

# FY26 BUDGET

CITY OF AUBURN **MUNICIPAL BUDGET**

Manager's Preliminary Budget

3.17.2025



Executive Summary

Expense

Intergovernmental

Revenue

CIP

Debt

Miscellaneous





# EXECUTIVE BUDGET OVERVIEW

**Mayor Harmon, City Councilors, and Auburn Residents – I am pleased to provide you with the manager’s proposed FY 2025-26 Budget and CIP for the City of Auburn.**

The proposed FY26 budget was developed to seek efficiency and provide consistency in our current services. These consistencies were adopted by you during the FY25 budget process to align with your priorities.



These priorities directly contributed to the formation of the FY25 municipal budget, and the FY26 municipal budget goal as directed by the city council to maintain existing city programs with no additional personnel.

The sources and uses of funds proposed within this budget include the Auburn Superintendent’s most recent recommendation for the School Department, along with proposals that have been assembled from intergovernmental agencies. I have also included our community’s debt service obligations and my recommendations as City Manager for various capital allocations supporting the current and future infrastructure and equipment needs reflected in our five-year Capital Improvement Plan (CIP).

As in year’s past, this budget proposal continues to prioritize and support efficient delivery of core municipal services in the areas of public safety, education and infrastructure maintenance. It does so by identifying the financial resources needed for the coming fiscal year, while also responsibly anticipating and ensuring the sustainability of resources required to meet our community’s needs in the years ahead.

## Cost of Services

**The FY26 Manager’s 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.**

We are cognizant of the current economic and financial conditions impacting our citizens, the continuing challenges we face with the recruitment and retention of qualified employees, and inflationary pressures driving the costs of products and services required in all areas of our municipal operations.

In striving to meet the needs and expectations of our community and to address the many other considerations that influence the budgeting process, including contractual obligations and regulatory requirements from other levels of government, **this budget proposal reflects a total of \$129,085,728 for spending across all programs which is a 5.96% increase over FY25.**

City Operating Expenses increased by \$1,285,523, which is a **3.1% increase over FY25**. This increase includes full-year compensation for several new positions added in FY25 that were funded for only six months or less. The budget also includes contractual wages, the new Maine Paid Family and Medical Leave Program, health insurance, market adjustments for compensation to retain our workforce, and the inflationary impacts for the cost of goods and services.

Debt Service and TIF Allocation increased \$2,870,035, which is a **22.4% increase over FY25**. Of this increase, \$2,647,165 is made up of the new debt service. In FY25, \$16,565,750 was bonded, which included the regular infrastructure improvements identified in the Five-Year Capital Improvement Plan. An additional \$3,000,000 was added for Merrow Road reconstruction and \$2,000,000 for the New Auburn Fire Station. Additionally, \$5,850,000 was bonded to go towards costs for the new Public Safety Facility. The principal and interest payments for this new bond and the retirement of older bonds were calculated for a total expense of \$12, 419,977.

Intergovernmental Programs increased by \$508,801, which is a **9.3% increase over FY25**. Of this increase, \$268,328 includes the 8.6% increase in county tax, \$106,677 includes the increase for the Lewiston and Auburn 911 Communication Center, and \$133,796 includes the increase for the Lewiston Auburn Transit Committee which implements the new bus routing system.

School Services currently has an increase of \$2,595,421 proposed by the superintendent, which is a **4.2% increase over FY25**. Of this increase, \$2,981,707 is for education operations and a decrease of (\$386,286) for the education debt service. The city began overseeing all facilities in the school department and the cost savings and efficiencies continue to be realized. The relationship between the school department and the city continues to improve. Superintendent Dr. Susan Dorris and Assistant Superintendent Scott Annear are providing outstanding leadership.

I have included tables for FY25 and FY26 category increases by line item for your comparison.

#### FY25 BUDGET CATEGORY INCREASES

WORKFORCE	\$2,238,231	39%
OPERATING	\$218,669	4%
CAPITAL OPERATING	\$500,000	9%
INTERGOVERNMENTAL	\$156,022	3%
LIBRARY	\$61,238	1%
DEBT SERVICE/TIF	\$1,438,268	25%
GA SERVICES	\$720,375	13%
SOLID WASTE/RECYCLING	\$230,500	4%
COUNTY TAX	\$145,203	3%
WATER/SEWER	\$47,564	1%
<b>TOTAL</b>	<b>\$5,756,070</b>	<b>100%</b>

#### FY26 BUDGET CATEGORY INCREASES

WORKFORCE	\$1,078,516	23%
OPERATING	\$118,934	3%
CAPITAL OPERATING	-	0%
INTERGOVERNMENTAL	\$240,473	5%
LIBRARY	\$35,997	1%
DEBT SERVICE/TIF	\$2,870,035	62%
GA SERVICES	-	0%
SOLID WASTE/RECYCLING	\$52,077	1%
COUNTY TAX	\$268,328	6%
WATER/SEWER	-	0%
<b>TOTAL</b>	<b>\$4,664,360</b>	<b>100%</b>

## Five Year Fiscal Trends

It is my priority to **continue controlling costs for our taxpayers**, which has been the focus of staff in preparing this budget. Auburn's municipal operating budget has averaged a 7.8% increase annually for the past four years. This year, the municipal operating budget increase is 3.1%. The budget drivers impacting the tax levy include county taxes, intergovernmental services and primarily debt services. There is still more work to be done through budget workshops and public input before the FY26 tax levy is determined. Auburn's non-tax revenue has historically increased with an average of 10.9% annually for the past four years. This year, the current increase is minimal, with only 1.2% of new revenue. We will explore the state's estimate for state revenue share, adjust any fee increases proposed by the Fee Review Committee, and make the appropriate adjustments for FY26.



<b>CITY EXPENSES</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>
OPERATING	\$31,876,303	\$34,996,260	\$37,570,039	\$41,434,118	\$42,719,642
CHANGE +/-	3.6%	9.8%	7.4%	10.3%	3.1%
DEBT SERVICE/TIF	\$10,783,972	\$11,411,057	\$11,384,347	\$12,822,615	\$15,692,650
CHANGE +/-	1.5%	5.8%	-0.2%	12.6%	22.4%
INTERGOVERNMENTAL	\$4,444,559	\$4,905,744	\$5,144,517	\$5,445,742	\$5,954,543
CHANGE +/-	-2.0%	10.4%	4.9%	5.9%	9.3%
<b>TOTAL</b>	<b>\$47,104,834</b>	<b>\$51,313,061</b>	<b>\$54,098,903</b>	<b>\$59,702,475</b>	<b>\$64,366,835</b>
	<b>2.6%</b>	<b>8.9%</b>	<b>5.4%</b>	<b>10.4%</b>	<b>7.8%</b>
<b>CITY REVENUE</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>
NON-TAX	\$18,281,464	\$21,175,616	\$23,121,704	\$26,142,646	\$26,461,364
	5.4%	15.8%	9.2%	13.1%	1.2%
TAX LEVY	\$24,378,811	\$25,231,704	\$25,832,682	\$28,114,088	\$31,950,928
	0.9%	3.5%	2.38%	8.83%	13.65%

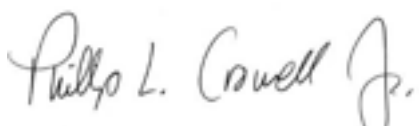
## Looking Ahead

Over the course of the next few weeks, we will provide more detailed information regarding the various revenue and expenditure items included in this proposed budget. In addition, we will present budget options that you may wish to consider including as part of your final budget deliberations and incorporating them into an adopted budget. These additions may include items from the list provided as administrative, non-municipal, and council supplemental considerations, as well as further adjustments in expenses and other potential sources of non-tax revenue.

Ultimately, it is with your thoughtful discussions and further adjustments that we will assure Auburn's citizens that the budget finally adopted for the coming year has been thoroughly reviewed and justified.

I wish to extend my gratitude and ask you to join me in acknowledging Kelsey Earle, our Finance Director and her staff, for the extraordinary effort they have made to ensure the timely production of this budget book and all other supporting materials.

**Finally, I would like to express my gratitude to each of our municipal employees for the significant efforts they make each and every day delivering the many services and programs that contribute to the overall quality of life in our community. They are our teachers, maintenance workers, administrative and professional staff and public safety forces. We are well served by their dedication, commitment and perseverance as public employees. Please join me in acknowledging and thanking them for the dedication and positive difference they make in our own lives and for others each and every day.**



**Phillip L. Crowell, Jr. City Manager**

**CITY OF AUBURN  
FY 2026 PROPOSED EXPENDITURES  
COMPARISON FY24, FY25 AND FY26 BUDGETS**

<b>CLASSIFICATION</b>	<b>ACTUAL EXPENDED BUDGET FY 23-24</b>	<b>COUNCIL ADOPTED BUDGET FY 24-25</b>	<b>MANAGER PROPOSED BUDGET FY 25-26</b>	<b>MANAGER Increase (Decrease) from Prior Year Budget</b>	<b>Percentage of Increase (Decrease)</b>
<b><u>Administration</u></b>					
City Clerk	335,493	335,291	535,326	200,035	59.66%
City Manager	704,396	711,450	600,469	(110,981)	-15.60%
Finance	1,303,080	1,351,064	1,387,669	36,605	2.71%
Human Resources	254,282	280,420	280,420	0	0.00%
Communication and Engagement	318,123	378,966	341,205	(37,761)	-9.96%
Mayor & Council	208,248	178,800	181,800	3,000	1.68%
Information Technology	894,338	1,039,215	1,095,845	56,630	5.45%
Fringe Benefits	6,961,210	8,212,715	8,408,267	195,552	2.38%
Workers' Compensation	715,400	719,025	719,025	0	0.00%
<b>Total Administration</b>	<b>11,694,570</b>	<b>13,206,946</b>	<b>13,550,026</b>	<b>343,080</b>	<b>2.60%</b>
<b><u>Community Services</u></b>					
Health & Social Services-General Assistance	894,775	901,200	801,200	(100,000)	-11.10%
Public Services (Economic Development)	203,008	135,461	568,073	432,612	319.36%
Engineering	233,000	363,646	363,646	0	0.00%
Business and Community Development	411,958	804,568	815,162	10,594	1.32%
Planning and Permitting	752,575	829,048	767,030	(62,018)	-7.48%
Recreation	733,273	590,866	613,240	22,374	3.79%
Public Library	1,139,018	1,199,897	1,235,894	35,997	3.00%
<b>Total Community Services</b>	<b>4,367,607</b>	<b>4,824,686</b>	<b>5,164,245</b>	<b>339,559</b>	<b>7.04%</b>
<b><u>Fiscal Services</u></b>					
Debt Service	8,390,245	9,772,812	12,419,977	2,647,165	27.09%
Emergency Reserve	0	550,000	550,000	0	0.00%
Transfer to TIF	3,049,803	3,049,803	3,272,673	222,870	7.31%
<b>Total Fiscal Services</b>	<b>11,440,048</b>	<b>13,372,615</b>	<b>16,242,650</b>	<b>2,870,035</b>	<b>21.46%</b>

CLASSIFICATION	ACTUAL EXPENDED BUDGET FY 23-24	COUNCIL ADOPTED BUDGET FY 24-25	MANAGER PROPOSED BUDGET FY 25-26	MANAGER Increase (Decrease) from Prior Year Budget	Percentage of Increase (Decrease)
<b><u>Public Safety</u></b>					
Fire & EMS Transport	6,589,586	6,634,967	6,810,859	175,892	2.65%
Police	5,248,121	5,517,652	5,709,540	191,888	3.48%
<b>Total Public Safety</b>	<b>11,837,707</b>	<b>12,152,619</b>	<b>12,520,399</b>	<b>367,780</b>	<b>3.03%</b>
<b><u>Public Works</u></b>					
Facilities	467,600	1,874,151	1,874,151	0	0.00%
Operations	6,428,140	6,368,936	6,551,964	183,028	2.87%
Solid Waste	1,455,266	1,616,500	1,668,577	52,077	3.22%
Water & Sewer	781,203	840,280	840,280	0	0.00%
<b>Total Public Works</b>	<b>9,132,209</b>	<b>10,699,867</b>	<b>10,934,972</b>	<b>235,105</b>	<b>2.20%</b>
<b>Total Municipal</b>	<b>48,472,141</b>	<b>54,256,733</b>	<b>58,412,292</b>	<b>4,155,559</b>	<b>7.66%</b>
<b><u>Intergovernmental Programs</u></b>					
County Taxes	2,972,037	3,117,240	3,385,568	268,328	8.61%
Tax Sharing	233,915	260,000	260,000	0	0.00%
LA Arts - Arts in the Park	20,000	25,000	25,000	0	0.00%
Auburn-Lewiston Municipal Airport	218,449	205,000	205,000	0	0.00%
Lew-Aub Transit Committee	389,797	458,502	592,298	133,796	29.18%
Lew-Aub 911 Communications Center	1,287,655	1,380,000	1,486,677	106,677	7.73%
<b>Total Intergovernmental Programs</b>	<b>5,121,853</b>	<b>5,445,742</b>	<b>5,954,543</b>	<b>508,801</b>	<b>9.34%</b>
<b>Grand Total Municipal</b>	<b>53,593,994</b>	<b>59,702,475</b>	<b>64,366,835</b>	<b>4,664,360</b>	<b>7.81%</b>
<b>Education Operation</b>	<b>55,732,090</b>	<b>50,697,851</b>	<b>53,679,558</b>	<b>2,981,707</b>	<b>5.88%</b>
<b>Education Debt Service</b>	<b>682,367</b>	<b>11,425,621</b>	<b>11,039,335</b>	<b>(386,286)</b>	<b>-3.38%</b>
<b>Total School</b>	<b>56,414,457</b>	<b>62,123,472</b>	<b>64,718,893</b>	<b>2,595,421</b>	<b>4.18%</b>
<b>Total Budget</b>	<b>110,008,451</b>	<b>121,825,947</b>	<b>129,085,728</b>	<b>7,259,781</b>	<b>5.96%</b>

**City of Auburn  
Master List**

Fiscal Year 2026  
Proposed 3.17.2025  
Adopted

	FY 2024 Actual	FY 2025 Approved	FY 2025 YTD 3.1.2025	FY 2026 Manager Proposed	Increase/ Decrease (Manager)	%
<b><i>Mayor and Council- 1004</i></b>	208,248	178,800	163,252	181,800	3,000	1.68%
<b><i>City Manager- 1005</i></b>	704,396	711,450	569,758	600,469	(110,981)	-15.60%
<b><i>City Clerk- 1007</i></b>	335,493	335,291	194,601	535,326	200,035	59.66%
<b><i>Finance Department- 1008</i></b>	1,303,080	1,351,064	978,457	1,387,669	36,605	2.71%
<b><i>Human Resources - 1009</i></b>	254,282	280,420	171,549	280,420	-	0.00%
<b><i>Communication &amp; Community Engagement - 1006</i></b>	318,123	378,966	185,542	341,205	(37,761)	-9.96%
<b><i>Health &amp; Social Services-General Assistance - 1032</i></b>	894,775	901,200	556,034	801,200	(100,000)	-11.10%
<b><i>Business and Community Development - 1013</i></b>	411,958	804,568	332,806	815,162	10,594	1.32%
<b><i>Public Services (Econ.Dev) - 1011</i></b>	203,008	135,461	130,223	568,073	432,612	319.36%
<b><i>Planning &amp; Permitting - 1010</i></b>	752,575	829,048	449,890	767,030	(62,018)	-7.48%
<b><i>Information Technology (IT) - 1025</i></b>	894,338	1,039,215	818,357	1,095,845	56,630	5.45%
<b><i>Recreation - 1030</i></b>	733,273	590,866	383,765	613,240	22,374	3.79%
<b><i>Public Library - 1050</i></b>	1,139,018	1,199,897	895,620	1,235,894	35,997	3.00%

	FY 2024 Actual	FY 2025 Approved	FY 2025 YTD 3.1.2025	FY 2026 Manager Proposed	Increase/ Decrease (Manager)	%
<b><i>Facilities &amp; Energy - 1015</i></b>	467,600	1,874,151	894,009	1,874,151	-	0.00%
<b><i>Engineering - 1014</i></b>	233,000	363,646	125,437	363,646	-	0.00%
<b><i>Workers Compensation - 1016</i></b>	715,400	719,025		719,025	-	0.00%
<b><i>Fringe Benefits - 1017</i></b>	6,961,210	8,212,715	5,085,668	8,408,267	195,552	2.38%
<b><i>Emergency Reserve - 1018</i></b>	-	550,000		550,000	-	0.00%
<b><i>Fire &amp; EMS Transport - 1021</i></b>	6,589,586	6,634,967	4,293,905	6,810,859	175,892	2.65%
<b><i>Police - 1022</i></b>	5,248,121	5,517,652	3,631,892	5,709,540	191,888	3.48%
<b><i>Public Works - 1042</i></b>	6,428,140	6,368,936	4,398,771	6,551,964	183,028	2.87%
<b><i>Water &amp; Sewer - 1052</i></b>	781,203	840,280	585,903	840,280	-	0.00%
<b><i>Solid Waste - 1043</i></b>	1,455,266	1,616,500	1,074,120	1,668,577	52,077	3.22%
<b><i>Tax Sharing - 1053</i></b>	233,915	260,000		260,000	-	0.00%
<b><i>Municipal Operating</i></b>	37,266,008	41,694,118	25,919,559	42,979,642	1,285,524	3.08%

**SUPPLEMENTAL CONSIDERATIONS - FY26**

<i>Expense</i>	<b>Expense</b>	<b>Council Approved</b>
Admin	\$ 1,605,340	\$ -
Council	\$ -	\$ -
Non Municipal	\$ 452,000	\$ -

<b>Total Expense:</b>	<b>\$ 2,057,340</b>	<b>\$ -</b>
<b>City Operating Expense</b>	<b>\$ 42,719,642</b>	<b>\$ 42,719,642</b>

<b>Total City Operating Expense with changes:</b>	<b>\$ 44,776,982</b>	<b>\$ 42,719,642</b>
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**CITY ADMINISTRATION SUPPLEMENTAL CONSIDERATIONS - FY26**

<i>Expense</i>	<b>Expense</b>	<b>Council Approved</b>
Automated Solid/Recycling Waste Carts	\$ 271,000	
Bulky Waste Disposal	\$ 175,000	
Camp Site-Clean-up	\$ 35,000	
Code Enforcement	\$ 105,000	
EMS 3rd Ambulance	\$ 135,500	
Homeless Services	\$ 400,000	
Organic Waste Curb Side Collection	\$ 107,440	
Organic Waste Drop Site Collection	\$ 26,400	
Senior Tax Reimbursement Program	\$ 350,000	

<b>Total Expense:</b>	<b>\$ 1,605,340</b>	<b>\$ -</b>
<b>City Operating Expense</b>	<b>\$ 42,719,642</b>	<b>\$ 42,719,642</b>

<b>Total City Operating Expense with changes:</b>	<b>\$ 44,324,982</b>	<b>\$ 42,719,642</b>
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**CITY COUNCIL SUPPLEMENTAL CONSIDERATIONS - FY26**

<i>Expense</i>	<b>Expense</b>	<b>Council Approved</b>
	\$ -	
	\$ -	
	\$ -	
	\$ -	
	\$ -	
	\$ -	
	\$ -	

<b>Total Expense:</b>	<b>\$ -</b>	<b>\$ -</b>
<b>City Operating Expense</b>	<b>\$ 42,719,642</b>	<b>\$ 42,719,642</b>

<b>Total City Operating Expense with changes:</b>	<b>\$ 42,719,642</b>	<b>\$ 42,719,642</b>
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**NON-MUNICIPAL SUPPLEMENTAL REQUESTS- FY26**

<i>Expense</i>	<b>Expense</b>	<b>Council Approved</b>
Androscoggin Historical Society	\$ 10,000	
Boy's and Girl's Club - Lewiston/Auburn	\$ 20,000	
Kaydenz Kitchen	\$ 400,000	
Kennebec Behavioral Health	\$ 400	
Lake Stewards of Maine (LSM)	\$ 1,500	
Maine Public	\$ 100	
Twin City Swim Team (TCST)	\$ 20,000	

<b>Total Expense:</b>	<b>\$ 452,000</b>	<b>\$ -</b>
<b>City Operating Expense</b>	<b>\$ 42,719,642</b>	<b>\$ 42,719,642</b>

<b>Total City Operating Expense with changes:</b>	<b>\$ 43,171,642</b>	<b>\$ 42,719,642</b>
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## City of Auburn, Maine

Office of the City Manager

60 Court Street | Auburn, Maine 04210

[www.auburnmaine.gov](http://www.auburnmaine.gov) | 207.333.6601

February 19, 2025

Kevin Boilard

Executive Director, Kaydenz Kitchen

[kaydenzkitchen@gmail.com](mailto:kaydenzkitchen@gmail.com)

(207) 577-7942

Dear Mr. Boilard,

Thank you for your letter dated February 12, 2025, requesting financial support for the new 24/7 emergency shelter that Kaydenz Kitchen is preparing to open in Androscoggin County. We appreciate your efforts to address the needs of the unhoused population in our community and your commitment to providing a safe and supportive environment for those in need.

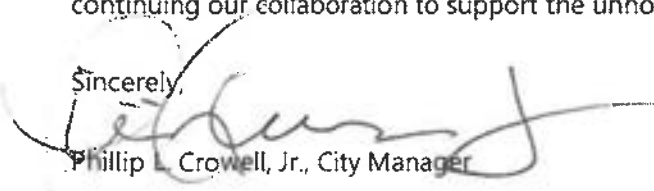
We have received your request for \$400,000 in funding from the City of Auburn for Fiscal Year 2026. To proceed with your request, we require additional information to support a potential award by the city council. Please provide the following documents:

- Contract with the City of Lewiston to operate the 24/7 shelter
- Application for the State grant
  - If not included in the application, a detailed budget for the awarded fund
- State grant award materials
- Detailed operating budget for FY26
- Specific capital budget for FY26
- Operating plan for the implementation and operation of the facility for FY26
- List of funders and amounts requested, secured, denied, and pending
- Most recent IRS Form 990

Please forward these documents at your earliest convenience. To allow time for your response to be reviewed and worked into the Budgeting timeline, we need to have these documents no later than February 26<sup>th</sup>. Additionally, we will copy the Lewiston city administrator on this correspondence to ensure they are informed of our request for further information.

Thank you for your understanding and cooperation. We look forward to receiving additional information and continuing our collaboration to support the unhoused population in Androscoggin County.

Sincerely,



Phillip L. Crowell, Jr., City Manager

CC: Brian O'Malley, Acting Lewiston City Administrator

## Rita Beaudry

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**From:** Rita Beaudry  
**Sent:** Friday, February 21, 2025 10:01 AM  
**To:** kaydenzkitchen@gmail.com  
**Cc:** BOMalley@lewistonmaine.gov; Phil Crowell  
**Subject:** CITY OF AUBURN: FY2026 BUDGET REQUEST  
**Attachments:** 2025 KAYDENZ KITCHEN BUDGET REQ. 2-19-2025.pdf

**Importance:** High

Good morning, Kevin –

On behalf of City Manager Phil Crowell, please see attached regarding your FY2026 budget request.

Please let us know if you have any questions.

*Rita*

**Rita P. Beaudry**

City Manager's Office | Grant Manager

60 Court Street | Auburn, Maine | 04210 | 207.333.6600 x1222

*The City of Auburn is subject to statutes relating to public records. E-mail sent or received by City employees are subject to these laws. Senders and receivers of City e-mail should presume that messages are subject to release.*

2/12/25

### Local Support for Kaydenz Kitchen

Elected officials serving on the Androscoggin County Commission, City Council of Auburn, and City Council of Lewiston,

On behalf of the Lewiston Shelter Committee, I would like to express our support for Kaydenz Kitchen's funding request of \$400,000 from each governing body, a total of \$1.2 million for this important cause.

At this time, I believe we are all critically aware of the need to help our unhoused community members to gain access to critical services and transition to permanent housing. Access to a safe, warm, and welcoming space where they can clean up and sleep for the night is an essential step in that process. This will be the first low-barrier shelter in Androscoggin County to serve the general adult population on a 24/7 basis.

This issue affects all of us. It impacts the ability of people to access mental health care and combat drug addiction. It impacts local business owners and community development efforts in our downtowns and along our riverfronts. The path forward will not be easy, but the benefits of providing an emergency shelter in the manner that Kaydenz Kitchen has proposed is essential if we want to see change in our communities take place.

Our committee has so far helped to raise both private funds for pre-development and state funds for development of this shelter. We are also advocating for additional private, state, and federal resources to support this work. But the local support will be critical to leveraging those other resources.

Thank you for your public service, and for your consideration of this request. We hope you will act in support of this request for the next fiscal year so that Kaydenz can open its doors in September, 2025.

Sincerely,

Craig Saddlemire  
Co-Chair of the Lewiston Shelter Committee  
craigs@raiseop.com  
(207) 200-1596





Dated: 2/12/25

### Request for Shelter Funding

Dear elected officials serving on the Androscoggin County Commission, City Council of Auburn, and City Council of Lewiston,

Kaydenz Kitchen is in the process of preparing to open a new 24/7 emergency shelter to serve unhoused people of any gender and of age 18 years or older in Androscoggin County. We will be the first shelter in Androscoggin County of this kind, serving the general population in a manner that reflects the best practices prescribed by MaineHousing. Our aim is for the shelter to provide space for between 30-60 guests per night, beginning as soon as September 1st, 2025.

To ensure the success of our effort, we humbly request the following financial support for Fiscal Year 2026:

- \$400,000 from the City of Lewiston;
- \$400,000 from the City of Auburn; and,
- \$400,000 from Androscoggin County.

The operating budget for the shelter will range from \$1.6 million for 30 beds, and up to \$2.1 million for 60 beds. We have been awarded a \$2.5 million grant from MaineHousing that will primarily be used for development of the new shelter facility and related start up costs. With an annual commitment of \$1.2 million from each local government, we believe we can leverage other sources to operate a 30 bed facility. As we demonstrate success and continue attracting more resources, we hope to grow to the full capacity of 60 beds.

Together, we hope to truly make a difference for our communities, save lives, and transition homeless guests to permanent housing.

Thank you for considering these requests.

Sincerely,

Kevin Boillard  
Executive Director, Kaydenz Kitchen  
kaydenzkitchen@gmail.com  
(207) 577-7942

# KAYDENZ KITCHEN

**From:** [Kevin Boilard](#)  
**To:** [Rita Beaudry](#)  
**Cc:** [BOMalley@lewistonmaine.gov](#); [Phil Crowell](#)  
**Subject:** [External]Re: CITY OF AUBURN: FY2026 BUDGET REQUEST  
**Date:** Thursday, February 27, 2025 1:07:34 AM  
**Attachments:** [InitialDevelopmentBudget.pdf](#)  
[AcquisitionDevelopmentBudget.pdf](#)  
[45BedBudget\\_Income.pdf](#)  
[OperatingPolicies.pdf](#)  
[ShelterLayout.pdf](#)  
[Proposal\\_551 Lincoln.pdf](#)  
[Comfort Letter \(2\).pdf](#)

Some people who received this message don't often get email from [kaydenzkitchen@gmail.com](mailto:kaydenzkitchen@gmail.com). [Learn why this is important](#)

Good Evening,

Please see the attached files for the original acquisition/development budget, the updated revised budget, and the 45 Bed Operating Budget/Income Source. These budgets were created with the support of the Lewiston Shelter Committee. Also attached are the shelter operating policies including but not limited to: Admissions/Substance Use/Client Conflict Resolution. Our rough draft of the shelter layout has been attached to highlight the spacing availability and projected site layout. We have a contract pending signature with Diversified Drafting LLC to handle the professional design and blueprints required for the planning board process (Contract Quote Included). With our previous annual revenue under \$50k we have historically only had to file a 990N form with the IRS. I've attached a letter from our accounting firm, that we used for our Maine Housing application, showing all 990 forms have been historically filed. We just received the appraisal value for the 551 Lincoln Street property and will be preparing our initial offer to try and secure the property. I was recently appointed to the Statewide Homeless Committee by the Governor last month and hope that will allow L/A to have a much louder and more influential voice at the table. Combined support from the City of Auburn, and ideally Androscoggin County as well, would create the annual funding needed to secure a sustainable shelter program that would aggressively address the challenges of homelessness in Lew/Aub that has not been seen in decades. We have the support of the community. We have collaborations with local businesses. We've secured 2.5 million in start-up funding. We have one of the best teams established to address this challenge. Now we need the annual funding support.

With the new addition of the Mill Street resource center, we genuinely believe a partnership with the 24/7 low-barrier shelter would be an "All-In" attempt at putting the best resources forward to reduce the rapidly growing number of homeless individuals consuming our city resources, non-profit resources, and are constantly being moved from one place to another throughout the Twin Cities. We believe that once we put our best foot forward with resources and opportunities for the unhoused to transition off the streets with wraparound services and support systems in place, we can start to raise our standard of expectations from them in return as a community. We currently have dozens of non-profits, on different sides of the bridge, working in different directions with no long-term sustainable goals for homelessness in sight. This is our chance!

Kevin Boilard  
Kaydenz Kitchen

On Fri, Feb 21, 2025 at 10:01 AM Rita Beaudry <[rbeaudry@auburnmaine.gov](mailto:rbeaudry@auburnmaine.gov)> wrote:

Good morning, Kevin –

On behalf of City Manager Phil Crowell, please see attached regarding your FY2026 budget request.

Please let us know if you have any questions.

A handwritten signature in cursive script that reads "Rita".

**Rita P. Beaudry**

City Manager's Office | Grant Manager

60 Court Street | Auburn, Maine | 04210 | 207.333.6600 x1222

*The City of Auburn is subject to statutes relating to public records. E-mail sent or received by City employees are subject to these laws.*

*Senders and receivers of City e-mail should presume that messages are subject to release.*

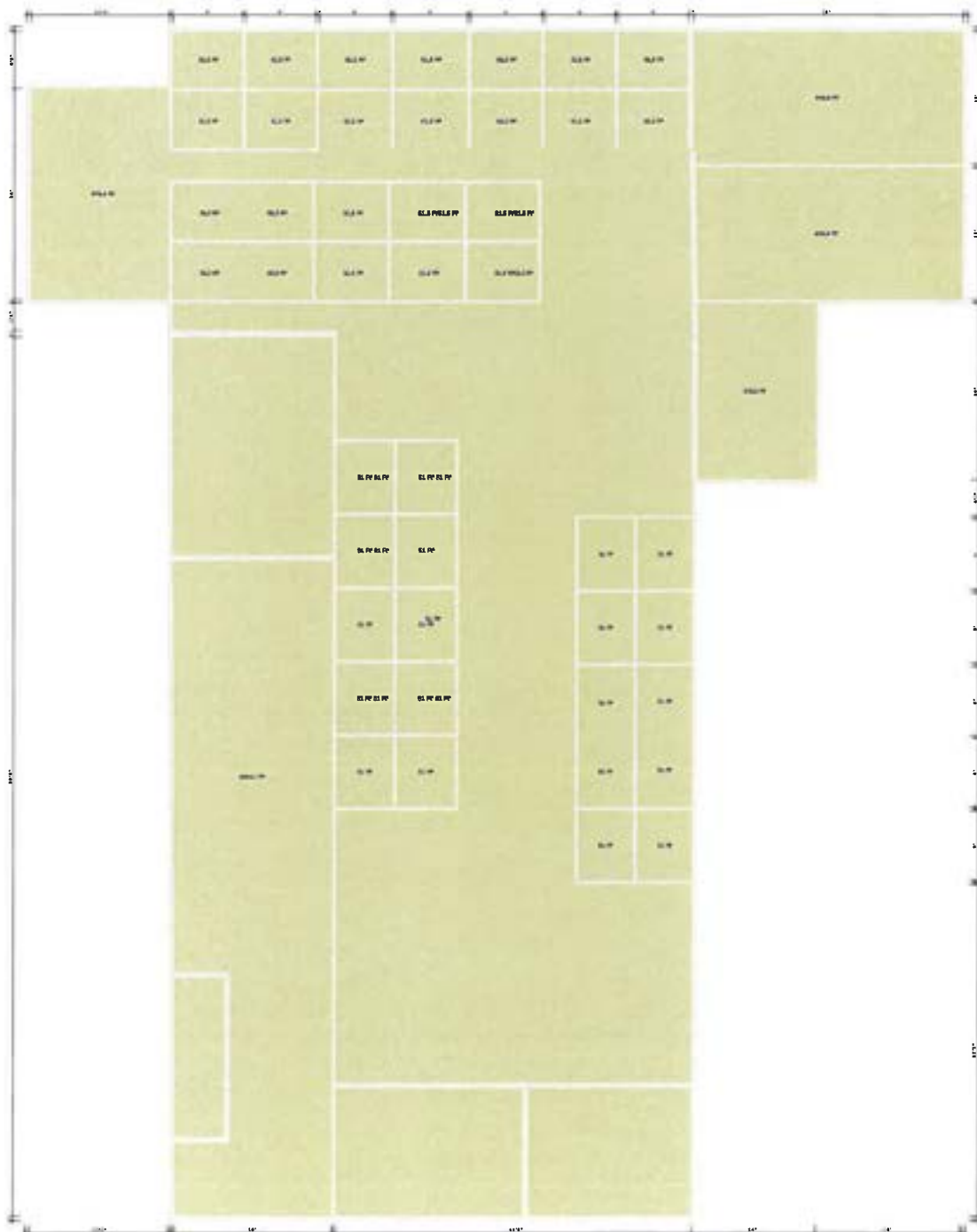
Exhibit E		
DRAFT: Development Budget		
Use	Amount	Notes
Pre-Development	\$75,000	\$50,000 Already Deposited
Acquisition	\$1,700,000	3-year lease (Working w/LHA on potential option to buy)
Improvements	\$350,000	Shelter Buildout Expenses
Working Capital	\$375,000	3 Month Start Up Expense
Reserves	\$375,000	3 Month Expense Security Net
Development Contingency	\$50,000	
<b>Total</b>	<b>\$2,925,000</b>	
Source	Amount	
CDBG - Lewiston	\$300,000	
MH Longterm Solutions	\$2,500,000	
Direct Congressional Spending	\$500,000	Councilor Gallant to Meet w/ Senator Collins
Private Fundraising	\$300,000	
Raise-Op	\$71,950	Raise Co-op
County	\$1,000,000	ARPA Money needs to be allocated by end of 2024 & Spent by 2026
EPA Community Change	\$2,000,000	City Applied For Funding Support
<b>Total</b>	<b>\$6,671,950</b>	
<b>Balance</b>	<b>\$3,746,950</b>	

<b>Development Budget/Income Source</b>				
Pre-Development	\$75,000			
Acquisition	\$1,700,000			
Improvements	\$350,000	Shelter Buildout Expenses		
Working Capital	\$465,382	3 Month Operating Budget		
		3 Month Expense Security Net		
Reserves	\$0			
Development Contingency	\$50,000			
<b>Total</b>	<b>\$2,640,382</b>			
<b>Income Source</b>				
	<b>Amount</b>			
MH Longterm Solutions	\$2,500,000	<b>Secured</b>		
			Councilor Gallant to Meet w/ Delegates	
Direct Congressional Spending	\$0	\$500,000		<b>Not Secured</b>
Private Fundraising	\$100,000	Kaydenz Kitchen Campaign	<b>Not Secured</b>	Private Fundraising Campaign
Raise-Op	\$71,950	Raise Co-op	<b>Secured</b>	
			ARPA Money needs to be allocated by end of 2024 & Spent by 2026	
County	\$0	\$1,000,000	City Applied For Funding Support	<b>Denied</b>
EPA Community Change	\$0	\$2,000,000		<b>Denied</b>
<b>Total</b>	<b>\$2,671,950</b>			
<b>Balance</b>	<b>\$31,568</b>			

**Exhibit E: DRAFT Operating Budget 45 Beds**

Expenses	Amount							
Annual Payroll	\$902,860.00		Payroll	Day Shift Manager/Intake	\$52,000.00			
Benefits (30%)	\$288,864.00			Evening Shift Manager	\$52,000.00			
Program Director	\$60,000.00			Custodian	\$40,000.00			
Payroll Subtotal	\$1,261,744.00			Cook	\$40,000.00			
Food Costs	\$135,000.00	\$8/Person/Day		Cook Asst	\$0.00			
Transportation	\$10,000.00	Gas/Insurance/Maintenance		Cook Weekend	\$20,000.00			
Property Maintenance	\$20,000.00	Plowing/Mowing Contracted		Cook Helper	\$0.00			
Utilities	\$75,000.00	Heat/Elec/Water		Shift Coverage	\$698,880.00	\$20/Hr Average Pay		
Insurance	\$25,000.00	Property/Liability						
Supplies	\$5,200.00	Office Supplies						
Cleaning	\$26,000.00	\$500/Week Contracted						
Operations Subtotal	\$206,200.00							
Operations Contingency (10%)	\$20,620.00							
Administrative Fee (18%)	\$283,861.52	Kaydenz Kitchen						
Estimated Annual Budget	\$1,861,525.52							
				Payment Units				
Operating Income				Housing	Months	People	Eligibility Rate	Occupancy Rate
General Assistance	\$285,768.00			735	12	45	80%	90%
ESHAP	\$162,000.00	Assumes \$300 per bed		300	12	45		285768
Lewiston Housing HAP Waiver	\$65,700.00	\$4/night/person				45		162000
Auburn Funding	\$400,000.00							
Lewiston Funding	\$400,000.00							
County Funding	\$400,000.00							
Private Fundraising	\$200,000.00							
Total Income	\$1,913,468.00							
45 Bed Operating Expense	\$1,861,525.52							
Budget Shortfall/Coverage	\$51,942.48							







**Diversified Drafting LLC**  
1921 NORTH RD, PO Box 32,  
Mount Vernon  
Mount Vernon, Maine 04352  
United States

2075512422  
www.diversified-drafting.com

## PROPOSAL

SHELTER BUILDING-554 LINCLON ST, LEWISTON

**BILL TO**  
**Kevin Boilard**

kaydenzkitchen@gmail.com

**Estimate Number:** 25-009

**Estimate Date:** February 20, 2025

**Valid Until:** March 22, 2025

**Estimate Total (USD):** **\$10,500.00**

Items	Quantity	Price	Amount
<b>STEP 1 (Approximately two weeks)</b> Field measuring several trip, new As - Built drawings of exact existing building with floor plans and exterior elevations.	1	\$2,500.00	\$2,500.00
<b>STEP 2 (Approximately two weeks)</b> New shelter floor plans showing all new walls, doors, windows, new exterior elevations, bathrooms, showers, bunk rooms and 11 new items as requested.	1	\$2,800.00	\$2,800.00
<b>STEP 3 (Approximately two to three weeks)</b> Final revisions of new floor plans showing life safety, construction details, ADA details, SFMO review, and PE stamped drawings.	1	\$5,200.00	\$5,200.00
<b>Payment Terms:</b> Payment required before each STEP 1 and STEP 2, 50% of STEP 3 prior to, and balance due upon completion.	1	\$0.00	\$0.00

**Total:** **\$10,500.00**

**Estimate Total (USD):** **\$10,500.00**

THANK YOU FOR YOUR BUSINESS!

Powered by  wave

**OUELLETTE & ASSOCIATES, P.A.**  
CERTIFIED PUBLIC ACCOUNTANTS

Kimberly S. Berg, C.P.A.  
Michael R. Dunn, C.P.A.  
Steven R. Lamontagne, C.P.A.

Steven R. Lamontagne, C.P.A.  
Gary A. Wigan, C.P.A.  
C. Joseph Wolverton, Jr., C.P.A.

August 1, 2024

To Whom It May Concern:

This letter is in reply to a request received from Kevin Boilard with Kaydenz Kitchen Food Pantry. Kaydenz Kitchen has been a client of this firm since 2020 and all required 990 forms have been completed and filed electronically to date. Our relationship will continue to file the required 990 forms until we are told we are no longer engaged to do so. If we can be of further assistance, please let us know.

Sincerely,



Keith M Morin, CPA/ABV

## **Admission Policy**

“ “ Shelter provides specialized support services for people living with mental illness, addictions and other challenges. All of the “ “ Shelter programs operate from a low barrier perspective—meaning that we do not require that people be sober, compliant with mental health or addiction treatment plans, or agree to participate in programs to receive services and housing support from us. Instead, we welcome them to a community of people experiencing similar challenges meeting them where they are at. The homeless are not homogenous. By offering a variety of housing and support options, “ “ Shelter can ensure that appropriate, supportive environments are available to our clients.

“ “ Shelter programs include emergency housing, transitional housing, long-term housing, outreach programs, food services, and community living support. By providing services to those who are not considered ‘housing ready’ by other organizations (active substance use, and no psychiatric treatment links or medication use). The goal is not simply to get people off the streets but to provide a comprehensive array of supports that assist people in achieving stability, allowing them to move forward with their lives. By providing housing and support in a client-centered environment, “ “ Shelter engages clients to create an atmosphere of trust where opportunities for change can be discovered.

“ “ Shelter welcomes all people who are homeless or at-risk of homelessness unless they have previously been banned due to severe violence towards staff or other policy violations on our property.

## **Shelter Admission Procedure**

Clients are informed of the purpose, scope, and contents of services offered at the “ “ Shelter at the outset of service delivery. Clients are informed that service use is voluntary. A person becomes a client at the “ “ Shelter when both staff and the client have mutually agreed upon service and a file has been opened.

The Client must be able to convince staff that they know where they are, and are willing to participate in the admissions procedure. If they do not, staff may use their discretion about admission. If they are not “received”, a referral may have to be made to another agency for help. If any behavioral problems occur, police may be called.

The following admission procedure is followed for all clients:

- Ask clients to identify themselves and provide date of birth (check ID if available)
- Determine if the person is barred
- Ask if the person has any weapons or medication to turn in
- Administer shelter questionnaire and client intake forms
- Present the Charter of Rights and Responsibilities
- Assign bed and offer shower and laundry

The orientation of those being served begins at intake. Each new client will receive a copy of “House Rules” and will be asked to sign the statement of agreement. Orientation will be conducted in a way that is clear, consistent, understandable and will include:

1. Identification of the shelter worker and their role
2. Information about how the program operates
3. Mission, program and services of the “ “ Shelter
4. Clear communication regarding clients rights and responsibilities
5. Information regarding complaint procedures

This information will be provided to all people who become clients, however, the worker will assess to what depth the information for new clients will be delivered.

Shelter staff will use “ “ Shelter’s intake document as a guide during intake and orientation to ensure all procedures are in place and are followed consistently with each client.

# **Charter of Client Rights and Responsibilities**

## **Policy:**

The “ ” Shelter respects the rights and dignity of the people it serves and treats them in a non-coercive manner. Shelter programs have procedures in place to facilitate a respectful workplace.

This Charter establishes the rights and responsibilities of clients accessing services at the “ ” Shelter. The rights and responsibilities include:

## **Rights:**

- The right to feel safe in the “ ” Shelter and associated programs;
- The right to progress through the shelter programs at your level of comfort and understanding
- The right to be considered for accommodation and housing based on fair policies;
- The right to receive help finding and staying in suitable housing on a long-term basis;
- The right to be treated with respect regardless of your race, status, gender, sexual orientation, age, religion, or beliefs;
- The right to be informed of your human, legal, and civil rights, and to speak up when you feel they have been violated;
- The right to be informed about the policies of the Society that have a direct impact on you;
- The right to be informed and included in the decisions made about you and your family;
- The right to confidentiality in accordance with the Private Information Protection Act and the Freedom of Information and Protection of Privacy Act;
- The right to receive help when applying for income assistance, employment and health services, educational opportunities and other support services; and,
- The right to make a complaint or appeal a decision you do not agree with and receive an answer that makes sense to you.

## **Responsibilities:**

- The responsibility to respect the rights of others to feel safe;
- The responsibility to respect the cultural backgrounds and privacy of others;
- The responsibility to follow schedules and rules of the “ ” Shelter and its programs;
- The responsibility to let program staff know if you are unable to keep an appointment and need to reschedule; • The responsibility to inform staff if you feel that any staff member has breached the code of ethics, confidentiality or has treated you unfairly.

# **Discharge Policy and Procedure**

## **Policy:**

The " " Shelter Society ensures that when service is terminated, either voluntarily or involuntarily, employees follow an orderly and respectful process.

Discharge may occur when the client:

- Achieves his/her goals and is ready to discontinue service
- No longer wants to stay at the Shelter and receive service
- Refuses to adhere to the policies and procedures of the shelter (e.g. violent behavior or weapons possession);
- Has needs that exceed the resources and expertise of the shelter

## **Procedure:**

### **Discharge Checklist**

As a client prepares for discharge staff should use the following checklist to ensure an orderly and comprehensive discharge and file closing process:

- Wrap up case planning with the client
- Complete a discharge/aftercare plan with the client
- Have the client complete a Client Satisfaction Survey prior to leaving;
- Record the reason for discharge
- Make appropriate referrals where external after care is required
- Ensure all personal property in the client file is returned to the client
- Enter a closing summary in the client file within two days of discharge. Closing Summary A closing summary entered into the client record must be written by staff within 2 days of client departure. The closing summary includes:
  - The reason for discharge
  - Service goals and outcomes
  - Plans for follow-up
  - Other summary comments as appropriate

## **Involuntary Discharge:**

In some cases, the Shelter may require a client to be discharged on an involuntary emergency basis. The Shelter Manager must sign off on the decision to ask a client to leave. Employees have an obligation to assist such clients in linking to other appropriate services prior to leaving the shelter. This may include, among other things, making referrals or providing the clients with resources to self refer. Staff should always remain non-judgmental in their approach to the client. Be honest with the client about why s/he is being asked to leave. The client may react angrily to the involuntary discharge and staff may be the target of that anger. If there are concerns that this may happen, staff should ensure that they are not alone during the procedure.

**Appeal Process:**

If a client expresses a concern or makes a complaint concerning their involuntary discharge, s/he can take the following steps:

1. The client should discuss the matter fully with the Shelter Manager, who will make a decision on any corrective action required within the boundaries of his/her authority. The Manager will notify the Executive Director of the client's concerns and the action taken.
2. If the client is still unsatisfied with the outcome, the client may submit a request for intervention to the Executive Director, who will acknowledge receipt within five days. The Executive Director will take any corrective action required within 10 days and inform the client, in writing, of the resolution.
3. Clients have the right to ask assistance of another person to speak on their behalf, or help fill out a grievance form.
4. Client grievances are reported in the Shelter Manager's Quarterly and Annual Reports. The Board of Directors reviews all grievances quarterly and annually, providing a level of review that does not involve the person about whom the complaint was made or the person who reached the decision.
5. Copies of all documents are placed in the client file.



# **Substance Use Policy**

## **Policy:**

While drugs and alcohol are not allowed on the premises, we do house many clients who are actively using these substances. We offer a non-judgmental approach that attempts to meet clients "where they are at" with their substance abuse. Instead of denying services to clients who are using, we try to give opportunities for the clients to minimize the harms associated with substance abuse.

## **Procedure:**

- Staff will not ask clients to be abstinent, only that they cannot use in the shelter.
- Staff should help clients recognize that some ways of using substances are clearly safer than others.
- Staff should recognize that the realities of poverty, class, racism, social isolation, past trauma, sexbased discrimination and other social factors that affect clients' vulnerability to and capacity for effectively dealing with substance use.

## **Practicing Harm Reduction:**

Staff should support clients with their harm reduction plans.

Examples of this include:

- Encouraging a client who has decided to reduce the amount of substance s/he consumes in a day;
  - Listening and honoring a client's story about how s/he became dependent on prescription medication;
  - Helping a client to get past the shame of being addicted so that s/he can make conscious choices about what s/he wants to do about it;
  - Giving a client information on how to use more safely to keep him/herself disease free, which will lead to more options in the future.
- 
- Staff may not automatically ask a client to leave the shelter for drug use or for having paraphernalia in the shelter.
  - When addressing a client who has been found using in the shelter, staff should offer alternative solutions to the client, such as making sure the client knows where recovery programs are available.
  - When clients are quite inebriated or high in the common areas of the shelter, staff should ask them to stay in their designated area when in this state. If a client is asked to leave the common areas and stay in his/her area, staff should make a point of checking on the client periodically, to ensure his/her physical safety

# Weapons Policy and Procedure

## Policy:

Weapons will not be accepted for check-in or allowed in the facility. Shelter staff will make the determination as to what constitutes a weapon. Attempts to bring weapons into the facility will result in an immediate denial of service.

Work tools and any other devices, which may be used in a manner that could cause serious bodily injury, must be checked in at the front desk and appropriately stored, before the client is allowed in other areas of the shelter

## Procedure:

- Items which require check-in must be tagged with the client's name and date of check-in. All check-in items must be immediately stored in a locked box, closet or cabinet, which is to be located in a secure area of the facility.
- Clients may retrieve the items whenever they are ready to leave the facility.
- Upon check-in of an item, clients will be provided with a Property Log Agreement Form, used to log receipt and return of the item. This form will also explain the rules of the Shelter Safety Policy. The client must sign this agreement and turn the item(s) over to shelter staff, before continuing to any area of the shelter.
- When a client requests the return of his/her item(s), the client's name and date the item was returned will be entered in the Property Log Agreement Form. The client will confirm the return of their item(s) by signing in the appropriate column. The shelter will keep the original copy of the Property Log Agreement Form and provide the client with a copy of the signed document. This procedure will be done each time an item is returned to a client. Only the Shelter Supervisor or Site Manager may return an item.

**Banned Weapons:** Guns (including zip guns and BB guns) / Knives (other than those specifically designated for legitimate vocational purposes-see list of items for check-in) / Spears and swords / Clubs, sticks and staves / Explosive devices / Martial arts weapons / Brass knuckles / Pepper spray/mace / Stun guns / Tasers / Razors (including straight razors and razors with removable blades) / Slingshots

**Items Requiring Mandatory Check-in:** Work Tools (hammers, screwdrivers, crowbars, box cutters, etc.) / Sports Equipment (golf clubs, baseball bats etc.) / Camping equipment (hatchets, tent spikes, etc.) / Knives which are used for legitimate vocational purposes (culinary knives for clients employed as chefs/cooks) / Heavy flashlights (such as police style Maglite flashlights) / Canes (must be checked-in by clients who are not mobility impaired) • Large metal crosses / Jewellery with studs, spikes and/or other protrusions / Scissors **Please Note: This is not meant to be a comprehensive list of banned items/items requiring check-in. Shelter staff and security personnel are fully authorized to make determinations regarding such items on a case-by-case basis.**

# **Violent Behavior Policy and Procedure**

## **Policy:**

A client will be told to leave the shelter when staff has witnessed the person, or s/he has admitted to, being violent or physically intrusive inside the shelter, or s/he has repeatedly targeted another individual. This includes:

- Hitting, kicking, slapping, pushing
- Throwing objects at someone
- Any unwanted physical contact
- Being verbally abusive repeatedly to the same person

## **Procedure:**

1. Staff will intervene in a conflict in the shelter and encourage those involved to work things out respectfully, offer to mediate, and name abusive behavior.
2. Staff will prioritize being in common areas with clients when tensions are high.
3. Whenever possible, the decision to tell a client to leave should be discussed with the manager or another support worker.
4. When a client has assaulted anyone in the shelter or been physically intrusive, aggressive (including unwanted touching) and staff have seen it, or the person has admitted it, s/he must leave.
5. Staff should be honest with the client about why s/he is being asked to leave. If possible, help the person with their plans and provide him/her with alternatives. Staff should remain non-judgmental.
6. The client may react angrily and staff may be the target of that anger. If a staff member is concerned about personal safety and s/he is on shift alone, call in another staff person before talking with the client and, if necessary, notify the police.
7. Notify the Shelter Manager immediately and complete a Critical Incident Form.

# **Dealing with Inappropriate Behaviour Policy and Procedure**

## **Policy:**

At the " " Shelter, our primary concern is housing and assisting clients who are in crisis. We do our best to help clients live within the guidelines that are necessary for maintaining the communal environment of the shelter. If at all possible, we want clients to be able to continue their stay at the shelter. This can sometimes be a difficult task, especially when clients act out in loud, rude or aggressive ways towards staff or other clients. It is up to staff on shift to find a balance between ensuring the safety of the shelter (staff and clients) and finding ways to assist the client in maintaining a certain level of appropriate behavior, so that s/he can remain a client.

## **Procedure:**

If a client has repeated instances of inappropriate behavior that jeopardizes the safe and communal atmosphere of the shelter, a client may be given warnings; placed on daily assess or evicted; or barred for a period of time.

### **\* Warnings**

If a client disregards a shelter policy, and is not receptive to being told by staff that it is unacceptable behavior, s/he will be given a warning. It is important that the client be made clearly aware of why s/he is being given the warning. If the client receives too many warnings about the same unacceptable behavior s/he may be asked to leave. However, if a client has several warnings on file, but on different topics, then this does not lead to him/her being asked to leave

### **\* Daily Assess**

This indicates that there were significant issues that arose during the current or recent previous stay of a client. If the incidents occurred during his/her previous stay, the client should be made aware that s/he needs to closely monitor his/her behaviors related to the daily assess, as a condition of the shelter offering him/her space. (If for example, there was drug paraphernalia found in the client's things when s/he moved out, s/he needs to have the alcohol and drug policy emphasized to her when s/he calls for space and during the intake. As well, it means that the client will be given fewer warnings about his/her behavior during this stay, and may be asked to leave sooner than if s/he did not have a history of being unable to follow the guidelines of the shelter.

### **\* Evictions**

A series of warnings, followed by a final warning for threatening or unsafe behavior will lead to an eviction. A clear time limit for the client to leave the building is given at this time. Extremely threatening behavior towards staff or another client will result in immediate eviction. If a client is too aggressive, angry or out of control to leave the shelter on their own, the police can be called to escort the client from the premises.

**\* Barrings**

If a client is unable to comply with the behavioural requirements of the shelter, especially if s/he cannot/will not follow conflict resolution procedures or is violent, s/he will be barred for a period of time. Once a client has been evicted, his/her file is assessed by staff in order to determine if a barring is necessary, and if so, how long it will be in place.

## **Complaints Policy and Procedure**

### **Policy:**

Feedback is important. Shelter clients must be provided with an opportunity to express their concerns and/or complaints. Staff have a duty to listen to and consider what is being said, and provide the client with a response.

### **Procedure:**

To ensure that client concerns/complaints are handled in a consistent and responsive way the following procedure should be followed:

1. Whenever possible, the staff person first hearing the concern/complaint must attempt to resolve it using active listening and conflict resolution skills.
2. If the client remains angry or concerned, staff may refer the client to the program manager or designate, who may then refer him/her to the Executive Director.
3. Clients also have the right to access the Board of Directors and/or MS Housing. In these cases provide the client with the mailing address of the board and/or MS Housing.

# **Complaints Policy and Procedure: Conflict Resolution**

## **Policy:**

Living in a communal environment is always challenging, whatever the current life circumstances are for the people involved. Because of this, conflict does happen between clients. As part of our commitment to providing safe shelter, we require all clients who stay in the shelter to participate in mediated conflict resolution with a Support Worker when they are having a conflict with a roommate or anyone in the shelter. This is also effective for preventing violence in the workplace.

## **Procedure:**

1. As a first step, clients should resolve conflict with each other by talking calmly and directly with the other person involved to find some resolution. If this does not resolve the conflict, then both people involved need to come into the office so that the Support Worker can mediate.
2. Clients need to agree to abide by the conditions of the solution of this process or acknowledge they will be moved to another shelter.
3. Each person should have a chance to tell their side of the story in a respectful way without interruptions from the other person.
4. The Shelter Worker should encourage the clients to suggest compromises that could solve the situation. If they are unable to come up with constructive solutions, Shelter Workers should put forward compromises that might work for all involved.
5. Sometimes, the clients are just not able to compromise, and it may be necessary to have the two people involved stay away from each other, and out of each others' business, for the duration of their stay. It must be made clear that if the people involved cannot follow these guidelines, and continue to engage in behavior that is aggressive, threatening or too disruptive to other clients, then one or both people may be asked to leave. If possible, an alternate space in another shelter will be found.

# **Privacy & Confidentiality Policy & Procedure**

## **Policy:**

" " Shelter values and protects the confidentiality of client information. For the shelter to work effectively, clients must have confidence that the information they provide will be safeguarded appropriately.

## **Procedure: Shelter staff**

1. Treat as confidential all discussions about clients, all client case records, and all other material containing information about clients;
2. Inform all clients that concerns or questions on why their personal information is being recorded or what is done with it can be directed to the Executive Director
3. Keep client files secure and locked;
4. Limit access to client files to authorized persons; and,
5. Do not leave clients or other people unattended with confidential material. Access to Client Files Access to client files is only permitted to appropriate, authorized persons. These include clients; parents or legal guardians, where appropriate; employees authorized to see specific information on a "need-to-know" basis; and others outside the Shelter whose access is permitted by law.

## **Access to Client Files:**

Access to client files is only permitted to appropriate, authorized persons. These include clients; parents or legal guardians, where appropriate; employees authorized to see specific information on a "need-to-know" basis; and others outside the Shelter whose access is permitted by law.

## **Working Notes and Off-Site Documentation:**

In programs where client contact is off-site or where client working notes must be secured outside of the Shelter's regular office, it is important to ensure confidentiality is respected both verbally and in written form. To achieve this, the following additional procedures are required:

1. Whenever possible, off-site information will have minimal identifying information (initials)
2. If confidential material is kept in a vehicle during working hours, the vehicle must be locked at all times and the material stored out of view. No confidential material is to be left in a vehicle overnight.
3. Any confidential information kept at an employee's home must be secured. No confidential information is to be stored on home or personal computer hard drives. Computer disk files must be password protected.
4. Working notes must be brought into the office and securely stored or destroyed every three months.
5. Upon client discharge, all written information/notes on the client kept outside of the office must be returned for secured filing.



# IT Policy & Procedures

## Policy:

" " Shelter protects the confidentiality of client and business data by maintaining computer security that meets or exceeds industry standards. The security includes hardware and software applications as well as limited security access using user names and passwords.

Information handled by computer systems must be adequately protected against unauthorized access, modification, disclosure, or destruction. Effective controls for logical access to information resources minimize inadvertent employee error and negligence and reduce opportunities for computer crime.

Fulfillment of security responsibilities is mandatory and violations of security requirements may be cause for disciplinary action, up to and including dismissal, civil penalties, and criminal penalties.

## Procedures:

### Access Codes and Passwords

- The confidentiality and integrity of data stored on Safe Shelter Society's computer systems is protected by access controls to ensure that only authorized users can gain access. Access privileges are restricted to only those capabilities that are appropriate to each user's job duties (this includes limiting the installation of software to IT staff).
- Each user is responsible for the security of his or her assigned passwords. Passwords should not be written down. Users must not disclose passwords to others and must immediately change passwords if it is suspected that they have become known to others.
- Where possible, passwords must be a minimum of seven characters in length and be comprised of a combination of letters, numbers and special characters. The use of proper names, dates, phone numbers and words that can be found in a dictionary must be avoided.
- Passwords must be changed at least every 180 days, if not prompted automatically by the system.
- Some systems provide the ability to save a password so that it does not need to be entered the next time the application is run. This can provide easy access to systems for an unauthorized user. Under no circumstances should passwords to Safe Shelter Society's systems be saved in an unencrypted format.
- When a user walks away from a computer they are logged on to, they must either log off or lock the computer. This applies even if the user is only leaving the computer unattended for a short period of time.
- All users acknowledge their reading and understanding of computer security issues each time they log on to a Society computer system.

**Inappropriate use:**

Inappropriate use of Safe Shelter Society's information technology includes, but is not limited to:

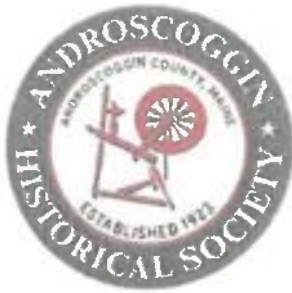
- Unauthorized access, alteration, destruction, removal, and/or disclosure of data, information, equipment, software, or systems;
- Deliberate over-extension of the resources of a system or interference with the processing of a system;
- Disclosure of confidential passwords and/or access devices or information for accounts, equipment, and telephone voice mail;
- Unauthorized use of Society facilities and resources for commercial purposes;
- Theft of resources;
- Malicious or unethical use; and
- Use that violates provincial or federal laws.

**Monitoring system use:**

- The Manager of Information Technology is responsible for monitoring the system for security. In the course of monitoring individuals improperly using the system, or in the course of system maintenance, the Manager of Information Technology may also monitor the activities of authorized users.
- Anyone using " " Shelter's system expressly consents to such monitoring and is advised that if such monitoring reveals possible evidence of criminal activity, system personnel may provide the evidence of such monitoring to law enforcement officials or the Executive Director for disciplinary action.

**Computer Viruses:**

Computer viruses are programs designed to make unauthorized changes to programs and data. Therefore, viruses can cause destruction of " " Shelter's resources and are much easier to prevent than cure. Defenses against computer viruses include protection against unauthorized access to computer systems, using only trusted sources of data and programs, and maintaining virus-scanning software. Users must not knowingly introduce a computer virus into " " Shelter's computers. Users must not load diskettes, CD-ROM's, USB memory devices or other portable media of unknown origin. All incoming diskettes, CD-ROM's, USB memory devices and other portable media must be scanned for viruses before the files that they contain are opened. Any user who suspects that his/her Safe laptop or workstation has been infected by a virus must immediately power off the workstation and contact IT Department.



## The Androscoggin Historical Society Incorporated 1923

93 Lisbon Street, Lewiston, Maine 04240-7119  
*androhistory.org* (207) 784-0586

November 22, 2024

Phil Crowell, City Manager  
City of Auburn  
60 Court Street  
Auburn, ME 04210

Dear Phil,

Thank you for the city's municipal support of the Androscoggin Historical Society. Your gift of \$10,000.00 is critical to our ability to increase research materials and genealogical services to the County, State and beyond, provide lectures and discussion groups, curate our 93 Lisbon Street gallery, and deliver K-12 education programs at the Knight House and the West Auburn School House.

As a repository for the history of Androscoggin County, we take very seriously our mission to preserve and disseminate the heritage of our region and we look forward to adding more services each year.

On behalf of the members, board, staff and volunteers of the Androscoggin Historical Society, thank you for your generosity and dedication.

Sincerely,

*Marti Chabot*

Marti Chabot  
Board President

93 Lisbon Street, Lewiston, Maine 04240-7119  
(207) 784-0586

Website: *androhistory.org* Email: *Info@androhistory.org*



# The Androscoggin Historical Society

## Incorporated 1923

November 15, 2024

Phil Crowell  
City of Auburn  
60 Court Street  
Auburn, ME 04210

Dear Phil,

Because of you, the Androscoggin County Historical Society is thriving!

Your contribution to the Society during the first year of our *Campaign for Growth* helped us reach several milestones:

- Relocation to 93 Lisbon Street
- Building modifications
- Regular open hours
- A growing volunteer program for assistance with archiving and research
- Significant support from Business sponsors, acknowledging economic impact
- Participation in all Art Walks, encouraging cultural tourism
- Monthly exhibitions in the Atrium gallery
- Lectures and group discussions

Your gift given in the first year of the campaign gave us the confidence to move forward, and we wish to acknowledge our founding donors on a plaque in our gallery. Donors will be listed alphabetically with no gift amount indicated. **Your name will appear as:**

City of Auburn

**If this is not correct or if you do not wish to be listed, please email [info@androhistory.org](mailto:info@androhistory.org) or call 784-0586.**

Thank you again for stepping up when we needed you most to support our dream of a permanent home. If you have not visited our new location please stop by soon or follow our Facebook page for programs and special events.

Sincerely,

*Marti Chabot*  
Marti Chabot, Board President

*I appreciate your support on behalf  
of the City.*

93 Lisbon Street, Lewiston, ME 04240  
[info@androhist.org](mailto:info@androhist.org) (207) 784-0586

## **GREAT FUTURES START HERE.**



Gary Violette, Director Auburn-Lewiston Club  
Boys and Girls Clubs of Southern Maine

43 2<sup>nd</sup> Street  
Auburn, ME 04210  
(207) 782-2446 | [gviolette@bgcmaine.org](mailto:gviolette@bgcmaine.org)

**November 12, 2024**

Mayor Jeff Harmon  
Auburn City Council Members  
60 Court Street  
Auburn, Maine 04210

Dear Mayor Harmon and Council Members,

The Boys and Girls Clubs of Southern Maine is pleased to submit a request for your consideration in support of our Auburn Club for the coming year.

Last year, the City of Auburn generously supported our Club with a grant of \$20,000 to fund operational and programmatic needs at our Club, located at 43 2<sup>nd</sup> Street in Auburn.

The Boys and Girls Club Auburn Club has been operating since 1995 after our organization forged a partnership with the City of Auburn to operate within the City's former recreational center. We are grateful to the City of Auburn for providing this facility to the Boys and Girls Clubs of Southern Maine to support Auburn's elementary, middle, and high school children.

Each day, we welcome 100 children from Auburn, ages 6-18. We arrange and provide all transportation to and from the Club. We also provide a daily healthy snack and hot dinner, which is a critical service for many of our members experiencing food insecurity. Each afternoon, members not only participate in recreational opportunities, but they are also provided with structured programming in academics, the arts, and leadership in a safe place with caring mentors.

While many nonprofits are facing operational decisions to cut back on programming, the Boys and Girls Clubs of Southern Maine remains committed to providing top quality programming that will help each of our members learn, grow, and have fun. We know that if Club members participate at their Club at least 2 days per week, they are more likely to graduate from high school. Of our current members: 94% are on pace with their current grade level; 92% are on track to graduate; and 80% feel that they can make a difference in our community.

**Partnerships in the City of Auburn**

The Club has several partnerships in place that provide myriad benefits to the City of Auburn and its residents including, but not limited to:

**Auburn Families:** our Auburn Club provides a safe place for the children of hardworking families who may not have other viable options for childcare after school. We provide a safe, caring environment for all children to learn, grow, and have fun at very low to no cost for families.

**City of Auburn:** we occupy and maintain a City-owned facility, shouldering the ongoing costs to maintain the building. Since moving into the space twenty years ago, we have funded and overseen the replacement of the building's boiler and hot water heater. Previously, we partnered with the City to receive grant funds for critical roof repairs and to replace the gym flooring. The Auburn Club also serves as a voting site for Auburn citizens.

**Auburn School District:** we partner with school administrators to coordinate transportation to our Clubs and we work with guidance counselors to identify Club members in need of additional academic or social/emotional support after school. Our facility is the site for the school district's summer school programs. Teachers can easily meet with students 1:1 during their lessons. For our members participating in summer school, we provide a plan to integrate students into summer learning loss programming after attending their classes and working with their teachers on-site.

**YWCA:** we partner with the local YWCA to rent their pool facility to run our Michael Phelps Aquatics Program to ensure all children know how to swim, are aware of water safety, and can learn about living a healthy, active lifestyle at an early age. We began this program partly in response to a series of tragic youth drownings in the Auburn and Lewiston areas several years ago. In four years, 150 local elementary students have learned how to swim as a result of our program.

In addition to the regular programming provided to our members throughout the school year and over the summer, we are also an important site for Auburn families during the holidays. We provide a special Thanksgiving dinner for all our club members and their families, which is made possible by generous community support, including a partnership with the local Rotary Club, to provide traditional Thanksgiving ingredients, prepare meals, and help us serve hundreds of people at our Auburn Club.

Finally, we partner with many local businesses to participate in a special holiday event for our members and their families. We provide gifts, sponsored by our business partners, and a meet and greet with Santa to bring holiday cheer to Auburn families.

### **Auburn Club Needs, 2025**

Currently, the Boys and Girls Clubs of Southern Maine provides scholarships and relies on subsidies to ensure very low cost or totally free **membership** for kids. We never turn a child away and our staff works hard to ensure that every interested family can send their child to the Club. However, the cost of insurance and food has risen significantly and the reimbursement per child from state and other programs has not kept pace with inflation. The Boys and Girls Clubs of Southern Maine, which also operate Clubs in Lewiston, South Portland, and Portland, supplement these additional costs through fundraising efforts to receive federal and private grants, private

donations, and municipal funding through partnerships with the cities where our members live and their families work.

We have also faced challenges as the cost of **transportation** has risen significantly. A critical component of our work is to ensure accessibility and equity for all children, which includes easing the burden of families with limited or no transportation to and from our Clubs. Our Auburn Club owns 3 vehicles and is currently leasing an additional passenger van to accommodate the demand for our transportation services. Our fleet of passenger vans is critical to our work. We pick up members from 7 locations throughout Auburn each afternoon. Once our Auburn members have been dropped off safely at the Club, the vans are then utilized to pick up our members in Lewiston to deliver them to our Club at the Lewiston Armory site.

Our current facility has several overdue **maintenance** projects that we need to address immediately. First, our heating system operates inefficiently and unpredictably, with stop-gap solutions put in place by staff until we can secure ~\$7,000 to complete the repairs needed. Additionally, the building's windows are old and extremely difficult to maintain. Finally, we need greater security measures put in place at our facility. We have engaged with the Boys and Girls Club of America's Safety Improvement Grant and in a federal grant through FEMA to help address the overall safety of our facility.

### **Our Request to the City of Auburn**

Last year, the City of Auburn designated \$20,000 to the Boys and Girls Clubs of Southern Maine specifically for the programming and operations of the Auburn Club.

We are requesting another year of support from the City, recognizing that some post-COVID funding may be limited in the coming fiscal year. We would be grateful to receive another \$20,000 allocation from the City, which represents an investment of \$200 per child for the year and will significantly impact our ability to provide adequate daily programming and a safe space for our local members.

Funds from the City of Auburn will be used as needed for our three key priorities listed above: subsidize membership for kids to join the Club and benefit from our programs; support transportation costs to and from our Clubs for 100 members each day; begin to address critical facilities maintenance needs to ensure the safety of our Club for members.

Thank you for your thoughtful consideration and continued support of the Boys and Girls Clubs of Southern Maine, Auburn Club.





**Administrative  
Offices & Clinic**  
67 Eustis Parkway  
Waterville, Maine  
04901-5173  
207-873-2136  
1-888-322-2136  
207-872-4522 Fax

**Augusta Clinic**  
66 Stone Street  
Augusta, Maine  
04330-5227  
207-626-3455  
207-626-3612 Fax

**Medication Clinic**  
11 Caldwell Road  
Augusta, Maine  
04330-5227  
207-213-2037

**Skowhegan Clinic**  
5 Commerce Drive  
Skowhegan, Maine  
04976-1828  
207-474-8368  
207-474-7794 Fax

**Winthrop Clinic**  
6 Old Lewiston Rd  
Winthrop, Maine  
04364-4121  
207-377-8122  
207-377-8564 Fax

**Farmington**  
115 Mt Blue Circle  
Suite 3  
Farmington, Maine  
04938  
207-860-3026  
207-860-3027 Fax

[www.kbhmaine.org](http://www.kbhmaine.org)

 Clubhouse International



**October 17, 2024**

City of Auburn  
60 Court Street  
Auburn, ME. 04210

Dear Auburn Select Board,

Kennebec Behavioral Health (KBH) is a 501 (C) (3) Nonprofit organization that offers clinic-based services including medication management and outpatient counseling for mental health, substance use disorder, and co-occurring disorders throughout Central Maine. Our mission is to promote the well-being of children, adults and families who experience mental illness, emotional difficulties or behavioral challenges. During Fiscal Year 2024, KBH served a total of 18,243 individuals and have a total of \$6,898,816.00 of uncompensated care in which we are seeking coverage

During fiscal year 2024, Kennebec Behavioral Health (KBH) provided mental health and/or substance use disorder services to 126 Auburn residents. This included providing \$96528.98 in uncompensated health care to your residents who were either underinsured or had no insurance.

KBH respectfully requests \$400 from your next municipal budget to help offset the cost of providing uncompensated care to the 126 Auburn residents, or an amount that Auburn can provide,. This number equals \$3.1746 per resident. KBH will continue to strive towards providing the best possible care to our clients and members, support our staff members, and to be a valued organization and resource to the residents of Auburn and the rest of Central Maine.

I would be pleased to attend your budget or town meetings if it is required to address our annual request for allocation. If you need to reach Kennebec Behavioral Health (KBH) about this request and/or to provide advance notice of meetings that KBH should attend, please contact me at [kjohnson@kbhmaine.org](mailto:kjohnson@kbhmaine.org) or (207) 873-2136 Ext 1034. KBH sincerely thanks your select board for your consideration!

Sincerely,  
Kelli Johnson

Development & Grant Coordinator  
[kjohnson@kbhmaine.org](mailto:kjohnson@kbhmaine.org)  
Kennebec Behavioral Health





February 6, 2025

To: City Council, City of Auburn, Maine  
From: Alison Cooney, Executive Director - Lake Stewards of Maine  
Re: Request for Lake Stewards of Maine funding from the City of Auburn

Dear City of Auburn, City Council,

Thank you for considering this request from **Lake Stewards of Maine (LSM)**. Maine's water resources, including our lakes, rivers, and coastline, are essential to the health and well-being of our communities. Unfortunately, climate change and development within watersheds are posing significant threats to our 6,000 lakes and ponds, making it easier for aquatic invasive species, such as milfoil, to take hold. Additionally, harmful algae blooms are becoming more frequent due to increased nutrient availability and the impacts of climate change. Many residents and property owners in your community are likely connected to a lake in Maine. Protecting these vital waterways is our collective responsibility as they are crucial to the health, recreation, and economy of our state.

A recent study by the University of Maine estimates that lakes and ponds bring in **over \$14 billion of economic impact to our state**. As part of this study, a survey conducted in every county showed that 77% of Maine residents visited lakes last year, and 92% of respondents want to take more trips to Maine lakes. Most who participated in the survey felt that generally, the water in our lakes is clean and clear. Part of this economic impact is derived from property tax income to communities. **To preserve property values**, it is essential that we maintain the pristine condition of our lakes. Of concern to municipalities, property taxes could be at risk of declining if the water quality of our lakes deteriorates.

The most cost-effective and efficient way to monitor the health of Maine's thousands of lakes is by training *volunteers* to assist with data collection. Lake Stewards of Maine, a nonprofit 501(c)(3) organization located in Auburn, plays a crucial statewide role in safeguarding these waters by training and certifying volunteers, known as community or citizen scientists. These volunteers **collect essential water quality data** to monitor the health of freshwater resources and are trained to identify and **survey lakes for aquatic invasive species (AIS)**. Those we train in AIS detection have been instrumental in the early discovery of new infestations, increasing the chances of effective control and eradication. LSM also collects ice data, which provides valuable insight into climate change impacts by tracking the duration of ice cover on lakes. By monitoring water quality, AIS, and ice coverage trends, we can better understand and **address the growing ecological challenges facing our lakes**, which have been intensified by climate change and development.

LSM's training, certification, and ongoing technical support are offered at no cost to the public. Although we receive state funding and actively pursue grants, our expenses exceed the resources available. Contributions to LSM are multiplied by the dedication of our volunteers, who **match every dollar given with at least ten times the value in volunteer efforts**. Hiring professionals to perform the same work would cost thousands of dollars. Each dollar contributed to LSM is amplified by the invaluable work of our volunteers, making your support go even further.

**To continue providing training and support for dedicated community volunteers who monitor lakes across the state, Lake Stewards of Maine respectfully requests a \$1,500.00 contribution from your City of Auburn.**

Thank you for your consideration of this request. We are excited about the prospect of establishing a relationship with you as we work together to protect Maine's lakes and ponds.

Kind Regards,



Alison Cooney

LSM Executive Director

[alison@lakestewardsme.org](mailto:alison@lakestewardsme.org)

For more information about Lake Stewards of Maine, please visit our website, [LakeStewardsOfMaine.org](http://LakeStewardsOfMaine.org). To view information on the specific lakes in your region, visit our lake resource site, [LakesOfMaine.org](http://LakesOfMaine.org), and search for your town or nearby lake. You may also email me and I'd be happy to answer any questions you may have related to our work, or to lakes in Maine!



September 27, 2024

City of Auburn  
60 Court Street  
Auburn ME 04210

Dear Selectperson,

When Maine Public was established in 1961, the goal was to bring a new kind of broadcasting service to Maine — one that was as innovative as it was trustworthy, a service that would inform, inspire, and educate our communities. Now more than six decades later, Maine Public is still leading the charge to share Maine's stories in new and revitalized ways.

Last year with community support, Maine Public increased our reporting capacity to better cover important news stories by adding a Report For America reporter covering immigration and New Mainer communities and adding a new full-time climate reporter. Support from towns like yours helped us increase coverage of underrepresented areas of the state through several projects such as the Rural Reporting Project, highlighting the benefits, challenges, and opportunities of life in rural and western Maine. We shared the first State of the Tribes in more than 20 years live on Maine Public radio, television, and online as Wabanaki leaders addressed both chambers of the Legislature.

Every day, Maine Public connects the people of Maine and our region to each other and the world through the open exchange of information, ideas, and cultural content. This is essential work that we are proud to do. Currently, Maine Public has 14 radio signals emanating from towers across the state. Last year, we were awarded construction permits for seven new stations by the Federal Communications Commission. With donations from our community, we plan to expand Maine Public Radio to unserved areas in Millinocket, Greenville, and Bethel, and grow our existing Maine Public Classical network to Fort Kent, Mars Hill, Calais, and Greenville. Free and open access to accurate, balanced, and objective content is more important than ever, and Maine Public is committed to delivering it everywhere in Maine.

**Will Auburn consider joining more than 100 municipalities to support this important resource with an appropriation of \$100?** With your funding, Maine Public, with our trusted partners, NPR and PBS, will continue to be Maine's storyteller, amplifying the voices of Maine.

Our listeners and viewers appreciate the support your community provides. Thank you for your consideration.

Sincerely,

Curtis Chadbourne  
Director of Member Services  
membership@mainepublic.org  
800-884-1717 x 1201



### **Maine Public Organizational Overview**

Public radio and television broadcasting in the United States is organized as a cooperative of community-based stations which pool resources to create shared national programming and individually serve the needs of their communities.

Through its radio, television, educational and Web services, Maine Public provides inspiration, information and lifelong learning to a diverse public. Maine Public serves Maine, most of New Brunswick, Canada, and parts of New Hampshire and Massachusetts. Maine Public's services are available to everyone at no charge. Hundreds of thousands of people find value in Maine Public's services every day. Private donations — including those received from radio members, television members, program sponsors and contributors of unrestricted gifts — comprise the largest source of revenue for the organization. The membership base alone totals more than 54,000 individuals and families.

### **Formation of Maine Public**

Maine Public was formed in 1992 through the merger of the educational radio and television stations provided by the University of Maine System and WCBB public television operated by Colby, Bates and Bowdoin Colleges. Maine Public is an independently owned and operated 501(c)3 nonprofit organization with office and studio locations in Bangor, Lewiston and Portland, Maine.

### **Maine Public's Mission**

Maine Public connects the people of Maine and our region to each other and to the world through the open exchange of information, ideas, and cultural content.

### **Maine Public's Vision**

Maine Public will inform, inspire, and delight.

We will be recognized throughout Maine and beyond as an organization that has made a distinct difference by focusing in a disciplined manner on the issues most important to Maine and by being relentless in pursuit of the truth about them. We will also be noted for the consistent quality of the cultural and entertainment programming that we provide through collaborations with other organizations and independent producers.

We will continue to be regarded as a superb financial steward by all of our supporters, investing resources wisely across our multiple services: Web, radio, TV, and print. We will creatively build on the value created by PBS, NPR, and other organizations to deliver rich, rewarding content. Maine Public will be known throughout Maine as an organization that listens and acts accordingly.

Our enterprise will help lead Maine towards its bright future.

### **Financial reports**

See Maine Public's federal financial reporting documentation at [mainepublic.org/financial-reports-990-forms](http://mainepublic.org/financial-reports-990-forms).

## Rita Beaudry

---

**From:** Phil Crowell  
**Sent:** Tuesday, February 25, 2025 5:21 PM  
**To:** Rita Beaudry  
**Subject:** FW: [External]Fwd: Twin City Swim Team "on pause"

Here is one more.

*Phil*

Phillip L. Crowell, Jr., ICMA-CM | City Manager

City of Auburn

60 Court Street | Auburn, ME 04210 | 207.333.6601 x1222

*The City of Auburn is subject to statutes relating to public records.*

*E-mail sent or received by City employees are subject to these laws.*

*Senders and receivers of City e-mail should presume that messages are subject to release.*



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**From:** Jeffrey Harmon (Mayor) <jharmon@auburnmaine.gov>  
**Sent:** Tuesday, February 25, 2025 3:25 PM  
**To:** Phil Crowell <pcrowell@auburnmaine.gov>  
**Subject:** FW: [External]Fwd: Twin City Swim Team "on pause"

Hi Phil:

Another request to add to the list of outside entities requesting funding in the upcoming budget.

Jeff

---

**From:** Katie Boss <katie.e.boss@gmail.com>  
**Sent:** Tuesday, February 25, 2025 11:39 AM  
**To:** Jeffrey Harmon (Mayor) <jharmon@auburnmaine.gov>  
**Subject:** [External]Fwd: Twin City Swim Team "on pause"

Morning, Jeff — sharing this email thread (below) with you so you're also apprised on what's happening with TCST.



The conversation around building a new pool in Auburn hasn't gone anywhere, but what if the city financially supported the YMCA/TCST to make sure our kids don't lose this program? The cost (\$15-20k annually) is orders of magnitude less than the cost to build a new pool.

Hope you're well!  
Katie

Begin forwarded message:

**From:** Katie Boss <[katie.e.boss@gmail.com](mailto:katie.e.boss@gmail.com)>  
**Date:** February 25, 2025 at 8:41:00 AM EST  
**To:** Phil Crowell <[pcrowell@auburnmaine.gov](mailto:pcrowell@auburnmaine.gov)>  
**Subject:** Re: [External]Twin City Swim Team "on pause"

Morning, Phil!

TCST is a program run through the YMCA, and the team competes as part of the larger state-wide YMCA swim league: <https://aitymca.org/programs/youth-sports/twin-city-swim-team/>

I connected with Steve Wallace and Chris Shea from the YMCA yesterday, and they shared that the TCST program has been running at an annual deficit of \$15-20k ever since the YM pool failed in 2017. In order to offer TCST the YM now has to rent pool time from the YWCA and Bates, which is expensive, and a big part of what's driving up their costs.

There are about 100 kids on TCST from elementary aged kids up through high school. In Auburn there isn't a swim team option until you get to ELHS, and there is not another local swim team -- so TCST closing up shop leaves a big gap in swim opportunities for our kids.

Thanks for responding and letting me jam up your inbox, Phil - I appreciate it.  
Katie

On Tue, Feb 25, 2025 at 7:07 AM Phil Crowell <[pcrowell@auburnmaine.gov](mailto:pcrowell@auburnmaine.gov)> wrote:

Hi Katie

Barely surviving February!!

There are no plans for a facility with a pool currently being discussed. Mayor Levesque was passionate about this but it never gained the support.

I'm not familiar with TCST. Is this a Y program or a parent led organization like the Gladiator Youth Hockey program?

I'm happy to learn more and see if there is an opportunity for Auburn Rec to provide the administrative oversight that might be needed.

Let me know if you would like to setup a meeting to discuss this further.

Phil

Phillip L. Crowell, Jr., ICMA-CM  
City Manager  
City of Auburn  
60 Court Street  
Auburn, Maine 04210  
207.333.6601 ext. 1222

On Feb 24, 2025, at 5:09 PM, Katie Boss <[Katie.e.boss@gmail.com](mailto:Katie.e.boss@gmail.com)> wrote:

Hi Phil,

I hope you're well, and surviving the decade that has been February. We just taught our kids how to ski, so we're trying to take advantage of all this snow and cold!

I just got word that the Twin Cities Swim Team is "on pause" because of rising annual costs ever since the YM lost its pool. Years ago there was conversation about building a new pool facility in Auburn - is this still on the table? Are there other ways that the City could support bringing TCST back?

My kids were on the team this year and absolutely loved it, and their swimming and confidence in the water has improved dramatically since starting the season. We're all devastated to hear it may not come back.

I am doing some asking around to see what is needed to bring it back - let me know if there is anything you see from your vantage point, that the community can do to fix this.

