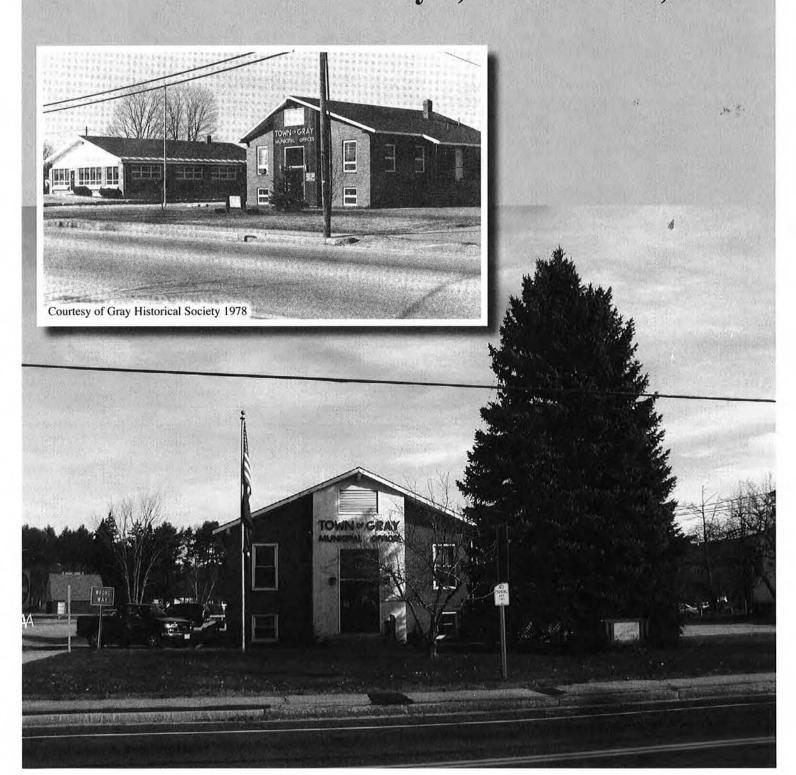
TOWN OF GRAY

ANNUAL REPORT

July 1, 2005-June 30, 2006



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Town Office Contact

Animal Control Officer	Heather Phinney	831-1335
Code Enforcement Officer	Paul White	657-3112
Controller	Donna M. Hill	657-3339
Forest Fire Warden	Jon Barton	657-3931
Legal Counsel	William H. Dale	657-3339
Library Director	Priscilla Payne	657-4110
Maintenance Director	Ed Milose	657-3339
Public Safety Coordinator	Jon Barton	657-3931
Public Works Director	Steve LaVallee	657-3381
Recreation Director	Dean Bennett	657-2323
Road Commissioner	Mitchell A. Berkowitz	The state of the s
Tax Assessor	Helen Taylor	657-3112
Town Planner	Richard Cahill	657-3112
Town Manager, Town Cler		037-3112
Treasurer, Tax Collector	Mitchell A. Berkowitz	657-3339

Town Offices Hours Open

Mon - Wed. 8:00 AM - 4:00 PM

Thursday 8:00 AM - 6:30 PM

Friday 8:00 AM - 2:00 PM

TOWN COUNCIL [3 Years - 5 Members]

Name	Address	Phone Numbers	Term Started	Term Expires
Andy Upham, Vice Chair ajupham@aol.com	194 Birchwood Road	428-3285	7/2005	6/2008
Gary Foster, Chair gfoster@securespeed.net	6 Pennell Ln.	657-4754	7/2004	6/2007
Marchian "Skip" Crane mcrane@maine.rr.com	18 Mayberry Road	657-5176 H.	7/2005	6/2008
Denise Duda gpdudal@netscape.net	339 Portland Road	657-2721	7/2005	7/2006
John Welch KL7@netzero.net	PO Box 478	657-4054	7/2003	7/2006

TOWN COUNCIL SUB-COMMITTEE

Finance Committee Gary Foster

Gary Foster Andy Upham Skip Crane

BOARD OF ASSESSMENT REVIEW [3 YEARS - 3 MEMBERS]

Name	Address	Phone Numbers	Term Started	Term Expires
Mark Sanborn, Chair	P. O. Box 304	657-2577		6/2008
Carroll R. Denham	300 Yarmouth Road	657-2565	7/2005	6/2008
Hubert Cobb	66 Cambell Shore Rd	428-3777		6/2007

Ex-Officio Members (Non-voting):

Andy Upham

CABLE TELEVISION [3 YEARS]

Name	Address	Phone Numbers	Term Started	Term Expires
Bradley J. Fogg, Chair gctv2@graymaine.org or graycat2@graymaine.org	10 Maplewood Park	657-5898 Cable 893-7050 W.	7/2005	6/2008
Paul Proudian jpo@maine.rr.com	16 Wildnerness Way		7/2003	7/2006
Ryan Peary rpeary@yahoo.com	32 Ambrose Circle	657-2405	7/2005	6/2008
Mark Olson molson1@maine.rr.com	56 Charlonate Drive	657-2203 (H) 671-3823 (W)		6/2007
Vacant		L K SE LE		

Ex-Officio Members (Non-voting):

John Welch

Charles Barker Scholarship Committee [Unlimited Term - 4 Members]

Name	Address	Phone Numbers	Term Started	Term Expires
Audrey Burns Aburns3775@earthlink.net	84 Mountain View Road	428-3775		
Ann Cobb, Chair	105 Cambell Shore Road	428-3668		
Vacant				
Vacant				

Ex-Officio Members (Non-voting):

Denise Duda

Community Economic Development Committee [3 Years - 7 Members]

Name	Address	Phone Numbers	Term Started	Term Expires
Julie Sheets - Chair Julie@softedconsult.com	16 Wilderness Way	657-4675	7/2003	7/2006
Jeanne Adams jeannegraydove@yahoo.com	PO Box 187	657-3456	7/2005	6/2008
Ralph Wink, Secretary ewink@maine.rr.com	P. O. Box 222	657-3452 H.	1/2003	6/2008
Vacant [Alt]				
Vacant [Alt]				
Jack Goosetrey, Vice Chair igooset1@maine.rr.com	28 Deer Acres, Raymond	428-3206	7/2004	6/2007
Jeanne Carpentier, Chair jcarpent@maine.rr.com	34 Presidential Drive	657-7365 H. 671-7578 W.	7/2004	6/2007

Non-Voting, Ex-Officio Members:

John Welch

Comprehensive Plan Advisory Group [5 Members]

Address	Phone Numbers
9 George Perley Rd.	657-4338
18 Yarmouth Rd.	657-3871
8 George Perley Rd.	657-4085
84 Mountain View Rd.	428-3775
P.O. Box 297	
	9 George Perley Rd. 18 Yarmouth Rd. 8 George Perley Rd. 84 Mountain View Rd.

Dry Hydrants Committee [5 Members]

Name	Address	Phone Numbers	Term Started	Term Expires
Dick Wood	322 Mayall Road	657-3922		
Jon Barton	52 Shaker Road	657-3759		
Wayne Wood	30 Wood Drive	657-3330		
Jim Foster	275 Shaker Road	657-2192		
Steve LaVallee	12 Adler Drive	Unlisted		

Ex-Officio Member (Non-Voting):

John Welch

Dry Mills Schoolhouse Committee [3 Years - 8 Members]

Name	Address	Phone Numbers	Term Started	Term Expires
Beverly Prince, Treasurer	PO Box 431	428-3737		6/2007
Norma Liberty	15 No. Raymond Road	657-4511	7//2006	6/2009
Nancy McMinn, Secretary mcminn@nlis.net	25 Gray Park	657-3550	7//2006	6/2009
Louise Knapp, Chair cnlknapp@securespeed.net	173 Weymouth Road	657-4297	7/2005	6/2008
Robert Quigley, Programmer rjdrq2@securespeed.us	2 Jessi Lane	657-3781	7/2005	7/2008
Cora Skilling, Volunteer Coordinator	PO Box 131	428-3662	7/2005	7/2008
Rachelle Blais blaisr@aol.com	PO Box 243	657-3251	7/2005	7/2007
Vacant	1 -			

Ex-Officio Member (Non-voting):

Denise Duda

Grange No. 41 - Scholarship Fund Committee - [3 & 5 Year Term - 5 Members]

Name	Address	Phone Numbers	Term Started	Term Expires
Carol West, Chair	71 Cambell Shore Road	428-3927	7/2006	6/2009
Ellen Parady, Vice	97 Yarmouth Road	657-4642	7/2005	7/2008
Chair Gordon Kimball	107 Yarmouth Road	657-3242	7/2005	7/2008
Jeffrey B. Ryan Jrhyne147@aol.com	154 Mayall Road	657-7479	4/2005	7/2007
Vacant				

Ex-Officio Member (Non-voting):

Denise Duda

<u>Gray Website Committee</u> [2] 3-Year Terms [1] 2-Year Term [1] Year Term - [4] Members

Name	Address	Phone Numbers	Term Started	Term Expires
Michael Salvetti M142857@INTERGATE.COM	94 Mayberry Road	657-4812	7/2005	6/2008
Michelle Dubey Michelle _Dubey@msad51.org	127 Shaker Rd., #54	657-7572		6/2006
Vacant				-
Vacant				

Ex-Officio Member (Non-voting)

Skip Crane

Library Board of Trustees - 3 Years - 5 Members/2 Alternates

Name	Address	Phone Numbers	Term Started	Term Expires
Judy Huff	132 Cambell Shore Rd.	428-4024	7/2003	7/2006
Joyce M. Burrow joyceburrow@securespeed.net	33 Pleasant View Drive	428-3483	9/2005	6/2007
Raymond Clark Rclark02@maine.rr.com	113 Depot Rd	657-5886	7/2003	7/2006
Peter Gerardo – Chair petertg@prodigy.net	37 Rustic Road	657-2490	9/2001	6/2008
Claudette Simms-Secretary	169 Depot Road	657-2301		6/2008
D. Boe Hamilton [Alt.] boesan@gmail.com	105 Depot Road	657-7223 H. 749-8927 W.	7/2005	6/2008
Vacant - [Alt.]				

Ex-Officio Member (Non-voting):

Denise Duda

Ordinance Review Committee [3 Years - 5 Members/2 Alternates]

Name	Address	Phone Numbers	Term Started	Term Expires
William W. Holmquist sholmqui@maine.rr.com	21 Wildwood Lane	657-4291 H.	7/2006	6/2009
James Foster jfoster@securespeed.net	P O Box 196 275 Shaker Road	657-2192	7/2005	6/2008
Wade Trudel, Chair strudel@maine.rr.com	PO Box 354	657-4314	7/2006	6/2009
David Knudsen dwknudsen@securespeed.net	23 Summit Road	657-4479		6/2007
Jack Goosetrey jgooset1@maine.rr.com	28 Deer Acres, Raymond	428-3206	7/2004	6/2007
Richard Bibber [Alternate] rbibber@securespeed.us	297 Portland Rd.	657-4570		6/2007
Wayne Wood [Alt.] wtwco@securespeed.net	30 Wood Drive	657-3330		6/2008

Ex-Officio Member (Non-voting):

Gary Foster

Planning Board - [3 Years - 5 Members/2 Alternates]

Name	Address	Phone Numbers	Term Started	Term Expires
Peter Gellerson -Chair pgellerson@pikeindustries.com	1 Brads Way, Raymond	428-3739 H. 854-2561 W.	7/2004	6/2007
Leigh Ann Sullivan lisully@securespeed.net	12 Casey Lane	657-2193	7/2004	6/2007
Rodney S. Boyington somesitework@msn.com	33 Long Hill Road	657-6111 H.	7/2005	6/2008
Don Hutchings meloonstheflorist@yahoo.com	9 George Perley Road	657-4338 H. 772-0129 W.	7/2005	6/2008
Barry Sheff – Vice Chair bsheff@woodardcurran.com	69 Totten Road	657-4360 H. 774-2112 W.	3/2002	6/2008
Jack Goosetrey [Alt.] jgooset1@maine.rr.com	28 Deer Acres, Raymond	428-3206	7/2004	6/2007
Linda Lockhart (Alt.) Islockhart@securespeed.net	45 Lawrence Road	428-3179 H. 791-3289 W.	7/2004	7/2007

Ex-Officio Member (Non-Voting):

Andy Upham

Public Safety Committee - J3 Years - 7 Members, 2 Alternates]

Name	Address	Phone Numbers	Term Started	Term Expires
David J. Payne dpayne@maine.rr.com	76 Summit Road	657-7162	4/2005	7/2007
Richard Wood, Chair	322 Mayall Road	657-3922	7/2005	6/2008
Gary Wood gswood@securespeed.net	19 Wood Drive	657-2816	V -	6/2008
Matthew Carroll matty71@maine.rr.com	381 Mayall Rd.	657-2884	7/2004	6/2007
Stephen Pelletiert	13 Graystone Road	657-3898	1/2003	7/2006
Thomas L. Gorrill tgorrill@gorrillpalmer.com	27 Wildwood Lane	657-4249	7/2005	6/2008
Margaret Hutchins	192 Center Rd		7/2006	6/2009
Vacant (Alt.)				6/2009
Vacant [Alt.]				

Ex-Officio Members (Non-voting): Steve LaVallee, Public Works Director

Chief Jon Barton, Public Safety Coordinator

Lieutenant Ron Harmon, Maine State Police

Skip Crane

Recreation & Conservation Committee - [3 Years - 5 Members/2 Alternates]

Name	Address	Phone Numbers	Term Started	Term Expires
Carl Holmquist, Chair carlh@maine.rr.com	23 Winter Ridge	657-2173 H. 771-0801 W.	7/2005	6/2008
Peter Martell marypeter@juno.com	27 Hemlock Lane	657-2104 H. 822-7552 W.	7/2005	6/2008
Matthew Bourne dmatthewb@maine.rr.com	61 Dutton Hill	657-4745		6/2007
Vacant				
Vacant [Alt]				
Vacant [Alt]				

Ex-Officio Member (Non-voting):

Dean Bennett, Park & Recreation Director

Denise Duda

Solid Waste and Recycling Committee - [3 Years - 7 Members/2 Alternates]

Name	Address	Phone Numbers	Term Started	Term Expires
Brian Shedlarski brianshedlarski@securespeed.net	2 Center Rd	657-2399	7/2005	6/2008
Mark Arienti tervale@securespeed.net	54 Colley Hill Road	657-2055 H. 775-1738 W.	7/2004	6/2007
Peter Thoits- Chair pthoits2@maine.rr.com	282 Shaker Road	657-4184 H. 773-2060 W.	7/2005	6/2008
Jewel McHale Jmchale@ASI-NE-org	154 Yarmouth Road	657-6092 H. 576-4005 W.	7/2006	6/2009
Vacant			Marie Contract	
Vacant				
Vacant				
Vacant [Alt]			JH	
Vacant [Alt]				in the

Ex-Officio Member (Non-voting):

Randy Cookson, Solid Waste Director

John Welch

Village Master Plan Study Committee

Name	Address	Phone Numbers
Fran Monroe fmonroe@maine.rr.com	PO Box 117	657-4420 H. 657-2300 W.
Jeanne Adams, Chair jeannegraydove@yahoo.com	PO Box 187	657-6649 H. 657-3456 W.
Lawrence Leeman CACC-1@hotmail.com	62 Long Hill Road	657-5116 H. 657-7700 W.
Elizabeth Beck liz@usnco.com	23 Main St.	632-8776 H. 657-4102 W.
Dr. James Pound doclb@securespeed.us	PO Box 1298	749-6086 H. 657-5440 W.

