

**TOWN OF FRYE ISLAND  
FINANCIAL REPORT**

---

DECEMBER 31, 1999

**TOWN OF FRYE ISLAND**  
DECEMBER 31, 1999

**TABLE OF CONTENTS**

**INDEPENDENT AUDITORS' REPORT**

**GENERAL PURPOSE FINANCIAL STATEMENTS**

Combined Balance Sheet - All Fund Types	Statement A-1
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -All Governmental Fund Types	Statement A-2
Statement of Revenues and Expenditures - Budget and Actual - General Fund Budget Basis	Statement A-3
Notes to General Purpose Financial Statements	

**SUPPLEMENTAL DATA**

General Fund:

Balance Sheet	Exhibit 1-1
Statement of Revenues and Expenditures - Budget & Actual	Exhibit 1-2
Statement of Changes in Fund Balance	Exhibit 1-3

Special Revenue Funds:

Balance Sheet	Exhibit 2-1
Statement of Revenues, Expenditures and Changes in Fund Balance	Exhibit 2-2

Combining Statement of General Fund Reserves	Schedule 1
Valuation, Assessment and Collection of Taxes	Schedule 2



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

Donald E. Talbot, CPA  
George R. Howard, CPA  
Michael C. Royer, MST, CPA

Douglas P. Mitchell, CPA  
Ellen Fitts Byrne, CPA  
Wesley J. Rothermel, CPA

TELEPHONE NO.  
(207) 781-3445

FAX NO.  
(207) 781-3578

INDEPENDENT AUDITORS' REPORT

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

We have audited the general purpose financial statements of Town of Frye Island for the year ended December 31, 1999, as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As more fully described in Note 1 to the financial statements, the general purpose financial statements referred to above, do not include a statement of general fixed assets account group required by generally accepted accounting principles. The amount that should be recorded in the general fixed assets account group is not known.

In our opinion, except for the effects on the financial statements of the matter described in the preceding paragraph, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Town of Frye Island as of December 31, 1999, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

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.

*Berry, Fowles & Co.*

Certified Public Accountants  
March 27, 2000

**TOWN OF FRYE ISLAND**  
**COMBINED BALANCE SHEET - ALL FUND TYPES**  
**DECEMBER 31, 1999**

	<u>Governmental Funds</u>		<u>Totals</u>
	<u>General</u>	Special <u>Revenue</u>	(Memorandum <u>Only</u> )
<b>ASSETS:</b>			
Cash	\$ 716,522	\$ 0	\$ 716,522
Receivable:			
Taxes	1,909	0	1,909
Tax Liens	19,523	0	19,523
Accounts	3,855	0	3,855
Tax Acquired Property	3,083	0	3,083
	<hr/>	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	<b>\$ 744,892</b>	<b>\$ 0</b>	<b>\$ 744,892</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>LIABILITIES AND FUND BALANCES:</b>			
Liabilities:			
Accounts Payable	\$ 7,662	\$ 0	\$ 7,662
Deferred Revenues	381,522	0	381,522
	<hr/>	<hr/>	<hr/>
	389,184	0	389,184
	<hr/>	<hr/>	<hr/>
Fund Balances:			
Reserved:			
For Specific Purposes	135,137	0	135,137
Unreserved:			
Undesignated	220,571	0	220,571
	<hr/>	<hr/>	<hr/>
	355,708	0	355,708
	<hr/>	<hr/>	<hr/>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 744,892</b>	<b>\$ 0</b>	<b>\$ 744,892</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

*The Accompanying Notes are an Integral Part of these Statements.*

**TOWN OF FRYE ISLAND**  
**COMBINED STATEMENTS OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES**  
**YEAR ENDED DECEMBER 31, 1999**

