



Proven Expertise & Integrity

August 23, 2022

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, 2021. The following schedules have been excerpted from the 2021 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
Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund	Schedule 1
Schedule of Departmental Operations - General Fund	Schedule A
Combining Balance Sheet - Nonmajor Governmental Funds	Schedule B
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	Schedule C

RHR Smith & Company

Certified Public Accountants

STATEMENT C

TOWN OF HOULTON, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	General Fund	Tax Increment Financing	Airport Projects	Cemetery Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 4,858,913	\$ -	\$ -	\$ 11,926	\$ 274,993	\$ 5,145,832
Investments	50,000	-	-	546,845	-	596,845
Accounts receivable (net of allowance for uncollectibles):						
Taxes	430,906	-	-	-	-	430,906
Liens	186,945	-	-	-	-	186,945
Other	732,020	-	-	-	-	732,020
Inventory	34,065	-	-	-	-	34,065
Due from other funds	117,412	2,812,047	9,315	-	468,294	3,407,068
TOTAL ASSETS	\$ 6,410,261	\$ 2,812,047	\$ 9,315	\$ 558,771	\$ 743,287	\$ 10,533,681
LIABILITIES						
Accounts payable	\$ 70,889	\$ -	\$ -	\$ -	\$ -	\$ 70,889
Accrued payroll	161,103	-	-	-	-	161,103
Due to other governments	7,746	-	-	-	-	7,746
Due to other funds	3,289,656	-	-	6,376	111,036	3,407,068
TOTAL LIABILITIES	3,529,394	-	-	6,376	111,036	3,646,806
DEFERRED INFLOWS OF RESOURCES						
Prepaid taxes	24,302	-	-	-	-	24,302
LRAP funding	57,156	-	-	-	-	57,156
Deferred revenue	-	-	-	-	259,918	259,918
Deferred taxes	524,567	-	-	-	-	524,567
TOTAL DEFERRED INFLOWS OF RESOURCES	606,025	-	-	-	259,918	865,943
FUND BALANCES						
Nonspendable	34,065	-	-	-	-	34,065
Restricted	-	2,812,047	9,315	552,395	71,734	3,445,491
Committed	-	-	-	-	407,553	407,553
Assigned	-	-	-	-	3,976	3,976
Unassigned	2,240,777	-	-	-	(110,930)	2,129,847
TOTAL FUND BALANCES	2,274,842	2,812,047	9,315	552,395	372,333	6,020,932
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 6,410,261	\$ 2,812,047	\$ 9,315	\$ 558,771	\$ 743,287	\$ 10,533,681

See accompanying independent auditor's 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, 2021

	General Fund	Tax Increment Financing	Airport Projects	Cemetery Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes:						
Property taxes	\$ 6,334,134	\$ -	\$ -	\$ -	\$ -	\$ 6,334,134
Excise taxes	1,099,681	-	-	-	-	1,099,681
Intergovernmental revenue	2,072,817	-	3,651,942	-	238,756	5,963,515
Interest	123,402	6,981	-	62	311	130,756
Charges for services	1,812,215	-	-	-	-	1,812,215
Other revenues	254,179	-	-	2,500	1,004,525	1,261,204
TOTAL REVENUES	11,696,428	6,981	3,651,942	2,562	1,243,592	16,601,505
EXPENDITURES						
Current:						
General government	752,006	-	-	-	-	752,006
Protection	2,837,665	-	-	-	-	2,837,665
Public services	950,471	-	-	-	-	950,471
Employee benefits	1,532,722	-	-	-	-	1,532,722
Health and culture	301,518	-	-	-	-	301,518
Parks and recreation	445,664	-	-	-	-	445,664
Airport	69,103	-	-	-	-	69,103
Education	2,274,167	-	-	-	-	2,274,167
County tax	437,289	-	-	-	-	437,289
Unclassified	394,358	192,913	-	-	222,241	809,512
Capital outlay	-	-	3,767,973	-	1,555,361	5,323,334
Debt service:						
Principal	363,341	-	-	-	-	363,341
Interest	47,204	-	-	-	-	47,204
TOTAL EXPENDITURES	10,405,508	192,913	3,767,973	-	1,777,602	16,143,996
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES						
	1,290,920	(185,932)	(116,031)	2,562	(534,010)	457,509
OTHER FINANCING SOURCES (USES)						
Proceeds from debt issuance	-	-	-	-	177,509	177,509
Transfers in	4,000	503,758	-	-	184,377	692,135
Transfers (out)	(688,135)	-	-	-	(4,000)	(692,135)
TOTAL OTHER FINANCING SOURCES (USES)	(684,135)	503,758	-	-	357,886	177,509
NET CHANGE IN FUND BALANCES	606,785	317,826	(116,031)	2,562	(176,124)	635,018
FUND BALANCES - JANUARY 1	1,668,057	2,494,221	125,346	549,833	548,457	5,385,914
FUND BALANCES - DECEMBER 31	\$ 2,274,842	\$ 2,812,047	\$ 9,315	\$ 552,395	\$ 372,333	\$ 6,020,932