Non-Voting Members:

Andy Upham, Leo Credit (Icredit@grayptcenter.com), Ron Lydick (Ron.Lydick@partners.mcd.com), Robert Avaunt (ravaunt@securespeed.net)

Zoning Board of Appeals - [3 Years - 5 Members/2 Alternates]

Name	Address	Phone Numbers	Term Started	Term Expires
Barry Watson, Chair bwatson1@maine.rr.com	124 Lewiston Road	657-4137	7/2004	6/2007
Kathy Wood wtwco@securespeed.net	30 Wood Drive	657-3477 H. 657-3330 W.	7/2005	6/2008
Debby Flanigan dflanigan@cumberlandmaine.com	317 Center Rd	657-5455	7/2006	6/2009
Vincent Palange, II				
Vacant [Alt]				
Vacant [Alt]				

Ex-Officio Members (Non-voting):

Andy Upham

Other Committees & Boards

Council Liaison/Appointments to 3rd Party Boards

Skip Crane COG (Council of Governments) Mitchell Berkowitz McKin **Gary Foster** RWS **Gary Foster** CCC Skip Crane GBA Alison Libbey PROP

Gray Water District - [5 Years - 5 Members]

Name	Address	Phone Numbers	Term Started	Term Expires
Bruce Sawyer	18 Yarmouth Rd.	657-3871		6/2008
Darrell Lee	Silas Adams Road	428-3180		6/2007
Ralph Wink	PO Box 222	657-3452		6/2009
M. Joseph Murray	213 Shaker Road	657-3034		6/2010
James Monroe	PO Box 117	657-4420		7/2006

M.S.A.D. No. 15 - Board of Directors

Town of Gray

Tami Plummer	PO Box 28	657-4632		2007
Will H. Burrow	33 Pleasant View Drive	428-3483		2009
Sheryl Robinson	51 No. Raymond Rd.	657-4578		2007
Tod Bennett	215 Yarmouth Road	657-4012	2005	2008
Peter Pinkerton	PO Box 570	657-7407	2005	2008
Sandy MacDonald	81 Birchwood Road	428-3886		2009

Town of New Gloucester

Jim Hutchinson	P. O. Box 175	2006
David Sutherland	182 Intervale Rd	2006
Alan Rich, Chair	329 Cobbs Bridge Road	2007
Ron Brann	68 Colebrook Rd.	2008
Sharon VanDermay	77 Gloucester Hill Rd.	2007

Gray Cemetery Association

President	Robert Sawyer	657-4909
Vice President/Sexton	Norman Wilson	657-3827
Secretary/Treasurer	Barbara Pollard	657-3378
Trustees		
Denise Pollard	657-3378	
Wilma Wilkinson	657-4752	
Evelyn Durgin	657-4942	
Bruce Sawyer	657-3871	

Report from the Council Chair

Fiscal year 2005-06 began with the controversial issue of the fate of Pennell Institute, as to whether it may be sold, remain with the School District, or be returned to the citizens of Gray. The Council voted to bring closure to this issue by authorizing the Town Attorney to file the necessary documents to resolve the court case that was initiated by the Council three years earlier. It is now awaiting a decision by Superior Court.

Following the municipal election in June 2005, Matt Sturgis resigned his position on the Council, citing home renovations and other activities that would prevent him from fulfilling his duties as a Council member. John Welch was subsequently appointed in August to fill the vacancy left by the resignation of Councilor Sturgis.

We also approved the new Interlocal Agreement and Waste Handling Agreement with EcoMaine, the new corporation created as a result of restructuring of Regional Waste Systems. Gray is one of the founding member communities of the former Regional Waste Systems. EcoMaine, formerly Regional Waste Systems, is a member owned corporation that utilizes municipal waste as fuel to generate electricity, and also markets recyclable materials.

Sandy MacDonald was appointed to the SAD 15 Board of Directors in September of 2005 to fill a vacancy left by the resignation of Board member Heather Skillings.

In November of 2005 the Council presented, and voters approved two amendments to the Town Charter; a change to the Finance committee to allow citizen appointments, and to move Town Meeting from the first Saturday in June to the first Saturday in May. We also amended our Council Rules to reflect the Charter amendment allowing citizen appointments to the Finance committee, and to clarify parliamentary procedure and decorum at Council meetings.

Gray's Mass Gathering Ordinance, which had generated controversy due to inconsistent application and possible conflicts with the first amendment to the United States Constitution, was repealed. It was determined to be unnecessary as mass gatherings are currently subject to state regulations.

The Town received \$10,000 in Community Development Block Grant funds to conduct a Village Revitalization Survey. We hired Greater Portland Council of Governments as consultants to conduct the survey, and also created the Village Master Plan Advisory Committee to work with GPOG.

We approved an "Agritourism" use in the RRA zone, which provides for a facility that is not considered a Hotel/Motel or B&B to be permitted when operated in conjunction with agricultural, sivilcultural, or recreational activities conducted on parcels of 50 acres or more.

Town Manager Mitchell Berkowitz resigned in February 2006, and the Council hired Maine Municipal Association to assist in the Town Manager search and hiring process.

In March, construction of the long awaited Gray Bypass project commenced. Citizens and state, local, and federal officials, including the Maine Turnpike Authority, and Maine Department of Transportation all worked together to make this project become a reality.

Gray's longtime Registrar/Finance Director Donna Hill announced her retirement effective in April of 2005, but accepted the role of acting Town Manager and offered to remain until a replacement was hired. The Council greatly appreciates the contributions and dedication of Mrs. Hill, who served our community in this capacity and more for over 30 years.

We adopted a new Fiscal Policy that allows for the collection and processing of data to more accurately estimate future budget appropriations, and to further improve the management of municipal funds.

For the first time in the history of the Town of Gray, a citizen recall of a Council member was initiated and a special election was called to decide the issue. The recall effort failed to receive a majority of votes and was defeated.

With the bypass project well under way, the 2005/06 year ended with the adoption at Town Meeting of the FY 2006/07 municipal budget, which reflected no change in the mil rate from the previous year's commitment.

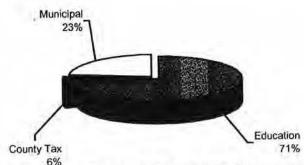
Respectfully submitted, Gary C. Foster Chair, Gray Town Council

Annual Report By The Town Manager Fiscal Year 2006

Greetings to All Gray Citizens;

It is my privilege to report the general administration of the Town during the fiscal year ending June 30, 2006. The Town of Gray is experiencing many of the same economic pressures that most southern Maine communities are struggling with. Market values of land and buildings continues an upward climb, the average annual incomes continues to grow and the costs associated with energy, insurance, disposable goods and durable goods continues to have the same influence on the Town operations.

The pie chart below reflects the revenues we collected for FY 2006. It also reflects what areas the Town is required to raise taxes: County, MSAD#15 and the Town and the distribution of those tax dollars.



The Town of Gray continues to experience population growth at a rate of about 2% per year. In 1986 the Town's population was 4,344 and 6,816 for this year, 2005-2006. With the increase in the Town's population comes an increase in the demands for a variety of services. One key example of this is the amount of solid waste the Town must properly dispose of annually. Population increases correlate to demands upon other Town services such as motor vehicle transactions, library and recreation services, public safety services and public works services, especially as the number of public road miles increase.

The Town of Gray is healthy when viewed in a financial light. With a strong undesignated fund balance policy and balance, the Town is in the enviable position to address ongoing capital investments without sharp increases in the tax rate while being able to weather short-term cash flows without having to borrow in anticipation of taxes. Annual auditing continues to test the practices and procedures of the Town's finances and prudent fiscal management continues to demonstrate the need to anticipate and plan for major expenditures.

There were several personnel changes in the past year. Mitchell Berkowitz resigned as town manager in Gray and accepted the same position in the Town of Bridgton. Donna Hill hoped to retire in the spring, but graciously agreed to assume the position of acting town manager until a replacement was hired. Donna has been a dedicated employee with the Town of Gray since November, 1975. It is important to note that Dean Bennett, director of parks and recreation, shared some of the town manager duties. Priscilla Payne resigned her position as library director and our code enforcement officer Paul White accepted a position in the Town of Frye Island. Paul continues to work part-time while we seek a full-time replacement. The assistant public works director, Charlie Kimball, retired after working for the town since April of 1979. Judy Rand, a lifetime Gray resident, became the new administrative assistant to the town manager. We wish health and prosperity to those who have moved on and look forward to developing our new team!

The Town Council and Administration are committed to assuring that the integrity of your local government continues, that services will be there when you need them and that they are delivered in a cost effective manner. The Town Council continues to remain focused on their efforts to amend several of the town's zones and the official map, implement a fiscal policy, while working towards a resolution about the Pennell Institute.

We are fortunate that the Council, our many volunteers and our staff continue to work towards the betterment of the community, especially during the challenges that growth brings. I became your new town manager on July 24th. It is a great privilege to be working in my home community as we look to the future of the Town of Gray.

Respectfully submitted, Deborah Cabana, Town Manager

Gray Public Library Annual Report 2005-2006

Statistics

Total yearly circulation	79,492	Children's Programs	
Average Daily Circulation	309	Attendance	3446
Interlibrary Loans processed	9855	Reference Questions	1041
New Patrons	498	Computer Usage	5607
New Items added	3543	Days Open	257
Hours per week	45	Volunteer Hours	1059

The year 2005-2006 was a banner year for the Gray Public Library. The rapid population growth of the Town of Gray has had a very positive impact on library usage. Our circulation figures grew by 16.5% which is 7.5% higher than what we had projected. Our interlibrary loan requests grew by 60%. What that means is that more people were able to get materials that they needed and wanted because of the MINERVA circulation system and online catalog. There is a good balance between adult and child usage. Large Print books, audiobooks and videos are among the fastest growing areas of circulation.

Our children's program continues to be very strong. We added an additional story hour on Wednesday morning to help balance out the attendance at Tuesday and Friday story times. We often have upwards of 30 to 40 children at some of the story hours. We will continue to evaluate these programs and see if we can deliver those services in a more effective format.

We had several community groups and businesses participate in our annual Festival of Trees during the holiday season. Each year the trees become wonderfully decorated. We also sponsored a Maine author presentation. In August we had Tess Gerriston speak and sign books. This was a well attended event and in the coming year we hope to sponsor at least one more Maine author.

In collaboration with the MSAD#15 Adult Education Department we wrote and received a Maine Family Literacy planning grant for \$5,000.00. We will be looking at ways to encourage emergent literacy in 4 year old children. As planning progresses we hope to apply for an implementation grant to make this dream come true. Our children's programs foster literacy and we hope this grant will help us to meet more of the needs of preschool children.

Technology is becoming even more important in the library world as it grows and changes. Our computers are used by many people in our community to find employment, sign up for Medicare drug programs, to do personal medical research and for students to complete their school assignments. We are teachers as well as librarians as we do a great deal of one on one instruction in the use of the computer and its applications.

The Library Board of Trustees and the library staff are continuing to seek an appropriate solution to our space needs. As this community grows there is more and more demand for library and information services and materials and we have run out of space for materials, programming and parking. In the coming year it will be important for the Library Board of Trustees, the Town Manager, the Town Council and the Gray Public Library Association to work together to find the best solution to these needs. There are many very good alternatives and they need to be studied to find the best alternative.

This is my last annual report to you as I retired on June 30, 2006. I can't express in words how much I have enjoyed working for and with the people of Gray. I will miss the many faces that come through the doors of the Gray Public Library and I wish you all well. I have been very fortunate to have a supportive staff, Library Board of Trustees and the Gray Public Library Association. It has been with their help that we have been able to grow, change and better serve the community and I thank them all for all that they have done to make all of this possible.

Priscilla Payne Library Director Mailing address: 6 Shaker Road, Gray ME., 04039 Office location: Newbegin Gym, 22 Main Street Tele #: 207-657-2323 Fax #: 207-657-2852

Email: dbennett@graymaine.org

2005-06 ANNUAL REPORT

The Recreation Department is responsible for the coordination, supervision, implementation and administration of a wide variety of programs, activities, special events, facilities and leisure services for the benefit of children and adults in the Gray/New Gloucester area.

Some of our responsibilities for the two full time employees include: coordination/implementation of a well balanced recreation programs / maintenance of facilities (we work closely with the Gray Building & Grounds Dept.) including Wilkies Beach, Newbegin Gym, outdoor athletic fields and Libby Hill Trails / performing daily office administration such as answering and returning calls, processing registration forms, making daily deposits, producing monthly fliers and brochures and submitting weekly news releases / responsible for the setting up and coordination of municipal voting in Newbegin / renting out Newbegin for birthdays, special events, school functions and meetings.

As you can see our responsibilities expand well beyond just playing games. We feel we play a very important in the shaping of our community and continue to look toward the future for improvements and to better serve the residents of Gray.

The following are programs/activities that were offered from July of 2005 to June of 2006.

Summer of 2005: Summer Day Camp ,7th/8th Grade girls and boys summer basketball at Newbegin, Major League Soccer Camp, Patriot Basketball Camp, Adult Co-ed Softball, Libby Hill Orienteering, Top Flight Men's Basketball League, Youth Flag Football Program, Red Cross Swimming Lessons, Ultimate foot skills clinic, Summer Concert Series, Wilkies Beach Splashfest, Friday Night Movies at Newbegin, Men's pick-up basketball on Wednesdays & Sundays, Senior citizen BBQ at Maine Wildlife Park, Sea Dogs game, Senior citizen trip to Boothbay Harbor.