Thank you, Phil!  
Katie

DEPARTMENT / POSITION CITY STAFF TOTAL	EE Count FY24 244	EE Count FY25 254	EE Count FY26 251
<b>COMMUNICATIONS &amp; COMMUNITY ENGAGEMENT</b>	<b>3</b>	<b>3</b>	<b>2</b>
DIRECTOR OF COMMUNICATIONS & COMMUNITY ENGAGEMENT	1	1	1
COMMUNICATIONS & COMMUNITY MANAGER	1	1	1
COMMUNICATIONS & COMMUNITY ENGAGEMENT ASSISTANT	1	1	0
<b>CITY MANAGER'S OFFICE</b>	<b>3</b>	<b>3</b>	<b>3</b>
ASSISTANT CITY MANAGER	1	1	1
CITY MANAGER	1	1	1
GRANT MANAGER / EXECUTIVE ASSISTANT	1	1	1
<b>ADMINISTRATIVE SERVICES</b>	<b>17</b>	<b>19</b>	<b>19</b>
ACCOUNTING ASSISTANT	2	2	2
APPRAISER	1	2	2
ASSESSOR	1	1	1
CITY CLERK	1	1	1
DEP ASSESSOR	1	1	1
DEPUTY FINANCE DIRECTOR	1	1	1
FINANCE DIRECTOR	1	1	1
GRANT ACCOUNTING COORDINATOR	1	1	1
INFO ASST	1	1	1
LICENSE SPECIALIST	2	2	1
MARIJUANA COORDINATOR	1	1	1
PURCHASING ANALYST	0	1	1
TAX MGR/SENIOR ACCOUNTING ASST/TAX COLLECTOR	1	1	1
TAX ASSISTANT	3	3	4
<b>HUMAN RESOURCES</b>	<b>3</b>	<b>3</b>	<b>3</b>
DIRECTOR OF HUMAN RESOURCES	1	1	1
HUMAN RES SPECIALIST	2	2	2
<b>INFORMATION TECHNOLOGY</b>	<b>4</b>	<b>4</b>	<b>4</b>
DIRECTOR OF IT	1	1	1
IT TECHNICIAN	1	1	1
NETWORK ADMINISTRATOR	1	1	1
SOFTWARE TECHNICIAN	1	1	1
<b>PUBLIC SERVICES</b>	<b>17</b>	<b>17</b>	<b>16</b>
CITY ELECTRICIAN	1	1	1
CITY ENGINEER	1	1	1
CODE COMPLIANCE OFFICER LEADER	1	1	1
CODE ENFORCEMENT OFFICER	2	2	2
DEPUTY DIRECTOR OF PLANNING	1	1	0
DIRECTOR OF ECONOMIC DEV	1	1	1
DIRECTOR OF TRANSPORTATION SYSTEMS	1	1	1
DIRECTOR OF PLANNING	1	1	1
DIRECTOR OF ENGINEERING	1	1	1
PROJECT INSPECTOR	1	1	1
EXECUTIVE DIRECTOR OF PUBLIC SERVICES	1	1	1
EXECUTIVE ASSISTANT - PUBLIC SERVICES	1	1	1
EXECUTIVE ASSISTANT-PLANNING PERMITTING	1	1	1
LONG RANGE PLANNER	0	1	1
PERMITTING ASSISTANT	1	1	1
PLANNING COORDINATOR	1	1	1



DEPARTMENT / POSITION	EE Count FY24	EE Count FY25	EE Count FY26
ADMINISTRATIVE ASSISTANT - PLANNING	1	0	0
<b>BUSINESS/COMMUNITY DEVELOPMENT</b>	<b>9</b>	<b>10</b>	<b>10</b>
CDBG HUD PROGRAM COORDINATOR	1	1	1
PUBLIC HEALTH MANAGER	1	1	1
DEPUTY DIRECTOR OF BUSINESS & COMMUNITY DEV	1	1	1
DIRECTOR OF COMMUNITY & BUSINESS DEVELOPMENT	1	1	1
GENERAL ASSISTANCE MANAGER	1	1	1
EXECUTIVE ASSISTANT	1	1	1
PUBLIC SERVICE COORDINATOR	1	2	2
CDBG LEAD COORDINATOR	1	1	1
CDBG RENTAL ASSISTANCE COORDINATOR	1	1	1
<b>RECREATION</b>	<b>9</b>	<b>9</b>	<b>9</b>
DIRECTOR OF RECREATION	1	1	1
EXECUTIVE ASSISTANT	1	1	1
RECREATION COORDINATOR	1	2	2
RECREATION SPECIALIST	6	5	5
<b>FIRE</b>	<b>69</b>	<b>70</b>	<b>70</b>
BATALLION CHIEF	4	4	4
CAPTAIN	4	4	4
EMS COORDINATOR	1	1	1
DEPUTY CHIEF OF EMS	0	1	1
DEPUTY FIRE CHIEF	1	1	1
EXECUTIVE ADMIN	1	1	1
FIRE CHIEF	1	1	1
FIRE PREVENTION OFFICER	1	1	1
LIEUTENANT	16	16	16
PRIVATE	40	40	40
<b>POLICE</b>	<b>54</b>	<b>55</b>	<b>55</b>
NON-SWORN STAFF	7	7	7
DEPUTY POLICE CHIEF	1	1	1
DETECTIVE	5	5	5
LIEUTENANT	7	7	7
PATROL OFFICER	25	26	26
SERGEANT	8	8	8
POLICE CHIEF	1	1	1
<b>PUBLIC WORKS</b>	<b>56</b>	<b>61</b>	<b>60</b>
ADMIN ASST-PW	1	1	1
ARBORIST	1	1	1
BUILDING MAINTENANCE TECHNICIAN	7	7	7
DEPUTY DIRECTOR OF PUBLIC WORKS	1	1	1
DIRECTOR OF PUBLIC WORKS	0	1	1
ELECTRICIAN	1	1	0
EXCAVATION TECHNICIAN	1	1	1
EQUIPMENT OPERATOR II	18	21	21
EQUIPMENT OPERATOR I	8	8	8
FACILITIES SYSTEMS MANAGER	1	1	1
FLEET SUPERVISOR	1	1	1
INVENTORY TECHNICIAN	2	2	2
MECHANICS	5	6	6

DEPARTMENT / POSITION	EE Count FY24	EE Count FY25	EE Count FY26
PW OPERATIONS MANAGER	3	3	3
PW HIGHWAY SUPERVISOR	5	5	5
WELDER	1	1	1

DEPARTMENT / POSITION CITY STAFF NOT IN GENERAL BUDGET	EE Count FY24 6	EE Count FY25 21	EE Count FY26 24
<b>SCHOOL MAINTENANCE STAFFING</b>	<b>0</b>	<b>15</b>	<b>18</b>
ADMIN ASST-PW SCHL	0	1	1
CUSTODIAN SCHOOL	0	10	12
MAINTENANCE - SCHOOL	0	4	5
<b>NSBA &amp; INGERSOLL</b>	<b>6</b>	<b>6</b>	<b>6</b>
ARENA & INGERSOLL GENERAL MANAGER	1	1	1
DIRECTOR OF COMM PARTNERSHIP & SPORTS TOURISM	1	1	1
NSBA-ICE TECHNICIAN	2	2	2
NSBA-ICE TECHNICIAN P/T	1	1	1
RECREATION SPECIALIST-ARENA PROGRAM	1	1	1

# State of Maine

**Androscoggin, ss.**

To the Assessors of **Auburn** in said County,

## **GREETING:**

At the Court of County Commissioners, begun and held in Auburn, within and for the County of Androscoggin, on February 19, 2025.

Whereas, Pursuant to Section 5.5.4 of the Androscoggin County Charter and Title 30-A M.R.S.A. Section 706, the Androscoggin County Commissioners have passed and apportioned for said County, the sums necessary for defraying the charges of the County for the year ensuing, and exhibited by the Administrator of said Court, granted a tax of \$15,414,053 dollars: to be assessed, collected, and paid according to law and applied for the purpose aforesaid.

And Whereas, upon a due appointment of the sum on the several Cities and Towns in said County, your proportion is found to be **\$3,385,568**.

You are hereby required, in the name of the State of Maine, to assess the said sum last mentioned upon the Inhabitants of said City/Town, agreeably to the laws of the said State, and cause the same in like manner to be collected and paid to Androscoggin County Treasurer's Office, on or before the first day of September next.

Hereof Fail Not, and make due return to the said County Treasurer's Office, of the names of the person or persons to whom your list of assessments shall be committed.

Witness Androscoggin County Administrator Jeffrey Chute, this 19<sup>th</sup> day of February A.D. 2025.

  
County Administrator, Jeffrey Chute

# Assessor's Return

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Pursuant to a Warrant to us directed, from County Administrator Jeffrey Chute, for the County of Androscoggin, dated the 19<sup>th</sup> day of February 2025, we have assessed the Polls and Estates of the Inhabitants and the Estates of the non-resident Proprietors of **Auburn** the sum of **\$3,385,568** and have committed Lists thereof to Collector of said town, with a warrant, in due Form of Law, for collecting and paying the same to the Treasurer's Office of the County of Androscoggin, on or before the first day of September, 2025.

In Witness Whereof, we have hereunto set our hands, at \_\_\_\_\_ the \_\_\_\_\_ day of \_\_\_\_\_ 2025.

Assessors of

\$3,385,568

To: Androscoggin County Treasurer's Office

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To be filled out and forwarded to the County Treasurer's Office as soon as the Assessment is completed.  
All delinquent taxes shall be charged interest at a rate of \_\_\_\_\_% compounded monthly plus fees.





## MEMORANDUM

TO: Phil Crowell, Auburn City Manager  
FR: Lewiston-Auburn Transit Committee  
RE: Draft FY 2026 Budget

The Lewiston-Auburn Transit Committee (LATC) is requesting \$1,184,596 in local share, \$592,298 per community for the FY 26 budget to fund **citylink** Fixed Route Transit, ADA Complementary Paratransit Services, Demand Response Transit, and the operation of two bus stations.

### **citylink AND ADA SERVICES**

The Lewiston-Auburn Transit Committee (LATC), owners of the **citylink** transit system, has contracted with Western Maine Transportation Services, Inc. (WMTS), for operations and vehicle maintenance of the fixed route system and for operations of the ADA Complementary Paratransit Service since 2002. For FY2026, LATC was required to put this contract out for bid. LATC received two qualified responses to the bid and at the February 13, 2025, LATC meeting the committee voted to award the 5 year contract to RTW Management. RTW is the operator of MaineDOT's LAP Commuter Bus that serves Lewiston, Auburn and Portland with intercity transit service.

LATC owns the 10 buses used to provide **citylink** service, as well as the Oak Street bus station in Lewiston (2003) and Downtown Auburn Transportation Center, Great Falls Plaza in Auburn (2016). Recent investment in the fleet has brought the system up to its highest level of SGR (State of Good Repair) in decades.

#### **Hours of Operation:**

**citylink** and the ADA Complementary Paratransit service operate Monday through Friday between 6:00 AM to 6:15 PM and a limited Saturday schedule between 9:15 AM to 5:15 PM.

#### **Level of Service:**

During weekdays **citylink** operates ten (10) bus routes with buses departing every 60 and 30 minutes. **citylink's** Saturday service consists of seven (7) bus routes with buses departing every two (2) hours (Main Street, Sabattus Street, Lisbon Street and New Auburn), 60 minutes (Auburn Malls and College Street) and 30 minutes (Mall Shuttle).

#### **ADA Complementary Paratransit Service:**

**citylink's** ADA (Americans with Disabilities Act) Complementary Paratransit Service runs the same days and hours as the fixed route, serving a ¾ mile radius area along each fixed bus route. The ADA service is for eligible individuals with disabilities who have trip origins and destinations in the ADA service area. All operators of fixed route systems are required by law to provide ADA Complementary Paratransit service.

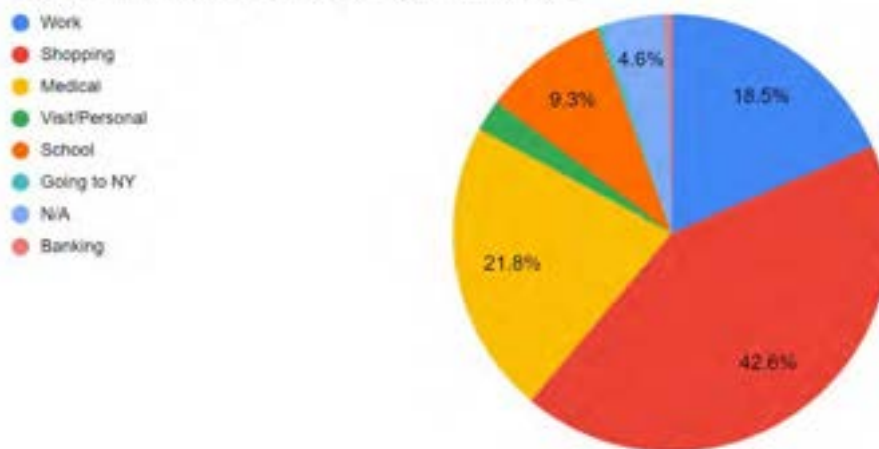
## Transit Ridership

Ridership through the pandemic declined substantially in all transit districts, countrywide. What citylink has seen since the mask mandate was lifted in April of 2022 has been a slow increase in ridership that netted a 1.2% increase between 2021 and 2022 with a little over 200,000 boardings. **2023 ridership bloomed over 31% to 263,723. In FY2024, citylink ridership eclipsed 2019 (Pre-Pandemic) levels by logging 311,535 trips.**

## January 2023 Transit Rider Survey Auburn Highlights:

Lewiston residents are estimated to make up 60% of all transit ridership in the citylink system, however AUBURN is a NET Importer of riders when it comes to trip destinations, 54% of ALL riders travel into Auburn with Shopping, Work and Medical Appointments making up over 80% of all trip purposes.

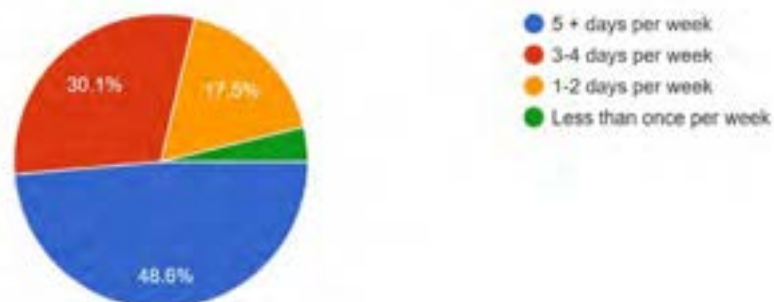
What is the main purpose of your trip today?



Systemwide, the average person uses transit 3 or more times per week with 48.6% of respondents saying they use it 5+ days per week. And when asked why they were riding the bus, nearly 64% of respondents said they had NO OTHER WAY TO GO.

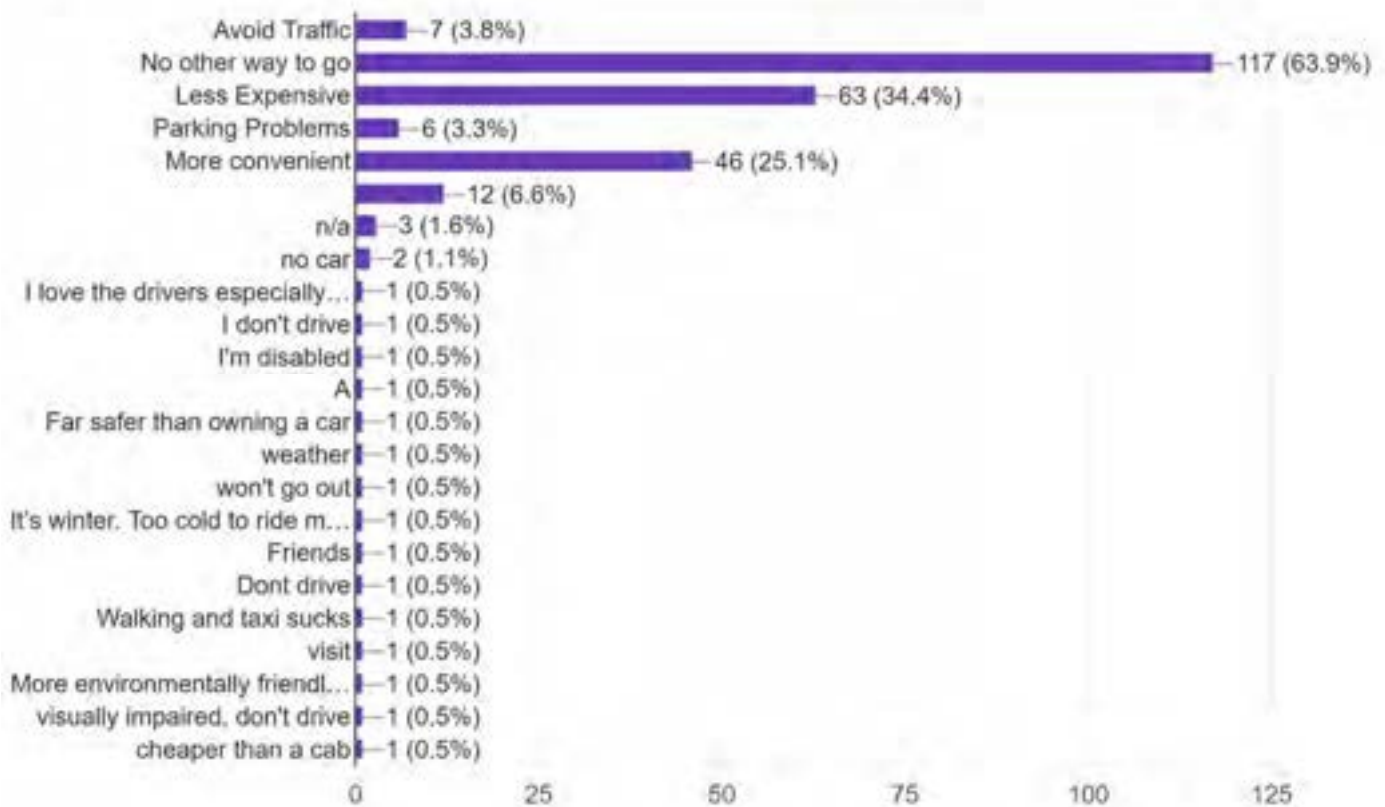
How often do you ride the bus?

183 responses



# Why are you riding the bus today instead of some other mode of transportation? (Check all that apply)

183 responses





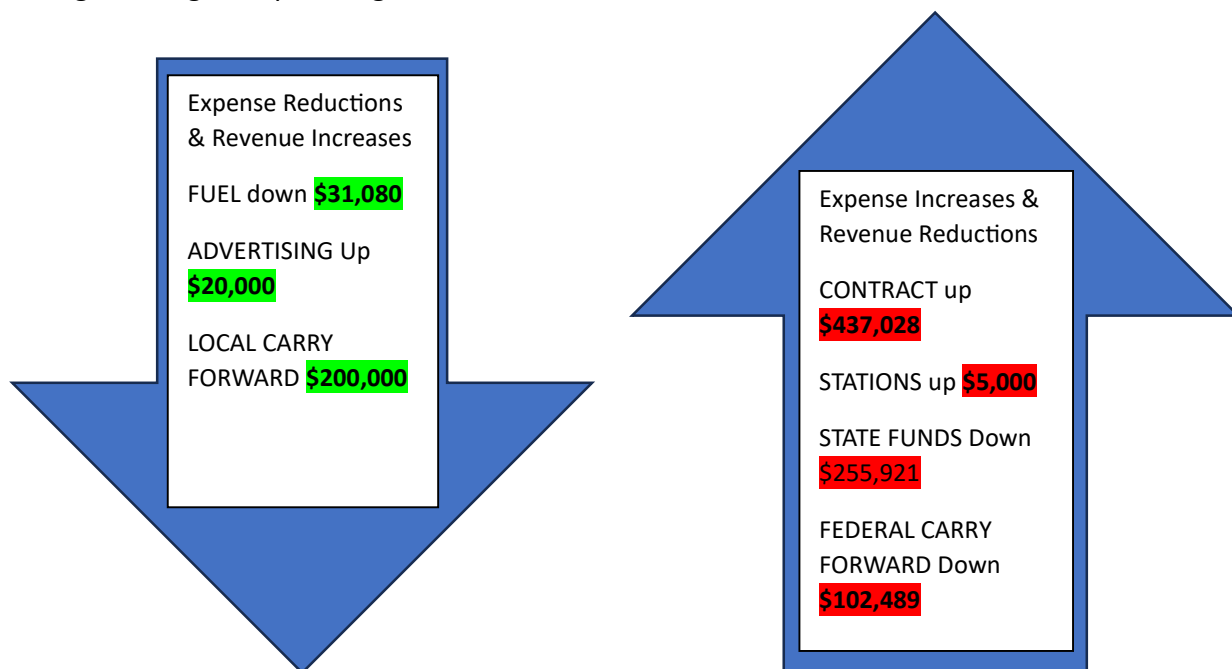
## FY 2026 BUDGET HIGHLIGHTS

- RTW's contract proposal was 19.4% higher than the FY25 rate for a net increase of \$437,028. Their rate was lower than that of the incumbent WMTS.
- Fuel budgeted flat at \$3.70/gallon (fuel is purchased from the City of Lewiston) however, based on the system improvement proposal, there is a net decrease in fuel used resulting in a decrease of \$31,080
- Bus station expenses increased overall by \$5,000.
- The Staff line (AVCOG) decreased \$49,397 due to role consolidation in FY24 and FY25, however with the planned system improvements, more staff time will be dedicated to LATC increasing the staff line by \$14,693.
- Fare box revenue remains flat for both fixed route and ADA, demand response fare box is a new line item for FY26 and will be going forward as the 3<sup>rd</sup> transit "mode" is implemented starting in FY26.
- Bus Advertising revenue is projected \$20,000 higher due to our newer fleet attracting more ad spend. In FY24, Bus Advertising brought in \$77,000 so we are conservatively budgeting for \$65,000 with an expectation that this number will be higher.
- MaineDOT Operating Funding has decreased \$255,921 for FY26, these funds directly offset the "Local Match" requirement in all LATC budgets so this decrease in revenue and the contract increase in cost is driving a large local share increase request for FY26.
- **Local share request increased 26.3% over the FY2025 budget** after all savings and FY24 carry forward have been applied.

## Federal and Local Carry Forward Funds

Federal Carry Forward was due to be expended in FY25 but due to savings experienced in FY24 and planned savings in FY25, we do plan for Federal Carry Forward to contribute \$213,717 to the FY2026 Budget. This is a decrease of \$102,489 year over year.

FY2024 LATC Budget Actuals came in below projections which resulted in an available LOCAL CARRYFORWARD for each city in the amount of \$140,389. A substantial portion of this amount has already been applied to the FY26 budget, along with planning some reserves for FY27.



**THESE DETAILED COMPONENTS NET IMPACT ARE CAPTURED WITHIN THE FIRST BUDGET PAGE  
Under Local Subsidy: Bus Stations/LATC Operating**

| LATC / citylink Transit Budget                                     | FY 2025 Approved Budget | FY 2025 Revised Budget | FY2026 Draft Budget |
|--------------------------------------------------------------------|-------------------------|------------------------|---------------------|
| <b>Fixed Route</b>                                                 | <b>Approved</b>         | <b>7/3/2024</b>        |                     |
| Expenses:                                                          |                         |                        |                     |
| Contract                                                           | \$2,049,801             | \$2,049,801            | \$1,857,804         |
| Operating                                                          | \$1,618,025             | \$1,618,025            | \$1,659,804         |
| Preventive Maintenance (PM) Capital                                | \$431,776               | \$431,776              | \$198,000           |
| Fuel (Included any Security Amount over currently scheduled hours) | \$207,200               | \$207,200              | \$176,120           |
| Equipment Maintenance                                              |                         |                        |                     |
| Staff (Project administration)                                     | \$146,846               | \$146,846              | \$161,539           |
| Total Expense                                                      | \$2,403,847             | \$2,403,847            | \$2,195,463         |
| Revenue:                                                           |                         |                        |                     |
| Available Federal (5307 Operating - 50%)                           | \$686,731               | \$928,536              | \$991,456           |
| Federal (5307 PM** Capital - 80%)                                  | \$345,421               | \$345,421              | \$158,400           |
| State (match 5307 Operating)                                       | \$268,729               | \$354,036              | \$98,115            |
| Local (match 5307 Operating 50%)                                   | \$659,807               | \$574,500              | \$843,117           |
| Local (Operating 100%)                                             | \$241,805               | \$0                    | -\$50,224           |
| Local (match 5307 PM Capital 20%)                                  | \$86,355                | \$86,355               | \$39,600            |
| Fare Box                                                           | \$115,000               | \$115,000              | \$115,000           |
| Total Revenue                                                      | \$2,403,847             | \$2,403,847            | \$2,195,463         |
| <b>ADA Complementary Paratransit:</b>                              |                         |                        |                     |
| Expenses:                                                          |                         |                        |                     |
| Contract                                                           | \$201,915               | \$201,915              | \$415,470           |
| Total Expense                                                      | \$201,915               | \$201,915              | \$415,470           |
| Revenue:                                                           |                         |                        |                     |
| Federal (5307 ADAOp Upto 10% Full Apportionment @ 80%)             | \$115,012               | \$126,331              | \$129,237           |
| Federal (5307 ADAOp Remainder @ 50%)                               | \$16,575                | \$9,500                | \$114,462           |
| Local (match 5307 ADA - 20%)                                       | \$28,753                | \$31,583               | \$32,309            |
| Local (match 5307 Operating - 50%)                                 | \$16,575                | \$9,500                | \$114,462           |
| Fare Box                                                           | \$25,000                | \$25,000               | \$25,000            |
|                                                                    | \$201,915               | \$201,915              | \$415,470           |
| <b>Demand Response</b>                                             |                         |                        |                     |
| Expenses:                                                          |                         |                        |                     |
| Contract                                                           |                         |                        | \$415,470           |
| Total Expense                                                      |                         |                        | \$415,470           |
| Revenue:                                                           |                         |                        |                     |
| Federal 5307 Up to 50%                                             |                         |                        |                     |
| Local Match At Least 50%                                           |                         |                        | \$390,470           |
| Fare Box                                                           |                         |                        | \$25,000            |
| <b>Local Subsidy:</b>                                              |                         |                        |                     |
| Bus Station/LATC Operating                                         | \$32,364                | \$14,864               | \$14,864            |
| Fixed Route                                                        | \$987,966               | \$660,855              | \$832,492           |
| ADA Comp. Paratransit                                              | \$45,328                | \$41,083               | \$146,771           |
| Demand Response                                                    |                         |                        | \$390,470           |
| <b>Total Local Subsidy Required</b>                                | <b>\$1,065,658</b>      | <b>\$716,801</b>       | <b>\$1,384,597</b>  |
| Auburn Gross Local Share                                           | \$532,829               | \$358,401              | \$692,298           |
| Less Auburn Carry Forward from FY2023, FY2024                      | -\$64,045               | -\$64,045              |                     |
| <b>FY25 LOCAL SHARE / FY26 LOCAL SHARE LINE</b>                    | <b>\$458,502</b>        | <b>\$294,356</b>       | <b>\$692,298</b>    |
| <b>FY 2024 Carry Forward Applied</b>                               |                         |                        | <b>-\$100,000</b>   |
| <b>FY 2025 Est Avail Carry Forward Applied</b>                     |                         |                        | <b>\$0</b>          |
| <b>Auburn NET Local Share</b>                                      | <b>\$458,502</b>        | <b>\$294,356</b>       | <b>\$592,298</b>    |
| Lewiston Gross Local Share                                         | \$532,829               | \$358,401              | \$692,298           |
| Lewiston Carry Forward from FY2023, 2024                           | -\$64,045               | -\$64,045              |                     |
| <b>FY25 LOCAL SHARE / FY26 LOCAL SHARE LINE</b>                    | <b>\$468,784</b>        | <b>\$294,356</b>       | <b>\$692,298</b>    |
| <b>FY 2024 Carry Forward</b>                                       |                         |                        | <b>-\$100,000</b>   |
| <b>Estimated FY 25 Revised Budget Surplus</b>                      |                         |                        | <b>\$0</b>          |
| <b>Lewiston NET Local Share</b>                                    | <b>\$468,784</b>        | <b>\$294,356</b>       | <b>\$592,298</b>    |
|                                                                    | <b>FY24 Surpl</b>       | <b>Est FY25 Surpl</b>  |                     |
| <b>AUBURN FY2024 Available Surplus \$140,389</b>                   | <b>Auburn</b>           | <b>Auburn</b>          |                     |
| <b>Auburn FY2025 Estimated Avail Surplus \$164,146</b>             | <b>\$ 100,000</b>       | <b>\$ -</b>            |                     |
|                                                                    | <b>Hold for FY26?</b>   | <b>Hold for FY27?</b>  |                     |
| <b>Lewiston FY2024 Available Carry Forward \$140,389</b>           | <b>Lewiston</b>         | <b>Lewiston</b>        |                     |
| <b>Lewiston FY2025 Est Avail Carry Forward \$174,428</b>           | <b>\$ 100,000</b>       | <b>\$ -</b>            |                     |

|                                                            | FY 2025<br>Budget   | FY 2026<br>Draft Budget |
|------------------------------------------------------------|---------------------|-------------------------|
| <b>BUS STATIONS</b>                                        |                     |                         |
| Revenues:                                                  | \$ -                | \$ -                    |
| <b>EXPENSES:</b>                                           |                     |                         |
| JANITORIAL                                                 | \$ 26,000           | \$ 26,000               |
| MAINTENANCE/REPAIRS                                        | \$ 5,000            | \$ 10,000               |
| SUPPLIES - INCL. JANIT.                                    | \$ 1,600            | \$ 1,600                |
| SNOW REMOVAL                                               | \$ 8,000            | \$ 8,000                |
| UTILITIES:                                                 |                     |                         |
| GAS                                                        | \$ 4,000            | \$ 4,000                |
| ELECTRIC                                                   | \$ 11,000           | \$ 11,000               |
| H2O/SEWER                                                  | \$ 1,800            | \$ 1,800                |
| INSURANCE                                                  | \$ 1,800            | \$ 1,800                |
| BUS STATION SECURITY                                       | \$ 115,115          | \$ 115,115              |
| <b>TOTAL</b>                                               | <b>\$ 174,315</b>   | <b>\$ 179,315</b>       |
| <b>BUS STATIONS DEFICIT:</b>                               | <b>\$ (174,315)</b> | <b>\$ (179,315)</b>     |
| <b>LATC Operating</b>                                      |                     |                         |
| <b>EXPENSES:</b>                                           |                     |                         |
| MEETINGS/CONFERENCES                                       | \$ 500              | \$ 500                  |
| ADVERTISING/MARKETING                                      | \$ 2,000            | \$ 2,000                |
| AUDIT                                                      | \$ 2,000            | \$ 2,000                |
| LEGAL SERVICES                                             | \$ 1,200            | \$ 1,200                |
| MISC. EXPENSES                                             | \$ 500              | \$ 500                  |
| <b>TOTAL</b>                                               | <b>\$ 6,200</b>     | <b>\$ 6,200</b>         |
| <b>LATC Operating DEFICIT</b>                              | <b>\$ (6,200)</b>   | <b>\$ (6,200)</b>       |
| <b>TOTAL EXPENDITURES -<br/>BUS STATION/LATC Operating</b> | <b>\$ (180,515)</b> | <b>\$ (185,515)</b>     |
| <b>DEFICIT FUNDING</b>                                     |                     |                         |
| <b>FEDERAL (5307 Operating)</b>                            | <b>\$ 90,258</b>    | <b>\$ 92,758</b>        |
| <b>CARES Act</b>                                           |                     |                         |
| <b>STATE</b>                                               |                     |                         |
| <b>LOCAL - Rent</b>                                        | <b>\$ 12,144</b>    | <b>\$ 12,144</b>        |
| - Vending                                                  | \$ 700              | \$ 700                  |
| - ATA Advertising                                          | \$ 45,000           | \$ 65,000               |
| - Interest                                                 | \$ 50               | \$ 50                   |
| <b>LOCAL</b>                                               | <b>\$ 32,364</b>    | <b>\$ 14,864</b>        |
| <b>TOTAL REVENUE</b>                                       | <b>\$ 180,515</b>   | <b>\$ 185,515</b>       |
| <b>LOCAL Requested</b>                                     | <b>\$ 32,364</b>    | <b>\$ 14,864</b>        |



## **Lewiston-Auburn 9-1-1 Emergency Communications System**

**Timothy W. Hall, Director**

552 Minot Avenue, Auburn, Maine 04210

207.786.5380 ~ 207.795.0743 fax

To: Phil Crowell, Auburn City Manager  
Brian O'Malley, Lewiston Acting City Administrator  
From: Timothy Hall, 9-1-1 Director  
Re: Proposed FY26 Budget  
Date: January 16, 2025

The Lewiston/Auburn 9-1-1 Committee has approved the submission of the proposed FY26 budget which you will find attached separately.

This budget proposes no new staff or programs but results in an increase of 9.90% (\$136,680.00 each City) from our FY25 budget request due to rising costs beyond our control and the inability to utilize the same level of fund balance as the FY25 budget.

### **Personnel Services: 5.79% increase (+\$159,615.00)**

Two dispatcher positions were created in the FY25 budget for half the budget year. The FY26 budget reflects one of those positions being fully funded in FY26 while we continue to fund one of those positions for only half of the FY26 budget year. The transition to the MainePERS special retirement plan results in a higher cost to both the center and the employees. Additionally, the FY26 budget is the first to contain a full year cost for the new Maine Paid Family Leave law which is anticipated to cost the Center \$10,000.00 (the 1% premium is split 50/50 between the center and employee). The remaining increases to personnel services are due to increases in health insurance as well as contractually obligated COLA and step increases as outlined in the Collective Bargaining Agreement.

### **Contractual Services: -3.28% decrease (-\$6,491.00)**

Nearly every line within contractual services has been flat funded. The reduction in the Maintenance and Licensing line is related to not having to renew our Dell Server Maintenance agreement, this is due to replacement of that server which is scheduled for this calendar year. The Mileage reimbursement line has a significant increase as this is the year we will have both an onsite visit by our CALEA Accreditation team as well as attendance at the CALEA conference to attain reaccreditation, this is a cost that occurs every four years. Lastly, we increased our repairs to building account line due to historically underfunding HVAC and Generator repairs at the radio tower sites.

### **Supplies and Materials: Flat Funded**

This covers office, printing, and other supplies and is flat funded.



## **Lewiston-Auburn 9-1-1 Emergency Communications System**

**Timothy W. Hall, Director**

552 Minot Avenue, Auburn, Maine 04210

207.786.5380 ~ 207.795.0743 fax

**Fixed Charges:** 5.76% increase (+\$2,015.00)

This increase is tied to a slight increase in annual dues with a larger increase in the cost of insurances to the Center.

**Capital Outlay:** 8.08% increase (+\$1,450.00)

The increase in capital outlay is due to the need to replace several laptop and desktop computers within the center.

### **Revenues:**

Investment revenue has been increased to \$7,500.00

The Poland User Fee has been increased to \$60,973.00

Rental Revenue has been increased to \$27,028.00

Outside Agency Support was reduced to \$8,300.00 (Durham no longer using IMC)

The ASO IT Support fee has been increased to \$33,113.00

Together, this results in an overall reduction of \$136,914.00 in our budget request to the Cities.

### **Fund Balance:**

According to our unaudited fund balance report there is currently \$63,167.34 in fund balance available to apply towards the FY26 budget but I've recommended against using it at this time due to the unknown associated with the 9-1-1 Center relocation – it is highly likely we will experience unanticipated costs associated with this move and we are likely to experience an increase in our utility accounts that are not accounted for in our operational budget. Our current understanding is that we will need to relocate the 9-1-1 center during the FY26 budget year. Having said this, the 9-1-1 Committee understands the difficult budget year we are facing and that there will likely be pressure to utilize the full fund balance amount available to reduce our overall budget request, should we apply \$60,000.00 in fund balance it would reduce the budget request to a 7.73% increase (\$106,680.00 each City).

### **Collective Bargaining Agreement:**

The 9-1-1 Committee and the Maine Association of Police reached a new 3-year collective bargaining agreement which took effect July 1, 2024. This agreement provides for the following cost of living adjustments in each of the three years of the contract:

July 1, 2024: 2%

July 1, 2025: 4%

July 1, 2026: 4%



## **Lewiston-Auburn 9-1-1 Emergency Communications System**

**Timothy W. Hall, Director**

552 Minot Avenue, Auburn, Maine 04210

207.786.5380 ~ 207.795.0743 *fax*

### **Capital Improvement Plan: \$2,500,000.00**

Previously submitted to each City is a CIP funding request (\$1,250,000.00 each City) for the relocation of the 9-1-1 Center. The City of Auburn is moving forward with plans to demolish Auburn's Central Fire station to make way for a new Public Safety facility to house the Police and Fire Departments. Although initially included in the project the 9-1-1 Center was removed due to increasing costs, estimated construction costs alone were approximately \$3,750,000.00. The current plan is to relocate the 9-1-1 Center to 85 Park St in Lewiston which is currently a city owned property which will become vacant within the next few months. Our understanding is we will need to vacate our current location prior to June 2026 which gives us little time to renovate our new location and prepare for the relocation of a critical facility which must remain fully operational throughout the process. The funding request reflects the estimated costs of renovations as well as costs associated with relocation of equipment such as the 9-1-1 equipment, computer servers, radio equipment, fire alarm monitoring equipment, etc.

If I can provide any other information you'd find beneficial prior to our meeting tentatively scheduled for February 18<sup>th</sup> please don't hesitate to contact me.

**Fiscal Year 2026**  
**Budget Request - Lewiston Auburn 911**  
**Operational Budget Request**

| Account Number                            | Account Description       | FY2023 Actual    | FY2024 Budget    | FY2024 Actual    | FY2025 Budget    | FY2025 Est. Expended | FY2026 Director Req. | FY2026 Admin Recom. | FY2026 JT-CC Action | Admin Recom |
|-------------------------------------------|---------------------------|------------------|------------------|------------------|------------------|----------------------|----------------------|---------------------|---------------------|-------------|
| 411000                                    | Salaries                  | 1,225,254        | 1,550,820        | 1,419,050        | 1,737,946        | 1,537,946            | 1,816,846            | 1,816,846           | 0                   | 4.54%       |
| 412000                                    | Overtime                  | 427,360          | 223,597          | 429,947          | 181,906          | 330,797              | 183,442              | 183,442             | 0                   | 0.84%       |
| 417001                                    | MSRS - Employer           | 142,950          | 167,483          | 164,633          | 176,093          | 200,545              | 233,198              | 233,198             | 0                   | 32.43%      |
| 417002                                    | ICMA - Employer           | 13,034           | 9,556            | 13,648           | 10,158           | 10,872               | 10,776               | 10,776              | 0                   | 6.08%       |
| 417003                                    | FICA - Employer           | 129,285          | 135,743          | 144,502          | 146,869          | 143,140              | 153,022              | 153,022             | 0                   | 4.19%       |
| 417005                                    | State Leave - Employer    | 0                | 0                | 0                | 4,937            | 4,937                | 10,001               | 10,001              | 0                   | 102.58%     |
| 417100                                    | MMEHT Health Insurance    | 312,874          | 402,645          | 352,270          | 437,244          | 336,717              | 452,849              | 452,849             | 0                   | 3.57%       |
| 417200                                    | Wellness & Medical        | 22,442           | 25,307           | 19,494           | 24,825           | 24,825               | 25,209               | 25,209              | 0                   | 1.55%       |
| 417250                                    | Health Reimburse. Account | 17,217           | 25,856           | 16,385           | 29,178           | 29,178               | 24,270               | 24,270              | 0                   | -16.82%     |
| 417400                                    | Workers Compensation      | 4,093            | 4,843            | 4,407            | 4,843            | 4,432                | 4,244                | 4,244               | 0                   | -12.37%     |
| 417500                                    | Unemployment Comp         | 711              | 2,640            | 1,194            | 3,290            | 995                  | 3,047                | 3,047               | 0                   | -7.39%      |
| <b>TOTAL PERSONNEL SERVICES</b>           |                           | <b>2,295,220</b> | <b>2,548,490</b> | <b>2,565,529</b> | <b>2,757,289</b> | <b>2,624,384</b>     | <b>2,916,904</b>     | <b>2,916,904</b>    | <b>0</b>            | 5.79%       |
| 420500                                    | Printing Services         | 0                | 125              | 0                | 125              | 125                  | 125                  | 125                 | 0                   | 0.00%       |
| 421500                                    | Postage                   | 241              | 350              | 281              | 350              | 350                  | 350                  | 350                 | 0                   | 0.00%       |
| 422000                                    | Telephone                 | 11,108           | 11,656           | 11,906           | 11,656           | 11,656               | 15,876               | 15,876              | 0                   | 36.20%      |
| 422500                                    | Utilities                 | 35,528           | 53,421           | 32,284           | 51,070           | 51,070               | 51,070               | 51,070              | 0                   | 0.00%       |
| 423000                                    | Mileage Reimb             | 159              | 1,000            | 398              | 1,000            | 1,000                | 7,500                | 7,500               | 0                   | 650.00%     |
| 425500                                    | Medical Exams             | 1,432            | 791              | 581              | 791              | 791                  | 805                  | 805                 | 0                   | 1.77%       |
| 426200                                    | Maintenance / Licensing   | 92,711           | 125,009          | 109,849          | 101,668          | 101,668              | 76,623               | 76,623              | 0                   | -24.63%     |
| 427500                                    | Repairs to Building       | 64,507           | 17,180           | 23,770           | 17,460           | 17,460               | 25,210               | 25,210              | 0                   | 44.39%      |
| 428000                                    | Legal Fees                | 190              | 500              | 3,010            | 500              | 500                  | 500                  | 500                 | 0                   | 0.00%       |
| 428800                                    | Miscellaneous Services    | 2,878            | 3,220            | 2,536            | 3,220            | 3,220                | 3,220                | 3,220               | 0                   | 0.00%       |
| 428900                                    | In Service Training       | 5,836            | 8,890            | 6,599            | 10,340           | 10,340               | 10,410               | 10,410              | 0                   | 0.67%       |
| <b>TOTAL CONTRACTUAL SERVICES</b>         |                           | <b>214,590</b>   | <b>222,142</b>   | <b>191,213</b>   | <b>198,180</b>   | <b>198,180</b>       | <b>191,689</b>       | <b>191,689</b>      | <b>0</b>            | -3.28%      |
| 430500                                    | Office Supplies           | 387              | 1,200            | 367              | 1,200            | 1,200                | 1,200                | 1,200               | 0                   | 0.00%       |
| 431000                                    | Printing Supplies         | 657              | 1,500            | 178              | 1,500            | 1,500                | 1,500                | 1,500               | 0                   | 0.00%       |
| 439800                                    | Other Supplies            | 1,345            | 2,000            | 1,496            | 2,000            | 2,000                | 2,000                | 2,000               | 0                   | 0.00%       |
| <b>TOTAL SUPPLIES &amp; MATERIALS</b>     |                           | <b>2,389</b>     | <b>4,700</b>     | <b>2,041</b>     | <b>4,700</b>     | <b>4,700</b>         | <b>4,700</b>         | <b>4,700</b>        | <b>0</b>            | 0.00%       |
| 442000                                    | Dues                      | 4,642            | 4,939            | 5,192            | 4,939            | 4,939                | 5,050                | 5,050               | 0                   | 2.25%       |
| 446000                                    | Insurances                | 27,675           | 29,058           | 29,162           | 30,620           | 30,683               | 32,524               | 32,524              | 0                   | 6.22%       |
| <b>TOTAL FIXED CHARGES</b>                |                           | <b>32,317</b>    | <b>33,997</b>    | <b>34,354</b>    | <b>35,559</b>    | <b>35,622</b>        | <b>37,574</b>        | <b>37,574</b>       | <b>0</b>            | 5.67%       |
| 449001                                    | Principal                 | 0                | 0                | 0                | 0                | 0                    | 0                    | 0                   | 0                   |             |
| 449002                                    | Interest                  | 0                | 0                | 0                | 0                | 0                    | 0                    | 0                   | 0                   |             |
| 449008                                    | Lease/Purchase            | 0                | 0                | 0                | 0                | 0                    | 0                    | 0                   | 0                   |             |
| <b>TOTAL DEBT SERVICES</b>                |                           | <b>0</b>         | <b>0</b>         | <b>0</b>         | <b>0</b>         | <b>0</b>             | <b>0</b>             | <b>0</b>            | <b>0</b>            |             |
| 450500                                    | Office Equipment          | 2,721            | 5,700            | 1,947            | 4,700            | 4,700                | 4,700                | 4,700               | 0                   | 0.00%       |
| 452800                                    | Communication Equipment   | 31,496           | 10,520           | 11,853           | 13,250           | 13,250               | 14,700               | 14,700              | 0                   | 10.94%      |
| <b>TOTAL Capital Outlay</b>               |                           | <b>34,217</b>    | <b>16,220</b>    | <b>13,800</b>    | <b>17,950</b>    | <b>17,950</b>        | <b>19,400</b>        | <b>19,400</b>       | <b>0</b>            | 8.08%       |
| 409900                                    | Contingency               | 0                | 0                | 0                | 0                | 0                    | 0                    | 0                   | 0                   |             |
| <b>Sub-Total 911 Committee</b>            |                           | <b>2,578,733</b> | <b>2,825,549</b> | <b>2,806,937</b> | <b>3,013,678</b> | <b>2,880,836</b>     | <b>3,170,267</b>     | <b>3,170,267</b>    | <b>0</b>            | 5.20%       |
| <b>Investment Revenue</b>                 |                           | <b>(3,000)</b>   | <b>(2,200)</b>   | <b>(52,151)</b>  | <b>(2,200)</b>   | <b>(2,200)</b>       | <b>(7,500)</b>       | <b>(7,500)</b>      | <b>0</b>            | 240.91%     |
| <b>Poland User Fee (dispatch and 911)</b> |                           | <b>(42,580)</b>  | <b>(58,078)</b>  | <b>(58,078)</b>  | <b>(59,514)</b>  | <b>(59,514)</b>      | <b>(60,973)</b>      | <b>(60,973)</b>     | <b>0</b>            | 2.45%       |
| <b>Rental Revenue</b>                     |                           | <b>(24,970)</b>  | <b>(25,978)</b>  | <b>(25,978)</b>  | <b>(26,498)</b>  | <b>(26,498)</b>      | <b>(27,028)</b>      | <b>(27,028)</b>     | <b>0</b>            | 2.00%       |
| <b>Outside Agency IT Support</b>          |                           | <b>(6,750)</b>   | <b>(8,281)</b>   | <b>(8,281)</b>   | <b>(8,325)</b>   | <b>(8,325)</b>       | <b>(8,300)</b>       | <b>(8,300)</b>      | <b>0</b>            | -0.30%      |
| <b>ASO IT Support</b>                     |                           | <b>(30,000)</b>  | <b>(31,212)</b>  | <b>(31,212)</b>  | <b>(32,149)</b>  | <b>(32,149)</b>      | <b>(33,113)</b>      | <b>(33,113)</b>     | <b>0</b>            | 3.00%       |
| <b>Fund Balance Carry Forward</b>         |                           | <b>(75,000)</b>  | <b>(125,000)</b> | <b>(125,000)</b> | <b>(125,000)</b> | <b>(125,000)</b>     |                      |                     | <b>0</b>            | -100.00%    |
| <b>TOTAL</b>                              |                           | <b>2,396,433</b> | <b>2,574,800</b> | <b>2,506,237</b> | <b>2,759,992</b> | <b>2,627,150</b>     | <b>3,033,353</b>     | <b>3,033,353</b>    | <b>0</b>            | 9.90%       |
| Appropriation by each Municipality        |                           |                  | 1,287,400.00     |                  | 1,379,996.00     |                      | 1,516,676.74         | 1,516,676.51        |                     | 9.90%       |

## Kelsey Earle

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**From:** James Parakilas <jparakil@bates.edu>  
**Sent:** Thursday, February 6, 2025 11:38 AM  
**To:** Kelsey Earle  
**Subject:** [External]LA Arts budget and grant request for FY'26  
**Attachments:** FY 26 for Cities of Lewiston and Auburn.xlsx

You don't often get email from jparakil@bates.edu. [Learn why this is important](#)

LA Arts  
PO Box 3753  
Auburn, ME 04212  
February 5, 2025

Kelsey Earle,  
Finance Director  
City of Auburn  
60 Court Street  
Auburn, ME 04210

Dear Ms. Earle,

LA Arts is requesting a grant of \$25,000 from the City of Auburn for the Fiscal Year 2025-2026. This is the same amount we requested and have received for Fiscal Year 2024-2025. We make this request even as our activities have grown in response to enthusiasm from citizens of Auburn. In fact, in the current year we have increased our capacity to provide benefits to citizens of both cities by hiring a second part-time staff member. The attached spreadsheet shows how our expenses are growing and are anticipated to grow further in the coming fiscal year, as well as how we are working to increase our income from all possible sources. We look forward to presenting our plans and goals, as well as discussing our budgetary needs, when we meet with officials of both Lewiston and Auburn on February 18 (and when we look forward to introducing you to both our staff members, Gerald Walsh and Courtney Reed-Marsh).

With best wishes,  
Jim Parakilas  
Board chair,  
LA Arts



## LA Arts Funds Request to Cities of Lewiston and Auburn for FY 2026

| Revenue                                        |  | FY23Actual           | FY 24 Actual         | FY25Budget           |
|------------------------------------------------|--|----------------------|----------------------|----------------------|
| 50001 Government & Public Inst Grants          |  | \$ 102,597.03        | \$ 50,110.25         | \$ 65,000.00         |
| 50002 Private Grants - Foundations             |  | \$ 39,308.50         | \$ 56,000.00         | \$ 42,500.00         |
| 50003 Corporate Donations & Sponsorships       |  | \$ 15,050.00         | \$ 14,111.00         | \$ 22,000.00         |
| 50004 Individual Donations                     |  | \$ 22,322.49         | \$ 27,670.77         | \$ 22,000.00         |
| 50007 Donated Goods                            |  | \$ -                 | \$ -                 | \$ 1,000.00          |
| 50008 Donated Services                         |  | \$ 14,999.00         | \$ 13,733.24         | \$ 15,350.00         |
| 50009 Endowment Donation                       |  | \$ 300.00            | \$ 325.00            | \$ 325.00            |
| <b>Total Contributions, Grants &amp; Gifts</b> |  | <b>\$ 194,577.02</b> | <b>\$ 161,950.26</b> | <b>\$ 168,175.00</b> |
| 50201 Advertising                              |  | \$ -                 | \$ -                 | \$ -                 |
| 50202 Ticket Sales                             |  | \$ 309.00            | \$ 3,404.00          | \$ 8,400.00          |
| 50203 Art Work Sales                           |  | \$ -                 | \$ -                 | \$ -                 |
| 50204 Program Service Fees                     |  | \$ 360.00            | \$ 800.00            | \$ 2,100.00          |
| 50205 Administrative Service Fees              |  | \$ -                 | \$ -                 | \$ -                 |
| 50206 Sales Commissions                        |  | \$ -                 | \$ -                 | \$ 1,500.00          |
| 50208 Bar Sales                                |  | \$ -                 |                      | \$ 630.00            |
| 50209 Merchandise Sales                        |  | \$ 465.69            | \$ 125.11            | \$ 1,500.00          |
| <b>Total Program Service Revenue</b>           |  | <b>\$ 1,134.69</b>   | <b>\$ 4,329.11</b>   | <b>\$ 14,130.00</b>  |
| 50400 Other Revenues and Gains                 |  | \$ 2,136.87          | \$ 13,514.80         | \$ 2,000.00          |
| <b>Total Revenue</b>                           |  | <b>\$ 197,848.58</b> | <b>\$ 179,794.17</b> | <b>\$ 184,305.00</b> |
| <b>Expenses</b>                                |  |                      |                      |                      |
| 70000 Employee Expenses                        |  | \$ 38,344.40         | \$ 48,503.44         | \$ 51,000.00         |
| 70200 Non-Employee Expense                     |  | \$ 33,746.87         | \$ 22,160.94         | \$ 47,750.00         |
| 70400 Advertising & Promotion                  |  | \$ 15,794.61         | \$ 16,269.00         | \$ 20,850.00         |
| 70600 Office Expenses                          |  | \$ 6,990.09          | \$ 4,900.97          | \$ 15,450.00         |
| 70800 Information Technology                   |  | \$ 1,539.82          | \$ 1,581.68          | \$ 2,500.00          |
| 71200 Occupancy Costs                          |  | \$ 39,984.43         | \$ 27,623.05         | \$ 25,300.00         |
| 72400 Insurance Expense                        |  | \$ 3,179.80          | \$ 6,951.60          | \$ 6,000.00          |
| 72600 Program Production Expenses              |  | \$ 10,272.26         | \$ 4,449.55          | \$ 15,050.00         |
| All other expenses                             |  | \$ 3,397.28          | \$ 7,117.72          | \$ 1,000.00          |
| <b>Total Expenses</b>                          |  | <b>\$ 153,249.56</b> | <b>\$ 139,557.95</b> | <b>\$ 184,900.00</b> |
| <b>73308 Realized Gain/Loss on Investment</b>  |  |                      | <b>\$ (3,462.73)</b> |                      |
| <b>Net Income</b>                              |  | <b>\$ 44,599.02</b>  | <b>\$ 36,773.49</b>  | <b>\$ (595.00)</b>   |



# Auburn Lewiston Municipal Airport

80 Airport Drive, Auburn, ME 04210  
(207) 786 0631 FAX: (207) 782 3024  
[www.flytomaine.com](http://www.flytomaine.com)

TO: Airport Board of Directors  
FROM: Jonathan P. LaBonte, Airport Director  
DATE: February 4, 2025  
RE: Draft FY2026 Budget Overview

## Key Budget Considerations

The current draft budget for FY2026 is not balanced. In the interest of holding the line of requested property taxpayer subsidies, addressing inflationary pressures on materials and equipment through increased revenues would be manageable. Unfortunately, more than a decade of inattention to core elements of airport management, namely obstruction management, wildlife management, and facilities management (i.e. fencing and drainage) has introduced cost drivers that go well beyond inflation.

Restructuring staffing and the management model, even on a pilot basis, has required a hard look at compensation to be competitive. Offering \$16-18/hour to staff a flight line or ensure proper plowing and maintenance is not reasonable, so those wages have increased significantly, and the positive outcomes are a testament to their value.

The next 3-5 years will require strategic decisions by the Cities of Auburn and Lewiston, and the Board of Directors, about the future of the Airport and its Industrial Airpark. Significant non-aeronautical land leases will need to be renegotiated in this time window, the tax-sharing agreement between the two cities (established in 1979) will end, and efforts to implement the new Airport Master Plan will be underway to establish LEW as a leading general aviation airport in northern New England.

At the end of this memo, I provide some next steps for both the cities and the Airport Board of Directors as we seek to have an adopted budget in the coming months.

## Budget Format

The standard Airport budget spreadsheet has been further developed to divide revenues and expenses into two distinct categories; Airport Operations and Airport FBO. As we continue to reform the activities of the Airport with an eye towards a self-sustaining business model, the budget separates the revenues and expenses associated with our core responsibilities as Airport Sponsors to the FAA from involvement in aviation business activities (fuel sales, hangaring, aircraft parking, etc)

To clarify, the Airport has been engaged in providing aviation services for over a decade now, but the costs of carrying those services has been shared across other accounts and not the Airport FBO account. Should the Airport wish to privatize any or all of these services in the future, understanding their true contribution to the near- and long-term bottom line is essential.



# Auburn Lewiston Municipal Airport

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## Airport Operations

### **Airport Operations – Revenues**

With the rate changes established early in FY2025, even comparable rates of landings into KLEW will lead to an increase in this revenue stream from Landing Fees. The largest revenue streams in this category for support of core airport activities are from the leasing of Airport properties (Rental Fees). Christian Hill is the largest single lease agreement, and the \$100,000 is a placeholder until spring when Auburn Aggregates LLC provides an update on their planned activities. The remainder of rental fees include long term lease of Airport buildings and land (both inside and outside the fence).

The estimates for Christian Hill and overall Rental Fees are considered conservative at this point. During FY2026, there is a possibility that additional hangar development could expand land lease rentals.

### **Airport Operations – Revenues (Other)**

While the Airport has faced significant cost inflation for materials and supplies and adjusted our compensation to compete with “like” positions in the cities’ public works departments, the draft budget requests the same operating subsidy for the fourth consecutive fiscal year (\$205,000 from each city).

### **Airport Operations – Expenses**

Regular Salaries and Professional Services - Salaries and Contracted Services are the most significant line items under Airport Operations, as this includes Airport employees conducting maintenance activities at the Airport and the contracted management functions that are occurring through the MOU with the City of Auburn.

As of the writing of this memo, the Airport still has an open position in Airport Operations and we will likely engage again in recruiting as winter winds down. We are in need of finding a full-time employee that could be coached and supported to become the next Airport Operations Supervisor. The compensation package for CDL equipment operators in our region is very competitive, and the Airport has made strides to stay with the market.

Under the contracted management from the City of Auburn, the current amount of \$80,000 per year is proposed to increase to \$187,500. This accounts for a more realistic percentage of my time (75% for FY2026 vs the 50% budgeted in FY2025) as well as the addition of a new customer engagement/business development position. The current workload expected of the Airport Director is not sustainable, and more proactive business development and project management is needed to grow this facility and its



# Auburn Lewiston Municipal Airport

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related non-aeronautical revenue streams. The new position is proposed to be shared, similar to my position, between Airport and Intermodal/Freight/Industrial development. For context, the City of Auburn funds my freight/intermodal/industrial development work from leases generated within the Intermodal Facility off Lewiston Junction Road. The relationships are interconnected, so there is an efficiency to this model that can grow.

**Snow and Ice Control** – While we have not expended resources for the last two fiscal years for ice control in the aircraft operating areas, we have been strategically placing product this winter to ensure a quicker turn around for opening the Airport after a storm event. With the goal of continuing to improve the predictability of KLEW being available, we need to replenish this product. Due to the unique formulation for products that can be placed in aircraft operating areas, this is much more expensive than the typical public works product.

**Utilities** – The costs here relate to areas of the Airport that are not “FBO”, or revenue generating aviation facilities. This includes the maintenance building, our Airport gates, and the vault (runways, taxiways, etc).

**Building Maintenance** – The most significant cost listed here is the requirement for certification (or removal) of the operations fuel system that provides diesel and unleaded fuel for Airport equipment. Its certification ends in the fall of 2025, and we are exploring an option to share in a fuel farm at 67 Kittyhawk Avenue (City of Auburn facility). The Airport has no choice but to address this in FY2026. Given the limitations on requesting capital from both cities, it is being funded through the Airport Operations budget.

**Airfield Maintenance** – This account includes aviation-related improvements for lighting, fences or gates, and grounds (exclusive of pavement). For FY2026, this line is being budgeted well under the need, as the Board of Directors has seen with the USDA wild-life site visit report. Recognizing the current limitations in financial resources, the increase over FY2025 is intended to assist us in incremental repairs to Airport perimeter fencing, improving Airport drainage infrastructure, and completing vegetation management and removal activities inside and outside of the fence. Future growth in Airport revenue will be targeted in subsequent years to this expense category until we reach a state of good repair.

**Pavement Maintenance** – This line item has grown significantly over historic spending and will remain at these levels for professional crack filling services, pavement repair, and pavement marking. Large pavement rehab will remain a CIP budgeted item.

## Summary

When accounting for the proposed expenditures to meet core Airport functions, and associated revenues, the Airport Operations budget has a deficit of nearly \$150,000.



# Auburn Lewiston Municipal Airport

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## Airport Fixed Base Operations (FBO)

### **Airport FBO – Revenues**

**Fuel Sales** – As we continue to rebuild customer engagement, fuel sales are budgeted to be at FY2025 budgeted levels (i.e. no increase) with comparable per gallon margins for 100LL and Jet A. While self-serve 100LL will help with volumes, our margins on 100LL are half of that of Jet A.

**Facility Fees** – This is a new fee added to our FBO activities to account for the time need to provide support services to visiting aircraft that do not buy fuel. While it does not make up for the loss of Jet A sales, it does help the overall bottom line.

**Tie-Down and Hangar** – It is a new step to separate aircraft parking for based vs. those of transient. Tracking these separately allows us to challenge our line team to upsell hangaring of visiting aircraft in the summer and winter months to be out of the elements. Assuming our FAA-funded t-hangar project stays on schedule, we may achieve a partial year of revenue from those 10 new units. They are not, however, included in this budget to ensure we stay conservative. When they are online, we can expect to generate \$50-60,000 in additional annual revenue.

### **Airport FBO - Expenses**

**Contract Services** – While we continue to cross-train our Airport Operations team in flight line services, supplementing needed shifts with contract support is paid from this line. Our current contract with Dirigo Aerospace Solutions carries us until October of 2026, or two more peak summer seasons. The growth in this number represents the increased contract rate from our first season of contracted shifts.

**Fuels and Oils** – This number is directly correlated to sales. As sales increase (and in turn profits on fuel sales), more fuel will be purchased.

**Hangar Loan to the Cities** – Recognizing that management of Hangar #5 (former Lufthansa hangar) is a function of Airport business activities, it has been shifted from Operations expenses to FBO expenses. Given the nature of FBOs at competitor airports, having a large hangar for visiting aircraft to complement terminal amenities is an advantage. It is important to note that this budgeted number **assumes** that the Airport is successful in requesting that both cities refinance the existing hangar loan to a new, 20-year, zero interest loan. The current outstanding principal is approximately \$600,000 per city. Without a refinance, the Airport will lose \$60,000 to \$80,000 per year operating Hangar #5.



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Building Maintenance and Utilities – Both of these lines account for those costs incurred by the revenue generating facilities of the Airport (terminal building, Hangar #5, Cold Storage)

## Summary

With a refinance of Hangar #5, conservative projections show the FBO with net revenue of just over \$40,000.

### **Summary of Airport Sponsor Budget Impacts (Cities of Auburn and Lewiston)**

- 1) An operating subsidy of \$205,000 is required from both cities, which is level to FY2025. Per the Interlocal Agreement, no further action would be needed to secure this amount.
- 2) To reduce losses in the management of Hangar #5, the Airport Board of Directors would request that both City Councils authorize the refinancing of the loan from their respective fund balances to a 20-year, no interest payback. This is estimated to reduce the Airport loan payment line from \$115,000 per year to approximately \$60,000 per year (pending final calculations of outstanding principal)

### **Summary of Airport Board of Directors DRAFT Budget Next Steps**

- 1) Review and discuss expense drivers, including the framework for continuing the management MOU with the City of Auburn and how to address significant airfield deferred maintenance obligations (i.e. draining, vegetation management, fencing)
- 2) Review and discuss revenue projections and potential to include less conservative estimates, such as revenue from rental of new t-hangar spaces in late FY2026.
- 3) Consider requesting a joint work session with both City Councils to discuss future planning for management and financial sustainability of the Airport and Industrial Airpark.

**CITY OF AUBURN  
FY 2026 REVENUES  
COMPARISON FY24, FY25 AND FY26 BUDGETS**

| CLASSIFICATION                                | ACTUAL<br>REVENUE<br>FY 23-24 | COUNCIL<br>ADOPTED<br>BUDGET<br>FY 24-25 | YTD<br>AS OF<br>3.1.2025 | MANAGER<br>PROPOSED<br>BUDGET<br>FY 25-26 | Manager's<br>Increase<br>(Decrease)<br>from Prior<br>Year Budget | Manager's<br>Percentage of<br>Increase<br>(Decrease) |
|-----------------------------------------------|-------------------------------|------------------------------------------|--------------------------|-------------------------------------------|------------------------------------------------------------------|------------------------------------------------------|
| <b><u>General Government</u></b>              |                               |                                          |                          |                                           |                                                                  |                                                      |
| Homestead Exemption Reimbursement             | 1,738,629                     | 1,770,000                                | 1,722,459                | 1,770,000                                 | -                                                                | 0.00%                                                |
| Personal Property Reimbursement               | 2,710,648                     | 3,000,000                                | 3,094,948                | 3,100,000                                 | 100,000                                                          | 3.33%                                                |
| Tree Growth Reimbursement                     | 12,883                        | 12,500                                   | 11,323                   | 13,000                                    | 500                                                              | 4.00%                                                |
| Veterans Reimbursement                        | 13,354                        | 18,000                                   |                          | 18,000                                    | -                                                                | 0.00%                                                |
| Special Events                                |                               | 65,000                                   |                          | 40,000                                    | (25,000)                                                         | -38.46%                                              |
| In Lieu of Taxes                              | 173,658                       | 90,000                                   | 94,912                   | 94,000                                    | 4,000                                                            | 4.44%                                                |
| Excise Tax-Vehicles                           | 4,831,086                     | 4,650,000                                | 3,399,026                | 4,800,000                                 | 150,000                                                          | 3.23%                                                |
| Excise Tax-Boats                              | 15,190                        | 15,000                                   | 3,141                    | 15,000                                    | -                                                                | 0.00%                                                |
| Excise Tax-Aircraft                           | 26,073                        | 5,000                                    | 75                       | 5,000                                     | -                                                                | 0.00%                                                |
| State Revenue Sharing                         | 6,607,704                     | 7,200,000                                | 5,822,832                | 7,200,000                                 | -                                                                | 0.00%                                                |
| Other State Aid                               | 3,019                         | 3,400                                    | 2,674                    | 3,400                                     | -                                                                | 0.00%                                                |
| Penalties & Interest                          | 99,990                        | 100,000                                  | 36,208                   | 100,000                                   | -                                                                | 0.00%                                                |
| Investment Income                             | 729,645                       | 350,000                                  | 10,024                   | 350,000                                   | -                                                                | 0.00%                                                |
| Transfer in from TIF                          | -                             | 1,500,000                                |                          | 1,550,000                                 | 50,000                                                           | 3.33%                                                |
| Transfer in from TIF Workforce Development    |                               | -                                        |                          | -                                         | -                                                                | #DIV/0!                                              |
| Transfer in from ARPA Funds                   |                               |                                          |                          | -                                         | -                                                                | #DIV/0!                                              |
| Ingersoll Revenue                             | -                             | 245,000                                  |                          | 62,950                                    | (182,050)                                                        | -74.31%                                              |
| Transfer in from Other Funds                  | -                             |                                          |                          | -                                         | -                                                                | #DIV/0!                                              |
| Rental Income (Intermodal)                    |                               | 84,000                                   | 18,849                   | 84,000                                    | -                                                                | 0.00%                                                |
| Sale of Property Assets                       | 12,423                        | 100,000                                  |                          | 100,000                                   | -                                                                | 0.00%                                                |
| Tax Sharing Revenue                           | 189,195                       | 182,000                                  |                          | 182,000                                   | -                                                                | 0.00%                                                |
| Cable Television Franchise                    | 121,811                       | 125,000                                  | 56,455                   | 125,000                                   | -                                                                | 0.00%                                                |
| Cable Television Franchise - City of Lewiston | 64,525                        | 71,000                                   |                          | 71,000                                    | -                                                                | 0.00%                                                |
| MMWAC Host Fees                               | 232,110                       | 232,110                                  | 19,343                   | 232,110                                   | -                                                                | 0.00%                                                |
| Utility Reimbursement                         | -                             | 20,000                                   |                          | -                                         | (20,000)                                                         | -100.00%                                             |
| Miscellaneous (Unclassified)                  | 283,592                       | 50,000                                   | 172,876                  | 150,000                                   | 100,000                                                          | 200.00%                                              |
| Reimbursed Services                           | -                             | 193,132                                  | 74,847                   | 364,500                                   | 171,368                                                          | 88.73%                                               |
| Fund Balance Contribution                     | 1,875,000                     | 1,875,000                                |                          | 1,875,000                                 | -                                                                | 0.00%                                                |
| <b>Total General Government</b>               | <b>19,740,535</b>             | <b>21,956,142</b>                        | <b>14,539,992</b>        | <b>22,304,960</b>                         | <b>348,818</b>                                                   | <b>1.59%</b>                                         |



| CLASSIFICATION                                     | ACTUAL<br>REVENUE<br>FY 23-24 | COUNCIL<br>ADOPTED<br>BUDGET<br>FY 24-25 | YTD<br>AS OF<br>3.1.2025 | MANAGER<br>PROPOSED<br>BUDGET<br>FY 25-26 | Manager's<br>Increase<br>(Decrease)<br>from Prior<br>Year Budget | Manager's<br>Percentage of<br>Increase<br>(Decrease) |
|----------------------------------------------------|-------------------------------|------------------------------------------|--------------------------|-------------------------------------------|------------------------------------------------------------------|------------------------------------------------------|
| <b><u>City Clerk</u></b>                           |                               |                                          |                          |                                           |                                                                  |                                                      |
| Hunting/Fishing/Dogs                               | 601                           | 700                                      | 386                      | 700                                       | -                                                                | 0.00%                                                |
| Neutered Animals                                   | 2,811                         | 2,000                                    | 1,761                    | 2,500                                     | 500                                                              | 25.00%                                               |
| Voter Reg List                                     | 363                           | 200                                      | 22                       | 200                                       | -                                                                | 0.00%                                                |
| Clerk/Sale of Copies                               | 45                            | 60                                       | 10                       | 60                                        | -                                                                | 0.00%                                                |
| City Clerk Notary                                  | 1,395                         | 1,100                                    | 790                      | 1,300                                     | 200                                                              | 18.18%                                               |
| Banner Hanging Fee                                 | -                             |                                          |                          | -                                         | -                                                                | #DIV/0!                                              |
| Garage Sale Permits                                | -                             |                                          |                          | -                                         | -                                                                | #DIV/0!                                              |
| Commercial License                                 | 76,551                        | 75,000                                   | 34,884                   | 75,000                                    | -                                                                | 0.00%                                                |
| Marijuana Licenses                                 | 189,082                       | 200,000                                  | 189,082                  | 200,000                                   | -                                                                | 0.00%                                                |
| Taxi License                                       |                               |                                          |                          | -                                         | -                                                                | #DIV/0!                                              |
| Marriage License                                   | 4,216                         | 5,500                                    | 5,858                    | 5,500                                     | -                                                                | 0.00%                                                |
| Birth/Death/Marriage Cert                          | 22,776                        | 25,000                                   | 17,542                   | 25,000                                    | -                                                                | 0.00%                                                |
| Permits - Burial                                   | 2,282                         | 2,000                                    | 1,382                    | 2,000                                     | -                                                                | 0.00%                                                |
| Fines-Dog                                          | 3,922                         | 3,000                                    | 1,753                    | 3,500                                     | 500                                                              | 16.67%                                               |
| <b>Total City Clerk</b>                            | <b>304,044</b>                | <b>314,560</b>                           | <b>253,470</b>           | <b>315,760</b>                            | <b>1,200</b>                                                     | <b>0.38%</b>                                         |
| <b><u>Finance</u></b>                              |                               |                                          |                          |                                           |                                                                  |                                                      |
| Reg - Vehicles Agent Fee                           | 90,616                        | 95,000                                   | 60,147                   | 95,000                                    | -                                                                | 0.00%                                                |
| <b>Total Finance</b>                               | <b>90,616</b>                 | <b>95,000</b>                            | <b>60,147</b>            | <b>95,000</b>                             | <b>-</b>                                                         | <b>0.00%</b>                                         |
| <b><u>Business &amp; Community Development</u></b> |                               |                                          |                          |                                           |                                                                  |                                                      |
| CDBG Reimbursement for Services                    |                               | 588,154                                  |                          | 588,154                                   | -                                                                | 0.00%                                                |
| General Assistance State Reimbursement             | 520,066                       | 630,840                                  | 343,010                  | 560,840                                   | (70,000)                                                         | -11.10%                                              |
| <b>Total Business &amp; Community Development</b>  | <b>520,066</b>                | <b>1,218,994</b>                         | <b>343,010</b>           | <b>1,148,994</b>                          | <b>(70,000)</b>                                                  | <b>-5.74%</b>                                        |
| <b><u>Planning &amp; Permitting</u></b>            |                               |                                          |                          |                                           |                                                                  |                                                      |
| Maps & Copies                                      | -                             | -                                        |                          |                                           | -                                                                | 0.00%                                                |
| Departmental Reviews                               | 13,534                        | 12,000                                   | 26,552                   | 15,000                                    | 3,000                                                            | 25.00%                                               |
| Subdivision Application                            |                               |                                          |                          |                                           | -                                                                | 0.00%                                                |
| Fire Alarm Inspections                             | -                             | -                                        |                          |                                           | -                                                                | 0.00%                                                |
| Citation Ordinance -Court Fees (Legal Judgements)  | 1,452                         | 3,000                                    | 26,603                   | 3,000                                     | -                                                                | 0.00%                                                |
| Advertising Costs                                  | 2,700                         | 3,400                                    |                          | 3,400                                     | -                                                                | 0.00%                                                |
| Miscellaneous                                      |                               |                                          |                          |                                           | -                                                                | 0.00%                                                |
| Permits - Building                                 | 158,420                       | 120,000                                  | 214,290                  | 160,000                                   | 40,000                                                           | 33.33%                                               |
| Permits - Electrical                               | 44,005                        | 25,000                                   | 24,297                   | 30,000                                    | 5,000                                                            | 20.00%                                               |
| Permits - Plumbing                                 | 29,502                        | 15,000                                   | 12,745                   | 25,000                                    | 10,000                                                           | 66.67%                                               |



| CLASSIFICATION                                    | ACTUAL<br>REVENUE<br>FY 23-24 | COUNCIL<br>ADOPTED<br>BUDGET<br>FY 24-25 | YTD<br>AS OF<br>3.1.2025 | MANAGER<br>PROPOSED<br>BUDGET<br>FY 25-26 | Manager's<br>Increase<br>(Decrease)<br>from Prior<br>Year Budget | Manager's<br>Percentage of<br>Increase<br>(Decrease) |
|---------------------------------------------------|-------------------------------|------------------------------------------|--------------------------|-------------------------------------------|------------------------------------------------------------------|------------------------------------------------------|
| Permits - Sign                                    | 5,154                         | 5,000                                    | 2,456                    | 5,000                                     | -                                                                | 0.00%                                                |
| <b>Total Planning &amp; Permitting</b>            | <b>254,767</b>                | <b>183,400</b>                           | <b>306,943</b>           | <b>241,400</b>                            | <b>58,000</b>                                                    | <b>31.62%</b>                                        |
| <b><u>Parks &amp; Recreation</u></b>              |                               |                                          |                          |                                           |                                                                  |                                                      |
| Arena                                             |                               | -                                        |                          | -                                         | -                                                                | 0.00%                                                |
| Recreation Program                                |                               | -                                        |                          | -                                         | -                                                                | 0.00%                                                |
| <b>Total Parks &amp; Recreation</b>               |                               | -                                        | -                        | -                                         | -                                                                | 0.00%                                                |
| <b><u>Engineering</u></b>                         |                               |                                          |                          |                                           |                                                                  |                                                      |
| Fees - Inspection                                 | -                             | 5,000                                    |                          | 5,000                                     | -                                                                | 0.00%                                                |
| Fees - Drive Opening                              | 360                           | 250                                      | 280                      | 250                                       | -                                                                | 0.00%                                                |
| Fees - Bid Documents                              | -                             | -                                        |                          |                                           | -                                                                | 0.00%                                                |
| Permits - Fill                                    | 125                           | 200                                      |                          | 200                                       | -                                                                | 0.00%                                                |
| Permits - Street Opening                          | 73,235                        | 15,000                                   |                          | 15,000                                    | -                                                                | 0.00%                                                |
| <b>Total Engineering</b>                          | <b>73,720</b>                 | <b>20,450</b>                            | <b>280</b>               | <b>20,450</b>                             | <b>-</b>                                                         | <b>0.00%</b>                                         |
| <b><u>Fire &amp; EMS</u></b>                      |                               |                                          |                          |                                           |                                                                  |                                                      |
| Copies of Reports                                 | 85                            | 100                                      |                          | 100                                       | -                                                                | 0.00%                                                |
| Multiple Alarms                                   |                               |                                          |                          |                                           | -                                                                | 0.00%                                                |
| EMS Transport                                     | 1,788,378                     | 1,700,000                                | 1,123,383                | 1,700,000                                 | -                                                                | 0.00%                                                |
| EMS Grant                                         | -                             | 130,000                                  |                          | -                                         | (130,000)                                                        | -100.00%                                             |
| Salvage Calls                                     | -                             | -                                        |                          |                                           | -                                                                | 0.00%                                                |
| Permits - Oil Burner                              | -                             | -                                        |                          |                                           | -                                                                | 0.00%                                                |
| <b>Total Fire Department</b>                      | <b>1,788,463</b>              | <b>1,830,100</b>                         | <b>1,123,383</b>         | <b>1,700,100</b>                          | <b>(130,000)</b>                                                 | <b>-7.10%</b>                                        |
| <b><u>Police Department</u></b>                   |                               |                                          |                          |                                           |                                                                  |                                                      |
| Accident & Police                                 | 11,590                        | 11,000                                   | 9,635                    | 11,000                                    | -                                                                | 0.00%                                                |
| Court                                             | 4,803                         | 3,300                                    | 1,101                    | 4,000                                     | 700                                                              | 21.21%                                               |
| Photos & Tapes                                    | 610                           | 800                                      | 430                      | 800                                       | -                                                                | 0.00%                                                |
| False Alarms                                      | 12,240                        | 15,000                                   | 5,845                    | 15,000                                    | -                                                                | 0.00%                                                |
| Animal Impound                                    |                               |                                          | 475                      |                                           | -                                                                | 0.00%                                                |
| Veh Rel/Non Driver                                | 1,925                         | 3,000                                    | 1,895                    | 3,000                                     | -                                                                | 0.00%                                                |
| Veh Rel/Driver Licence                            | 3,510                         | 4,000                                    | 3,250                    | 4,000                                     | -                                                                | 0.00%                                                |
| ARRA Cops Grant                                   |                               |                                          |                          |                                           | -                                                                | 0.00%                                                |
| Transfer in -Opioid Settlement (for PACE program) | -                             | 60,000                                   |                          | 60,000                                    | -                                                                | 0.00%                                                |
| Permits - Firearms                                | 1,855                         | 1,900                                    | 1,175                    | 1,900                                     | -                                                                | 0.00%                                                |
| Fines - Parking Violations                        | 22,575                        | 25,000                                   | 22,672                   | 35,000                                    | 10,000                                                           | 40.00%                                               |
| <b>Total Police Department</b>                    | <b>59,108</b>                 | <b>124,000</b>                           | <b>46,478</b>            | <b>134,700</b>                            | <b>10,700</b>                                                    | <b>8.63%</b>                                         |

| CLASSIFICATION                          | ACTUAL<br>REVENUE<br>FY 23-24 | COUNCIL<br>ADOPTED<br>BUDGET<br>FY 24-25 | YTD<br>AS OF<br>3.1.2025 | MANAGER<br>PROPOSED<br>BUDGET<br>FY 25-26 | Manager's<br>Increase<br>(Decrease)<br>from Prior<br>Year Budget | Manager's<br>Percentage of<br>Increase<br>(Decrease) |
|-----------------------------------------|-------------------------------|------------------------------------------|--------------------------|-------------------------------------------|------------------------------------------------------------------|------------------------------------------------------|
| <b>Public Works</b>                     |                               |                                          |                          |                                           |                                                                  |                                                      |
| State/Local Road Assistance             | 484,820                       | 400,000                                  | 520,220                  | 500,000                                   | 100,000                                                          | 25.00%                                               |
| <b>Total Public Works</b>               | <b>484,820</b>                | <b>400,000</b>                           | <b>520,220</b>           | <b>500,000</b>                            | <b>100,000</b>                                                   | <b>25.00%</b>                                        |
| <b>Total Municipal</b>                  | <b>23,316,139</b>             | <b>26,142,646</b>                        | <b>17,193,923</b>        | <b>26,461,364</b>                         | <b>318,718</b>                                                   | <b>1.22%</b>                                         |
| <b>School Department</b>                |                               |                                          |                          |                                           |                                                                  |                                                      |
| Reg Secondary Tuition / Adult Education | 249,802                       | -                                        |                          | 44,754                                    | 44,754                                                           | #DIV/0!                                              |
| SOS Tuition                             | -                             | -                                        |                          | -                                         | -                                                                | #DIV/0!                                              |
| Franklin Tuition                        | 5,200                         | 100,000                                  | 6,349                    | 160,000                                   | 60,000                                                           | 60.00%                                               |
| State Subsidy for Education             | 27,927,315                    | 29,231,738                               | 29,231,738               | 32,046,130                                | 2,814,392                                                        | 9.63%                                                |
| Debt Service Reimbursement              | 8,971,868                     | 9,089,775                                | 7,548,882                | 8,833,262                                 | (256,513)                                                        | -2.82%                                               |
| Special Ed/Mainecare                    | 126,088                       | 100,000                                  | 50,353                   | 120,000                                   | 20,000                                                           | 20.00%                                               |
| State Agency Clients / SOS              | 53,458                        | 20,000                                   | 18,293                   | 30,000                                    | 10,000                                                           | 50.00%                                               |
| State Aid for Adult Education           | 88,042                        | 162,072                                  | 122,073                  | 101,495                                   | (60,577)                                                         | -37.38%                                              |
| Miscellaneous                           | 602,950                       | 104,150                                  | 319,748                  | 145,000                                   | 40,850                                                           | 39.22%                                               |
| Naming Rights                           | -                             | 211,000                                  |                          | -                                         | (211,000)                                                        | -100.00%                                             |
| Fund Balance                            | 233,320                       | 2,350,000                                | 38,278                   | 1,750,000                                 | (600,000)                                                        | -25.53%                                              |
| <b>Total School</b>                     | <b>38,258,043</b>             | <b>41,368,735</b>                        | <b>37,335,714</b>        | <b>43,230,641</b>                         | <b>1,861,906</b>                                                 | <b>4.50%</b>                                         |

# CITY OF AUBURN

## CITYWIDE FIVE YEAR - CAPITAL IMPROVEMENT PLAN

### FY26 - FY30

| Description                                            | FY26              | FY27                | FY28                | FY29              | FY30              |
|--------------------------------------------------------|-------------------|---------------------|---------------------|-------------------|-------------------|
| <b>AUBURN-LEWISTON AIRPORT - City share</b>            |                   |                     |                     |                   |                   |
| Congressionally Directed Spending (CDS) Hangar Project | \$ 78,500         |                     |                     |                   |                   |
| Terminal Parking Lot/Entrance Reconstruction           |                   | \$ 175,000          |                     |                   |                   |
| <b>TOTAL AUBURN-LEWISTON AIRPORT</b>                   | <b>\$ 78,500</b>  | <b>\$ 175,000</b>   | <b>\$ -</b>         | <b>\$ -</b>       | <b>\$ -</b>       |
| <b><u>CITY CLERK</u></b>                               |                   |                     |                     |                   |                   |
| Record Restoration                                     | \$ 50,000         | \$ 50,000           | \$ 50,000           | \$ 50,000         | \$ 50,000         |
| Fire Proof Vault Construction                          |                   |                     | \$ 100,000          |                   |                   |
| <b>TOTAL CITY CLERK</b>                                | <b>\$ 50,000</b>  | <b>\$ 50,000</b>    | <b>\$ 150,000</b>   | <b>\$ 50,000</b>  | <b>\$ 50,000</b>  |
| <b><u>FINANCE</u></b>                                  |                   |                     |                     |                   |                   |
| Revaluation                                            | \$ 500,000        | \$ 250,000          |                     |                   |                   |
| Eagleview                                              |                   |                     | \$ 50,000           |                   |                   |
| <b>TOTAL FINANCE DEPARTMENT</b>                        | <b>\$ 500,000</b> | <b>\$ 250,000</b>   | <b>\$ 50,000</b>    | <b>\$ -</b>       | <b>\$ -</b>       |
| <b><u>FIRE DEPARTMENT</u></b>                          |                   |                     |                     |                   |                   |
| <b><u>Fire</u></b>                                     |                   |                     |                     |                   |                   |
| Apparatus Reconditioning                               |                   | \$ 300,000          | \$ 300,000          |                   | \$ 350,000        |
| Apparatus Replacement                                  |                   | \$ 670,000          | \$ 1,100,000        | *                 |                   |
| Rescue Boat Replacement                                | \$ 42,000         |                     |                     |                   |                   |
| Fire Hose Replacement                                  |                   |                     | \$ 50,000           |                   |                   |
| Cascade air fill station system replacement            | \$ 60,000         |                     |                     |                   |                   |
| PPE Cleaning System                                    |                   | \$ 100,000          |                     |                   |                   |
| <b>Total Fire</b>                                      | <b>\$ 102,000</b> | <b>\$ 1,070,000</b> | <b>\$ 1,450,000</b> | <b>\$ -</b>       | <b>\$ 350,000</b> |
| <b><u>EMS</u></b>                                      |                   |                     |                     |                   |                   |
| Ambulance Replacement                                  | \$ 305,000        | \$ 305,000          | \$ 45,000           |                   | \$ 335,000        |
| Cardiac monitors                                       | \$ 35,000         | \$ 35,000           | \$ 210,000          | \$ 140,000        | \$ 70,000         |
| Stretcher Replacement                                  | \$ 47,000         | \$ 47,000           |                     |                   |                   |
| <b>Total EMS</b>                                       | <b>\$ 387,000</b> | <b>\$ 387,000</b>   | <b>\$ 255,000</b>   | <b>\$ 140,000</b> | <b>\$ 405,000</b> |
| <b>TOTAL FIRE DEPARTMENT</b>                           | <b>\$ 489,000</b> | <b>\$ 1,457,000</b> | <b>\$ 1,705,000</b> | <b>\$ 140,000</b> | <b>\$ 755,000</b> |
| <b><u>INFORMATION TECHNOLOGY</u></b>                   |                   |                     |                     |                   |                   |
| Fiber Connection                                       | \$ 50,000         | \$ 50,000           | \$ 50,000           | \$ 50,000         | \$ 50,000         |
| Security Camera Project                                | \$ 100,000        | \$ 100,000          | \$ 100,000          | \$ 100,000        | \$ 100,000        |
| Tri-Caster                                             | \$ 35,000         |                     |                     |                   |                   |
| Agenda Meeting Software                                | \$ 20,000         |                     |                     |                   |                   |
| <b>TOTAL INFORMATION TECHNOLOGY</b>                    | <b>\$ 205,000</b> | <b>\$ 150,000</b>   | <b>\$ 150,000</b>   | <b>\$ 150,000</b> | <b>\$ 150,000</b> |

