



Proven Expertise and Integrity

January 8, 2019

Town Council
Town of Old Orchard Beach
Old Orchard Beach, Maine

We were engaged by the Town of Old Orchard Beach and have audited the financial statements of the Town of Old Orchard Beach as of and for the year ended June 30, 2018. The following statements and schedules have been excerpted from the 2018 financial statements, a complete copy of which, including our opinion thereon, is available for inspection at the Town Office.

Included herein are:

Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund	Schedule 1
Balance Sheet - Governmental Funds	Statement C
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	Statement E
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RHR Smith & Company

Certified Public Accountants

TOWN OF OLD ORCHARD BEACH, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1, Restated	\$ 6,593,149	\$ 6,593,149	\$ 6,593,149	\$ -
Resources (Inflows):				
Taxes	26,968,008	26,968,008	27,112,075	144,067
Licenses and permits	1,090,000	1,090,000	1,130,491	40,491
Intergovernmental	814,500	762,269	762,742	473
Unclassified	30,000	30,000	318,783	288,783
Interest earned	45,000	45,000	80,257	35,257
Transfers in	703,000	703,000	703,000	-
Amounts Available for Appropriation	<u>36,243,657</u>	<u>36,191,426</u>	<u>36,700,497</u>	<u>509,071</u>
Charges to Appropriations (Outflows):				
General government	4,709,986	4,711,664	4,494,925	216,739
Public works	1,562,921	1,631,715	1,555,768	75,947
Sanitation	1,699,324	1,717,445	1,707,716	9,729
Public safety	5,056,402	5,125,079	4,988,436	136,643
Recreation, culture and agencies	733,078	743,278	712,943	30,335
Health and welfare	84,704	85,739	78,213	7,526
Education	12,244,148	12,244,148	12,170,868	73,280
County tax	957,300	957,300	961,670	(4,370)
Tax abatements/overlay	25,000	227,814	23,756	204,058
Debt service:				
Principal	930,600	930,600	930,580	20
Interest	339,500	290,072	278,950	11,122
Equipment replacement	433,118	410,618	394,726	15,892
Transfers out	1,328,700	1,328,700	1,349,937	(21,237)
Total Charges to Appropriations	<u>30,104,781</u>	<u>30,404,172</u>	<u>29,648,488</u>	<u>755,684</u>
Budgetary Fund Balance, June 30	<u>\$ 6,138,876</u>	<u>\$ 5,787,254</u>	<u>\$ 7,052,009</u>	<u>\$ 1,264,755</u>
Utilization of unassigned fund balance	\$ 550,000	\$ 550,000	\$ -	\$ (550,000)
	<u>\$ 550,000</u>	<u>\$ 550,000</u>	<u>\$ -</u>	<u>\$ (550,000)</u>

STATEMENT C

TOWN OF OLD ORCHARD BEACH, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2018

	General Fund	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 8,566,611	\$ -	\$ 8,566,611
Investments	2,906,833	-	2,906,833
Accounts receivable (net of allowance for uncollectibles):			
Taxes	971,542	-	971,542
Tax liens	611,283	-	611,283
Other	15,337	82,415	97,752
Inventory	52,058	-	52,058
Prepaid items	1,574	-	1,574
Due from other funds	28,389	3,520,824	3,549,213
TOTAL ASSETS	\$ 13,153,627	\$ 3,603,239	\$ 16,756,866
LIABILITIES			
Accounts payable	\$ 415,322	\$ 2,794	\$ 418,116
Accrued payroll and related liabilities	184,087	-	184,087
Other liabilities	432,666	-	432,666
Due to other funds	3,520,824	28,389	3,549,213
TOTAL LIABILITIES	4,552,899	31,183	4,584,082
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue - property taxes	1,548,719	-	1,548,719
TOTAL DEFERRED INFLOWS OF RESOURCES	1,548,719	-	1,548,719
FUND BALANCES			
Nonspendable	53,632	-	53,632
Restricted	-	249,618	249,618
Committed	-	3,350,626	3,350,626
Assigned	600,000	2,526	602,526
Unassigned	6,398,377	(30,714)	6,367,663
TOTAL FUND BALANCES	7,052,009	3,572,056	10,624,065
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 13,153,627	\$ 3,603,239	\$ 16,756,866

