



Proven Expertise & Integrity

August 30, 2023

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, 2022. The following schedules have been excerpted from the 2022 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, 2022

	General Fund	Tax Increment Financing	Airport Projects	Cemetery Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 5,642,453	\$ -	\$ -	\$ 12,166	\$ 540,617	\$ 6,195,236
Investments	50,000	-	-	526,845	-	576,845
Accounts receivable (net of allowance for uncollectibles):						
Taxes	452,967	-	-	-	-	452,967
Liens	129,967	-	-	-	-	129,967
Other	523,729	-	-	-	-	523,729
Inventory	52,916	-	-	-	-	52,916
Due from other funds	64,948	3,167,289	73,074	3,806	594,505	3,903,622
TOTAL ASSETS	\$ 6,916,980	\$ 3,167,289	\$ 73,074	\$ 542,817	\$ 1,135,122	\$ 11,835,282
LIABILITIES						
Accounts payable	\$ 279,424	\$ -	\$ -	\$ -	\$ -	\$ 279,424
Accrued payroll	132,593	-	-	-	-	132,593
Due to other governments	17,064	-	-	-	-	17,064
Due to other funds	3,838,674	-	-	-	64,948	3,903,622
TOTAL LIABILITIES	4,267,755	-	-	-	64,948	4,332,703
DEFERRED INFLOWS OF RESOURCES						
Prepaid taxes	19,441	-	-	-	-	19,441
LRAP funding	58,642	-	-	-	-	58,642
Deferred revenue	-	-	-	-	518,636	518,636
Deferred taxes	482,331	-	-	-	-	482,331
TOTAL DEFERRED INFLOWS OF RESOURCES	560,414	-	-	-	518,636	1,079,050
FUND BALANCES						
Nonspendable	52,916	-	-	-	-	52,916
Restricted	-	3,167,289	73,074	542,817	75,077	3,858,257
Committed	-	-	-	-	514,545	514,545
Assigned	-	-	-	-	17,317	17,317
Unassigned (deficit)	2,035,895	-	-	-	(55,401)	1,980,494
TOTAL FUND BALANCES	2,088,811	3,167,289	73,074	542,817	551,538	6,423,529
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 6,916,980	\$ 3,167,289	\$ 73,074	\$ 542,817	\$ 1,135,122	\$ 11,835,282

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, 2022

	General Fund	Tax Increment Financing	Airport Projects	Cemetery Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes:						
Property taxes	\$ 6,126,154	\$ -	\$ -	\$ -	\$ -	\$ 6,126,154
Excise taxes	1,089,830	-	-	-	-	1,089,830
Intergovernmental revenue	2,414,269	-	134,502	-	576,623	3,125,394
Interest	116,634	-	-	239	300	117,173
Charges for services	1,386,989	-	-	-	-	1,386,989
Other revenues	267,547	7,639	9,046	1,650	469,184	755,066
TOTAL REVENUES	11,401,423	7,639	143,548	1,889	1,046,107	12,600,606
EXPENDITURES						
Current:						
General government	807,379	-	-	-	-	807,379
Protection	3,001,618	-	-	-	-	3,001,618
Public services	1,138,364	-	-	-	-	1,138,364
Employee benefits	1,491,084	-	-	-	-	1,491,084
Health and culture	312,828	-	-	-	-	312,828
Parks and recreation	562,259	-	-	-	-	562,259
Airport	172,889	-	-	-	-	172,889
Education	2,161,466	-	-	-	-	2,161,466
County tax	473,334	-	-	-	-	473,334
Unclassified	115,340	33,942	-	11,467	92,470	253,219
Capital outlay	-	124,256	79,789	-	1,259,703	1,463,748
Debt service:						
Principal	355,713	-	-	-	-	355,713
Interest	53,936	-	-	-	-	53,936
TOTAL EXPENDITURES	10,646,210	158,198	79,789	11,467	1,352,173	12,247,837
EXCESS OF REVENUES OVER (UNDER)						
EXPENDITURES	755,213	(150,559)	63,759	(9,578)	(306,066)	352,769
OTHER FINANCING SOURCES (USES)						
Proceeds from debt issuance	-	-	-	-	49,828	49,828
Transfers in	-	505,801	-	-	435,443	941,244
Transfers (out)	(941,244)	-	-	-	-	(941,244)
TOTAL OTHER FINANCING SOURCES (USES)	(941,244)	505,801	-	-	485,271	49,828
NET CHANGE IN FUND BALANCES	(186,031)	355,242	63,759	(9,578)	179,205	402,597
FUND BALANCES - JANUARY 1	2,274,842	2,812,047	9,315	552,395	372,333	6,020,932
FUND BALANCES - DECEMBER 31	\$ 2,088,811	\$ 3,167,289	\$ 73,074	\$ 542,817	\$ 551,538	\$ 6,423,529

