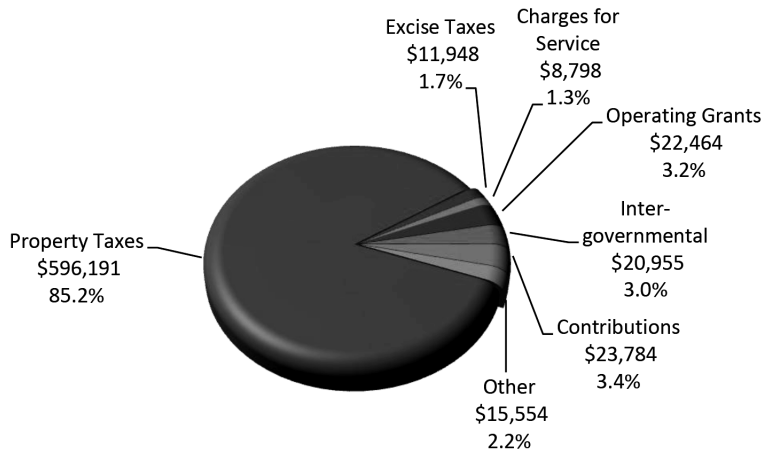
An additional portion of the Town's net position (5.1%) represents resources that are subject to external restrictions on their use. The remaining balance of unrestricted net position (7.9%) may be used to meet the government's ongoing obligations to citizens and creditors.

Changes in Net Position

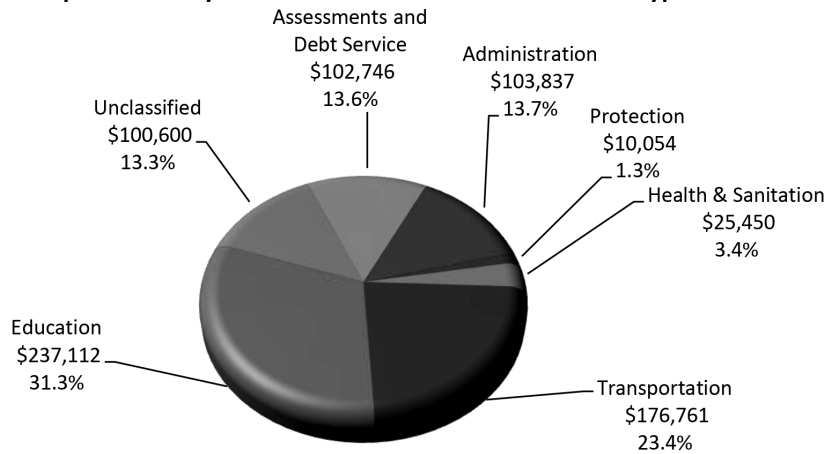
Governmental activities decreased the Town's net position by \$56,866. This decrease was primarily due to capital asset depreciation offset by increases in restricted and unrestricted reserve balances.

	<i>Governmental Activities 2018</i>	<i>Governmental Activities 2017</i>
<i>Revenues;</i>		
Tax Revenues	\$ 608,139	\$ 618,864
Program Revenues	\$ 31,261	\$ 30,298
Investments/Interest	\$ 3,690	\$ 2,451
Intergovernmental	\$ 20,955	\$ 20,902
Contributions and Grants	\$ 23,784	\$ 22,075
Other	\$ 11,865	\$ 12,694
<i>Total Revenues</i>	<i>\$ 699,694</i>	<i>\$ 707,284</i>
<i>Expenses;</i>		
Administration	\$ 103,837	\$ 88,599
Protection	\$ 10,054	\$ 13,666
Health/Sanitation	\$ 25,450	\$ 25,993
Transportation	\$ 176,761	\$ 163,482
Education	\$ 237,112	\$ 247,948
Unclassified	\$ 100,600	\$ 95,471
Assessments and Debt Service	\$ 102,746	\$ 94,036
<i>Total Expenses</i>	<i>\$ 756,560</i>	<i>\$ 729,195</i>
Changes in Net Position	\$ (56,866)	\$ (21,911)

Revenues by Source - Governmental and Business-Type



Expenditures by Source - Governmental and Business-Type



FINANCIAL ANALYSIS OF THE TOWN'S INDIVIDUAL FUNDS

Governmental Funds

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

At the end of the fiscal year, the Town's governmental funds reported ending fund balances of \$623,377, an increase of \$34,481 in comparison with the prior fiscal year. Approximately -2.2% of this total amount constitutes unassigned fund balance. The remainder is reserved to indicate that it is not available for new spending because it has been committed to liquidate contracts and commitments of the prior fiscal year or for a variety of other purposes.

GENERAL FUND BUDGETARY HIGHLIGHTS

Variances between actual General Fund revenues and expenditures and the final amended budget included the following:

- \$23,784 positive variance in contribution and grant revenue mainly due to lighthouse donation revenue and a grant for broadband planning.
- \$19,648 positive variance in intergovernmental revenue mainly from State Road Assistance. This is due to the funds not being budgeted.
- \$1,123 positive variance in all other revenues.
- \$22,591 positive variance in general government expenditures. This is primarily due to conservative budgeting.
- \$14,849 positive variance in education expenditures. This is primarily due to controlled costs and conservative budgeting.
- \$37,218 negative variance in unclassified. This is primarily due to unbudgeted lighthouse expenditures for which the lighthouse reserve funds from donations were used, unbudgeted grant funded broadband planning expenses and expenditures over budget for Revere Memorial Hall and Library.
- \$10,402 negative variance in assessments. This is primarily due to prior year county taxes coming in higher than accrued as well as budgeted use of the old Furrow Bond reserve to pay current debt.
- \$3,088 negative variance in all other expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets for its governmental activities amounts to \$7,313,264, net of accumulated depreciation of \$2,727,678, leaves a net book value of \$4,585,586. There were current year additions of road improvements and a roof for the fire department. Planning expenses for the broadband project were also added though not yet placed in service. There were no current year retirements or impairments. Additional information on the Town's capital assets can be found in Note 4 of the notes to the financial statements on page 18 of this report.

Debt

The Town has total bonded debt outstanding of \$157,250 that is backed by the full faith and credit of the Town. The outstanding debt had a net decrease of \$9,232 during the current fiscal year. Additional information on the Town's long-term debt can be found in Note 6 of the notes to the financial statements on page 19 of this report.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all citizens, taxpayers, investors and creditors. This financial report seeks to demonstrate the Town's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Town of Isle au Haut, P.O. Box 71, Isle au Haut, ME 04645.

TOWN OF ISLE AU HAUT

TOWN OF ISLE AU HAUT, MAINE
STATEMENT OF NET POSITION
JANUARY 31, 2018

(Exhibit I)

	<u>Governmental Activities</u>
<i>Assets</i>	
Cash and Cash Equivalents	\$580,366
Investments, at Fair Market Value	\$51,535
Accounts Receivable	\$846
Taxes Due - Current Year	\$30,691
Taxes Due - Prior Year	\$38,859
<i>Capital Assets</i>	
Land	\$511,551
Other Capital Assets, net of Accumulated Depreciation	\$4,074,035
Total Capital Assets	\$4,585,586
<u>Total Assets</u>	\$5,287,883
<i>Deferred Outflows of Resources</i>	
Related to Pensions	\$2,137
<u>Total Assets & Deferred Outflows</u>	\$5,290,021
<i>Liabilities, Deferred Inflows and Net Position</i>	
<i>Liabilities</i>	
Accounts Payable	\$37,938
<i>Bond Payable</i>	
Due within one year	\$9,250
Due in more than one year	\$148,000
<u>Total Liabilities</u>	\$195,188
<i>Deferred Inflows of Resources</i>	
Property Taxes Collected in Advance	\$6,889
Related to Pensions	\$167
<u>Total Deferred Inflows of Resources</u>	\$7,056
<i>Net Position</i>	
Net Investment in Capital Assets	\$4,428,336
Restricted	\$259,243
Unrestricted	\$400,199
<u>Total Net Position</u>	\$5,087,777
<u>Total Liabilities, Deferred Inflows and Net Position</u>	\$5,290,021

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

TOWN OF ISLE AU HAUT

TOWN OF ISLE AU HAUT, MAINE
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JANUARY 31, 2018

(Exhibit II)

<u>Functions/Programs</u>		<u>Program Revenues</u>		<i>Net (Expense)</i>
<u>Primary Government</u>	<u>Expenses</u>	<u>Charges for</u>	<u>Operating</u>	<u>Revenue and Changes</u>
<i>Governmental Activities</i>		<i>Services</i>	<i>Grants</i>	<i>in Net Position</i>
				<u>Governmental</u>
				<u>Activities</u>
Administration	\$103,838	\$8,734		(\$95,104)
Protection	\$10,054			(\$10,054)
Health & Sanitation	\$25,450			(\$25,450)
Transportation	\$176,761			(\$176,761)
Education	\$237,112		\$22,464	(\$214,648)
Unclassified	\$100,600	\$64		(\$100,536)
Assessments and Debt Service	\$102,747			(\$102,747)
<i>Total Governmental Activities</i>	<u>\$756,560</u>	<u>\$8,798</u>	<u>\$22,464</u>	<u>(\$725,299)</u>
<i>Total Primary Government</i>	<u>\$756,560</u>	<u>\$8,798</u>	<u>\$22,464</u>	<u>(\$725,299)</u>
 <i>General Revenues:</i>				
Tax Revenues, Including Homestead Reimbursement				\$596,191
Excise Taxes				\$11,948
Contributions and Grants				\$23,784
Intergovernmental Revenues				\$20,955
Federal Government - In Lieu of Taxes				\$8,783
Tree Growth Reimbursement				\$3,051
Unrealized Gain				\$1,744
Interest Earned				\$1,946
Veteran's Exemption Reimbursement				\$31
<i>Total Revenues</i>				<u>\$668,433</u>
<i>Changes in Net Position</i>				(\$56,866)
<i>Net Position - Beginning</i>				<u>\$5,144,643</u>
<i>Net Position - Ending</i>				<u>\$5,087,777</u>