See accompanying independent auditor's 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, 2021

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Budgetary Fund Balance, January 1	\$ 1,668,057	\$ 1,668,057	\$ 1,668,057	\$ -
Resources (Inflows):				
Property taxes	6,157,128	6,161,013	6,334,134	173,121
Excise taxes	1,049,500	1,049,500	1,099,681	50,181
Intergovernmental	1,599,601	1,984,657	2,072,817	88,160
Interest income	93,700	93,700	123,402	29,702
Charges for services	2,172,998	2,172,998	1,812,215	(360,783)
Other revenues	283,481	283,481	254,179	(29,302)
Transfers from other funds	-	-	4,000	4,000
Amounts Available for Appropriation	<u>13,024,465</u>	<u>13,413,406</u>	<u>13,368,485</u>	<u>(44,921)</u>
Charges to Appropriations (Outflows):				
General government	820,619	820,619	752,006	68,613
Protection	3,055,054	3,055,054	2,837,665	217,389
Public services	1,048,943	1,048,943	950,471	98,472
Employee benefits	1,658,466	1,658,466	1,532,722	125,744
Health and culture	342,794	342,794	301,518	41,276
Parks and recreation	521,320	521,320	445,664	75,656
Airport	71,973	71,973	69,103	2,870
Education	2,400,527	2,274,167	2,274,167	-
County tax	437,044	437,289	437,289	-
Unclassified	367,260	448,351	394,358	53,993
Debt service:				
Principal	384,412	384,412	363,341	21,071
Interest	47,204	47,204	47,204	-
Transfers to other funds	602,043	688,134	688,135	(1)
Total Charges to Appropriation	<u>11,757,659</u>	<u>11,798,726</u>	<u>11,093,643</u>	<u>705,083</u>
Budgetary Fund Balance - December 31	<u>\$ 1,266,806</u>	<u>\$ 1,614,680</u>	<u>\$ 2,274,842</u>	<u>\$ 660,162</u>
Utilization of Unassigned Fund Balance	<u>\$ 401,251</u>	<u>\$ 53,377</u>	<u>\$ -</u>	<u>\$ (53,377)</u>

See accompanying independent auditor's report and notes to financial statements.

SCHEDULE A

TOWN OF HOULTON, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
GENERAL GOVERNMENT					
Administration	\$ 551,305	\$ -	\$ 551,305	\$ 541,241	\$ 10,064
Assessing	96,389	-	96,389	91,389	5,000
Code enforcement	62,480	-	62,480	60,819	1,661
Community development	59,464	-	59,464	57,347	2,117
Planning board	2,850	-	2,850	1,210	1,640
In lieu of taxes	48,131	-	48,131	-	48,131
Total	<u>820,619</u>	<u>-</u>	<u>820,619</u>	<u>752,006</u>	<u>68,613</u>
PROTECTION					
Protection	467,673	-	467,673	476,366	(8,693)
Police department	1,220,840	-	1,220,840	1,119,669	101,171
Fire department	563,404	-	563,404	503,760	59,644
Ambulance department	803,137	-	803,137	737,870	65,267
Total	<u>3,055,054</u>	<u>-</u>	<u>3,055,054</u>	<u>2,837,665</u>	<u>217,389</u>
PUBLIC SERVICES					
Public services	836,278	-	836,278	762,595	73,683
Road maintenance	212,665	-	212,665	187,876	24,789
Total	<u>1,048,943</u>	<u>-</u>	<u>1,048,943</u>	<u>950,471</u>	<u>98,472</u>
EMPLOYEE BENEFITS					
	<u>1,658,466</u>	<u>-</u>	<u>1,658,466</u>	<u>1,532,722</u>	<u>125,744</u>

SCHEDULE A (CONTINUED)