# CITY OF AUBURN

## CITYWIDE FIVE YEAR - CAPITAL IMPROVEMENT PLAN

### FY26 - FY30

| Description                                    | FY26         | FY27         | FY28         | FY29         | FY30         |
|------------------------------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>LA911 (Auburn's share)</b>                  |              |              |              |              |              |
| <b>TOTAL LA911</b>                             | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| <b>NSBA &amp; Ingersoll</b>                    |              |              |              |              |              |
| <b>NSBA</b>                                    |              |              |              |              |              |
| Floor Rubber Rink #1 and Mezzanine             |              | \$ 80,000    |              |              |              |
| LED Lights Rink #1 and Rink #2                 |              | \$ 75,000    |              |              |              |
| Ice Resurfacer                                 |              | \$ 225,000   |              |              |              |
| Two LED Scoreboards Rink #1                    |              |              | \$ 150,000   |              |              |
| Sound System Rink #1 and #2                    |              |              |              | \$ 150,000   |              |
| Protective Netting Rink #1                     |              |              |              | \$ 20,000    |              |
| Rink #1 Rink Board (Preventive Maint.)         |              |              |              |              | \$ 50,000    |
| <b>Ingersoll Turf Facility</b>                 |              |              |              |              |              |
| Floor and Rubber install outside of turf areas |              | \$ 35,000    |              |              |              |
| Replace Turf                                   |              | \$ 300,000   |              |              |              |
| HVAC Upgrade                                   |              |              | \$ 350,000   |              |              |
| <b>TOTAL NSBA &amp; INGERSOLL</b>              | \$ -         | \$ 715,000   | \$ 500,000   | \$ 170,000   | \$ 50,000    |
| <b>POLICE DEPARTMENT</b>                       |              |              |              |              |              |
| Firearm Replacement (Handgun)                  |              |              |              | \$ 105,000   |              |
| 10 Pole Mounted Radar Signs                    |              |              |              |              | \$ 45,000    |
| Digital Mapping Equipment (Drone)              | \$ 18,000    |              |              |              |              |
| Cruiser Camera System Replacement              | \$ 120,000   | \$ 120,000   | \$ 120,000   | \$ 120,000   | \$ 120,000   |
| Body worn Cameras                              |              |              | \$ 295,000   |              |              |
| TASER Upgrade                                  |              |              |              | \$ 200,000   |              |
| Mobile Data Terminal Replacement               |              |              |              |              | \$ 145,000   |
| APEX Training System                           |              |              |              |              |              |
| <b>TOTAL POLICE DEPARTMENT</b>                 | \$ 138,000   | \$ 120,000   | \$ 415,000   | \$ 425,000   | \$ 310,000   |
| <b>PUBLIC SERVICES</b>                         |              |              |              |              |              |
| <b>ENGINEERING</b>                             |              |              |              |              |              |
| Brickyard Circle Slip Lane                     |              | \$ 350,000   |              |              |              |
| Reconstruction                                 | \$ 100,000   | \$ 1,434,000 | \$ 1,008,000 | \$ 1,267,500 | \$ 1,128,000 |
| Reclamation                                    | \$ 500,000   | \$ 1,200,000 | \$ 948,000   | \$ 910,000   |              |
| Major Drainage                                 | \$ 1,750,000 | \$ 500,000   | \$ 500,000   | \$ 500,000   | \$ 500,000   |

# CITY OF AUBURN

## CITYWIDE FIVE YEAR - CAPITAL IMPROVEMENT PLAN

### FY26 - FY30

| Description                                                | FY26                | FY27                | FY28                | FY29                | FY30                |
|------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| MDOT Match                                                 | \$ 1,500,000        | \$ 1,633,000        | \$ 1,250,000        | \$ 1,300,000        | \$ 1,402,000        |
| Resurfacing                                                | \$ 927,200          | \$ 671,500          | \$ 691,900          | \$ 1,000,000        | \$ 1,000,000        |
| Retaining Walls                                            | \$ 20,000           | \$ 250,000          | \$ 250,000          | \$ 250,000          | \$ 250,000          |
| Lake Grove Park-Parking & Court Improvements               | \$ 300,000          |                     |                     |                     |                     |
| Sidewalk Repairs                                           | \$ -                | \$ 100,000          | \$ 100,000          | \$ 100,000          | \$ 100,000          |
| Downtown Parking and Walkability-UPI Grant Match           | \$ 300,000          | \$ 400,000          |                     |                     |                     |
| Small Master Plan Study                                    | \$ 100,000          | \$ 100,000          |                     |                     |                     |
| <b>TOTAL ENGINEERING DEPARTMENT</b>                        | <b>\$ 5,497,200</b> | <b>\$ 6,638,500</b> | <b>\$ 4,747,900</b> | <b>\$ 5,327,500</b> | <b>\$ 4,380,000</b> |
| <b>PLANNING &amp; PERMITTING</b>                           |                     |                     |                     |                     |                     |
| Dangerous Buildings and Junkyard Cleanups                  | \$ 100,000          | \$ 100,000          | \$ 100,000          | \$ 100,000          | \$ 100,000          |
| Comprehensive Plan Program                                 | \$ 250,000          | \$ 400,000          | \$ 400,000          | \$ 400,000          | \$ 400,000          |
| <b>TOTAL PLANNING &amp; PERMITTING DEPARTMENT</b>          | <b>\$ 350,000</b>   | <b>\$ 500,000</b>   | <b>\$ 500,000</b>   | <b>\$ 500,000</b>   | <b>\$ 500,000</b>   |
| <b>TRANSPORTATION</b>                                      |                     |                     |                     |                     |                     |
| Traffic Calming & Pedestrian Safety                        | \$ -                | \$ 100,000          | \$ 100,000          | \$ 100,000          | \$ 100,000          |
| Neighborhood Safety Measures                               | \$ -                | \$ 100,000          | \$ 100,000          | \$ 100,000          | \$ 100,000          |
| LATC Bus Replacement                                       | \$ 50,000           | \$ 50,000           | \$ 50,000           | \$ 50,000           | \$ 50,000           |
| <b>TOTAL TRANSPORTATION DEPARTMENT</b>                     | <b>\$ 50,000</b>    | <b>\$ 250,000</b>   | <b>\$ 250,000</b>   | <b>\$ 250,000</b>   | <b>\$ 250,000</b>   |
| <b>TOTAL PUBLIC SERVICES</b>                               | <b>\$ 5,897,200</b> | <b>\$ 7,138,500</b> | <b>\$ 5,247,900</b> | <b>\$ 5,827,500</b> | <b>\$ 4,880,000</b> |
| <b>PUBLIC WORKS</b>                                        |                     |                     |                     |                     |                     |
| <b>PUBLIC WORKS</b>                                        |                     |                     |                     |                     |                     |
| <b>Road Maintenance Equipment</b>                          |                     |                     |                     |                     |                     |
| Front end loader (loading materials and snow removal)      |                     | \$ 250,000          | \$ 250,000          | \$ 300,000          |                     |
| Grader                                                     |                     | \$ 450,000          |                     | \$ 405,000          |                     |
| Backhoe                                                    |                     | \$ 110,000          |                     |                     |                     |
| Mini Excavator                                             | 120,000             |                     |                     |                     |                     |
| Replace sidewalk tractor (sidewalk maintenance and mowing) |                     | \$ 260,000          | \$ 170,000          | \$ 170,000          | \$ 170,000          |
| Replace Sweeper 49                                         |                     | \$ 335,000          |                     | \$ 335,000          |                     |
| Replace 30 Ton Trailer                                     | \$ 45,000           |                     |                     |                     |                     |
| Skid Steer Planer Attachment                               |                     | \$ 29,000           |                     |                     |                     |
| Skid Steer Shoulder Box Attachment                         |                     | \$ 60,000           |                     |                     |                     |
| Replace Western Star Pulp Truck                            |                     |                     | \$ 275,000          |                     |                     |
| Replace Chipper                                            |                     | \$ 80,000           |                     |                     |                     |
| Replace Loader Mounted Snow Blower                         |                     |                     | \$ 150,000          |                     |                     |

# CITY OF AUBURN

## CITYWIDE FIVE YEAR - CAPITAL IMPROVEMENT PLAN

### FY26 - FY30

| Description                                                 | FY26              | FY27                | FY28                | FY29                | FY30                |
|-------------------------------------------------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| Light Towers                                                |                   | \$ 25,000           |                     |                     |                     |
| Ventrac Mower & Attachments                                 |                   | \$ 50,000           |                     |                     |                     |
| Diamond Saw                                                 |                   | \$ 25,000           |                     |                     |                     |
| Zero Turn Mowers                                            |                   | \$ 35,800           |                     |                     |                     |
| Hot Box Pavement Reclaimer                                  |                   | \$ 50,000           |                     |                     |                     |
| <b>Road Maintenance Equipment:</b>                          | <b>\$ 165,000</b> | <b>\$ 1,759,800</b> | <b>\$ 845,000</b>   | <b>\$ 1,210,000</b> | <b>\$ 170,000</b>   |
| <u><b>Recreation &amp; Open Space Maintenance</b></u>       |                   |                     |                     |                     |                     |
| Dog Park                                                    |                   | \$ 240,000          |                     |                     |                     |
| Play Ground Replacment                                      |                   | \$ 350,000          |                     | \$ 350,000          |                     |
| Field Repair                                                |                   | \$ 250,000          | \$ 100,000          |                     | \$ 100,000          |
| Park Repair & Furniture Replacement                         | \$ 50,000         | \$ 50,000           | \$ 50,000           | \$ 50,000           | \$ 50,000           |
| Festival Plaza                                              |                   | \$ 125,000          |                     |                     |                     |
| <b>Recreation &amp; Open Space Maintenance:</b>             | <b>\$ 50,000</b>  | <b>\$ 1,015,000</b> | <b>\$ 150,000</b>   | <b>\$ 400,000</b>   | <b>\$ 150,000</b>   |
| <u><b>Electrical Improvements</b></u>                       |                   |                     |                     |                     |                     |
| Replace Genie Lift School and Public Works                  |                   | \$ 25,000           |                     |                     |                     |
| Annual Park & Walkway Light Replacement                     |                   | \$ 100,000          | \$ 100,000          | \$ 100,000          | \$ 100,000          |
| <b>Electrical Improvements:</b>                             | <b>\$ -</b>       | <b>\$ 125,000</b>   | <b>\$ 100,000</b>   | <b>\$ 100,000</b>   | <b>\$ 100,000</b>   |
| <u><b>City Fleet Vehicles</b></u>                           |                   |                     |                     |                     |                     |
| Electrical Division - Vehicle Replacement                   |                   | \$ 150,000          |                     |                     |                     |
| Replace Engeering Vehicles                                  | \$ 50,000         | \$ 50,000           |                     |                     |                     |
| Replace Service Truck                                       |                   | \$ 65,000           |                     |                     |                     |
| Replace Crew Cab Truck                                      | \$ 65,000         |                     |                     |                     |                     |
| Replace 1/2 ton pick-ups                                    | \$ 40,000         | \$ 50,000           | \$ 100,000          |                     |                     |
| Replace One Ton Truck with Plow (2)                         |                   | \$ 70,000           | \$ 70,000           | \$ 375,000          | \$ 375,000          |
| Replace 3/4 Ton Pickup w Plow                               | \$ 60,000         | \$ 50,000           | \$ 90,000           |                     |                     |
| Replace 7 yard plow trucks (plowing/sanding/road maint)     |                   | \$ 602,400          | \$ 975,000          | \$ 602,400          | \$ 602,400          |
| Replace 12 yard plow trucks (plowing/sanding/roadway maint) |                   | \$ 325,000          |                     | \$ 650,000          | \$ 650,000          |
| Police Vehicle Replacement                                  | \$ 237,000        | \$ 316,000          | \$ 316,000          | \$ 316,000          | \$ 316,000          |
| Public Safety Command Vehicle Replacement                   |                   | \$ 450,000          |                     |                     |                     |
| Fire Vehicle Replacement                                    |                   | \$ 135,000          | \$ 60,000           | \$ 60,000           |                     |
| Battalion Chief Command Vehicle Replacement                 |                   |                     |                     |                     |                     |
| Recreation Mini Bus replacement/upgrade                     |                   |                     | \$ 180,000          |                     |                     |
| <b>City Fleet Vehicles:</b>                                 | <b>\$ 452,000</b> | <b>\$ 2,263,400</b> | <b>\$ 1,791,000</b> | <b>\$ 2,003,400</b> | <b>\$ 1,943,400</b> |

# CITY OF AUBURN

## CITYWIDE FIVE YEAR - CAPITAL IMPROVEMENT PLAN

### FY26 - FY30

| Description                                                              | FY26                | FY27                 | FY28                | FY29                 | FY30                |
|--------------------------------------------------------------------------|---------------------|----------------------|---------------------|----------------------|---------------------|
| <b><u>FACILITIES &amp; ENERGY</u></b>                                    |                     |                      |                     |                      |                     |
| Discontinue Municipal Fire Alarm System                                  |                     | \$ 120,000           |                     |                      |                     |
| Auburn Hall Boiler/Mechanical Upgrades                                   |                     |                      |                     |                      |                     |
| Auburn Hall Reconfiguration/APD Relocate                                 |                     | \$ 500,000           |                     |                      |                     |
| Auburn Hall Building Automation System Upgrade                           |                     |                      | \$ 465,500          |                      |                     |
| Auburn Hall New ERVS                                                     |                     |                      |                     | \$ 712,500           |                     |
| Auburn Hall Repointing Brick and exterior Masonry work                   |                     |                      |                     | \$ 1,500,000         |                     |
| Auburn Hall Fan Coil Full Replacement                                    |                     |                      |                     | \$ 1,500,000         |                     |
| Engine 2 Station Reconstruction                                          | \$ 3,700,000        |                      |                     |                      |                     |
| Engine 5 Preliminary Design & Cost Analysis                              |                     | \$ 150,000           |                     |                      |                     |
| Engine 5 Station Reconstruction                                          |                     |                      |                     | \$ 3,000,000         |                     |
| Engine 5 Electrical Upgrade (undersized for HVAC)                        |                     | \$ 100,000           |                     |                      |                     |
| Engine 5 ERV                                                             |                     | \$ 166,250           |                     |                      |                     |
| Engine 5 Front of Building Storefront Window                             |                     | \$ 40,000            |                     |                      |                     |
| Engine 5 Heating, Cooling and Ventilation upgrade                        |                     | \$ 213,000           |                     |                      |                     |
| Engine 5 Building Windows                                                |                     |                      | \$ 100,000          |                      |                     |
| Public Works 506.5 KW Solar array(Est. cost prior to 650K rebate)        |                     | \$ 1,855,350         |                     |                      |                     |
| Sand/Salt Building 67 Kittyhawk                                          |                     | \$ 450,000           |                     |                      |                     |
| Public Works Addition/ Remodel/ New Electrical Service                   |                     |                      |                     | \$ 3,000,000         |                     |
| Public Works Repoint Brick                                               |                     |                      |                     | \$ 100,000           | \$ 100,000          |
| NSBA Solar 882.2 KW Solar Array (Est. cost prior to 1.3 Mil rebate)      |                     | \$ 3,225,250         |                     |                      |                     |
| <b>City-wide Facilities &amp; Energy Total</b>                           | <b>\$ 3,700,000</b> | <b>\$ 6,819,850</b>  | <b>\$ 565,500</b>   | <b>\$ 9,812,500</b>  | <b>\$ 100,000</b>   |
| <b><u>Auburn Public Library</u></b>                                      |                     |                      |                     |                      |                     |
| Public Library Building Envelope, Repairs & Design Cost Analysis         |                     |                      |                     |                      |                     |
| Public Library Boilers Replacement                                       |                     |                      |                     |                      |                     |
| Public Library Rooftop Units (X3)                                        |                     | \$ 700,000           | \$ 700,000          |                      |                     |
| Public Library Building Envelope, ADA Upgrades & Historical Preservation |                     | \$ 300,000           | \$ 300,000          | \$ 300,000           | \$ 300,000          |
| Public Library Building Lighting Upgrades                                |                     | \$ 66,500            |                     |                      |                     |
| Public Library Building Automation System Upgrade                        |                     | \$ 270,000           |                     |                      |                     |
| Public Library Roof Coating                                              |                     | \$ 250,000           |                     |                      |                     |
| <b>Auburn Public Library Total</b>                                       | <b>\$ -</b>         | <b>\$ 1,586,500</b>  | <b>\$ 1,000,000</b> | <b>\$ 300,000</b>    | <b>\$ 300,000</b>   |
| <b><u>TOTAL FACILITIES &amp; ENERGY</u></b>                              | <b>\$ 3,700,000</b> | <b>\$ 8,406,350</b>  | <b>\$ 1,565,500</b> | <b>\$ 10,112,500</b> | <b>\$ 400,000</b>   |
| <b>TOTAL PUBLIC WORKS</b>                                                | <b>\$ 4,367,000</b> | <b>\$ 13,569,550</b> | <b>\$ 4,451,500</b> | <b>\$ 13,825,900</b> | <b>\$ 2,763,400</b> |

**CITY OF AUBURN**  
**CITYWIDE FIVE YEAR - CAPITAL IMPROVEMENT PLAN**  
**FY26 - FY30**



| Description                          | FY26          | FY27          | FY28          | FY29          | FY30          |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|
| <b>RECREATION</b>                    |               |               |               |               |               |
| Major Equipment Replacement          | \$ -          | \$ 100,000    | \$ 100,000    | \$ 100,000    | \$ 100,000    |
| <b>TOTAL RECREATION</b>              | \$ -          | \$ 100,000    | \$ 100,000    | \$ 100,000    | \$ 100,000    |
| <b>EDUCATION (See attached list)</b> | \$ 1,000,000  | \$ 1,000,000  | \$ 1,000,000  | \$ 1,000,000  | \$ 1,000,000  |
| <b>TOTAL CIP</b>                     | \$ 12,724,700 | \$ 24,725,050 | \$ 13,769,400 | \$ 21,688,400 | \$ 10,058,400 |



**CAPITAL IMPROVEMENT PLAN  
FY 26 BONDS**

| Description           |                                                        | Total                |
|-----------------------|--------------------------------------------------------|----------------------|
| Finance               | Revaluation                                            | \$500,000            |
| Fire                  | Rescue Boat Replacement                                | \$42,000             |
| Fire                  | Cascade air fill station system replacement            | \$60,000             |
| IT                    | Fiber Connection                                       | \$50,000             |
| IT                    | Security Camera Project                                | \$100,000            |
| IT                    | Tri-Caster                                             | \$35,000             |
| Police                | Cruiser Camera System Replacement                      | \$120,000            |
| Engineering           | Reconstruction                                         | \$100,000            |
| Engineering           | Reclamation                                            | \$500,000            |
| Engineering           | Major Drainage                                         | \$1,750,000          |
| Engineering           | MDOT Match                                             | \$1,500,000          |
| Engineering           | Resurfacing                                            | \$927,200            |
| Engineering           | Retaining Walls                                        | \$20,000             |
| Engineering           | Lake Grove Park-Parking & Court Improvements           | \$300,000            |
| Engineering           | Downtown Parking and Walkability-UPI Grant Match       | \$300,000            |
| Engineering           | Small Area Master Plan Studies                         | \$100,000            |
| Airport               | Congressionally Directed Spending (CDS) Hangar Project | \$78,500             |
| Planning & Permitting | Dangerous Buildings and Junkyard Cleanups              | \$100,000            |
| Planning & Permitting | Comprehensive Plan Program                             | \$250,000            |
| Public Works          | Road Maintenance Equipment:                            | \$165,000            |
| Public Works          | Recreation & Open Space Maintenance:                   | \$50,000             |
| Transportation        | LATC Bus Replacement                                   | \$50,000             |
| Facilities & Energy   | Engine 2 Station Reconstruction                        | \$3,700,000          |
| School                |                                                        | \$ 1,000,000         |
| <b>TOTAL BOND CIP</b> |                                                        | <b>\$ 11,797,700</b> |

**FY 26 Other Funds**

| Description            |                                   | Funds             | Total             |
|------------------------|-----------------------------------|-------------------|-------------------|
| Fire- EMS              | Ambulance Replacement             | EMS Reserve       | \$305,000         |
| Fire- EMS              | Cardiac monitors                  | EMS Reserve       | \$35,000          |
| Fire- EMS              | Stretcher Replacement             | EMS Reserve       | \$47,000          |
| Clerk                  | Record Restoration                | Operating Capital | \$50,000          |
| IT                     | Agenda Meeting Software           | Operating Capital | \$20,000          |
| Police                 | Digital Mapping Equipment (Drone) | Operating Capital | \$18,000          |
| Public Works - Fleet   | City Fleet Vehicles               | Operating Capital | \$452,000         |
| <b>TOTAL OTHER CIP</b> |                                   |                   | <b>\$ 927,000</b> |

|                                             |                      |
|---------------------------------------------|----------------------|
| <b>TOTAL FY 26 CAPITAL IMPROVEMENT PLAN</b> | <b>\$ 12,724,700</b> |
|---------------------------------------------|----------------------|



Priority: Very High

Department: Fire

Location: Center Street

Project Title: Rescue Boat Replacement

Description & Justification: The current inflatable rescue boat was purchased in 2006. While it has been repaired multiple times, the vendor had indicated that due to age, the boat material has degraded to the point that he is now unable to stop ongoing air-leaks. This can be a sign that a more significant, irreparable failure may occur. The boat is used both in the Androscoggin river as well as on the lakes and ponds in the City. It is the most heavily used piece of technical rescue equipment we have. Includes cost for safety PPE and flotation devices for use.

Useful Life: 15

Cost FY 2026: \$ 42,000.00

Cost FY 2027:

Cost FY 2028:

Cost FY 2029:

**TOTAL COST: \$ 42,000.00**

Insert picture here, if available





Priority: Medium

Department: Fire

Location: Central Station

Project Title: Cascade system replacement

Description & Justification: The cascade system is used to fill SCBA air tanks. It includes a compressor and storage tanks for breathing air, as well as fill stations to protect employees from tank explosions during filling. The current compressor is 20 years old. The compressor block has been rebuilt twice and is due for a substantial rebuild soon. Newer airpacks hold 50% more breathing air than previous packs. As such the current system struggles to supply enough air to keep up with filling needs following a fire.

Useful Life: 20

Cost FY 2026: \$ 60,000.00

Cost FY 2027:

Cost FY 2028:

Cost FY 2029:

**TOTAL COST: \$ 60,000.00**

Insert picture here, if available





Priority: Medium

Department: IT

Location: Various City Locations

Project Title: Fiber Network

Description & Justification: Installing and building city owned Fiber Network. Continuing to build the fiber network is crucial to meeting the growing demand for high-speed, reliable internet connectivity. Fiber infrastructure supports faster data transfer, greater bandwidth, and enhanced scalability, which are essential for powering modern smart city initiatives. Investing in fiber now future-proofs our infrastructure, enabling us to stay competitive in an increasingly connected and data-driven world.

Useful Life: 25

Cost FY 2026: \$ 50,000.00

Cost FY 2027: \$ 50,000.00

Cost FY 2028: \$ 50,000.00

Cost FY 2029: \$ 50,000.00

**TOTAL COST: \$ 200,000.00**

Insert picture here, if available



# CITY OF AUBURN | FY26 Capital Improvement Program

## Project Description Worksheet



Priority: High

Department: IT

Location: Various City Locations

Project Title: Security Cameras

Description & Justification: Installation of additional security cameras city wide. Installing security cameras is essential to ensure the safety and security of our property, employees, and visitors. These cameras act as a visible deterrent to potential threats while providing critical real-time monitoring and recorded footage for review. With security cameras, we can quickly address incidents, prevent unauthorized access, and safeguard valuable assets, creating a safer environment and promoting peace of mind for everyone involved.

Useful Life: 10

Cost FY 2026: \$ 100,000.00

Cost FY 2027: \$ 100,000.00

Cost FY 2028: \$ 100,000.00

Cost FY 2029: \$ 100,000.00

**TOTAL COST: \$ 400,000.00**

Insert picture here, if available





# CITY OF AUBURN | FY26 Capital Improvement Program

## Project Description Worksheet



Priority: High

Department: IT

Location: 60 Court St, Auburn, ME 04210

Project Title: Replacement of Tri-Caster Equipment

Description & Justification: A new TriCaster is an essential investment for our IT team to enhance the quality and efficiency of our live broadcasts and video productions. With its advanced capabilities for multi-camera switching, real-time graphics, and integrated streaming, the latest TriCaster model will enable the IT team to continue production of Council Meetings.

Useful Life: 10

Cost FY 2026: \$ 35,000.00

Cost FY 2027: \$ 0.00

Cost FY 2028: \$ 0.00

Cost FY 2029: \$ 0.00

**TOTAL COST: \$ 35,000.00**

Insert picture here, if available



# CITY OF AUBURN | FY26 Capital Improvement Program

## Project Description Worksheet



Priority: High

Department: Engineering

Location: Orchard Street, Conant Avenue, Haskell Street, Dexter Avenue

Project Title: 2026 Reconstruction Project

Description & Justification: Each road has low pavement condition ratings and in need of repair. These roads will require restoration of the road base, closed drainage system, curbing and sidewalks.

Useful Life: 20

Cost FY 2026:\$ 100,000.00

Cost FY 2027:

Cost FY 2028:

Cost FY 2029:

**TOTAL COST:\$ 100,000.00**

Insert picture here, if available



Priority: High

Department: Engineering

Location: North River Road, Allied Road

Project Title: 2026 Reclamation Project

Description & Justification: These roads have low pavement condition ratings and in need of repair. These roads are good candidates for reclamation, where existing road base is utilized and the road grade is raised. Open drainage will be improved to extend useful life.

Useful Life: 20

Cost FY 2026: 500,000

Cost FY 2027:

Cost FY 2028:

Cost FY 2029:

**TOTAL COST: 500,000**

Insert picture here, if available





Priority: Very High

Department: Engineering

Location: Various - Stetson Road

Project Title: Major Drainage

Description & Justification: The City is required by MEDEP to follow storm water regulations and annual reporting. The City is also mapping its storm water infrastructure inventory for future planning. The City owned arch culvert on Stetson Road is limited to 3 tons and needs replacement.

Useful Life:

Cost FY 2026: \$ 1,750,000.00

Cost FY 2027:

Cost FY 2028:

Cost FY 2029:

**TOTAL COST: \$ 1,750,000.00**

Insert picture here, if available

# CITY OF AUBURN | FY26 Capital Improvement Program

## Project Description Worksheet



Priority: High

Department: Engineering

Location: Turner St, Hotel Rd, Lake St, Youngs Corner Rd, Summer St

Project Title: MaineDOT Match

Description & Justification: This provides the match amounts for the MDOT Municipal Partnership Initiative (50/50), Urban Partnership Initiative (50/50), and the matching funds for STIP Projects (80/20). Without these funds, the State will not contribute the 50% and 80% matches.

Useful Life: 20

Cost FY 2026: 1,500,000

Cost FY 2027:

Cost FY 2028:

Cost FY 2029:

**TOTAL COST: 1,500,000**

Insert picture here, if available

# CITY OF AUBURN | FY26 Capital Improvement Program

## Project Description Worksheet



Priority: High

Department: Engineering

Location: Hatch Rd, Turner St, Great Falls Plaza, Bailey Rd, Wilson Hill Rd

Project Title: 2026 Pavement Resurfacing

Description & Justification: This would add 10 years of life to the roadway, allowing for future resurfacing instead of reconstructing for more significant costs.

Useful Life: 10

Cost FY 2026: \$ 927,200.00

Cost FY 2027:

Cost FY 2028:

Cost FY 2029:

**TOTAL COST: \$ 927,000.00**

Insert picture here, if available

# CITY OF AUBURN | FY26 Capital Improvement Program

## Project Description Worksheet



Priority: High

Department: Engineering

Location: Various

Project Title: Retaining Walls

Description & Justification: This item covers the design for future retaining wall replacements based on the retaining wall assessment report.

Useful Life:

Cost FY 2026: \$ 20,000.00

Cost FY 2027:

Cost FY 2028:

Cost FY 2029:

**TOTAL COST: \$ 20,000.00**

Insert picture here, if available



Priority: High



Department: Engineering

Location: Lake Grove Park

Project Title: Lake Grove Park Basketball and Parking Improvements

Description & Justification: The Project involves the reconstruction of the existing basketball court and the parking area at Lake Grove Park. In addition, 16 new parking spaces would be constructed on Fair St.

Useful Life:

Cost FY 2026: \$ 300,000.00

Cost FY 2027:

Cost FY 2028:

Cost FY 2029:

**TOTAL COST: \$ 300,000.00**

Insert picture here, if available

# FY26 Airport Capital Improvement Program

## Project Description Form

**Project Title:** CDS T-Hangar Building, Apron and Taxi lane

**Additional Funding Division:** Auburn Lewiston Municipal Airport **Project Name:** CDS T-Hangar Building, Apron & Taxi lane

|                              |           |                                   |           |
|------------------------------|-----------|-----------------------------------|-----------|
| <b>Est. Total Cost FY26:</b> | 3,730,000 | <b>Est. Total Cost FY26-FY30:</b> | 3,730,000 |
| <b>City Share FY26:</b>      | 78,500    | <b>City Share FY26-FY30:</b>      | 0         |

**Project Description:**

This funding will ensure the completion of the Congressionally Directed Spending funded t-hangar project at the Airport, with a 10 unit hangar, paved apron, and taxi lane connecting to Taxiway Alpha. The project, now fully designed, has made clear the actual need for sponsor contribution to meet the federal match requirements and to cover ineligible items (a restroom for tenants of the hangar). The project design will position the airport with two additional t-hangar sites that are permitted and "shovel ready" for private investment. Both cities have already approved \$68,750 for this project.

**Consistency with the Comprehensive or Strategic Plans or other related planning documents:**

While the Airport Master Plan update continues, all previous plans and studies, including those of the sponsors, have encouraged the airport to diversify operating revenue streams. The rental of this building, once complete, will assist in that.

**Justification for project implementation/construction and segments, if applicable:**

The Airport will have submitted the federal paperwork for this project by the end of December 2024 to ensure that \$1.6 million from the CDS funding is not lost. The Airport is also leveraging additional FAA funding from the Bipartisan Infrastructure Law and the Airport Improvement Program. State matching funds have been budgeted for this project.

**Future maintenance costs if known, including contracts and special service requirements:**

Regular building maintenance will be expected and will be programmed into the airport's budget, and supported by rental income. Additional pavement maintenance will ultimately be supported through tenant rental income and potential ground lease income from the additional t-hangar sites that will be available for private investment post construction.

**How were cost estimates obtained and expenditure commitment:**

The airport's consulting engineers completed the estimate in advance of bidding.

### FUNDING SOURCES

| Source                     | Amount           |                |                 |                           |     |    |
|----------------------------|------------------|----------------|-----------------|---------------------------|-----|----|
| City Operating Budget      |                  |                |                 |                           |     |    |
| City Bond Issue            | 78,500           |                |                 |                           |     |    |
| Federal/State Funding      | 3,435,500        | <b>Agency:</b> |                 | <b>Approval Received?</b> | Yes | No |
| Other Agency/Municipality  | 216,000          | <b>Agency:</b> | FY25 L, A, 26-A | <b>Approval Received?</b> | Yes | No |
| <b>Total Project Costs</b> | <b>3,730,000</b> |                |                 |                           |     |    |

### IMPLEMENTATION SCHEDULE (Fiscal Years)

|                           | 2026      | 2027 | 2028 | 2029 | 2030 | Future |
|---------------------------|-----------|------|------|------|------|--------|
| <b>Total Project Cost</b> | 3,727,500 | -    | -    | -    | -    | -      |
| <b>Non-City Share</b>     | 3,581,500 | -    | -    | -    | -    | -      |
| <b>City Share</b>         | 147,250   | -    | -    | -    | -    | -      |

Attach on separate page(s)/sheet additional information (if needed)



Priority: High

Department: Public Works

Location: 296 Gracelawn Road

Project Title: Mini Excavator

Description & Justification: This machine would be an addition to the fleet. We find ourselves renting this piece of equipment for the summer because of it's size making it easier doing some of the smaller jobs. We use it for ditching, culverts, and basin's.

Useful Life: 15

Cost FY 2026: \$ 120,000.00

Cost FY 2027:

Cost FY 2028:

Cost FY 2029:

**TOTAL COST: \$ 120,000.00**

Insert picture here, if available



# CITY OF AUBURN | FY26 Capital Improvement Program

## Project Description Worksheet



Priority: Very High

Department: Public Works

Location: 296 Gracelawn Road

Project Title: Replace 2000 Interstate Trailer

Description & Justification: This would replace our 2000 30 ton trailer. This tag-along trailer hauls around our excavators and other pieces of equipment to our job sites around the city. This 23 year old trailer is beyond its useful life.

Useful Life: 20

Cost FY 2026: \$ 45,000.00

Cost FY 2027:

Cost FY 2028:

Cost FY 2029:

**TOTAL COST: \$ 45,000.00**

Insert picture here. if available







Priority: High

Department: Fire

Location: Central Station

Project Title: Ambulance remount

Description & Justification: This project involves the remounting of the patient care box from our oldest ambulance, on to a new truck chassis. The existing chassis will have approximately 110,000 miles on it at the time of remount. The vendor will remove the box, repair any damage, including body and paint, reinstall the box on a on the new truck chassis. Remounting an ambulance box is approximately half the cost of a new ambulance and extends the life of the ambulance approximately 9 years.

Useful Life: 10

Cost FY 2026: \$ 305,000.00

Cost FY 2027:

Cost FY 2028:

Cost FY 2029:

**TOTAL COST: \$ 305,000.00**

Insert picture here, if available



# CITY OF AUBURN | FY26 Capital Improvement Program

## Project Description Worksheet



Priority: Medium

Department: Fire

Location: Central Station

Project Title: Cardiac Monitor Replacement

Description & Justification: Three of our cardiac monitors are no longer covered under a maintenance contract due to their age. This means costs for parts and labor for repairs will become increasingly high. This project will replace one monitor. Others to be replaced in coming years.

Useful Life: 10

Cost FY 2026: \$ 35,000.00

Cost FY 2027:

Cost FY 2028:

Cost FY 2029:

**TOTAL COST: \$ 35,000.00**

Insert picture here, if available





Priority: Medium

Department: Fire

Location: Central Station

Project Title: Stretcher replacement

Description & Justification: Existing stretchers have been in service since we began EMS transport. They have exceeded their useful life. We have three of these old stretchers in service. We replaced one stretcher in FY25. This will continue the scheduled replacements.

Useful Life: 15

Cost FY 2026: 47,000

Cost FY 2027:

Cost FY 2028:

Cost FY 2029:

**TOTAL COST: 47,000**

Insert picture here, if available



# CITY OF AUBURN | FY26 Capital Improvement Program

## Project Description Worksheet



Priority: High

Department: Police

Location: Police Department

Project Title: Digital Mapping Drone

Description & Justification: Accident Reconstruction Investigations and Crime Scene Evidence Processing require digital mapping for successful prosecutions.

Technological advances have allowed drones with mapping software to collect precise data points to create 3D diagrams for investigations. A drone would allow enhance public safety search and rescue capabilities as well.

Useful Life: <5

Cost FY 2026: \$ 18,000.00

Cost FY 2027:

Cost FY 2028:

Cost FY 2029:

**TOTAL COST:18,000**

Insert picture here, if available



# CITY OF AUBURN | FY26 Capital Improvement Program

## Project Description Worksheet



Priority: High

Department: Public Works

Location: 296 Gracelawn Road

Project Title: Replace Engineering Vehicle 88

Description & Justification: This would replace a 2013 SUV that is used by engineering. This vehicle carries all the tools needed for projects throughout the city. This vehicle is 11 years old and is reaching the end of its useful life.

Useful Life: 15

Cost FY 2026: \$50,000

Cost FY 2027:

Cost FY 2028:

Cost FY 2029:

Total Cost: \$50,000

Insert picture here, if available



# CITY OF AUBURN | FY26 Capital Improvement Program

## Project Description Worksheet



Priority: High

Department: Public Works

Location: 296 Gracelawn Road

Project Title: Replace 2012 F350 Crew Cab Pick-up

Description & Justification: This would replace our 2012 Crew Cab pick-up. This vehicle is used for our parks crew who maintains all the parks, green spaces, cemeteries, and planting of flowers. This vehicle also hauls a trailer with all the mowing equipment. It carries 4 crew members and reduces the number of vehicles we have to take to job sites. This truck gets a lot of use and needs to be replaced.

Useful Life: 15

Cost FY 2026: \$ 65,000.00

Cost FY 2027:

Cost FY 2028:

Cost FY 2029:

**TOTAL COST: \$ 65,000.00**

Insert picture here, if available





# CITY OF AUBURN | FY26 Capital Improvement Program

## Project Description Worksheet



Priority: Very High

Department: Public Works

Location: 296 Gracelawn Road

Project Title: Replace 2013 1/2 Ton pick up

Description & Justification: This would replace a 2013 1/2 ton pick-up that is used for various tasks here at APW. These support vehicles are a must for all the work we do whether it's Parks, Road Construction, or Facility needs.

Useful Life: 15

Cost FY 2026: \$ 40,000

Cost FY 2027:

Cost FY 2028:

Cost FY 2029:

Total Cost: \$ 40,000

Insert picture here, if available



# CITY OF AUBURN | FY26 Capital Improvement Program

## Project Description Worksheet



Priority: Very High

Department: Public Works

Location: 296 Gracelawn Road

Project Title: Replace 2008 3/4 ton pick-up with plow

Description & Justification: This would replace a old 2008 3/4 ton parks truck that has been taken out of service. This is used to maintain all the ballfields and is a support plow vehicle in the winter.

Useful Life: 15

Cost FY 2026: \$ 60,000.00

Cost FY 2027:

Cost FY 2028:

Cost FY 2029:

**TOTAL COST: \$ 60,000.00**

Insert picture here, if available.







Priority: Very High

Department: Public Works

Location: Police Department

Project Title: Scheduled Fleet Replacement

Description & Justification: Fleet Services has established a three-year service life cycle for the police patrol vehicles and a five to seven-year service life cycle for police support vehicles. Due to previous budget reductions, the service life of some patrol vehicles has been extended increasing repair costs and reducing trade-in value. The department will trade out a 2012 police vehicle, 2013 police vehicle, 2018 police vehicle and a 2020 police vehicle. Fleet Services will purchase four police vehicles.

Useful Life: <5

Cost FY 2026: 237,000

Cost FY 2027:

Cost FY 2028:

Cost FY 2029:

**TOTAL COST: 237,000**

Insert picture here, if available



| CITY OF AUBURN<br>LONG TERM DEBT SCHEDULE |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    |                         |                             |                    |                           |                    |                    |                           |                           |                    |                                                      |                    |                   |                                  |
|-------------------------------------------|----------------------------|------------------------------|------------------------------|-------------------------------------------|--------------------|--------------------|------------------------|--------------------|----------------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|-----------------------------|--------------------|---------------------------|--------------------|--------------------|---------------------------|---------------------------|--------------------|------------------------------------------------------|--------------------|-------------------|----------------------------------|
| YEAR                                      | 2003<br>Hotel Loan<br>ABDC | 2009<br>ARRA<br>(Sewer Dist) | 2012<br>Library<br>Refunding | 2012<br>School Const<br>2005<br>Refunding | 2013<br>GO<br>Bond | 2014<br>GO<br>Bond | 2014<br>Quint<br>Lease | 2015<br>GO<br>Bond | 2016<br>GO Refunding<br>Bond<br>(2006 Bonds) | 2016<br>GO<br>Bond | 2017<br>GO<br>Bond | 2018<br>GO<br>Bond | 2019<br>GO<br>Bond | 2019<br>Taxable<br>NSBA | 2020<br>School<br>SRRF Loan | 2020<br>GO<br>Bond | 2021<br>New<br>ELHS Bonds | 2021<br>GO<br>Bond | 2022<br>GO<br>Bond | 2022<br>New<br>ELHS Bonds | 2023<br>ELHS PCB<br>Bonds | 2023<br>GO<br>Bond | (25 years)<br>2024<br>GO<br>Bond<br>(5.8M PSF incl.) | TOTAL<br>PRINCIPAL | TOTAL<br>INTEREST | TOTAL<br>PRINCIPAL &<br>INTEREST |
| PRINCIPAL                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    |                         |                             |                    |                           |                    |                    |                           |                           |                    |                                                      |                    |                   |                                  |
| 2023-2024                                 | \$ 135,000.00              | \$ 82,785.36                 | \$ 175,000.00                | \$ 520,000.00                             | \$ 560,000.00      | \$ 680,000.00      | \$ 85,611.19           | \$ 570,000.00      | \$ 240,000.00                                | \$ 500,000.00      | \$ 800,000.00      | \$ 765,000.00      | \$ 790,000.00      | \$ 285,000.00           | \$ 46,338.60                | \$ 845,000.00      | \$ 3,000,000.00           | \$ 980,000.00      | \$ 680,000.00      | \$ 2,650,000.00           | \$ 219,047.00             | \$ 1,468,000.00    |                                                      | \$ 16,076,782.15   | \$ 6,203,339.70   | \$ 22,280,121.85                 |
| 2024-2025                                 |                            | \$ 82,785.36                 | \$ 170,000.00                | \$ 510,000.00                             |                    | \$ 680,000.00      | \$ 88,171.00           | \$ 570,000.00      | \$ 265,000.00                                | \$ 500,000.00      | \$ 800,000.00      | \$ 765,000.00      | \$ 790,000.00      | \$ 295,000.00           | \$ 46,338.60                | \$ 845,000.00      | \$ 3,000,000.00           | \$ 980,000.00      | \$ 680,000.00      | \$ 2,650,000.00           | \$ 220,980.00             | \$ 1,470,000.00    | \$ 1,850,000.00                                      | \$ 15,408,274.96   | \$ 6,513,004.97   | \$ 21,921,279.93                 |
| 2025-2026                                 |                            | \$ 82,785.36                 |                              | \$ 495,000.00                             |                    |                    |                        | \$ 570,000.00      | \$ 290,000.00                                | \$ 500,000.00      | \$ 800,000.00      | \$ 765,000.00      | \$ 790,000.00      | \$ 300,000.00           | \$ 46,338.60                | \$ 845,000.00      | \$ 3,000,000.00           | \$ 980,000.00      | \$ 680,000.00      | \$ 2,650,000.00           | \$ 220,980.00             | \$ 1,470,000.00    | \$ 1,850,000.00                                      | \$ 16,335,103.96   | \$ 6,644,493.01   | \$ 22,979,596.97                 |
| 2026-2027                                 |                            | \$ 82,785.36                 |                              |                                           |                    |                    |                        |                    | \$ 310,000.00                                | \$ 490,000.00      | \$ 800,000.00      | \$ 765,000.00      | \$ 790,000.00      | \$ 310,000.00           | \$ 46,338.60                | \$ 845,000.00      | \$ 3,000,000.00           | \$ 980,000.00      | \$ 680,000.00      | \$ 2,645,000.00           | \$ 220,980.00             | \$ 1,470,000.00    | \$ 1,850,000.00                                      | \$ 15,285,103.96   | \$ 5,964,231.51   | \$ 21,249,335.47                 |
| 2027-2028                                 |                            | \$ 82,785.36                 |                              |                                           |                    |                    |                        |                    | \$ 800,000.00                                |                    | \$ 800,000.00      | \$ 765,000.00      | \$ 790,000.00      | \$ 320,000.00           | \$ 46,338.60                | \$ 845,000.00      | \$ 3,000,000.00           | \$ 980,000.00      | \$ 680,000.00      | \$ 2,645,000.00           | \$ 220,980.00             | \$ 1,470,000.00    | \$ 1,850,000.00                                      | \$ 14,495,103.96   | \$ 5,303,182.51   | \$ 19,798,286.47                 |
| 2028-2029                                 |                            | \$ 82,785.36                 |                              |                                           |                    |                    |                        |                    |                                              |                    |                    | \$ 765,000.00      | \$ 790,000.00      | \$ 330,000.00           | \$ 46,338.60                | \$ 845,000.00      | \$ 3,000,000.00           | \$ 980,000.00      | \$ 680,000.00      | \$ 2,645,000.00           | \$ 220,229.00             | \$ 1,465,000.00    | \$ 1,850,000.00                                      | \$ 13,699,352.96   | \$ 4,663,258.51   | \$ 18,362,611.47                 |
| 2029-2030                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    | \$ 790,000.00      | \$ 345,000.00           | \$ 46,338.60                | \$ 845,000.00      | \$ 3,000,000.00           | \$ 980,000.00      | \$ 680,000.00      | \$ 2,645,000.00           | \$ 220,229.00             | \$ 1,465,000.00    | \$ 1,850,000.00                                      | \$ 12,866,567.60   | \$ 4,089,276.53   | \$ 16,955,844.13                 |
| 2030-2031                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    | \$ 350,000.00           |                             | \$ 845,000.00      | \$ 3,000,000.00           | \$ 980,000.00      | \$ 680,000.00      | \$ 2,645,000.00           | \$ 220,229.00             | \$ 1,465,000.00    | \$ 1,850,000.00                                      | \$ 12,035,229.00   | \$ 3,554,902.58   | \$ 15,590,131.58                 |
| 2031-2032                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    | \$ 360,000.00           |                             |                    | \$ 3,000,000.00           | \$ 980,000.00      | \$ 680,000.00      | \$ 2,645,000.00           | \$ 220,229.00             | \$ 1,465,000.00    | \$ 1,850,000.00                                      | \$ 11,200,229.00   | \$ 3,052,596.13   | \$ 14,252,825.13                 |
| 2032-2033                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    | \$ 370,000.00           |                             |                    | \$ 3,000,000.00           | \$ 980,000.00      | \$ 680,000.00      | \$ 2,645,000.00           | \$ 220,229.00             | \$ 1,465,000.00    | \$ 1,850,000.00                                      | \$ 10,230,229.00   | \$ 2,580,924.68   | \$ 12,811,153.68                 |
| 2033-2034                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    | \$ 385,000.00           |                             |                    | \$ 3,000,000.00           |                    | \$ 680,000.00      | \$ 2,645,000.00           | \$ 220,000.00             | \$ 220,000.00      | \$ 1,850,000.00                                      | \$ 8,320,000.00    | \$ 2,163,215.73   | \$ 10,483,215.73                 |
| 2034-2035                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    | \$ 395,000.00           |                             |                    | \$ 3,000,000.00           |                    |                    | \$ 2,645,000.00           | \$ 220,000.00             | \$ 220,000.00      | \$ 1,850,000.00                                      | \$ 8,330,000.00    | \$ 1,859,275.00   | \$ 10,189,275.00                 |
| 2035-2036                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    | \$ 405,000.00           |                             |                    | \$ 3,000,000.00           |                    |                    | \$ 2,645,000.00           | \$ 220,000.00             | \$ 220,000.00      | \$ 220,000.00                                        | \$ 6,710,000.00    | \$ 1,545,675.00   | \$ 8,255,675.00                  |
| 2036-2037                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    | \$ 415,000.00           |                             |                    | \$ 3,000,000.00           |                    |                    | \$ 2,645,000.00           | \$ 220,000.00             | \$ 220,000.00      | \$ 220,000.00                                        | \$ 6,720,000.00    | \$ 1,308,535.00   | \$ 8,028,535.00                  |
| 2037-2038                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    | \$ 430,000.00           |                             |                    | \$ 3,000,000.00           |                    |                    | \$ 2,645,000.00           | \$ 220,000.00             | \$ 220,000.00      | \$ 220,000.00                                        | \$ 6,735,000.00    | \$ 1,071,032.50   | \$ 7,806,032.50                  |
| 2038-2039                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    | \$ 440,000.00           |                             |                    | \$ 3,000,000.00           |                    |                    | \$ 2,645,000.00           | \$ 220,000.00             | \$ 220,000.00      | \$ 220,000.00                                        | \$ 6,745,000.00    | \$ 846,392.50     | \$ 7,591,392.50                  |
| 2039-2040                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    | \$ 450,000.00           |                             |                    | \$ 2,995,000.00           |                    |                    | \$ 2,645,000.00           | \$ 220,000.00             | \$ 220,000.00      | \$ 220,000.00                                        | \$ 6,750,000.00    | \$ 630,993.75     | \$ 7,380,993.75                  |
| 2040-2041                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    |                         |                             |                    | \$ 2,995,000.00           |                    |                    | \$ 2,645,000.00           | \$ 220,000.00             | \$ 220,000.00      | \$ 220,000.00                                        | \$ 6,300,000.00    | \$ 417,509.38     | \$ 6,717,509.38                  |
| 2041-2042                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    |                         |                             |                    | \$ 2,995,000.00           |                    |                    | \$ 2,645,000.00           | \$ 220,000.00             | \$ 220,000.00      | \$ 220,000.00                                        | \$ 6,300,000.00    | \$ 213,521.88     | \$ 6,513,521.88                  |
| 2042-2043                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    |                         |                             |                    |                           |                    |                    | \$ 2,645,000.00           | \$ 220,000.00             | \$ 220,000.00      | \$ 220,000.00                                        | \$ 6,300,000.00    | \$ 213,521.88     | \$ 6,513,521.88                  |
| 2043-2044                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    |                         |                             |                    |                           |                    |                    |                           | \$ 220,000.00             | \$ 220,000.00      | \$ 285,000.00                                        | \$ 6,300,000.00    | \$ 213,521.88     | \$ 6,513,521.88                  |
| 2044-2045                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    |                         |                             |                    |                           |                    |                    |                           | \$ 220,000.00             | \$ 220,000.00      | \$ 285,000.00                                        | \$ 6,300,000.00    | \$ 213,521.88     | \$ 6,513,521.88                  |
| 2045-2046                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    |                         |                             |                    |                           |                    |                    |                           | \$ 215,000.00             | \$ 215,000.00      | \$ 253,700.00                                        | \$ 6,300,000.00    | \$ 213,521.88     | \$ 6,513,521.88                  |
| 2046-2047                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    |                         |                             |                    |                           |                    |                    |                           | \$ 215,000.00             | \$ 215,000.00      | \$ 253,700.00                                        | \$ 6,300,000.00    | \$ 213,521.88     | \$ 6,513,521.88                  |
| 2047-2048                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    |                         |                             |                    |                           |                    |                    |                           | \$ 215,000.00             | \$ 215,000.00      | \$ 253,700.00                                        | \$ 6,300,000.00    | \$ 213,521.88     | \$ 6,513,521.88                  |
| 2048-2049                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    |                         |                             |                    |                           |                    |                    |                           | \$ 215,000.00             | \$ 215,000.00      | \$ 253,700.00                                        | \$ 6,300,000.00    | \$ 213,521.88     | \$ 6,513,521.88                  |
| 2049-2050                                 |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    |                         |                             |                    |                           |                    |                    |                           | \$ 215,000.00             | \$ 215,000.00      | \$ 253,700.00                                        | \$ 6,300,000.00    | \$ 213,521.88     | \$ 6,513,521.88                  |
|                                           | \$ 135,000.00              | \$ 496,712.16                | \$ 345,000.00                | \$ 1,525,000.00                           | \$ 560,000.00      | \$ 1,360,000.00    | \$ 173,782.19          | \$ 1,710,000.00    | \$ 1,105,000.00                              | \$ 1,990,000.00    | \$ 4,000,000.00    | \$ 4,590,000.00    | \$ 5,530,000.00    | \$ 6,185,000.00         | \$ 324,370.20               | \$ 6,760,000.00    | \$ 56,985,000.00          | \$ 8,820,000.00    | \$ 6,800,000.00    | \$ 50,270,000.00          | \$ 4,184,112.00           | \$ 16,653,000.00   | \$ 21,775,000.00                                     | \$ 202,276,976.55  | \$ 58,884,260.87  | \$ 261,161,237.42                |
|                                           |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    |                         |                             |                    |                           |                    |                    |                           |                           |                    |                                                      | \$ 202,276,976.55  | \$ 58,884,260.87  | \$ 261,161,237.42                |
| YEAR                                      | 2003<br>Hotel Loan<br>ABDC | 2009<br>ARRA<br>(Sewer Dist) | 2012<br>Library<br>Refunding | 2012<br>School Const<br>2005<br>Refunding | 2013<br>GO<br>Bond | 2014<br>GO<br>Bond | 2014<br>Quint<br>Lease | 2015<br>GO<br>Bond | 2016<br>GO Refunding<br>Bond<br>(2006 Bonds) | 2016<br>GO<br>Bond | 2017<br>GO<br>Bond | 2018<br>GO<br>Bond | 2019<br>GO<br>Bond | 2019<br>Taxable<br>NSBA | 2020<br>School<br>SRRF Loan | 2020<br>GO<br>Bond | 2021<br>New<br>ELHS Bonds | 2021<br>GO<br>Bond | 2022<br>GO<br>Bond | 2022<br>New<br>ELHS Bonds | 2023<br>ELHS PCB<br>Bonds | 2023<br>GO<br>Bond | 2024<br>GO<br>Bond                                   | TOTAL<br>INTEREST  |                   |                                  |
| INTEREST                                  |                            |                              |                              |                                           |                    |                    |                        |                    |                                              |                    |                    |                    |                    |                         |                             |                    |                           |                    |                    |                           |                           |                    |                                                      |                    |                   |                                  |
| 2023-2024                                 | \$ 24,297.00               | \$ 4,139.26                  | \$ 6,006.25                  | \$ 30,337.50                              | \$ 8,400.00        | \$ 20,400.00       | \$ 5,196.09            | \$ 28,500.00       | \$ 38,200.00                                 | \$ 52,200.00       | \$ 164,000.00      | \$ 210,375.00      | \$ 244,900.00      | \$ 174,482.50           |                             | \$ 316,875.00      | \$ 1,597,162.50           | \$ 318,500.00      | \$ 316,200.00      | \$ 2,288,550.00           | \$ 73,401.88              | \$ 281,216.72      |                                                      |                    | \$ 6,203          |                                  |

City of Auburn, Maine  
2025 General Obligation Bonds  
CIP Projects (City)  
Dated Date: Oct. 15, 2025  
Delivery Date: Oct. 15, 2025

City of Auburn, Maine  
2025 General Obligation Bonds  
CIP Projects (School)  
Dated Date: Oct. 15, 2025  
Delivery Date: Oct. 15, 2025

City of Auburn, Maine  
2025 General Obligation Bonds  
CIP Projects (Consolidated)  
Dated Date: Oct. 15, 2025  
Delivery Date: Oct. 15, 2025

| Date     | Principal       | Coupon   | Interest       | Debt Service    | Fiscal Total |
|----------|-----------------|----------|----------------|-----------------|--------------|
| 3/1/2026 |                 |          | 142,769.60     | 142,769.60      | 142,769.60   |
| 9/1/2026 | 1,079,770.00    | 3.500000 | 188,959.75     | 1,268,729.75    |              |
| 3/1/2027 |                 |          | 170,063.78     | 170,063.78      | 1,438,793.53 |
| 9/1/2027 | 1,079,770.00    | 3.500000 | 170,063.78     | 1,249,833.78    |              |
| 3/1/2028 |                 |          | 151,167.80     | 151,167.80      | 1,401,001.58 |
| 9/1/2028 | 1,079,770.00    | 3.500000 | 151,167.80     | 1,230,937.80    |              |
| 3/1/2029 |                 |          | 132,271.83     | 132,271.83      | 1,363,209.63 |
| 9/1/2029 | 1,079,770.00    | 3.500000 | 132,271.83     | 1,212,041.83    |              |
| 3/1/2030 |                 |          | 113,375.85     | 113,375.85      | 1,325,417.68 |
| 9/1/2030 | 1,079,770.00    | 3.500000 | 113,375.85     | 1,193,145.85    |              |
| 3/1/2031 |                 |          | 94,479.88      | 94,479.88       | 1,287,625.73 |
| 9/1/2031 | 1,079,770.00    | 3.500000 | 94,479.88      | 1,174,249.88    |              |
| 3/1/2032 |                 |          | 75,583.90      | 75,583.90       | 1,249,833.78 |
| 9/1/2032 | 1,079,770.00    | 3.500000 | 75,583.90      | 1,155,353.90    |              |
| 3/1/2033 |                 |          | 56,687.93      | 56,687.93       | 1,212,041.83 |
| 9/1/2033 | 1,079,770.00    | 3.500000 | 56,687.93      | 1,136,457.93    |              |
| 3/1/2034 |                 |          | 37,791.95      | 37,791.95       | 1,174,249.88 |
| 9/1/2034 | 1,079,770.00    | 3.500000 | 37,791.95      | 1,117,561.95    |              |
| 3/1/2035 |                 |          | 18,895.98      | 18,895.98       | 1,136,457.93 |
| 9/1/2035 | 1,079,770.00    | 3.500000 | 18,895.98      | 1,098,665.98    |              |
| 3/1/2036 |                 |          |                |                 | 1,098,665.98 |
|          | 10,797,700.00   |          | 2,032,367.10   | 12,830,067.10   |              |
|          |                 |          | Accrued        | 0.00            |              |
|          | \$10,797,700.00 |          | \$2,032,367.10 | \$12,830,067.10 |              |

Bond Years 58,067.631  
Average Coupon 3.5000000  
Average Life 5.3777778  
N I C % 3.5000000 using 100.0000000  
T I C % 3.5005841 from Delivery Date  
Arbitrage Yield 3.5005727

| Date     | Principal      | Coupon   | Interest     | Debt Service   | Fiscal Total |
|----------|----------------|----------|--------------|----------------|--------------|
| 3/1/2026 |                |          | 13,222.20    | 13,222.20      | 13,222.20    |
| 9/1/2026 | 100,000.00     | 3.500000 | 17,500.00    | 117,500.00     |              |
| 3/1/2027 |                |          | 15,750.00    | 15,750.00      | 133,250.00   |
| 9/1/2027 | 100,000.00     | 3.500000 | 15,750.00    | 115,750.00     |              |
| 3/1/2028 |                |          | 14,000.00    | 14,000.00      | 129,750.00   |
| 9/1/2028 | 100,000.00     | 3.500000 | 14,000.00    | 114,000.00     |              |
| 3/1/2029 |                |          | 12,250.00    | 12,250.00      | 126,250.00   |
| 9/1/2029 | 100,000.00     | 3.500000 | 12,250.00    | 112,250.00     |              |
| 3/1/2030 |                |          | 10,500.00    | 10,500.00      | 122,750.00   |
| 9/1/2030 | 100,000.00     | 3.500000 | 10,500.00    | 110,500.00     |              |
| 3/1/2031 |                |          | 8,750.00     | 8,750.00       | 119,250.00   |
| 9/1/2031 | 100,000.00     | 3.500000 | 8,750.00     | 108,750.00     |              |
| 3/1/2032 |                |          | 7,000.00     | 7,000.00       | 115,750.00   |
| 9/1/2032 | 100,000.00     | 3.500000 | 7,000.00     | 107,000.00     |              |
| 3/1/2033 |                |          | 5,250.00     | 5,250.00       | 112,250.00   |
| 9/1/2033 | 100,000.00     | 3.500000 | 5,250.00     | 105,250.00     |              |
| 3/1/2034 |                |          | 3,500.00     | 3,500.00       | 108,750.00   |
| 9/1/2034 | 100,000.00     | 3.500000 | 3,500.00     | 103,500.00     |              |
| 3/1/2035 |                |          | 1,750.00     | 1,750.00       | 105,250.00   |
| 9/1/2035 | 100,000.00     | 3.500000 | 1,750.00     | 101,750.00     |              |
| 3/1/2036 |                |          |              |                | 101,750.00   |
|          | 1,000,000.00   |          | 188,222.20   | 1,188,222.20   |              |
|          |                | Accrued  | 0.00         |                |              |
|          | \$1,000,000.00 |          | \$188,222.20 | \$1,188,222.20 |              |

Bond Years 5,377.778  
Average Coupon 3.4999996  
Average Life 5.3777778  
N I C % 3.4999996 using 100.0000000  
T I C % 3.5005836 from Delivery Date  
Arbitrage Yield 3.5004611

| Date     | Principal       | Coupon   | Interest       | Debt Service    | Fiscal Total |
|----------|-----------------|----------|----------------|-----------------|--------------|
| 3/1/2026 |                 |          | 155,991.80     | 155,991.80      | 155,991.80   |
| 9/1/2026 | 1,179,770.00    | 3.500000 | 206,459.75     | 1,386,229.75    |              |
| 3/1/2027 |                 |          | 185,813.78     | 185,813.78      | 1,572,043.53 |
| 9/1/2027 | 1,179,770.00    | 3.500000 | 185,813.78     | 1,365,583.78    |              |
| 3/1/2028 |                 |          | 165,167.80     | 165,167.80      | 1,530,751.58 |
| 9/1/2028 | 1,179,770.00    | 3.500000 | 165,167.80     | 1,344,937.80    |              |
| 3/1/2029 |                 |          | 144,521.83     | 144,521.83      | 1,489,459.63 |
| 9/1/2029 | 1,179,770.00    | 3.500000 | 144,521.83     | 1,324,291.83    |              |
| 3/1/2030 |                 |          | 123,875.85     | 123,875.85      | 1,448,167.68 |
| 9/1/2030 | 1,179,770.00    | 3.500000 | 123,875.85     | 1,303,645.85    |              |
| 3/1/2031 |                 |          | 103,229.88     | 103,229.88      | 1,406,875.73 |
| 9/1/2031 | 1,179,770.00    | 3.500000 | 103,229.88     | 1,282,999.88    |              |
| 3/1/2032 |                 |          | 82,583.90      | 82,583.90       | 1,365,583.78 |
| 9/1/2032 | 1,179,770.00    | 3.500000 | 82,583.90      | 1,262,353.90    |              |
| 3/1/2033 |                 |          | 61,937.93      | 61,937.93       | 1,324,291.83 |
| 9/1/2033 | 1,179,770.00    | 3.500000 | 61,937.93      | 1,241,707.93    |              |
| 3/1/2034 |                 |          | 41,291.95      | 41,291.95       | 1,282,999.88 |
| 9/1/2034 | 1,179,770.00    | 3.500000 | 41,291.95      | 1,221,061.95    |              |
| 3/1/2035 |                 |          | 20,645.98      | 20,645.98       | 1,241,707.93 |
| 9/1/2035 | 1,179,770.00    | 3.500000 | 20,645.98      | 1,200,415.98    |              |
| 3/1/2036 |                 |          |                |                 | 1,200,415.98 |
|          | 11,797,700.00   |          | 2,220,589.30   | 14,018,289.30   |              |
|          |                 |          |                |                 |              |
|          | \$11,797,700.00 |          | \$2,220,589.30 | \$14,018,289.30 |              |

Bond Years 63,445.409  
Average Coupon 3.5000000  
Average Life 5.3777778  
N I C % 3.5000000 using 100.0000000  
T I C % 3.5005840 from Delivery Date  
Arbitrage Yield 3.5005737

**Banking & Advisory Group****Moody's:  
S&P:**

In the opinion of Pierce Atwood LLP, of Portland, Maine, Bond Counsel ("Bond Counsel"), and assuming continuing compliance with certain provisions of the Internal Revenue Code of 1986, as amended (the "Code") and with certain tax covenants, under existing statutes, regulations and court decisions, interest on the Bonds (as defined below) is excludable from the gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code. In addition, such interest on the Bonds is not an item of tax preference for purposes of calculating the alternative minimum tax under the Section 55 of the Code; however, such interest will be taken into account in determining the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Bond Counsel is also of the opinion that pursuant to Title 30-A, Section 5772(9) of the Maine Revised Statutes, as amended, interest paid on the Bonds is exempt from taxation within the State of Maine (the "State. **The City will not designate the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.** See "THE BONDS—TAX MATTERS" and "APPENDIX B" herein.

**CITY OF AUBURN, MAINE****\$23,398,000<sup>(\*)</sup>****2024 GENERAL OBLIGATION BONDS**

| Dated: Date of Delivery |                       |                  |                   | Due: September 1, as shown below |                       |                  |                   |
|-------------------------|-----------------------|------------------|-------------------|----------------------------------|-----------------------|------------------|-------------------|
| Year of<br>Maturity     | Amount <sup>(*)</sup> | Interest<br>Rate | Yield<br>or Price | Year of<br>Maturity              | Amount <sup>(*)</sup> | Interest<br>Rate | Yield<br>or Price |
| 2025                    | \$1,988,000           |                  |                   | 2038                             | \$235,000             |                  |                   |
| 2026                    | 1,990,000             |                  |                   | 2039                             | 235,000               |                  |                   |
| 2027                    | 1,990,000             |                  |                   | 2040                             | 235,000               |                  |                   |
| 2028                    | 1,990,000             |                  |                   | 2041                             | 235,000               |                  |                   |
| 2029                    | 1,990,000             |                  |                   | 2042                             | 235,000               |                  |                   |
| 2030                    | 1,990,000             |                  |                   | 2043                             | 235,000               |                  |                   |
| 2031                    | 1,990,000             |                  |                   | 2044                             | 235,000               |                  |                   |
| 2032                    | 1,990,000             |                  |                   | 2045                             | 230,000               |                  |                   |
| 2033                    | 1,990,000             |                  |                   | 2046                             | 230,000               |                  |                   |
| 2034                    | 1,990,000             |                  |                   | 2047                             | 230,000               |                  |                   |
| 2035                    | 235,000               |                  |                   | 2048                             | 230,000               |                  |                   |
| 2036                    | 235,000               |                  |                   | 2049                             | 230,000               |                  |                   |
| 2037                    | 235,000               |                  |                   |                                  |                       |                  |                   |

The City of Auburn, Maine 2023 General Obligation Bonds (the "Bonds") will be issued as fully-registered certificates without coupons and, when issued, will be registered in the name of Cede & Co., as Bondowner and nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the minimum denomination of \$5,000 or any integral multiple thereof, and with one maturity of \$3,000 that will mature in 2025. Purchasers will not receive certificates representing their interest in Bonds purchased. See "THE BONDS—BOOK-ENTRY-ONLY SYSTEM" herein. Principal and interest on the Bonds will be paid to DTC by U.S. Bank Trust Company, National Association, Boston, Massachusetts, as Paying Agent. Interest on the Bonds will be payable on March 1, 2025 and semi-annually on each September 1 and March 1 thereafter until maturity, or redemption prior to maturity.

The legal opinion of Bond Counsel will be provided to the original purchaser and will indicate that the Bonds are valid general obligations of the City of Auburn, Maine (the "City") and, unless paid from other sources are payable as to both principal and interest from *ad valorem* taxes that may be levied without limit as to rate or amount upon all the property within the territorial limits of the City and taxable by it; , except to the extent that the City may enter into an agreement under Title 30-A, Chapter 223, Subchapter V of the Maine Revised Statutes, as amended, to share its assessed valuation with another municipality and except to the extent that the City establishes or has established development districts either as tax increment financing districts or affordable housing development districts (collectively, "development districts") pursuant to Title 30-A, Chapter 206 and former (now repealed) Chapter 207 of the Maine Revised Statutes, as amended, the captured tax increment of which may not be available for payment of debt service on the Bonds (see "CITY FINANCES—TAX INCREMENT FINANCING DISTRICTS AND AFFORDABLE HOUSING DEVELOPMENT DISTRICTS" herein). The City has entered into agreements with the City of Lewiston, Maine to share the tax revenue from facilities located solely within either of the cities. See "CITY FINANCES – TAX BASE SHARING" herein. The City has established certain tax increment financing districts and elected to retain a portion of the tax increment on the captured assessed value of the property in the districts to pay costs of the economic development projects and programs described in the development programs adopted with respect to such districts. Within the limits established by statute, the City has the right to designate additional development districts pursuant to Title 30-A, Chapter 206 of the Maine Revised Statutes, as amended. Bond Counsel's opinion will indicate that the enforceability of the obligations of the City, including the Bonds, is subject to and may be limited by bankruptcy, insolvency, moratorium and other laws affecting the rights and remedies of creditors generally, and are subject to general principles of equity. The opinion will be dated and given on and will speak as of the date of original delivery of the Bonds to the original purchasers.

Bonds maturing on and before September 1, 2034 are not subject to redemption prior to their stated dates of maturity. Bonds maturing on and after September 1, 2035 are subject to optional redemption prior to their stated dates of maturity, at the option of the City, on and after September 1, 2034 as more fully set forth herein (see "THE BONDS—OPTIONAL REDEMPTION PRIOR TO MATURITY" herein).

The Bonds are offered when, as and if issued, subject to the approval of legality by Pierce Atwood LLP, Bond Counsel. Moors & Cabot, Inc., Boston, Massachusetts, serves as Municipal Advisor to the City. It is expected that the Bonds in definitive form will be available for delivery to DTC on or about December 10, 2024

NOTE: <sup>(\*)</sup> Preliminary, subject to change.

No dealer, broker, salesman or other person has been authorized by the City or the Underwriter to give any information or to make any representations, other than those contained in this Official Statement, in connection with the offering of the Bonds, and if given or made, such information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the City and other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, any party other than the City. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the condition or affairs of the City since the date hereof.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THE BONDS HAVE BEEN REGISTERED OR QUALIFIED, IF ANY, AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES, CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NONE OF THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE BONDS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

The CUSIP numbers set forth in this Official Statement have been assigned by an independent company not affiliated with the City and are included solely for the convenience of the holders of the Bonds. Neither the City nor the Underwriter makes any representation with respect to the accuracy of such CUSIP numbers set forth in this Official Statement or undertakes any responsibility for the selection of the CUSIP numbers or their accuracy now or at any time in the future. The City is not responsible for the selection or uses of the CUSIP numbers and no representation is made as to their correctness on the Bonds or as set forth in this Official Statement. The CUSIP number for a specific maturity of the Bonds is subject to change after the issuance of the Bonds and as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that may be applicable to all or a portion of certain maturities of the Bonds.

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## **CERTIFICATE CONCERNING OFFICIAL STATEMENT**

The information contained herein has been prepared by the City of Auburn, Maine with the assistance of Moors & Cabot, Inc., its Municipal Advisor, from the records of the City and from various other public documents and sources which are believed to be reliable. There has been no independent investigation of such information by the Municipal Advisor or by Pierce Atwood LLP, Bond Counsel, and such information is not guaranteed as to accuracy or completeness and is not intended to be a representation by the Municipal Advisor or Bond Counsel.

This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or holders of any of the Bonds. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinion and not as representations of fact. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City or its agencies and authorities, since the date hereof.

To the best of the knowledge and belief of the Finance Director, of the City this Official Statement does not contain any untrue statement of a material fact and does not omit to state any material fact necessary to make the statements made herein, in the light of the circumstances under which they were made, not misleading, subject to the condition that while information in the Official Statement obtained from sources other than the City is not guaranteed as to accuracy, completeness or fairness, the Finance Director has no reason to believe that such information is materially inaccurate or misleading. A certificate to this effect, with such if any corrections, changes and additions as may be necessary, will be signed by the Finance Director and furnished at the closing.

This Official Statement is in a form “deemed final” by the City for purposes of Securities and Exchange Commission’s Rule 15c2-12(b) [17 C.F.R. §240.15c2-12(b)] except for the omission from the Preliminary Official Statement of such information as is permitted by such Rule.

Kelsey L. D. Earle  
Finance Director  
City of Auburn, Maine



**OFFICIAL STATEMENT  
CITY OF AUBURN, MAINE  
\$23,398,000<sup>(\*)</sup>  
2024 GENERAL OBLIGATION BONDS**

This Official Statement is provided for the purpose of presenting certain information relating to the City of Auburn, Maine (the “City” or “Auburn”) in connection with the sale of its 2024 General Obligation Bonds (the “Bonds” or the “2024 Bonds”).

**THE BONDS**

**DESCRIPTION OF THE BONDS**

The Bonds will be issued only as fully-registered bonds without coupons, one certificate per maturity, and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York City, New York (“DTC” or the “Securities Depository”). DTC will act as the securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the minimum denomination of \$5,000 or any integral multiple thereof, and with one maturity of \$3,000 that will mature in 2025. The Bonds will be dated on the date of delivery and will bear interest (accrued on the basis of a 360-day year with twelve 30-day months) payable on March 1, 2025, and semi-annually thereafter on September 1 and March 1 of each year until maturity, or redemption prior to maturity. The Bonds will mature as follows:

| <u>Amount<sup>(*)</sup></u> | <u>September 1,</u> | <u>CUSIP</u> | <u>Amount<sup>(*)</sup></u> | <u>September 1,</u> | <u>CUSIP</u> |
|-----------------------------|---------------------|--------------|-----------------------------|---------------------|--------------|
| \$1,988,000                 | 2025                | 050375XL3    | \$235,000                   | 2038                | 050375XZ2    |
| 1,990,000                   | 2026                | 050375XM1    | 235,000                     | 2039                | 050375YA6    |
| 1,990,000                   | 2027                | 050375XN9    | 235,000                     | 2040                | 050375YB4    |
| 1,990,000                   | 2028                | 050375XP4    | 235,000                     | 2041                | 050375YC2    |
| 1,990,000                   | 2029                | 050375XQ2    | 235,000                     | 2042                | 050375YD0    |
| 1,990,000                   | 2030                | 050375XR0    | 235,000                     | 2043                | 050375YE8    |
| 1,990,000                   | 2031                | 050375XS8    | 235,000                     | 2044                | 050375YF5    |
| 1,990,000                   | 2032                | 050375XT6    | 230,000                     | 2045                | 050375YG3    |
| 1,990,000                   | 2033                | 050375XU3    | 230,000                     | 2046                | 050375YH1    |
| 1,990,000                   | 2034                | 050375XV1    | 230,000                     | 2047                | 050375YJ7    |
| 235,000                     | 2035                | 050375XW9    | 230,000                     | 2048                | 050375YK4    |
| 235,000                     | 2036                | 050375XX7    | 230,000                     | 2049                | 050375YL2    |
| 235,000                     | 2037                | 050375XY5    |                             |                     |              |

It is expected that the Bonds will be available for delivery at DTC on or about December 10, 2024.

Principal of and interest on the Bonds will be payable in Clearing House Funds to DTC, or its nominee, as registered owner of the Bonds by U.S. Bank Trust Company, National Association, Boston, Massachusetts, as paying agent (the “Paying Agent”). Transfer of principal and interest payments to Participants of DTC will be the responsibility of DTC. Transfer of principal and interest payments to Beneficial Owners (as hereinafter defined) will be the responsibility of such Participants and other nominees of Beneficial Owners. The City will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its Participants or persons acting through such Participants. See “THE BONDS - BOOK-ENTRY-ONLY SYSTEM” herein.

NOTE: <sup>(\*)</sup> Preliminary, subject to change.

## **OPTIONAL REDEMPTION OF THE BONDS PRIOR TO MATURITY**

Bonds maturing on and before September 1, 2034 are not subject to optional redemption prior to their stated dates of maturity. Bonds maturing on or after September 1, 2035 are subject to redemption prior to their stated dates of maturity, at the option of the City, on and after September 1, 2034, as a whole or in part at any time, in such order of maturity as the City, in its discretion, may determine at a price of par (100% of original stated amount of value at maturity), together with interest accrued and unpaid to the redemption date, if any.

## **GENERAL PROVISIONS REGARDING REDEMPTION**

### **Notice of Redemption**

In the case of every redemption of the Bonds, the City shall cause notice of such redemption to be given to the registered owner of any Bonds designated for redemption in whole or in part, at his or her address as the same shall last appear upon the registration books kept by the Paying Agent by mailing a copy of the redemption notice by first class mail not less than thirty (30) days prior to the redemption date. Any notice mailed shall be conclusively presumed to have been duly given, whether or not the Bondholder actually receives notice. The failure of the City to give notice to a Bondholder or any defect in such notice shall not affect the validity of the redemption of any Bond of any other owner. Each notice of redemption shall specify the date fixed for redemption, the place or places of payment, that payment will be made upon presentation and surrender of the Bonds to be redeemed, that interest, if any, accrued to the date fixed for redemption will be paid as specified in said notice, and that on and after said date interest thereon will cease to accrue. If less than all the Bonds outstanding are to be redeemed, the notice of redemption shall specify the numbers of the Bonds or portions thereof (in denominations of \$5,000 or any integral multiple thereof) to be redeemed.

The City shall notify the Securities Depository (see "THE BONDS - BOOK-ENTRY-ONLY SYSTEM" herein) in the same manner as the Bondholders, with a request that the Securities Depository notify its Participants who in turn notify the beneficial owners of such Bonds. Any failure on the part of the Securities Depository, or failure on the part of a nominee of a Beneficial Owner (having received notice from the City, a Participant or otherwise) to notify the Beneficial Owner so affected, shall not affect the validity of the redemption of such Bond.

### **Bonds Due and Payable on Redemption Date; Interest Ceases to Accrue**

On any redemption date, the principal amount of each Bond to be redeemed, together with the premium, if any, and accrued interest thereon to such date, shall become due and payable. Funds shall be deposited with the Paying Agent to pay, and the Paying Agent is authorized and directed to apply such funds to the payment of the Bonds called for redemption, together with accrued interest thereon, to the redemption date and redemption premium, if any. After such redemption date, notice having been given and funds deposited in the manner described above, then, notwithstanding that any Bonds called for redemption shall not have been surrendered, no further interest shall accrue on any of such Bonds. From and after such date of redemption (such notice having been given and funds deposited), the Bonds to be redeemed shall not be deemed to be outstanding.

### **Cancellation of Bonds**

All Bonds that have been redeemed shall be canceled by the Paying Agent and either destroyed by the Paying Agent with counterparts of a certificate of destruction evidencing such destruction furnished by the Paying Agent to the City or returned to the City at its request.

## **Partial Redemption of Bonds**

Bonds or portions of Bonds to be redeemed in part shall be selected when held by a Securities Depository by lot and when not held by a Securities Depository, by the City by lot or in such other manner, as the City in its discretion may deem appropriate.

## **RECORD DATE; PAYMENT**

The principal of the Bonds is payable upon surrender thereof at the designated Corporate Trust Office of the Paying Agent. Payment of the interest on the Bonds will be made to the person appearing on the registration books of the Paying Agent as the registered owner thereof at the close of business on the 15<sup>th</sup> day of the month preceding each interest payment date for the Bonds, and if such day is not a regular business day of the Paying Agent the next day preceding which is a regular business day of the Paying Agent, by check, wire or draft mailed to each registered owner at such person's address as it appears on the registration books, or at another address as is furnished to the Paying Agent in writing by the owner. Interest that is not timely paid or provided for shall cease to be payable to the registered owner as of the regular record date and shall be payable to the registered owner at the close of business on a special record date to be fixed by the Paying Agent.

## **AUTHORIZATION AND PURPOSE**

### **The CIP Projects**

The City typically borrows to provide funds to finance a portion of its Capital Improvement Program each year (see "CITY FINANCES – CAPITAL IMPROVEMENT PROGRAM" herein). A portion of the Bonds in an authorized amount not to exceed \$16,565,750, as such amount may be adjusted to reflect allocable bid premium, are being issued to finance the City's 2025 Capital Improvement Projects (the "City CIP Projects"). A portion of the Bonds in an authorized amount not to exceed \$983,000, as such amount may be adjusted to reflect allocable bid premium, are being issued to finance the Auburn School Department's 2025 Capital Improvement Projects (the "School CIP Projects" and collectively with the City CIP Projects, the "CIP Projects"). Bonds issued for the CIP Projects are being issued pursuant to Title 30-A, Section 5772 of the Maine Revised Statutes, as amended, Section 8.13 of the City Charter, Order 85-06032024 adopted by the City Council on June 17, 2024 and Order 147-10212024 adopted by the City Council on November 18, 2024, respectively.

### **The Public Safety Facilities Project**

A portion of the Bonds, in the amount of \$5,850,000, as such amount may be adjusted to reflect allocable bid premium, are being issued to finance a portion of the costs of a new public safety facility (the "Public Safety Facility Project", as further described below). Bonds issued for the Public Safety Facility Project are authorized pursuant to Order 119-09052023 adopted by the City Council on September 5, 2023, ratified, and approved by the voters of the City at a referendum election duly called and held on November 7, 2023<sup>(1)</sup>. The estimated cost of the Public Safety Facility Project is approximately \$45,000,000. The Public Safety Facility Project will provide facilities for the City's Police Department and Central Fire Station, including the 911 Dispatch Center and a new Engine 2 in the New Auburn neighborhood. A portion of the City's 2023 Bonds, in the amount of \$3,000,000, provided funds to finance the Engine 2 portion of the Public Safety Facility Project. Following the Bonds of this financing, the remaining amount of the authorized but unissued Bonds is \$31,150,000, and is expected to be financed in phases, as needed, over the next few years. See "INDEBTEDNESS - FUTURE FINANCING – Public Safety Facility" herein.



