



Houlton Town Council *Elected on November 5, 2013*

Front: Susan Tortello, Secretary; Paul Cleary, Chair; Robert Hannigan
Back: Daniel Peabody, John White Jr., Philip Cloney, Wade Hanson

Photo courtesy of Joseph Cyr/The Houlton Pioneer Times



To the Residents and Taxpayers of Houlton:

The following information highlights the different activities and accomplishments that took place within the community during 2013. I would like to thank the council, department heads and members of the police department for your support and assistance while serving as your Interim Town Manager.

These include:

- Created an Ordinance Review Committee comprising of council members, department heads, the town manager and citizens.
- The alarm and ATV ordinances were reviewed and amended.
- Updated zoning ordinances with the assistance of the Planning Board.
- Phase II of the North Street Infrastructure Project was completed.
- New hockey boards were purchased and installed at the John Millar Civic Center.
- New efficient heating system proposals were presented to the town council for consideration. These systems, including pellets and propane, would replace less efficient existing furnaces in the John A. Millar Arena, the Cary Library and Town Office.
- WHOU began streaming council meetings over the Internet.
- The town's franchise agreement with Polaris Cable was renewed.
- The town received Emergency Watershed Protection funding in the amount of \$22,500 from the United States Department of Agriculture to stabilize the stream banks of Pearce and Brian Brook.
- The final figures are not available but the town's Undesignated Fund Balance still needs to be replenished. We will continue to look for efficiencies and opportunities to address this issue.

As we move forward, the residents of Houlton have much to be proud of and thankful for. I appreciate this additional opportunity to serve you and I am excited about our future possibilities.

Respectfully submitted,
Butch Asselin
Interim Town Manager
town.manager@houlton-maine.com
207-532-7111

Elected Officials

Town Council (Three-year Terms)

Date Indicates Expiration of Term

Paul Cleary, Chair - 2014	John Fitzpatrick - 2013	Robert Hannigan - 2014
Daniel Peabody - 2015	Philip Cloney - 2015	
John White Jr. - 2013	Susan Tortello - 2014	

Directors of the Houlton Water Company (Three-year Terms)

Date Indicates Expiration of Term

Galen N. Hogan, President - 2014	Albert Fitzpatrick - 2013	Gary Hagan - 2015
Scott Austin - 2013	Richard Goodwin - 2014	Stephen Nelson - 2015

Trustees of the Cary Library (Five-year Terms)

Date Indicates Expiration of Term

Leigh E. Cummings, Jr, Chair - 2013	Forrest W. Barnes - 2014	Lauren P. Fitzpatrick - 2015
Gary J. Hagan - 2016	Iva Sussman - 2017	

Directors of the School Administrative District No. 29 (Three-year Terms)

Date Indicates Expiration of Term

Elizabeth Anderson, Chair - 2014	Tammy Goetsch - 2015	Bruce Clark - 2015
D. Scott White - 2013	John Tribou - 2014	Lori Holmes - 2015
Cynthia Hillman-Forbush - 2014	Frederick Grant - 2013	

Board of Budget Review (Three-year Terms)

Date Indicates Expiration of Term

Walter Goodrich, Chairman - 2014	Dale Flewelling - 2013	Wade Hanson - 2014
Philip Bernaiche - 2013	Dorothy Donahue - 2015	Gerard Berthelette - 2014
Donald Keiser - 2013	Carl Lord, Jr. - 2015	Anthony Delucca - 2015

Appointed Officials

Planning Board (Three-year Terms)

Date Indicates Expiration of Term

Don Keiser, Chairman - 2015	Walter Goodrich - 2015	Noreen Foster - 2013
Kip Swallow - 2014	Marcus Russell, Jr. - 2013	Gerald Berthelette - 2013

Zoning Board of Appeals (Three-year Terms)

Date Indicates Expiration of Term

Carl Lord Jr., Chairman - 2013	John Bushey - 2013	Brian Longstaff - 2014
Tony Delucca - 2015	Dorothy Donahue - 2015	Philip Bernaiche - 2013
Richard Kelley - 2013		

Administrative Officials

Town Manager, Airport Manager, Purchasing Agent,
Emergency Management Director, Personnel Director

Eugene J. Conlogue

Asst. Town Manager, Town Clerk, General Assist. Admin.,
Registrar of Voters, Dep. Treasurer, Municipal Agent

Cathy O'Leary

Treasurer/Finance Director/Dep. Tax Collector

Nedra Hanson

Police Chief

Butch Asselin

Airport Supervisor

Benjamin Torres

Ambulance Director, Fire Chief, Cemetery Director

Milton Cone

Assessor

Laureen Bither

Code Enforcement Officer

Kevin Tingley

Grant Writer/Community Dev., Director

Lori Weston

Civic Center Supervisor

Haley Nickerson

Public Works Director

Leigh Stilwell

Recreation Programs/Parks Maintenance

Marie Carmichael

Tax Collector

Lauren Asselin

Animal Control Officer

Kevin Upton

Town Employees

<u>Employee</u>	<u>Years Service</u>	<u>Employee</u>	<u>Years Service</u>
ASSELIN, BUTCH	6	KENNEDY, STEWART E	4
ASSELIN, LAUREN T	5	LAPOINTE, PENNI L	21
AUCOIN, RYAN P	4	LYNDS, JERRE L	40
BEALS, BRIAN W	21	MCGUIRE, GARY	3
BICKFORD, THERON	3	MILLER, GLENN K	24
BITHER, LAUREEN M	44	MILTON, THOMAS H	15
BLANCHETTE, CLAUDINE H	36	MONFILS, ROBERT R	7
BLANCHETTE, LOUIS J.	9	NASON, STEPHEN P	8
BOUTILIER, MARK C	13	NICKERSON, HALEY	1
BRAGAN, TIMOTHY J	9	NORTON, DANIEL E JR.	9
BRITTON, RODNEY J	37	O DONNELL, DONALD	15
CARMICHAEL, MARIE F	31	O LEARY, CATHY J	35
CHEEVERS-PELLETIER, ERICA L	6	PELLETIER, DANIEL	35
CLARK, ANDREW	3	PORTER, DEAN	2
CLEARY, GAIL L	24	PROSSER, MICHAEL R	26
COLLINS, EZEKIEL E	7	RITCHIE, PHILIP E	16
CONE, MILTON	39	ROY, WALFY JR	33
CONLOGUE, EUGENE J.	1	SCOTT, WANDA L	13
CRAIG, FREDERICK W.	14	SEWELL, RONALD A	10
CROUSE, ERIC R	9	STEWART, PAUL C	10
CUMMINGS, MICHAEL R	34	STILWELL, LEIGH A	24
DUFF, DANA	39	TARGONSKI, GLEN T	18
FOLSOM, PAUL E JR	26	TORRES, BENJAMIN	1
HAGERMAN, STEVEN R	16	TINGLEY, KEVIN A	26
HANSON, NEDRA J	43	TRIBOU, JOHN K	17
JEWELL, DANIEL A. JR.	7	WILSON, ALAN W	5
		WAMPLER, CHARLES	3
		WESTON, LORI	3
		YORK, RICHARD	3

Airport Department

In late 2012, the Town of Houlton resumed full daily control of the Houlton International Airport from Mr. Terrance Beals, the former Fixed Base Operator. I came onboard in May of 2013 as Airport Supervisor, and it is my pleasure to present to you my 1st annual report of the Houlton International Airport.

It is the goal of the airport to provide the highest level of service possible to the flying public, and to assist in furthering the general aviation interests of the Town of Houlton. Through the Town of Houlton FBO, we offer the following services;

Fuel sales (both 100LL and Jet-A)
USDA certified recatering facilities
Tie down rentals
Aircraft storage (transient)
Aircraft storage (long term)

Just over 15,500 gallons of fuel were sold at the airport this year (8012.4gal Jet-A, and 7584.0gal 100LL), servicing both local and transient general aviation pilots, as well as 11 Life flights, 14 Angel flights, and 16 charter flights. Averaged across the whole year, there were 6 aircraft operations per day.

As of Dec. 31st 2013, there are 21 aircraft in long term storage in the hangar; 16 of these are single engine, 3 are twin engine, and 2 are experimental. There are also 3 other aircraft located on the field; 1 helicopter and 1 single engine belonging to the US Customs and Border Protection, and 1 twin engine. This makes for a total of 24 aircraft currently housed at Houlton.

2013 saw several events here at the airport. In June we played host to the National Guard for several days while they conducted a large scale annual training event. We hope to see them return in 2014, where both parties can benefit from their use of the Houlton facilities. 2013 was the first year for the Wings and Wheels Cruise-In/Fly-In; and while the weather was not perfect, conservative estimates put attendance at around 1,500. I would like to thank our sponsors, The Greater Houlton Chamber of Commerce, York's of Houlton and Rotary International, for their support; as well as the numerous individuals that helped prepare and run the event. I am truly grateful for the number of people willing to donate their time and hard work in order to make an event like Wings and Wheels happen. It is an inspiring thing to live and work in such a tightly knit community.

Fall of 2013, a part-time employee came aboard to cover the airport on the weekends. We are now open 7:30 – 4:00 7 days a week, with fuel available 24 hours a day.

As we move to expand our services and take advantage of all the potential the Houlton International Airport has to offer, I want to thank the Town Council, the Town Manager, the Department heads, and all my fellow employees for their hand in helping get us to where we are today. With the continued support of the Town of Houlton and its citizens, we can keep this airport moving forward for years to come.

Respectfully Submitted,
Benjamin C. Torres
Airport Supervisor
Airport.FBO@houlton-maine.com

Ambulance Report

The Ambulance Service responded to 1,750 calls in 2013. There were 1,257 emergency calls and 493 out of town transports. There were 118 calls that did not require transports.

The Houlton Ambulance Service's primary mission of emergency response is to provide pre-hospital care at the paramedic level with subsequent transport to the nearest appropriate medical facility. Our second mission is interfacility transport of patients requiring medical services not available locally.

To achieve this level of service the staffing level is two Emergency Medical Technicians on duty, at least one licensed at the paramedic level. We also have two Emergency Medical Technicians on call each day. The seven full time EMT's have a combined 100 years of service:

Michael Cummings - 34 yrs.	Glen Targonski - 18 yrs.
Philip Ritchie - 16 yrs.	Mark Boutilier - 13 yrs.
Paul Stewart - 10 yrs.	Daniel Jewell Jr. - 7 yrs.
Dean Porter - 2 yrs.	

We also have an additional ten (10) licensed EMT's that are available to work on an as needed basis to help cover shifts and transport patients.

Houlton operates two, 2010 Chevrolet Brauns, and one, 2009 Ford Wheel Coach.

The time of day we receive ambulance requests is as follows:

00:00 – 03:00 114 calls	12:00 – 15:00 311 calls
03:00 – 06:00 74 calls	15:00 – 18:00 309 calls
06:00 – 09:00 213 calls	18:00 – 21:00 234 calls
09:00 – 12:00 325 calls	21:00 – 24:00 170 calls

Respectfully Submitted,
Milton J. Cone, Ambulance Director
chiefmjcone@houlton-maine.com
207-532-1320

Assessing Department

The following is an overview of statistical data for the 2013 tax year as compared to the previous year:

	<u>2012 TAX YEAR</u>	<u>2013 TAX YEAR</u>
Taxable Property Valuation	\$281,481,100	\$284,713,900
Taxes Committed for Collection	\$5,615,551	\$6,192,529
Tax Rate	\$19.95	\$21.75
Median Sale Price of Houses	\$100,300	\$85,000
Average Sale Price of Houses	\$97,000	\$90,700
Tax on Average House	\$2,001	\$1,973

Tax dollars were appropriated as follows:

Aroostook County Tax	\$ 297,148	\$ 307,951
RSU #29 (Local Share)	\$2,050,839	\$2,271,750
Municipal Appropriation	<u>\$3,267,564</u>	<u>\$3,612,828</u>
Total Tax Commitment	\$5,615,551	\$6,192,529

The real estate market in Houlton for 2013 continued to remain fairly active and the numbers of sales were comparable to the previous year as evidenced by market sales:

<u>CLASSIFICATION OF SALES</u>	<u>NO. OF SALES</u>	<u>TOTAL SALES PRICE</u>
Residential Vacant Land Sales	5	\$ 72,150
Residential Developed Sales	49	\$4,442,860
Commercial Vacant Land Sales	2	\$ 67,000
Commercial Developed Sales	<u>8</u>	<u>\$1,490,208</u>
Totals	64	\$6,072,218

Houses sold ranged in selling price from \$19,000 to \$310,000 which is the highest sale of residential property in Houlton recorded to date.

Property is assessed based on the status of the taxpayer (eligibility for tax exemptions) as well as the location, condition and taxable status of the property as of April 1st each year in compliance with state statute. However, the tax bills in Houlton cover the time frame of the fiscal year of the town, being January 1st through December 31st.

Mobile homes are considered to be real estate for taxation purposes; therefore, an individual buying, selling or moving a mobile home is required to contact the assessor's office to provide information for the updating of ownership records.

PROPERTY TAX RELIEF

The following exemptions are made available to taxpayers at the local level. Applications are located in the town office and also on the Town of Houlton website www.houlton-maine.com and must be filed on or before April 1st.

PERSONAL EXEMPTIONS AVAILABLE

HOMESTEAD EXEMPTION – To qualify, homeowners must have owned a homestead in Maine for a minimum of 12 months prior to April 1st and declare the homestead to be their permanent place of residence. Once the application is filed, the exemption remains until the owner sells or changes their place of residence. This exemption provides up to the whole value of \$10,000 of taxable valuation exemption.

VETERAN'S EXEMPTION – Any veteran, or the widow or widower of a veteran, who has reached the age of 62 and served on active duty during a federally recognized wartime period may be eligible for this exemption. Veterans under the age of 62 who served on active duty during a federally recognized wartime period must be receiving a pension or compensation from the U.S. Government for total disability. This exemption provides up to the whole value of \$6,000 of taxable valuation exemption.

BLIND EXEMPTION – Individuals declared legally blind by a medical doctor or eye care professional may be eligible for this exemption which provides up to the whole value of \$4,000 of taxable valuation exemption.

BUSINESS EXEMPTIONS AVAILABLE

BETE (BUSINESS EQUIPMENT TAX EXEMPTION) – Certain businesses (other than retail and service businesses) may qualify for an exemption on personal property tax for equipment first subject to taxation on or after April 1, 2008. This exemption is not an automatic exemption and must be applied for annually.

The following programs are offered at the State level through Maine Revenue Services and application forms must be filed annually. More information can be viewed online at <http://www.maine.gov/revenue/forms>.

MAINE RESIDENTS PROPERTY TAX OR RENT REFUND (CIRCUIT BREAKER PROGRAM) – This program has been replaced by the PROPERTY TAX FAIRNESS CREDIT and in order to obtain this tax or rent refund, the applicant must now file for this program as part of their State of Maine income tax return utilizing Schedule PTFC Form 1040ME 2013.

BETR (BUSINESS EQUIPMENT TAX REIMBURSEMENT) – Certain businesses may qualify for tax reimbursement from the State of Maine on personal property tax paid during the previous year. Taxpayers begin the application process by filing an application form with the local assessor's office, followed by the filing of an application form with Maine Revenue Services.

The valuation book, digital photography, property tax maps, property valuation reports and real estate transfer tax forms are public records and are available for review at the town office. This office has an open door policy and welcomes citizens to call or visit the office at any time during regular office hours. Much of this information can also be viewed on the Town of Houlton website www.houlton-maine.com

I would like to take this opportunity to recognize Lauren Asselin for being a valuable asset and to thank her for the assistance she provides in the assessing department.

Respectfully submitted,
Laureen Bither, CMA
Assessor, Town of Houlton
tax.assessor@houlton-maine.com
207-532-7111

Cary Library



CARY LIBRARY

The one hundred-ninth annual report of the Librarian is as follows:

The Cary Library trustees and staff would like to thank the residents of Houlton for their support over the past years. We strive to be a cultural and intellectual center for our community. Our mission is to strengthen our community by enhancing and contributing to individual knowledge and experiences, literacy development and lifelong learning through print, electronic resources, cultural activities, programs and services. This would not be possible without the foresight, dedication and generosity of library donors as well as the continuing support of the Town of Houlton. Our collection includes books, magazines, audio-material, and VHS/DVDs. Thanks to the Interlibrary Loan service, we are able to borrow books to supplement our collection of 55,494 items.

Computer technology needs by community members remains high and continues to grow. Job searching, applying online, electronic government services and resources, email, and basic technology classes are just a few needs we help provide. Our new Tandberg video conferencing equipment allows us to offer more programming to library users. Monthly lectures are delivered by the University of New England's Global Humanities program. Our partnership with Maine InfoNet provides library users access to electronic downloadable books with over 2,100 electronic books circulating in 2013.



The library has made many improvements during 2013. New library software now allows users to log in to their account, renew, place holds and review books. The original Carnegie building housing the children's library collection received a much needed cleaning and repair provided by a grant from the Belvedere Preservation Group and a private donation. The Rockabema Lodge IOOF No 78 of Houlton provided the funding to have the front steps and sidewalls repaired. Everyone is very pleased with how well the 1904 building now looks.

