

Annual Report

of the

Northport Village Corporation

For the Fiscal Year

Ending

June 30, 1981

1980-81 Village Officers

President	Beverly Crofoot
Treasurer	Adeline R. Webster
Clerk	Eleanor D. Lagner

Overseers

Alden Badershall	Eldon Pond
Stanley W. Brown, Jr.	Jerry Savitz
E. Allan Lightner	L. Scott Townsend
Edward E. Lovejoy	

Manager N.V.C.	William H. Paige
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To: The Overseers
 Northport Village Corporation
 Northport, Maine 04915

We have examined the financial statements of the Northport Village Corporation as of June 30, 1981 and 1980 and related periods then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances except that our examination did not include tests of the historical cost of property and equipment of other than the Water Department, because complete records of these assets were not available. Therefore, these assets are not included in the accompanying statements.

In our opinion, except for the historical cost of property and equipment, the aforementioned financial statements present fairly the financial position of the Northport Village Corporation at June 30, 1981 and 1980, and the results of its operations and the changes in its financial position for the periods then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

July 15, 1981

Chester W. Ingalls & Associates, P.A.

NORTHPORT VILLAGE CORPORATION
Statement of Financial Position
June 30, 1981 and 1980

Exhibit A-1

	<u>1981</u>	<u>1980</u>
ASSETS		
Cash in checking account	\$ 3,212	\$ 1,987
Cash in savings accounts (Note 1)	6,575	10,754
	<u>9,787</u>	<u>12,741</u>
Due from Town of Northport (Note 2)	55	93
Due from # 201-- Sewer Facility Users (Note 3)	800	---
Special taxes receivable-- current year	19,500	16,500
Special taxes receivable-- prior years (Note 4)	467	296
Town of Northport appropriation	8,500	8,500
Insurance paid in advance	---	500
Northport Village Corporation Water Department organizational costs	---	504
Amount due from affiliated company--Water Department (Note 5)	1,697	---
TOTAL ASSETS	<u>\$ 40,806</u>	<u>\$ 39,134</u>
LIABILITIES AND UNAPPROPRIATED SURPLUS		
Accounts payable due James W. Sewall Co., Inc. (Note 7)	\$ 4,685	\$ ---
Due to Town of Northport (Note 6)	422	422
Amounts received for #201--Sewer Facility (Note 7)	---	7,342
Unappropriated surplus (Exhibit C)	35,699	31,370
TOTAL LIABILITIES AND UNAPPROPRIATED SURPLUS	<u>\$ 40,806</u>	<u>\$ 39,134</u>

The accompanying notes are an integral part of the financial statements.

NORTHPORT VILLAGE CORPORATION WATER DEPARTMENT
Statement of Financial Position
June 30, 1981, 80

Exhibit A-2

ASSETS	
Fixed assets (Note 1):	
Operating property	\$ 40,133
Less depreciation reserve	<u>21,262</u>
	<u>18,871</u>

Statement of Financial Position (Assets) (cont'd)

G.N.V.C. 1998.002.046

Current assets:	
Cash in checking account	6,766
Accounts receivable, trade (Note 1)	3,055
Total current assets	<u>9,821</u>
Other assets—organizational costs	<u>2,643</u>
TOTAL ASSETS	<u>\$ 31,335</u>
LIABILITIES, RESERVES AND UNAPPROPRIATED SURPLUS	
Current liabilities:	
6% Note payable due individual in August of 1981 (Unsecured)	\$ 20,000
Accounts payable, trade	1,235
Customer's deposits	4,779
Accrued interest payable	1,022
Advances from affiliated company (Note 2)	1,697
Total current liabilities	<u>28,733</u>
Reserves—contributions in aid of construction	<u>2,350</u>
Unappropriates surplus	<u>252</u>
TOTAL LIABILITIES, RESERVES AND UNAPPROPRIATED SURPLUS	<u>\$ 31,335</u>

NORTHPORT VILLAGE CORPORATION
Statement of Revenues and Expenditures
For The Years Ended June 30, 1981 and 1980

