

TOWN OF BLUE HILL, MAINE

***FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT***

***FOR THE FISCAL YEAR
ENDED DECEMBER 31, 2019***

TOWN OF BLUE HILL, MAINE
FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2019

TABLE OF CONTENTS

	PAGE(S)
INDEPENDENT AUDITOR'S REPORT	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-6
 EXHIBIT	
<u>BASIC FINANCIAL STATEMENTS</u>	
<u>Government-wide Financial Statements</u>	
I Statement of Net Position	7
II Statement of Activities	8
<u>Governmental Fund Financial Statements</u>	
III Balance Sheet	9
IV Statement of Revenues, Expenditures and Changes in Fund Balances	10
 <i>Notes to the Financial Statements</i>	11-29
 <u>REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS</u>	
V Budgetary Comparison Schedule - General Fund	30
<u>Schedules of Historical Pension Information</u>	
VI Schedule of Proportionate Share of Net Pension Liability	31
VII Schedule of Employer Contributions	32
 <i>Notes to Schedules of Historical Pension Information</i>	33
 <u>Schedules of Historical Other Post-Employment Benefit (OPEB) Information</u>	
<u>Maine Municipal Employees Health Trust (Town Employees)</u>	
VIII Schedule of Proportionate Share of Other Post-Employment Benefits Liability	34
IX Schedule of Other Post-Employment Benefits Employer Contributions	35
<u>Maine Education Association Benefits Trust (School Department Employees)</u>	
X Schedule of Proportionate Share of Other Post-Employment Benefits Liability	36
XI Schedule of Other Post-Employment Benefits Employer Contributions	37
 <i>Notes to the Schedules of Historical OPEB Information</i>	38-39
 <u>SUPPLEMENTARY INFORMATION</u>	
A-1 Schedule of Departmental Operations	40-42
A-2 Schedule of Valuation, Commitment and Collections	43
A-3 Schedule of Appropriations	44
A-4 Schedule of Changes in Unassigned Fund Balance	45
A-5 Schedule of Reserve Accounts	46
A-6 Schedule of Uncollected Tax Liens	47
A-7 Schedule of Prior Year Uncollected Personal Property Taxes	48
B-1 Schedule of Cemetery Trust Funds	49-54
C-1 Schedule of Expenditures of Federal Awards	55
 Report On Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards	56-57

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

Members of the Board of Selectmen
Town of Blue Hill
Blue Hill, ME 04614

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 Blue Hill, Maine (the Town) as of and for the fiscal year ended December 31, 2019, including the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Blue Hill, Maine, as of December 31, 2019, 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 and other post-employment benefit disclosure schedules on pages 3 through 6 and 30 through 39 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 basic financial statements that collectively comprise the Town of Blue Hill, Maine's financial statements as a whole. The supplementary information and the schedule of expenditures of federal awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by the State of Maine Department of Education.

The supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information and schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 13, 2020, on our consideration of the Town of Blue Hill, Maine's internal control over financial reporting and on our tests of it compliance with certain provisions of laws, regulations, contracts and grant agreements. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Blue Hill, Maine's internal control over financial reporting and compliance.

Respectfully Submitted,

James W. Wadman, C.P.A.

James W. Wadman, C.P.A.
April 13, 2020

TOWN OF BLUE HILL, MAINE
Management's Discussion and Analysis
For the Fiscal Year Ended December 31, 2019

The management of the Town of Blue Hill, 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 year ended December 31, 2019. 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 year ending December 31, 2019 by \$18,472,993 (presented as “net position”). Of this amount, \$3,617,652 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 increased by \$135,551 (a 0.7% increase) for the year ended December 31, 2019.

Fund Highlights:

Governmental Funds – Fund Balances – As of the close of the year ended December 31, 2019; the Town's governmental funds reported a combined ending fund balance of \$3,717,222, a decrease of \$850,853 in comparison with the prior year. Of this total fund balance, \$2,178,892 represents general unassigned fund balance. This unassigned fund balance represents approximately 26.4% of the total general fund expenditures for the year.

Long-term Debt:

The Town's total long-term debt obligations increased \$660,190 (23.0%) during the current year. During the prior year, the Town was approved for a new debt obligation of \$1,500,000 for improvements to the school building, of which the entire amount has been drawn down through the end of the year. The Town is obligated for the portion of the debt that has been drawn down by the end of the year. 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 7 - 8 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 9 - 10 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 11 - 29 of this report.

Required Supplementary Information

This section includes a budgetary comparison schedule (page 30), 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). This section also includes schedules of historical pension information (pages 31-33) as required by GASB Statement #68 and schedules of historical other post-employment benefit (OPEB) information (pages 34-39) as required by GASB #75.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

The largest portion of the Town's net position (83.5%) reflects its 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, which 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 2019</i>	<i>Governmental Activities 2018</i>
Current Assets	\$ 4,293,432	\$ 5,015,746
Capital Assets	\$18,958,015	\$17,298,805
<i>Total Assets</i>	\$23,251,447	\$22,314,552
Deferred Outflows	\$ 130,316	\$ 86,659
<i>Total Assets and Deferred Outflows</i>	\$23,381,763	\$22,401,212
Other Liabilities	\$ 1,623,160	\$ 351,785
Long-Term Liabilities	\$ 3,239,807	\$ 3,689,816
Deferred Inflows	\$ 45,803	\$ 22,168
Net Position;		
Invested in Capital Assets	\$15,425,662	\$14,426,643
Restricted	\$ (570,321)	\$ (530,759)
Unrestricted	\$ 3,617,652	\$ 4,441,559
<i>Total Liabilities, Deferred Inflows, and Net Position</i>	\$23,381,763	\$22,401,212

An additional portion of the Town's net position (-3.1%) represents resources that are subject to external restrictions on their use. The remaining balance of unrestricted net position (19.6%) may be used to meet the government's ongoing obligations to citizens and creditors.

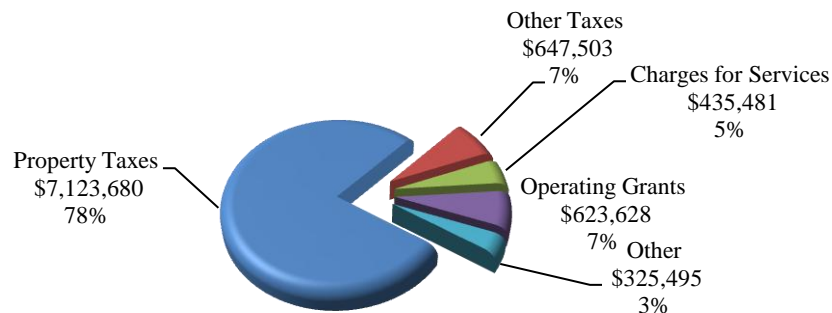
Changes in Net Position

Governmental activities increased the Town's net position by \$135,551. This increase was primarily due to depreciation expense offset by controlled expenditures and conservative revenue budgeting.

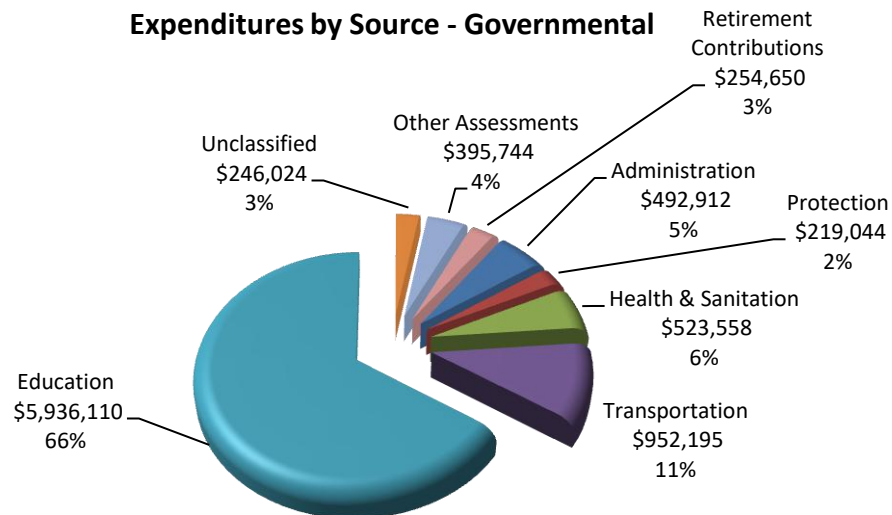
	<i>Governmental Activities 2019</i>	<i>Governmental Activities 2018</i>
<i>Revenues;</i>		
Tax Revenues	\$ 7,771,183	\$ 7,210,162
Program Revenues	\$ 1,059,109	\$ 1,255,808
Investment Earnings	\$ 24,050	\$ 17,268
State and Federal Revenues	\$ 114,868	\$ 96,461
Other	\$ 186,578	\$ 96,134
<i>Total Revenues</i>	\$ 9,155,788	\$ 8,675,833
<i>Expenses;</i>		

Administration	\$ 492,912	\$ 475,439
Protection	\$ 219,044	\$ 196,375
Health/Sanitation	\$ 523,558	\$ 620,200
Highways/Bridges	\$ 952,195	\$ 728,695
Education	\$ 5,936,110	\$ 6,048,223
Unclassified	\$ 246,024	\$ 279,763
Debt Service	\$ 81,471	\$ 79,462
Assessments	\$ 314,273	\$ 301,520
State On-Behalf Contributions	\$ 254,650	\$ 243,588
<i>Total Expenses</i>	\$ 9,020,237	\$ 8,973,264
Changes in Net Position	\$ 135,551	\$ (297,432)

Revenues by Source - Governmental



Expenditures by Source - Governmental



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 year.

At the end of the year, the Town's governmental funds reported ending fund balances of \$3,717,222, a decrease of \$850,853 in comparison with the prior year. Approximately 58.6 percent 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:

- \$105,000 positive variance in contribution revenue. This is due to recognition of the remainder of the funds anticipated from the Fire Company.
- \$135,424 positive variance in all other revenues. This was primarily due to conservative budgeting.
- \$138,347 negative variance in education expenditures. This variance has been reconciled to the school department records and is due to an increase in special education expenses and timing of revenue recognition for grant revenues.
- \$133,626 positive variance in assessments and debt service. This is primarily due to overlay.
- \$94,365 negative variance in unclassified expenditures. This primarily due to budgeted usage of reserve fund transfers to the capital projects fund.
- \$210,014 positive variance in all other expenditures. This is due to controlled costs and conservative budgeting.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets for its governmental activities amounts to \$35,773,710; net of accumulated depreciation of \$16,815,695, leaving a net book value of \$18,958,015. Current year additions include \$11,546 for boat house improvements, \$7,500 for South Blue Hill wharf improvements, \$1,983,923 for school building improvements, \$158,279 for school busses and \$220,229 for town roads and sidewalks. 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 pages 16 - 17 of this report.

Debt

The Town has total bonded debt outstanding of \$3,532,352 that is backed by the full faith and credit of the Town. The outstanding debt increased \$660,190 during the current year. Additional information on the Town's long-term debt can be found in Note 6 of the notes to the financial statements on pages 17 - 18 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 Blue Hill, P.O. Box 412, Blue Hill, ME 04614.

TOWN OF BLUE HILL, MAINE
STATEMENT OF NET POSITION
DECEMBER 31, 2019

(Exhibit I)

	Governmental Activities	Component Unit Blue Hill Fire Co.
<u>Assets & Deferred Outflows</u>		
<u>Assets</u>		
Cash On Hand and on Deposit	\$3,670,758	\$30,320
Investments		\$1,528,164
Taxes and Tax Liens	\$451,765	
Accounts Receivable and Prepaid Expenses	\$170,909	
<u>Capital Assets</u>		
Land	\$2,802,180	
Other Capital Assets, net of Accumulated Depreciation	\$16,155,835	
Total Capital Assets	\$18,958,015	\$0
<u>Total Assets</u>	\$23,251,446	\$1,558,485
<u>Deferred Outflows of Resources</u>		
Related to Pension and Other Post-Employment Benefits	\$130,316	
<u>Total Deferred Outflows of Resources</u>	\$130,316	\$0
<u>Total Assets & Deferred Outflows</u>	\$23,381,763	\$1,558,485
<u>Liabilities, Deferred Inflows and Net Position</u>		
<u>Liabilities</u>		
<u>Current Liabilities</u>		
Accounts Payable	\$216,803	\$20,000
<u>Long-Term Liabilities</u>		
Long-Term Payable		\$60,000
Net Other Post-Employment Benefits Liability	\$1,113,811	
<u>General Obligation Bonds Payable</u>		
Due within one year	\$292,546	
Due in more than one year	\$3,239,807	
<u>Total Liabilities</u>	\$4,862,966	\$80,000
<u>Deferred Inflows of Resources</u>		
Property Taxes Paid in Advance	\$3,523	
Related to Pension and Other Post-Employment Benefits	\$42,280	
<u>Total Deferred Inflows of Resources</u>	\$45,803	\$0
<u>Net Position</u>		
Net Investment in Capital Assets	\$15,425,662	
Restricted	(\$570,321)	\$89,824
Unrestricted	\$3,617,652	\$1,388,661
<u>Total Net Position</u>	\$18,472,993	\$1,478,485
<u>Total Liabilities, Deferred Inflows and Net Position</u>	\$23,381,763	\$1,558,485

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

TOWN OF BLUE HILL, MAINE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

(Exhibit II)

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>	
		<u>Charges for Services</u>	<u>Operating Grants</u>	<u>Primary Government</u>	<u>Component Unit</u>
				<u>Governmental Activities</u>	<u>Blue Hill Fire Co.</u>
<u>Primary Government</u>					
<u>Governmental Activities</u>					
Administration	\$492,912			(\$492,912)	
Protection	\$219,044	\$869		(\$218,175)	
Health & Sanitation	\$523,558	\$325,302		(\$198,256)	
Education	\$5,936,110	\$109,311	\$319,293	(\$5,507,507)	
Highways & Bridges	\$952,195		\$49,684	(\$902,511)	
Unclassified	\$246,024			(\$246,024)	
Debt Service	\$81,471			(\$81,471)	
Assessments	\$314,273			(\$314,273)	
State On-Behalf Contributions	\$254,650		\$254,650	\$0	
Total Governmental Activities	\$9,020,237	\$435,481	\$623,628	(\$7,961,128)	\$0
Total Primary Government	\$9,020,237	\$435,481	\$623,628	(\$7,961,128)	\$0
<u>Component Unit</u>					
Fire Department	\$130,673				(\$130,673)
	\$130,673	\$0	\$0	\$0	(\$130,673)
<u>General Revenues</u>					
Real Estate Taxes and Homestead Exemption				\$7,097,194	
Excise Taxes				\$647,503	
State and Federal Revenues				\$114,868	
Licenses, Permits, Fees and Other				\$80,077	
Interest & Lien Fees				\$26,486	
Investment Earnings				\$24,050	\$313,788
Contributions				\$106,500	\$53,145
Total Revenues				\$8,096,678	\$366,933
<u>Changes in Net Position</u>				\$135,551	\$236,260
<u>Net Position - Beginning, as restated</u>				\$18,337,443	\$1,242,225
<u>Net Position - Ending</u>				\$18,472,993	\$1,478,485