TOWN OF OLD ORCHARD BEACH, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	General Fund	Other Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	\$ 27,112,075	\$ -	\$ 27,112,075
Licenses and permits	1,130,491	-	1,130,491
Intergovernmental	762,742	224,855	987,597
Other charges for services	-	903,030	903,030
Investment income	80,257	-	80,257
Unclassified	318,783	114,660	433,443
TOTAL REVENUES	29,404,348	1,242,545	30,646,893
EXPENDITURES			
Current:			
General government	4,494,925	141,753	4,636,678
Public works	1,555,768	-	1,555,768
Sanitation	1,707,716	-	1,707,716
Public safety	4,988,436	41,925	5,030,361
Recreation, culture and agencies	712,943	235,952	948,895
Health and welfare	78,213	-	78,213
Education	12,170,868	-	12,170,868
County tax	961,670	-	961,670
Tax abatements/ overlay	23,756	-	23,756
Program expenses	-	241,944	241,944
Debt service:			
Principal	930,580	-	930,580
Interest	278,950	-	278,950
Equipment replacement	394,726	-	394,726
Capital outlay	-	1,646,273	1,646,273
TOTAL EXPENDITURES	28,298,551	2,307,847	30,606,398
EXCESS REVENUES OVER (UNDER) EXPENDITURES	1,105,797	(1,065,302)	40,495
OTHER FINANCING SOURCES (USES)			
Proceeds from long term debt	-	857,000	857,000
Transfers in	703,000	1,328,700	2,031,700
Transfers (out)	(1,349,937)	(703,000)	(2,052,937)
TOTAL OTHER FINANCING SOURCES (USES)	(646,937)	1,482,700	835,763
NET CHANGE IN FUND BALANCES	458,860	417,398	876,258
FUND BALANCES - JULY 1, RESTATED	6,593,149	3,154,658	9,747,807
FUND BALANCES - JUNE 30	\$ 7,052,009	\$ 3,572,056	\$ 10,624,065

TOWN OF OLD ORCHARD BEACH, MAINE

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Accounts receivable (net of allowance for uncollectibles)	82,415	-	82,415
Due from other funds	1,165,522	2,355,302	3,520,824
TOTAL ASSETS	<u>\$ 1,247,937</u>	<u>\$ 2,355,302</u>	<u>\$ 3,603,239</u>
LIABILITIES			
Accounts payable	\$ 2,794	\$ -	\$ 2,794
Due to other funds	28,389	-	28,389
TOTAL LIABILITIES	<u>31,183</u>	<u>-</u>	<u>31,183</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted	44,921	204,697	249,618
Committed	1,202,547	2,148,079	3,350,626
Assigned	-	2,526	2,526
Unassigned	(30,714)	-	(30,714)
TOTAL FUND BALANCES	<u>1,216,754</u>	<u>2,355,302</u>	<u>3,572,056</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,247,937</u>	<u>\$ 2,355,302</u>	<u>\$ 3,603,239</u>

TOWN OF OLD ORCHARD BEACH, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental revenue	\$ 224,855	\$ -	\$ 224,855
Charges for services	903,030	-	903,030
Other income	114,660	-	114,660
TOTAL REVENUES	<u>1,242,545</u>	<u>-</u>	<u>1,242,545</u>
EXPENDITURES			
Administration	141,753	-	141,753
Public safety	41,925	-	41,925
Recreation, culture and agencies	235,952	-	235,952
Program expenses	241,944	-	241,944
Capital outlay	14,717	1,631,556	1,646,273
TOTAL EXPENDITURES	<u>676,291</u>	<u>1,631,556</u>	<u>2,307,847</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>566,254</u>	<u>(1,631,556)</u>	<u>(1,065,302)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from long term debt	-	857,000	857,000
Transfers in	12,000	1,316,700	1,328,700
Transfers (out)	(503,000)	(200,000)	(703,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(491,000)</u>	<u>1,973,700</u>	<u>1,482,700</u>
NET CHANGE IN FUND BALANCES	75,254	342,144	417,398
FUND BALANCES - JULY 1	<u>1,141,500</u>	<u>2,013,158</u>	<u>3,154,658</u>
FUND BALANCES - JUNE 30	<u>\$ 1,216,754</u>	<u>\$ 2,355,302</u>	<u>\$ 3,572,056</u>