	<u>Governmental Funds</u>		<u>Totals</u>
	<u>General</u>	Special <u>Revenue</u>	(Memorandum <u>Only</u> )
<b>REVENUES</b>			
Taxes	\$ 1,020,564	\$ 0	\$ 1,020,564
Licenses and Permits	10,015	0	10,015
Intergovernmental	5,557	5,835	11,392
Charges for Services	233,946	0	233,946
Other	25,100	0	25,100
<b>TOTAL REVENUES</b>	<u>1,295,182</u>	<u>5,835</u>	<u>1,301,017</u>
<b>EXPENDITURES:</b>			
General Government	217,833	0	217,833
Public Works and Sanitation	201,781	5,835	207,616
Ferry Service	188,520	0	188,520
Public Safety	28,707	0	28,707
Recreation	35,379	0	35,379
Health and Welfare	2,749	0	2,749
Education	460,526	0	460,526
Fixed Expenses	35,029	0	35,029
<b>TOTAL EXPENDITURES</b>	<u>1,170,524</u>	<u>5,835</u>	<u>1,176,359</u>
<b>EXCESS OF REVENUES OVER (UNDER)</b>			
<b>EXPENDITURES</b>	124,658	0	124,658
<b>FUND BALANCE - BEGINNING OF YEAR</b>	10,209	0	10,209
<b>TRANSFER FROM MUNICIPAL SERVICES</b>			
<b>CORPORATION</b>	<u>220,841</u>	<u>0</u>	<u>220,841</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 355,708</u>	<u>\$ 0</u>	<u>\$ 355,708</u>

*The Accompanying Notes are an Integral Part of these Statements.*

**TOWN OF FRYE ISLAND**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**BUDGET BASIS**  
**YEAR ENDED DECEMBER 31, 1999**

	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
<b>REVENUES</b>			
Taxes	\$ 1,009,830	\$ 1,020,564	\$ 10,734
Licenses and Permits	2,210	10,015	7,805
Intergovernmental	500	5,557	5,057
Charges for Services	175,790	233,946	58,156
Other	6,700	20,568	13,868
<b>TOTAL REVENUES</b>	<u>1,195,030</u>	<u>1,290,650</u>	<u>95,620</u>
<b>EXPENDITURES:</b>			
General Government	214,353	217,833	(3,480)
Public Works and Sanitation	207,162	209,281	(2,119)
Ferry Service	188,855	196,020	(7,165)
Public Safety	28,995	25,991	3,004
Recreation	47,482	40,379	7,103
Health and Welfare	6,000	2,749	3,251
Education	465,350	460,526	4,824
Fixed Expenses	36,833	35,029	1,804
<b>TOTAL EXPENDITURES</b>	<u>1,195,030</u>	<u>1,187,808</u>	<u>7,222</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$0</u>	<u>\$ 102,842</u>	<u>\$ 102,842</u>

*The Accompanying Notes are an Integral Part of these Statements.*

**TOWN OF FRYE ISLAND**  
**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999**

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**The Reporting Entity**

Town of Frye Island was incorporated in July 1, 1998 and operates under a Town Meeting-Board of Selectmen form of Government. The Board consists of seven members elected by the registered voters for staggered three-year terms.

As further explained in Note 11 to these financial statements, effective January 1, 1999, all the assets, liabilities and fund balance of Frye Island Municipal Services Corporation were transferred to the Town of Frye Island.

In evaluating the Town of Frye Island as a reporting entity, management has addressed all potential component units for which the Town may or may not be financially accountable and, as such, be includable within the Town's general purpose financial statements. In accordance with GASB Statement #14, the Town (the primary government) is financially accountable if it appoints a voting majority of the organizations governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the Town. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's general purpose financial statements to be misleading or incomplete. Based on the application of these criteria, there are no other entities within the Town that should be included as part of these general purpose financial statements.

The accounting policies of the Town of Frye Island conform to generally accepted accounting principles as applicable to governmental units, except as indicated below. The following is a summary of the more significant policies.