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

TOWN OF BLUE HILL, MAINE
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2019

(Exhibit III)

	<i>General Fund</i>	<i>Capital Projects Fund</i>	<i>Permanent Fund</i>	<i>Total Governmental Funds</i>
<u>Assets</u>				
<u>Cash and Investments:</u>				
Cash On Hand and on Deposit	\$3,542,553	\$2,870	\$125,335	\$3,670,758
<u>Total Cash and Investments</u>	<u>\$3,542,553</u>	<u>\$2,870</u>	<u>\$125,335</u>	<u>\$3,670,758</u>
<u>Receivables:</u>				
Taxes and Tax Liens	\$451,765			\$451,765
Accounts Receivable and Prepaid Expenses	\$110,909			\$110,909
Long-Term Receivable	\$60,000			\$60,000
Due from Other Funds			\$5,797	\$5,797
<u>Total Receivables</u>	<u>\$622,674</u>	<u>\$0</u>	<u>\$5,797</u>	<u>\$628,471</u>
<u>Total Assets</u>	<u>\$4,165,227</u>	<u>\$2,870</u>	<u>\$131,132</u>	<u>\$4,299,229</u>
<u>Liabilities, Deferred Inflows & Fund Balances</u>				
<u>Liabilities:</u>				
Accounts Payable	\$216,803			\$216,803
Due to Other Funds	\$5,797			\$5,797
<u>Total Liabilities</u>	<u>\$222,600</u>	<u>\$0</u>	<u>\$0</u>	<u>\$222,600</u>
<u>Deferred Inflows of Resources</u>				
Property Taxes Received in Advance	\$3,523			\$3,523
Unavailable Property Tax Revenue	\$355,884			\$355,884
<u>Total Deferred Inflows of Resources</u>	<u>\$359,407</u>	<u>\$0</u>	<u>\$0</u>	<u>\$359,407</u>
<u>Fund Balances:</u>				
Nonspendable			\$80,150	\$80,150
Restricted	\$308,589			\$308,589
Committed	\$564,274	\$2,870	\$50,000	\$617,143
Assigned	\$531,465		\$982	\$532,447
Unassigned	\$2,178,892			\$2,178,892
<u>Total Fund Balances</u>	<u>\$3,583,220</u>	<u>\$2,870</u>	<u>\$131,132</u>	<u>\$3,717,222</u>
<u>Total Liabilities, Deferred Inflows & Fund Balances</u>	<u>\$4,165,227</u>	<u>\$2,870</u>	<u>\$131,132</u>	<u>\$4,299,229</u>
<u>Total Fund Balance - Governmental Funds</u>				\$3,717,222
Net position reported for governmental activities in the statement of net position are different because:				
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds				\$18,958,015
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				\$355,884
Deferred outflows of resources related to pension plans				\$130,316
Deferred inflows of resources related to pension plans				(\$42,280)
Some liabilities are not due and payable in the current period and therefore, are not reported in the funds, including:				
Net Other Post-Employment Benefits Liability				(\$1,113,811)
General Obligation Bonds				(\$3,532,352)
<u>Net Position of Governmental Activities</u>				<u>\$18,472,993</u>

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

TOWN OF BLUE HILL, MAINE

(Exhibit IV)

STATEMENT OF REVENUE, EXPENDITURES & CHANGES**IN FUND BALANCES - GOVERNMENTAL FUNDS****FOR THE YEAR ENDED DECEMBER 31, 2019**

	<i>General Fund</i>	<i>Capital Projects Fund</i>	<i>Permanent Fund</i>	<i>Total Governmental Funds</i>
<u>Revenues:</u>				
Real Estate Taxes and Homestead Exemption	\$7,122,562			\$7,122,562
Excise Taxes	\$647,503			\$647,503
State and Federal Revenues	\$164,552			\$164,552
State On-Behalf Contributions	\$254,650			\$254,650
Licenses, Permits, Fees and Other	\$80,077			\$80,077
Interest & Lien Fees	\$26,486			\$26,486
Investment Earnings	\$22,226	\$841	\$982	\$24,050
Contributions	\$105,000		\$1,500	\$106,500
<u>Total Revenues</u>	<u>\$8,423,057</u>	<u>\$841</u>	<u>\$2,482</u>	<u>\$8,426,381</u>
<u>Expenditures (Net of Departmental Revenues):</u>				
<u>Current</u>				
Administration	\$456,111			\$456,111
Protection	\$169,059			\$169,059
Health & Sanitation	\$84,617			\$84,617
Education	\$5,445,340			\$5,445,340
Highways & Bridges	\$585,088			\$585,088
Unclassified	\$212,124		\$654	\$212,778
Assessments	\$314,273			\$314,273
State On-Behalf Contributions	\$254,650			\$254,650
<u>Debt Service</u>	<u>\$323,839</u>			<u>\$323,839</u>
<u>Capital Outlay</u>	<u>\$409,212</u>	<u>\$1,972,265</u>		<u>\$2,381,477</u>
<u>Total Expenditures</u>	<u>\$8,254,314</u>	<u>\$1,972,265</u>	<u>\$654</u>	<u>\$10,227,233</u>
<u>Excess Revenues Over Expenditures</u>	<u>\$168,743</u>	<u>(\$1,971,424)</u>	<u>\$1,828</u>	<u>(\$1,800,852)</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In		\$556,582		\$556,582
Operating Transfer Out	(\$556,582)			(\$556,582)
Bond Proceeds		\$949,999		\$949,999
<u>Total Other Financing Sources (Uses)</u>	<u>(\$556,582)</u>	<u>\$1,506,581</u>	<u>\$0</u>	<u>\$949,999</u>
<u>Excess Revenues and Other Sources Over Expenditures and Other Uses</u>	<u>(\$387,839)</u>	<u>(\$464,843)</u>	<u>\$1,828</u>	<u>(\$850,853)</u>
<u>Fund Balance Beginning of Year</u>	<u>\$3,971,058</u>	<u>\$467,713</u>	<u>\$129,304</u>	<u>\$4,568,075</u>
<u>Fund Balance End of Year</u>	<u>\$3,583,220</u>	<u>\$2,870</u>	<u>\$131,132</u>	<u>\$3,717,222</u>
<u>Reconciliation to Statement of Activities, Change in Net Position</u>				
Net Change in Fund Balances - Above				(\$850,853)
Some expenses reported in the statements of activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds, including:				
Unavailable Property Tax Revenue				(\$25,368)
Pension and Other Post-Employment Benefits Plans (Deferred Outflows, Net Liability, Deferred Inflows)				\$12,752
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 proceeds				(\$949,999)
This amount represents long-term debt payments				\$289,809
Governmental funds report capital outlays as expenditures, while in the Statement of Activities, the cost of those assets is allocated over the useful lives as depreciation expense.				\$2,410,595
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.				(\$751,386)
<u>Changes in Net Position of Governmental Activities</u>				<u>\$135,551</u>

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

TOWN OF BLUE HILL, MAINE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

Note 1 - Summary of Significant Accounting Policies

The financial statements of the Town of Blue Hill, 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 principle 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 Blue Hill, Maine, which is identified based upon the criteria identified in Governmental Accounting Standards Board (GASB) Statement 14, *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.

The accompanying financial statements present the government and its component unit, an entity for which the government is considered to be financially accountable. The component unit, although a legally separate entity, is, in substance, part of the government's operations. The Town's discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Discretely presented component unit: The Blue Hill Fire Co. is responsible for the operation and maintenance of the fire department and its equipment. The Blue Hill Fire Co. is fiscally dependent on the government to pay for a majority of its operational costs and the government has funded most of the capital assets that are utilized to operate the fire department.

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. The material effect of interfund activity has been removed from these statements. *Governmental activities* are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. 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*.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

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 are recorded 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.

In the Statement of Activities, 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.

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 recorded 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 capital projects fund accounts for the acquisition of fixed assets or construction of major capital facilities. A capital projects fund is usually established when the acquisition or construction of the project extends beyond a single year and the capital asset is financed by specifically designated resources, such as general obligation bonds or grants.

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.

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 Inflow/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.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The prepayments are charged to expenditures on the governmental fund financial statements over the period of their economic benefit. Amounts of governmental fund inventories are offset by a fund balance reserve account to indicate that they do not represent "available spending resources".

Capital Assets

Capital assets, which include 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:

<u>Assets</u>	<u>Years</u>
Buildings	50
Infrastructure	50
Equipment	10-20

Interfund Receivables and Payables

Interfund receivables and payables arise from interfund transactions and are recorded by all funds effected in the period in which transactions are executed.

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 an item that qualifies as deferred outflows of resources, and it has two items that qualify as deferred inflows. The deferred outflow and one of the deferred inflows is related to pensions. The other deferred inflow is related to property taxes paid in advance. These amounts are considered unavailable and will be recognized as an outflow of resources (expenditure) and inflows of resources (revenue) in the period that the amounts become available.

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 (MPERS) and additions to / deductions from MPERS' fiduciary net position have been determined on the same basis as they are reported by MPERS. 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 recorded when incurred.

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 December 31, 2019 fund balances on the balance sheet as follows:

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Permanent Fund</u>	<u>Total</u>
<u>Nonspendable</u>				
Permanent Fund Principal			\$80,150	\$80,150

	<i>General Fund</i>	<i>Capital Projects Fund</i>	<i>Permanent Fund</i>	<i>Total</i>
<u><i>Restricted</i></u>				
250th Anniversary	\$1,731			\$1,731
State Revenue Sharing	\$61,166			\$61,166
Float Repair/Replacement	\$975			\$975
Education	\$244,682			\$244,682
Skating Rink	\$35			\$35
<u><i>Committed</i></u>				
Maintenance Department	\$29,301			\$29,301
Dodge Fountain	\$10,000			\$10,000
Clam Management	\$17,873			\$17,873
Law Enforcement	\$3,919			\$3,919
Playground	\$50,175			\$50,175
Town Hall Improvement	\$32,459			\$32,459
Marine Resources	\$15,943			\$15,943
School Capital Improvement	\$15,000			\$15,000
Revaluation	\$50,190			\$50,190
AA Field	\$310			\$310
Secondary Tuition	\$65,000			\$65,000
Special Education	\$52,500			\$52,500
Town Wharf/Fire House Paving	\$1,801			\$1,801
Parker Point Road	\$38,375			\$38,375
Parks & Recreation	\$38,284			\$38,284
July 4th Celebration	\$11,363			\$11,363
Fire Truck (See Note 13, page 29)	(\$63,385)			(\$63,385)
Fire Dams 1 & 2	\$6,493			\$6,493
Walking Trail	\$8,639			\$8,639
Park Stairs	\$10,000			\$10,000
Treatment Plant	\$90,927			\$90,927
DEP Grant Match	\$15,000			\$15,000
Land Purchases - Interest (See Note 13, Page 29)	\$2,124			\$2,124
Land Purchases (See Note 13, Page 29)	\$61,984			\$61,984
WWTF Extension Project		\$1,720		\$1,720
School Construction Project		\$1,150		\$1,150
Perpetual Care Reserve			\$50,000	\$50,000
<u><i>Assigned</i></u>				
Town Roads (See Note 13, page 29)	(\$37,041)			(\$37,041)
Sidewalks	\$100,000			\$100,000
Funds from Sale of Tax Acquired Property	\$468,507			\$468,507
Permanent Fund Income			\$982	\$982
<u><i>Unassigned</i></u>	<u>\$2,178,892</u>			<u>\$2,178,892</u>
<u><i>Total Fund Balances</i></u>	<u>\$3,583,220</u>	<u>\$2,870</u>	<u>\$131,132</u>	<u>\$3,717,222</u>

In accordance with Government Accounting Standards Board 54, fund balance reporting and governmental fund type definitions, the Town classifies governmental fund balance as follows:

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

Restricted - includes fund balance amount that are constrained for specific purposes which are externally imposed by providers, such as 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 government through town meeting voting and does not lapse at year-end.

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

restricted or committed. Fund balances may be assigned by the Board of Selectmen.

Unassigned - includes positive fund balance within the general fund, which has not been classified within the above mentioned categories and negative fund balance in other governmental funds.

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.

The Board of Selectmen are authorized to make assignments pursuant to their appointment. Committed fund balances are determined based on the need of town meeting votes.

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 (\$570,321) 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 generally accepted accounting principles. Budgetary control is exercised at the selectman 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 \$80,150 for the Cemetery 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 accumulate so much of an endowment fund as the institution determines is prudent for the uses, benefits, purposes, and duration for which the endowment is established. The current amount available for expenditure is \$982 from the Cemetery Trust Fund, which is reported as unrestricted net position in the statement of net position. The initial endowment principal is reported as part of the 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 reporting period. Actual results could differ from those estimates.

Note 2 - Deposits

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 is participating in the FDIC Transaction Account Guarantee Program. For time and savings deposit accounts, the Town's savings accounts, including certificates of deposit, are insured up to \$250,000 by the FDIC. Separately, for demand deposit accounts, the Town's cash account, including checking and money market accounts are insured up to \$250,000 by the FDIC. Any cash deposits in excess of the \$250,000 FDIC limits are covered by collateral held in a Federal Reserve pledge account and thus no custodial credit risk exists. Additionally, the Town deposits excess funds into an ICS account, which the bank uses the funds to deposit into certificates of deposit in various banks. These certificates of deposit are at an amount under the \$250,000 level.

At year end, the carrying value of the Town's deposits was \$3,669,904 and the bank balance was \$3,712,926. The Town has no uninsured and uncollateralized deposits as of December 31, 2019.

Note 3 - Property Taxes

Property taxes were assessed on April 1, 2019 and committed on July 31, 2019. Interest of 7% per annum is charged on delinquent taxes. Tax liens are recorded on property taxes remaining unpaid 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, 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, \$355,884 of the property taxes receivable have been classified as unavailable property tax revenue on the general fund balance sheet.