Fall of 2005: Travel basketball program for girls and boys in grades 5 through 8, Gymnastics lessons, Early release day field trips, Men's flag football league, Annual Halloween party, Pick-up men's basketball on Wedesdays and Mondays, Men's Top Flight basketball league, Happy hands play group, Family foliage trip to Rangeley, Bushido karate lessons at Dunn School, After-school recreation at Newbegin,

Early Winter of 2005-06: Santa is Coming to Town, Junior basketball program, Patriot youth basketball program, Early release day trips, Winter sports program at Lost Valley (skiing, snow boarding), Nordic skiing program at Dunn, Nordic skiing at GNG Middle, Holiday crafts at Newbegin (gingerbread house, winter wreath), X-mas vacation open gym, Gymnastic lessons, Men's pick-up basketball, Women's pick-up basketball.

Winter of 2006: Rowenda horseback riding lessons, mad Science Classes at Russell School, Women and men's pickup basketball, Top Flight basketball league, Libby Hill Snowfest, Junior indoor soccer, Youth indoor soccer league, Gymnastics lessons, Ice Capades at C.C.C.C., February vacation open gym.

Spring of 2006: Annual Easter egg hunt, Harlem Globetrotters at C.C.C., Slam and Jam with Sam, Rowenda riding lessons, Mad Science classes at Russell, Mountain biking club, Early release day trips, Junior track program, Men and women's pick-up basketball, Adult co-ed softball, Gymnastic lessons.

Outside groups that utilized our facilities: Junior Olympic Volleyball, Men's Power Volleyball League, Shotokan Karate, Little Lady Dribblers, 11 birthday parties in Newbegin, Municipal elections, Bridges of Maine, Junior class project graduation, Interact Club, GNG Cheerleaders, many hour of High School students community service work, Octogon Club, Annual town meeting, Special elections, Collaberative school, H.S. graduation party, elections.

Projects and renovations: Cumberland County Conservation Corp made major progress on controlling erosion at Wilkies Beach and Libby Hill (mulching and plantings), Whitney Tree Service bush hogged Libby Hill Trails, Newbegin Gym floor was renovated down to the natural wood, new lines were painted and then finished, Newbegin Gym walls and trim was painted and a new janitor closet installed in the batroom of Newbegin.

We would like to thank the Gray Town Council and the residents of Gray for their contributions and support. We hope to continue providing quality services to the community with pride and a positive outlook toward the future.

Respectfully submitted,

Dean M. Bennett, Director

REPORT OF THE ASSESSOR

Greetings,

I extend a welcome to all new home owners in the Town of Gray. The Assessor's Office is located downstairs in the Town Office. If you should have any questions on the assessment of your property, please give me a call or come in to see me.

The transfer of ownership for new and existing homes continued at a fast pace. New single lot land splits and subdivisions were also prevalent, with more pending for next year. There was some new commercial construction this year, one of which was the beautiful new Gray-New Gloucester Animal Hospital on Lewiston Road.

I apologize for the lack of assessing information available on the Town's web site www.graymaine.org. I have been working with the web provider to correct the situation and hope to have it up and running again soon. A new addition to the web site this year is the link to the Aerial Parcel Viewer. I hope you check this out.

Homestead Exemption and Veterans Exemption applications are available at the Assessor's Office and will be processed according to eligibility requirements. The deadline for filing is April 1st to be eligible for the 2007-08 fiscal year. Eligibility requirements for the Maine Residents Property Tax and Rent Refund Program have been expanded and the filing deadline is December 31, 2006.

Respectfully Submitted,

Helen R. Taylor, CMA Assessor Report from the Gray Water District

Citizens and District Customers:

The Gray Water District is pleased to provide this report for our fiscal year ending December 31, 2005. Our Auditors, Clark, Friel and Joyce, PA have again provided an unqualified statement as to our financials for this period. The District is pleased that the 2005 audit was conducted under the provisions of the GASB Statement No. 34. According to our audit, long-term debt decreased by \$136,211 and that no new debt was issued during 2005.

During the year the District was involved in various ongoing preventative maintenance to the District supply and transmission lines. The District began preliminary work on the Gray Connector/Westerly Bypass project. We continued the search for a secondary water supply by looking at various sections of the community. The Board of Trustees will continue this effort and narrow their search during the next year. This allows the District to project and meet future needs of the community.

The Board of Trustees looks forward to continuing its services to its customers and invites your comments and suggestions.

Respectfully Submitted

The Board of Trustees Gray Water District

CODE ENFORCEMENT OFFICE ANNUAL REPORT 2005-2006

Greetings, from the Code Enforcement Office! It has been another very busy year for us all here in the Town of Gray. I would like to take this time to thank all of you, that I have worked with. It has been my great pleasure.

On the other hand, our permit count has been down a bit from last year. I am confident to say that next year's permit count will be better. The following are the issued permits for the above stated year:

Puilding Permits: 299
Electrical Permits: 197
Plumbing Permits: 273
Shoreland Permits: 21

Our homes are the most important purchase most of us will make in our lifetime. Thus it is extremely important to maintain and repairs our homes as needed for ourselves and our families health and safety. It is crucial to test your smoke detectors often, clean your heating system annually, and don't forget about your septic tanks, just to mention a few items. Proper care and maintenance promote efficiency and safety for all.

Have a wonderful year!

Sincerely, Paul White Code Enforcement Officer Town of Gray

ANNUAL REPORT FOR THE PLANNING DEPARTMENT FOR YEAR ENDING JUNE 30, 2006

Planning Department activity for the fiscal year ending June 30, 2006 centered around subdivisions, site plans, development activity, the village master plan study, and miscellaneous activity.

Subdivisions

The Planning Office reviewed and provided technical assistance on eighteen subdivisions most of which consisted of five stages including sketch plan, preliminary plan, final plan, public hearings, and site walks.

The smallest subdivision consisted of two lots while the largest consisted of 40 lots. The total number of lots in all the subdivisions combined totaled 186 for the year.

Site Plans

The Planning Office reviewed and provided technical advice for fifteen site plans. Site plans included a transmission shop, convenience store and sandwich shop, two dog care facilities, a day spa, two new storage facilities, home occupations, and accessory apartments.

Development Activity

Some of the development activity included plans for the modernization of the Maine Turnpike Service Plaza (the Burger King site) on the north bound lane of the turnpike; a new 4,500 square foot retail building at the Gray Plaza; a 4,900 square foot animal hospital on Lewiston Road; two new dog care facilities-one on Portland Road and the other on the Lewiston Road; plans for an addition to the Dead River Company at Dry Mills; and yet-to-be announced plans for what is to be believed as a large scale development on Shaker Road and a retail outlet on the West Gray Road, a transmission shop, a convenience store, and several new home occupations.

Village Master Plan

A great deal of time was spent working with the Village Master Plan Advisory Committee and Consultant with respect to developing a plan for the revitalization of the downtown area. A public forum is scheduled for the fall of 2006 and plans will be underway to obtain grant-in aid funds for implementation of improvements to the village area.

Miscellaneous Activity

Miscellaneous activity included drafting proposed amendments to the zoning ordinance and zoning map and the subdivision ordinance, attending legal seminars, obtaining certification to be a community development block grant administrator, obtaining certification to be a Section 8 housing inspection, and planning and participating in a series of Planning Board workshops.

PLANNING BOARD ACTIVITY FOR THE YEAR ENDING - JUNE 30, 2006

Planning Board activity for the year basically centered around subdivision review, site plan review, and workshop activity.

Subdivisions

Subdivision activity involved several stages including sketch plan, preliminary plans, public hearings, final plans, and site visits.

Some of the subdivisions reviewed include the following:

- 8 lot Gemstone Estates Subdivision on Boulder Drive
- 3 lot Megan's Meadow Subdivision on North Raymond Road
- 4 lot Skilling Subdivision on Mountain View Road
- 12 lot Willows Subdivision on North Raymond Road
- 2 lot Gracewoods Subdivision on Lawrence Road
- 5 lot Morgan Drive Subdivision on Ramsdell Road
- 10 lot Rivers Edge Subdivision on Rivers Edge Road
- Conceptual plan for Ken Farrington for up to 27 lots on North Raymond Road
- · 4 lot subdivision on Hyde Road
- 4 lot subdivision for Frank DeWolfe on Cottage Road
- 2 lot subdivision for Pamela Cole on Depot Road
- 14 lot Maywall Woods Subdivision on Mayall Road
- 10 lot subdivision for Al Bauer on Forest Lake Road and Cottage Road
- 14 lot subdivision for Gary Hayes on Mount Hunger Shore Road
- 3 lot subdivision for Tim and Andrew Hayes on Mountain View Road
- 3 lot subdivision for Claudia Dodds on Mayberry Road
- 3 lot Brian Hayes Subdivision on Daisy lane
- 40 lot Eagles Ridge Subdivision on Eagles Nest Road

Site Plan activity included the following:

- Conceptual development plan for Elvin Copp on Portland Road
- Alliance Energy Corporation for a Convenience Store and Sandwich Shop at the Mobile Station at Exit 65 of the Maine Turnpike
- Greg Kennedy Transmission shop on Portland Road
- Cynthia Fitzpatrick Day Spa on Shaker Road
- Pampered Pooch Dog Care on Lewiston Road
- At Your Barkin Call Dog Care on Portland Road
- Two new storage facilities for Hall's Storage on Portland Road
- Home Occupation on Shaker Road for May Meadow Builders
- Accessory Apartment for Andrew Johnson on Northern Oaks Drive
- Accessory Apartment for William Files on Andrews Avenue
- Proposed mineral excavation and recreation field off Shaker Road

Workshop Series

The Planning Board workshop series included the following topics:

- a) Decision and Finding of Fact
- b) Public Notification and Participation
- c) The Impact of Specific Development Plans on Gray as a whole
- d) The Relationship of Development Plans to the Comprehensive Plan
- e) Promoting Developer/Stakeholder Collaboration
- f) Protocols for Engineering Peer Review



GRAY FIRE - RESCUE



Fire-Rescue Department Annual Report for Y/E 2005-2006

I am pleased to submit my report for the year 2005-2006. I would like to thank the Council Members, Town Manger and the citizens of Gray for their continued support to the department this year.

The department has continued to focus on how we can provide the same services for the town and how improvements can be accomplished at the same level without added expense. Last year as reported we purchased the Sparky's Hazard House, which was a big success in the Schools and at our Open House. We have distributed smoke and carbon monoxide detectors to the citizens.

I want to recognize and commend the members that give so much of their time at various mandatory and department training sessions. I would like to recognize the following personnel for completing the following: Firefighter I & II; Jason Bosse 233 hrs, Haz-mat Operation's Class; Craig Elkanich, Matt Harrington, and Adam Capponi 24 hrs each. Thea Melroy EMT-B 130 hours. We had many members attend Cumberland County Fire-EMS conferences and three members attend the New England Chiefs Conference for 3 days. Members attended Mid Coast EMS conferences at the Samoset. The Monday and Friday evenings for Fire and EMS personnel as assigned are required. As you see many hours are given to the town of Gray.

The communication center remains to be a vital part of our operations. They also are the answering system when the public needs help on a non-emergency basis as well. This past year they had approximately 18527 incidents at the center.

Once again special thanks to Public Work's Director Steve LaVallee and crew for all their assistance throughout the year.

Our EMS and Fire Prevention weeks continue to be a successful event with visitations to the schools, Open House at the station, and with a planned schedule of events for each at a given Saturday during those weeks. A special thanks to the folks that give of themselves to make these a success.

I want to thank the Maine State Police, Life Flight, Cumberland County Sheriff's Department, and the Maine Warden Service for their continued support.

I want to remind the citizens that a **Burning Permit** is required at all times. We **Do Not** issue any incinerator permits and the reason for this is that it is unlawful to burn rubbish, refuse, garbage, paper, cardboard or wood boxes as all these are accepted at the Transfer Station. We do not issue burning permits on weekdays during the months of April through November unless the ground is snow covered or we have had substantial rain. If you have any questions please call 657-3931. This past year we issued 1203 permits.

The businesses are to be commended for their continued support when called upon with their generous donations, either by allowing their personnel to leave the job, materials and monetary contributions.

We were able to have our 125th celebration this year, though it was one year late due to weather, this was a big success. I would like to thank the 125th committee for their long hours and dedication and to the members of Gray Fire-Rescue for all their hard work and support. I would like to thank the businesses for their donations to help with the Gray Fire-Rescue 125th anniversary book, and last but not least to SAD 15 for the use of their grounds and buildings

I want to thank our Automatic Aid and Mutual Aid Towns for their continued support: New Gloucester, Cumberland, Windham, North Yarmouth and Raymond. Gray Fire-Rescue responded to 88 mutual calls to these towns this past year. Without this agreement all towns would be in a lot of trouble due to the lack of manpower.

Gray Fire-Rescue responded to a total of 950 calls this past year. The break down is as follows.

		10 710/ T
Emergency Medical Service	589	10.71% Increase
Fire Calls	242	9.01% Increase
Motor Vehicle Crashes	95	-30.65% Decrease
Public Assist	24	100.00% Increase

LAST BUT NOT LEAST I WANT TO THANK THE OFFICERS AND MEMBERS FOR ALL THEIR TIME AND SUPPORT YOU HAVE GIVEN TO ME AND THE TOWN OF GRAY. WE ARE ON CALL 24 HOURS A DAY, 365 DAYS A YEAR, PROTECTING LIFE AND PROPERTY AT THE CROSSROADS OF MAINE.

Respectively Submitted,

Robert J. Ryan

Deputy Chief Robert J. Ryan

DEPARTMENT OF PUBLIC WORKS

To the Town Manager, Gray Town Council and the Citizens of Gray:

It is with great pleasure that I submit to you the annual report of the Department of Public Works:

The summer of 2005 proved to be another busy summer for the Department. The following roads were overlaid with 1-1/2 inches. Town Farm Road, Tim's Run, Fairveiw Avenue, Forest Lake Road, Mountain View Road, Pleasant View Estates, and Ramsdell Road. A total of 6,304 tons of hot top was added to the 6.14 miles of roads. After the installation of shoulders for the above-mentioned roads, the Department spent the remainder of the season doing routine maintenance.