The Library is a great place to start the literacy journey. Knowing that the foundations of reading, writing and communication develop in children's earliest months and years, we are committed to providing early literacy skills to children. We have several early literacy programs in effect at the library; a story and craft hour, a Tiny Tot time for 2 to 4 year olds, story lady readings, Reading to Morgan and preschool tours. We welcome all area school groups to tour or schedule a special activity with us. Local children read an amazing 2,195 books during the five week summer reading program, designed with the goal of keeping children interested in reading throughout the summer. Hats off to our 20 teens for reading with our Beneath the Surface program! Our children's librarian is very busy working on several new programs with a Lego Club for Saturday readers launching in 2014. We recognize that the precursor for literacy is oral reading and feel the need is great to offer more.



As needs arise we will continue to provide access to important issues, local author discussions and other events. Our library website [<http://www.cary.lib.me.us/>] provides online access to our Genealogy Databases, our web collection, Maine InfoNet for downloadable services as well as to MARVEL, Maine's Virtual Library database. Ancestry.com is available for in-library use.

Volunteers Frannie Grant, Marilyn Grendell, Dorothy Burnham, Leland Ludwig, Peg Coolong, Alison Bossie, and Raymond Pelletier dedicated hundreds of hours of service to the library. Library staff consists of Susan Bickford and Gail Sutter, Library Assistants; Shelley Murchie, Children's Services and Barbara Ek, Administrative Assistant. Bert Audette continues to maintain the library's network and provide invaluable technical consultation and support.

Your gift to the Library's Endowment Fund is a gift for the betterment of your community. Trust funds continue to grow thereby enabling the library to increase its collection in many designated areas. Contributions in 2013 totaled \$11,783.21.

New trust funds were established, namely: Garth M. and V. Kathleen Gooding Trust with \$956.21 and Nancy Russell Hutchinson Trust with \$2,712 and Lois Hovey Ward Trust with \$3,195. Other significant contributions included: \$500 from John H. Moore was added to the Millard and Isa Moore Fund; \$300 from Forrest Barnes added to his Family Fund; \$50 added to the Community Living Association Trust Fund; \$1000 from Ted and Iva Sussman added to the Dr. John B. Madigan Fund; \$200 from David McQuade added to the Laura and Catherine McQuade Fund; \$600 from Charles and Mary Creighton added to the Alice Starkey Creighton Fund; \$100 from Betty Hutchinson added to the Eugene Hutchinson Fund; \$100 from Stephen, Andrea, and Patrick Hutchinson and Kathryn and Jason Knapp added to their Family Fund; \$410 from Odette Ouellette and Gemma Bartley was added to the C. Eugene Bartley Trust; \$100 from Charlotte Anne Pettit was added to the Mildred Black and James Louis Pettit Trust; \$1,000 from Ted and Iva Sussman was added to Helen Sussman Trust and \$560 in Memory of Joanne Frances Cunliffe was added to the Linda Prosser Memorial Trust. The market value of the library's endowment at the end of 2013 was \$1,246,921.34.

Respectfully submitted,
Linda Faucher, Librarian
faucherl@cary.lib.me.us
207-532-1302

CARY LIBRARY ENDOWMENT FUNDS 2013**H.M. PAYSON & CO. MANAGED FUNDS****Contributions to 12/31/2013**

Anonymous Donor	20,037.04
Atchison, Roland Fund	1,000.00
Barnes Family Trust Fund	6,598.25
Bartley, C. Eugene	1,470.00
Bass, Elizabeth Trust Fund	25,000.00
Bell, Ruth Trust Fund	500.00
Berry, Anna Fund	915.00
Bither, Preston & Christie Trust Fund	2,695.00
Bither, Madeline B. & Gordon Haley	1460.00
Bone Family Trust Fund	2,170.00
Brown-Faucher Family Fund	825.00
Burbank, Dr. Bernard	500.00
Burnham, Bruce B. Trust	400.00
Callnan, Philip & Edrie Fund	2,040.00
Campbell, Mary A. Fund	840.00
Carson, Gertrude Trust Fund	500.00
Cary, George Book Fund	12,000.00
Cary, George Cemetery Fund	700.00
Cary, George Permanent Fund	22,000.00
Cary Library Memorial Book Fund	1,059.00
Chamberlain, Geneva Fund	1,000.00
Chamberlain, Lucy Trust	1,000.00
Chenevert, Edward & Barbara Fund	1,420.00
Churchill, Margaret Trust Fund	1,545.00
Clark, Vinel W. Trust Fund	750.00
Class of 1944, Houlton High School	500.00
Community Living Association	1,700.00
Cox, Sandra Trust Fund	500.00
Cowperthwaite, Albro & Marion	5,345.00
Cowperthwaite, Ethelyn M. Fund	1,500.00
Creighton, Alice Starkey Trust Fund	7,500.00
Denton, Anna Howlett	520.00
Dow, David J. "Auggie" Trust Fund	810.00
Doyle, Medston	500.00
Drew, Emma H. Fund	10,484.00
Drew, Paul & Mary Trust Fund	535.00
Dunn, Donald H. Family Fund	2,765.00
Ellis, Dr. Donald F. Trust Fund	940.00
Ervin, R. Lafayette & Lydia R. Fund	1,380.00
Fairley, Marjorie & Millard Fund	3,010.00
Fire Repair Fund	1,216.46
Flemington Family Fund	2,075.00
Fortier, Leighton Fund	823.00
Gartley, Louis & Heloise	570.00
Gilpatrick Library Fund	11,500.00
Good, Lawrence & Florence Fund	5,100.00
Gooding, Garth M. & V. Kathleen	956.21
Goodwin, Dr. Robert Fund	915.00
Gowenlock, Agnes Rose Trust Fund	3,295.00
Gray, William H. Fund	2,200.00
Gricus, David & Susan Trust Fund	1,901.00
Groves, Clara G & Robert P.	30,000.00
Hannigan, Owen Trust Fund	1,230.00
Hanson, Robert C. Fund	1,035.00
Helms, Frank & Maude Fund	5,000.00
Hess, Isabelle Richards Fund	1,150.00
Holden, Barbara B. Fund	1,578.00
Hockenhull, Brian "Herbie"	977.00
Hopkins, Helen Atchison	660.00
Houlton Garden Club Trust	419.00
Houlton Lodge No. 835 B.P.O. Fund	750.00
Houlton Women's Club Fund	531.00
Howard, Ralph Trust Fund	485.00
Hutchinson, Eugene & Elizabeth Fund	4,455.00
Hutchinson, Nancy Russell	2,712.00

Hutchinson, Stephen, Andrea,& Patrick; Knapp, Kathryn & Jason Fund	1,500.00
Ingraham, Glen & Clara Putnam Trust Fund	30,000.00
Ingraham, Helen & Horace Fund	5,235.00
Inman, Harold H. & Cordelia Putnam Fund	5,262.00
Jedrey, Shirley	550.00
Krohn and Holst Trust Fund	500.00
Lane, Mary Alice Fund	10,000.00
Lane, Virginia & Walter B. Fund	3,332.00
McCarthy, Audrey Fund	1,000.00
McCluskey, Frances & G. Ronald & Trust Fund	1,935.00
McElwee, Molly Trust Fund	1,520.00
McGillicuddy, Mary Vose Trust Fund	500.00
McKay, Joseph Hume	1,600.00
McQuade, Laura & Catherine Trust Fund	2,700.00
Madigan, Dr. John B. Fund	15,632.00
Madigan, James C. & Marie D.	5,050.00
Mansur, Walter P. Fund	650.00
Manuel, Bernice Trust Fund	875.00
Mayberry, Amanda L.	140.00
Moore, Millard & Isa Fund	40,213.00
Myshrall, James & Emily Fund	1,000.00
Nichols, Agnes & David Fund	1,500.00
Niles, Patricia Fund	1,120.00
Parsons, Willametta Russell Fund	2,025.00
Peabody, Mary E. Fund	1,000.00
Peltier, Frank & Rachel Fund	10,826.00
Pettit, James & Mildred Trust Fund	1,550.00
Pierce, James & Winifred Fund	1,712.00
Pierce, Mary Alice	10,060.88
Potter, Natalie Howard	600.00
Prior, Charles A. Trust Fund	1,000.00
Prosser, Linda Fund	5,053.00
Pullen, Jean A.& John Fund	13,051.98
Putnam, Elizabeth	25,850.00
Putnam, Lona T. Fund	1,183.00
Putnam, Maria Louise	25,550.00
Rich, George & Helen Fund	1,610.00
Richards, George & Jennie Fund	1,000.00
Roach, George & Jean Fund	909.00
Robinson, Arthur E., Sr. Trust Fund	839.00
Russell, Ressie Wetmore Fund	1,160.00
Shields, Greta Trust Fund	102,299.19
Small, John & Genesta Memorial Fund	1,125.00
Smith, C. Arthur Fund	2,993.00
Spooner, Gladys H. & Vernon "Rusty" Trust	12,635.00
Starkey Fund	36,579.47
Steele, Robert Trust	500.00
Stewart, Dale W.	550.00
Sussman, Helen	2,845.00
Sylvester Family Fund	9,149.38
Tompkins, Justice Nathaniel & Ragnhild Fund	20,728.00
Thompson, Jean & Vaughn Trust Fund	1,485.00
Tyler, Virginia D. Fund	1,000.00
Upton, Frank & Helen Fund	1,665.00
Ward, Lloyd Trust Fund	4,221.00
Ward, Lois Hovey	3,195.00
West, Julia A.	115.00
Weston, William W. Fund	500.00
TOTAL PAYSON FUNDS	666,325.86

Cemetery Department

The Cemetery Department is responsible for maintaining the Evergreen Cemetery on Smyrna Street, Soldier's Cemetery on White Settlement Road, and the two Cemeteries on the Foxcroft Road, (Bray and Presbyterian). We have two seasonal employees that mow, trim, grade and seed the lots that require work and had 40 burials in 2013.

Respectfully Submitted,
Milton J. Cone
Cemetery Superintendent
chiefmjcone@houlton-maine.com
207-532-1320

Code Enforcement/Building Inspection And Plumbing Inspection Department

In 2013 the Town saw minimal commercial construction and residential additions/ renovations. The following is a description of this years permits and where they apply.

	No. of Permits	Est. Cost of Const.	Fees
New Construction:			
Residential:			
Stick Built	06	\$ 988,500.00	\$ 4,272.00
Modular	01	\$ 140,000.00	\$ 420.00
Non-Res.	06	\$ 374,987.00	\$ 1,800.00
Res. Accessory	18	\$ 119,800.00	\$ 776.00
Additions and Alterations:			
Residential	11	\$ 145,850.00	\$ 638.00
Non-Residential	11	\$ 576,892.00	\$ 2,524.00
Miscellaneous	62	\$ 210,000.00	\$ 1,875.00
Swimming Pools	01	\$ 0.00	\$ 50.00
Mobile Homes	01	\$ 10,000.00	\$ 30.00
Demolition	14	\$ 0.00	\$ 825.00
Sign	<u>09</u>	<u>\$ 109,325.00</u>	<u>\$ 600.00</u>
Total:	128	\$2,675,345.00	\$13,810.00

	No. of Permits	Fees
Plumbing Permits:		
Internal Plumbing Permits	35	\$1,980.00
Sub-surface Waste Water	<u>7</u>	<u>\$ 1,740.00</u>
Total:	42	\$ 3,720.00

Zoning Board of Appeals

The Zoning Board meets on an as needed basis, no meetings were held this year. The Board must decide difficult issues in accordance with Local Ordinances, State laws and court cases. Current members include John Bushey, Dorothy Donahue, Tony Delucca, Phil Bernaiche, Richard Kelley and Carl Lord Jr.

Planning Board

The Planning Board meets on the first and third Tuesday of each month to perform their duties as Town Planners. Members include Don Keiser, Sue Tortello, Noreen Foster, Gerry Berthelette, Jane Torres, Marcus Russell III and Kip Swallow. The Board reviewed several Land Use and Zoning Permits, they also worked on keeping Houlton's zoning ordinance up to date. I'd like to thank both the Zoning and Planning Board members for the time, pride and determination that they give to

Houlton and its citizens. They help plan ahead, keep us on the road to success and moving in a positive direction.

Respectfully submitted,
Kevin Tingley CEO/LPI
code.enforcement@houlton-maine.com
207-532-7111

Community Development Department

This past year has been a busy and successful one for the Community Development Office. New businesses have opened and major improvements to our downtown area are happening. Once vacant buildings have been purchased and renovations are in process. Businesses have been purchased by new owners and there is new energy as a result. Active groups of enterprising individuals have a vision for what our community needs and are seeing their plans become a reality. An example is the Co-Op Farm Store that will be located in the heart of Downtown Houlton in a beautiful and historical building, offering locally sourced food from our local farming community.

Our community is enjoying an influx of young people who are moving back to their home town. They are coming home to own and operate micro-businesses and farms, they are coming back for the job opportunities that are available in manufacturing settings that provide excellent wages and benefits, to work in health care, and elsewhere. They are moving home to a place where they can afford to live comfortably and own a home. Entrepreneurship is alive and well in our community.

The past year can be proclaimed as “The Year of Grants” for our community. As a community, we have received \$236,983.00 in grant funds that have been funded or are pending payment once work is completed. Grants are a tremendous boost to our local budget and for the organizations that they support. The grants submitted are as follows:

- Municipal Snowmobile Grant : \$38,688.00
The grant provides funding for trail maintenance and grooming of portions of the ITS Snowmobile Trails.
- ATV Municipal Grant : \$30,545.00
The grant provides for trail maintenance and repair. Both the Snowmobile Clubs and the ATV Club are instrumental ambassadors for Tourism locally and throughout the County; they are an example of volunteerism at its best.
- Natural Resources Conservation Services : \$30,500
Severe flooding in June of 2012 caused damage to two local areas, one on Brown Brook and the other is on Pearce Brook where a Watershed Project is located. The grant provides funding for remediation in both locations.
- Land and Water Conservation Fund Grant (Houlton Just for Kids Playground Project) : \$50,000.00
The Playground grant was a collaborative effort with Marie Carmichael from the Parks and Recreation Department. In fact, this grant became a community collaborative effort before we submitted it. The Just for Kids Playground serves the area children and provides a safe and recreational place for outdoor fun. Pending the receipt of the formal paperwork the work will be completed in the spring of 2015 in time for the summer programs.
- Recreation Trail Grant (The B-Stream Snowmobile Bridge Project) : \$79,250.00
The RTP Grant will provide funding for the replacement of the B-Stream Snowmobile Bridge that was washed away in severe flooding in 2010. The bridge is critical for snowmobile riders to travel safely on the trails that lead to the business community along the North Road. Since 2010 the re-route has taken traffic away from our community. A new bridge is important for the business and tourism industry and it will once again provide a safe route of travel. Pending the formal paperwork, the intent is to complete the bridge in 2014 prior to the snow sledding season.
- Canopy Grant : \$8,000.00
The Canopy Grant provides funding to plant new trees in our downtown area. It was during the Revitalization of our downtown area in the late 1980's that our current ash trees were planted. Inspection of the Downtown Tree inventory occurred during the summer and fall of 2013. The trees were found to be in very poor condition. The trees are suffering from disease and the potential of the now overgrown branches to cause harm to citizens and vehicles poses a real problem. The project deadline is June of 2015. A committee of interested and qualified local professionals is assisting in the selection of a type of tree that will best suit our climate while being aesthetically pleasing to the eye.

The Community Development Office is busy with inquires about possible business opportunities, properties that are available, researching funding sources for potential new business owners and those wishing to renovate current spaces, and promoting our community in a positive and energetic manner.

I remain an active member of several local and County boards, keeping abreast of what is happening with our local employers and workforce.

Respectfully Submitted,
Lori Weston, Community Development Director
comm.development@houlton-maine.com
207-532-7111

Fire Department

Fire Prevention and Education is one of the most important aspects of a proactive Fire Department. We continue to offer educational classes, fire prevention, and fire extinguisher, conduct fire inspections, stove installations, and chimney inspections to attempt to reduce the number of fires.

I am pleased to report the number of alarms for the Fire Department decreased in 2013. There were 85 alarms in 2013, down from 119 alarms in 2012.

Sun. – 6, Mon. - 14, Tues. – 13, Wed. – 16, Thurs. – 16, Fri. – 13, Sat. - 7

Time	Alarms	Time	Alarms
00:01 – 02:00 -	2	12:00 – 14:00 -	10
02:01 – 04:00 -	3	14:01 – 16:00 -	11
04:01 – 06:00 -	4	16:01 – 18:00 -	10
06:01 – 08:00 -	4	18:01 – 20:00 -	14
08:01 – 10:00 -	9	20:01 – 22:00 -	8
10:01 – 12:00 -	8	22:01 – 24:00 -	2

Accidents – 24

Structure – 17

False – 17

Electrical – 3

Carbon Monoxide – 1

Chimney – 9

Vehicles – 8

Grass – 5

Explosion – 1

Responding to automobile accidents was the most common type of emergency response call in 2013. To help reduce automobile accidents follow these safe driving tips:

- wear your seat belt, avoid distractions, don't speed, don't drive drunk, and watch out for the other guy.

Structure fires are the second highest type of alarms received. According to a 2010 telephone survey, ninety-six percent of all homes in the United States have at least one smoke alarm. Based on those results, almost five million households still do not have any smoke alarms. Having a working smoke alarm cuts your risk of dying in a home fire in half. Install smoke alarms in every bedroom, outside each separate sleeping area, and on every level of the home, including the basement. Test alarms at least monthly, and replace batteries in all smoke alarms at least once a year. Replace smoke alarms after ten years or sooner if alarm fails to sound after depressing test buttons. Keep smoke alarms free of dust.