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, 2022

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Budgetary Fund Balance, January 1	\$ 2,274,842	\$ 2,274,842	\$ 2,274,842	\$ -
Resources (Inflows):				
Property taxes	6,292,229	6,292,229	6,126,154	(166,075)
Excise taxes	1,099,800	1,099,800	1,089,830	(9,970)
Intergovernmental	2,338,672	2,338,672	2,414,269	75,597
Interest income	94,000	94,000	116,634	22,634
Charges for services	1,323,906	1,323,906	1,386,989	63,083
Other revenues	217,138	217,138	267,547	50,409
Amounts Available for Appropriation	<u>13,640,587</u>	<u>13,640,587</u>	<u>13,676,265</u>	<u>35,678</u>
Charges to Appropriations (Outflows):				
General government	817,023	817,023	807,379	9,644
Protection	3,046,372	3,046,372	3,001,618	44,754
Public services	1,071,995	1,071,995	1,138,364	(66,369)
Employee benefits	1,725,553	1,725,553	1,491,084	234,469
Health and culture	336,233	336,233	312,828	23,405
Parks and recreation	596,798	596,798	562,259	34,539
Airport	77,485	77,485	172,889	(95,404)
Education	2,161,466	2,161,466	2,161,466	-
County tax	473,334	473,334	473,334	-
Unclassified	213,739	213,739	115,340	98,399
Debt service:				
Principal	408,144	408,144	355,713	52,431
Interest	53,936	53,936	53,936	-
Transfers to other funds	941,064	941,064	941,244	(180)
Total Charges to Appropriation	<u>11,923,142</u>	<u>11,923,142</u>	<u>11,587,454</u>	<u>335,688</u>
Budgetary Fund Balance - December 31	<u>\$ 1,717,445</u>	<u>\$ 1,717,445</u>	<u>\$ 2,088,811</u>	<u>\$ 371,366</u>
Utilization of Unassigned Fund Balance	<u>\$ 557,397</u>	<u>\$ 557,397</u>	<u>\$ -</u>	<u>\$ (557,397)</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, 2022

	Original Budget	Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
GENERAL GOVERNMENT					
Administration	\$ 593,570	\$ -	\$ 593,570	\$ 605,567	\$ (11,997)
Assessing	97,177	-	97,177	86,559	10,618
Code enforcement	62,854	-	62,854	54,538	8,316
Community development	60,572	-	60,572	60,566	6
Planning board	2,850	-	2,850	149	2,701
Total	<u>817,023</u>	<u>-</u>	<u>817,023</u>	<u>807,379</u>	<u>9,644</u>
PROTECTION					
Protection	462,626	-	462,626	503,006	(40,380)
Police department	1,250,263	-	1,250,263	1,160,596	89,667
Fire department	591,997	-	591,997	582,732	9,265
Ambulance department	741,486	-	741,486	755,284	(13,798)
Total	<u>3,046,372</u>	<u>-</u>	<u>3,046,372</u>	<u>3,001,618</u>	<u>44,754</u>
PUBLIC SERVICES					
Public services	853,654	-	853,654	905,031	(51,377)
Road maintenance	218,341	-	218,341	233,333	(14,992)
Total	<u>1,071,995</u>	<u>-</u>	<u>1,071,995</u>	<u>1,138,364</u>	<u>(66,369)</u>
EMPLOYEE BENEFITS					
	<u>1,725,553</u>	<u>-</u>	<u>1,725,553</u>	<u>1,491,084</u>	<u>234,469</u>

SCHEDULE A (CONTINUED)

