

CITY OF AUBURN, MAINE

Finance Department

ANNUAL FINANCIAL REPORT

**For Fiscal Year Ended
June 30, 2024**

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CITY OF AUBURN, MAINE
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2024

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Report of Independent Auditors

City Council
City of Auburn, Maine:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Auburn, Maine, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Auburn, Maine's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Auburn, Maine, as of June 30, 2024, and the respective changes in financial position, the respective budgetary comparison for the General Fund, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Auburn, Maine and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Auburn, Maine's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Auburn, Maine's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Auburn, Maine's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension and OPEB schedules information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Auburn, Maine's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 6, 2025 on our consideration of the City of Auburn, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Auburn, Maine's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Auburn, Maine's internal control over financial reporting and compliance.



October 6, 2025
South Portland, Maine

CITY OF AUBURN, MAINE
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2024

As management of the City of Auburn, Maine, we offer this narrative overview and analysis of the financial activities of the City of Auburn, Maine for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal to this report.

Financial Highlights

- The assets and deferred outflows of resources of the City of Auburn exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$110,075,555 (*net position*).
- The City of Auburn's total net position increased by \$7,468,735.
- At the end of the current fiscal year, total unrestricted fund balance for the General Fund was \$15,462,754, or 13.95% of total General Fund budgeted expenditures (budgetary basis – excluding transfers).
- The City of Auburn issued one bond for \$16,873,000 for its Capital Improvement Plan. The issuance will be used for the following projects: to fund the City's street, sidewalk and infrastructure improvements, purchase multiple pieces of heavy equipment, building improvements, two major initiatives of a new PAL center and Fire station in New Auburn and the new Edward Little building.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Auburn's basic financial statements. The City of Auburn's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Auburn's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City of Auburn's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between them reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Auburn that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government; public safety; health, welfare and recreation; public works, including highways, streets, and solid waste disposal; other agencies; education; food

CITY OF AUBURN, MAINE
Management's Discussion and Analysis, Continued
Fiscal Year Ended June 30, 2024

services, and interest on debt. The City has two business-type activities, Ingersoll Turf Facility and Norway Savings Bank Ice Arena. The government-wide financial statements can be found on pages 21-22 of this report.

Fund financial statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Auburn, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Auburn maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Community Development Programs, Tax Increment Financing, Capital Improvement Program, and New Edward Little Building Project, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Auburn adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 19-31 of this report.

Proprietary funds

The City of Auburn maintains one type of proprietary fund. The *enterprise fund* is used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Auburn uses the enterprise fund to account for its operations of Ingersoll Turf Facility and Norway Savings Bank Ice Arena.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 27-29 of this report.

CITY OF AUBURN, MAINE
Management's Discussion and Analysis, Continued
Fiscal Year Ended June 30, 2024

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City of Auburn's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 42-43 of this report.

Notes to basic financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 46-85 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that can be found beginning on page 75 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. The combining and individual fund statements and schedules can be found on pages 85-97 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Auburn, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$109,192,242 at the close of the most recent fiscal year.

CITY OF AUBURN, MAINE
Management's Discussion and Analysis, Continued
Fiscal Year Ended June 30, 2024

	City of Auburn's Net Position					
	Governmental		Business-type		Total	
	Activities		Activities			
	2024	2023 (restated)	2024	2023	2024	2023 (restated)
Current and other assets	\$ 83,148,369	104,885,349	30,454	(517,165)	83,178,823	104,368,184
Capital assets	255,493,736	235,042,189	1,067,354	228,920	256,561,090	235,271,109
Total assets	338,642,105	339,927,538	1,097,808	(288,245)	339,739,913	339,639,293
Deferred outflows of resources:						
Related to pensions	5,177,364	6,989,652	48,536	47,828	5,225,900	7,037,480
Related to OPEB	1,554,322	1,536,207	10,840	1,077	1,565,162	1,537,284
Total deferred outflows of resources	6,731,686	8,525,859	59,376	48,905	6,791,062	8,574,764
Noncurrent liabilities	205,759,169	201,910,098	188,010	126,595	205,947,179	202,036,693
Other liabilities	28,230,959	39,674,181	34,050	9,851	28,265,009	39,684,032
Total liabilities	233,990,128	241,584,279	222,060	136,446	234,212,188	241,720,725
Deferred inflows of resources:						
Deferred charge on refunding	42,273	56,364	-	-	42,273	56,364
Related to pensions	1,731,974	3,222,121	21,162	28,957	1,753,136	3,251,078
Related to OPEB	417,174	572,424	6,930	6,646	424,104	579,070
Related to leases	-	-	23,719	-	23,719	-
Total deferred inflows of resources	2,191,421	3,850,909	51,811	35,603	2,243,232	3,886,512
Net investment in capital assets	101,386,458	87,855,325	1,067,354	228,920	102,453,812	88,084,245
Restricted	20,405,293	17,187,516	-	-	20,405,293	17,187,516
Unrestricted	(12,599,509)	(2,024,632)	(184,041)	(640,309)	(12,783,550)	(2,664,941)
Total net position	\$ 109,192,242	103,018,209	883,313	(411,389)	110,075,555	102,606,820

By far, the largest portion of the City of Auburn's net position (93.08% or \$102,453,812) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding and adding back any unspent bond proceeds. The City has made a conscious effort to continue its investment in long-term infrastructure improvements such as storm water separation, roadways, traffic improvements, sidewalks, facilities, and large equipment. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending.

Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

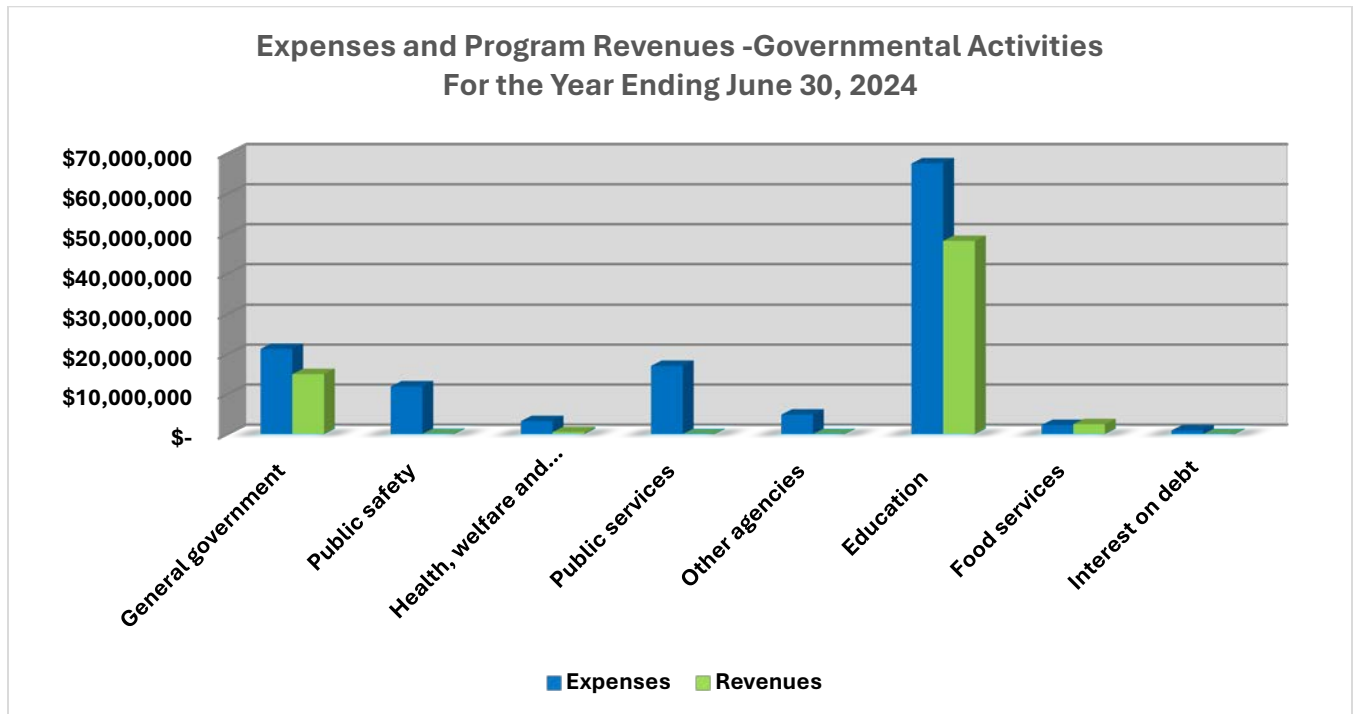
An additional portion of the City of Auburn's net position (18.54%) represents resources that are subject to external restrictions on how they may be used. The remaining unrestricted *net position* is a deficit of (\$12,783,550).

CITY OF AUBURN, MAINE
Management's Discussion and Analysis, Continued
Fiscal Year Ended June 30, 2024

Governmental Activities

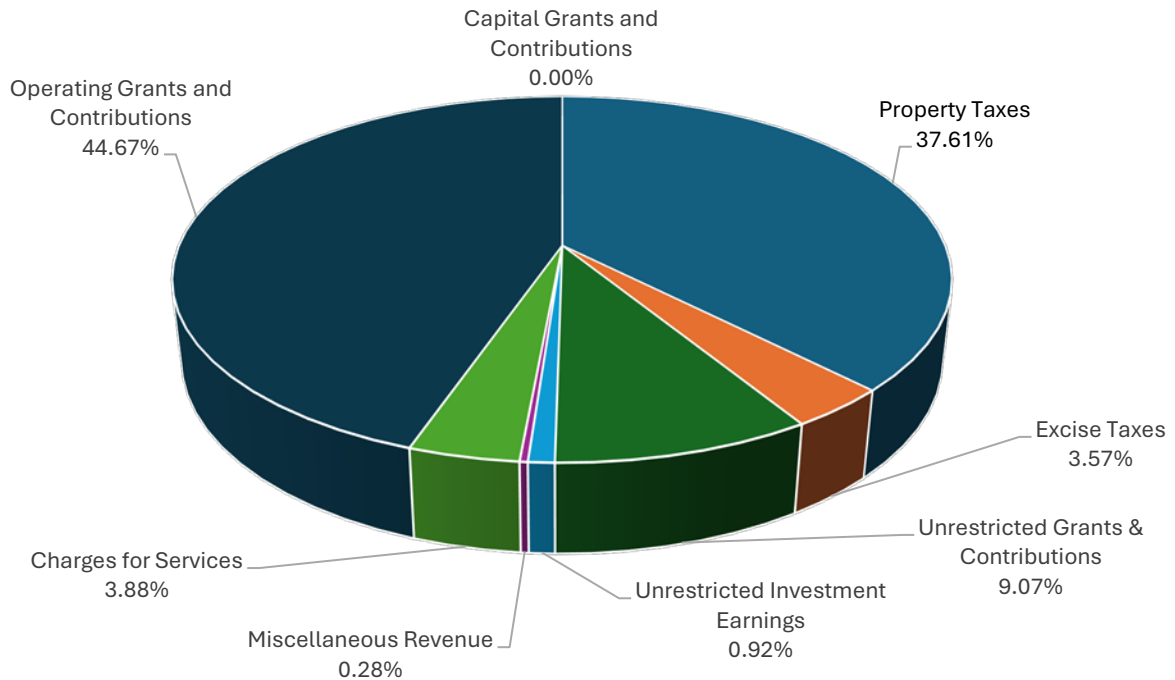
Governmental activities increased the City of Auburn's net position by \$6,174,033. Key elements of this increase are as follows:

- The City received more in operating grants and contributions during the current fiscal year.
- This increase was also from an increase in unrestricted grants and contributions which was driven mostly by increases in State Revenue Sharing.
- Total expenses increased by \$16,855,957 (14.99%) primarily due to the increase in general government, education and public safety.



CITY OF AUBURN, MAINE
Management's Discussion and Analysis, Continued
Fiscal Year Ended June 30, 2024

Revenue by Source - Governmental Activities
For the Year Ended June 30, 2024

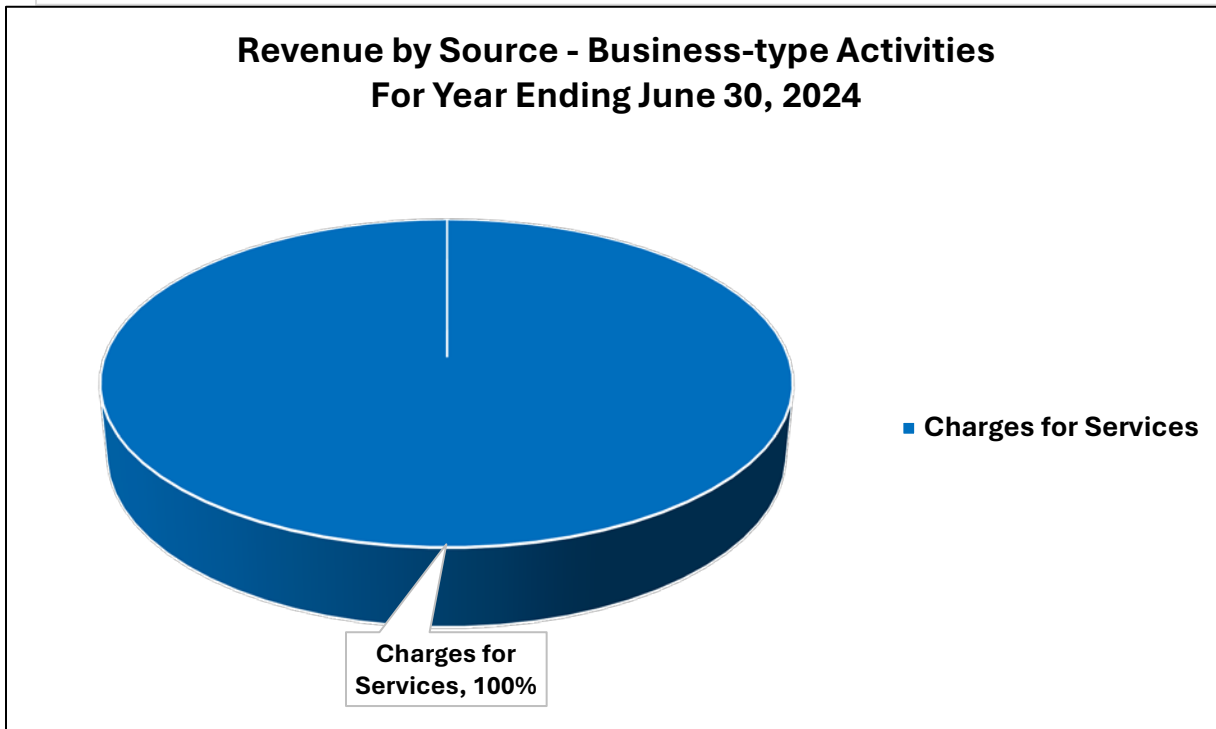
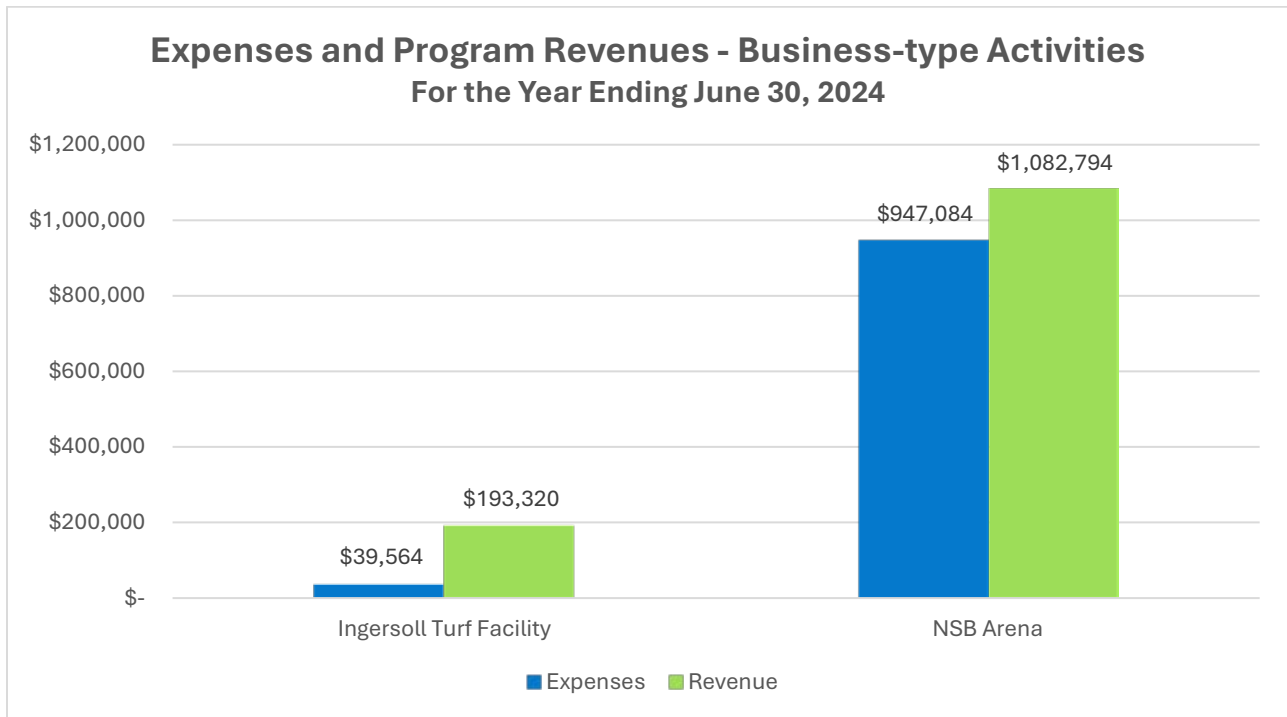


Business-type Activities

The City's two business-type activities, its Ingersoll Turf Facility and Norway Savings Bank Arena, increased the City of Auburn's net position by \$1,294,702.

Revenues for business-type activities increased by \$48,272 or 3.93%. This is attributed to an increase in operations. Expenses for business-type activities increased by \$153,933 or 18.49%, which is primarily due to general inflation on wages, benefits, and utilities.