Note 4 - Capital Assets

Capital asset activity for the year ended December 31, 2019 was as follows:

	<i>Beginning Balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending Balance</i>
<u>Governmental Activities:</u>				
<u>Capital assets not being depreciated</u>				
Land	\$2,802,180			\$2,802,180
<u>Capital assets being depreciated</u>				
Buildings/Land Improvements	\$9,028,070	\$1,989,925		\$11,017,995
Equipment	\$7,452,183	\$171,323		\$7,623,506
Infrastructure	\$14,109,800	\$220,229		\$14,330,029
<u>Total capital assets being depreciated</u>	<u>\$30,590,053</u>	<u>\$2,381,477</u>	<u>\$0</u>	<u>\$32,971,529</u>
<u>Less accumulated depreciation for</u>				
Buildings/Land Improvements	\$4,047,673	\$200,011		\$4,247,684
Equipment	\$3,947,501	\$200,571		\$4,148,072
Infrastructure	\$8,069,717	\$350,221		\$8,419,938
<u>Total accumulated depreciation</u>	<u>\$16,064,891</u>	<u>\$750,803</u>	<u>\$0</u>	<u>\$16,815,695</u>
<u>Net capital assets being depreciated</u>	<u>\$14,525,161</u>	<u>\$1,630,673</u>	<u>\$0</u>	<u>\$16,155,835</u>
<u>Governmental Activities, Capital Assets, net</u>	<u>\$17,327,342</u>	<u>\$1,630,673</u>	<u>\$0</u>	<u>\$18,958,015</u>

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

Governmental Activities

Administration	\$35,156
Protection	\$49,116
Education	\$152,541
Health & Sanitation	\$113,639
Unclassified	\$33,245
Public Transportation, including depreciation of general infrastructure assets	\$367,107
Total Depreciation Expense - Governmental Activities	<u>\$750,803</u>

Note 5 - Interfund Transactions

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. The payables are classified as Due to Other Funds with offsetting receivables classified as Due from Other Funds. At December 31, 2019, the offsetting receivable and payable balances were \$5,797. The change in the balance of the accounts during the year represent interest earned on cemetery trust accounts transferred to the general fund to pay for perpetual care expenses offset by perpetual care principal received by the general fund and transferred to the cemetery trust. The balances are expected to be repaid during the next year.

Note 6 - Long-Term Debt

The Town issues general obligation bonds and notes to provide funds for the acquisition and construction of major capital assets. General obligation bonds and notes are direct obligations and pledge the full faith and credit of the Town. The following is a summary of long-term debt transactions of the Town for the year ended December 31, 2019:

<u>Long-Term Debt payable at January 1:</u>	\$2,872,162
Long-Term Debt Issued	\$949,999
Long-Term Debt Retired	<u>(\$289,809)</u>
<u>Long-Term Debt payable at December 31:</u>	<u>\$3,532,352</u>

Outstanding notes at December 31, 2019 are as follows:

In 2015, the Town issued a general obligation bond with Maine Municipal Bond Bank for the purpose of refinancing several of their outstanding long-term obligations. The bond was issued for \$853,513. Interest only payments are due May 1 of each year and principal and interest payment are due November 1 of each year with interest payable at rates varying from .035% to 3.756%. The balance due at December 31, 2019 was \$545,799.

In 2011, the Town obtained permanent financing through the U.S. Department of Agriculture for the sewer line extension project. The general obligation bond is for 28 years with annual payments of \$102,394, including interest at 3.375% per annum. The balance at December 31, 2019 is \$1,471,673.

In 2012, a general obligation bond of \$200,000 was issued for work done on High Street Bridge. The sixteen year bond is held by Bar Harbor Bank & Trust. Interest and principal is payable annually on August 10 with a fixed principal payment of \$13,333 plus interest payable at an annual interest rate of 2.57%. During 2013, the Town decided that they were not going to draw down the full amount of the general obligation bond for the project, so the Town used the balance of \$8,702 as a pay down on the general obligation bond. The balance due at December 31, 2019 was \$120,000.

In July 2016, the Town was issued a general obligation bond with Maine Municipal Bond Bank for the purpose of improving the school building. The bond was issued for \$338,861, with \$101,658 of that being forgiven at closing. The bond is for 5 years with annual payments of \$47,441 with 0% interest. As of December 31, 2019, the Town has drawn down the full amount of the bond. The balance due at December 31, 2019 was \$94,881.

In June 2017, the Town was issued a general obligation bond with Bar Harbor Banking & Trust for the purpose of improving the school building. The bond was issued for \$1,500,000. The bond is for 15 years with annual principal payments of \$100,000, plus interest at 2.49% per annum. As of December 31, 2019, the Town has drawn down the full amount of the bond. The interest portion of the payment is being determined based on the amount of principal that is drawn down at the time that the payment is due. Therefore the amounts included in the annual debt service requirements below are now based on the full amount of the draw down. The balance due at December 31, 2019 was \$1,300,000.

The School Department also has entered into lease agreements for various pieces of equipment. The leases are accounted for as capital leases with outstanding balances totaling \$129,482 at June 30, 2019.

Annual debt service requirements to maturity including estimated interest are as follows:

<i>Year</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2020	\$292,546	\$98,783	\$391,329
2021	\$295,470	\$92,613	\$388,083
2022	\$251,166	\$86,185	\$337,351
2023	\$254,484	\$79,543	\$334,027
2024	\$257,992	\$69,493	\$327,486
2025-2029	\$1,016,223	\$268,952	\$1,285,175
2030-2034	\$700,817	\$134,299	\$835,116
2035-2039	\$463,654	\$47,963	\$511,617
	<u>\$3,532,352</u>	<u>\$877,831</u>	<u>\$4,410,183</u>

Note 7 - Defined Benefit Employee Pension Plan

A. Plan Description

Qualifying personnel of the 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 and employers 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, 2019, the member contribution rate was 7.65% and the employer contribution rate was 3.97% of applicable member compensation. The employer is also responsible for contributing 11.68% of all federally funded member compensation. The State of Maine, as a non-employer contributing entity, pays 11.08% of the applicable member compensation into the System.

The required contributions paid into the System for the year ended June 30, 2019 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>
2019	\$173,276	\$89,922	\$250,967	\$2,265,049
2018	\$165,728	\$86,005	\$240,035	\$2,166,385
2017	\$164,435	\$72,403	\$215,377	\$2,149,472

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 recorded 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 leave 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, 2019, the School Department reported a net pension liability of \$0. The net pension liability was measured as of June 30, 2018, 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, 2019, the School Department's proportion was .0000%, which was a decrease of .0001% from its proportion measured at June 30, 2018.

For the fiscal year ended June 30, 2019, the School Department recognized pension expense of \$70,328. At June 30, 2019, 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
Net Difference between projected and actual investment earnings on pension plan investments	\$0	\$0
Changes in proportion and differences between employer contributions and proportionate share of contributions	\$0	\$1,394
Employer contributions made subsequent to measurement date	\$89,922	\$0
	<u>\$89,922</u>	<u>\$1,394</u>

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

<i>Year ended</i>	
2020	\$89,198
2021	(\$670)
2022	\$0
2023	\$0

F. Actuarial Assumptions

The total pension liability in the June 30, 2018 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	6.75%, net of administrative and pension plan investment expense
Cost of Living Benefit Increases	2.20%

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

The actuarial assumptions used in the June 30, 2018 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, 2018 are summarized in the following table:

<i>Asset Class</i>	<i>Target Allocation</i>	<i>Long-Term Expected Real Rate of Return</i>
Public Equities	30.0%	6.0%
U.S. Government	7.5%	2.3%
Private Equity	15.0%	7.6%
Real Assets:		
Real Estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural Resources	5.0%	5.0%
Traditional Credit	7.5%	3.0%
Alternative Credit	5.0%	4.2%
Diversifiers	10.0%	5.9%
	100%	

G. Discount Rate

The discount rate used to measure the total pension liability was 6.75%. 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 6.75%, 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 (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	<u>1% Decrease</u> <u>(5.75%)</u>	<u>Current Discount</u> <u>Rate (6.75%)</u>	<u>1% Increase</u> <u>(7.75%)</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 System's 2018 Comprehensive Annual Financial Report available online at www.mainepepers.org or by contacting the System at (207) 512-3100.

Note 7 - Other Post Employment Benefits

A. Plan Description - School Department Employees Group Life Insurance Plan

Qualifying personnel of the Department participate in the Group Life Insurance Plan for Retired State Employees and Teachers as provided by the Maine Public Employees Retirement System (SET Plan). The plan is a multiple-employer, cost sharing plan with a special funding situation. As of June 30, 2018 there were 220 employers, including the State of Maine participating in the plan. The State of Maine is also a non-employer contributing entity in that the State pays contributions for retired public school teachers in the Plan.

The Group Life Insurance Plan for Retired Participating Local District (PLD) (PLD Consolidated Plan) employees is a multiple-employer cost sharing plan. As of June 30, 2018, there were 138 employers participating in the plan.

B. Benefits

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

C. Funding Policy

Premium rates are those determined by the System's Board of Trustees to be actuarially sufficient to pay anticipated claims. Premiums for basic life insurance for retired teachers are paid by the State as the total dollar amount of each year's annual required contribution. PLD employers are required to remit monthly a premium of \$0.46 per \$1,000 of coverage for covered active employees, a portion of which is to provide a level of coverage in retirement. PLD employers with retired PLD employees continue to remit a premium of \$0.46 per \$1,000 of coverage per month during the post-employment retired period.

D. Actuarial Methods and Assumptions

The collective total OPEB liability for the plans was determined by an actuarial valuation as of June 30, 2018, using the following methods and assumptions, applied to all periods included in the measurement:

Actuarial Cost Method

Projections of benefits for financial reporting purposes are based on the provisions of the Plans in effect at the time of each valuation and the historical pattern of sharing of premium costs between the employer and plan members. Actuarial methods and assumptions include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of the assets, consistent with the long-term perspective of the funding methodologies. Costs are developed using the individual entry age normal cost method based on a level percentage of payroll. Experience gains and losses, i.e., actual decreases or increases in the liabilities and/or in assets which differ from the actuarial assumptions, affect the unfunded actuarial accrued liability.

Asset Valuation Method

Investments are reported at fair value.

Significant Actuarial Assumptions

Inflation	2.75%
Salary Increases	2.75% - 14.50% at selected years of service
Investment Rate of Return	6.75%, net of administrative and pension plan investment expense
Participation Rates for Future Retirees	100% of those currently enrolled
Conversion Charges	Apply to the cost of active group life insurance, not retiree group life insurance
Form of Benefit Payment	Lump Sum

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

E. On-Behalf Payments

As mentioned in Section A. above, contributions are made by the System for participating retired teachers. The summary below provides the School Department's allocation of these contributions as well as the proportionate share of the Net OPEB liability. The Net OPEB Liability is not recorded on the School Department financial statements since it is a liability of the State of Maine and not a liability of the School Department.

	<i>Allocation of:</i>		
	<i>On-Behalf Payments</i>	<i>Benefits Expense</i>	<i>Net OPEB Liability</i>
2018	\$3,683	\$3,895	\$40,357

A. Plan Description - Town Employees Health Insurance Plan

Qualifying personnel of the Town can participate in the Maine Municipal Employees Health Trust postretirement benefit plan. The plan is a single employer OPEB plan.

B. Eligibility

The employee must meet the minimum requirement of age 55 with at least 5 years of service at retirement in order to be eligible for postretirement benefits.

A retiree must enroll when first eligible and continue coverage without interruption thereafter. Any retiree who does not enroll when first eligible for coverage or who terminates coverage for any reason shall not be eligible for subsequent enrollment. Except in the case of a group transfer into the Plan, the employer must be a participating employer at the time of retirement and the retiree must be covered under the Plan immediately prior to retirement and the retiree is receiving (or has received) retirement benefits, other than Social Security benefits, from the Participating Employer's retirement plan.

C. Benefits Provided

Medical/Prescription Drug: The non-Medicare retirees are offered the same plans that are available to the active employees, as described in the benefits summaries. Medicare retirees are assumed to be enrolled in Medicare Part A and Part B which are primary, and the Retiree Group Companion Plan which includes prescription drug coverage.

Medicare: Medicare benefits will be taken into account for any member or dependent while they are eligible to apply for Medicare. The Fund will determine a family member's benefit allowance, if any, based upon the applicable Medicare statutes and regulations. The Fund does not participate in the Medicare Retiree Drug Subsidy program.

Duration of Coverage: Medical benefits are provided for the life of retiree and surviving spouses.

Life Insurance: The \$2,000 life insurance benefit is provided automatically to all retirees participating in the retiree medical plan. Spouses are not covered for life insurance, but surviving spouses covered by the retiree medical plan are covered for a \$2,000 life insurance benefit as well.

Dental: Current retirees do not have access to dental benefits. Future new retirees who retire on and after January 1, 2017 will have access to purchase dental coverage at the Plan COBRA rates. Since retirees pay for the coverage and rates are set to mirror plan experience costs, no additional obligation is anticipated. Program experience will be monitored with future valuations and updated as with all benefit provisions and assumptions.

D. Cost Sharing Provisions

The retiree pays the premium equivalent rate for coverage elected. Retirees and spouses must contribute a percentage of the below premium amounts. These percentages are shown below. The sponsoring employer pays the remainder of the premium.

	<i>Retiree Contributions</i>	<i>Spouse Contributions</i>
Pre-Medicare	100%	100%
Medicare	100%	100%

E. Employees covered by benefit terms:

At January 1, 2019, the following employees were covered under the benefit terms:

Active employees	8
Average age	59.51
Average service	10.31

F. Net OPEB Liability

The Town's net OPEB liability was measured as of January 1, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial assumptions The total OPEB liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

<i>Discount Rate</i>	4.10% per annum.
<i>Salary Increase Rate</i>	2.75% per year.
<i>Administration and claims expense</i>	3.00% per annum.
<i>Healthcare cost trend rates:</i>	

Pre -Medicare Medical: Initial trend of 8.20% applied in FYE 2018 grading over 14 years to 4.00% per annum.

Pre -Medicare Drug: Initial trend of 9.60% applied in FYE 2018 grading over 14 years to 4.00% per annum.

Medicare Medical: Initial trend of 4.93% applied in FYE 2018 grading over 14 years to 4.00% per annum.

Medicare Drug: Initial trend of 9.60% applied in FYE 2017 grading over 14 years to 4.00% per annum.

G. Actuarial Assumptions

Rates of mortality are based on 104% and 120% of the RP-2014 Total Dataset Healthy Annuitant Mortality Table, respectively, for males and females, using the RP-2014 Total Dataset Employee Mortality Table for ages prior to start of the Healthy Annuitant Mortality Table, both projected from the 2006 base rates using the RPEC 2015 model, with an ultimate rate of .85% for ages 20-85 grading down to an ultimate rate of 0.00% for ages 111-120, and convergence to the ultimate rate in the year 2020. As prescribed by the Trust mortality rates were taken from the assumptions for the Maine State Retirement Consolidated Plan for Participating Local Districts as of June 30, 2016.

The actuarial assumptions are the assumptions that were adopted by the Maine State Retirement Consolidated Plan for Participating Local Districts as of June 30, 2016 and based on the experience study covering the period from June 30, 2012 through June 30, 2015.