There were an additional 148 calls the fire department responded to that did not require alarms, assisting the ambulance, unlocking doors, alarm tests, inspections, fire prevention classes, and public service calls.

The Houlton Fire Department issued approximately 600 open burning permits in 2013. Many of the permits issued were for an extended period. Providing information on how to burn safely, and restricting when permits may be used has reduced grass and brush fire alarms.

The Fire Department continues to hold monthly training meetings on all aspects of structural firefighting, and additional training on hazmat, and weapons of mass destruction equipment and response.

Respectfully Submitted,
Milton J. Cone, Fire Chief
chiefmjcone@houlton-maine.com
207-532-1320

Health and Social Services

The General Assistance Program provides housing, food, fuel, utilities or other basic necessities to those in need when such necessities are not available elsewhere. There are income guidelines established by the State of Maine and the Municipal Ordinance in each of the basic need categories, as well as, responsibility requirements for each applicant.

If a person does not qualify we try to direct them to other resources that may be able to assist them. 2-1-1 Maine is a valuable resource for health and human services information that is easily accessed by dialing 2-1-1 or logging onto 211maine.org.

The State of Maine reimburses the Town for 50% of its direct costs of General Assistance expenditures. In 2013 the Town of Houlton expended approximately \$5,200 for the General Assistance Program; the majority of these costs were for fuel and housing assistance.

There continue to be numerous programs available in our community that assist people to obtain the skills and experience that will enable them to be self-sufficient. These programs are valuable resources for our citizens.

Respectfully submitted,
Cathy J. O'Leary, General Assistance Administrator
town.clerk@houlton-maine.com
207-532-7111

John Millar Civic Center

The past year was an exciting one at the John Millar Civic Center. 2013 saw classic annual events like the Trade Show and the Gun Show; new event opportunities like the Stamp and Coin Show, the Energy Expo, and two Trash and Treasure Sales; a brand-new set of state-of-the-art dasher boards – all bookended by fun-filled hockey seasons.

The Trade Show and Gun Show were both great successes for the Civic Center, bringing thousands of people through our doors. The Stamp and Coin Show and the Energy Expo were exciting opportunities that provided new experiences to the people of the community.

The Trash and Treasure Sales saw hundreds of customers, all of who contributed to the success of the events. The second sale was even more fruitful than the first – more vendors, more customers, and greater success all around. So, of course we will be bringing them into 2014 and hopefully they will continue to grow!

The 2013 hockey season started in a very exciting way: with a brand-new set of dasher boards. These new boards are an investment in the future of the Civic Center and the future of hockey in the community. They provide a safer experience to the users of the Civic Center as well as bring a more efficient set-up and storage process to the Town's employees.

In future years, the Civic Center hopes to continue to grow on this year's success. We hope to provide events and activities to the people of Aroostook county – tried-and-true classic events, new adventures, and safe and fun winter sports. New ideas will be developed and brought to you in future years, and we look forward to sharing them with the community.

Respectfully Submitted.

Haley Nickerson

Civic Center Supervisor

civic.center@houlton-maine.com

207-532-1313

Parks & Recreation Department

Vision Statement

The Houlton Parks & Recreation Department strives to provide their residents with outstanding programs, parks & facilities that create opportunities for healthy lifestyles now and in the future.

Facilities & Parks

Gentle Memorial Building ~ Gymnasium, Game Room, lounges , outdoor tennis & basketball court

Community Park~ Playground, Skate Park, baseball, softball fields, tennis & basketball courts, fitness circuit

Monument Park ~ Amphitheater

Pierce Park ~ Boy in the Boot Statue

Riverfront Park ~ Gateway walking bridge

Meduxnekeag River Boat Landing

Overview

The Houlton Parks & Recreation Department currently has 3 full-time staff including; recreation program director, maintenance foreman, maintenance laborer, and a part-time secretary. The department runs nearly 75 programs annually for toddlers to seniors with the help of part-time staff and volunteers. The department also maintains and cares for 5 parks and facilities covering nearly 50 acres of property throughout the community.

2013 In Review

Despite shrinking budget challenges, the Houlton Parks & Recreation Department Recreation Advisory Board and staff remain committed to their vision to provide and enhance the quality of life for the entire Houlton community through their services & facilities.

Program numbers remain strong with the traditional programs being offered such as the “Just for Kids” Summer Playground Program, Youth Basketball, Tennis, T-ball, First Pitch. Our Youth Soccer Program exploded with participants this year. There were a total of 25 teams with children from grades Kindergarten to Grade 6 playing. This had close to 275 children enjoying the fun game of soccer, our highest number ever for this program. New programs included Little Hoopsters, Pinata Making , Recess Rocks, Zumbatomics for children. As always, we welcome your ideas and suggestions on how we can better serve you, so please feel free to contact us to share your thoughts.

Our Department continues to work on our Community Playground Improvement Project. We are very thankful to the many businesses, local organizations & individuals that contribute towards this endeavor. We are still continuing to raise funds for this project and welcome any donations no matter the amount. Please contact me at the Department if you would like to help out in anyway with this family project. We truly want it to be a “Community Project”.

Three significant improvements were made within the recreation department. First, the Gentle Memorial Building facility received new pavement for the parking lot, basketball & two tennis courts. This project was much needed and will insure the safety of participants when entering and using these facilities. Second, again due to safety concerns, the town replaced the maintenance work truck. The department now has a 2014 Ford F-250 to use for the caring of the grounds and facilities. The third change involved changing out the 61 year old back stair treads for the Gentle Memorial Building. This investment will once again insure the safety of the participants using this facility.

Our department continues to work in collaboration with local clubs, service organizations, businesses and groups to afford local residents with wonderful enrichment events and fun family outings such as “Third Thursdays”; “Family Fun Zone”; “Touch a Truck”; “Moosestompers “; “Indoor Market” and “G-Force Laser Tag”, just to mention a few. We thank our many volunteers for their hours of commitment to the varies programs that make our youth & adult events so successful. And to our full time and part-time staff for their tireless efforts in providing safe, fun opportunities for the Houlton Community.

Respectfully Submitted,
Marie Carmichael, Recreation Program Director
rec.programs@houlton-maine.com
207-532-1310



HOULTON POLICE DEPARTMENT
97 Military Street
Houlton, Maine 04730



Chief Butch Asselin
Lt. Daniel Pelletier

Tel. 207.532.2287
Fax 207.532.1323

To: Town Council
Citizens of Houlton

February 26, 2014

As customary, I want to thank all of the department's full-time, auxiliary staff and volunteers for a job well done in 2013. The officers and dispatchers of this department exhibit a high degree of professionalism and integrity in the performance of their duties for the citizens of this community. Graduates of the department's Citizen's Police Academy volunteered their time to assist parents and children crossing busy intersections on High Street, Park Street and Pearce Avenue on Halloween night.

I would also like to thank the town council, town manager, department heads, and all other municipal employees for their teamwork, cooperation, and support.

The police department has a compliment of eight full-time officers, one corporal, two sergeants, a lieutenant, chief and four public safety dispatchers. We also have a full-time position funded by the U.S. Department of Justice until April of 2014.

D.A.R.E. was a huge success again this year. Nearly one-hundred fifth grade students from the Southside School participated in a ten week program under the tutelage of Officer Gary McGuire. This was Officer McGuire's second year teaching the program. We would like to thank Officer McGuire for his hard work and commitment to the program.

In November, the police department held its 3rd Annual Employee Recognition Awards Ceremony. Public Safety Dispatcher Thomas Milton was selected as the department's top employee of the year. Several other department employees were recognized or received commendations for service to the community.



Dispatcher Thomas Milton

- Det. Stewart Kennedy 5 year service pin
- Det. Stewart Kennedy Educational Achievement
- Officer Eric Sucus Educational Achievement
- Det. Stewart Kennedy Promotion
- Officer Benjamin Drew Chief's Award (Major Crime)
- Sgt. Charles Wampler Chief's Award (Citizen's Academy)

A special Community Service Award was presented to Cathy Davis for her 28 years of dedicated service to the Houlton Humane Society and the community.



Cathy Davis

For the very first time, a Citizen's Hero Award was presented by the department to Timothy Tweedie for the valor he displayed in his Houlton High School classroom.



Timothy Tweedie

The department celebrated one promotion this year. Stewart Kennedy was elevated to the position of Detective in November. Det. Kennedy has five years of experience with the department.

Eric Sucus of Oakland became a full-time officer for the department in May. Officer Sucus is a graduate of Thomas College and the Maine Criminal Justice Academy.



Officer Eric Sucus

During the spring, summer and winter months, the department participated in the “Click It or Ticket” and “Holiday Enforcement” campaigns sponsored by the Bureau of Highway Safety and the National Highway Safety Transportation Administration. The department received grant funds to provide additional patrols during peak times for seatbelt, speeding and OUI enforcement.

In a joint operation with US Customs and Border Protection, free screening of treats was offered Halloween night at the police department. Many parents took advantage of this program which has now been offered for six successive years.

To increase awareness of the disease, officers wore pink bands around their badges in support of National Breast Cancer Awareness Month. Dispatchers also participated by wearing pink wrist bracelets. The department has made this an annual event.

2013 Complaints	Number	2012	Net
Total Dispatch Calls Received	7990	7393	597
Offenses Committed	970	1014	-44
Felonies	93	116	-23
Crime Related Incidents	244	299	-55
Non Crime Related Incidents	2251	2522	-271
Total Arrests	139	149	-10
Total Arrests (Warrants)	122	126	-4
Criminal Summonses Issued	339	308	21
Total Juvenile Arrests	39	50	-11
Sex Related Offenses	7	11	-4

Robbery	0	3	-3
Misuse of Identification	1	2	-1
Aggravated Assault	4	4	0
Simple Assault	34	30	4
Domestic Violence	32	32	0
Criminal Threatening	7	8	-1
Terrorizing	6	4	2
Refusing to Submit to Arrest	9	12	-3
Reckless Conduct	1	1	0
Assault on an Officer	1	1	0
Burglary	29	28	1
Theft Related	153	175	-22
Stealing Drugs	4	7	-3
Forgery	4	8	-4
Burglary of a Motor Vehicle	11	9	2
Criminal Mischief	51	37	14
Drug Violations	55	59	-4
Drug Paraphernalia Violations	43	35	8
Computer Crimes	0	1	-1
Trafficking in Dangerous Knives	0	2	-2
Possession of Sexually Explicit Material	0	3	-3
Weapons Law Violations	1	2	-1
Negotiating a Worthless Instrument	2	4	-2
Disorderly Conduct	57	61	-4
Obstructing Report of a Crime	1	5	-4
Obstructing Governmental Administration	1	1	0
Indecent Conduct	1	2	-1
Criminal Restraint	0	4	-4
Criminal Trespass	25	17	8
Liquor Law Violations	8	35	-27
Furnishing Alcohol to Minor	0	8	-8
Allowing Minor to Possess or Consume Alcohol	0	2	-2
Violating Conditions of Release	56	69	-13
Fugitive from Justice	0	5	-5
Failure to Appear after Bailed	14	9	5
Failure to Provide Correct Name	0	1	-1
Failure to Appear in Court	17	12	5
Failure to Pay Fine	23	17	6
Harassment	13	21	-8
Unsworn Falsification	5	2	3

Tampering with a Witness	2	1	1
Violation of Protective Order	11	16	-5
Harassment by Telephone	9	15	-6
False Public Alarm or Report	3	3	0
Endangering the Welfare of a Child	3	7	-4
Hindering Apprehension	2	2	0
Misuse of 9-1-1 System	2	1	1
Keeping a Dangerous Dog	2	1	1
Failing to Comply with Sex Offender Registration	1	2	-1
Excessive Barking	4	1	3
Probation Violation	2	4	-2
ATV Violations	3	6	-3
Illegally Operating Power Equipment	0	2	-2
Littering	3	1	2
Possession of Tobacco Products by Minor	2	5	-3
Allowing Dog at Large	18	2	16
Keeping Unlicensed Dog	6		
Uncontrolled Dogs Violation	1		
Escape	2		
Trafficking Tobacco	1	0	1
Cruelty to Animals	1	0	1
Habitually Truant Student	1	0	1
Criminal Attempt	2	0	2
Falsifying Evidence	2	0	2
Misuse of Information	1	0	1
Criminal Simulation	1	0	1
Creating a Police Standoff	2	0	2
Total Motor Vehicle Stops	1984	1212	772
Warnings Issued	1412	906	506
Operating Under the Influence	38	25	13
Operating After License Suspended	38	45	-7
Smoking in Vehicle with Minor	6	9	-3
Failing to Wear Seatbelts	163	168	-5
Littering from a Motor Vehicle	0	1	-1
Driver License Related	46	13	33
Equipment Violations	421		
Failing to Produce Evidence of Insurance	59	29	30
Inspection Violations	414	86	328
Studded Tire Violation	8	10	-2

Failing to Obey Traffic Control Device	54	40	14
Following Too Close	2	2	0
Improper Passing	2	2	0
Speeding	626	367	259
Unnecessary Noise	8	8	0
Permitting Unlawful Use	2	3	-1
Possession of Suspended License	2	2	0
Attaching False Plates	10	11	-1
Drinking in a Motor Vehicle	6	8	-2
Leaving Scene of Accident	4	6	-2
Passing Stopped School Bus	5	5	0
Driving to Endanger	4	5	-1
Failing to Stop for Officer	2	2	0
Habitual Offender	5	2	3
Registration Violations	181	64	117
Texting	1	0	1
Lane Violations	17		
Fail to Use Turn Signal	7		
Fail to Use Headlights	15		
Evasion Excise Fees	3		
Fail Properly Display Registration Plate	42		
Obstructed View	5		
Fine Total	\$63,888.00		

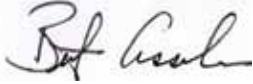
Non-Criminal Incidents

Animal Complaints	161	110	41
Assist Other Law Enforcement Agencies	146	209	-63
Assist Citizen	376	575	-199
Business Alarms	169	221	-52
Discharge Firearm	1	5	-4
Disturbance	167	226	-59
911 Hang Up	118	114	4
Lost Property	46	49	-3
Missing Person	9	4	5
Police Information	101	99	2
Suspected Drug Activity	4	7	-3
Sudden Death	6	3	3
Assist Fire/EMS	7	10	-3
Other	946	908	38

Citizens can listen to the department's radio traffic by setting your browser to www.houltonpolice.com and clicking on the link provided on the page. In addition to casual listening, citizens now have an opportunity to stay informed whenever there is an emergency, road closure or severe weather event.

Members of the department encourage all citizens to become involved in crime prevention and community issues. You can assist us by reporting crime or suspicious activity to the department by calling 532-2287 or 532-1322. In the event of an emergency, please dial 9-1-1. If you have information pertaining to criminal activity but wish to remain anonymous, please call or text the department's tip line at 694-3545.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Butch Asselin". The signature is written in a cursive style with a large initial "B".

Butch Asselin
Chief of Police

Public Works Department

This year the town purchased a new asphalt crack sealing machine for the department. The unit we had been using was about 30 years old. Parts and affordable service were pretty much impossible to acquire to keep the machine working. The new unit saves material used, in addition, due to the changes over the years the unit uses diesel fuel, heats up to operating temperature in less than an hour and does not require the use of overtime hours in order to have the unit ready to go at the beginning of the day. Previously about thirteen overtime hours per week were required in order to have it heated and ready to use when the rest of the crew came in to work each day. .

To give you an idea of how the machine works, the asphalt crack sealing machine melts solidified blocks of asphalt turning the purchased product into a flowable material. It is then pumped into road cracks by a hose and wand system from the machine to seal them. This process makes the area far less permeable to the weather elements by keeping rain or road salt water from seeping into the road base and wreaking havoc underground. This work extends the life of the roads considerably. As an ongoing effort, quite a few town streets were treated this year with more to follow each year as we have in the past.

The Gentle Memorial Building parking lot, tennis and basket ball courts were all paved. In addition, the walkway from Main Street to the entrance and the entire area in front the building plus the lawn area was dug up and replaced with material and overlaid as well. It had been many years since paving. A long time resident of the neighborhood thought it was initially paved forty years ago during the summer of 1973. Lincoln Street, Alice Avenue and Columbia Street from Court Street to Chandler Street also received an overlay of asphalt.

Street and road maintenance took place in between the over abundance of rain that we received. We had months of record rainfalls that hindered road striping, street sweeping, weed control and catch basin repairs along with other weather related work.

In last year's annual report I stated that I would be retiring after twenty-four years. I did not go through with leaving as I decided to withdraw my resignation and continue on here at the department.

In closing, I appreciate all the support I have received from the public and also your informational calls letting us know when or where a safety defect or problem occurs. It is nice to have the extra eyes informing us as we can not cover all areas of the town as well as we would like and for that I thank you all.

Respectfully Submitted to record,
Leigh Stilwell
Public Works Director
public.works@houlton-maine.com
207-532-1325

Town Clerk's Report

The Town Clerk is responsible for recording births, deaths and marriages and reporting them to the Office of Vital Statistics in Augusta. The clerk is also responsible for maintaining town records and issuing licenses as required. Over the past few years there have been many changes to this process. The State of Maine Vital Records Bureau now maintains an electronic birth and death record system.