The winter of 2005/2006 was another challenging season. Over the course of the winter we used 1,770 tons of salt, 6,356 yards of sand and 5,382 gallons of calcium. Our first storm was Nov.23, 2005 and our last storm was March 13, 2006. We had a total of 64.5 inches of snow. We had a total of 25 storms, causing 31 different plowing and sanding events, the majority coming on nights and the weekends. 15 of the mentioned storms being of the ice variety.

We are presently taking a look at the second phase of our planned improvements which includes a new Public Work's Garage, which we are eagerly awaiting as we are now cramped for space.

We also continue to strive to improve the infrastructure of the town including bridges and gravel roads. In October 2005 Davis Bridge on Hunt's Hill Road was replaced. Knight Bridge on Mayall Road, and Mayall Bridge on Mequire Road were designed and readied for R.F.P'S.

As of July 01,2005 the Public Works Department Crew consisted of Charles Kimball, Robert Randall, Arthur St. Cyr, Michael Toderico, Michael Gervais [Full-Time]. Allen Tripp[Regular Part-Time]. Perley Witham, Floyd Wing and Michael Ryan [Part-Time Winter Maintenance]. All these employees are very important to the town and Public Works would cease to operate without them. I am proud to be their Department Head and very grateful for their dedication to the Town of Gray.

Many thanks to Ed Milose, our maintenance head, whose constant support continues to bails us out of many situations.

Once again, I want to thank Chief Barton and the Department of the Public Safety for the many assists during the past year. I would also like to thank the Maine State Police and Cumberland County Sheriff's Department for their many assists. I would also like to thank our Public Safety Dispatchers; they are a valuable asset to the many Town departments.

Also, a big thank-you to all of the citizens of Gray who volunteer their time to serve our departments and committees, and to all of the citizens who show courtesy toward us as we strive to improve the safety of our Town ways. And last, but not least, to Donna, Ronna, Dianna, Helen, Elizabeth, Dick, and Paul whose constant support makes my job much easier.

Respectfully submitted, Steve LaVallee Director of Public Works

Solid Waste / Recycling Department

Greetings:

It is with pleasure that I submit to you this brief report of activities of the Solid Waste and Recycling facility for the fiscal year ending June 30, 2006.

The residents of Gray continue to excel in their commitment to recycling by once again exceeding the State's goal of 50% recycled. Congratulations and thank you. It is important to recognize that every pound of material kept out of the trash hopper saves not only environmental resources but also your tax dollars. Paper goods, plastics and metals are also marketable commodities, generating considerable revenue which helps offset the tax rate. During fiscal year 2006, 189 tons of corrugated cardboard, 215 tons of newspaper, 177 tons of mixed paper, 26 tons of plastic and 382 tons of metals were sold for \$51,294.15. Add to this the \$6,690.30 collected for the five-cent deposit bottles and cans for revenues just shy of \$58,000! Another \$47,214 was collected in user fees making total revenues for the Department \$105,198.45. The downside is that over \$546,000 was spent on disposal and hauling fees for non-recycled material, showing that we must continue to do all we can to reduce the amount of waste produced even further. Had the paper and plastic products recycled been discarded in the regular trash instead, it would have added approximately \$108,000 in disposal costs. If every household in Gray reduced the waste deposited in the trash hopper by one pound per week, we would save approximately \$14,000 a year!

In FY '06, the Town of Gray separated for recycling 6,420 linear feet of fluorescent light bulbs, containing approximately 1-1/4 ounces of mercury. While this may seem a miniscule amount, according to the Sierra Club of N.H. this is nearly three times the amount of mercury it would take to make all fish within a body of water the size of Crystal Lake inedible. Not only is throwing waste fluorescent bulbs in the trash compactor illegal, it is also irresponsible. If you have mercury-containing items, or if you are unsure as to whether they contain mercury, please give the item to an attendant and we will be sure it is processed properly.

Many businesses in Gray recycle with us. Tin cans from restaurants, paper and corrugated cardboard from retail and professional offices and paper from <u>some</u> of the schools, to name a few of the materials brought to us. If your business would like to cut down on the waste hauling and disposal costs incurred, consider a recycling program that includes using Gray's recycling facility.

In closing, I would like to extend my sincere appreciation to the Solid Waste and Recycling Committee for their hard work and dedication, the numerous volunteers who give of their time to assist us at the transfer station, the facility crew on whom I rely so heavily to carry the load, and you, the general public for making it all work.

Respectfully submitted, Randy J. Cookson, Solid Waste Director

Town of Gray Building and Grounds Department Annual report for year ending June 30, 2006

The Building and Grounds Department currently employs two part-time employees who fill a 40-hour per week position, one full-time employee and a seasonal 40 hour, 10 week position.

The Building and Grounds Department maintains 12 buildings and the surrounding grounds. Our responsibility consists of landscaping and general maintenance at Wilkies Beach, five "Welcome to Gray" signs, the monument area, Newbegin fields, Douglass field in "Little League" off season, Pennell grounds, the outdoor basketball court area, and summer set up for the Recreation Department. The Building and Grounds department also assists other departments (Public Works, Transfer Station, Parks and Recreation Department) when they have a shortage of staff. During the colder month's we are busy with snow removal, salting and sanding. There are always other miscellaneous projects to attend to during the year.

Gray is a growing community and more tasks are being handled by the Building and Grounds Department. We do our best to keep up with the needs of our growing town but with the shortage in staff it is hard to meet our growing needs. Having to maintain a zero base budget 2 years in a row, much needed and overlooked projects have been put on hold. With added responsibilities given to the Building and Grounds department our department needs to grow with the demands. Volunteers willing to lend a helping hand with projects around town are always appreciated.

Respectfully submitted, Edward A. Milose Building and Grounds Director

CEDC Annual Report

July 2005 - June 2006

To the Citizens of Gray:

The Community and Economic Development Committee meets monthly to discuss opportunities to improve the economic vitality and community atmosphere of Gray. Our meetings are held the third Wednesday of the month beginning at 6:30 PM at Stimson Hall. We cordially invite the public to attend a meeting and participate in these activities.

The activities and initiatives of the committee from July 2005 through June 2006 are summarized below:

Business Development:

The CEDC sent a letter to potential buyers of the Gray Meadows site encouraging the development and improvement of the site along with the attributes of bringing a business to Gray.

The CEDC worked with M36 Associates, the Maine DOT and the State Dept. of Economic & Community Development in an attempt to resolve signage at the NorthBrook Business Campus on the new Gray Connector Road.

The CEDC continued to maintain a working relationship with Libra Foundation (Pineland Farms).

The CEDC sponsored and supported a zone change to incorporate an Agritourism classification in the Gray Zoning Rules to allow a local business to pursue the construction of agricultural tourism related business in the RRA Zone. The zone change has been adopted.

Other Activities

The Town Council requested the CEDC complete a review of "regulatory quagmire" that encumbers business development in Gray. The report was submitted to the Town Council in February. Members of the CEDC, the Ordinance Review Committee and the Town Council met several times to discuss methods to improve the regulatory climate in Gray. No specific steps have yet been incorporated to reduce the regulatory requirements for new business organizations desiring to settle in Gray.

Updates to the town website were submitted to the town in May 2006.

Membership Status

Jeanne Adams was appointed in October 2005

Julie Sheets did not continue her membership in June 2006

Jeanne Carpentier was elected Chair, Jack Goosetrey – Vice Chair and Ralph Wink – Secretary for the 2006/2007 period.

The CEDC continues to recruit citizens of Gray to join the committee.

I thank the members of the CEDC for their continued commitment to fostering economic development in Gray.

Respectfully submitted,

Jeanne Carpentier - Chair CEDC 2006/2007

Ordinance Review Committee Annual Report

The Ordinance Review Committee is an advisory committee to the Town Council to help clarify and propose ordinances as requested by them, We normally meet the first Thursday of the month, but do to the amount of time involved we have also been meeting on the third Wednesday. Much of our time this year was dedicated to the new Well Heads as proposed by the Gray Water District. This has been completed and passed on to Council for their consideration. The Back Lot Ordinance was finished and is at the Council, also. We are now trying to finish our review of the entire Town's Zoning, and hopefully will be able to provide a working document for the Council to consider. We also work closely with the Code Officer.

Respectfully submitted,

Jack Goostrey, William Holmquist, Dave Knudson, Jim Foster, Wade Trudel, Richard Bibber, Wayne Wood

Ordinance Review Committee

CABLE TV COMMITTEE

The Gray Cable TV Committee has been dedicated to providing information services to the people in the Town of Gray through live broadcasts of Town Council work shop meetings, business meetings and meetings of the M.S.A.D. 15 Board of Directors. Through your bulletin board service, on cable channel 2, the Committee has also provided the community with up to date weather information and broadcasts and notices of public events in the communities of Gray and New Gloucester. For those citizens who do not have cable television in their homes, DVD and VHS copies of Town Council meetings have been made available through the Public Library.

Plans for the upcoming year include the addition of paid help during the 2006-2007 fiscal year which will allow the Committee to start broadcasting Planning Board and Zoning Board of Appeals Committee meetings. The Committee will also be developing plans to replace the current sound system that no longer has the flexibility of serving the needs of Stimson Hall.

The Cable Committee also works closely with the MSAD 15 Video Technology class and video club. We provide digital editing equipment, cameras, and recording equipment so students will have equipment to use and learn with. In exchange the class and video club provides local programming and volunteer help to the Committee

The Committee is an open committee inviting all interested persons to take a role in helping to keep the community informed of the meetings and events in the community; but also producing educational, informational and entertaining programs for the People of Gray. The Committee currently has three members and should have five. The addition of the two additional volunteers would greatly enhance the abilities of the Committee

Report of the Dry Mills School Committee

We have had a very busy and quite productive year at our historic one room school building. We mailed letters and brochures to schools in several surrounding towns and did get a very good response. We had visits from: Children from our Grade 3 at the Dunn School; Durham Elementary; The Shaker Road Daycare; A class from the GNG Middle School. Two large groups unfortunately were rained out during the wet month of June. We had quite a few interested visitors during our weekends that we could be open this summer.

We are also included on the web site for the Town of Gray to enable the public to contact us. 1rmschool@graymaine.org as well as information explaining the history of the school, on the town web site at: www.graymaine.org via "Historical Links". We are listed on the National Register and this is the last of the one room schools in Gray.

We presently have 2 vacancies on our committee plus lots of activities for volunteers to assist us with. We welcome any assistance that one can offer to us. Our committee of only 6 people just cannot provide the activities that we would like to offer. We meet on the first Thursday of each month, downstairs in Stimpson Hall at 9:30 a.m., these are always open to the public. Feel free to come join us.

We developed a brochure to hand out to our visitors and to place in various spots around town to promote more visitor activity.

We are presently in the process of a better sign to place out side the school that can be more visual to people going by. We are also working on placing a sign on Route 26.

Please consider volunteering with us by calling one of the following:

Beverly Prince

428-3737

Norma Liberty

657-4511

Louise Knapp (Chair) 657-4297

Bob Quigley (Program Coordinator) 657-3781

Cora Skilling (Volunteer Coordinator) 428-3662

Nancy McMinn

657-3550

Submitted by,

Nancy McMinn, Secretary

REPORT OF GRAY CEMETERY ASSOCIATION JULY 1, 2005 --- JUNE 30, 2006

RECEIPTS:		
INTEREST, KEY BANK INTEREST, TOWN OF GRAY TOWN APPROPRIATION REIMBURSEMENT NEW LOTS SOLD	\$ 3,274.93 515.72 14,136.00 19.83 3,050.00	20,996.48
DISBURSEMENTS:		
District misses		

PAYROLL/TAXES \$ 9,229.07 D.C.STILKEY & SON,INC.(MOWING) 9,180.00 NEMIC, WORKMAN'S COMP. 770.00 CLARK'S INSURANCE 500.00 KEY BANK, INVESTMENTS 3,300.00 **EQUIPMENT HIRE** 2,751.00 SUPPLIES, MISC. 187.40 REPAIRS, NEW TRIMMER 448.95 REIMBURSEMENT (HERRICK) 1,000.00

\$27,366.42

\$22,641.17

BALANCE JUNE 30, 2006

BALANCE, JULY 1, 2005

\$16,271.23

TRUST FUNDS

KEY BANK INVESTMENTS \$69,448.71 FLOWER FUND 2,400.00 KEY BANK SAVINGS 301.48

NEW LOTS SOLD

STACY J. & JAS. STRATTARD DONALD J. BROWN RONALD E. & LILLIAN M. DOLLOF BARRY & NANCY MAINS BERNARD M. JR. & SANDRA M. DUCY ANTHONY J. MOREY CECILE M. MOREY RUSS & SUE KIMBALL

BURIALS 2005

SHIRLEY WALLS
LAURIS SKILLING
LEO C. COYLE
DEBORAH WHITE PREBLE
CHARLOTTE BURNELL
IDA M. WHITNEY
ESTHER LORINE POMAIBA
FLORENCE HAMM LIBBY
MINNA F. THOMPSON
MARILYN MARIE ROBERTS
CHRISTINE WALSH
HUGH STEPHEN BROWN
C. RAYMOND SEGARS

FOREST WALKER, JR.
KATHY JEAN CORDELL
ANNE F. WHITNEY HERRICK
PHYLLIS FRANK DOLLOFF
CAROLYN OTT
GEORGE MUZZY
KLAUS-HUBERTUS GADE
M. BARBARA FOGG
BARBARA ANN POLLARD RYAN
ROBERT EDWARD PETERSEN
ANNA SORENSEN TRUAX DEW
DELLBERT C. RAY, SR.

RESPECTFULLY SUBMITTED,

BARBARA E. POLLARD

SEC./TREAS.