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

TOWN OF ISLE AU HAUT

TOWN OF ISLE AU HAUT, MAINE
BALANCE SHEET - GOVERNMENTAL FUNDS
JANUARY 31, 2018

(Exhibit III)

	<i>General Fund</i>	<i>Permanent Funds</i>	<i>Total Governmental Funds</i>
<i>Assets</i>			
Cash and Cash Equivalents	\$579,071	\$1,296	\$580,366
Investments, at Fair Market Value		\$51,535	\$51,535
Accounts Receivable	\$846		\$846
Due from Other Funds		\$787	\$787
Taxes Due - Current Year	\$30,691		\$30,691
Taxes Due - Prior Years	\$38,859		\$38,859
<i>Total Assets</i>	\$649,467	\$53,617	\$703,084
<i>Liabilities, Deferred Inflows & Fund Balances</i>			
<i>Liabilities:</i>			
Accounts Payable	\$37,938		\$37,938
Due to Other Funds	\$787		\$787
<i>Total Liabilities</i>	\$38,725	\$0	\$38,725
<i>Deferred Inflows of Resources</i>			
Property Taxes Collected in Advance	\$6,889		\$6,889
Unavailable Tax Revenue	\$34,094		\$34,094
<i>Total Deferred Inflows of Resources</i>	\$40,983	\$0	\$40,983
<i>Fund Balances:</i>			
Nonspendable		\$3,836	\$3,836
Restricted	\$255,407		\$255,407
Committed	\$328,166		\$328,166
Assigned		\$49,782	\$49,782
Unassigned	(\$13,813)		(\$13,813)
<i>Total Fund Balances</i>	\$569,760	\$53,617	\$623,377
	\$649,467	\$53,617	\$703,084
<i>Total Fund Balance - Governmental Funds</i>			\$623,377
<i>Net position reported for governmental activities in the statement of net position is different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds			\$4,585,586
Some liabilities are not due and payable in the current period and therefore, are not reported in the funds, including bonds payable			(\$157,250)
Delinquent taxes are recognized as revenue in the period for which levied in the government-wide financial statements, but are reported as unavailable revenue (a deferred inflow) in governmental funds			\$34,094
Deferred outflows of resources related to pension plans			\$2,137
Deferred inflows of resources related to pension plans			(\$167)
<i>Net Position of Governmental Activities</i>			\$5,087,777

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

TOWN OF ISLE AU HAUT

TOWN OF ISLE AU HAUT, MAINE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JANUARY 31, 2018

(Exhibit IV)

	<i>General Fund</i>	<i>Permanent Funds</i>	<i>Total Governmental Funds</i>
<i>Revenues:</i>			
Tax Revenues, Including Homestead Reimbursement	\$589,412		\$589,412
Excise Taxes	\$11,948		\$11,948
Contributions and Grants	\$23,784		\$23,784
Intergovernmental Revenues	\$20,955		\$20,955
State Retirement Contributions	\$6,377		\$6,377
Federal Government - In Lieu of Taxes	\$8,783		\$8,783
Tree Growth Reimbursement	\$3,051		\$3,051
Unrealized Loss		\$1,744	\$1,744
Interest/Dividends Earned	\$198	\$1,748	\$1,946
Veteran's Exemption Reimbursement	\$31		\$31
<i>Total Revenues</i>	<u>\$664,540</u>	<u>\$3,492</u>	<u>\$668,031</u>
<i>Expenditures (Net of Departmental Revenues):</i>			
<i>Current:</i>			
General Government	\$88,640		\$88,640
Protection	\$14,984		\$14,984
Health & Sanitation	\$25,450		\$25,450
Highways & Bridges	\$67,227		\$67,227
Education	\$212,373		\$212,373
State Retirement Contributions	\$6,377		\$6,377
Unclassified	\$106,223	\$297	\$106,520
Assessments and Debt Service	\$111,979		\$111,979
<i>Total Expenditures</i>	<u>\$633,253</u>	<u>\$297</u>	<u>\$633,550</u>
<i>Excess Revenues Over (Under) Expenditures</i>	\$31,287	\$3,194	\$34,481
<i>Beginning Fund Balances</i>	<u>\$538,473</u>	<u>\$50,423</u>	<u>\$588,896</u>
<i>Ending Fund Balances</i>	<u>\$569,760</u>	<u>\$53,617</u>	<u>\$623,377</u>

Reconciliation to Statement of Activities, change in Net Position:

Net Change in Fund Balances - Above	\$34,481
Unavailable Tax Revenue	\$6,779
Bond proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Government-Wide Statement of Net Position. Repayment of bond principal is an expenditure in Governmental Funds, but the repayment reduces long-term liabilities in the Government-Wide Statement of Net Position	
This amount represents long-term debt payments	\$9,232
Governmental funds report capital outlays as expenditures, while in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.	\$43,941
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds:	
Pension Plans (Deferred Outflows, Net Pension Liability, Deferred Inflows)	(\$1,000)
Depreciation expense on capital assets is reported in the Government-Wide Statement of Activities and Changes in Net Position, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in Governmental Funds.	(\$150,299)
<i>Changes in Net Position of Governmental Activities</i>	<u>(\$56,866)</u>

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

TOWN OF ISLE AU HAUT, MAINE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JANUARY 31, 2018

Note 1 - Summary of Significant Accounting Policies

The financial statements of the Town of Isle au Haut, Maine (the Town) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for the governmental accounting and financial reporting principles. The more significant of the Town's accounting principles are described below.

A. Financial Reporting Entity

The accompanying financial statements present the government of the Town of Isle au Haut, Maine, which is identified based upon the criteria identified in Governmental Accounting Standards Board (GASB) Statement 14, as amended, *The Financial Reporting Entity*. The Town is governed under a Selectmen form of government. The Town engages in a comprehensive range of municipal services, including administrative services, public safety, health and sanitation, transportation, education and cultural services. The financial statements include all operations of the Town. Control or dependence is determined on the basis of budget adoption, taxing authority, funding and appointment of the respective governing board.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the activities of the Town. Fiduciary activities, whose resources are not available to finance the Town's programs are excluded from the government-wide statements. The material effect of interfund activity has been removed from these statements.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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. Functional expenses may also include an element of indirect cost, designed to recover administrative (overhead) costs. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided 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 instead as *general revenues*.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *total economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recognized when transactions occur and expenses and deductions are recognized when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied (i.e. intended to finance). Grants are recognized as revenue as soon as all eligibility requirements have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including interest on long-term debt, are recognized only when payment is due.

Property taxes, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

The Town reports unavailable revenue on its governmental fund financial statements. Unavailable revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unavailable revenues also arise when resources are received by the Town before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Town has a legal claim to the resources, the liability for unavailable revenue is removed from the balance sheet and the revenue is recognized.

The Town reports the following major governmental funds:

The general fund is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Town also reports the following permanent funds:

Permanent funds are used to account for assets held in perpetuity and therefore cannot be used to support the Town's own programs, but the investment earnings may be used for designated purposes.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, fines and forfeitures, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities, Deferred Inflows/Outflows and Net Position or Fund Equity

Deposits

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of one year or less from the date of acquisition. These investments are not specifically identified with any other fund.

The Town may invest in certificates of deposit, in time deposits, and in any securities in which State of Maine Statutes authorize them to invest in.

Accounts Receivable and Accounts Payable

All material receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Capital Assets

Capital assets, which property, plant, equipment and infrastructure (e.g. roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during

the construction phase of capital assets of business-type activities is included as part of the capitalized value of the asset constructed. Property, plant and equipment is depreciated using the straight line method over the following estimated useful lives:

<i>Assets</i>	<i>Years</i>
Buildings	50
Infrastructure	50
Equipment	5-30

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Maine Public Employees Retirement System (System) and additions to / deductions from the Systems' fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable pursuant to formal commitments or statutory requirements. Investments are reported at fair value. Investment income is recognized when earned and investment expenses are recognized when incurred.

Deferred Inflows/Outflows of Resources

In addition to assets and liabilities, the statement of net position and the governmental fund balance sheet will report a separate section for deferred outflows and/or inflows of resources. Deferred outflows of resources represent consumption of net position that applies to a future period(s) and therefore will not be recognized as an expense/expenditure until then. Deferred inflows or resources represent and acquisition of net position that applies to future period(s) and therefore will not be recognized as revenue until that time. The Town has no items that qualify as deferred outflows of resources and one item that qualifies as deferred inflows. This amount is considered unavailable and will be recognized as an inflow of resources (revenue) in the period that the amounts become available.

Interfund Activities

During the course of normal operations, the Town has various transactions between funds, including transfers of revenues and expenditures. The accompanying governmental fund financial statements reflect such transactions as operating transfers.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. In the fund financial statements, governmental funds recognize the face amount of debt issued as other financing sources.