TOWN OF HOULTON, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
HEALTH AND CULTURE					
Health and social services	34,656	-	34,656	21,221	13,435
Outside agencies	200,789	-	200,789	198,988	1,801
Cemeteries	64,724	-	64,724	49,044	15,680
Rest area	42,625	-	42,625	32,265	10,360
Total	<u>342,794</u>	<u>-</u>	<u>342,794</u>	<u>301,518</u>	<u>41,276</u>
PARKS AND RECREATION					
Administration	90,267	-	90,267	80,163	10,104
Youth	87,000	-	87,000	72,741	14,259
Maintenance	164,803	-	164,803	142,815	21,988
Arena	179,250	-	179,250	149,945	29,305
Total	<u>521,320</u>	<u>-</u>	<u>521,320</u>	<u>445,664</u>	<u>75,656</u>
AIRPORT					
Administration	71,973	-	71,973	69,103	2,870
Total	<u>71,973</u>	<u>-</u>	<u>71,973</u>	<u>69,103</u>	<u>2,870</u>
EDUCATION	<u>2,400,527</u>	<u>(126,360)</u>	<u>2,274,167</u>	<u>2,274,167</u>	<u>-</u>
COUNTY TAX	<u>437,044</u>	<u>245</u>	<u>437,289</u>	<u>437,289</u>	<u>-</u>
DEBT SERVICE					
Principal	384,412	-	384,412	363,341	21,071
Interest	47,204	-	47,204	47,204	-
Total	<u>431,616</u>	<u>-</u>	<u>431,616</u>	<u>410,545</u>	<u>21,071</u>

SCHEDULE A (CONTINUED)

TOWN OF HOULTON, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Original Budget	Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
UNCLASSIFIED					
Public buildings	32,560	-	32,560	33,616	(1,056)
White building	5,700	-	5,700	4,629	1,071
Capital plan projects	305,000	-	305,000	349,356	(44,356)
Restitution	4,000	-	4,000	-	4,000
Abatements	20,000	-	20,000	6,757	13,243
Overlay	-	81,091	81,091	-	81,091
Total	<u>367,260</u>	<u>81,091</u>	<u>448,351</u>	<u>394,358</u>	<u>53,993</u>
TRANSFERS					
Capital projects funds	131,000	53,377	184,377	131,000	53,377
Tax increment financing	471,043	32,714	503,757	557,135	(53,378)
Total	<u>602,043</u>	<u>86,091</u>	<u>688,134</u>	<u>688,135</u>	<u>(1)</u>
TOTAL DEPARTMENTAL OPERATIONS	<u>\$ 11,757,659</u>	<u>\$ 41,067</u>	<u>\$ 11,798,726</u>	<u>\$ 11,093,643</u>	<u>\$ 705,083</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF HOULTON, MAINE

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$ 260,024	\$ 14,969	\$ 274,993
Due from other funds	75,710	392,584	468,294
TOTAL ASSETS	<u>\$ 335,734</u>	<u>\$ 407,553</u>	<u>\$ 743,287</u>
LIABILITIES			
Due to other funds	\$ 106	\$ 110,930	\$ 111,036
TOTAL LIABILITIES	<u>106</u>	<u>110,930</u>	<u>111,036</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue	259,918	-	259,918
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>259,918</u>	<u>-</u>	<u>259,918</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted	71,734	-	71,734
Committed	-	407,553	407,553
Assigned	3,976	-	3,976
Unassigned	-	(110,930)	(110,930)
TOTAL FUND BALANCES	<u>75,710</u>	<u>296,623</u>	<u>372,333</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 335,734</u>	<u>\$ 407,553</u>	<u>\$ 743,287</u>

See accompanying independent auditor's 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, 2021

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental	\$ 47,662	\$ 191,094	\$ 238,756
Interest income	-	311	311
Other	24,532	979,993	1,004,525
TOTAL REVENUES	<u>72,194</u>	<u>1,171,398</u>	<u>1,243,592</u>
EXPENDITURES			
Capital outlay	66,950	1,488,411	1,555,361
Other	44,065	178,176	222,241
TOTAL EXPENDITURES	<u>111,015</u>	<u>1,666,587</u>	<u>1,777,602</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(38,821)</u>	<u>(495,189)</u>	<u>(534,010)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from debt issuance	-	177,509	177,509
Transfers in	53,377	131,000	184,377
Transfers (out)	(4,000)	-	(4,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>49,377</u>	<u>308,509</u>	<u>357,886</u>
NET CHANGE IN FUND BALANCES	10,556	(186,680)	(176,124)
FUND BALANCES - JANUARY 1	<u>65,154</u>	<u>483,303</u>	<u>548,457</u>
FUND BALANCES - DECEMBER 31	<u>\$ 75,710</u>	<u>\$ 296,623</u>	<u>\$ 372,333</u>

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