



Proven Expertise and Integrity

March 20, 2018

Board of Selectmen
Town of Eliot
Eliot, Maine

We were engaged by the Town of Eliot, Maine and have audited the financial statements of the Town of Eliot, Maine as of and for the year ended June 30, 2017. The following statements and schedules have been excerpted from the 2017 financial statements, a complete copy of which, including our opinion thereon, is available for inspection at the Town Office.

Included herein are:

Balance Sheet - Governmental Funds	Statement C
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	Statement E
Statement of Net Position - Proprietary Funds	Statement G
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	Statement H
Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund	Schedule 1
Schedule of Departmental Operations - General Fund	Schedule B
Combining Balance Sheet - Nonmajor Governmental Funds	Schedule C
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	Schedule D

RHR Smith & Company

Certified Public Accountants

STATEMENT C

TOWN OF ELIOT, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017

	General Fund	Route 236 TIF	All Nonmajor Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 3,197,314	\$ 832,042	\$ 375,377	\$ 4,404,733
Investments	-	2,208,205	996,241	3,204,446
Accounts receivables (net of allowance for uncollectibles):				
Taxes	254,187	-	-	254,187
Liens	92,033	-	-	92,033
Other	9,466	-	-	9,466
Inventory	36,134	-	-	36,134
Due from other funds	284,285	538,474	380,236	1,202,995
TOTAL ASSETS	<u>\$ 3,873,419</u>	<u>\$ 3,578,721</u>	<u>\$ 1,751,854</u>	<u>\$ 9,203,994</u>
LIABILITIES				
Accounts payable	\$ 88,703	\$ -	\$ -	\$ 88,703
Accrued expenses	17,658	-	-	17,658
Due to other funds	929,512	-	284,285	1,213,797
TOTAL LIABILITIES	<u>1,035,873</u>	<u>-</u>	<u>284,285</u>	<u>1,320,158</u>
DEFERRED INFLOWS OF RESOURCES				
Prepaid taxes	18,311	-	-	18,311
Deferred tax revenues	227,150	-	-	227,150
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>245,461</u>	<u>-</u>	<u>-</u>	<u>245,461</u>
FUND BALANCES				
Nonspendable	36,134	-	-	36,134
Restricted	-	-	47,871	47,871
Committed	-	3,578,721	1,437,015	5,015,736
Assigned	31,331	-	-	31,331
Unassigned	2,524,620	-	(17,317)	2,507,303
TOTAL FUND BALANCES	<u>2,592,085</u>	<u>3,578,721</u>	<u>1,467,569</u>	<u>7,638,375</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 3,873,419</u>	<u>\$ 3,578,721</u>	<u>\$ 1,751,854</u>	<u>\$ 9,203,994</u>

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

STATEMENT E

TOWN OF ELIOT, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	General Fund	Route 236 TIF	All Nonmajor Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 13,373,840	\$ -	\$ -	\$ 13,373,840
Excise taxes	1,495,205	-	-	1,495,205
Intergovernmental	408,487	563,999	-	972,486
Charges for services	690,494	-	-	690,494
Miscellaneous revenues	69,146	(2,879)	105,304	171,571
TOTAL REVENUES	<u>16,037,172</u>	<u>561,120</u>	<u>105,304</u>	<u>16,703,596</u>
EXPENDITURES				
Current:				
General government	1,235,994	-	-	1,235,994
Public safety	1,318,700	-	-	1,318,700
Public works	1,361,992	-	-	1,361,992
Health and sanitation	268,376	-	-	268,376
Recreation and culture	559,689	-	-	559,689
Education	9,102,498	-	-	9,102,498
County tax	491,380	-	-	491,380
Unclassified	621,698	-	401,655	1,023,353
Debt service:				
Principal	33,334	-	-	33,334
Interest	854	-	-	854
Capital outlay	-	-	504,639	504,639
TOTAL EXPENDITURES	<u>14,994,515</u>	<u>-</u>	<u>906,294</u>	<u>15,900,809</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>1,042,657</u>	<u>561,120</u>	<u>(800,990)</u>	<u>802,787</u>
OTHER FINANCING SOURCES				
Transfers in	108,479	-	895,499	1,003,978
Transfers (out)	(895,499)	(54,479)	(18,000)	(967,978)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(787,020)</u>	<u>(54,479)</u>	<u>877,499</u>	<u>36,000</u>
NET CHANGE IN FUND BALANCES	255,637	506,641	76,509	838,787
FUND BALANCES - JULY 1	<u>2,336,448</u>	<u>3,072,080</u>	<u>1,391,060</u>	<u>6,799,588</u>
FUND BALANCES - JUNE 30	<u>\$ 2,592,085</u>	<u>\$ 3,578,721</u>	<u>\$ 1,467,569</u>	<u>\$ 7,638,375</u>