Governmental Fund Balances

The Town has identified January 31, 2018 fund balances on the balance sheet as follows:

	<i>General Fund</i>	<i>Permanent Fund</i>	<i>Total</i>
<u><i>Nonspendable</i></u>			
Arthur Barter Educational Trust		\$2,540	\$2,540
Crowell Memorial Trust		\$1,296	\$1,296
<u><i>Restricted</i></u>			
State Road Assistance	\$114,192		\$114,192
School Department	\$108,879		\$108,879
State Revenue Sharing	\$1,327		\$1,327
Colwell Ramp	\$31,008		\$31,008
<u><i>Committed</i></u>			
General Government	\$16,424		\$16,424
Property Tax Revaluation	\$42,500		\$42,500
Town Buildings	\$11,134		\$11,134
Town Owned Lands	\$8,993		\$8,993

TOWN OF ISLE AU HAUT

	<u>General Fund</u>	<u>Permanent Fund</u>	<u>Total</u>
Debra Schrader Land Purchase Bond	\$427		\$427
Fire Department	\$5,555		\$5,555
Solid Waste Disposal	\$2,858		\$2,858
Plumbing & Code Enforcement	\$1,313		\$1,313
Town Roads & Bridges	\$11,898		\$11,898
Snow Removal	\$0		\$0
D.O.T. Transportation Account	\$29,210		\$29,210
Truck & Plow Account	\$0		\$0
Truck Reserve	\$13,757		\$13,757
Salt/Sand Shed Reserve	\$12,500		\$12,500
Waterfront Access	\$786		\$786
Town Landing	\$2,977		\$2,977
Town Parking Lot	\$45,000		\$45,000
Town Landing Building	\$7,784		\$7,784
Harbor Master	\$2,500		\$2,500
School Roof Fund	\$10,390		\$10,390
Auto Excise Taxes	\$10,134		\$10,134
Boat Excise Taxes	\$2,112		\$2,112
Sales Tax	\$675		\$675
Vital Stats	\$272		\$272
Interest	\$2,271		\$2,271
In Lieu of Taxes	\$567		\$567
Tree Growth	\$399		\$399
Veteran's Reimbursement	\$13		\$13
Homestead Tax Exemption	\$792		\$792
Supplemental Taxes	\$216		\$216
Revere Memorial Hall	\$9,116		\$9,116
Revere Memorial Library	\$9,732		\$9,732
Planning Board	\$937		\$937
Lighthouse Fund Reserve	\$61,422		\$61,422
Dog Fees	\$522		\$522
Emergency Medical Services	\$1,572		\$1,572
Comprehensive Planning	\$69		\$69
Property Tax Relief	\$246		\$246
Maine Public Broadcasting	\$150		\$150
Isle au Haut Historical Collections	\$608		\$608
Maine Islands Coalition	\$334		\$334
<i>Assigned</i>			
Arthur Barter Educational Trust		\$49,476	\$49,476
Crowell Memorial Trust		\$306	\$306
<i>Unassigned</i>	(\$13,813)		(\$13,813)
<u>Total Fund Balances</u>	<u>\$569,760</u>	<u>\$53,617</u>	<u>\$623,377</u>

In accordance with GASB Statement 54, the Town classifies governmental fund balances as follows:

Non-spendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.

Restricted - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as grantors or creditors, or amounts constrained due to constitutional provisions or enabling legislation.

Committed - includes fund balance amounts that are constrained for specific purposes that are internally imposed by the Town through formal action at the highest level of decision making authority and does not lapse at the end of the year.

Assigned - includes fund balance amounts that are intended to be used for specific purposes that are neither considered Restricted or Committed.

Unassigned - includes fund balance amounts that are not considered to be Non-spendable, Restricted, Committed or Assigned.

The Town considers restricted, committed, assigned and unassigned amounts to be spent in that order when expenditures are incurred for which any of those amounts are available.

Net Position

Net position is required to be classified into three components - net investment in capital assets, restricted and unrestricted. These classifications are defined as follows:

Net investment in capital assets - This component of net position consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted - This component of net position consists of restrictions placed on net position use through external constraints imposed by creditors (such as debt covenants), grantors, contributors, or law or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation. The government-wide statement of net position reports \$259,243 of restricted net position, of which enabling legislation restricts \$0.

Unrestricted - This component consists of net position that do not meet the definition of "restricted" or "net investment in capital assets."

E. Budgetary Accounting

Formal budgetary accounting is employed as a management control for the general fund only. Annual operating budgets are adopted each fiscal year by the registered voters of the Town at their annual Town meeting. Budgets are established in accordance with GAAP. Budgetary control is exercised at the selectmen level, since individual department heads do not exist. All unencumbered budget appropriations lapse at the end of the year unless specifically designated by the Board of Selectmen or required by law.

F. Endowments

In the permanent funds, there are established endowment funds of \$2,540 for the Arthur Barter Educational Trust Fund, and \$1,296 for the Jack & Alice Crowell Memorial Trust Fund. The investment earnings of these funds are used for the specific purposes that the funds were established for and shall be paid out by order of those persons responsible for administering the funds. State law directs that, subject to the intent of a donor expressed in the gift instrument, an institution may appropriate for expenditure or much of an endowment fund as the institution determines is prudent for the uses, benefits, purposes, and duration for which the accumulate so endowment is established. The current amount available for expenditure is \$49,476 from the Arthur Barter Educational Trust Fund, and \$306 from the Jack & Alice Crowell Memorial Trust Fund, which is reported as unrestricted net position in the statement of net position. The initial endowment principal is reported as restricted net position in the statement of net position.

G. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Note 2 - Deposits and Investments

Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The Town's deposit policy for custodial credit risk requires compliance with the provisions authorized by Maine State Statutes. The Town requires that, at the time funds are deposited, there is collateral in place to cover the deposits in excess of the FDIC insurance limits.

State Statutes require banks either to give bond or to pledge government securities (types of which are specifically identified in the Statutes) to the Town in the amount of the Town's deposits. The Statutes allow pledged securities to be reduced by the amount of the deposits insured by the Federal Deposit Insurance Corporation (FDIC).

The financial institution holding the Town's cash accounts participated in the FDIC Program. All cash accounts, including the Town's cash deposits, certificates of deposit, and non-interest bearing accounts, are aggregated and are insured up to \$250,000 in total by the FDIC. In order to avoid exceeding the \$250,000 FDIC limits, the bank purchases additional collateral to collateralize those funds.

At year end, the carrying value of the Town's deposits was \$580,116 and the bank balance was \$596,721. The Town has no uninsured and uncollateralized deposits as of January 31, 2018.

Investments

At year end, the Town's Governmental Fund investment balances were as follows:

	<i>Fair Market</i>	<i>Maturities (yrs)</i>		
	<i>Value</i>	<i>Less than 1 yr</i>	<i>1-5 yrs</i>	<i>Long-term</i>
Mutual Funds/Equity Sec.	\$51,535	\$6,779		\$44,756
	<u>\$51,535</u>	<u>\$6,779</u>	<u>\$0</u>	<u>\$44,756</u>

Investments held in the Permanent Fund are carried at fair market value as of January 31, 2018. Fair market value is determined using the closing market price as of January 31, 2018. Some stock certificates are held by the Town and others by a trust department. A detailed schedule of investments is as follows:

<u><i>Security</i></u>	<u><i># of shares</i></u>	<u><i>Market Value</i></u>
AT&T	130	\$4,869
Comcast Corp.	21	\$884
Vodafone	90	\$2,900
Vanguard Short-Term Bond Index Fund	1,014.32	\$10,458
Vanguard Total Bond Market Index Fund	989.1	\$10,494
Parnassus Equity Income Fund	302.25	\$13,523
Oakmark International Fund	53.37	\$1,629
Money Market Funds	6,778.77	\$6,779
		<u>\$51,535</u>

Generally, the Town's investing activities are managed under the custody of the Town Treasurer. Investing is performed in accordance with State Statutes. The Town may legally invest in U.S. Government securities and agencies, U.S. Government sponsored agencies and in bank repurchase agreements.

Custodial credit risk - for an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investment securities that are in the possession of an outside party. As a means of limiting its exposure to custodial credit risk, the Town requires that, at the time funds are invested, collateral for repurchase agreements be held in the Town's name by a custodial agent for the term of the agreement and investments in obligations of the United States or its agencies be held by the Federal Reserve.

Interest rate risk - As a means of limiting its exposure to fair value losses arising from rising interest rates, the Town invests in short-term repurchase obligations and short-term investments held by a local banking institution. Money market, common stock and mutual funds are presented as investments with a maturity of less than one year because they are redeemable in full immediately.

Credit risk - credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Town limits its investments to those authorized by Maine State Statutes, which authorize the Town to make deposits/investments in insured commercial banks, insured credit union and direct debt securities of the United States Government unless such an investment is expressly prohibited by law.

Note 3 - Property Taxes

Property taxes were assessed on April 1, 2017 and committed on August 19, 2017. Interest of 7.0% per annum is charged on delinquent taxes. Tax liens are recorded on property taxes remaining unpaid eight to twelve months after the commitment date. Tax liens unpaid for a period of eighteen months expire and the property becomes tax acquired by the Town. For governmental funds, typically only property taxes which are intended to finance the current fiscal year and collected within 60 days subsequent to year-end are recorded as revenue. Accordingly, \$34,094 of the property taxes receivable have been classified as unavailable tax revenue on the general fund balance sheet.