Exhibit B-1

	<u>1981</u>	<u>1980</u>
REVENUES:		
Town of Northport appropriation	\$ 8,500	\$ 8,500
Special tax commitment for current year	19,500	16,500
Interest on savings accounts and interest on prior years' taxes collected (Note 1)	681	758
Rental of community hall	<u>120</u>	<u>120</u>
TOTAL REVENUES	<u>28,801</u>	<u>25,878</u>
EXPENDITURES:		
Roads	1,333	4,103
Wharfs, beach and floats	1,368	736
Garbage	1,000	2,792
Management fees and expenses	8,031	1,514
Recreation	1,359	1,100
Sewers—renovations	202	7,203
Lights and water	3,186	3,393
Parks	2,130	1,479
Tax collector fees	427	334
Audit	459	398
Insurance	1,306	902
Community hall improvements	77	10
Public notice of meetings	174	70
Police costs	1,685	665
Printing, postage and stationery costs	252	252
Treasurer's bond	20	20
Miscellaneous	<u>150</u>	<u>153</u>
TOTAL EXPENDITURES	<u>23,159</u>	<u>25,124</u>

Statement of Revenues and Expenditures (Expenditures) (cont'd)		
Excess of Revenues over Expenditures before other items	5,642	754
Other Revenues and Expenditures--# 201 Sewer Facility (Note 7):		
Environmental Protection Agency and Department of Environmental Protection grants	18,912	--
#201--Sewer Facility users revenues	13,600	--
#201--Sewer Facility Expenditures	(33,753)	--
Total Other Revenues and Expenditures--#201 Sewer Facility	(1,241)	--
Excess of Revenues over Expenditures	<u>\$ 4,401</u>	<u>\$ 754</u>

NORTHPORT VILLAGE CORPORATION WATER DEPARTMENT
Statement of Earnings
For The Year Ended June 30, 1981 Exhibit B-2

Operating Revenues:	
Flat-rate residential sales	\$ 4,773
Operating Expenses:	
Supervision--distribution	700
Depreciation (Note 1)	400
Repairs to pumping station building and fixtures	242
Repairs to distribution mains	859
Repairs to dams and other supply facilities	239
Operating supplies and expenses	105
Purification supplies and expenses	129
Power purchased	348
General office supplies and expenses	42
Miscellaneous accounting and collecting expenses	805
Miscellaneous general expenses	20
Total operating expenses	<u>3,889</u>
Net earnings from operations	<u>884</u>
Other income (expense):	
Interest revenues	392
Miscellaneous interest deductions	(1,024)
Total other income (expense)	<u>(632)</u>
Net earnings	<u>\$ 252</u>

NORTHPORT VILLAGE CORPORATION
Statement of Changes in Unappropriated Surplus
For The Years Ended June 30, 1981 and 1980 Exhibit C

	<u>1981</u>	<u>1980</u>
Balance at beginning of period	\$ 31,370	\$ 30,651
Additions:		
Supplemental taxes	148	92
Excess of revenue over expenditures (Exhibit B-1)	4,401	754
	<u>\$ 35,919</u>	<u>\$ 31,497</u>
Deductions:		
Abatements	220	127
Balance at end of period (Note 8)	<u>\$ 35,699</u>	<u>\$ 31,370</u>

NORTHPORT VILLAGE CORPORATION WATER DEPARTMENT
Statement of Changes in Unappropriated Surplus
For The Year Ended June 30, 1981

Balance at beginning of period	\$ ---
Additions:	
Net earnings (Exhibit B-2)	252
Balance at end of period	<u>\$ 252</u>

NORTHPORT VILLAGE CORPORATION
Statement of Changes in Financial Position—Cash Basis
For The Years Ended June 30, 1981 and 1980

Exhibit D

<u>Financial Resources Generated</u>	<u>1981</u>	<u>1980</u>
Excess of revenues over expenditures (Exhibit B-1)	\$ 4,401	\$ 754
Net Earnings (Exhibit B-2)	252	---
	<u>4,653</u>	<u>754</u>
Add (Deduct) items not requiring, or generating cash during the period:		
Decrease (Increase) in due from Town of Northport	38	168
Increase in due from #201—Sewer Facility	(800)	---
Increase in special taxes receivable—current year	(3,000)	(3,150)
Decrease (Increase) in special taxes receivable—prior years	(171)	35
Increase in Town of Northport appropriation	---	---
Decrease (Increase) in amounts received for sewer facility	(7,342)	1,532
Decrease (Increase) in insurance paid in advance	500	(500)
Decrease (Increase) in water company organizational costs	504	(504)
Increase in account payable due James W. Sewall Co., Inc.	4,685	---
Increase in net fixed assets	(18,871)	---
Increase in accounts receivable, trade	(3,055)	---
Increase in organizational costs	(2,643)	---
Increase in note payable due individual	20,000	---
Increase in accounts payable, trade, customer's deposits and interest payable	7,036	---
Increase in contributions in aid of construction	<u>2,350</u>	<u>---</u>
Total cash generated	3,884	(1,665)
Supplemental taxes	148	92
Total Financial Resources Generated	4,032	(1,573)
<u>Financial Resources Applied</u>		
Abatements	220	127
Total Financial Resources Applied	<u>220</u>	<u>127</u>
INCREASES (DECREASES) IN CASH FOR THE PERIOD		
	3,812	(1,700)
Cash in checking and savings accounts at beginning of period	<u>12,741</u>	<u>14,441</u>
Cash in checking and savings accounts at end of period (Exhibit A-1)	9,787	12,741
Cash in checking at end of period (exhibit A-2)	6,766	---
TOTAL CASH AT END OF PERIOD	<u><u>\$ 16,553</u></u>	<u><u>\$ 12,741</u></u>