DEATHS: July 1, 2005 - June 30, 2006

BARTER,	ROBERT P.		7/8/2005	ERIKSON,	ANNE E.		12/27/2005
NIELSEN,	HILDA P.	*****	7/12/2005	TAYLOR,	JOHN C.	****	1/2/2006
JAGARESKI,	WALTER K.		7/24/2005	MAGUIRE,	MARY E.		1/19/2006
GORDON,	DALE H.		8/4/2005	RANDALL Jr.,	RICHARD A.		1/22/2006
HERRICK,	ANNE F. W.		8/4/2005	CLARK,	LILY G.		2/11/2006
SAWYER,	CLIFFORD A.		8/4/2005	MONTY,	BARBARA N.		2/18/2006
TOTON,	ILENE P.		8/6/2005	DYKE,	CAROLETA A.		2/22/2006
DORLOFF,	PHYLLIS F.		8/12/2005	WAGNER,	ROBERT L.		2/22/2006
MENDOZE,	MELISSA R.		8/15/2005	LORING,	FREDERICK H.		2/28/2006
JOHNSON,	HEATHER M.		8/21/2005	YOUNG Sr.,	CHARLES E.	*****	3/4/2006
TILLMAN,	TIMOTHY W.		8/22/2005	DAVIS,	PHILLIP F.		3/7/2006
PETERSEN,	PETER D.		8/25/2005	JACKSON,	DONALD		3/11/2006
POWERS,	ANGELE M.		8/30/2005	TAYLOR,	PAUL R.		3/19/2006
SEGARS,	C. RAYMOND		9/11/2005	WATSON,	GERDA F.		3/21/2006
LOCKARD,	ROBERT A.		9/15/2005	STEPAN,	EVA		4/1/2006
TUCCI Sr.,	JOHN A.		10/2/2005	STURGIS,	ELLIOT A.		4/8/2006
ANDERSON,	ALAN W.	*****	10/9/2005	GREY,	PRISCILLA A.		4/9/2006
MCNIECE,	LORRAINE A.	*****	10/9/2005	LITROCAPES,	RENA A.		5/15/2006
ZUBROD,	MADELINE D.	,	10/22/2005	STEEVES,	RUSSELL R.		5/19/2006
HETZLER,	GLENNIS F.		11/13/2005	PYLE,	JAMES W.		5/22/2006
ARRIS,	DONALD H.	*****	11/14/2005	PERKINS Jr.,	GEORGE M.		5/30/2006
ROSENGREN,	DEREK E.		12/13/2005	HODGKIN,	EVA M.	*****	6/2/2006
POZZY,	PETER M.	*****	12/16/2005	HUTCHINS,	WAYNE B.		6/16/2006
WOODWARD Sr.,	ARTHUR C.		12/16/2005	STEELE,	ELIZABETH J.		6/22/2006

GRAY ANNUAL REPORT: JULY 1, 2005 TO JUNE 30, 2006

2006 REPORT OF THE GRAY HISTORICAL SOCIETY 22 MAIN ST., P.O. BOX 544

Gray Historical Society is now a 501c 3 non-profit organization dedicated, "to collect, to preserve, and to share the history of the Town of Gray and State of Maine." It was founded on June 6, 1962 by the Gray Grange as a committee project, was incorporated in 1973 as a Maine Tax-exempt non-profit organization. In December 2005, our Society received the 501 c 3 Federal tax exempt status. We would like others to join Gray Historical Society and become aware of the history of Gray. The meetings are held each month, except December, on the second Wednesday at 7 PM.

Visitors and researchers have come to the crossroads of Gray and to the second floor of Pennell Institute to discover answers to particular questions, to reminisce, to enjoy and /or contribute gifts for our extensive collection. Phanella Mayall, from England and a direct descendant of Samuel Mayall, who established America first water-powered woolen mill in Gray, visited here to learn more about her heritage and family.

- This year has been very busy with accessioning over 300 donated items, some included multi pieces of documents, artifacts, apparel, etc. Many visitors and researchers have come weekly for information about their new home, family genealogy, directions for grave sites, history of businesses and people, newspaper stories, information for books and pictures for books, etc. Many e-mail queries have been answered along with many telephone questions too. Also by e-mail we received information weekly from state and national museum associations providing up-to-date development and help for the Society.
- We continue to attract new members.

Summer 2005 exhibits attracted much attention and admiration.

- "Tools of the Trade"
- "Pennell Pride"
- "Gray Center in 1880." a diorama of 20 buildings by Gray's artist Herbert Snyder, continues and has been expanded with photos and artifacts from our collections.
- Open house: July 4, 2005 Pennell Alumni Day and September 18, Maine Heritage Day.
- Gray Historical Society planned for its part in the celebration on September 15, 2005 for the Gray Fire-Rescue Department 125th Anniversary. Due to rain it was canceled and later scheduled for 2006.

Summer 2006 exhibits....

- As originally planned for 2005, we took part in the Gray Fire-Rescue Department 125th Anniversary Celebration which was held on July 8, 2006.
- "Winning Ways at Gray Park Race Track and Fair, 1886-1902,"
- July 22, Open House for Pennell Alumni Day, with "Pennell Pride," exhibit
- "Tools of Trade," continues, with added items.
- "Gray center of the 1880's," diorama by Herbert Snyder continues, as do the related additions to the exhibit.

Gray Historical Society's exhibit case at the Gray Public Library features items from our collections, which is another way we reach out to the community. Many THANKS to the Library for giving us this opportunity. Ongoing displays this past year are as follows:

- 2005 Part II of "Who Consults the Gray Historical Society's Research Room and Why?"
 Fall: Display of Election memorabilia: Political folders, buttons, etc.
 December: Holiday display; Robert Frost's poem, "Stopping by the Woods on a Snowy Evening."
- 2006 Winter, spring: "Warm Kitchen Memories" showed related items

All of the above continue to help us bring Gray's fascinating past to life.

The Society continues to attend many informative meetings throughout the year pertaining to the organization and the protection of materials and artifacts. We are members of S.O.L.V.E a non-profit historical management organization covering Southern Maine; as well as MAM, Maine Archives and Museums; and AASLH, American Association for State and Local History. This was our second year using the Past Time-Past Perfect software which gives us flexibility to catalog, organize, manage, and research the collections quickly and easily. This software is the world leader in collection management.

We continue to encourage the scheduling of visitors and tours for special groups, such as Scouts, school classes, organizations, etc. The third graders at Dunn School received several talks and viewed our slides of early days in Gray. Concluding this project the student had a bus tour of the town and a brief experience of going to a one-room schoolhouse. (Dry Mills one-room schoolhouse.)

Remember that Gray Historical Society continues to have available unique items that make special gifts, such as postcards, bronze medallion necklaces with the town seal, maps suited for framing, trivets, town of Gray afghan, several books, etc. To purchase any item call us, 657-2235, or come the museum/ research room.

Hours are:

- Weather permitting, Research Room remains open year round on Tuesdays, 10 A.M to 3 P.M..
- The month of December...open by appointments only.
- Museum room is closed during heating season.
- Thursday evenings during the summer, 6 P.M to 8 P.M.
- Special appointments, call 657-4297 or 657-3507.

The officers for the 2006-2007 year: President, Louise Knapp (cnlknapp@securespeed.net); Vice President, Mae Beck; Second Vice President, Audrey Burns; Treasurer, Peggy Brown; Secretary, Lorraine Jones; Curator; Jean Szendrei; Membership Secretary, Lucille Stampon. Gray Historical Society telephone number is 657-2235

The Historical Society has appreciated and THANKS all of the faithful volunteers, including Becky Wilkinson, Jamie Nichols, Mr. Warren Jensen's and his Computer Club. A very special THANKS to SAD#15 for the use of Pennell and to Hall's Storage for the use of one unit. We do appreciate all who continue to work and support Gray Historical Society's project of preserving Gray's heritage and history of the stories of its people, the traditions of the community, and the record of Gray's place in a changing world.

Respectfully submitted,

President Louise Knapp

122nd Legislature Senate of Maine Senate District 11 Senator Karl W. Turner 3 State House Station Augusta, ME 04333-0003 (207) 287-1505

> 16 Town Landing Road Cumberland, ME 04110 (207) 829-9231

September 2006

To the citizens of Gray,

It has again been my pleasure to serve the people of Gray and Senate District #11 in the Maine Senate.

FY06 was marked with good bipartisan cooperation in the Maine Legislature as both major parties came together to build common proposals for the supplemental budget to keep FY07 in balance. Locally, this translated into the second installment of increased state support for local aid to education being committed to SAD #15. In addition, it insured that money would flow to the construction of the long awaited Route 26 By-pass. The By-pass is intended to significantly reduce traffic flow through the village. Much credit for this project goes to the citizens of the town, public officials both current and past, as well as the Maine Department of Transportation.

Looking ahead to January 07, the Legislature's major activity will be to build a new budget for the next biennial budget (FY08-09). This new budget will face many hurdles including:

- Delivery of installments three and four that further increase state aid to local education.
- Unpaid bills to the tune of nearly \$300Million to Maine hospitals.
- More than \$4Billion in unfunded liability in State Employee Retirement and Retiree Health Plans.
- Trying to agree on the financial future of the very expensive Dirigo Health Insurance Plan.

Dealing with these challenges will be preceded by November's general election in which the Governor's Office and the entire Legislature will be on the ballot. In addition, voters will weigh in on a citizen's initiative seeking to put limitations in the growth in spending and additional steps in the granting of tax and fee increases. These limitations and additional steps would apply to all levels of government including schools and school districts.

Should you have questions about the content of this report or any other matter, I can be reached at 829-6427 or via email at kwturner@yahoo.com.



Representative Susan Austin

HOUSE DISTRICT 109
136 Yarmouth Road, Gray, ME 04039
Home phone: (207) 657-4100
E-Mail: swaustin@maine.rr.com
State House phone: (207) 287-1440
State House fax: (207) 287-1449

Dear Folks:

It has been a privilege to serve and represent the Town of Gray for the last four years at the State Capitol. My experiences talking with you and working together on issues has been rewarding. This is the first term of our newly configured district with portions of Gray, North Yarmouth and Pownal. I have had the opportunity to have positive interactions with the town's leadership as the challenges and opportunities have arisen. Each town had proposed Legislation in this last Session that was specific to each population and they all went very well passing in a positive mode with flying colors!

After many, many years of traffic studies, town traffic committee work, collaboration with MDOT and much anticipation, the Gray By-Pass/Connector piece was started in March. The work on the widening of the Route #202 MTA Bridge was soon to follow. Due to all that planned construction in the village area, the Gray Water District opted for a water main upgrade to coincide with that work. There was an immediate sense that the road work was going to change the face and feel of Gray. However, it will take time and patience to see and feel the realities of the projected benefit on traffic in our compressed village center.

Thank you for your support and allowing me the privilege of serving you as your State Representative in the 121st and 122nd Legislature. I have been blessed with good working relationships with Rep. Bryant, Sen. Turner, and our town's leadership. Working in that fashion I feel confident that we can make the decisions that will serve Gray most effectively.

To reach me on state issues of concern you can call my home at 657-4100 or e-mail me at swaustin@maine.rr.com. My home mailing address is 136 Yarmouth Road, Gray, Maine 04039.

Sincerely,

Susan Wilkinson Austin State Representative

District 109 Portions of Gray, North Yarmouth and Pownal

Mark E. Bryant 166 Albion Road Windham, ME 04062 Residence: (207) 892-6591

HOUSE OF REPRESENTATIVES

2 STATE HOUSE STATION AUGUSTA, MAINE 04333-0002 (207) 287-1400 TTY: (207) 287-4469

Message to the Citizens of Gray

Dear Neighbors:

It is an honor and pleasure to serve as your State Representative in Augusta. During my first term, it was your comments, suggestions and opinions on the many important issues that come before the Legislature that helped me to make informed decisions, and I hope you'll continue to offer your thoughts so that we can move Maine forward.

When the 123rd Maine Legislature convenes in January, we will have much work to do to manage ongoing budget constraints, make health care more affordable, increase access to higher education, and reform our antiquated tax structure to better serve working families.

As the State Representative for parts of both Gray and Windham, I will also continue to monitor the funding for the Maine Animal Park, as well as the implementation and coordination of important and necessary transportation projects like as the new Gray By-Pass, and the development of sustainable economic growth plans that will benefit our area.

My job in Augusta is to represent you, and so I hope you will take a few moments to contact me and share your opinions and suggestions with me. You can reach me by e-mail at RepMarkBryant@yahoo.com, or call me at home at 892-6591. You can learn more about what I have been doing by visiting my Web site: www.legislature.maine.gov/housedems/mbryant.

Thank you for the opportunity to serve you.

Respectfully,

Mark Bryant

State Representative

Mark Buja

District 110 Part of Gray and part of Windham

2002 PP TAXES		2004 PP TAXES(CONT'D)	
BOREALIS INC	26.96	GRAY MEADOWS TRUCKING	21.84
DOLPHIN CAPITAL CORP	91.49	GRAY ROAD GROUP	14.00
GENERAL ELECTRIC	44.01	HIGGINS AUTO REPAIR	172.06
GRAY ELECTRONICS	135.30	HOLMES JOHNNY EXCAVAT	280.00
IBM GLOBAL	8.20	INLAND AUTO BODY SHOP	95.34
INFORMATION LEASING	1,547.48	INTERSTATE COFFEE	14.56
NORTH COVE DESIGN	118.92	MAINE INDUSTRIAL SUPPLU	193.34
POPULAR LEASING USA	2.02	MANLEY ASSOCIATES INC	89.46
PORTLAND BROADCASTING	3,636.39	MCKENNA BILL	19.32
SMASHING WHITE DRY	162.36	NITZ LANDSCAPE	298.06
TODD & ANNA SANDERS	304.22	P J'S REMODELING	140.00
VANCE'S DRIVING SCHOOL	5.70	PINE TREE STAMPS	7.84
VFS HOLDING INC	519.65	PREVOST ROBERT	465.78
TOTALS	6,602.70	SAFETY KLEEN CORP	14.80
		SMASHING WHITE DRY CLEAN	428.96
2003 PP TAXES		ST MARY'S COUNSELLING	.41.72
#1 COLLISION CENTER	353.03	STORY SIGNS & DESIGN	8.40
BEST AMUSEMENT	56.76	STUDIO FOR LIVING ARTS	45.36
BLUEBERRY LAND MAN	270.57	THE MAINE SCREED	2,191.00
BODY DESIGNS	78.26	THIBODEAUS ICE CREAM	23.52
BROADPARK STABLES	18.49	TIBBETT'S REFINISHING	76.58
DAVIS CHIROPRACTIC	120.18	TIM'S CARPENTRY	70.00
DYNAMIC NO CONST	172.00	TOTALS	6,227.58
ELECTRONIC UNLIMITED	101.27		0,227.00
HENDRY ENGINEERING	38.16	2005 PP TAXES	
HIGGINS AUTO REPAIR	69.65	#1 COLLISION CENTER	246.29
INTERSTATE COFFEE	18.71	AL MARTINS LOCKSMITH	17.08
NITZ LANDSCAPE	371.52	APPLIED SCALES INAC	25.79
NORTH COVE DESIGN	234.14	BARTLETT GLASS	18.89
P J'S REMODELING	172.00	C&K TURNER ENTERPRISES	231.48
PINE TREE STAMPS	9.68	CATALINA HEALTH RESOURCE	11.93
POPULAR LEASING USA	60.63	CINDI'S PLACE	7.50
QUICK SPACE	129.00	CIT FINANICIAL USA	6.24
ROBERT F EATON	12.04	CSK INC	70.08
SMASHING WHITE DRY		D&B INDUSTRIAL PAINTING	22.32
STATEWIDE JUDGEMENT	86.00	DAVIS CHIROPRACTIC	144.18
STUDIO FOR LIVING ARTS	24.78	DIRECTV INC	9.09
THE MAINE SCREED	2,691.80	DUMONT LORI & ERINW III	16.15
THIBODEAUS ICE CREAM	33.11	EJB INC	95.41
TIM'S CARPENTRY	86.00	ELECTRONICS UNLIMITED	63.78
VFS RESIDUAL HOLDING	573.84	FALABELLA BLDG & RESTOR	2.00
TOTALS	6,867.37	FLORISTS TRANSWORLD	1.07
	0,007107	FREDS TREASURE CHEST	5.90
2004 PP TAXES		GRAY MEADOWS TRUCKING	20.90
#1 COLLISION CENTER	259.98	GRAY ROAD GROUP	13.40
BEST AMUSEMENT	39.90	HADLOCK'S HARDSCAPING	712.88
BLUEBERRY LAND MANAGE	756.00	HAYDEN ELIZABETH	51.75
CCI\TRIAD	70.00	HIGGINS AUTO REPAIRS	159.59
DAVIS CHIROPRACTIC	173.04	HOLMS JOHNNY EXCAVATION	268.00
DYMANIC NO CONSTRUCTION	140.00	HOWELL'S GUN SHOP	118.99
ELECTRONICS UNLIMITED	76.72	INLAND AUTO BODY SHOP	91.25