Note 4 - Capital Assets

Capital asset activity for the year ended January 31, 2018 was as follows:

	<i>Beginning Balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending Balance</i>
<i>Governmental Activities:</i>				
<i>Capital assets not being depreciated</i>				
Land	\$511,551			\$511,551
<i>Capital assets being depreciated</i>				
Buildings	\$596,660	\$6,645		\$603,305
Equipment	\$924,509			\$924,509
Infrastructure	\$5,236,603	\$37,296		\$5,273,899
<i>Total capital assets being depreciated</i>	<i>\$6,757,772</i>	<i>\$43,941</i>	<i>\$0</i>	<i>\$6,801,713</i>
<i>Less accumulated depreciation for</i>				
Buildings	\$220,928	\$13,462		\$234,390
Equipment	\$256,880	\$19,791		\$276,671
Infrastructure	\$2,099,571	\$117,046		\$2,216,617
<i>Total accumulated depreciation</i>	<i>\$2,577,380</i>	<i>\$150,299</i>	<i>\$0</i>	<i>\$2,727,678</i>
<i>Net capital assets being depreciated</i>	<i>\$4,180,393</i>	<i>(\$106,358)</i>	<i>\$0</i>	<i>\$4,074,035</i>
<i>Governmental Activities, Capital Assets, net</i>	<i>\$4,691,944</i>	<i>(\$106,358)</i>	<i>\$0</i>	<i>\$4,585,586</i>

Depreciation expense was charged to functions/programs of the primary government as follows;

<u>Governmental Activities</u>	
General Government	\$6,463
Protection	\$1,714
Education	\$1,275
Unclassified	\$4,016
Highways, including depreciation of general infrastructure assets	\$136,830
Total Depreciation Expense - Governmental Activities	\$150,299

Note 5 - Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. On the Governmental Fund financial statements, the payable is classified as Due to Other Funds with an offsetting receivable classified as Due from Other Funds. At January 31, 2018, the offsetting receivable and payable balances were \$787. The change in the balance of the accounts during the current fiscal year represents \$278 of interest/dividends earned that was on the permanent fund cash and investment accounts that was deposited into the general fund checking account. The remaining monies are expected to be repaid upon need of the funds for the specified purpose of the trust funds that the interest is earned on.

Note 6 - Long-Term Debt

The following is a summary of long-term debt transactions of the Town of Isle au Haut, Maine for the fiscal year ended January 31, 2018.

<i>Long-Term Debt payable at February 1,</i>	\$166,482
<i>Long-Term Debt Issued</i>	\$0
<i>Long-Term Debt Retired</i>	(\$9,232)
<i>Long-Term Debt payable at January 31,</i>	\$157,250

General Obligation bonds and notes are direct obligations and pledge the full faith and credit of the Town of Isle au Haut, Maine. Outstanding bonds at January 31, 2018 are as follows:

In October 2014, the Town issued bonds for a land purchase with Bar Harbor Bank & Trust. The bonds were authorized by the Town for \$185,000. The bonds are to be repaid over a 20 year period with interest of 3.98%. The principal balance at January 31, 2018 was \$157,250. This loan is to be repaid with tax revenue.

Annual debt service requirements to maturity of the general obligation bonds including estimated interest are as follows:

<i>Year</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2019	\$9,250	\$6,256	\$15,506
2020	\$9,250	\$5,888	\$15,138
2021	\$9,250	\$5,534	\$14,784
2022-2035	\$129,500	\$38,553	\$168,053
	\$157,250	\$56,231	\$213,481

Note 7 - Defined Benefit Employee Pension Plan

A. Plan Description

Qualifying personnel of the School Department participate in the Maine Public Employees Retirement System (System) State Employee and Teacher (SET) Plan. The Plan is a multiple-employer, cost-sharing pension plan with a special funding situation. The State of Maine is the non-employer contributing entity in that the State pays the initial unfunded actuarial liability on behalf of teachers, while school systems contribute the normal cost, calculated actuarially, for their teacher members.

B. Pension Benefits

Benefit terms are established in Maine Statute. The System's retirement programs provide defined retirement benefits based on member's average final compensation and service credit earned as of retirement. Vesting (i.e., eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit for State employees and teachers. In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. Normal retirement age for State employees and teachers is age 60, 62 or 65. The normal retirement age is determined by whether a member had met certain creditable service requirements on specific dates, as established by statute. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed

factor for each year of age that a member is below her/his normal retirement age at retirement. The System also provides disability and death benefits which are established by statute for State employee and teacher members.

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

C. Member and Employer Contributions

Retirement benefits are funded by contributions from members, employers, the State and by earnings on investments. Disability and death benefits are funded by employer normal cost contributions and by investment earnings. Member and employer contribution rates are each a percentage of applicable member compensation. Member contribution rates are defined by law or Board rule and depend on the terms of the Plan under which a member is covered. Employer contribution rates are determined through actuarial valuations. For the year ended June 30, 2017, the member contribution rate was 7.65% and the employer contribution rate was 3.36% of applicable member compensation. The employer is also responsible for contributing 10.57% of all federally funded member compensation. The State of Maine, as a non-employer contributing entity, pays 10.02% of the applicable member compensation into the System.

The required contributions paid into the System for the year ended June 30, 2017 and the previous two years are as follows:

<i>For the year ended June 30,</i>	<i>Employee Contributions</i>	<i>Employer Contributions</i>	<i>State of Maine Contributions</i>	<i>Applicable Member Compensation</i>	<i>Applicable Member Federal Compensation</i>
2017	\$4,869	\$2,138	\$6,377	\$63,642	\$0
2016	\$5,578	\$2,450	\$8,706	\$72,914	\$0
2015	\$5,753	\$1,993	\$8,979	\$75,198	\$0

D. Revenue Recognition

Employer contributions to the System are recognized as additions in the period when they become due pursuant to formal commitments or statutory requirements. Investment income is recognized when earned and investment expenses are recognized when incurred. For the teacher group, total employer and non-employer contributions were the basis for the allocation, adjusted to remove the normal cost contributions paid by local school systems on behalf of their employees. This leaves contributions toward the net pension liability of the Plan as the basis of allocation. This method of allocation properly distributes the collective net pension liability between the State of Maine as the non-employer contributing entity and those School Systems contributing towards the net pension liability of the Plan using grant funding.

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

At June 30, 2017, the School Department reported a net pension liability of \$0. The net pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by actuarial valuation as of that date. The School Department's proportion of the net pension liability was based on a projection of the School Department's long-term share of contributions to the pension plan relative to the projected contributions of all participating members. At June 30, 2017 the School Department's proportion was 0.0%, which was a change of (0.0%) from its proportion measured at June 30, 2016.

For the fiscal year ended June 30, 2016, the School Department recognized pension expense of \$3,138. At June 30, 2017, the School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Differences between expected and actual experience	\$0	\$0
Changes in Assumptions	\$0	\$0

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Net Difference between projected between projected and actual earnings on pension plan investments	\$0	\$0
Changes in proportion and differences between employer contributions and proportionate share of contributions	(\$1)	\$167
Employer contributions made subsequent to measurement date	\$2,138	\$0
	\$2,137	\$167

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30,</u>	
2017	\$1,970

F. Actuarial Assumptions

The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary Increases	2.75% - 14.50% at selected years of service
Investment Rate of Return	6.875%, net of administrative and pension plan investment expense

For the School Department employees, the mortality rate is based on the RP2014 Total Dataset Healthy Annuitant Mortality Table for males and females.

The actuarial assumptions used in the June 30, 2016 valuation were based on the Entry Age Normal actuarial funding method. Under this funding method, the total employer contribution rate consists of two elements, the normal cost rate and the unfunded actuarial liability rate.

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major class of assets. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2016 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equities	20%	5.7%
Non-US Equities	20%	5.5%
Private Equity	10%	7.6%
Real Assets:		
Real Estate	10%	5.2%
Infrastructure	10%	5.3%
Hard Assets	5%	5.0%
Fixed Income	25%	2.9%
	<u>100%</u>	

G. Discount Rate

The discount rate used to measure the total pension liability was 6.875%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made the current contribution rate and that employer and non-employer entity contributions will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

H. Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the School Department's proportionate share of the net pension liability calculated using the discount rate of 6.875%, as well as what the School Department's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.875%) or 1 percentage point higher (7.875%) than the current rate:

	<u>1% Decrease (5.875%)</u>	<u>Current Discount Rate (6.875%)</u>	<u>1% Increase (7.875%)</u>
Proportionate Share of the Net Pension Liability	\$0	\$0	\$0

I. Pension Plan Financial and Actuarial Information

Additional financial information and actuarial information can be found in the Systems' 2016 Comprehensive Annual Financial Report available online at www.mainepeps.org or by contacting the System at (207) 512-3100.

Note 8 - Restricted Net Position

The Town reports restricted net position totaling \$259,243 on its statement of net position. This restricted net position represents the nonspendable and restricted fund balances detailed in the Governmental Fund Balances note above.

Note 9 - Commitment and Contingencies

The School Department participates in a number of federal and state assisted grant programs. These programs are subject to financial and compliance audits. The amount of expenditures, if any, which may be disallowed by the granting agencies is not determinable at this time, however, the School Department does not believe such amounts would be significant.

Note 10 - Risk Management

The Town is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters for which the Town purchases municipal and commercial insurance. The Town is not aware of any material actual or potential claim liabilities which should be recognized at January 31, 2018.