**Basis of Presentation**

The accounts of the Town are organized on the basis of a fund and an account group, each of which is considered a separate accounting entity. The operation of each fund is accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, fund equities, revenues and expenditures. The various funds, which are segregated for the purpose of carrying on a specific activity or attaining certain objectives in accordance with special regulations, restrictions or limitations, are grouped by type in the financial statements. Amounts in the "Totals - Memorandum Only" columns represent a summation of the combined financial statement line items of the fund type and account group and is presented only to facilitate analysis.

The following fund types and account groups are used:

***Governmental Fund***

General Fund - The general fund is the general operating fund of the Town. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. From the fund are paid the general operating expenditures, the fixed charges and the capital improvement costs that are not paid through other funds.

**TOWN OF FRYE ISLAND**  
**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999**

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Basis of Presentation (Continued)**

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trust or major capital projects) requiring separate accounting because of legal or regulatory provisions or administration action.

*Account Groups*

General Long-Term Debt Group of Accounts - This account group is established to account for the long-term debt that is backed by the Town of Frye Island's full faith and credit. At December 31, 1999, there was no outstanding debt balance.

General Fixed Assets Account Group - General fixed assets that have been acquired for general town purposes have been recorded as expenditures in the fund making the expenditure. These expenditures are required to be capitalized at historical cost in the general fixed asset account group for accountability purposes. In accordance with practices followed by most municipal entities in the State, the Town of Frye Island does not maintain 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 this financial report.

**Basis of Accounting**

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period.

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

Governmental funds, revenues and expenditures are accounted for using the modified accrual basis. Revenues are recognized in the accounting period in which they become available and measurable. For property taxes, available means collected in the current period or within sixty (60) days after the end of the current period. Property taxes due but not available within the required period were recorded in a deferred revenue account on the balance sheet. Licenses and permits, charges for services, fines and forfeits, and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. Expenditures for governmental fund types are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when paid.

**TOWN OF FRYE ISLAND**  
**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999**

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Basis of Accounting (Continued)**

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

***Budgetary Accounting***

Budgets are adopted for the general fund only on a basis consistent with generally accepted accounting principles. Formal budgetary integration is employed as a management control device during the year for the general fund. A comparison of budget to actual is presented in the financial statements.

***Inventories of Supplies***

Inventories of supplies are considered to be expenditures at the time of purchase and are not included in the general fund balance sheet.

***General Fixed Assets***

The Town does not maintain a general fixed asset group of accounts. Expenditures for property and equipment are charged to departmental operations whenever such items are procured.

***Estimates***

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. These estimates and assumptions affect the reported amounts of assets, liabilities, the disclosure of contingent liabilities, and the reported revenue and expenses.

**Note 2 - DEPOSITS AND INVESTMENTS**

**Deposits**

Town of Frye Island's policy is to invest all available funds at the highest possible rates, in conformance with legal and administrative guidelines, while avoiding unreasonable risk. The funds are invested in savings and money market accounts coinciding with its cash needs during the year.

**TOWN OF FRYE ISLAND**  
**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999**

**Note 2 - DEPOSITS AND INVESTMENTS (Continued)**

**Deposits (Continued)**

The deposits are categorized as follows to give an indication of the level of risk assumed at year end: Category 1 includes deposits covered by federal depository insurance or by collateral held by the Town or by the Town's agent in the Town's name; Category 2 includes uninsured deposits covered by collateral held by the pledging financing institution's trust department or agent in the Town's name; and Category 3 includes uninsured and uncollateralized deposits.

At December 31, 1999, cash and cash equivalents consisted of the following:

	<u>Carrying Amount</u>	<u>Bank Balance</u>	<u>#1</u>	<u>CATEGORY #2</u>	<u>#3</u>
Checking and Money Market	\$279,607	\$287,361	\$253,675	\$ 0	\$33,686
Cash Management	<u>436,915</u>	<u>436,915</u>	<u>436,915</u>	<u>0</u>	<u>0</u>
	<u>\$716,522</u>	<u>\$724,276</u>	<u>\$690,590</u>	<u>\$ 0</u>	<u>\$33,686</u>

**Note 3 - PROPERTY TAX**

Town of Frye Island's property tax for the current year was levied on the assessed value listed as of April 1, 1998. Assessed values are periodically established by the assessor at 100% of assumed market value. Each property must be reviewed no less than once every four years. The assessed value, upon which the levy for the year ended December 31, 1999 was based, was \$30,918,142. Schedule 2 summarizes the 1999 levy.

