

TOWN OF FRYE ISLAND  
FINANCIAL REPORT



DECEMBER 31, 2001



BERRY, FOWLES & CO.  
CERTIFIED PUBLIC ACCOUNTANTS  
6 FUNDY ROAD  
FALMOUTH, MAINE 04105

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## INDEPENDENT AUDITORS' REPORT

Board of Selectmen and Town Manager  
Town of Frye Island  
Frye Island, Maine

We have audited the accompanying general purpose financial statements of Town of Frye Island, Maine as of and for the year ended December 31, 2001, as listed in the table of contents. These general purpose financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As described in the notes, the Town has not maintained a record of its general fixed assets and, accordingly, a statement of general fixed assets, required by generally accepted accounting principles, is not included in the financial report. The amount that should be recorded in the general fixed assets account group is not known.

In our opinion, except for the omission described in the preceding paragraph, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Frye Island as of December 31, 2001 and the results of operations of those funds for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The exhibits and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Certified Public Accountants  
August 9, 2002

**TOWN OF FRYE ISLAND**  
**BALANCE SHEET - GENERAL FUND**  
**DECEMBER 31, 2001**

	<u>2001</u>	<u>2000</u>
<b>ASSETS:</b>		
Cash/Investments	\$ 788,568	\$ 683,791
Receivable:		
Taxes	23,758	1,880
Tax Liens	11,786	44,202
Accounts	45,305	23,140
Tax Acquired Property	7,077	2,730
Prepaid Expense	6,683	0
Due from Other Funds	1,018	0
	<u>          </u>	<u>          </u>
<b>TOTAL ASSETS</b>	<u>\$ 884,195</u>	<u>\$ 755,743</u>
 <b>LIABILITIES AND FUND BALANCES:</b>		
Liabilities:		
Accounts Payable	\$ 37,694	\$ 25,435
Deferred Revenue	324,527	298,290
	<u>362,221</u>	<u>323,725</u>
 Fund Balances:		
Reserved:		
For Specific Purposes	224,063	164,366
Unreserved:		
Undesignated	297,911	267,652
	<u>521,974</u>	<u>432,018</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 884,195</u>	<u>\$ 755,743</u>

**TOWN OF FRYE ISLAND**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2001**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES:</b>			
Taxes:			
Property	\$ 1,014,714	\$ 1,014,714	\$ 0
Change in Deferred Property Revenues	0	(131)	(131)
Excise	9,500	8,049	(1,451)
Interest and Lien costs on Taxes	5,600	8,796	3,196
	<u>1,029,814</u>	<u>1,031,428</u>	<u>1,614</u>
Licenses and Permits:			
Boat Registrations	0	6,430	6,430
Building Permits	4,500	14,970	10,470
Plumbing and Electrical Permits	650	1,015	365
Other Permits	500	120	(380)
Licenses	100	102	2
	<u>5,750</u>	<u>22,637</u>	<u>16,887</u>
Intergovernmental:			
Revenue Sharing	112	61	(51)
Local Road Assistance	11,000	14,564	3,564
Homestead Exemptions	0	738	738
	<u>11,112</u>	<u>15,363</u>	<u>4,251</u>
Charges for Services:			
Ferry Fees	215,000	254,021	39,021
Water Hookup and Soil Test Fees	3,000	14,245	11,245
Environmental Disposal Fees	500	120	(380)
Management Fee	12,390	12,067	(323)
Recreation Fees	5,000	2,515	(2,485)
EMS Fees	1,000	0	(1,000)
	<u>236,890</u>	<u>282,968</u>	<u>46,078</u>
Other:			
Interest Earnings	14,000	13,833	(167)
Miscellaneous	3,000	4,058	1,058
	<u>17,000</u>	<u>17,891</u>	<u>891</u>
<b>TOTAL REVENUES</b>	<u>\$ 1,300,566</u>	<u>\$ 1,370,287</u>	<u>\$ 69,721</u>

**TOWN OF FRYE ISLAND**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2001**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>EXPENDITURES:</b>			
General Government:			
Administration	\$ 203,719	\$ 181,535	\$ 22,184
Assessing	0	3,396	(3,396)
Town Clerk	69,993	95,469	(25,476)
Selectmen	600	20	580
Planning Board	1,750	1,104	646
Appeals Board	1,250	153	1,097
Insurance and Bonding	2,710	2,437	273
Volunteers	2,250	195	2,055
Capital Improvements	2,000	0	2,000
	<u>284,272</u>	<u>284,309</u>	<u>(37)</u>
Public Works and Sanitation:			
Public Works	129,349	128,017	1,332
Roads	23,200	12,759	10,441
Water	40,380	19,810	20,570
Solid Waste	32,800	23,769	9,031
	<u>225,729</u>	<u>184,355</u>	<u>41,374</u>
Ferry Service:	<u>270,215</u>	<u>231,355</u>	<u>38,860</u>
Public Safety:			
Fire and Safety	13,254	13,273	(19)
Security	17,500	8,940	8,560
Animal Control	400	175	225
Code Enforcement	8,000	6,982	1,018
	<u>39,154</u>	<u>29,370</u>	<u>9,784</u>
Recreation:	<u>27,450</u>	<u>25,390</u>	<u>2,060</u>
Health and Welfare:			
Emergency Medical	3,000	0	3,000
Dispatch	1,400	1,200	200
General Assistance	1,500	0	1,500
	<u>5,900</u>	<u>1,200</u>	<u>4,700</u>
Education:			
School Administrative District 6	<u>534,526</u>	<u>547,367</u>	<u>(12,841)</u>

**TOWN OF FRYE ISLAND**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2001**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Fixed Expenses:			
County Tax	35,629	36,211	(582)
Overlay	<u>3,000</u>	<u>471</u>	<u>2,529</u>
	<u>38,629</u>	<u>36,682</u>	<u>1,947</u>
<b>TOTAL EXPENDITURES</b>	<u>1,425,875</u>	<u>1,340,028</u>	<u>85,847</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(125,309)</u>	<u>30,259</u>	<u>155,568</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Budgeted Use of Surplus	<u>125,309</u>	<u>0</u>	<u>(125,309)</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<u>\$ 0</u>	<u>30,259</u>	<u>\$ 30,259</u>
<b>RECONCILIATION TO GAAP BASIS</b>			
Budgeted Transfers and Interest Income to Reserves		59,697	
Expenditures by Reserve		<u>0</u>	
		<u>59,697</u>	
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>		<u>\$ 89,956</u>	