CITY OF AUBURN, MAINE
Management's Discussion and Analysis, Continued
Fiscal Year Ended June 30, 2024



CITY OF AUBURN, MAINE
Management's Discussion and Analysis, Continued
Fiscal Year Ended June 30, 2024

Financial Analysis of the Government's Funds

As noted earlier, the City of Auburn uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City of Auburn's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Auburn's governmental funds reported combined ending fund balances of \$51,951,007 a decrease of \$10,771,233, in comparison with the prior year. This total consists of: General Fund, \$25,011,296; Community Development Programs Fund, \$1,272,107; Tax Increment Financing, \$3,578,363; Capital Improvement Programs, \$11,107,184; New Edward Little Building Project, \$4,629,388; and Other Governmental Funds, \$3,354,281 and City Special, \$2,998,388. These fund balances (deficits) are intended, and in some cases restricted, committed or assigned, for specific purposes.

The General Fund is the chief operating fund of the City of Auburn. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$9,041,558. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund budget. Unassigned fund balance represents 7.93% of the total General Fund's final budgeted expenditures of \$114,062,295 (including budgeted transfers out) at June 30, 2024. The City Council adopted a Fund Balance Policy in June 2011, and updated in June 2021, establishing a goal of having a General Fund unrestricted fund balance no less than 10.0% and no more than 14.0% of the City's municipal and school budgets. Unrestricted fund balance at June 30, 2024, that was 13.95%. Rating agencies look favorably upon the establishment of fund balance policies by communities, which signifies the recognition that a healthy fund balance is imperative to the good financial standing of the community.

The Community Development Program Fund balance decreased by \$96,233. The decrease was due to the timing of drawdowns as well as the increase in expenditures for the CDBG program.

The Tax Increment Financing Fund balance increased by \$2,302,101 due to several new TIF districts.

The City Special Revenue Fund increased by \$971,070 due to the timing of grant revenues and expenditures.

The Capital Improvements Program balance increased by \$3,206,483 which represents an increase of 40.58% of total fund balance from the prior year. Bond proceeds received in the current year will be offset by future capital and other expenditures.

The New Edward Little Building Project balance decreased by \$14,767,376 as bond proceeds have been spent down on construction costs.

Proprietary Funds

The City of Auburn's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

CITY OF AUBURN, MAINE
Management's Discussion and Analysis, Continued
Fiscal Year Ended June 30, 2024

Unrestricted net position of the City's proprietary funds, which include Ingersoll Turf Facility and Norway Savings Bank Ice Arena, amounted to a deficit of (\$184,041). The total increase in net position was \$1,294,702.

General Fund Budgetary Highlights

For the current fiscal year, the total revenue was above budgetary projections, and the total expenditures were below budgetary projections. During the current fiscal year, the City of Auburn's expenditures were \$1,773,598 less than appropriations. Contributing factors to this included:

- Motor vehicle excise taxes were above budgetary projections by \$336,876.
- State revenue sharing was above projections by \$632,704.
- Education expenditures were under budget by \$627,326 due to savings in regular instruction and special education as many budgeted positions were not able to be filled.
- Budgeted use of City and School surplus were used to offset the current year's expenditures and keep the mil rate down.

Capital Asset and Debt Administration

Capital Assets

The City of Auburn's investment in capital assets for its governmental and business-type activities as of June 30, 2024, amounts to \$256,561,090 (net of accumulated depreciation). This investment in capital assets includes land, buildings, land improvements, machinery and equipment, vehicles and infrastructure. The total increase in the City of Auburn's investment in capital assets for the current fiscal year was 9.05%. For more details, refer to Capital Assets in the Detailed Notes for All Funds on Pages 45-46.

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 8,458,402	8,328,402	-	-	8,458,402	8,328,402
Construction in progress	12,171,657	107,870,416	793,295	-	12,964,952	107,870,416
Buildings and improvements	141,489,897	43,754,088	105,346	41,436	141,595,243	43,795,524
Equipment	6,953,367	4,226,015	168,713	187,484	7,122,080	4,413,499
Vehicles	5,414,440	5,223,842	-	-	5,414,440	5,223,842
Infrastructure	80,299,076	65,057,750	-	-	80,299,076	65,057,750
Right to use assets	706,897	581,676	-	-	706,897	581,676
Total capital assets	\$ 255,493,736	235,042,189	1,067,354	228,920	256,561,090	235,271,109

Major capital asset events during the current fiscal year included the following:

- Construction of the new high school is ongoing and \$19,565,394 was spent in 2024.
- The annual road reclamation and reconstruction projects totaled \$6,755,605.

CITY OF AUBURN, MAINE
Management's Discussion and Analysis, Continued
Fiscal Year Ended June 30, 2024

Long-term Debt

At the end of the current fiscal year, the City of Auburn had total general obligation bonded debt and notes outstanding, not including premiums, of \$162,338,926. The City's entire debt is backed by the full faith and credit of the City. For more detail, refer to Long-term Debt in the Detailed Notes for All Funds on pages 51-52.

City of Auburn's Outstanding Debt			
General Obligation Bonds			
Governmental Activities		Business-type Activities	
2024	2023	2024	2023
162,338,926	159,646,099	-	-

During the current fiscal year, the City issued general obligation bonds totaling \$16,873,000 for the annual capital improvement program for the City and School Department.

The City of Auburn maintained an "Aa3" rating from Moody's on November 15, 2024, and received an "AA-" rating from Standard & Poor's for its general obligation debt. Please refer to the agencies' reports for a comprehensive explanation of their rating assessment.

State statutes limit the amount of general obligation debt a municipality may issue to 15 percent of its total state assessed valuation. The current debt limitation for the City of Auburn is \$445,320,000 that is significantly in excess of the City of Auburn's outstanding general obligation debt.

The City also has several other notes and financed purchase arrangements, the details of which can be found in the Long-term Debt in the Detailed Notes for All Funds on pages 53-55.

Next Year's Goals, the Economic Climate, and the Budget and Tax Rates

The City's property tax base has stabilized, and the current outlook is that Auburn and the region are poised for strong growth. Auburn continues to shine as a sought-after destination for housing developers and businesses, with new projects consistently being proposed and advanced. Development efforts are strategically focused on addressing the region's housing needs, strengthening the workforce, and supporting a diverse range of industrial and mixed-use projects.

Local and national developers, along with companies across various industries, are increasingly choosing Auburn — either entering the market or expanding their existing operations. In Fiscal Year 2024, Auburn issued a record number of new permits and achieved the second-highest permit value in the city's history, exceeding \$61 million. Looking ahead, Fiscal Year 2025 projections are strong, with permit values forecasted between **\$70–\$80 million**, signaling continued robust economic momentum.

CITY OF AUBURN, MAINE
Management's Discussion and Analysis, Continued
Fiscal Year Ended June 30, 2024

In February of 2024, Auburn Economic Development elected officials and residents were informed of the Tech Hub designation the State of Maine received from the Economic Development Administration.

The Community Development Program supported several public infrastructure initiatives during the program year, including capital investments in the PAL Center and the Auburn Resource Center at 121 Mill Street. These brick-and-mortar improvements align with broader community development goals informed by feedback collected through the City's annual Community Development Survey.

Service expansion and new partnerships this year included homeless outreach, case management, and housing navigation efforts. Additionally, the City strategically leveraged CDBG and TIF funds to enhance downtown walkability and job creation. These efforts are part of the City's continued commitment to making Auburn a welcoming, safe, and vibrant community where residents and visitors choose to live, work, and recreate - an objective that continues to receive positive feedback from the community.

Embracing possibilities and creating opportunities:

The City of Auburn continues to build on the vision established by the Mayor and City Council: *"Auburn will embrace possibilities and create opportunities."* This guiding principle shaped the FY25 budget and strategic initiatives, reinforcing the five core goals:

1. Planning for a better future
2. Reclaiming our streets
3. Making housing more attainable
4. Enriching neighborhood identities
5. Enacting resilient solutions

Fiscal Stewardship and Budgetary Focus

The FY25 Budget takes steps to preserve high quality City services, and enhance the services the City is already providing, all while considering long-term sustainability and efficiencies, resulting in a total tax levy increase of 5.96%. As the City had numerous unsettled collective bargaining agreements during FY23 and FY24, FY25 has approximately one million dollars in previous years' negotiated wages and benefits. It is our priority to continue controlling costs for our taxpayers, which has been the focus of staff in preparing this budget. The budget is in line with the historic stabilization in total government spending. Auburn's municipal tax levy has averaged a 3% increase annually for the past five years. Auburn's non-tax revenue has continued to increase with an average of 10% annually for the past five years.

Workforce and Service Delivery

Auburn's workforce remains central to its success. In FY24, the city ratified **five collective bargaining agreements**, reinforcing its commitment to competitive wages, professional development, and a supportive work environment. These efforts align with the post-pandemic shift in service expectations and delivery models, ensuring Auburn remains responsive and resilient in the coming fiscal years. Auburn is not alone in facing the driving demands to retain and recruit a qualified and skilled workforce. When the cost of living increases rapidly, it is critical for our organization to do our best to keep wages within reach of the rising impacts of inflation. All indications show a stabilization in the workforce salary demands for the future.

CITY OF AUBURN, MAINE
Management's Discussion and Analysis, Continued
Fiscal Year Ended June 30, 2024

Strategic Investments and Community Impact

The city continues to leverage its **\$13.5 million ARPA allocation** for non-recurring investments that enhance infrastructure, public health, and community services. FY25 initiatives include:

- **Revaluation Process:** A full city-wide property revaluation has begun, aiming to improve equity and accuracy in assessments over a three-year period.
- **Housing Expansion:** Auburn remains a leader in housing policy, with over **300 units under construction** and zoning reforms that support accessory dwelling units and veteran permit waivers.
- **Youth Engagement:** Free recreational programming for K–6 students continues to eliminate financial barriers and foster inclusive opportunities for Auburn's youth.

Looking Ahead

The FY25 budget reflects Auburn's commitment to innovation, equity, and fiscal responsibility. Through strategic planning and community engagement, the city is well-positioned to meet the evolving needs of its residents and to continue creating opportunities for all.

The Budget and Tax Rates

The City's Fiscal Year 2024-2025 budget has an expenditure increase of 7.65%. These increases were primarily due to an increase in operating expenses for both the municipal and school budgets offset by an increase in non-property tax revenue for municipal and education in FY 2025. The use of fund balance had been used in previous years to help keep the tax rate increase lower. The City's fund balance policy requires the City to maintain between a 10% and 14% unrestricted fund balance in the general fund (10-14% of general fund expenditures). At the end of fiscal year 2024, it was noted that the City fell below this percentage and the FY 2025 budget continued addressing this issue and is currently in compliance with the policy.

Requests for Information

This financial report is designed to provide a general overview of the City of Auburn's financial condition for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director or City Manager, 60 Court Street, Auburn, Maine.

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BASIC FINANCIAL STATEMENTS

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CITY OF AUBURN, MAINE
Statement of Net Position
June 30, 2024

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 47,036,570	515,369	47,551,939
Investments	10,127,808	-	10,127,808
Receivables:			
Accounts, net of allowance	666,511	113,129	779,640
Intergovernmental	18,244,911	-	18,244,911
Taxes receivable	2,040,148	-	2,040,148
Lease receivable	-	30,352	30,352
Loans, net of allowance	4,361,892	-	4,361,892
Internal balances	628,396	(628,396)	-
Prepaid expenses	18,114	-	18,114
Inventories	24,019	-	24,019
Capital assets, not being depreciated	20,630,059	793,295	21,423,354
Capital assets, being depreciated, net	234,863,677	274,059	235,137,736
Total assets	338,642,105	1,097,808	339,739,913
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - related to pensions	5,177,364	48,536	5,225,900
Deferred outflows of resources - related to OPEB	1,554,322	10,840	1,565,162
Total deferred outflows of resources	6,731,686	59,376	6,791,062
LIABILITIES			
Accounts payable and other current liabilities	5,871,613	34,050	5,905,663
Accrued payroll	4,792,101	-	4,792,101
Prepaid taxes	95,418	-	95,418
Unearned revenue	17,471,827	-	17,471,827
Noncurrent liabilities:			
Due within one year	18,482,488	-	18,482,488
Due in more than one year	187,276,681	188,010	187,464,691
Total liabilities	233,990,128	222,060	234,212,188
DEFERRED INFLOWS OF RESOURCES			
Deferred charge on refunding	42,273	-	42,273
Deferred inflows of resources - related to pensions	1,731,974	21,162	1,753,136
Deferred inflows of resources related to OPEB	417,174	6,930	424,104
Deferred inflows of resources related to leases	-	23,719	23,719
Total deferred inflows of resources	2,191,421	51,811	2,243,232
NET POSITION			
Net investment in capital assets	101,386,458	1,067,354	102,453,812
Restricted for:			
Permanent funds:			
Expendable	205,941	-	205,941
Nonexpendable	69,475	-	69,475
Other purposes:			
City Services	6,727,779	-	6,727,779
Education	10,550,082	-	10,550,082
Centralized School Lunch	1,579,909	-	1,579,909
Community Development Programs	1,272,107	-	1,272,107
Unrestricted	(12,599,509)	(184,041)	(12,783,550)
Total net position	\$ 109,192,242	883,313	110,075,555

See accompanying notes to financial statements.

CITY OF AUBURN, MAINE
Statement of Activities
For the Year Ended June 30, 2024

Functions/programs	Expenses	Program Revenues			Net (expense) revenue and changes in net position			
		Charges for services	Operating grants and contributions	Capital grants and contributions	Primary Government		Total	
					Governmental activities	Business-type activities		
Primary government:								
Governmental activities:								
General government	\$ 21,337,945	3,244,562	11,778,046	-	(6,315,337)	-	(6,315,337)	
Public safety	11,947,864	63,210	-	-	(11,884,654)	-	(11,884,654)	
Health, welfare and recreation	3,259,236	514,033	-	-	(2,745,203)	-	(2,745,203)	
Public works	17,087,095	-	-	-	(17,087,095)	-	(17,087,095)	
Other agencies	4,887,938	-	-	-	(4,887,938)	-	(4,887,938)	
Education	67,611,498	1,406,395	46,799,908	-	(19,405,195)	-	(19,405,195)	
Food services	2,280,470	66,361	2,402,409	-	188,300	-	188,300	
Interest on debt	923,887	-	-	-	(923,887)	-	(923,887)	
Total governmental activities	129,335,933	5,294,561	60,980,363	-	(63,061,009)	-	(63,061,009)	
Business-type activities:								
Ingersoll Turf Facility	39,564	193,320	-	-	-	153,756	153,756	
Norway Savings Bank Arena	947,084	1,082,794	-	-	-	135,710	135,710	
Total business-type activities	986,648	1,276,114	-	-	-	289,466	289,466	
Total primary government	\$ 130,322,581	6,570,675	60,980,363	-	(63,061,009)	289,466	(62,771,543)	
General revenues, unrestricted:								
Property taxes, levied for general purposes					51,345,566	-	51,345,566	
Motor vehicle excise taxes					4,871,876	-	4,871,876	
Interest on delinquent taxes					100,433	-	100,433	
Grants and contributions not restricted to specific programs:								
State revenue sharing					6,607,704	-	6,607,704	
Homestead and BETE exemptions					4,449,277	-	4,449,277	
Other state aid					1,223,337	-	1,223,337	
Unrestricted investment earnings					1,251,968	5,236	1,257,204	
Miscellaneous revenues					384,881	-	384,881	
Transfers					(1,000,000)	1,000,000	-	
Total general revenues					69,235,042	1,005,236	70,240,278	
Change in net position					6,174,033	1,294,702	7,468,735	
Net position - beginning - as previously presented					102,868,209	(411,389)	102,456,820	
Error correction					150,000	-	150,000	
Net position - beginning - as restated					103,018,209	(411,389)	102,606,820	
Net position - ending					\$ 109,192,242	883,313	110,075,555	

See accompanying notes to financial statements.