Town of Frye Island is permitted by the laws of the State of Maine to levy taxes to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay, and amounted to \$3,000 for the year ended December 31, 1999. Property taxes levied for the fiscal year are recorded as receivables at the time the levy is made. The receivables collected during the year and during the first sixty (60) days after December 31, 1999 are recognized as revenues. The remaining receivables estimated to be collectible subsequent to the sixty (60) day period are recorded as deferred revenues. The variance between actual property tax revenues and budgeted property tax revenues of \$635 (Exhibit 1-2) represents supplemental taxes.

The 1999 property taxes were committed November 1, 1998, and have been recorded as revenues. The 2000 property taxes were levied November 1, 1999, and are due and payable January 1 and July 1, 2000. The payments collected in 1999 have been recorded as deferred revenues.

Tax liens are placed on real property within twelve months following the tax commitment date if taxes are delinquent. The Town has the authority to foreclose on property eighteen months after the filing of the lien if tax liens and associated costs remain unpaid. In addition, the Town may bring a civil action for collection of unpaid personal property taxes.

**TOWN OF FRYE ISLAND**  
**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999**

**Note 4 - CONTINGENT LIABILITY**

**Litigation**

The Town is subject to certain legal proceedings and claims which arise in the ordinary course of conducting its activities. In the opinion of management, the Town has defensible positions and any ultimate liabilities are covered by insurance or will not materially affect the financial position of the Town.

**State and Federal Grants**

The Town participates in state and federal grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Town has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the Town, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined general purpose financial statements for such contingencies.

**Note 5 - OVERLAPPING DEBT**

The Town's proportionate share of Cumberland County's and Maine School Administrative District No.6's bonded debt as of June 30, 1999 (most recent date available) are not reported in the Town's financial statements. Debt service is included in the annual County and School assessments to the Town. The Town's share is .255% (\$59,385) of Cumberland County's outstanding debt of \$23,295,000, and 4.06% (\$446,381) of Maine School Administrative District No. 6's outstanding bonded debt of \$10,994,601.

**Note 6 - BUDGET vs GAAP BASIS OF ACCOUNTING**

In order to conform to generally accepted accounting principles (GAAP), the accompanying financial statements have been adjusted to add the effects of the activities in the general fund reserve. Statement A-3, Statement of Revenues and Expenditures - Budget and Actual, reflects the current revenues and expenditures on a budgetary basis.

The following is an explanation of the various differences and their effect on current year revenues and expenditures on a GAAP basis as presented in Statement A-2:

Excess of revenues over(under) expenditures ( Statement A-3)	\$102,842
Interest from Reserve Funds	(4,532)
Expenditures by Reserve Funds	2,716
Budgeted transfers to reserves	<u>(20,000)</u>
Excess of revenues over(under) expenditures (Statement A-2)	<u>\$124,658</u>

**TOWN OF FRYE ISLAND**  
**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999**

**Note 7 - FUND BALANCE - RESERVED FOR SPECIFIC PURPOSES**

General fund reserves consists of funds set aside by vote of the Island Property Owners. The purpose and balances at December 31, 1999, are as follows:

Equipment	\$ 14,385
Ferry Dock & Ferry Reserve	40,657
Water System Improvements	23,702
Recreation	29,401
Capital Funds	23,753
Fire and Safety	<u>3,239</u>
	<u>\$135,137</u>

Schedule 1 summarizes the activity in 1999.