NORTHPORT VILLAGE CORPORATION
Notes to Financial Statements
For The Years Ended June 30, 1981 and 1980

Note 1 –Cash in Savings Accounts

The cash in the various savings accounts may be restricted to certain uses such as fire protection, sewerage facilities, and capital improvements but evidence was not available to substantiate these potential restrictions on the uses of such funds.

Note 2 –Due from Town of Northport

The amounts due from the Town of Northport at June 30, 1981 and 1980 consisted of the following:

	<u>1981</u>	<u>1980</u>
Special taxes receivable–current year	\$ —	\$ —
Special taxes receivable–prior years	\$ 55	93
Total	\$ 55	\$ 93

These amounts are amounts collected by the Town of Northport but are not remitted until after the fiscal year–end audit of the town.

Note 3 –Due From #201 –Sewer Facility Users

The amount of \$800 due from sewer facility users at June 30, 1981, represents amounts billed and unpaid for the current fiscal year.

Note 4 –Special Taxes Receivable–Prior Years

The special taxes receivable–prior years at June 30, 1981 and 1980 consisted of the following:

	<u>Amount</u>	
<u>Assessed Year</u>	<u>1981</u>	<u>1980</u>
1980	\$ 251	\$ —
1979	78	158
1978	37	37
1977	1	1
1976	2	2
1975	1	1
1974	—	—
Prior to 1974	97	97
Total	\$ 467	\$ 296

Note 5–Amount Due from Affiliated Company–Water Department

The amount due of \$1,697 from affiliated company–Water Department represents amounts owed by the Water Department for expenditures such as supervision, operating supplies and expenses, power purchased and other operating expenses of the utility paid for by Northport Village Corporation.

Note 6–Due to Town of Northport

The amount due to the Town of Northport at June 30, 1981 and 1980 of \$422 represents an overpayment of prior years' taxes by the town during the prior year.

Note 7–Other Revenues and Expenditures–#201–Sewer Facility

Revenues:

During the fiscal year ended June 30, 1981, Northport Village Corporation received a grant of \$3,152 from the Department of Environmental Protection Agency and a Step 1 grant of \$15,760 from the Environmental Protection Agency. These funds were used to pay certain expenditures to James W. Sewall Co., Inc. relating to the #201-Sewer Facility planning project.

Notes to Financial Statements (Revenues) (cont.d)

The citizens of Northport Village Corporation voted at an August 12, 1980, meeting to authorize the Board of Overseers to pay from amounts collected from sewer users monies due James W. Sewall Co., Inc. for the Step 1 sewer project costs not paid by the above grants. Accordingly, the amounts previously reflected as a liability on the financial statements have been transferred to the appropriate #201-Sewer Facility users revenues and are a part of the \$13,600.

Expenditures:

The #201-Sewer Facility expenditures totalling \$33,753 represents the billings of James W. Sewall Co., Inc. at June 30, 1981, related to the project. Accounts payable due James W. Sewall Co., Inc. for the project was \$4,685 at June 30, 1981.

Note 8--Contingencies

The Northport Village Corporation may be liable for additional payroll taxes on payments made to certain individuals during the current and prior years.