Citizens are now able to renew vehicles, boats, ATV's and snowmobiles on-line, as well as obtain hunting and fishing licenses. The link for this service is listed on our website www.houlton-maine.com under "Services". Beginning in October 2014, dog licenses will also be available on-line.

VITAL RECORDS

	<u>2013</u>	<u>2012</u>	<u>2011</u>
BIRTHS RECORDED	177	172	185
DEATHS RECORDED	125	124	171
MARRIAGES RECORDED	40	38	28

NUMBER OF LICENSES/PERMITS ISSUED IN 2013

Dog Licenses	1023
Solid Waste Collectors Licenses	
Non-Residential	1
Residential	1
Special Amusement Licenses	2
Taxi Establishments	2
Victualer Licenses	44

2013 STATE/MUNICIPAL ELECTIONS

SAD#29 Budget Referendum– June 11, 2013

Total Vote - 169

State Referendum/Municipal Election – November 5, 2013

Total Vote – 921

As of 11/5/2013 =	3,816	Total Registered Voters
	915	Democrat
	1,276	Republican
	1,500	Unenrolled
	125	Green

Respectfully submitted,

Cathy J. O’Leary, Town Clerk/Registrar of Voters

town.clerk@houlton-maine.com

207-532-7111

Federal Compliance Audit

Town of Houlton, Maine

December 31, 2013



Proven Expertise and Integrity

TOWN OF HOULTON, MAINE

DECEMBER 31, 2013

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Proven Expertise and Integrity

INDEPENDENT AUDITORS' REPORT

Town Council
Town of Houlton
Houlton, Maine

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Houlton, Maine as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

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www.rhrsmith.com

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Houlton, Maine as of December 31, 2013, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 11 and budgetary comparison information on page 37 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Town of Houlton's basic financial statements. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional

procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 3, 2014 on our consideration of the Town of Houlton's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 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 read in considering the Town of Houlton's internal control over financial reporting and compliance.

RHR Smith & Company

Buxton, Maine
March 3, 2014

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2013**

(UNAUDITED)

The following management's discussion and analysis of the Town of Houlton, Maine's financial performance provides an overview of the Town's financial activities for the fiscal year ended December 31, 2013. Please read it in conjunction with the Town's financial statements.

Financial Statement Overview

The Town of Houlton's basic financial statements include the following components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes required supplementary information which consists of the general fund budgetary comparison schedule, and other supplementary information which includes combining and other schedules.

Basic Financial Statements

The basic financial statements include financial information in two differing views: the government-wide financial statements and the fund financial statements. These basic financial statements also include the notes to financial statements that explain in more detail certain information in the financial statements and also provide the user with the accounting policies used in the preparation of the financial statements.

Government-Wide Financial Statements

The government-wide financial statements provide a broad view of the Town's operations in a manner that is similar to private businesses. These statements provide both short-term as well as long-term information in regards to the Town's financial position. These financial statements are prepared using the accrual basis of accounting. This measurement focus takes into account all revenues and expenses associated with the fiscal year regardless of when cash is received or paid. The government-wide financial statements include the following two statements:

The Statement of Net Position – this statement presents *all* of the government's assets and liabilities with the difference being reported as net position.

The Statement of Activities – this statement presents information that shows how the government's net assets changed during the period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

Both of the above mentioned financial statements include a column for the following activities:

- *Governmental activities* – The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). All of the Town's basic services are reported in governmental activities, which include general government, protection, public services, health and culture, parks and recreation, airport, education, and other unclassified.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Houlton, like other local governments uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. All of the funds of the Town of Houlton are governmental funds.

Governmental funds: All of the basic services provided by the Town are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported in governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources. They also focus on the balance of spendable resources available at the end of the fiscal year. Such information will be useful in evaluating the government's near-term financing requirements. This approach is known as the current financial resources measurement focus and the modified accrual basis of accounting. Under this approach revenues are recorded when cash is received or when susceptible to accrual. Expenditures are recorded when liabilities are incurred and due. These statements provide a detailed short-term view of the Town's finances to assist in determining whether there will be adequate financial resources available to meet the current needs of the Town.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are presented on the page immediately following each governmental fund financial statement.

The Town of Houlton presents six columns in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. The Town has five major governmental funds: the general fund, the tax increment financing fund, the airport projects fund, the capital reserve fund and the cemetery fund. All other funds are shown as nonmajor and are combined in the "Nonmajor Funds" column on these statements.

The general fund is the only fund for which the Town legally adopted a budget. The Budgetary Comparison Schedule – Budgetary Basis – Budget and Actual – General Fund provides a comparison of the original and final budget and the actual expenditures for the current year.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to Financial Statements can be found following the Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule - Budgetary Basis – Budget and Actual – General Fund.

Other Supplementary Information

Other supplementary information follows the required supplementary information. These combining and other schedules provide information in regards to nonmajor funds, capital asset activity and other detailed budgetary information for the general fund.

Government-Wide Financial Analysis

Our analysis below focuses on the net position, and changes in net position of the Town's governmental activities. The Town's total net position increased by \$790,576 from \$13.13 million to \$13.92 million.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - decreased to a balance of \$1,748,338 at the end of this year.

Table 1
Town of Houlton, Maine
Net Position
December 31,

	2013	2012
Assets:		
Current and Other Assets	\$ 3,249,545	\$ 3,637,146
Capital Assets	13,282,294	12,322,311
Total Assets	16,531,839	15,959,457
Liabilities:		
Current Liabilities	627,694	810,220
Long-term Debt Outstanding	1,755,750	1,863,188
Total Liabilities	2,383,444	2,673,408
Deferred Inflows of Resources:		
Prepaid Taxes	10,767	5,563
Advance Payment of URIP Funding	60,783	-
Deferred Revenue	155,783	150,000
Total Deferred Inflows of Resources	227,333	155,563
Net Position:		
Invested in Capital Assets, Net of Related Debt	11,611,720	10,421,391
Restricted: Special revenue funds	15,609	16,572
Permanent funds	545,395	543,895
Unrestricted	1,748,338	2,148,628
Total Net Position	\$ 13,921,062	\$ 13,130,486

Revenues and Expenses

Revenues for the Town's governmental activities increased by 3.81%, while total expenses increased by 4.62%.

Table 2
Town of Houlton, Maine
Changes in Net Position
For the Years Ended December 31,

	<u>2013</u>	<u>2012</u>
Revenues		
<i>Program revenues:</i>		
Charges for services	\$ 1,531,895	\$ 1,533,767
Operating grants and contributions	117,002	136,613
Capital grants and contributions	1,276	1,116,094
<i>General revenues:</i>		
Taxes :		
Property taxes, levied for general purposes	6,196,231	5,618,420
Excise taxes	848,809	807,597
Grants and contributions not restricted to specific programs	805,011	874,489
Interest	959,382	92,813
Other revenues	253,597	140,437
Total Revenues	<u>10,713,203</u>	<u>10,320,230</u>
Expenses		
General government	596,791	622,991
Protection	2,556,054	2,589,236
Public services	1,247,846	1,046,298
Employee benefits	1,106,738	1,071,852
Health and culture	296,629	299,478
Parks and recreation	540,285	554,360
Airport	366,913	232,819
Education	2,271,750	2,050,839
County tax	307,951	297,148
Unclassified	482,517	429,935
Capital outlay	142,888	187,590
Interest on long-term debt	6,265	101,599
Total Expenses	<u>9,922,627</u>	<u>9,484,145</u>
Change in Net Position	790,576	836,085
Net Position - January 1	<u>13,130,486</u>	<u>12,294,401</u>
Net Position - December 31	<u>\$ 13,921,062</u>	<u>\$ 13,130,486</u>

Financial Analysis of the Town's Fund Statements

Governmental funds: The financial reporting focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information may be useful in assessing the Town's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's financial position at the end of the year, and the net resources available for spending.

Table 3
Town of Houlton, Maine
Fund Balances - Governmental Funds
December 31,

	<u>2013</u>	<u>2012</u>
General Fund:		
Nonspendable	\$ 22,575	\$ 38,711
Unassigned	484,090	348,768
Total General Fund	<u>\$ 506,665</u>	<u>\$ 387,479</u>
Tax Increment Financing Fund		
Committed	\$ 713,286	\$ 535,493
Total Tax Increment Financing Fund	<u>\$ 713,286</u>	<u>\$ 535,493</u>
Airport Projects Fund:		
Committed	\$ 152,793	\$ 105,290
Total Airport Projects Fund	<u>\$ 152,793</u>	<u>\$ 105,290</u>
Capital Reserves Fund:		
Committed	\$ 24,614	\$ 24,614
Total Capital Reserve Fund	<u>\$ 24,614</u>	<u>\$ 24,614</u>
Cemetery Fund:		
Restricted	\$ 545,395	\$ 543,895
Total Cemetery Fund	<u>\$ 545,395</u>	<u>\$ 543,895</u>
Nonmajor Funds:		
Special Revenue:		
Restricted	\$ 15,609	\$ 16,572
Assigned	2,181	2,181
Unassigned	(7,049)	(9,499)
Capital Projects:		
Committed	106,941	760,491
Total Nonmajor Funds	<u>\$ 117,682</u>	<u>\$ 769,745</u>

The general fund total fund balance increased by \$119,186 from the prior fiscal year. The tax increment financing fund total fund balance increased by \$177,793. The airport projects fund total fund balance increased by \$47,503. The capital reserve fund total fund balance had no change in fund balance. The cemetery fund total fund balance increased by \$1,500. The non-major fund balances decreased by \$652,063 over the prior fiscal year.

Budgetary Highlights

There was no significant difference between the original and final budget for the general fund.

The general fund budget exceeded the actual revenues by \$48,379. This was a result of deficits in all revenue categories except taxes and intergovernmental.

The general fund actual expenditures were under budget by \$217,685. All expenditure categories were under budget with the exception of protection, public services and parks and recreation.

Capital Assets and Debt Administration

Capital Assets

As of December 31, 2013, the net book value of capital assets recorded by the Town increased by \$959,983 over the prior year. Refer to Note 4 of Notes to Financial Statements for more detailed information.

Table 4
Town of Houlton, Maine
Capital Assets (Net of Depreciation)
December 31,

	<u>2013</u>	<u>2012</u>
Land and construction in progress	\$ 2,755,158	\$ 1,392,358
Buildings and improvements	7,906,173	8,224,331
Equipment and vehicles	1,105,967	1,146,632
Infrastructure	<u>1,514,996</u>	<u>1,558,990</u>
	<u>\$ 13,282,294</u>	<u>\$ 12,322,311</u>

Debt

At December 31, 2013, the Town had \$1,682,243 in bonds and notes outstanding versus \$1,639,437 last year. Other obligations include capital leases payable and accrued sick and vacation time. Refer to Note 5 of Notes to Financial Statements for more detailed information.

Currently Known Facts, Decisions or Conditions

Economic Factors and Next Year's Budgets and Rates

The Town's unassigned fund balance has decreased significantly in the past few years, bringing it below the level of a sufficient fund balance to sustain operations while also maintaining significant reserves for future operations, capital and program needs.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Treasurer's Office at 21 Water Street, Houlton, Maine 04730.

STATEMENT A

TOWN OF HOULTON, MAINE

STATEMENT OF NET POSITION
DECEMBER 31, 2013

	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 1,229,996
Investments	587,345
Accounts receivable (net of allowance for uncollectibles):	
Taxes	591,060
Liens	155,068
Other	663,501
Inventory	22,575
Total current assets	<u>3,249,545</u>
Noncurrent assets:	
Capital assets:	
Land, construction in progress, and other assets not being depreciated	2,755,158
Buildings, vehicles, equipment and other assets, net of accumulated depreciation	10,527,136
Total noncurrent assets	<u>13,282,294</u>
Total assets	<u>\$ 16,531,839</u>
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 167,194
Accrued payroll	63,243
Accrued expenses	87,037
Bond anticipation note	33,798
Current portion of long-term obligations	276,422
Total current liabilities	<u>627,694</u>
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Bond payable	1,345,367
Notes payable	156,582
Capital leases payable	48,785
Accrued compensated absences	205,016
Total noncurrent liabilities	<u>1,755,750</u>
Total liabilities	<u>2,383,444</u>
DEFERRED INFLOWS OF RESOURCES	
Prepaid taxes	10,767
Advance payment of URIP funding	60,783
Deferred revenue	155,783
Total deferred inflows of resources	<u>227,333</u>
NET POSITION	
Invested in capital assets, net of related debt	11,611,720
Restricted: Special revenue funds	15,609
Permanent funds - nonexpendable	545,395
Unrestricted	1,748,338
Total net position	<u>13,921,062</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 16,531,839</u>

See accompanying independent auditors' report and notes to financial statements.

STATEMENT B

TOWN OF HOULTON, MAINE
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2013

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services/ Other	Operating Grants & Contributions	Capital Grants & Contributions	
Governmental activities:					
General government	\$ 596,791	\$ 56,138	-	-	\$ (540,653)
Protection	2,556,054	1,265,114	-	-	(1,290,940)
Public services	1,247,846	23,416	112,388	-	(1,112,042)
Employee benefits	1,106,738	-	-	-	(1,106,738)
Health and culture	296,629	17,877	-	-	(278,752)
Parks and recreation	540,285	53,387	-	-	(486,898)
Airport	366,913	115,963	-	-	(250,950)
Education	2,271,750	-	-	-	(2,271,750)
County tax	307,951	-	-	-	(307,951)
Unclassified	482,517	-	4,614	-	(477,903)
Capital outlay	142,888	-	-	1,276	(141,612)
Interest on long-term debt	6,265	-	-	-	(6,265)
Total governmental activities	\$ 9,922,627	\$ 1,531,895	\$ 117,002	\$ 1,276	(8,272,454)

STATEMENT B (CONTINUED)
TOWN OF HOULTON, MAINE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013

	Governmental Activities
Changes in net position:	
Net (expense) revenue	(8,272,454)
General revenues:	
Taxes:	
Property taxes, levied for general purposes	6,196,231
Excise taxes	848,809
Grants and contributions not restricted to specific programs	805,011
Interest	959,382
Other revenues	253,597
Total general revenues	9,063,030
Change in net position	790,576
Net position - January 1	13,130,486
Net position - December 31	\$ 13,921,062

See accompanying independent auditors' report and notes to financial statements.

TOWN OF HOULTON, MAINE

BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2013

	General Fund	Tax Increment Financing	Airport Projects	Capital Reserve	Cemetery Fund	Nonmajor Funds	Governmental Funds	Total
ASSETS								
Cash and cash equivalents	\$ 1,150,504	\$ -	\$ -	\$ -	\$ 17,926	\$ 61,566	\$ -	\$ 1,229,996
Investments	50,000	-	-	-	537,345	-	-	587,345
Accounts receivable (net of allowance for uncollectibles):								
Taxes	591,060	-	-	-	-	-	-	591,060
Liens	155,068	-	-	-	-	-	-	155,068
Other	504,552	-	-	-	-	158,949	-	663,501
Inventory	22,575	-	-	-	-	-	-	22,575
Due from other funds	16,925	713,286	152,793	24,614	-	88,753	-	996,371
TOTAL ASSETS	\$ 2,490,684	\$ 713,286	\$ 152,793	\$ 24,614	\$ 555,271	\$ 309,268	\$ -	\$ 4,245,916
LIABILITIES								
Accounts payable	\$ 166,455	\$ -	\$ -	\$ -	\$ -	\$ 739	\$ -	\$ 167,194
Accrued payroll	63,243	-	-	-	-	-	-	63,243
Accrued expenses	87,037	-	-	-	-	-	-	87,037
Due to other funds	979,446	-	-	-	9,876	7,049	-	996,371
Bond anticipation note	-	-	-	-	-	33,798	-	33,798
TOTAL LIABILITIES	1,296,181	-	-	-	9,876	41,586	-	1,347,643
DEFERRED INFLOWS OF RESOURCES								
Prepaid taxes	10,767	-	-	-	-	-	-	10,767
Advance payment of URIP funding	60,783	-	-	-	-	-	-	60,783
Deferred revenue	5,783	-	-	-	-	150,000	-	155,783
Deferred taxes	610,505	-	-	-	-	-	-	610,505
TOTAL DEFERRED INFLOWS OF RESOURCES	687,838	-	-	-	-	150,000	-	837,838
FUND BALANCES								
Nonspendable	22,575	-	-	-	-	-	-	22,575
Restricted	-	-	-	-	545,395	15,609	-	561,004
Committed	-	713,286	152,793	24,614	-	106,941	-	997,634
Assigned	-	-	-	-	-	2,181	-	2,181
Unassigned	484,090	-	-	-	-	(7,049)	-	477,041
TOTAL FUND BALANCES	506,665	713,286	152,793	24,614	545,395	117,682	-	2,060,435
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 2,490,684	\$ 713,286	\$ 152,793	\$ 24,614	\$ 555,271	\$ 309,268	\$ -	\$ 4,245,916

See accompanying independent auditors' report and notes to financial statements.