CITY OF AUBURN, MAINE
Balance Sheet
Governmental Funds
June 30, 2024

	General	Community Development Programs	Tax Increment Financing	City Special	Capital Improvement Program	New Edward Little Building Project	Other Governmental Funds	Total Governmental Funds
ASSETS								
Cash and cash equivalents	\$ 23,270,321	-	1,054,569	6,877,594	7,628,571	7,553,656	651,859	47,036,570
Investments	4,745,050	-	-	-	-	5,382,758	-	10,127,808
Receivables:								
Taxes	2,040,148	-	-	-	-	-	-	2,040,148
Accounts, net of allowance	640,142	-	-	-	26,109	-	260	666,511
Loans, net of allowance	599,532	3,477,280	-	285,080	-	-	-	4,361,892
Intergovernmental	3,724,651	7,786,964	-	4,297,417	-	-	2,435,879	18,244,911
Inventory	-	-	-	-	-	-	24,019	24,019
Interfund receivables	-	-	2,523,794	3,946,839	4,702,458	-	1,680,513	12,853,604
Prepaid expenditures	11,724	-	-	-	-	-	6,390	18,114
Total assets	\$ 35,031,568	11,264,244	3,578,363	15,406,930	12,357,138	12,936,414	4,798,920	95,373,577
LIABILITIES								
Accounts payable	2,248,683	39,017	-	903,361	1,249,954	1,183,149	197,400	5,821,564
Accrued payroll and benefits payable	4,471,260	-	-	-	-	-	320,841	4,792,101
Prepaid taxes	95,418	-	-	-	-	-	-	95,418
Escrow funds payable	34,616	750	-	-	-	-	-	35,366
Unearned revenue	-	9,884,353	-	7,585,982	-	-	1,492	17,471,827
Interfund payables	1,417,166	68,017	-	2,705,925	-	7,123,877	924,906	12,239,891
Total liabilities	8,267,143	9,992,137	-	11,195,268	1,249,954	8,307,026	1,444,639	40,456,167
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - property taxes	1,753,129	-	-	-	-	-	-	1,753,129
Unavailable revenue - settlement proceeds	-	-	-	1,213,274	-	-	-	1,213,274
Total deferred inflows of resources	1,753,129	-	-	1,213,274	-	-	-	2,966,403
FUND BALANCES (deficits)								
Nonspendable - inventory	-	-	-	-	-	-	24,019	24,019
Nonspendable - prepaid expenditures	11,724	-	-	-	-	-	6,390	18,114
Nonspendable - long-term receivables	599,532	-	-	-	-	-	-	599,532
Nonspendable - principal	-	-	-	-	-	-	69,475	69,475
Restricted	9,548,542	1,272,107	3,578,363	3,149,416	-	-	2,745,257	20,293,685
Committed	-	-	-	-	11,107,184	4,629,388	556,503	16,293,075
Assigned	5,809,940	-	-	-	-	-	-	5,809,940
Unassigned	9,041,558	-	-	(151,028)	-	-	(47,363)	8,843,167
Total fund balances	25,011,296	1,272,107	3,578,363	2,998,388	11,107,184	4,629,388	3,354,281	51,951,007
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 35,031,568	11,264,244	3,578,363	15,406,930	12,357,138	12,936,414	4,798,920	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	255,493,736
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	2,966,403
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
Bonds and notes payable	(162,338,926)
Financed purchases payable	(88,171)
Leases payable	(565,133)
Subscription payable	(123,401)
Unamortized debt premiums	(13,033,267)
Accrued compensated absences	(2,932,778)
Accrued self-insurance liability	(1,076,024)
Other postemployment benefits with related deferred inflows and outflows of resources	(13,652,752)
Net pension liability with related deferred inflows and outflows of resources	(5,863,811)
Deferred charge on refunding	(42,273)
Landfill postclosure care costs	(21,000)
Accrued interest on debt	(1,481,368)

Net position of governmental activities

\$ 109,192,242

CITY OF AUBURN, MAINE
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

	General	Community Development Programs	Tax Increment Financing	City Special	Capital Improvement Program	New Edward Little Building Project	Other Governmental Funds	Total Governmental Funds
Revenues:								
Taxes	\$ 56,178,488	-	-	-	-	-	-	56,178,488
Intergovernmental	54,361,809	1,984,970	-	8,222,007	-	-	7,472,676	72,041,462
Licenses and permits	777,378	-	-	-	-	-	-	777,378
Charges for services	2,582,309	-	-	1,823	-	-	1,869,841	4,453,973
Student activity fees and fundraisers	-	-	-	-	-	-	156,538	156,538
Other income	448,091	39,579	37,809	322,186	-	62,064	412,955	1,322,684
Interest income	731,182	-	-	7,842	168,901	337,863	6,180	1,251,968
Total revenues	115,079,257	2,024,549	37,809	8,553,858	168,901	399,927	9,918,190	136,182,491
Expenditures:								
Current:								
General government	13,181,946	2,120,782	717,424	3,560,710	-	-	64,041	19,644,903
Public safety	12,427,417	-	-	133,959	-	-	-	12,561,376
Health, welfare and recreation	2,772,939	-	-	47,316	-	-	504,604	3,324,859
Public works	8,035,475	-	-	3,881,506	-	-	-	11,916,981
Other agencies	4,887,938	-	-	-	-	-	-	4,887,938
Education	62,732,971	-	-	-	-	-	6,514,827	69,247,798
Food services	-	-	-	-	-	-	2,280,470	2,280,470
Student activities	-	-	-	-	-	-	125,289	125,289
Unclassified	296,415	-	-	-	-	-	-	296,415
Capital outlay	833,709	-	-	-	9,929,630	19,565,394	119,456	30,448,189
Debt service	8,390,245	-	433,272	159,297	166,539	240	-	9,149,593
Total expenditures	113,559,055	2,120,782	1,150,696	7,782,788	10,096,169	19,565,634	9,608,687	163,883,811
Excess (deficiency) of revenues over (under) expenditures	1,520,202	(96,233)	(1,112,887)	771,070	(9,927,268)	(19,165,707)	309,503	(27,701,320)
Other financing sources (uses):								
Issuance of long-term debt	-	-	-	-	12,468,888	4,404,112	-	16,873,000
Premium on issuance of debt	-	-	-	-	664,863	194,219	-	859,082
Subscription proceeds	78,549	-	-	-	-	-	119,456	198,005
Transfers to/from other funds	(4,414,988)	-	3,414,988	200,000	-	(200,000)	-	(1,000,000)
Total other financing sources (uses)	(4,336,439)	-	3,414,988	200,000	13,133,751	4,398,331	119,456	16,930,087
Net change in fund balances	(2,816,237)	(96,233)	2,302,101	971,070	3,206,483	(14,767,376)	428,959	(10,771,233)
Fund balances, beginning of year, as previously presented	27,827,533	1,368,340	1,276,262	-	7,900,701	19,396,764	4,802,640	62,572,240
Error correction	-	-	-	150,000	-	-	-	150,000
Adjustment - City Special as major fund	-	-	-	1,877,318	-	-	(1,877,318)	-
Fund balances, beginning of year, as restated	27,827,533	1,368,340	1,276,262	2,027,318	7,900,701	19,396,764	2,925,322	62,722,240
Fund balances, end of year	\$ 25,011,296	1,272,107	3,578,363	2,998,388	11,107,184	4,629,388	3,354,281	51,951,007

See accompanying notes to financial statements.

CITY OF AUBURN, MAINE
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2024

Net change in fund balances - total governmental funds (from Statement 4)	\$	(10,771,233)
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Amounts reported for governmental activities in the statement of activities (Statement 2) are different because:

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which capital outlay exceeded depreciation expense in the current period:

Capital outlays recorded as expenditures in governmental funds	34,803,823
Depreciation and loss on disposal not reported in governmental funds	(14,352,276)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This represents the change in unavailable revenue - property taxes.

327,475

The issuance of long-term debt (e.g., bonds, notes, financed purchases and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This is the amount by which repayments exceeded proceeds:

Issuance of long-term debt	(16,873,000)
Subscriptions proceeds	(198,005)
Principal payments on long-term debt and financed purchases	14,265,784
Principal payments on leases	51,995
Principal payments on subscriptions	74,604
Premium on issuance of debt	(859,082)
Amortization of bond premium	1,426,475
Deferred charge on refunding	14,091

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds; alternatively, some expenditures using current financial resources are not expenses in the statement of activities:

Accrued compensated absences	(373,584)
Accrued self-insurance liability	(222,988)
Other postemployment benefits with related deferred inflows and outflows of resources	(317,678)
Net pension liability with related deferred inflows and outflows of resources	(705,542)
Landfill postclosure care costs	10,500
Accrued interest on debt	(127,326)

Change in net position of governmental activities (see Statement 2)	\$	6,174,033
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See accompanying notes to financial statements.

CITY OF AUBURN, MAINE
General Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance -- Budget and Actual
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Taxes:				
Real and personal property	\$ 50,774,348	50,774,348	51,206,179	431,831
Excise and registrations	4,535,000	4,535,000	4,871,876	336,876
Interest on delinquent taxes	80,000	80,000	100,433	20,433
Total taxes	55,389,348	55,389,348	56,178,488	789,140
Intergovernmental:				
State revenue sharing	5,975,000	5,975,000	6,607,704	632,704
School subsidy	36,751,140	36,751,140	36,987,225	236,085
Homestead	1,770,000	1,770,000	1,738,629	(31,371)
BETE	3,101,000	3,101,000	2,710,648	(390,352)
Other:				
School department	120,000	120,000	631,600	511,600
Tax sharing/in lieu of	60,000	60,000	173,658	113,658
Municipal	1,329,154	1,329,154	1,223,337	(105,817)
Total intergovernmental	49,106,294	49,106,294	50,072,801	966,507
Other revenue:				
Licenses and permits	642,850	642,850	777,378	134,528
Charges for services:				
Municipal	2,175,000	2,175,000	2,243,733	68,733
School	183,000	183,000	338,322	155,322
Fines, forfeits and penalties	51,200	51,200	63,210	12,010
Interest:				
Municipal	45,000	45,000	729,645	684,645
Donation	40,000	40,000	-	(40,000)
Miscellaneous:				
Municipal	140,001	140,001	261,078	121,077
School	219,999	219,999	123,803	(96,196)
Total other revenue	3,497,050	3,497,050	4,537,169	1,040,119
Total revenues	107,992,692	107,992,692	110,788,458	2,795,766

CITY OF AUBURN, MAINE
General Fund
Statement of Revenues, Expenditures and Changes in
Fund Balances -- Budget and Actual
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Expenditures:				
General government:				
Mayor and council	\$ 171,750	174,696	208,251	(33,555)
City manager	695,009	719,509	704,396	15,113
Communications & engagement	356,522	361,522	323,996	37,526
City clerk	290,268	299,254	335,493	(36,239)
Finance	1,228,112	1,228,278	1,303,079	(74,801)
Human resources	246,260	246,260	254,282	(8,022)
Planning & permitting	682,189	717,461	761,073	(43,612)
Economic development	123,893	123,893	203,008	(79,115)
Business and community development	710,692	710,692	410,433	300,259
Facilities	-	-	10,647	(10,647)
Information technology	917,487	985,541	894,337	91,204
Worker's compensation (transfer to reserve)	715,400	715,400	715,400	-
Benefits and wage increases	8,257,879	8,377,629	6,961,210	1,416,419
Total general government	14,395,461	14,660,135	13,085,605	1,574,530
Public safety:				
Fire & EMS Transport	6,104,713	6,167,749	6,389,586	(221,837)
Police	5,207,160	5,228,358	5,254,128	(25,770)
Water and sewer	792,716	792,716	781,203	11,513
Total public safety	12,104,589	12,188,823	12,424,917	(236,094)
Health, welfare and recreation:				
Health and social services	180,825	180,825	894,775	(713,950)
Recreation	722,416	723,631	739,146	(15,515)
Library	1,138,659	1,138,659	1,139,018	(359)
Total health, welfare and recreation	2,041,900	2,043,115	2,772,939	(729,824)
Public services:				
Public works	6,108,837	6,511,956	6,580,209	(68,253)
Solid waste disposal	1,386,000	1,411,000	1,455,266	(44,266)
Total public services	7,494,837	7,922,956	8,035,475	(112,519)
Other agencies:				
County tax	2,972,037	2,972,037	2,972,037	-
Auburn-Lewiston Airport	205,000	205,000	218,449	(13,449)
Auburn Art in the Park	20,000	20,000	20,000	-
Lewiston-Auburn Transit Committee	400,079	400,079	389,797	10,282
Lewiston-Auburn E911 Center	1,287,401	1,287,401	1,287,655	(254)
Total other agencies	4,884,517	4,884,517	4,887,938	(3,421)

CITY OF AUBURN, MAINE
General Fund
Statement of Revenues, Expenditures and Changes in
Fund Balances -- Budget and Actual
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Expenditures, continued:				
Education	\$ 59,071,289	59,071,289	58,443,963	627,326
Other appropriations:				
Tax sharing	260,000	260,000	233,915	26,085
Debt service - principal	6,540,566	6,540,566	6,540,566	-
Debt service - interest and other	1,793,978	1,793,978	1,849,679	(55,701)
Capital investment and purchasing	783,252	834,613	701,397	133,216
Emergency reserve	550,000	550,000	-	550,000
Total other appropriations	9,927,796	9,979,157	9,325,557	653,600
Special projects - warming center	-	62,500	62,500	-
Total expenditures	109,920,389	110,812,492	109,038,894	1,773,598
Excess (deficiency) of revenues over (under) expenditures	(1,927,697)	(2,819,800)	1,749,564	4,569,364
Other financing sources (uses):				
Transfers in from other funds	1,677,500	1,677,500	200,000	(1,477,500)
Transfers to other funds	(3,249,803)	(3,249,803)	(8,274,243)	(5,024,440)
Budgeted use of surplus - city	1,500,000	2,392,103	-	(2,392,103)
Budgeted use of surplus - school	2,000,000	2,000,000	-	(2,000,000)
Total other financing sources (uses)	1,927,697	2,819,800	(8,074,243)	(10,894,043)
Net change in fund balance - budgetary basis	-	-	(6,324,679)	(6,324,679)
Fund balance, July 1 - budgetary basis			28,317,227	
Fund balance, June 30 - budgetary basis			21,992,548	
Reconciliation to GAAP basis:				
Reserve funds fund balance			3,018,748	
Fund balance, June 30 - GAAP basis			\$ 25,011,296	

See accompanying notes to financial statements.

CITY OF AUBURN, MAINE
Statement of Net Position
Proprietary Funds
June 30, 2024

Business-type Activities - Enterprise Funds			
	Ingersoll Turf Facility	NSB Ice Arena	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 234,723	280,646	515,369
Accounts receivable, net of allowance of \$49,566	-	113,129	113,129
Lease receivable	-	30,352	30,352
Interfund receivables	292,668	-	292,668
Total current assets	527,391	424,127	951,518
Noncurrent assets:			
Capital assets:			
Construction In progress	-	793,295	793,295
Land improvements	18,584	-	18,584
Buildings	672,278	158,608	830,886
Equipment	132,600	628,388	760,988
Less accumulated depreciation	(805,520)	(530,879)	(1,336,399)
Total noncurrent assets	17,942	1,049,412	1,067,354
Total assets	545,333	1,473,539	2,018,872
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	-	48,536	48,536
Deferred outflows of resources related to OPEB	-	10,840	10,840
Total deferred outflows of resources	-	59,376	59,376
LIABILITIES			
Current Liabilities:			
Accounts payable	-	34,050	34,050
Interfund payables	-	921,064	921,064
Total current liabilities	-	955,114	955,114
Noncurrent liabilities:			
Net pension liability	-	97,305	97,305
Net OPEB liability	-	90,705	90,705
Total noncurrent liabilities	-	188,010	188,010
Total liabilities	-	1,143,124	1,143,124
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	-	21,162	21,162
Deferred inflows of resources related to OPEB	-	6,930	6,930
Deferred inflows of resources related to leases	-	23,719	23,719
Total deferred inflows of resources	-	51,811	51,811
NET POSITION			
Net investment in capital assets	17,942	1,049,412	1,067,354
Unrestricted	527,391	(711,432)	(184,041)
Total net position	\$ 545,333	337,980	883,313

See accompanying notes to financial statements.

CITY OF AUBURN, MAINE
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Business-type Activities - Enterprise Funds
For the Year Ended June 30, 2024

	Ingersoll Turf Facility	NSB Ice Arena	Totals
Operating revenues:			
Charges for services	\$ 193,320	1,082,794	1,276,114
Total operating revenue	193,320	1,082,794	1,276,114
Operating expenses:			
Personnel	-	420,007	420,007
Program expenses	9,834	6,021	15,855
Supplies	-	55,448	55,448
Utilities	702	146,604	147,306
Contracted services	-	77,882	77,882
Repairs and maintenance	-	83,098	83,098
Depreciation	29,028	47,688	76,716
Other expenses	-	17,338	17,338
Total operating expenses	39,564	854,086	893,650
Operating income (loss)	153,756	228,708	382,464
Nonoperating revenue (expense):			
Interest income	5,236	-	5,236
Pension gain (expense)	-	(21,091)	(21,091)
OPEB gain (expense)	-	(22,341)	(22,341)
Bad debt expense	-	(49,566)	(49,566)
Transfers in from other funds	-	1,000,000	1,000,000
Total nonoperating revenue (expense)	5,236	907,002	912,238
Change in net position	158,992	1,135,710	1,294,702
Total net position (deficit), July 1	386,341	(797,730)	(411,389)
Total net position (deficit), June 30	\$ 545,333	337,980	883,313

See accompanying notes to financial statements.

CITY OF AUBURN, MAINE
Statement of Cash Flows
Proprietary Funds
Business-type Activities - Enterprise Funds
For the Year Ended June 30, 2024

	Ingersoll Turf Facility	NSB Ice Arena	Totals
Cash flows from operating activities:			
Cash received from customers	\$ 193,320	1,031,943	1,225,263
Cash paid to suppliers for goods and services	(10,536)	(362,192)	(372,728)
Cash paid to employees for services	-	(420,007)	(420,007)
Net cash provided by (used in) operating activities	182,784	249,744	432,528
Cash flows from noncapital financing activities:			
Net change in interfund loans	(174,229)	(343,591)	(517,820)
Transfers (to) from other funds	-	1,000,000	1,000,000
Net cash provided by (used in) noncapital financing activities	(174,229)	656,409	482,180
Cash flows from capital and related financing activities:			
Purchase of capital assets	(8,555)	(906,595)	(915,150)
Net cash used in capital and related financing activities	(8,555)	(906,595)	(915,150)
Cash flows from investing activities:			
Interest on investments	5,236	-	5,236
Net cash provided by (used in) investing activities	5,236	-	5,236
Net increase (decrease) in cash and cash equivalents	5,236	(442)	4,794
Cash and cash equivalents, July 1	229,487	281,088	510,575
Cash and cash equivalents, June 30	234,723	280,646	515,369
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	153,756	228,708	382,464
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	29,028	47,688	76,716
(Increase) decrease in assets:			
Accounts receivable	-	(44,218)	(44,218)
Lease receivable, net of deferred inflow	-	(6,633)	(6,633)
Increase (decrease) in liabilities:			
Accounts payable	-	24,199	24,199
Total adjustments	29,028	21,036	50,064
Net cash provided by (used in) operating activities	\$ 182,784	249,744	432,528

See accompanying notes to financial statements.

CITY OF AUBURN, MAINE
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2024

	Private- purpose Trust Funds	Custodial Funds
ASSETS		
Cash and cash equivalents	\$ 114,105	-
Investments	1,877,383	-
Intergovernmental receivables	-	1,196
Interfund receivables	9,642	6,165
Total assets	2,001,130	7,361
LIABILITIES		
Accounts payable	-	72
Accrued payroll	-	559
Interfund payables	-	1,124
Total liabilities	-	1,755
RESTRICTED FOR:		
Individuals and organizations	\$ 2,001,130	5,606

See accompanying notes to financial statements.