**Note 8 - OPERATING LEASE**

The Town of Frye Island has entered into a one year lease agreement with Frye Island, Inc. (FII) which, unless otherwise canceled by either party in writing or replaced with a new agreement, will automatically renew on January 1 of each subsequent year. For a net annual fee of \$13,650, FII leases the following: Ferry Boats and Docks, Various Island Buildings, Roads and Road Maintenance Equipment, Water System and Recreational Facilities.

In addition, and with the same terms, the Town of Frye Island has also entered into a lease agreement with FII for one-half the usage of the maintenance building for an annual fee of \$7,200.

**Note 9 - RETIREMENT**

The employees participate in the Social Security Retirement Program. The town's contribution to social security was approximately \$21,590 for the year ended December 31, 1999.

**Note 10 - Vacation Pay**

The Town Manager and Office Manager/Financial Coordinator earn vacation leave at 1.54 hours per week as they provide services. The Managers are allowed to accumulate and carry over vacation time earned to the next year and will be paid for such amounts upon termination.

At December 31, 1999, the vested portion of vacation pay is approximately \$13,232.

**TOWN OF FRYE ISLAND**  
**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999**

**Note 11 - TERMINATION OF EXISTENCE OF FRYE ISLAND MUNICIPAL SERVICES CORPORATION**

In 1997, the 118th Legislature of the State of Maine passed a bill authorizing the separation and incorporation of Frye Island, subject to a referendum election. The Governor signed the bill into law on June 12, 1997. The referendum election, held October 14, 1997, was passed with a unanimous vote. The effective date of the new Town of Frye Island was set at July 1, 1998.

During the 1998 calendar year, Frye Island Municipal Services Corporation (MSC) operated as usual. However, effective on January 1, 1999, all MSC assets and fund equity were transferred to, and the liabilities assumed by, the Town of Frye Island. Frye Island Municipal Services Corporation ceased to exist. Consequently, a net amount of \$220,841 was transferred to the town, which resulted in the general fund reserve increasing by \$113,321, and the unreserved, undesignated fund balance increasing by \$107,520.

## **COMBINING AND INDIVIDUAL FUND STATEMENTS**

These exhibits provide a more detailed view of the "general purpose financial statements" presented in the preceding subsection.

## **GENERAL FUND**

The General Fund accounts for all revenues and expenditures which are not accounted for in other funds. Most governmental services are provided by the General Fund including public works, public safety, recreation, health and welfare, and general administrative services.

**TOWN OF FRYE ISLAND**  
**BALANCE SHEET - GENERAL FUND**  
**DECEMBER 31, 1999**

**ASSETS:**

Cash/Investments	\$ 716,522
Receivable:	
Taxes	1,909
Tax Liens	19,523
Accounts	3,855
Tax Acquired Property	<u>3,083</u>

**TOTAL ASSETS**

\$ 744,892

**LIABILITIES AND FUND BALANCES:**

## Liabilities:

Accounts Payable	\$ 7,662
Deferred Revenue	<u>381,522</u>
	<u>389,184</u>

## Fund Balances:

Reserved:	
For Specific Purposes	135,137
Unreserved:	
Undesignated	<u>220,571</u>
	<u>355,708</u>