TOWN OF HOULTON, MAINE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2013

Total Fund Balances	\$ 2,060,435
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	13,282,294
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds shown above:	
Taxes and liens receivable	610,505
Long-term liabilities shown below, are not due and payable in the current period and therefore are not reported in the funds shown above:	
Bond payable	(1,488,243)
Note payable	(194,000)
Capital lease payable	(144,913)
Accrued compensated absences	(205,016)
	(2,422,672)
Net position of governmental activities	\$ 13,921,062

See accompanying independent auditors' report and notes to financial statements.

TOWN OF HOULTON, MAINE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2013

	General Fund	Tax				Capital Reserve	Cemetery Fund	Nonmajor Funds	Total Governmental Funds
		Increment	Airport Projects	Financing					
REVENUES									
Taxes:									
Property taxes	\$ 6,158,336	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,158,336	
Excise taxes	848,809	-	-	-	-	-	-	848,809	
Intergovernmental revenue	917,399	-	-	-	-	-	5,890	923,289	
Interest	81,197	-	-	-	-	-	878,185	959,382	
Charges for services	1,531,895	-	-	-	-	-	-	1,531,895	
Other revenues	193,647	-	58,450	-	-	1,500	-	253,597	
Total revenues	9,731,283	-	58,450	-	-	1,500	884,075	10,675,308	
EXPENDITURES									
Current:									
General government	580,574	-	-	-	-	-	-	580,574	
Protection	2,487,764	-	-	-	-	-	-	2,487,764	
Public services	1,133,469	-	-	-	-	-	-	1,133,469	
Employee benefits	1,106,738	-	-	-	-	-	-	1,106,738	
Health and culture	296,629	-	-	-	-	-	-	296,629	
Parks and recreation	472,181	-	-	-	-	-	-	472,181	
Airport	136,137	-	-	-	-	-	-	136,137	
Education	2,271,750	-	-	-	-	-	-	2,271,750	
County tax	307,951	-	-	-	-	-	-	307,951	
Unclassified	256,903	181,629	10,947	32,910	-	-	577	482,966	
Capital outlay	-	-	-	-	-	-	1,741,771	1,741,771	
Debt service	157,459	-	-	-	-	-	-	157,459	
Total expenditures	9,207,555	181,629	10,947	32,910	-	-	1,742,348	11,175,389	
Excess (deficiency) of revenues over (under) expenditures	523,728	(181,629)	47,503	(32,910)	1,500	(858,273)	(500,081)		
OTHER FINANCING SOURCES (USES)									
Proceeds from debt issuance	-	-	-	40,000	-	-	154,000	194,000	
Operating transfers in	5,000	359,422	-	-	-	-	67,684	432,106	
Operating transfers (out)	(409,542)	-	-	(7,090)	-	-	(15,474)	(432,106)	
Total other financing sources (uses)	(404,542)	359,422	-	32,910	-	-	206,210	194,000	
NET CHANGE IN FUND BALANCES	119,186	177,793	47,503	-	1,500	(652,063)	(306,081)		
FUND BALANCES - JANUARY 1	387,479	535,493	105,290	24,614	543,895	769,745	2,366,516		
FUND BALANCES - DECEMBER 31	\$ 506,665	\$ 713,286	\$ 152,793	\$ 24,614	\$ 545,395	\$ 117,682	\$ 2,060,435		

See accompanying independent auditors' report and notes to financial statements.

TOWN OF HOULTON, MAINE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2013

Net change in fund balances - total governmental funds (Statement E)	<u>\$ (306,081)</u>
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense allocated to those expenditures over the life of the assets.	
Capital asset purchases	1,604,075
Capital asset disposals	(5,192)
Depreciation expense	<u>(638,900)</u>
	<u>959,983</u>
Revenues in the Statement of Activities that do not provide current financial resources as revenues in the funds:	
Taxes and liens receivable	<u>37,895</u>
Debt proceeds provide current financial resources to governmental funds, but issuing long-term liabilities in the Statement of Net Position.	
	<u>(194,000)</u>
Repayment of long-term debt principal is an expenditure in the governmental funds, reduces long-term liabilities in the Statement of Net Position	
	<u>267,764</u>
Some expenses reported in the Statement of Activities do not require the use of current resources and therefore are not reported as expenditures in governmental funds:	
Accrued compensated absences	<u>25,015</u>
Change in net position of governmental activities (Statement B)	<u><u>\$ 790,576</u></u>

See accompanying independent auditors' report and notes to financial statements.

TOWN OF HOULTON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Town of Houlton was incorporated under the laws of the State of Maine. The Town operates under the town council-manager form of government and provides the following services: general government services, protection, public services, health and culture, parks and recreation, airport and education.

The Town's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The Town's combined financial statements include all accounts and all operations of the Town. We have determined that the Town has no component units as described in GASB Statement No. 14 and amended by GASB Statement No. 39.

Government-Wide and Fund Financial Statements

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds).

Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. All activities of the Town are categorized as governmental.

In the government-wide Statement of Net Position, the governmental type activities column is (a) presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts - invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The Town first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functions (general government, protection, etc.). The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, miscellaneous revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the most part, the interfund activity has been eliminated from these government-wide financial statements.

TOWN OF HOULTON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The net costs (by function) are normally covered by general revenue (taxes, certain intergovernmental revenues and charges for services, etc.).

The Town does not allocate indirect costs. All costs are charged directly to the corresponding department.

The government-wide focus is more on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

Measurement Focus - Basic Financial Statements & Fund Financial Statements

The financial transactions of the Town are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Town:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Town:

- a. The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- c. Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment.
- d. Permanent Funds are used to account for assets held by the Town that are legally restricted pursuant to Title 30-A, §5653 of the Maine State Statutes, as amended, and unless otherwise specified, only earnings, and not principal, may be used for purposes that benefit the Town or its citizenry. The Town's policy for authorizing and spending investment income follows State statutes.

TOWN OF HOULTON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The emphasis in fund financial statements is on the major funds in the governmental activities category. Non-major funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenses of either the fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

Basis of Accounting

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.

1. Accrual

Governmental activities in the government-wide financial statements and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Budget

The Town's policy is to adopt an annual budget for operations. The budget is presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles.

The following procedures are followed in establishing budgetary data reflected in the financial statements:

TOWN OF HOULTON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. Early in the second half of the year the Town prepares a budget for the fiscal year beginning January 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Town Council was called for the purpose of adopting the proposed budget after public notice of the meeting was given.
3. The budget was adopted subsequent to passage by the Town Council.
4. The Town does not adopt budgets for Special Revenue Funds.

Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

It is the Town's policy to value investments at fair value. None of the Town's investments are reported at amortized cost. The Town Treasurer is authorized by State Statutes to invest all excess funds in the following:

- Obligations of the U.S. Government, its agencies and instrumentalities.
- Certificates of deposits and other evidences of deposits at banks, savings and loan associations, and credit unions.
- Repurchase agreements
- Money market mutual funds

The Town of Houlton has a formal investment policy which follows the State of Maine Statutes.

Inventories

Inventories consist of expendable supplies held for consumption and are valued at cost. Under the consumption method, the costs of inventory items are recognized as expenditures when used. In the general fund, inventory consists of diesel fuel.

Interfund Receivables and Payables

Interfund balances and transactions have been eliminated in the government-wide financial statements.

TOWN OF HOULTON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allowance for Uncollectible Accounts

The allowance for uncollectible accounts for the ambulance receivables is estimated to be \$185,438 as of December 31, 2013.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Infrastructure such as streets, traffic signals, and signs are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated fixed assets are valued at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

Infrastructure assets include roads, bridges, underground pipe (other than related to independently owned utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the Town. The Town has not retroactively recorded infrastructure.

Estimated useful lives are as follows:

Buildings	20 - 50 years
Infrastructure	50 - 100 years
Machinery and equipment	3 - 50 years
Vehicles	3 - 25 years

Long-term Obligations

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental resources is reported as liabilities in government-wide statements. The long-term debt consists primarily of bonds, notes or capital leases payable and compensated absences.

TOWN OF HOULTON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

Compensated Absences

The Town's policies regarding vacation and sick time permit employees to accumulate earned but unused vacation and sick leave. The liability for these compensated absences is recorded as long-term debt in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources.

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislations adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

Fund Balances

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – This includes amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted – This includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – This includes amounts that can be used only for specific purposes determined by a formal action of the inhabitants of the Town. The Town Council is the

TOWN OF HOULTON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

highest level of decision-making authority of the Town. Commitments may be established, modified, or rescinded only through Town Council vote or citizen referendum.

Assigned – This includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The authority for assigning fund balance is expressed by the Town Council.

Unassigned – This includes all other spendable amounts. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless a Town Council vote has provided otherwise in its commitment or assignment actions.

The Town is in the process of adopting a set of financial policies to guide the financial operation of the Town. Included in the policies will be guidelines for accumulating and maintaining an operating position in certain budgeted governmental funds such that annual expenditures shall not exceed annual resources, including fund balances. Other funds shall be fully self-supporting to the extent that the fund balance or retained earnings of each fund shall be zero or greater.

Revenue Recognition - Property Taxes - Modified Accrual Basis

The Town's property tax for the current year was levied July 9, 2013 on the assessed value listed as of April 1, 2013, for all real and personal property located in the Town. Taxes were due October 15, 2013. Interest on unpaid taxes commenced on October 16, 2013 at 7.0% per annum.

Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected within sixty days after year end. The remaining receivables have been recorded as deferred revenues.

The Town is permitted by the laws of the State of Maine to levy taxes up 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 \$134,790 for the year ended December 31, 2013.

TOWN OF HOULTON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Program Revenues

Program revenues include all directly related income items applicable to a particular program (grant income/expenses).

Encumbrance Accounting

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end. The Town does not utilize encumbrance accounting for its general fund.

Use of Estimates

During the preparation of the Town's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from these estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

State statutes require that all investments made by the Town consider the safe and sound investment of principal and preservation of capital in the overall portfolio, maintenance of sufficient liquidity to meet day-to-day operations and other cash requirements and maximization of income, within established investment risk guidelines, with consistent cash flows throughout the budgetary cycle. These investment policies apply to all Town funds.

Deposits:

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Town will not be able to recover its deposits. The Town does not have a policy covering custodial credit risk for deposits. However, the Town maintains deposits in qualifying financial institutions that are a member of the FDIC or NCUSIF as defined in Title 30-A, Section 5706 of the Maine Revised Statutes. At December 31, 2013, the Town's cash balances amounting to \$1,229,996 were comprised of bank deposits of \$1,490,313. Of these bank deposits, \$276,481 was fully insured by federal depository insurance and consequently was not exposed to custodial credit risk

TOWN OF HOULTON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

and \$1,213,832 was insured or collateralized with securities held by the financial institution in the Town's name and consequently were not exposed to custodial credit risk.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 259,806
Sweep accounts	1,213,832
Money market accounts	16,675
	<u>\$ 1,490,313</u>

Investments:

Custodial credit risk for investments is that, in the event of failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the Town does not have a policy for custodial credit risk for investments.

At December 31, 2013, the Town's investments amounting to \$587,345 were comprised of stocks of \$50,000 that are held in the Town's name and were uninsured and uncollateralized. The remaining investments of certificates of deposit totaling \$537,345 were fully insured by federal depository insurance and consequently were not exposed to custodial credit risk.

<u>Investment Type</u>	<u>Fair Value</u>	<u>N/A</u>	<u>< 1 Year</u>	<u>1 - 5 Years</u>
Stocks	\$ 50,000	\$ 50,000	\$ -	\$ -
Certificates of deposit	537,345	-	-	537,345
	<u>\$ 587,345</u>	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ 537,345</u>

Credit risk – Statutes for the State of Maine authorize the Town to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Maine, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. The Town does not have an investment policy on credit risk. Generally, the Town invests excess funds in money market accounts and various certificates of deposit.

Interest rate risk – is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates.

TOWN OF HOULTON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at December 31, 2013 consisted of the following individual fund receivables and payables:

	Receivables (Due from)	Payables (Due to)
General Fund	\$ 16,925	\$ 979,446
Tax Increment Financing Fund	713,286	-
Airport Projects Fund	152,793	-
Capital Reserve Fund	24,614	-
Cemetery Fund	-	9,876
Nonmajor Special Revenue Funds	17,790	7,049
Nonmajor Capital Project Funds	70,963	-
	<u>\$ 996,371</u>	<u>\$ 996,371</u>

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended December 31, 2013:

	Balance 1/1/13	Additions	Disposals	Balance 12/31/13
<u>Governmental activities:</u>				
Non-depreciated assets:				
Land	\$ 1,392,358	\$ -	\$ -	\$ 1,392,358
Construction in progress	-	1,362,800	-	1,362,800
	<u>1,392,358</u>	<u>1,362,800</u>	<u>-</u>	<u>2,755,158</u>
Depreciated assets:				
Land improvements	7,180,014	3,930	-	7,183,944
Buildings	3,522,143	-	-	3,522,143
Building improvements	415,127	-	-	415,127
Equipment/vehicles	5,258,625	237,345	(49,919)	5,446,051
Infrastructure	1,617,584	-	-	1,617,584
	<u>17,993,493</u>	<u>241,275</u>	<u>(49,919)</u>	<u>18,184,849</u>
Less: accumulated depreciation	<u>(7,063,540)</u>	<u>(638,900)</u>	<u>44,727</u>	<u>(7,657,713)</u>
	<u>10,929,953</u>	<u>(397,625)</u>	<u>(5,192)</u>	<u>10,527,136</u>
Net capital assets	<u>\$ 12,322,311</u>	<u>\$ 965,175</u>	<u>\$ (5,192)</u>	<u>\$ 13,282,294</u>

TOWN OF HOULTON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 4 - CAPITAL ASSETS (CONTINUED)

Current year depreciation:

General government	\$ 16,217
Police department	26,317
Fire department	158,543
Public works	114,377
Parks and recreation	68,104
Airport	230,776
Town-wide	24,566
Total depreciation expenses	<u>\$ 638,900</u>

NOTE 5 - LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ended December 31, 2013:

	Balance 1/1/13	Additions	Reductions	Balance 12/31/13	Current Portion
Bonds payable	\$ 1,630,583	\$ -	\$ (142,340)	\$ 1,488,243	\$ 142,876
Notes payable	8,854	194,000	(8,854)	194,000	37,418
Capital leases payable	261,483	-	(116,570)	144,913	96,128
Accrued compensated absences	230,031	-	(25,015)	205,016	-
Totals	<u>\$ 2,130,951</u>	<u>\$ 194,000</u>	<u>\$ (292,779)</u>	<u>\$ 2,032,172</u>	<u>\$ 276,422</u>

The following is a summary of the outstanding bond and notes payable:

\$1,000,000 2009 road bond payable dated April 29, 2009, due in November of 2029, with annual principal payments of \$50,000. Interest is charged at an annual rate varying from 2.080% to 5.580%.	\$ 800,000
\$200,000 2011 equipment and capital improvement bond payable dated April 12, 2011, due in April of 2014, with annual principal payments of \$66,667. Interest is charged at an annual rate of 2.99%.	66,667
\$968,825 2012 clean water state revolving fund bond anticipation note dated August 24, 2012, due in November of 2032, with estimated annual principal payments varying from \$25,674 to \$41,972. Interest is charged at an annual rate varying from 2.086% to 3.706%.	<u>621,576</u>
Total bonds payable	<u>1,488,243</u>

TOWN OF HOULTON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 5 - LONG-TERM DEBT (CONTINUED)

\$194,000 note payable dated April 1, 2013, due in April of 2018, with annual principal and interest payments of \$40,939. Interest is charged at an annual rate of 1.79%.

	<u>194,000</u>
Total notes payable	<u>194,000</u>
Total bonds and notes payable	<u>\$ 1,682,243</u>

The annual principal and interest requirements to amortize the bonds and notes are as follows:

	Principal	Interest	Total Debt Service
2014	\$ 180,294	\$ 53,553	\$ 233,847
2015	114,879	51,262	166,141
2016	116,177	46,903	163,080
2017	117,540	44,500	162,040
2018	118,981	70,268	189,249
2019-2023	401,881	150,968	552,849
2024-2028	422,834	75,628	498,462
2029-2033	209,657	15,493	225,150
	<u>\$ 1,682,243</u>	<u>\$ 508,575</u>	<u>\$ 2,190,818</u>

The following is a summary of outstanding capital leases payable:

The Town leases an ambulance under a non-cancelable lease agreement. The term of the lease is for a three year period expiring in April of 2014. Annual principal payments are \$66,667.

The Town leases an ambulance under a non-cancelable lease agreement. The term of the lease is for a four year period expiring in May of 2015. Annual payments are \$51,158.

TOWN OF HOULTON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 5 - LONG-TERM DEBT (CONTINUED)

Future minimum payments by year and in the aggregate under these leases are as follows:

2014	\$ 101,864
2015	50,706
2016	-
2017	-
2018	-
Total payments	<u>152,570</u>
Less: amount representing interest	<u>(7,657)</u>
Present value of future minimum lease payments	<u><u>\$ 144,913</u></u>

All bonds, notes and capital leases payable are direct obligations of the Town, for which its full faith and credit are pledged. The Town is not obligated for any special assessment debt. All debt is payable from taxes levied on all taxable property within the Town.