CITY OF AUBURN, MAINE
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2024

	Private- purpose Trust Funds	Custodial Funds
ADDITIONS		
Donations	\$ 134,214	-
Service revenues	-	12,000
Interest and dividends	135,574	-
Total additions	269,788	12,000
DEDUCTIONS		
Scholarships and other	193,658	-
Programs	-	97,764
Total deductions	193,658	97,764
Net increase (decrease) in fiduciary net position	76,130	(85,764)
Net position - beginning	1,925,000	91,370
Net position - ending	\$ 2,001,130	5,606

See accompanying notes to financial statements.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Auburn, Maine was incorporated in 1869 under the laws of the State of Maine. The City operates under a Mayor-Council and City Manager form of government and provides the following services: general governmental services, public safety, public works (highways, streets, and sidewalks), health and social services, sanitation, culture and recreation, planning and permitting, education and public improvements. The Council is made up of seven members and one mayor elected by registered voters.

The accounting policies of the City of Auburn conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant of such policies.

A. Reporting Entity

In evaluating how to define the reporting entity, for financial statement purposes, management has considered all potential component units. The decision to include a potential component unit was made by applying the criteria set forth in GAAP which defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. Application of this criterion and determination of type of presentation involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. Based upon the application of these criteria, there were no potential component units required to be included in this report.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers all revenues available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Property taxes, investment earnings, and charges for services are susceptible to accrual. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Community Development Programs Special Revenue Fund* accounts for the federal grants obtained and expended under the Housing and Community Development Act of 1974, as amended, for the development of viable urban communities.

The *Tax Increment Financing Special Revenue Fund* accounts for the capturing of new tax revenue and expenditures the City is allowed to allocate to pay for public purpose economic development projects and job creation.

The *City Special Revenue Fund* accounts for accounts for transactions related to resources obtained and used under certain federal, state, and local grants.

The *Capital Improvements Program Fund* accounts for the financial resources and expenditures related to the City's annual capital improvement program, which includes improvements to School Department buildings and other municipal facilities, general street rehabilitation and the purchase of major capital items.

The *New Edward Little Building Project Fund* accounts for the revenues and expenditures related to the construction of a new high school.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

The government reports the following major enterprise funds:

The *Ingersoll Turf Facility Fund* accounts for the activities of the indoor turf facility. The Facility operates an indoor venue for residents, various youth organizations, senior organizations, and school teams. The Ingersoll Turf Facility opened in October 2015 and was created from the repurposing of the old Ingersoll Ice Arena.

The *Norway Savings Bank Ice Arena Fund* accounts for the activities of the arena. The arena operates a dual rink for residents, youth hockey organizations, and school teams.

Additionally, the City reports the following fund types:

Private-purpose Trust Funds are used to report the activity for bequests left for charitable payments of scholarship awards. These assets are held by the City in a trustee capacity, whereby the original bequest is preserved as nonexpendable and the accumulated interest earnings are available to provide for educational awards.

Custodial funds account for monies held for the RETC and AVEC programs which are local agencies to which the City provides accounting and investing services.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's governmental activities and business-type activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's proprietary fund are charges to users; operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. City policy is that deposits can only be made in financial institutions insured by the FDIC. The City's investment policy authorizes investments in obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, certain corporate bonds, certain certificates of deposit and certain money market funds. The City invests its funds in an effort to ensure preservation of capital, remain sufficiently liquid, and attain a reasonable market rate of return, while remaining within the guidelines as provided by the City's Investment Policy.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Investments are reported at fair value, including the position in the Maine Community Foundation investment pool. The Maine Community Foundation operates in accordance with state law and is subject to regulatory oversight, but is not registered with the SEC. Maine Community Foundation issues a publicly available financial report that can be obtained at www.mainecef.org.

2. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "interfund receivables/payables."

Receivables are shown net of allowances for uncollectible amounts as necessary.

Under State law, tax liens are placed on real property if the taxes become delinquent. The lien process may commence after the expiration of eight months and within one year after the date of the tax commitment. The City has the authority to foreclose on real property if the tax lien and associated costs of filing the lien remain unpaid eighteen months after the date of filing.

Property taxes levied during the year were recorded as receivables at the time the levy was made. The receivables collected during the year and during the first sixty days following the end of the fiscal year have been recorded as revenues. The remaining receivables have been recorded as deferred inflows of resources - unavailable revenues.

3. Inventories and Prepaid Items

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. Inventories (consisting of food and supplies) include the value of government surplus items donated to the Centralized School Lunch Program. The costs of such inventories are recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of two years. All capital assets are capitalized at cost or estimated historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed the leases note below) and updated for additions and retirements during the year. Donated capital assets, donated works of art and similar assets, and capital assets received in a service concession arrangement are recorded at acquisition value.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. All depreciable capital assets are depreciated using the straight-line method over the estimated useful lives as follows:

Vehicles	3 – 15 years
Equipment	5 – 15 years
Buildings and Building Improvements	10 – 40 years
Improvements other than Buildings	10 years
Infrastructure	10 – 60 years

5. Deferred Inflows and Outflows of Resources

In addition to assets and liabilities, the statement of net position and balance sheet will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. These separate financial statement elements, deferred outflows of resources and deferred inflows of resources, represent a consumption or acquisition of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) or inflow of resources (revenue) until that time. The governmental funds report two types of deferred inflows of resources; unavailable revenue from property taxes and unavailable revenue from settlement proceeds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The governmental activities have two additional items that qualify for reporting in this category. One is the deferred charge on refunding, which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The governmental activities also have deferred outflows and inflows that relate to the net pension and OPEB liabilities, which include the City's contributions subsequent to the measurement date, which are recognized as a reduction of the net pension and OPEB liabilities in the subsequent year. They include changes in assumptions, differences between expected and actual experience, and changes in proportion and differences between City contributions and proportionate share of contributions, which are deferred and amortized over the average expected remaining service lives of active and inactive members in the plan. They also include the net difference between projected and actual earnings on pension plan investments, which is deferred and amortized over a five-year period.

6. Compensated Absences

Under terms of union contracts and personnel administration policies, employees are granted vacation and sick leave in varying amounts and are, in some cases, entitled to payment for unused vacation and sick leave upon termination or retirement. All vacation pay and vested sick leave is accrued as a liability in the government-wide financial statements. In the fund financial statements, no amount is recorded unless the amount is to be paid out shortly after year-end, but the full liability is recorded in the government-wide statements.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

7. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, if material to basic financial statements, are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

8. Leases

Lessor: The City is a lessor for a noncancellable lease of a concessions stand at the Norway Savings Bank Arena. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and business-type financial statements. At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses prime rate at the commencement of the lease as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The City is a lessee for noncancellable leases of office space and a gravel pit. The City recognizes lease liabilities and intangible right-to-use lease assets (lease assets) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$10,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

9. Subscription-Based Information Technology Arrangements (SBITAs)

The City holds contracts for subscription-based information technology arrangements (SBITAs) that convey control of the right to use a third party's software for a defined period of time. Noncancellable subscription agreements with terms greater than 12 months are subject to measurement and recording.

Key estimates and judgments related to SBITAs include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments. When possible, the City uses the interest rate charged by the service provider as the discount rate. When the interest rate charged by the service provider is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.

At the commencement of the agreement, a SBITA liability is recognized at the present value of payments expected to be paid during the subscription term, discounted using the interest rate implicit in the agreement, or the City's estimated incremental borrowing rate. The liability is amortized using the effective interest method. A corresponding subscription asset is measured at the sum of the initial measurement of the subscription liability plus any other capitalizable initial implementation costs. The asset is amortized using the straight-line method over the shorter of the asset's estimated useful life or the subscription term.

10. Fund Equity

In the fund financial statements, governmental fund balance is reported in five classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which those funds can be spent. The Finance Director is authorized to classify the fund balances through the Fund Balance Policy adopted by the Auburn City Council on June 20, 2011. The five classifications of fund balance for the Governmental Funds are as follows:

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

- *Nonspendable* – resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.
- *Restricted* – resources with constraints placed on the use of resources which are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or; b) imposed by law through constitutional provisions or enabling legislation.
- *Committed* – resources which are subject to limitations the government imposes on itself at its highest level of decision-making authority.
- *Assigned* – resources that are constrained by the government’s intent to be used for specific purposes, but are neither restricted nor committed.
- *Unassigned* – resources which have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

The government’s highest level of decision-making authority, the City Council, has the responsibility for committing fund balance amounts and likewise would be required to modify or rescind those commitments. Both actions, committing or un-committing fund balance, require the City Council to pass a resolution prior to year-end. Likewise, the Finance Director or City Council may assign unspent budgeted amounts to specific purposes in the General Fund at year-end based on department requests. Unlike commitments, assignments do not need formal action to be taken for the removal of an assignment.

Although not a formal policy, when both restricted and unrestricted resources are available for use, it is the government’s intent to use restricted resources first, then unrestricted resources as they are needed. When committed, assigned, and unassigned resources are available for use, it is the government’s intent to use committed or assigned resources first, and then unassigned resources as they are needed.

11. Use of Estimates

Preparation of the City’s financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

12. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Maine Public Employees Retirement System Consolidated Plan for Participating Local Districts (PLD Plan) and Maine Public Employees Retirement System State Employee and Teacher Plan (SET Plan) and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

13. Other Postemployment Benefits (OPEB)

For purposes of measuring the OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the plans and additions to/deductions from the plan fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Budgets are adopted for the General Fund only and are adopted on a basis consistent with generally accepted accounting principles (GAAP) except as noted on Statement 6. All unexpended annual appropriations, other than encumbrances, lapse at the close of the fiscal year.

Each year, all departments of the City submit requests for appropriations to the City's Manager so that a budget may be prepared. On or before April 30, the proposed budget is presented to the City Council for review. The Council holds public hearings and a final budget must be prepared and adopted no later than June 30.

The appropriated budget is prepared by department. The department managers may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Manager. The legal level of budgetary control (level at which expenditures may not legally exceed appropriations without seeking approval of the City Council) is the total appropriation resolve level. Supplemental budgetary appropriations must be approved by the City Council.

B. Excess of Expenditures over Appropriations

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Encumbrances do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

For the year ended June 30, 2024, expenditures exceeded appropriation in the following general fund categories: Mayor and Council, \$33,555; City Clerk, \$36,239; Finance, \$74,801; Human Resources, \$8,022; Planning & Permitting, \$43,612; Economic Development, \$79,115; Facilities, \$10,647; Fire & EMS, \$221,837; Police, \$25,770; Health and Social Services, \$713,950; Recreation, \$15,515; Library, \$359; Public Works, \$68,253; Solid Waste Disposal, \$44,266; Auburn-Lewiston Airport, \$13,449; Lewiston-Auburn E911 Center, \$254; and Debt Service – Interest and Other, \$55,701. In total, the City's expenditures were \$1,773,598 less than appropriations.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY, Continued

C. Deficit Fund Equity

At June 30, 2024, the City had the following fund with a deficit fund balance/net position:

Within City Special Revenue Fund, the following grants had deficit fund balances at June 30, 2024: Byrne JAG, \$416; Homeland Security, \$130,993; State Forfeiture, \$8,176, Law Enforcement Training, \$8,205; Bullet Proof Vests, \$569, American Firefighters \$1,695; and Project Canopy, \$974. These deficits are offset by fund balances in other grants and result in net fund balance in the City Special Revenue Fund as a whole at June 30, 2024, of \$2,998,388.

Within the School Special Revenue Fund, the following grants and programs had deficit fund balances at June 30, 2024: Employee Computer Reimbursement, \$1,358; Title 1A, \$313; ESSER #3, \$1,546; ARPA Homeless Children & Youth II, \$5,600, Migrant Education; \$1,566; Title IVA, \$449, Day Care, \$ 17,848; LRTC, \$16,942; Maine college and career access, \$130; and Share Center, \$1,611 . These deficits are offset by fund balances in other grants and result in a positive net fund balance in the School Special Revenue Fund as a whole at June 30, 2024, of \$942,453.

D. Budget Basis of Accounting vs. GAAP Basis of Accounting

The City's budget is reported on a modified accrual basis except that in the current year, certain workers compensation and unemployment payments were not budgeted, which were included in General Fund reserves.

Additionally, certain on-behalf payments made by the State of Maine to the Maine Public Employees Retirement System (Maine PERS) for teachers and certain other School employees are not budgeted. Such on-behalf payments amounted to \$4,289,008 in 2024. These amounts have been included as intergovernmental revenue and an education expense/expenditure on Statement 2 and in the General Fund on Statement 4 (GAAP basis). There is no effect on net position/fund balance at the end of the year.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

1. Deposits

Custodial Credit Risk: Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it.

As of June 30, 2024, the City deposits amounted to \$47,666,044 with bank balances of \$48,639,954. The City does not have a deposit policy for custodial credit risk. As of June 30, 2024, \$30,446 of the City's total bank balance was exposed to custodial credit risk as it was not insured by the FDIC or secured by additional collateral.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

III. DETAILED NOTES ON ALL FUNDS, Continued

Deposits have been reported as either cash and cash equivalents or as investments as follows in the financial statements:

Cash and cash equivalents:	
Governmental funds	\$ 47,036,570
Proprietary funds	515,369
Fiduciary funds	114,105
Investments:	
Governmental funds	10,127,808
Fiduciary funds	<u>1,877,383</u>
Total deposits reported	<u>\$ 59,671,235</u>

2. Investments

At June 30, 2024, all the City's governmental investments were in money market accounts or certificates of deposits, both of which have been included above under the disclosure on deposits. At June 30, 2024, the City held the following investments within the fiduciary funds:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Equity mutual funds	\$ 792,201	792,201	-	-
Bond mutual funds	200,765	200,765	-	-
Money market funds	115,948	115,948	-	-
Maine Community Foundation investment pool	768,469	-	-	768,469
Total	\$ 1,877,383	1,108,914	-	768,469

The Maine Community Foundation investment pool adheres to the standards and practices described in the Uniform Prudent Management of Institutional Funds Act (UPMIFA) passed by the Maine State Legislature in 2009. The Maine Community Foundation invests in a high quality portfolio of debt securities investments legally permissible for municipalities and school districts in the State.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Interest rate risk: In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the investment's term to match anticipated cash requirements. The City has only one type of investment for which the investment term is determinable: bond mutual funds. The weighted average maturity of the City's investment in bond mutual funds at year end was 9.88 years.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

III. DETAILED NOTES ON ALL FUNDS, Continued

Credit Risk: This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Maine statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and certain corporate stocks and bonds. The City has an investment policy, adopted by the City Council in 1995, which further defines the investments in which the City's available funds are permitted to be invested.

None of the investments held at year end were rated.

Concentration of Credit Risk: The City's investment policy states that the City will diversify its investments by security type and institution. Diversification strategies shall be established by the Finance Director and reviewed periodically by the Investment Advisory Committee.

Custodial Credit Risk-Investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2024, the City had no investments that were subject to custodial credit risk. The City's investment policy states that all security transactions will be settled using a delivery versus payment settlement system. The City's securities are held by third party custodians or trust departments designated by the Finance Director and evidenced by safekeeping receipts.

B. Receivables

Receivables as of June 30, 2024, for the City's individual major funds, nonmajor funds and business-type enterprise funds in the aggregate, including applicable allowances for uncollectible accounts, are as follows:

	General Fund	Community Dev. Programs	City Special	Capital Projects	Other Governmental Funds	Enterprise Funds	Total
Receivables:							
Taxes	\$ 2,040,148	-	-	-	-	-	2,040,148
Accounts	951,760	-	-	26,109	260	162,695	1,140,824
Loans	599,532	3,727,727	285,080	-	-	-	4,612,339
SBITAs	-	-	-	-	-	30,352	30,352
Intergov.	3,724,651	7,786,964	4,297,417	-	2,435,879	-	18,244,911
Gross receivables	7,316,091	11,514,691	4,582,497	26,109	2,436,139	193,047	26,068,574
Less: allowance	(311,618)	(250,447)	-	-	-	(49,566)	(611,631)
Total net receivables	\$ 7,004,473	11,264,244	4,582,497	26,109	2,436,139	143,481	25,456,943

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

III. DETAILED NOTES ON ALL FUNDS, Continued

Property taxes levied during fiscal year 2024 are recorded as receivables. The receivables collected during the fiscal year ended June 30, 2024, and during the 1st 60 days of fiscal year 2025 are recognized as revenues in the Governmental Funds, in fiscal year 2024. Receivables of \$1,753,129, estimated to be collectible subsequent to the 60 day period are considered to be unavailable revenues. Prior year tax levies were recorded using the same principle.

C. Property Taxes

The City's property tax is levied on the assessed value listed as of the prior April 1 for all real and taxable personal property located in the City. Assessed values are periodically established by the Assessor at 100% of the assumed market value. Property taxes were levied July 21, 2023, on the assessed values of real property as of April 1, 2023. Taxes were due September 15, 2023, and March 15, 2024. The assessed value of \$2,253,171,176 was 76% of the 2024 state valuation of \$2,968,800,000.

The City is permitted by the laws of the State of Maine to levy taxes up to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay and amounted to \$268,862 for the year ended June 30, 2024.

Tax liens are placed on real property within twelve months following the tax commitment date if taxes are delinquent. The City has the authority to foreclose on property eighteen months after the filing of the lien if tax liens and associated costs remain unpaid.