TOWN OF ISLE AU HAUT

TOWN OF ISLE AU HAUT, MAINE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED JANUARY 31, 2018

(Exhibit V)

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual</i>	<i>Variance Favorable (Unfavorable)</i>
<i>Revenues:</i>				
Tax Revenues, Including Homestead Exemption	\$593,602	\$593,602	\$589,412	(\$4,190)
Excise Taxes	\$7,772	\$7,772	\$11,948	\$4,176
Contributions	\$0	\$0	\$23,784	\$23,784
Intergovernmental Revenues	\$1,307	\$1,307	\$20,955	\$19,648
In Lieu of Taxes	\$8,216	\$8,216	\$8,783	\$567
Tree Growth Reimbursement	\$2,652	\$2,652	\$3,051	\$399
Interest Earned	\$0	\$0	\$198	\$198
Veteran's Exemption Reimbursement	\$58	\$58	\$31	(\$27)
<i>Total Revenues</i>	<u>\$613,607</u>	<u>\$613,607</u>	<u>\$658,163</u>	<u>\$44,556</u>
<i>Expenditures (Net of Departmental Revenues):</i>				
Administration	\$111,231	\$111,231	\$88,640	\$22,591
Protection	\$14,800	\$14,800	\$14,984	(\$184)
Health & Sanitation	\$28,000	\$28,000	\$25,450	\$2,550
Highways & Bridges	\$61,772	\$61,772	\$67,227	(\$5,455)
Education	\$227,222	\$227,222	\$212,373	\$14,849
Unclassified	\$69,005	\$69,005	\$106,223	(\$37,218)
Assessments	\$101,577	\$101,577	\$111,979	(\$10,402)
<i>Total Expenditures</i>	<u>\$613,607</u>	<u>\$613,607</u>	<u>\$626,876</u>	<u>(\$13,269)</u>
<i>Excess Revenues Over Expenditures</i>	\$0	\$0	\$31,287	\$31,287
<i>Beginning Fund Balances</i>	<u>\$538,473</u>	<u>\$538,473</u>	<u>\$538,473</u>	<u>\$0</u>
<i>Ending Fund Balances</i>	<u>\$538,473</u>	<u>\$538,473</u>	<u>\$569,760</u>	<u>\$31,287</u>

TOWN OF ISLE AU HAUT

TOWN OF ISLE AU HAUT, MAINE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED JANUARY 31, 2018

(Exhibit VI)

	<i>For the Fiscal Year Ended June 30, 2017</i>	<i>For the Fiscal Year Ended June 30, 2016</i>	<i>For the Fiscal Year Ended June 30, 2015</i>
Last 10 Fiscal Years *			
Proportion of Net Pension Liability	0.000000%	0.000000%	0.000034%
Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0	\$367
Covered Employee Payroll	\$63,642	\$72,914	\$75,198
Proportionate Share of the Net Pension Liability (Asset) as a % Of Its Covered Employee Payroll	0.000%	0.000%	0.488%
Plan Total Pension Liability	\$13,069,954,948	\$12,616,287,054	\$12,320,158,783
Plan Fiduciary Net Position	<u>\$9,960,335,390</u>	<u>\$10,242,097,022</u>	<u>\$10,337,615,927</u>
Plan Net Pension Liability	<u>\$3,109,619,558</u>	<u>\$2,374,190,032</u>	<u>\$1,982,542,856</u>
Plan Fiduciary Net Position as a % Of the Total Pension Liability	76.21%	81.18%	83.91%
Plan Covered Employee Payroll	\$1,816,435,084	\$1,699,190,889	\$1,676,857,294
Plan Net Pension Liability as a % Of the Covered Employee Payroll	171.19%	139.72%	118.23%

* *Amounts presented for each fiscal year were determined as of June 30 of the previous fiscal year end. Retroactive information is not required to be presented. A full 10 year schedule will be displayed as it becomes available.*

TOWN OF ISLE AU HAUT, MAINE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED JANUARY 31, 2018

(Exhibit VII)

	<i>For the Fiscal Year Ended June 30, 2017</i>	<i>For the Fiscal Year Ended June 30, 2016</i>	<i>For the Fiscal Year Ended June 30, 2015</i>
Last 10 Fiscal Years *			
Contractually required contribution	\$2,138	\$2,450	\$1,993
Actual Contribution	<u>(\$2,138)</u>	<u>(\$2,450)</u>	<u>(\$1,993)</u>
Contribution Deficiency	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Covered Employee Payroll	\$63,642	\$72,914	\$75,198
Contributions as a % of Covered Employee Payroll	3.36%	3.36%	2.65%

* *Amounts presented for each fiscal year were determined as of June 30 of the previous fiscal year end. Retroactive information is not required to be presented. A full 10 year schedule will be displayed as it becomes available.*

TOWN OF ISLE AU HAUT, MAINE
NOTES TO HISTORICAL PENSION INFORMATION
MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED JANUARY 31, 2018

(Exhibit VIII)

Note 1 - Actuarial Methods and Assumptions

The information in the historical pension information was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation date, June 30, 2016, is as follows:

A. Actuarial Cost Method

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

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

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

B. Asset Valuation Method

An actuarial value of assets is used for determining employer contributions. The use of an actuarial value of assets for this purpose helps mitigate volatility in contribution rates that might otherwise occur due to fluctuations in market conditions. The specific technique adopted in this valuation recognizes in a given year one-third of the investment return that is different from the actuarial assumption for investment return.

C. Amortization

The net pension liability is amortized on a level percentage of payroll over the amortization period then in effect in statutory and constitutional requirements. The statutory and constitutional requirements include an amendment to the Maine Constitution approved in November 1995 that requires the State of Maine to fund the unfunded actuarial liability existing on June 30, 1996, over a period not to exceed 31 years beginning on July 1, 1997, and not later than June 30, 2028. The Amendment prohibits the creation of new unfunded liabilities in the Plan except those arising from experience losses, which must be funded over a period of not more than ten years. In addition, the amendment requires the use of actuarially sound current cost accounting, reinforcing existing statutory requirements.

Significant actuarial assumptions employed by the actuary for funding purposes as of June 30, 2016 are as follows:

Inflation	2.75%
Salary Increases	2.75% - 14.50% at selected years of service
Investment Rate of Return	6.875%, net of administrative and pension plan investment expense
Cost of Living Benefit Increases	2.20%

For members, the mortality rate is based on the RP2014 Total Dataset Healthy Annuitant Mortality Table for males and females. The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period of June 30, 2012 to June 30, 2015.

TOWN OF ISLE AU HAUT

TOWN OF ISLE AU HAUT, MAINE
SCHEDULE OF DEPARTMENTAL OPERATIONS
FOR THE FISCAL YEAR ENDED JANUARY 31, 2018

<u>Department</u>	<u>Beginning Designated</u>	<u>Appropriated</u>	<u>Revenues</u>	<u>Transfers In/ Other Revenue</u>
<i>Administration:</i>				
General Government	\$8,662	\$95,000	\$518	\$93,228
Property Tax Revaluation	\$32,500	\$10,000	\$0	\$0
Town Buildings	\$6,305	\$6,231	\$8,619	\$16,114
Town Owned Lands	\$8,993	\$0	\$0	\$0
	<u>\$56,460</u>	<u>\$111,231</u>	<u>\$9,137</u>	<u>\$109,342</u>
<i>Protection:</i>				
Fire Department	\$5,380	\$14,800	\$360	\$97
	<u>\$5,380</u>	<u>\$14,800</u>	<u>\$360</u>	<u>\$97</u>
<i>Health & Sanitation</i>				
Solid Waste Disposal	\$1,108	\$28,000	\$0	\$0
Plumbing & Code Enforcement	\$513	\$0	\$800	\$0
	<u>\$1,620</u>	<u>\$28,000</u>	<u>\$800</u>	<u>\$0</u>
<i>Highways & Bridges</i>				
Town Roads & Bridges	\$24,858	\$23,904	\$0	\$18,464
Snow Removal	\$8,396	\$7,000	\$0	\$0
D.O.T. Transportation Account	\$29,195	\$0	\$0	\$15
State Road Assistance	\$94,325	\$0	\$19,856	\$11
Truck & Plow Account	\$0	\$5,000	\$0	\$163
Truck Reserve	\$8,757	\$5,000	\$0	\$0
Salt/Sand Shed Reserve	\$12,500	\$0	\$0	\$0
Waterfront Access	\$786	\$2,000	\$0	\$0
Town Landing	\$22,723	\$0	\$0	\$118
Town Parking Lot	\$20,000	\$25,000	\$0	\$0
Town Landing Building	\$4,000	\$5,000	\$0	\$0
Harbor Master	\$2,500	\$5,000	\$0	\$0
Colwell Ramp	\$25,207	\$0	\$7,014	\$0
	<u>\$253,247</u>	<u>\$77,904</u>	<u>\$26,870</u>	<u>\$18,772</u>
<i>Education</i>				
School Department	\$95,031	\$226,222	\$22,559	\$21,658
School Roof Fund	\$9,390	\$1,000	\$0	\$0
	<u>\$104,421</u>	<u>\$227,222</u>	<u>\$22,559</u>	<u>\$21,658</u>
<i>Unclassified:</i>				
Excise Taxes	\$8,070	\$0	\$11,948	\$0
Sales Tax	\$675	\$0	\$0	\$0
State Revenue Sharing	\$1,536	\$0	\$1,099	\$0
Registration Fees	\$1,132	\$0	\$0	\$0
Vital Stats	\$272	\$0	\$0	\$0
Interest	\$1,500	\$0	\$2,401	\$203
In Lieu of Taxes	\$7,498	\$0	\$8,783	\$0
Tree Growth	\$2,652	\$0	\$3,051	\$0
Veteran's Reimbursement	\$40	\$0	\$31	\$0
Homestead Tax Exemption	\$314	\$0	\$1,899	\$0
Supplemental Taxes	\$216	\$0	\$0	\$0
Revere Memorial Hall	\$12,374	\$12,462	\$30	\$147
Revere Memorial Library	\$13,722	\$6,000	\$987	\$0
Planning Board	\$967	\$0	\$0	\$10
Lighthouse Fund Reserve	\$59,245	\$0	\$12,309	\$0
Dog Fees	\$458	\$0	\$64	\$0
Emergency Medical Service	\$3,756	\$2,000	\$110	\$0
Comprehensive Planning	\$69	\$0	\$0	\$0
Memorial Ambulance Corps	\$0	\$1,000	\$0	\$0
Property Tax Relief	\$246	\$0	\$0	\$0
100th Anniversary	\$6,462	\$0	\$0	\$0
Isle au Haut Boat Service	\$0	\$50,000	\$0	\$43,880
Maine Islands Coalition	\$81	\$800	\$0	\$0
Charitable Organizations	\$1,108	\$3,705	\$0	\$0
Broad Band Project	\$0	\$0	\$10,000	\$0
	<u>\$122,395</u>	<u>\$75,967</u>	<u>\$42,712</u>	<u>\$44,240</u>
<i>Assessments and Debt Service:</i>				
County Tax	\$1,801	\$88,597	\$0	\$42,177
Debra Schrader Land Purchase Bond	\$0	\$16,300	\$0	\$0
Donald Furrow Land Purchase Bond	\$6,231	\$0	\$0	\$0
Overlay	\$0	\$2,911	\$0	\$0
	<u>\$8,032</u>	<u>\$107,808</u>	<u>\$0</u>	<u>\$42,177</u>
<u>TOTALS</u>	<u>\$551,556</u>	<u>\$642,932</u>	<u>\$102,438</u>	<u>\$236,286</u>

