



Proven Expertise & Integrity

June 23, 2021

Town Council
Town of Houlton
Houlton, Maine

We were engaged by the Town of Houlton, Maine and have audited the financial statements of the Town of Houlton, Maine as of and for the year ended December 31, 2020. The following schedules have been excerpted from the 2020 financial statements, a complete copy of which, including our opinion thereon, are available for inspection at the Town. Included herein are:

Balance Sheet - Governmental Funds	Statement C
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	Statement E
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Schedule of Departmental Operations - General Fund	Schedule A
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RHR Smith & Company

Certified Public Accountants

STATEMENT C

TOWN OF HOULTON, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2020

	General Fund	Tax Increment Financing	Airport Projects	Cemetery Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 3,996,223	\$ -	\$ -	\$ 11,679	\$ 14,658	\$ 4,022,560
Investments	50,000	-	-	546,845	-	596,845
Accounts receivable (net of allowance for uncollectibles):						
Taxes	540,226	-	-	-	-	540,226
Liens	268,466	-	-	-	-	268,466
Other	926,107	-	-	-	-	926,107
Due from other governments	-	-	240,480	-	95,080	335,560
Prepaid items	1,028	-	-	-	-	1,028
Inventory	32,665	-	-	-	-	32,665
Due from other funds	94,313	2,494,221	125,346	-	524,341	3,238,221
TOTAL ASSETS	\$ 5,909,028	\$ 2,494,221	\$ 365,826	\$ 558,524	\$ 634,079	\$ 9,961,678
LIABILITIES						
Accounts payable	\$ 138,141	\$ -	\$ -	\$ -	\$ -	\$ 138,141
Accrued payroll	177,852	-	-	-	-	177,852
Due to other governments	10,016	-	240,480	-	-	250,496
Due to other funds	3,143,908	-	-	8,691	85,622	3,238,221
TOTAL LIABILITIES	3,469,917	-	240,480	8,691	85,622	3,804,710
DEFERRED INFLOWS OF RESOURCES						
Prepaid taxes	22,137	-	-	-	-	22,137
LRAP funding	52,890	-	-	-	-	52,890
Deferred taxes	696,027	-	-	-	-	696,027
TOTAL DEFERRED INFLOWS OF RESOURCES	771,054	-	-	-	-	771,054
FUND BALANCES						
Nonspendable	33,693	-	-	-	-	33,693
Restricted	-	2,494,221	125,346	549,833	62,042	3,231,442
Committed	-	-	-	-	483,303	483,303
Assigned	150,000	-	-	-	3,112	153,112
Unassigned	1,484,364	-	-	-	-	1,484,364
TOTAL FUND BALANCES	1,668,057	2,494,221	125,346	549,833	548,457	5,385,914
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 5,909,028	\$ 2,494,221	\$ 365,826	\$ 558,524	\$ 634,079	\$ 9,961,678

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

STATEMENT E

TOWN OF HOULTON, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020

	General Fund	Tax Increment Financing	Airport Projects	Cemetery Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes:						
Property taxes	\$ 6,232,876	\$ -	\$ -	\$ -	\$ -	\$ 6,232,876
Excise taxes	1,018,080	-	-	-	-	1,018,080
Intergovernmental revenue	1,741,280	-	631,884	-	524,560	2,897,724
Interest	116,529	3,762	-	2,150	304	122,745
Charges for services	1,787,630	-	-	-	-	1,787,630
Other revenues	256,028	-	19,375	-	87,747	363,150
TOTAL REVENUES	11,152,423	3,762	651,259	2,150	612,611	12,422,205
EXPENDITURES						
Current:						
General government	752,711	-	-	-	-	752,711
Protection	2,794,233	-	-	-	-	2,794,233
Public services	958,329	-	-	-	-	958,329
Employee benefits	1,541,007	-	-	-	-	1,541,007
Health and culture	312,407	-	-	-	-	312,407
Parks and recreation	383,330	-	-	-	-	383,330
Airport	122,204	-	-	-	-	122,204
Education	2,400,527	-	-	-	-	2,400,527
County tax	416,232	-	-	-	-	416,232
Unclassified	269,690	298,985	-	2,135	53,449	624,259
Capital outlay	-	-	633,688	-	686,043	1,319,731
Debt service:						
Principal	196,466	-	-	-	-	196,466
Interest	40,505	-	-	-	-	40,505
TOTAL EXPENDITURES	10,187,641	298,985	633,688	2,135	739,492	11,861,941
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	964,782	(295,223)	17,571	15	(126,881)	560,264
OTHER FINANCING SOURCES (USES)						
Proceeds from debt issuance	-	-	-	-	43,000	43,000
Transfers in	4,000	401,771	-	-	264,134	669,905
Transfers (out)	(637,570)	-	-	-	(32,335)	(669,905)
TOTAL OTHER FINANCING SOURCES (USES)	(633,570)	401,771	-	-	274,799	43,000
NET CHANGE IN FUND BALANCES	331,212	106,548	17,571	15	147,918	603,264
FUND BALANCES - JANUARY 1	1,336,845	2,387,673	107,775	549,818	400,539	4,782,650
FUND BALANCES - DECEMBER 31	\$ 1,668,057	\$ 2,494,221	\$ 125,346	\$ 549,833	\$ 548,457	\$ 5,385,914