	2006 PP TAXES(CONT'D)	
80.40	MAINE HOUSING & BLDG MAT	89.15
114.69	MORSE OVERLAND MARINE	105.96
84.82	NATIONAL POOL & SPA	27.15
285.29	NITZ LANDSCAPE & DESIGN	264.00
134.00	P J' S REMODELING & RESOR	124.00
2.97	PALMITER JOHN	43.65
91.05	PELTON BLDG & ELEC	16.37
16.08	PORTLAND REGIONAL FCU	92.56
8.04	PROBABLY AUTO	21.20
39.80	PRUDENCE SCHOOL OF BALLET	5.54
8.36	PUDDLEDUCKS CTRY CHILD	70.06
9.78	PULSIFER PHIL	58.90
	OS/1 DATA SYSTEMS	45.26
	- Company of the Comp	168.52
		14.01
		17.98
.,	SHAKER ROAD DAYCARE	14.61
		4.09
227.79		61.75
		36.83
		37.94
		18.10
		66.59
		62.00
		130.32
		4.46
		142.16
		6,193.73
	101,120	0,170.70
1 11 16		
62.00		
	114.69 84.82 285.29 134.00 2.97 91.05 16.08 8.04 39.80	80.40 MAINE HOUSING & BLDG MAT 114.69 MORSE OVERLAND MARINE 84.82 NATIONAL POOL & SPA 285.29 NITZ LANDSCAPE & DESIGN 134.00 P J'S REMODELING & RESOR 2.97 PALMITER JOHN 91.05 PELTON BLDG & ELEC 16.08 PORTLAND REGIONAL FCU 8.04 PROBABLY AUTO 39.80 PRUDENCE SCHOOL OF BALLET 8.36 PUDDLEDUCKS CTRY CHILD 9.78 PULSIFER PHIL 71.96 QS/1 DATA SYSTEMS 67.00 RAT DRAFTING SERVICES 112.00 SAFETY KLEEN CORP 3,558.18 SAVE THE QUEEN INC SHAKER ROAD DAYCARE SIGNATURES AND STAMPS 227.79 SPECIAL EFFECTS PROFESS. 41.66 STUDIO FOR LIVING ARTS 310.00 SUNDOG COMPANY 17.48 THE BARN ON 26 11.04 TIBBETT'S REFINISHING 37.20 TIM'S CARPENTRY 46.50 WINDWARD PETROLEUM INC 49.60 ZUCKERMAN AVAUNT DEVINE 42.16 TOTALS 133.42 11.31 30.75 1,166.34 41.27 59.02 12.01 4.44 86.80 19.34 103.66 276.88 659.68 83.08 147.68 264.49 248.00 110.11 101.24 17.73

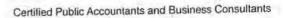
1995 TAX LIENS		2005 TAX LIENS(CON	ITD)	
DAGGETT CHARLES III	28.24	WENTWORTH KERRY	153.96	
		WHITE JUDY	357.24	
2000 TAX LIENS		WHITNEY PETER I &	2,081.16	
BAKER LEE P	217.83	WILLIAMS JENNIFER	280.91	
		WING COLLEEN A	1,334.99	
2001 TAX LIENS	M. T. T. T. T. T.	WOOD RICHARD	1,220.34	
BRANDT MAX	217.59		.,,	
		TOTAL	49,772.64	
2002 TAX LIENS				
BRANDT MAX	241.90	17		
AMERICAN HOLDINGS INC	5,836.10			
BAILEY CHRISOPHER	45.52		11 8	
BAKER LAURIE	872.43			
BEAN CHARLES W JR	923.77			
BRAINERD JAMES C	1,401.28			
BROWN TIMOTHY W	1,477.08			
CARDONA MICHAEL	910.67			
CHASE FRANK W JR	596.83			
CLEMENT ANTHONY J	822.89		- 4	
COPP ELVIN H	7,231.31		- 4	
DEAN DENNIS A & LORI A	1,640.83			
DECESERE FRANK P	796.34			
DEROCHE MICHAEL &	241.00			
DINGWELL SCOTT A	1,081.11			
DUPLISEA CARL HEIRS OF	123.95			
FINOCCHIETTI DAVID E SR ET AL	1,860.19		-	
GLANTZ ANDREW G &	355.10			
GLANTZ JAMES ALFRED	801.86			
HARRINGTON HEATHER J	113.21	1		
HARTLEY SHARON	99.96			
HARTMAN JOHN F	308.20			
HOLMES JOHN M	140.70			
HOLMES JOHNNY	442.06			
HUFF JUDITH I (LIFE ESTATE)	1,158.75			
KINNEY FRED T &]	2,015.09			
KINNEY FRED T &]	2,017.64			
ARRIVEE MARTHA	1,809.67			
OCKE ARTHUR JR	116.33			
MACEACHERN ROBERT W	2,920.80			
MAINE CENTRAL RAILROAD CO.	227.80			
MARTIN WAYNE J	112.54			
MCATEE DOUGLAS	227.80			
NEWCOMB ROBIN L	152.63			
PEARCE ERIC S	1,331.76			
PHIPPS ORRIN H &	2,573.63			
RUSSELL PATRICIA ANN	784.03			
SANDERS TODD V SR	773.18			

2006 TAXES		COBB KRISTEN L	212.35
ADAMS SUSANNA	30.55	COBB MICHAEL G II	220.22
AMERGIAN STEPHEN R	20.93	COBB MICHAEL G	2,771.09
AMERICAN HOLDINGS INC	5,400.57	COBB MICHAEL CUSTODIAN	212.04
ANDERSON STEWART E JR	233.61	COFFIN DOROTHY E	136.40
ANDERSON WILLIAM H IV	777.42	COLLEY HILL ASSOCIATES INC	731.66
ANDRUKAITIS PHILIP C	1,157.54	COLLEY HILL ASSOCIATES INC	358.11
ARYAN MANSOUR	1,960.32	CONSTRUCTION AGGREGATE INC	390.10
ASHBY SHELDON J	1,015.31	CONSTRUCTION AGGREGATE INC	1,050.15
ASHLEY ALICE F	1,458.74	COOK MICHAEL M	1,655.34
BAGLEY ROY W &	2,708.16	COPP ELVIN H	31.00
BAILEY CHRISOPHER	2,079.85	COPP ELVIN H	6,691.66
BAKER LAURIE	1,244.46	COPP HOWELL R	5,125.04
BARKER PAMELA	966.14	CORMIER DONNA D	2,532.08
BEAL JESSIE E	1,422.96	CREATIVE REALTY GROUP INC	49.60
BEALE MARGARET E	1,259.71	CRONIN VICKI	325.17
BEAN CHARLES W JR	939,18	CROSBY LORRAINE P	118.69
BELLAVANCE ZACHARY T	1,366.60	CRYSTAL LAKE LAND TRUST	5,700.16
BELLEFLEUR CHERYL L	2,625.82	CRYSTAL LAKE LAND TRUST	354.64
BERGERON STEPHEN M	1,248.18	CUNAN TRACEY A	136.55
BIBBER REBECCA S	2,190.34	CUSHING LAWRENCE C 111	3,639.77
BISSON MARCIA J	1,665.19	DEAN DENNIS A & LORI A	1,518.38
BLANCHARD ELEANOR C &	960.01	DEANE DEBORAH D	2,998.69
BLANCHARD ROBERT	237.09	DECESERE FRANK P	756.15
BLANCHARD ROBERT S	224.44	DEROCHE MICHAEL &	446.03
BLR LLC	8.45	DERRIG JOHN	143.10
BONNEY EARLA N(LIFE EST)	1,053.38	DEWOLFE FRANK	520.74
BRAASCH BENJAMIN B &	503.81	DINGWELL SCOTT A	926.03
BRADBURY ARLENE L ET ALS	1,114.32	DIXON RICHARD J	1,153.94
BRAINERD JAMES C	1,483.91	DONNEL JANE A	1,509.76
BRAINERD STANLEY M &	71.30	DOUCETTE-COONS GAIL E	1,536.61
BRAINERD STANLEY M &	1,510.44	DOUGHTY EDISON A JR	234.67
BRANI-STRONG MARTHA F	973.52	DOUGHTY MATTHEW M	99.62
BREWER MARY ALICE ET AL	1,642.50	DUBREUIL CHRISTINE	548.70
BRIDGES DEBORAH	394.35	DUFF TIMOTHY J	1,050.09
BROWN GARY A	3,065.65	DUNLAP GEORGE A	595.38
BROWN TIMOTHY W	1,366.85	DUNLAP STEPHEN F	6,760.01
BURNELL ROBERT E	822.00	DUPLISEA CARL HEIRS OF	114.70
BUTLER VIRGINIA M	1,192.01	DUPLISEA RICHARD &	1,131.68
CARBINO BARBARA	68.14	DURGIN DENNIS	669.67
CARDONA MICHAEL	1,454.10	DURGIN DENNIS M	324.44
CARIGAN ROY F	1,201.68	DURGIN DENNIS M &	986.60
CARR CHARLES JR	1,011.53	DURGIN EVELYN A	201,50
CASWELL CATHERINE A	267.90	DURGIN EVELYN A	209.25
CHADBOURNE THEODORE S	3,730.04	ELIE MICHAEL	2,338.64
CHASE FARMS CIDER MILL INC	47.66	EMERY SCOTT H	206.35
CHASE FRANK W JR	1,104.59	EMMERTZ THOMAS J	506.79
CHIPMAN DARREN	374.23	EVEN KAREN L	1,307.89
CLEMENT RUSSELL J	1,077.19	FALCIONE JANIS F &	842.10
CLOSE WILLIAM P	911.89	FARRELL STEPHEN & MAUREEN	388.49
COBB JESSI C	212.04	FARRELL STEPHEN & MAUREEN	120.90

2006 TAXES (CONT'D)		HOLMES JOHN M	260,40
FARRINGTON KENNETH	1,135.34	HOLMES JOHNNY	818.15
FARRINGTON KENNETH E JR	832.04	HUFF JUDITH I/LIFE ESTATE	1,439.64
FECTEAU LUCILLE E & EMILE J	2,198.64		599.29
FERRANTE MATTHEW	1,681.87	HUMPHREY BARBARA N	
FILLINGER FRED JR &	300.82	HUMPHREY BARBARA N	640.46
FINOCCHIETTI DAVID E SR ET	1,622.17	HUMPHREY JAMES B	237.15
FIRTH CLIFFORD S &	86.80	JOHNSON EVERETT & JULIA	567.13
FLECK SUSAN B	1,207.02	JOHNSON EVERETT & JULIA	685.28
FORBES RICHARD S	2,532.34	JOHNSON EVERETT & JULIA	380.68
FORSLEY FRED & RICHARD	1,133.48		723.29
FORTIER DOROTHY L	630.54	The state of the s	137.18
FORTIER DOROTHY L	501.58	The same with the same	275.28
FOSTER SHARON E	2,204.84	JOY SUSAN BETH	1,665.20
FOURNIER DOROTHEA L	922.99	JUNIPER FARMS INC	3,311.42
FRASER HOLLY A	233.18	KEIM ANTHONY L JR & CHERYL A	7,150.09
FREY JOSHUA A	1,000.63	KELLEY BRENDA	825.57
FULLER JOSEPH M	1,726.08	KENC LLP	104.96
FURMAN JOHN E &	623.89	KENNEY GREGORY D	1,241.55
GAFFNEY JAMES L	1,095.04	KIMBALL BERNARD P	773.45
GALLANT MICHAEL E	1,018.84		88.35
GARDNER CHARLOTTE	2,444.66	KINNEY FRED T & THERESA L	1,522.47
GARY MARK J	82,15	KINNEY FRED T & JEANNIE	1,864.71
GIANAS PAUL	1,335.28	KINNEY FRED T & JEANNIE	1,867.00
GILMAN PETER S		KINNEY RICHARD A	1,557.19
GIPSON NORMAN B	21.39	KINNEY RICHARD A	212.97
GLANTZ ANDREW G &	921.54 328.60	KLIMEK BRADLEY K	375.60
GLANTZ JAMES ALFRED		KNOFE ELEANOR L	13.15
GOOGINS STEVEN C &	742.02	KOCH JUDITH A	601.56
GORMAN CHARLES C &	898.75	LAFLEUR-WHIT. P J & WHITMORE K	2,872.71
GORRILL THOMAS L	735.26	LAKIN MARY ANN	265.11
GRAFFIUS STEVEN C	234.23	LALIBERTY ERIC S & KRISTEN R	2,324.88
GRAVES DONALD E JR	919.49	LANDRY PHYLLIS K, STEPHEN G,	1,021.20
GRAVES TYLER R	666.19	LARRABEE PATRICIA A	847.97
GRAY V DONNA	270.63	LARRIVEE MARTHA	1,674.62
HAGUE KELLY E		LARRABEE PATRICIA A	790.99
HALL DONALD G	248.06	LEAVITT KEITH E & PHILLIPS C	773.94
HAMBLET TERRANCE SCOTT	888.71	LEAVITT KEITH E & PHILLIPS C	1,065.22
HANSEN JOSEPH A	534.69	LEDOUX LINDA Y	3,199.57
HAPGOOD MARJORIE	1,692.23	LEEMAN STEPHEN E & TINA L	831.42
HARRINGTON HEATHER J	1,287.86	LEIGHTON ELEANOR B	1,260.21
	146.94	LESSARD MICHAEL A	1,420.57
HART ROBIN RAE	310.00	LIBERTY DANIEL A SR & LINDA E	389.98
HART ROBIN RAE	272.80	LIBERTY GAIL M	10,076.12
HARTLEY SHARON	92.50	LIBERTY LINDA M	308.66
HARTMAN JOHN F	285.20	LIBERTY LINDS	3,349.58
HARVEY TODD G	212.91	LINDSTEDT ROBERT A	869.67
HAYWARD JUSTIN L	12.40	LLYR, LLC	1,485.83
HBH FURNITURE INC	278.23	LOCKE ARTHUR JR & VICKY L	2,734.08
HEATH STEVEN E	107.17	LONG HILL DEVELOPMENT LLC	238.76
HOLLENBACK GEORGE	746.60	LONG HILL DEVELOPMENT LLC	238.76
HOLMES CHARLENE M	1,580.01	LORING DANIEL F	1,465.31