NORTHPORT VILLAGE CORPORATION WATER DEPARTMENT
Notes To Financial Statements
For The Year Ended June 30, 1981

Note 1--Summary of Significant Accounting Policies

Basis of Organization

The Northport Village Corporation Water Department (formerly Northport Mountain Spring Co.) was acquired December 30, 1980, with the approval of the citizens and Board of Overseers of Northport Village Corporation. The Water Department assumed the same non-profit status as the Northport Village Corporation has under applicable State of Maine laws. Certain operating property and other assets were acquired offset by reserves and contributions in aid of construction. A short-term unsecured six percent note payable was obtained for interim financing. It is planned by the Corporation's Board of Overseers to obtain F.M.H.A. long-term financing for this debt. It is estimated that projected water reservoir costs will total \$140,000 to improve the current water system to meet state and federal regulations as outlined by the Maine Public Utilities Commission. On July 14, 1980, the Board of Overseers voted to borrow \$100,00 to make these improvements.

Operating Property

The utilities' operating property is recorded at cost. The depreciation reserve is separately stated (\$20,846 at original acquisition). Depreciation is provided on a straight-line basis over the useful life of the property in accordance with Maine Public Utilities Commission regulations. The estimated useful life of the property is forty years.

Accounts Receivable, Trade

Collectibility of the Corporations' accounts receivable, trade is determined by the Board of Overseers in accordance with the Maine Public Utilities Commission regulations.

Note 2--Advances from Affiliated Company

The amount due of \$1,697 from affiliated company represents amount owed by the Water Department to the Northport Village Corporation for expenditures such as supervision, operating supplies and expenses, power purchased and other operating expenses of the utility paid for by the Northport Village Corporation.

NORTHPORT VILLAGE CORPORATION
Proposed Budget for Fiscal Year Ending June 30, 1982
In Comparison with Actual 1980/81 results

	Actual 80/81	Proposed Budget 81/82
Beginning Cash Balance	\$ 2,307.45	\$ 3,553.80
Contingency Funds	2,376.62	2,457.19
CASH RECEIPTS		
Town of Northport	8,500.00	10,000.00
Village Tax	16,177.31	22,800.00
Interest	130.97	200.00
Back Taxes	120.97	120.97
Rental-Community Hall	120.00	120.00
TOTAL CASH	\$ 29,733.32	\$ 39,251.96
CASH DISBURSEMENTS		
Insurance	1,061.67	1,700.00
Management. Fees & Expenses	7,776.57	9,900.00
Roads	1,333.17	4,000.00
Wharf, Beach & Floats	1,368.13	2,000.00
Lights	3,186.38	3,700.00
Parks	2,129.64	2,000.00
Garbage	1,000.00	0.00
Sewers	216.35	1,000.00
Recreation	1,359.31	1,800.00
Police	1,670.16	3,000.00
Audit	459.00	700.00
Printing & Postage	251.73	500.00
Community Hall	76.65	200.00
Treasurer's Bond	20.00	20.00
Miscellaneous	1,587.54	500.00
TOTAL DISBURSEMENTS	\$ 23,496.30	\$ 31,020.00
CONTINGENCY FUNDS		
Structures	2,137.74	3,137.74
General	545.48	1,545.48
Ending Cash Balance	3,553.80	3,548.74
TOTAL	\$ 29,733.32	\$ 39,251.96

Note: \$29,073.23 was paid to Sewall Co.; \$18,911.91 came from Federal and State Grants for Step 1, \$10,161.32 was taken from the Sewage Escrow Fund.

Note: The Fire Trust Fund is \$131.80. The Sewage Escrow Fund is \$3,198.05.

**IN CASE OF FIRE CALL NORTHPORT FIRE DEPARTMENT
HOT LINE 338-4488**

The following people are authorized to call the Belfast Fire Department for fires within the limits of the Northport Village Corporation:

George Campbell	338-4490
John E. Dykstra	338-3627
William R. Eldridge	338-4664
Dr. E.C. Hanbury, Jr.	338-3161
Alfred J. Keith	338-1312
Philip L. Rackliffe	338-1050
G. Bruce Reed	338-3815
Foster Richards	338-2123
Norman W. White, Jr.	338-1388

ALSO VILLAGE OFFICERS

Alden Badershall	338-3285
Stanley W. Brown, Jr.	338-4176
Beverly Crofoot	338-4661
Judith Z. Keith	338-1312
E. Allan Lightner, Jr.	338-2489
Edward E. Lovejoy	
William H. Paige	338-2661
Eldon Pond	338-1188
Jerry Savitz	338-1492
L. Scott Townsend	338-1566
Adeline R. Webster	338-1054