NOTE 6 - OVERLAPPING DEBT

The Town is liable for its proportional share of any defaulted debt issued by entities in which it is a member. The overlapping bonded debt applicable to the Town as of December 31, 2013 is as follows:

	<u>Outstanding Debt</u>	<u>Town's Percentage</u>	<u>Total Share</u>
County of Aroostook	\$ -	5.98%	\$ -
MSAD #29	2,926,330	73.49%	<u>2,150,560</u>
			<u><u>\$ 2,150,560</u></u>

NOTE 7 – NONSPENDABLE FUND BALANCES

The Town has the following nonspendable fund balances at December 31, 2013:

General fund: Inventory	<u><u>\$ 22,575</u></u>
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TOWN OF HOULTON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 8 - RESTRICTED FUND BALANCES

The Town has the following restricted fund balances at December 31, 2013:

Nonmajor special revenue funds (See Schedule E)	\$ 15,609
Cemetery fund	545,395
	<u>\$ 561,004</u>

NOTE 9 - COMMITTED FUND BALANCES

The Town has the following committed fund balances at December 31, 2013:

Tax increment financing fund	\$ 713,286
Airport projects fund	152,793
Capital reserve fund	24,614
Nonmajor capital project funds (See Schedule G)	106,941
	<u>\$ 997,634</u>

NOTE 10 - ASSIGNED FUND BALANCES

The Town has the following assigned fund balances at December 31, 2013:

Nonmajor special revenue funds (See Schedule E)	<u>\$ 2,181</u>
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NOTE 11 - LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

The Town of Houlton's landfill is at 100% capacity to date. Therefore, the estimated remaining landfill life is zero years. Federal and state laws require that certain post closure care be met. The Town estimates that on an annual basis, some immaterial costs will be incurred for post closure care. The annual amount will be paid for within the Town's annual operating budget.

TOWN OF HOULTON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 12 - OVERSPENT APPROPRIATIONS

The following appropriations were exceeded by actual expenditures:

Police department	\$	3,527
Ambulance department		58,222
Public services		37,245
Parks and recreation		12,761
Abatements		6,476
	\$	<u>118,231</u>

NOTE 13 - RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town either carries commercial insurance or participates in a public entity and self-insured risk pool sponsored by the Maine Municipal Association.

Based on the coverage provided by the pool as well as coverage provided by commercial insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded at December 31, 2013. There were no significant reductions in insurance coverage from that of the prior year. Settled claims have not exceeded insurance coverage for any of the past four fiscal years. The Town is not aware of any material actual or potential claim liabilities which should be recorded as of December 31, 2013.

NOTE 14 - DEFINED BENEFIT PENSION PLAN

MAINE STATE RETIREMENT SYSTEM

A. Plan Description

Town employees contribute to the Participating Local Districts (PLDs) Consolidated Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Maine Public Employees Retirement System. The PLDs Consolidated Plan provides retirement and disability benefits and death benefits to plan members and beneficiaries. Title 5 of the Maine Revised Statutes Annotated assigns the authority to establish and amend benefit provisions to the PLD's Consolidated Plan Board of Trustees. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for PLDs

TOWN OF HOULTON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 14 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Consolidated Plan. That report may be obtained by writing to Maine Public Employees Retirement System, 46 State House Station, Augusta, Maine 04333 or by calling (800) 451-9800.

B. Funding Policy

The contribution requirements of plan members and the Town are established and may be amended by the PLD's Consolidated Board of Trustees. The Town's police and fire department employees are part of the PLD's special plan "4N" and are required to contribute 7.5% of their annual salary, while all other employees are part of the PLD's plan "AN" and are required to contribute 6.5% of their annual salary. The Town is required to contribute 3.0% of special plan "4N" members' covered payroll and 2.4% of the plan "AN" members' covered payroll annually to the system along with a predetermined initial unpooling unfunded actuarial liability (IUUAL) rate set by the system. The IUUAL can either be a monthly payment or credit, which is added to or subtracted from the employer's percentage of employees' covered payroll to determine the employers actual cost.

As of December 31, 2012, the Town had an unfunded actuarial accrued liability credit of \$533,090, computed using the actuarial method used for funding purposes. (The amount of the unfunded actuarial accrued liability credit as of December 31, 2013 is not currently available.) This credit is being used to reduce future contributions and is being amortized over a closed period of 18 years from July 1, 1999. The Town's actual contribution was \$0 after the unfunded actuarial accrued liability credit was deducted from the annual pension cost.

NOTE 15 - CONTINGENCIES

With regard to pending legal claims or any unasserted claims, it is not feasible at this time to predict or determine their outcome. Management believes, however, that settlement amounts, if any, will not have a material adverse effect on the Town's financial position.

In the normal course of operations, the Town receives grant funds from Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

TOWN OF HOULTON, MAINE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 16 - DEFICIT FUND BALANCES

As of December 31, 2013, the following funds had deficit fund balances:

Community Development Reserve	<u>\$ 7,049</u>
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Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Government Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund

TOWN OF HOULTON, MAINE

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS
 BUDGET AND ACTUAL – GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2013

	Budgeted Amounts			Variance Positive (Negative)
	Original	Final	Actual	
Budgetary Fund Balance, January 1	\$ 387,479	\$ 387,479	\$ 387,479	\$ -
Resources (Inflows):				
Property taxes	5,736,330	5,736,330	6,158,336	422,006
Excise taxes	818,600	818,600	848,809	30,209
Intergovernmental	916,166	916,166	917,399	1,233
Interest	91,000	91,000	81,197	(9,803)
Charges for services	1,585,344	1,585,344	1,531,895	(53,449)
Other revenues	637,222	637,222	193,647	(443,575)
Transfers from other funds	-	-	5,000	5,000
Amounts Available for Appropriation	<u>10,172,141</u>	<u>10,172,141</u>	<u>10,123,762</u>	<u>(48,379)</u>
Charges to Appropriations (Outflows):				
General government	609,993	609,993	580,574	29,419
Protection	2,447,599	2,447,599	2,487,764	(40,165)
Public services	1,099,112	1,099,112	1,133,469	(34,357)
Employee benefits	1,184,681	1,184,681	1,106,738	77,943
Health and culture	309,507	309,507	296,629	12,878
Parks and recreation	459,420	459,420	472,181	(12,761)
Airport	137,364	137,364	136,137	1,227
Education	2,271,750	2,271,750	2,271,750	-
County tax	307,951	307,951	307,951	-
Unclassified	429,342	429,342	256,903	172,439
Debt service	168,521	168,521	157,459	11,062
Transfers to other funds	359,422	409,542	409,542	-
Total Charges to Appropriation	<u>9,784,662</u>	<u>9,834,782</u>	<u>9,617,097</u>	<u>217,685</u>
Budgetary Fund Balance - December 31	<u>\$ 387,479</u>	<u>\$ 337,359</u>	<u>\$ 506,665</u>	<u>\$ 169,306</u>
Utilization of unassigned fund balance	<u>\$ -</u>	<u>\$ 50,120</u>	<u>\$ -</u>	<u>\$ (50,120)</u>

See accompanying independent auditors' report and notes to financial statements.

Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Government Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

- Schedule of General Fund Revenues - Budget and Actual – General Fund
- Schedule of Departmental Operations - General Fund
- Combining Balance Sheet - Nonmajor Governmental Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
- Combining Balance Sheet - Nonmajor Special Revenue Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds
- Combining Balance Sheet - Nonmajor Capital Project Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Project Funds
- Schedule of General Capital Assets by Function
- Schedule of Changes in General Capital Assets by Function

TOWN OF HOULTON, MAINE

SCHEDULE OF GENERAL FUND REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Property taxes	\$ 5,736,330	\$ 5,736,330	\$ 6,158,336	\$ 422,006
Excise taxes	818,600	818,600	848,809	30,209
Intergovernmental revenues:				
State revenue sharing	481,175	481,175	472,598	(8,577)
Homestead exemption	158,587	158,587	158,587	-
Local road assistance	104,000	104,000	112,388	8,388
Tree growth reimbursement	1,200	1,200	2,200	1,000
Veteran's reimbursement	4,500	4,500	5,941	1,441
Bete reimbursement	164,004	164,004	164,004	-
Snowmobile	2,700	2,700	1,681	(1,019)
Interest	91,000	91,000	81,197	(9,803)
Charges for services:				
Administration	40,775	40,775	38,479	(2,296)
Assessing	1,000	1,000	1,227	227
Police department	24,700	24,700	27,334	2,634
Fire department	117,761	117,761	124,556	6,795
Ambulance	1,170,040	1,170,040	1,113,224	(56,816)
Health and social services	5,000	5,000	3,062	(1,938)
Code Enforcement Office	33,000	33,000	16,432	(16,568)
Cemeteries	13,400	13,400	14,815	1,415
Public works	2,700	2,700	15,543	12,843
Parks and recreation	58,500	58,500	53,387	(5,113)
Rest area	-	-	6,900	6,900
Airport	117,364	117,364	115,963	(1,401)
Refuse	1,104	1,104	973	(131)
Other income:				
Lien fees	-	-	-	-
Lieu of tax	-	-	-	-
Parks and recreation arena	77,600	77,600	69,868	(7,732)
Parks and recreation building maintenance	11,500	11,500	15,580	4,080
TIF captured	456,197	456,197	-	(456,197)
Services	1,400	1,400	1,310	(90)
Miscellaneous	90,525	90,525	106,889	16,364
Transfers from other funds	-	-	5,000	5,000
Total revenues	\$ 9,784,662	\$ 9,784,662	\$ 9,736,283	\$ (48,379)

See accompanying independent auditors' report and notes to financial statements.

SCHEDULE B

TOWN OF HOULTON, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Original Budget	Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
GENERAL GOVERNMENT					
Administration	\$ 438,544	\$ -	\$ 438,544	\$ 416,705	\$ 21,839
Assessing	69,272	-	69,272	63,927	5,345
Code enforcement	52,652	-	52,652	51,203	1,449
Community development	47,225	-	47,225	46,480	745
Planning board	2,300	-	2,300	2,259	41
Total	609,993	-	609,993	580,574	29,419
PROTECTION					
Protection	433,950	-	433,950	417,649	16,301
Police department	970,441	-	970,441	973,968	(3,527)
Fire department	440,055	-	440,055	434,772	5,283
Ambulance department	603,153	-	603,153	661,375	(58,222)
Total	2,447,599	-	2,447,599	2,487,764	(40,165)
PUBLIC SERVICES					
Public services	894,112	-	894,112	931,357	(37,245)
Road maintenance	200,000	-	200,000	200,000	-
Projects	5,000	-	5,000	2,112	2,888
Total	1,099,112	-	1,099,112	1,133,469	(34,357)

SCHEDULE B (CONTINUED)

TOWN OF HOULTON, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Original Budget	Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
EMPLOYEE BENEFITS	1,184,681	-	1,184,681	1,106,738	77,943
HEALTH AND CULTURE					
Health and social services	23,194	-	23,194	18,339	4,855
Outside agencies	182,569	-	182,569	182,537	32
Cemeteries	51,744	-	51,744	51,695	49
Rest area	52,000	-	52,000	44,058	7,942
Total	309,507	-	309,507	296,629	12,878
PARKS AND RECREATION					
Administration	279,675	-	279,675	284,473	(4,798)
Arena	179,745	-	179,745	187,708	(7,963)
Total	459,420	-	459,420	472,181	(12,761)

SCHEDULE B (CONTINUED)

TOWN OF HOULTON, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Original Budget	Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
AIRPORT					
Administration	137,364	-	137,364	136,137	1,227
Total	<u>137,364</u>	<u>-</u>	<u>137,364</u>	<u>136,137</u>	<u>1,227</u>
EDUCATION	2,271,750	-	2,271,750	2,271,750	-
COUNTY TAX	307,951	-	307,951	307,951	-
DEBT SERVICE					
Principal	151,194	-	151,194	151,194	-
Interest	17,327	-	17,327	6,265	11,062
Total	<u>168,521</u>	<u>-</u>	<u>168,521</u>	<u>157,459</u>	<u>11,062</u>
UNCLASSIFIED					
Public buildings	42,777	-	42,777	38,501	4,276
Capital reserve	140,000	-	140,000	105,004	34,996
Tax increment financing	96,775	-	96,775	91,922	4,853
Abatements	15,000	-	15,000	21,476	(6,476)
Overlay	134,790	-	134,790	-	134,790
Total	<u>429,342</u>	<u>-</u>	<u>429,342</u>	<u>256,903</u>	<u>172,439</u>
TRANSFERS					
Capital projects	-	50,120	50,120	50,120	-
Tax increment financing	359,422	-	359,422	359,422	-
Total	<u>359,422</u>	<u>50,120</u>	<u>409,542</u>	<u>409,542</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 9,784,662</u>	<u>\$ 50,120</u>	<u>\$ 9,834,782</u>	<u>\$ 9,617,097</u>	<u>\$ 217,685</u>

See accompanying independent auditors' report and notes to financial statements.

TOWN OF HOULTON, MAINE

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2013

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	\$ -	\$ 61,566	\$ 61,566
Accounts receivable (net of allowance for uncollectibles)	-	158,949	158,949
Due from other funds	17,790	70,963	88,753
TOTAL ASSETS	\$ 17,790	\$ 291,478	\$ 309,268
LIABILITIES			
Accounts payable	\$ -	\$ 739	\$ 739
Bond anticipation note	-	33,798	33,798
Due to other funds	7,049	-	7,049
TOTAL LIABILITIES	7,049	34,537	41,586
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue	-	150,000	150,000
TOTAL DEFERRED INFLOWS OF RESOURCES	-	150,000	150,000
FUND BALANCES			
Nonspendable	-	-	-
Restricted	15,609	-	15,609
Committed	-	106,941	106,941
Assigned	2,181	-	2,181
Unassigned	(7,049)	-	(7,049)
TOTAL FUND BALANCES	10,741	106,941	117,682
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 17,790	\$ 291,478	\$ 309,268

See accompanying independent auditors' report and notes to financial statements.

TOWN OF HOULTON, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Special Revenue Funds	Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES	\$ 7,064	\$ 877,011	\$ 884,075
EXPENDITURES	577	1,741,771	1,742,348
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	6,487	(864,760)	(858,273)
OTHER FINANCING SOURCES (USES)			
Proceeds from bond issuance	-	154,000	154,000
Operating transfers in	-	67,684	67,684
Operating transfers (out)	(5,000)	(10,474)	(15,474)
TOTAL OTHER FINANCING SOURCES (USES)	(5,000)	211,210	206,210
NET CHANGE IN FUND BALANCES	1,487	(653,550)	(652,063)
FUND BALANCES - JANUARY 1	9,254	760,491	769,745
FUND BALANCES - DECEMBER 31	\$ 10,741	\$ 106,941	\$ 117,682

See accompanying independent auditors' report and notes to financial statements.

Special Revenue Funds

Special revenue funds are established to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditures for specific purposes.

TOWN OF HOULTON, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2013

	Community Development Reserve	Emergency Management	Animal Control	Wellness Grant	McGilllicuddy	Easement Pay
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	5,893	6,149	2,896	181	2,000
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 5,893</u>	<u>\$ 6,149</u>	<u>\$ 2,896</u>	<u>\$ 181</u>	<u>\$ 2,000</u>
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	7,049	-	-	-	-	-
TOTAL LIABILITIES	<u>7,049</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	5,893	6,149	2,896	-	-
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	181	2,000
Unassigned	(7,049)	-	-	-	-	-
TOTAL FUND BALANCES	<u>(7,049)</u>	<u>5,893</u>	<u>6,149</u>	<u>2,896</u>	<u>181</u>	<u>2,000</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 5,893</u>	<u>\$ 6,149</u>	<u>\$ 2,896</u>	<u>\$ 181</u>	<u>\$ 2,000</u>

TOWN OF HOULTON, MAINE

COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2013

	Underage Grant	Memorial Sign	Totals
ASSETS			
Cash and cash equivalents	\$ -	\$ -	-
Due from other funds	671	-	17,790
TOTAL ASSETS	\$ 671	\$ -	\$ 17,790
LIABILITIES			
Accounts payable	-	-	-
Due to other funds	-	-	7,049
TOTAL LIABILITIES	-	-	7,049
FUND BALANCES			
Nonspendable	-	-	-
Restricted	671	-	15,609
Committed	-	-	-
Assigned	-	-	2,181
Unassigned	-	-	(7,049)
TOTAL FUND BALANCES	671	-	10,741
TOTAL LIABILITIES AND FUND BALANCES	\$ 671	\$ -	\$ 17,790

See accompanying independent auditors' report and notes to financial statements.

TOWN OF HOULTON, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2013

	Community Development Reserve	Emergency Management	Animal Control	Wellness Grant	McGilllicuddy	Easement Pay
REVENUES						
Intergovernmental	\$ -	\$ -	\$ 4,114	\$ 500	\$ -	\$ -
Other income	-	-	-	-	-	-
TOTAL REVENUES	-	-	4,114	500	-	-
EXPENDITURES						
Capital outlay	-	-	-	-	-	-
Other	-	-	-	500	-	-
TOTAL EXPENDITURES	-	-	-	500	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	4,114	-	-	-
OTHER FINANCING SOURCES (USES)						
Operating transfers in	-	-	-	-	-	-
Operating transfers (out)	-	-	(5,000)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(5,000)	-	-	-
NET CHANGE IN FUND BALANCES	-	-	(886)	-	-	-
FUND BALANCES - JANUARY 1	(7,049)	5,893	7,035	2,896	181	2,000
FUND BALANCES - DECEMBER 31	\$ (7,049)	\$ 5,893	\$ 6,149	\$ 2,896	\$ 181	\$ 2,000

TOWN OF HOULTON, MAINE

SCHEDULE F (CONTINUED)

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2013

	Underage Grant	Memorial Sign	Totals
REVENUES			
Intergovernmental	-	-	\$ 4,614
Other income	-	2,450	2,450
TOTAL REVENUES	-	2,450	7,064
EXPENDITURES			
Capital outlay	-	-	-
Other	77	-	577
TOTAL EXPENDITURES	77	-	577
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES			
	(77)	2,450	6,487
OTHER FINANCING SOURCES (USES)			
Operating transfers in	-	-	-
Operating transfers (out)	-	-	(5,000)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(5,000)
NET CHANGE IN FUND BALANCES	(77)	2,450	1,487
FUND BALANCES - JANUARY 1	748	(2,450)	9,254
FUND BALANCES - DECEMBER 31	\$ 671	\$ -	\$ 10,741

See accompanying independent auditors' report and notes to financial statements.