The Entry Age Normal Actuarial Cost Method was used to value the Plan's actuarial liabilities and to set the normal cost. Under this funding method, a normal cost rate is determined as a level percent of pay for each active Plan member and then summed to produce the total normal cost for the Plan. An open 30-year amortization period was used. The amortization method is a level dollar amortization method. The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets.

For medical and pharmacy, historical claims and census records assembled and provided by Maine Municipal through June 30, 2017 were used by the Actuary. Medical and prescription experience for Medicare eligible (ME) and non-Medicare eligible (NME) (actives and retired covered persons) were analyzed by the Actuary. The Actuary assumed that the current enrollment distribution of Benefit Options will remain constant in the future for retirees. The Actuary distributed the cost based on the current covered population and Cheiron's (Actuary) standard age curves which vary by age, gender, and Medicare status. Children costs are converted to a load on the non-Medicare (NME) retirees which implicitly assumes that future retirees will have the same child distributions as current retirees.

The Actuary report does not reflect future changes in benefits, subsidies, penalties, taxes, or administrative costs that may be required as a result of the Patient Protection and Affordable Care Act of 2010 related legislation and regulations.

H. Discount Rate

Since the plan is pay as you go and is not funded, the discount rate will be based on a 20-year-tax-exempt general obligation municipal bond index. Using the Bond Buyer 20-Bond GO Index, the discount rate as of December 31, 2019 is based upon an earlier measurement date, as of December 28, 2017 and is 3.44% per annum. The discount rate as of December 31, 2019 is based upon an earlier measurement date, as of December 27, 2018 and is 4.10% per annum. The rate is assumed to be an index rate for 20-year, tax exempt general obligation municipal bonds with an average rate of AA/Aa or higher, for pay as you go plans.

I. Changes in the Net OPEB Liability

	<i>Total OPEB Liability</i>	<i>Plan Fiduciary Net Position</i>	<i>Net OPEB Liability</i>
<u>Balances at 1/1/2018</u>			
<u>(Reporting 12/31/2018)</u>	\$66,401	\$0	\$66,401
<u>Changes for the year:</u>			
Service Cost	\$5,334		\$5,334
Interest	\$2,445		\$2,445
Changes of assumptions	(\$5,399)		(\$5,399)
Contributions - employer	\$0	\$1,331	(\$1,331)
Benefit payments	(\$1,331)	(\$1,331)	\$0
<u>Net changes</u>	<u>\$1,049</u>	<u>\$0</u>	<u>\$1,049</u>
<u>Balances at 1/1/18</u>			
<u>(Reporting 12/31/2019)</u>	<u>\$67,450</u>	<u>\$0</u>	<u>\$67,450</u>

J. Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.10%) or 1 percentage point higher (5.10%) than the current discount rate:

	<i>1.0% Decrease (3.10%)</i>	<i>Discount Rate (4.10%)</i>	<i>1.0% Increase (5.10%)</i>
<i>Net OPEB Liability (Asset)</i>	\$75,893	\$67,450	\$60,377

K. Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following represents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be

if it were calculated using healthcare cost trend rates that are 1 percentage point lower (7.2% decreasing to 3%) or 1 percentage point higher (9.2% decreasing to 5%) than the current healthcare cost trend rates:

	<u>1.0% Decrease</u>	<u>Healthcare Trend Rate</u>	<u>1.0% Increase</u>
Net OPEB Liability (Asset)	\$59,871	\$67,450	\$76,553

L. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The impact of experience gains or losses and assumption changes on the Total OPEB Liability are recognized in the OPEB expense over the average expected remaining services life of all active and inactive members of the Plan. As of the beginning of the measurement period, the average was 5 years.

The table below summarizes the current balances of deferred outflows and deferred inflows of resources along with with the net recognition over the next five years, and thereafter.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$1,714	\$0
Changes in Assumptions	\$3,340	\$4,319
Net Difference between projected and actual earnings on OPEB plan investments	\$0	\$0
	<u>\$5,054</u>	<u>\$4,319</u>

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

<u>Year ended</u>	
2020	\$605
2021	\$605
2022	\$604
2023	(\$1,079)
2024	\$0
Thereafter	\$0

A. Plan Description - School Department Employees Health Insurance Plan

Qualifying personnel of the School Department can participate in the Maine Education Association Benefits Trust (MEABT) postretirement benefit plan. The plan is a multi-employer, cost sharing OPEB plan.

B. Eligibility

The employee must have participated in the MEABT health plan for the 12 months prior to retirement, and have 10 years of continuous active service and enrollment in the health plan (under age 50), or 5 years of continuous active service and enrollment in the health plan (age 50 or above), in order to be eligible for postretirement benefits.

A retiree who terminates coverage may elect to re-enroll in coverage at a later date if the participant participated in the health plan for 12 months prior to terminating coverage, if the re-enrollment occurs within 5 years from the date of termination coverage, and if the retiree does not surpass attaining age 62 at the time of re-enrollment. The participant has to have maintained continuous health insurance coverage during this break in coverage. To be eligible for re-enrollment, a retiree may not take more than one break in coverage.

C. Cost Sharing Provisions

The retiree is eligible for a State subsidy of 45% of the blended single premium for the retiree only. Under State law, the blended premium is determined by blending rates for active members and retired members.

The retiree pays 55% of the blended premium rate for coverage elected. Spouses must contribute 100% of the blended premium amounts. This the total premium is paid for by both the State and the retiree and/or spouse. The MEABT is not responsible for the premium, but instead the implicit rate subsidy. The implicit rate subsidy is the value of the cost of care minus the premiums charged. Since the premiums are based on the average active and per-Medicare retirees, the retirees are implicitly paying less than the true cost of coverage, thus an implied subsidy.

D. Employees covered by benefit terms:

At June 30, 2018, the following employees were covered under the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	19
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	51
Average age	50.55
Average service	16.15

E. Net OPEB Liability

The School Department's net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial assumptions The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

<i>Discount Rate</i>	3.87% per annum.
<i>Salary Increase Rate</i>	2.75% per year.
<i>Administration and claims expense</i>	Included in per capita claims cost
<i>Healthcare cost trend rates:</i>	

Pre -Medicare Medical: Initial trend of 5.55% applied in FYE 2018 grading over 15 years to 3.73% per annum.

Medicare Medical: Initial trend of 3.72% applied in FYE 2018 grading over 15 years to 2.81% per annum.

F. Actuarial Assumptions

Rates of mortality for the different level of participants are described below:

Healthy Annuitants: based on 99% of the RP-2014 Total Dataset Healthy Annuitant Mortality Table for both males and females using the RP-2014 Total Dataset Employee Mortality Table for ages prior to start of the Healthy Annuitant Table, respectively, both projected using the RPEC 2015 model, with an ultimate rate of 0.85% for ages 20-85, grading down to an ultimate rate of 0% for ages 111-120, and convergence to the ultimate rate in the year 2020.

Healthy Employees: based on 99% of the RP-2014 Total Dataset Healthy Annuitant Mortality Table for both males and females using the RP-2014 Total Dataset Employee Mortality Table rates after the end of the Total Employee Mortality Table, respectively, both projected using the RPEC 2015 model, with an ultimate rate of 0.85% for ages 20-85, grading down to an ultimate rate of 0% for ages 111-120, and convergence to the ultimate rate in the year 2020.

Disabled Annuitants: based on 108% and 105% of the RP-2014 Total Dataset Disabled Annuitant Mortality Table, respectively for males and females, projected from the 2006 base rates using the RPEC 2015 model, with an ultimate rate of 0.85% for ages 20-85, grading down to an ultimate rate of 0% for ages 111-120, and convergence to the ultimate rate in the year 2020.

The actuarial assumptions are the assumptions that were adopted by the Maine Public Employees Retirement System State Employee and Teacher Program valuation at June 30, 2018 and are based on the experience study covering the period from June 30, 2012 through June 30, 2015.

The Entry Age Normal Actuarial Cost Method was used to value the Plan's actuarial liabilities and to set the normal cost. Under this funding method, a normal cost rate is determined as a level percent of pay for each active Plan member and then summed to produce the total normal cost for the Plan. The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets. The plan has no assets to apply against the liabilities.

For claim curves, the Actuary used actual community rated premiums and census records provided by MEABT through June 30, 2018. Participation experience for Medicare eligible (ME) and non-Medicare eligible (NME) (activities and retired covered persons) were analyzed by the Actuary. The Actuary assumed that the current enrollment distribution of Benefit Options will remain constant in the future for retirees. The Actuary distributed the cost based on the current covered population and Cheiron's (Actuary) standard age curves which vary by age, gender and Medicare status. Children costs are converted to a load on the non-Medicare (NME) retirees which implicitly assumes that future retirees will have the same child distribution as current retirees.

The Actuary report does not reflect future changes in benefits, subsidies, penalties, taxes, or administrative costs that may be required as a result of the Patient Protection and Affordable Care Act of 2010 related legislation and regulations.

G. Discount Rate

Since the plan is pay as you go and is not funded, the discount rate will be based on a 20-year, tax-exempt general obligation municipal bond index. Using the Bond Buyer 20-Bond GO Index, the discount rate as of June 30, 2017 is 3.58% per annum. The discount rate as of June 30, 2018 is 3.87% per annum. This rate is assumed to be an index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher, for pay as you go plans.

H. Changes in the Net OPEB Liability

	<i>Total OPEB Liability</i>	<i>Plan Fiduciary Net Position</i>	<i>Net OPEB Liability</i>
<u>Balances at 6/30/2017</u>	\$1,076,512	\$0	\$1,076,512
<u>Changes:</u>			
Service Cost	\$9,573		\$9,573
Interest	\$38,276		\$38,276
Change of Assumptions	(\$43,881)		(\$43,881)
Contributions - Employer		\$34,119	(\$34,119)
Benefit Payments	(\$34,119)	(\$34,119)	\$0
<u>Net changes</u>	(\$30,151)	\$0	(\$30,151)
<u>Balances at 6/30/18</u>	<u>\$1,046,361</u>	<u>\$0</u>	<u>\$1,046,361</u>

I. Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the School Department, as well as what the School Department's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.87%) or 1 percentage point higher (4.87%) than the current discount rate:

	<i>1.0% Decrease (2.87%)</i>	<i>Discount Rate (3.87%)</i>	<i>1.0% Increase (4.87%)</i>
<i>Net OPEB Liability (Asset)</i>	\$1,209,672	\$1,046,361	\$913,501

J. Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following represents the net OPEB liability of the School Department, as well as what the School Department's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	<i>1.0% Decrease</i>	<i>Healthcare Trend Rate</i>	<i>1.0% Increase</i>
<i>Net OPEB Liability (Asset)</i>	\$905,210	\$1,046,361	\$1,220,069

J. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The impact of experience gains or losses and assumption changes on the Total OPEB Liability are recognized in the OPEB expense over the average expected remaining services life of all active and inactive members of the Plan. As of the beginning of the measurement period, the average was 6 years.

The table below summarizes the current balances of deferred outflows and deferred inflows of resources along with the net recognition over the next five years, and thereafter.

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Differences between expected and actual experience	\$0	\$0
Changes in Assumptions	\$0	\$36,567
Net Difference between projected and actual earnings on OPEB plan investments	\$0	\$0
Employer contributions made subsequent to measurement date	\$35,340	\$0
	<u>\$35,340</u>	<u>\$36,567</u>

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

<i>Year ended</i>	
2019	\$28,026
2020	(\$7,314)
2021	(\$7,314)
2022	(\$7,314)
2023	(\$7,311)
Thereafter	\$0

Note 8 - Sewer Utility Operations

The Town of Blue Hill provides a sewer utility for residences within the immediate village. This utility is accounted for within the governmental fund types since the user fees charged are nominal and not set at a rate which would cover actual operating costs, debt service and future maintenance. The administrative costs and debt service are paid through municipal appropriations.

Note 9 - Transfer Station Joint Venture - Ongoing Financial Interest and Financial Responsibility

The Town of Blue Hill is 2/3 owner of a solid waste transfer station with the Town of Surry. The records of the transfer station are maintained by the Town of Blue Hill. Title of all general fixed assets of the transfer station is held by the Town of Blue Hill. The transfer station is supported by appropriations from Blue Hill and Surry and by contracted billings to several other towns in the area. The participant's shares at December 31, 2019 are as follows;

	<i>Blue Hill (2/3 share)</i>	<i>Surry (1/3 share)</i>	<i>Total</i>
<i>Assets</i>	\$846,222	\$423,105	\$1,269,327
<i>Liabilities</i>	\$14,704	\$7,352	\$22,056
<i>Deferred Inflows</i>	\$502	\$251	\$753
<i>Net Position</i>	\$831,016	\$415,502	\$1,246,518
 <i>Revenues</i>	 \$503,156	 \$251,574	 \$754,730
<i>Expenses</i>	\$561,517	\$280,755	\$842,272
<i>Changes in Net Position</i>	(\$58,362)	(\$29,180)	(\$87,542)

Although the Town of Blue Hill is 2/3 owner in the Transfer Station, voting rights are equally shared by the two Towns. The Town of Blue Hill has explicit and measurable right to 2/3 of the Transfer Station's net resources as per the Transfer Station's interlocal agreement. The continued existence of the Transfer Station is dependent upon the continued funding by the Town of Blue Hill. The Town's investment in the joint venture is reported in the capital assets on the government-wide financial statements since the Transfer Station is presently accounted for as a governmental fund by management. A copy of the Blue Hill / Surry Transfer Station audit is available at the Blue Hill and Surry Town Offices.

The Transfer Station is a member of a non-profit corporation, the Municipal Review Committee, Inc. (MRC), whose mission is to ensure the continuing availability of long-term, reliable, safe and environmentally sound methods of solid waste disposal. The Transfer Station's proportionate interest in the net position of the MRC on June 30, 2019, the date of MRC's most recent audited financial statements, was \$678,476 (3.91%). Complete financial statements may be obtained online at www.mrcmaine.org or by contacting MRC at (207)664-1700.

As of March 31, 2018, the waste disposal contract between MRC and Penobscot Energy Recovery Company (PERC) expired. As a result of this expiring contract and negotiated agreement, MRC no longer has ownership interest in PERC as of March 31, 2018.

Note 10 - Restricted Net Position

The Town reports restricted net position totaling (\$570,321) on its statement of net position. This restricted net position represents the nonspendable and restricted fund balances detailed in the governmental fund balance note above, with an adjusted balance in the education balance of (\$714,378). The education fund balance is adjusted for the pension and other post-employment benefit plan deferred outflows, deferred inflows and net pension liability.

Note 11 - Commitments 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 12 - Risk Management

The Town participates in Public Entity Risk Pools for the purposes of Workers Compensation, Property and Liability Insurance and Unemployment Compensation. The Public Entity Risk Pool is administered by the MEMIC. The Public Entity Risk Pools were established for the purposes of lowering costs for members and for developing specific programs to control losses. Members pay annual premiums to MEMIC for participation in the respective programs.