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

TOWN OF ELIOT, MAINE

STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2017

	<u>Enterprise Funds</u> <u>Sewer</u> <u>Fund</u>
ASSETS	
Current assets:	
Accounts receivable (net of allowance for uncollectibles)	\$ 153,436
Due from other funds	10,802
Total current assets	<u>164,238</u>
Noncurrent assets:	
Capital assets:	
Buildings and equipment, net of accumulated depreciation	<u>1,471,913</u>
Total noncurrent assets	<u>1,471,913</u>
TOTAL ASSETS	<u><u>\$ 1,636,151</u></u>
LIABILITIES	
Current liabilities:	
Accounts payable	<u>\$ -</u>
Total current liabilities	<u>-</u>
TOTAL LIABILITIES	<u>-</u>
NET POSITION	
Net investment in capital assets	1,471,913
Unrestricted	<u>164,238</u>
TOTAL NET POSITION	<u><u>1,636,151</u></u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 1,636,151</u></u>

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

TOWN OF ELIOT, MAINE

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017

	<u>Enterprise Funds</u> <u>Sewer</u> <u>Fund</u>
OPERATING REVENUES	
Charges for services	\$ 463,852
TOTAL OPERATING REVENUES	<u>463,852</u>
OPERATING EXPENSES	
Operating	379,409
Depreciation	77,469
TOTAL OPERATING EXPENSES	<u>456,878</u>
OPERATING INCOME (LOSS)	<u>6,974</u>
NONOPERATING REVENUES (EXPENSES)	
Transfers in	-
Transfers out	<u>(36,000)</u>
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(36,000)</u>
CHANGE IN NET POSITION	(29,026)
NET POSITION - JULY 1, RESTATED	<u>1,665,177</u>
NET POSITION - JUNE 30	<u>\$ 1,636,151</u>

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

TOWN OF ELIOT, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
Budgetary Fund Balance, July 1, Restated	\$ 2,336,448	\$ 2,336,448	\$ 2,336,448	\$ -
Resources (Inflows):				
Taxes:				
Property taxes	13,338,450	13,338,450	13,373,840	35,390
Excise taxes	1,466,400	1,466,400	1,495,205	28,805
Intergovernmental revenues:				
State revenue sharing	250,000	250,000	241,099	(8,901)
Homestead exemption	143,942	143,942	133,458	(10,484)
BETE reimbursement	7,905	7,905	14,516	6,611
General assistance	15,000	15,000	8,106	(6,894)
Other revenues	19,378	19,378	11,308	(8,070)
Charges for services	673,100	673,100	690,494	17,394
Interest income	25,000	25,000	8,874	(16,126)
Miscellaneous revenues	55,950	57,480	60,272	2,792
Transfers from other funds	108,479	108,479	108,479	-
Amounts Available for Appropriation	<u>18,440,052</u>	<u>18,441,582</u>	<u>18,482,099</u>	<u>40,517</u>
Charges to Appropriations (Outflows):				
General government	1,326,556	1,326,556	1,235,994	90,562
Public safety	1,363,881	1,363,881	1,318,700	45,181
Public works	1,346,955	1,346,955	1,361,992	(15,037)
Health and sanitation	298,166	299,696	268,376	31,320
Recreation and culture	602,277	602,277	559,689	42,588
Education	9,102,498	9,102,498	9,102,498	-
County tax	491,380	491,380	491,380	-
Unclassified	716,449	716,449	621,698	94,751
Debt service:				
Principal	33,334	33,334	33,334	-
Interest	1,709	1,709	854	855
Transfers to other funds	895,499	895,499	895,499	-
Total Charges to Appropriations	<u>16,178,704</u>	<u>16,180,234</u>	<u>15,890,014</u>	<u>290,220</u>
Budgetary Fund Balance, June 30	<u>\$ 2,261,348</u>	<u>\$ 2,261,348</u>	<u>\$ 2,592,085</u>	<u>\$ 330,737</u>
Utilization of Assigned Fund Balance	\$ 65,000	\$ 65,000	\$ -	\$ (65,000)
Utilization of Unassigned fund balance	10,100	10,100	-	(10,100)
	<u>\$ 75,100</u>	<u>\$ 75,100</u>	<u>\$ -</u>	<u>\$ (75,100)</u>

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

TOWN OF ELIOT, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES					
General government:					
Administration	\$ 1,154,232	\$ -	\$ 1,154,232	\$ 1,100,895	\$ 53,337
Town committees	22,922	-	22,922	13,481	9,441
Legal	90,000	-	90,000	85,082	4,918
Consulting	32,000	-	32,000	11,240	20,760
Hearings and elections	27,402	-	27,402	25,296	2,106
	<u>1,326,556</u>	<u>-</u>	<u>1,326,556</u>	<u>1,235,994</u>	<u>90,562</u>
Public safety:					
Police department	167,173	-	167,173	159,801	7,372
Fire department	972,207	-	972,207	937,943	34,264
Animal control	10,460	-	10,460	9,344	1,116
Harbor master	16,825	-	16,825	14,396	2,429
Hydrant rental	70,216	-	70,216	70,216	-
24 hour answering service	90,000	-	90,000	90,000	-
PSAP	15,000	-	15,000	15,000	-
Street lights	22,000	-	22,000	22,000	-
	<u>1,363,881</u>	<u>-</u>	<u>1,363,881</u>	<u>1,318,700</u>	<u>45,181</u>
Public works:					
Highway department	795,394	-	795,394	785,815	9,579
Snow and winter maintenance	243,629	-	243,629	288,028	(44,399)
Summer maintenance	20,000	-	20,000	16,581	3,419
Roads and bridges	10,500	-	10,500	9,622	878
Stormwater	277,432	-	277,432	261,946	15,486
	<u>1,346,955</u>	<u>-</u>	<u>1,346,955</u>	<u>1,361,992</u>	<u>(15,037)</u>
Health and sanitation:					
Transfer station	249,276	-	249,276	236,787	12,489
Social services	18,890	-	18,890	18,890	-
General assistance	30,000	-	30,000	11,760	18,240
Fuel assistance	-	1,530	1,530	939	591
	<u>298,166</u>	<u>1,530</u>	<u>299,696</u>	<u>268,376</u>	<u>31,320</u>