Capital Project Funds

Capital projects funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

SCHEDULE G

TOWN OF HOULTON, MAINE

COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS
DECEMBER 31, 2013

	Adm.in. Projects	Protection Projects	Public Service Projects	Parks and Recreation Projects	Shiretown Project	Amphi- theater	Aktem Business Park	Totals
ASSETS								
Cash and cash equivalents	\$ -	\$ 4,430	\$ 48,439	\$ -	\$ 7,393	\$ 1,304	\$ -	\$ 61,566
Accounts receivable (net of allowance)	-	8,949	-	-	-	-	150,000	158,949
Due from other funds	585	25,341	17,134	27,376	427	100	-	70,963
TOTAL ASSETS	\$ 585	\$ 38,720	\$ 65,573	\$ 27,376	\$ 7,820	\$ 1,404	\$ 150,000	\$ 291,478
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ 739	\$ -	\$ -	\$ -	\$ -	\$ 739
Bond anticipation note	-	-	33,798	-	-	-	-	33,798
Due to other funds	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	34,537	-	-	-	-	34,537
DEFERRED INFLOWS OF RESOURCES								
Deferred revenue	-	-	-	-	-	-	150,000	150,000
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	-	-	-	150,000	150,000
FUND BALANCES								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed	585	38,720	31,036	27,376	7,820	1,404	-	106,941
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
TOTAL FUND BALANCES	585	38,720	31,036	27,376	7,820	1,404	-	106,941
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 585	\$ 38,720	\$ 65,573	\$ 27,376	\$ 7,820	\$ 1,404	\$ 150,000	\$ 291,478

See accompanying independent auditors' report and notes to financial statements.

SCHEDULE H

TOWN OF HOULTON, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Adm in. Projects	Protection Projects	Public Service Projects	Parks and Recreation Projects	Shiretown Project	Amphi- theater	Aktem Business Park	Totals
REVENUES								
Interest income	\$ -	\$ -	\$ 1,187	\$ -	\$ 76	\$ 13	\$ -	\$ 1,276
Other income	-	82,362	698,093	92,468	2,812	-	-	875,735
TOTAL REVENUES	-	82,362	699,280	92,468	2,888	13	-	877,011
EXPENDITURES								
Capital outlay	-	-	-	-	-	-	-	-
Other	2,587	102,628	1,338,290	295,413	2,853	-	-	1,741,771
TOTAL EXPENDITURES	2,587	102,628	1,338,290	295,413	2,853	-	-	1,741,771
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,587)	(20,266)	(639,010)	(202,945)	35	13	-	(864,760)
OTHER FINANCING SOURCES (USES)								
Proceeds from bond issuance	7,000	29,000	38,000	80,000	-	-	-	154,000
Operating transfers in	-	-	-	67,684	-	-	-	67,684
Operating transfers (out)	(4,891)	(333)	(5,250)	-	-	-	-	(10,474)
TOTAL OTHER FINANCING SOURCES (USES)	2,109	28,667	32,750	147,684	-	-	-	211,210
NET CHANGE IN FUND BALANCES	(478)	8,401	(606,260)	(55,261)	35	13	-	(653,550)
FUND BALANCES - JANUARY 1	1,063	30,319	637,296	82,637	7,785	1,391	-	760,491
FUND BALANCES - DECEMBER 31	\$ 585	\$ 38,720	\$ 31,036	\$ 27,376	\$ 7,820	\$ 1,404	\$ -	\$ 106,941

See accompanying independent auditors' report and notes to financial statements.

General Capital Assets

General capital assets are those assets related to activities reported in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position.

SCHEDULE I

TOWN OF HOULTON, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION
DECEMBER 31, 2013

	Land, Construction in Progress and Non-Depreciable Assets	Buildings and Improvements	Furniture Fixtures Equipment & Vehicles	Infrastructure	Totals
General government	\$ 33,000	\$ 418,443	\$ 185,616	\$ -	\$ 637,059
Police department	-	42,789	395,992	-	438,781
Fire department	-	-	2,348,989	-	2,348,989
Public works	69,300	207,700	2,032,195	1,617,584	3,926,779
Parks and recreation	41,000	2,188,045	442,051	-	2,671,096
Airport	554,158	7,302,652	5,588	-	7,862,398
Town-wide	2,057,700	961,585	35,620	-	3,054,905
Total General Capital Assets	2,755,158	11,121,214	5,446,051	1,617,584	20,940,007
Less: Accumulated Depreciation	-	(3,215,041)	(4,340,084)	(102,588)	(7,657,713)
Net General Capital Assets	\$ 2,755,158	\$ 7,906,173	\$ 1,105,967	\$ 1,514,996	\$ 13,282,294

See accompanying independent auditors' report and notes to financial statements.

TOWN OF HOULTON, MAINE

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2013

	General Capital Assets 1/1/13	Additions	Deletions	General Capital Assets 12/31/13
General government	\$ 637,059	\$ -	\$ -	\$ 637,059
Police department	436,109	28,667	(25,995)	438,781
Fire department	2,372,913	-	(23,924)	2,348,989
Public works	3,866,471	60,308	-	3,926,779
Parks and recreation	2,518,796	152,300	-	2,671,096
Airport	7,862,398	-	-	7,862,398
Town-wide	1,692,105	1,362,800	-	3,054,905
Total General Capital Assets	19,385,851	1,604,075	(49,919)	20,940,007
Less: Accumulated Depreciation	(7,063,540)	(638,900)	44,727	(7,657,713)
Net General Capital Assets	\$ 12,322,311	\$ 965,175	\$ (5,192)	\$ 13,282,294

See accompanying independent auditors' report and notes to financial statements.

TOWN OF HOULTON, MAINE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

Federal Grantor Pass-through Grantor <u>Program Title</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor Number</u>	<u>Federal Expenditures</u>
U.S. Department of Justice			
Direct programs			
Cops Fast Grant	16.609	N/A	\$ 37,719
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	<u>23,414</u>
Total U.S. Department of Justice			<u>61,133</u>
U.S. Environmental Protection Agency:			
Passed through the State of Maine - Department of Environmental Protection			
Capitalization Grants for State Clean Water Revolving Loan Funds	66.458	C230318-01	<u>708,933</u>
Total U.S. Department of Transportation			<u>708,933</u>
TOTAL FEDERAL AWARDS			<u><u>\$ 770,066</u></u>

TOWN OF HOULTON, MAINE

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

1. General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Town of Houlton, Maine. All federal financial assistance received is included on the schedule.

2. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting.

3. Major Programs:

Capitalization Grants for State Clean Water	CFDA# 66.458
Revolving Loan Funds	



Proven Expertise and Integrity

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

Town Council
Town of Houlton
Houlton, Maine

We have audited, in accordance with generally accepted auditing standards in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Town of Houlton, Maine as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Town of Houlton's basic financial statements, and have issued our report thereon dated March 3, 2014.

Internal Control Over Financial Reporting

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

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


Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Town of Houlton, Maine's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance or other matter that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

A handwritten signature in cursive script that reads "RHR Smith & Company".

Buxton, Maine
March 3, 2014



Proven Expertise and Integrity

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Town Council
Town of Houlton
Houlton, Maine

Report on Compliance for Each Major Federal Program

We have audited Town of Houlton, Maine's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Town of Houlton, Maine's major federal programs for the year ended December 31, 2013. Town of Houlton, Maine's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Town of Houlton, Maine's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Town of Houlton, Maine's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

In our opinion, Town of Houlton, Maine complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013.

Report on Internal Control Over Compliance

Management of Town of Houlton, Maine is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Town of Houlton, Maine's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of Town of Houlton, Maine's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Town of Houlton, Maine's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this communication is not suitable for any other purpose.

RHR Smith & Company

Buxton, Maine
March 3, 2014

TOWN OF HOULTON, MAINE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2013

Section I - Summary of Auditor's Results

• *Financial Statements*

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes no
- Noncompliance material to financial statements noted yes no

• *Federal Awards*

Internal control over major programs:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes no

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported
In accordance with section 510(a) of OMB Circular A-133? yes no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
66.458	Capitalization Grants for State Clean Water Revolving Loan Funds

Dollar threshold used to distinguish between type A and B: \$300,000

Auditee qualified as low-risk auditee? yes no

Section II – Financial Statement Findings

None

Section III – Federal Awards Findings and Questioned Costs

None

Delinquent Real Estate Taxes as of December 31, 2013

* INDICATES PARTIAL PAYMENTS HAVE BEEN MADE ON TAXES AFTER THE BOOKS CLOSED ON DECEMBER 31, 2013, AND THAT BALANCES AND/OR CHARGES ARE STILL OUTSTANDING AS OF FEBRUARY 1, 2014.

** INDICATES TAXES ASSESSED PLUS INTEREST CHARGES WERE COMPLETELY PAID AFTER THE BOOKS CLOSED ON DECEMBER 31, 2013.

	Current Year	Prior Years
A		
A & M CONSTRUCTION	2,549.93	\$
** AKTEM BUSINESS PARK LLC	10,326.90	7,823.13
ALBRITTON, ALLEN KEITH JR	2,618.70	2,547.94
ATKINSON, JERRY ALLEN	147.90	
AUSTIN, TRACY E	537.22	562.09
AXE, J COOPER & JEAN A	1,250.63	
B		
BALL, DEBRA J	980.53	
BARNES, THOMAS P	998.43	
BARNES, TOM	1,104.90	
BARTLETT, ELLEN	3,423.45	
BARTLEY, FRANCIS	180.52	228.92
BARTLEY, FRANCIS E	1,705.20	1,679.08
BARTMAN, WILLIAM J & SHAUNALEA D	1,048.35	
BEAR, VIOLET E	878.70	418.68
** BEATON, JEFFREY A & BETTY J	696.00	
BEAUPAIN, JIL A	2,307.67	
* BELL, ALICIA M	513.62	
BELLISLE, LINDA L	2,161.95	2,107.40
BELYEA, DAVID A	1,983.60	
BENEDICT, DAVID W JR	2,773.13	
BICKFORD, KENT A & ANGELA M835.36		
BISHOP, CAROL	804.75	
BISHOP, DIANNA A	1,646.48	
BOTTING, NORMAN G JR	467.62	508.10
BOYCE, DANYA M	619.88	652.91
BREWER, LINDA L	1,272.38	
BREWER, ROBERT L & BEVERLY P652.50		
BRIGGS, RICHARD L	189.23	
BRIGGS, ROSELLA (HEIRS)	384.98	
BROCK, GARY L	352.60	
BROWN DEVELOPMENTS LLC	11,016.38	
BROWN, BRIAN F & TERRI L	663.38	
BROWN, KATHERINE A	1,333.28	
BURPEE, RUTHANN	1,144.05	
BUSINESS LOAN CENTER LLC	5,855.10	5,620.06

C

	CADIGAN,ROBERT S JR & HELENA	2,359.88	
**	CAMERON,VICKI J	896.10	
	CANADIAN PACIFIC RAIL	1,370.25	
	CARLOS,MICHAEL N & MARY R	1,198.43	
*	CARMICHAEL,DAVID D	2,414.25	741.54
	CARMICHAEL,GAROLD B & MCADAM,FAITH L	859.12	874.36
	CARON,HEIDI	193.58	
	CARROLL,LINDA	1,139.70	766.88
	CHAMBERLAIN,LEANNE R	1,202.77	
	CHEESEBOROUGH,LUIS A & SARA & RAFAEL	1,370.25	
	CLARK,ELIZABETH (HEIRS)	84.64	
	CLEARY,PAUL J	1,579.05	1,559.10
	COFSKE,MICHELLE M	539.40	
	COLLINS,EDWARD R	1,100.55	
	CONDON,JAMIE O & TINA M	396.60	
	CORBETT,CRAIG B & TONYA L	502.42	535.10
	COUNTY ONE REALTY LLC	5,167.80	
	CRANE,PAULINE - LIFE ESTATE	780.83	
**	CRAWFORD,CARL E	158.77	
**	CRAWFORD,CARL E & PATRICIA T	13,117.42	
	CROVO,WILLIAM F	954.50	
	CURRIER,WILLIAM C	263.17	

D

**	DAY,BECKY D	1,459.43	
	DENTY,FRANCIS JR	411.08	
**	DESAUTEL,RICHARD T	303.09	
	DEVOE,CAROLYN M	1,178.85	1,172.35
*	DEVOE,GRACE	843.90	1,196.39
	DOBBINS,REGINALD JACK & CHRISTIE L	482.61	
	DOLOMONT,SEAN M & PORTER,STEVEN R	1,676.93	
	DOW,AMANDA M	1,152.75	5,086.90
	DOW,BARRY E	4,437.00	4,289.60
	DOW,REGINALD K & EMILY J	2,248.95	2,196.26
	DRAKE,GEORGE	26.10	
	DRAKE,GEORGE W	378.45	218.39
	DRAUS,FRANK JR	1,492.05	
	DRAUS,FRANK JR & FRANK THOMAS	2,346.83	
	DUCHESNEAU,PAMELA L	7.56	
	DUFF,JOSEPH A & BRENDA C	948.30	
	DUFF,VIOLA C	1,326.75	
	DUMONT,DOUGLAS O	966.67	
	DUNN,JOHN B II & BEASLEY-DUNN,NANCY J	1,718.25	

E

	ELGENDI,SARA	1,266.67	
	EMERT,CHANDRA J	543.75	
	EMERY,CHRISTOPHER F	1,881.37	1,846.65
	EMILY'S QUIK STOP INC	1,833.53	1,711.42
	ESTEY,DALE A JR	989.62	998.48

F

	FARRAR, ERVIN J & ROBBIE E	6,464.10	6,205.41
	FARRAR, JANICE	569.85	
	FARRAR, MICHAEL	195.75	249.51
	FARRAR, MICHAEL J	1,637.78	1,621.07
	FARRAR, PRICILLA	1,205.64	
	FARRAR, ROBBIE ERVIN	691.65	
	FAULKNER, WILLIAM J	519.08	
*	FITZPATRICK, DAVID A & FITZPATRICK-HENDERSON, HEIDI SUE	77.15	
*	FITZPATRICK, DAVID A	1,049.30	
*	FITZPATRICK, DEAN C	614.64	
	FITZPATRICK, LEO J & CHRISTY K	6,105.22	
	FITZPATRICK, LEROY JR & SHARON L	1,413.75	
*	FITZPATRICK, MATTHEW & SERENNA	578.55	
	FITZPATRICK, MICHAEL	1,191.90	1,145.07
	FITZPATRICK, PETER J II	1,189.72	
	FITZPATRICK, SHARON & ROY	224.02	
	FLEWELLING, ERIC J & JULIE M	1,465.95	1,451.53
	FLEWELLING, THOMAS J & CHARLENE M	1,485.53	
	FLINT, FRANK E JR	1,670.40	
	FOGARTY, MICHAEL T	1,829.18	12.35
**	FOLKINS, HARMON C SR & EILEEN M	237.75	
	FOLSOM, MICHAEL A & KIMBERLY J	1,272.38	1,267.42
	FOREST, BRIAN R	91.35	
	FOSTER, JODI L	461.10	489.68
	FOSTER, KEITH H	361.05	400.62
	FOSTER, KEITH H & BONNIE L	1,080.97	1,091.48
	FOSTER, PETER O & BELL, TENAMARIE J	844.33	
	FRASER, BETTY J	1,050.52	
	FREDERICKS, BRENDA L	371.92	

G

	GEARY, CLYDE DRAKE	578.55	
**	GENTLE, SALLY A	79.20	
	GILLIS, BARRY G	348.00	
	GOETSCH, KARL R & SUSAN L	959.18	969.52
	GOGAN, RICHARD M & JOAN M	858.28	
	GONYA, ARNOLD F	537.22	
**	GONYA, KENNETH G	266.62	
	GONYA, PATRICIA A (HEIRS)	754.72	
	GOODALL, DWAYNE G & MARY E	1,363.73	
	GRAHAM, BRET S	1,050.52	
	GRAHAM, JOEL D	998.33	
	GRAHAM, NASON S & KIMBERLEY S	604.20	
	GRAHAM, STEPHEN J	384.98	423.39
	GRAHAM, STEPHEN J & REBECCA	176.18	224.79
	GRAMOUR, LANCE M	1,298.47	
	GRANT, ROBERT & CHRISTINE	730.80	215.62
**	GREENLEAF, MICHELLE R	308.85	193.25