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 it carries municipal and commercial insurance. The Town is not aware of any material actual or potential claim liabilities which should be recorded at December 31, 2019.

Note 13 - Notated Fund Balances

In 2018 the Town purchased a new fire truck. The Blue Hill Fire Company has agreed through a memorandum of understanding that they will donate a total of \$185,000 to the Town's fire truck reserve account over a six year period between April 2017 and May 2023. As of 12/31/2019, the Fire Company owes the Town \$80,000 based on this memorandum of understanding, which is recorded on the Town's balance sheet as a receivable and the Component Unit's balance sheet as a payable. The remaining deficit fund balance for the fire truck reserve fund is due to anticipated additional funds to be raised in the future.

The deficit balance in the Town Roads fund was created by an appropriation in the amount of \$100,000 from this account approved by voters in 2017 for road repairs to the Parker Point Road, when the account was already in a deficit of \$10,086 for 2016. There was an additional appropriation for 2017 approved by voters that allocated \$100,000 for the Sidewalk Project Reserve. Due to an accounting error, the Sidewalk funds were rolled into the Town Road account rather than being kept as a separate reserve specific to the Sidewalk Project. For 2018, the Sidewalk Project Reserve funds were separated out, revealing a deficit fund balance in the Town Roads fund of \$90,604. The deficit at December 31, 2019 is the remaining overage that needs appropriation to be approved at a Town Meeting.

The Land Purchases - Interest and Land Purchases Funds were established pursuant to Article 69 of the 1995 Town Warrant, as passed by voters, for the use of the principal and interest of funds received from Acadia National Park in lieu of Taxes after the Park's purchase of a conservation easement on Long Island. The warrant directed that "at least 10% of the interest is to be reinvested in the account and up to and not more than 90% used to purchase public access to the ocean or great ponds, or used to develop trails for hiking or some other outdoor activity."

Note 14 - Restatement of Beginning Net Position

The following adjustment was made at January 1, 2019 to restate net position on the governmental-wide financial statements:

	<i>Governmental Activities</i>
	<hr/>
Net Other Post-Employment Benefits Liability (MEABT)	(\$1,107,463)
Net Position, as previously stated	\$19,444,906
Net Position, restated	<hr/> <hr/> \$18,337,443

TOWN OF BLUE HILL, MAINE

(Exhibit V)

REQUIRED SUPPLEMENTARY INFORMATION**SCHEDULE OF REVENUES AND EXPENDITURES****BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS****FOR THE YEAR ENDED DECEMBER 31, 2019**

	<i>Original</i>	<i>Final</i>		<i>Variance</i>
	<i>Budget</i>	<i>Budget</i>	<i>Actual</i>	<i>Favorable</i>
<i>Revenues:</i>				<i>(Unfavorable)</i>
Real Estate Taxes and Homestead Exemption	\$7,100,176	\$7,100,176	\$7,122,562	\$22,386
Excise Taxes	\$647,800	\$647,800	\$647,503	(\$297)
State and Federal Revenues	\$155,000	\$155,000	\$164,552	\$9,552
Licenses, Permits, Fees and Other	\$25,006	\$25,006	\$80,077	\$55,071
Interest & Lien Fees	\$0	\$0	\$26,486	\$26,486
Investment Earnings	\$0	\$0	\$22,226	\$22,226
Contributions	\$0	\$0	\$105,000	\$105,000
<i>Total Revenues</i>	<u>\$7,927,983</u>	<u>\$7,927,983</u>	<u>\$8,168,407</u>	<u>\$240,424</u>
<i>Expenditures:</i>				
Administration	\$555,388	\$542,888	\$456,111	\$86,777
Protection	\$187,957	\$187,957	\$169,059	\$18,898
Health & Sanitation	\$139,019	\$139,019	\$84,617	\$54,402
Education	\$5,683,512	\$5,476,930	\$5,615,277	(\$138,347)
Highways & Bridges	\$745,800	\$874,300	\$824,362	\$49,938
Unclassified	\$117,759	\$117,759	\$212,124	(\$94,365)
Debt Service	\$348,094	\$348,094	\$323,839	\$24,255
Assessments	\$423,643	\$423,643	\$314,273	\$109,371
<i>Total Expenditures</i>	<u>\$8,201,173</u>	<u>\$8,110,591</u>	<u>\$7,999,664</u>	<u>\$110,927</u>
<i>Excess of Revenues Over Expenditures</i>	<u>(\$273,190)</u>	<u>(\$182,608)</u>	<u>\$168,743</u>	<u>\$351,351</u>
<i>Other Financing Sources (Uses)</i>				
Operating Transfer Out	<u>(\$350,000)</u>	<u>(\$556,582)</u>	<u>(\$556,582)</u>	<u>\$0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(\$350,000)</u>	<u>(\$556,582)</u>	<u>(\$556,582)</u>	<u>\$0</u>
<i>Excess Revenues and Other Sources Over Expenditures and Other Uses</i>	<u>(\$623,190)</u>	<u>(\$739,190)</u>	<u>(\$387,839)</u>	<u>\$351,351</u>
<i>Beginning Fund Balances</i>	<u>\$3,971,058</u>	<u>\$3,971,058</u>	<u>\$3,971,058</u>	<u>\$0</u>
<i>Ending Fund Balances</i>	<u><u>\$3,347,868</u></u>	<u><u>\$3,231,868</u></u>	<u><u>\$3,583,220</u></u>	<u><u>\$351,351</u></u>

TOWN OF BLUE HILL, MAINE

(Exhibit VI)

REQUIRED SUPPLEMENTARY INFORMATION**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY****MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM****FOR THE YEAR ENDED DECEMBER 31, 2019**

<i>For the</i> <i>Fiscal</i> <i>Year Ended</i> <i>June 30,</i>	<i>Proportion of Net</i> <i>Pension Liability</i>	<i>Proportionate</i> <i>Share of Net</i> <i>Pension Liability</i> <i>(Asset)</i>	<i>Covered</i> <i>Employee</i> <i>Payroll</i>	<i>Proportionate</i> <i>Share of Net</i> <i>Pension Liability</i> <i>(Asset) as a % of</i> <i>Its Covered</i> <i>Employee Payroll</i>	<i>Plan Total</i> <i>Pension Liability</i>	<i>Plan Fiduciary</i> <i>Net Position</i>	<i>Plan Net</i> <i>Pension Liability</i>	<i>Plan Fiduciary</i> <i>Net Position</i> <i>as a % of the</i> <i>Total Pension</i> <i>Liability</i>	<i>Plan Covered</i> <i>Employee Payroll</i>	<i>Plan Net</i> <i>Pension</i> <i>Liability as a %</i> <i>of the Covered</i> <i>Employee Payroll</i>
2019	0.0000%	\$0	\$2,265,049	0.000%	\$14,031,187,845	\$11,632,179,683	\$2,399,008,162	82.902%	\$1,808,274,919	132.668%
2018	0.0001%	\$2,034	\$2,166,385	0.094%	\$13,484,886,512	\$10,893,291,864	\$2,591,594,648	80.781%	\$1,860,230,663	139.316%
2017	0.0002%	\$2,668	\$2,149,472	0.124%	\$13,069,954,948	\$9,960,335,390	\$3,109,619,558	76.208%	\$1,816,435,084	171.194%
2016	0.0034%	\$45,823	\$2,064,923	2.219%	\$12,616,287,054	\$10,242,097,022	\$2,374,190,032	81.182%	\$1,699,160,889	139.727%
2015	0.0114%	\$123,190	\$2,128,753	5.787%	\$12,320,158,783	\$10,337,639,472	\$1,982,519,311	83.908%	\$1,676,857,294	118.228%

* 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 BLUE HILL, MAINE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
FOR THE YEAR ENDED DECEMBER 31, 2019

(Exhibit VII)

<i>For the Fiscal Year Ended June 30,</i>	<i>Contractually Required Contribution</i>	<i>Actual Contribution</i>	<i>Contribution Deficiency</i>	<i>Covered Employee Payroll</i>	<i>Contributions as a % of Covered Employee Payroll</i>
2019	\$89,922	\$89,922	\$0	\$2,265,049	3.970%
2018	\$86,005	\$86,005	\$0	\$2,166,385	3.970%
2017	\$72,403	\$72,403	\$0	\$2,149,472	3.368%
2016	\$69,569	\$69,569	\$0	\$2,064,923	3.369%
2015	\$61,854	\$61,854	\$0	\$2,128,753	2.906%

* 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 BLUE HILL, MAINE
NOTES TO HISTORICAL PENSION INFORMATION
MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM
FOR THE YEAR ENDED DECEMBER 31, 2019

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, 2018, 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, 2018 are as follows:

Inflation	2.75%
Salary Increases	2.75% - 14.50% at selected years of service
Investment Rate of Return	6.75%, 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, 2017 valuation were based on the results of an actuarial experience study for the period of June 30, 2012 to June 30, 2015. The first year is recognized as pension expense and the remaining years as shown as either deferred outflows of resources or deferred inflows of resources. There were no changes in assumptions for the fiscal year ended June 30, 2018.

TOWN OF BLUE HILL, MAINE

(Exhibit VIII)

REQUIRED SUPPLEMENTARY INFORMATION**SCHEDULE OF PROPORTIONATE SHARE OF NET OPEB LIABILITY****MAINE MUNICIPAL EMPLOYEES HEALTH TRUST - TOWN EMPLOYEES**
FOR THE YEAR ENDED DECEMBER 31, 2019

<i>Last 10 Fiscal Years</i>	<i>For the Fiscal Year Ended June 30, 2019</i>	<i>For the Fiscal Year Ended June 30, 2018</i>
<u>Total OPEB Liability</u>		
Service Cost	\$5,334	\$4,670
Interest (includes interest on service cost)	\$2,445	\$2,126
Changes of benefit terms		
Differences between expected and actual experience	\$0	\$2,858
Changes in assumptions	(\$5,399)	\$5,566
Benefit payments, including refunds of member contributions	(\$1,331)	(\$785)
<i>Net Change in total OPEB liability</i>	<u>\$1,049</u>	<u>\$14,435</u>
 <i>Total OPEB liability - beginning</i>	 <u>\$66,401</u>	 <u>\$51,966</u>
<i>Total OPEB liability - ending</i>	<u>\$67,450</u>	<u>\$66,401</u>
 <u>Plan fiduciary net position</u>		
Contributions - employer	\$1,331	\$785
Contributions - member		
Net investment income		
Benefit payments, including refunds of member contributions	(\$1,331)	(\$785)
Administrative expense		
<i>Net change in plan fiduciary net position</i>	<u>\$0</u>	<u>\$0</u>
 <i>Plan fiduciary net position - beginning</i>	 <u>\$0</u>	 <u>\$0</u>
<i>Plan fiduciary net position - ending</i>	<u>\$0</u>	<u>\$0</u>
 <i>Net OPEB liability - ending</i>	 <u>\$67,450</u>	 <u>\$66,401</u>
 Plan Fiduciary Net Position as a % Of the Total OPEB Liability	 0.0%	 0.0%
 Covered Employee Payroll	 \$218,780	 \$218,780
 <i>Net OPEB Liability as a % Of the Covered Employee Payroll</i>	 30.8%	 30.4%

* Amounts presented for each fiscal year were determined as of January 1 of the previous year. Retroactive information is not required to be presented. A full 10 year schedule will be displayed as it becomes available.

TOWN OF BLUE HILL, MAINE

(Exhibit IX)

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CONTRIBUTIONS

MAINE MUNICIPAL EMPLOYEES HEALTH TRUST - TOWN EMPLOYEES
FOR THE YEAR ENDED DECEMBER 31, 2019

<i>Last 10 Fiscal Years</i>	<i>For the Fiscal Year Ended June 30, 2019</i>	<i>For the Fiscal Year Ended June 30, 2018</i>
Contractually required contribution	\$1,331	\$785
Actual Contribution	\$1,331	\$785
Contribution Deficiency	\$0	\$0

* Amounts presented for each fiscal year were determined as of January 1 of the previous year. Retroactive information is not required to be presented. A full 10 year schedule will be displayed as it becomes available.

TOWN OF BLUE HILL, MAINE

(Exhibit X)

REQUIRED SUPPLEMENTARY INFORMATION**SCHEDULE OF PROPORTIONATE SHARE OF NET OPEB LIABILITY****MAINE EDUCATION ASSOCIATION BENEFITS TRUST - SCHOOL DEPARTMENT EMPLOYEES**
FOR THE YEAR ENDED DECEMBER 31, 2019

<i>Last 10 Fiscal Years</i>	<i>For the Fiscal Year Ended June 30, 2019</i>
<u>Total OPEB Liability</u>	
Service Cost	\$9,573
Interest (includes interest on service cost)	\$38,276
Changes of benefit terms	\$0
Differences between expected and actual experience	\$0
Changes in assumptions	(\$43,881)
Benefit payments, including refunds of member contributions	(\$34,119)
<i>Net Change in total OPEB liability</i>	<u>(\$30,151)</u>
<i>Total OPEB liability - beginning</i>	<u>\$1,076,512</u>
<i>Total OPEB liability - ending</i>	<u>\$1,046,361</u>
<u>Plan fiduciary net position</u>	
Contributions - employer	\$34,119
Contributions - member	\$0
Net investment income	\$0
Benefit payments, including refunds of member contributions	(\$34,119)
Administrative expense	\$0
<i>Net change in plan fiduciary net position</i>	<u>\$0</u>
<i>Plan fiduciary net position - beginning</i>	<u>\$0</u>
<i>Plan fiduciary net position - ending</i>	<u>\$0</u>
<i>Net OPEB liability - ending</i>	<u>\$1,046,361</u>
Plan Fiduciary Net Position as a % Of the Total OPEB Liability	0.0%
Covered Employee Payroll	\$2,249,441
<i>Net OPEB Liability as a % Of the Covered Employee Payroll</i>	46.5%

* Amounts presented for each fiscal year were determined as of January 1 of the previous year. Retroactive information is not required to be presented. A full 10 year schedule will be displayed as it becomes available.

TOWN OF BLUE HILL, MAINE

(Exhibit XI)

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CONTRIBUTIONS

MAINE EDUCATION ASSOCIATION BENEFITS TRUST - SCHOOL DEPARTMENT EMPLOYEES
FOR THE YEAR ENDED DECEMBER 31, 2019

<i>Last 10 Fiscal Years</i>	<i>For the Fiscal</i>
	<i>Year Ended</i>
	<i>June 30,</i>
	<i>2019</i>
Contractually required contribution	\$34,119
Actual Contribution	\$34,119
Contribution Deficiency	\$0

* Amounts presented for each fiscal year were determined as of January 1 of the previous year. Retroactive information is not required to be presented. A full 10 year schedule will be displayed as it becomes available.