**Rendition of the New Public Facility Project**

| <b>The Projects</b>   |                                                                  |                     |              |              |
|-----------------------|------------------------------------------------------------------|---------------------|--------------|--------------|
| <u>Department</u>     | <u>Description</u>                                               | <u>Total</u>        | <u>Dept.</u> | <u>Total</u> |
| Airport               | Annual Pavement Management Program                               | \$150,000           |              |              |
| Airport               | Congressionally Directed Spending (CDS) Hangar Project           | 68,750              | 218,750      |              |
| Clerk                 | Record Restoration                                               | 50,000              | 50,000       |              |
| Fire                  | Engine 2 Reconditioning                                          | 250,000             | 250,000      |              |
| IT                    | Security Camera Project                                          | 90,000              | 90,000       |              |
| LA 911                | Server Infrastructure Replacement                                | 150,000             | 150,000      |              |
| Planning & Permitting | Dangerous Buildings and Junkyard Cleanups                        | 150,000             |              |              |
| Planning & Permitting | Comprehensive Plan Program                                       | 220,000             | 370,000      |              |
| Police                | Mobile Data Terminal Replacement                                 | 135,000             | 135,000      |              |
| Public Works          | Replace Vactor Truck                                             | 590,000             |              |              |
| Public Works          | Replace Boom Lift School and Public Works                        | 77,000              |              |              |
| Public Works          | Annual Park & Walkway Light Replacement                          | 100,000             |              |              |
| Public Works          | Replace 7yd plow truck (plowing/sanding and roadway maintenance) | 325,000             |              |              |
| Public Works          | Recreation Mini Bus replacement/upgrade                          | 110,000             | 1,202,000    |              |
| Facilities & Energy   | Auburn Hall Boiler/Mechanical Upgrades                           | 550,000             |              |              |
| Facilities & Energy   | Engine 2 Station Reconstruction                                  | 2,000,000           |              |              |
| Facilities & Energy   | Public Library Building Envelope, Repairs & Design Cost Analysis | 75,000              |              |              |
| Facilities & Energy   | Public Library Boilers Replacement                               | 575,000             | 3,200,000    |              |
| Engineering           | Morrow Road Reconstruction                                       | 3,000,000           |              |              |
| Engineering           | Whitman Spring Repair                                            | 150,000             |              |              |
| Engineering           | Reconstruction                                                   | 1,800,000           |              |              |
| Engineering           | Reclamation                                                      | 1,500,000           |              |              |
| Engineering           | Major Drainage                                                   | 500,000             |              |              |
| Engineering           | MDOT Match                                                       | 1,500,000           |              |              |
| Engineering           | Resurfacing                                                      | 1,600,000           |              |              |
| Engineering           | Pavement/Retaining Wall Assessment                               | 125,000             |              |              |
| Engineering           | Sidewalk Repairs                                                 | 100,000             |              |              |
| Engineering           | Downtown Parking and Walkability-Grant Match                     | 400,000             | 10,675,000   |              |
| Transportation        | Traffic Calming & Pedestrian Safety                              | 175,000             |              |              |
| Transportation        | LATC Bus Replacement                                             | 50,000              | 225,000      |              |
|                       | <b>Total City CIP</b>                                            | <b>\$16,565,750</b> |              |              |
|                       | <b>School CIP</b>                                                | <b>983,000</b>      |              |              |
|                       | <b>Public Safety Facility</b>                                    | <b>5,850,000</b>    |              |              |
|                       | <b>The Bonds</b>                                                 | <b>\$23,398,750</b> |              |              |

### Amortization of the Projects, by Department Total<sup>(\*)</sup>

|         | City    |        |         |        | LA      | Planning/  | Public Facilities |           |           |             |         | Sub-total  | School           | Public    | The        |
|---------|---------|--------|---------|--------|---------|------------|-------------------|-----------|-----------|-------------|---------|------------|------------------|-----------|------------|
| Sept 1. | Airport | Clerk  | Fire    | IT     | 911     | Permitting | Police            | Works     | & Energy  | Engineering | Trans.  | City CIP   | CIP              | Safety    | Bonds      |
| 2025    | 21,875  | 5,000  | 25,000  | 9,000  | 15,000  | 37,000     | 13,500            | 120,200   | 320,000   | 1,067,500   | 22,500  | 1,656,575  | 98,300           | 233,125   | 1,988,000  |
| 2026    | 21,875  | 5,000  | 25,000  | 9,000  | 15,000  | 37,000     | 13,500            | 120,200   | 320,000   | 1,067,500   | 22,500  | 1,656,575  | 98,300           | 235,125   | 1,990,000  |
| 2027    | 21,875  | 5,000  | 25,000  | 9,000  | 15,000  | 37,000     | 13,500            | 120,200   | 320,000   | 1,067,500   | 22,500  | 1,656,575  | 98,300           | 235,125   | 1,990,000  |
| 2028    | 21,875  | 5,000  | 25,000  | 9,000  | 15,000  | 37,000     | 13,500            | 120,200   | 320,000   | 1,067,500   | 22,500  | 1,656,575  | 98,300           | 235,125   | 1,990,000  |
| 2029    | 21,875  | 5,000  | 25,000  | 9,000  | 15,000  | 37,000     | 13,500            | 120,200   | 320,000   | 1,067,500   | 22,500  | 1,656,575  | 98,300           | 235,125   | 1,990,000  |
| 2030    | 21,875  | 5,000  | 25,000  | 9,000  | 15,000  | 37,000     | 13,500            | 120,200   | 320,000   | 1,067,500   | 22,500  | 1,656,575  | 98,300           | 235,125   | 1,990,000  |
| 2031    | 21,875  | 5,000  | 25,000  | 9,000  | 15,000  | 37,000     | 13,500            | 120,200   | 320,000   | 1,067,500   | 22,500  | 1,656,575  | 98,300           | 235,125   | 1,990,000  |
| 2032    | 21,875  | 5,000  | 25,000  | 9,000  | 15,000  | 37,000     | 13,500            | 120,200   | 320,000   | 1,067,500   | 22,500  | 1,656,575  | 98,300           | 235,125   | 1,990,000  |
| 2033    | 21,875  | 5,000  | 25,000  | 9,000  | 15,000  | 37,000     | 13,500            | 120,200   | 320,000   | 1,067,500   | 22,500  | 1,656,575  | 98,300           | 235,125   | 1,990,000  |
| 2034    | 21,875  | 5,000  | 25,000  | 9,000  | 15,000  | 37,000     | 13,500            | 120,200   | 320,000   | 1,067,500   | 22,500  | 1,656,575  | 98,300           | 235,125   | 1,990,000  |
| 2035    |         |        |         |        |         |            |                   |           |           |             |         |            |                  | 235,000   | 235,000    |
| 2036    |         |        |         |        |         |            |                   |           |           |             |         |            |                  | 235,000   | 235,000    |
| 2037    |         |        |         |        |         |            |                   |           |           |             |         |            |                  | 235,000   | 235,000    |
| 2038    |         |        |         |        |         |            |                   |           |           |             |         |            |                  | 235,000   | 235,000    |
| 2039    |         |        |         |        |         |            |                   |           |           |             |         |            |                  | 235,000   | 235,000    |
| 2040    |         |        |         |        |         |            |                   |           |           |             |         |            |                  | 235,000   | 235,000    |
| 2041    |         |        |         |        |         |            |                   |           |           |             |         |            |                  | 235,000   | 235,000    |
| 2042    |         |        |         |        |         |            |                   |           |           |             |         |            |                  | 235,000   | 235,000    |
| 2043    |         |        |         |        |         |            |                   |           |           |             |         |            |                  | 235,000   | 235,000    |
| 2044    |         |        |         |        |         |            |                   |           |           |             |         |            |                  | 230,000   | 230,000    |
| 2045    |         |        |         |        |         |            |                   |           |           |             |         |            |                  | 230,000   | 230,000    |
| 2046    |         |        |         |        |         |            |                   |           |           |             |         |            |                  | 230,000   | 230,000    |
| 2047    |         |        |         |        |         |            |                   |           |           |             |         |            |                  | 230,000   | 230,000    |
| 2048    |         |        |         |        |         |            |                   |           |           |             |         |            |                  | 230,000   | 230,000    |
| 2049    |         |        |         |        |         |            |                   |           |           |             |         |            |                  | 230,000   | 230,000    |
|         | 218,750 | 50,000 | 250,000 | 90,000 | 150,000 | 370,000    | 135,000           | 1,202,000 | 3,200,000 | 10,675,000  | 225,000 | 16,565,750 | 983,000          | 5,849,250 | 23,398,000 |
|         |         |        |         |        |         |            |                   |           |           |             |         |            | Add to Bid Prem  | 750       | 750        |
|         |         |        |         |        |         |            |                   |           |           |             |         |            | Project Proceeds | 5,850,000 | 23,398,750 |

NOTE: (\*) Preliminary, subject to change. Amounts in the above table may be adjusted to reflect the par amount of Bonds, plus allocable bid premium, if any, allocated to each project.

## Unspent Bond Proceeds

In the event that any proceeds of the Bonds remain unspent upon completion of a Project or the City abandons any Project, the City reserves the right to reallocate unspent proceeds to the costs of other qualified projects approved, or to be approved, by the City, or to apply unspent proceeds to the payment of debt service on the Bonds.

## SOURCE OF PAYMENT AND REMEDIES

## General

The Bonds are general obligations of the City and their payment is not limited to a particular fund or revenue source. Municipalities in the State of Maine (the “State”) have the right to tax their inhabitants to pay municipal indebtedness. The Bonds are payable as to both principal and interest from *ad valorem* taxes that may then be levied without limit as to rate or amount upon all the taxable property within its territorial limits, except to the extent that the City may enter into an agreement under Title 30-A, Chapter 223, Subchapter V of the Maine Revised Statutes, as amended, to share its assessed valuation with another municipality, and except to the extent that the City establishes or has established development districts as tax increment financing districts or affordable housing development districts pursuant to Title 30-A, Chapter 206 and former (now repealed) Chapter 207 of the Maine Revised Statutes, as amended, the captured tax increment of which may not be available for payment of debt service on the Bonds (see “CITY FINANCES – PROPERTY TAXATION - Tax Increment Financing Districts and Affordable Housing Development Districts” herein). The City has entered into agreements with the City of Lewiston, Maine to

share the tax revenue from facilities located solely within either of the cities (see “CITY FINANCES – TAX BASE SHARING” herein). The City has established certain tax increment financing districts and elected to retain a portion of the tax increment on the captured assessed value of the property in these districts to pay costs of the economic development projects and programs described in the development programs for the districts. Within the limits established by statute, the City has the right to designate additional development districts pursuant to Title 30-A, Chapter 206 of the Maine Revised Statutes, as amended. There is no statutory provision for a lien on any portion of the tax levy to secure bonds or notes, or judgments thereon, in priority to other claims.

The City is subject to suit on the Bonds. Title 14, Section 4951 of the Maine Revised Statutes, as amended, provides that executions against a town shall be issued against the personal property of the residents of that town and real estate within its boundaries, whether or not owned by the town. Only town real estate not used for public purposes, however, is subject to such execution. In addition, Title 30-A, Section 5701 of the Maine Revised Statutes, as amended, provides that the personal property of the residents and the real estate within the boundaries of a municipality may be taken to pay any debt due from the municipality. There has been no judicial determination as to whether the statutory remedy of taking property of residents to satisfy debts of or judgments against, a municipality is constitutional under current due process and equal protection standards and Bond Counsel expresses no opinion thereon. There has been no judicial determination as to whether statutory remedies available against towns are applicable to cities and Bond Counsel expresses no opinion thereon.

Funds to meet City expenses, including debt service, are not included in the tax levy to the extent they are expected to be met with other non-tax revenues. Amounts necessary to repay sums borrowed temporarily in anticipation of bonds or grants are similarly excluded because they would normally be expected to be paid from the anticipated bond proceeds or grants. Enforcement of a claim for payment of principal or interest on bonds or notes would be subject to the applicable provisions of federal bankruptcy laws and to the provisions of statutes, if any, hereafter enacted by the Congress or the State Legislature extending the time for payment or imposing other constraints upon enforcement insofar as the same may be constitutionally applied. The Bonds are not guaranteed by the State.

### **Repealing of Law Limiting Municipal Property Tax Levy**

Title 30-A, Section 5721-A of the Maine Revised Statutes, which had placed limitations on municipal property tax collection commonly referred to as “LD 1” was repealed by Chapter 603 of the Public Laws of Maine (2023). The 131<sup>st</sup> Legislature adjourned *sine die* May 10, 2024. Pursuant to the Maine Constitution, Article IV(3)(16), the repeal became effective on August 9, 2024 (90 days after the legislative session recessed).

## **TAX MATTERS**

### **Exclusion of Interest on the Bonds from Gross Income for Federal Income Tax Purposes**

The Internal Revenue Code of 1986, as amended (the “Code”), imposes certain requirements that must be met on a continuing basis subsequent to the issuance of the Bonds in order that interest on the Bonds be and remain excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use, investment and expenditure of bond proceeds and the requirement that certain earnings be rebated to the federal government. Failure of the City to comply with such requirements may cause interest on the Bonds to be included in the gross income of the holders thereof for purposes of federal income taxation retroactive to the date of issuance of the Bonds, regardless of when such noncompliance occurs or is ascertained.



The City will make certain representations with respect to the use of the proceeds of the Bonds and the projects and improvements financed by the Bonds and will covenant (i) to comply with the provisions and procedures of the Code applicable to the Bonds and (ii) not to take any action or permit any action that would cause the interest paid on the Bonds to be included in gross income for purposes of federal income taxation pursuant to Section 103 of the Code.

In the opinion of Pierce Atwood LLP, Bond Counsel (“Bond Counsel”), under existing statutes, regulations and court decisions interest on the Bonds is excludable from the gross income of the owners of the Bonds for federal income tax purposes pursuant to Section 103 of the Code. In addition, such interest is not an item of tax preference item for purposes of calculating the alternative minimum tax under the Section 55 of the Code provided, however, such interest will be taken into account in determining the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. In rendering its opinion, Bond Counsel will rely upon the City’s representations made with respect to the use of the proceeds of the Bonds, and the projects financed with the Bonds, and the City’s covenant that it will comply with the Code. See “PROPOSED FORM OF LEGAL OPINION” in APPENDIX B herein.

### **Exemption of Interest on the Bonds from Taxation Within the State of Maine**

In the opinion of Bond Counsel, interest paid on the Bonds is exempt from income taxation within the State pursuant to Title 30-A, Section 5772(9) of the Maine Revised Statutes, as amended. See “PROPOSED FORM OF LEGAL OPINION” in APPENDIX B herein.

### **Not Designated as Qualified Tax-Exempt Obligations**

The City will not designate the Bonds as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

### **Original Issue Discount**

Certain maturities of the Bonds (the “Discount Bonds”) may be sold at an issue price that is less than the stated redemption price of the Discount Bonds at maturity (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates). The difference between the issue price at which each of the Discount Bonds is sold and the stated redemption price at maturity (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates) of each of the Discount Bonds constitutes original issue discount (“OID”). Pursuant to Section 1288 of the Code, OID on the Discount Bonds accrues on the basis of economic accrual under a constant yield method, based on periodic compounding of interest over prescribed accrual periods using a compounding rate determined by reference to the yield on the Discount Bonds, as applicable. The basis of an initial purchaser of a Discount Bond acquired at the initial public offering price of the Discount Bond will be increased by the amount of such accrued OID for purposes of determining gain or loss on the sale, exchange, or other disposition of such Bond. Bond Counsel is of the opinion that the appropriate portion of the OID properly allocable to the original and each subsequent owner of the Discount Bonds will be treated as interest excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code to the same extent as stated interest on the Discount Bonds.

Prospective purchasers of the Discount Bonds should consult their tax advisors with respect to the determination for federal income tax purposes of the OID properly accruable with respect to the Discount Bonds and the tax accounting treatment of accrued interest, and the state and local tax consequences of acquiring, holding, and disposing of Discount Bonds.

## **Original Issue Premium**

Certain maturities of the Bonds (the “Premium Bonds”) may be sold at a purchase price in excess of the amount payable on such Bonds after the acquisition date (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates). The excess, if any, of the tax basis of the Premium Bonds to a purchaser (other than a purchaser who holds such Premium Bonds as inventory, stock in trade or for sale to customers in the ordinary course of business) over the amount payable at maturity (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates) is amortizable bond premium, which is not deductible from gross income for federal income tax purposes. Amortizable bond premium, as it amortizes, will reduce the owner’s tax cost of the Premium Bonds used to determine, for federal income tax purposes, the amount of gain or loss upon the sale, redemption at maturity or other disposition of the Premium Bonds. Accordingly, an owner of a Premium Bond may have taxable gain from the disposition of the Premium Bond, even though the Premium Bond is sold, or disposed of, for a price equal to the owner’s original cost of acquiring the Premium Bond. Bond premium amortizes over the term of the Premium Bonds under the “constant yield method” described in regulations interpreting Section 1272 of the Code.

Prospective purchasers of the Premium Bonds should consult their tax advisors with respect to the calculation of the amount of bond premium which will be treated for federal income tax purposes as having amortized for any taxable year (or portion thereof) of the owner and with respect to other federal, state and local tax consequences in connection with the acquisition, ownership, amortization of bond premium on, sale, exchange, or other disposition of Premium Bonds.

## **Additional Federal Income Tax Consequences**

Prospective purchasers of the Bonds should be aware that ownership of, accrual or receipt of interest on or disposition of tax-exempt obligations, such as the Bonds, may have additional federal income tax consequences for certain taxpayers, including, without limitation, taxpayers eligible for the earned income credit, recipients of certain Social Security and certain Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, financial institutions, property and casualty insurance companies, foreign corporations and certain S corporations. Prospective purchasers of the Bonds should consult their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

The Internal Revenue Service (the “IRS”) has an ongoing program of auditing state and local government obligations, which may include randomly selecting bond issues for audit, to determine whether interest paid to the holders is properly excludable from gross income for federal income tax purposes. It cannot be predicted whether the Bonds will be audited. If an audit is commenced, under current IRS procedures holders of the Bonds may not be permitted to participate in the audit process and the value and liquidity of the Bonds may be adversely affected.

## **Changes in Federal Tax Law**

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under federal or state law or otherwise prevent beneficial owners of the Bonds from realizing the full current benefit of the tax exempt status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Bonds. Prospective purchasers of the Bonds should consult their tax and financial advisors regarding such matters.



## **Opinion of Bond Counsel**

The legal opinion of Pierce Atwood LLP, of Portland, Maine (see “APPENDIX B - PROPOSED FORM OF LEGAL OPINION”) will be furnished to the original purchaser of the Bonds. The opinion will be dated and given on and will speak only as of the date of original delivery of the Bonds to the original purchaser of the Bonds.

## **Extent of Opinion**

Bond Counsel expresses no opinion regarding any tax consequences of holding the Bonds other than its opinion with regard to (a) the exclusion of interest on the Bonds from gross income pursuant to Section 103 of the Code, (b) interest on the Bonds not constituting an item of tax preference pursuant to Section 57 of the Code provided, however, that such interest will be taken into account included in determining the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code), and (c) the exemption of interest on the Bonds from taxation within the State pursuant to Title 30-A, Section 5772(9) of the Maine Revised Statutes, as amended. Prospective purchasers of the Bonds should consult their tax advisors with respect to all other tax consequences (including but not limited to those described above) of holding the Bonds.

## **BOOK-ENTRY-ONLY SYSTEM**

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued in fully-registered form registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One-fully registered certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and each such certificate will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated securities. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of securities deposited with DTC must be made by or through Direct Participants, which will receive a credit for such securities on DTC’s records. The ownership interest of each actual purchaser of each security deposited with DTC (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase.

Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in securities deposited with DTC are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in securities deposited with DTC, except in the event that use of the book-entry system for such securities is discontinued.

To facilitate subsequent transfers, all securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the securities deposited with it; DTC's records reflect only the identity of the Direct Participants to whose accounts such securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of a maturity is being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to securities deposited with it unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the issuer of such securities or its paying agent as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on securities deposited with DTC will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the issuer of such securities or its paying agent, on the payable date in accordance with their respective holdings shown on DTC's records.

Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), the issuer of such securities or its paying agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the issuer of such securities or its paying agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to securities held by it at any time by giving reasonable notice to the issuer of such securities or its paying agent. Under such circumstances, in the event that a successor depository is not obtained, physical certificates are required to be printed and delivered to Beneficial Owners.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, physical certificates will be printed and delivered to Beneficial Owners. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

## **RATINGS**

The Bonds are rated “\_\_\_” by Moody's Ratings (“Moody's”) and “\_\_\_” by S&P Global Ratings (“S&P”). The City has furnished the rating agencies certain information and materials, some of which may not have been included in this Official Statement. The ratings, if obtained, will reflect only the view of Moody's or S&P at the time such rating is assigned and will be subject to revision or withdrawal, which could affect the market price of the Bonds. Moody's or S&P should be contacted directly for its rating on the Bonds and its explanation of such rating. A rating is not a recommendation to buy, sell or hold the Bonds, and such rating should be evaluated independently.

Except as set forth in the Continuing Disclosure Agreement set forth in APPENDIX C and referred to under “THE BONDS – CONTINUING DISCLOSURE” herein, the City has not undertaken any responsibility either to bring to the attention of the owners of the Bonds any proposed change in, or withdrawal of, any rating of the Bonds or to oppose any such change or withdrawal.

## **CONTINUING DISCLOSURE**

In order to assist the underwriter of the Bonds in complying with the Securities and Exchange Commission's (“SEC”) Rule 15c2-12 (the “Rule”), the City will enter into a Continuing Disclosure Agreement (the “CDA”) for the benefit of the owners of the Bonds to provide certain financial information and operating data relating to the Rule by not later than 270 days after the end of each fiscal year (the “Annual Filing”) and to provide notices of the occurrence of certain enumerated events, if material. Pursuant to the Rule, such filings will be made with the Municipal Securities Rulemaking Board (“MSRB”) through its Electronic Municipal Market Access System (“EMMA”). The proposed form of the CDA is provided in APPENDIX C. The CDA will be executed by the Finance Director of the City, and incorporated by reference in the Bonds.

Except as discussed on the following paragraphs, in the last five years, the City has not failed to comply in all material respects with its previous undertakings to provide financial information or operating data or notices of material events in accordance with the Rule.

### **Financial and/or Operating Data Filings**

In the last five years, the City has made the following late filings:

- On August 12, 2020, the City entered into a School Revolving Renovation Program loan (“SRRF”), in the amount of \$1,190,000 with the Maine Municipal Bond Bank (“MMBB”), of which \$463,386 is to be repaid and \$726,614 is to be forgiven. The City filed notice of this loan with EMMA on October 13, 2020, when it filed a material event notice and a notice of late filing for the SRRF loan, as a *Financial Obligation – Incurrence of Agreement* and a *Failure to Provide Event Filing Information as Required*. These event filings were outside the 10 day filing requirement under the Rule.
- The City posts its Annual Financial Report (“ACFR”, as defined herein) to EMMA to satisfy its Annual Filing requirement. For fiscal years 2019 and 2020, certain financial information and operating data tables covered by the City's CDAs were not included in the respective ACFRs and thus not included in

the City's Annual Filing. The missing tables were included in the City's Official Statements prepared and posted with EMMA with respect to the City's general obligation bonds issued in each of the referenced fiscal years (the "Official Statements"), but the respective Official Statements were not also filed with EMMA as separate Operating Data filings or identified as such. On March 31, 2021, the City made corrective filings and posted a "Failure to File" notice, which provided, or identified the location of, the complete financial information and operating data required for the Annual Filing for each of the above-referenced fiscal years.

- On April 28, 2022, the City entered into an SRRF loan in the amount of \$156,992.72 with the MMBB, of which \$51,729.10 is to be repaid and \$105,263.62 is to be forgiven. The City filed notice of this loan with EMMA on September 19, 2023, when it filed a material event notice and a notice of late filing for the SRRF loan, as a *Financial Obligation – Incurrence of Agreement* and a *Failure to Provide Event Filing Information as Required*. These event filings were outside the 10 day filing requirement under the Rule.
- The City failed to file its Annual Filing for the fiscal year 2022 on a timely basis. This late filing was due to the fact that the City's Audit Firm experienced staffing shortages, which created unforeseen delays in the preparation and release of the 2022 ACFR. The City did not receive its 2022 ACFR until August 30, 2023 (although it is dated August 29, 2023). However, the City filed its 2022 ACFR on September 13, 2023 with EMMA and submitted a Voluntary Filing, posted on September 13, 2023 providing this explanation.
- On September 22, 2022, the City filed the Preliminary Official Statement for its 2022 General Obligation Bonds, dated September 20, 2022, with EMMA, with the intent of providing the operating date portion of its 2022 Annual Filing. However, the filed operating data was incomplete, as it did not include certain 2022 operating data, which should have been included. In order to remedy this situation, on September 25, 2023, the City's filed the Preliminary Official Statement for its 2023 General Obligation Bonds, dated September 22, 2023, with EMMA. The operating date included in the 2023 Preliminary Official Statement supplements the operating data included in its earlier 2022 operating data filing. Also on September 25, 2023, a *Late Filing – Failure to File in a Timely Manner* event filing was posted on EMMA
- The City failed to file financial data or complete operating data for the fiscal year 2023 on a timely basis. As with its 2022 Annual Filing, this late filing was also due to the fact that, the City's Audit Firm continued to experience staffing shortages, which delays were exacerbated by the City's transition to replace the former and seasoned Finance Director. The City did not receive the 2023 ACFR until September 30, 2024 (although it is dated August 30, 2024). The City filed its 2023 ACFR with EMMA on October 15, 2024. The City has submitted a *Late Filing – Failure to File in a Timely Manner* event filing, posted on October 31, 2024 providing this explanation
- The City intends to submit the operating date portion of its 2024 Annual Filing by filing the Preliminary Official Statement prepared with respect to Bonds of this financing, when available.

The following list summarizes recent filings by the City:

| <b>Fiscal Year ended<br/>June 30,</b> | <b>Date Filed<br/>with EMMA</b> | <b>Days After<br/>Fiscal Year End</b> |
|---------------------------------------|---------------------------------|---------------------------------------|
| 2023                                  | October 15, 2024                | >270 days                             |
| 2022                                  | September 22, 2023              | >270 days                             |
| 2021                                  | March 14, 2022 <sup>(1)</sup>   | 257 days                              |
| 2020                                  | February 1, 2021                | 216 days                              |
| 2019                                  | February 5, 2020                | 220 days                              |

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NOTE: <sup>(1)</sup> The 2021 operating data component of the City's 2022 Annual Filing was filed on March 24, 2022.

### **Re -assurance of Future Compliance**

On June 17, 2013, the City Council adopted a post-issuance compliance policy that, among other things, provides for timely filings with EMMA or its successor repository, if any, with respect to its existing and future continuing disclosure undertakings and establishes written procedures that are expected to ensure prompt compliance with its continuing disclosure undertakings on a going forward basis. The City has also registered with the EMMA reminder system to receive e-mail reminders to help ensure timely annual filing of required financial and operating data.

Going forward, the City has reaffirmed that it will annually post on EMMA, including to all applicable CUSIPs, its ACFR or to file unaudited financial data if the ACFR is not available within the time period specified in its CDAs; and, as and to the extent required by its CDAs, the City will file a separate operating data filing as part of its Annual Filing, or will file an Official Statement prepared in the applicable year, if it includes the operating date required to be submitted.

### **MUNICIPAL ADVISOR**

Moors & Cabot, Inc. is a Municipal Advisor registered with the Securities and Exchange Commission and the MSRB and has acted as Municipal Advisor to the City with respect to the issuance of the Bonds pursuant to MSRB Rule G-23. Moors & Cabot, Inc. does not intend to submit its bid on, or participate in an underwriting syndicate for the public distribution of, the Bonds.

### **STATUTORY REFERENCES**

All quotations from and summaries and explanations of laws herein do not purport to be complete, and reference is made to said laws for full and complete statements of their provisions.

### **CUSIP® IDENTIFICATION NUMBERS**

It is anticipated that CUSIP® (an acronym that refers to Committee on Uniform Security Identification Procedures) identification numbers will be printed on the Bonds. All expenses in relation to the printing of CUSIP® numbers on the Bonds will be paid for by the City provided, however, that the City assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

## **CONDITIONS PRECEDENT TO DELIVERY**

The following, among other things, are conditions precedent to the delivery of the Bonds to the original purchasers thereof.

### **No Litigation**

Upon delivery of the Bonds, the City shall deliver or cause to be delivered a certificate of the Finance Director, dated the date of delivery of the Bonds, to the effect that there is no litigation pending or, to the knowledge of such official, threatened, affecting the validity of the Bonds or the power of the City to levy and collect taxes to pay them, and that neither the corporate existence nor boundaries of the City, nor the title of any of said officers to their respective offices, is being contested.

### **Approval of Legality**

The legality of the Bonds will be approved by Pierce Atwood LLP, Bond Counsel. The approving opinion of such counsel with respect to the Bonds in substantially the form attached to this Official Statement as APPENDIX B will be delivered at the time of original delivery of the Bonds and a copy of the opinion will be provided to the original purchasers. Bond Counsel are not passing upon, and do not assume responsibility for, the accuracy or adequacy of the statements made in this Official Statement (other than matters expressly set forth as their opinion) and make no representations that they have independently verified the same. See also “PROPOSED FORM OF LEGAL OPINION” in APPENDIX B herein.

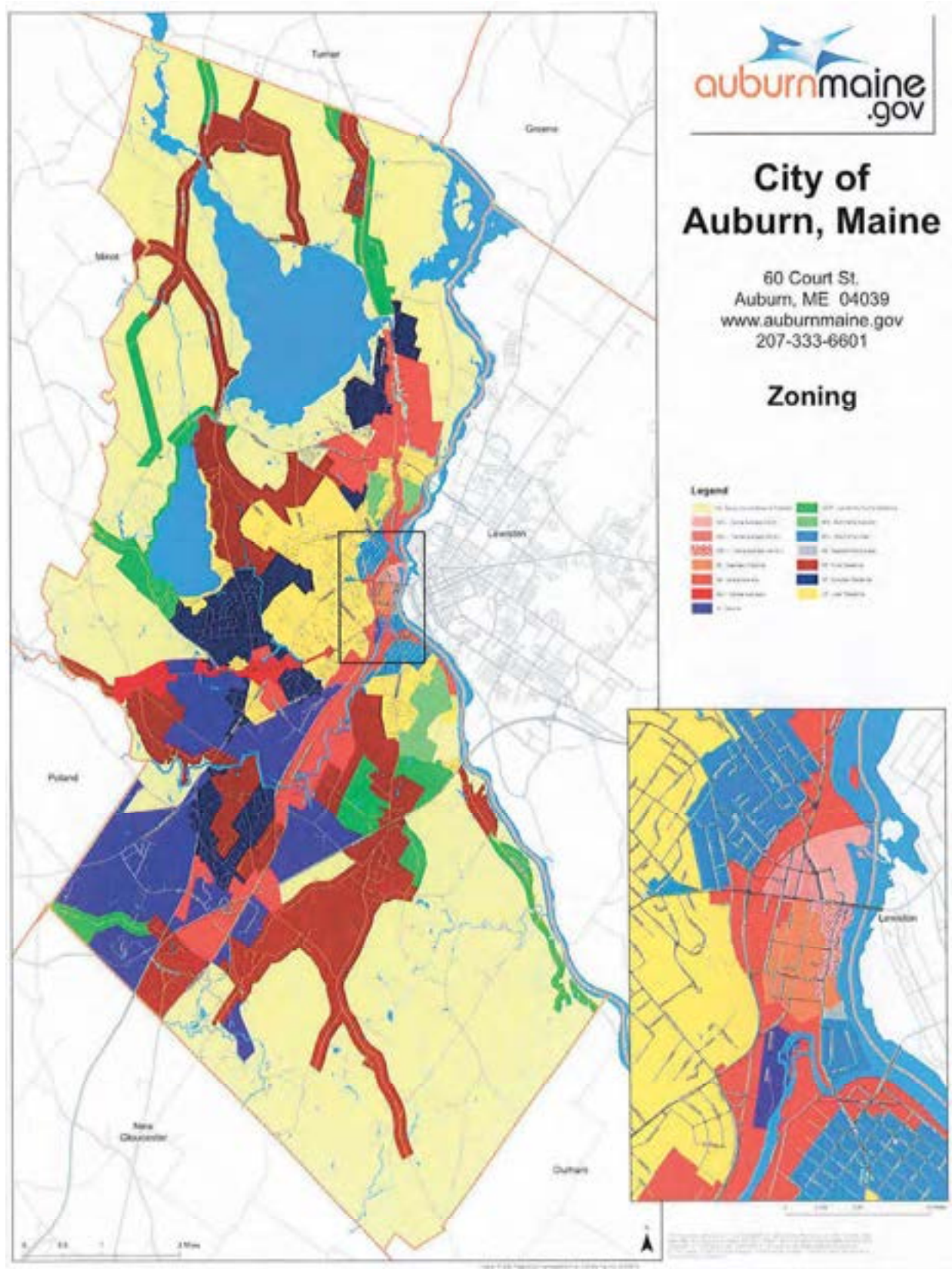
### **Certification of the Bonds**

The Bonds will be certified as to their genuineness by U.S. Bank Trust Company, National Association, Boston, Massachusetts, which certificate will appear on the Bonds.

### **Certificate With Respect to Debt Limits**

At the time of the original delivery of and payment for the Bonds, the City will deliver a certificate of the Finance Director of the City which certifies that the City has not exceeded its debt limit under Title 30-A, Section 5702 of the Maine Revised Statutes, as amended, and that issuance of the Bonds will not cause the City to exceed such debt limit.





## CITY OF AUBURN

### HISTORY

The City of Auburn (the “City” or “Auburn”), located on the west bank of the Androscoggin River in the south central section of the State of Maine, is the County Seat of Androscoggin County and is Maine’s fifth largest city. Auburn is approximately 34 miles north of Portland, the State’s largest city and 142 miles from Boston, Massachusetts. The City is contiguous to the City of Lewiston, the State’s second largest city, with the Androscoggin River separating the “twin cities”. Auburn is bounded by the towns of Durham on the southeast; New Gloucester on the southwest; Poland lying west of the middle portion; Minot on the northwest; and Turner forming the northern border. Access to Auburn is provided by Exit 75 (formerly Exit 12) of the Maine Turnpike (US Interstate Route 95), US Route 202, and State Routes 4, 11, 100, 121 and 136, all of which intersect the City from various directions. Transportation includes the Auburn - Lewiston Municipal Airpark, located in the City of Auburn but jointly operated by the two cities, as well as the Grand Trunk line railroad, and various trucking and bus facilities. Some sources cite the origin of the City’s name being from Oliver Goldsmith’s “Sweet Auburn, Loveliest Village of the Plain”. Another possible source of the name is Aubourn, a city in Lincolnshire, England.



*Androscoggin County*

The area embracing Auburn was first settled in 1786, formerly consisting of a large part of Bakerstown, now the towns of Poland, Minot and the northern portion of what is now Auburn. This territory was first incorporated on February 17, 1795 as the Town of Poland. On February 18, 1802 a portion of Poland, also embracing the northern portion of the present Auburn, was set off and incorporated as the Town of Minot, which further separated on February 24, 1842 when the Town of Auburn was incorporated. The southern portion of the present City was incorporated in 1802 as the Town of Pejepscot, changing its name to Danville in 1819. In 1852 a further portion of the eastern part of Poland was set off to Danville. The Town of Danville was annexed to Auburn on February 26, 1867. Auburn incorporated as a city on February 22, 1869. In 1917, Auburn was the first city in Maine to adopt a council-manager form of government. Auburn was considered the home of the shoe industry in Maine as it was still part of Minot when the Minot Shoe Company was established in 1835 in what is now West Auburn. This is where the factory system of making shoes originated. The principal neighborhoods of the City include: Auburn, East Auburn, New Auburn, North Auburn, West Auburn, Danville, South Auburn, Stevens Mills and Marston’s Corner.

Auburn exists as a major retail center of central Maine, which is evidenced by a shopping mall, shopping plazas and various retail stores throughout the City. A longtime shoe manufacturing center, Auburn also supports textile, handicraft, electronics and plastics manufacturing industries. The City has several industrial parks. Seven banks, with several branch offices, provide financial services to the City. Central Maine Community College is located in the City. The City is an urban community with land area comprised of residential, resource protection, business, industrial, farming and conservation zones, open space and woodland areas totaling approximately 61.67 square miles.

### GOVERNMENT

There are two basic forms of local government in Maine: the “Direct” form, often referred to as town meeting government, in which the town meeting serves as the legislative body, passing laws and approving the spending of monies; and the “Representational” form, in which an elected council serves as the legislative body. There are several variations of these two forms. Variations of the Direct form are: *Selectmen/Town Meeting* form of government (169 municipalities); *Selectmen/Town Meeting/Manager*



(141 towns); *Council/Town Meeting/Manager* (18 towns) and *Selectmen/Town Meeting/Administrative Assistant* or *Administrator* (80 towns). Variations of the Representational form are: *Council/Mayor/Administrator* (three cities), *Council/Mayor/Manager* (18 cities) and *Council/Manager* (26 towns).

The City operates under a charter adopted by its voters on November 8, 2005, effective July 1, 2006 (the “Charter”), providing for a *Council/Mayor/Manager* form of government with a Mayor and a seven-member City Council, five of whom are elected by ward, with the Mayor and two members of the Council elected at-large. All members of the City Council, and the Mayor, serve two-year terms.

The Charter grants to the City Council all powers to enact, amend, or repeal rules, ordinances and resolutions relating to the City’s property, affairs and government, to preserve the public peace, health and safety, to establish personnel policies, give effect to any vote of the City and to authorize the issuance of debt. The entire Council, working as the Finance Committee, adopts an annual budget and provides for an annual audit. The City Manager is appointed by the City Council and serves as the Chief Administrative Officer of the City.

## **MUNICIPAL SERVICES**

The City provides general governmental services for the territory within its boundaries, including police and fire protection, highways, streets and sidewalks, parks, recreation and riverfront areas. Public education is provided for grades Kindergarten (“K”) through 12. Water service is provided by the Auburn Water District; and sewer service is provided by the Auburn Sewer District, each being individual and wholly separate quasi-municipal entities whose operation and obligations are not part of the City. However, the respective district must obtain prior approval from the City Council before debt issuance.

The City has provides various other municipal services through several ventures with other entities in which the City retains an ongoing financial responsibility. See “CITY OF AUBURN - MUNICIPAL SERVICES - JOINT VENTURES” herein.

### **Public Safety**

The Police Department is staffed by employees who include: one Chief of Police, one Deputy Chief of Police, seven Lieutenants, seven Sergeants, five Detectives, 32 officers, one Executive Assistant, one Information Assistant, one Parking Enforcement Officer, one Evidence Technician, one Court Officer and one Crime Analyst. The Police Department operates from the downtown Police Station. The Police Department operates 31 vehicles.

The Fire Department overseen by the Fire Chief, one Deputy Fire Chief, one Executive Assistant, one EMS Coordinator, one Fire Prevention Officer, four Platoon Chiefs, four Captains, 16 Lieutenants, approximately 36 firefighters. The Fire Department operates from three fire stations and maintains approximately 15 vehicles or pieces of equipment, all of which are in good repair. Emergency Medical Service is provided by the Fire Department by its 16 EMT’s (Basic), 14 EMT’s (Intermediate) and 22 EMTs (Paramedics).

### **Public Services**

The Public Services Department provides for a number of services including highway maintenance and recycling. The Department is staffed with one Public Works Director, a Deputy Director and approximately 65 full-time employees. The Department utilizes approximately 100 pieces of equipment.

## Landfill Closure

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. The \$31,500 reported as landfill post-closure care liability at June 30, 2023 represents the estimated liability for post-closure care costs at that date. The cost is comprised of \$31,500 for post-closure care costs (3 years) for a brush landfill that stopped accepting debris during fiscal year 1996. The estimated total cost of landfill post-closure care of \$31,500 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, 2023. 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.

## PUBLIC EDUCATION

### Department of Education

The City operates its educational program for grades pre-K through 12 as a School Administrative Unit (“SAU”) under its own supervision. Article 4 of the City’s Charter provides that the Department of Education for the City be administered by a Superintending School Committee (the “School Committee”) comprised of the City’s Mayor (or a representative) and seven other members, five of whom are elected, one from each ward, and two members elected from the registered voters of the entire City at-large. All members serve two-year terms. The School Committee performs all duties and functions in regard to the care and management of the public schools of the City. The School Committee prepares and submits its budget to the City Manager, who includes it in the City budget process.

The School’s staff consists of a Superintendent, an Assistant Superintendent, one Business Manager, one Special Ed Director, one Assistant Special Ed Director, one Technology Director, nine full-time Principals, five Assistant Principals, one Athletic Director, approximately 300.0 full-time equivalent (“FTE”) teachers and approximately 506 other FTE professional and non-professional staff. The City’s schools and enrollment trends are:

| <u>School</u>                                 | <u>Grade</u> | <u>Estimated Capacity</u> | <u>Attending Enrollment<sup>(1)</sup><br/>(Oct 1, 2023)</u> |
|-----------------------------------------------|--------------|---------------------------|-------------------------------------------------------------|
| East Auburn Community                         | Pre-K - 6    | 140                       | 152                                                         |
| Washburn                                      | K - 6        | 260                       | 217                                                         |
| Fairview                                      | Pre-K - 6    | 550                       | 486                                                         |
| Park Avenue Elementary                        | Pre-K - 6    | 325                       | 338                                                         |
| Sherwood Heights Elementary                   | Pre-K - 6    | 500                       | 290                                                         |
| Walton                                        | Pre-K - 6    | 250                       | 144                                                         |
| RETC/SOS                                      | 7 - 12       | 50                        | 0                                                           |
| Auburn Middle                                 | 7 - 8        | 550                       | 463                                                         |
| Merrill Hill Alternative/Franklin Alternative | 7 - 12       | 40/80                     | 100                                                         |
| Edward Little High                            | 9 - 12       | 1,100                     | 929                                                         |

| Oct. 1, | Resident Enrollment <sup>(1)</sup> |       |       |        | Tuition<br>(Non-Resident) | Total<br>Enrollment |
|---------|------------------------------------|-------|-------|--------|---------------------------|---------------------|
|         | Pre-K - 2                          | 3 - 6 | 7 - 8 | 9 - 12 |                           |                     |
| 2023    | 625                                | 772   | 478   | 1,014  | 0                         | 3,119               |
| 2022    | 792                                | 919   | 501   | 992    | 16                        | 3,220               |
| 2021    | 823                                | 933   | 530   | 990    | 7                         | 3,283               |
| 2020    | 793                                | 914   | 506   | 1,017  | 17                        | 3,247               |
| 2019    | 888                                | 1,024 | 514   | 973    | 51                        | 3,450               |
| 2018    | 894                                | 1,034 | 531   | 1,005  | 119                       | 3,583               |
| 2017    | 932                                | 1,075 | 508   | 1,012  | 97                        | 3,624               |
| 2016    | 817                                | 977   | 520   | 1,115  | 69                        | 3,498               |
| 2015    | 950                                | 1,031 | 541   | 971    | 97                        | 3,590               |
| 2014    | 989                                | 1,066 | 507   | 962    | 63                        | 3,587               |

NOTE: <sup>(1)</sup> **Resident Enrollment** is based on where the students live. They are counts of students who reside in each school district and are educated at public expense. Public school district resident counts include: (1) resident students from the local school unit attending schools in the local school unit, plus (2) resident students from the local unit who are tuitioned to other public school units or private schools and who are paid for with public funds.

**Attending Enrollment** is an attending student count, or a head count of students, based on where the students are educated. Public school district attending counts include: (1) students from the local school district attending schools in the local school district, plus (2) students from outside the school district who are tuitioned from other school districts.

### Lewiston Regional Technology Center

Title 20-A, Chapter 313 of the Maine Revised Statutes, as amended, provides for “applied technology education” or a course or program of education that is designed to create or improve job-related skills in current or emerging occupations as part of a secondary school curriculum. The programs are offered via career and technical education centers (each a “Center”) or career and technical education regions (each a “Region”), or a career and technical education satellite program affiliated with either a Center or a Region (a “Satellite Program”). A Center is an administrative entity established to provide career and technical education to secondary students. Unless otherwise specifically provided for, a Center is governed, operated and administered by an SAU.

The Lewiston Regional Technology Center (“LRTC”) is a Center owned, operated and maintained by the City of Lewiston, acting by and through its Department of Education. The LRTC student body includes students from Lewiston, Auburn, Lisbon, Leavitt High School (Town of Turner and adjoining towns), Poland Regional High School and Oak Hill High School (Town of Sabattus and adjoining towns). Centers and Regions are funded under Title 20-A, Chapter 606-B of the Maine Revised Statutes, as amended, through an allocation paid by the State to an SAU that has a Center or directly to a Region. The school funding statute allows a Center to assess members if its budget needs exceed the State allocation and to enter into a cost sharing agreement with its member units. LRTC first opened to secondary students in 1971 and currently provides career and technical education to students in grades 11 and 12. The 2023/2024 LRTC enrollment was 739, of which approximately 16% were residents of Auburn.

Edward Little High School in partnership with LRTC has created a series of new Career and Technical Education (“CTE”) programs, which opened in the 2023/2024 school year on the new ELHS campus. These programs offer new sought after CTE programs not currently available at LRTC, while also mirroring some existing popular LRTC CTE programs, allowing more students from the LRTC sending region to participate. The total area dedicated to the LRTC Career and Technical Education programs within the ELHS project spans approximately 32,682 square feet across two floors, with classrooms and shops for 10

CTE offerings. These programs will accommodate between 200-300 students once all programming has been rolled-out. This partnership will provide substantially expanded CTE opportunities in emergent and in-demand programs for EL students.

## BUILDING PERMITS

| FY Ended<br>June 30, | Residential |              | Commercial |              | Totals |              |
|----------------------|-------------|--------------|------------|--------------|--------|--------------|
|                      | Units       | Value        | Units      | Value        | Units  | Value        |
| 2023                 | 188         | \$13,085,060 | 71         | \$31,284,177 | 259    | \$44,369,237 |
| 2021                 | 171         | 10,676,384   | 73         | 32,467,390   | 244    | 43,143,774   |
| 2020                 | 199         | 8,248,482    | 118        | 14,737,387   | 317    | 22,985,869   |
| 2019                 | 225         | 9,195,733    | 137        | 37,469,998   | 362    | 46,665,731   |
| 2018                 | 205         | 9,172,744    | 155        | 27,237,892   | 360    | 36,410,369   |
| 2017                 | 239         | 9,805,433    | 11         | 18,768,648   | 350    | 28,574,081   |
| 2016                 | 199         | 4,917,705    | 139        | 15,933,811   | 338    | 20,851,516   |
| 2015                 | 183         | 6,186,559    | 100        | 24,386,982   | 283    | 30,573,541   |
| 2014                 | 171         | 5,610,897    | 86         | 13,469,432   | 257    | 19,080,329   |
| 2013                 | 137         | 4,059,106    | 107        | 21,893,102   | 244    | 25,952,208   |

SOURCE: City of Auburn – Code Enforcement Office.

## LABOR RELATIONS

The City employs approximately 1,318 full-time and part-time employees, of which approximately 806 are employed by the School Department. City Employees not included in the table are not represented by unions. The various contracts for employees represented by unions are effective and expire as follows:

| <u>Union<sup>(1)</sup></u> | <u>Bargaining Unit</u>            | <u>Date of Contract</u> |                   |
|----------------------------|-----------------------------------|-------------------------|-------------------|
|                            |                                   | <u>Effective</u>        | <u>Expiration</u> |
| Teamsters Local 340        | Public Works                      | July 1, 2023            | June 30, 2026     |
| IAFF Local 797             | Fire Department                   | July 1, 2022            | June 30, 2025     |
| MAP                        | Police Command Unit               | July 1, 2023            | June 30, 2025     |
| MAP                        | Police Officers and Detectives    | July 1, 2023            | June 30, 2026     |
| MSEA-SEIU                  | Administrative and Clerical Staff | July 1, 2023            | June 30, 2026     |
| AEA                        | School Teachers                   | Sept. 1, 2022           | Aug. 31, 2025     |
| AEA                        | Ed. Technicians and Secretaries   | Sept. 1, 2022           | Aug. 31, 2025     |
| ASAA                       | School Administrators             | July 1, 2024            | June 30, 2027     |
| IAMAW                      | Support Personnel                 | July 1, 2021            | June 30, 2024     |
| AEA                        | Food Service                      | July 1, 2023            | June 30, 2026     |
| AEA                        | Transportation                    | July 1, 2024            | June 30, 2027     |

NOTE: <sup>(1)</sup>“IAFF” indicates the International Association of Firefighters, affiliated with the American Federation of Labor & Congress of Industrial Organizations (“AFL-CIO”), as separate bargaining units. “MAP” indicates the Maine Association of Police. “IAMAW” indicates the International Association of Machinists & Aerospace Workers, affiliated with the AFL-CIO, as a separate bargaining unit. “MSEA-SEIU” indicates Maine State Employees Association – Service Employees International. “MEA” indicates the Maine Education Association of which the various components of the Auburn Education Association (“AEA”) and the Auburn School Administrators Association (“ASAA”) are affiliated, as separate bargaining units. “Teamsters” indicates the International Brotherhood of Teamsters, which are affiliated, as separate bargaining units.

## **AUBURN PUBLIC LIBRARY**

The Auburn Public Library (the “Library”) was officially chartered on October 27, 1890, to “... establish and maintain a public library in the City of Auburn, Maine; to acquire by gifts, fees, bequests, purchase, or otherwise such real and personal property as may be necessary and convenient therefore; and do all acts necessary or expedient for carrying out any and all of the foresaid objects and purposes.” Money was raised to support the Library through membership dues, fees, compliance charges, and fundraising events and activities. In 1895, the City committed financial support to the Library through annual appropriation, with the condition that the Library’s collections and services would be made available free of charge to all Auburn citizens. In 1902, Library Trustee, the Hon. George C. Wing, was informed that the noted philanthropist Andrew Carnegie would give the City \$25,000 to build a new library, provided that the City would make a building site available and that an annual tax appropriation equal to 10% of his gift would be guaranteed. Ground was broken on July 22, 1903, and the library opened on August 1, 1904.

Following various minor renovations and improvements over the next 50 years in 1956, a 4,156 square-foot building expansion was made to the facility, financed by the City; and a federal community development grant in 1978 allowed the Library’s space to grow to a consolidated 13,146 square feet. Starting in 1999, the Library’s Board of Trustees formed a campaign that ultimately raised over \$3.5 million in funds to further expand the facility but preserve the integrity and style of the original Carnegie-funded building. On December 1, 2003 the City Council approved a bond issue for an additional \$3.5 million contribution and, as part of its 2004 General Obligation Bonds, dated September 15, 2004, the City issued bonds to finance its contribution. The expanded, 33,000 square foot facility, opened its doors in June of 2006. A portion of the proceeds of the City’s 2015 Bonds, in the amount of \$60,000, were used to provide funds to finance masonry repair to the building.

The Library is a “free” public library governed by a Board of Trustees made up of nine individuals selected from a pool of six hundred Library Corporators and one City Councilor serves as a member of the Board. The Board makes policy, with fiduciary responsibilities to the operation of the Library. Day-to-day operations are managed by a library director with a staff of nineteen full and part time employees and the help of numerous volunteers. The Library building and the land on which it is situated are owned by the City and leased to the Library under a 99-year ground lease (currently set to expire on December 31, 2101). The Library is a separate, IRS Code Section 501(c)(3), private non-profit organization and operates under a management contract with the City. While not a department of the City, the Library has strong ties to city government and receives a substantial portion of its annual operating budget from City appropriation. The City’s fiscal year 2023/2024 contribution to the Library’s operating budget was \$1,138,659 (or 81.53% of the Library’s total operating budget for that period).

## **JOINT VENTURES**

The City of Auburn has entered into several ventures with other entities. The following joint ventures result from a contractual arrangement (inter-local 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 inter-local 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 inter-local agreement, the City is responsible for funding certain deficits the organization may incur.

## THE FORMER LEWISTON-AUBURN METROPOLITAN STATISTICAL AREA

The U.S. Department of Commerce, Bureau of the Census formerly defined a metropolitan statistical area (“MSA”) as an area that included at least one city with 50,000 or more inhabitants, or a Census Bureau-defined urbanized area (of at least 50,000 inhabitants) and a total metropolitan population of at least 75,000 (in New England). Additional cities and towns were included in the MSA if they met specified requirements of commuting to the central area and other selected requirements of metropolitan character (such as population density and percent urban). A MSA was also considered a labor market area (“LMA”). The map displays the nine cities or towns and one reservation that comprised the former Lewiston-Auburn MSA.



## Commercial Center (\$/000)

| CY   | Business/<br>Operating | Building<br>Supply | Food<br>Store | General<br>Mdse. | Other<br>Retail | Auto/<br>Transp. | Rest. &<br>Lodging | Group<br>Total | Consumer<br>Sales |
|------|------------------------|--------------------|---------------|------------------|-----------------|------------------|--------------------|----------------|-------------------|
| 2023 | 103,636.4              | 186,379.6          | 56,214.8      | 210,378.0        | 87,522.3        | 354,810.9        | 115,619.6          | 1,114,561.8    | 1,010,925.3       |
| 2022 | 99,275.5               | 192,112.0          | 55,498.1      | 191,483.1        | 88,837.1        | 321,908.0        | 107,239.2          | 1,056,353.2    | 957,077.6         |
| 2021 | 83,132.1               | 178,245.5          | 53,868.9      | 183,976.9        | 87,899.5        | 293,332.6        | 98,176.1           | 978,631.6      | 895,499.5         |
| 2020 | 64,728.1               | 152,906.6          | 52,089.7      | 154,666.1        | 72,371.1        | 259,760.8        | 74,478.4           | 831,000.9      | 766,272.8         |
| 2019 | 71,586.0               | 130,990.2          | 50,386.3      | 167,266.2        | 56,804.7        | 246,000.8        | 88,869.5           | 811,903.7      | 740,317.8         |
| 2018 | 71,784.4               | 133,465.2          | 47,779.6      | 163,795.0        | 52,326.4        | 229,503.0        | 86,435.1           | 785,088.6      | 713,304.2         |
| 2017 | 76,034.1               | 132,315.5          | 47,492.8      | 156,497.1        | 52,288.5        | 218,928.8        | 83,593.2           | 767,150.0      | 691,115.8         |
| 2016 | 71,695.1               | 123,227.9          | 48,428.4      | 157,726.3        | 50,980.2        | 213,625.3        | 82,067.6           | 747,750.8      | 676,055.7         |
| 2015 | 74,716.2               | 115,138.5          | 39,249.1      | 144,262.9        | 48,193.7        | 194,839.3        | 77,349.8           | 693,749.6      | 619,033.4         |

SOURCE: State of Maine, Department of Taxation, Sales Tax Section.

## Representative Employers

| <u>Current Major Employers in Auburn</u> |                       | <u>Approx #<br/>Employees</u> | <u>% All<br/>Employees</u> |
|------------------------------------------|-----------------------|-------------------------------|----------------------------|
| Pioneer Plastics                         | Plastic Molding Manf. | 620                           | 3.67%                      |
| Wal-Mart                                 | Department Store      | 520                           | 3.07%                      |
| Tambrands, Inc. (div. of P&G)            | Fem Hygiene Products  | 415                           | 2.45%                      |
| Carbonite Inc.                           | Data Protection       | 353                           | 2.09%                      |
| Clover Living Center                     | Health Services       | 283                           | 1.67%                      |
| UPS                                      | Package Delivery      | 239                           | 1.41%                      |
| Bisson Transportation                    | Truck Terminal        | 235                           | 1.39%                      |
| Conform Automotive                       | Auto Interior Manf.   | 205                           | 1.21%                      |
| Hannaford Bros.                          | Grocery               | 176                           | 1.04%                      |
| Shaw's                                   | Grocery               | 141                           | 0.83%                      |
| <b>Total Top Ten Non-Governmental</b>    |                       | <b>3,187</b>                  | <b>18.83%</b>              |
| Other Non-Governmental                   |                       | 13,728                        |                            |
| All Non-Governmental                     |                       | 16,915                        |                            |

SOURCE: State of Maine, Department of Labor.



## Commuter Patterns

| <b><u>Residents of<br/>Auburn<br/>who work in:</u></b> | <b><u>Number of<br/>Workers</u></b> | <b><u>% of<br/>Auburn's<br/>Workers</u></b> | <b><u>Commuters to<br/>Auburn<br/>who live in:</u></b> | <b><u>Number of<br/>Workers</u></b> | <b><u>% of<br/>Auburn's<br/>Workforce</u></b> |
|--------------------------------------------------------|-------------------------------------|---------------------------------------------|--------------------------------------------------------|-------------------------------------|-----------------------------------------------|
| Auburn                                                 | 4,922                               | 45.71%                                      | Auburn                                                 | 4,922                               | 30.51%                                        |
| Lewiston                                               | 2,924                               | 27.15%                                      | Lewiston                                               | 3,415                               | 21.17%                                        |
| Portland                                               | 530                                 | 4.92%                                       | Poland                                                 | 586                                 | 3.63%                                         |
| Augusta                                                | 257                                 | 2.39%                                       | Greene                                                 | 523                                 | 3.24%                                         |
| South Portland                                         | 171                                 | 1.59%                                       | Turner                                                 | 464                                 | 2.88%                                         |
| Turner                                                 | 168                                 | 1.56%                                       | Lisbon                                                 | 437                                 | 2.71%                                         |
| Freeport                                               | 150                                 | 1.39%                                       | Mechanic Falls                                         | 404                                 | 2.50%                                         |
| Brunswick                                              | 113                                 | 1.05%                                       | Minot                                                  | 338                                 | 2.10%                                         |
| Lisbon                                                 | 111                                 | 1.03%                                       | Sabattus                                               | 328                                 | 2.03%                                         |
| Scarborough                                            | 106                                 | 0.98%                                       | Oxford                                                 | 240                                 | 1.49%                                         |
| Poland                                                 | 96                                  | 0.89%                                       | Paris                                                  | 211                                 | 1.31%                                         |
| Bath                                                   | 86                                  | 0.80%                                       | Leeds                                                  | 210                                 | 1.30%                                         |
| Gray                                                   | 82                                  | 0.76%                                       | Norway                                                 | 210                                 | 1.30%                                         |
| Westbrook                                              | 74                                  | 0.69%                                       | Portland                                               | 172                                 | 1.07%                                         |
| Saco                                                   | 65                                  | 0.60%                                       | New Gloucester                                         | 170                                 | 1.05%                                         |
| New Gloucester                                         | 56                                  | 0.52%                                       | Buckfield                                              | 164                                 | 1.02%                                         |
| Sabattus                                               | 51                                  | 0.47%                                       | Gray                                                   | 163                                 | 1.01%                                         |
| Topsham                                                | 48                                  | 0.45%                                       | Brunswick                                              | 134                                 | 0.83%                                         |
| Norway                                                 | 41                                  | 0.38%                                       | Litchfield                                             | 133                                 | 0.82%                                         |
| Jay                                                    | 35                                  | 0.33%                                       | Hebron                                                 | 130                                 | 0.81%                                         |
| Paris                                                  | 34                                  | 0.32%                                       | Wales                                                  | 130                                 | 0.81%                                         |
| Yarmouth                                               | 34                                  | 0.32%                                       | Livermore                                              | 120                                 | 0.74%                                         |
| All Other                                              | <u>615</u>                          | <u>5.71%</u>                                | All Other                                              | <u>2,527</u>                        | <u>15.67%</u>                                 |
| <b>Total</b>                                           | <b>10,769</b>                       | <b>100.00%</b>                              | <b>Total</b>                                           | <b>16,131</b>                       | <b>100.00%</b>                                |

SOURCE: 2020 Census, US Department of Commerce, Bureau of the Census.

## ECONOMIC CHARACTERISTICS

| Population | City of<br><u>Auburn</u> | <u>Change Since Prior Census</u> |              |            |
|------------|--------------------------|----------------------------------|--------------|------------|
|            |                          | <u>City</u>                      | <u>State</u> | <u>USA</u> |
| 1980       | 23,128                   | (4.2)                            | 13.4         | 11.4       |
| 1990       | 24,309                   | 5.1                              | 9.2          | 9.8        |
| 2000       | 23,203                   | (4.5)                            | 3.8          | 13.2       |
| 2010       | 23,055                   | (0.6)                            | 4.2          | 8.9        |
| 2020       | 24,061                   | 4.4                              | 2.6          | 7.3        |

SOURCE: Respective Census, U.S. Department of Commerce, Bureau of the Census.

| Population Characteristics | City of<br><u>Auburn</u> | Androscoggin<br><u>County</u> | State of<br><u>Maine</u> | <u>USA</u> |
|----------------------------|--------------------------|-------------------------------|--------------------------|------------|
| Median age (years)         | 40.0                     | 41.0                          | 44.7                     | 38.1       |
| % under 5 years            | 4.9%                     | 5.8%                          | 4.7%                     | 6.0%       |
| % under 18 years           | 21.8%                    | 21.5%                         | 18.5%                    | 22.3%      |
| % 65 years and over        | 18.1%                    | 18.2%                         | 21.2%                    | 16.5%      |
| Persons/household          | 2.22                     | 2.28                          | 2.29                     | 2.62       |

| Income                  | City of<br><u>Auburn</u> | Androscoggin<br><u>County</u> | State of<br><u>Maine</u> | <u>USA</u> |
|-------------------------|--------------------------|-------------------------------|--------------------------|------------|
| Median household income | \$51,681                 | \$55,002                      | \$59,489                 | \$64,994   |
| % below poverty level   | 12.1%                    | 11.7%                         | 10.6%                    | 11.4%      |
| Per capita income       | \$31,917                 | \$29,947                      | \$33,774                 | \$35,384   |

| Housing                   | City of<br><u>Auburn</u> | Androscoggin<br><u>County</u> | State of<br><u>Maine</u> | <u>USA</u> |
|---------------------------|--------------------------|-------------------------------|--------------------------|------------|
| % owner occupied          | 56.8%                    | 64.9%                         | 72.9%                    | 64.4%      |
| Owner occupied med. value | \$175,300                | \$166,600                     | \$198,000                | \$229,800  |
| Median gross rent         | \$801                    | \$771                         | \$873                    | \$1,096    |
| Households                | 10,180                   | 45,906                        | 569,551                  | -          |

SOURCE: 2020 Census, U.S. Department of Commerce, Bureau of the Census

| Unemployment | City of<br><u>Auburn</u> | Androscoggin<br><u>County</u> | State of<br><u>Maine</u> | <u>USA</u> |
|--------------|--------------------------|-------------------------------|--------------------------|------------|
| 2023         | 3.0%                     | 3.0%                          | 2.9%                     | 3.6%       |
| 2022         | 3.0                      | 3.0                           | 3.0                      | 3.6        |
| 2021         | 5.0                      | 4.9                           | 4.6                      | 5.3        |
| 2020         | 5.7                      | 5.5                           | 5.4                      | 8.1        |
| 2019         | 3.0                      | 3.0                           | 3.0                      | 3.7        |
| 2018         | 3.4                      | 3.3                           | 3.4                      | 3.9        |
| 2017         | 3.0                      | 3.1                           | 3.3                      | 4.4        |
| 2016         | 3.5                      | 3.6                           | 3.9                      | 4.9        |
| 2015         | 3.9                      | 4.1                           | 4.4                      | 5.3        |
| 2014         | 5.3                      | 5.5                           | 5.7                      | 6.2        |

SOURCE: State of Maine, Department of Labor, Division of Economic Analysis and Research.



## CITY FINANCES

### BUDGETARY PROCESS

The fiscal year (or “budget year”) of the City begins on the first day of July and ends on the thirtieth day of June of the following year. Sections 8.2 to 8.8 of the City’s Charter provide for a budget process. By the first day of May before the end of the fiscal year, the City Manager submits to the Council budget estimates for the ensuing fiscal year compiled from detailed information furnished by the administrative officers and boards. The budget is published not later than two weeks after its submission to the Council, which then fixes a time and place for holding a public hearing upon the budget. Prior to the beginning of the fiscal year, the Council adopts an annual appropriation resolve for the new fiscal year. The resolve is itemized by department, except the school department. The total amount appropriated may exceed the estimated revenue of the City, subject to the City’s Fund balance Policy. Should the Council take no final action on the annual appropriation resolve within the time set forth therein, the budget as submitted by the City Manager, is deemed to have been finally adopted by the Council. Chapter 2, Article VI, Section 2-485 of the City’s Code of Ordinances establishes a budget tax commitment cap. Beginning with the City’s fiscal year 2016 budget, the City Council may not approve any increase in the tax commitment (City and School combined) that exceeds the consumer price index (urban) as compiled for the 12-month period ending as of December 31 prior the start of the succeeding fiscal year. However, if the City Council deems it necessary, this cap may be waived by a super majority vote of the City Council with five affirmative council votes.

The school budget is voted on by the School Board, then presented to the City Council at a Budget Meeting; and is then subject to referendum by the voters of the City through a Budget Validation process. Upon adoption of the budget, a property tax levy is then established and filed with the City Assessor. The following table sets forth the trends in the General Fund’s budgets for the City for the last four fiscal years and for the current fiscal year.

| <b>General Fund Budgets</b>               |                     |                     |                      |                      |                      |
|-------------------------------------------|---------------------|---------------------|----------------------|----------------------|----------------------|
| <b><u>Fiscal Year Ending June 30,</u></b> |                     |                     |                      |                      |                      |
|                                           | <b><u>2021</u></b>  | <b><u>2022</u></b>  | <b><u>2023</u></b>   | <b><u>2024</u></b>   | <b><u>2025</u></b>   |
| <b>Revenues</b>                           |                     |                     |                      |                      |                      |
| Taxes                                     | \$55,263,359        | \$56,237,450        | \$58,788,320         | \$60,320,348         | \$63,875,067         |
| Intergovernmental                         | 30,341,121          | 32,791,101          | 40,028,036           | 43,439,037           | 48,924,675           |
| Licenses and Permits                      | 353,400             | 466,200             | 385,250              | 439,100              | 500,010              |
| Charges for Services                      | 2,439,190           | 2,129,821           | 2,231,665            | 2,458,053            | 2,698,454            |
| Fines, Forfeits and Penalties             | 53,000              | 41,500              | 28,000               | 23,000               | 32,000               |
| Interest                                  | 80,000              | 40,000              | 30,000               | 45,000               | 350,000              |
| Other Sources                             | <u>3,205,105</u>    | <u>3,740,128</u>    | <u>5,553,880</u>     | <u>6,445,654</u>     | <u>5,445,742</u>     |
| <b>Total Revenues</b>                     | <b>91,735,175</b>   | <b>95,446,200</b>   | <b>107,045,151</b>   | <b>113,170,192</b>   | <b>121,825,948</b>   |
| General Government                        | 12,560,523          | 13,369,661          | 14,678,365           | 15,728,713           | 17,763,820           |
| Public Safety                             | 10,427,186          | 10,583,228          | 10,638,318           | 11,511,873           | 12,152,619           |
| Health, Welfare & Recreation              | 1,751,289           | 1,756,094           | 1,966,752            | 2,041,900            | 2,691,963            |
| Public Works                              | 6,030,647           | 6,167,320           | 7,712,825            | 8,287,553            | 8,825,716            |
| Education                                 | 45,802,612          | 48,341,366          | 55,732,090           | 59,071,289           | 62,123,472           |
| Debt Service                              | 7,577,735           | 7,734,169           | 8,361,254            | 8,334,544            | 9,772,812            |
| County Tax                                | 2,629,938           | 2,611,080           | 2,761,220            | 2,972,037            | 3,117,240            |
| Other Agencies                            | 1,645,442           | 1,573,479           | 1,884,524            | 1,912,480            | 2,068,502            |
| Other                                     | 260,000             | 260,000             | 260,000              | 260,000              | 260,000              |
| Transfers                                 | <u>3,049,803</u>    | <u>3,049,803</u>    | <u>3,049,803</u>     | <u>3,049,803</u>     | <u>3,049,803</u>     |
| <b>Total Expenditures</b>                 | <b>\$91,735,175</b> | <b>\$95,446,200</b> | <b>\$107,045,151</b> | <b>\$113,170,192</b> | <b>\$121,825,947</b> |

## CAPITAL IMPROVEMENT PROGRAM

The City of Auburn has a formal Capital Improvement Program (“CIP”), which is required by Section 8.9 of the City’s Charter. The CIP includes a Capital Budget for the current year and the next four years. The overall program is driven by a number of factors and may be financed in part, or in whole, by the future issuance of the City’s bonds. The City’s Charter requires the CIP to be subject to a public hearing following a public notice. Section 8.13(C)(2) of the City’s Charter requires that any Council Order providing for the issuance of debt for certain single projects such as buildings and structures in excess of 9% of the current fiscal year’s annual appropriation resolve be subject to approval by the voters of the City. The following table displays the City’s current Capital Improvements schedule:

### Capital Improvement Plan for Fiscal Year Ending June 30,

| <u>Department</u>     | <u>2025</u>    | <u>2026</u>      | <u>2027</u>    | <u>2028</u>    | <u>2029</u>    | <u>Five Year</u> |                |
|-----------------------|----------------|------------------|----------------|----------------|----------------|------------------|----------------|
|                       |                |                  |                |                |                | <u>Totals</u>    | <u>Average</u> |
| LA Airport            | 116,250        | 0                | 0              | 0              | 0              | 116,250          | 23,250         |
| City Clerk            | 100,000        | 200,000          | 100,000        | 100,000        | 100,000        | 600,000          | 120,000        |
| Finance               | 500,000        | 500,000          | 500,000        | 0              | 0              | 1,500,000        | 300,000        |
| Fire/EMS              | 1,472,000      | 730,000          | 417,000        | 185,000        | 1,627,000      | 4,431,000        | 886,200        |
| Information Tech.     | 180,000        | 150,000          | 150,000        | 150,000        | 150,000        | 780,000          | 156,000        |
| LA 911                | 1,400,000      | 50,000           | 0              | 0              | 0              | 1,450,000        | 290,000        |
| NSBA & Ingersoll      | 35,000         | 515,000          | 200,000        | 375,000        | 75,000         | 1,200,000        | 240,000        |
| Planning & Permitting | 600,000        | 500,000          | 500,000        | 500,000        | 500,000        | 2,600,000        | 520,000        |
| Police                | 248,000        | 76,000           | 200,000        | 280,000        | 286,000        | 1,090,000        | 218,000        |
| Engineering           | 10,825,000     | 7,006,484        | 5,611,500      | 6,167,400      | 4,667,500      | 34,277,884       | 6,855,577      |
| Facilities & Energy   | 3,345,000      | 3,402,450        | 9,785,300      | 7,578,700      | 4,125,700      | 28,237,150       | 5,647,430      |
| PW Equip & projects   | 2,874,000      | 6,006,800        | 2,609,300      | 2,571,300      | 2,006,000      | 16,067,400       | 3,213,480      |
| Recreation            | 95,000         | 100,000          | 100,000        | 100,000        | 100,000        | 495,000          | 99,000         |
| Transportation        | <u>700,000</u> | <u>1,200,000</u> | <u>350,000</u> | <u>350,000</u> | <u>350,000</u> | <u>2,950,000</u> | <u>590,000</u> |
| <b>Total CIP</b>      | \$22,492,275   | \$18,291,734     | \$20,525,127   | \$18,359,428   | \$13,887,200   | \$95,794,684     | 1,368,495      |

## FUND BALANCE POLICY

Pursuant to Governmental Accounting Standards Board (“GASB”) Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (“GASB 54”), the City Council repealed and replaced its General Fund Balance Policy with a General Fund – Fund Balance Policy, adopted on June 7, 2021 (the “2021 Policy”). The purpose of the policy is to establish a target level of fund balance for the General Fund (“GF”) and to establish a process and criteria for the continued evaluation of that target level as conditions warrant. The policy also establishes a process for reaching and maintaining the targeted level of unassigned fund balance, and the priority for the use of amounts in excess of the target. Finally, the policy provides a mechanism for monitoring and reporting the City’s General Fund balance. The policy applies only to the General Fund and requires the City to maintain unrestricted fund balance at no less than 10% and no more than 14% of General Fund expenditures measured on a Generally Accepted Accounting Principles (“GAAP”) basis. In the event that the unassigned fund balance drops below this level, the City will develop a plan, implemented through the annual budgetary process, to bring the balance to the target level over a period of no more than three (3) years. Amounts in excess of the target shall be brought to the City Council in the form of a Council Order before use for City Council approval. The Finance Director, in accordance with GAAP, shall report fund balance in the appropriate classifications and make the appropriate disclosures in the City’s financial statements. Unless classified as restricted or committed, the following balances shall be classified as assigned per GAAP or as required by this policy:

- *Encumbrances* - Amounts encumbered at year-end by purchase order or another means shall be classified as assigned.

- *Budget Appropriations* - Amounts appropriated in the annual budget resolve, or in any supplemental budget resolves, for expenditures in the following fiscal year shall be classified as assigned.
- *Capital Budget* - Amounts designated in the first year of the City's capital improvement program (CIP) as either appropriations or advances to other funds shall be classified as assigned.
- *Self-Insurance* - Amounts designated in the City's self-insurance shall be classified as assigned.
- *Compensated Absences* - These are not typically recorded as liabilities in the governmental funds, unless they are paid out immediately following the close of the fiscal year. However, the obligation for compensated absences can be significant. Therefore, the City will assign the amount equal to the estimated amount required at year end to pay the compensated absence obligation for those who meet the eligibility criteria for payment and can be expected to terminate employment with the City in the following fiscal year. This amount shall exclude any amount recorded as a liability. The following table displays fund balance results over the last five fiscal years:

**General Fund Balance as % Expenditures (per City's Policy)**

| <b>Fiscal Year ended June 30,</b> | <b><u>2020</u></b> | <b><u>2021</u></b> | <b><u>2022</u></b> | <b><u>2023</u></b> | <b><u>2024<sup>(1)</sup></u></b> |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|----------------------------------|
| Unrestricted General Fund         |                    |                    |                    |                    |                                  |
| Balance                           | \$11,515,913       | \$15,143,586       | \$15,601,896       | \$17,301,631       | \$17,292,365                     |
| Total GF Expenditures             | 88,377,858         | 89,653,702         | 96,700,591         | 101,309,251        | 111,219,310                      |
| Fund Balance as % Expenditures    | 13.03%             | 16.89%             | 16.13%             | 17.07%             | 15.54%                           |
| Unassigned General Fund Bal       | \$9,862,432        | \$13,192,192       | \$13,064,546       | \$14,002,632       | \$19,243,759                     |
| Total GF Expenditures             | 88,377,858         | 89,653,702         | 96,700,591         | 101,309,251        | 111,219,310                      |
| Fund Balance as % Expenditures    | 11.16%             | 14.71%             | 13.51%             | 13.82%             | 17.30%                           |

**General Fund Balance as % Revenues**

| <b>Fiscal Year ended June 30,</b> | <b><u>2020</u></b> | <b><u>2021</u></b> | <b><u>2022</u></b> | <b><u>2023</u></b> | <b><u>2024<sup>(1)</sup></u></b> |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|----------------------------------|
| Unrestricted General Fund         |                    |                    |                    |                    |                                  |
| Balance                           | \$11,515,913       | \$15,143,586       | \$15,601,896       | \$17,301,631       | \$17,292,365                     |
| Total GF Revenues                 | 92,045,087         | 95,878,178         | 101,882,653        | 105,210,876        | 109,916,661                      |
| Fund Balance as % Revenues        | 12.51%             | 15.79%             | 15.31%             | 16.44%             | 15.73%                           |
| Unassigned General Fund Bal       | \$9,862,432        | \$13,192,192       | \$13,064,546       | \$14,002,632       | \$19,243,759                     |
| Total GF Revenues                 | 92,045,087         | 95,878,178         | 11,882,653         | 105,210,876        | 109,916,661                      |
| Fund Balance as % Revenues        | 10.71%             | 13.76%             | 12.82%             | 13.31%             | 17.51%                           |

NOTE: <sup>(1)</sup> Unaudited.

## INVESTMENT POLICY

The City adopted and has followed a formal Investment Policy since April of 1995. Pursuant to its Investment Policy and applicable Maine law [Title 30-A, Section 5706 *et seq.* of the Maine Revised Statutes, as amended (the "Act")], all investments of the City must be made with the judgment and care that persons of prudence, discretion and intelligence, under circumstances then prevailing, exercise in the management of their own affairs, not for speculation but for investment considering (i) safety of principal and maintenance of capital, (ii) maintenance of sufficient liquidity to meet all operating and cash requirements with which a fund is charged, that is reasonably expected, and (iii) return of income commensurate with avoidance of unreasonable risk. Under its Investment Policy, the City's investment practice is to maintain a cash and investment pool that is available for use by all funds and consists of short-

term investments. The City is invested principally in direct obligations of the United States government and its agencies. The City is not invested in any obligations typically referred to as derivatives, meaning obligations created from, or whose value depends on, or is derived from, the value of one or more underlying assets or indexes of asset values in which the municipality owns no direct interest.

## FINANCIAL STATEMENTS

Title 30-A, Chapter 223, Subchapter VIII of the Maine Revised Statutes, as amended, and Section 8.11 of the City's Charter provide for independent annual audits of the City's accounts and establishes procedures for such audits. The City, in conformance with this statute and its Charter currently engages the services of Runyon Kersteen Ouellette, Certified Public Accountants ("Runyon Kersteen Ouellette").

The City's fiscal year 2023 Annual Report, audited by Runyon Kersteen Ouellette is presented as APPENDIX A to this Official Statement. The City has not requested the consent of Runyon Kersteen Ouellette for the incorporation of Annual Financial Report ("ACFR") included in APPENDIX A, nor has it been received.

The Government Finance Officers Association (the "GFOA") awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the City for its ACFR for the fiscal year ended June 30, 2022. This was the 31<sup>st</sup> consecutive year that the City applied for and received this prestigious award. In order to be awarded the certificate, the City published an easily readable and efficiently organized ACFR that satisfies both GAAP and applicable legal requirements.

## FUNDS

The City's *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The *statement of net assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets 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 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, public works (highways, streets, and solid waste disposal), education, and culture and recreation. The City has one business-type activity, its ice arena.

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, 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* 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 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 and the Capital Projects Fund, each of 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 maintains one type of *proprietary fund*, its *enterprise fund*, used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses the enterprise fund to account for its operations of Ingersoll Ice Arena. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

*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 statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**CITY OF AUBURN**  
**COMPARATIVE BALANCE SHEET**  
**GENERAL FUND**  
**(As of June 30,)**

|                                                              | <u>2023</u>         | <u>2022</u>         | <u>2021</u>         | <u>2020</u>         | <u>2019</u>         |
|--------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>ASSETS</b>                                                |                     |                     |                     |                     |                     |
| Cash and equivalents                                         | \$26,818,464        | \$6,882,291         | \$19,829,213        | \$7,257,027         | \$6,505,562         |
| Held in Escrow                                               | 0                   | 0                   | 0                   | 0                   | 25,643              |
| Investments                                                  | 5,094,330           | 18,576,421          | 6,159,297           | 7,455,522           | 7,162,525           |
| Receivables:                                                 |                     |                     |                     |                     |                     |
| Taxes                                                        | 1,718,967           | 1,735,978           | 1,501,283           | 2,419,823           | 2,380,000           |
| Accounts                                                     | 585,777             | 334,956             | 557,611             | 524,747             | 238,449             |
| Loans receivable                                             | 599,532             | 599,532             | 656,408             | 680,451             | 2,970,731           |
| Intergovernmental                                            | 749,671             | 741,692             | 681,691             | 640,662             | 779,266             |
| Inter-fund                                                   | 107,636             | 2,364,248           | 0                   | 2,575,964           | 719,391             |
| Prepaid                                                      | <u>50,782</u>       | <u>135,392</u>      | <u>32,855</u>       | <u>753,071</u>      | <u>16,936</u>       |
| <b>TOTAL ASSETS</b>                                          | 35,725,159          | 31,370,510          | 29,418,358          | 22,307,267          | 20,798,503          |
| <b>LIABILITIES</b>                                           |                     |                     |                     |                     |                     |
| Accounts payable                                             | 1,452,447           | 1,231,026           | 1,037,281           | 936,432             | 999,236             |
| Accrued wages                                                | 4,699,560           | 5,035,310           | 4,810,136           | 4,738,561           | 4,473,313           |
| Prepaid taxes                                                | 99,366              | 0                   | 0                   | 258,316             | 0                   |
| Escrow funds                                                 | 32,511              | 40,426              | 0                   | 0                   | 25,643              |
| Unearned revenue                                             | 0                   | 153,681             | 223,250             | 0                   | 0                   |
| Inter-fund payables                                          | <u>0</u>            | <u>0</u>            | <u>3,877,470</u>    | <u>0</u>            | <u>0</u>            |
| <b>TOTAL LIABILITIES</b>                                     | 6,283,884           | 6,460,443           | 9,948,137           | 5,933,309           | 5,498,192           |
| <b>DEFERRED REVENUES</b>                                     |                     |                     |                     |                     |                     |
| Unavailable (Property tax)                                   | <u>1,613,742</u>    | <u>1,585,603</u>    | <u>1,327,819</u>    | <u>2,060,409</u>    | <u>2,165,544</u>    |
| <b>TOTAL DEFERRED</b>                                        | 1,613,742           | 1,585,603           | 1,327,819           | 2,060,409           | 2,165,544           |
| <b>FUND BALANCE</b>                                          |                     |                     |                     |                     |                     |
| Non-spendable                                                | 650,314             | 734,924             | 689,263             | 1,433,522           | 761,970             |
| Restricted                                                   | 9,875,588           | 6,987,644           | 2,309,553           | 1,364,114           | 2,273,457           |
| Committed                                                    | 0                   | 0                   | 0                   | 0                   | 0                   |
| Assigned                                                     | 3,298,999           | 2,537,350           | 1,951,394           | 1,653,481           | 2,034,264           |
| Unassigned                                                   | <u>14,002,632</u>   | <u>13,064,546</u>   | <u>13,192,192</u>   | <u>9,862,432</u>    | <u>8,065,076</u>    |
| <b>TOTAL FUND BALANCE</b>                                    | 27,827,533          | 23,324,464          | 18,142,402          | 14,313,549          | 13,134,767          |
| <b>TOTAL LIABILITIES,<br/>DEFERRALS<br/>AND FUND BALANCE</b> | <u>\$35,725,159</u> | <u>\$31,370,510</u> | <u>\$29,418,358</u> | <u>\$22,307,267</u> | <u>\$20,798,503</u> |

Prepared from Audited Financial Statements



**CITY OF AUBURN**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**GENERAL FUND**  
**(For the Years Ended June 30,)**

|                                                                            | <u>2023</u>         | <u>2022</u>         | <u>2021</u>         | <u>2020</u>         | <u>2019</u>         |
|----------------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>REVENUES</b>                                                            |                     |                     |                     |                     |                     |
| Taxes                                                                      | \$54,373,113        | \$51,559,729        | \$51,765,024        | \$50,695,750        | \$50,021,033        |
| Inter-governmental                                                         | 51,608,089          | 46,528,438          | 40,794,332          | 38,528,644          | 34,646,259          |
| Licenses and permits                                                       | 475,259             | 607,804             | 607,551             | 366,143             | 330,240             |
| Charges for services                                                       | 2,753,018           | 2,924,453           | 2,402,506           | 2,204,230           | 2,251,806           |
| Other                                                                      | 296,145             | 202,603             | 239,634             | 96,216              | 70,613              |
| Donation                                                                   | 411,000             | 0                   | 0                   | 0                   | 0                   |
| Interest income                                                            | <u>278,901</u>      | <u>59,626</u>       | <u>69,131</u>       | <u>154,104</u>      | <u>79,941</u>       |
| <b>TOTAL REVENUES</b>                                                      | 110,195,525         | 101,882,653         | 95,878,178          | 92,045,087          | 87,399,892          |
| <b>EXPENDITURES</b>                                                        |                     |                     |                     |                     |                     |
| General government                                                         | 11,946,944          | 11,563,886          | 11,131,004          | 10,996,672          | 10,514,513          |
| Public safety                                                              | 11,461,619          | 10,850,253          | 10,497,535          | 9,973,648           | 9,813,368           |
| Health, welfare and recreation                                             | 2,044,326           | 1,737,165           | 1,680,073           | 1,723,634           | 1,605,386           |
| Public works                                                               | 6,822,438           | 6,045,400           | 5,608,516           | 5,627,171           | 5,830,730           |
| Other agencies                                                             | 4,649,304           | 4,196,458           | 3,942,717           | 4,127,325           | 3,883,900           |
| Education                                                                  | 56,874,309          | 49,233,405          | 48,947,314          | 48,726,273          | 46,073,929          |
| Unclassified                                                               | 229,135             | 259,406             | 230,726             | 225,640             | 232,025             |
| Capital outlay                                                             | 615,433             | 0                   | 0                   | 0                   | 675,753             |
| Debt Service                                                               | <u>8,394,862</u>    | <u>7,746,543</u>    | <u>7,615,817</u>    | <u>6,977,495</u>    | <u>6,709,037</u>    |
| <b>TOTAL EXPENDITURES</b>                                                  | 103,038,370         | 91,632,516          | 89,653,702          | 88,377,858          | 85,338,641          |
| <b>EXCESS (DEFICIENCY) OF<br/>OPERATING REVENUES OVER<br/>EXPENDITURES</b> | 7,157,155           | 10,250,137          | 6,224,476           | 3,667,229           | 2,061,251           |
| <b>OTHER FINANCING SOURCES (USES)</b>                                      |                     |                     |                     |                     |                     |
| Debt proceeds                                                              | 0                   | 0                   | 0                   | 0                   | 0                   |
| Transfers (Net)                                                            | <u>(2,654,086)</u>  | <u>(5,068,075)</u>  | <u>(2,395,623)</u>  | <u>(2,488,447)</u>  | <u>(2,103,158)</u>  |
| <b>TOTAL OTHER SOURCES</b>                                                 | (2,654,086)         | (5,068,075)         | (2,395,623)         | (2,488,447)         | (2,103,158)         |
| <b>NET CHANGE IN FUND BALANCE</b>                                          | 4,503,069           | 5,182,062           | 3,828,853           | 1,178,782           | (41,907)            |
| <b>BEGINNING FUND BALANCE</b>                                              | <u>23,324,464</u>   | <u>18,142,402</u>   | <u>14,313,549</u>   | <u>13,134,767</u>   | <u>13,176,674</u>   |
| <b>ENDING FUND BALANCE</b>                                                 | <u>\$27,827,533</u> | <u>\$23,324,464</u> | <u>\$18,142,402</u> | <u>\$14,313,549</u> | <u>\$13,134,767</u> |

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Prepared from Audited Financial Statements

## **PROPERTY TAXATION**

The principal tax of the City is the tax on real and personal property. A single tax applies for each fiscal year to the assessed value of the taxable real or personal property. The City's Tax Collector receives the tax commitment from the City Assessor, with assessed values as of April 1 of each year, after which time the tax bills are mailed. For fiscal 2024/2025 the tax due dates will be September 16, 2024 and March 2025. All taxes paid after the due date will be subject to interest, with a maximum rate established pursuant to Title 36, Section 505(4) of the Maine Revised Statutes, as amended. The City currently charges at the rate of 6.0% per annum, as set by the City.

### **Real Estate Tax**

Collection of real estate taxes is ordinarily enforced in the City by the "tax lien" procedure as provided in the Maine Revised Statutes, as amended, to the collection of delinquent real estate taxes. Real estate tax liens are recorded against the individual property at the County Registry of Deeds. This lien has priority over all mortgages, liens, attachments and encumbrances of any nature, subject to any paramount federal tax lien and subject to bankruptcy and insolvency laws. If the account is not satisfied within 18 months, the property becomes tax acquired and may be disposed of by the City.

### **Homestead Exemption**

Title 36, Chapter 105, Subchapter 4-B of the Maine Revised Statutes, as amended, (the "Homestead Program") provides Maine residents with a homestead property tax exemption (the "Homestead Exemption") that gives a measure of property tax relief for certain qualifying individuals. The Homestead Exemption reduces the assessed value of a home for property tax purposes by up to \$25,000. To qualify, (1) the applicant must be a permanent resident of Maine, (2) the home must be the applicant's permanent residence, (3) the applicant must have owned the home in Maine for the twelve months prior to applying and (4) an application must be filed on or before April 1 with the municipality where the property is located.

A municipality that has approved Homestead Exemptions may recover from the State the following percentage of taxes lost by reason of the exemptions: for the property tax year beginning April 1, 2022, 73%, which percentage increases by 3% a year for property taxes years beginning on or after April 1, 2023, until the percentage of the reimbursement to the municipality reaches 100%.

### **Business Equipment Tax Exemption**

Title 36, Chapter 105, Subchapter 4-C of the Maine Revised Statutes, as amended, provides for an eligible business equipment tax exemption ("BETE" or the "BETE Act") for certain types of tangible business personal property subject to an allowance for depreciation and some specialty types of real property improvements. The exemption does not apply to: office furniture; lamps and lighting fixtures used to provide general purpose office or worker lighting; property owned or used by public utilities and persons providing certain television/telecommunications services; telecommunications personal property subject to the tax imposed by section 457 of Title 36; gambling machines or devices and associated equipment; property located at a retail sales facility unless such facility is more than 100,000 square feet in size and owned by a business whose Maine-based operations derive less than 30% of their total annual revenue from sales in the State; and certain energy and pollution control facilities.