H			
	HAFFORD,GRACE-TENANT IN POSSESSION	453.05	
	HANNING,DARRELL A	1,687.80	1,656.01
	HANNING,DOROTHY M	175.07	
	HANNING,FRED	659.03	
	HARDY,KRISTIN A	572.03	
	HARVILLE,THOMAS	333.62	
*	HAYES,SANDRA J	645.20	
	HAYNES,MICHAEL Q	1,080.97	
*	HEALY,MAGALY	577.40	
	HEATH,JOEL P & SUE E	1,239.75	1,190.62
	HEMORE,JAMES K & WILLIAMS-HEMORE,GRACE M	1,333.28	
	HENDERSON,DOUGLAS G & DIANA L	1,679.10	
	HENDERSON,KARL A	1,572.53	1,552.90
	HENDERSON,OTIS A	609.00	
	HETHERINGTON,LARRY A	1,276.72	
	HETHERINGTON,TONIMARIE T	366.49	
**	HILL,DAVID W & MARGARET A	1,435.50	
	HOGAN,KEVIN D	1,811.78	
	HOGAN,SHANNON J & JENNIFER L	3,360.38	
	HOLMES,GLEN A JR	796.05	814.37
	HOLMES,GLEN ALLEN JR	1,213.65	1,211.56
	HOULTON REAL ESTATE,LLC	7,540.73	
	HOULTON SANITATION SERVICES INC	154.32	
*	HOWLAND,MARY F	423.35	
	HUBERT,PAUL M	1,592.10	
	HUFF,MICHAEL & JO ANN	178.35	
	HUGHES,JAMES D & JOSEPH F	241.43	
	HUGHES,JOSEPH F	822.15	
	HUNT,JAMES G & CHRISTINE J	1,083.15	
	HURLEY,MICHAEL D	711.22	
	HYDER,WILLIAM & EDWARD & MITCHELL	439.35	
I			
	IRISH,AMMIE & BRAD	110.93	
J			
	JACKINS,EUGENE A & DOLORES	826.90	
	JACKSON,THOMAS E & BARNES,LESA L	591.60	613.80
	JAY,RAYMOND J & BETTINA C	1,668.23	
	JENKINS,MICHAEL L & ANDREA L	1,439.85	
	JEWELL,DONNA	887.40	
	JONES,ANNA J (HEIRS)	1,285.43	
	JONES,DANA P & ELSIE L	306.48	
	JONES,ELVA E	517.77	
	JOSLYN,CALVIN L	1,791.10	
K			
	K & C PROPERTIES/HOULTON LLC	201.82	
	KEEGAN JR,ALBERT K	117.45	
	KEEGAN,ALBERT K JR & ANN M	1,644.30	

	KELLEY,RICHARD A	51,680.18	
	KELLY,LOUISE M	1,133.18	1,712.18
	KING,DENNIS M & BRIDGET K	1,181.0	883.79
	KING,JUSTIN A	506.78	
	KIRLIN,DAWN B	1,044.00	
	KIRLIN,RICHARD L & DAWN B	1,050.20	
	KNIGHTS,NANCY PARKS	1,463.78	
	KUNZE,MARGO B	522.00	547.60
	L		
	LAING,LARRY E	1,385.48	1,374.98
	LANDRY,TAMMY	601.43	
	LAPRADE,VINCENT G JR & GIBLIN,BARBARA PERRY	520.51	
	LARSON,WILLIAM T SR	1,268.02	1,257.17
**	LEMERISE,HENRY A & AURELIA A	99.73	
	LEWIS,KAREN	315.38	
	LEWIS,MATTHEW J & KAREN P	330.60	
	LEZOTTE,GREGORY A & LYNNE A	2,168.47	2,176.94
	LLOY,PETER	933.08	938.58
	LONDON,AMMIE	1,046.18	
	LONDON,AMMIE K & MCAFEE,MARK & MICHAEL	413.25	450.27
	LONG,JOSEPH & FOSTER,RACHEL E	1,065.75	
*	LONG,LELA M	857.90	
	LOOMES,CAROLYN K	1,302.82	1,290.26
	LOROM,BARRY & DARCY	3,329.93	
	LYON,MARK J & DORI A	1,435.50	1,416.45
	M		
	MACDONALD,GARY & ANNIE L	1,057.05	
	MACDONALD,TRACY A	3,334.27	3,222.44
*	MACDONALD,WAYNE G SR	298.03	
	MACINTOSH,DONALD (DEWISEES)	84.42	
	MADORE,HERMAN A & ELISA	1,015.72	
	MAKER,HAROLD L & HEATHER M	1,464.50	
	MALONE,CLYDE M & LISA M	802.58	820.58
	MALONE,IVAN & LINDA	413.25	
	MALONE,JOHN W	435.00	464.85
	MARGISON,LAWRENCE S JR & SHELLEY L	1,061.40	
	MARKET SQUARE HISTORICAL LLC	1,879.20	
	MARSHALL,MICHAEL D & GAIL A	726.45	
	MARTIN,BARBARA R	1,407.72	
	MASON,ALICON	884.21	
	MASON,DORIS J	1,285.43	
*	MASON,ROGER J	517.65	141.86
	MATHESON,RUTH R	1,041.82	
	MCAFEE,JOHN W (TRUSTEE) (HEIRS)	1,500.75	972.47
**	MCCLURE,MICHELLE L	732.97	
	MCCLUSKEY,G WILLIAM	1,435.50	1,428.67
	MCCOLLUM,CHRISTOPHER R & CARSON,DENISE L	1,648.06	
**	MCCORD,LINDA R	1,320.23	1,318.05
	MCCORDIC,GREG & ADRIANNE	1,226.70	1,223.97

	MCDONALD,STEPHEN L	1,561.65	
	MCEWEN WILDA E	355.44	
	MCEWEN,BRANDI N	652.50	683.94
	MCGARY,RICK A & CHARLENE J	837.37	865.90
*	MCGARY,ROGER & DEZRAY	277.00	
	MCGARY,RONALD A	963.53	973.66
	MCGILLICUDDY,DANIEL J	1,387.65	1,377.05
	MCLAUGHLIN,EILEEN E	7,743.01	
	MCPHEE,KEVIN	3,951.98	3,834.39
	MCQUEEN,DONAT DAVID & WALLACE,SANDRA MARIE	443.70	
	MERRILL,REBECCA S	1,067.92	1,124.05
	MERRILL,REBECCA S & MALINDA	445.87	475.20
	MICHAUD,RICHARD D	1,239.75	1,236.38
*	MILLER,JONATHAN P & HEATHER S	650.77	
	MITCHELL,BILLIE MAE	674.25	692.41
*	MITCHELL,SUSAN M	1,208.82	
	MONTREAL,MAINE & ATLANTIC RAILWAY LTD	3,647.91	
	MOODY,GEORGE M & JANE M	1,134.07	
	MOOERS,DONALD E	556.80	
	MOOERS,DONALD E & ROXANA R	6,172.65	
	MOORE,TERESA	115.28	
	MORAN,CHAVALA M	1,363.73	
	MORLEY,WARREN H	1,376.78	
**	MORRIS,ELIZABETH B	1,126.75	
	MOUNTAIN,THEODORE E JR & BONITA L	1,481.18	
	MUM'S INC	2,011.87	
	MURPHY,JOHN		
	MURPHY,LORRIE A	628.28	
	MURRAY,ORLAND W (HEIRS)	974.40	
	N		
	NASON,TORRIE L	772.13	803.82
	NEAL,BERNARD L	1,272.38	
	NEGRI,ALFRED J	1,422.45	
	NELSON,MARK A & ANN D	1,766.02	
**	NEUREUTHER,AARON E & MARY L	1,302.82	
	NICHOLS,JOHN S & LORI J	1,218.00	1,215.69
	NORMAN JENSEN INC	469.80	
	NORTON,DEBORAH	772.13	785.49
	O		
	P		
*	PARENT,KEVIN E & GINA L	775.18	
	PASANEN,NOREEN E (HEIRS)	2,381.63	2,322.46
	PEABODY EQUIPMENT CO INC	337.13	
	PEABODY,DANIEL C & TRACI G	4,260.83	
	PEABODY,RUTH (LIFE ESTATE)	1,361.55	
	PETHERS,SARAH	241.43	
	PHILLIPS,BETTY J	593.78	621.98
*	PHILLIPS,DIANNE C	630.75	1,025.75

	PHILLIPS,WILLIAM W & NEPTUNE,PATRICIA A	1,348.50	
	PICKERING,JEFFREY AS TRUSTEE	1,435.50	1,434.78
	PIKE,CONSTANCE A	1,222.35	1,213.72
**	PONDER,RODOLFO M & LISA K & GLORIA H	1,490.58	
	PORTER,JOSEPH M & MISTY A	4,969.88	
	POWER,ROBERT & JUNE A	663.25	
	PRYOR,RANDALL R	606.82	

Q

R

	RAIRDON,ABBIE	271.88	
	RAIRDON,CLARENCE SR (HEIRS)	1,620.38	
	RAIRDON,PETER N	1,646.48	
	RAIRDON,ROGER L & ABBIE S	876.53	
	RAMSAY,JOHN (HEIRS)	874.35	881.74
	RAMSEY,JOHN & SABRINA R	156.60	
	RAMSEY,SABRINA	302.33	
	REDNER,JEFF A & PATRICIA A	29.55	
	REEVES,CATHERINE	1,635.60	1,612.89
	RICHARDSON,DANIEL J & MORGAN M	304.50	
	RILEY,RICHARD	1,094.02	1,091.66
	RILEY,RICHARD & SUSAN M	1,400.70	
	ROCKWELL,JAIME M & ERICA D DAVIS	2,266.35	
	ROSS,HOLLY A	815.63	832.99
	ROWE,GLEN D & BEVERLY B	974.78	
	ROYAL,GREGORY P & LUCIENNE L	1,653.00	1,629.44
**	ROYAL,NICHOLAS R & KARA	260.35	
*	RUSSELL,MARCUS C II & ERLENE N	3,922.48	
	RYAN,JOHN & WENDY	889.58	903.33

S

	SALB,LINDA B	1,763.93	1,478.07
	SAUCIER,KENNETH J	846.08	4,072.18
	SAVOY,PAUL K & BONNIE R	993.97	
	SAYRE,SUSAN GREENWALD	391.50	
	SCHOOLS,ERIC A	685.43	
	SCHOOLS,JERRY & BEVERLY A	835.20	851.60
	SENNETT,DANIEL & ANGIE	796.05	
	SHANNON,DANIEL E	1,346.32	1,335.59
	SHAW,EMERY M	2,905.80	
**	SIDES,RUTH	993.97	900.55
	SIMPSON,RICHARD L & MARILYN	448.05	
	SJJ HOLDINGS II, LLC	11,229.52	
	SMALL,JOHN H	1,526.85	1,178.46
	SMITH,GREGORY C	976.58	
	SMITH,KEVIN W	595.95	
	SOLOMON,MICHAEL	321.90	343.95
	SPELLMAN,RICHARD	572.03	
	SPELLMAN,RICHARD G	615.53	
	SPELLMAN,RICHARD G & BERNADETTE C	6,009.53	

SPENCER,CLAIRMONT C & JACQUELINE R	1,625.92	
SPRAGUE,CHARLOTTE M	676.43	
STAUFFER,VERONICA	3,272.01	
STEWART,DANA A & DEBORAH A	1,659.53	1,635.55
STILLMAN,MARIANNE R - LIFE ESTATE	88.96	81.60
STONECREST INCOME & OPPORTUNITY FUND I LLC	1,109.24	
SUITTER,ERVIN D & DEBIE L	2,394.67	2,334.87
SUITTER,MATTHEW J	1,120.13	1,122.61
SUITTER,ROBERT J	2,072.77	
SUTHERLAND,MYRTLE & MORAN,BONNIE	97.55	
SWALLOW,KILBURN B	1,992.30	1,952.15
SWALLOW,KILBURN B & ABBIE B	2,588.25	2,623.78
SWALLOW,MATTHEW M & SONYA N	1,857.45	
T		
TAPLEY,GERALD E-LIFE ESTATE	1,609.50	1,581.95
TAPLEY,RANDOLPH G	1,922.70	1,885.95
TAYLOR,DEBORAH M	1,226.70	1,230.08
THIBODEAU,MARK JR & DANIELLE	1,178.85	299.35
THOMAS,FAWNER K	261.00	1,598.50
THOMAS,RODERICK H	1,626.90	
TIDD,DAVID M & RILLA J	6,068.24	5,982.24
TIDD,KELLI MARIE	2,024.93	
TOMAH,CATHERINE L & YOUNG,CAROLYN	284.30	
TOMAH,JOE	515.47	
TOMPKINS,CHRISTINA	352.35	781.80
TOMPKINS,HARLEY	257.98	
TOMPKINS,HARLEY A	380.63	413.14
* TOMPKINS,JOE SR	311.02	333.92
TOMPKINS,WILLIAM & TAMMY	428.48	464.76
TOUPIN,SHAWN E	530.70	
TOUPIN,SHAWN E & REBECCA R	2,911.03	1,393.60
TOWER CONTROL INC	4,421.77	
TUCKER,CLARE J & CAROL A	3,817.12	
U		
UPTON,VERNON R & RACHAEL L	1,750.87	
V		
VANBUSKIRK,TAMIKO M	1,233.22	1,224.07
VANDYKES,CONNIE E	661.20	
VINCENT,LAWRENCE G (DEVISEES)	980.93	926.03
W		
WARDWELL JR,STEVEN W	876.53	834.96
WATSON,KRIS R	1,002.68	
WHITE,HEATHER D	741.68	
** WIGGINS,MADELINE	62.73	
WIGGINS,REBA Y	455.40	
WIGGINS,REBECCA L	269.70	313.74
WIGGINS,STEPHEN J & KATHRYN J	1,059.22	

WILCOX,GEORGE L JR	1,496.40	1,480.49
WILLIAMS,DANIEL E & MICHELLE L	1,833.53	
WING,ROBERT C SR	442.10	
WINSHIP,DAVID A	2,290.27	
WITCHER,JAY	1,835.70	
WOODS,JOHN R	2,246.77	2,194.20
WORTHLEY,LOUISE M &	1,274.55	
** WRIGHT,ROBERT C JR & SUSANNA D	81.82	
WT HOLDINGS LLC	1,061.40	
X		
Y		
YORK,JESSICA G	1,922.70	
Z		
ZACH'S EXPRESS	232.73	272.46
ZURAIK,RALPH E	2,066.25	2,022.49
ZURAIK,RALPH E & DELANNOY,GERALD	3,403.87	3,300.86
Total	535,767.96	170,231.19

Delinquent Personal Property Taxes as of December 31, 2013

* INDICATES PARTIAL PAYMENTS HAVE BEEN MADE ON TAXES AFTER THE BOOKS CLOSED ON DECEMBER 31, 2013, AND THAT BALANCES AND/OR CHARGES ARE STILL OUTSTANDING AS OF FEBRUARY 1, 2014.

** INDICATES TAXES ASSESSED PLUS INTEREST CHARGES WERE COMPLETELY PAID AFTER THE BOOKS CLOSED ON DECEMBER 31, 2013.

	<u>Current Year</u>	<u>Prior Years</u>
A		
ADAMS,GERALD D	\$ 30.45	\$
ANDERSON TRUCKING COMPANY	17.40	
ARMSTRONG,SHA'BORN	10.88	
B		
BEALS,MICHAEL	54.37	
BEAUPAIN,JIL A DPM	106.57	
BELLISLE,LINDA	15.23	
BILLIE'S ARCH PA	69.60	
BROWN DEVELOPMENTS LLC	6,194.40	5,290.74
BROWN,DAVID	8.70	
C		
** CRAWFORD HOMES INC	506.78	
D		
DAVIS,BILLIE JO	19.58	
DOW,REGINALD K & EMILY J	917.85	
E		
F		
FITZPATRICK,MICHAEL A	2,169.85	
G		
GOGAN,RICHARD M	1,668.23	
GOOD,SHARI	130.50	
H		
HISCOE,GEORGE	87.00	
HOULTON BURGER KING	3,584.40	
HOULTON LAW CENTER LLC		306.71
HOULTON LEGAL SERVICES, PA		238.42
* HUNT ENTERPRISES	184.88	

I			
J			
K			
L			
M			
	MCPHEE,KEVIN	130.50	
**	MOOERS,PAULA M	47.85	
	MOUNTAIN,THEODORE JR	50.03	
	MUZAK LLC	23.92	
N			
	NORMAN G JENSEN INC	23.92	
O			
**	OUELLETTE,RONALD D DC	197.93	
P			
	PARKVIEW TERRACE RENTALS INC	13.05	
	PICKERING, JEFFREY	84.82	83.79
Q			
R			
S			
	SEARS OF HOULTON	126.15	
	SIDES,RUTH	13.05	
**	SJJ HOLDINGS II LLC	2,018.40	
	SPELLMAN,RICHARD	50.03	
	SUITTER,ROBERT J	580.72	
T			
	TAPLEY,RANDOLPH	195.75	161.60
	TOWER CONTROL INC	311.02	
U			
V			
W			
	WARDWELL,STEVEN W	132.67	
	WEBB,BERNARD L JR	134.85	
X			
Y			
Z			
	ZURAIK,RALPH	384.98	
	ZURAIK,RALPH E	56.55	
		20,352.86	6,081.26