The following summarizes the periods ended June 30, 2024, and 2023 levies:

	<u>2024</u>	<u>2023</u>
Valuation:		
Real property	\$ 2,144,361,339	2,070,114,480
Personal property	108,809,837	101,852,943
Assessed value (less: exempt properties)	2,253,171,176	2,171,967,423
Tax rate (per \$1,000)	22.75	22.75
Commitment	51,259,644	49,412,259
Less:		
Collections and abatements	50,344,670	48,476,837
Receivable at June 30	\$ 914,974	935,422
Due date(s)	9/15/23 3/15/24	9/15/22 3/15/23
Interest rate charged on delinquent taxes	4.0%	7.0%
Collection rate	98.22%	98.10%

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

III. DETAILED NOTES ON ALL FUNDS, Continued

D. Capital Assets

Capital asset activity for the year ended June 30, 2024, was as follows:

	Balance June 30, <u>2023</u>	<u>Increases</u>	June 30, <u>Decreases</u>	Balance June 30, <u>2024</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 8,328,402	130,000	-	8,458,402
Construction in progress	107,870,416	29,730,149	125,428,908	12,171,657
Total capital assets, not being depreciated	116,198,818	29,860,149	125,428,908	20,630,059
Capital assets, being depreciated:				
Buildings and building improvements	97,854,912	102,983,299	-	200,838,211
Equipment	11,021,714	3,985,529	-	15,007,243
Vehicles	14,772,751	1,320,922	417,507	15,676,166
Infrastructure	141,939,622	21,830,756	-	163,770,378
Right to use assets:				
SBITAs	-	252,076	-	252,076
Buildings	702,016	-	-	702,016
Total capital assets being depreciated	266,291,015	130,372,582	417,507	396,246,090
Less accumulated depreciation for:				
Buildings and building improvements	54,100,824	5,247,490	-	59,348,314
Equipment	6,795,699	1,258,177	-	8,053,876
Vehicles	9,548,909	1,113,510	400,693	10,261,726
Infrastructure	76,881,872	6,589,430	-	83,471,302
Right to use assets				
SBITAs	-	60,888	-	60,888
Buildings	120,340	65,967	-	186,307
Total accumulated depreciation	147,447,644	14,335,462	400,693	161,382,413
Total capital assets being depreciated, net	118,843,371	116,037,120	16,814	234,863,677
Governmental activities				
capital assets, net	\$ 235,042,189	145,897,269	125,445,722	255,493,736

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

III. DETAILED NOTES ON ALL FUNDS, Continued

	Balance June 30, <u>2023</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2024</u>
Business-type activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ -	793,295	-	793,295
Total capital assets, not being depreciated	-	793,295	-	793,295
Capital assets, being depreciated:				
Improvements other than buildings	\$ 18,584	-	-	18,584
Buildings and building improvements	730,501	100,385	-	830,886
Equipment	739,518	21,470	-	760,988
Total capital assets being depreciated	1,488,603	121,855	-	1,610,458
Less accumulated depreciation for:				
Improvements other than buildings	18,584	-	-	18,584
Buildings and building improvements	689,065	36,475	-	725,540
Equipment	552,034	40,241	-	592,275
Total accumulated depreciation	1,259,683	76,716	-	1,336,399
Total capital assets being depreciated, net	228,920	45,139	-	274,059
Business-type activities capital assets, net	\$ 228,920	838,434	-	1,067

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 651,472
Public safety	578,147
Public works, including depreciation of general infrastructure assets	6,339,822
Health, welfare and recreation	641,677
Education	6,124,344

Total depreciation expense – governmental activities	\$ 14,335,462
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Business-type activities:	
Ingersoll Turf Facility	\$ 29,028
Norway Savings Bank Ice Arena	47,688

Total depreciation expense – business-type activities	\$ 76,716
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CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

III. DETAILED NOTES ON ALL FUNDS, Continued

E. Tax Increment Financing Districts

The City currently has twenty-six tax increment financing (TIF) districts, sixteen of which were active during the year ended June 30, 2024. Two of the twenty-six districts never became active, and eight have expired, leaving sixteen active TIF districts (numbers 6 – 26 below, less #7, #8, #11, #17, and #18). TIF #8 is not an active TIF district. The objective of these TIF districts is to stimulate new investment in the community by financing, through various tax increment financing projects and various public improvements. Taxes derived from increased assessed valuation within the districts can be "captured" for approved uses. Expenditures in any given year may exceed captured values in that year as a result of balances available in TIF accounts from prior periods.

The following is a brief description of each:

#6 TAMBRANDS II - This TIF was established in 2001 and encompasses 84 acres. The original value was \$520,900. 100% of the tax revenue associated with increased value within the TIF is captured, 40% of which is used to fulfill the obligations under a credit enhancement agreement. During 2024, \$560,732 was captured and recorded in the TIF Fund. During 2024, \$240,313 was expended in the TIF Fund.

#9 Mall Area - This TIF was established in 2002 and amended in both 2006 and 2007. The TIF, as amended, encompasses 57.74 acres. The amended base value is \$5,956,300. 100% of the tax revenue associated with increased value within the TIF is captured and used for public improvements. During 2024, no funds were captured and recorded in the TIF Fund, and no funds were used out of the TIF Fund.

#10 The Downtown Area - This TIF was established in 2002 and amended in 2012, and encompasses 119.31 acres. The original value was \$83,577,800. 100% of the tax revenue associated with increased value within the TIF can be captured. During 2024, \$1,075,955 was captured and recorded in the TIF Fund. During 2024, \$40,250 was expended in the TIF Fund for public improvements and debt service.

#12 Auburn Industrial Park - This TIF was established in 2006 and encompasses 144 acres. The original value was \$334,200. 100% of the tax revenue associated with the increased value within the TIF is captured and will be dedicated to public improvements. During 2024, \$157,316 was captured and recorded in the TIF Fund, and \$278,200 was expended in the TIF Fund.

#13 Retail Development - This TIF was established in 2007 and encompasses 29.67 acres. The original value was \$5,425,400. 100% of the tax revenue associated with the increased value within the TIF can be captured, with a sliding scale of 30% to 47% to be used to fulfill obligations under a credit enhancement agreement that has established benchmarks triggering payments for growth in value; and the balance restricted for public infrastructure improvements. During 2024, \$305,587 was captured and recorded in the TIF Fund and no funds were used out of the TIF Fund.

#14 & #15 Auburn Mall - This TIF was established in 2005 and encompasses 47.44 acres. The original value was \$12,719,900. 100% of the tax revenue associated with increased value within the TIF can be captured, 47% of which is used to fulfill the obligations under a credit enhancement agreement. During 2024, \$498,458 was captured and recorded in the TIF Fund. During 2024, \$180,725 was expended in the TIF Fund.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

III. DETAILED NOTES ON ALL FUNDS, Continued

#16 Webster School Housing - This TIF was established in 2010 and encompasses 1.4 acres. The original value was \$522,800. 60% of the tax revenue associated with increased value within the TIF can be captured, of which 100% is used to fulfill the obligations under a credit enhancement agreement. During 2024, \$54,109 was captured and recorded in the TIF Fund, and \$36,073 was expended in the TIF Fund.

#19 Hartt Transport - This TIF was established in 2014 and encompasses 8.5 acres. The original value was \$1,178,600. 40% of the tax revenue associated with increased value within the TIF can be captured and is used to fulfill the obligations under a credit enhancement agreement. During 2024, \$30,617 was captured and recorded in the TIF Fund, and no funds were expended for the year ended June 30, 2024.

#20 62 Spring St - This TIF was established in 2017 and encompasses 0.81 acres. The original value was \$474,300. 76% of the tax revenue associated with increased value within the TIF can be captured, of which 100% is used to fulfill the obligations under a credit enhancement agreement. During 2024, \$103,870 was captured and recorded in the TIF Fund, and \$69,246 was expended in the TIF Fund.

#21 Minot Ave - This TIF was established in 2018 and encompasses 3.83 acres. The original value was \$170,000. 100% of the tax revenue associated with increased value within the TIF can be captured, of which 50% is used to fulfill the obligations under a credit enhancement agreement. During 2024, \$72,883 was captured and recorded in the TIF Fund, and \$29,154 was expended for the year ended June 30, 2024.

#22 48 Hampshire St - This TIF was established in 2019 and encompasses 1.01 acres. The original value was \$0. 50% of the tax revenue associated with increased value within the TIF can be captured, of which 100% is used to fulfill the obligations under a credit enhancement agreement. During 2024, \$143,110 was captured and recorded in the TIF Fund, and \$57,244 was expended in the TIF Fund.

#23 Auburn Memory Care - This TIF was established in 2019 and encompasses 8.61 acres. The original value was \$327,100. 58.5% of the tax revenue associated with increased value within the TIF can be captured, of which 35% is used to fulfill the obligations under a credit enhancement agreement. During 2024, \$133,120 was captured and recorded in the TIF Fund, and \$170,143 was expended in the TIF Fund.

#24 Millbran LLC - This TIF was established in 2020 and encompasses 2.95 acres. The original value was \$262,600, 51% of the tax revenue associated with increased value within the district will be captured of which 100% will be used to fulfill the obligations under a credit enhancement agreement. During 2024, \$64,256 was captured and recorded in the TIF Fund and \$42,838 was expended from the TIF Fund.

#25 Futurguard - This TIF was established in 2021 and encompasses 16.8 acres. The original value was \$3,838,700. 50% of the tax revenue associated with increased value within the district will be captured of which 15% will be used to fulfill the obligations under a credit enhancement agreement. During 2024, \$39,669 was captured and recorded in the TIF Fund and \$6,512 was expended from the TIF Fund.

#26 West Shore Landing/North River Rd Apartments - This TIF was established in 2022 and encompasses 3.32 acres. The original value was \$60,300. 100% of the tax revenue associated with increased value within the district will be captured. In 2024, \$71,601 was captured and recorded in the TIF Fund, no funds were expended.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

III. DETAILED NOTES ON ALL FUNDS, Continued

#27 Stable Ridge Apartments - This TIF was established in 2023 and encompasses 13.19 acres. The original value was \$235,500. 100% of the tax revenue associated with increased value within the district will be captured. In 2024, \$103,703 was captured and recorded in the TIF Fund, no funds were expended.

F. Interfund Receivables and Payables and Transfers

The composition of interfund balances as of June 30, 2024, is as follows:

	Interfund <u>Receivables</u>	Interfund <u>Payables</u>	Transfers <u>In</u>	Transfers <u>Out</u>
General Fund	\$ -	1,417,166	-	4,414,988
Community Dev. Programs	-	68,017	-	-
Tax Incrementing Financing	2,523,794	-	3,414,988	-
City Special	3,946,839	2,705,925	200,000	-
Capital Improvement	4,702,458	-	-	-
New Edward Little Building	-	7,123,877	-	200,000
Other Governmental Funds	1,680,513	924,906	-	-
Fiduciary Funds	15,807	1,124	-	-
Enterprise Funds:				
Ingersoll Turf Facility	292,668	-	-	-
Norway Savings Bank Ice Arena	-	921,064	1,000,000	-
Totals	\$ 13,162,079	13,162,079	4,614,988	4,614,988

Interfund receivables and payables represent outstanding balances between funds that result from timing differences between when transactions are recorded in the accounting system, and when payments between funds are settled. Transfers are used to move funds from the general fund to finance various other fund's programs or activities in accordance with budgetary authorizations.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

III. DETAILED NOTES ON ALL FUNDS, Continued

G. Construction Contracts and Other Commitments

The following is a list of the City's open contracts as of June 30, 2024:

	<u>Contract Total</u>	<u>Percentage Complete</u>	<u>Billed to Date</u>	<u>Balance Remaining</u>
ELHS Engineering & Design	\$ 112,312,792	99%	110,758,786	1,554,006
2023 Resurfacing MPI Mt Auburn	3,106,336	99%	3,071,761	34,575
Inspection Mill Main Broad	273,100	94%	257,162	15,938
Main Mill Broad Excavation & Paving	3,821,557	95%	3,625,392	196,165
2023 Reconstruction	1,814,503	73%	1,332,393	482,110
Traffic Signal ADA Upgrades	863,263	89%	764,967	98,295
2024 Hotel Road Reconstruction	1,729,367	32%	547,867	1,181,500
2024 Hotel Road Inspection	254,000	47%	119,568	134,432
2024 Hotel Road Restoration	2,980,155	33%	978,777	2,001,378
Dennison Street Safety	84,600	27%	22,485	62,115
Turner Street Safety	74,500	68%	50,510	23,990
Hillcrest Retaining Wall	246,308	44%	109,204	137,104
2024 Resurfacing	773,885	3%	20,000	753,885
2024 Reclamation	3,480,443	3%	90,500	3,389,942
PAL Center	669,400	45%	301,210	368,190

As discussed in note II.A, Budgetary Information, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General fund	\$ 1,433,636
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H. Subsequent Event

The City issued \$21,775,000 of General Obligation Bonds on December 10, 2024. The bonds carry an interest rate of 5% and mature on March 1, 2050.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

III. DETAILED NOTES ON ALL FUNDS, Continued

I. Long-term Debt

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities only. Currently, there are no general obligation bonds outstanding for business-type activities. In 2024, general obligation bonds totaling \$16,873,000 were issued and dedicated to the capital improvement program for the City.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds are generally issued as ten-year serial bonds with equal amounts of principal maturing each year. Additionally, Androscoggin County, who's bonded debt would be considered overlapping with the City of Auburn, had no outstanding debt at June 30, 2024. General obligation bonds and notes payable outstanding at June 30, 2024, are as follows:

	<u>Issued</u>	<u>Original</u>	<u>Matures</u>	<u>Interest rate</u>	<u>Outstanding balance</u>
Bonds:					
General Obligation Bonds	09/27/12	\$ 13,835,000	09/01/27	2.00%-4.50%	1,775,000
General Obligation Bonds	10/30/14	6,800,000	09/01/24	2.00%-4.00%	680,000
General Obligation Bonds	11/05/15	5,700,000	09/01/25	2.00%	1,140,00
General Obligation Bonds	03/10/16	4,250,000	09/01/26	2.00-4.00%	865,000
General Obligation Bonds	11/15/16	5,030,000	09/01/26	3.00%	1,490,000
General Obligation Bonds	11/08/17	8,500,000	09/01/27	4.00-5.00%	3,200,000
General Obligation Bonds	11/08/18	7,655,000	09/01/28	3.00-5.00%	3,825,000
General Obligation Bonds	10/15/19	7,900,000	09/01/29	4.00-5.00%	4,740,000
General Obligation Bonds	10/15/19	7,000,000	09/01/39	1.90-3.50%	5,900,000
General Obligation Bonds	11/12/20	8,460,000	09/01/30	5.00%	5,915,000
General Obligation Bonds	05/03/21	59,985,000	11/01/41	2.12-4.00%	53,985,000
General Obligation Bonds	09/30/21	9,800,000	09/01/31	2.00-5.00%	7,840,000
General Obligation Bonds	04/28/22	50,270,000	11/01/41	4.00-5.00%	47,620,000
General Obligation Bonds	10/13/22	6,800,000	09/01/32	4.00-5.00%	6,120,000
General Obligation Bonds	11/1/2023	16,873,000	9/1/2043	5.00%	16,873,000
Bonds payable					161,968,000
Notes from direct borrowings:					
School Revolving Loan	06/29/20	1,190,000	06/29/30	0.00%	324,370
School Revolving Loan	4/28/22	156,993	9/1/2032	0.00%	46,556
Notes payable					370,926
Total long-term debt					\$ 162,338,926

The City is subject to a statutory limitation by the State of Maine of its general long-term debt equal to 15% of the State's valuation of the City. At June 30, 2024, the statutory limit for the City was \$445,320,000. The City's outstanding bonded long-term debt of \$161,968,000 at June 30, 2024, was \$283,352,000 less than the statutory limit.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

III. DETAILED NOTES ON ALL FUNDS, Continued

Annual debt service requirements to maturity for general obligation bonds, notes from direct borrowing, and financed purchases payable are as follows:

Year Ending June 30,	General Obligation Bonds		Notes from Direct Borrowing		Financed Purchases Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 15,108,000	6,074,880	97,850	-	88,171	2,636
2026	14,285,000	5,448,389	51,512	-	-	-
2027	13,240,000	4,866,126	51,512	-	-	-
2028	12,450,000	4,300,163	51,512	-	-	-
2029	11,505,000	3,763,787	51,512	-	-	-
2030-2034	45,500,000	12,507,773	67,028	-	-	-
2035-2039	31,410,000	5,514,160	-	-	-	-
2040-2043	18,470,000	919,625	-	-	-	-
Total	\$ 161,968,000	43,394,903	370,926	-	88,171	2,636

The City has entered into an agreement for financing the acquisition of a fire truck. This agreement qualifies as a financed purchase for accounting purposes. This asset is recorded as a capital asset in the government-wide financial statements. The financed purchase has been recorded as a liability in the government-wide financial statements at the present value of the future minimum payments. At June 30, 2024, the amount capitalized under financed purchases totals \$775,000.

J. Leases Payable

During the fiscal year 2022, the City entered into a two lease agreements as lessee for the acquisition and use of office space and a gravel pit. As of June 30, 2024, the value of the lease liabilities were \$565,133. Both leases have an interest rate of 5% derived from the estimated incremental borrowing rate. The value of the right-to-use assets as of the end of the current fiscal year was \$702,016 and had \$186,307 accumulated amortization as of June 30, 2024.

The future principal and interest lease payments as of June 30, 2024, were as follows:

	Lease Payable		
	Principal	Interest	Total
2025	\$ 56,242	26,983	83,225
2026	60,753	24,069	84,822
2027	65,545	20,922	86,467
2028	70,634	17,530	88,164
2029	65,773	12,897	78,670
2030 - 2034	100,265	49,735	150,000
2035 - 2039	128,676	21,324	150,000
2040 - 2041	17,245	288	17,533
	\$ 565,133	173,748	738,881

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

III. DETAILED NOTES ON ALL FUNDS, Continued

K. Subscription Based Information Technology Agreements (SBITA) payable

During the fiscal year 2024, the City entered into two multi-year subscription-based information technology agreements for the right to use software. The software subscription terms range from 36 months to 60 months. As of June 30, 2024, the value of the SBITA liabilities was \$123,401. Both SBITAS have an interest rate of 5% derived from the estimated incremental borrowing rate. The value of the right-to-use assets as of the end of the current fiscal year was \$252,076 and had \$60,888 of accumulated amortization as of June 30, 2024.