Pursuant to the BETE Act, the State will reimburse municipalities with respect to the lost property taxes associated with this new exemption through one of three formulas, whichever is most beneficial to the municipality, as follows:



1. Basic reimbursement formula - For all municipalities in the first year after the exemption, and for a majority of the municipalities thereafter, the reimbursement would be 100% for the lost property taxes in the first tax year after the exemption takes effect (i.e., FYE 2009), 90% in the second year after the exemption takes effect (i.e., FYE 2010), 80% in FYE 2011, 70% in 2012, 60% in 2013, and 50% in 2014 and every subsequent year. The State Constitution requires a minimum reimbursement of at least 50%.
2. Enhanced formula - Municipalities that have a total property tax base that is made up of at least 5% personal property will be eligible for an alternative reimbursement formula any year in which the alternative reimbursement formula provides a higher level of reimbursement than the basic reimbursement formula. Those municipalities will be eligible to receive the 50% minimum reimbursement plus 50% of their tax base percentage that is made up of personal property. For example, if a town's tax base is 64% personal property, it would be eligible for a reimbursement rate of 82%, which is a combination of the minimum 50% reimbursement *plus* one-half of that municipality's 64% "personal property factor".
3. Municipal Retention TIF Districts – Certain TIF districts that were enacted prior to April 1, 2008 entitle a municipality to receive reimbursement at a rate of up to 100% for exempt business equipment that is TIF exempt business equipment as defined in Title 36, Section 691(1)(G) of the Maine Revised Statutes, as amended. The increased reimbursement percentage is based on the tax increment percentage allocated to the municipality, as provided in Title 36, Section 694(2)(C) of the Maine Revised Statutes, as amended

For the purposes of identifying the municipality's valuation for determining the local property tax rate, the value of all property made exempt by this legislation in the municipality must be considered part of that municipality's local valuation to the extent the municipality is being reimbursed for its lost property taxes by the State other than property located in, and the assessed value of which is retained in, a tax increment financing district.

The value of all property made exempt by this law in the City will also be considered part of that municipality's equalized State Valuation to the extent the City is being reimbursed for its lost property taxes by the state with an additional adjustment for property in a tax increment financing district. The law provides some additional security for the municipal reimbursement system by funding the reimbursements described above directly from State Income Tax receipts before those receipts are deposited into the State's General Fund, rather than as an annual General Fund appropriation. The following table identifies the value of the property subject to BETE reimbursement:

| <u>Fiscal Year</u> | <u>BETE Exempt Value</u> |
|--------------------|--------------------------|
| 2024/2025          | \$246,018,405            |
| 2023/2024          | 210,875,377              |
| 2022/2023          | 221,505,255              |
| 2021/2022          | 221,137,848              |
| 2020/2021          | 224,606,564              |

## **TAX BASE SHARING**

Pursuant to Title 30-A, Chapter 223, Subchapter V of the Maine Revised Statutes, as amended, a municipality may establish an agreement to share the tax revenues generated by a specific parcel or parcels of land with another municipality ("Tax Base Sharing"). The City of Auburn has two such agreements with the City of Lewiston: with regard to the Auburn-Lewiston Municipal Airpark, located in Auburn, and the Brookfield White Pine Hydro LLC (formerly known as FPL Energy Maine Hydro LLC) generating facility, in Lewiston. The Airpark is a 12.5-acre Industrial Park located next to the Auburn-Lewiston Municipal

Airpark. The Airpark has assessed valuation of \$21,142,924 and generated tax revenues of \$470,430 in fiscal year ended June 30, 2024, of which 40% was paid to Auburn, 25% to Lewiston and 35% to the Airpark. In addition, tax revenue from an area identified in the agreement adjacent to the Airpark will generate tax revenue at a rate of 17%, increasing the tax base share, accordingly. The FPL facility is located at the falls in the Androscoggin River between Auburn and Lewiston, near the respective downtowns. The facility generates 25 megawatts of power, has a fiscal year ended June 30, 2024 assessed valuation of \$36,037,200, generating tax revenues of \$801,828, of which 82.5% is retained by Lewiston and 17.5% (or \$140,320) is paid to Auburn.

## **TAX INCREMENT FINANCING DISTRICTS AND AFFORDABLE HOUSING DEVELOPMENT DISTRICTS**

Chapter 206 and former (now repealed) Chapter 207 of Title 30-A of the Maine Revised Statutes, as amended, enables a municipality to finance qualified development by borrowing against the future increased property tax receipts attributable to that development. Under the statutory framework, the municipality designates a tax increment financing (“TIF”) district or an affordable housing development district (a “housing district”) for a period of up to 30 years and adopts a development program (the “Development Program”) stating the means and objectives for the development of that district. The municipality may designate, or “capture”, all or a portion of the increase in assessed value resulting from development within the district and dedicates the increased property taxes it receives in future years generated by the “captured” assessed value to payment of the costs of the Development Program, which may include debt service on borrowing to fund such costs. Such districts are subject to statutory limits on their size, including the following limitations: (a) the total area of a single district may not exceed 2% of the total acreage of the municipality, (b) the total area of all TIF districts or housing districts within a municipality each may not exceed 5% of the total acreage of the municipality, and (c) the aggregate original assessed value of all TIF districts and the aggregate original assessed value of all housing districts within the municipality as of the April 1<sup>st</sup> preceding the date the Commissioner of the Department of Economic and Community Development, with respect to TIF Districts, or the Director of the Maine State Housing Authority, with respect to housing districts, approves the designation of any such district each cannot exceed 5% of the municipality’s total value of taxable property. Excluded from this limit as applicable to TIF districts is any district involving project costs in excess of \$10,000,000, the geographic area of which consists entirely of contiguous property owned by a single taxpayer with an assessed value in excess of 10% of the municipality’s total assessed value. In addition, the foregoing limitations do not apply to approved downtown TIF districts, TIF districts included within Pine Tree Development Zones or TIF districts that consist solely of one or more community wind power generation facilities owned by a community wind power generator that has been certified by the Public Utilities Commission pursuant to Title 35-A, Section 3403, Subsection 3 of the Maine Revised Statutes, as amended.

The increase in assessed value captured by the municipality is excluded from the municipality’s equalized just value for each year’s State valuation filed with the Secretary of State in accordance with Title 36, Sections 208 and 305 of Maine Revised Statutes, as amended, and is therefore not included in calculating that municipality’s share of State educational aid, State municipal revenue sharing, the county tax or the 15% debt limitation for the municipality pursuant to Title 30-A, Section 5702 of the Maine Revised Statutes, as amended.

The City currently has 26 TIF districts, 16 of which were active during the year ended June 30, 2023. Two of the 26 districts never became active, and eight have expired, leaving 16 active TIF districts. All districts are evaluated based upon the City’s comprehensive plan for economic development, which includes TIF as one of its aspects. In no event will the City’s districts exceed the statutory limitation of total area to not more than 5% of the City’s acreage, and aggregate equalized value within all districts (not otherwise exempt from this calculation), determined as of their date of designation, of not more than 5% of the City’s total

equalized value of taxable property. See “APPENDIX A – CITY OF AUBURN, MAINE, ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2023 - Notes to Basic Financial Statements – III. DETAILED NOTES ON ALL FUNDS - E. Tax Increment Financing Districts”, pages 21 *et seq.* herein.

## TAX LEVY AND COLLECTIONS

| Fiscal<br>Yr. End<br>June 30, | Equalized<br>State<br>Valuation<br>(000) | Assessed<br>Valuation<br>(000) | Tax<br>Rate<br>(per 000) | Gross<br>Tax<br>Levy<br>(000) | Collections<br>(after Supplements and<br>Abatements) |              |                          |
|-------------------------------|------------------------------------------|--------------------------------|--------------------------|-------------------------------|------------------------------------------------------|--------------|--------------------------|
|                               |                                          |                                |                          |                               | Year End<br>(000)                                    | % of<br>Levy | % of Levy<br>A/O 8/31/24 |
| 2025                          | \$3,224,350                              | \$2,460,446                    | \$22.25                  | \$54,315                      | --- In Process ---                                   |              |                          |
| 2024                          | 2,968,800                                | 2,253,171                      | 22.75                    | 50,774                        | \$50,356                                             | 99.17%       | 99.50%                   |
| 2023                          | 2,607,050                                | 2,171,967                      | 22.75                    | 49,412                        | 48,349                                               | 97.85        | 97.95                    |
| 2022                          | 2,282,000                                | 1,973,954                      | 23.82                    | 47,020                        | 48,735                                               | 99.39        | 99.45                    |
| 2021                          | 2,175,900                                | 1,956,632                      | 23.75                    | 46,790                        | 45,715                                               | 98.49        | 98.42                    |
| 2020                          | 2,103,950                                | 1,957,006                      | 23.75                    | 46,479                        | 45,408                                               | 97.70        | 99.22                    |
| 2019                          | 2,002,200                                | 1,964,418                      | 23.68                    | 46,624                        | 45,533                                               | 97.66        | 99.72                    |
| 2018                          | 1,981,700                                | 2,003,349                      | 22.98                    | 46,107                        | 44,284                                               | 96.05        | 99.60                    |
| 2017                          | 1,983,950                                | 1,998,287                      | 22.35                    | 44,679                        | 43,628                                               | 67.65        | 99.80                    |
| 2016                          | 1,960,100                                | 1,994,564                      | 21.25                    | 42,460                        | 41,445                                               | 97.61        | 99.82                    |

## TAXPAYERS

| <u>Taxpayer</u>                              | <u>Business</u> | <u>Assessed<br/>Total<sup>(1)</sup></u> | <u>% of<br/>Levy</u> |
|----------------------------------------------|-----------------|-----------------------------------------|----------------------|
| Tambrands Inc                                | Industrial      | \$65,713,757                            | 2.69%                |
| Central Maine Power                          | Utility         | 55,206,368                              | 2.26%                |
| Brookfield White Pin Hydro                   | Utility         | 29,870,075                              | 1.22%                |
| Pioneer Plastics Corporation                 | Laminates       | 19,860,986                              | 0.81%                |
| Northern Utilities Inc                       | Utility         | 19,713,964                              | 0.81%                |
| Walmart Real Estate Bus. Trust               | Retail          | 16,658,749                              | 0.68%                |
| Auburn Plaza Inc                             | Retail          | 15,952,398                              | 0.65%                |
| Auburn Real Estate Holdings LLC              | Industrial      | 14,527,540                              | 0.60%                |
| EVP LLC                                      | Retail          | 14,020,900                              | 0.57%                |
| Lowes Home Centers                           | Retail          | 12,940,033                              | 0.53%                |
| <b>Top Ten Taxpayer Total Assessed Value</b> |                 | <b>\$264,464,770</b>                    | <b>10.82%</b>        |
| <b>City of Auburn Total Valuation</b>        |                 | <b>\$2,460,446,182</b>                  | <b>100.00%</b>       |

NOTE: <sup>(1)</sup> As of April 1, 2024.

## REVENUES FROM THE STATE

The State provides revenue to the City in a number of areas including aid to the City in the areas of education and road maintenance, reimbursement for general assistance, homestead exemption and BETE and revenue sharing. The amount of revenue in each category is based upon a number of formulas, many of which contain variables that change annually. Further, most categories of State disbursements are governed by laws that may be changed by the State Legislature and are subject to appropriation by the State Legislature in its budgetary process.

The State subsidizes most local school administrative units through the Essential Programs and Services (“EPS”) model of calculating and distributing state education aid. EPS utilizes a number of factors that are subject to change each year. In addition, the EPS model itself is subject to change by the Legislature. Furthermore, subsidies for school administrative units are an annual item in the State’s budgetary process and are subject to legislative appropriation in that process. The following table displays revenues received by the City from the State for the last five audited fiscal periods:

| Fiscal<br>Yr. End<br>June 30, | State<br>Revenue<br>Sharing | State<br>School<br>Subsidy | Reimbursements        |                        |             | Other<br>State<br>Aid | Total<br>From<br>State |
|-------------------------------|-----------------------------|----------------------------|-----------------------|------------------------|-------------|-----------------------|------------------------|
|                               |                             |                            | General<br>Assistance | Homestead<br>Exemption | BETE        |                       |                        |
| 2023                          | \$6,317,130                 | \$27,580,651               | \$212,667             | \$1,661,443            | \$2,865,833 | \$711,771             | \$39,349,545           |
| 2022                          | 5,546,187                   | 30,770,670                 | 61,429                | 1,707,936              | 3,022,082   | 872,338               | 41,980,642             |
| 2021                          | 3,784,092                   | 26,535,270                 | 53,784                | 1,853,039              | 3,083,263   | 1,190,498             | 36,520,036             |
| 2020                          | 2,804,845                   | 25,981,760                 | 46,330                | 1,321,692              | 3,155,235   | 1,450,450             | 34,760,312             |
| 2019                          | 1,747,206                   | 24,462,399                 | 56,473                | 1,331,328              | 2,583,737   | 1,234,469             | 31,415,612             |

## INDEBTEDNESS

### LIMITATIONS AND EXCLUSIONS

In accordance with Title 30-A, Section 5702 of the Maine Revised Statutes, as amended, “No municipality shall incur debt which would cause its total debt outstanding at any time, exclusive of debt incurred for school purposes, for storm or sanitary sewer purposes, for energy facility purposes or for municipal airport purposes to exceed 7½% of its last full state valuation, or any lower percentage or amount that a municipality may set. A municipality may incur debt for school purposes to an amount outstanding at any time not exceeding 10% of its last full state valuation, or any lower percentage or amount that a municipality may set, for storm and sewer purposes to an amount outstanding at any time not exceeding 7½% of its last full state valuation, or any lower percentage or amount that a municipality may set, and for municipal airport and special district purposes to an amount outstanding at any time not exceeding 3% of its last full state valuation, or any lower percentage or amount that a municipality may set; provided, however, that in no event shall any municipality incur debt which would cause its total debt outstanding at any time to exceed 15% of its last full state valuation, or any lower percentage or amount that a municipality may set.”

Title 30-A, Section 5703 of the Maine Revised Statutes, as amended, provides that the limitations on municipal debt contained in Section 5702 do not apply “... to any funds received in trust by any municipality, any loan which has been funded or refunded, notes issued in anticipation of federal or state aid or revenue sharing money, tax anticipation loans, notes maturing in the current municipal year, indebtedness of entities other than municipalities, indebtedness of any municipality to the Maine School Building Authority, debt issued under Chapter 235 and Title 10, Chapter 110, Subchapter IV, of the Maine Revised Statutes, as amended, obligations payable from revenues of the current municipal year or from other revenues previously appropriated by or committed to the municipality, and the state reimbursable portion of school debt.”

The City’s 2024 equalized state valuation (“equalized State Valuation”) is \$2,968,800,000. The 15% debt limit is \$445,320,000. The 10% school debt limit is \$296,880. As of June 30, 2024, the City’s long term general obligation long-term bonds outstanding is projected to be \$162,292,588, or 5.47% of the equalized State Valuation.

The City will certify on the date of issue of the Bonds that the City has not exceeded the foregoing debt limits and that issuance of the Bonds will not cause the City to exceed the debt limit.

## DEBT SUMMARY

| <b>Dated<br/>Date</b> | <b>Amount<br/>Issued</b> | <b>Final<br/>Maturity</b> | <b>6/30/2023<br/>(Audited)</b> | <b>6/30/2024<br/>(Unaudited)</b> | <b>6/30/2025<br/>(Unaudited)</b> |
|-----------------------|--------------------------|---------------------------|--------------------------------|----------------------------------|----------------------------------|
| 9/27/2012             | \$13,835,000             | 9/1/2027                  | \$2,605,000                    | \$1,775,000                      | \$955,000                        |
| 11/1/2013             | 5,625,000                | 9/1/2023                  | 560,000                        | 0                                | 0                                |
| 10/30/2014            | 6,800,000                | 9/1/2024                  | 1,360,000                      | 680,000                          | 0                                |
| 11/5/2015             | 5,700,000                | 9/1/2025                  | 1,710,000                      | 1,140,000                        | 570,000                          |
| 3/10/2016             | 4,250,000                | 9/1/2026                  | 1,105,000                      | 865,000                          | 600,000                          |
| 11/15/2016            | 5,030,000                | 9/1/2026                  | 1,990,000                      | 1,490,000                        | 990,000                          |
| 11/8/2017             | 8,500,000                | 9/1/2027                  | 4,000,000                      | 3,200,000                        | 2,400,000                        |
| 11/8/2018             | 7,655,000                | 9/1/2028                  | 4,590,000                      | 3,825,000                        | 3,060,000                        |
| 10/15/2019            | 7,900,000                | 9/1/2029                  | 5,530,000                      | 4,740,000                        | 3,950,000                        |
| 10/15/2019            | 7,000,000                | 9/1/2039                  | 6,185,000                      | 5,900,000                        | 5,605,000                        |
| 6/29/2020             | 463,386                  | 6/29/2030                 | 324,370                        | 278,032                          | 231,693                          |
| 11/12/2020            | 8,460,000                | 9/1/2030                  | 6,760,000                      | 5,915,000                        | 5,070,000                        |
| 5/3/2021              | 59,985,000               | 11/1/2041                 | 56,985,000                     | 53,985,000                       | 50,985,000                       |
| 9/30/2021             | 9,800,000                | 9/1/2031                  | 8,820,000                      | 7,840,000                        | 6,860,000                        |
| 4/28/2022             | 50,270,000               | 11/1/2041                 | 50,270,000                     | 47,620,000                       | 44,970,000                       |
| 4/28/2022             | 156,993                  | 9/1/2032                  | 51,729                         | 46,556                           | 41,383                           |
| 10/13/2022            | 6,800,000                | 9/1/2032                  | <u>6,800,000</u>               | 6,120,000                        | 5,440,000                        |
| <b>Sub-totals</b>     |                          |                           | <b>\$159,646,099</b>           | -                                | -                                |
| 11/1/2023             | 16,873,000               | 9/1/2043                  | 0                              | 16,873,000                       | 15,405,000                       |
| 12/10/2024            | 23,398,000               | 9/1/2049                  | <u>0</u>                       | <u>0</u>                         | <u>23,398,000</u>                |
| <b>Totals</b>         |                          |                           | <b>\$159,646,099</b>           | <b>\$162,292,588</b>             | <b>\$170,531,076</b>             |

## DEBT RATIOS

| <b>Fiscal<br/>Yr. End<br/>June 30,</b> | <b>Population</b> | <b>Equalized<br/>State Val.<br/>(000)</b> | <b>Total<br/>Debt</b>      | <b>Debt<br/>as %<br/>Eq. Val.</b> | <b>Per<br/>Capita<br/>Debt</b> |
|----------------------------------------|-------------------|-------------------------------------------|----------------------------|-----------------------------------|--------------------------------|
| 2024                                   | 24,061            | \$2,968,000                               | \$162,292,588              | 5.47%                             | \$6,745.05                     |
| 2023                                   | 24,061            | 2,607,050                                 | 159,594,370 <sup>(1)</sup> | 6.12                              | 6,632.91                       |
| 2022                                   | 24,061            | 2,282,000                                 | 165,138,170 <sup>(1)</sup> | 7.24                              | 6,863.31                       |
| 2021                                   | 24,061            | 2,175,900                                 | 114,178,512 <sup>(1)</sup> | 5.25                              | 4,745.38                       |
| 2020                                   | 24,061            | 2,103,950                                 | 54,870,633                 | 2.61                              | 2,280.48                       |
| 2019                                   | 23,055            | 2,002,200                                 | 48,162,435                 | 2.41                              | 2,089.02                       |
| 2018                                   | 23,055            | 1,981,700                                 | 49,021,130                 | 2.47                              | 2,126.27                       |
| 2017                                   | 23,055            | 1,983,950                                 | 48,846,002                 | 2.46                              | 2,118.67                       |
| 2016                                   | 23,055            | 1,960,100                                 | 52,498,082                 | 2.68                              | 2,298.29                       |
| 2015                                   | 23,055            | 1,963,550                                 | 55,554,785                 | 2.83                              | 2,409.66                       |

NOTE: <sup>(1)</sup> Indicates bonds issued, or portions of bonds issued, to finance the ELHS Project, in the consolidated amount of \$125,028,331 for which 87.27% of the amount of the ELHS Bonds are eligible for inclusion in the City's total debt service allocation for the purpose of calculating the City's EPS distribution of state education aid and 12.73% are not eligible for inclusion in the City's EPS subsidy.

## DEBT SERVICE COMPONENT OF OPERATING EXPENDITURES

|                                                              | <u>2020</u>      | <u>2021</u>      | <u>2022</u>      | <u>2023</u>      | <u>2024</u>      |
|--------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Gross Current Year Debt Service                              | \$10,322,598     | \$11,375,346     | \$13,000,712     | \$18,496,810     | \$22,142,976     |
| (less EPS)                                                   | (601,933)        | (579,894)        | (2,367,703)      | (6,770,408)      | (6,576,700)      |
| (less POB)                                                   | 0                | 0                | 0                | 0                | 0                |
| (less TIF)                                                   | (1,006,067)      | (1,013,146)      | (1,126,701)      | (708,211)        | (408,690)        |
| (less Economic Development)                                  | <u>(161,865)</u> | <u>(163,311)</u> | <u>(158,761)</u> | <u>(158,120)</u> | <u>(159,297)</u> |
| Net Current Year Debt Service                                | \$8,552,733      | \$9,618,995      | \$9,347,547      | \$12,860,071     | 14,998,289       |
| Budgeted Operating Expense                                   | \$90,192,648     | \$91,735,175     | \$95,446,200     | \$100,497,590    | \$110,400,327    |
| Net Current Year Debt Service<br>as % Operating Expenditures | 9.48%            | 10.49%           | 9.79%            | 12.80%           | 13.59%           |

## PROJECTED DEBT SERVICE REQUIREMENTS

| Fiscal<br>Yr. End<br>June 30, | Prior Debt    |              |                | Projected Debt |          |       | Projected<br>Total Debt<br>Service |
|-------------------------------|---------------|--------------|----------------|----------------|----------|-------|------------------------------------|
|                               | Principal     | Interest     | Total<br>Prior | The Bonds      |          |       |                                    |
|                               |               |              |                | Principal      | Interest | Total |                                    |
| 2024                          | \$14,226,512  | \$6,124,166  | \$20,345,505   |                |          |       |                                    |
| 2025                          | 15,159,512    | 6,077,018    | 21,231,356     |                |          |       |                                    |
| 2026                          | 14,336,512    | 5,449,102    | 19,780,441     |                |          |       |                                    |
| 2027                          | 13,291,512    | 4,866,126    | 18,152,465     |                |          |       |                                    |
| 2028                          | 12,501,512    | 4,302,984    | 16,799,322     |                |          |       |                                    |
| 2029                          | 11,556,512    | 3,763,788    | 15,315,126     |                |          |       |                                    |
| 2030                          | 10,801,512    | 3,297,476    | 14,093,814     |                |          |       |                                    |
| 2031                          | 9,970,173     | 2,866,613    | 12,831,613     |                |          |       |                                    |
| 2032                          | 9,135,173     | 2,467,818    | 11,597,818     |                |          |       |                                    |
| 2033                          | 8,165,173     | 2,099,658    | 10,259,658     |                |          |       |                                    |
| 2034                          | 7,495,000     | 1,776,211    | 9,271,211      |                |          |       |                                    |
| 2035                          | 6,260,000     | 1,530,526    | 7,790,526      |                |          |       |                                    |
| 2036                          | 6,270,000     | 1,315,676    | 7,585,676      |                |          |       |                                    |
| 2037                          | 6,280,000     | 1,100,536    | 7,380,536      |                |          |       |                                    |
| 2038                          | 6,295,000     | 885,033      | 7,180,033      |                |          |       |                                    |
| 2039                          | 6,305,000     | 682,393      | 6,987,393      |                |          |       |                                    |
| 2040                          | 6,310,000     | 488,994      | 6,798,994      |                |          |       |                                    |
| 2041                          | 5,860,000     | 296,409      | 6,156,409      |                |          |       |                                    |
| 2042                          | 5,860,000     | 112,222      | 5,972,222      |                |          |       |                                    |
| 2043                          | 220,000       | 16,500       | 236,500        |                |          |       |                                    |
| 2044                          | 220,000       | 5,500        | 225,500        |                |          |       |                                    |
| 2045                          | 0             | 0            | 0              |                |          |       |                                    |
| 2046                          | 0             | 0            | 0              |                |          |       |                                    |
| 2047                          | 0             | 0            | 0              |                |          |       |                                    |
| 2048                          | 0             | 0            | 0              |                |          |       |                                    |
| 2049                          | 0             | 0            | 0              |                |          |       |                                    |
| TOTAL                         | \$176,519,103 | \$49,524,749 | \$225,992,118  |                |          |       |                                    |



## PROJECTED PRINCIPAL PAYMENTS, BY ISSUE (\$/000)

| Yr. End<br>June 30, | 2002  | 2002  | 2012(T)<br>(QZAB) | 2012    | 2013  | 2014  | 2015  | 2016<br>(Ref'd g) | 2016  | 2017  | 2018  | 2019<br>(Sr A) | 2019(T)<br>(Sr B) | 2020<br>(SRRF) | 2020  | 2021<br>(ELHS) | 2021<br>(CIP) | 2022<br>(ELHS) | 2022<br>(SRRF) | 2022  | Sub-total | 2023   | 2024   | Totals   |
|---------------------|-------|-------|-------------------|---------|-------|-------|-------|-------------------|-------|-------|-------|----------------|-------------------|----------------|-------|----------------|---------------|----------------|----------------|-------|-----------|--------|--------|----------|
| 2023                | 300   | 410   | 106               | 1,205   | 560   | 680   | 570   | 220               | 500   | 900   | 765   | 790            | 280               | 46             | 850   | 3,000          | 980           | 0              | 0              | 0     | 12,162    | 0      | 0      | 12,162   |
| 2024                |       |       |                   | 830     | 560   | 680   | 570   | 240               | 500   | 800   | 765   | 790            | 285               | 46             | 845   | 3,000          | 980           | 2,650          | 5              | 680   | 14,227    | 0      | 0      | 14,227   |
| 2025                |       |       |                   | 820     |       | 680   | 570   | 265               | 500   | 800   | 765   | 790            | 295               | 46             | 845   | 3,000          | 980           | 2,650          | 5              | 680   | 13,692    | 1,468  | 1,988  | 17,148   |
| 2026                |       |       |                   | 645     |       |       | 570   | 290               | 500   | 800   | 765   | 790            | 300               | 46             | 845   | 3,000          | 980           | 2,650          | 5              | 680   | 12,867    | 1,470  | 1,990  | 16,327   |
| 2027                |       |       |                   | 155     |       |       |       | 310               | 490   | 800   | 765   | 790            | 310               | 46             | 845   | 3,000          | 980           | 2,645          | 5              | 680   | 11,822    | 1,470  | 1,990  | 15,282   |
| 2028                |       |       |                   | 155     |       |       |       |                   |       | 800   | 765   | 790            | 320               | 46             | 845   | 3,000          | 980           | 2,645          | 5              | 680   | 11,032    | 1,470  | 1,990  | 14,492   |
| 2029                |       |       |                   |         |       |       |       |                   |       |       | 765   | 790            | 330               | 46             | 845   | 3,000          | 980           | 2,645          | 5              | 680   | 10,087    | 1,470  | 1,990  | 13,547   |
| 2030                |       |       |                   |         |       |       |       |                   |       |       |       | 790            | 345               | 46             | 845   | 3,000          | 980           | 2,645          | 5              | 680   | 9,337     | 1,465  | 1,990  | 12,792   |
| 2031                |       |       |                   |         |       |       |       |                   |       |       |       |                | 350               |                | 845   | 3,000          | 980           | 2,645          | 5              | 680   | 8,505     | 1,465  | 1,990  | 11,960   |
| 2032                |       |       |                   |         |       |       |       |                   |       |       |       |                | 360               |                |       | 3,000          | 980           | 2,645          | 5              | 680   | 7,670     | 1,465  | 1,990  | 11,125   |
| 2033                |       |       |                   |         |       |       |       |                   |       |       |       |                | 370               |                |       | 3,000          |               | 2,645          | 5              | 680   | 6,700     | 1,465  | 1,990  | 10,155   |
| 2034                |       |       |                   |         |       |       |       |                   |       |       |       |                | 385               |                |       | 3,000          |               | 2,645          |                |       | 6,030     | 1,465  | 1,990  | 9,485    |
| 2035                |       |       |                   |         |       |       |       |                   |       |       |       |                | 395               |                |       | 3,000          |               | 2,645          |                |       | 6,040     | 220    | 235    | 6,495    |
| 2036                |       |       |                   |         |       |       |       |                   |       |       |       |                | 405               |                |       | 3,000          |               | 2,645          |                |       | 6,050     | 220    | 235    | 6,505    |
| 2037                |       |       |                   |         |       |       |       |                   |       |       |       |                | 415               |                |       | 3,000          |               | 2,645          |                |       | 6,060     | 220    | 235    | 6,515    |
| 2038                |       |       |                   |         |       |       |       |                   |       |       |       |                | 430               |                |       | 3,000          |               | 2,645          |                |       | 6,075     | 220    | 235    | 6,530    |
| 2039                |       |       |                   |         |       |       |       |                   |       |       |       |                | 440               |                |       | 3,000          |               | 2,645          |                |       | 6,085     | 220    | 235    | 6,540    |
| 2040                |       |       |                   |         |       |       |       |                   |       |       |       |                | 450               |                |       | 2,995          |               | 2,645          |                |       | 6,090     | 220    | 235    | 6,545    |
| 2041                |       |       |                   |         |       |       |       |                   |       |       |       |                |                   |                |       | 2,995          |               | 2,645          |                |       | 5,640     | 220    | 235    | 6,095    |
| 2042                |       |       |                   |         |       |       |       |                   |       |       |       |                |                   |                |       | 2,995          |               | 2,645          |                |       | 5,640     | 220    | 235    | 6,095    |
| 2043                |       |       |                   |         |       |       |       |                   |       |       |       |                |                   |                |       |                |               |                |                |       |           | 220    | 235    | 455      |
| 2044                |       |       |                   |         |       |       |       |                   |       |       |       |                |                   |                |       |                |               |                |                |       |           | 220    | 235    | 455      |
| 2045                |       |       |                   |         |       |       |       |                   |       |       |       |                |                   |                |       |                |               |                |                |       |           |        | 230    | 230      |
| 2046                |       |       |                   |         |       |       |       |                   |       |       |       |                |                   |                |       |                |               |                |                |       |           |        | 230    | 230      |
| 2047                |       |       |                   |         |       |       |       |                   |       |       |       |                |                   |                |       |                |               |                |                |       |           |        | 230    | 230      |
| 2048                |       |       |                   |         |       |       |       |                   |       |       |       |                |                   |                |       |                |               |                |                |       |           |        | 230    | 230      |
| 2049                |       |       |                   |         |       |       |       |                   |       |       |       |                |                   |                |       |                |               |                |                |       |           |        | 230    | 230      |
| 6/30/2023           | 300   | 410   | 106               | 3,810   | 1,120 | 2,040 | 2,280 | 1,325             | 2,490 | 4,900 | 5,355 | 6,320          | 6,465             | 371            | 7,610 | 59,985         | 9,800         | 50,270         | 52             | 6,800 | 171,808   | 16,873 | 23,398 | 210,929  |
| paid                | (300) | (410) | (106)             | (1,205) | (560) | (680) | (570) | (220)             | (500) | (900) | (765) | (790)          | (280)             | (46)           | (850) | (3,000)        | (980)         | 0              | 0              | 0     | (12,162)  | 0      | 0      | (12,292) |
| 6/30/2024           | 0     | 0     | 0                 | 2,605   | 560   | 1,360 | 1,710 | 1,105             | 1,990 | 4,000 | 4,590 | 5,530          | 6,185             | 324            | 6,760 | 56,985         | 8,820         | 50,270         | 52             | 6,800 | 159,646   | 16,873 | 23,398 | 198,637  |
| paid                | 0     | 0     | 0                 | (830)   | (560) | (680) | (570) | (240)             | (500) | (800) | (765) | (790)          | (285)             | (46)           | (845) | (3,000)        | (980)         | (2,650)        | (5)            | (680) | (14,227)  | 0      | 0      | (14,227) |
| 6/30/2025           | 0     | 0     | 0                 | 1,775   | 0     | 680   | 1,140 | 865               | 1,490 | 3,200 | 3,825 | 4,740          | 5,900             | 278            | 5,915 | 53,985         | 7,840         | 47,620         | 47             | 6,120 | 145,420   | 16,873 | 23,398 | 210,929  |

NOTE: “(SRRF)” indicates the State School Revolving Renovation Fund administered through the MMBB; “(QZAB)” indicates Qualified Zone Academy Bonds;

“ELHS” indicates the ELHS Project for 2021, 2022 and a portion of 2023 Series.

## OVERLAPPING DEBT

The City is subject to an annual assessment of its proportional share of the County of Androscoggin’s (the “County”) expenses, including debt repayment, as determined by the percentage of the City’s to the County’s equalized State Valuation. At January 1, 2024, the City’s equalized State Valuation of \$2,968,800,000 was 22.59% of the County’s equalized State Valuation of \$13,144,200,000. As of June 30, 2024 the County had \$0 long-term debt outstanding.

## CONTINGENT DEBT

### Mid-Maine Waste Action Corporation

Mid-Maine Waste Action Corporation (“MMWAC”) is a joint venture of the City of Auburn and eleven other Maine municipalities. The corporation was formed in March of 1986 for the purpose of razing the old Auburn Energy Recovery Facility and constructing a regional waste to energy facility. MMWAC is governed by the provisions of its Articles of Incorporation and Bylaws, and by the Inter-local Agreement among MMWAC and each of the participating municipalities. Each of the participating municipalities has also entered into a Waste Handling Agreement with MMWAC, pursuant to which the municipality is obligated to send all of its waste to MMWAC for the term of the agreement.

MMWAC has no taxing power, however, pursuant to its Waste Handling Agreements, participating municipalities are obligated severally to deliver certain of the solid waste produced within each such participating municipality to MMWAC for processing and to make service payments and pay tipping fees for such processing in amounts which, when added to other available monies, would be at least equal to required debt service on resource recovery system (“RRS”) debt, if any. The obligations of the Member Municipalities under the Waste Handling Agreements are secured by the full faith and credit of the Member Municipalities, subject to certain limitations. On June 30, 2024, MMWAC had \$0 obligations outstanding.



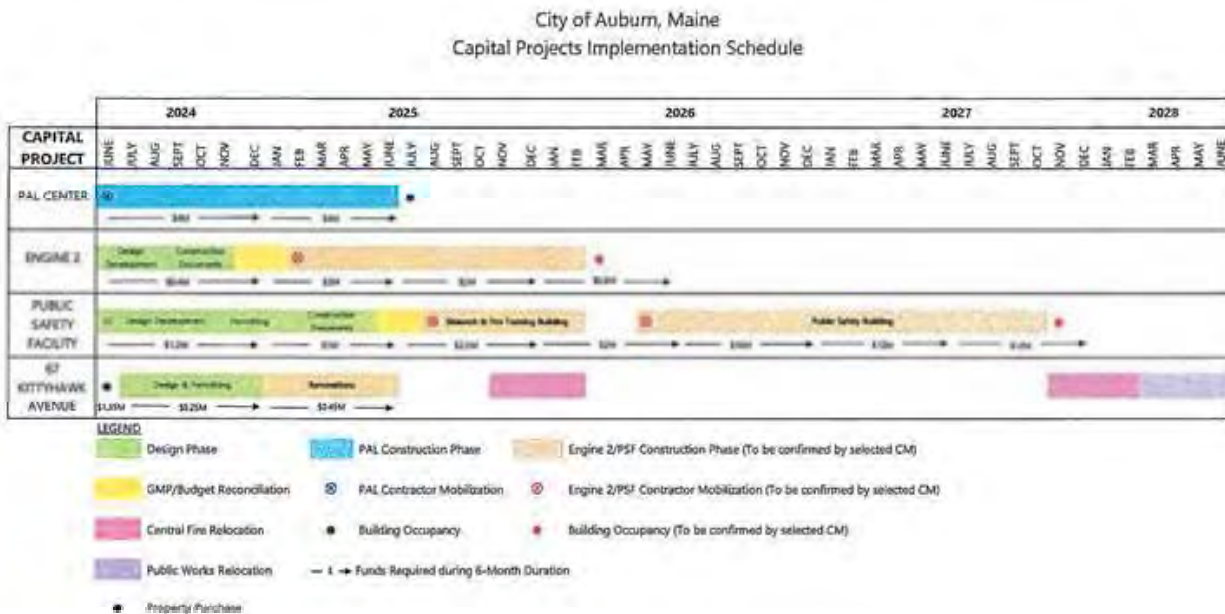
## FUTURE FINANCING

### Capital Improvement Program

The City typically borrows to provide funds to finance a portion of its CIP each year. The City Manager develops a formal CIP that is submitted to the City Council. Section 8.13(C)(2) of the City's Charter requires that any Council Order providing for the issuance of debt for certain single projects in excess of 9% of the current fiscal year's annual appropriation resolve may be submitted to the voters of the City for approval. Bonds to fund the CIP, if any, are typically authorized in June of each year and is typically financed, if any, in the fall of each year.

### Proposed Public Safety Facilities

At its September 5, 2023 meeting, the City Council passed Order 119-09052023 for a \$45,000,000 Public Safety facilities project. This was approved by the City's voters at a referendum election held on November 7, 2023. The Public Safety facility is planned to include quarters for the Police Department and Central Fire Station, including the 911 Dispatch Center and funds to finance a portion of a new Engine 2 in the New Auburn neighborhood. A \$3,000,000 portion of the City's 2023 Bonds were issued to provide funds to finance a portion of a new Engine 2 in the New Auburn neighborhood. A portion of the 2024 Bonds, in the amount of \$5,850,000, will be used to provide an additional portion of the appropriation. Remaining amount(s) of the authorized, but unissued appropriation is \$36,150,000, and is expected to be financed, as needed, over the next few years. The project is expected to be "placed in service" by June 2028. (see the chart, below). See also "THE BONDS - AUTHORIZATION AND PURPOSE - The Public Safety Facilities Project" herein.



### Public Safety Facility Proposed Construction Timeline

Pursuant to Section 8.13 (C) (2) of the City's Charter . When the cost of any one (1) such project exceeds nine percent (9%) of the City's annual appropriation resolve, the City Council by a majority vote may place such bond proposal on the ballot for citywide election. Such bond proposal must be approved by a majority of those voters who vote in that citywide election)...."

Other than the discussion above, the City has no authorized but unissued bonds it expects to issue over the next year.

## **RETIREMENT**

### **DEFINED BENEFIT PENSION PLANS**

*Plan descriptions:* For its participating municipal employees and certain participating School Department employees, the City contributes to the Consolidated Plan for Participating Local Districts (the “PLD Plan”) a cost-sharing multiple-employer, defined benefit pension plan administered by the Maine Public Employees Retirement System (“MainePERS”). Teachers and certain other School Department employees also participate in MainePERS through the State Employee and Teacher Plan (the “SET Plan”), a cost-sharing multiple-employer, defined benefit pension plan with a special funding situation established by the Maine Legislature.

The MainePERS is established and administered under Maine law, and the authority to establish and amend benefit provisions rests with the State legislature. The MainePERS issues a publicly available financial report which may be obtained by writing the Maine Public Employees Retirement System, 46 State House Station, Augusta, ME 04333-0046 or at [www.mainebers.org](http://www.mainebers.org).

The City reports on the benefits provided and the contributions to the pension plans, associated pension liabilities, pension expense, deferred outflows and deferred inflows of resources related to pensions, as well as the actuarial methodology and assumptions in its ACFR. Please see “APPENDIX A – CITY OF AUBURN, MAINE, ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2023”, pages 32 *et seq.* herein.

### **DEFINED CONTRIBUTION PENSION PLAN**

The City contributes to the International City Manager’s Money Purchase Plan, a defined contribution pension plan administered by the International City Manager’s Association Retirement Corporation (“ICMARC”).

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 MainePERS.

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 ended June 30, 2023, the City’s required and actual contributions amounted to \$119,151, which was 6% of its current-year covered payroll. The covered payroll amounted to \$1,992,029. Employees’ required contributions amounted to \$99,292, 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 ICMARC Money Purchase Plan held no securities of the City or other related parties during the year or as of the close of the year.

## **OTHER POST-EMPLOYMENT BENEFITS**

### **Health Insurance**

The City sponsors a post-retirement benefit plan providing health insurance to retiring employees (hereafter referred to as the “Health Plan”). 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*.

MMEHT provides healthcare 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.

Eligible retirees are required to pay 100% of health insurance premiums to receive health benefit coverage and therefore, the City makes no actual contributions. The City reports on the benefits provided and the contributions for these OPEB plans, as well as the actuarial methodology and assumptions in its Annual Financial Report. See APPENDIX A – CITY OF AUBURN, MAINE 2023 ANNUAL FINANCIAL REPORT, pages 38 *et seq.*

### **Life Insurance**

The City sponsors two post-retirement benefit plans providing group term life insurance to retiring employees. For municipal employees and certain School Department employees the City participates in Group Life Insurance Plan for Participating Local District (PLD). Teacher also participate in the Group Term Life Insurance Plan for State Employees and Teachers (SET). Both plans are a cost-sharing multiple-employer defined benefit OPEB plan administered by MPERS. The MPERS Board of Trustees has the authority to establish and amend the benefit terms and financing requirements for each plan. MPERS issues publicly available financial reports that are available at [www.maineopers.org](http://www.maineopers.org).

Under both the PLD and SET OPEB plans, 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.

The City reports on the benefits provided and the contributions for these OPEB plans, as well as the actuarial methodology and assumptions in its Annual Financial Report. See APPENDIX A – CITY OF AUBURN, MAINE 2023 ANNUAL FINANCIAL REPORT, pages 61 - 65 herein.

## **ENVIRONMENTAL MATTERS**

Securities and Exchange Commission Regulation 229.103 (the “Regulation”) requires that issuers subject to the disclosure requirements of the Securities Exchange Act of 1934 disclose, among other things, any material pending legal proceedings, including without limitation, legal proceedings involving environmental issues. The Regulation states that no information need be given with respect to any proceeding that involves primarily a claim for damages if the amount involved, exclusive of interest and costs, does not exceed ten percent (10%) of the current assets of the issuer, and, if a governmental authority

is a party to such proceeding and such proceeding involves potential monetary sanctions, unless the issuer reasonably believes that such proceeding will result in no monetary sanctions, or in monetary sanctions, exclusive of interest and costs, of less than \$100,000. Although the City, as an issuer of municipal securities, is not subject to the provisions of the Regulation or the Securities Exchange Act of 1934, the City is voluntarily making the disclosure required by the Regulation with respect to environmental liabilities: The City is not subject to any pending legal proceedings involving environmental matters that would require disclosure under the Regulation were the City subject to its provisions.

## **LITIGATION**

In the opinion of City officials there is no litigation pending or threatened against the City which, either individually or in the aggregate, would result in judgments that would have a materially adverse effect on the City's financial position or its ability to meet its debt service obligations.

**APPENDIX A**

**CITY OF AUBURN, MAINE  
ANNUAL FINANCIAL REPORT  
FOR  
FISCAL YEAR ENDED JUNE 30, 2023**

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# CITY OF AUBURN, MAINE

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Finance Department

## ANNUAL FINANCIAL REPORT

For Fiscal Year Ended  
June 30, 2023



**CITY OF AUBURN, MAINE  
ANNUAL FINANCIAL REPORT  
For the Fiscal Year Ended June 30, 2023**

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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, 2023, 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, 2023, 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 schedules related to the pension and OPEB liabilities, as listed in the table of contents, 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, 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. Our opinion on the basic financial statements is not affected by this missing information.

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 and the schedule of expenditures of federal awards 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 August 30, 2024 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.



August 30, 2024  
South Portland, Maine

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## **BASIC FINANCIAL STATEMENTS**

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**CITY OF AUBURN, MAINE**  
**Statement of Net Position**  
**June 30, 2023**

|                                                      | Governmental<br>Activities | Business-type<br>Activities | Total       |
|------------------------------------------------------|----------------------------|-----------------------------|-------------|
| <b>ASSETS</b>                                        |                            |                             |             |
| Cash and cash equivalents                            | \$ 49,206,581              | 510,575                     | 49,717,156  |
| Investments                                          | 31,335,790                 | -                           | 31,335,790  |
| Amounts held in escrow                               | 149,650                    | -                           | 149,650     |
| Receivables:                                         |                            |                             |             |
| Accounts, net of allowance                           | 692,721                    | 118,476                     | 811,197     |
| Intergovernmental                                    | 15,196,420                 | -                           | 15,196,420  |
| Taxes receivable                                     | 1,718,967                  | -                           | 1,718,967   |
| Loans, net of allowance                              | 5,227,121                  | -                           | 5,227,121   |
| Internal balances                                    | 1,146,216                  | (1,146,216)                 | -           |
| Prepaid expenses                                     | 157,225                    | -                           | 157,225     |
| Inventories                                          | 54,658                     | -                           | 54,658      |
| Capital assets, not being depreciated                | 116,198,818                | -                           | 116,198,818 |
| Capital assets, being depreciated, net               | 118,843,371                | 228,920                     | 119,072,291 |
| Total assets                                         | 339,927,538                | (288,245)                   | 339,639,293 |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                |                            |                             |             |
| Deferred outflows of resources - related to pensions | 6,989,652                  | 47,828                      | 7,037,480   |
| Deferred outflows of resources - related to OPEB     | 1,536,207                  | 1,077                       | 1,537,284   |
| Total deferred outflows of resources                 | 8,525,859                  | 48,905                      | 8,574,764   |
| <b>LIABILITIES</b>                                   |                            |                             |             |
| Accounts payable and other current liabilities       | 12,566,872                 | 9,851                       | 12,576,723  |
| Accrued payroll                                      | 4,748,705                  | -                           | 4,748,705   |
| Prepaid taxes                                        | 99,366                     | -                           | 99,366      |
| Unearned revenue                                     | 22,259,238                 | -                           | 22,259,238  |
| Noncurrent liabilities:                              |                            |                             |             |
| Due within one year                                  | 17,351,607                 | -                           | 17,351,607  |
| Due in more than one year                            | 184,708,491                | 126,595                     | 184,835,086 |
| Total liabilities                                    | 241,734,279                | 136,446                     | 241,870,725 |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                 |                            |                             |             |
| Deferred charge on refunding                         | 56,364                     | -                           | 56,364      |
| Deferred inflows of resources - related to pensions  | 3,222,121                  | 28,957                      | 3,251,078   |
| Deferred inflows of resources related to OPEB        | 572,424                    | 6,646                       | 579,070     |
| Total deferred inflows of resources                  | 3,850,909                  | 35,603                      | 3,886,512   |
| <b>NET POSITION</b>                                  |                            |                             |             |
| Net investment in capital assets                     | 87,855,325                 | 228,920                     | 88,084,245  |
| Restricted for:                                      |                            |                             |             |
| Permanent funds:                                     |                            |                             |             |
| Expendable                                           | 199,761                    | -                           | 199,761     |
| Nonexpendable                                        | 69,475                     | -                           | 69,475      |
| Other purposes:                                      |                            |                             |             |
| City Services                                        | 3,266,436                  | -                           | 3,266,436   |
| Education                                            | 10,741,895                 | -                           | 10,741,895  |
| Centralized School Lunch                             | 1,391,609                  | -                           | 1,391,609   |
| Community Development Programs                       | 1,368,340                  | -                           | 1,368,340   |
| Unrestricted                                         | (2,024,632)                | (640,309)                   | (2,664,941) |
| Total net position                                   | \$ 102,868,209             | (411,389)                   | 102,456,820 |

*See accompanying notes to financial statements.*

CITY OF AUBURN, MAINE  
Statement of Activities  
For the Year Ended June 30, 2023

| Functions/programs                                            | Program Revenues      |                      |                                    |                                  | Net (expense) revenue and changes in net position |                                             |                     |
|---------------------------------------------------------------|-----------------------|----------------------|------------------------------------|----------------------------------|---------------------------------------------------|---------------------------------------------|---------------------|
|                                                               | Expenses              | Charges for services | Operating grants and contributions | Capital grants and contributions | in net position                                   |                                             |                     |
|                                                               |                       |                      |                                    |                                  | Governmental activities                           | Primary Government Business-type activities | Total               |
| Primary government:                                           |                       |                      |                                    |                                  |                                                   |                                             |                     |
| Governmental activities:                                      |                       |                      |                                    |                                  |                                                   |                                             |                     |
| General government                                            | \$ 16,131,528         | 3,019,837            | 6,081,888                          | -                                | (7,029,803)                                       | -                                           | (7,029,803)         |
| Public safety                                                 | 11,365,100            | 18,176               | -                                  | -                                | (11,346,924)                                      | -                                           | (11,346,924)        |
| Health, welfare and recreation                                | 3,109,439             | 512,392              | -                                  | -                                | (2,597,047)                                       | -                                           | (2,597,047)         |
| Public works                                                  | 14,414,736            | -                    | -                                  | -                                | (14,414,736)                                      | -                                           | (14,414,736)        |
| Other agencies                                                | 4,649,304             | -                    | -                                  | -                                | (4,649,304)                                       | -                                           | (4,649,304)         |
| Education                                                     | 60,665,088            | 1,057,392            | 45,634,447                         | 415,510                          | (13,557,739)                                      | -                                           | (13,557,739)        |
| Food services                                                 | 2,123,206             | 73,839               | 2,432,968                          | -                                | 383,601                                           | -                                           | 383,601             |
| Interest on debt                                              | 21,575                | -                    | -                                  | -                                | (21,575)                                          | -                                           | (21,575)            |
| Total governmental activities                                 | 112,479,976           | 4,681,636            | 54,149,303                         | 415,510                          | (53,233,527)                                      | -                                           | (53,233,527)        |
| Business-type activities:                                     |                       |                      |                                    |                                  |                                                   |                                             |                     |
| Ingersoll Turf Facility                                       | 57,751                | 178,107              | -                                  | -                                | -                                                 | 120,356                                     | 120,356             |
| Norway Savings Bank Arena                                     | 774,964               | 1,049,735            | -                                  | -                                | -                                                 | 274,771                                     | 274,771             |
| Total business-type activities                                | 832,715               | 1,227,842            | -                                  | -                                | -                                                 | 395,127                                     | 395,127             |
| <b>Total primary government</b>                               | <b>\$ 113,312,691</b> | <b>5,909,478</b>     | <b>54,149,303</b>                  | <b>415,510</b>                   | <b>(53,233,527)</b>                               | <b>395,127</b>                              | <b>(52,838,400)</b> |
| General revenues, unrestricted:                               |                       |                      |                                    |                                  |                                                   |                                             |                     |
| Property taxes, levied for general purposes                   |                       |                      |                                    |                                  | 49,502,583                                        | -                                           | 49,502,583          |
| Motor vehicle excise taxes                                    |                       |                      |                                    |                                  | 4,796,428                                         | -                                           | 4,796,428           |
| Interest on delinquent taxes                                  |                       |                      |                                    |                                  | 102,241                                           | -                                           | 102,241             |
| Grants and contributions not restricted to specific programs: |                       |                      |                                    |                                  |                                                   |                                             |                     |
| State Revenue Sharing                                         |                       |                      |                                    |                                  | 6,317,130                                         | -                                           | 6,317,130           |
| Homestead and BETE exemptions                                 |                       |                      |                                    |                                  | 4,527,276                                         | -                                           | 4,527,276           |
| Other State aid                                               |                       |                      |                                    |                                  | 711,771                                           | -                                           | 711,771             |
| Unrestricted investment earnings                              |                       |                      |                                    |                                  | 1,481,684                                         | 2,471                                       | 1,484,155           |
| Miscellaneous revenues                                        |                       |                      |                                    |                                  | 277,969                                           | -                                           | 277,969             |
| Total general revenues                                        |                       |                      |                                    |                                  | 67,717,082                                        | 2,471                                       | 67,719,553          |
| Change in net position                                        |                       |                      |                                    |                                  | 14,483,555                                        | 397,598                                     | 14,881,153          |
| Net position - beginning - as restated                        |                       |                      |                                    |                                  | 88,384,654                                        | (808,987)                                   | 87,575,667          |
| <b>Net position - ending</b>                                  |                       |                      |                                    |                                  | <b>\$ 102,868,209</b>                             | <b>(411,389)</b>                            | <b>102,456,820</b>  |

See accompanying notes to financial statements.

CITY OF AUBURN, MAINE  
Balance Sheet  
Governmental Funds  
June 30, 2023

|                                                                                                                                            | General              | Community<br>Development<br>Programs | Tax Increment<br>Financing | Capital<br>Improvement<br>Program | New Edward<br>Little Building<br>Project | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--------------------------------------------------------------------------------------------------------------------------------------------|----------------------|--------------------------------------|----------------------------|-----------------------------------|------------------------------------------|--------------------------------|--------------------------------|
| <b>ASSETS</b>                                                                                                                              |                      |                                      |                            |                                   |                                          |                                |                                |
| Cash and cash equivalents                                                                                                                  | \$ 26,818,464        | -                                    | 1,054,563                  | 12,954,137                        | 1,352,025                                | 7,027,392                      | 49,206,581                     |
| Amounts held in escrow                                                                                                                     | -                    | -                                    | -                          | 149,650                           | -                                        | -                              | 149,650                        |
| Investments                                                                                                                                | 5,094,330            | -                                    | -                          | -                                 | 26,241,460                               | -                              | 31,335,790                     |
| Receivables:                                                                                                                               |                      |                                      |                            |                                   |                                          |                                |                                |
| Taxes                                                                                                                                      | 1,718,967            | -                                    | -                          | -                                 | -                                        | -                              | 1,718,967                      |
| Accounts, net of allowance                                                                                                                 | 585,777              | -                                    | -                          | 129,584                           | 55,640                                   | 973                            | 771,974                        |
| Loans, net of allowance                                                                                                                    | 599,532              | 3,727,374                            | -                          | -                                 | -                                        | 900,215                        | 5,227,121                      |
| Intergovernmental                                                                                                                          | 749,671              | 8,653,476                            | -                          | -                                 | -                                        | 5,793,273                      | 15,196,420                     |
| Inventory                                                                                                                                  | -                    | -                                    | -                          | -                                 | -                                        | 54,658                         | 54,658                         |
| Interfund receivables                                                                                                                      | 107,636              | -                                    | 221,775                    | -                                 | -                                        | 7,906,527                      | 8,235,938                      |
| Prepaid expenditures                                                                                                                       | 50,782               | -                                    | -                          | -                                 | -                                        | 106,443                        | 157,225                        |
| <b>Total assets</b>                                                                                                                        | <b>\$ 35,725,159</b> | <b>12,380,850</b>                    | <b>1,276,338</b>           | <b>13,233,371</b>                 | <b>27,649,125</b>                        | <b>21,789,481</b>              | <b>112,054,324</b>             |
| <b>LIABILITIES</b>                                                                                                                         |                      |                                      |                            |                                   |                                          |                                |                                |
| Accounts payable                                                                                                                           | 1,452,447            | 20,487                               | 76                         | 2,057,223                         | 7,762,168                                | 1,241,210                      | 12,533,611                     |
| Accrued payroll and benefits payable                                                                                                       | 4,699,560            | -                                    | -                          | -                                 | -                                        | 49,145                         | 4,748,705                      |
| Prepaid taxes                                                                                                                              | 99,366               | -                                    | -                          | -                                 | -                                        | -                              | 99,366                         |
| Escrow funds payable                                                                                                                       | 32,511               | 750                                  | -                          | -                                 | -                                        | -                              | 33,261                         |
| Unearned revenue                                                                                                                           | -                    | 10,861,349                           | -                          | -                                 | -                                        | 11,397,889                     | 22,259,238                     |
| Interfund payables                                                                                                                         | -                    | 129,924                              | -                          | 3,275,447                         | 490,193                                  | 3,273,411                      | 7,168,975                      |
| <b>Total liabilities</b>                                                                                                                   | <b>6,283,884</b>     | <b>11,012,510</b>                    | <b>76</b>                  | <b>5,332,670</b>                  | <b>8,252,361</b>                         | <b>15,961,655</b>              | <b>46,843,156</b>              |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                                                                                       |                      |                                      |                            |                                   |                                          |                                |                                |
| Unavailable revenue - property taxes                                                                                                       | 1,613,742            | -                                    | -                          | -                                 | -                                        | -                              | 1,613,742                      |
| Unavailable revenue - settlement proceeds                                                                                                  | -                    | -                                    | -                          | -                                 | -                                        | 1,025,186                      | 1,025,186                      |
| <b>Total deferred inflows of resources</b>                                                                                                 | <b>1,613,742</b>     | <b>-</b>                             | <b>-</b>                   | <b>-</b>                          | <b>-</b>                                 | <b>1,025,186</b>               | <b>2,638,928</b>               |
| <b>FUND BALANCES (deficits)</b>                                                                                                            |                      |                                      |                            |                                   |                                          |                                |                                |
| Nonspendable - amounts held in escrow                                                                                                      | -                    | -                                    | -                          | 149,650                           | -                                        | -                              | 149,650                        |
| Nonspendable - inventory                                                                                                                   | -                    | -                                    | -                          | -                                 | -                                        | 54,658                         | 54,658                         |
| Nonspendable - prepaid expenditures                                                                                                        | 50,782               | -                                    | -                          | -                                 | -                                        | 157,225                        | 157,225                        |
| Nonspendable - long-term receivables                                                                                                       | 599,532              | -                                    | -                          | -                                 | -                                        | -                              | 599,532                        |
| Nonspendable - principal                                                                                                                   | -                    | -                                    | -                          | -                                 | -                                        | 69,475                         | 69,475                         |
| Restricted                                                                                                                                 | 9,875,588            | 1,368,340                            | 1,276,262                  | -                                 | -                                        | 4,329,631                      | 16,849,821                     |
| Committed                                                                                                                                  | -                    | -                                    | -                          | 7,751,051                         | -                                        | 358,492                        | 27,506,307                     |
| Assigned                                                                                                                                   | 3,298,999            | -                                    | -                          | -                                 | 19,396,764                               | -                              | 3,298,999                      |
| Unassigned                                                                                                                                 | 14,002,632           | -                                    | -                          | -                                 | -                                        | (116,059)                      | 13,886,573                     |
| <b>Total fund balances</b>                                                                                                                 | <b>27,827,533</b>    | <b>1,368,340</b>                     | <b>1,276,262</b>           | <b>7,900,701</b>                  | <b>19,396,764</b>                        | <b>4,802,640</b>               | <b>62,572,240</b>              |
| <b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b>                                                      | <b>\$ 35,725,159</b> | <b>12,380,850</b>                    | <b>1,276,338</b>           | <b>13,233,371</b>                 | <b>27,649,125</b>                        | <b>21,789,481</b>              |                                |
| 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.                   |                      |                                      |                            |                                   |                                          |                                |                                |
| Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.                 |                      |                                      |                            |                                   |                                          |                                |                                |
| 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                                                                                                                    |                      |                                      |                            |                                   |                                          |                                | (159,646,099)                  |
| Financed purchases payable                                                                                                                 |                      |                                      |                            |                                   |                                          |                                | (173,782)                      |
| Leases payable                                                                                                                             |                      |                                      |                            |                                   |                                          |                                | (617,128)                      |
| Unamortized debt premiums                                                                                                                  |                      |                                      |                            |                                   |                                          |                                | (13,600,660)                   |
| Accrued compensated absences                                                                                                               |                      |                                      |                            |                                   |                                          |                                | (2,559,194)                    |
| Accrued self-insurance liability                                                                                                           |                      |                                      |                            |                                   |                                          |                                | (853,036)                      |
| Other postemployment benefits with related deferred inflows and outflows of resources                                                      |                      |                                      |                            |                                   |                                          |                                | (13,335,074)                   |
| Net pension liability with related deferred inflows and outflows of resources                                                              |                      |                                      |                            |                                   |                                          |                                | (5,158,269)                    |
| Deferred charge on refunding                                                                                                               |                      |                                      |                            |                                   |                                          |                                | (56,364)                       |
| Landfill postclosure care costs                                                                                                            |                      |                                      |                            |                                   |                                          |                                | (31,500)                       |
| Accrued interest on debt                                                                                                                   |                      |                                      |                            |                                   |                                          |                                | (1,354,042)                    |
| <b>Net position of governmental activities</b>                                                                                             |                      |                                      |                            |                                   |                                          |                                | <b>\$ 102,868,209</b>          |

See accompanying notes to financial statements.

**CITY OF AUBURN, MAINE**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2023**

|                                                           | General              | Community<br>Development<br>Programs | Tax Increment<br>Financing | Capital<br>Improvement<br>Program | New Edward<br>Little Building<br>Project | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|-----------------------------------------------------------|----------------------|--------------------------------------|----------------------------|-----------------------------------|------------------------------------------|--------------------------------|--------------------------------|
| <b>Revenues:</b>                                          |                      |                                      |                            |                                   |                                          |                                |                                |
| Taxes                                                     | \$ 54,373,113        | -                                    | -                          | -                                 | -                                        | -                              | 54,373,113                     |
| Intergovernmental                                         | 51,608,089           | 536,531                              | -                          | -                                 | -                                        | 12,323,010                     | 64,467,630                     |
| Licenses and permits                                      | 475,259              | -                                    | -                          | -                                 | -                                        | -                              | 475,259                        |
| Charges for services                                      | 2,753,018            | -                                    | -                          | -                                 | -                                        | 1,435,183                      | 4,188,201                      |
| Student activity fees and fundraisers                     | -                    | -                                    | -                          | -                                 | -                                        | 277,863                        | 277,863                        |
| Other income                                              | 296,145              | 24,477                               | -                          | -                                 | 1,059                                    | 878,605                        | 1,200,286                      |
| Donation                                                  | 411,000              | -                                    | -                          | 4,510                             | -                                        | -                              | 415,510                        |
| Interest income                                           | 278,901              | -                                    | -                          | 279,964                           | 910,954                                  | -                              | 1,481,684                      |
| Total revenues                                            | 110,195,525          | 561,008                              | -                          | 284,474                           | 912,013                                  | 14,926,526                     | 126,879,546                    |
| <b>Expenditures:</b>                                      |                      |                                      |                            |                                   |                                          |                                |                                |
| <b>Current:</b>                                           |                      |                                      |                            |                                   |                                          |                                |                                |
| General government                                        | 11,946,944           | 955,396                              | 735,466                    | -                                 | -                                        | 1,907,587                      | 15,545,393                     |
| Public safety                                             | 11,461,619           | -                                    | -                          | -                                 | -                                        | 141,139                        | 11,602,758                     |
| Health, welfare and recreation                            | 2,044,326            | -                                    | -                          | -                                 | -                                        | 531,311                        | 2,575,637                      |
| Public works                                              | 6,822,438            | -                                    | -                          | -                                 | -                                        | 2,217,504                      | 9,039,942                      |
| Other agencies                                            | 4,649,304            | -                                    | -                          | -                                 | -                                        | -                              | 4,649,304                      |
| Education                                                 | 56,874,309           | -                                    | -                          | -                                 | -                                        | 6,576,017                      | 63,450,326                     |
| Food services                                             | -                    | -                                    | -                          | -                                 | -                                        | 2,123,206                      | 2,123,206                      |
| Student activities                                        | -                    | -                                    | -                          | -                                 | -                                        | 260,269                        | 260,269                        |
| Unclassified                                              | 229,135              | -                                    | -                          | -                                 | -                                        | -                              | 229,135                        |
| Capital outlay                                            | 615,433              | -                                    | 11,963                     | 10,061,736                        | 50,600,715                               | -                              | 61,289,847                     |
| Debt service                                              | 8,394,862            | -                                    | 691,489                    | -                                 | -                                        | 159,119                        | 9,245,470                      |
| Total expenditures                                        | 103,038,370          | 955,396                              | 1,438,918                  | 10,061,736                        | 50,600,715                               | 13,916,152                     | 180,011,287                    |
| Excess (deficiency) of revenues over (under) expenditures | 7,157,155            | (394,388)                            | (1,438,918)                | (9,777,262)                       | (49,688,702)                             | 1,010,374                      | (53,131,741)                   |
| <b>Other financing sources (uses):</b>                    |                      |                                      |                            |                                   |                                          |                                |                                |
| Issuance of long-term debt                                | -                    | -                                    | -                          | 6,800,000                         | -                                        | -                              | 6,800,000                      |
| Premium on issuance of debt                               | -                    | -                                    | -                          | 600,358                           | -                                        | -                              | 600,358                        |
| Transfers to/from other funds                             | (2,654,086)          | -                                    | 2,479,086                  | -                                 | -                                        | 175,000                        | -                              |
| Total other financing sources (uses)                      | (2,654,086)          | -                                    | 2,479,086                  | 7,400,358                         | -                                        | 175,000                        | 7,400,358                      |
| Net change in fund balances                               | 4,503,069            | (394,388)                            | 1,040,168                  | (2,376,904)                       | (49,688,702)                             | 1,185,374                      | (45,731,383)                   |
| Fund balances, beginning of year, as restated             | 23,324,464           | 1,762,728                            | 236,094                    | 10,277,605                        | 69,085,466                               | 3,617,266                      | 108,303,623                    |
| <b>Fund balances, end of year</b>                         | <b>\$ 27,827,533</b> | <b>1,368,340</b>                     | <b>1,276,262</b>           | <b>7,900,701</b>                  | <b>19,396,764</b>                        | <b>4,802,640</b>               | <b>62,572,240</b>              |

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, 2023**

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|                                                                           |    |              |
|---------------------------------------------------------------------------|----|--------------|
| Net change in fund balances - total governmental funds (from Statement 4) | \$ | (45,731,383) |
|---------------------------------------------------------------------------|----|--------------|

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       | 63,355,507   |
| Depreciation and loss on disposal not reported in governmental funds | (10,208,796) |

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.

83,985

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                                  | (6,800,000) |
| Principal payments on long-term debt and financed purchases | 12,375,197  |
| Principal payments on leases                                | 47,967      |
| Premium on issuance of debt                                 | (600,358)   |
| Amortization of bond premium                                | 1,753,655   |
| 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                                                          | (103,264) |
| Accrued self-insurance liability                                                      | 262,053   |
| Other postemployment benefits with related deferred inflows and outflows of resources | (170,422) |
| Net pension liability with related deferred inflows and outflows of resources         | 156,293   |
| Landfill postclosure care costs                                                       | 10,500    |
| Accrued interest on debt                                                              | 38,530    |

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|                                                                     |    |            |
|---------------------------------------------------------------------|----|------------|
| Change in net position of governmental activities (see Statement 2) | \$ | 14,483,555 |
|---------------------------------------------------------------------|----|------------|

*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, 2023**

|                               | Budgeted Amounts |             | Actual      | Variance with<br>final budget<br>positive<br>(negative) |
|-------------------------------|------------------|-------------|-------------|---------------------------------------------------------|
|                               | Original         | Final       |             |                                                         |
| Revenues:                     |                  |             |             |                                                         |
| Taxes:                        |                  |             |             |                                                         |
| Real and personal property    | \$ 49,302,320    | 49,302,320  | 49,474,444  | 172,124                                                 |
| Excise and registrations      | 4,435,000        | 4,435,000   | 4,796,428   | 361,428                                                 |
| Interest on delinquent taxes  | 120,000          | 120,000     | 102,241     | (17,759)                                                |
| Total taxes                   | 53,857,320       | 53,857,320  | 54,373,113  | 515,793                                                 |
| Intergovernmental:            |                  |             |             |                                                         |
| State revenue sharing         | 4,504,100        | 4,504,100   | 6,317,130   | 1,813,030                                               |
| School subsidy                | 34,826,024       | 34,826,024  | 35,118,115  | 292,091                                                 |
| Homestead                     | 1,770,000        | 1,770,000   | 1,661,443   | (108,557)                                               |
| BETE                          | 3,101,000        | 3,101,000   | 2,865,833   | (235,167)                                               |
| Other:                        |                  |             |             |                                                         |
| School Department             | 224,555          | 224,555     | 219,721     | (4,834)                                                 |
| Tax sharing/in lieu of        | 242,000          | 242,000     | 294,207     | 52,207                                                  |
| Municipal                     | 1,249,066        | 1,249,066   | 711,771     | (537,295)                                               |
| Total intergovernmental       | 45,916,745       | 45,916,745  | 47,188,220  | 1,271,475                                               |
| Other revenue:                |                  |             |             |                                                         |
| Licenses and permits          | 385,250          | 385,250     | 475,259     | 90,009                                                  |
| Charges for services:         |                  |             |             |                                                         |
| Municipal                     | 2,277,200        | 2,277,200   | 2,397,183   | 119,983                                                 |
| School                        | 264,910          | 264,910     | 355,529     | 90,619                                                  |
| Fines, forfeits and penalties | 28,000           | 28,000      | 18,176      | (9,824)                                                 |
| Interest:                     |                  |             |             |                                                         |
| Municipal                     | 30,000           | 30,000      | 278,143     | 248,143                                                 |
| Donation                      | -                | -           | 411,000     | 411,000                                                 |
| Miscellaneous                 | 120,000          | 120,000     | 277,969     | 157,969                                                 |
| Total other revenue           | 3,105,360        | 3,105,360   | 4,213,259   | 1,107,899                                               |
| Total revenues                | 102,879,425      | 102,879,425 | 105,774,592 | 2,895,167                                               |

**CITY OF AUBURN, MAINE**  
**General Fund**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balances -- Budget and Actual**  
**For the Year Ended June 30, 2023**

|                                                | Budgeted Amounts |            | Actual     | Variance with<br>final budget<br>positive<br>(negative) |
|------------------------------------------------|------------------|------------|------------|---------------------------------------------------------|
|                                                | Original         | Final      |            |                                                         |
| Expenditures:                                  |                  |            |            |                                                         |
| General government:                            |                  |            |            |                                                         |
| Mayor and council                              | \$ 170,500       | 176,826    | 168,373    | 8,453                                                   |
| City manager                                   | 510,978          | 528,067    | 514,763    | 13,304                                                  |
| Communications & Engagement                    | 218,746          | 229,041    | 185,456    | 43,585                                                  |
| City clerk                                     | 257,506          | 279,510    | 275,390    | 4,120                                                   |
| Finance                                        | 1,138,802        | 1,143,152  | 1,128,501  | 14,651                                                  |
| Human resources                                | 222,099          | 222,099    | 220,415    | 1,684                                                   |
| Planning & Permitting                          | 666,629          | 745,388    | 742,516    | 2,872                                                   |
| Economic Development                           | 286,598          | 286,598    | 299,003    | (12,405)                                                |
| Business and Community Development             | 671,411          | 671,411    | 317,603    | 353,808                                                 |
| Facilities                                     | -                | 23,773     | 25,485     | (1,712)                                                 |
| Information technology                         | 827,000          | 830,360    | 764,660    | 65,700                                                  |
| Worker's compensation (transfer to reserve)    | 698,000          | 698,000    | 698,000    | -                                                       |
| Benefits and wage increases                    | 7,876,393        | 7,940,393  | 6,651,578  | 1,288,815                                               |
| Total general government                       | 13,544,662       | 13,774,618 | 11,991,743 | 1,782,875                                               |
| Public safety:                                 |                  |            |            |                                                         |
| Fire & EMS Transport                           | 5,518,284        | 5,550,389  | 5,875,613  | (325,224)                                               |
| Police                                         | 4,945,034        | 4,963,645  | 4,803,381  | 160,264                                                 |
| Water and sewer                                | 792,716          | 792,716    | 781,203    | 11,513                                                  |
| Total public safety                            | 11,256,034       | 11,306,750 | 11,460,197 | (153,447)                                               |
| Health, welfare and recreation:                |                  |            |            |                                                         |
| Health and social services - public assistance | 119,875          | 119,875    | 291,067    | (171,192)                                               |
| Recreation and sports tourism                  | 762,440          | 767,447    | 668,822    | 98,625                                                  |
| Library                                        | 1,084,437        | 1,084,437  | 1,084,437  | -                                                       |
| Total health, welfare and recreation           | 1,966,752        | 1,971,759  | 2,044,326  | (72,567)                                                |
| Public services:                               |                  |            |            |                                                         |
| Public works                                   | 5,600,109        | 5,865,269  | 5,456,809  | 408,460                                                 |
| Solid waste disposal                           | 1,320,000        | 1,320,000  | 1,365,629  | (45,629)                                                |
| Total public services                          | 6,920,109        | 7,185,269  | 6,822,438  | 362,831                                                 |
| Other agencies:                                |                  |            |            |                                                         |
| County tax                                     | 2,761,220        | 2,761,220  | 2,761,220  | -                                                       |
| Auburn-Lewiston Airport                        | 205,000          | 205,000    | 208,560    | (3,560)                                                 |
| Auburn Art in the Park                         | 30,000           | 30,000     | 30,000     | -                                                       |
| Lewiston-Auburn Transit Committee              | 431,811          | 431,811    | 431,811    | -                                                       |
| Lewiston-Auburn E911 Center                    | 1,217,713        | 1,217,713  | 1,217,713  | -                                                       |
| Total other agencies                           | 4,645,744        | 4,645,744  | 4,649,304  | (3,560)                                                 |



CITY OF AUBURN, MAINE  
General Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balances -- Budget and Actual  
For the Year Ended June 30, 2023

|                                                              | Budgeted Amounts |             | Actual               | Variance with<br>final budget<br>positive<br>(negative) |
|--------------------------------------------------------------|------------------|-------------|----------------------|---------------------------------------------------------|
|                                                              | Original         | Final       |                      |                                                         |
| Expenditures, continued:                                     |                  |             |                      |                                                         |
| Education                                                    | \$ 55,732,090    | 55,732,090  | 52,454,440           | 3,277,650                                               |
| Other appropriations:                                        |                  |             |                      |                                                         |
| Tax sharing                                                  | 260,000          | 260,000     | 229,135              | 30,865                                                  |
| Debt service - principal                                     | 6,721,695        | 6,721,695   | 6,700,998            | 20,697                                                  |
| Debt service - interest and other                            | 1,639,559        | 1,639,559   | 1,693,864            | (54,305)                                                |
| Capital investment and purchasing                            | 672,473          | 672,473     | 615,433              | 57,040                                                  |
| Emergency reserve                                            | 461,230          | 461,230     | -                    | 461,230                                                 |
| Total other appropriations                                   | 9,754,957        | 9,754,957   | 9,239,430            | 515,527                                                 |
| Total expenditures                                           | 103,820,348      | 104,371,187 | 98,661,878           | 5,709,309                                               |
| Excess (deficiency) of revenues over (under)<br>expenditures | (940,923)        | (1,491,762) | 7,112,714            | 8,604,476                                               |
| Other financing sources (uses):                              |                  |             |                      |                                                         |
| Transfers in from other funds                                | 1,414,000        | 1,414,000   | -                    | (1,414,000)                                             |
| Transfers to other funds                                     | (3,224,803)      | (3,224,803) | (2,904,086)          | 320,717                                                 |
| Budgeted use of surplus - City                               | 1,500,000        | 2,050,839   | -                    | (2,050,839)                                             |
| Budgeted use of surplus - School                             | 1,251,726        | 1,251,726   | -                    | (1,251,726)                                             |
| Total other financing sources (uses)                         | 940,923          | 1,491,762   | (2,904,086)          | (4,395,848)                                             |
| Net change in fund balance - budgetary basis                 | -                | -           | 4,208,628            | 4,208,628                                               |
| Fund balance, July 1 - budgetary basis                       |                  |             | 24,108,599           |                                                         |
| Fund balance, June 30 - budgetary basis                      |                  |             | 28,317,227           |                                                         |
| Reconciliation to GAAP basis:                                |                  |             |                      |                                                         |
| Reserve funds deficit fund balance                           |                  |             | (489,694)            |                                                         |
| <b>Fund balance, June 30 - GAAP basis</b>                    |                  |             | <b>\$ 27,827,533</b> |                                                         |

*See accompanying notes to financial statements.*

CITY OF AUBURN, MAINE  
Statement of Net Position  
Proprietary Funds  
June 30, 2023

| Business-type Activities - Enterprise Funds        |                            |                  |             |
|----------------------------------------------------|----------------------------|------------------|-------------|
|                                                    | Ingersoll<br>Turf Facility | NSB Ice<br>Arena | Totals      |
| <b>ASSETS</b>                                      |                            |                  |             |
| Current assets:                                    |                            |                  |             |
| Cash and cash equivalents                          | \$ 229,487                 | 281,088          | 510,575     |
| Accounts receivable                                | -                          | 118,476          | 118,476     |
| Interfund receivables                              | 118,439                    | -                | 118,439     |
| Total current assets                               | 347,926                    | 399,564          | 747,490     |
| Noncurrent assets:                                 |                            |                  |             |
| Capital assets:                                    |                            |                  |             |
| Land improvements                                  | 18,584                     | -                | 18,584      |
| Buildings                                          | 672,278                    | 58,223           | 730,501     |
| Equipment                                          | 124,045                    | 615,473          | 739,518     |
| Less accumulated depreciation                      | (776,492)                  | (483,191)        | (1,259,683) |
| Total noncurrent assets                            | 38,415                     | 190,505          | 228,920     |
| Total assets                                       | 386,341                    | 590,069          | 976,410     |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>              |                            |                  |             |
| Deferred outflows of resources related to pensions | -                          | 47,828           | 47,828      |
| Deferred outflows of resources related to OPEB     | -                          | 1,077            | 1,077       |
| Total deferred outflows of resources               | -                          | 48,905           | 48,905      |
| <b>LIABILITIES</b>                                 |                            |                  |             |
| Current Liabilities:                               |                            |                  |             |
| Accounts payable                                   | -                          | 9,851            | 9,851       |
| Interfund payables                                 | -                          | 1,264,655        | 1,264,655   |
| Total current liabilities                          | -                          | 1,274,506        | 1,274,506   |
| Noncurrent liabilities:                            |                            |                  |             |
| Net pension liability                              | -                          | 67,710           | 67,710      |
| Net OPEB liability                                 | -                          | 58,885           | 58,885      |
| Total noncurrent liabilities                       | -                          | 126,595          | 126,595     |
| Total liabilities                                  | -                          | 1,401,101        | 1,401,101   |
| <b>DEFERRED INFLOWS OF RESOURCES</b>               |                            |                  |             |
| Deferred inflows of resources related to pensions  | -                          | 28,957           | 28,957      |
| Deferred inflows of resources related to OPEB      | -                          | 6,646            | 6,646       |
| Total deferred inflows of resources                | -                          | 35,603           | 35,603      |
| <b>NET POSITION</b>                                |                            |                  |             |
| Net investment in capital assets                   | 38,415                     | 190,505          | 228,920     |
| Unrestricted                                       | 347,926                    | (988,235)        | (640,309)   |
| Total net position                                 | \$ 386,341                 | (797,730)        | (411,389)   |

*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, 2023

|                                              | Ingersoll<br>Turf Facility | NSB Ice<br>Arena | Totals           |
|----------------------------------------------|----------------------------|------------------|------------------|
| Operating revenues:                          |                            |                  |                  |
| Charges for services                         | \$ 178,107                 | 1,049,735        | 1,227,842        |
| Total operating revenue                      | 178,107                    | 1,049,735        | 1,227,842        |
| Operating expenses:                          |                            |                  |                  |
| Personnel                                    | 490                        | 389,910          | 390,400          |
| Program expenses                             | 17,886                     | 2,243            | 20,129           |
| Supplies                                     | -                          | 50,988           | 50,988           |
| Utilities                                    | 234                        | 177,395          | 177,629          |
| Contracted services                          | -                          | 64,417           | 64,417           |
| Repairs and maintenance                      | 9,765                      | 31,267           | 41,032           |
| Depreciation                                 | 27,735                     | 57,660           | 85,395           |
| Other expenses                               | 1,641                      | 7,910            | 9,551            |
| Total operating expenses                     | 57,751                     | 781,790          | 839,541          |
| Operating income (loss)                      | 120,356                    | 267,945          | 388,301          |
| Nonoperating revenue (expense):              |                            |                  |                  |
| Interest income                              | 2,471                      | -                | 2,471            |
| Pension gain (expense)                       | -                          | 6,666            | 6,666            |
| OPEB gain (expense)                          | -                          | 160              | 160              |
| Total nonoperating revenue (expense)         | 2,471                      | 6,826            | 9,297            |
| Change in net position                       | 122,827                    | 274,771          | 397,598          |
| Total net position (deficit), July 1         | 263,514                    | (1,072,501)      | (808,987)        |
| <b>Total net position (deficit), June 30</b> | <b>\$ 386,341</b>          | <b>(797,730)</b> | <b>(411,389)</b> |

*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, 2023**

|                                                                                                          | Ingersoll<br>Turf Facility | NSB Ice<br>Arena | Totals         |
|----------------------------------------------------------------------------------------------------------|----------------------------|------------------|----------------|
| Cash flows from operating activities:                                                                    |                            |                  |                |
| Cash received from customers                                                                             | \$ 178,107                 | 975,208          | 1,153,315      |
| Cash paid to suppliers for goods and services                                                            | (29,712)                   | (340,757)        | (370,469)      |
| Cash paid to employees for services                                                                      | (490)                      | (389,910)        | (390,400)      |
| Net cash provided by (used in) operating activities                                                      | 147,905                    | 244,541          | 392,446        |
| Cash flows from noncapital financing activities:                                                         |                            |                  |                |
| Net change in interfund loans                                                                            | (143,533)                  | (145,739)        | (289,272)      |
| Net cash provided by (used in) noncapital financing activities                                           | (143,533)                  | (145,739)        | (289,272)      |
| Cash flows from capital and related financing activities:                                                |                            |                  |                |
| Purchase of capital assets                                                                               | (4,372)                    | (98,424)         | (102,796)      |
| Net cash used in capital and related financing activities                                                | (4,372)                    | (98,424)         | (102,796)      |
| Cash flows from investing activities:                                                                    |                            |                  |                |
| Interest on investments                                                                                  | 2,471                      | -                | 2,471          |
| Net cash provided by (used in) investing activities                                                      | 2,471                      | -                | 2,471          |
| Net increase (decrease) in cash and cash equivalents                                                     | 2,471                      | 378              | 2,849          |
| Cash and cash equivalents, July 1                                                                        | 227,016                    | 280,710          | 507,726        |
| <b>Cash and cash equivalents, June 30</b>                                                                | <b>229,487</b>             | <b>281,088</b>   | <b>510,575</b> |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:        |                            |                  |                |
| Operating income (loss)                                                                                  | 120,356                    | 267,945          | 388,301        |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: |                            |                  |                |
| Depreciation expense                                                                                     | 27,735                     | 57,660           | 85,395         |
| (Increase) decrease in assets:                                                                           |                            |                  |                |
| Accounts receivable                                                                                      | -                          | (74,527)         | (74,527)       |
| Increase (decrease) in liabilities:                                                                      |                            |                  |                |
| Accounts payable                                                                                         | (186)                      | (6,537)          | (6,723)        |
| Total adjustments                                                                                        | 27,549                     | (23,404)         | 4,145          |
| <b>Net cash provided by (used in) operating activities</b>                                               | <b>\$ 147,905</b>          | <b>244,541</b>   | <b>392,446</b> |

*See accompanying notes to financial statements.*

**CITY OF AUBURN, MAINE**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2023**

|                               | Private-<br>purpose<br>Trust Funds | Custodial<br>Funds |
|-------------------------------|------------------------------------|--------------------|
| <b>ASSETS</b>                 |                                    |                    |
| Cash and cash equivalents     | \$ 149,850                         | -                  |
| Investments                   | 1,765,903                          | -                  |
| Intergovernmental receivables | -                                  | 68,035             |
| Interfund receivables         | 5,500                              | 73,753             |
| Total assets                  | 1,921,253                          | 141,788            |
| <b>LIABILITIES</b>            |                                    |                    |
| Accounts payable              | -                                  | 1,285              |
| Accrued payroll               | -                                  | 49,133             |
| Total liabilities             | -                                  | 50,418             |
| <b>RESTRICTED FOR:</b>        |                                    |                    |
| Individuals and organizations | \$ 1,921,253                       | 91,370             |

*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, 2023**

|                                                   |           | <b>Private-<br/>purpose<br/>Trust Funds</b> | <b>Custodial<br/>Funds</b> |
|---------------------------------------------------|-----------|---------------------------------------------|----------------------------|
| <b>ADDITIONS</b>                                  |           |                                             |                            |
| Donations                                         | \$        | 59,498                                      | -                          |
| Service revenues                                  |           | -                                           | 495,749                    |
| Interest and dividends                            |           | 157,620                                     | -                          |
| Total additions                                   |           | 217,118                                     | 495,749                    |
| <b>DEDUCTIONS</b>                                 |           |                                             |                            |
| Scholarships and other                            |           | 140,493                                     | -                          |
| Programs                                          |           | -                                           | 651,542                    |
| Total deductions                                  |           | 140,493                                     | 651,542                    |
| Net increase (decrease) in fiduciary net position |           | 76,625                                      | (155,793)                  |
| Net position - beginning                          |           | 1,844,628                                   | 247,163                    |
| <b>Net position - ending</b>                      | <b>\$</b> | <b>1,921,253</b>                            | <b>91,370</b>              |

*See accompanying notes to financial statements.*

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**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements**  
**June 30, 2023**

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**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, 2023**

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**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 *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, 2023**

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**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, 2023**

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**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.maineecf.org](http://www.maineecf.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, 2023**

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**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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**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**

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.