TOWN OF ISLE AU HAUT

(Exhibit A-1)

<i>Total Available</i>	<i>Expenditures</i>	<i>Transfers Out/ Other Charges</i>	<i>Unexpended (Overdraft)</i>	<i>Ending Designated</i>
\$197,408	\$176,257	\$4,727	\$0	\$16,424
\$42,500	\$0	\$0	\$0	\$42,500
\$37,269	\$24,843	\$1,292	\$0	\$11,134
\$8,993	\$0	\$0	\$0	\$8,993
<u>\$286,170</u>	<u>\$201,101</u>	<u>\$6,019</u>	<u>\$0</u>	<u>\$79,051</u>
\$20,637	\$14,655	\$427	\$0	\$5,555
<u>\$20,637</u>	<u>\$14,655</u>	<u>\$427</u>	<u>\$0</u>	<u>\$5,555</u>
\$29,108	\$20,329	\$5,921	\$0	\$2,858
\$1,313	\$0	\$0	\$0	\$1,313
<u>\$30,420</u>	<u>\$20,329</u>	<u>\$5,921</u>	<u>\$0</u>	<u>\$4,171</u>
\$67,227	\$53,834	\$1,495	\$0	\$11,898
\$15,396	\$1,841	\$15,119	(\$1,564)	\$0
\$29,210	\$0	\$0	\$0	\$29,210
\$114,192	\$0	\$0	\$0	\$114,192
\$5,163	\$1,638	\$4,766	(\$1,241)	\$0
\$13,757	\$0	\$0	\$0	\$13,757
\$12,500	\$0	\$0	\$0	\$12,500
\$2,786	\$2,000	\$0	\$0	\$786
\$22,841	\$2,844	\$17,020	\$0	\$2,977
\$45,000	\$0	\$0	\$0	\$45,000
\$9,000	\$1,181	\$35	\$0	\$7,784
\$7,500	\$0	\$5,000	\$0	\$2,500
\$32,220	\$1,213	\$0	\$0	\$31,008
<u>\$376,793</u>	<u>\$64,551</u>	<u>\$43,434</u>	<u>(\$2,805)</u>	<u>\$271,612</u>
\$365,470	\$219,824	\$36,766	\$0	\$108,879
\$10,390	\$0	\$0	\$0	\$10,390
<u>\$375,860</u>	<u>\$219,824</u>	<u>\$36,766</u>	<u>\$0</u>	<u>\$119,269</u>
\$20,018	\$0	\$7,772	\$0	\$12,246
\$675	\$0	\$0	\$0	\$675
\$2,634	\$0	\$1,307	\$0	\$1,327
\$1,132	\$0	\$1,132	\$0	\$0
\$272	\$0	\$0	\$0	\$272
\$4,104	\$0	\$1,833	\$0	\$2,271
\$16,281	\$0	\$15,714	\$0	\$567
\$5,703	\$0	\$5,304	\$0	\$399
\$71	\$0	\$58	\$0	\$13
\$2,213	\$0	\$1,421	\$0	\$792
\$216	\$0	\$0	\$0	\$216
\$25,013	\$12,235	\$3,662	\$0	\$9,116
\$20,709	\$10,775	\$202	\$0	\$9,732
\$977	\$40	\$0	\$0	\$937
\$71,555	\$10,133	\$0	\$0	\$61,422
\$522	\$0	\$0	\$0	\$522
\$5,866	\$4,295	\$0	\$0	\$1,572
\$69	\$0	\$0	\$0	\$69
\$1,000	\$1,000	\$0	\$0	\$0
\$246	\$0	\$0	\$0	\$246
\$6,462	\$0	\$6,462	\$0	\$0
\$93,880	\$93,880	\$0	\$0	\$0
\$881	\$348	\$200	\$0	\$334
\$4,813	\$3,555	\$500	\$0	\$758
\$10,000	\$10,000	\$0	\$0	\$0
<u>\$285,314</u>	<u>\$136,260</u>	<u>\$45,567</u>	<u>\$0</u>	<u>\$103,487</u>
\$132,576	\$138,138	\$145	(\$5,708)	\$0
\$16,300	\$0	\$15,873	\$0	\$427
\$6,231	\$0	\$6,231	\$0	\$0
\$2,911	\$0	\$0	\$2,911	\$0
<u>\$158,018</u>	<u>\$138,138</u>	<u>\$22,249</u>	<u>(\$2,797)</u>	<u>\$427</u>
<u>\$1,533,212</u>	<u>\$794,858</u>	<u>\$160,384</u>	<u>(\$5,603)</u>	<u>\$583,573</u>

TOWN OF ISLE AU HAUT

TOWN OF ISLE AU HAUT, MAINE
SCHEDULE OF TREASURER'S CASH RECONCILIATION
FOR THE FISCAL YEAR ENDED JANUARY 31, 2018

(Exhibit A-2)

<u>Beginning Cash Balance</u>		\$161,616
<u>Receipts:</u>		
<u>Taxes Collected:</u>		
Property Taxes	\$1,140,385	
Auto Excise Tax	\$10,134	
Boat Excise Tax	\$1,814	
		\$1,152,333
<u>State of Maine:</u>		
Revenue Sharing	\$1,099	
Road Assistance	\$19,856	
Homestead Exemption	\$1,899	
Tree Growth and Veteran's Reimbursement	\$3,082	
		\$25,936
<u>Other Receipts:</u>		
Broadband Grant	\$10,000	
Interest Earned	\$215	
Interest & Lien Fees	\$2,111	
Fire Department	\$360	
Crowell Trust Interest	\$3	
Barter Trust Interest and Dividends	\$275	
Colwell Ramp	\$7,000	
In Lieu of Taxes	\$8,783	
General Government	\$518	
Town Buildings	\$9,094	
Common School	\$22,464	
Lighthouse Fund Donations	\$12,309	
Revere Memorial Hall	\$30	
Revere Memorial Library	\$976	
Emergency Medical Service	\$110	
		\$74,247
		\$1,252,515
<u>Total Receipts</u>		\$1,414,131
<u>Total Cash Available</u>		\$1,414,131
<u>Disbursements:</u>		
Net Warrants Drawn		\$833,764
<u>Total Disbursements</u>		\$833,764
<u>Ending Cash/Investments Balance</u>		\$580,366
 <u>Cash Accounted For:</u>		
General Checking		\$505,468
Petty Cash		\$250
Crowell Trust Certificate of Deposit		\$1,296
Colwell Ramp Savings		\$31,008
Library Certificate of Deposit		\$11,816
State Road Assistance Certificate of Deposit		\$11,319
DOT Transportation Certificate of Deposit		\$19,210
		\$580,366

TOWN OF ISLE AU HAUT

TOWN OF ISLE AU HAUT, MAINE
SCHEDULE OF VALUATION, COMMITMENT AND COLLECTIONS
FOR THE FISCAL YEAR ENDED JANUARY 31, 2018

(Exhibit A-3)

<u>Valuation:</u>		
Real Property	\$78,096,714	
Personal Property	\$27,450	
<u>Total Valuation</u>		\$78,124,164
<u>Mill Rate</u>		<u>\$0.00758</u>
<u>Tax Commitment</u>		\$592,181
<u>Collections and Adjustments:</u>		
Cash Collections	\$561,490	
<u>Total Collections and Adjustments</u>		<u>\$561,490</u>
<u>Uncollected Taxes January 31</u>		<u>\$30,691</u>

TOWN OF ISLE AU HAUT

TOWN OF ISLE AU HAUT, MAINE
SCHEDULE OF APPROPRIATIONS
FOR THE FISCAL YEAR ENDED JANUARY 31, 2018

(Exhibit A-4)

Revenues:

Tax Commitment	\$592,181
Auto Excise Tax	\$7,772
State Revenue Sharing	\$1,307
In Lieu of Taxes	\$15,714
Tree Growth Reimbursement	\$5,304
Veteran's Reimbursement	\$58
Homestead Reimbursement	\$1,421
Interest	\$1,500
Town Landing Reserve	\$15,000
Furrow Land Purchase Reserve	\$6,231
Vehicle Registration Fees	\$1,132
100th Anniversary Reserve	\$6,462
Zone C/PERC Lobster Hatchery	\$500
	\$654,583

Total Revenues

\$654,583

Expenditures:

Unassigned Fund Balance	\$11,650
General Government	\$95,000
Property Tax Revaluation	\$10,000
Town Buildings	\$6,231
Debra Schrader Land Purchase Loan Payment	\$16,300
Fire Department	\$14,800
Solid Waste Disposal	\$28,000
Town Roads & Bridges	\$23,904
Snow Removal	\$7,000
Truck & Plow Account	\$5,000
Truck Reserve	\$5,000
Waterfront Access	\$2,000
Town Landing Building Reserve	\$5,000
Town Landing Parking Lot	\$25,000
Harbor Master	\$5,000
School Department	\$226,222
School Roof Fund	\$1,000
Revere Memorial Hall	\$12,462
Revere Memorial Library	\$6,000
Emergency Medical Services	\$2,000
Memorial Ambulance Corps	\$1,000
American Red Cross	\$250
Health Equity Alliance	\$100
Downeast Transportation	\$55
Maine Public Broadcasting	\$150
WERU	\$150
LifeFlight of Maine	\$500
Hancock County Homecare	\$500
Maine Seacoast Mission	\$500
Island Medical Center	\$500
Isle au Haut Boat Service	\$50,000
Isle au Haut Historical Society	\$1,000
Maine Islands Coalition	\$800
County Tax	\$88,597
Overlay	\$2,911
	\$654,583