TOWN OF BLUE HILL, MAINE
NOTES TO OPEB LIABILITY AND CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2019

**Note 1 – Actuarial Methods and Assumptions - Maine Municipal Employees Health Trust -
Town Employees Health Insurance Plan**

The total OPEB liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Benefit Changes

Claims costs and retiree contributions were updated to reflect current healthcare costs.

Changes of Assumptions

There was a change in the discount rate from 3.44% to 4.10% per GASB 75 discount rates selection. There were no other changes to data, assumptions and methodology.

Net OPEB Liability

The Town's net OPEB liability was measured as of January 1, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial cost method	Entry Age
Amortization method	Level dollar
Amortization period	30 years
Discount Rate	4.10% per annum.
Salary Increase Rate	2.75% per year
Administration and claims expense	3% per annum.
Retirement Age	65
Healthcare cost trend rates	

Pre-Medicare Medical: Initial trend of 8.20% applied in FYE 2018 grading over 14 years to 4.00% per annum.

Pre-Medicare Drug: Initial trend of 9.60% applied in FYE 2018 grading over 14 years to 4.00% per annum.

Medicare Medical: Initial trend of 4.93% applied in FYE 2018 grading over 14 years to 4.00% per annum.

Medicare Drug: Initial trend of 9.60% applied FYE 2017 grading over 14 years to 4.00% per annum.

Rates of mortality are based on 104% and 120% of the RP-2014 Total Dataset Healthy Annuitant Mortality Table, respectively, for males and females, using the RP-2014 Total Dataset Employee Mortality Table for ages prior to start of the Healthy Annuitant Mortality Table, both projected from the 2006 base rates using the RPEC 2015 model, with an ultimate rate of .85% for ages 20-85 grading down to an ultimate rate of 0% for ages 111-120, and convergence to the ultimate rate in the year 2020. As prescribed by the Trust mortality rates were taken from the assumptions for the Maine State Retirement Consolidated Plan for Participating Local Districts as of June 30, 2016.

**Note 2 – Actuarial Methods and Assumptions - Maine Education Association Benefits Trust
School Department Employees Health Insurance Plan**

The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Benefit Changes

Claims costs and retiree contributions were updated to reflect current healthcare costs.

Changes of Assumptions

Funding method was changed from Projected Unit Credit funding to Entry Age Normal funding method

Net OPEB Liability

The School Department's net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar
Amortization period	30 years
Discount Rate	3.87% per annum.
Salary Increase Rate	2.75% per year
Administration and claims expense	Included in per-capita claims cost
Retirement Age	65

Healthcare cost trend rates:

Pre -Medicare Medical: Initial trend of 5.55% applied in FYE 2018 grading over 15 years to 3.73% per annum.

Medicare Medical: Initial trend of 3.72% applied in FYE 2018 grading over 15 years to 2.81% per annum.

Rates of mortality for the different level of participants are described below:

Healthy Annuitants: based on 99% of the RP-2014 Total Dataset Healthy Annuitant Mortality Table for both males and females using the RP-2014 Total Dataset Employee Mortality Table for ages prior to start of the Healthy Annuitant Table, respectively, both projected using the RPEC 2015 model, with an ultimate rate of 0.85% for ages 20-85, grading down to an ultimate rate of 0% for ages 111-120, and convergence to the ultimate rate in the year 2020.

Healthy Employees: based on 99% of the RP-2014 Total Dataset Healthy Annuitant Mortality Table for both males and females using the RP-2014 Total Dataset Employee Mortality Table rates after the end of the Total Employee Mortality Table, respectively, both projected using the RPEC 2015 model, with an ultimate rate of 0.85% for ages 20-85, grading down to an ultimate rate of 0% for ages 111-120, and convergence to the ultimate rate in the year 2020.

Disabled Annuitants: based on 108% and 105% of the RP-2014 Total Dataset Disabled Annuitant Mortality Table, respectively, for males and females, projected from the 2006 base rates using the RPEC 2015 model, with an ultimate rate of 0.85% for ages 20-85, grading down to an ultimate rate of 0% for ages 111-120, and convergence to the ultimate rate in the year 2020.

TOWN OF BLUE HILL, MAINE
SCHEDULE OF DEPARTMENTAL OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2019

(Exhibit A-1, Page 1 of 3)

<i>Department</i>	<i>Beginning Balance</i>	<i>Appropriations</i>	<i>Revenues/ Transfers In</i>	<i>Total Available</i>	<i>Expenditures/ Transfers Out</i>	<i>Lapsed Unexpended (Overdraft)</i>	<i>Ending Balance</i>
<i><u>Administration:</u></i>							
General Government	\$0	\$229,935	\$5,325	\$235,260	\$210,237	\$25,023	\$0
Town Hall	\$0	\$50,000	\$0	\$50,000	\$53,814	(\$3,814)	\$0
Town Hall Improvements	\$26,181	\$20,000	\$0	\$46,181	\$13,722	\$0	\$32,459
Town Hall Structure Assessment	\$0	\$7,500	\$0	\$7,500	\$6,500	\$1,000	\$0
Salaries	\$0	\$32,500	\$0	\$32,500	\$22,978	\$9,522	\$0
Town Administrator	\$0	\$60,000	\$0	\$60,000	\$23,127	\$36,873	\$0
Workers Compensation	\$0	\$5,000	\$0	\$5,000	\$5,270	(\$270)	\$0
Health Insurance	\$0	\$63,000	\$0	\$63,000	\$49,111	\$13,889	\$0
Planning Board	\$0	\$2,675	\$0	\$2,675	\$532	\$2,143	\$0
Code Enforcement	\$0	\$37,500	\$0	\$37,500	\$29,165	\$8,335	\$0
Audit	\$0	\$18,000	\$0	\$18,000	\$17,378	\$622	\$0
Assessing	\$0	\$38,000	\$0	\$38,000	\$38,000	\$0	\$0
Revaluation	\$50,190	\$0	\$0	\$50,190	\$0	\$0	\$50,190
	<u>\$76,371</u>	<u>\$564,110</u>	<u>\$5,325</u>	<u>\$645,806</u>	<u>\$469,833</u>	<u>\$93,324</u>	<u>\$82,649</u>
<i><u>Protection:</u></i>							
Fire Department	\$0	\$77,000	\$6,056	\$83,056	\$82,856	\$200	\$0
Street Lights	\$0	\$10,500	\$0	\$10,500	\$10,359	\$141	\$0
Forest Fires	\$0	\$2,500	\$0	\$2,500	\$0	\$2,500	\$0
Fire Dams	\$11,315	\$0	\$0	\$11,315	\$4,822	\$0	\$6,493
Peninsula Ambulance Corp.	\$0	\$61,590	\$0	\$61,590	\$61,590	\$0	\$0
Police Protection	\$0	\$10,000	\$0	\$10,000	\$10,000	\$0	\$0
Law Enforcement Reserve	\$12,504	\$0	\$2,915	\$15,419	\$11,500	\$0	\$3,919
Hancock County Dispatch	\$0	\$6,151	\$0	\$6,151	\$6,151	\$0	\$0
Civil Emergency Preparedness	\$0	\$216	\$0	\$216	\$200	\$16	\$0
Animal Control Officer	\$0	\$1,500	\$869	\$2,369	\$2,921	(\$552)	\$0
	<u>\$23,819</u>	<u>\$169,457</u>	<u>\$9,840</u>	<u>\$203,116</u>	<u>\$190,399</u>	<u>\$2,305</u>	<u>\$10,412</u>

TOWN OF BLUE HILL, MAINE

(Exhibit A-1, Page 2 of 3)

SCHEDULE OF DEPARTMENTAL OPERATIONS - continued**FOR THE YEAR ENDED DECEMBER 31, 2019**

<u>Department</u>	<u>Beginning Balance</u>	<u>Appropriations</u>	<u>Revenues/ Transfers In</u>	<u>Total Available</u>	<u>Expenditures/ Transfers Out</u>	<u>Lapsed Unexpended (Overdraft)</u>	<u>Ending Balance</u>
<u>Health & Sanitation:</u>							
Transfer Station Operation	\$0	\$189,019	\$0	\$189,019	\$189,019	\$0	\$0
Sewerage Operation	\$51,030	\$0	\$325,302	\$376,332	\$285,405	\$0	\$90,927
DEP Grant Reserve	\$0	\$15,000	\$0	\$15,000	\$0	\$0	\$15,000
Septic Tank Disposal	\$0	\$12,000	\$0	\$12,000	\$12,495	(\$495)	\$0
	<u>\$51,030</u>	<u>\$216,019</u>	<u>\$325,302</u>	<u>\$592,351</u>	<u>\$486,919</u>	<u>(\$495)</u>	<u>\$105,927</u>
<u>Highways:</u>							
Town Roads and Bridges	(\$90,604)	\$746,000	\$64,684	\$720,080	\$757,121	\$0	(\$37,041)
South Blue Hill Wharf Road	\$22,540	\$7,775	\$0	\$30,315	\$22,775	\$7,540	\$0
Town Wharf/Fire House Paving	\$1,801	\$0	\$0	\$1,801	\$0	\$0	\$1,801
Parker Point Road	\$18,008	\$100,000	\$0	\$118,008	\$79,634	\$0	\$38,375
Roads Rehab Project	\$0	\$12,500	\$0	\$12,500	\$12,500	\$0	\$0
Boat House Town Wharf	\$0	\$15,000	\$0	\$15,000	\$11,808	\$3,192	\$0
Sidewalk Project	\$100,000	\$0	\$0	\$100,000	\$0	\$0	\$100,000
911 Program	\$0	\$800	\$12	\$812	\$812	\$0	\$0
Maintenance Department	\$29,301	\$0	\$0	\$29,301	\$0	\$0	\$29,301
	<u>\$81,045</u>	<u>\$882,075</u>	<u>\$64,696</u>	<u>\$1,027,816</u>	<u>\$884,649</u>	<u>\$10,732</u>	<u>\$132,435</u>
<u>Education:</u>							
School Department	\$365,528	\$5,494,430	\$1,064,068	\$6,924,027	\$6,679,345	\$0	\$244,682
School Construction Project	\$0	\$556,582	\$0	\$556,582	\$556,582	\$0	\$0
Capital Improvement Reserve	\$15,000	\$0	\$0	\$15,000	\$0	\$0	\$15,000
Special Education Reserve	\$70,000	\$0	\$0	\$70,000	\$17,500	\$0	\$52,500
Secondary Tuition Reserve	\$65,000	\$0	\$0	\$65,000	\$0	\$0	\$65,000
	<u>\$515,528</u>	<u>\$6,051,012</u>	<u>\$1,064,068</u>	<u>\$7,630,609</u>	<u>\$7,253,427</u>	<u>\$0</u>	<u>\$377,182</u>
<u>Debt Service:</u>							
Sewer Expansion	\$0	\$103,394	\$0	\$103,394	\$102,394	\$1,000	\$0
High Street Bridge	\$0	\$16,760	\$0	\$16,760	\$16,804	(\$44)	\$0
BHCS Construction Project	\$0	\$134,860	\$0	\$134,860	\$111,561	\$23,299	\$0
MMBB Refinancing	\$0	\$93,080	\$0	\$93,080	\$93,080	\$0	\$0
	<u>\$0</u>	<u>\$348,094</u>	<u>\$0</u>	<u>\$348,094</u>	<u>\$323,839</u>	<u>\$24,255</u>	<u>\$0</u>
<u>Assessments:</u>							
Hancock County Tax	\$0	\$314,273	\$0	\$314,273	\$314,273	\$0	\$0
Overlay	\$0	\$109,370	\$0	\$109,370	\$0	\$109,370	\$0
	<u>\$0</u>	<u>\$423,643</u>	<u>\$0</u>	<u>\$423,643</u>	<u>\$314,273</u>	<u>\$109,371</u>	<u>\$0</u>

TOWN OF BLUE HILL, MAINE

(Exhibit A-1, Page 3 of 3)

SCHEDULE OF DEPARTMENTAL OPERATIONS - continued**FOR THE YEAR ENDED DECEMBER 31, 2019**

<u>Department</u>	<u>Beginning Balance</u>	<u>Appropriations</u>	<u>Revenues/ Transfers In</u>	<u>Total Available</u>	<u>Expenditures/ Transfers Out</u>	<u>Lapsed Unexpended (Overdraft)</u>	<u>Ending Balance</u>
<u>Unclassified:</u>							
General Assistance	\$0	\$4,000	\$0	\$4,000	\$1,392	\$2,608	\$0
Marine Resources Committee	\$0	\$27,600	\$0	\$27,600	\$27,600	\$0	\$0
Marine Resources Reserve	\$8,556	\$0	\$42,763	\$51,318	\$35,375	\$0	\$15,943
Clam Management	\$16,369	\$0	\$1,504	\$17,873	\$0	\$0	\$17,873
Dodge Fountain	\$10,000	\$0	\$0	\$10,000	\$0	\$0	\$10,000
Float Repair/Replacement	\$975	\$0	\$0	\$975	\$0	\$0	\$975
Elm Trees	\$0	\$4,000	\$0	\$4,000	\$4,000	\$0	\$0
Ruth Hayes Field	\$0	\$1,100	\$0	\$1,100	\$1,085	\$15	\$0
Town Park and Athletic Field	\$35,786	\$15,000	\$13,908	\$64,694	\$26,410	\$0	\$38,284
Public Fields/Lawns	\$0	\$25,000	\$0	\$25,000	\$12,250	\$12,750	\$0
Public Gardens/Plantings	\$0	\$19,000	\$0	\$19,000	\$6,285	\$12,715	\$0
Library	\$0	\$85,300	\$0	\$85,300	\$85,300	\$0	\$0
Cemetery Repairs/Maintenance	(\$8,972)	\$63,500	\$3,000	\$57,528	\$61,609	(\$4,081)	\$0
AA Field	\$310	\$0	\$0	\$310	\$0	\$0	\$310
Unanticipated Expenses	\$0	\$15,000	\$0	\$15,000	\$8,388	\$6,612	\$0
July 4th Fireworks	\$13,863	\$0	\$500	\$14,363	\$3,000	\$0	\$11,363
Park Stairs	\$10,000	\$0	\$0	\$10,000	\$0	\$0	\$10,000
Walking Trail	\$8,639	\$0	\$0	\$8,639	\$0	\$0	\$8,639
Skating Rink	\$35	\$0	\$0	\$35	\$0	\$0	\$35
Stavola Building	\$0	\$0	\$0	\$0	\$85	(\$85)	\$0
Overdrafts/Shortfalls	\$0	\$22,978	\$0	\$22,978	\$0	\$22,978	\$0
Community Service Organizations	\$0	\$31,763	\$0	\$31,763	\$31,763	\$0	\$0
	<u>\$95,560</u>	<u>\$314,241</u>	<u>\$61,675</u>	<u>\$471,475</u>	<u>\$304,542</u>	<u>\$53,512</u>	<u>\$113,422</u>
<u>Totals</u>	<u>\$843,353</u>	<u>\$8,968,652</u>	<u>\$1,530,906</u>	<u>\$11,342,911</u>	<u>\$10,227,882</u>	<u>\$293,004</u>	<u>\$822,026</u>