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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**9. 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:

- *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.

**10. 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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**11. 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.

**12. 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.

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.



**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY, Continued**

**B. Excess of Expenditures over Appropriations**

For the year ended June 30, 2023, expenditures exceeded appropriation in the following general fund categories: Economic Development, \$12,405; Facilities, \$1,712; Fire & EMS, \$325,224; Health and social services - public assistance, \$171,192; Solid waste disposal, \$45,629; Auburn-Lewiston Airport, \$3,560; and Debt service – interest and other, \$54,305. In total, the City's expenditures were \$5,709,309 less than appropriations.

**C. Deficit Fund Equity**

At June 30, 2023, the City had the following fund with a deficit fund balance/net position: Norway Savings Bank Arena (Proprietary), \$797,730. Future revenues and transfers from the General Fund are expected to fund this remaining deficit fund balance.

Additionally, within the City Special Revenue Fund, the following grants had deficit fund balances at June 30, 2023: Homeland Security, \$101,433; Law Enforcement Training, \$8,205; American Firefighters \$1,695; and Project Canopy, \$1,523. 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, 2023 of \$1,877,318.

Within the School Special Revenue Fund, the following grants and programs had deficit fund balances at June 30, 2023: Migrant Education, \$1,566; Employee Computer Reimbursement, \$1,358; Title 1A, \$279. 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, 2023 of \$905,985.

**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 \$4,419,869 in 2023. 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.



**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**III. DETAILED NOTES ON ALL FUNDS, Continued**

As of June 30, 2023, the City deposits amounted to \$82,968,699 with bank balances of \$83,466,089. The City does not have a deposit policy for custodial credit risk. As of June 30, 2023, \$30,888 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.

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                    | \$ 49,206,581               |
| Proprietary funds                     | 510,575                     |
| Fiduciary funds                       | 149,850                     |
| Investments:                          |                             |
| Governmental funds                    | 31,335,790                  |
| Fiduciary funds                       | 1,765,903                   |
| <b><u>Total deposits reported</u></b> | <b><u>\$ 82,968,699</u></b> |

**2. Investments**

At June 30, 2023, 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, 2023, 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                              | \$ 744,149          | 744,149          | -              | -              |
| Bond mutual funds                                | 204,482             | 204,482          | -              | -              |
| Money market funds                               | 114,592             | 114,592          | -              | -              |
| Maine Community<br>Foundation investment<br>pool | 702,680             | -                | -              | 702,680        |
| <b>Total</b>                                     | <b>\$ 1,765,903</b> | <b>1,063,223</b> | <b>-</b>       | <b>702,680</b> |

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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**III. DETAILED NOTES ON ALL FUNDS, Continued**

*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 11.03 years.

*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.

At year end, the City's investments in bond mutual funds were segmented into the following rating categories by Standard & Poor's:

| <u>Fair Value at<br/>June 30, 2023</u> | <u>Rating</u> |
|----------------------------------------|---------------|
| \$ 10,222                              | AAA           |
| 56,268                                 | AA            |
| 48,909                                 | AA-           |
| 89,083                                 | A+            |

None of the remaining 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, 2023 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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**III. DETAILED NOTES ON ALL FUNDS, Continued**

**B. Receivables**

Receivables as of June 30, 2023, 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<br>Fund     | Community<br>Dev.<br>Programs | Capital<br>Projects | New<br>Edward<br>Little<br>Building | Other<br>Governmental<br>Funds | Enterprise<br>Funds | Total             |
|--------------------------------------|---------------------|-------------------------------|---------------------|-------------------------------------|--------------------------------|---------------------|-------------------|
| Receivables:                         |                     |                               |                     |                                     |                                |                     |                   |
| Taxes                                | \$ 1,718,967        | -                             | -                   | -                                   | -                              | -                   | 1,718,967         |
| Accounts                             | 882,396             | -                             | 129,584             | 55,640                              | 973                            | 118,476             | 1,187,069         |
| Loans                                | 599,532             | 3,977,821                     | -                   | -                                   | 900,215                        | -                   | 5,477,568         |
| Intergovernmental                    | 749,671             | 8,653,476                     | -                   | -                                   | 5,793,273                      | -                   | 15,196,420        |
| Gross receivables                    | 3,950,566           | 12,631,297                    | 129,584             | 55,640                              | 6,694,461                      | 118,476             | 23,580,024        |
| Less: allowance<br>for uncollectible | (296,619)           | (250,447)                     | -                   | -                                   | -                              | -                   | (547,066)         |
| <b>Total net receivables</b>         | <b>\$ 3,653,947</b> | <b>12,380,850</b>             | <b>129,584</b>      | <b>55,640</b>                       | <b>6,694,461</b>               | <b>118,476</b>      | <b>23,032,958</b> |

Property taxes levied during fiscal year 2023 are recorded as receivables. The receivables collected during the fiscal year ended June 30, 2023 and during the 1<sup>st</sup> 60 days of fiscal year 2024 are recognized as revenues in the Governmental Funds, in fiscal year 2023. Receivables of \$1,613,742, 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 18, 2022 on the assessed values of real property as of April 1, 2022. Taxes were due September 14, 2022 and March 14, 2023. The assessed value of \$2,171,967,423 was 83% of the 2023 state valuation of \$2,607,050,000.

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 \$371,955 for the year ended June 30, 2023.

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.

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

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**III. DETAILED NOTES ON ALL FUNDS, Continued**

The following summarizes the periods ended June 30, 2023 and 2022 levies:

|                                           | <u>2023</u>              | <u>2022</u>           |
|-------------------------------------------|--------------------------|-----------------------|
| Valuation:                                |                          |                       |
| Real property                             | \$ 2,070,114,480         | 1,871,839,670         |
| Personal property                         | 101,852,943              | 102,114,741           |
| Assessed value (less: exempt properties)  | 2,171,967,423            | 1,973,954,411         |
| Tax rate (per \$1,000)                    | 22.75                    | 23.82                 |
| Commitment                                | 49,412,529               | 47,019,594            |
| Supplemental taxes assessed               | -                        | 12,620                |
|                                           | 49,412,529               | 47,032,214            |
| Less:                                     |                          |                       |
| Collections and abatements                | 48,477,107               | 46,195,401            |
| <b><u>Receivable at June 30</u></b>       | <b><u>\$ 935,422</u></b> | <b><u>836,813</u></b> |
| Due date(s)                               | 9/14/22<br>3/14/23       | 9/15/21<br>3/15/22    |
| Interest rate charged on delinquent taxes | 7.0%                     | 7.0%                  |
| Collection rate                           | 98.10%                   | 98.22%                |

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**III. DETAILED NOTES ON ALL FUNDS, Continued**

**D. Capital Assets**

Capital asset activity for the year ended June 30, 2023 was as follows:

|                                             | Balance<br>June 30,<br>2022<br><u>(restated)</u> | <u>Increases</u>  | <u>Decreases</u> | Balance<br>June 30,<br>2023 |
|---------------------------------------------|--------------------------------------------------|-------------------|------------------|-----------------------------|
| <b>Governmental activities:</b>             |                                                  |                   |                  |                             |
| Capital assets, not being depreciated:      |                                                  |                   |                  |                             |
| Land                                        | \$ 8,143,418                                     | 184,984           | -                | 8,328,402                   |
| Construction in progress                    | 53,584,221                                       | 56,688,896        | 2,402,701        | 107,870,416                 |
| Total capital assets, not being depreciated | 61,727,639                                       | 56,873,880        | 2,402,701        | 116,198,818                 |
| Capital assets, being depreciated:          |                                                  |                   |                  |                             |
| Buildings and building improvements         | 95,957,596                                       | 1,897,316         | -                | 97,854,912                  |
| Equipment                                   | 9,398,493                                        | 1,745,056         | 121,835          | 11,021,714                  |
| Vehicles                                    | 14,114,430                                       | 998,310           | 339,989          | 14,772,751                  |
| Infrastructure                              | 137,695,976                                      | 4,243,646         | -                | 141,939,622                 |
| Right to use assets                         | 702,016                                          | -                 | -                | 702,016                     |
| Total capital assets being depreciated      | 257,868,511                                      | 8,884,328         | 461,824          | 266,291,015                 |
| Less accumulated depreciation for:          |                                                  |                   |                  |                             |
| Buildings and building improvements         | 51,461,159                                       | 2,639,665         | -                | 54,100,824                  |
| Equipment                                   | 6,162,208                                        | 755,326           | 121,835          | 6,795,699                   |
| Vehicles                                    | 8,841,308                                        | 1,026,172         | 318,571          | 9,548,909                   |
| Infrastructure                              | 71,181,624                                       | 5,700,248         | -                | 76,881,872                  |
| Right to use assets                         | 54,373                                           | 65,967            | -                | 120,340                     |
| Total accumulated depreciation              | 137,700,672                                      | 10,187,378        | 440,406          | 147,447,644                 |
| Total capital assets being depreciated, net | 120,167,839                                      | (1,303,050)       | 21,418           | 118,843,371                 |
| <b>Governmental activities</b>              |                                                  |                   |                  |                             |
| <b>capital assets, net</b>                  | <b>\$ 181,895,478</b>                            | <b>55,570,830</b> | <b>2,424,119</b> | <b>235,042,189</b>          |
|                                             | Balance<br>June 30,<br>2022                      | <u>Increases</u>  | <u>Decreases</u> | Balance<br>June 30,<br>2023 |
| <b>Business-type activities:</b>            |                                                  |                   |                  |                             |
| Capital assets, being depreciated:          |                                                  |                   |                  |                             |
| Improvements other than buildings           | \$ 18,584                                        | -                 | -                | 18,584                      |
| Buildings and building improvements         | 730,501                                          | -                 | -                | 730,501                     |
| Equipment                                   | 636,722                                          | 102,796           | -                | 739,518                     |
| Total capital assets being depreciated      | 1,385,807                                        | 102,796           | -                | 1,488,603                   |
| Less accumulated depreciation for:          |                                                  |                   |                  |                             |
| Improvements other than buildings           | 18,584                                           | -                 | -                | 18,584                      |
| Buildings and building improvements         | 662,629                                          | 26,436            | -                | 689,065                     |
| Equipment                                   | 493,075                                          | 58,959            | -                | 552,034                     |
| Total accumulated depreciation              | 1,174,288                                        | 85,395            | -                | 1,259,683                   |
| Total capital assets being depreciated, net | 211,519                                          | 17,401            | -                | 228,920                     |
| <b>Business-type activities capital</b>     |                                                  |                   |                  |                             |
| <b>assets, net</b>                          | <b>\$ 211,519</b>                                | <b>17,401</b>     | <b>-</b>         | <b>228,920</b>              |

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**III. DETAILED NOTES ON ALL FUNDS, Continued**

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

Governmental activities:

|                                                                       |            |
|-----------------------------------------------------------------------|------------|
| General government                                                    | \$ 596,797 |
| Public safety                                                         | 577,687    |
| Public works, including depreciation of general infrastructure assets | 6,003,616  |
| Health, welfare and recreation                                        | 577,979    |
| Education                                                             | 2,431,299  |

|                                                                    |                             |
|--------------------------------------------------------------------|-----------------------------|
| <b><u>Total depreciation expense – governmental activities</u></b> | <b><u>\$ 10,187,378</u></b> |
|--------------------------------------------------------------------|-----------------------------|

Business-type activities:

|                               |           |
|-------------------------------|-----------|
| Ingersoll Turf Facility       | \$ 27,735 |
| Norway Savings Bank Ice Arena | 57,660    |

|                                                                     |                         |
|---------------------------------------------------------------------|-------------------------|
| <b><u>Total depreciation expense – business-type activities</u></b> | <b><u>\$ 85,395</u></b> |
|---------------------------------------------------------------------|-------------------------|

**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, 2023. 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 2023, \$190,975 was captured and recorded in the TIF Fund. During 2023, \$143,231 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 2023, 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 2023, \$865,341 was captured and recorded in the TIF Fund. During 2023, \$316,334 was expended in the TIF Fund for public improvements and debt service.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**III. DETAILED NOTES ON ALL FUNDS, Continued**

*#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 2023, \$157,316 was captured and recorded in the TIF Fund, and \$265,100 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 2023, \$294,264 was captured and recorded in the TIF Fund. During 2023, \$126,667 was expended from the TIF Fund for public improvements.

*#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 2023, \$448,773 was captured and recorded in the TIF Fund. During 2023, \$210,923 was expended in the TIF Fund.

*#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 2023, \$48,589 was captured and recorded in the TIF Fund, and \$29,154 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 2023, \$30,617 was captured and recorded in the TIF Fund, and no funds were expended for the year ended June 30, 2023.

*#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 2023, \$56,495 was captured and recorded in the TIF Fund, and \$56,495 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 2023, \$48,219 was captured and recorded in the TIF Fund, and \$24,109 was expended for the year ended June 30, 2023.

*#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 2023, \$96,002 was captured and recorded in the TIF Fund, and \$48,001 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 2023, \$113,293 was captured and recorded in the TIF Fund, and \$174,889 was expended in the TIF Fund.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**III. DETAILED NOTES ON ALL FUNDS, Continued**

*#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 2023, \$35,248 was captured and recorded in the TIF Fund and \$35,248 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 2023, \$34,426 was captured and recorded in the TIF Fund and \$8,767 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 2023, \$59,528 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, 2023 is as follows:

|                               | <u>Interfund<br/>Receivables</u> | <u>Interfund<br/>Payables</u> | <u>Transfers<br/>In</u> | <u>Transfers<br/>Out</u> |
|-------------------------------|----------------------------------|-------------------------------|-------------------------|--------------------------|
| General Fund                  | \$ 107,636                       | -                             | -                       | 2,654,086                |
| Community Dev. Programs       | -                                | 129,924                       | -                       | -                        |
| Tax Incrementing Financing    | 221,775                          | -                             | 2,479,086               | -                        |
| Capital Improvement           | -                                | 3,275,447                     | -                       | -                        |
| New Edward Little Building    | -                                | 490,193                       | -                       | -                        |
| Other Governmental Funds      | 7,906,527                        | 3,273,411                     | 175,000                 | -                        |
| Fiduciary Funds               | 79,253                           | -                             | -                       | -                        |
| Enterprise Funds:             |                                  |                               |                         |                          |
| Ingersoll Turf Facility       | 118,439                          | -                             | -                       | -                        |
| Norway Savings Bank Ice Arena | -                                | 1,264,655                     | -                       | -                        |
| <b>Totals</b>                 | <b>\$ 8,433,630</b>              | <b>8,433,630</b>              | <b>2,654,086</b>        | <b>2,654,086</b>         |

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, 2023**

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**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, 2023:

|                                     | Contract<br><u>Total</u> | Percentage<br><u>Complete</u> | Billed<br><u>to Date</u> | Balance<br><u>Remaining</u> |
|-------------------------------------|--------------------------|-------------------------------|--------------------------|-----------------------------|
| 2021 Reconstruction                 | \$ 604,667               | 95.87%                        | 579,702                  | 24,965                      |
| 2021 Reclamation                    | 256,522                  | 98.19%                        | 251,887                  | 4,635                       |
| ELHS Engineering & Design           | 50,600,384               | 0%                            | -                        | 50,600,384                  |
| 2022 Reclamation                    | 2,810,149                | 65.85%                        | 1,850,565                | 959,584                     |
| 2022 Reconstruction                 | 1,267,969                | 74.83%                        | 948,866                  | 319,103                     |
| 2023 Resurfacing MPI Mt Auburn      | 3,106,336                | 38.27%                        | 1,188,934                | 1,917,402                   |
| Inspection Mill Main Broad          | 273,100                  | 40.70%                        | 111,156                  | 161,944                     |
| Main Mill Broad Excavation & Paving | 3,347,345                | 37.55%                        | 1,257,027                | 2,090,318                   |
| 2023 Resurfacing                    | 232,023                  | 0%                            | -                        | 232,023                     |
| 2023 Reconstruction                 | 1,795,700                | 2.22%                         | 39,845                   | 1,755,855                   |
| 2023 Sealcoating                    | 46,248                   | 0%                            | -                        | 46,248                      |
| Traffic Signal ADA Upgrades         | 849,363                  | 29.67%                        | 252,038                  | 597,325                     |

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 | \$ 695,963 |
|--------------|------------|

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**III. DETAILED NOTES ON ALL FUNDS, Continued**

**H. 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 2023, general obligation bonds totaling \$6,800,000 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, 2023. General obligation bonds and notes payable outstanding at June 30, 2023 are as follows:

|                                      | <u>Issued</u>   | <u>Original</u>  | <u>Matures</u>  | <u>Interest rate</u> | <u>Outstanding balance</u>   |
|--------------------------------------|-----------------|------------------|-----------------|----------------------|------------------------------|
| <b>Bonds:</b>                        |                 |                  |                 |                      |                              |
| General Obligation Bonds             | 09/27/12        | \$ 13,835,000    | 09/01/27        | 2.00%-4.50%          | 2,605,000                    |
| General Obligation Bonds             | 11/01/13        | 5,625,000        | 09/01/23        | 2.00%-3.00%          | 560,000                      |
| General Obligation Bonds             | 10/30/14        | 6,800,000        | 09/01/24        | 2.00%-4.00%          | 1,360,000                    |
| General Obligation Bonds             | 11/05/15        | 5,700,000        | 09/01/25        | 2.00%                | 1,710,000                    |
| General Obligation Bonds             | 03/10/16        | 4,250,000        | 09/01/26        | 2.00-4.00%           | 1,105,000                    |
| General Obligation Bonds             | 11/15/16        | 5,030,000        | 09/01/26        | 3.00%                | 1,990,000                    |
| General Obligation Bonds             | 11/08/17        | 8,500,000        | 09/01/27        | 4.00-5.00%           | 4,000,000                    |
| General Obligation Bonds             | 11/08/18        | 7,655,000        | 09/01/28        | 3.00-5.00%           | 4,590,000                    |
| General Obligation Bonds             | 10/15/19        | 7,900,000        | 09/01/29        | 4.00-5.00%           | 5,530,000                    |
| General Obligation Bonds             | 10/15/19        | 7,000,000        | 09/01/39        | 1.90-3.50%           | 6,185,000                    |
| General Obligation Bonds             | 11/12/20        | 8,460,000        | 09/01/30        | 5.00%                | 6,760,000                    |
| General Obligation Bonds             | 05/03/21        | 59,985,000       | 11/01/41        | 2.12-4.00%           | 56,985,000                   |
| General Obligation Bonds             | 09/30/21        | 9,800,000        | 09/01/31        | 2.00-5.00%           | 8,820,000                    |
| General Obligation Bonds             | 04/28/22        | 50,270,000       | 11/01/41        | 4.00-5.00%           | 50,270,000                   |
| <u>General Obligation Bonds</u>      | <u>10/13/22</u> | <u>6,800,000</u> | <u>09/01/32</u> | <u>4.00-5.00%</u>    | <u>6,800,000</u>             |
| Bonds payable                        |                 |                  |                 |                      | 159,270,000                  |
| <b>Notes from direct borrowings:</b> |                 |                  |                 |                      |                              |
| 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%                | 51,729                       |
| <u>Notes payable</u>                 |                 |                  |                 |                      | <u>376,099</u>               |
| <b><u>Total long-term debt</u></b>   |                 |                  |                 |                      | <b><u>\$ 159,646,099</u></b> |

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, 2023, the statutory limit for the City was \$391,057,500. The City's outstanding bonded long-term debt of \$159,270,000 at June 30, 2023 was \$231,787,500 less than the statutory limit.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**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<br><u>June 30,</u> | <u>General Obligation<br/>Bonds</u> |                   | <u>Notes from Direct<br/>Borrowing</u> |                 | <u>Financed Purchases<br/>Payable</u> |                 |
|--------------------------------|-------------------------------------|-------------------|----------------------------------------|-----------------|---------------------------------------|-----------------|
|                                | <u>Principal</u>                    | <u>Interest</u>   | <u>Principal</u>                       | <u>Interest</u> | <u>Principal</u>                      | <u>Interest</u> |
| 2024                           | \$ 14,175,000                       | 5,839,386         | 51,512                                 | -               | 85,611                                | 5,196           |
| 2025                           | 13,640,000                          | 5,267,930         | 51,512                                 | -               | 88,171                                | 2,636           |
| 2026                           | 12,815,000                          | 4,714,889         | 51,512                                 | -               | -                                     | -               |
| 2027                           | 11,770,000                          | 4,206,126         | 51,512                                 | -               | -                                     | -               |
| 2028                           | 10,980,000                          | 3,713,663         | 51,512                                 | -               | -                                     | -               |
| 2029-2033                      | 42,180,000                          | 12,663,350        | 118,539                                | -               | -                                     | -               |
| 2034-2038                      | 30,255,000                          | 6,109,353         | -                                      | -               | -                                     | -               |
| 2039-2042                      | 23,455,000                          | 1,404,018         | -                                      | -               | -                                     | -               |
| <b>Total</b>                   | <b>\$ 159,270,000</b>               | <b>43,918,715</b> | <b>376,099</b>                         | <b>-</b>        | <b>173,782</b>                        | <b>7,832</b>    |

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, 2023, the amount capitalized under financed purchases totals \$775,000.

**I. 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, 2023, the value of the lease liabilities were \$617,128. 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 \$120,340 accumulated amortization as of June 30, 2023.

The future principal and interest lease payments as of June 30, 2023 were as follows:

|             | <u>Lease Payable</u>     |                       |                       |
|-------------|--------------------------|-----------------------|-----------------------|
|             | <u>Principal</u>         | <u>Interest</u>       | <u>Total</u>          |
| 2024        | \$ 51,995                | 29,679                | 81,674                |
| 2025        | 56,242                   | 26,983                | 83,225                |
| 2026        | 60,753                   | 24,069                | 84,822                |
| 2027        | 65,545                   | 20,923                | 86,468                |
| 2028        | 70,634                   | 17,530                | 88,164                |
| 2029 – 2033 | 143,936                  | 54,734                | 198,670               |
| 2034 – 2038 | 122,414                  | 27,586                | 150,000               |
| 2039 - 2040 | <u>45,609</u>            | <u>1,923</u>          | <u>47,532</u>         |
|             | <b><u>\$ 617,128</u></b> | <b><u>203,427</u></b> | <b><u>820,555</u></b> |

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**III. DETAILED NOTES ON ALL FUNDS, Continued**

*Changes in General Long-term Liabilities.* Long-term liability activity for the year ended June 30, 2023 was as follows:

|                                  | Beginning<br>Balance<br>(restated) | Additions         | Reductions        | Ending<br>Balance  | Due Within<br>One Year |
|----------------------------------|------------------------------------|-------------------|-------------------|--------------------|------------------------|
| <b>Governmental activities:</b>  |                                    |                   |                   |                    |                        |
| Bonds payable                    |                                    |                   |                   |                    |                        |
| General obligation bonds         | \$ 163,900,000                     | 6,800,000         | 11,430,000        | 159,270,000        | 14,175,000             |
| Premium                          | 14,753,957                         | 600,358           | 1,753,655         | 13,600,660         | 1,452,101              |
| Total bonds payable              | 178,653,957                        | 7,400,358         | 13,183,655        | 172,870,660        | 15,627,101             |
| Notes payable*                   | 1,238,170                          | -                 | 862,071           | 376,099            | 51,512                 |
| Finance purchases payable*       | 256,908                            | -                 | 83,126            | 173,782            | 85,611                 |
| Accrued compensated absences     | 2,455,930                          | 226,061           | 122,797           | 2,559,194          | 127,960                |
| Leases payable                   | 665,095                            | -                 | 47,967            | 617,128            | 51,995                 |
| Accrued self-insurance liability | 1,115,089                          | 295,079           | 557,132           | 853,036            | 42,886                 |
| Other postemployment benefits    | 14,289,836                         | 9,021             | -                 | 14,298,857         | -                      |
| Net pension liability (asset)    | (112,215)                          | 9,038,015         | -                 | 8,925,800          | -                      |
| Landfill postclosure care costs  | 42,000                             | -                 | 10,500            | 31,500             | 10,500                 |
| Accrued interest on debt         | 1,392,572                          | -                 | 38,530            | 1,354,042          | 1,354,042              |
| <b>Governmental activities</b>   |                                    |                   |                   |                    |                        |
| <b>long-term liabilities</b>     | <b>\$ 199,997,342</b>              | <b>16,968,534</b> | <b>14,905,778</b> | <b>202,060,098</b> | <b>17,351,607</b>      |

\*Financed purchases and notes payable are considered direct borrowing.

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)   | \$ (8,400)       | 76,110        | -            | 67,710         | -        |
| Other postemployment benefits   | 64,494           | -             | 5,609        | 58,885         | -        |
| <b>Business-type activities</b> |                  |               |              |                |          |
| <b>long-term liabilities</b>    | <b>\$ 56,094</b> | <b>76,110</b> | <b>5,609</b> | <b>126,595</b> | <b>-</b> |

**J. 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, 2023:

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**III. DETAILED NOTES ON ALL FUNDS, Continued**

|                                               | <u>Governmental</u>  | <u>Business-type</u> |
|-----------------------------------------------|----------------------|----------------------|
| Capital assets                                | \$ 382,489,833       | 1,488,603            |
| Accumulated depreciation                      | (147,447,644)        | (1,259,683)          |
| General obligation bonds                      | (159,270,000)        | -                    |
| Notes payable                                 | (376,099)            | -                    |
| Leases payable                                | (617,128)            | -                    |
| Financed purchases payable                    | (173,782)            | -                    |
| Unamortized debt premium                      | (13,600,660)         | -                    |
| Deferred charge on refunding                  | (56,364)             | -                    |
| Non-capital unamortized premium               | 56,147               | -                    |
| Unspent bond proceeds                         | 26,851,022           | -                    |
| <b>Total net investment in capital assets</b> | <b>\$ 87,855,325</b> | <b>228,920</b>       |

**K. Fund Balances**

As of June 30, 2023, fund balances components consisted of the following:

|                                    | <u>General<br/>Fund</u> | <u>Other<br/>Governmental<br/>Funds</u> | <u>Total</u>      |
|------------------------------------|-------------------------|-----------------------------------------|-------------------|
| Nonspendable:                      |                         |                                         |                   |
| Amounts held in escrow             | \$ -                    | 149,650                                 | 149,650           |
| Long-term receivables              | 599,532                 | -                                       | 599,532           |
| Inventory                          | -                       | 54,658                                  | 54,658            |
| Prepaid expenditures               | 50,782                  | 106,443                                 | 157,225           |
| Principal for permanent funds      | -                       | 69,475                                  | 69,475            |
| <b>Total nonspendable</b>          | <b>650,314</b>          | <b>380,226</b>                          | <b>1,030,540</b>  |
| Restricted:                        |                         |                                         |                   |
| Education                          | 9,875,588               | 2,139,696                               | 12,015,284        |
| Community development programs     | -                       | 1,368,340                               | 1,368,340         |
| Tax Increment Financing            | -                       | 1,276,262                               | 1,276,262         |
| City special:                      |                         |                                         |                   |
| General government                 | -                       | 1,695,333                               | 1,695,333         |
| Public safety                      | -                       | 129,779                                 | 129,779           |
| Public works                       | -                       | 165,062                                 | 165,062           |
| Permanent funds:                   |                         |                                         |                   |
| Health and welfare                 | -                       | 193,452                                 | 193,452           |
| Public services                    | -                       | 6,309                                   | 6,309             |
| <b>Total restricted</b>            | <b>9,875,588</b>        | <b>6,974,233</b>                        | <b>16,849,821</b> |
| Committed:                         |                         |                                         |                   |
| Education                          | -                       | 81,191                                  | 81,191            |
| Parking                            | -                       | 40,215                                  | 40,215            |
| Parks and recreation               | -                       | 237,086                                 | 237,086           |
| Capital improvement                | -                       | 7,751,051                               | 7,751,051         |
| New Edward Little Building project | -                       | 19,396,764                              | 19,396,764        |
| <b>Total committed</b>             | <b>-</b>                | <b>27,506,307</b>                       | <b>27,506,307</b> |

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**III. DETAILED NOTES ON ALL FUNDS, Continued**

|                                   |                          |                       |                       |
|-----------------------------------|--------------------------|-----------------------|-----------------------|
| Assigned:                         |                          |                       |                       |
| Subsequent budget                 | \$ 1,500,000             | -                     | 1,500,000             |
| Reserves                          | 250,000                  | -                     | 250,000               |
| Self-insurance                    | 853,036                  | -                     | 853,036               |
| Encumbrances:                     |                          |                       |                       |
| General government                | 264,508                  | -                     | 264,508               |
| Public safety                     | 84,234                   | -                     | 84,234                |
| Health and welfare                | 1,215                    | -                     | 1,215                 |
| Public services                   | 294,645                  | -                     | 294,645               |
| Capital investment and purchasing | 51,361                   | -                     | 51,361                |
| <b>Total assigned</b>             | <b>3,298,999</b>         | <b>-</b>              | <b>3,298,999</b>      |
| <br><b>Unassigned</b>             | <br><b>14,002,632</b>    | <br><b>(116,059)</b>  | <br><b>13,886,573</b> |
| <br><b>Total fund balance</b>     | <br><b>\$ 27,827,533</b> | <br><b>34,744,707</b> | <br><b>62,572,240</b> |

**L. 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 \$31,500 reported as landfill post-closure care liability at June 30, 2023 represents the estimated liability for post-closure care costs at that date. The cost is comprised of \$31,500 for post-closure care costs (3 years) for a brush landfill that stopped accepting debris during fiscal year 1996.

The estimated total cost of landfill post-closure care of \$31,500 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, 2023. 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.

**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, 2023.

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, 2023, the City incurred new claims of \$295,079, but the City paid \$557,132 in actual claims during the fiscal year.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**IV. OTHER INFORMATION, Continued**

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 \$853,036 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<br><u>2023</u> | Fiscal Year<br><u>2022</u> |
|----------------------------------------------------------------------------|----------------------------|----------------------------|
| Unpaid claims as of July 1                                                 | \$ 1,115,089               | 980,149                    |
| Incurred claims (including claims incurred but not reported as of June 30) | 295,079                    | 428,264                    |
| <u>Total claim payments</u>                                                | <u>557,132</u>             | <u>293,324</u>             |
| Current claims liability                                                   | 42,886                     | 29,659                     |
| <u>Long-term claims liability</u>                                          | <u>810,150</u>             | <u>1,085,430</u>           |
| <b><u>Total unpaid claims liability</u></b>                                | <b><u>\$ 853,036</u></b>   | <b><u>1,115,089</u></b>    |

The City assigns a portion of its General Fund balance for workers compensation. This amount totaled \$853,036 at June 30, 2023.

**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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**IV. OTHER INFORMATION, Continued**

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.

Information pertaining to each of these four joint ventures follows:

**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, 2023 the City contributed \$119,151 to employee's deferred compensation plans.

**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, 2023, the City had the following balances reported in the government-wide financial statements:

|              |           | Net Pension<br><u>Liability</u> | Deferred<br>Outflows of<br><u>Resources</u> | Deferred<br>Inflows of<br><u>Resources</u> | Pension<br><u>Expense</u> |
|--------------|-----------|---------------------------------|---------------------------------------------|--------------------------------------------|---------------------------|
| PLD Plan     | \$        | 6,414,099                       | 4,530,677                                   | 2,743,056                                  | 1,604,255                 |
| SET Plan     |           | 2,579,411                       | 2,506,803                                   | 508,022                                    | 4,792,281                 |
| <b>Total</b> | <b>\$</b> | <b>8,993,510</b>                | <b>7,037,480</b>                            | <b>3,251,078</b>                           | <b>6,396,536</b>          |

Detailed disclosures for each plan follow.



**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**IV. OTHER INFORMATION, Continued**

**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](http://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.

**PLD Plan** - Employees are required to contribute 6.85% to 9.70% 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, 2022 was 10.20% or 13.40% of annual payroll for the regular plan or public safety plan, respectively. Contributions to the pension plan from the City were \$2,015,317 for governmental activities and \$21,501 for business-type activities for the year ended June 30, 2023.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**IV. OTHER INFORMATION, Continued**

**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, 2023, was 18.13% of annual payroll, of which 3.84% of payroll was required from the City and 14.29% was required from the State. Contributions to the pension plan from the City were \$958,022 for the year ended June 30, 2023.

***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, 2022, 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, 2023, the City reported a liability of \$6,346,389 for governmental activities and \$67,710 for business-type activities for its proportionate share of the net pension liability. At June 30, 2023, the City's proportion of the PLD Plan was 2.4128%.

**SET Plan** - At June 30, 2023, 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  | \$ 2,579,411                |
| State's proportionate share of the net pension liability |                             |
| associated with the City                                 | <u>23,209,509</u>           |
| <b>Total</b>                                             | <b><u>\$ 25,788,920</u></b> |

At June 30, 2023, the City's proportion of the SET Plan was 0.1737%.

For the year ended June 30, 2023, the City recognized pension expense of \$1,597,589 for governmental activities and \$6,666 for business-type activities for the PLD Plan and also recognized a pension expense of \$4,792,281 and revenue of \$3,564,656 for support provided by the State for the SET Plan.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**IV. OTHER INFORMATION, Continued**

At June 30, 2023, 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                                                        | \$ 1,179,436                          | -                                    | 12,583                                | -                                    |
| Changes of assumptions                                                                                    | 1,288,097                             | -                                    | 13,743                                | -                                    |
| Net difference between projected and actual earnings on pension plan investments                          | -                                     | 2,663,615                            | -                                     | 28,418                               |
| Changes in proportion and differences between City contributions and proportionate share of contributions | -                                     | 50,484                               | -                                     | 539                                  |
| City contributions subsequent to the measurement date                                                     | 2,015,317                             | -                                    | 21,501                                | -                                    |
| <b>Total</b>                                                                                              | <b>\$ 4,482,850</b>                   | <b>2,714,099</b>                     | <b>47,827</b>                         | <b>28,957</b>                        |

At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to SET plan from the following sources:

|                                                                                                           | <u>Governmental Activities</u>        |                                      |
|-----------------------------------------------------------------------------------------------------------|---------------------------------------|--------------------------------------|
|                                                                                                           | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
| Differences between expected and actual experience                                                        | \$ 128,497                            | -                                    |
| Changes of assumptions                                                                                    | 500,861                               | -                                    |
| Net difference between projected and actual earnings on pension plan investments                          | -                                     | 508,022                              |
| Changes in proportion and differences between City contributions and proportionate share of contributions | 919,423                               | -                                    |
| City contributions subsequent to the measurement date                                                     | 958,022                               | -                                    |
| <b>Total</b>                                                                                              | <b>\$ 2,506,803</b>                   | <b>508,022</b>                       |

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**IV. OTHER INFORMATION, Continued**

An amount of \$2,973,339 for governmental activities and \$21,501 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, 2024. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ended<br>June 30: | Governmental<br>Activities | Business-type<br>Activities |
|------------------------|----------------------------|-----------------------------|
| 2024                   | \$ 1,341,278               | 7,700                       |
| 2025                   | (422,149)                  | (6,024)                     |
| 2026                   | (1,615,613)                | (17,655)                    |
| 2027                   | 1,490,677                  | 13,348                      |

**Actuarial Assumptions** - The total pension liability (asset) in the June 30, 2022 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, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2020.

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, 2022 are summarized in the following table:

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-term Expected<br/>Real Rate of Return</u> |
|--------------------|--------------------------|---------------------------------------------------|
| Public Equities    | 30.0%                    | 6.0%                                              |
| US Government      | 10.0%                    | 2.3%                                              |
| 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%                     | 5.9%                                              |

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**IV. OTHER INFORMATION, Continued**

**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><b>PLD Plan</b></u>                                             | 1%<br>Decrease<br><u>(5.50%)</u> | Current<br>Discount Rate<br><u>(6.50%)</u> | 1%<br>Increase<br><u>(7.50%)</u> |
|--------------------------------------------------------------------|----------------------------------|--------------------------------------------|----------------------------------|
| City's proportionate share of<br>the net pension liability (asset) | \$ 18,949,075                    | \$ 6,414,099                               | (\$ 3,946,504)                   |
| <u><b>SET Plan</b></u>                                             | 1%<br>Decrease<br><u>(5.50%)</u> | Current<br>Discount Rate<br><u>(6.50%)</u> | 1%<br>Increase<br><u>(7.50%)</u> |
| City's proportionate share of<br>the net pension liability         | \$ 5,051,100                     | \$ 2,579,411                               | \$ 521,473                       |

**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, 2023.

**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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**IV. OTHER INFORMATION, Continued**

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 \$119,151 which was 6% of its current-year covered payroll. The covered payroll amounted to \$1,992,029. Employees' required contributions amounted to \$99,292, 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.

**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, 2023, the City had the following balances reported in the government-wide financial statements:

|              | Total OPEB<br><u>Liability</u> | Deferred<br>Outflows of<br><u>Resources</u> | Deferred<br>Inflows of<br><u>Resources</u> | OPEB (Gain)<br><u>Expense</u> |
|--------------|--------------------------------|---------------------------------------------|--------------------------------------------|-------------------------------|
| Health Plan  | \$ 3,484,306                   | 63,751                                      | 393,226                                    | (9,491)                       |
| Life Plan    | -                              | -                                           | -                                          | 81,915                        |
| School Plan  | 10,873,436                     | 1,473,533                                   | 185,844                                    | 179,753                       |
| <b>Total</b> | <b>\$14,357,742</b>            | <b>1,537,284</b>                            | <b>579,070</b>                             | <b>252,177</b>                |

Detailed disclosures for each plan follow.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**IV. OTHER INFORMATION, Continued**

**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, 2023, the following employees were covered by the benefit terms:

|                                                                  |            |
|------------------------------------------------------------------|------------|
| Inactive employees or beneficiaries currently receiving benefits | 34         |
| Inactive employee entitled to but not yet receiving benefits     | -          |
| Active employees                                                 | 186        |
| Total                                                            | <u>220</u> |

***Total OPEB Liability***

The City's total OPEB liability of \$3,484,306 was measured as of January 1, 2023, and was determined by an actuarial valuation as of that date. \$58,885 has been allocated to business-type activities (based on number of participants) and the remaining \$3,425,421 is reported in governmental activities as of June 30, 2023.

**Actuarial Assumptions and Other Inputs** – The total OPEB liability in the January 1, 2023 measurement was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

|                                              |                                                 |
|----------------------------------------------|-------------------------------------------------|
| Inflation                                    | 3.00% per year                                  |
| Salary increases                             | 2.75% per year                                  |
| Discount rate                                | 3.72%                                           |
| Healthcare cost trend rates                  | 7.26% for 2023, decreasing to<br>4.55% for 2043 |
| Retirees' share of the benefit related costs | 100% of projected health insurance<br>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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**IV. OTHER INFORMATION, Continued**

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

***Changes in the Total OPEB Liability***

|                                        | <b>Total OPEB<br/>Liability</b> |
|----------------------------------------|---------------------------------|
| Balance at June 30, 2022               | \$ 3,816,222                    |
| Changes for the year:                  |                                 |
| Service cost                           | 109,385                         |
| Interest                               | 79,620                          |
| Changes in benefit terms               | -                               |
| Difference between expected and actual | -                               |
| Changes in assumptions or other inputs | (399,143)                       |
| Benefit payments                       | (121,778)                       |
| Net changes                            | (331,916)                       |
| Balance at June 30, 2023               | \$ 3,484,306                    |

Change in assumptions reflects a change in the discount rate from 2.06% to 3.72%.

**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 2.06%, 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 (2.72%) or 1 percentage-point higher (4.72%) than the current rate:

|                      | <b>1% Decrease<br/>(2.72%)</b> | <b>Discount Rate<br/>(3.72%)</b> | <b>1% Increase<br/>(4.72%)</b> |
|----------------------|--------------------------------|----------------------------------|--------------------------------|
| Total OPEB liability | \$ 4,036,238                   | 3,484,306                        | 3,036,520                      |

**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 7.90% grading over 20 years to 4.55% 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:

|                      | <b>1% Decrease</b> | <b>Healthcare Cost<br/>Trend Rates</b> | <b>1% Increase</b> |
|----------------------|--------------------|----------------------------------------|--------------------|
| Total OPEB liability | \$ 2,966,453       | 3,484,306                              | 4,151,170          |



**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**IV. OTHER INFORMATION, Continued**

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

For the year ended June 30, 2023, the City recognized an OPEB gain of \$9,491. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|                                                    |           | <b>Governmental Activities</b>                |                                              | <b>Business-type Activities</b>               |                                              |
|----------------------------------------------------|-----------|-----------------------------------------------|----------------------------------------------|-----------------------------------------------|----------------------------------------------|
|                                                    |           | <b>Deferred<br/>Outflows of<br/>Resources</b> | <b>Deferred<br/>Inflows of<br/>Resources</b> | <b>Deferred<br/>Outflows of<br/>Resources</b> | <b>Deferred<br/>Inflows of<br/>Resources</b> |
| Differences between expected and actual experience | \$        | -                                             | 219,264                                      | -                                             | 3,769                                        |
| Changes of assumption or other inputs              |           | -                                             | 167,316                                      | -                                             | 2,877                                        |
| Contributions subsequent to measurement            |           | 62,674                                        | -                                            | 1,077                                         | -                                            |
| <b>Total</b>                                       | <b>\$</b> | <b>62,674</b>                                 | <b>386,580</b>                               | <b>1,077</b>                                  | <b>6,646</b>                                 |

An amount of \$62,674 for governmental activities and \$1,077 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, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| <b><u>Year ended June 30:</u></b> |    | <b><u>Governmental<br/>Activities</u></b> | <b><u>Business-type<br/>Activities</u></b> |
|-----------------------------------|----|-------------------------------------------|--------------------------------------------|
| 2024                              | \$ | (72,608)                                  | (1,248)                                    |
| 2025                              |    | (72,608)                                  | (1,248)                                    |
| 2026                              |    | (72,608)                                  | (1,248)                                    |
| 2027                              |    | (33,102)                                  | (569)                                      |
| 2028                              |    | 250                                       | 4                                          |
| Thereafter                        |    | (135,904)                                 | (2,337)                                    |

**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.mainepeps.org](http://www.mainepeps.org).

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**IV. OTHER INFORMATION, Continued**

**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 \$81,915 for the year ended June 30, 2023. 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, 2023, 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 \$687,259 as of June 30, 2023. The net OPEB liability was measured as of June 30, 2022, 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, 2023, the City's proportion was 0.00%.

For the year ended June 30, 2023, the City recognized OPEB expense of \$81,915 and also revenues of \$81,915 for support provided by the State. At June 30, 2023, 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, 2022 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, 2022 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:

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**IV. OTHER INFORMATION, Continued**

| Asset Class              | Long-term<br>Expected<br>Real Rate of Return |
|--------------------------|----------------------------------------------|
| Public equities          | 6.0%                                         |
| Real estate              | 5.2%                                         |
| Traditional credit       | 3.0%                                         |
| 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.

**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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**IV. OTHER INFORMATION, Continued**

*Employees Covered by Benefit Terms* – At June 30, 2023, 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 \$10,873,436 was measured as of June 30, 2022, and was determined by an actuarial valuation as of June 30, 2022.

*Changes in the Total OPEB Liability*

|                                                    |                      |
|----------------------------------------------------|----------------------|
| Balance at June 30, 2022                           | \$ 10,538,108        |
| Changes for the year:                              |                      |
| Service cost                                       | 143,686              |
| Interest                                           | 227,310              |
| Changes of benefit terms                           | -                    |
| Differences between expected and actual experience | 345,406              |
| Changes in assumptions or other inputs             | (63,040)             |
| Benefit payments                                   | <u>(318,034)</u>     |
| Net changes                                        | <u>335,328</u>       |
| Balance at June 30, 2023                           | <u>\$ 10,873,436</u> |

Change in assumptions reflects a change in the discount rate from 2.16% to 3.54%.

For the year ended June 30, 2023, the City recognized an OPEB expense of \$179,753. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|                                                    | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|----------------------------------------------------|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ -                                 | 185,844                             |
| Changes of assumption or other inputs              | 1,087,527                            | -                                   |
| City contributions subsequent to measurement date  | <u>386,006</u>                       | <u>-</u>                            |
| Total                                              | <u>\$ 1,473,533</u>                  | <u>185,844</u>                      |

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**IV. OTHER INFORMATION, Continued**

\$386,006 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, 2024. 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<br/>Activities</u> |
|----------------------------|------------------------------------|
| 2024                       | \$ 194,762                         |
| 2025                       | 261,555                            |
| 2026                       | 176,949                            |
| 2027                       | 176,954                            |
| 2028                       | 51,125                             |
| Thereafter                 | 40,338                             |

**Actuarial Assumptions** - The total OPEB liability in the June 30, 2022 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                                | 3.54% 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 | 55% of the blended premium rate with a State subsidy for the remaining 45% 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

The actuarial assumptions used in the June 30, 2022 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 3.54% 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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**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 3.54%, 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 (2.54%) or 1 percentage-point higher (4.54%) than the current rate:

|                      | 1%<br>Decrease<br>(2.54%) | Discount<br>Rate<br>(3.54%) | 1%<br>Increase<br>(4.54%) |
|----------------------|---------------------------|-----------------------------|---------------------------|
| Total OPEB liability | \$ 12,463,915             | 10,873,436                  | 9,570,884                 |

**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<br>Trend Rates | 1% Increase |
|----------------------|--------------|--------------------------------|-------------|
| Total OPEB liability | \$ 9,523,775 | 10,873,436                     | 9,570,884   |

**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, 2023**

**IV. OTHER INFORMATION, Continued**

For the fiscal year ended June 30, 2023, the City remitted a total of \$735,467 in Credit Enhancement payments, including the following, each of which exceeded 10 percent of the total amount remitted:

| <u>TIF district</u>            | <u>Beginning;<br/>duration</u> | <u>CEA entity</u>  | <u>CEA reimbursement basis</u>                      | <u>Amount paid<br/>during the<br/>fiscal year</u> |
|--------------------------------|--------------------------------|--------------------|-----------------------------------------------------|---------------------------------------------------|
| TIF 6<br>Tambrands II          | 2001;<br>30 Years              | Tambrands, Inc.    | 40% on revenues<br>within district                  | \$ 143,231 (19.47%)                               |
| TIF 13<br>Retail Development   | 2007;<br>15 years              | Auburn Plaza, Inc. | 30%-47% based on<br>growth in value of the district | 126,667 (17.22%)                                  |
| TIF 14 & 15<br>Hartt Transport | 2007;<br>20 years              | Auburn Plaza Inc   | 47% of 75% on revenues<br>within district           | 210,923 (28.68%)                                  |

**G. Prior Period Adjustments**

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

- 1) The City is participating in the National Opioid Settlement, which negotiated settlements with various pharmaceutical supply chain entities for their role in the marketing and sales of opioid pain medications. Settlements will be paid from the National Opioid Settlement fund over a period of 18 years and may be used to fund permissible opioid abatement activities as described in the court order to the Settlement. Three settlements were reached in fiscal year 2022 that were not recorded as receivable on the City's books. The error resulted in understating revenues by \$969,340 in the Government-Wide Statement of Activities.
- 2) \$887,512 in capital asset were not properly recognized in the prior year.
- 3) Two leases payable, with a combined value of \$665,095, were excluded in the prior year.
- 4) In the current-year, management determined that \$193,356 in Community Development Programs loans had been erroneously excluded in the prior year.

|                                                          | <u>Governmental<br/>Activities</u> | <u>Community<br/>Development<br/>Programs</u> |
|----------------------------------------------------------|------------------------------------|-----------------------------------------------|
| <b>June 2022:</b>                                        |                                    |                                               |
| Net position / fund balance as<br>previously reported    | \$ 86,999,541                      | 1,569,372                                     |
| Opioid settlement                                        | 969,340                            | -                                             |
| Change in capital assets                                 | 887,512                            | -                                             |
| Additional leases                                        | (665,095)                          | -                                             |
| Change in Community Development Programs<br>loan balance | 193,356                            | 193,356                                       |
| <b>Net position / fund balance,<br/>as restated</b>      | <b>\$ 88,384,654</b>               | <b>1,762,728</b>                              |

**CITY OF AUBURN, MAINE**  
**Required Supplementary Information**  
**June 30, 2023**

**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\*

| <u>PLD Plan</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>     |
|--------------------------------------------------------------------------------------------------------|----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| City's proportion of the net pension liability (asset)                                                 | 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)                                        | \$ 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                                                                                 | 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 | 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)                      | 93.26%               | 100.86%           | 88.35%            | 90.62%            | 91.14%            | 86.43%            | 81.61%            | 88.27%            | 94.10%            |
| <u>SET Plan</u>                                                                                        |                      |                   |                   |                   |                   |                   |                   |                   |                   |
| City's proportion of the net pension liability                                                         | 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                                                | \$ 2,579,411         | 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                      | 23,209,509           | 14,057,079        | 28,523,249        | 24,793,363        | 22,421,680        | 23,808,252        | 28,107,548        | 22,336,682        | 16,612,780        |
| <b>Total</b>                                                                                           | <b>\$ 25,788,920</b> | <b>14,702,089</b> | <b>29,881,120</b> | <b>26,248,509</b> | <b>23,783,241</b> | <b>25,863,634</b> | <b>30,347,427</b> | <b>24,032,228</b> | <b>17,745,160</b> |
| City's covered payroll                                                                                 | \$ 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         | 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                             | 85.79%               | 90.90%            | 81.03%            | 82.73%            | 82.90%            | 80.78%            | 76.21%            | 81.18%            | 83.91%            |

\* Only nine years of information available.

\*\* 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, 2023**

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

| <u>PLD Plan</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> | <u>2014</u> |
|----------------------------------------------------------------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Contractually required contribution                                  | \$ 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   | 809,164     |
| Contributions in relation to the contractually required contribution | (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) | (809,164)   |
| <b>Contribution deficiency (excess)</b>                              | -            | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| City's covered payroll                                               | 17,725,568   | 16,540,280  | 13,758,683  | 14,077,593  | 13,487,059  | 12,843,417  | 11,795,593  | 11,596,585  | 11,365,621  | 11,004,456  |
| Contributions as a percentage of covered payroll                     | 11.49%       | 11.50%      | 11.90%      | 11.20%      | 11.51%      | 11.08%      | 10.63%      | 10.39%      | 9.30%       | 7.35%       |
| <b>SET Plan</b>                                                      |              |             |             |             |             |             |             |             |             |             |
| Contractually required contribution                                  | \$ 958,022   | 929,488     | 979,508     | 942,731     | 858,216     | 859,607     | 723,656     | 675,623     | 531,203     | 495,351     |
| Contributions in relation to the contractually required contribution | (958,022)    | (929,488)   | (979,508)   | (942,731)   | (858,216)   | (859,607)   | (723,656)   | (675,623)   | (531,203)   | (495,351)   |

|                                                  |               |            |            |            |            |            |            |            |            |            |
|--------------------------------------------------|---------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| <b>Contribution deficiency (excess)</b>          | -             | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| 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 |
| Contributions as a percentage of covered payroll | 3.84%         | 3.84%      | 4.16%      | 4.16%      | 3.97%      | 3.97%      | 3.36%      | 3.36%      | 2.65%      | 2.65%      |

**CITY OF AUBURN, MAINE**  
**Required Supplementary Information, Continued**  
**June 30, 2023**

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

Last 10 Fiscal Years\*

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

\* Only six years of information available.

**CITY OF AUBURN, MAINE**  
**Notes to Required Supplementary Information, Continued**  
**June 30, 2023**

**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\*

|                                                                                | 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%   |
| City's proportionate share of the net OPEB liability                           | \$ -       | -       | -       | -       | -       | -       |
| State's proportionate share of the net OPEB liability associated with the City |            |         |         |         |         |         |
| Total                                                                          | 687,259    | 365,432 | 761,280 | 708,166 | 659,905 | 598,566 |
|                                                                                | \$ 687,259 | 365,432 | 761,280 | 708,166 | 659,905 | 598,566 |
| Plan fiduciary net position as a percentage of the total OPEB liability        | 52.39%     | 62.90%  | 49.51%  | 49.22%  | 48.04%  | 47.29%  |

\* Only six 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**  
**Notes to Required Supplementary Information, Continued**  
**June 30, 2023**

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

|                                                                  | 2023           | 2022           | 2021          | 2020           | 2019             |
|------------------------------------------------------------------|----------------|----------------|---------------|----------------|------------------|
| <b>Total OPEB Liability</b>                                      |                |                |               |                |                  |
| Service cost                                                     | \$ 143,686     | 158,111        | 77,627        | 65,322         | 70,006           |
| Interest                                                         | 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                           | (63,040)       | 75,509         | 1,724,110     | 507,636        | (400,753)        |
| Benefit payments                                                 | (318,034)      | (304,715)      | (438,722)     | (381,958)      | (368,757)        |
| <b>Net change in total OPEB liability</b>                        | <b>335,328</b> | <b>158,441</b> | <b>10,952</b> | <b>565,588</b> | <b>(340,402)</b> |
| Total OPEB liability - beginning                                 | 10,538,108     | 10,379,667     | 10,368,715    | 9,803,127      | 10,143,529       |
| Total OPEB liability - ending                                    | \$ 10,873,436  | 10,538,108     | 10,379,667    | 10,368,715     | 9,803,127        |
| Covered-employee payroll                                         | \$ 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 | 49.7%          | 43.1%          | 44.0%         | 45.7%          | 44.4%            |

\* Only five years of information available.

**CITY OF AUBURN, MAINE**  
**Notes to Required Supplementary Information**  
**June 30, 2023**

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**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%-<br>11.48% | 2.75% plus<br>merit | 2.75-<br>9.00%  | 2.75-<br>9.00%  | 3.50-<br>9.50%  | 3.50-<br>9.50%  | 3.50-<br>9.50%  |
| Salary increases – SET            | 2.80%-<br>13.03% | 2.75% plus<br>merit | 2.75-<br>14.50% | 2.75-<br>14.50% | 3.50-<br>13.50% | 3.50-<br>13.50% | 3.50-<br>13.50% |
| Cost of living increases<br>– PLD | 1.91%            | 1.91%               | 1.91%           | 2.20%           | 2.20%           | 2.55%           | 3.12%           |
| Cost of living increases<br>– 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 Health 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:

| <b>Fiscal Year</b> | <b>Discount Rate</b> |
|--------------------|----------------------|
| 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 Health 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, 2023**

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**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:

| <b>Fiscal Year</b> | <b>Discount Rate</b> |
|--------------------|----------------------|
| 2017               | 3.78%                |
| 2018               | 3.44%                |
| 2019               | 4.10%                |
| 2020               | 2.74%                |
| 2021               | 2.12%                |
| 2022               | 2.06%                |
| 2023               | 3.72%                |

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:

| <b>Fiscal Year</b> | <b>Discount Rate</b> |
|--------------------|----------------------|
| 2018               | 3.58%                |
| 2019               | 3.87%                |
| 2020               | 3.50%                |
| 2021               | 2.21%                |
| 2022               | 2.16%                |
| 2023               | 3.54%                |

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, 2023**

|                                            | Nonmajor<br>Special<br>Revenue<br>Funds | Nonmajor<br>Permanent<br>Funds | Total Other<br>Governmental<br>Funds |
|--------------------------------------------|-----------------------------------------|--------------------------------|--------------------------------------|
| <b>ASSETS</b>                              |                                         |                                |                                      |
| Cash and cash equivalents                  | \$ 6,756,618                            | 270,774                        | 7,027,392                            |
| Receivables:                               |                                         |                                |                                      |
| Accounts                                   | 973                                     | -                              | 973                                  |
| Loans receivable                           | 900,215                                 | -                              | 900,215                              |
| Intergovernmental                          | 5,793,273                               | -                              | 5,793,273                            |
| Prepaid expenditures                       | 106,443                                 | -                              | 106,443                              |
| Inventory                                  | 54,658                                  | -                              | 54,658                               |
| Interfund receivable                       | 7,906,527                               | -                              | 7,906,527                            |
| <b>Total assets</b>                        | <b>21,518,707</b>                       | <b>270,774</b>                 | <b>21,789,481</b>                    |
| <b>LIABILITIES</b>                         |                                         |                                |                                      |
| Accounts payable                           | 1,241,210                               | -                              | 1,241,210                            |
| Accrued payroll                            | 49,145                                  | -                              | 49,145                               |
| Unearned revenue                           | 11,397,889                              | -                              | 11,397,889                           |
| Interfund payable                          | 3,271,873                               | 1,538                          | 3,273,411                            |
| <b>Total liabilities</b>                   | <b>15,960,117</b>                       | <b>1,538</b>                   | <b>15,961,655</b>                    |
| Deferred inflows of resources:             |                                         |                                |                                      |
| Unavailable revenue - settlement proceeds  | 1,025,186                               | -                              | 1,025,186                            |
| <b>Total deferred inflows of resources</b> | <b>1,025,186</b>                        | <b>-</b>                       | <b>1,025,186</b>                     |
| Nonspendable - inventory                   | 54,658                                  | -                              | 54,658                               |
| Nonspendable - prepaid expenditures        | 106,443                                 | -                              | 106,443                              |
| Nonspendable - principal                   | -                                       | 69,475                         | 69,475                               |
| Restricted                                 | 4,129,870                               | 199,761                        | 4,329,631                            |
| Committed                                  | 358,492                                 | -                              | 358,492                              |
| Unassigned                                 | (116,059)                               | -                              | (116,059)                            |
| <b>Total fund balances</b>                 | <b>4,533,404</b>                        | <b>269,236</b>                 | <b>4,802,640</b>                     |
| <b>Total liabilities and fund balances</b> | <b>\$ 21,518,707</b>                    | <b>270,774</b>                 | <b>21,789,481</b>                    |

**CITY OF AUBURN, MAINE**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2023**

|                                                           | Nonmajor<br>Special<br>Revenue<br>Funds | Nonmajor<br>Permanent<br>Funds | Total Other<br>Governmental<br>Funds |
|-----------------------------------------------------------|-----------------------------------------|--------------------------------|--------------------------------------|
| Revenues:                                                 |                                         |                                |                                      |
| Intergovernmental                                         | \$ 12,323,010                           | -                              | 12,323,010                           |
| Charges for services                                      | 1,435,183                               | -                              | 1,435,183                            |
| Student activity fees and fundraisers                     | 277,863                                 | -                              | 277,863                              |
| Other income                                              | 878,605                                 | -                              | 878,605                              |
| Interest income                                           | 8,950                                   | 2,915                          | 11,865                               |
| Total revenues                                            | 14,923,611                              | 2,915                          | 14,926,526                           |
| Expenditures:                                             |                                         |                                |                                      |
| Current:                                                  |                                         |                                |                                      |
| General government                                        | 1,907,587                               | -                              | 1,907,587                            |
| Public safety                                             | 141,139                                 | -                              | 141,139                              |
| Health, welfare and recreation                            | 531,311                                 | -                              | 531,311                              |
| Public works                                              | 2,217,504                               | -                              | 2,217,504                            |
| Education                                                 | 6,576,017                               | -                              | 6,576,017                            |
| Food services                                             | 2,123,206                               | -                              | 2,123,206                            |
| Student activities                                        | 260,269                                 | -                              | 260,269                              |
| Debt service                                              | 159,119                                 | -                              | 159,119                              |
| Total expenditures                                        | 13,916,152                              | -                              | 13,916,152                           |
| Excess (deficiency) of revenues over (under) expenditures | 1,007,459                               | 2,915                          | 1,010,374                            |
| Other financing sources (uses):                           |                                         |                                |                                      |
| Transfers out                                             | 175,000                                 | -                              | 175,000                              |
| Total other financing sources (uses)                      | 175,000                                 | -                              | 175,000                              |
| Net change in fund balances                               | 1,182,459                               | 2,915                          | 1,185,374                            |
| Fund balances, July 1                                     | 3,350,945                               | 266,321                        | 3,617,266                            |
| Fund balances, June 30                                    | \$ 4,533,404                            | 269,236                        | 4,802,640                            |

**CITY OF AUBURN, MAINE**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2023**

|                                                       | City<br>Special      | Centralized<br>School Lunch<br>Program | School<br>Activity<br>Funds | School<br>Special | Parking       | Parks and<br>Recreation | Totals            |
|-------------------------------------------------------|----------------------|----------------------------------------|-----------------------------|-------------------|---------------|-------------------------|-------------------|
| <b>ASSETS</b>                                         |                      |                                        |                             |                   |               |                         |                   |
| Cash and cash equivalents                             |                      |                                        | 80,357                      | -                 | -             | -                       | 6,756,618         |
| Receivables:                                          |                      |                                        |                             |                   |               |                         |                   |
| Accounts                                              | -                    | -                                      | 260                         | 713               | -             | -                       | 973               |
| Loans receivable                                      | 900,215              | -                                      | -                           | -                 | -             | -                       | 900,215           |
| Intergovernmental                                     | 3,093,778            | 116,665                                | -                           | 2,582,830         | -             | -                       | 5,793,273         |
| Prepaid expenditures                                  | -                    | 12,780                                 | -                           | 93,663            | -             | -                       | 106,443           |
| Inventory                                             | -                    | 54,658                                 | -                           | -                 | -             | -                       | 54,658            |
| Interfund receivable                                  | 6,588,918            | 1,024,624                              | 574                         | -                 | 40,799        | 251,612                 | 7,906,527         |
| <b>Total assets</b>                                   | <b>17,053,512</b>    | <b>1,414,387</b>                       | <b>81,191</b>               | <b>2,677,206</b>  | <b>40,799</b> | <b>251,612</b>          | <b>21,518,707</b> |
| <b>LIABILITIES</b>                                    |                      |                                        |                             |                   |               |                         |                   |
| Accounts payable                                      | 959,970              | 11,404                                 | -                           | 254,726           | 584           | 14,526                  | 1,241,210         |
| Accrued payroll                                       | -                    | -                                      | -                           | 49,145            | -             | -                       | 49,145            |
| Unearned revenue                                      | 11,386,515           | 11,374                                 | -                           | -                 | -             | -                       | 11,397,889        |
| Interfund payable                                     | 1,804,523            | -                                      | -                           | 1,467,350         | -             | -                       | 3,271,873         |
| <b>Total liabilities</b>                              | <b>14,151,008</b>    | <b>22,778</b>                          | <b>-</b>                    | <b>1,771,221</b>  | <b>584</b>    | <b>14,526</b>           | <b>15,960,117</b> |
| Deferred inflows of resources:                        |                      |                                        |                             |                   |               |                         |                   |
| Unavailable revenue - settlement proceeds             | 1,025,186            | -                                      | -                           | -                 | -             | -                       | 1,025,186         |
| <b>Total deferred inflows of resources</b>            | <b>1,025,186</b>     | <b>-</b>                               | <b>-</b>                    | <b>-</b>          | <b>-</b>      | <b>-</b>                | <b>1,025,186</b>  |
| <b>FUND BALANCES (DEFICITS)</b>                       |                      |                                        |                             |                   |               |                         |                   |
| Nonspendable - inventory                              | -                    | 54,658                                 | -                           | -                 | -             | -                       | 54,658            |
| Nonspendable - prepaid expenditures                   | -                    | 12,780                                 | -                           | 93,663            | -             | -                       | 106,443           |
| Restricted                                            | 1,990,174            | 1,324,171                              | -                           | 815,525           | -             | -                       | 4,129,870         |
| Committed                                             | -                    | -                                      | 81,191                      | -                 | 40,215        | 237,086                 | 358,492           |
| Unassigned                                            | (112,856)            | -                                      | -                           | (3,203)           | -             | -                       | (116,059)         |
| <b>Total fund balances (deficits)</b>                 | <b>1,877,318</b>     | <b>1,391,609</b>                       | <b>81,191</b>               | <b>905,985</b>    | <b>40,215</b> | <b>237,086</b>          | <b>4,533,404</b>  |
| <b>Total liabilities and fund balances (deficits)</b> | <b>\$ 17,053,512</b> | <b>1,414,387</b>                       | <b>81,191</b>               | <b>2,677,206</b>  | <b>40,799</b> | <b>251,612</b>          | <b>21,518,707</b> |

**CITY OF AUBURN, MAINE**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2023**

|                                                           | City<br>Special     | Centralized<br>School Lunch<br>Program | School<br>Activity<br>Funds | School<br>Special | Parking       | Parks and<br>Recreation | Totals           |
|-----------------------------------------------------------|---------------------|----------------------------------------|-----------------------------|-------------------|---------------|-------------------------|------------------|
| Revenues:                                                 |                     |                                        |                             |                   |               |                         |                  |
| Intergovernmental                                         | \$ 4,414,442        | 2,428,908                              | -                           | 5,479,660         | -             | -                       | 12,323,010       |
| Charges for services                                      | 2,677               | 73,839                                 | -                           | 701,863           | 144,412       | 512,392                 | 1,435,183        |
| Student activity fees and fundraisers                     | -                   | -                                      | 277,863                     | -                 | -             | -                       | 277,863          |
| Other income                                              | 468,069             | 4,060                                  | -                           | 406,476           | -             | -                       | 878,605          |
| Interest income                                           | 8,950               | -                                      | -                           | -                 | -             | -                       | 8,950            |
| Total revenues                                            | 4,894,138           | 2,506,807                              | 277,863                     | 6,587,999         | 144,412       | 512,392                 | 14,923,611       |
| Expenditures:                                             |                     |                                        |                             |                   |               |                         |                  |
| Current:                                                  |                     |                                        |                             |                   |               |                         |                  |
| General government                                        | 1,757,219           | -                                      | -                           | -                 | 150,368       | -                       | 1,907,587        |
| Public safety                                             | 141,139             | -                                      | -                           | -                 | -             | -                       | 141,139          |
| Health, welfare and recreation                            | 23,639              | -                                      | -                           | -                 | -             | 507,672                 | 531,311          |
| Public works                                              | 2,217,504           | -                                      | -                           | -                 | -             | -                       | 2,217,504        |
| Education                                                 | -                   | -                                      | -                           | 6,576,017         | -             | -                       | 6,576,017        |
| Food services                                             | -                   | 2,123,206                              | -                           | -                 | -             | -                       | 2,123,206        |
| Student activities                                        | -                   | -                                      | 260,269                     | -                 | -             | -                       | 260,269          |
| Debt service                                              | 159,119             | -                                      | -                           | -                 | -             | -                       | 159,119          |
| Total expenditures                                        | 4,298,620           | 2,123,206                              | 260,269                     | 6,576,017         | 150,368       | 507,672                 | 13,916,152       |
| Excess (deficiency) of revenues over (under) expenditures | 595,518             | 383,601                                | 17,594                      | 11,982            | (5,956)       | 4,720                   | 1,007,459        |
| Other financing sources (uses):                           |                     |                                        |                             |                   |               |                         |                  |
| Transfers in/out                                          | 175,000             | -                                      | -                           | -                 | -             | -                       | 175,000          |
| Total other financing sources (uses)                      | 175,000             | -                                      | -                           | -                 | -             | -                       | 175,000          |
| Net change in fund balances                               | 770,518             | 383,601                                | 17,594                      | 11,982            | (5,956)       | 4,720                   | 1,182,459        |
| Fund balances (deficits), July 1                          | 1,106,800           | 1,008,008                              | 63,597                      | 894,003           | 46,171        | 232,366                 | 3,350,945        |
| <b>Fund balances, June 30</b>                             | <b>\$ 1,877,318</b> | <b>1,391,609</b>                       | <b>81,191</b>               | <b>905,985</b>    | <b>40,215</b> | <b>237,086</b>          | <b>4,533,404</b> |

**CITY OF AUBURN, MAINE**  
**Combined Balance Sheet**  
**Nonmajor Permanent Funds**  
**June 30, 2023**

|                                            |                   |
|--------------------------------------------|-------------------|
| <b>ASSETS</b>                              |                   |
| Cash and cash equivalents                  | \$ 270,774        |
| <b>Total assets</b>                        | <b>270,774</b>    |
| <b>LIABILITIES</b>                         |                   |
| Interfund payable                          | 1,538             |
| <b>Total liabilities</b>                   | <b>1,538</b>      |
| <b>FUND BALANCES</b>                       |                   |
| Nonspendable - principal                   | 69,475            |
| Restricted                                 | 199,761           |
| <b>Total fund balances</b>                 | <b>269,236</b>    |
| <b>Total liabilities and fund balances</b> | <b>\$ 270,774</b> |

**CITY OF AUBURN, MAINE**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Permanent Funds**  
**For the Year Ended June 30, 2023**

|                                    |                   |
|------------------------------------|-------------------|
| <b>Revenues:</b>                   |                   |
| Interest income                    | \$ 2,915          |
| <b>Total revenues</b>              | <b>2,915</b>      |
| <b>Expenditures:</b>               |                   |
| <b>Current:</b>                    |                   |
| Miscellaneous                      | -                 |
| <b>Total expenditures</b>          | <b>-</b>          |
| <b>Net change in fund balances</b> | <b>2,915</b>      |
| Fund balances, July 1              | 266,321           |
| <b>Fund balances, June 30</b>      | <b>\$ 269,236</b> |

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## ***CUSTODIAL FUNDS***



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CITY OF AUBURN, MAINE  
Combining Statement of Fiduciary Net Position  
Custodial Funds  
June 30, 2023

|                               | RETC             | AVEC          | Total          |
|-------------------------------|------------------|---------------|----------------|
| <b>ASSETS</b>                 |                  |               |                |
| Intergovernmental receivables | \$ 68,035        | -             | 68,035         |
| Interfund receivables         | 62,735           | 11,018        | 73,753         |
| <b>Total assets</b>           | <b>130,770</b>   | <b>11,018</b> | <b>141,788</b> |
| <b>LIABILITIES</b>            |                  |               |                |
| Accounts payable              | 1,285            | -             | 1,285          |
| Accrued payroll               | 48,591           | 542           | 49,133         |
| <b>Total liabilities</b>      | <b>49,876</b>    | <b>542</b>    | <b>50,418</b>  |
| <b>NET POSITION</b>           |                  |               |                |
| Restricted for:               |                  |               |                |
| Individuals and organizations | 80,894           | 10,476        | 91,370         |
| <b>Total net position</b>     | <b>\$ 80,894</b> | <b>10,476</b> | <b>91,370</b>  |

**CITY OF AUBURN, MAINE**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Custodial Funds**  
**For the year ended June 30, 2023**

|                                                   | RETC             | AVEC          | Total         |
|---------------------------------------------------|------------------|---------------|---------------|
| <b>ADDITIONS</b>                                  |                  |               |               |
| Contributions:                                    |                  |               |               |
| Service revenues                                  | \$ 479,249       | 16,500        | 495,749       |
| Total contributions                               | 479,249          | 16,500        | 495,749       |
| Total additions                                   | 479,249          | 16,500        | 495,749       |
| <b>DEDUCTIONS</b>                                 |                  |               |               |
| Recipient payments                                | 632,697          | 18,845        | 651,542       |
| Total deductions                                  | 632,697          | 18,845        | 651,542       |
| Net increase (decrease) in fiduciary net position | (153,448)        | (2,345)       | (155,793)     |
| Net position - beginning                          | 234,342          | 12,821        | 247,163       |
| <b>Net position - ending</b>                      | <b>\$ 80,894</b> | <b>10,476</b> | <b>91,370</b> |

***TAX INCREMENT FINANCING FUND***

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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, 2023

|                                                           | TIF 6<br>Tambrands II | TIF 9<br>Mall Area | TIF 10<br>Downtown<br>Area | TIF 10<br>Downtown<br>Omnibus | TIF 12<br>Auburn<br>Industrial<br>Park | TIF 13<br>Retail | TIF 14 & 15<br>Auburn<br>Mall | TIF 16<br>Webster<br>School<br>Housing | TIF 19<br>Hart<br>Transport | TIF 20<br>62 Spring<br>Street | TIF 21<br>Minot<br>Avenue | TIF 22<br>48 Hampshire<br>Street | TIF 23<br>Auburn Memory<br>Care Facility | TIF 24<br>Millbran LLC | TIF 25<br>Futurguard | TIF 26<br>West Shore<br>Landing | Totals       |
|-----------------------------------------------------------|-----------------------|--------------------|----------------------------|-------------------------------|----------------------------------------|------------------|-------------------------------|----------------------------------------|-----------------------------|-------------------------------|---------------------------|----------------------------------|------------------------------------------|------------------------|----------------------|---------------------------------|--------------|
| Revenues:                                                 |                       |                    |                            |                               |                                        |                  |                               |                                        |                             |                               |                           |                                  |                                          |                        |                      |                                 |              |
| Other income                                              | -                     | -                  | -                          | -                             | -                                      | -                | -                             | -                                      | -                           | -                             | -                         | -                                | -                                        | -                      | -                    | -                               | -            |
| Total revenues                                            | -                     | -                  | -                          | -                             | -                                      | -                | -                             | -                                      | -                           | -                             | -                         | -                                | -                                        | -                      | -                    | -                               | -            |
| Expenditures:                                             |                       |                    |                            |                               |                                        |                  |                               |                                        |                             |                               |                           |                                  |                                          |                        |                      |                                 |              |
| Current:                                                  |                       |                    |                            |                               |                                        |                  |                               |                                        |                             |                               |                           |                                  |                                          |                        |                      |                                 |              |
| General government                                        | 143,231               | -                  | -                          | 16,821                        | -                                      | 126,667          | 210,923                       | 29,154                                 | -                           | 56,495                        | 24,109                    | 48,001                           | 39,653                                   | 35,248                 | 5,164                | -                               | 735,466      |
| Capital outlay                                            | -                     | -                  | 11,963                     | -                             | -                                      | -                | -                             | -                                      | -                           | -                             | -                         | -                                | -                                        | -                      | -                    | -                               | 11,963       |
| Debt service                                              | -                     | -                  | 287,550                    | -                             | 265,100                                | -                | -                             | -                                      | -                           | -                             | -                         | -                                | 135,236                                  | -                      | 3,603                | -                               | 691,489      |
| Total expenditures                                        | 143,231               | -                  | 299,513                    | 16,821                        | 265,100                                | 126,667          | 210,923                       | 29,154                                 | -                           | 56,495                        | 24,109                    | 48,001                           | 174,889                                  | 35,248                 | 8,767                | -                               | 1,438,918    |
| Excess (deficiency) of revenues over (under) expenditures | (143,231)             | -                  | (299,513)                  | (16,821)                      | (265,100)                              | (126,667)        | (210,923)                     | (29,154)                               | -                           | (56,495)                      | (24,109)                  | (48,001)                         | (174,889)                                | (35,248)               | (8,767)              | -                               | (1,438,918)  |
| Other financing sources (uses):                           |                       |                    |                            |                               |                                        |                  |                               |                                        |                             |                               |                           |                                  |                                          |                        |                      |                                 |              |
| Transfers from other funds                                | 190,975               | -                  | 848,520                    | 16,821                        | 157,316                                | 294,264          | 448,773                       | 48,589                                 | 30,617                      | 56,495                        | 48,219                    | 96,002                           | 113,293                                  | 35,248                 | 34,426               | 59,528                          | 2,479,086    |
| Total other financing sources (uses)                      | 190,975               | -                  | 848,520                    | 16,821                        | 157,316                                | 294,264          | 448,773                       | 48,589                                 | 30,617                      | 56,495                        | 48,219                    | 96,002                           | 113,293                                  | 35,248                 | 34,426               | 59,528                          | 2,479,086    |
| Net change in fund balances (deficits)                    | 47,744                | -                  | 549,007                    | -                             | (107,784)                              | 167,597          | 237,850                       | 19,435                                 | 30,617                      | -                             | 24,110                    | 48,001                           | (61,596)                                 | -                      | 25,659               | 59,528                          | 1,040,168    |
| Fund balances (deficits), beginning of year               | 78,951                | 806,274            | 227,395                    | 10,289                        | (519,427)                              | 455,494          | (900,466)                     | -                                      | (2,664)                     | 1,121                         | 50,242                    | 84,061                           | 33,114                                   | 13,914                 | (102,204)            | -                               | 236,094      |
| Fund balances (deficits), end 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 |

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**APPENDIX B**

**PROPOSED FORM  
OF  
LEGAL OPINION**



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Upon issuance and delivery of the Bonds described herein, Pierce Atwood LLP, Portland, Maine, Bond Counsel, proposes to issue its opinion in substantially the following form:

[Dated date of Issue]

City of Auburn, Maine  
Auburn, ME

Re: City of Auburn, Maine \$23,398,000\* 2024 General Obligation Bonds

Ladies and Gentlemen:

We have acted as Bond Counsel for the City of Auburn, Maine (the "City"), in connection with the issue and sale of \$23,398,000\* aggregate principal amount of its 2024 General Obligation Bonds dated December 10, 2024 (the "Bonds"). In such capacity, we have examined the law, including Title 30-A, Section 5772 of the Maine Revised Statutes, as amended, the City Charter and the record of proceedings submitted to us by the City in connection with the issue and sale of the Bonds, including among other documents and materials, certified copies of the following Orders adopted by the City Council on the date indicated and, where applicable, approved by the voters of the City at a municipal referendum election held on the date indicated, authorizing issuance of the Bonds (collectively, the "Bond Authorizations"), and all other authority thereto enabling.

| <u>Order No.</u> | <u>Date Adopted</u>            | <u>Referendum Date<br/>(if applicable)</u> |
|------------------|--------------------------------|--------------------------------------------|
| 119-09052023     | September 5, 2023 (referendum) | November 7, 2023                           |
| 85-06032024      | June 17, 2024                  |                                            |
| 147-10212024     | November 18, 2024              |                                            |

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certificates of public officials without undertaking to verify such facts by independent investigations. We have assumed the genuineness of all signatures,

\*Preliminary, subject to change.

the authenticity and completeness of all documents submitted to us as originals and the conformity to the originals of all documents submitted to us as copies.

We understand the Bonds are dated as of December \_\_, 2024 and have been issued as serial bonds in the denominations, bearing interest payable commencing March 1, 2025 and semi-annually on each September 1 and March 1 thereafter until maturity, or redemption prior to maturity, and maturing on September 1 of each year as follows:

| <u>Sept. 1</u> | <u>Amount*</u> | <u>Interest<br/>Rate</u> | <u>Sept. 1</u> | <u>Amount*</u> | <u>Interest<br/>Rate</u> |
|----------------|----------------|--------------------------|----------------|----------------|--------------------------|
| 2025           | \$1,988,000    |                          | 2038           | \$235,000      |                          |
| 2026           | \$1,990,000    |                          | 2039           | \$235,000      |                          |
| 2027           | \$1,990,000    |                          | 2040           | \$235,000      |                          |
| 2028           | \$1,990,000    |                          | 2041           | \$235,000      |                          |
| 2029           | \$1,990,000    |                          | 2042           | \$235,000      |                          |
| 2030           | \$1,990,000    |                          | 2043           | \$235,000      |                          |
| 2031           | \$1,990,000    |                          | 2044           | \$235,000      |                          |
| 2032           | \$1,990,000    |                          | 2045           | \$230,000      |                          |
| 2033           | \$1,990,000    |                          | 2046           | \$230,000      |                          |
| 2034           | \$1,990,000    |                          | 2047           | \$230,000      |                          |
| 2035           | \$235,000      |                          | 2048           | \$230,000      |                          |
| 2036           | \$235,000      |                          | 2049           | \$230,000      |                          |
| 2037           | \$235,000      |                          |                |                |                          |

Bonds maturing on and before September 1, 2034 are not subject to optional redemption prior to their stated dates of maturity. Bonds maturing on or after September 1, 2035 are subject to redemption prior to their stated dates of maturity, at the option of the City, on and after September 1, 2034, as a whole or in part at any time, in such order of maturity as the City, in its discretion, may determine at a price of par (100% of original stated amount of value at maturity), together with interest accrued and unpaid to the redemption date, if any.

The Bonds should be signed by the City's Finance Director/City Treasurer attested by the City Clerk and sealed with the seal of the City, and should bear the signed certificate of the certifying agent identified thereon.

We note that the Internal Revenue Code of 1986, as amended (the "Code") establishes certain requirements regarding the use, expenditure and investment of the proceeds of the Bonds and timely payment of certain investment earnings to the U.S. Treasury that must be met subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code. The City's failure to comply with such requirements may cause interest on the Bonds to be included in the gross income of the owners thereof retroactive to the date of issuance of the Bonds, regardless of when such noncompliance occurs.

In expressing the opinions set forth in paragraph 3 below, we have examined and relied upon the Arbitrage and Use of Proceeds Certificate and the General Certificate of the Director of

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\*Preliminary, subject to change.

Finance of the City (collectively, the "Tax Certificates"), delivered by the City concurrently with the Bonds.

The City, in executing such Tax Certificates, (i) sets forth facts, estimates and circumstances, and the reasonable expectations of the City as to future events in existence as of the date hereof regarding the amount, use and investment of the proceeds of the Bonds and the use of the improvements financed with the proceeds of the Bonds that are material for purposes of Section 141 and Section 148 of the Code, and (ii) has certified that the information therein is true, accurate and complete and that the City will comply with the requirements of the Code and do and perform all acts and things necessary or desirable in order to assure that interest paid on the Bonds will be excludable from gross income for federal income tax purposes. In rendering the opinion set forth in paragraph 3 below, we have relied upon the facts, estimates and circumstances, reasonable expectations of the City set forth in such Tax Certificates, and we have assumed that the City will comply with the requirements of the Code and with the covenants and requirements set forth in the Tax Certificates.

We also note that ownership of tax-exempt obligations may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations doing business in the United States, certain S corporations with excess passive income, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Bonds should consult their tax advisors as to applicability of any such collateral consequences.

We are of the opinion that:

1. Under the Constitution and laws of the State of Maine, the City has been duly created and validly exists as a body corporate and politic and a municipality under the name of the City of Auburn with lawful power and authority to adopt the Bond Authorizations and to issue the Bonds.
2. The Bonds are in proper form, have been duly authorized and executed by the City and, subject to due authentication, are a valid and binding general obligation of the City, enforceable in accordance with their terms. The Bonds are payable from *ad valorem* taxes that may be levied without limit as to rate or amount upon all taxable property within the City, except to the extent that (a) the City may enter into an agreement under Title 30-A, Chapter 223, Subchapter V of the Maine Revised Statutes, as amended, to share its assessed valuation with another municipality, or (b) the City establishes or has established municipal development districts or municipal affordable housing districts pursuant to Title 30-A, Chapters 206 and former (now repealed) Chapter 207 of the Maine Revised Statutes, as amended, the captured tax increment of which may not be available for payment of debt service on the Bonds.
3. In reliance on and assuming compliance by the City with the Tax Certificates and the requirements of the Code, under existing law, interest payable on the Bonds is excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code. In addition, such interest is not an item of tax preference for purposes of calculating the federal alternative minimum tax under Section 55 of the Code; provided, however, such interest will be taken into account in determining the

"adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

4. Pursuant to Title 30-A, Section 5772(9) of the Maine Revised Statutes, as amended, interest paid on the Bonds is exempt from taxation within the State of Maine.

The foregoing opinions are qualified to the extent that the enforceability of the obligations of the City, including the Bonds, is subject to or may be limited by bankruptcy, insolvency moratorium and other laws and general principles of equity (regardless of whether the enforceability of such obligations is considered in a proceeding in equity or at law) affecting the rights and remedies of creditors generally, and that the availability of equitable relief may be subject to the discretion of the Court before which it is requested.

We have not examined and assume no responsibility for the financial condition of the City and nothing set forth herein shall be construed as assurance as to the City's financial condition or ability to make required debt service payments on the Bonds.

We have not examined any documents or information relating to the City, and we are not passing upon and do not assume any responsibilities for the completeness, accuracy or adequacy of the statements made in any Preliminary Official Statement or Official Statement, other offering material or similar information prepared or provided by the City with respect to the Bonds and we express no opinion, advice or representation to any person with respect to any such Preliminary Official Statement or Official Statement, other offering material or similar information.

The opinions rendered herein are given and speak as of the date hereof. We have addressed only the laws of the United States and of the State of Maine referenced herein and the opinions stated herein are limited solely to the matters expressly set forth above. We assume no obligation to update, revise or supplement the opinions rendered herein to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur. No assurance can be given that future legislation or common law will not contain provisions or create precedent which could directly or indirectly affect the matters set forth herein.

Very truly yours,

PIERCE ATWOOD LLP

By: \_\_\_\_\_  
James M. Saffian  
A Partner

**APPENDIX C**

**PROPOSED FORM  
OF  
CONTINUING DISCLOSURE AGREEMENT**

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**CITY OF AUBURN, MAINE  
PROPOSED FORM OF  
CONTINUING DISCLOSURE AGREEMENT**

In connection with the issuance by the City of Auburn, Maine (the “Issuer”) of its \$ \_\_, \_\_, 000 2024 General Obligation, dated as of \_\_\_\_, 2024 (the “Bonds”) and with reference to the continuing disclosure requirements of Rule 15c2-12 under the Securities and Exchange Act of 1934, as amended, and officially interpreted from time to time (the “Rule”), the Issuer hereby covenants under this Continuing Disclosure Agreement (the “Agreement”) that it will engage in the undertakings described in Section 1, 2 and 3 herein for the benefit of the beneficial owners of the Bonds, subject to the conditions and limitations specified herein. Under the Agreement, the Issuer is obligated to provide certain updated financial information and operating data annually, and timely notice of specified material events, to the MSRB (defined below). This information will be available from the MSRB via the Electronic Municipal Market Access (“EMMA”) system at [www.emma.msrb.org](http://www.emma.msrb.org). The Issuer reserves the right to incorporate by reference its Official Statement dated \_\_\_\_, 2024 relating to the Bonds (the “Official Statement”), which will be submitted to the MSRB, as hereinafter defined, at the time of delivery of the Bonds, in any future disclosure provided hereunder.