2006 TAXES (CONT'D)		PHIPPS ORRIN H & WILLIAM H	6,377.69
LOWELL ALBERT T	1,185.61	POST BRADFORD B	1,235.91
M & W DEVELOPMENT CO INC	274.97	POTVIN DIANE G	1,772.70
M & W DEVELOPMENT CO INC	285,63	POULIN JOSEPH G & DONNA L	278.26
M & W DEVELOPMENT CO INC	284.27	PROCTOR DOROTHY P (TRUST)	1,232.00
M & W DEVELOPMENT CO INC	288.48	QUIMBY STEPHEN E & NICKY L	904.39
MACEACHEN IAN	183.77	R & T ENTERPRISE LLC	248.49
MACEACHERN ROBERT W	2,702.83	RAND ALAN	899.12
MACNEIL MARY C TRUSTEE	1,370.98	RAND NATHANIEL A & JARED V	890.07
MAILHOT DIANE J & LIONEL B	962.49	RAND NATHANIEL A & JARED V	558.31
MAINE CNTRL RAILROAD CO.	210.80	RANDALL LLEWELLYN	384.40
MARKOWICZ PENELOPE	510.63	RANDALL LLEWELLYN	1,148.55
MARSH RICHARD & PHYLLIS	817.96	RAZSA JOHN W & VALERIE S	689.53
MARTIN JOHN	1,355.20	REDWAY DIAN P G HAZZARD	3,551.16
MARTIN WAYNE J & M M	969.80	REID RICHARD & SHIRLEY	764.83
MAXHAM ERIC M & LORI M	1,300.82	REID RICHARD & SHIRLEY	1,084.38
MAY MEADOW BUILDERS INC	2,508.02	RICHARDS WILLIAM A	2,499.84
MCATEE DOUGLAS A	136.40	RICHARDSON TRACEY L	316.76
MCATEE D A & JACQUES JOHN	293.13	ROMAN STEVEN	925.41
MCATEE DOUGLAS A	416.64	ROSS MICHAEL P	993.05
MCCARTHY THOMAS P	1,873.52	ROSSI STEPHEN L	1,495.87
MCELHILL PHILIP	218.24	RUSHLOW DENNIS & KAREN	520.61
MCGOVERN DARREN LLC	1,380.00	RUSSELL PATRICIA ANN	1,376.65
MCGRAW WALTER & JACQ	420,38	SANBORN RICHARD A	13.30
MCPHEE N E & DAVIS A E	620,06	SANBORN T & BOYINGTON R S	220.41
MEADE JOHN J & SUE ANN	502.94	SANDERS TODD V SR & ANNA M	641.08
MEADE JOHN J & SUE ANN	1,732.96	SARELAS ELIZABETH	574.24
MERCHANT NORMAN E	1,386.20	SARELAS ELIZABETH	1,746.54
MERRILL BRIAN R	176.95	SARELAS LOUIS & ELIZABETH	567.30
MERRILL BRIAN R	173.72	SARIBEKIAN KOHARIG	6,862.07
MERRILL BRIAN R	177.50	SAWYER RAYMOND & JANICE	1,235.54
METIVIER ROBERT J & JEAN H	21.79	SCANLON NANCY	14.45
MEYER REALTY INVEST INC	524.64	SCHEUCHZER GARY & MARTHA	1,037.75
MHP CORPORATION	11.32	SEARLES DONNA J	238.64
MICHAEL SCOTT A	788.14	SEAVEY TIMOTHY E	805,63
MITCHELL ELWOOD & RHONDA	1,977.49	SENTEMENTES CHRIS J & R L	802.90
MOBERG MICHAEL & SUSAN	2,427.92	SHAKER ROAD FAMILY LLC	1,194.92
MOODY MICHAEL & MARCIA	1,659.24	SIMPSON EDWARD & THERESA	813.04
MOTTICE DARYL L & SUSAN C	1,227.16	SIMPSON ELLEN MORSE	53.48
NEAL ELEANOR S	571.39	SMALL SUZANNE	1,489.74
NEWCOMB ROBIN L	141.24	SMITH DAVID R & JANET E	1,170.19
NEWLIN JOHN & CARTON P J	1,338.52	SOUCHEK STEVEN H & TERRY L	1,330.52
O'BRIEN MICHAEL J	260.77	SPRINGTILME HOLDINGS LLC	69.06
PALMER JANET	690,68	SPRINGTIME HOLDINGS LLC	195,30
PALMITER JOHN D	213.90	STEVENS ROBERT, SUSAN T, & M	131.75
PALMITER JOHN D & BONNIE J	1,144.64	STOKES DAVID & GINA L	1,690.55
PALMITER JOHN D & BONNIE J	193.00	STROUT RICHARD & KATHRYN	1,843.57
PEARCE ERIC S & BABARA A	2,464.75	SULLIVAN DANIEL & PLUMMER V	891.31
PETERSEN PETER D	428.67	SUTTON RONNIE	668.42
PHILBRICK AMY K	263.13	TALBOT DENISE A	1,143.03
PHILBRICK AMY K	736.06	TANCIL MARTHA ANN	869.42

2006 TAXES (CONT'D)		WILSON NANCY C & EARLE F	213.90
THURSTON R & P	1,255.93	WILSON STEVEN & CYNTHIA	1,305.22
TRUDEL BRENDA J	184.82	WING COLLEEN A	1,272.49
TUFTS CHARLES L & KAREN J	523.90	WOOD KATHLEEN K	1,893.98
TUFTS CHARLES L & KAREN J	1,254.44	WOOD L ALLAN & BONNLYN E	293,43
TURNER JOHN H & CYNTHIA L	651.25	WOOD RICHARD & PATRICIA	968.07
TURNER KAREN L	1,781.51	WOODLEY LAURA J	1,449.06
TYBURSKI THOMAS J	429.78	YOUNG CHARLES E JR	1,296.17
URBANO EVELYN M	122.10	ZUCKERMAN AVAUNT & DEV	1,490.54
VALENTE SUE	56.60	TOTAL	362,741.60
VERRILL DANIEL	593.28		302,741,00
WAITE RONALD & PRISCILLA	1,074.46		
WARD GLENN N	282.41		
WASABI PROPERTIES LLC	522.91		
WATSON JOHN C &	1,915.06		
WEISS ROBERT C JR	443.05		
WELCH ALICE E	1,300.00		
WENTWORTH KERRY	284.95		
WENTWORTH KERRY S	564.94		
WESTERMAN KAREN H	1,364.85	7-	
WHITE JUDY	330.58		
WHITE RALPH A & ELAINE S	2,368.65		
WHITNEY PETER I & RUBY C	1,995.28		-
WIERS SUSAN A & PAYSON M	1,034.53		1
WILBUR STEPHEN & BRENDA	757.68		
WILKIE'S CARPENTRY INC	212.04		
WILLIAMS JENNIFER	520.97		





Independent Auditor's Report

Town Council Town of Gray

We have audited the accompanying financial statements of the government activities, each major fund, and the aggregate remaining fund information of the Town of Gray, Maine as of and for the year ended June 30, 2006, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on the basic 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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

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

Our audit was conducted for the purpose of forming opinions on the financials statements that collectively comprise the Town of Gray, Maine's basic financial statements. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, is fairly presented, in all material respects, in relation to the basic financial statements taken as a whole.

Town Council Page 2

In accordance with Government Auditing Standards, we have also issued a report dated July 14, 2006, on our consideration of the Town of Gray, Maine's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Runyon Kersteen Ouellette July 14, 2006

South Portland, Maine

TOWN OF GRAY, MAINE

Balance Sheet Governmental Funds June 30, 2006

	ine 30, 2006		Other	
		General	Governmental	
		Fund	Funds	Totals
ASSETS				
Cash and cash equivalents	\$	7,006,513	126,888	7,133,40
Receivables:		11000,513	120,000	1,155,10
Taxes		393,878		393,878
Liens		50,448	_	50,44
Other (net of allowance of \$60,000)		8,595		8,59
Interfund loans		0,575	21,431	21,43
Total assets	\$	7,459,434	148,319	7,607,753
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and amounts held in escrow		91,180		91,180
Deferred revenue		221,000		221,000
Taxes paid in advance		29,401		29,401
Interfund loans		21,431		21,43
Total liabilities		363,012		363,012
		303,012		200,022
Fund balances:				91129129
Reserved for capital improvements		2,403,776		2,403,776
Reserved for nonexpendable principal		-	65,290	65,290
Unreserved, reported in:				
General fund - designated		1,622,191	÷	1,622,19
General fund - undesignated		3,070,455	-	3,070,455
Special revenue funds		-	21,431	21,43
Permanent funds			61,598	61,598
Total fund balances		7,096,422	148,319	7,244,74
Total liabilities and fund balances	\$	7,459,434	148,319	
Amounts reported for governmental activities in the statement	of net assets are	different because	à:	
Capital assets used in governmental activities are not final	ncial resources			
and, therefore, are not reported in the funds.				7,453,513
Other long-term assets are not available to pay for current	period expendit	ures		
and, therefore, are deferred in the funds.				221,000
Long-term liabilities that are not due and payable in the cu	arrent			
period and therefore are not reported in the funds:				
Accrued compensated absences				(181,183
Bonds payable				(324,76)
Net assets of governmental activities		*	\$	14,413,308

See accompanying notes to financial statements.

TOWN OF GRAY, MAINE

Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds

For the year ended June 30, 2006

		General Fund	Other Governmental Funds	Totals
Revenues:				
Taxes	\$	0.204.541		The state of the
Intergovernmental revenues	Þ	9,294,541		9,294,54
Charges for services		735,280		735,28
Interest		470,002	91,317	561,31
Other		325,299	4,297	329,59
Total revenues		101,935	05.611	101,93
Total revenues		10,927,057	95,614	11,022,67
Expenditures:				
Current:				
General government		645,093		
Public safety		667,003	•	645,093
Public works		763,092	-	667,000
Recycling		668,152		763,092
Recreation		89,913	07.040	668,152
County tax		393,465	87,048	176,96
Education		5,628,163		393,465
Health and welfare		47,675		5,628,163
Employee benefits		498,253		47,675
Other		125,809	0.455	498,253
Debt service		227,847	2,455	128,264
Capital outlay	2	1,131,762	7	227,847
Total expenditures		10,886,227	89,503	1,131,762
		10,000,227	69,303	10,975,730
Net change in fund balance		40,830	6,111	46,941
fund balances, beginning of year		7,055,592	142,208	7,197,800
Fund balances, end of year	\$	7,096,422	148,319	7,244,741

See accompanying notes to financial statements.

TOWN OF GRAY, MAINE

Statement of Revenues, Expenditures and Changes in Fund Balance Budget and Actual - Budgetary Basis - General Fund For the year ended June 30, 2006

**************************************					Variance with final budget
		Budg	et		positive
		Original	Final	Actual	(negative)
Revenues:					
Taxes	5	9.216,306	9,216,306	9,294,541	78,235
Intergovernmental revenues		793,020	793,020	735,280	(57,740
Charges for services		414,844	414,844	470,002	55,158
Interest		122,500	122,500	325,299	202,799
Other		4,850	4,850	101,935	97,085
Total revenues		10,551,520	10,551,520	10,927,057	375,537
Expenditures:					
General government		653,439	653,439	645,093	8,346
Public safety		708,495	708,495	667,003	41,492
Public works		751,480	751,480	763,092	(11.612)
Recycling		676,426	676,426	668.152	8.274
Recreation		84,953	84,953	89,913	(4,960)
County tax		393,465	393,465	393,465	~
Education		5,628,163	5,628,163	5,628,163	~
Health and welfare		42,836	42,836	47,675	(4,839)
Employee benefits		552,888	552,888	498,253	54,635
Other		123,900	123,900	125,809	(1,909)
Debt service		226,199	226,199	227,847	(1,648)
Capital outlay		1,537,776	1,838,997	1,489,262	349,735
Total expenditures		11,380,020	11,681,241	11,243,727	437,514
Excess (deficiency) of revenues over (under) expenditures		(828,500)	(1,129,721)	(316,670)	813,051
Other financing sources (uses):					
Use of reserved fund balance		*	223,577	-	223,577
Use of designated fund balance		-	77,644	2	77,644
Use of undesignated fund balance		500,500	500,500		500,500
Reserve transfers		328,000	328,000	2.4	328,000
Total other financing sources		828,500	1,129,721	-	1,129,721
Net chang in fund balance - budgetary basis		-	2.0	(316,670)	(316,670)
Add back transfers to reserves held within general fund				357,500	
Net change in fund balance - GAAP basis			9	40,830	
Fund balance, beginning of year				7,055,592	
Fund balance, end of year	\$			7,096,422	

See accompanying notes to financial statements.