**TOTAL LIABILITIES AND FUND BALANCES**

\$ 744,892

**TOWN OF FRYE ISLAND**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 1999**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
<b>REVENUES:</b>			
Taxes:			
Property	\$ 1,004,830	\$ 1,005,465	\$ 635
Change in Deferred Property Revenues	0	2,335	2,335
Excise	3,000	5,667	2,667
Interest and Lien costs on Taxes	2,000	7,097	5,097
	<u>1,009,830</u>	<u>1,020,564</u>	<u>10,734</u>
Licenses and Permits:			
Boat Registrations	0	4,454	4,454
Building Permits	1,910	4,181	2,271
Plumbing and Electrical Permits	300	563	263
Other Permits	0	680	680
Licenses	0	137	137
	<u>2,210</u>	<u>10,015</u>	<u>7,805</u>
Intergovernmental:			
Revenue Sharing	500	4,821	4,321
Homestead Exemptions	0	736	736
	<u>500</u>	<u>5,557</u>	<u>5,057</u>
Charges for Services:			
Ferry Fees	159,000	209,532	50,532
Water Hookup and Soil Test Fees	650	8,450	7,800
Management Fee	12,390	12,390	0
Recreation Fees	3,500	3,324	(176)
Brush Dump Fees	250	250	0
	<u>175,790</u>	<u>233,946</u>	<u>58,156</u>
Other:			
Interest Earnings	5,500	13,556	8,056
Miscellaneous	1,200	7,012	5,812
	<u>6,700</u>	<u>20,568</u>	<u>13,868</u>
<b>TOTAL REVENUES</b>	<u>1,195,030</u>	<u>1,290,650</u>	<u>95,620</u>
<b>EXPENDITURES:</b>			
General Government:			
Administration	199,133	204,723	(5,590)
Assessing	2,560	4,020	(1,460)
Town Clerk	0	442	(442)
Selectmen	0	77	(77)
Planning Board	2,250	1,706	544
Appeals Board	2,000	1,629	371
Insurance and Bonding	3,410	295	3,115
Capital Improvements	5,000	4,941	59
	<u>\$ 214,353</u>	<u>\$ 217,833</u>	<u>\$ (3,480)</u>

**TOWN OF FRYE ISLAND**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 1999**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Public Works and Sanitation:			
Public Works	\$ 121,268	\$ 122,101	\$ (833)
Roads	19,750	15,179	4,571
Water	48,994	42,496	6,498
Solid Waste	17,150	29,505	(12,355)
	<u>207,162</u>	<u>209,281</u>	<u>(2,119)</u>
Ferry Service:	<u>188,855</u>	<u>196,020</u>	<u>(7,165)</u>
Public Safety:			
Fire and Safety	8,810	8,954	(144)
Security	14,250	14,791	(541)
Animal Control	400	56	344
Code Enforcement	5,535	2,190	3,345
	<u>28,995</u>	<u>25,991</u>	<u>3,004</u>
Recreation:	<u>47,482</u>	<u>40,379</u>	<u>7,103</u>
Health and Welfare:			
Emergency Medical	2,000	2,749	(749)
Dispatch	2,000	0	2,000
General Assistance	2,000	0	2,000
	<u>6,000</u>	<u>2,749</u>	<u>3,251</u>
Education:			
School Administrative District 6	<u>465,350</u>	<u>460,526</u>	<u>4,824</u>
Fixed Expenses:			
County Tax	33,833	30,238	3,595
Overlay	3,000	4,791	(1,791)
	<u>36,833</u>	<u>35,029</u>	<u>1,804</u>
<b>TOTAL EXPENDITURES</b>	<u>1,195,030</u>	<u>1,187,808</u>	<u>7,222</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ 0</u>	102,842	<u>\$ 102,842</u>
<b>RECONCILIATION TO GAAP BASIS</b>			
Budgeted Transfers and Interest Income to Reserves		24,532	
Expenditures by Reserve		(2,716)	
		<u>21,816</u>	
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>		<u>\$ 124,658</u>	

**TOWN OF FRYE ISLAND**  
**STATEMENT OF CHANGES IN FUND BALANCE - GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 1999**

	<u>Reserved</u>	<u>Unreserved</u>	
	Specific Purpose (Schedule 1)	<u>Undesignated</u>	<u>Total</u>
FUND BALANCE - JANUARY 1, 1999	\$ 0	\$ 10,209	\$ 10,209
TRANSFER FROM MUNICIPAL SERVICES CORPORATION	<u>113,321</u>	<u>107,520</u>	<u>220,841</u>
	113,321	117,729	231,050
EXCESS OF ACTUAL REVENUES AND OTHER SOURCES OVER (UNDER) ACTUAL EXPENDITURES AND OTHER USES	<u>21,816</u>	<u>102,842</u>	<u>124,658</u>
FUND BALANCE - DECEMBER 31, 1999	<u>\$ 135,137</u>	<u>\$ 220,571</u>	<u>\$ 355,708</u>

## **SPECIAL REVENUE FUNDS**

Special Revenue Funds account for specific resources, the expenditure of which is restricted by law or administrative action for particular purposes.