In addition to the definitions set forth above in this Agreement, the following capitalized terms shall have the following meanings:

“Annual Financial Information” shall mean the financial information or operating data of the type included in the final Official Statement, provided at least annually by the Issuer pursuant to, and as described in, Sections 1 of this Agreement.

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“Business Day” shall mean a day other than a Saturday or a Sunday or a day on which banks in Maine are authorized or required by law to close.

“Dissemination Agent” shall mean the Issuer or any Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

“Financial Obligation” shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with SEC Rule 15c2-12.

“Holders” shall mean the registered Holders of the Bonds, as recorded in the registration books of the Registrar.

“Municipal Securities Rulemaking Board” or “MSRB” shall mean the Municipal Securities Rulemaking Board, established under the Securities and Exchange Act of 1934, as amended, or any successor thereto, with an address of 1300 I Street NW, Suite 1000, Washington, DC 20005.

“State” shall mean the State of Maine.

1. The Issuer will provide to the MSRB: (a) not later than 270 days after the end of each fiscal year, commencing with the fiscal year ending June 30, 2024, certain updated Annual Financial Information and operating data relating to the Issuer for the preceding fiscal year of the type presented in the Official Statement prepared in connection with the Bonds under the headings “CITY FINANCES,” “INDEBTEDNESS,” “RETIREMENT” and in APPENDIX A to the Official Statement and such other Annual Financial Information and operating data as may be required to comply with the Rule; and (b) the updated information discussed in clause (a) above will include audited financial statements, if the Issuer commissions an audit and it is completed by the required time. If audited financial statements



are not available by the required time, the Issuer will provide audited financial statements when and if such audited financial statements become available. Such filings, if not completed by the required time in clause (a) above, but if filed when available, will not be deemed to be a “late filing”. Any such financial statements will be prepared in accordance with the accounting principles described in APPENDIX A to the Official Statement or such other accounting principles as the Issuer may be required to employ from time to time pursuant to State law or regulation.

The Issuer reserves the right to modify from time to time the specific types of information provided under clause (a) above or the format of the presentation of such information to reflect changed circumstances, provided that any such modification will be done in a manner consistent with the Rule.

2. The Issuer will provide in a timely manner, not in excess of ten (10) Business Days, after the occurrence of an event listed in this Section 2 to the MSRB through EMMA (in an electronic format as prescribed by the MSRB) notice of the occurrence of any of the following events with respect to the Bonds.

(a) Certain events whether material or not material:

- (1) Principal and interest payment delinquencies;
- (2) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (3) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (4) Substitution of credit or liquidity providers, or their failure to perform;
- (5) Adverse tax opinions or events affecting the tax-exempt status of the Bonds, the issuance by the Internal Revenue Service of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (6) Tender offers;
- (7) Defeasances;
- (8) Rating changes;
- (9) Bankruptcy, insolvency, receivership or similar event of the Issuer (Note: For the purposes of the event identified in this subparagraph (9), the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.);or
- (10) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of any Financial Obligation of the Issuer or obligated person, any of which reflect financial difficulties.

(b) Certain events if material:

- (1) Non-payment related defaults;
- (2) Modifications to the rights of Holders of the Bonds;
- (3) Bond calls;
- (4) The release, substitution, or sale of property securing repayment of the Bonds;
- (5) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
- (6) Appointment of a successor or additional trustee or the change of name of a trustee; and
- (7) Incurrence of a Financial Obligation of the Issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer or obligated person, any of which affect security Holders, if material.

The Issuer from time to time may choose to provide notice of the occurrence of certain other events, in addition to those listed above, but the Issuer does not undertake to commit to provide any such notice of the occurrence of any material event except those listed above.

3. The Issuer will provide in a timely manner to the MSRB notice of a failure to satisfy the requirements of Section 1 herein.
4. The intent of the Issuer's undertaking in this Agreement is to provide on a continuing basis the information described in the Rule. The provisions of the Agreement may be amended by the Issuer without the consent of, or notice to, any Beneficial Owners of the Bonds, (a) to comply with or conform to the provisions of the Rule or any amendments thereto or authoritative interpretations thereof by the Securities and Exchange Commission ("SEC") or its staff (whether required or optional), (b) to add a Dissemination Agent for the information required to be provided by such undertakings and to make any necessary or desirable provisions with respect thereto, (c) to add to the covenants of the Issuer for the benefit of the Beneficial Owners of the Bonds, (d) to modify the contents, presentation and format of the Annual Financial Information from time to time as a result of a change in circumstances that arises from a change in legal requirements, or (e) to otherwise modify the undertakings in a manner consistent with the requirements of the Rule concerning continuing disclosure; provided, however, that in the case of any amendment pursuant to clause (d) or (e), (i) the undertaking, as amended, would have complied with the requirements of the Rule at the time of the offering of the Bonds, after taking into account any amendments or authoritative interpretations of the Rule, as well as any change in circumstances, and (ii) the amendment does not materially impair the interests of the Beneficial Owners of the Bonds, as determined either by a party unaffiliated with the Issuer (such as bond counsel), or by the vote or consent of Beneficial Owners of a majority in outstanding principal amount of the Bonds affected thereby at or prior to the time of such amendment.

Furthermore, the Issuer's obligations under this Agreement shall terminate upon the legal defeasance, prior redemption or payment of in full of all of the Bonds or to the extent that the Rule, as in effect from time to time, no longer requires the issuers of municipal securities to provide all or any portion of the information the Issuer has agreed to provide pursuant to the Agreement, the obligation of the Issuer to provide such information also shall cease immediately.

5. The purpose of the Issuer's undertaking is to conform to the requirements of the Rule and, except for creating the right on the part of the Beneficial Owners of the Bonds, from time to time, to specifically enforce the Issuer's obligations hereunder, not to create new contractual or other rights for any Beneficial Owner of the Bonds, any municipal securities broker or dealer, any potential purchaser of the Bonds, the SEC or any other person. The sole remedy in the event of any actual or alleged failure by the Issuer to comply with any provision herein shall be an action for the specific performance of the Issuer's obligations hereunder and not for money damages in any amount. Any failure by the Issuer to comply with any provision of this undertaking shall not constitute an event of default with respect to the Bonds.
6. Except as disclosed in its Official Statement, the Issuer has never failed to comply in all material respects with any previous undertakings to provide Annual Financial Information or notices of material events in accordance with the Rule.
7. The Issuer's Finance Director, or such official's designee from time to time, shall be the contact person on behalf of the Issuer from whom the foregoing information, data and notices may be obtained. The name, address and telephone number of the initial contact person is: Kelsey Earle, Finance Director, City of Auburn, 60 Court Street, Auburn, ME 04210; Telephone: (207) 333-6601.

CITY OF AUBURN, MAINE

Dated: \_\_\_\_\_, 20\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

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## 2024 Assessor's Report



## **Assessor's 2024 Report**

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- Copy of the City Council resolve

#### **Section 2**

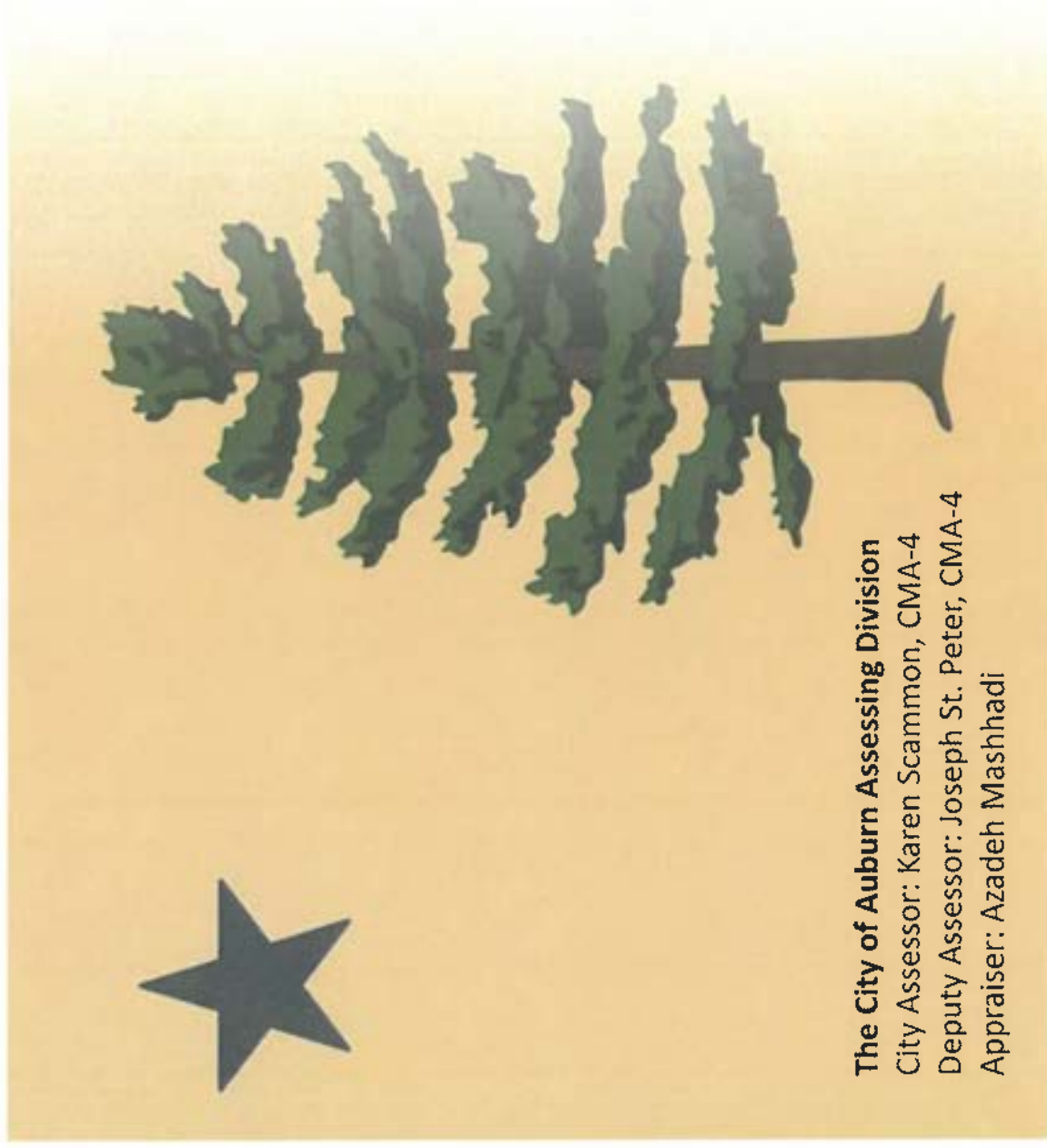
- Commitment information
- Real estate - Valuation Totals
- Personal property - Valuation Totals
- 2024 Tax base mix
- Top-ten taxpayers
- Summary of all exemptions
- Valuation base trend
- Mil rate trend

#### **Section 3**

- 2024 State Municipal Valuation Return (the MVR)

# The Assessor

Property tax assessors in Maine occupy a unique place in the governmental structure, fulfilling a dual role of municipal official and agent of the State.



**The City of Auburn Assessing Division**

City Assessor: Karen Scammon, CMA-4

Deputy Assessor: Joseph St. Peter, CMA-4

Appraiser: Azadeh Mashhadi

# **Assessor's Report**

## **Section 1**

## ASSESSORS' CERTIFICATION OF ASSESSMENT

WE HEREBY CERTIFY that the pages herein, numbered from \_\_\_\_\_ to \_\_\_\_\_ inclusive, contain a list and valuation of estates, real and personal, liable to be taxed in the Municipality of Auburn, Maine for county, district, and municipal taxes for the fiscal year 07/01/2024 (mm/dd/yyyy) to 06/30/2025 (mm/dd/yyyy) as they existed on the first day of April, 2024.

IN WITNESS THEREOF, we have hereunto set our hands at Auburn, Maine, (municipality) this 15th day of July, 20 24.

\_\_\_\_\_  
Municipal Assessor(s) of Auburn, Maine (municipality)  
Karen V. Scammon, CMA-4

## MUNICIPAL TAX ASSESSMENT WARRANT

State of Maine, Municipality Auburn, Maine, County Androscoggin  
To Kelsey Earle, Tax Collector

In the name of the State of Maine, you are hereby required to collect of each person named in the list herewith committed to you the amount set down on said list as payable by that person.

### Assessments:

|    |                                                        |                      |
|----|--------------------------------------------------------|----------------------|
| 1. | County tax .....                                       | \$ <u>3,117,240</u>  |
| 2. | Municipal appropriation .....                          | \$ <u>53,062,483</u> |
| 3. | Tax increment financing plan amount .....              | \$ <u>3,522,753</u>  |
| 4. | Local education appropriation .....                    | \$ <u>20,754,737</u> |
| 5. | Overlay (not to exceed 5% of "net to be raised") ..... | \$ <u>454,657</u>    |
| 6. | <b>Total Assessments</b> .....                         | \$ <u>80,911,870</u> |

### Deductions:

|     |                                                                   |                      |
|-----|-------------------------------------------------------------------|----------------------|
| 7.  | State-municipal revenue sharing .....                             | \$ <u>7,200,000</u>  |
| 8.  | Homestead exemption reimbursement .....                           | \$ <u>1,699,348</u>  |
| 9.  | Business Equipment Tax Exemption reimbursement .....              | \$ <u>3,094,948</u>  |
| 10. | Other revenue .....                                               | \$ <u>14,172,646</u> |
| 11. | <b>Total deductions</b> .....                                     | \$ <u>26,166,942</u> |
| 12. | <b>Net assessment for commitment</b> (line 6 minus line 11) ..... | \$ <u>54,744,928</u> |



You are to pay to Kelsey Earle, the municipal treasurer, or to any successor in office, the taxes herewith committed, paying on the last day of each month all money collected by you, and you are to complete and make an account of your collections of the whole sum on or before 9/16/2024 & 3/17/2025 (mm/dd/yyyy).

In case of the neglect of any person to pay the sum required by said list until after 9/16/2024 & 3/17/2024 (mm/dd/yyyy); you will add interest to so much thereof as remains unpaid at the rate of 6% percent

per annum, commencing 9/17/2024 & 3/18/2025 (mm/dd/yyyy) to the time of payment, and collect the same with the tax remaining unpaid.

Given under our hands, as provided by a legal vote of the Municipality and warrants received pursuant to the laws of the State of Maine, this 7/15/2024 (mm/dd/yy).

Karen V. Scammon Municipal Assessor(s) of: Auburn, Maine  
Karen V. Scammon, CMA-4

#### CERTIFICATE OF COMMITMENT

To Kelsey Earle, the Tax Collector of the municipality of Auburn, Maine, aforesaid.

Herewith are committed to you true lists of the assessments of the estates of the persons wherein named; you are to levy and collect the same, of each one their respective amount, therein set down, of the sum total of \$ 54,744,928 (being the amount of the lists contained herein), according to the tenor of the foregoing warrant.

Given under our hands this 7/15/2024 (mm/dd/yy).

Karen V. Scammon municipal assessor(s) of: Auburn, Maine  
Karen V. Scammon, CMA-4

File the original certificate with the tax collector. File a copy in the commitment book.



# City Council Resolve

## IN CITY COUNCIL

**Resolved**, that the following be, and hereby is the Annual Appropriation and Revenue Resolve of the City of Auburn for the fiscal year 2024-2025, which includes the amounts appropriated herein and revenues from all sources beginning July 1, 2024, and ending June 30, 2025.

The estimated aggregate amount of non-property tax revenue is \$67,511,381 with a municipal revenue budget of \$26,142,646 and a School Department revenue budget of \$41,368,735.

The aggregate appropriation for the City of Auburn is \$121,825,948, with a municipal budget of \$54,256,734 County budget of \$3,117,240 and a School Department budget of \$62,123,472 which received School Committee approval on April 24, 2024, and school budget approved at the May 6, 2024 Council Meeting pursuant to the School Budget Validation vote on June 11, 2024, in accordance with Maine Revised Statutes, Title 20-A § 1486 and based on the budget submitted to the Auburn City Council on April 16, 2024, by the City Manager, and notification was posted on the City of Auburn website on May 2, 2024 that a public hearing would be held on May 6, 2024 at 7:00 p.m. and said hearing having been held on that date, and as amended by the City Council, the same is hereby appropriated for the fiscal year 2024-2025 beginning July 1, 2025 for the lawful expenditures of the City of Auburn and the County of Androscoggin taxes, and said amounts are declared not to be in excess of the estimated revenue from taxation and sources other than taxation for the fiscal year of 2024-2025.

### SCHOOL BUDGET ARTICLES

Ordered that the Auburn City Council hereby adopts and approves the following School Budget articles for Fiscal Year 2024-2025.

1. That \$ 20,414,118 be authorized to be expended for Regular Instruction;
2. That \$ 13,903,945 be authorized to be expended for Special Education;
3. That \$-0- be authorized to be expended for Career and Technical Education;
4. That \$ 958,221 be authorized to be expended for Other Instruction;

---

**Richard S. Whiting**, Ward One  
**Benjamin J. Weisner**, Ward Four  
**Belinda A. Gerry**, At Large

**Timothy M. Cowan**, Ward Two  
**Leroy G. Walker, Sr.**, Ward Five  
**Jeffrey D. Harmon**, Mayor

**Stephen G. Milks**, Ward Three  
**Adam R. Platz**, At Large  
**Phillip L. Crowell, Jr.**, City Manager



## City Council Resolve

5. That \$ 4,210,854 be authorized to be expended for Student and Staff Support;
6. That \$ 1,491,243 be authorized to be expended for System Administration;
7. That \$ 2,693,273 be authorized to be expended for School Administration;
8. That \$ 2,441,816 be authorized to be expended for Transportation and Buses;
9. That \$ 5,293,437 be authorized to be expended for Facilities Maintenance;
10. That \$ 10,299,164 be authorized to be expended for Debt Service and Other Commitments;
11. That \$ 41,685 be authorized to be expended for All Other Expenditures,;
12. That \$ 53,702,850.90 be appropriated for the total cost of funding public education from Pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and that \$ 15,589,989.66 be raised as the municipality's contribution to the total cost of funding public education from Pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688;

**Explanation:** *The city's contribution to the total cost of funding public education from Pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding*

*Act is the amount of money determined by state law to be the minimum amount that a municipality must raise in order to receive the full amount of state dollars.*

13. That \$1,155,649 be raised and appropriated for the annual payments on debt service previously approved by the city's legislative body for non-state-funded school construction projects or non-state-funded portions of school construction projects, in addition to the funds appropriated as the local share of the city's contribution to the total cost of funding public education from Pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with Maine Revised Statutes, Title 20-A, Section 15690 (2A);

**Explanation:** *Non-state-funded debt service is the amount of money needed for the annual payments on the city's long-term debt for major capital school construction projects that are not approved for state subsidy. The bonding of this long-term debt was previously approved by the voters or other legislative body.*

14. That \$3,795,455 be raised and appropriated in additional local funds, which exceeds the State's Essential Programs and Services allocation model by \$3,795,455, as required to fund the budget recommended by the School Committee.

**Richard S. Whiting**, Ward One  
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**Phillip L. Crowell, Jr.**, City Manager



## City Council Resolve

The School Committee recommends \$3,795,455, which exceeds the State's Essential Programs and Services allocation model by \$3,795,455. The School Committee gives the following reasons for exceeding the State's Essential Programs and Services funding model:

The Essential Programs and Services funding model does not recognize all of the costs of special education services, transportation services, instructional services, co-curricular services and other services that the School Department provides.

**Explanation:** *The additional local funds are those locally raised funds over and above the city's local contribution to the total cost of funding public education from Pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and local amounts raised for the annual payment on non-state-funded debt service that will help achieve the school department budget for educational programs.*

15. That the school committee be authorized to expend \$61,747,757 for the fiscal year beginning July 1, 2024 and ending June 30, 2025 from the city's contribution to the total cost of funding public education from Pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act, non-state-funded school construction projects, additional local funds for school purposes under the Maine Revised Statutes, Title 20-A, section 15690, unexpended balances, tuition receipts, fund balances, state subsidy and other receipts for the support of schools;
16. That the City of Auburn appropriate \$375,716 for Adult Education and raise \$213,644 as the local share, with authorization to expend any additional, incidental or miscellaneous receipts in the interest and for the well-being of the adult education program.
17. That in addition to amounts approved in the preceding articles, the School Committee be authorized to expend such other sums as may be received from federal or state grants or programs or other sources during the fiscal year for school purposes, provided that such grants, programs or other sources do not require the expenditure of other funds not previously appropriated.
18. That in addition to amount approved in the preceding articles, the School Committee be authorized to transfer up to \$150,000 from the School Department's unexpended balances at the end of the 2023-2024 fiscal year to the Edward Little High School Capital Reserve Fund for the purpose of funding capital improvement projects, facility upgrades, and plant maintenance at the new Edward Little High School and adjacent athletic facilities.
19. That in addition to amount approved in the preceding articles, the School Committee be authorized to transfer up to \$150,000 from the School Department's unexpended balances at the end of the 2023-2024 fiscal year to the School Technology Equipment Reserve Fund for the purpose of funding purchase and maintenance of computers, tablets, audiovisual equipment, and related technology for the School

Richard S. Whiting, Ward One  
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Phillip L. Crowell, Jr., City Manager



## City Council Resolve

Department.

20. That in addition to the amount approved in the preceding articles, the School Committee transfer \$268,000 from Excess Fund Balance Funds to the Curriculum Development Reserve Fund for the purpose of funding curriculum development materials, equipment, software, and professional development.

RESOLVED, The City is authorized to accept grants and forfeitures and to expend sums that may be received from grants and forfeitures for municipal purposes during the fiscal year beginning July 1, 2024, and ending June 30, 2025, provided that such grants and forfeitures do not require the expenditure of other funds not previously appropriated.

RESOLVED, that fifty percent (50%) of all real estate taxes assessed as in the annual commitment, committed to the Tax Collector, shall be due proportionately from each taxpayer on September 16, 2024, and the remaining fifty percent (50%) shall be due on March 17, 2025.

Except as may be provided by resolve regarding payments in accordance with an installment payment plan, any real estate taxes remaining uncollected on September 17, 2024, and March 18, 2025, respectively shall bear interest at a rate of 6% per annum from and after such dates.

Personal property taxes shall be due and payable on or before September 16, 2024. Any personal property taxes remaining unpaid on September 17, 2024, shall bear an interest rate of 6% per annum from and after such date. Interest on all delinquent taxes shall be computed on a daily basis and shall be collected by the Tax Collector. The Tax Collector is authorized to accept tax prepayments.

**A TRUE COPY ATTEST**

  
**CITY CLERK**

Passed first reading/public hearing on 5/6/24 5-2 (Gerry, Weisner opposed).  
Passed second reading/public hearing on 5/20/24 5-2 (Gerry, Weisner opposed).

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**Phillip L. Crowell, Jr.**, City Manager

# **Assessor's Report**

## **Section 2**

# Commitment 2024

Commitment Date: **July 15, 2024**

State of Maine Assessment Date: **April 1, 2024**

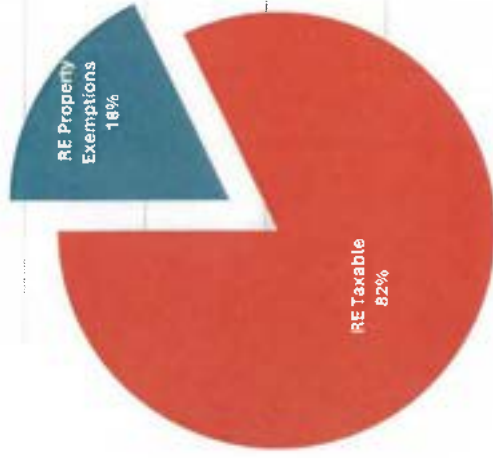
Abatement Deadline: **January 16, 2025**

Declared Certified Ratio: **93%** - same as 2023

Mil rate: **\$22.25** - a \$.50 drop compared to 2023

Homestead: **\$23,250** off the assessed value or \$517.31 in tax dollars

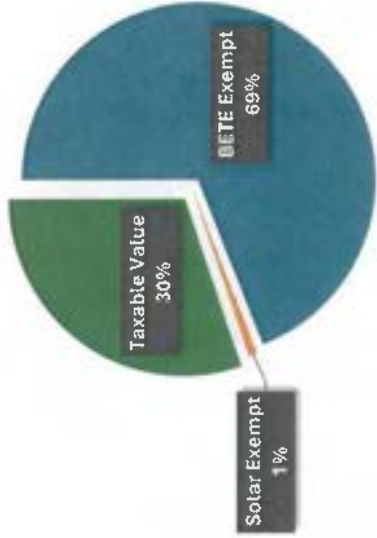
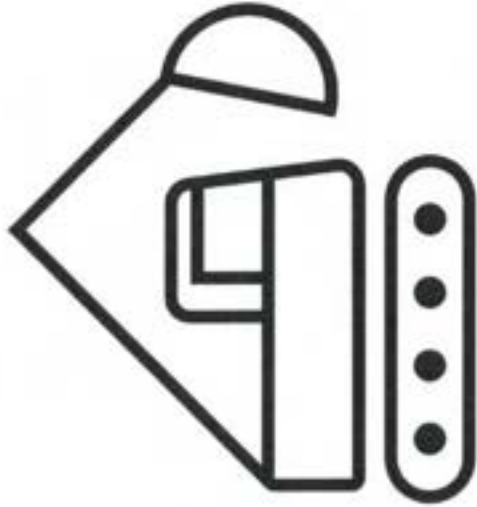
# Real Estate Valuation - Totals



|                             |                 |
|-----------------------------|-----------------|
| # of parcels                | 9472            |
| Land Value                  | \$643,520,728   |
| Building Value              | \$2,220,608,906 |
| Total Real Estate Valuation | \$2,864,129,634 |
| Property Exemptions         | \$511,451,825   |
| Taxable Value               | \$2,352,677,809 |



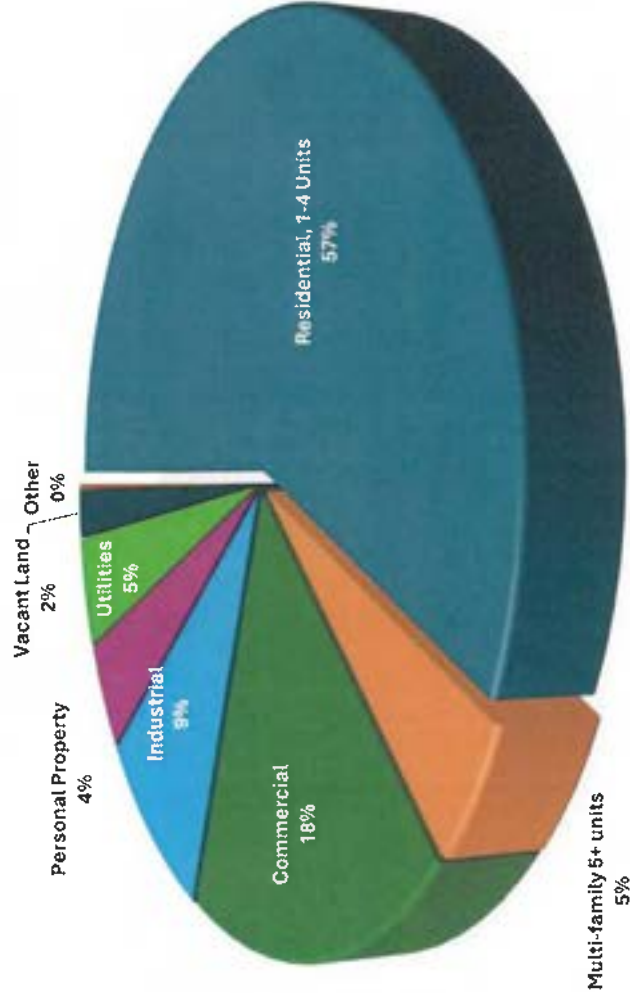
# Personal Property Valuation - Totals



|                      |               |
|----------------------|---------------|
| TOTAL ACCOUNTS       | 1058          |
| Total Assessed Value | \$356,582,080 |
| BETE Exempt          | \$246,018,405 |
| Solar Exempt         | \$2,795,302   |
| Taxable Value        | 107,768,373   |

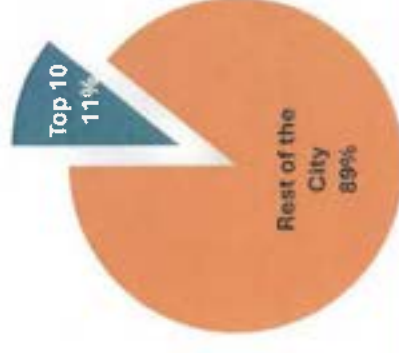
In addition to the BETE exemption, most businesses are eligible for a refund for taxes paid through the BETR program.

# 2024 Tax Base Mix



| Category               | 2023            | 2024          |
|------------------------|-----------------|---------------|
|                        | Taxable Value   | Taxable Value |
| Residential, 1-4 Units | \$1,234,356,750 | 1,402,679,670 |
| Multi-family 5+ units  | \$106,202,720   | 127,575,620   |
| Commercial             | \$443,834,310   | 446,975,710   |
| Industrial             | \$205,918,176   | \$213,503,576 |
| Personal Property      | \$108,809,837   | \$107,768,373 |
| Utilities              | \$103,617,063   | \$108,897,043 |
| Vacant Land            | \$46,663,820    | \$47,942,990  |
| Other                  | \$3,768,500     | \$5,103,200   |
| Taxable Total          | \$2,253,171,176 | 2,460,446,182 |

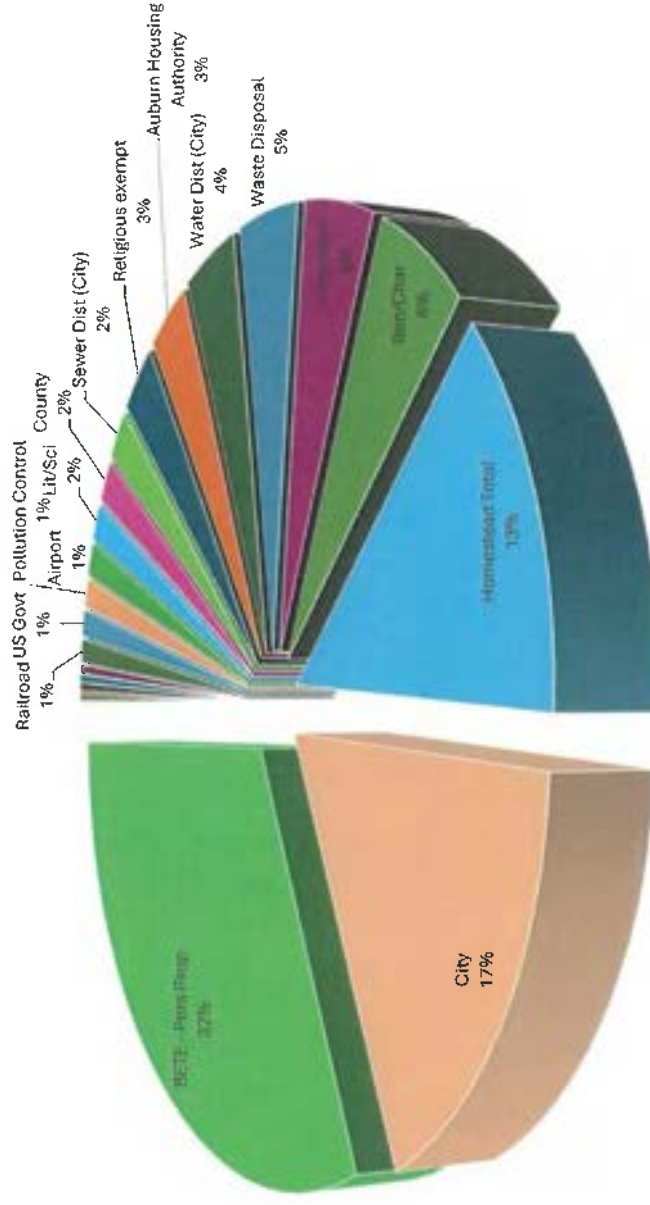
# Top Ten Taxpayers 2024



|    | Business Name/Owner                              | Movement on List | Real Estate Total Value | Personal Property Total Taxable Value | Exemptions  | Total Taxable Value |
|----|--------------------------------------------------|------------------|-------------------------|---------------------------------------|-------------|---------------------|
| 1  | Tambrands                                        | same             | 48,190,600              | \$17,523,157                          | \$0         | \$65,713,757        |
| 2  | Central Maine Power                              | same             | 54,019,804              | \$1,186,564                           | \$0         | \$55,206,368        |
| 3  | Brookfield White Pine Hydro                      | same             | 29,870,075              | \$0                                   | \$0         | \$29,870,075        |
| 4  | Pioneer Plastics                                 | +1               | 13,575,700              | \$8,411,086                           | \$2,125,800 | \$19,860,986        |
| 5  | Northern Utilities                               | -1               | 19,713,964              | \$0                                   | \$0         | \$19,713,964        |
| 6  | Walmart                                          | same             | 14,491,300              | \$2,167,449                           | \$0         | \$16,658,749        |
| 7  | Auburn Plaza Inc                                 | same             | 15,921,700              | \$30,698                              | \$0         | \$15,952,398        |
| 8  | Auburn Real Estate Holdings LLC (Angstrom Fiber) | +1               | 9,542,800               | \$4,984,740                           | \$0         | \$14,527,540        |
| 9  | EVP Auburn LLC (730 Center St Mall)              | -1               | 14,020,900              | \$0                                   | \$0         | \$14,020,900        |
| 10 | Lowes                                            | same             | 11,555,300              | \$1,384,733                           | \$0         | \$12,940,033        |

# City of Auburn – All exempt Property 2024

| Exemption                           | % of total | Amount               |
|-------------------------------------|------------|----------------------|
| Cemetery (city owned)               | 0.00%      | \$5,000              |
| Blind                               | 0.00%      | \$26,040             |
| Parsonage exemptions                | 0.01%      | \$55,800             |
| Miscellaneous                       | 0.01%      | \$60,000             |
| Cemetery (private)                  | 0.05%      | \$384,700            |
| Veterans Org                        | 0.10%      | \$772,000            |
| Fraternal                           | 0.16%      | \$1,182,000          |
| Tax acquired (City)                 | 0.17%      | \$1,320,700          |
| State of ME                         | 0.31%      | \$2,362,600          |
| All Veterans                        | 0.33%      | \$2,542,620          |
| Solar and Wind - Pers Prop          | 0.37%      | \$2,795,302          |
| Railroad                            | 1%         | \$7,806,300          |
| US Govt                             | 1%         | \$8,542,600          |
| Pollution Control                   | 1%         | \$9,055,400          |
| Airport                             | 1%         | \$10,910,200         |
| Lit/Sci                             | 2%         | \$11,771,900         |
| County                              | 2%         | \$13,716,900         |
| Sewer Dist (City)                   | 2%         | \$16,226,737         |
| Religious exempt                    | 3%         | \$22,931,700         |
| Auburn Housing Authority            | 3%         | \$25,320,200         |
| Water Dist (City)                   | 4%         | \$31,706,578         |
| Waste Disposal                      | 5%         | \$34,717,500         |
| Education                           | 5%         | \$37,808,400         |
| Ben/Char                            | 6%         | \$44,990,600         |
| Homestead Total                     | 13%        | \$100,493,650        |
| City                                | 17%        | \$126,741,700        |
| BETE - Pers Prop                    | 32%        | \$246,018,403        |
| <b>all exemptions - RE &amp; PP</b> |            | <b>\$760,265,532</b> |



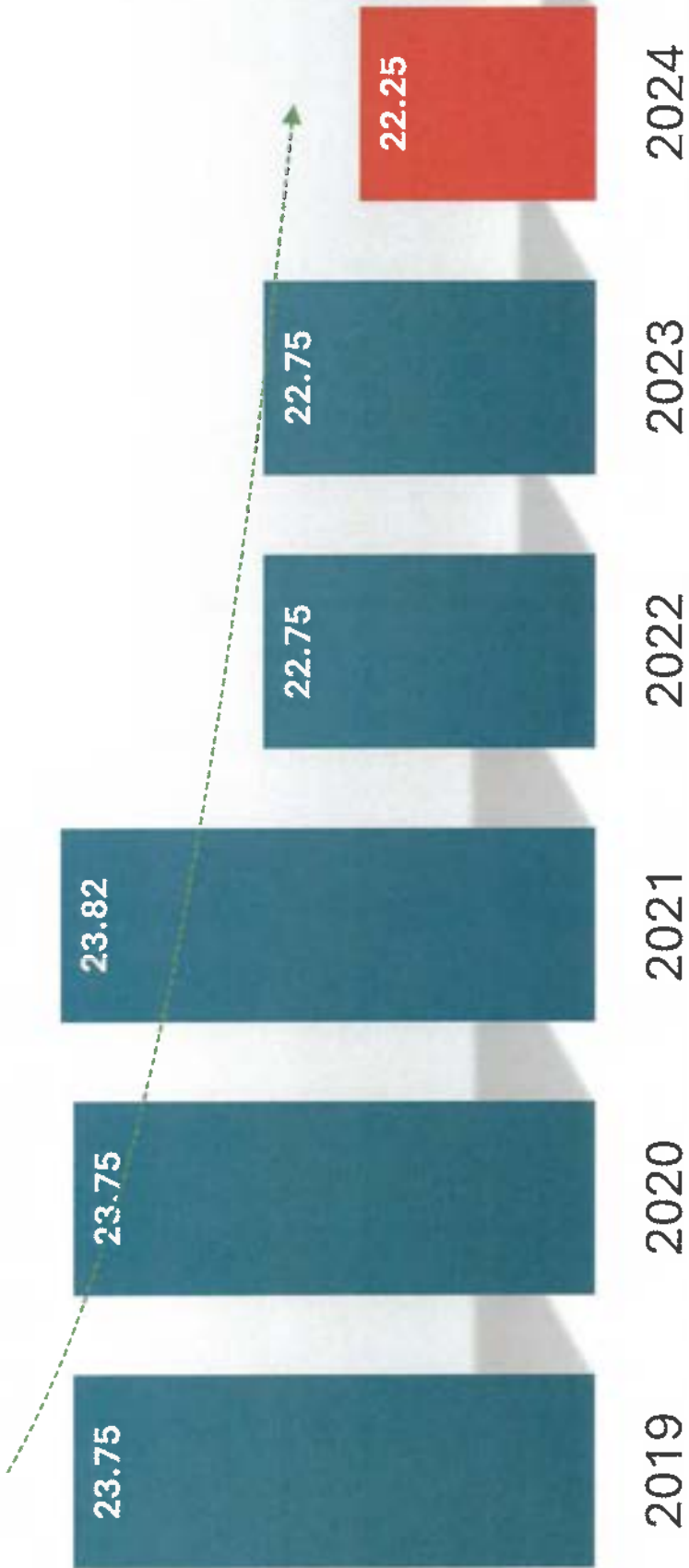
The State reimburses for some exemptions, most significantly BETE and the Homestead  
**24% of the total assessed value of real estate and personal property is exempt**

# City of Auburn, Valuation Base Trend





City of Auburn, mil rate trend



# **Assessor's Report**

## **Section 3**

# 2024 Municipal Valuation Return



## **The MVR**

The Assessor must send the Municipal Valuation Return (the MVR) to Maine Revenue Services each year following commitment. We now submit it electronically to the Maine Tax Portal.

The completed MVR provides a detailed overview of the total City valuation, exemptions, and the valuation base.

The MVR is used, in part, by the State to determine reimbursement, revenue sharing, and State valuation.



# 2024 Municipal Valuation Return



**DUE DATE - NOVEMBER 1, 2024 (or within 30 days of commitment, whichever is later)**

*Mail the signed original to Maine Revenue Services, Property Tax Division,  
PO Box 9106, Augusta, ME 04332-9106 and affix copy to front cover of Municipal Valuation book.  
You may also file this return online using the Maine Tax Portal at: <https://revenue.maine.gov>.*

For help in filling out this return, please see the MVR Instructions at [www.maine.gov/revenue/taxes/property-tax/assessor](http://www.maine.gov/revenue/taxes/property-tax/assessor)

## MAINE REVENUE SERVICES - 2024 MUNICIPAL VALUATION RETURN

(36 M.R.S. § 383)

DUE DATE - NOVEMBER 1, 2024 (or within 30 days of commitment, whichever is later)

1. County: **Androscoggin**Commitment Date: **7/15/2024**  
mm/dd/yyyy2. Municipality: **Auburn**Commitment period (select one): **12 months**3. 2024 Certified Ratio (Percentage of current just value upon which assessments are based.) 3 **93%**  
Homestead, veterans, blind, and BETE Exemptions, and Tree Growth values must be adjusted by this percentage

## TAXABLE VALUE OF REAL ESTATE

(Exclude exempt values)

|                                                                                                                          |   |                      |
|--------------------------------------------------------------------------------------------------------------------------|---|----------------------|
| 4. Land (include value of transmission, distribution lines and substations, dams and power houses)                       | 4 | <b>663,083,659</b>   |
| 5. Buildings                                                                                                             | 5 | <b>1,689,594,150</b> |
| 6. Total <b>taxable</b> value of real estate (line 4 + line 5)<br>(this amount will be entered on Tax Rate Form, line 1) | 6 | <b>2,352,677,809</b> |

## TAXABLE VALUE OF PERSONAL PROPERTY

(Exclude exempt values)

|                                                                                                                                          |    |                    |
|------------------------------------------------------------------------------------------------------------------------------------------|----|--------------------|
| 7. Production machinery and equipment                                                                                                    | 7  | <b>70,128,014</b>  |
| 8. Business equipment (furniture, furnishings and fixtures)                                                                              | 8  | <b>21,449,269</b>  |
| 9. All other personal property                                                                                                           | 9  | <b>16,191,090</b>  |
| 10. Total <b>taxable</b> value of personal property (line 7 + line 8 + line 9)<br>(this amount will be entered on Tax Rate Form, line 2) | 10 | <b>107,768,373</b> |

## OTHER TAX INFORMATION

|                                                                                                                                                                                                                         |    |                        |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|------------------------|
| 11. Total taxable value of real estate and personal property (line 6 + line 10)<br>(must match Tax Rate Form, line 3)                                                                                                   | 11 | <b>2,460,446,182</b>   |
| 12. 2024 Property Tax Rate (example .01520)<br>(from Tax Rate Form, line 19, column B)                                                                                                                                  | 12 | <b>0.02225</b>         |
| 13. 2024 Property Tax Levy (includes overlay and any fractional gains from rounding)<br><b>Note: This is the amount of 2024 tax actually committed to the collector</b><br>(must match Tax Rate Form line 19, column C) | 13 | <b>\$54,744,927.55</b> |

## HOMESTEAD EXEMPTION REIMBURSEMENT CLAIM

Homestead exemptions must be adjusted by the municipality's certified ratio

|                                                                                                                                     |     |                    |
|-------------------------------------------------------------------------------------------------------------------------------------|-----|--------------------|
| 14. a. Number of maximum homestead exemptions granted<br>(maximum exemption = \$25,000 x line 3 certified ratio)                    | 14a | <b>4,303</b>       |
| b. Value of homestead exemptions on line 14a (line 14a x \$25,000 x line 3)                                                         | 14b | <b>100,044,750</b> |
| c. Number of exemptions granted for homesteads valued less than the maximum                                                         | 14c | <b>56</b>          |
| d. Value of homestead exemptions on line 14c                                                                                        | 14d | <b>448,900</b>     |
| e. Total number of homestead exemptions granted (line 14a + line 14c)                                                               | 14e | <b>4,359</b>       |
| f. Total value of all homestead exemptions granted (line 14b + line 14d)<br>(this amount will be entered on Tax Rate Form, line 4a) | 14f | <b>100,493,650</b> |
| g. Total assessed value of all property with homestead exemptions<br>(include taxable and exempt value)                             | 14g | <b>955,317,400</b> |

# MAINE REVENUE SERVICES - 2024 MUNICIPAL VALUATION RETURN

Municipality: Auburn

## BUSINESS EQUIPMENT TAX EXEMPTION ("BETE")

|                                                                                                                                        |     |             |
|----------------------------------------------------------------------------------------------------------------------------------------|-----|-------------|
| 15. a. Number of BETE applications processed for tax year 2024                                                                         | 15a | 305         |
| b. Number of BETE applications approved                                                                                                | 15b | 292         |
| c. Total exempt value of all BETE property<br>(this amount will be entered on Tax Rate Form, line 5a and Enhanced BETE Sheet, line 1a) | 15c | 246,018,405 |
| d. Total exempt value of BETE property in TIF districts with captured assessed value                                                   | 15d | 0           |

## TAX INCREMENT FINANCING ("TIF") DISTRICTS

|                                                                                                                                   |     |             |
|-----------------------------------------------------------------------------------------------------------------------------------|-----|-------------|
| 16. a. Total amount of increased taxable value within TIF districts                                                               | 16a | 166,116,871 |
| b. Amount of captured assessed value within TIF districts                                                                         | 16b | 153,267,066 |
| c. Tax revenue deposited in a project cost account or sinking fund account                                                        | 16c | 3,522,753   |
| d. BETE reimbursement revenue deposited in a project cost or sinking fund account<br>(16c + 16d must match Tax Rate Form, line 9) | 16d | \$0         |

## EXCISE TAX

|                                                                                    |     |             |
|------------------------------------------------------------------------------------|-----|-------------|
| 17. a. Enter whether excise taxes are collected based on a calendar or fiscal year | 17a | Fiscal      |
| b. Motor vehicle excise tax collected                                              | 17b | \$3,654,645 |
| c. Watercraft excise tax collected                                                 | 17c | \$15,189.50 |

## ELECTRICAL GENERATION AND DISTRIBUTION PROPERTY

|                                                                                            |    |              |
|--------------------------------------------------------------------------------------------|----|--------------|
| 18. Total value of distribution and transmission lines owned by electric utility companies | 18 | \$52,348,104 |
| 19. Total value of all electrical generation facilities                                    | 19 | \$26,525,700 |

## TREE GROWTH TAX LAW PROGRAM PROPERTY

|                                                                                      |        |           |
|--------------------------------------------------------------------------------------|--------|-----------|
| 20. Average per acre value applied to undeveloped acreage                            | 20     | \$1,200   |
| 21. Forest land                                                                      |        |           |
| a. Number of parcels enrolled in the Tree Growth Tax Law program as of April 1, 2024 | 21a    | 55        |
| b. Softwood acreage                                                                  | 21b    | 483.00    |
| c. Mixed wood acreage                                                                | 21c    | 1753.00   |
| d. Hardwood acreage                                                                  | 21d    | 586.00    |
| e. Total number of acres of forest land (sum of lines 21b - d)                       | 21e    | 2,822.00  |
| 22. Total assessed value of all forest land as of April 1, 2024                      | 22     | 1,131,993 |
| a. Local value per acre used to assess forest land                                   |        |           |
| (1) Softwood                                                                         | 22a(1) | 404       |
| (2) Mixed Wood                                                                       | 22a(2) | 422       |
| (3) Hardwood                                                                         | 22a(3) | 337       |

# MAINE REVENUE SERVICES - 2024 MUNICIPAL VALUATION RETURN

Municipality: **Auburn**

## TREE GROWTH TAX LAW PROGRAM PROPERTY, continued

|                                                                                           |      |                  |
|-------------------------------------------------------------------------------------------|------|------------------|
| 23. Number of forest land acres first enrolled in the Tree Growth Tax Law program in 2024 | 23   | <b>47.60</b>     |
| 24. Land withdrawn from the Tree Growth Tax Law program                                   |      |                  |
| a. Total number of parcels withdrawn from 4/2/23 through 4/1/24                           | 24a  | <b>0</b>         |
| b. Total number of acres withdrawn from 4/2/23 through 4/1/24                             | 24b  | <b>0.00</b>      |
| c. Total value of withdrawal penalties assessed from 4/1/23 through 4/1/24                | 24c  | <b>\$0</b>       |
| d. Total number of \$500 penalties assessed for non-compliance                            | 24d  | <b>0</b>         |
| 24-1 Since April 1, 2024, have any Tree Growth acres been transferred to Farmland?        | 24-1 | <b>No</b> Yes/No |

## FARM AND OPEN SPACE TAX LAW PROGRAM PROPERTY

### FARMLAND:

|                                                                                                   |        |                 |
|---------------------------------------------------------------------------------------------------|--------|-----------------|
| 25. Number of parcels enrolled in the Farmland program as of April 1, 2024                        | 25     | <b>40</b>       |
| 26. Number of acres first enrolled in the Farmland program for April 1, 2024                      | 26     | <b>0.00</b>     |
| 27. a. Total number of acres (excluding farm woodland) currently enrolled in the Farmland program | 27a    | <b>1,427.00</b> |
| b. Total value of land (excluding farm woodland) currently enrolled in the Farmland program       | 27b    | <b>497,049</b>  |
| 28. a. Number of farm woodland acres:                                                             |        |                 |
| (1) Softwood                                                                                      | 28a(1) | <b>69.00</b>    |
| (2) Mixed wood                                                                                    | 28a(2) | <b>927.00</b>   |
| (3) Hardwood                                                                                      | 28a(3) | <b>140.00</b>   |
| b. Total number of acres of all land now classified as farm woodland                              | 28b    | <b>1,136.00</b> |
| c. Total value of all land now classified as farm woodland                                        | 28c    |                 |
| d. Per acre rates used for farm woodland:                                                         |        |                 |
| (1) Softwood                                                                                      | 28d(1) | <b>404.00</b>   |
| (2) Mixed Wood                                                                                    | 28d(2) | <b>422.00</b>   |
| (3) Hardwood                                                                                      | 28d(3) | <b>337.00</b>   |
| 29. Land withdrawn from the Farmland program:                                                     |        |                 |
| a. Total number of parcels withdrawn from 4/2/23 through 4/1/24                                   | 29a    | <b>3</b>        |
| b. Total number of acres withdrawn from 4/2/23 through 4/1/24                                     | 29b    | <b>57.00</b>    |
| c. Total value of withdrawal penalties assessed from 4/1/23 through 4/1/24                        | 29c    | <b>\$4,628</b>  |

### OPEN SPACE:

|                                                                                |    |               |
|--------------------------------------------------------------------------------|----|---------------|
| 30. Number of parcels enrolled in the Open Space program as of April 1, 2024   | 30 | <b>12</b>     |
| 31. Number of acres first enrolled in the Open Space program for April 1, 2024 | 31 | <b>43.00</b>  |
| 32. Total number of acres currently enrolled in the Open Space program         | 32 | <b>380.08</b> |

**MAINE REVENUE SERVICES - 2024 MUNICIPAL VALUATION RETURN**

Municipality: Auburn

**FARM AND OPEN SPACE TAX LAW PROGRAM PROPERTY, continued**

|                                                                            |     |      |
|----------------------------------------------------------------------------|-----|------|
| 34. Land withdrawn from the Open Space program:                            |     |      |
| a. Total number of parcels withdrawn from 4/2/23 through 4/1/24            | 34a | 0    |
| b. Total number of acres withdrawn from 4/2/23 through 4/1/24              | 34b | 0.00 |
| c. Total value of withdrawal penalties assessed from 4/2/23 through 4/1/24 | 34c | \$0  |

**WORKING WATERFRONT TAX LAW PROGRAM PROPERTY**

|                                                                                        |     |      |
|----------------------------------------------------------------------------------------|-----|------|
| 35. Number of parcels enrolled in the Working Waterfront program as of April 1, 2024   | 35  | 0    |
| 36. Number of acres first enrolled in the Working Waterfront program for April 1, 2024 | 36  | 0.00 |
| 37. Total number of acres currently enrolled in the Working Waterfront program         | 37  | 0.00 |
| 38. Total value of land enrolled in the Working Waterfront program                     | 38  | 0    |
| 39. Land withdrawn from the Working Waterfront program:                                |     |      |
| a. Total number of parcels withdrawn from 4/2/23 through 4/1/24                        | 39a | 0    |
| b. Total number of acres withdrawn from 4/2/23 through 4/1/24                          | 39b | 0.00 |
| c. Total value of withdrawal penalties assessed from 4/2/23 through 4/1/24             | 39c | \$0  |

**EXEMPT PROPERTY**

|                                                                                                                            |        |             |
|----------------------------------------------------------------------------------------------------------------------------|--------|-------------|
| 40. Enter the <b>exempt value</b> of all the following classes of property which are exempt from property taxation by law. |        |             |
| a. Public Property as defined by 36 M.R.S. §§ 651(1)(A) and (B):                                                           |        |             |
| (1) United States                                                                                                          | 40a(1) | \$8,542,600 |
| (2) State of Maine (excluding roads)                                                                                       | 40a(2) | \$2,362,600 |
| Total value of public property (40a(1) + 40a(2))                                                                           | 40a    | 10,905,200  |
| b. Maine real estate owned by the Water Resources Board of the State of New Hampshire                                      | 40b    | 0           |
| c. Property of any Maine public municipal corporation appropriated to public uses                                          | 40c    | 189,777,615 |
| d. Certain water, power, or light property of other Maine public municipal corporations                                    | 40d    | 0           |
| e. Certain airport property of Maine public municipal corporations                                                         | 40e    | 10,910,200  |
| f. Landing area of privately owned airports with free public use                                                           | 40f    | 0           |
| g. Certain sewage disposal property of other Maine public municipal corporations                                           | 40g    | 0           |

**MAINE REVENUE SERVICES - 2024 MUNICIPAL VALUATION RETURN**

Municipality: Auburn

**EXEMPT PROPERTY, continued**

|                                                                                                                                                                                                                                                                                                                                                                                                              |         |            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|------------|
| 40. h. Property of benevolent and charitable institutions                                                                                                                                                                                                                                                                                                                                                    | 40h     | 44,990,600 |
| i. Property of literary and scientific institutions                                                                                                                                                                                                                                                                                                                                                          | 40i     | 11,771,900 |
| j. Property of veteran organizations:                                                                                                                                                                                                                                                                                                                                                                        |         |            |
| 1) Total exempt value of veteran organizations                                                                                                                                                                                                                                                                                                                                                               | 40 j(1) | 772,000    |
| 2) Exempt value attributable to purposes <b>other than</b> meetings, ceremonials, or instruction facilities ( <b>reimbursable exemption</b> ).                                                                                                                                                                                                                                                               | 40 j(2) | 0          |
| k. Property of central labor councils, chambers of commerce, and boards of trade                                                                                                                                                                                                                                                                                                                             |         |            |
| 1) chambers of commerce or boards of trade                                                                                                                                                                                                                                                                                                                                                                   | 40k(1)  | 0          |
| 2) central labor councils ( <b>reimbursable exemption</b> )                                                                                                                                                                                                                                                                                                                                                  | 40k(2)  | 0          |
| l. Property of houses of religious worship and parsonages                                                                                                                                                                                                                                                                                                                                                    |         |            |
| 1) Number of parsonages within this municipality                                                                                                                                                                                                                                                                                                                                                             | 40 l(1) | 3          |
| 2) Total <b>exempt</b> value of those parsonages                                                                                                                                                                                                                                                                                                                                                             | 40 l(2) | 55,800     |
| 3) Total <b>taxable</b> value of those parsonages                                                                                                                                                                                                                                                                                                                                                            | 40 l(3) | 498,800    |
| 4) Total <b>exempt</b> value of all houses of religious worship (excluding parsonages)                                                                                                                                                                                                                                                                                                                       | 40 l(4) | 22,931,700 |
| Total exempt value of houses of religious worship and parsonages (40l(2) + 40l(4))                                                                                                                                                                                                                                                                                                                           | 40l     | 22,987,500 |
| m. Property owned or held in trust for fraternal organizations operating under the lodge system (do not include college fraternities) (§ 652(1)(H))                                                                                                                                                                                                                                                          | 40m     | 1,182,000  |
| n. Personal property <b>leased</b> by a benevolent and charitable organization exempt from taxation under § 501 of the Internal Revenue Code of 1954 and the primary purpose is the operation of a hospital licensed by the Dept. of Health and Human Services, health maintenance organization or blood bank (§ 652(1)(K))<br>(Value of property <u>owned</u> by a hospital should be reported on line 40h) | 40n     | 0          |
| o. Exempt value of real property of all persons determined to be legally blind (§ 654-A) ( \$4,000 adjusted by certified ratio)                                                                                                                                                                                                                                                                              | 40o     | 26,040     |
| p. Aqueducts, pipes and conduits of any corporation supplying a municipality with water (§ 656(1)(A))                                                                                                                                                                                                                                                                                                        | 40p     | 0          |
| q. Animal waste storage facilities certified as exempt ( <b>reimbursable exemption</b> )                                                                                                                                                                                                                                                                                                                     | 40q     | 0          |
| r. Pollution control facilities certified by the Department of Environmental Protection                                                                                                                                                                                                                                                                                                                      | 40r     | 9,055,400  |
| s. Snowmobile trail grooming equipment registered under 12 M.R.S. § 13113 ( <b>reimbursable exemption</b> )                                                                                                                                                                                                                                                                                                  | 40s     | 0          |



**MAINE REVENUE SERVICES - 2024 MUNICIPAL VALUATION RETURN**

Municipality: Auburn

**EXEMPT PROPERTY, continued**

**40t. Veteran exemptions -** The following information is necessary in order to calculate reimbursement

**SECTION 1: Veterans who served during a federally recognized war period (lines 40t(1) - 40t(9))**

|                                                                          | NUMBER OF<br>EXEMPTIONS |     | EXEMPT VALUE        |
|--------------------------------------------------------------------------|-------------------------|-----|---------------------|
| <b>Widower (post WWI):</b>                                               |                         |     |                     |
| 40t(1). Living male spouse or male parent of a deceased veteran          | 40t(1)A                 | 0   | 40t(1)B             |
| <b>Revocable Living Trusts (post WWI veteran/widow):</b>                 |                         |     |                     |
| 40t(2). Paraplegic veteran beneficiary (or their widow)                  | 40t(2)A                 | 0   | 40t(2)B             |
| 40t(3). All other veteran beneficiaries (or their widows)                | 40t(3)A                 | 5   | 40t(3)B \$27,900    |
| <b>WW I Veterans:</b>                                                    |                         |     |                     |
| 40t(4). WW I veteran (or their widow) enlisted as Maine resident         | 40t(4)A                 | 0   | 40t(4)B             |
| 40t(5). WW I veteran (or their widow) enlisted as non-Maine resident     | 40t(5)A                 | 0   | 40t(5)B             |
| <b>Paraplegic Veterans:</b>                                              |                         |     |                     |
| 40t(6). Paraplegic status veteran or their unremarried widow.            | 40t(6)A                 | 2   | 40t(6)B \$93,000    |
| <b>Cooperative Housing Corporation Veterans:</b>                         |                         |     |                     |
| 40t(7). Qualifying Shareholder of Cooperative Housing Corporation        | 40t(7)A                 | 0   | 40t(7)B             |
| <b>All Other Veterans:</b>                                               |                         |     |                     |
| 40t(8). All other veterans (or their widows) enlisted as Maine residents | 40t(8)A                 | 358 | 40t(8)B \$1,997,640 |
| 40t(9). All other veterans (or their widows) enlisted as nonresidents    | 40t(9)A                 | 74  | 40t(9)B \$412,920   |

**SECTION 2: Veterans who did not serve during a federally recognized war period (lines 40t(10) - 40t(12))**

|                                                                                                                                          | NUMBER OF<br>EXEMPTIONS |   | EXEMPT VALUE      |
|------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|---|-------------------|
| 40t(10). Veteran (or their widow) disabled in the line of duty.                                                                          | 40t(10)A                | 2 | 40t(10)B \$11,160 |
| 40t(11). Veteran (or their widow) who served during the periods from<br>8/24/1982 to 7/31/1984 and 12/20/1989 to 1/31/1990               | 40t(11)A                | 0 | 40t(11)B          |
| 40t(12). Veteran (or their widow) who served during the period from<br>2/1/1955 to 5/7/1975, but not prior to 2/1/1955 or after 5/7/1975 | 40t(12)A                | 0 | 40t(12)B          |

Total number of ALL veteran exemptions granted in 2024 40t(A) **441**

Total exempt value of ALL veteran exemptions granted in tax year 2024 40t(B) **2,542,620**

**MAINE REVENUE SERVICES - 2024 MUNICIPAL VALUATION RETURN**

Municipality: Auburn

**EXEMPT PROPERTY, continued**

40. u. Solar and wind energy equipment. (reimbursable exemption)

|                                                                            |         |                  |
|----------------------------------------------------------------------------|---------|------------------|
| 1) Total number of solar and wind energy equipment applications processed. | 40 u(1) | <u>1</u>         |
| 2) Total number of solar and wind energy equipment applications approved.  | 40 u(2) | <u>1</u>         |
| 3) Total exempt value of solar and wind energy equipment.                  | 40 u(3) | <u>2,795,302</u> |

40. v. Other. The Laws of the State of Maine provide for exemption of quasi-municipal organizations such as authorities, districts and trust commissions.

Examples: 30-A M.R.S. § 5114 provides for exemption of real and personal property of an Urban Renewal Authority or Chapter 164, P. & S.L. of 1971 provides for exemption of real estate owned by the Cobbossee-Annabessacook Authority. (See also 30-A M.R.S., § 5413, Revenue Producing Municipal Facilities Act.)

Enter the full name of the organization in your municipality that has been granted exempt status through such a law, the provision of the law granting the exemption, and the estimated full value of real property.

| NAME OF ORGANIZATION            | PROVISION OF LAW     | EXEMPT VALUE          |
|---------------------------------|----------------------|-----------------------|
| <u>Auburn Housing Authority</u> | <u>30-A Sec 5114</u> | <u>\$25,320,200</u>   |
|                                 |                      |                       |
|                                 |                      |                       |
| <b>TOTAL</b>                    |                      | 40v <u>25,320,200</u> |

**40. TOTAL VALUE OF ALL PROPERTY EXEMPTED BY LAW** 40 333,036,577

**MUNICIPAL RECORDS**

41. a. Does your municipality have tax maps? 41a Yes YES/NO  
 If yes, proceed to b, c, and d. If no, move to line 42.  
 Enter date/contractor name when maps were originally obtained. (This does not refer to the annual updating of tax maps.)

b. Date 41b 4/1/2000 mm/dd/yyyy

c. Name of contractor 41c Sewell Company

d. Are your tax maps PAPER, GIS, or CAD? 41d GIS

42. Enter the number of land parcels in your municipality (not the number of tax bills) 42 9472

43. Total **taxable acreage** in your municipality. 43 31373.86

44. a. Have you/contractor completed professional town-wide revaluation? 44a Yes YES/NO  
 If yes, please answer the questions below.  
 If no, please proceed to line 45.

b. Did the revaluation include any of the following? 44b (1) Yes LAND  
 Please enter each category with Yes or No.  
44b (2) Yes BUILDINGS  
44b (3) Yes PERSONAL PROPERTY

c. Effective Date 44c 4/1/2007 mm/dd/yyyy

d. Contractor Name 44d In House

e. Cost 44e NA



**MAINE REVENUE SERVICES - 2024 MUNICIPAL VALUATION RETURN**

Municipality: Auburn

**MUNICIPAL RECORDS, continued**

45. Enter the best choice that describes how the municipality administers its assessment function. Choose **SINGLE ASSESSOR, ASSESSORS' AGENT** or **BOARD OF ASSESSORS**. Include the name of any single assessor or agent.

a) Function 45a SINGLE ASSESSOR

b) Name 45b Karen V Scammon

c) Email address 45c kscammon@auburnmaine.gov

46. Enter the beginning and ending dates of the fiscal year in your municipality.

FROM 46a 7/1/2024 TO 46b 6/30/2025  
mm/dd/yyyy mm/dd/yyyy

47. Interest rate charged on overdue 2024 property taxes

47 6.00  
8.50% maximum

48. Date(s) that 2024 property taxes are due.

48a 9/16/24 RE 48b 3/17/2025 RE  
48c 9/16/2024 PP 48d mm/dd/yyyy  
mm/dd/yyyy mm/dd/yyyy

49. Are your assessment records computerized?

49a YES YES/NO Name of software used 49b Patriot aka Catalis

50. Has your municipality implemented a local property tax relief program under 36 M.R.S. § 6232(1)?

50a NO YES/NO How many people qualified? 50b mm/dd/yyyy  
How much relief was granted? 50c mm/dd/yyyy

51. Has your municipality implemented a local senior volunteer tax credit program under 36 M.R.S. § 6232(1-A)?

51a NO YES/NO How many people qualified? 51b mm/dd/yyyy  
How much relief was granted? 51c mm/dd/yyyy

52. Has your municipality implemented a local property tax deferral for senior citizens under 36 M.R.S. § 6271?

52a NO YES/NO How many people qualified? 52b mm/dd/yyyy  
How much relief was granted? 52c mm/dd/yyyy

I/We, the Assessor(s) of the Municipality of Auburn do state that the foregoing information contained herein is, to the best knowledge and belief of this office, reported correctly and that all of the requirements of the law have been followed in valuing, listing and submitting the information.

ASSESSOR(S)  
SIGNATURES

Karen V Scammon  
see scanned version for signature  
mm/dd/yyyy  
mm/dd/yyyy  
mm/dd/yyyy

DATE 9/27/2024  
mm/dd/yyyy

**NOTICE:** This return must be completed and sent to the Property Tax Division by November 1, 2024 or within 30 days after the commitment date, whichever is later, in order to avoid reduction or loss of any entitlement under the Tree Growth Tax Law municipal reimbursement program for the 2024 tax year.

Municipality: Auburn County: Androscoggin

1. Enter the number and type of new, demolished and converted residential buildings in your municipality since April 1, 2023, giving the approximate increase or decrease in full market value.

2. Enter any new industrial or commercial growth started or expanded since April 1, 2023, giving the approximate full market value and additional machinery, equipment, etc.

3. Enter any extreme losses in valuation since April 1, 2023, giving a brief explanation such as "fire" or "mill closing", etc. giving the loss at full market value.

4. Explain any general increase or decrease in valuation since April 1, 2023 based on revaluations, change in ratio used, adjustments, etc.

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# 2024 MUNICIPAL TAX RATE CALCULATION FORM

Municipality: Auburn

## BE SURE TO COMPLETE THIS FORM BEFORE FILLING IN THE TAX ASSESSMENT WARRANT

|                                                                                  |     |                                                                 |
|----------------------------------------------------------------------------------|-----|-----------------------------------------------------------------|
| 1. Total taxable value of real estate                                            | 1   | <b>\$2,352,677,809</b><br><small>(from page 1, line 6)</small>  |
| 2. Total taxable value of personal property                                      | 2   | <b>\$107,768,373</b><br><small>(from page 1, line 10)</small>   |
| 3. Total taxable value of real estate and personal property (Line 1 plus line 2) | 3   | <b>\$2,460,446,182</b><br><small>(from page 1, line 11)</small> |
| 4. a. Total exempt value for all homestead exemptions granted                    | 4a. | <b>\$100,493,650</b><br><small>(from Page 1, line 14f)</small>  |
| b. Homestead exemption reimbursement value                                       | 4b. | <b>\$76,375,174</b>                                             |
| 5. a. Total exempt value of all BETE qualified property                          | 5a. | <b>\$246,018,405</b><br><small>(from page 2, line 15c)</small>  |
| b. BETE exemption reimbursement value                                            | 5b. | <b>\$139,098,806</b>                                            |
| 6. Total valuation base (Line 3 + line 4b + line 5b)                             | 6   | <b>\$2,675,920,162</b>                                          |

### ASSESSMENTS

|                                                   |    |                                                                          |
|---------------------------------------------------|----|--------------------------------------------------------------------------|
| 7. County tax                                     | 7  | <b>\$3,117,240.00</b>                                                    |
| 8. Municipal appropriation                        | 8  | <b>\$53,062,483.00</b>                                                   |
| 9. TIF financial plan amount                      | 9  | <b>\$3,522,753</b><br><small>(must match page 2, line 16c + 16d)</small> |
| 10. Local education appropriation                 | 10 | <b>\$20,754,737.00</b>                                                   |
| 11. Total appropriations (Add lines 7 through 10) | 11 | <b>\$80,457,213.00</b>                                                   |

### ALLOWABLE DEDUCTIONS

|                                                                                                                                                                                                                                                                                                                   |    |                        |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|------------------------|
| 12. Anticipated state municipal revenue sharing                                                                                                                                                                                                                                                                   | 12 | <b>\$7,200,000.00</b>  |
| 13. Other revenues: (All other revenues that have been formally appropriated to reduce the commitment such as excise tax revenue, T.G. reimbursement, renewable energy reimbursement, trust fund or bank interest income, appropriated surplus revenue, etc. (Do not include any homestead or BETE reimbursement) | 13 | <b>\$14,172,646.00</b> |
| 14. Total deductions (Line 12 plus line 13)                                                                                                                                                                                                                                                                       | 14 | <b>\$21,372,646.00</b> |
| 15. Net to be raised by local property tax rate (Line 11 minus line 14)                                                                                                                                                                                                                                           | 15 | <b>\$59,084,567.00</b> |

|     |                                                                         |   |                                                                |   |                                                                               |                         |
|-----|-------------------------------------------------------------------------|---|----------------------------------------------------------------|---|-------------------------------------------------------------------------------|-------------------------|
| 16. | <b>\$59,084,567.00</b><br><small>(Amount from line 15)</small>          | x | <b>1.05</b>                                                    | = | <b>\$62,038,795.35</b>                                                        | Maximum Allowable Tax   |
| 17. | <b>\$59,084,567.00</b><br><small>(Amount from line 15)</small>          | ÷ | <b>\$2,675,920,162</b><br><small>(Amount from line 6)</small>  | = | <b>0.02208</b>                                                                | Minimum Tax Rate        |
| 18. | <b>\$62,038,795.35</b><br><small>(Amount from line 16)</small>          | ÷ | <b>\$2,675,920,162</b><br><small>(Amount from line 6)</small>  | = | <b>0.02318</b>                                                                | Maximum Tax Rate        |
| 19. | <b>\$2,460,446,182.00</b><br><small>(Amount from line 3)</small>        | x | <b>0.02225</b><br><small>(Selected Rate)</small>               | = | <b>\$54,744,927.55</b><br><small>(Enter on page 1, line 13)</small>           | Tax for Commitment      |
| 20. | <b>\$59,084,567.00</b><br><small>(Amount from line 15)</small>          | x | <b>0.05</b>                                                    | = | <b>\$2,954,228.35</b>                                                         | Maximum Overlay         |
| 21. | <b>\$76,375,174</b><br><small>(Amount from line 4b.)</small>            | x | <b>0.02225</b><br><small>(Selected Rate)</small>               | = | <b>\$1,699,347.62</b><br><small>(Enter on line 8, Assessment Warrant)</small> | Homestead Reimbursement |
| 22. | <b>\$139,098,806</b><br><small>(Amount from line 5b.)</small>           | x | <b>0.02225</b><br><small>(Selected Rate)</small>               | = | <b>\$3,094,948.44</b><br><small>(Enter on line 9, Assessment Warrant)</small> | BETE Reimbursement      |
| 23. | <b>\$59,539,223.61</b><br><small>(Line 19 plus lines 21 and 22)</small> | - | <b>\$59,084,567.00</b><br><small>(Amount from line 15)</small> | = | <b>\$454,656.61</b><br><small>(Enter on line 5, Assessment Warrant)</small>   | Overlay                 |

(If Line 23 exceeds Line 20 select a lower tax rate.)

Results from this completed form should be used to prepare the Municipal Tax Assessment Warrant, Certificate of Assessment to Municipal Treasurer and Municipal Valuation Return.

2024 MUNICIPAL TAX RATE CALCULATION FORM  
**ENHANCED BUSINESS EQUIPMENT TAX EXEMPTION CALCULATION SHEET**

Municipality: Auburn

BE SURE TO COMPLETE AND FILE THIS FORM IN CONJUNCTION WITH THE TAX RATE FORM

**Standard BETE Reimbursement Computation**

|                                                                                                                                 |                                                          |
|---------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|
| 1. a. Total exempt value of all BETE property as of April 1, 2024                                                               | \$246,018,405<br><small>(from page 2, line 15c.)</small> |
| b. Total exempt value of all BETE property located outside TIF Districts with captured assessed value (Line 1a. minus line 3b.) | \$246,018,405                                            |
| c. Percent of reimbursement for BETE exempt property (2024 statutory standard 50% reimbursement )                               | 50.00%                                                   |
| d. Value of all BETE qualified exempt property subject to standard reimbursement                                                | \$0                                                      |

**Enhanced Reimbursement if Personal Property Factor Exceeds 5% of Total Taxable Value**

|                                                                                                                                                                            |                                                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| 2. a. Total taxable value of all business personal property                                                                                                                | \$107,768,373                                               |
| b. Total taxable value of all real estate and personal property                                                                                                            | \$2,460,446,182                                             |
| c. Total value of all BETE qualified exempt property subject to enhanced reimbursement if not located in a Municipal Retention TIF District subject to a > % of line 2.(f) | \$246,018,405                                               |
| d. Personal property factor $[(2a. + 1a.) / (2b. + 1a.)]$                                                                                                                  | 13.07%                                                      |
| e. Line 2d. / 2                                                                                                                                                            | 6.54%                                                       |
| f. Line 2(e) plus 50% (if line 2(d) is greater than 5%)                                                                                                                    | 56.54%                                                      |
| g. Value of all BETE qualified exempt property subject to Enhanced reimbursement                                                                                           | \$139,098,806<br><small>(if zero results see below)</small> |

**Municipal Retention Tax Increment Percentage**

|                                                                                                                                                                                                                                                                              |       |                                                   |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|---------------------------------------------------|
| 3. a. Percentage of captured assessed value retained by the municipality and allocated for the municipality's own authorized TIF project costs approved as of 4/1/2008. (Defaults to Statutory Standard unless Municipal Retention % is greater than standard reimbursement) | 0.00% | 50.00%                                            |
| b. Captured Assessed Value of BETE qualified property located within TIF districts                                                                                                                                                                                           |       |                                                   |
| c. Value of all TIF BETE qualified exempt property subject to reimbursement                                                                                                                                                                                                  |       | \$0<br><small>(if zero results see below)</small> |

**Total Reimbursable BETE Exempt Value**

|                                                                      |               |
|----------------------------------------------------------------------|---------------|
| 4. Total of all reimbursable BETE Exempt value 1.(d) or 2.(g)+ 3.(c) | \$139,098,806 |
|----------------------------------------------------------------------|---------------|

# CITY OF AUBURN, MAINE

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Finance Department

## **ANNUAL FINANCIAL REPORT**

**For Fiscal Year Ended  
June 30, 2023**

**CITY OF AUBURN, MAINE**  
**ANNUAL FINANCIAL REPORT**  
**For the Fiscal Year Ended June 30, 2023**

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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, 2023, 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, 2023, 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 schedules related to the pension and OPEB liabilities, as listed in the table of contents, 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, 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. Our opinion on the basic financial statements is not affected by this missing information.



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 and the schedule of expenditures of federal awards 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 August 30, 2024 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.



August 30, 2024  
South Portland, Maine

## **BASIC FINANCIAL STATEMENTS**

**CITY OF AUBURN, MAINE**  
**Statement of Net Position**  
**June 30, 2023**

|                                                      | Governmental<br>Activities | Business-type<br>Activities | Total       |
|------------------------------------------------------|----------------------------|-----------------------------|-------------|
| <b>ASSETS</b>                                        |                            |                             |             |
| Cash and cash equivalents                            | \$ 49,206,581              | 510,575                     | 49,717,156  |
| Investments                                          | 31,335,790                 | -                           | 31,335,790  |
| Amounts held in escrow                               | 149,650                    | -                           | 149,650     |
| Receivables:                                         |                            |                             |             |
| Accounts, net of allowance                           | 692,721                    | 118,476                     | 811,197     |
| Intergovernmental                                    | 15,196,420                 | -                           | 15,196,420  |
| Taxes receivable                                     | 1,718,967                  | -                           | 1,718,967   |
| Loans, net of allowance                              | 5,227,121                  | -                           | 5,227,121   |
| Internal balances                                    | 1,146,216                  | (1,146,216)                 | -           |
| Prepaid expenses                                     | 157,225                    | -                           | 157,225     |
| Inventories                                          | 54,658                     | -                           | 54,658      |
| Capital assets, not being depreciated                | 116,198,818                | -                           | 116,198,818 |
| Capital assets, being depreciated, net               | 118,843,371                | 228,920                     | 119,072,291 |
| Total assets                                         | 339,927,538                | (288,245)                   | 339,639,293 |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                |                            |                             |             |
| Deferred outflows of resources - related to pensions | 6,989,652                  | 47,828                      | 7,037,480   |
| Deferred outflows of resources - related to OPEB     | 1,536,207                  | 1,077                       | 1,537,284   |
| Total deferred outflows of resources                 | 8,525,859                  | 48,905                      | 8,574,764   |
| <b>LIABILITIES</b>                                   |                            |                             |             |
| Accounts payable and other current liabilities       | 12,566,872                 | 9,851                       | 12,576,723  |
| Accrued payroll                                      | 4,748,705                  | -                           | 4,748,705   |
| Prepaid taxes                                        | 99,366                     | -                           | 99,366      |
| Unearned revenue                                     | 22,259,238                 | -                           | 22,259,238  |
| Noncurrent liabilities:                              |                            |                             |             |
| Due within one year                                  | 17,351,607                 | -                           | 17,351,607  |
| Due in more than one year                            | 184,708,491                | 126,595                     | 184,835,086 |
| Total liabilities                                    | 241,734,279                | 136,446                     | 241,870,725 |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                 |                            |                             |             |
| Deferred charge on refunding                         | 56,364                     | -                           | 56,364      |
| Deferred inflows of resources - related to pensions  | 3,222,121                  | 28,957                      | 3,251,078   |
| Deferred inflows of resources related to OPEB        | 572,424                    | 6,646                       | 579,070     |
| Total deferred inflows of resources                  | 3,850,909                  | 35,603                      | 3,886,512   |
| <b>NET POSITION</b>                                  |                            |                             |             |
| Net investment in capital assets                     | 87,855,325                 | 228,920                     | 88,084,245  |
| Restricted for:                                      |                            |                             |             |
| Permanent funds:                                     |                            |                             |             |
| Expendable                                           | 199,761                    | -                           | 199,761     |
| Nonexpendable                                        | 69,475                     | -                           | 69,475      |
| Other purposes:                                      |                            |                             |             |
| City Services                                        | 3,266,436                  | -                           | 3,266,436   |
| Education                                            | 10,741,895                 | -                           | 10,741,895  |
| Centralized School Lunch                             | 1,391,609                  | -                           | 1,391,609   |
| Community Development Programs                       | 1,368,340                  | -                           | 1,368,340   |
| Unrestricted                                         | (2,024,632)                | (640,309)                   | (2,664,941) |
| Total net position                                   | \$ 102,868,209             | (411,389)                   | 102,456,820 |

*See accompanying notes to financial statements.*

**CITY OF AUBURN, MAINE**  
**Statement of Activities**  
**For the Year Ended June 30, 2023**

| Functions/programs                                            | Expenses       | Program Revenues        |                                          |                                        | Net (expense) revenue and changes<br>in net position |                             |              |
|---------------------------------------------------------------|----------------|-------------------------|------------------------------------------|----------------------------------------|------------------------------------------------------|-----------------------------|--------------|
|                                                               |                | Charges for<br>services | Operating<br>grants and<br>contributions | Capital<br>grants and<br>contributions | Primary Government                                   |                             | Total        |
|                                                               |                |                         |                                          |                                        | Governmental<br>activities                           | Business-type<br>activities |              |
| Primary government:                                           |                |                         |                                          |                                        |                                                      |                             |              |
| Governmental activities:                                      |                |                         |                                          |                                        |                                                      |                             |              |
| General government                                            | \$ 16,131,528  | 3,019,837               | 6,081,888                                | -                                      | (7,029,803)                                          | -                           | (7,029,803)  |
| Public safety                                                 | 11,365,100     | 18,176                  | -                                        | -                                      | (11,346,924)                                         | -                           | (11,346,924) |
| Health, welfare and recreation                                | 3,109,439      | 512,392                 | -                                        | -                                      | (2,597,047)                                          | -                           | (2,597,047)  |
| Public works                                                  | 14,414,736     | -                       | -                                        | -                                      | (14,414,736)                                         | -                           | (14,414,736) |
| Other agencies                                                | 4,649,304      | -                       | -                                        | -                                      | (4,649,304)                                          | -                           | (4,649,304)  |
| Education                                                     | 60,665,088     | 1,057,392               | 45,634,447                               | 415,510                                | (13,557,739)                                         | -                           | (13,557,739) |
| Food services                                                 | 2,123,206      | 73,839                  | 2,432,968                                | -                                      | 383,601                                              | -                           | 383,601      |
| Interest on debt                                              | 21,575         | -                       | -                                        | -                                      | (21,575)                                             | -                           | (21,575)     |
| Total governmental activities                                 | 112,479,976    | 4,681,636               | 54,149,303                               | 415,510                                | (53,233,527)                                         | -                           | (53,233,527) |
| Business-type activities:                                     |                |                         |                                          |                                        |                                                      |                             |              |
| Ingersoll Turf Facility                                       | 57,751         | 178,107                 | -                                        | -                                      | -                                                    | 120,356                     | 120,356      |
| Norway Savings Bank Arena                                     | 774,964        | 1,049,735               | -                                        | -                                      | -                                                    | 274,771                     | 274,771      |
| Total business-type activities                                | 832,715        | 1,227,842               | -                                        | -                                      | -                                                    | 395,127                     | 395,127      |
| Total primary government                                      | \$ 113,312,691 | 5,909,478               | 54,149,303                               | 415,510                                | (53,233,527)                                         | 395,127                     | (52,838,400) |
| General revenues, unrestricted:                               |                |                         |                                          |                                        |                                                      |                             |              |
| Property taxes, levied for general purposes                   |                |                         |                                          |                                        | 49,502,583                                           | -                           | 49,502,583   |
| Motor vehicle excise taxes                                    |                |                         |                                          |                                        | 4,796,428                                            | -                           | 4,796,428    |
| Interest on delinquent taxes                                  |                |                         |                                          |                                        | 102,241                                              | -                           | 102,241      |
| Grants and contributions not restricted to specific programs: |                |                         |                                          |                                        |                                                      |                             |              |
| State Revenue Sharing                                         |                |                         |                                          |                                        | 6,317,130                                            | -                           | 6,317,130    |
| Homestead and BETE exemptions                                 |                |                         |                                          |                                        | 4,527,276                                            | -                           | 4,527,276    |
| Other State aid                                               |                |                         |                                          |                                        | 711,771                                              | -                           | 711,771      |
| Unrestricted investment earnings                              |                |                         |                                          |                                        | 1,481,684                                            | 2,471                       | 1,484,155    |
| Miscellaneous revenues                                        |                |                         |                                          |                                        | 277,969                                              | -                           | 277,969      |
| Total general revenues                                        |                |                         |                                          |                                        | 67,717,082                                           | 2,471                       | 67,719,553   |
| Change in net position                                        |                |                         |                                          |                                        | 14,483,555                                           | 397,598                     | 14,881,153   |
| Net position - beginning - as restated                        |                |                         |                                          |                                        | 88,384,654                                           | (808,987)                   | 87,575,667   |
| Net position - ending                                         |                |                         |                                          |                                        | \$ 102,868,209                                       | (411,389)                   | 102,456,820  |

*See accompanying notes to financial statements.*

CITY OF AUBURN, MAINE  
Balance Sheet  
Governmental Funds  
June 30, 2023

|                                                                                       | General              | Community<br>Development<br>Programs | Tax Increment<br>Financing | Capital<br>Improvement<br>Program | New Edward<br>Little Building<br>Project | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---------------------------------------------------------------------------------------|----------------------|--------------------------------------|----------------------------|-----------------------------------|------------------------------------------|--------------------------------|--------------------------------|
| <b>ASSETS</b>                                                                         |                      |                                      |                            |                                   |                                          |                                |                                |
| Cash and cash equivalents                                                             | \$ 26,818,464        | -                                    | 1,054,563                  | 12,954,137                        | 1,352,025                                | 7,027,392                      | 49,206,581                     |
| Amounts held in escrow                                                                | -                    | -                                    | -                          | 149,650                           | -                                        | -                              | 149,650                        |
| Investments                                                                           | 5,094,330            | -                                    | -                          | -                                 | 26,241,460                               | -                              | 31,335,790                     |
| Receivables:                                                                          |                      |                                      |                            |                                   |                                          |                                |                                |
| Taxes                                                                                 | 1,718,967            | -                                    | -                          | -                                 | -                                        | -                              | 1,718,967                      |
| Accounts, net of allowance                                                            | 585,777              | -                                    | -                          | 129,584                           | 55,640                                   | 973                            | 771,974                        |
| Loans, net of allowance                                                               | 599,532              | 3,727,374                            | -                          | -                                 | -                                        | 900,215                        | 5,227,121                      |
| Intergovernmental                                                                     | 749,671              | 8,653,476                            | -                          | -                                 | -                                        | 5,793,273                      | 15,196,420                     |
| Inventory                                                                             | -                    | -                                    | -                          | -                                 | -                                        | 54,658                         | 54,658                         |
| Interfund receivables                                                                 | 107,636              | -                                    | 221,775                    | -                                 | -                                        | 7,906,527                      | 8,235,938                      |
| Prepaid expenditures                                                                  | 50,782               | -                                    | -                          | -                                 | -                                        | 106,443                        | 157,225                        |
| <b>Total assets</b>                                                                   | <b>\$ 35,725,159</b> | <b>12,380,850</b>                    | <b>1,276,338</b>           | <b>13,233,371</b>                 | <b>27,649,125</b>                        | <b>21,789,481</b>              | <b>112,054,324</b>             |
| <b>LIABILITIES</b>                                                                    |                      |                                      |                            |                                   |                                          |                                |                                |
| Accounts payable                                                                      | 1,452,447            | 20,487                               | 76                         | 2,057,223                         | 7,762,168                                | 1,241,210                      | 12,533,611                     |
| Accrued payroll and benefits payable                                                  | 4,699,560            | -                                    | -                          | -                                 | -                                        | 49,145                         | 4,748,705                      |
| Prepaid taxes                                                                         | 99,366               | -                                    | -                          | -                                 | -                                        | -                              | 99,366                         |
| Escrow funds payable                                                                  | 32,511               | 750                                  | -                          | -                                 | -                                        | -                              | 33,261                         |
| Unearned revenue                                                                      | -                    | 10,861,349                           | -                          | -                                 | -                                        | 11,397,889                     | 22,259,238                     |
| Interfund payables                                                                    | -                    | 129,924                              | -                          | 3,275,447                         | 490,193                                  | 3,273,411                      | 7,168,975                      |
| <b>Total liabilities</b>                                                              | <b>6,283,884</b>     | <b>11,012,510</b>                    | <b>76</b>                  | <b>5,332,670</b>                  | <b>8,252,361</b>                         | <b>15,961,655</b>              | <b>46,843,156</b>              |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                                  |                      |                                      |                            |                                   |                                          |                                |                                |
| Unavailable revenue - property taxes                                                  | 1,613,742            | -                                    | -                          | -                                 | -                                        | -                              | 1,613,742                      |
| Unavailable revenue - settlement proceeds                                             | -                    | -                                    | -                          | -                                 | -                                        | 1,025,186                      | 1,025,186                      |
| <b>Total deferred inflows of resources</b>                                            | <b>1,613,742</b>     | <b>-</b>                             | <b>-</b>                   | <b>-</b>                          | <b>-</b>                                 | <b>1,025,186</b>               | <b>2,638,928</b>               |
| <b>FUND BALANCES (deficits)</b>                                                       |                      |                                      |                            |                                   |                                          |                                |                                |
| Nonspendable - amounts held in escrow                                                 | -                    | -                                    | -                          | 149,650                           | -                                        | -                              | 149,650                        |
| Nonspendable - inventory                                                              | -                    | -                                    | -                          | -                                 | -                                        | 54,658                         | 54,658                         |
| Nonspendable - prepaid expenditures                                                   | 50,782               | -                                    | -                          | -                                 | -                                        | 106,443                        | 157,225                        |
| Nonspendable - long-term receivables                                                  | 599,532              | -                                    | -                          | -                                 | -                                        | -                              | 599,532                        |
| Nonspendable - principal                                                              | -                    | -                                    | -                          | -                                 | -                                        | 69,475                         | 69,475                         |
| Restricted                                                                            | 9,875,588            | 1,368,340                            | 1,276,262                  | -                                 | -                                        | 4,329,631                      | 16,849,821                     |
| Committed                                                                             | -                    | -                                    | -                          | 7,751,051                         | 19,396,764                               | 358,492                        | 27,506,307                     |
| Assigned                                                                              | 3,298,999            | -                                    | -                          | -                                 | -                                        | -                              | 3,298,999                      |
| Unassigned                                                                            | 14,002,632           | -                                    | -                          | -                                 | -                                        | (116,059)                      | 13,886,573                     |
| <b>Total fund balances</b>                                                            | <b>27,827,533</b>    | <b>1,368,340</b>                     | <b>1,276,262</b>           | <b>7,900,701</b>                  | <b>19,396,764</b>                        | <b>4,802,640</b>               | <b>62,572,240</b>              |
| <b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b> | <b>\$ 35,725,159</b> | <b>12,380,850</b>                    | <b>1,276,338</b>           | <b>13,233,371</b>                 | <b>27,649,125</b>                        | <b>21,789,481</b>              |                                |

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.                   | 235,042,189   |
| Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.                 | 2,638,928     |
| 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                                                                                                                    | (159,646,099) |
| Financed purchases payable                                                                                                                 | (173,782)     |
| Leases payable                                                                                                                             | (617,128)     |
| Unamortized debt premiums                                                                                                                  | (13,600,660)  |
| Accrued compensated absences                                                                                                               | (2,559,194)   |
| Accrued self-insurance liability                                                                                                           | (853,036)     |
| Other postemployment benefits with related deferred inflows and outflows of resources                                                      | (13,335,074)  |
| Net pension liability with related deferred inflows and outflows of resources                                                              | (5,158,269)   |
| Deferred charge on refunding                                                                                                               | (56,364)      |
| Landfill postclosure care costs                                                                                                            | (31,500)      |
| Accrued interest on debt                                                                                                                   | (1,354,042)   |

**Net position of governmental activities**

**\$ 102,868,209**

See accompanying notes to financial statements.