The future principal and interest lease payments as of June 30, 2024, were as follows:

	SBITA Payable		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 48,342	6,229	54,571
2026	51,601	3,783	55,384
2027	<u>23,458</u>	<u>1,173</u>	<u>24,631</u>
	<u>\$ 123,401</u>	<u>11,185</u>	<u>134,586</u>

Changes in General Long-term Liabilities. Long-term liability activity for the year ended June 30, 2024, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable					
General obligation bonds	\$ 159,270,000	16,873,000	14,175,000	161,968,000	15,108,000
Premium	13,600,660	859,082	1,426,475	13,033,267	1,426,474
Total bonds payable	172,870,660	17,732,082	15,601,475	175,001,267	16,534,474
Notes payable*	376,099	-	5,173	370,926	97,850
Finance purchases payable*	173,782	-	85,611	88,171	88,171
SBITAs	-	198,005	74,604	123,401	48,342
Accrued compensated absences		2,559,194	406,417	32,833	2,932,778
146,639					
Leases payable	617,128	-	51,995	565,133	56,242
Accrued self-insurance liability	853,036	938,947	715,959	1,076,024	18,902
Other postemployment benefits	14,298,857	491,043	-	14,789,900	-
Net pension liability (asset)	8,925,800	383,401	-	9,309,201	-
Landfill postclosure care costs	31,500	-	10,500	21,000	10,500
Accrued interest on debt	1,354,042	127,326	-	1,481,368	1,481,368
Governmental activities					
 long-term liabilities	\$ 202,060,098	20,277,221	16,578,150	205,759,169	18,482,488

*Financed purchases and notes payable are considered direct borrowing.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

III. DETAILED NOTES ON ALL FUNDS, Continued

The 2021 General Obligation Bond and the 2022 General Obligation for ELHS are liquidated by the New Edward Little Building project fund. All other bonds, notes, and financed purchases payable are primarily liquidated by the General fund (90%), TIF Fund (9%), and Other Governmental Funds (1%). Similarly, the General fund normally liquidates the liability for compensated absences, self-insurance liability, landfill postclosure care cost, net pension liability, and other postemployment benefits for governmental activities.

When appropriate, immaterial amounts of accrued compensated absences may be liquidated from the Other Governmental Funds.

Business-type activities:

Net pension liability (asset)	\$	67,710	29,595	-	97,305	-
Other postemployment benefits		58,885	31,820	-	90,705	-

Business-type activities

long-term liabilities	\$	126,595	61,415	-	188,010	-
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L. Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of bonds, notes payable, financed purchases payable and leases payable and adding back any unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the City, through external restrictions imposed by creditors, grantors or laws, or regulations of other governments. The City's net investment in capital assets was calculated as follows at June 30, 2024:

	<u>Governmental</u>	<u>Business-type</u>
Capital assets	\$ 416,876,149	2,403,753
Accumulated depreciation	(161,382,413)	(1,336,399)
General obligation bonds	(161,968,000)	-
Notes payable	(370,926)	-
Leases payable	(565,133)	-
Financed purchases payable	(88,171)	-
SBITAs payable	(123,401)	-
Unamortized debt premium	(13,033,268)	-
Deferred charge on refunding	(42,273)	-
Non-capital unamortized premium	44,918	-
Unspent bond proceeds	22,038,976	-
Total net investment in capital assets	\$ 101,386,458	1,067,354

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

III. DETAILED NOTES ON ALL FUNDS, Continued

M. Fund Balances

As of June 30, 2024, fund balances components consisted of the following:

	General <u>Fund</u>	Other Governmental <u>Funds</u>	<u>Total</u>
Nonspendable:			
Long-term receivables	\$ 599,532	-	599,532
Inventory	-	24,019	24,019
Prepaid expenditures	11,724	6,390	18,114
Principal for permanent funds	-	69,475	69,475
<u>Total nonspendable</u>	<u>611,256</u>	<u>99,884</u>	<u>711,140</u>
Restricted:			
Education	9,548,542	2,539,316	12,087,858
Community development programs	-	1,272,107	1,272,107
Tax Increment Financing	-	3,578,363	3,578,363
City special:			
General government	-	2,945,953	2,945,953
Public safety	-	99,960	99,960
Public works	-	103,503	103,503
Permanent funds:			
Health and welfare	-	199,383	199,383
Public services	-	6,558	6,558
<u>Total restricted</u>	<u>9,548,542</u>	<u>10,745,143</u>	<u>20,293,685</u>
Committed:			
Education	-	112,440	112,440
Parking	-	197,548	197,548
Parks and recreation	-	246,515	246,515
Capital improvement	-	11,107,184	11,107,184
New Edward Little Building project	-	4,629,388	4,629,388
<u>Total committed</u>	<u>-</u>	<u>16,293,075</u>	<u>16,293,075</u>

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

III. DETAILED NOTES ON ALL FUNDS, Continued

Assigned:			
Subsequent budget	\$ 1,875,000	-	1,875,000
Reserves:			
Relocation of fountain	50,000	-	50,000
PAL Food insecurity program	33,241	-	33,241
Memorial signage for parks and fields	91,996	-	91,996
Building security analysis	100,000	-	100,000
ASD storm water separation study	100,000	-	100,000
PAL center construction	594,255	-	594,255
Kittyhawk Property purchase reserve	1,350,000	-	1,350,000
Self-insurance	1,076,024	-	1,076,024
Encumbrances:			
General government	253,183	-	253,183
Public safety	30,051	-	30,051
Public works	237,431	-	237,431
Capital investment and purchasing	18,759	-	18,759
Total assigned	5,809,940	-	5,809,940
 Unassigned	 9,041,558	 (198,391)	 8,843,167
 Total fund balance	 \$ 25,011,296	 26,939,711	 51,951,007

N. Landfill Postclosure Care Costs

State and federal laws require that the City place a final cover on its landfills when waste is no longer accepted and perform certain maintenance and monitoring functions at the sites for thirty years after closure. In addition to operating expenditures related to current activities of the landfill, a liability for the post-closure care costs are recorded in the governmental activities on the statement of net position (Statement 1).

The \$21,000 reported as landfill post-closure care liability at June 30, 2024, represents the estimated liability for post-closure care costs at that date. The cost is comprised of \$21,000 for post-closure care costs (2 years) for a brush landfill that stopped accepting debris during fiscal year 1996.

The estimated total cost of landfill post-closure care of \$21,000 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of June 30, 2024. Actual cost may be higher due to inflation, changes in technology, and changes in laws or regulations, or may be reduced if another governmental agency reimburses the City for a portion of the cost.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

IV. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to theft of, damage to and destruction of assets, errors and omissions and natural disasters for which the City is insured through the Maine Municipal Association Risk Pool, a state-chartered risk pool established exclusively for Maine municipalities. If the assets of the Pool are at any time actuarially determined to be insufficient to enable the Pool to discharge its legal liabilities and other obligations and to maintain actuarially sound reserves, the Pool has the power to make up the

deficiency by the levy of a pro-rated assessment upon Pool Members for the amount needed to make up the deficiency. Management believes that no such deficiency exists at June 30, 2024.

The City established a self-insured worker's compensation program in May 1982. This program provides coverage for up to a maximum of \$500,000 for each worker's compensation claim. For the year ending June 30, 2024, the City incurred new claims of \$938,947, but the City paid \$715,959 in actual claims during the fiscal year.

The City purchases commercial insurance for claims in excess of coverage provided by the self-insurance program and for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. All departments of the City participate in the program and the General Fund budget is based on actuarial estimates of the amounts needed to pay prior and current year claims and to establish a reserve for estimated future payment of incurred losses. The total liability of \$1,076,024 reported in the Statement of Net Position is based on the requirements of the Governmental Accounting Standards Board, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statement and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. A discount rate of 3.00% has been used in calculating the liability.

The following summarizes the claims activity with respect to the City's self-insured workers' compensation program.

	Fiscal Year <u>2024</u>	Fiscal Year <u>2023</u>
Unpaid claims as of July 1	\$ 853,036	1,115,089
Incurred claims (including claims incurred but not reported as of June 30)	938,947	295,079
<u>Total claim payments</u>	<u>715,959</u>	<u>557,132</u>
Current claims liability	18,902	42,886
<u>Long-term claims liability</u>	<u>1,057,122</u>	<u>810,150</u>
<u>Total unpaid claims liability</u>	<u>\$ 1,076,024</u>	<u>853,036</u>

The City assigns a portion of its General Fund balance for workers compensation. This amount totaled \$1,076,024 at June 30, 2024.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

IV. OTHER INFORMATION, Continued

B. Joint Ventures

The City of Auburn has entered into several ventures with other entities. The following joint ventures result from a contractual arrangement (interlocal agreement) in which the City retains an ongoing financial responsibility. The following joint ventures' existence depends on continued funding by the governments:

Auburn-Lewiston Municipal Airport
Lewiston-Auburn Transit Committee
Lewiston-Auburn 9-1-1 Committee

The interlocal agreements for these three joint ventures do not stipulate that the participants have a present or future claim to the net resources of the organization, except upon dissolution. Therefore, no equity interest has been reported in the financial statements for these joint ventures.

Mid Maine Waste Action Corporation is a joint venture that provides for waste disposal for the City and eleven other participating governments. The City is responsible for disposing of its municipal solid waste at the facility and therefore, has an ongoing financial responsibility to it.

Additionally, as described in the interlocal agreement, the City is responsible for funding certain deficits the organization may incur.

C. Deferred Compensation Plan

The plan, available to all full-time municipal employees, permits them to defer a portion of their salary until future years. The City is required to contribute 6% of an employee's gross wages while employees are required to contribute 5% of their gross wages. All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. The deferred compensation is not available to employees until termination of employment, unforeseeable emergency, or retirement. In the event of an employee's death, the beneficiary is eligible to receive the full value of the account, including earnings. For the year ended June 30, 2024, the City contributed \$140,952 to employee's deferred compensation plans.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

IV. OTHER INFORMATION, Continued

D. Employee Retirement Plans

The City contributes to two defined benefit pension plans: (1) the Maine Public Employees Retirement System Consolidated Plan for Participating Local Districts (PLD Plan), and (2) the Maine Public Employees Retirement System State Employee and Teacher Plan (SET Plan). As of the year ended June 30, 2024, the City had the following balances reported in the government-wide financial statements:

		Net Pension <u>Liability</u>	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>	Pension <u>Expense</u>
PLD Plan	\$	7,060,537	3,521,857	1,535,494	2,658,755
SET Plan		2,345,969	1,704,044	217,641	4,877,189
Total	\$	9,406,506	5,225,901	1,753,135	7,535,944

Detailed disclosures for each plan follow.

Defined Benefit Pension Plan – Maine Public Employees Retirement System

General Information about the Pension Plan

Plan Description - Employees of the City are provided with pensions through the Maine Public Employees Retirement System Consolidated Plan for Local Participating Districts (PLD Plan) and teaching-certified employees of the City are provided with pensions through the Maine Public Employees Retirement System State Employee and Teacher Plan (SET Plan), cost-sharing multiple-employer defined benefit pension plans, administered by the Maine Public Employees Retirement System (MainePERS). Benefit terms are established in Maine statute. MainePERS issues a publicly available financial report that can be obtained at www.maineopers.org.

Benefits Provided - The PLD and SET Plans provide defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e. eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit. In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. For PLD members, normal retirement age is 60 or 65. For SET Plan members, normal retirement age is 60, 62, or 65. The normal retirement age is determined by whether a member had met certain creditable service requirements on specific dates, as established by statute. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. MainePERS also provides disability and death benefits, which are established by contract under applicable statutory provisions (PLD Plan) or by statute (SET Plan).

Contributions - Employee contribution rates are defined by law or Board rule and depend on the terms of the plan under which an employee is covered. Employer contributions are determined by actuarial valuations. The contractually required contribution rates are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

IV. OTHER INFORMATION, Continued

PLD Plan - Employees are required to contribute 6.95% to 9.30% of their annual pay depending on their age and the plan to which they subscribe. The City's contractually required contribution rate for the year ended June 30, 2023, was 10.2% or 12.8% of annual payroll for the regular plan or public safety plan, respectively. Contributions to the pension plan from the City were \$2,180,586 for governmental activities and \$30,472 for business-type activities for the year ended June 30, 2024.

SET Plan - Maine statute requires the State to contribute a portion of the City's contractually required contributions. Employees are required to contribute 7.65% of their annual pay. The City's contractually required contribution rate for the year ended June 30, 2024, was 18.98% of annual payroll, of which 4.47% of payroll was required from the City and 14.51% was required from the State. Contributions to the pension plan from the City were \$1,082,939 for the year ended June 30, 2024.

Pension Liabilities, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

The net pension liabilities were measured as of June 30, 2023, and the total pension liabilities used to calculate the net pension liabilities were determined by actuarial valuations as of that date. The City's proportion of the net pension liabilities were based on projections of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating local districts (PLD Plan) and of all participating School Administrative Units and the State (SET Plan), actuarially determined.

PLD Plan - At June 30, 2024, the City reported a liability of \$6,963,232 for governmental activities and \$97,305 for business-type activities for its proportionate share of the net pension liability. At June 30, 2024, the City's proportion of the PLD Plan was 2.2127%.

SET Plan - At June 30, 2024, the City reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the City. The amount recognized by the City as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the City were as follows:

City's proportionate share of the net pension liability	\$ 2,345,969
State's proportionate share of the net pension liability	
associated with the City	<u>23,125,661</u>
Total	<u>\$ 25,471,630</u>

At June 30, 2024, the City's proportion of the SET Plan was 0.1546%.

For the year ended June 30, 2023, the City recognized pension expense of \$2,637,664 for governmental activities and \$21,091 for business-type activities for the PLD Plan and also recognized a pension expense of \$4,877,189 and revenue of \$3,515,314 for support provided by the State for the SET Plan.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

IV. OTHER INFORMATION, Continued

At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to PLD plan from the following sources:

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,292,734	-	18,065	-
Changes of assumptions	-	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	1,181,622	-	16,512
Changes in proportion and differences between City contributions and proportionate share of contributions	-	332,711	-	4,649
City contributions subsequent to the measurement date	2,180,586	-	30,472	-
Total	\$ 3,473,320	1,514,333	48,537	21,161

At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to SET plan from the following sources:

	<u>Governmental</u>	<u>Activities</u>
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 192,207	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	217,641
Changes in proportion and differences between City contributions and proportionate share of contributions	428,898	-
City contributions subsequent to the measurement date	1,082,939	-
Total	\$ 1,704,044	217,641

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

IV. OTHER INFORMATION, Continued

An amount of \$3,263,525 for governmental activities and \$30,472 for business-type activities is reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended</u> <u>June 30:</u>	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>
2025	\$ (93,813)	(3,327)
2026	(1,184,562)	(17,285)
2027	1,394,300	16,748
2028	65,940	768

Actuarial Assumptions - The total pension liability (asset) in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>PLD Plan</u>	<u>SET Plan</u>
Inflation	2.75%	2.75%
Salary increases, per year	2.75% - 11.48%	2.80% - 13.03%
Investment return, per annum, compounded annually	6.50%	6.50%
Cost of living benefit increases, per annum	1.91%	2.20%

Mortality rates were based on the 2010 Public Plan General benefits (PLD Plan) or Teacher Benefits (SET Plan) Weighted Healthy Retiree Mortality Tables, for males and females, projected generationally using the RPEC 2020 Model.

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2015, to June 30, 2020.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

IV. OTHER INFORMATION, Continued

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2023, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Public Equities	30.0%	6.0%
US Government	10.0%	2.6%
Private equity	12.5%	7.6%
Real estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural Resources	5.0%	5.0%
Traditional Credit	5.0%	3.2%
Alternative Credit	10.0%	7.4%
Diversifiers	7.5%	5.0%

Discount Rate - The discount rate used to measure the total pension liability was 6.50% for the PLD Plan and the SET Plan. The projection of cash flows used to determine the discount rates assumed that employee contributions will be made at the current contribution rate and that contributions from participating local districts will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liabilities.

Sensitivity of the City's Proportionate Share of the Net Pension Liabilities to Changes in the Discount Rate - The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.50% for the PLD Plan and the SET Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.50% for PLD Plan and for the SET Plan) or 1 percentage-point higher (7.50% for PLD Plan and for SET Plan) than the current rate:

<u>PLD Plan</u>	1% Decrease (<u>5.50%</u>)	Current Discount Rate (<u>6.50%</u>)	1% Increase (<u>7.50%</u>)
City's proportionate share of the net pension liability (asset)	\$ 19,346,385	\$ 7,060,537	(\$ 3,074,289)
<u>SET Plan</u>	1% Decrease (<u>5.50%</u>)	Current Discount Rate (<u>6.50%</u>)	1% Increase (<u>7.50%</u>)
City's proportionate share of the net pension liability	\$ 4,612,722	\$ 2,345,969	\$ 459,018

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

IV. OTHER INFORMATION, Continued

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued MainePERS financial report.

Payables to the Pension Plan - None as of June 30, 2024.

Defined Contribution Pension Plan

The City contributes to the International City Manager's Money Purchase Plan, which is a defined contribution pension plan administered by the International City Manager's Association Retirement Corporation.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participant's benefits that may be allocated to such participant's account. As established by council resolve, all municipal employees of the City have the option of participating in the plan or the Maine Public Employees Retirement System.

Contributions made by both the employee and the employer vest immediately. An employee who leaves the employment of the City is entitled to all contributions and earned income in his or her account at that time.

Each employee must contribute a minimum of 5% of his or her gross earnings to the pension plan, while the City is required to contribute an amount equal to 6% of the employee's gross earnings.

As employees are immediately vested in employer contributions, there is therefore no forfeiture provision.

During the year, the City's required and actual contributions amounted to \$140,952 which was 6% of its current-year covered payroll. The covered payroll amounted to \$2,349,182. Employees' required contributions amounted to \$117,460, which was 5% of the City's current year covered payroll.

No pension provision changes occurred during the year that affected the required contributions to be made by the City or its employees.