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

TOWN OF HOULTON, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, January 1	\$ 1,336,845	\$ 1,336,845	\$ 1,336,845	\$ -
Resources (Inflows):				
Property taxes	6,217,559	6,217,559	6,232,876	15,317
Excise taxes	1,048,152	1,048,152	1,018,080	(30,072)
Intergovernmental	1,661,052	1,661,052	1,741,280	80,228
Interest income	88,700	88,700	116,529	27,829
Charges for services	1,860,701	1,860,701	1,787,630	(73,071)
Other revenues	267,950	267,950	256,028	(11,922)
Transfers from other funds	4,000	4,000	4,000	-
Amounts Available for Appropriation	<u>12,484,959</u>	<u>12,484,959</u>	<u>12,493,268</u>	<u>8,309</u>
Charges to Appropriations (Outflows):				
General government	798,897	801,547	752,711	48,836
Protection	3,025,454	3,010,956	2,794,233	216,723
Public services	1,017,299	1,017,299	958,329	58,970
Employee benefits	1,627,606	1,627,606	1,541,007	86,599
Health and culture	333,346	333,346	312,407	20,939
Parks and recreation	573,111	573,111	383,330	189,781
Airport	159,977	159,977	122,204	37,773
Education	2,400,527	2,400,527	2,400,527	-
County tax	416,232	416,232	416,232	-
Unclassified	757,294	311,066	269,690	41,376
Debt service:				
Principal	196,466	196,466	196,466	-
Interest	47,405	47,405	40,505	6,900
Transfers to other funds	176,844	637,570	637,570	-
Total Charges to Appropriation	<u>11,530,458</u>	<u>11,533,108</u>	<u>10,825,211</u>	<u>707,897</u>
Budgetary Fund Balance - December 31	<u>\$ 954,501</u>	<u>\$ 951,851</u>	<u>\$ 1,668,057</u>	<u>\$ 716,206</u>
Utilization of Unassigned Fund Balance	<u>\$ 382,344</u>	<u>\$ 384,994</u>	<u>\$ -</u>	<u>\$ (384,994)</u>

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

TOWN OF HOULTON, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
GENERAL GOVERNMENT					
Administration	\$ 539,070	\$ 2,650	\$ 541,720	\$ 542,954	\$ (1,234)
Assessing	92,161	-	92,161	90,056	2,105
Code enforcement	59,185	-	59,185	61,729	(2,544)
Community development	57,500	-	57,500	56,814	686
Planning board	2,850	-	2,850	1,158	1,692
In lieu of taxes	48,131	-	48,131	-	48,131
Total	<u>798,897</u>	<u>2,650</u>	<u>801,547</u>	<u>752,711</u>	<u>48,836</u>
PROTECTION					
Protection	465,933	(14,498)	451,435	449,506	1,929
Police department	1,158,446	-	1,158,446	1,054,664	103,782
Fire department	552,644	-	552,644	519,381	33,263
Ambulance department	848,431	-	848,431	770,682	77,749
Total	<u>3,025,454</u>	<u>(14,498)</u>	<u>3,010,956</u>	<u>2,794,233</u>	<u>216,723</u>
PUBLIC SERVICES					
Public services	805,894	-	805,894	748,665	57,229
Road maintenance	211,405	-	211,405	209,664	1,741
Total	<u>1,017,299</u>	<u>-</u>	<u>1,017,299</u>	<u>958,329</u>	<u>58,970</u>
EMPLOYEE BENEFITS					
	<u>1,627,606</u>	<u>-</u>	<u>1,627,606</u>	<u>1,541,007</u>	<u>86,599</u>