TOWN OF HOULTON, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
HEALTH AND CULTURE					
Health and social services	34,606	-	34,606	13,733	20,873
Outside agencies	203,529	-	203,529	201,728	1,801
Cemeteries	98,098	-	98,098	97,367	731
Total	<u>336,233</u>	<u>-</u>	<u>336,233</u>	<u>312,828</u>	<u>23,405</u>
PARKS AND RECREATION					
Administration	97,760	-	97,760	89,896	7,864
Youth	102,500	-	102,500	91,739	10,761
Maintenance	191,869	-	191,869	184,794	7,075
Arena	204,669	-	204,669	195,830	8,839
Total	<u>596,798</u>	<u>-</u>	<u>596,798</u>	<u>562,259</u>	<u>34,539</u>
AIRPORT					
Administration	77,485	-	77,485	172,889	(95,404)
Total	<u>77,485</u>	<u>-</u>	<u>77,485</u>	<u>172,889</u>	<u>(95,404)</u>
EDUCATION					
Total	<u>2,161,466</u>	<u>-</u>	<u>2,161,466</u>	<u>2,161,466</u>	<u>-</u>
COUNTY TAX					
Total	<u>473,334</u>	<u>-</u>	<u>473,334</u>	<u>473,334</u>	<u>-</u>
DEBT SERVICE					
Principal	408,144	-	408,144	355,713	52,431
Interest	53,936	-	53,936	53,936	-
Total	<u>462,080</u>	<u>-</u>	<u>462,080</u>	<u>409,649</u>	<u>52,431</u>

SCHEDULE A (CONTINUED)

TOWN OF HOULTON, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

	Original Budget	Adjustments	Final Budget	Actual Expenditures	Variance Positive (Negative)
UNCLASSIFIED					
Public buildings	34,776	-	34,776	30,533	4,243
White building	5,700	-	5,700	7,203	(1,503)
Capital plan projects	60,000	-	60,000	60,000	-
Abatements	20,000	-	20,000	17,604	2,396
Overlay	93,263	-	93,263	-	93,263
Total	<u>213,739</u>	<u>-</u>	<u>213,739</u>	<u>115,340</u>	<u>98,399</u>
TRANSFERS					
Capital projects funds	435,443	-	435,443	435,443	-
Tax increment financing	505,621	-	505,621	505,801	(180)
Total	<u>941,064</u>	<u>-</u>	<u>941,064</u>	<u>941,244</u>	<u>(180)</u>
TOTAL DEPARTMENTAL OPERATIONS	<u><u>\$ 11,923,142</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 11,923,142</u></u>	<u><u>\$ 11,587,454</u></u>	<u><u>\$ 335,688</u></u>

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TOWN OF HOULTON, MAINE

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$ 525,348	\$ 15,269	\$ 540,617
Due from other funds	92,394	502,111	594,505
TOTAL ASSETS	<u>\$ 617,742</u>	<u>\$ 517,380</u>	<u>\$ 1,135,122</u>
LIABILITIES			
Due to other funds	\$ 62,113	\$ 2,835	\$ 64,948
TOTAL LIABILITIES	<u>62,113</u>	<u>2,835</u>	<u>64,948</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue	518,636	-	518,636
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>518,636</u>	<u>-</u>	<u>518,636</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted	75,077	-	75,077
Committed	-	514,545	514,545
Assigned	17,317	-	17,317
Unassigned (deficit)	(55,401)	-	(55,401)
TOTAL FUND BALANCES	<u>36,993</u>	<u>514,545</u>	<u>551,538</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 617,742</u>	<u>\$ 517,380</u>	<u>\$ 1,135,122</u>

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

SCHEDULE C

TOWN OF HOULTON, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental	\$ 54,235	\$ 522,388	\$ 576,623
Interest income	-	300	300
Other	78,809	390,375	469,184
TOTAL REVENUES	<u>133,044</u>	<u>913,063</u>	<u>1,046,107</u>
EXPENDITURES			
Capital outlay	281,954	977,749	1,259,703
Other	76,250	16,220	92,470
TOTAL EXPENDITURES	<u>358,204</u>	<u>993,969</u>	<u>1,352,173</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(225,160)</u>	<u>(80,906)</u>	<u>(306,066)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from debt issuance	-	49,828	49,828
Transfers in	186,443	249,000	435,443
Transfers (out)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>186,443</u>	<u>298,828</u>	<u>485,271</u>
NET CHANGE IN FUND BALANCES	(38,717)	217,922	179,205
FUND BALANCES - JANUARY 1	<u>75,710</u>	<u>296,623</u>	<u>372,333</u>
FUND BALANCES - DECEMBER 31	<u>\$ 36,993</u>	<u>\$ 514,545</u>	<u>\$ 551,538</u>

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