TOWN OF BLUE HILL, MAINE

(Exhibit A-2)

SCHEDULE OF VALUATION, COMMITMENT AND COLLECTIONS
FOR THE YEAR ENDED DECEMBER 31, 2019

Taxable Valuation:

Land and Buildings	\$648,294,520
Personal Property	<u>\$630,300</u>

Total Taxable Valuation \$648,924,820

Rate of Tax per \$1,000.00 Valuation \$10.81

2019 Tax Commitment \$7,014,877

Collections:

Cash Collections	\$6,699,516
Cash Collections - Prior Year	\$6,479
Abatements Granted	\$1,148
Supplemental Taxes	<u>(\$7,782)</u>
	<u>\$6,699,361</u>

Uncollected 2019 Taxes \$315,517

TOWN OF BLUE HILL, MAINE
SCHEDULE OF APPROPRIATIONS
FOR THE YEAR ENDED DECEMBER 31, 2019

(Exhibit A-3)

Revenues:

Tax Commitment	\$7,014,877
Homestead Exemption	\$85,299
State Revenue Sharing	\$80,000
State Road Assistance	\$45,000
Boat Tax	\$12,000
Excise Taxes	\$635,800
Town Hall Rental	\$14,420
BETE	\$586
Cemetery Trust	\$5,000
Cemetery Donations	\$5,000
Tree Growth	\$30,000
Unassigned Fund Balance	\$739,190

<u>Total Revenues</u>	<u>\$8,667,173</u>
------------------------------	---------------------------

Expenditures; (see Exhibit A-1 for detail)

Administration	\$542,888
Protection	\$187,957
Health & Sanitation	\$139,019
Education	\$6,033,512
Highways and Bridges	\$874,300
Unclassified	\$117,759
Debt Service	\$348,094
Assessments	\$423,643

<u>Total Expenditures</u>	<u>\$8,667,173</u>
----------------------------------	---------------------------

TOWN OF BLUE HILL, MAINE
SCHEDULE OF CHANGES IN UNASSIGNED FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2019

(Exhibit A-4)

<u>Beginning Balance</u>		\$2,508,591
<u>Increases</u>		
Lapsed Departmental Accounts (Exhibit A-1)	\$293,004	
Decrease in Unavailable Property Tax Revenue	\$25,368	
New Surry Theater	\$2,000	
Tree Growth & Veteran's Reimbursements	\$4,550	
Licenses, Permits & Fees	\$24,648	
Other Miscellaneous Receipts (Net of Appropriations)	\$10,254	
MRC Payment from Transfer Station	\$20,670	
Interest on Delinquent Taxes	\$21,161	
Interest Earned	\$20,320	
Supplemental Taxes	\$10,191	
<u>Total Increases</u>		<u>\$432,165</u>
<u>Decreases</u>		
Appropriations from Unassigned Fund Balance	\$739,190	
Homestead Exemption (Net of Appropriation)	\$10,904	
Excise Taxes (Net of Appropriation)	\$154	
Cemetery Donations/Interest (Net of Appropriation)	\$9,346	
Abatements Granted - All Years	\$2,270	
<u>Total Decreases</u>		<u>\$761,864</u>
<u>Ending Balance</u>		<u><u>\$2,178,892</u></u>

TOWN OF BLUE HILL, MAINE
SCHEDULE OF RESERVE ACCOUNTS
FOR THE YEAR ENDED DECEMBER 31, 2019

(Exhibit A-5)

	<u>State Revenue Sharing</u>	<u>Fire Truck</u>	<u>Town Playground</u>	<u>Land Purchase</u>	<u>250th Anniversary</u>	<u>Total</u>
<u>Revenues:</u>						
State of Maine	\$80,318					\$80,318
Investment Earnings			\$41	\$ 1,212		\$1,252
Other Revenues		\$100,000	\$5,000			\$105,000
<u>Total Revenues</u>	<u>\$80,318</u>	<u>\$100,000</u>	<u>\$5,041</u>	<u>\$1,212</u>	<u>\$0</u>	<u>\$186,570</u>
<u>Expenditures</u>						
Expenditures						\$0
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Other Financing Sources (Uses):</u>						
Operating Transfer In		\$30,000	\$40,000			\$70,000
Appropriated for Town Use	(\$80,000)		(\$6,800)	(\$206,582)		(\$293,382)
	<u>(\$80,000)</u>	<u>\$30,000</u>	<u>\$33,200</u>	<u>(\$206,582)</u>	<u>\$0</u>	<u>(\$223,382)</u>
<u>Excess of Revenues over Expenditures/Transfers</u>	<u>\$318</u>	<u>\$130,000</u>	<u>\$38,241</u>	<u>(\$205,370)</u>	<u>\$0</u>	<u>(\$36,812)</u>
<u>Beginning Balance</u>	<u>\$60,848</u>	<u>(\$193,385)</u>	<u>\$11,935</u>	<u>\$737,985</u>	<u>\$1,731</u>	<u>\$619,114</u>
<u>Ending Balance</u>	<u>\$61,166</u>	<u>(\$63,385)</u>	<u>\$50,175</u>	<u>\$532,615</u>	<u>\$1,731</u>	<u>\$582,302</u>

TOWN OF BLUE HILL, MAINE
UNCOLLECTED TAX LIENS
FOR THE YEAR ENDED DECEMBER 31, 2019

(Exhibit A-6)

<i>Name</i>	<i>2018 Lien</i>
Adams, Jane	\$3,177
Allen, Wayne & Kermit	\$24
Benson, Daniel	\$12,676
Camp, Elizabeth	\$134
Camp, Frederic	\$5,589
Conlon, Thomas	\$463
Emerson, Brad	\$932
Emerton, Harold	\$309
Estate of Roderick Eaton	\$65
Fleming, Layale	\$282
Gordon, Diane	\$610
Grant, Nathan	\$272
Gray, Andrew	\$1,058
Gray, Douglas	\$873
Gray, Frances	\$627
Gray, Michael	\$384
Hinckley, Daniel	\$270
Hodgdon, Richard & Kelvin	\$5,152
Hooper, Leonard & Mary Ann	\$1,403
Long, Malcolm G. Estate	\$658
Lyons, Linda	\$1,007
Mahony, Mark	\$1,488
Massie, Suzanne	\$3,378
Mimosa LLC	\$6,695
Moore, Anna & Scott	\$430
Nichols, Tessa Ann & Barbara	\$156
NTF & Co. FBO R. Parker Semler IRA	\$1,973
Randall, Stephen & Melissa	\$1,180
Ravenscroft, Lincoln T., Jr.	\$4,356
Ryan, Casey & Emerald	\$1,413
Saunders, Bradley	\$383
Saunders, Bradley	\$1,088
Shepherd, James	\$613
Smith, Damian	\$81
Smith, Brian	\$631
Stover, Jennifer	\$92
Williams, Keith & Jennifer	\$1,117
Willmann, Eleanor	\$2
Winters, Shane	\$188
Yurchick, Chesley Sr. & Debra	\$112
	<u>\$61,341</u>

TOWN OF BLUE HILL, MAINE

(Exhibit A-7)

PRIOR YEAR UNCOLLECTED PERSONAL PROPERTY TAXES
FOR THE YEAR ENDED DECEMBER 31, 2019

<i>Name</i>	<i>1999-2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>Totals</i>
ADP Inc.										(\$1)	(\$1)
Blue Hill Subway										\$207	\$207
Blue Hill Hearth	\$150	\$78	\$79								\$306
Coastal Home Management			\$1								\$1
Colonial Pacific	\$3,141	\$312	\$317	\$321	\$386	\$404	\$459	\$445	\$459	\$459	\$6,703
Element Financial Group										(\$2)	(\$2)
Hewlett-Packard Financial						\$22		\$10		\$10	\$42
Maine Coast Veterinary Hospital				(\$100)							(\$100)
Northern Leasing Systems Inc								\$2			\$2
Pitney Bowes Credit Corp	\$201	\$77	\$78	\$79	\$95						\$530
Raynes Marine Works			\$207								\$207
Rent-Way Inc	\$122	\$34	\$35	\$35	\$42	\$44	\$50	\$49	\$50	\$50	\$510
Spurr, Sophie	\$568	\$34	\$35								\$637
	<u>\$4,182</u>	<u>\$534</u>	<u>\$750</u>	<u>\$335</u>	<u>\$522</u>	<u>\$470</u>	<u>\$509</u>	<u>\$505</u>	<u>\$509</u>	<u>\$722</u>	<u>\$9,040</u>

TOWN OF BLUE HILL, MAINE
CEMETERY TRUST FUNDS
DECEMBER 31, 2019

(Exhibit B-1)

	<i>Trust Fund Income</i>				
	<i>Principal</i>	<i>Balance 1/1/2019</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Balance 12/31/2019</i>
<u>Mountain View Cemetery :</u>					
Albrecht, Lewis	\$150.00	\$1.26	\$1.85	\$1.26	\$1.85
Bakeman, Carol A.	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Bowden, Richard	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Bridges, Fred	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Burkert, William	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Candage, Colby	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Carter, Deborah	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Carter, Deborah	\$250.00	\$2.10	\$3.09	\$2.10	\$3.09
Chaney, Ralph	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Closson, Alton	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Closson, Lawris	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Condon, Guy	\$250.00	\$2.10	\$3.09	\$2.10	\$3.09
Cousins, William H.	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Durnbaugh, Gayle	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Gray, Earl & Henrietta	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Gray, Janette	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Gray, Mildred	\$250.00	\$2.10	\$3.09	\$2.10	\$3.09
Hastings, Nancy	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Henderson, Leroy	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Herrick, Groves	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Hinckley, Charles	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Hines, Robert	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Hutchinson, Raymond	\$500.00	\$4.19	\$6.17	\$4.19	\$6.17
Jones, Tammy L	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Keenan, Marcia	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Knowles, Earnest	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Lavoie, Peter	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Leighton, Bruce	\$150.00	\$1.26	\$1.85	\$1.26	\$1.85
Leighton, Dana	\$150.00	\$1.26	\$1.85	\$1.26	\$1.85
Leighton, Elwood & Helen	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
McKay, Betty	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
McVay, Norina	\$175.00	\$1.47	\$2.16	\$1.47	\$2.16
Pert, Colby & Peggy	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Pert, Duane	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Prentis, Perley	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Rachinski, Irene	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Raiten, William	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Riley, Anna & James	\$500.00	\$4.19	\$6.17	\$4.19	\$6.17
Robbins, Ricky	\$500.00	\$4.19	\$6.17	\$4.19	\$6.17
Stover, Douglas	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Stover, Douglas & Louise	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Torrey, Willard	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Tyler, Harry & Joyce	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Tyler, John & Betty	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Winters/Lavoie	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Witham, Willis	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
<u>Seaside Cemetery:</u>					
Abbott, Susan	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Allcot, Blossom	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Anderson, Ronald & Carol	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70

TOWN OF BLUE HILL, MAINE
CEMETERY TRUST FUNDS
DECEMBER 31, 2019

(Exhibit B-1)

	<i>Trust Fund Income</i>				
	<i>Principal</i>	<i>Balance 1/1/2019</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Balance 12/31/2019</i>
Appleton, William	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Ashworth, Thomas & Lucy	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Astbury, Janet	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Astbury, Michael	\$240.00	\$2.01	\$2.96	\$2.01	\$2.96
Astbury, Samuel	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Astbury, Thomas	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Atherton, A.P.	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Atherton, Harry	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Babson, Edward P.	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Bacon, Dennison & Jean	\$500.00	\$4.19	\$6.17	\$4.19	\$6.17
Barber, Cynthia	\$240.00	\$2.01	\$2.96	\$2.01	\$2.96
Becton, Cynthia	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Becton, Henry	\$240.00	\$2.01	\$2.96	\$2.01	\$2.96
Becton, Henry Jr.	\$500.00	\$0.00	\$6.17	\$0.00	\$6.17
Beebe, Marcus	\$400.00	\$3.35	\$4.94	\$3.35	\$4.94
Bent, Horace	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Billings, Guy	\$150.00	\$1.26	\$1.85	\$1.26	\$1.85
Billings, Samuel	\$150.00	\$1.26	\$1.85	\$1.26	\$1.85
Bishop, James	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Bisset, Harold	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Bisset, Lester	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Bisset, Walter	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Bisset, William P.	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Blair, Farnham & Lynne	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Bowden, Bailey & Treworgy, Dan	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Bowden, Roscoe B.	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Bowden, Roscoe	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Bunker, Daniel	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Burns, Jessie	\$1,000.00	\$8.38	\$12.34	\$8.38	\$12.34
Butler, Edward	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Candage, Arthur	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Candage, Uriah C.	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Candage, Frank & Grindle, H.	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Carlisle, William	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Chadwick, Leigh	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Chamberlain, Bruce	\$1,000.00	\$8.38	\$12.34	\$8.38	\$12.34
Chase, Edward E.	\$500.00	\$4.19	\$6.17	\$4.19	\$6.17
Chase, James & Mary	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Chase, Josiah	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Chase, Melatiah K.	\$500.00	\$4.19	\$6.17	\$4.19	\$6.17
Clements, Katherine & Thomas	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Clements, Robert & Beth	\$600.00	\$5.03	\$7.41	\$5.03	\$7.41
Clough, Lydia	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Cluett, Mark & Elizabeth	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Coggon, John	\$240.00	\$2.01	\$2.96	\$2.01	\$2.96
Coit, Daniel	\$240.00	\$2.01	\$2.96	\$2.01	\$2.96
Coit, David	\$240.00	\$2.01	\$2.96	\$2.01	\$2.96
Coit, Eileen	\$240.00	\$2.01	\$2.96	\$2.01	\$2.96
Conary, Stephen	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Cooper, Leon	\$500.00	\$4.19	\$6.17	\$4.19	\$6.17
Cousins, Barbara	\$150.00	\$1.26	\$1.85	\$1.26	\$1.85
Cousins, Fred	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47

TOWN OF BLUE HILL, MAINE
CEMETERY TRUST FUNDS
DECEMBER 31, 2019

(Exhibit B-1)