SCHEDULE B (CONTINUED)
TOWN OF ELIOT, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
Recreation and culture:					
Library	145,000	-	145,000	145,000	-
Community services department	102,005	-	102,005	96,839	5,166
CSD programs	124,462	-	124,462	132,688	(8,226)
Kidsplay	195,371	-	195,371	155,380	39,991
Town parks	35,439	-	35,439	29,782	5,657
	<u>602,277</u>	<u>-</u>	<u>602,277</u>	<u>559,689</u>	<u>42,588</u>
Debt service:					
Principal	33,334	-	33,334	33,334	-
Interest	1,709	-	1,709	854	855
	<u>35,043</u>	<u>-</u>	<u>35,043</u>	<u>34,188</u>	<u>855</u>
Education	<u>9,102,498</u>	<u>-</u>	<u>9,102,498</u>	<u>9,102,498</u>	<u>-</u>
County tax	<u>491,380</u>	<u>-</u>	<u>491,380</u>	<u>491,380</u>	<u>-</u>
Unclassified:					
TIF expenditures	601,092	-	601,092	601,092	-
Overlay / abatements	115,357	-	115,357	20,606	94,751
	<u>716,449</u>	<u>-</u>	<u>716,449</u>	<u>621,698</u>	<u>94,751</u>
Transfers out	<u>895,499</u>	<u>-</u>	<u>895,499</u>	<u>895,499</u>	<u>-</u>
Total Expenditures	<u>\$ 16,178,704</u>	<u>\$ 1,530</u>	<u>\$ 16,180,234</u>	<u>\$ 15,890,014</u>	<u>\$ 290,220</u>

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

TOWN OF ELIOT, MAINE

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 131,759	\$ 230,370	\$ 13,248	\$ 375,377
Investments	349,684	611,395	35,162	996,241
Due from other funds	64,829	315,407	-	380,236
TOTAL ASSETS	<u>\$ 546,272</u>	<u>\$ 1,157,172</u>	<u>\$ 48,410</u>	<u>\$ 1,751,854</u>
LIABILITIES				
Due to other funds	\$ 14,056	\$ 269,690	\$ 539	\$ 284,285
TOTAL LIABILITIES	<u>14,056</u>	<u>269,690</u>	<u>539</u>	<u>284,285</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	47,871	47,871
Committed	532,216	904,799	-	1,437,015
Assigned	-	-	-	-
Unassigned	-	(17,317)	-	(17,317)
TOTAL FUND BALANCES	<u>532,216</u>	<u>887,482</u>	<u>47,871</u>	<u>1,467,569</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 546,272</u>	<u>\$ 1,157,172</u>	<u>\$ 48,410</u>	<u>\$ 1,751,854</u>

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

TOWN OF ELIOT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES				
Investment income, net of unrealized gains/(losses)	\$ (759)	\$ (1,371)	\$ (94)	\$ (2,224)
Other	6,800	100,728	-	107,528
TOTAL REVENUES	<u>6,041</u>	<u>99,357</u>	<u>(94)</u>	<u>105,304</u>
EXPENDITURES				
Capital outlay	-	504,639	-	504,639
Other	13,489	384,041	4,125	401,655
TOTAL EXPENDITURES	<u>13,489</u>	<u>888,680</u>	<u>4,125</u>	<u>906,294</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(7,448)</u>	<u>(789,323)</u>	<u>(4,219)</u>	<u>(800,990)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	83,000	812,499	-	895,499
Transfers (out)	(18,000)	-	-	(18,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>65,000</u>	<u>812,499</u>	<u>-</u>	<u>877,499</u>
NET CHANGE IN FUND BALANCES	57,552	23,176	(4,219)	76,509
FUND BALANCES - JULY 1	<u>474,664</u>	<u>864,306</u>	<u>52,090</u>	<u>1,391,060</u>
FUND BALANCES - JUNE 30	<u><u>\$ 532,216</u></u>	<u><u>\$ 887,482</u></u>	<u><u>\$ 47,871</u></u>	<u><u>\$ 1,467,569</u></u>

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