The I.C.M.A. Money Purchase Plan held no securities of the City or other related parties during the year or as of the close of the year.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

IV. OTHER INFORMATION, Continued

E. Other Postemployment Benefits

The City contributes to three postemployment defined benefit plans, (1) the Maine Municipal Employee Health Trust (Health Plan), (2) the Maine Public Employees Retirement System State Employee and Teacher Group Term Life Plan (Life Plan), and (3) the Maine Education Association Benefits Trust (School Plan). As of the year ended June 30, 2024, the City had the following balances reported in the government-wide financial statements:

	Total OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB (Gain) Expense
Health Plan	\$ 4,049,330	483,919	309,393	61,023
Life Plan	-	-	-	80,807
School Plan	10,831,275	1,081,243	114,711	278,996
Total	\$14,880,605	1,565,162	424,104	420,826

Detailed disclosures for each plan follow.

Other Postemployment Benefits – Maine Municipal Employee Health Trust (Health Plan)

General Information about the OPEB Plan

Plan Description - The City sponsors a post-retirement benefit plan providing health insurance to retiring employees. The plan is a single-employer defined benefit OPEB plan administered by the Maine Municipal Employees Health Trust (MMEHT). The City Council has the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Benefits Provided – MMEHT provides healthcare and life insurance benefits for retirees and their dependents. City employees over the age of 55 with 5 years of continuous service are allowed to participate in the plan. Retirees that are designated in a plan pay 100% of the single coverage premium and 100% of the family coverage premium. For those City employees eligible for Medicare (post-65 Retiree Plan), the plan is offered in conjunction with Medicare Parts A and B and the Companion Plan B.

Employees Covered by Benefit Terms – At January 1, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	28
Inactive employee entitled to but not yet receiving benefits	-
Active employees	204
Total	232

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

IV. OTHER INFORMATION, Continued

Total OPEB Liability

The City's total OPEB liability of \$4,049,330 was measured as of January 1, 2024, and was determined by an actuarial valuation as of that date. \$90,705 has been allocated to business-type activities (based on number of participants) and the remaining \$3,958,625 is reported in governmental activities as of June 30, 2024.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the January 1, 2024, measurement was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.38% per year
Salary increases	2.75% per year
Discount rate	3.26%
Healthcare cost trend rates	10.77% for 2024, decreasing to 3.81% for 2044
Retirees' share of the benefit related costs	100% of projected health insurance premiums

The discount rate was based upon high quality AA/Aa or higher bond yields in effect for 20 years, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index.

Mortality rates were based on the 2010 Public Plan General benefits Weighted Healthy Retiree Mortality Tables, for males and females, projected generationally using the RPEC 2020 Model.

The actuarial assumptions used in the January 1, 2024, valuation were based on the results of an actuarial experience study for the period June 30, 2016, through June 30, 2020.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2023	\$ 3,484,306
Changes for the year:	
Service cost	89,213
Interest	130,585
Changes in benefit terms	-
Difference between expected and actual	(135,290)
Changes in assumptions or other inputs	608,019
Benefit payments	(127,503)
Net changes	565,024
Balance at June 30, 2024	\$ 4,049,330

Change in assumptions reflects a change in the discount rate from 3.72% to 3.26%.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

IV. OTHER INFORMATION, Continued

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the City's total OPEB liability calculated using the discount rate of 3.26%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.26%) or 1 percentage-point higher (3.26%) than the current rate:

	1% Decrease (2.26%)	Discount Rate (3.26%)	1% Increase (4.26%)
Total OPEB liability	\$ 4,718,949	4,049,330	3,506,120

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the City's total OPEB liability calculated using the healthcare cost trend rates of 6.5% grading over 20 years to 3.81% per annum, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 3,452,610	4,049,330	4,814,282

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the City recognized an OPEB expense of \$61,023. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

		Governmental Activities		Business-type Activities	
		Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	-	302,463	-	6,930
Changes of assumption or other inputs		406,172	-	9,307	-
Contributions subsequent to measurement		66,907	-	1,533	-
Total	\$	473,079	302,463	10,840	6,930

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

IV. OTHER INFORMATION, Continued

An amount of \$66,907 for governmental activities and \$1,533 for business-type activities is reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date and will be recognized as a reduction of the OPEB liabilities in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ended June 30:</u>	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>
2025	\$ (25,988)	(595)
2026	(25,988)	(595)
2027	13,297	305
2028	46,459	1,065
2029	38,226	876
Thereafter	57,703	1,321

Other Postemployment Benefits – Maine Public Employees Retirement System (Life Plan)

General Information about the OPEB Plan

Plan Description - The City sponsors a post-retirement benefit plan providing group term life insurance to retiring Teachers. The plan is a cost-sharing multiple-employer defined benefit OPEB plan administered by the Maine Public Employees Retirement System (MPERS). The MPERS Board of Trustees has the authority to establish and amend the benefit terms and financing requirements. MPERS issues a publicly available financial report that is available at www.maineopers.org.

Benefits Provided - MPERS provides basic group life insurance benefits, during retirement, to retirees who participated in the plan prior to retirement for a minimum of 10 years. The level of coverage is initially set to an amount equal to the retirees average final compensation. The initial amount of basic life is then subsequently reduced at the rate of 15% per year to the greater of 40% of the initial amount or \$2,500.

Contributions - Premium rates are determined by the MPERS Board of Trustees to be actuarially sufficient to pay anticipated claims. The State of Maine is required to remit the total dollar amount of each year's annual required contribution. Contributions to the OPEB plan by the State of Maine on-behalf of the City were \$80,807 for the year ended June 30, 2024. Employers and employees are not required to contribute to the OPEB plan.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2024, the City reported no liability related to the plan. The State of Maine's proportionate share of the net OPEB liability associated with the City was \$589,210 as of June 30, 2024. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The City's proportion of the net OPEB liability was based on a projection of the City's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the City's proportion was 0.00%.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

IV. OTHER INFORMATION, Continued

For the year ended June 30, 2024, the City recognized OPEB expense of \$80,807 and also revenues of \$80,807 for support provided by the State. At June 30, 2024, the City reported no deferred outflows of resources nor deferred inflows of resources related to the OPEB plan.

Actuarial Assumptions - The total OPEB liability in the June 30, 2023, actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary increases	2.80%-13.03%
Investment rate of return	6.50%

Mortality rates for each plan were based on the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC 2020 model.

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study conducted for the period July 1, 2015, to June 30, 2020.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method which best estimates ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major class of assets. These ranges are combined to produce long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return
Public equities	6.0%
Real estate	5.2%
Traditional credit	3.2%
US government securities	2.3%

Discount Rate - The rate used to measure the total OPEB liability for the plan was 6.50%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at contractually required rates, actuarially determined. Based on this assumption, the OPEB plans fiduciary net position was projected to be available to make all projected OPEB payments for current and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

OPEB Plan Fiduciary Net Position - Detailed information about the OPEB plan's fiduciary net position is available in a separately issued MPERS financial report.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

IV. OTHER INFORMATION, Continued

Other Postemployment Benefits – Maine Education Association Benefits Trust (School Plan)

General Information about the OPEB Plan

Plan Description - The City sponsors a post-retirement benefit plan providing health insurance to retiring school employees. The plan is a single-employer defined benefit OPEB plan administered by the Maine Education Association Benefits Trust (MEABT). The State Legislature has the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Benefits Provided - MEABT provides healthcare insurance benefits for school retirees and their dependents. The employee must have participated in the MEABT health plan for the 12 months prior to retirement and have 10 years of continuous active service and enrollment in the health plan (under age 50), or 5 years of continuous active service and enrollment in the health plan (age 50 or above), in order to be eligible for postretirement benefits. The retiree is eligible for a State subsidy of 55% of the blended single premium for the retiree only. Under State laws, the blended premium is determined by blending rates for active members and retired members. The retiree pays 45% of the blended premium rate for coverage selected. Spouses must contribute 100% of the blended premium amounts. Thus, the total premium is paid for by both the State and the retiree and or spouse.

Employees Covered by Benefit Terms – At June 30, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	245
Inactive employee entitled to but not yet receiving benefits	-
Active employees	447
Total	<u>692</u>

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The City's total OPEB liability of \$10,831,275 was measured as of June 30, 2023, and was determined by an actuarial valuation as of June 30, 2023.

Changes in the Total OPEB Liability

Balance at June 30, 2023	\$ 10,873,436
Changes for the year:	
Service cost	115,682
Interest	382,242
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(154,079)
Benefit payments	(386,006)
Net changes	<u>(42,161)</u>
Balance at June 30, 2024	<u>\$ 10,831,275</u>

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

IV. OTHER INFORMATION, Continued

Change in assumptions reflects a change in the discount rate from 3.54% to 3.65%.

For the year ended June 30, 2024, the City recognized an OPEB expense of \$278,996. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	114,711
Changes of assumption or other inputs	689,564	-
City contributions subsequent to measurement date	391,679	-
Total	\$ <u>1,081,243</u>	<u>114,711</u>

\$391,679 is reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ended June 30:</u>	Governmental <u>Activities</u>
2025	\$ 239,544
2026	154,938
2027	154,943
2028	29,114
2029	18,327
Thereafter	(22,013)

Actuarial Assumptions - The total OPEB liability in the June 30, 2023, actuarial valuation for the total OPEB liability was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.70%
Salary increases	2.75% per year
Discount rate	3.65% per annum
Healthcare cost trend rates - Pre-Medicare	7.96% for 2023 grading to 4.00% through 2043
Healthcare cost trend rates - Medicare	0.00% for 2023 grading to 4.29% through 2043
Retirees' share of the benefit related costs	40% of the blended premium rate with a State subsidy for the remaining 60% of the blended premium rate

Mortality rates were based on the 2010 Public Plan Teacher Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC 2020 model

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

IV. OTHER INFORMATION, Continued

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period June 30, 2015, through June 30, 2020.

Discount Rate - The rate used to measure the total OPEB liability was 3.65% per annum. Since the plan is pay as you go and is not funded, the discount rate was based upon high quality AA/Aa or higher bond yields in effect for 20 years, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the City's total OPEB liability calculated using the discount rate of 3.65%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.65%) or 1 percentage-point higher (4.65%) than the current rate:

	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB liability	\$ 12,365,115	10,831,275	9,571,881

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the City's total OPEB liability calculated using the healthcare cost trend rates, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 9,431,865	10,831,275	12,552,349

F. Credit Enhancement Agreements

GASB Statement 77, Tax Abatement Disclosures, defines tax abatement, for financial reporting purposes, as a reduction in tax revenue resulting from "an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take specific action after the agreement has been entered into that contributes to economic development or other benefits the governments or the citizens of those governments". While not called 'tax abatements,' the City of Auburn does currently have Credit Enhancement Agreements (CEAs) which fit this definition.

The City of Auburn has entered into several Credit Enhancement Agreements (CEAs) with individual organizations as permitted within its TIF District development programs, established under the State of Maine Title 30-A. The CEA's outline conditions for the reimbursement of a percentage of tax revenues generated through the increased values of certain parcels within the district. The agreements and payments are intended to promote economic development through real estate development and job creation, as well as infrastructure improvements and business incentives within the City's TIF Districts. Based on compliance with the terms of the agreement, and the calculation methods established in the CEAs, the City returns to the organization a portion of the taxes paid.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

IV. OTHER INFORMATION, Continued

For the fiscal year ended June 30, 2024, the City remitted a total of \$717,424 in Credit Enhancement payments, including the following, each of which exceeded 10 percent of the total amount remitted:

<u>TIF district</u>	<u>Beginning; duration</u>	<u>CEA entity</u>	<u>CEA reimbursement basis</u>	<u>Amount paid during the fiscal year</u>
TIF 6 Tambrands II	2001; 30 Years	Tambrands, Inc.	40% on revenues within district	\$ 240,314 (33.50%)
TIF 14 & 15 Hartt Transport	2007; 20 years	Auburn Plaza Inc	47% of 75% on revenues within district	180,725 (25.19%)

G. Prior Period Adjustments

In the current year, the City restated beginning net position and fund balance as follows:

The City was advanced Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) that have not been fully expended. \$150,000 of loan advances were not taken into consideration when determining the income earned in fiscal year 2023. As a result, grant revenues were under-stated by \$150,000 at June 30, 2023.

Due to the increased amount of federal funding the City Special Fund is now required to be reported as a major governmental fund. The City Special Fund was previously reported as a nonmajor governmental fund. The effect of the change within the financial reporting entity is summarized below in the "Adjustment - City Special Fund as major fund" column in the following table.

	<u>6/30/2023 As previously reported</u>	<u>Error Correctio n</u>	<u>Adjustment – City Special as major fund</u>	<u>6/30/2023 As Restated</u>
Government-Wide				
Governmental Activities	\$ 102,868,209	150,000	-	103,018,209
Business -type activities	(411,389)	-	-	(411,389)
Total Primary Government	\$ 102,456,820	150,000	-	102,606,820

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2024

IV. OTHER INFORMATION, Continued

Governmental Funds
Major Funds:

General Fund	\$	27,827,533	-	-	27,827,533
Community Development Programs		1,368,340	-	-	1,368,340
Tax Increment Financing		1,276,262	-	-	1,276,262
Capital Improvement Program		7,900,701	-	-	7,900,701
New Edward Little Building Project		19,396,764	-	-	19,396,764
City Special Other Governmental Funds		-	150,000	1,877,318	2,027,318
		4,802,640	-	(1,877,318)	2,925,322
Total Governmental Funds	\$	62,572,240	150,000	-	62,722,240

CITY OF AUBURN, MAINE
Required Supplementary Information
June 30, 2024

Schedule of City's Proportionate Share of the Net Pension Liability (Asset)
Maine Public Employees Retirement System Consolidated Plan (PLD) and State Employee and Teacher Plan (SET)
Last 10 Fiscal Years

PLD Plan	2024**	2023**	2022**	2021**	2020**	2019**	2018**	2017**	2016**	2015**
City's proportion of the net pension liability (asset)	2.2127%	2.4128%	2.3824%	2.4741%	2.5370%	2.5645%	2.4465%	2.5764%	2.5871%	2.3477%
City's proportionate share of the net pension liability (asset)	\$ 7,060,537	6,414,099	(765,625)	9,830,068	7,754,570	7,018,363	10,017,066	13,689,300	8,254,041	3,612,401
City's covered payroll	17,725,568	16,540,279	13,758,683	14,077,593	13,487,059	12,843,417	11,795,593	11,596,585	11,365,621	11,004,456
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	39.83%	38.78%	(5.56%)	69.83%	57.50%	54.65%	84.92%	118.05%	72.62%	32.83%
Plan fiduciary net position as a percentage of the total pension liability(asset)	92.34%	93.26%	100.86%	88.35%	90.62%	91.14%	86.43%	81.61%	88.27%	94.10%
SET Plan										
City's proportion of the net pension liability	0.1546%	0.1737%	0.0763%	0.0832%	0.0993%	0.1009%	0.1415%	0.1268%	0.1256%	0.1048%
City's proportionate share of the net pension liability	\$ 2,345,969	2,579,411	645,010	1,357,871	1,455,146	1,361,561	2,055,382	2,239,879	1,695,546	1,132,380
State's proportionate share of the net pension liability associated with the City	23,125,661	23,209,509	14,057,079	28,523,249	24,793,363	22,421,680	23,808,252	28,107,548	22,336,682	16,612,780
Total	\$ 25,471,630	25,788,920	14,702,089	29,881,120	26,248,509	23,783,241	25,863,634	30,347,427	24,032,228	17,745,160
City's covered payroll	\$ 24,945,109	24,205,427	23,545,854	22,661,814	21,617,516	21,652,573	21,537,377	20,107,822	20,044,945	18,692,477
City's proportionate share of the net pension liability as a percentage of its covered payroll	9.40%	10.66%	2.74%	5.99%	6.73%	6.29%	9.54%	11.14%	8.46%	6.06%
Plan fiduciary net position as a percentage of the total pension liability	86.03%	85.79%	90.90%	81.03%	82.73%	82.90%	80.78%	76.21%	81.18%	83.91%

** The amounts presented for each fiscal year were determined as of the prior fiscal year.

CITY OF AUBURN, MAINE
Required Supplementary Information, Continued
June 30, 2024

Schedule of City Contributions
Maine Public Employees Retirement System Consolidated Plan (PLD) and State Employee and Teacher Plan (SET)
Last 10 Fiscal Years

		<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
PLD Plan											
Contractually required contribution	\$	2,211,058	2,036,818	1,901,862	1,637,544	1,577,025	1,551,925	1,422,738	1,253,966	1,205,273	1,057,514
Contributions in relation to the contractually required contribution		(2,211,058)	(2,036,818)	(1,901,862)	(1,637,544)	(1,577,025)	(1,551,925)	(1,422,738)	(1,253,966)	(1,205,273)	(1,057,514)
Contribution deficiency (excess)											
		-	-	-	-	-	-	-	-	-	-
SET Plan											
Contractually required contribution	\$	1,082,939	958,022	929,488	979,508	942,731	858,216	859,607	723,656	675,623	531,203
Contributions in relation to the contractually required contribution		(1,082,939)	(958,022)	(929,488)	(979,508)	(942,731)	(858,216)	(859,607)	(723,656)	(675,623)	(531,203)
Contribution deficiency (excess)											
		-	-	-	-	-	-	-	-	-	-
City's covered payroll	\$	24,226,833	24,945,109	24,205,427	23,545,854	22,661,814	21,617,516	21,652,573	21,537,377	20,107,822	20,044,945
Contributions as a percentage of covered payroll		4.47%	3.84%	3.84%	4.16%	4.16%	3.97%	3.97%	3.36%	3.36%	2.65%

CITY OF AUBURN, MAINE
Required Supplementary Information, Continued
June 30, 2024

Schedule of Changes in the City's Total Health Plan OPEB Liability and Related Ratios
Last 10 Fiscal Years*

		2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service cost	\$	89,213	109,385	110,607	94,619	84,449	96,526	81,439
Interest		130,585	79,620	79,190	93,923	136,263	122,218	144,506
Changes of benefit terms		-	-	-	-	(84,028)	-	-
Differences between expected and actual experience		(135,290)	-	(235,679)	-	52,766	-	(178,552)
Changes of assumptions or other inputs		608,019	(399,143)	290,961	207,777	23,083	(305,301)	(183,140)
Benefit payments		(127,503)	(121,778)	(106,731)	(102,626)	(133,436)	(128,304)	(169,967)
Net change in total OPEB Liability		565,024	(331,916)	138,348	293,693	79,097	(214,861)	(305,714)
Total OPEB liability - beginning		3,484,306	3,816,222	3,677,874	3,384,181	3,305,084	3,519,945	3,825,659
Total OPEB liability - ending	\$	4,049,330	3,484,306	3,816,222	3,677,874	3,384,181	3,305,084	3,519,945
Covered-employee payroll		13,924,175	11,045,990	11,045,990	11,051,932	11,051,932	11,209,262	11,209,262
Total OPEB liability as a percentage of covered- employee payroll		29.08%	31.54%	34.55%	33.28%	30.62%	29.49%	31.40%

* Only seven years of information available.