	Trust Fund Income				
	Principal	Balance 1/1/2019	Revenues	Expenditures	Balance 12/31/2019
Cousins, Maurice & Leatha	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Cunningham, Harlan & Harvey	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Cunningham, Orange	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Cunningham & Nevells, Marjorie	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Davidson, Leonard	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Davison Lot	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Davis, Frederick & Isabelle	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Day, Robert & Frank	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Dodge, George	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Dodge, Richard	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Dority, George & Hadley, Albert	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Douglas, Nellie & Sylvanus	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Dow, James	\$1,000.00	\$8.38	\$12.34	\$8.38	\$12.34
Doyle, Erma	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Earls, Emma	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Eley, Robert & Thelma	\$240.00	\$2.01	\$2.96	\$2.01	\$2.96
Emerton, Annie	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Emerton, D.E.	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Emerson, Pearle S.	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Estate of Hamabe	\$1,000.00	\$8.38	\$12.34	\$8.38	\$12.34
Eveleth, Fred H.	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Farnsworth, Charnley	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Frank, Cpt. Nelson	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Gandy, John	\$480.00	\$4.02	\$5.92	\$4.02	\$5.92
Gaugher, Charles & Ragna	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Gay, Richard & Mardi	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Gervais, Lois & Blanchard, Scott	\$500.00	\$4.19	\$6.17	\$4.19	\$6.17
Gilman, William F.	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Girrois, Joe D.	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Godfrey, Sophia	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Goodberlet, Mark	\$500.00	\$0.00	\$6.17	\$0.00	\$6.17
Gordon, Maurice	\$240.00	\$2.01	\$2.96	\$2.01	\$2.96
Gray, Duane	\$240.00	\$2.01	\$2.96	\$2.01	\$2.96
Gray, Harvey	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Gray, Herbert & Mildred	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Gray, Hollis & Eva	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Gray, James & Lora	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Greene, Paul F.	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Greene, William	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Grindle, Bonnie & Jerold	\$240.00	\$2.01	\$2.96	\$2.01	\$2.96
Grindle, David	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Grindle, Freeman	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Grindle, Horace & Annie	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Grindle, Isaac	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Grindle, Milford	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Grindle, Richard & George	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Grindle, Wendall & Gladys	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Grindle and Bacon	\$400.00	\$3.35	\$4.94	\$3.35	\$4.94
Grindle Stephen	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Gurin, Richard & Susan	\$500.00	\$4.19	\$6.17	\$4.19	\$6.17
Haas, Harry	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Haas, J. Sanders	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47

TOWN OF BLUE HILL, MAINE
CEMETERY TRUST FUNDS
DECEMBER 31, 2019

(Exhibit B-1)

	<i>Trust Fund Income</i>				
	<i>Principal</i>	<i>Balance 1/1/2019</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Balance 12/31/2019</i>
Hawes Lot	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Hayes, Richard & Karyl	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Hays, Steele & Melody	\$500.00	\$4.19	\$6.17	\$4.19	\$6.17
Henderson, Hanna	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Hendricks, Rosetta	\$50.00	\$0.42	\$0.62	\$0.42	\$0.62
Herrick, George	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Herrick, Malcolm	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Hill, Laura J & Glenn J	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Hinckley, B.W.	\$1,000.00	\$8.38	\$12.34	\$8.38	\$12.34
Hinckley, Fred W.	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Hinkley, Lydia	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Hinckley, Lucy	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Hinckley, Mildred	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Hinckley, Obed	\$500.00	\$4.19	\$6.17	\$4.19	\$6.17
Hinckley, Robert	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Hinckley, William N.	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Hinckley, William & Gertrude	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Hinckley, Wallace & Mildred	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Holt, F.H. & M.B.	\$150.00	\$1.26	\$1.85	\$1.26	\$1.85
Horton, Hosea	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Horton, John	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Horton, Kerry & Dominique	\$500.00	\$0.00	\$6.17	\$0.00	\$6.17
Howard, Arthur M.	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Howard, Emery	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Howard, John & Pearl	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Hudson, Angela	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Hudson, Edward	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Johansen, Emily & Adam, Karin	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Johnson, Edward & Anne	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Johnson, Everett	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Johnson, Joseph W.	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Kemp, James S.	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Kirkpatrick, Alexander	\$240.00	\$2.01	\$2.96	\$2.01	\$2.96
Leach, Edwin	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Lecomte, Jean & Melinda Reach	\$240.00	\$2.01	\$2.96	\$2.01	\$2.96
Littlefield, A.W.	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Liros, Serge	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Long, Alonzo	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Long, David	\$2,000.00	\$16.76	\$24.69	\$16.76	\$24.69
Long, George	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Long, Lawrence	\$240.00	\$2.01	\$2.96	\$2.01	\$2.96
Long, Michael & Martha	\$600.00	\$5.03	\$7.41	\$5.03	\$7.41
Long, Ralph B.	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Long, Solon A.	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Long, Thomas M.	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Lord, Heard	\$500.00	\$4.19	\$6.17	\$4.19	\$6.17
MacLeod, David & Linda R.	\$240.00	\$2.01	\$2.96	\$2.01	\$2.96
Marks, Kenneth & Elizabeth	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Marks, Sewall	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Marshall, Harvey	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Martin, Mary	\$500.00	\$4.19	\$6.17	\$4.19	\$6.17
Marville, Lee	\$1,000.00	\$8.38	\$12.34	\$8.38	\$12.34

TOWN OF BLUE HILL, MAINE
CEMETERY TRUST FUNDS
DECEMBER 31, 2019

(Exhibit B-1)

	<i>Trust Fund Income</i>			
	<i>Principal</i>	<i>Balance 1/1/2019</i>	<i>Revenues</i>	<i>Expenditures</i>
				<i>Balance 12/31/2019</i>
Mayo, Eben	\$150.00	\$1.26	\$1.85	\$1.26
McHowell, Emma J.	\$200.00	\$1.68	\$2.47	\$1.68
McIntyre, Frank	\$200.00	\$1.68	\$2.47	\$1.68
Mello, Katie	\$200.00	\$1.68	\$2.47	\$1.68
Messex/Henderson	\$1,000.00	\$8.38	\$12.34	\$8.38
Miller, Twining, and Grindle	\$450.00	\$3.77	\$5.55	\$3.77
Mitchell - Nevin	\$1,000.00	\$8.38	\$12.34	\$8.38
Moore, Percy & Davidson, Alex	\$200.00	\$1.68	\$2.47	\$1.68
Morgan, G. Fredrick	\$300.00	\$2.51	\$3.70	\$2.51
Morse, George A.	\$100.00	\$0.84	\$1.23	\$0.84
Moulton, Allan & Mary	\$300.00	\$2.51	\$3.70	\$2.51
Murphy, Jeanne J.	\$300.00	\$2.51	\$3.70	\$2.51
Nettl, Noel	\$240.00	\$2.01	\$2.96	\$2.01
Nevells, Maxwell	\$200.00	\$1.68	\$2.47	\$1.68
Nowland, Roger L.	\$200.00	\$1.68	\$2.47	\$1.68
Olds, Edith M.	\$100.00	\$0.84	\$1.23	\$0.84
Osgood, Alfred C.	\$100.00	\$0.84	\$1.23	\$0.84
Osgood, Augusta N.	\$200.00	\$1.68	\$2.47	\$1.68
Osgood, Jarvis	\$250.00	\$2.10	\$3.09	\$2.10
Osgood, Nathan	\$100.00	\$0.84	\$1.23	\$0.84
Osgood, R.S.	\$200.00	\$1.68	\$2.47	\$1.68
Osgood, Rev. Edward R.	\$200.00	\$1.68	\$2.47	\$1.68
Osgood, W.H.	\$200.00	\$1.68	\$2.47	\$1.68
Owen, Doris	\$100.00	\$0.84	\$1.23	\$0.84
Owens, Luther	\$200.00	\$1.68	\$2.47	\$1.68
Parker, Edwin	\$200.00	\$1.68	\$2.47	\$1.68
Parker, Harold	\$200.00	\$1.68	\$2.47	\$1.68
Partridge, Washington	\$175.00	\$1.47	\$2.16	\$1.47
Perkins, Wallace & Virginia	\$300.00	\$2.51	\$3.70	\$2.51
Peters, Augustus N.	\$100.00	\$0.84	\$1.23	\$0.84
Peters, A.C.	\$100.00	\$0.84	\$1.23	\$0.84
Peters, William M.	\$200.00	\$1.68	\$2.47	\$1.68
Richardson, John	\$600.00	\$5.03	\$7.41	\$5.03
Richardson, Susan	\$500.00	\$4.19	\$6.17	\$4.19
Richardson, Thomas	\$600.00	\$5.03	\$7.41	\$5.03
Robertson, Ernest & Bessie	\$200.00	\$1.68	\$2.47	\$1.68
Rogerson, John	\$200.00	\$1.68	\$2.47	\$1.68
Russell, Kenneth & Donna	\$500.00	\$4.19	\$6.17	\$4.19
Samuels, Edward Jr.	\$500.00	\$4.19	\$6.17	\$4.19
Saunders, William	\$200.00	\$1.68	\$2.47	\$1.68
Scheffield, David	\$240.00	\$2.01	\$2.96	\$2.01
Sichterman, Nicholas & Maria Hughs	\$300.00	\$2.51	\$3.70	\$2.51
Simpson, Barry D. & Lucy P.	\$300.00	\$2.51	\$3.70	\$2.51
Slaven, Mary T.	\$200.00	\$1.68	\$2.47	\$1.68
Small, Rose-Ellen & Philip	\$300.00	\$2.51	\$3.70	\$2.51
Snow, Forest	\$200.00	\$1.68	\$2.47	\$1.68
Snow, John M.	\$100.00	\$0.84	\$1.23	\$0.84
Snow, Joseph W.	\$200.00	\$1.68	\$2.47	\$1.68
Snow, Linwood	\$200.00	\$1.68	\$2.47	\$1.68
Snow, Ward	\$200.00	\$1.68	\$2.47	\$1.68
Soper, Alva	\$150.00	\$1.26	\$1.85	\$1.26
Staples, Laura	\$200.00	\$1.68	\$2.47	\$1.68

TOWN OF BLUE HILL, MAINE
CEMETERY TRUST FUNDS
DECEMBER 31, 2019

(Exhibit B-1)

	Trust Fund Income				
	Principal	Balance 1/1/2019	Revenues	Expenditures	Balance 12/31/2019
Stetson, Nahum	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Stevens, John P.	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Stookey, Noel	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Stover, Alonzo P.	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Stover, B. Franklin	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Stover, Clifton	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Stover, Ethel	\$250.00	\$2.10	\$3.09	\$2.10	\$3.09
Stover, George H.	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Stover, Harvey	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Stover, Martin Luther	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Stover, O.N.	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Stover, Raymond & Maud	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Stover, Rufus	\$150.00	\$1.26	\$1.85	\$1.26	\$1.85
Taylor, William	\$240.00	\$2.01	\$2.96	\$2.01	\$2.96
Tenny, Paris	\$500.00	\$4.19	\$6.17	\$4.19	\$6.17
Thorp, Day	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Titcomb, Terri	\$1,000.00	\$8.38	\$12.34	\$8.38	\$12.34
Townsend & Hinkley	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Treworgy, John	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Trimble, Fred	\$500.00	\$4.19	\$6.17	\$4.19	\$6.17
Wardamasky, David	\$500.00	\$4.19	\$6.17	\$4.19	\$6.17
Webber, Eben & Minnie	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Webster, John	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Wells, Benjamin	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Wescott, Alice	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Wescott, Edwin	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Wescott, Eleanor	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Wescott, Everett & Parker, A.	\$150.00	\$1.26	\$1.85	\$1.26	\$1.85
Wescott, William E.	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Weston, Irma	\$400.00	\$3.35	\$4.94	\$3.35	\$4.94
Widman, Ann Starr	\$300.00	\$2.51	\$3.70	\$2.51	\$3.70
Witham, Elizabeth	\$100.00	\$0.84	\$1.23	\$0.84	\$1.23
Wright, Olive & Harry A.	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
York, Hartley	\$200.00	\$1.68	\$2.47	\$1.68	\$2.47
Totals	\$77,150.00	\$634.12	\$952.30	\$634.12	\$952.30
Grindle Lot	\$3,000.00	\$19.93	\$29.93	\$19.93	\$29.93
	\$80,150.00	\$654.05	\$982.23	\$654.05	\$982.23

TOWN OF BLUE HILL, MAINE

(Exhibit C-1)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**FOR THE YEAR ENDED DECEMBER 31, 2019**

<u>Federal Grantor/Pass-Through</u> <u>Grantor/Program Title</u>	<u>CFDA #</u>	<u>Pass-through</u> <u>Grantor Number</u>	<u>Total</u> <u>Revenues</u> <u>Received</u>	<u>Expenditures</u>
<u>U.S. Department of Education:</u>				
<u>Passed through State Department of Education:</u>				
Title IA - Disadvantaged	84.010	013-05A-3057-13	\$133,316	\$131,946
Title IIA - Teacher Quality	84.367	013-05A-3042-11	\$43,112	\$57,381
Title IV - Student Support & Academic Enrichment	84.424	013-05A-3345-13	\$50,000	\$34,177
Title V - Rural & Low Income Grants	84.358	013-05A-3005-03	\$11,306	\$11,000
Local Entitlement	84.027	013-05A-3046-12	\$98,314	\$114,512
Preschool Grant	84.173	013-05A-6247-23	\$3,686	\$3,686
Rural Education Achievement Program	84.213	013-05A-6336-13	\$55,557	\$55,557
<u>Total State of Maine Department of Education</u>			\$395,291	\$408,259
<u>Total U.S. Department of Education</u>			\$395,291	\$408,259
<u>U.S. Department of Agriculture:</u>				
<u>Passed through State of Maine</u>				
<u>Department of Education</u>				
National School Lunch Program - Lunch	10.555	-	\$45,946	\$45,946
National School Lunch Program - Breakfast	10.555	-	\$13,265	\$13,265
National School Lunch Program - Other	10.555	-	\$1,602	\$1,602
Food Distribution - Donated Commodities	10.550	-	\$9,811	\$9,280
<u>Total U.S. Department of Agriculture</u>			\$70,623	\$70,093
<u>Totals</u>			\$465,914	\$478,352

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

April 13, 2020

To the Board of Selectmen
Town of Blue Hill
Blue Hill, Maine 04614

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Town of Blue Hill, Maine (the Town) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Town of Blue Hill, Maine's basic financial statements and have issued our report thereon dated April 13, 2020.

Internal Control over Financial Reporting

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

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

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the separately issued management letter, that we consider to be material weaknesses (2019-001).

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Blue Hill, Maine's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial

statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Town of Blue Hill, Maine's Response to Findings

The Town of Blue Hill, Maine's response to the findings identified in our audit is described in the separately issued management letter. The Town of Blue Hill's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Respectfully Submitted,

James W. Wadman, C.P.A.

James W. Wadman, C.P.A.