TOWN OF GRAY, MAINE General Fund Comparative Balance Sheets June 30, 2006 and 2005

		2006	2005
ASSETS			
Cash and cash equivalents	\$	7,006,513	606724
Receivable:	Ψ	7,000,313	6,967,34
Taxes		393,878	389,44
Liens		50,448	87,288
Accounts		50,440	22,764
Rescue receivable (net of allowance of \$60,000 and \$40	,000)	8,595	19,696
Total assets	\$	7,459,434	7,486,539
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable and amounts held in escrow		91,180	167,029
Taxes paid in advance		29,401	23,817
Interfund loans		21,431	19,101
Deferred revenue		221,000	221,000
Total liabilities		363,012	430,947
Fund balance:			
Reserved for capital improvements		2,403,776	2,085,232
Unreserved:		2,105,770	2,005,252
Designated		1,622,191	2,127,435
Undesignated		3,070,455	2,842,925
Total fund balance		7,096,422	7,055,592
Total liabilities and fund balance	\$	7,459,434	7,486,539

Statement of Revenues, Expenditures and Changes in Fund Balance Budget and Actual - Budgetary Basis Year ended June 30, 2006 with comparative actual amounts for 2005

		2006			
91	Budget	Actual	Variance positive (negative)	2005 Actual	
Revenues:					
Taxes:					
Property taxes	\$ 7,878,306	7,878,306		8,485,973	
Supplemental taxes	 -	40,503	40,503	1,789	
Change in deferred taxes	-		-	(24,000	
Excise taxes	1,338,000	1,375,732	37,732	1,323,313	
Total taxes	9,216,306	9,294,541	78,235	9,787,07	
Intergovernmental:					
State Revenue Sharing	545,316	508,235	(37,081)	561,341	
Highway block grant	82,308	82,308		82,308	
Tree growth reimbursement	5,000	**	(5,000)	8,788	
General assistance	5,000	9,480	4,480	6,252	
Snowplow contract	17,613		(17,613)	17,613	
Snowmobile refund	3,000	3,732	732	2,821	
Homestead redemption	131,283	131,525	242	112,382	
Veterans reimbursement	3,500		(3,500)	2,337	
T-2000 sidewalk reimbursement	-			44,303	
FEMA				92,674	
Total intergovernmental	793,020	735,280	(57,740)	930,819	
Charges for services:					
Clerk fees	78,500	77,818	(682)	74,297	
General government	8,150	5,858	(2,292)	6,123	
Recycling	98,360	119,696	21,336	107,753	
Rescue	150,000	171,097	21,097	133,778	
Recreation	1,834	24,419	22,585	19,346	
Library		6,284	6,284	12,824	
Building permits	78,000	64,830	(13,170)	67,463	
Total charges for services	414,844	470,002	55,158	421,58	
Interest:					
Delinquent taxes	62,500	107,446	44,946	54,973	
Operating funds	60,000	122,856	62,856	65,224	
Crisis fund		30,909	30,909	14,186	
Reserve funds		64,088	64,088	23,833	
Total interest	122,500	325,299	202,799	158,21	
Other:					
Bridges	- 7	25,950	25,950	9,999	
Cable TV franchise	3.6	59,890	59,890	55,899	
Other	4,850	16,095	11,245	44,706	
Total other	4,850	101,935	97,085	110,604	
Total revenues	10,551,520	10,927,057	375,537	11,408,298	

Statement of Revenues, Expenditures and Changes in Fund Balance Budget and Actual - Budgetary Basis, Continued

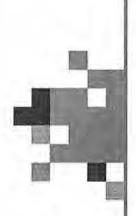
		2006			
		Budget	Actual	Variance positive	2005
		Budget	Actual	(negative)	Actual
Expenditures:					
General government:					
Administration	\$	293,845	297.621	(3.776)	277,388
Council, boards and committees		16,560	17,920	(1.360)	15,170
Assessor		68,097	61,471	6.626	62,090
Geographic information		7,000	(20)	7,020	6,418
Elections		5,250	5,620	(370)	5,866
Planner		60,287		(683)	57,602
Planning board		6,852	5,761	1,091	7.922
Animal control		14,740	13,807	933	
Library		173,053	174,625	(1,572)	13,085
Stimson Hall		3,000	2,914	86	156,962
Ordinance review		1,380	1,865		2,901
Recreation and conservation		350	1,005	(485)	648
Comprehensive plan		100	-	350	
Economic development		725	205	100	1
Zoning board of appeals			385	340	265
Total general government		2,200 653,439	2,154 645,093	8,346	611,051
		035,437	043,093	0,340	011,031
Public safety:					
Utilities		127,223	125,221	2,002	123,776
Public safety services		322,713	301,749	20,964	306,646
Rescue		32,325	21,365	10,960	31,182
Communications		150,268	148,824	1,444	144,724
Code enforcement		75,966	69,844	6,122	64,813
Total public safety		708,495	667,003	41,492	671,141
× / 0					
Public works:					
Public works - winter roads		231,667	250,650	(18,983)	288,367
Public works - summer roads		191,914	165,041	26,873	175,775
Garage		160,641	179,948	(19,307)	154,080
Additional roadwork		63,000	67,017	(4,017)	55,924
Buildings and grounds		104,258	100,436	3,822	94,480
Total public works		751,480	763,092	(11,612)	768,626
Recycling		676 106	//0 /60	0.004	
accoyoung .		676,426	668,152	8,274	673,979
Recreation:					
Parks and recreation		84,953	89,913	(4,960)	85,393
Total recreation		84,953	89,913	(4,960)	85,393
Commence		2,250,000,000			
County tax		393,465	393,465		388,677
Education		5,628,163	5,628,163		6,211,925
Health and welfare:					
General assistance		(1.750	17 200	16 2001	
Community services		11,750	17,389	(5,639)	15,166
Total health and welfare		31,086	30,286	800	25,550
Total health and wellate	-	42,836	47,675	(4,839)	40,716

Statement of Revenues, Expenditures and Changes in Fund Balance Budget and Actual - Budgetary Basis, Continued

			2006		
		Budget	Actual	Variance positive (negative)	2005 Actual
District Tour	•	552 000	498,253	54,635	483,137
Employee benefits	\$	552,888	490,233	34,033	405,15
Other:		What is and			73,345
Insurance		75,000	76,450	(1,450)	
Unemployment insurance		5,600	2,020	3,580	2,359
Worker's compensation		40,000	37,805	2,195	36,49
Website		3,300	3,300	Carrie in	5,97
Abatements		-	6,234	(6,234)	45,94
Total other		123,900	125,809	(1,909)	164,11
Debt service:					
Principal		203,561	203,561		124,40
Interest		22,638	24,286	(1,648)	27,26
Total debt service		226,199	227,847	(1,648)	151,66
Capital outlay:					
Reserve transfers:					
Technology reserve		72,500	72,500	1 -	6,93
Bridge reserve		104,200	104,200		11,14
Total reserve transfers		176,700	176,700		18,08
Capital projects:			121 000		200,00
Public works		134,000	134,000	274 000	15,91
Public safety		390,000	116,000	274,000	13,9
Libby Hill		2,000		2,000	
Technology		9,100	9,398	(298)	
Transfer station		6,000	6,790	(790)	
Wilkies Beach		2,500	-	2,500	1,39
Bridges		62,800	64,840	(2,040)	
Street construction		316,000	316,000	4	
Newbegin		17,000	16,474	526	
Stimson Hall		40,000	20,000	20,000	
Voting machines		19,500	19,500	*	
Water monitoring		2,500	2,500	-	
Library		_		6	20,2
Public works vehicles		-	10	-	130,3
Street reconstruction		-	-	-	273,5
Total capital projects		1,001,400	705,502	295,898	641,4
P					
Reserve expenditures:		69,964	69,964	- 11	25,5
Cable		143,192	143,192	-	52,7
Public works			7,467		14,4
Library		7,467	1,536	- 2.	1,4,4
Public safety		1,536	1,550		207,6
Salt shed			1 419		22,7
Other Total reserve expenditu		1,418 223,577	1,418		323,1

Statement of Revenues, Expenditures and Changes in Fund Balance Budget and Actual - Budgetary Basis, Continued

	Bu	dget	Actual	Variance positive (negative)	2005 Actual
Designated expenditures:			100.000	20.011	
Tax increment financing districts	2	232,061	193,220	38,841	197,764
Compensated absences		58,131	58,131		-
Education/overlay	1	127,615	112,377	15,238	-
Tomco		(121)	121	(242)	374
Libby Hill		2,487	2,487		2,032
Other				17 (7)	61,226
Segregated funds		17,147	17,147		261.206
Total designated expenditures		37,320	383,483	53,837	261,396
Total capital outlay	. 1,8	38,997	1,489,262	349,735	1,244,093
Total expenditures	11,6	81,241	11,243,727	437,514	11,494,526
Excess (deficiency) of revenues over (under) expenditures	(1,1	29,721)	(316,670)	813,051	(86,228
Other financing sources (uses):					
Use of reserved fund balance	2	23,577	100	(223,577)	-
Use of designated fund balance		77,644	4	(77,644)	
Use of undesignated fund balance	5	500,500		(500,500)	~
Transfer to Crisis Fund					(68,807
Reserve transfers	3	28,000		(328,000)	(528,368
Bond proceeds				-	158,322
Total other financing uses	1,1	29,721	-	(1,129,721)	(438,853
Net change in fund balance - budgetary basis		2	(316,670)	(316,670)	(525,081
Add back transfers to reserves/crisis fund held within general fund			357,500		597,175
Net change in fund balance - GAAP basis			40,830		72,094
Fund balance, beginning of year, as previously recorded			7,055,592		6,876,472
Prior period adjustment - accrued compensated absences					107,026
Fund balance, end of year	\$		7,096,422		7,055,592



STATE GOVERNMENT AGENCY AND LEGISLATIVE DIRECTORY

State Web Site

WWW.MAINE.GOV

Administrative and Financial 207-624-7800 78 State House Station Augusta 04333-0078

Agriculture 207-287-3871

Behavioral and Developmental Services 207-287-4200 40 State House Station Augusta 04333-0040

Conservation 207-287-2211 22 State House Station Augusta 04333-0022

Corrections 207-287-2711
Tyson Building Tyson Drive AMHI Campus
SHS # 111 Augusta 04333

<u>Defense, Veterans and Emergency Mgt.</u> 207-626-4225 Camp Keyes Augusta 04333

Economic and Community Development 207-624-9800 www.econdevmaine.com

Education 207-624-6620 23 State House Station Augusta 04333-0023

Environmental Protection 1-800-452-1942 17 State House Station Augusta 04333-0017

<u>Human Services</u> 207-287-3707 221 State Street Augusta 04333 Inland Fisheries and Wildlife 207-287-8000 41 State House Station Augusta 04333-0041

<u>Labor</u> 207-624-6400 PO Box 259 Augusta 04332-0259 <u>Marine Resources</u> 624-6550 21 State House Station Augusta 04333

Professional and Financial Regulation 207-624-8500 35 State House Station Augusta 04333

Public Safety 207-626-3803 104 State House Station Augusta 04333-0104

State Planning Office 207-287-3261 38 State House Station Augusta 04333

<u>Transportation</u> 207-624-3003 16 State House Station Augusta 04333-0016

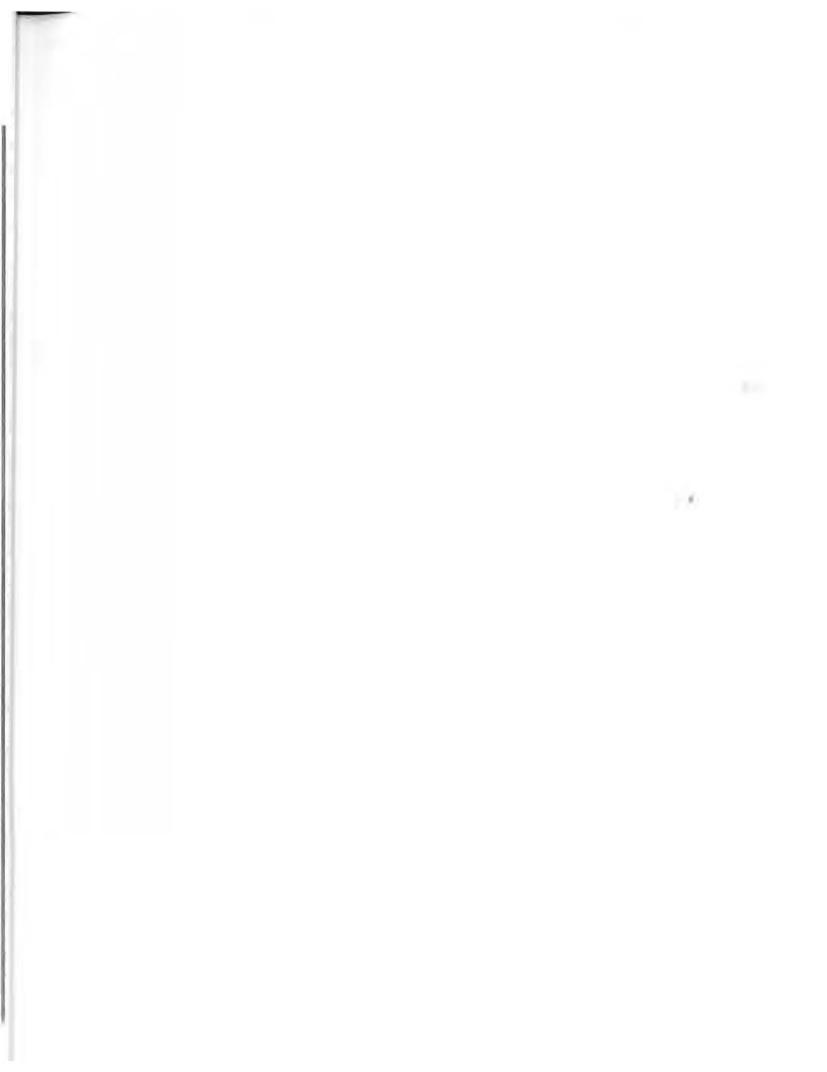
Legislative:

House-207-287-1400 2 State House Station Senate 1-800-423-6900 3 State House Station

Judicial: Administrative Offices 207-822-0792

Secretary of State: 207-626-8400

Motor Vehicles: 207-624-9000



2007

January

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April

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July

S M Tu W Th F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

October

S M Tu W Th F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

February

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May

S M Tu W Th F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

August

S M Tu W Th F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

November

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March

June

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September \\ S M Tu W Th F

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December

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30 31