Total Expenditures

31

\$654,583

TOWN OF ISLE AU HAUT, MAINE

(Exhibit A-5)

SCHEDULE OF CHANGES IN UNASSIGNED FUND BALANCE
FOR THE FISCAL YEAR ENDED JANUARY 31, 2018

<u>Beginning Unassigned Fund Balance</u>		(\$13,083)
 <u>Additions:</u>		
Tax Commitment Overlay	\$2,911	
Transfers In	\$11,650	
<u>Total Additions</u>		\$14,561
 <u>Reductions:</u>		
Lapsed Departmental Accounts (Exhibit A-1)	\$8,514	
Increase in Unavailable Tax Revenue	\$6,779	
<u>Total Reductions</u>		\$15,292
 <u>Ending Unassigned Fund Balance</u>		 (\$13,813)

TOWN OF ISLE AU HAUT, MAINE
SCHEDULE OF COLWELL RAMP CASH RECONCILIATION
FOR THE FISCAL YEAR ENDED JANUARY 31, 2018

(Exhibit A-6)

<i>Beginning Checking Account Balance</i>	\$25,207
<i>Deposits</i>	\$7,000
<i>Interest Earned</i>	\$14
<i>Expenditures</i>	<u>\$1,213</u>
<i>Ending Checking Account Balance</i>	<u><u>\$31,008</u></u>

TOWN OF ISLE AU HAUT, MAINE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JANUARY 31, 2018

(Exhibit A-7)

<u>Federal Grantor/Pass-Through</u>			<i>Program</i>	
<u>Grantor/Program Title</u>	<u>CFDA #</u>	<u>Grantor Pass- Through Number</u>	<u>Award Amount</u>	<u>Expenditures</u>
<i>U.S. Department of Education:</i>				
<i>Passed through State of Maine</i>				
<i>Department of Education</i>				
Rural Education Achievement Program	84.213	013-05A-6336-13	\$21,764	\$21,764
<i>Total State of Maine Department of Education</i>			<u>\$21,764</u>	<u>\$21,764</u>
<i>Total U.S. Department of Education</i>			<u>\$21,764</u>	<u>\$21,764</u>
<u>Totals</u>			<u>\$21,764</u>	<u>\$21,764</u>

TOWN OF ISLE AU HAUT

TOWN OF ISLE AU HAUT, MAINE
COMBINED BALANCE SHEET - PERMANENT FUNDS
JANUARY 31, 2018

(Exhibit B-1)

<u>Assets</u>	<u>Arthur Barter Educational Trust</u>	<u>Crowell Memorial Trust</u>	<u>Total</u>
Cash and Cash Equivalents		\$1,296	\$1,296
Investments, at Fair Market Value	\$51,535		\$51,535
Due from General Fund	\$481	\$306	\$787
<u>Total Assets</u>	<u>\$52,016</u>	<u>\$1,601</u>	<u>\$53,617</u>
<u>Fund Balances</u>			
Reserve for Book Purchases		\$1,296	\$1,296
Reserve for Scholarships	\$2,540		\$2,540
Unrestricted	\$49,476	\$306	\$49,782
<u>Total Fund Balances</u>	<u>\$52,016</u>	<u>\$1,601</u>	<u>\$53,617</u>

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

TOWN OF ISLE AU HAUT, MAINE
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - PERMANENT FUNDS
FOR THE FISCAL YEAR ENDED JANUARY 31, 2018

(Exhibit B-2)

	<i>Arthur Barter Educational Trust</i>	<i>Crowell Memorial Trust</i>	<i>Total</i>
<u>Revenues</u>			
Unrealized Gain/(Loss) on Marketable Securities	\$1,744	\$0	\$1,744
Interest and Dividends	\$1,744	\$3	\$1,748
<u>Total Revenues</u>	<u>\$3,489</u>	<u>\$3</u>	<u>\$3,492</u>
<u>Expenditures</u>			
Trust Fund Expenses	\$297	\$0	\$297
Scholarships			\$0
<u>Total Expenditures</u>	<u>\$297</u>	<u>\$0</u>	<u>\$297</u>
<u>Excess Revenues Over Expenditures</u>	<u>\$3,191</u>	<u>\$3</u>	<u>\$3,194</u>
<u>Beginning Fund Balances</u>	<u>\$48,825</u>	<u>\$1,598</u>	<u>\$50,423</u>
<u>Ending Fund Balances</u>	<u>\$52,016</u>	<u>\$1,601</u>	<u>\$53,617</u>

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

WARRANT
COUNTY OF KNOX
STATE OF MAINE

TO: Christine Hill, a citizen, in the Town of Isle au Haut: GREETINGS:

In the Name of the State of Maine, you are hereby required to notify the inhabitants of said Town of Isle au Haut, qualified to vote in town affairs, to assemble at Revere Memorial Hall in said Town on Monday, April 23, 2018 , at eight – thirty (8:30) a.m. in the morning to act on the following articles to wit:

-
- Article 1. To elect a Moderator to preside at said meeting and vote their compensation.
- Article 2. To elect a Town Clerk until the next annual town meeting and vote their compensation.
- Article 3. To elect a First Selectperson until the next annual town meeting and vote their compensation.
- Article 4. To elect a Second Selectperson until the next annual town meeting and vote their compensation.
- Article 5. To elect a Third Selectperson until the next annual town meeting and vote their compensation.
- Article 6. To elect a Treasurer until the next annual town meeting and vote their compensation.
- Article 7. To elect a Tax Collector of Taxes and Excise Taxes until the next annual town meeting and vote their compensation.
- Article 8. To elect an Assessor of Taxes (Chairperson position) until the next annual town meeting and vote their compensation.

- Article 9. To elect an Assessor of Taxes until the next annual town meeting and vote their compensation.
- Article 10. To elect an Assessor of Taxes until the next annual town meeting and vote their compensation.
- Article 11. To elect a Road Commissioner until the next annual town meeting and vote their compensation.
- Article 12. To elect a Fire Chief until the next annual town meeting and vote their compensation.
- Article 13. To see what sum of money the Town will raise and appropriate for Harbormaster compensation.
- Article 14. To elect a Planning Board member for a three year period.
- Article 15. To elect a Planning Board member for a three year period.
- Article 16. To elect a member of the School Board for a three year term.
- Article 17. To elect a member of the School Board for a three year term.
- Article 18. To elect a member of the School Board for a two year term. (taking M.Guzek position)
- Article 19. To elect a member of the Colwell Ramp Waterfront Access Board from the Selectboard for a one year term.
- Article 20. To elect a member of the Colwell Ramp Waterfront Access Board for a two year term.

- Article 21. To see if the Town will vote to maintain and operate the Isle au Haut Elementary School for the 2018 – 2019 school year.
- Article 22. To see if the Town will vote to authorize the School Committee to enter into agreements with other Towns or Schools for the 2018-2019 school year for the tuition of secondary students up to the legal limit established by the Maine Revised Statutes for the education of its secondary students.
- Article 23. To see if the Town will vote to authorize the School Committee to enter into agreements, to the best advantage of the Town, with other towns, companies and /or individuals for the 2018-2019 school year for transporting elementary and secondary students.
- Article 24. To see if the Town will vote to authorize the School Committee to expend \$182,435 for Pre-K-12 Regular Instruction.
(School Committee Recommends: \$182,435)
This article includes elementary education, secondary education and gifted/talented accounts. Prior year \$201,810.13
- Article 25. To see if the Town will vote to authorize the School Committee to expend \$13,320 for Special Education.
(School Committee Recommends: \$13,320)
This article includes special education instruction and special education administration accounts. Prior year \$13,977.41
- Article 26. To see if the Town will vote to authorize the School Committee to expend \$22,015 for System Administration.
(School Committee Recommends: \$22,015)
*This article includes school committee, superintendent's office, and central office services accounts.
Prior year \$14,210.19*
- Article 27. To see if the Town will vote to authorize the School Committee to expend \$1,400 for School Administration.
(School Committee Recommends: \$1,400)
*This article includes the principal office account.
Prior year \$1,300*

- Article 28. To see what sum the Town will authorize the School Committee to expend \$20,850 for Transportation and Buses.
(School Committee Recommends: \$20,850)
*This article includes school bus contract and bus fuel accounts.
Prior year \$20,000*
- Article 29. To see if the Town will vote to authorize the School Committee to expend \$32,790 for Facilities Maintenance.
(School Committee Recommends: \$32,790)
*This article includes building maintenance and operation accounts.
Prior year \$30,250.27*
- Article 30. To see if the Town will vote to authorize the School Committee to expend \$5,000 for Capital Improvements.
(School Committee Recommends: \$5,000)
*This article includes Capital Renewal, Renovation Repair & Maintenance Services account.
Prior year \$0.00*
- Article 31. To see if the Town will vote to appropriate \$119,555 for the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act **(School Committee recommends \$119,555)** and to see if the town will vote to raise \$108,314 as the town's contribution to the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes Title 20-A, § 15688.
(School Committee Recommends: \$108,314)
Prior year \$81,680.53
Explanation: The Town's contribution to the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act is the amount of money determined by state law to be the minimum amount (\$108,314) that the town must raise in order to receive the estimated amount (\$11,241) of state dollars.*
**This is an estimate. State subsidy has not been approved by the legislature.*
- Article 32. **(Written Ballot Required)** To see if the Town will raise and appropriate \$118,255 in additional local funds as required to fund the budget recommended by the school committee **(School Committee Recommends \$118,255)** which exceeds the State's Essential Programs and Services allocation model by \$118,255.
Prior year EPS exceeded by \$144,541.47

The School Committee gives the following reasons for exceeding the State's Essential Programs and Services allocation model.