TOWN OF HOULTON, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
HEALTH AND CULTURE					
Health and social services	25,375	-	25,375	41,262	(15,887)
Outside agencies	200,514	-	200,514	198,714	1,800
Cemeteries	64,832	-	64,832	33,690	31,142
Rest area	42,625	-	42,625	38,741	3,884
Total	<u>333,346</u>	<u>-</u>	<u>333,346</u>	<u>312,407</u>	<u>20,939</u>
PARKS AND RECREATION					
Administration	87,890	-	87,890	74,656	13,234
Youth	107,000	-	107,000	16,064	90,936
Maintenance	164,380	-	164,380	123,437	40,943
Arena	213,841	-	213,841	169,173	44,668
Total	<u>573,111</u>	<u>-</u>	<u>573,111</u>	<u>383,330</u>	<u>189,781</u>
AIRPORT					
Administration	159,977	-	159,977	122,204	37,773
Total	<u>159,977</u>	<u>-</u>	<u>159,977</u>	<u>122,204</u>	<u>37,773</u>
EDUCATION					
	<u>2,400,527</u>	<u>-</u>	<u>2,400,527</u>	<u>2,400,527</u>	<u>-</u>
COUNTY TAX					
	<u>416,232</u>	<u>-</u>	<u>416,232</u>	<u>416,232</u>	<u>-</u>
DEBT SERVICE					
Principal	196,466	-	196,466	196,466	-
Interest	47,405	-	47,405	40,505	6,900
Total	<u>243,871</u>	<u>-</u>	<u>243,871</u>	<u>236,971</u>	<u>6,900</u>

TOWN OF HOULTON, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
UNCLASSIFIED					
Public buildings	32,560	-	32,560	30,914	1,646
White building	5,700	-	5,700	4,472	1,228
Capital plan projects	200,000	(44,457)	155,543	155,543	-
Restitution	4,000	-	4,000	3,676	324
Tax increment financing	469,798	(401,771)	68,027	68,027	-
Abatements	20,000	-	20,000	7,058	12,942
Overlay	25,236	-	25,236	-	25,236
Total	<u>757,294</u>	<u>(446,228)</u>	<u>311,066</u>	<u>269,690</u>	<u>41,376</u>
TRANSFERS					
Capital projects funds	176,844	58,955	235,799	235,799	-
Tax increment financing	-	401,771	401,771	401,771	-
Total	<u>176,844</u>	<u>460,726</u>	<u>637,570</u>	<u>637,570</u>	<u>-</u>
TOTAL DEPARTMENTAL OPERATIONS	<u>\$ 11,530,458</u>	<u>\$ 2,650</u>	<u>\$ 11,533,108</u>	<u>\$ 10,825,211</u>	<u>\$ 707,897</u>

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TOWN OF HOULTON, MAINE

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$ -	\$ 14,658	\$ 14,658
Due from other governments	58,082	36,998	95,080
Due from other funds	65,154	459,187	524,341
TOTAL ASSETS	<u>\$ 123,236</u>	<u>\$ 510,843</u>	<u>\$ 634,079</u>
LIABILITIES			
Due to other funds	\$ 58,082	\$ 27,540	\$ 85,622
TOTAL LIABILITIES	<u>58,082</u>	<u>27,540</u>	<u>85,622</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted	62,042	-	62,042
Committed	-	483,303	483,303
Assigned	3,112	-	3,112
Unassigned	-	-	-
TOTAL FUND BALANCES	<u>65,154</u>	<u>483,303</u>	<u>548,457</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 123,236</u>	<u>\$ 510,843</u>	<u>\$ 634,079</u>

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, 2020

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental	\$ 316,973	\$ 207,587	\$ 524,560
Interest income	-	304	304
Other	4,019	83,728	87,747
TOTAL REVENUES	<u>320,992</u>	<u>291,619</u>	<u>612,611</u>
EXPENDITURES			
Capital outlay	205,838	480,205	686,043
Other	30,160	23,289	53,449
TOTAL EXPENDITURES	<u>235,998</u>	<u>503,494</u>	<u>739,492</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>84,994</u>	<u>(211,875)</u>	<u>(126,881)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	14,707	249,427	264,134
Transfers (out)	(14,319)	(18,016)	(32,335)
TOTAL OTHER FINANCING SOURCES (USES)	<u>388</u>	<u>274,411</u>	<u>274,799</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	85,382	62,536	147,918
FUND BALANCES (DEFICITS) - JANUARY 1	<u>(20,228)</u>	<u>420,767</u>	<u>400,539</u>
FUND BALANCES (DEFICITS) - DECEMBER 31	<u>\$ 65,154</u>	<u>\$ 483,303</u>	<u>\$ 548,457</u>

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