**TOWN OF FRYE ISLAND**  
**BALANCE SHEET - SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 1999**

	<u>FEMA</u>
<b>ASSETS:</b>	
Due from General Fund	<u>\$       0</u>
<b>FUND BALANCE</b>	<u>\$       0</u>

**TOWN OF FRYE ISLAND**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS**  
**YEAR ENDED DECEMBER 31, 1999**

	<u>FEMA</u>
<b>REVENUES:</b>	
Intergovernmental	\$ 5,835
 <b>EXPENDITURES:</b>	
For Designated Purpose	<u>5,835</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	0
 <b>FUND BALANCE - JANUARY 1</b>	<u>0</u>
<b>FUND BALANCE - DECEMBER 31</b>	<u><u>\$ 0</u></u>

The following schedules are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Town of Frye Island. Such information in these schedules have 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.

**TOWN OF FRYE ISLAND**  
**COMBINING STATEMENT OF GENERAL FUND RESERVES**  
**YEAR ENDED DECEMBER 31, 1999**

	<u>Equipment Reserve</u>	<u>Ferry Dock and Ferry Reserve</u>	<u>Water System Reserve</u>	<u>Recreation Reserve</u>	<u>Capital Funds Reserve</u>	<u>Fire and Safety Reserve</u>	<u>Total</u>
<b>REVENUES:</b>							
Interest	\$ 517	\$ 1,277	\$ 654	\$ 935	\$ 928	\$ 221	\$ 4,532
<b>EXPENDITURES FOR DESIGNATED PURPOSES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,716</u>	<u>2,716</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	517	1,277	654	935	928	(2,495)	1,816
<b>OTHER FINANCING SOURCES (USES):</b>							
Appropriations	<u>0</u>	<u>7,500</u>	<u>7,500</u>	<u>5,000</u>	<u>0</u>	<u>0</u>	<u>20,000</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	517	8,777	8,154	5,935	928	(2,495)	21,816
<b>BALANCE - JANUARY 1, 1999</b>	<u>13,868</u>	<u>31,880</u>	<u>15,548</u>	<u>23,466</u>	<u>22,825</u>	<u>5,734</u>	<u>113,321</u>
<b>BALANCE - DECEMBER 31, 1999</b>	<u>\$ 14,385</u>	<u>\$ 40,657</u>	<u>\$ 23,702</u>	<u>\$ 29,401</u>	<u>\$ 23,753</u>	<u>\$ 3,239</u>	<u>\$ 135,137</u>

**TOWN OF FRYE ISLAND**  
**VALUATION, ASSESSMENT AND COLLECTION OF TAXES**  
**YEAR ENDED DECEMBER 31, 1999**

**VALUATION AND ASSESSMENT**

Real Property		\$ 30,594,750
Personal Property		323,392
		30,918,142
Tax Rate per Thousand		3.25
<b>TAX COMMITMENT</b>		<b>\$ 1,004,840</b>

**APPROPRIATIONS**

Municipal Functions		\$ 692,848
MSAD 6		465,350
County Tax		33,833
Overlay		3,000
		1,195,031
Less: Estimated Revenues		190,200
<b>TAX COMMITMENT</b>		<b>\$ 1,004,831</b>

**COLLECTION OF 1999 TAXES**

Original Commitment		\$ 1,004,831
Supplementals		634
		1,005,465
Less: Collections	987,474	
Abatements	4,407	
Transferred to Liens	13,584	
		1,005,465
<b>BALANCE OUTSTANDING AT DECEMBER 31, 1999</b>		<b>\$ 0</b>