Reasons: The additional local fund request exceeds the EPS funding model because the school spends more per pupil on regular education, special education, transportation, student and staff support, administration and facilities maintenance than the EPS formula recognizes.

Explanation: The additional local funds are those locally raised funds over and above the town's local contribution to the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act that will help achieve the school's budget for educational programs.

- Article 33. To see if the Town will authorize the School Committee to expend \$277,810 for the fiscal year beginning July 1, 2018 and ending June 30, 2019 from the Town's contribution to the total cost of funding public education from pre-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,§15690, unexpended balances, tuition receipts, local appropriations, state subsidy, school lunch revenues and other receipts for the support of schools.
(School Committee Recommends: \$277,810)
Prior year \$281,548

- Article 34. Shall the Town vote to accept the categories of funds estimated below as provided by the Maine State Legislature?

<u>Category</u>	<u>Anticipated Amount</u>
State Minimum Subsidy	\$11,241

- Article 35. To see if the Town will authorize the School Committee to expend grant moneys in addition to expenditures approved in the regular school budget.

- Article 36. Shall the IAH School Board be authorized to transfer an excess of 5% between cost centers, not to exceed the total spending allocation for the 2018-2019 school year, to balance accounts.

Reasons: Under Maine Law only the voters can give authority for the School Committee to transfer in excess of 5% between cost centers. By granting this authority now, it would eliminate the calling of a special town meeting, if necessary, to balance accounts.

- Article 37. To see what sum of money the Town will raise and appropriate from taxation and transfer from Planning Board (\$937.28) for General Government Administration.

- Article 38. To see what sum of money the Town will raise and appropriate from taxation and transfer from Boat Excise Tax for Town Landing.
- Article 39. To see what sum of money the Town will raise and appropriate for the Town Landing Parking Lot fund.
- Article 40. To see what sum of money, if any, the Town will raise and appropriate for Isle au Haut Boat Services' operations for the year 2018.
- Article 41. To see what sum of money the Town will raise and appropriate for Revere Memorial Hall.
- Article 42. To see what sum of money the Town will raise and appropriate for Revere Memorial Library.
- Article 43. To see what sum of money the Town will raise and appropriate for Solid Waste Disposal and Recycling.
- Article 44. To see what sum of money the Town will raise and appropriate for Trucks and Plows.
- Article 45. To see what sum of money the Town will raise and appropriate for the Truck Reserve account.
- Article 46. To see what sum of money the Town will raise and appropriate for Snow Removal.
- Article 47. To see what sum of money the Town will raise and appropriate from taxation and transfer from Vehicle Excise Tax and Registration Fees for Town Roads and Bridges.
- Article 48. To see what sum of money the Town will raise and appropriate for the Fire Department.

- Article 49. To see what sum of money the Town will raise and appropriate for Colwell Ramp Waterfront Access Property.
- Article 50. To see what sum of money the Town will raise and appropriate for Maine Islands Coalition.
- Article 51. To see what sum of money the Town will raise and appropriate for Property Tax Revaluation and/or planning.
- Article 52. To see what sum of money the Town will raise and appropriate for Emergency Medical Services.
- Article 53. To see what sum of money the Town will raise and appropriate for the Bond and the Interest on the Bond to Fund Purchasing of the Debra Schrader Property (Coombs' Mountain House).
- Article 54. To see what sum of money the Town will raise and appropriate for Miscellaneous Buildings (this includes the Miss Lizzie House, Head Harbor Schoolhouse and Coombs' Mountain House.)
- Article 55. To see what sum of money the Town will raise and appropriate to support the Island Institute in sponsoring an Island Fellow.
- Article 56. To see what sum of money the Town will raise and appropriate for the Telemed Building of Isle au Haut.
- Article 57. To see if the Town will transfer from the following accounts: Waterfront Access, Sales Tax, Vital Statistics, Interest, In Lieu of Taxes, Tree Growth, Veteran's Reimbursement, Homestead Tax Exemption, Supplemental Taxes, Dog Fees, Property Tax Relief and Maine Public Broadcasting into the Undesignated Fund Balance.

Article 58. NON-BINDING ADVISORY VOTE for BROADBAND COMMITTEE

To determine if the Town of IAH supports continued exploration of faster and more reliable internet service on Isle Au Haut.

Specifically, the IAH Broadband Committee is asking for authorization of the town to enter into a non-binding Memorandum of Understanding with Axiom Technologies. No funds are being committed at this time, and no funds would be committed without voter authorization.

The Memorandum of Understanding agreement would assure Axiom that the town is aware of the project and wants to continue to explore the best technical, financial, and operational models. This will support the Broadband Committee's goal of obtaining affordable, reliable, and fast internet service meeting at least the minimum State and Federal standards for broadband (Federal minimum of 25 Mbps download and State minimum of 10 Mbps upload) in all residential areas of Isle au Haut.

Article 59. To see what sum of money the Town will raise and appropriate for American Red Cross.

Article 60. To see what sum of money the Town will raise and appropriate for Health Equity Alliance (formerly Downeast Aids Network)

Article 61. To see what sum of money the Town will raise and appropriate for Downeast Transportation, Inc.

Article 62. To see what sum of money the Town will raise and appropriate for Island Medical Center.

Article 63. To see if the Town will transfer from Isle au Haut Historical Collections (\$607.80) and what sum of money the Town will raise and appropriate for Isle au Haut Historical Society.

Article 64. To see what sum of money the Town will raise and appropriate for Maine Public Broadcasting.

- Article 65. To see what sum of money the Town will raise and appropriate for Memorial Ambulance Corps.
- Article 66. To see what sum of money the Town will raise and appropriate for Life-Flight of Maine.
- Article 67. To see what sum of money the Town will raise and appropriate for WERU.
- Article 68. To see what sum of money the Town will raise and appropriate for The Maine Seacoast Mission. The money raised would be specifically designated for the operation of the Sunbeam.
- Article 69. To see what sum of money the Town will raise and appropriate for Hancock County Homecare and Hospice (HCHC).
- Article 70. To see if the Town will vote to carry forward all unexpended balances with the exception of Interest, In Lieu of Taxes, Tree Growth, Veteran's Reimbursement, Homestead Tax Exemption and Supplemental Taxes which will go to the Undesignated Fund Balance.
- Article 71. To see if the Town will vote to accept the funding of the categories listed below as provided by the Federal Legislatures and the Maine Legislatures:
- ANP Payment in Lieu of Taxes
 - State Tree Growth Reimbursement
 - State Municipal Revenue Sharing
 - Veteran's Tax Benefit
 - State Homestead Exemption Reimbursement
 - DOT Local Road Assistance
 - DOT Transporting Highway Construction and Maintenance Materials
 - Public Library Per Capita Funds
 - General Assistance Reimbursement Funds
 - State Aid to Education
 - State Grants and other Funds

- Article 72. To see if the Town will authorize the Selectmen to issue notes for temporary loans and what rate of interest to pay.
- Article 73. To see if the Town will authorize the Selectmen to sell property taken for taxes.
- Article 74. To see if the Town will bond the Town Treasurer, Town Clerk, Town Tax Collector and the Lighthouse Committee Treasurer and to pay all Town Officials job related expenses.
- Article 75. To see if the Town will set a date on which all local taxes shall be paid and decide a rate of interest for all taxes unpaid after that date.
- Article 76. To see if the Town will vote to increase the property tax levy limit established for Town of Isle au Haut by State law because the municipal budget approved for 2018 – 2019 articles resulted in a Tax Commitment that is greater than the property tax levy limit.

***REMINDER TO CITIZENS: Following Article 76, there will be three motions that need to take place before adjourning. So, please be patient and let the Town Clerk and Moderator do their job.

Motion to have minutes read; Motion to accept the minutes; and a motion to adjourn.

TOWN OF ISLE AU HAUT

**The Registrar hereby gives notice that she will be session for the purpose of revising the list of voters at Revere Memorial Hall at 8:15 a.m. in the morning on the date of said meeting.

Given under our hands at Isle au Haut, this 10th day of April, 2018.

Selectmen – Town of Isle au Haut

_____ Peggi R. Stevens – First Selectperson

_____ Daniel MacDonald – Second Selectperson

_____ Alvah MacWilliam – Third Selectperson

ATTESTED:

Rozalyn Santospago, Town Clerk, Town of Isle au Haut

NOTES

ANNUAL REPORT
 ANNUAL TOWN REPORT

Assessment

For state tax	\$ 746.82
county tax	179.95
superintendent of school's salary	75.00
current expenses	450.00
public schools	600.00
text books and supplies	50.00
repairs of school buildings	75.00
repairs on roads and bridges	1000.00
maintenance of town hall	75.00
overdraw on state road	50.00
state road	300.00
repairs on state road	30.00
cutting bushes off school lot	25.00
insurance on schoolhouse	75.00
shoveling snow	25.00
safe for town hall	100.00
overlay tax	22.37
	<hr/>
Committed to collector	\$3879.14

SAMUEL E. RICH,
 ELMER C. LUFKIN,
 WILLIAM E. ROBINSON,
 Assessors of Isle au Haut.

Report of Overseers of the Poor

Unexpended February 1917 \$42.87
 No orders drawn.

SAMUEL E. RICH,
 ELMER C. LUFKIN,
 WILLIAM E. ROBINSON,
 Overseers of the Poor.