CITY OF AUBURN, MAINE
Required Supplementary Information, Continued
June 30, 2024

Schedule of City's Proportionate Share of the Net OPEB Liability
Maine Public Employees Retirement System State Employee and Teacher Plan (Life Plan)
Last 10 Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018
City's proportion of the net OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
City's proportionate share of the net OPEB liability	\$ -	-	-	-	-	-	-
State's proportionate share of the net OPEB liability associated with the City	589,210	687,259	365,432	761,280	708,166	659,905	598,566
Total	<u>\$ 589,210</u>	<u>687,259</u>	<u>365,432</u>	<u>761,280</u>	<u>708,166</u>	<u>659,905</u>	<u>598,566</u>
Plan fiduciary net position as a percentage of the total OPEB liability	56.97%	52.39%	62.90%	49.51%	49.22%	48.04%	47.29%

* Only seven years of information available. Amounts presented for each fiscal year were determined as of the end of the previous fiscal year.

CITY OF AUBURN, MAINE
Required Supplementary Information, Continued
June 30, 2024

Schedule of Changes in the City's Total OPEB Liability and Related Ratios – School Plan
Last 10 Fiscal Years*

	2024	2023	2022	2021	2020	2019
Total OPEB Liability						
Service cost	\$ 115,682	143,686	158,111	77,627	65,322	70,006
Interest	382,242	227,310	229,536	358,010	374,588	359,102
Changes of benefit terms	-	-	-	(866,736)	-	-
Differences between expected and actual experience	-	345,406	-	(843,337)	-	-
Changes of assumptions or other inputs	(154,079)	(63,040)	75,509	1,724,110	507,636	(400,753)
Benefit payments	(386,006)	(318,034)	(304,715)	(438,722)	(381,958)	(368,757)
Net change in total OPEB liability	(42,161)	335,328	158,441	10,952	565,588	(340,402)
Total OPEB liability - beginning	10,873,436	10,538,108	10,379,667	10,368,715	9,803,127	10,143,529
Total OPEB liability - ending	\$ 10,831,275	10,873,436	10,538,108	10,379,667	10,368,715	9,803,127
Covered-employee payroll	\$ 22,421,056	21,874,201	24,446,471	23,564,575	22,702,349	22,094,744
Total OPEB liability as a percentage of covered-employee payroll	48.3%	49.7%	43.1%	44.0%	45.7%	44.4%

* Only six years of information available.

CITY OF AUBURN, MAINE
Notes to Required Supplementary Information
June 30, 2024

Maine Public Employees Retirement System (Pension):

Changes of Benefit Terms - None

Changes of Assumptions - The following are changes in actuarial assumptions used in the most recent valuations:

	<u>2022</u>	<u>2021</u>	<u>2019</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Discount rate – PLD	6.50%	6.75%	6.75%	6.875%	6.875%	7.125%	7.250%
Discount rate – SET	6.50%	6.75%	6.75%	6.875%	7.125%	7.125%	7.250%
Inflation rate	2.75%	2.75%	2.75%	2.75%	3.50%	3.50%	3.50%
Salary increases – PLD	2.75%- 11.48%	2.75% plus merit	2.75- 9.00%	2.75- 9.00%	3.50- 9.50%	3.50- 9.50%	3.50- 9.50%
Salary increases – SET	2.80%- 13.03%	2.75% plus merit	2.75- 14.50%	2.75- 14.50%	3.50- 13.50%	3.50- 13.50%	3.50- 13.50%
Cost of living increases – PLD	1.91%	1.91%	1.91%	2.20%	2.20%	2.55%	3.12%
Cost of living increases – SET	2.20%	2.20%	2.20%	2.20%	2.55%	2.55%	2.55%

** This schedule is intended to show information for ten years, but only the years in which changes occurred have been displayed. Additional years' information will be displayed as it becomes available.*

Mortality rates:

In 2016, mortality rates were based on the RP2000 Combined Mortality Table projected forward to 2016 using Scale AA. Between 2017 and 2021, mortality rates were based on the RP2014 Total Data Set Healthy Annuitant Mortality Table. Starting 2022, Mortality rates were based on the 2010 Public Plan General Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC 2020 model.

Maine Public Employees Retirement System (OPEB – Life Plan):

Changes of Benefit Terms - None

Changes of Assumptions - Under the Life Plan, changes of assumptions and other inputs reflects the changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year	Discount Rate
2018	6.875%
2019	6.750%
2022	6.500%

Mortality rates:

In 2016, mortality rates were based on the RP2000 Combined Mortality Table projected forward to 2016 using Scale AA. Between 2017 and 2021, mortality rates were based on the RP2014 Total Data Set Healthy Annuitant Mortality Table. Starting 2022, Mortality rates were based on the 2010 Public Plan General Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC 2020 model.

CITY OF AUBURN, MAINE
Notes to Required Supplementary Information, Continued
June 30, 2024

Maine Municipal Employees Health Trust (OPEB – Health Plan):

Changes of Benefit Terms – In fiscal year 2020 the valuation was adjusted to reflect the removal of the Affordable Care Act's Cadillac Tax.

Changes of Assumptions - Under the Health Plan, changes of assumptions and other inputs reflects the changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year	Discount Rate
2017	3.78%
2018	3.44%
2019	4.10%
2020	2.74%
2021	2.12%
2022	2.06%
2023	3.72%
2024	3.26%

Mortality rates:

In 2018 through 2021, mortality rates were based on the RP2014 total data set healthy annuitant mortality table. In 2022, mortality rates were based on the 2010 Public Plan General Benefits- Weighted Employee Mortality Table, for males and females, projected generationally using the RPEC 2020 model.

Additionally, the valuation method was changed from the Projected Unit Credit funding method in 2018 to the Entry Age Normal funding method in 2019.

Maine Education Association Benefits Trust (OPEB – School Plan):

Changes of Benefit Terms – In 2021 the Trust introduced a new Medicare Advantage plan.

Changes of Assumptions - Under the School Plan, changes of assumptions and other inputs reflects the changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year	Discount Rate
2018	3.58%
2019	3.87%
2020	3.50%
2021	2.21%
2022	2.16%
2023	3.54%
2024	3.65%

Mortality rates:

In 2018 through 2021, mortality rates were based on the RP2014 total data set healthy annuitant mortality table. In 2022, mortality rates were based on the 2010 Public Plan General Benefits- Weighted Employee Mortality Table, for males and females, projected generationally using the RPEC 2020 model.

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Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are restricted either by law or by administrative action, to expend for particular purposes.

Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the City's programs.

Frank Boomer – This fund is used to account for principal trust amounts received and related interest income. The interest portion of the trust can be used to benefit the poor and needy families of the City.

Ella Foss – This fund is used to account for principal trust amounts received and related interest income. The interest portion of the trust can be used to benefit the needy and indigent residents of the City for food, shelter, clothing, and medical treatment.

George Stetson – This fund is used to account for principal trust amounts received and related interest income. The interest portion of the trust can be used to benefit the poor of the City.

Cemetery Perpetual Care – This fund is used to account for principal trust amounts received and related interest income. The interest portion of the trust can be used to maintain various City cemeteries.

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CITY OF AUBURN, MAINE
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Nonmajor Special Revenue Funds	Nonmajor Permanent Funds	Total Other Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 374,906	276,953	651,859
Receivables:			
Accounts	260	-	260
Loans receivable	-	-	-
Intergovernmental	2,435,879	-	2,435,879
Prepaid expenditures	6,390	-	6,390
Inventory	24,019	-	24,019
Interfund receivable	1,680,513	-	1,680,513
Total assets	4,521,967	276,953	4,798,920
LIABILITIES			
Accounts payable	197,400	-	197,400
Accrued payroll	320,841	-	320,841
Unearned revenue	1,492	-	1,492
Interfund payable	923,369	1,537	924,906
Total liabilities	1,443,102	1,537	1,444,639
Nonspendable - inventory	24,019	-	24,019
Nonspendable - prepaid expenditures	6,390	-	6,390
Nonspendable - principal	-	69,475	69,475
Restricted	2,539,316	205,941	2,745,257
Committed	556,503	-	556,503
Unassigned	(47,363)	-	(47,363)
Total fund balances	3,078,865	275,416	3,354,281
Total liabilities and fund balances	\$ 4,521,967	276,953	4,798,920

CITY OF AUBURN, MAINE
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Nonmajor Special Revenue Funds	Nonmajor Permanent Funds	Total Other Governmental Funds
Revenues:			
Intergovernmental	\$ 7,472,676	-	7,472,676
Charges for services	1,869,841	-	1,869,841
Student activity fees and fundraisers	156,538	-	156,538
Other income	412,955	-	412,955
Interest income	-	6,180	6,180
Total revenues	9,912,010	6,180	9,918,190
Expenditures:			
Current:			
General government	64,041	-	64,041
Health, welfare and recreation	504,604	-	504,604
Education	6,514,827	-	6,514,827
Food services	2,280,470	-	2,280,470
Student activities	125,289	-	125,289
Total expenditures	9,489,231	-	9,489,231
Net change in fund balances	422,779	6,180	428,959
Fund balances, July 1 - as previously presented	4,533,404	269,236	4,802,640
Adjustment - city special as major fund	(1,877,318)	-	(1,877,318)
Fund balances, July 1, as restated	2,656,086	269,236	2,925,322
Fund balances, June 30	\$ 3,078,865	275,416	3,354,281

CITY OF AUBURN, MAINE
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2024

	Centralized School Lunch Program	School Activity Funds	School Special	Parking	Parks and Recreation	Totals
ASSETS						
Cash and cash equivalents	\$ 263,300	111,606	-	-	-	374,906
Receivables:						
Accounts	-	260	-	-	-	260
Intergovernmental	92,292	-	2,343,587	-	-	2,435,879
Prepaid expenditures	6,390	-	-	-	-	6,390
Inventory	24,019	-	-	-	-	24,019
Interfund receivable	1,227,990	901	-	198,735	252,887	1,680,513
Total assets	1,613,991	112,767	2,343,587	198,735	252,887	4,521,967
LIABILITIES						
Accounts payable	5,948	-	183,893	1,187	6,372	197,400
Accrued payroll	26,642	-	294,199	-	-	320,841
Unearned revenue	1,492	-	-	-	-	1,492
Interfund payable	-	327	923,042	-	-	923,369
Total liabilities	34,082	327	1,401,134	1,187	6,372	1,443,102
FUND BALANCES						
Nonspendable - inventory	24,019	-	-	-	-	24,019
Nonspendable - prepaid expenditures	6,390	-	-	-	-	6,390
Restricted	1,549,500	-	989,816	-	-	2,539,316
Committed	-	112,440	-	197,548	246,515	556,503
Unassigned	-	-	(47,363)	-	-	(47,363)
Total fund balances	-	1,579,909	942,453	197,548	246,515	3,078,865
Total liabilities and fund balances (deficits)	\$ 1,613,991	112,767	2,343,587	198,735	252,887	4,521,967

CITY OF AUBURN, MAINE
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2024

	City Special	Centralized School Lunch Program	School Activity Funds	School Special	Parking	Parks and Recreation	Totals
Revenues:							
Intergovernmental	\$ -	2,389,898	-	5,082,778	-	-	7,472,676
Charges for services	-	66,361	-	1,068,073	221,374	514,033	1,869,841
Student activity fees and fundraisers	-	-	156,538	-	-	-	156,538
Other income	-	12,511	-	400,444	-	-	412,955
Interest income	-	-	-	-	-	-	-
Total revenues	-	2,468,770	156,538	6,551,295	221,374	514,033	9,912,010
Expenditures:							
Current:							
General government	-	-	-	-	64,041	-	64,041
Health, welfare and recreation	-	-	-	-	-	504,604	504,604
Education	-	-	-	6,514,827	-	-	6,514,827
Food services	-	2,280,470	-	-	-	-	2,280,470
Student activities	-	-	125,289	-	-	-	125,289
Total expenditures	-	2,280,470	125,289	6,514,827	64,041	504,604	9,489,231
Net change in fund balances	-	188,300	31,249	36,468	157,333	9,429	422,779
Fund balances , July 1 - as previously stated	1,877,318	1,391,609	81,191	905,985	40,215	237,086	4,533,404
Adjustment - city special as major fund	(1,877,318)	-	-	-	-	-	(1,877,318)
Fund balances, July 1 , as restated	-	1,391,609	81,191	905,985	40,215	237,086	2,656,086
Fund balances, June 30	\$ -	1,579,909	112,440	942,453	197,548	246,515	3,078,865

CITY OF AUBURN, MAINE
Combined Balance Sheet
Nonmajor Permanent Funds
June 30, 2024

ASSETS		
Cash and cash equivalents	\$	276,953
Total assets		276,953
LIABILITIES		
Interfund payable		1,537
Total liabilities		1,537
FUND BALANCES		
Nonspendable - principal		69,475
Restricted		205,941
Total fund balances		275,416
Total liabilities and fund balances	\$	276,953

CITY OF AUBURN, MAINE
Combined Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Permanent Funds
For the Year Ended June 30, 2024

Revenues:		
Interest income	\$	6,180
Total revenues		6,180
Expenditures:		
Current:		
Miscellaneous		-
Total expenditures		-
Net change in fund balances		6,180
Fund balances, July 1		269,236
Fund balances, June 30	\$	275,416

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CUSTODIAL FUNDS

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CITY OF AUBURN, MAINE
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2024

	RETC	AVEC	Total
ASSETS			
Intergovernmental receivables	\$ 1,196	-	1,196
Interfund receivables	-	6,165	6,165
Total assets	1,196	6,165	7,361
LIABILITIES			
Accounts payable	72	-	72
Interfund payables	1,124	-	1,124
Accrued payroll	-	559	559
Total liabilities	1,196	559	1,755
NET POSITION			
Restricted for:			
Individuals and organizations	-	5,606	5,606
Total net position	\$ -	5,606	5,606

CITY OF AUBURN, MAINE
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the year ended June 30, 2024

		RETC	AVEC	Total
ADDITIONS				
Contributions:				
Service revenues	\$	-	12,000	12,000
Total contributions		-	12,000	12,000
Total additions		-	12,000	12,000
DEDUCTIONS				
Recipient payments		80,894	16,870	97,764
Total deductions		80,894	16,870	97,764
Net increase (decrease) in fiduciary net position		(80,894)	(4,870)	(85,764)
Net position - beginning		80,894	10,476	91,370
Net position - ending	\$	-	5,606	5,606

TAX INCREMENT FINANCING FUN

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CITY OF AUBURN, MAINE
Statement of Revenues, Expenditures and Changes in Fund Balances
Tax Increment Financing Fund
For the Year Ended June 30, 2024

	TIF 6 Tambrands II	TIF 9 Mall Area	TIF 10 Downtown Area	TIF 10 Downtown Omnibus	TIF 12 Auburn Industrial Park	TIF 13 Retail	TIF 14 & 15 Auburn Mall	TIF 16 Webster School Housing	TIF 19 Hartt Transport	TIF 20 62 Spring Street	TIF 21 Minot Avenue	TIF 22 48 Hampshire Street	TIF 23 Auburn Memory Care Facility	TIF 24 Millbran LLC	TIF 25 Futurguard	TIF 26 West Shore Landing	TIF 27 Stable Ridge	Totals
Revenues:																		
Other income	\$ -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37,809	37,809
Total revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37,809	37,809
Expenditures:																		
Current:																		
General government	240,314	-	194	16,821	-	-	180,725	36,072	-	69,246	29,154	57,244	39,653	42,838	5,163	-	-	717,424
Debt service	-	-	23,234	-	278,200	-	-	-	-	-	-	-	130,490	-	1,348	-	-	433,272
Total expenditures	240,314	-	23,428	16,821	278,200	-	180,725	36,072	-	69,246	29,154	57,244	170,143	42,838	6,511	-	-	1,150,696
Excess (deficiency) of revenues over (under) expenditures	(240,314)	-	(23,428)	(16,821)	(278,200)	-	(180,725)	(36,072)	-	(69,246)	(29,154)	(57,244)	(170,143)	(42,838)	(6,511)	-	37,809	(1,112,887)
Other financing sources (uses):																		
Transfers from other funds	560,732	-	1,059,135	16,821	157,316	305,587	498,458	54,109	30,617	103,870	72,883	143,111	133,120	64,256	39,669	71,601	103,703	3,414,988
Total other financing sources (uses)	560,732	-	1,059,135	16,821	157,316	305,587	498,458	54,109	30,617	103,870	72,883	143,111	133,120	64,256	39,669	71,601	103,703	3,414,988
Net change in fund balances (deficits)	320,418	-	1,035,707	-	(120,884)	305,587	317,733	18,037	30,617	34,624	43,729	85,867	(37,023)	21,418	33,158	71,601	141,512	2,302,101
Fund balances (deficits), beginning of year	126,695	806,274	776,402	10,289	(627,211)	623,091	(662,616)	19,435	27,953	1,121	74,352	132,062	(28,482)	13,914	(76,545)	59,528	-	1,276,262
Fund balances (deficits), end of year	\$ 447,113	806,274	1,812,109	10,289	(748,095)	928,678	(344,883)	37,472	58,570	35,745	118,081	217,929	(65,505)	35,332	(43,387)	131,129	141,512	3,578,363

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