**CITY OF AUBURN, MAINE**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2023**

|                                                                  | General              | Community<br>Development<br>Programs | Tax Increment<br>Financing | Capital<br>Improvement<br>Program | New Edward<br>Little Building<br>Project | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|------------------------------------------------------------------|----------------------|--------------------------------------|----------------------------|-----------------------------------|------------------------------------------|--------------------------------|--------------------------------|
| <b>Revenues:</b>                                                 |                      |                                      |                            |                                   |                                          |                                |                                |
| Taxes                                                            | \$ 54,373,113        | -                                    | -                          | -                                 | -                                        | -                              | 54,373,113                     |
| Intergovernmental                                                | 51,608,089           | 536,531                              | -                          | -                                 | -                                        | 12,323,010                     | 64,467,630                     |
| Licenses and permits                                             | 475,259              | -                                    | -                          | -                                 | -                                        | -                              | 475,259                        |
| Charges for services                                             | 2,753,018            | -                                    | -                          | -                                 | -                                        | 1,435,183                      | 4,188,201                      |
| Student activity fees and fundraisers                            | -                    | -                                    | -                          | -                                 | -                                        | 277,863                        | 277,863                        |
| Other income                                                     | 296,145              | 24,477                               | -                          | -                                 | 1,059                                    | 878,605                        | 1,200,286                      |
| Donation                                                         | 411,000              | -                                    | -                          | 4,510                             | -                                        | -                              | 415,510                        |
| Interest income                                                  | 278,901              | -                                    | -                          | 279,964                           | 910,954                                  | 11,865                         | 1,481,684                      |
| <b>Total revenues</b>                                            | <b>110,195,525</b>   | <b>561,008</b>                       | <b>-</b>                   | <b>284,474</b>                    | <b>912,013</b>                           | <b>14,926,526</b>              | <b>126,879,546</b>             |
| <b>Expenditures:</b>                                             |                      |                                      |                            |                                   |                                          |                                |                                |
| <b>Current:</b>                                                  |                      |                                      |                            |                                   |                                          |                                |                                |
| General government                                               | 11,946,944           | 955,396                              | 735,466                    | -                                 | -                                        | 1,907,587                      | 15,545,393                     |
| Public safety                                                    | 11,461,619           | -                                    | -                          | -                                 | -                                        | 141,139                        | 11,602,758                     |
| Health, welfare and recreation                                   | 2,044,326            | -                                    | -                          | -                                 | -                                        | 531,311                        | 2,575,637                      |
| Public works                                                     | 6,822,438            | -                                    | -                          | -                                 | -                                        | 2,217,504                      | 9,039,942                      |
| Other agencies                                                   | 4,649,304            | -                                    | -                          | -                                 | -                                        | -                              | 4,649,304                      |
| Education                                                        | 56,874,309           | -                                    | -                          | -                                 | -                                        | 6,576,017                      | 63,450,326                     |
| Food services                                                    | -                    | -                                    | -                          | -                                 | -                                        | 2,123,206                      | 2,123,206                      |
| Student activities                                               | -                    | -                                    | -                          | -                                 | -                                        | 260,269                        | 260,269                        |
| Unclassified                                                     | 229,135              | -                                    | -                          | -                                 | -                                        | -                              | 229,135                        |
| Capital outlay                                                   | 615,433              | -                                    | 11,963                     | 10,061,736                        | 50,600,715                               | -                              | 61,289,847                     |
| Debt service                                                     | 8,394,862            | -                                    | 691,489                    | -                                 | -                                        | 159,119                        | 9,245,470                      |
| <b>Total expenditures</b>                                        | <b>103,038,370</b>   | <b>955,396</b>                       | <b>1,438,918</b>           | <b>10,061,736</b>                 | <b>50,600,715</b>                        | <b>13,916,152</b>              | <b>180,011,287</b>             |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | <b>7,157,155</b>     | <b>(394,388)</b>                     | <b>(1,438,918)</b>         | <b>(9,777,262)</b>                | <b>(49,688,702)</b>                      | <b>1,010,374</b>               | <b>(53,131,741)</b>            |
| <b>Other financing sources (uses):</b>                           |                      |                                      |                            |                                   |                                          |                                |                                |
| Issuance of long-term debt                                       | -                    | -                                    | -                          | 6,800,000                         | -                                        | -                              | 6,800,000                      |
| Premium on issuance of debt                                      | -                    | -                                    | -                          | 600,358                           | -                                        | -                              | 600,358                        |
| Transfers to/from other funds                                    | (2,654,086)          | -                                    | 2,479,086                  | -                                 | -                                        | 175,000                        | -                              |
| <b>Total other financing sources (uses)</b>                      | <b>(2,654,086)</b>   | <b>-</b>                             | <b>2,479,086</b>           | <b>7,400,358</b>                  | <b>-</b>                                 | <b>175,000</b>                 | <b>7,400,358</b>               |
| <b>Net change in fund balances</b>                               | <b>4,503,069</b>     | <b>(394,388)</b>                     | <b>1,040,168</b>           | <b>(2,376,904)</b>                | <b>(49,688,702)</b>                      | <b>1,185,374</b>               | <b>(45,731,383)</b>            |
| <b>Fund balances, beginning of year, as restated</b>             | <b>23,324,464</b>    | <b>1,762,728</b>                     | <b>236,094</b>             | <b>10,277,605</b>                 | <b>69,085,466</b>                        | <b>3,617,266</b>               | <b>108,303,623</b>             |
| <b>Fund balances, end of year</b>                                | <b>\$ 27,827,533</b> | <b>1,368,340</b>                     | <b>1,276,262</b>           | <b>7,900,701</b>                  | <b>19,396,764</b>                        | <b>4,802,640</b>               | <b>62,572,240</b>              |

*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, 2023**

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|                                                                           |    |              |
|---------------------------------------------------------------------------|----|--------------|
| Net change in fund balances - total governmental funds (from Statement 4) | \$ | (45,731,383) |
|---------------------------------------------------------------------------|----|--------------|

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       | 63,355,507   |
| Depreciation and loss on disposal not reported in governmental funds | (10,208,796) |

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.

83,985

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                                  | (6,800,000) |
| Principal payments on long-term debt and financed purchases | 12,375,197  |
| Principal payments on leases                                | 47,967      |
| Premium on issuance of debt                                 | (600,358)   |
| Amortization of bond premium                                | 1,753,655   |
| 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                                                          | (103,264) |
| Accrued self-insurance liability                                                      | 262,053   |
| Other postemployment benefits with related deferred inflows and outflows of resources | (170,422) |
| Net pension liability with related deferred inflows and outflows of resources         | 156,293   |
| Landfill postclosure care costs                                                       | 10,500    |
| Accrued interest on debt                                                              | 38,530    |

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|                                                                     |    |            |
|---------------------------------------------------------------------|----|------------|
| Change in net position of governmental activities (see Statement 2) | \$ | 14,483,555 |
|---------------------------------------------------------------------|----|------------|

*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, 2023**

|                               | Budgeted Amounts |             | Actual      | Variance with<br>final budget<br>positive<br>(negative) |
|-------------------------------|------------------|-------------|-------------|---------------------------------------------------------|
|                               | Original         | Final       |             |                                                         |
| Revenues:                     |                  |             |             |                                                         |
| Taxes:                        |                  |             |             |                                                         |
| Real and personal property    | \$ 49,302,320    | 49,302,320  | 49,474,444  | 172,124                                                 |
| Excise and registrations      | 4,435,000        | 4,435,000   | 4,796,428   | 361,428                                                 |
| Interest on delinquent taxes  | 120,000          | 120,000     | 102,241     | (17,759)                                                |
| Total taxes                   | 53,857,320       | 53,857,320  | 54,373,113  | 515,793                                                 |
| Intergovernmental:            |                  |             |             |                                                         |
| State revenue sharing         | 4,504,100        | 4,504,100   | 6,317,130   | 1,813,030                                               |
| School subsidy                | 34,826,024       | 34,826,024  | 35,118,115  | 292,091                                                 |
| Homestead                     | 1,770,000        | 1,770,000   | 1,661,443   | (108,557)                                               |
| BETE                          | 3,101,000        | 3,101,000   | 2,865,833   | (235,167)                                               |
| Other:                        |                  |             |             |                                                         |
| School Department             | 224,555          | 224,555     | 219,721     | (4,834)                                                 |
| Tax sharing/in lieu of        | 242,000          | 242,000     | 294,207     | 52,207                                                  |
| Municipal                     | 1,249,066        | 1,249,066   | 711,771     | (537,295)                                               |
| Total intergovernmental       | 45,916,745       | 45,916,745  | 47,188,220  | 1,271,475                                               |
| Other revenue:                |                  |             |             |                                                         |
| Licenses and permits          | 385,250          | 385,250     | 475,259     | 90,009                                                  |
| Charges for services:         |                  |             |             |                                                         |
| Municipal                     | 2,277,200        | 2,277,200   | 2,397,183   | 119,983                                                 |
| School                        | 264,910          | 264,910     | 355,529     | 90,619                                                  |
| Fines, forfeits and penalties | 28,000           | 28,000      | 18,176      | (9,824)                                                 |
| Interest:                     |                  |             |             |                                                         |
| Municipal                     | 30,000           | 30,000      | 278,143     | 248,143                                                 |
| Donation                      | -                | -           | 411,000     | 411,000                                                 |
| Miscellaneous                 | 120,000          | 120,000     | 277,969     | 157,969                                                 |
| Total other revenue           | 3,105,360        | 3,105,360   | 4,213,259   | 1,107,899                                               |
| Total revenues                | 102,879,425      | 102,879,425 | 105,774,592 | 2,895,167                                               |



**CITY OF AUBURN, MAINE**  
**General Fund**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balances -- Budget and Actual**  
**For the Year Ended June 30, 2023**

|                                                | <b>Budgeted Amounts</b> |              | <b>Actual</b> | <b>Variance with<br/>final budget<br/>positive<br/>(negative)</b> |
|------------------------------------------------|-------------------------|--------------|---------------|-------------------------------------------------------------------|
|                                                | <b>Original</b>         | <b>Final</b> |               |                                                                   |
| Expenditures:                                  |                         |              |               |                                                                   |
| General government:                            |                         |              |               |                                                                   |
| Mayor and council                              | \$ 170,500              | 176,826      | 168,373       | 8,453                                                             |
| City manager                                   | 510,978                 | 528,067      | 514,763       | 13,304                                                            |
| Communications & Engagement                    | 218,746                 | 229,041      | 185,456       | 43,585                                                            |
| City clerk                                     | 257,506                 | 279,510      | 275,390       | 4,120                                                             |
| Finance                                        | 1,138,802               | 1,143,152    | 1,128,501     | 14,651                                                            |
| Human resources                                | 222,099                 | 222,099      | 220,415       | 1,684                                                             |
| Planning & Permitting                          | 666,629                 | 745,388      | 742,516       | 2,872                                                             |
| Economic Development                           | 286,598                 | 286,598      | 299,003       | (12,405)                                                          |
| Business and Community Development             | 671,411                 | 671,411      | 317,603       | 353,808                                                           |
| Facilities                                     | -                       | 23,773       | 25,485        | (1,712)                                                           |
| Information technology                         | 827,000                 | 830,360      | 764,660       | 65,700                                                            |
| Worker's compensation (transfer to reserve)    | 698,000                 | 698,000      | 698,000       | -                                                                 |
| Benefits and wage increases                    | 7,876,393               | 7,940,393    | 6,651,578     | 1,288,815                                                         |
| Total general government                       | 13,544,662              | 13,774,618   | 11,991,743    | 1,782,875                                                         |
| Public safety:                                 |                         |              |               |                                                                   |
| Fire & EMS Transport                           | 5,518,284               | 5,550,389    | 5,875,613     | (325,224)                                                         |
| Police                                         | 4,945,034               | 4,963,645    | 4,803,381     | 160,264                                                           |
| Water and sewer                                | 792,716                 | 792,716      | 781,203       | 11,513                                                            |
| Total public safety                            | 11,256,034              | 11,306,750   | 11,460,197    | (153,447)                                                         |
| Health, welfare and recreation:                |                         |              |               |                                                                   |
| Health and social services - public assistance | 119,875                 | 119,875      | 291,067       | (171,192)                                                         |
| Recreation and sports tourism                  | 762,440                 | 767,447      | 668,822       | 98,625                                                            |
| Library                                        | 1,084,437               | 1,084,437    | 1,084,437     | -                                                                 |
| Total health, welfare and recreation           | 1,966,752               | 1,971,759    | 2,044,326     | (72,567)                                                          |
| Public services:                               |                         |              |               |                                                                   |
| Public works                                   | 5,600,109               | 5,865,269    | 5,456,809     | 408,460                                                           |
| Solid waste disposal                           | 1,320,000               | 1,320,000    | 1,365,629     | (45,629)                                                          |
| Total public services                          | 6,920,109               | 7,185,269    | 6,822,438     | 362,831                                                           |
| Other agencies:                                |                         |              |               |                                                                   |
| County tax                                     | 2,761,220               | 2,761,220    | 2,761,220     | -                                                                 |
| Auburn-Lewiston Airport                        | 205,000                 | 205,000      | 208,560       | (3,560)                                                           |
| Auburn Art in the Park                         | 30,000                  | 30,000       | 30,000        | -                                                                 |
| Lewiston-Auburn Transit Committee              | 431,811                 | 431,811      | 431,811       | -                                                                 |
| Lewiston-Auburn E911 Center                    | 1,217,713               | 1,217,713    | 1,217,713     | -                                                                 |
| Total other agencies                           | 4,645,744               | 4,645,744    | 4,649,304     | (3,560)                                                           |

CITY OF AUBURN, MAINE  
General Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balances -- Budget and Actual  
For the Year Ended June 30, 2023

|                                                              | Budgeted Amounts |             | Actual               | Variance with<br>final budget<br>positive<br>(negative) |
|--------------------------------------------------------------|------------------|-------------|----------------------|---------------------------------------------------------|
|                                                              | Original         | Final       |                      |                                                         |
| Expenditures, continued:                                     |                  |             |                      |                                                         |
| Education                                                    | \$ 55,732,090    | 55,732,090  | 52,454,440           | 3,277,650                                               |
| Other appropriations:                                        |                  |             |                      |                                                         |
| Tax sharing                                                  | 260,000          | 260,000     | 229,135              | 30,865                                                  |
| Debt service - principal                                     | 6,721,695        | 6,721,695   | 6,700,998            | 20,697                                                  |
| Debt service - interest and other                            | 1,639,559        | 1,639,559   | 1,693,864            | (54,305)                                                |
| Capital investment and purchasing                            | 672,473          | 672,473     | 615,433              | 57,040                                                  |
| Emergency reserve                                            | 461,230          | 461,230     | -                    | 461,230                                                 |
| Total other appropriations                                   | 9,754,957        | 9,754,957   | 9,239,430            | 515,527                                                 |
| Total expenditures                                           | 103,820,348      | 104,371,187 | 98,661,878           | 5,709,309                                               |
| Excess (deficiency) of revenues over (under)<br>expenditures | (940,923)        | (1,491,762) | 7,112,714            | 8,604,476                                               |
| Other financing sources (uses):                              |                  |             |                      |                                                         |
| Transfers in from other funds                                | 1,414,000        | 1,414,000   | -                    | (1,414,000)                                             |
| Transfers to other funds                                     | (3,224,803)      | (3,224,803) | (2,904,086)          | 320,717                                                 |
| Budgeted use of surplus - City                               | 1,500,000        | 2,050,839   | -                    | (2,050,839)                                             |
| Budgeted use of surplus - School                             | 1,251,726        | 1,251,726   | -                    | (1,251,726)                                             |
| Total other financing sources (uses)                         | 940,923          | 1,491,762   | (2,904,086)          | (4,395,848)                                             |
| Net change in fund balance - budgetary basis                 | -                | -           | 4,208,628            | 4,208,628                                               |
| Fund balance, July 1 - budgetary basis                       |                  |             | 24,108,599           |                                                         |
| Fund balance, June 30 - budgetary basis                      |                  |             | 28,317,227           |                                                         |
| Reconciliation to GAAP basis:                                |                  |             |                      |                                                         |
| Reserve funds deficit fund balance                           |                  |             | (489,694)            |                                                         |
| <b>Fund balance, June 30 - GAAP basis</b>                    |                  |             | <b>\$ 27,827,533</b> |                                                         |

*See accompanying notes to financial statements.*

**CITY OF AUBURN, MAINE**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2023**

| <b>Business-type Activities - Enterprise Funds</b> |                                    |                          |               |
|----------------------------------------------------|------------------------------------|--------------------------|---------------|
|                                                    | <b>Ingersoll<br/>Turf Facility</b> | <b>NSB Ice<br/>Arena</b> | <b>Totals</b> |
| <b>ASSETS</b>                                      |                                    |                          |               |
| Current assets:                                    |                                    |                          |               |
| Cash and cash equivalents                          | \$ 229,487                         | 281,088                  | 510,575       |
| Accounts receivable                                | -                                  | 118,476                  | 118,476       |
| Interfund receivables                              | 118,439                            | -                        | 118,439       |
| Total current assets                               | 347,926                            | 399,564                  | 747,490       |
| Noncurrent assets:                                 |                                    |                          |               |
| Capital assets:                                    |                                    |                          |               |
| Land improvements                                  | 18,584                             | -                        | 18,584        |
| Buildings                                          | 672,278                            | 58,223                   | 730,501       |
| Equipment                                          | 124,045                            | 615,473                  | 739,518       |
| Less accumulated depreciation                      | (776,492)                          | (483,191)                | (1,259,683)   |
| Total noncurrent assets                            | 38,415                             | 190,505                  | 228,920       |
| Total assets                                       | 386,341                            | 590,069                  | 976,410       |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>              |                                    |                          |               |
| Deferred outflows of resources related to pensions | -                                  | 47,828                   | 47,828        |
| Deferred outflows of resources related to OPEB     | -                                  | 1,077                    | 1,077         |
| Total deferred outflows of resources               | -                                  | 48,905                   | 48,905        |
| <b>LIABILITIES</b>                                 |                                    |                          |               |
| Current Liabilities:                               |                                    |                          |               |
| Accounts payable                                   | -                                  | 9,851                    | 9,851         |
| Interfund payables                                 | -                                  | 1,264,655                | 1,264,655     |
| Total current liabilities                          | -                                  | 1,274,506                | 1,274,506     |
| Noncurrent liabilities:                            |                                    |                          |               |
| Net pension liability                              | -                                  | 67,710                   | 67,710        |
| Net OPEB liability                                 | -                                  | 58,885                   | 58,885        |
| Total noncurrent liabilities                       | -                                  | 126,595                  | 126,595       |
| Total liabilities                                  | -                                  | 1,401,101                | 1,401,101     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>               |                                    |                          |               |
| Deferred inflows of resources related to pensions  | -                                  | 28,957                   | 28,957        |
| Deferred inflows of resources related to OPEB      | -                                  | 6,646                    | 6,646         |
| Total deferred inflows of resources                | -                                  | 35,603                   | 35,603        |
| <b>NET POSITION</b>                                |                                    |                          |               |
| Net investment in capital assets                   | 38,415                             | 190,505                  | 228,920       |
| Unrestricted                                       | 347,926                            | (988,235)                | (640,309)     |
| Total net position                                 | \$ 386,341                         | (797,730)                | (411,389)     |

*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, 2023**

|                                              | Ingersoll<br>Turf Facility | NSB Ice<br>Arena | Totals           |
|----------------------------------------------|----------------------------|------------------|------------------|
| Operating revenues:                          |                            |                  |                  |
| Charges for services                         | \$ 178,107                 | 1,049,735        | 1,227,842        |
| Total operating revenue                      | 178,107                    | 1,049,735        | 1,227,842        |
| Operating expenses:                          |                            |                  |                  |
| Personnel                                    | 490                        | 389,910          | 390,400          |
| Program expenses                             | 17,886                     | 2,243            | 20,129           |
| Supplies                                     | -                          | 50,988           | 50,988           |
| Utilities                                    | 234                        | 177,395          | 177,629          |
| Contracted services                          | -                          | 64,417           | 64,417           |
| Repairs and maintenance                      | 9,765                      | 31,267           | 41,032           |
| Depreciation                                 | 27,735                     | 57,660           | 85,395           |
| Other expenses                               | 1,641                      | 7,910            | 9,551            |
| Total operating expenses                     | 57,751                     | 781,790          | 839,541          |
| Operating income (loss)                      | 120,356                    | 267,945          | 388,301          |
| Nonoperating revenue (expense):              |                            |                  |                  |
| Interest income                              | 2,471                      | -                | 2,471            |
| Pension gain (expense)                       | -                          | 6,666            | 6,666            |
| OPEB gain (expense)                          | -                          | 160              | 160              |
| Total nonoperating revenue (expense)         | 2,471                      | 6,826            | 9,297            |
| Change in net position                       | 122,827                    | 274,771          | 397,598          |
| Total net position (deficit), July 1         | 263,514                    | (1,072,501)      | (808,987)        |
| <b>Total net position (deficit), June 30</b> | <b>\$ 386,341</b>          | <b>(797,730)</b> | <b>(411,389)</b> |

*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, 2023**

|                                                                                                          | Ingersoll<br>Turf Facility | NSB Ice<br>Arena | Totals         |
|----------------------------------------------------------------------------------------------------------|----------------------------|------------------|----------------|
| Cash flows from operating activities:                                                                    |                            |                  |                |
| Cash received from customers                                                                             | \$ 178,107                 | 975,208          | 1,153,315      |
| Cash paid to suppliers for goods and services                                                            | (29,712)                   | (340,757)        | (370,469)      |
| Cash paid to employees for services                                                                      | (490)                      | (389,910)        | (390,400)      |
| Net cash provided by (used in) operating activities                                                      | 147,905                    | 244,541          | 392,446        |
| Cash flows from noncapital financing activities:                                                         |                            |                  |                |
| Net change in interfund loans                                                                            | (143,533)                  | (145,739)        | (289,272)      |
| Net cash provided by (used in) noncapital financing activities                                           | (143,533)                  | (145,739)        | (289,272)      |
| Cash flows from capital and related financing activities:                                                |                            |                  |                |
| Purchase of capital assets                                                                               | (4,372)                    | (98,424)         | (102,796)      |
| Net cash used in capital and related financing activities                                                | (4,372)                    | (98,424)         | (102,796)      |
| Cash flows from investing activities:                                                                    |                            |                  |                |
| Interest on investments                                                                                  | 2,471                      | -                | 2,471          |
| Net cash provided by (used in) investing activities                                                      | 2,471                      | -                | 2,471          |
| Net increase (decrease) in cash and cash equivalents                                                     | 2,471                      | 378              | 2,849          |
| Cash and cash equivalents, July 1                                                                        | 227,016                    | 280,710          | 507,726        |
| <b>Cash and cash equivalents, June 30</b>                                                                | <b>229,487</b>             | <b>281,088</b>   | <b>510,575</b> |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:        |                            |                  |                |
| Operating income (loss)                                                                                  | 120,356                    | 267,945          | 388,301        |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: |                            |                  |                |
| Depreciation expense                                                                                     | 27,735                     | 57,660           | 85,395         |
| (Increase) decrease in assets:                                                                           |                            |                  |                |
| Accounts receivable                                                                                      | -                          | (74,527)         | (74,527)       |
| Increase (decrease) in liabilities:                                                                      |                            |                  |                |
| Accounts payable                                                                                         | (186)                      | (6,537)          | (6,723)        |
| Total adjustments                                                                                        | 27,549                     | (23,404)         | 4,145          |
| <b>Net cash provided by (used in) operating activities</b>                                               | <b>\$ 147,905</b>          | <b>244,541</b>   | <b>392,446</b> |

*See accompanying notes to financial statements.*

**CITY OF AUBURN, MAINE**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2023**

|                               | <b>Private-<br/>purpose<br/>Trust Funds</b> | <b>Custodial<br/>Funds</b> |
|-------------------------------|---------------------------------------------|----------------------------|
| <b>ASSETS</b>                 |                                             |                            |
| Cash and cash equivalents     | \$ 149,850                                  | -                          |
| Investments                   | 1,765,903                                   | -                          |
| Intergovernmental receivables | -                                           | 68,035                     |
| Interfund receivables         | 5,500                                       | 73,753                     |
| Total assets                  | 1,921,253                                   | 141,788                    |
| <b>LIABILITIES</b>            |                                             |                            |
| Accounts payable              | -                                           | 1,285                      |
| Accrued payroll               | -                                           | 49,133                     |
| Total liabilities             | -                                           | 50,418                     |
| <b>RESTRICTED FOR:</b>        |                                             |                            |
| Individuals and organizations | \$ 1,921,253                                | 91,370                     |

*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, 2023**

|                                                   | <b>Private-<br/>purpose<br/>Trust Funds</b> | <b>Custodial<br/>Funds</b> |
|---------------------------------------------------|---------------------------------------------|----------------------------|
| <b>ADDITIONS</b>                                  |                                             |                            |
| Donations                                         | \$ 59,498                                   | -                          |
| Service revenues                                  | -                                           | 495,749                    |
| Interest and dividends                            | 157,620                                     | -                          |
| <b>Total additions</b>                            | <b>217,118</b>                              | <b>495,749</b>             |
| <b>DEDUCTIONS</b>                                 |                                             |                            |
| Scholarships and other                            | 140,493                                     | -                          |
| Programs                                          | -                                           | 651,542                    |
| <b>Total deductions</b>                           | <b>140,493</b>                              | <b>651,542</b>             |
| Net increase (decrease) in fiduciary net position | 76,625                                      | (155,793)                  |
| Net position - beginning                          | 1,844,628                                   | 247,163                    |
| <b>Net position - ending</b>                      | <b>\$ 1,921,253</b>                         | <b>91,370</b>              |

*See accompanying notes to financial statements.*

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements**  
**June 30, 2023**

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**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, 2023**

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**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 *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, 2023**

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**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, 2023**

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**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.maineecf.org](http://www.maineecf.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, 2023**

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**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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**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**

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.

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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**9. 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:

- *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.

**10. 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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**11. 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.

**12. 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.

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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY, Continued**

**B. Excess of Expenditures over Appropriations**

For the year ended June 30, 2023, expenditures exceeded appropriation in the following general fund categories: Economic Development, \$12,405; Facilities, \$1,712; Fire & EMS, \$325,224; Health and social services - public assistance, \$171,192; Solid waste disposal, \$45,629; Auburn-Lewiston Airport, \$3,560; and Debt service – interest and other, \$54,305. In total, the City's expenditures were \$5,709,309 less than appropriations.

**C. Deficit Fund Equity**

At June 30, 2023, the City had the following fund with a deficit fund balance/net position: Norway Savings Bank Arena (Proprietary), \$797,730. Future revenues and transfers from the General Fund are expected to fund this remaining deficit fund balance.

Additionally, within the City Special Revenue Fund, the following grants had deficit fund balances at June 30, 2023: Homeland Security, \$101,433; Law Enforcement Training, \$8,205; American Firefighters \$1,695; and Project Canopy, \$1,523. 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, 2023 of \$1,877,318.

Within the School Special Revenue Fund, the following grants and programs had deficit fund balances at June 30, 2023: Migrant Education, \$1,566; Employee Computer Reimbursement, \$1,358; Title 1A, \$279. 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, 2023 of \$905,985.

**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 \$4,419,869 in 2023. 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.



**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**III. DETAILED NOTES ON ALL FUNDS, Continued**

As of June 30, 2023, the City deposits amounted to \$82,968,699 with bank balances of \$83,466,089. The City does not have a deposit policy for custodial credit risk. As of June 30, 2023, \$30,888 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.

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                    | \$ 49,206,581               |
| Proprietary funds                     | 510,575                     |
| Fiduciary funds                       | 149,850                     |
| Investments:                          |                             |
| Governmental funds                    | 31,335,790                  |
| Fiduciary funds                       | 1,765,903                   |
| <b><u>Total deposits reported</u></b> | <b><u>\$ 82,968,699</u></b> |

**2. Investments**

At June 30, 2023, 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, 2023, 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                              | \$ 744,149          | 744,149          | -              | -              |
| Bond mutual funds                                | 204,482             | 204,482          | -              | -              |
| Money market funds                               | 114,592             | 114,592          | -              | -              |
| Maine Community<br>Foundation investment<br>pool | 702,680             | -                | -              | 702,680        |
| <b>Total</b>                                     | <b>\$ 1,765,903</b> | <b>1,063,223</b> | <b>-</b>       | <b>702,680</b> |

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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**III. DETAILED NOTES ON ALL FUNDS, Continued**

*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 11.03 years.

*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.

At year end, the City's investments in bond mutual funds were segmented into the following rating categories by Standard & Poor's:

| Fair Value at<br>June 30, 2023 | Rating |
|--------------------------------|--------|
| \$ 10,222                      | AAA    |
| 56,268                         | AA     |
| 48,909                         | AA-    |
| 89,083                         | A+     |

None of the remaining 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, 2023 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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**III. DETAILED NOTES ON ALL FUNDS, Continued**

**B. Receivables**

Receivables as of June 30, 2023, 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<br>Fund     | Community<br>Dev.<br>Programs | Capital<br>Projects | New<br>Edward<br>Little<br>Building | Other<br>Governmental<br>Funds | Enterprise<br>Funds | Total             |
|--------------------------------------|---------------------|-------------------------------|---------------------|-------------------------------------|--------------------------------|---------------------|-------------------|
| Receivables:                         |                     |                               |                     |                                     |                                |                     |                   |
| Taxes                                | \$ 1,718,967        | -                             | -                   | -                                   | -                              | -                   | 1,718,967         |
| Accounts                             | 882,396             | -                             | 129,584             | 55,640                              | 973                            | 118,476             | 1,187,069         |
| Loans                                | 599,532             | 3,977,821                     | -                   | -                                   | 900,215                        | -                   | 5,477,568         |
| Intergovernmental                    | 749,671             | 8,653,476                     | -                   | -                                   | 5,793,273                      | -                   | 15,196,420        |
| Gross receivables                    | 3,950,566           | 12,631,297                    | 129,584             | 55,640                              | 6,694,461                      | 118,476             | 23,580,024        |
| Less: allowance<br>for uncollectible | (296,619)           | (250,447)                     | -                   | -                                   | -                              | -                   | (547,066)         |
| <b>Total net receivables</b>         | <b>\$ 3,653,947</b> | <b>12,380,850</b>             | <b>129,584</b>      | <b>55,640</b>                       | <b>6,694,461</b>               | <b>118,476</b>      | <b>23,032,958</b> |

Property taxes levied during fiscal year 2023 are recorded as receivables. The receivables collected during the fiscal year ended June 30, 2023 and during the 1<sup>st</sup> 60 days of fiscal year 2024 are recognized as revenues in the Governmental Funds, in fiscal year 2023. Receivables of \$1,613,742, 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 18, 2022 on the assessed values of real property as of April 1, 2022. Taxes were due September 14, 2022 and March 14, 2023. The assessed value of \$2,171,967,423 was 83% of the 2023 state valuation of \$2,607,050,000.

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 \$371,955 for the year ended June 30, 2023.

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.

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

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**III. DETAILED NOTES ON ALL FUNDS, Continued**

The following summarizes the periods ended June 30, 2023 and 2022 levies:

|                                           | <u>2023</u>              | <u>2022</u>           |
|-------------------------------------------|--------------------------|-----------------------|
| Valuation:                                |                          |                       |
| Real property                             | \$ 2,070,114,480         | 1,871,839,670         |
| Personal property                         | 101,852,943              | 102,114,741           |
| Assessed value (less: exempt properties)  | 2,171,967,423            | 1,973,954,411         |
| Tax rate (per \$1,000)                    | 22.75                    | 23.82                 |
| Commitment                                | 49,412,529               | 47,019,594            |
| Supplemental taxes assessed               | -                        | 12,620                |
|                                           | 49,412,529               | 47,032,214            |
| Less:                                     |                          |                       |
| Collections and abatements                | 48,477,107               | 46,195,401            |
| <b><u>Receivable at June 30</u></b>       | <b><u>\$ 935,422</u></b> | <b><u>836,813</u></b> |
| Due date(s)                               | 9/14/22<br>3/14/23       | 9/15/21<br>3/15/22    |
| Interest rate charged on delinquent taxes | 7.0%                     | 7.0%                  |
| Collection rate                           | 98.10%                   | 98.22%                |

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**III. DETAILED NOTES ON ALL FUNDS, Continued**

**D. Capital Assets**

Capital asset activity for the year ended June 30, 2023 was as follows:

|                                             | Balance<br>June 30,<br>2022<br><u>(restated)</u> | <u>Increases</u>  | <u>Decreases</u> | Balance<br>June 30,<br>2023 |
|---------------------------------------------|--------------------------------------------------|-------------------|------------------|-----------------------------|
| <b>Governmental activities:</b>             |                                                  |                   |                  |                             |
| Capital assets, not being depreciated:      |                                                  |                   |                  |                             |
| Land                                        | \$ 8,143,418                                     | 184,984           | -                | 8,328,402                   |
| Construction in progress                    | 53,584,221                                       | 56,688,896        | 2,402,701        | 107,870,416                 |
| Total capital assets, not being depreciated | 61,727,639                                       | 56,873,880        | 2,402,701        | 116,198,818                 |
| Capital assets, being depreciated:          |                                                  |                   |                  |                             |
| Buildings and building improvements         | 95,957,596                                       | 1,897,316         | -                | 97,854,912                  |
| Equipment                                   | 9,398,493                                        | 1,745,056         | 121,835          | 11,021,714                  |
| Vehicles                                    | 14,114,430                                       | 998,310           | 339,989          | 14,772,751                  |
| Infrastructure                              | 137,695,976                                      | 4,243,646         | -                | 141,939,622                 |
| Right to use assets                         | 702,016                                          | -                 | -                | 702,016                     |
| Total capital assets being depreciated      | 257,868,511                                      | 8,884,328         | 461,824          | 266,291,015                 |
| Less accumulated depreciation for:          |                                                  |                   |                  |                             |
| Buildings and building improvements         | 51,461,159                                       | 2,639,665         | -                | 54,100,824                  |
| Equipment                                   | 6,162,208                                        | 755,326           | 121,835          | 6,795,699                   |
| Vehicles                                    | 8,841,308                                        | 1,026,172         | 318,571          | 9,548,909                   |
| Infrastructure                              | 71,181,624                                       | 5,700,248         | -                | 76,881,872                  |
| Right to use assets                         | 54,373                                           | 65,967            | -                | 120,340                     |
| Total accumulated depreciation              | 137,700,672                                      | 10,187,378        | 440,406          | 147,447,644                 |
| Total capital assets being depreciated, net | 120,167,839                                      | (1,303,050)       | 21,418           | 118,843,371                 |
| <b>Governmental activities</b>              |                                                  |                   |                  |                             |
| <b>capital assets, net</b>                  | <b>\$ 181,895,478</b>                            | <b>55,570,830</b> | <b>2,424,119</b> | <b>235,042,189</b>          |
|                                             |                                                  |                   |                  |                             |
|                                             | Balance<br>June 30,<br>2022                      | <u>Increases</u>  | <u>Decreases</u> | Balance<br>June 30,<br>2023 |
| <b>Business-type activities:</b>            |                                                  |                   |                  |                             |
| Capital assets, being depreciated:          |                                                  |                   |                  |                             |
| Improvements other than buildings           | \$ 18,584                                        | -                 | -                | 18,584                      |
| Buildings and building improvements         | 730,501                                          | -                 | -                | 730,501                     |
| Equipment                                   | 636,722                                          | 102,796           | -                | 739,518                     |
| Total capital assets being depreciated      | 1,385,807                                        | 102,796           | -                | 1,488,603                   |
| Less accumulated depreciation for:          |                                                  |                   |                  |                             |
| Improvements other than buildings           | 18,584                                           | -                 | -                | 18,584                      |
| Buildings and building improvements         | 662,629                                          | 26,436            | -                | 689,065                     |
| Equipment                                   | 493,075                                          | 58,959            | -                | 552,034                     |
| Total accumulated depreciation              | 1,174,288                                        | 85,395            | -                | 1,259,683                   |
| Total capital assets being depreciated, net | 211,519                                          | 17,401            | -                | 228,920                     |
| <b>Business-type activities capital</b>     |                                                  |                   |                  |                             |
| <b>assets, net</b>                          | <b>\$ 211,519</b>                                | <b>17,401</b>     | <b>-</b>         | <b>228,920</b>              |

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**III. DETAILED NOTES ON ALL FUNDS, Continued**

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

Governmental activities:

|                                                                       |            |
|-----------------------------------------------------------------------|------------|
| General government                                                    | \$ 596,797 |
| Public safety                                                         | 577,687    |
| Public works, including depreciation of general infrastructure assets | 6,003,616  |
| Health, welfare and recreation                                        | 577,979    |
| Education                                                             | 2,431,299  |

|                                                                    |                             |
|--------------------------------------------------------------------|-----------------------------|
| <b><u>Total depreciation expense – governmental activities</u></b> | <b><u>\$ 10,187,378</u></b> |
|--------------------------------------------------------------------|-----------------------------|

Business-type activities:

|                               |           |
|-------------------------------|-----------|
| Ingersoll Turf Facility       | \$ 27,735 |
| Norway Savings Bank Ice Arena | 57,660    |

|                                                                     |                         |
|---------------------------------------------------------------------|-------------------------|
| <b><u>Total depreciation expense – business-type activities</u></b> | <b><u>\$ 85,395</u></b> |
|---------------------------------------------------------------------|-------------------------|

**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, 2023. 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 2023, \$190,975 was captured and recorded in the TIF Fund. During 2023, \$143,231 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 2023, 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 2023, \$865,341 was captured and recorded in the TIF Fund. During 2023, \$316,334 was expended in the TIF Fund for public improvements and debt service.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**III. DETAILED NOTES ON ALL FUNDS, Continued**

*#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 2023, \$157,316 was captured and recorded in the TIF Fund, and \$265,100 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 2023, \$294,264 was captured and recorded in the TIF Fund. During 2023, \$126,667 was expended from the TIF Fund for public improvements.

*#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 2023, \$448,773 was captured and recorded in the TIF Fund. During 2023, \$210,923 was expended in the TIF Fund.

*#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 2023, \$48,589 was captured and recorded in the TIF Fund, and \$29,154 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 2023, \$30,617 was captured and recorded in the TIF Fund, and no funds were expended for the year ended June 30, 2023.

*#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 2023, \$56,495 was captured and recorded in the TIF Fund, and \$56,495 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 2023, \$48,219 was captured and recorded in the TIF Fund, and \$24,109 was expended for the year ended June 30, 2023.

*#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 2023, \$96,002 was captured and recorded in the TIF Fund, and \$48,001 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 2023, \$113,293 was captured and recorded in the TIF Fund, and \$174,889 was expended in the TIF Fund.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**III. DETAILED NOTES ON ALL FUNDS, Continued**

*#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 2023, \$35,248 was captured and recorded in the TIF Fund and \$35,248 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 2023, \$34,426 was captured and recorded in the TIF Fund and \$8,767 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 2023, \$59,528 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, 2023 is as follows:

|                               | <u>Interfund<br/>Receivables</u> | <u>Interfund<br/>Payables</u> | <u>Transfers<br/>In</u> | <u>Transfers<br/>Out</u> |
|-------------------------------|----------------------------------|-------------------------------|-------------------------|--------------------------|
| General Fund                  | \$ 107,636                       | -                             | -                       | 2,654,086                |
| Community Dev. Programs       | -                                | 129,924                       | -                       | -                        |
| Tax Incrementing Financing    | 221,775                          | -                             | 2,479,086               | -                        |
| Capital Improvement           | -                                | 3,275,447                     | -                       | -                        |
| New Edward Little Building    | -                                | 490,193                       | -                       | -                        |
| Other Governmental Funds      | 7,906,527                        | 3,273,411                     | 175,000                 | -                        |
| Fiduciary Funds               | 79,253                           | -                             | -                       | -                        |
| Enterprise Funds:             |                                  |                               |                         |                          |
| Ingersoll Turf Facility       | 118,439                          | -                             | -                       | -                        |
| Norway Savings Bank Ice Arena | -                                | 1,264,655                     | -                       | -                        |
| <b>Totals</b>                 | <b>\$ 8,433,630</b>              | <b>8,433,630</b>              | <b>2,654,086</b>        | <b>2,654,086</b>         |

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, 2023**

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**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, 2023:

|                                     | Contract<br><u>Total</u> | Percentage<br><u>Complete</u> | Billed<br><u>to Date</u> | Balance<br><u>Remaining</u> |
|-------------------------------------|--------------------------|-------------------------------|--------------------------|-----------------------------|
| 2021 Reconstruction                 | \$ 604,667               | 95.87%                        | 579,702                  | 24,965                      |
| 2021 Reclamation                    | 256,522                  | 98.19%                        | 251,887                  | 4,635                       |
| ELHS Engineering & Design           | 50,600,384               | 0%                            | -                        | 50,600,384                  |
| 2022 Reclamation                    | 2,810,149                | 65.85%                        | 1,850,565                | 959,584                     |
| 2022 Reconstruction                 | 1,267,969                | 74.83%                        | 948,866                  | 319,103                     |
| 2023 Resurfacing MPI Mt Auburn      | 3,106,336                | 38.27%                        | 1,188,934                | 1,917,402                   |
| Inspection Mill Main Broad          | 273,100                  | 40.70%                        | 111,156                  | 161,944                     |
| Main Mill Broad Excavation & Paving | 3,347,345                | 37.55%                        | 1,257,027                | 2,090,318                   |
| 2023 Resurfacing                    | 232,023                  | 0%                            | -                        | 232,023                     |
| 2023 Reconstruction                 | 1,795,700                | 2.22%                         | 39,845                   | 1,755,855                   |
| 2023 Sealcoating                    | 46,248                   | 0%                            | -                        | 46,248                      |
| Traffic Signal ADA Upgrades         | 849,363                  | 29.67%                        | 252,038                  | 597,325                     |

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 | \$ 695,963 |
|--------------|------------|

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**III. DETAILED NOTES ON ALL FUNDS, Continued**

**H. 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 2023, general obligation bonds totaling \$6,800,000 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, 2023. General obligation bonds and notes payable outstanding at June 30, 2023 are as follows:

|                                      | <u>Issued</u> | <u>Original</u> | <u>Matures</u> | <u>Interest rate</u> | <u>Outstanding balance</u> |
|--------------------------------------|---------------|-----------------|----------------|----------------------|----------------------------|
| <b>Bonds:</b>                        |               |                 |                |                      |                            |
| General Obligation Bonds             | 09/27/12      | \$ 13,835,000   | 09/01/27       | 2.00%-4.50%          | 2,605,000                  |
| General Obligation Bonds             | 11/01/13      | 5,625,000       | 09/01/23       | 2.00%-3.00%          | 560,000                    |
| General Obligation Bonds             | 10/30/14      | 6,800,000       | 09/01/24       | 2.00%-4.00%          | 1,360,000                  |
| General Obligation Bonds             | 11/05/15      | 5,700,000       | 09/01/25       | 2.00%                | 1,710,000                  |
| General Obligation Bonds             | 03/10/16      | 4,250,000       | 09/01/26       | 2.00-4.00%           | 1,105,000                  |
| General Obligation Bonds             | 11/15/16      | 5,030,000       | 09/01/26       | 3.00%                | 1,990,000                  |
| General Obligation Bonds             | 11/08/17      | 8,500,000       | 09/01/27       | 4.00-5.00%           | 4,000,000                  |
| General Obligation Bonds             | 11/08/18      | 7,655,000       | 09/01/28       | 3.00-5.00%           | 4,590,000                  |
| General Obligation Bonds             | 10/15/19      | 7,900,000       | 09/01/29       | 4.00-5.00%           | 5,530,000                  |
| General Obligation Bonds             | 10/15/19      | 7,000,000       | 09/01/39       | 1.90-3.50%           | 6,185,000                  |
| General Obligation Bonds             | 11/12/20      | 8,460,000       | 09/01/30       | 5.00%                | 6,760,000                  |
| General Obligation Bonds             | 05/03/21      | 59,985,000      | 11/01/41       | 2.12-4.00%           | 56,985,000                 |
| General Obligation Bonds             | 09/30/21      | 9,800,000       | 09/01/31       | 2.00-5.00%           | 8,820,000                  |
| General Obligation Bonds             | 04/28/22      | 50,270,000      | 11/01/41       | 4.00-5.00%           | 50,270,000                 |
| General Obligation Bonds             | 10/13/22      | 6,800,000       | 09/01/32       | 4.00-5.00%           | 6,800,000                  |
| <b>Bonds payable</b>                 |               |                 |                |                      | <b>159,270,000</b>         |
| <b>Notes from direct borrowings:</b> |               |                 |                |                      |                            |
| 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%                | 51,729                     |
| <b>Notes payable</b>                 |               |                 |                |                      | <b>376,099</b>             |
| <b>Total long-term debt</b>          |               |                 |                |                      | <b>\$ 159,646,099</b>      |

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, 2023, the statutory limit for the City was \$391,057,500. The City's outstanding bonded long-term debt of \$159,270,000 at June 30, 2023 was \$231,787,500 less than the statutory limit.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**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<br><u>June 30,</u> | <u>General Obligation<br/>Bonds</u> |                   | <u>Notes from Direct<br/>Borrowing</u> |                 | <u>Financed Purchases<br/>Payable</u> |                 |
|--------------------------------|-------------------------------------|-------------------|----------------------------------------|-----------------|---------------------------------------|-----------------|
|                                | <u>Principal</u>                    | <u>Interest</u>   | <u>Principal</u>                       | <u>Interest</u> | <u>Principal</u>                      | <u>Interest</u> |
| 2024                           | \$ 14,175,000                       | 5,839,386         | 51,512                                 | -               | 85,611                                | 5,196           |
| 2025                           | 13,640,000                          | 5,267,930         | 51,512                                 | -               | 88,171                                | 2,636           |
| 2026                           | 12,815,000                          | 4,714,889         | 51,512                                 | -               | -                                     | -               |
| 2027                           | 11,770,000                          | 4,206,126         | 51,512                                 | -               | -                                     | -               |
| 2028                           | 10,980,000                          | 3,713,663         | 51,512                                 | -               | -                                     | -               |
| 2029-2033                      | 42,180,000                          | 12,663,350        | 118,539                                | -               | -                                     | -               |
| 2034-2038                      | 30,255,000                          | 6,109,353         | -                                      | -               | -                                     | -               |
| 2039-2042                      | 23,455,000                          | 1,404,018         | -                                      | -               | -                                     | -               |
| <b>Total</b>                   | <b>\$ 159,270,000</b>               | <b>43,918,715</b> | <b>376,099</b>                         | <b>-</b>        | <b>173,782</b>                        | <b>7,832</b>    |

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, 2023, the amount capitalized under financed purchases totals \$775,000.

**I. 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, 2023, the value of the lease liabilities were \$617,128. 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 \$120,340 accumulated amortization as of June 30, 2023.

The future principal and interest lease payments as of June 30, 2023 were as follows:

|             | <u>Lease Payable</u>     |                       |                       |
|-------------|--------------------------|-----------------------|-----------------------|
|             | <u>Principal</u>         | <u>Interest</u>       | <u>Total</u>          |
| 2024        | \$ 51,995                | 29,679                | 81,674                |
| 2025        | 56,242                   | 26,983                | 83,225                |
| 2026        | 60,753                   | 24,069                | 84,822                |
| 2027        | 65,545                   | 20,923                | 86,468                |
| 2028        | 70,634                   | 17,530                | 88,164                |
| 2029 – 2033 | 143,936                  | 54,734                | 198,670               |
| 2034 – 2038 | 122,414                  | 27,586                | 150,000               |
| 2039 - 2040 | 45,609                   | 1,923                 | 47,532                |
|             | <b><u>\$ 617,128</u></b> | <b><u>203,427</u></b> | <b><u>820,555</u></b> |

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**III. DETAILED NOTES ON ALL FUNDS, Continued**

*Changes in General Long-term Liabilities.* Long-term liability activity for the year ended June 30, 2023 was as follows:

|                                  | Beginning<br>Balance<br>(restated) | Additions         | Reductions        | Ending<br>Balance  | Due Within<br>One Year |
|----------------------------------|------------------------------------|-------------------|-------------------|--------------------|------------------------|
| <b>Governmental activities:</b>  |                                    |                   |                   |                    |                        |
| Bonds payable                    |                                    |                   |                   |                    |                        |
| General obligation bonds         | \$ 163,900,000                     | 6,800,000         | 11,430,000        | 159,270,000        | 14,175,000             |
| Premium                          | 14,753,957                         | 600,358           | 1,753,655         | 13,600,660         | 1,452,101              |
| Total bonds payable              | 178,653,957                        | 7,400,358         | 13,183,655        | 172,870,660        | 15,627,101             |
| Notes payable*                   | 1,238,170                          | -                 | 862,071           | 376,099            | 51,512                 |
| Finance purchases payable*       | 256,908                            | -                 | 83,126            | 173,782            | 85,611                 |
| Accrued compensated absences     | 2,455,930                          | 226,061           | 122,797           | 2,559,194          | 127,960                |
| Leases payable                   | 665,095                            | -                 | 47,967            | 617,128            | 51,995                 |
| Accrued self-insurance liability | 1,115,089                          | 295,079           | 557,132           | 853,036            | 42,886                 |
| Other postemployment benefits    | 14,289,836                         | 9,021             | -                 | 14,298,857         | -                      |
| Net pension liability (asset)    | (112,215)                          | 9,038,015         | -                 | 8,925,800          | -                      |
| Landfill postclosure care costs  | 42,000                             | -                 | 10,500            | 31,500             | 10,500                 |
| Accrued interest on debt         | 1,392,572                          | -                 | 38,530            | 1,354,042          | 1,354,042              |
| <b>Governmental activities</b>   |                                    |                   |                   |                    |                        |
| <b>long-term liabilities</b>     | <b>\$ 199,997,342</b>              | <b>16,968,534</b> | <b>14,905,778</b> | <b>202,060,098</b> | <b>17,351,607</b>      |

\*Financed purchases and notes payable are considered direct borrowing.

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)   | \$ (8,400)       | 76,110        | -            | 67,710         | -        |
| Other postemployment benefits   | 64,494           | -             | 5,609        | 58,885         | -        |
| <b>Business-type activities</b> |                  |               |              |                |          |
| <b>long-term liabilities</b>    | <b>\$ 56,094</b> | <b>76,110</b> | <b>5,609</b> | <b>126,595</b> | <b>-</b> |

**J. 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, 2023:

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**III. DETAILED NOTES ON ALL FUNDS, Continued**

|                                 | <u>Governmental</u>  | <u>Business-type</u> |
|---------------------------------|----------------------|----------------------|
| Capital assets                  | \$ 382,489,833       | 1,488,603            |
| Accumulated depreciation        | (147,447,644)        | (1,259,683)          |
| General obligation bonds        | (159,270,000)        | -                    |
| Notes payable                   | (376,099)            | -                    |
| Leases payable                  | (617,128)            | -                    |
| Financed purchases payable      | (173,782)            | -                    |
| Unamortized debt premium        | (13,600,660)         | -                    |
| Deferred charge on refunding    | (56,364)             | -                    |
| Non-capital unamortized premium | 56,147               | -                    |
| Unspent bond proceeds           | 26,851,022           | -                    |
| <b>Total net investment in</b>  |                      |                      |
| <b>capital assets</b>           | <b>\$ 87,855,325</b> | <b>228,920</b>       |

**K. Fund Balances**

As of June 30, 2023, fund balances components consisted of the following:

|                                    | <u>General</u>   | <u>Other</u>        |                   |
|------------------------------------|------------------|---------------------|-------------------|
|                                    | <u>Fund</u>      | <u>Governmental</u> | <u>Total</u>      |
| Nonspendable:                      |                  |                     |                   |
| Amounts held in escrow             | \$ -             | 149,650             | 149,650           |
| Long-term receivables              | 599,532          | -                   | 599,532           |
| Inventory                          | -                | 54,658              | 54,658            |
| Prepaid expenditures               | 50,782           | 106,443             | 157,225           |
| Principal for permanent funds      | -                | 69,475              | 69,475            |
| <b>Total nonspendable</b>          | <b>650,314</b>   | <b>380,226</b>      | <b>1,030,540</b>  |
| Restricted:                        |                  |                     |                   |
| Education                          | 9,875,588        | 2,139,696           | 12,015,284        |
| Community development programs     | -                | 1,368,340           | 1,368,340         |
| Tax Increment Financing            | -                | 1,276,262           | 1,276,262         |
| City special:                      |                  |                     |                   |
| General government                 | -                | 1,695,333           | 1,695,333         |
| Public safety                      | -                | 129,779             | 129,779           |
| Public works                       | -                | 165,062             | 165,062           |
| Permanent funds:                   |                  |                     |                   |
| Health and welfare                 | -                | 193,452             | 193,452           |
| Public services                    | -                | 6,309               | 6,309             |
| <b>Total restricted</b>            | <b>9,875,588</b> | <b>6,974,233</b>    | <b>16,849,821</b> |
| Committed:                         |                  |                     |                   |
| Education                          | -                | 81,191              | 81,191            |
| Parking                            | -                | 40,215              | 40,215            |
| Parks and recreation               | -                | 237,086             | 237,086           |
| Capital improvement                | -                | 7,751,051           | 7,751,051         |
| New Edward Little Building project | -                | 19,396,764          | 19,396,764        |
| <b>Total committed</b>             | <b>-</b>         | <b>27,506,307</b>   | <b>27,506,307</b> |

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**III. DETAILED NOTES ON ALL FUNDS, Continued**

|                                   |                          |                       |                       |
|-----------------------------------|--------------------------|-----------------------|-----------------------|
| Assigned:                         |                          |                       |                       |
| Subsequent budget                 | \$ 1,500,000             | -                     | 1,500,000             |
| Reserves                          | 250,000                  | -                     | 250,000               |
| Self-insurance                    | 853,036                  | -                     | 853,036               |
| Encumbrances:                     |                          |                       |                       |
| General government                | 264,508                  | -                     | 264,508               |
| Public safety                     | 84,234                   | -                     | 84,234                |
| Health and welfare                | 1,215                    | -                     | 1,215                 |
| Public services                   | 294,645                  | -                     | 294,645               |
| Capital investment and purchasing | 51,361                   | -                     | 51,361                |
| <b>Total assigned</b>             | <b>3,298,999</b>         | <b>-</b>              | <b>3,298,999</b>      |
| <br>Unassigned                    | <br>14,002,632           | <br>(116,059)         | <br>13,886,573        |
| <br><b>Total fund balance</b>     | <br><b>\$ 27,827,533</b> | <br><b>34,744,707</b> | <br><b>62,572,240</b> |

**L. 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 \$31,500 reported as landfill post-closure care liability at June 30, 2023 represents the estimated liability for post-closure care costs at that date. The cost is comprised of \$31,500 for post-closure care costs (3 years) for a brush landfill that stopped accepting debris during fiscal year 1996.

The estimated total cost of landfill post-closure care of \$31,500 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, 2023. 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.

**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, 2023.

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, 2023, the City incurred new claims of \$295,079, but the City paid \$557,132 in actual claims during the fiscal year.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**IV. OTHER INFORMATION, Continued**

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 \$853,036 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<br><u>2023</u> | Fiscal Year<br><u>2022</u> |
|----------------------------------------------------------------------------|----------------------------|----------------------------|
| Unpaid claims as of July 1                                                 | \$ 1,115,089               | 980,149                    |
| Incurred claims (including claims incurred but not reported as of June 30) | 295,079                    | 428,264                    |
| <u>Total claim payments</u>                                                | <u>557,132</u>             | <u>293,324</u>             |
| Current claims liability                                                   | 42,886                     | 29,659                     |
| <u>Long-term claims liability</u>                                          | <u>810,150</u>             | <u>1,085,430</u>           |
| <b><u>Total unpaid claims liability</u></b>                                | <b><u>\$ 853,036</u></b>   | <b><u>1,115,089</u></b>    |

The City assigns a portion of its General Fund balance for workers compensation. This amount totaled \$853,036 at June 30, 2023.

**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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**IV. OTHER INFORMATION, Continued**

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.

Information pertaining to each of these four joint ventures follows:

**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, 2023 the City contributed \$119,151 to employee's deferred compensation plans.

**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, 2023, the City had the following balances reported in the government-wide financial statements:

|              |           | Net Pension<br><u>Liability</u> | Deferred<br>Outflows of<br><u>Resources</u> | Deferred<br>Inflows of<br><u>Resources</u> | Pension<br><u>Expense</u> |
|--------------|-----------|---------------------------------|---------------------------------------------|--------------------------------------------|---------------------------|
| PLD Plan     | \$        | 6,414,099                       | 4,530,677                                   | 2,743,056                                  | 1,604,255                 |
| SET Plan     |           | 2,579,411                       | 2,506,803                                   | 508,022                                    | 4,792,281                 |
| <b>Total</b> | <b>\$</b> | <b>8,993,510</b>                | <b>7,037,480</b>                            | <b>3,251,078</b>                           | <b>6,396,536</b>          |

Detailed disclosures for each plan follow.



**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**IV. OTHER INFORMATION, Continued**

**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.mainebers.org](http://www.mainebers.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.

**PLD Plan** - Employees are required to contribute 6.85% to 9.70% 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, 2022 was 10.20% or 13.40% of annual payroll for the regular plan or public safety plan, respectively. Contributions to the pension plan from the City were \$2,015,317 for governmental activities and \$21,501 for business-type activities for the year ended June 30, 2023.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**IV. OTHER INFORMATION, Continued**

**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, 2023, was 18.13% of annual payroll, of which 3.84% of payroll was required from the City and 14.29% was required from the State. Contributions to the pension plan from the City were \$958,022 for the year ended June 30, 2023.

***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, 2022, 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, 2023, the City reported a liability of \$6,346,389 for governmental activities and \$67,710 for business-type activities for its proportionate share of the net pension liability. At June 30, 2023, the City's proportion of the PLD Plan was 2.4128%.

**SET Plan** - At June 30, 2023, 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  | \$ 2,579,411                |
| State's proportionate share of the net pension liability |                             |
| associated with the City                                 | <u>23,209,509</u>           |
| <b>Total</b>                                             | <b><u>\$ 25,788,920</u></b> |

At June 30, 2023, the City's proportion of the SET Plan was 0.1737%.

For the year ended June 30, 2023, the City recognized pension expense of \$1,597,589 for governmental activities and \$6,666 for business-type activities for the PLD Plan and also recognized a pension expense of \$4,792,281 and revenue of \$3,564,656 for support provided by the State for the SET Plan.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**IV. OTHER INFORMATION, Continued**

At June 30, 2023, 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                                                        | \$ 1,179,436                          | -                                    | 12,583                                | -                                    |
| Changes of assumptions                                                                                    | 1,288,097                             | -                                    | 13,743                                | -                                    |
| Net difference between projected and actual earnings on pension plan investments                          | -                                     | 2,663,615                            | -                                     | 28,418                               |
| Changes in proportion and differences between City contributions and proportionate share of contributions | -                                     | 50,484                               | -                                     | 539                                  |
| City contributions subsequent to the measurement date                                                     | 2,015,317                             | -                                    | 21,501                                | -                                    |
| <b>Total</b>                                                                                              | <b>\$ 4,482,850</b>                   | <b>2,714,099</b>                     | <b>47,827</b>                         | <b>28,957</b>                        |

At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to SET plan from the following sources:

|                                                                                                           | <u>Governmental Activities</u>        |                                      |
|-----------------------------------------------------------------------------------------------------------|---------------------------------------|--------------------------------------|
|                                                                                                           | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
| Differences between expected and actual experience                                                        | \$ 128,497                            | -                                    |
| Changes of assumptions                                                                                    | 500,861                               | -                                    |
| Net difference between projected and actual earnings on pension plan investments                          | -                                     | 508,022                              |
| Changes in proportion and differences between City contributions and proportionate share of contributions | 919,423                               | -                                    |
| City contributions subsequent to the measurement date                                                     | 958,022                               | -                                    |
| <b>Total</b>                                                                                              | <b>\$ 2,506,803</b>                   | <b>508,022</b>                       |

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**IV. OTHER INFORMATION, Continued**

An amount of \$2,973,339 for governmental activities and \$21,501 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, 2024. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

| <u>Year Ended<br/>June 30:</u> | <u>Governmental<br/>Activities</u> | <u>Business-type<br/>Activities</u> |
|--------------------------------|------------------------------------|-------------------------------------|
| 2024                           | \$ 1,341,278                       | 7,700                               |
| 2025                           | (422,149)                          | (6,024)                             |
| 2026                           | (1,615,613)                        | (17,655)                            |
| 2027                           | 1,490,677                          | 13,348                              |

**Actuarial Assumptions** - The total pension liability (asset) in the June 30, 2022 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, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2020.

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, 2022 are summarized in the following table:

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-term Expected<br/>Real Rate of Return</u> |
|--------------------|--------------------------|---------------------------------------------------|
| Public Equities    | 30.0%                    | 6.0%                                              |
| US Government      | 10.0%                    | 2.3%                                              |
| 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%                     | 5.9%                                              |

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**IV. OTHER INFORMATION, Continued**

**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><b>PLD Plan</b></u>                                             | 1%<br>Decrease<br><u>(5.50%)</u> | Current<br>Discount Rate<br><u>(6.50%)</u> | 1%<br>Increase<br><u>(7.50%)</u> |
|--------------------------------------------------------------------|----------------------------------|--------------------------------------------|----------------------------------|
| City's proportionate share of<br>the net pension liability (asset) | \$ 18,949,075                    | \$ 6,414,099                               | (\$ 3,946,504)                   |
| <u><b>SET Plan</b></u>                                             | 1%<br>Decrease<br><u>(5.50%)</u> | Current<br>Discount Rate<br><u>(6.50%)</u> | 1%<br>Increase<br><u>(7.50%)</u> |
| City's proportionate share of<br>the net pension liability         | \$ 5,051,100                     | \$ 2,579,411                               | \$ 521,473                       |

**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, 2023.

**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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**IV. OTHER INFORMATION, Continued**

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 \$119,151 which was 6% of its current-year covered payroll. The covered payroll amounted to \$1,992,029. Employees' required contributions amounted to \$99,292, 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.

**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, 2023, the City had the following balances reported in the government-wide financial statements:

|              | Total OPEB<br><u>Liability</u> | Deferred<br>Outflows of<br><u>Resources</u> | Deferred<br>Inflows of<br><u>Resources</u> | OPEB (Gain)<br><u>Expense</u> |
|--------------|--------------------------------|---------------------------------------------|--------------------------------------------|-------------------------------|
| Health Plan  | \$ 3,484,306                   | 63,751                                      | 393,226                                    | (9,491)                       |
| Life Plan    | -                              | -                                           | -                                          | 81,915                        |
| School Plan  | 10,873,436                     | 1,473,533                                   | 185,844                                    | 179,753                       |
| <b>Total</b> | <b>\$14,357,742</b>            | <b>1,537,284</b>                            | <b>579,070</b>                             | <b>252,177</b>                |

Detailed disclosures for each plan follow.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**IV. OTHER INFORMATION, Continued**

**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, 2023, the following employees were covered by the benefit terms:

|                                                                  |            |
|------------------------------------------------------------------|------------|
| Inactive employees or beneficiaries currently receiving benefits | 34         |
| Inactive employee entitled to but not yet receiving benefits     | -          |
| Active employees                                                 | 186        |
| Total                                                            | <u>220</u> |

***Total OPEB Liability***

The City's total OPEB liability of \$3,484,306 was measured as of January 1, 2023, and was determined by an actuarial valuation as of that date. \$58,885 has been allocated to business-type activities (based on number of participants) and the remaining \$3,425,421 is reported in governmental activities as of June 30, 2023.

**Actuarial Assumptions and Other Inputs** – The total OPEB liability in the January 1, 2023 measurement was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

|                                              |                                                 |
|----------------------------------------------|-------------------------------------------------|
| Inflation                                    | 3.00% per year                                  |
| Salary increases                             | 2.75% per year                                  |
| Discount rate                                | 3.72%                                           |
| Healthcare cost trend rates                  | 7.26% for 2023, decreasing to<br>4.55% for 2043 |
| Retirees' share of the benefit related costs | 100% of projected health insurance<br>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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**IV. OTHER INFORMATION, Continued**

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

***Changes in the Total OPEB Liability***

|                                        | <b>Total OPEB<br/>Liability</b> |
|----------------------------------------|---------------------------------|
| Balance at June 30, 2022               | \$ 3,816,222                    |
| Changes for the year:                  |                                 |
| Service cost                           | 109,385                         |
| Interest                               | 79,620                          |
| Changes in benefit terms               | -                               |
| Difference between expected and actual | -                               |
| Changes in assumptions or other inputs | (399,143)                       |
| Benefit payments                       | (121,778)                       |
| Net changes                            | (331,916)                       |
| Balance at June 30, 2023               | \$ 3,484,306                    |

Change in assumptions reflects a change in the discount rate from 2.06% to 3.72%.

**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 2.06%, 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 (2.72%) or 1 percentage-point higher (4.72%) than the current rate:

|                      | <b>1% Decrease<br/>(2.72%)</b> | <b>Discount Rate<br/>(3.72%)</b> | <b>1% Increase<br/>(4.72%)</b> |
|----------------------|--------------------------------|----------------------------------|--------------------------------|
| Total OPEB liability | \$ 4,036,238                   | 3,484,306                        | 3,036,520                      |

**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 7.90% grading over 20 years to 4.55% 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:

|                      | <b>1% Decrease</b> | <b>Healthcare Cost<br/>Trend Rates</b> | <b>1% Increase</b> |
|----------------------|--------------------|----------------------------------------|--------------------|
| Total OPEB liability | \$ 2,966,453       | 3,484,306                              | 4,151,170          |



**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**IV. OTHER INFORMATION, Continued**

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

For the year ended June 30, 2023, the City recognized an OPEB gain of \$9,491. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|                                                          |    | <b>Governmental Activities</b>                |                                              | <b>Business-type Activities</b>               |                                              |
|----------------------------------------------------------|----|-----------------------------------------------|----------------------------------------------|-----------------------------------------------|----------------------------------------------|
|                                                          |    | <b>Deferred<br/>Outflows of<br/>Resources</b> | <b>Deferred<br/>Inflows of<br/>Resources</b> | <b>Deferred<br/>Outflows of<br/>Resources</b> | <b>Deferred<br/>Inflows of<br/>Resources</b> |
| Differences between<br>expected and actual<br>experience | \$ | -                                             | 219,264                                      | -                                             | 3,769                                        |
| Changes of assumption or<br>other inputs                 |    | -                                             | 167,316                                      | -                                             | 2,877                                        |
| Contributions subsequent<br>to measurement               |    | 62,674                                        | -                                            | 1,077                                         | -                                            |
| Total                                                    | \$ | <u>62,674</u>                                 | <u>386,580</u>                               | <u>1,077</u>                                  | <u>6,646</u>                                 |

An amount of \$62,674 for governmental activities and \$1,077 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, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| <b><u>Year ended June 30:</u></b> |    | <b><u>Governmental<br/>Activities</u></b> | <b><u>Business-type<br/>Activities</u></b> |
|-----------------------------------|----|-------------------------------------------|--------------------------------------------|
| 2024                              | \$ | (72,608)                                  | (1,248)                                    |
| 2025                              |    | (72,608)                                  | (1,248)                                    |
| 2026                              |    | (72,608)                                  | (1,248)                                    |
| 2027                              |    | (33,102)                                  | (569)                                      |
| 2028                              |    | 250                                       | 4                                          |
| Thereafter                        |    | (135,904)                                 | (2,337)                                    |

**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.mainepepers.org](http://www.mainepepers.org).

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**IV. OTHER INFORMATION, Continued**

**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 \$81,915 for the year ended June 30, 2023. 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, 2023, 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 \$687,259 as of June 30, 2023. The net OPEB liability was measured as of June 30, 2022, 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, 2023, the City's proportion was 0.00%.

For the year ended June 30, 2023, the City recognized OPEB expense of \$81,915 and also revenues of \$81,915 for support provided by the State. At June 30, 2023, 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, 2022 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, 2022 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:

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**IV. OTHER INFORMATION, Continued**

| Asset Class              | Long-term<br>Expected<br>Real Rate of Return |
|--------------------------|----------------------------------------------|
| Public equities          | 6.0%                                         |
| Real estate              | 5.2%                                         |
| Traditional credit       | 3.0%                                         |
| 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.

**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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

**IV. OTHER INFORMATION, Continued**

*Employees Covered by Benefit Terms* – At June 30, 2023, 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                                                 | <u>447</u>        |
| Total                                                            | <u><u>692</u></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 \$10,873,436 was measured as of June 30, 2022, and was determined by an actuarial valuation as of June 30, 2022.

*Changes in the Total OPEB Liability*

|                                                    |                             |
|----------------------------------------------------|-----------------------------|
| Balance at June 30, 2022                           | \$ 10,538,108               |
| Changes for the year:                              |                             |
| Service cost                                       | 143,686                     |
| Interest                                           | 227,310                     |
| Changes of benefit terms                           | -                           |
| Differences between expected and actual experience | 345,406                     |
| Changes in assumptions or other inputs             | (63,040)                    |
| Benefit payments                                   | <u>(318,034)</u>            |
| Net changes                                        | <u>335,328</u>              |
| Balance at June 30, 2023                           | <u><u>\$ 10,873,436</u></u> |

Change in assumptions reflects a change in the discount rate from 2.16% to 3.54%.

For the year ended June 30, 2023, the City recognized an OPEB expense of \$179,753. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|                                                    | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|----------------------------------------------------|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ -                                 | 185,844                             |
| Changes of assumption or other inputs              | 1,087,527                            | -                                   |
| City contributions subsequent to measurement date  | <u>386,006</u>                       | <u>-</u>                            |
| Total                                              | <u><u>\$ 1,473,533</u></u>           | <u><u>185,844</u></u>               |

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**IV. OTHER INFORMATION, Continued**

\$386,006 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, 2024. 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<br/>Activities</u> |
|----------------------------|------------------------------------|
| 2024                       | \$ 194,762                         |
| 2025                       | 261,555                            |
| 2026                       | 176,949                            |
| 2027                       | 176,954                            |
| 2028                       | 51,125                             |
| Thereafter                 | 40,338                             |

**Actuarial Assumptions** - The total OPEB liability in the June 30, 2022 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                                | 3.54% 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 | 55% of the blended premium rate with a State subsidy for the remaining 45% 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

The actuarial assumptions used in the June 30, 2022 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 3.54% 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.

**CITY OF AUBURN, MAINE**  
**Notes to Basic Financial Statements, Continued**  
**June 30, 2023**

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**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 3.54%, 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 (2.54%) or 1 percentage-point higher (4.54%) than the current rate:

|                      | 1%<br>Decrease<br>(2.54%) | Discount<br>Rate<br>(3.54%) | 1%<br>Increase<br>(4.54%) |
|----------------------|---------------------------|-----------------------------|---------------------------|
| Total OPEB liability | \$ 12,463,915             | 10,873,436                  | 9,570,884                 |

**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<br>Trend Rates | 1% Increase |
|----------------------|--------------|--------------------------------|-------------|
| Total OPEB liability | \$ 9,523,775 | 10,873,436                     | 12,529,341  |

**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, 2023**

**IV. OTHER INFORMATION, Continued**

For the fiscal year ended June 30, 2023, the City remitted a total of \$735,467 in Credit Enhancement payments, including the following, each of which exceeded 10 percent of the total amount remitted:

| <u>TIF district</u>            | <u>Beginning;<br/>duration</u> | <u>CEA entity</u>  | <u>CEA reimbursement basis</u>                      | <u>Amount paid<br/>during the<br/>fiscal year</u> |
|--------------------------------|--------------------------------|--------------------|-----------------------------------------------------|---------------------------------------------------|
| TIF 6<br>Tambrands II          | 2001;<br>30 Years              | Tambrands, Inc.    | 40% on revenues<br>within district                  | \$ 143,231 (19.47%)                               |
| TIF 13<br>Retail Development   | 2007;<br>15 years              | Auburn Plaza, Inc. | 30%-47% based on<br>growth in value of the district | 126,667 (17.22%)                                  |
| TIF 14 & 15<br>Hartt Transport | 2007;<br>20 years              | Auburn Plaza Inc   | 47% of 75% on revenues<br>within district           | 210,923 (28.68%)                                  |

**G. Prior Period Adjustments**

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

- 1) The City is participating in the National Opioid Settlement, which negotiated settlements with various pharmaceutical supply chain entities for their role in the marketing and sales of opioid pain medications. Settlements will be paid from the National Opioid Settlement fund over a period of 18 years and may be used to fund permissible opioid abatement activities as described in the court order to the Settlement. Three settlements were reached in fiscal year 2022 that were not recorded as receivable on the City's books. The error resulted in understating revenues by \$969,340 in the Government-Wide Statement of Activities.
- 2) \$887,512 in capital asset were not properly recognized in the prior year.
- 3) Two leases payable, with a combined value of \$665,095, were excluded in the prior year.
- 4) In the current-year, management determined that \$193,356 in Community Development Programs loans had been erroneously excluded in the prior year.

|                                                          | <u>Governmental<br/>Activities</u> | <u>Community<br/>Development<br/>Programs</u> |
|----------------------------------------------------------|------------------------------------|-----------------------------------------------|
| <b>June 2022:</b>                                        |                                    |                                               |
| Net position / fund balance as<br>previously reported    | \$ 86,999,541                      | 1,569,372                                     |
| Opioid settlement                                        | 969,340                            | -                                             |
| Change in capital assets                                 | 887,512                            | -                                             |
| Additional leases                                        | (665,095)                          | -                                             |
| Change in Community Development Programs<br>loan balance | 193,356                            | 193,356                                       |
| <b>Net position / fund balance,<br/>as restated</b>      | <b>\$ 88,384,654</b>               | <b>1,762,728</b>                              |

**CITY OF AUBURN, MAINE**  
**Required Supplementary Information**  
**June 30, 2023**

**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\*

| <u>PLD Plan</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>     |
|--------------------------------------------------------------------------------------------------------|-----------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| City's proportion of the net pension liability (asset)                                                 |           | 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)                                        | \$        | 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                                                                                 |           | 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 |           | 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)                      |           | 93.26%            | 100.86%           | 88.35%            | 90.62%            | 91.14%            | 86.43%            | 81.61%            | 88.27%            | 94.10%            |
| <u>SET Plan</u>                                                                                        |           |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| City's proportion of the net pension liability                                                         |           | 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                                                | \$        | 2,579,411         | 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                      |           | 23,209,509        | 14,057,079        | 28,523,249        | 24,793,363        | 22,421,680        | 23,808,252        | 28,107,548        | 22,336,682        | 16,612,780        |
| <b>Total</b>                                                                                           | <b>\$</b> | <b>25,788,920</b> | <b>14,702,089</b> | <b>29,881,120</b> | <b>26,248,509</b> | <b>23,783,241</b> | <b>25,863,634</b> | <b>30,347,427</b> | <b>24,032,228</b> | <b>17,745,160</b> |
| City's covered payroll                                                                                 | \$        | 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         |           | 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                             |           | 85.79%            | 90.90%            | 81.03%            | 82.73%            | 82.90%            | 80.78%            | 76.21%            | 81.18%            | 83.91%            |

\* Only nine years of information available.

\*\* 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, 2023**

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

|                                                                      |    | <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> | <u>2014</u> |
|----------------------------------------------------------------------|----|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b><u>PLD Plan</u></b>                                               |    |             |             |             |             |             |             |             |             |             |             |
| Contractually required contribution                                  | \$ | 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   | 809,164     |
| Contributions in relation to the contractually required contribution |    | (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) | (809,164)   |
| <b>Contribution deficiency (excess)</b>                              |    |             |             |             |             |             |             |             |             |             |             |
|                                                                      |    | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| City's covered payroll                                               |    | 17,725,568  | 16,540,280  | 13,758,683  | 14,077,593  | 13,487,059  | 12,843,417  | 11,795,593  | 11,596,585  | 11,365,621  | 11,004,456  |
| Contributions as a percentage of covered payroll                     |    | 11.49%      | 11.50%      | 11.90%      | 11.20%      | 11.51%      | 11.08%      | 10.63%      | 10.39%      | 9.30%       | 7.35%       |
| <b><u>SET Plan</u></b>                                               |    |             |             |             |             |             |             |             |             |             |             |
| Contractually required contribution                                  | \$ | 958,022     | 929,488     | 979,508     | 942,731     | 858,216     | 859,607     | 723,656     | 675,623     | 531,203     | 495,351     |
| Contributions in relation to the contractually required contribution |    | (958,022)   | (929,488)   | (979,508)   | (942,731)   | (858,216)   | (859,607)   | (723,656)   | (675,623)   | (531,203)   | (495,351)   |
| <b>Contribution deficiency (excess)</b>                              |    |             |             |             |             |             |             |             |             |             |             |
|                                                                      |    | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| 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  |
| Contributions as a percentage of covered payroll                     |    | 3.84%       | 3.84%       | 4.16%       | 4.16%       | 3.97%       | 3.97%       | 3.36%       | 3.36%       | 2.65%       | 2.65%       |

**CITY OF AUBURN, MAINE**  
**Required Supplementary Information, Continued**  
**June 30, 2023**

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

|                                                                  |    | <b>2023</b> | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>2018</b> |
|------------------------------------------------------------------|----|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Total OPEB Liability</b>                                      |    |             |             |             |             |             |             |
| Service cost                                                     | \$ | 109,385     | 110,607     | 94,619      | 84,449      | 96,526      | 81,439      |
| Interest                                                         |    | 79,620      | 79,190      | 93,923      | 136,263     | 122,218     | 144,506     |
| Changes of benefit terms                                         |    | -           | -           | -           | (84,028)    | -           | -           |
| Differences between expected and actual experience               |    | -           | (235,679)   | -           | 52,766      | -           | (178,552)   |
| Changes of assumptions or other inputs                           |    | (399,143)   | 290,961     | 207,777     | 23,083      | (305,301)   | (183,140)   |
| Benefit payments                                                 |    | (121,778)   | (106,731)   | (102,626)   | (133,436)   | (128,304)   | (169,967)   |
| <b>Net change in total OPEB Liability</b>                        |    | (331,916)   | 138,348     | 293,693     | 79,097      | (214,861)   | (305,714)   |
| Total OPEB liability - beginning                                 |    | 3,816,222   | 3,677,874   | 3,384,181   | 3,305,084   | 3,519,945   | 3,825,659   |
| Total OPEB liability - ending                                    | \$ | 3,484,306   | 3,816,222   | 3,677,874   | 3,384,181   | 3,305,084   | 3,519,945   |
| Covered-employee payroll                                         |    | 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 |    | 31.54%      | 34.55%      | 33.28%      | 30.62%      | 29.49%      | 31.40%      |

\* Only six years of information available.

**CITY OF AUBURN, MAINE**  
**Notes to Required Supplementary Information, Continued**  
**June 30, 2023**

**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\*

|                                                                                |    | 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%          |
| City's proportionate share of the net OPEB liability                           | \$ | -              | -              | -              | -              | -              | -              |
| State's proportionate share of the net OPEB liability associated with the City |    | 687,259        | 365,432        | 761,280        | 708,166        | 659,905        | 598,566        |
| Total                                                                          | \$ | <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        |    | 52.39%         | 62.90%         | 49.51%         | 49.22%         | 48.04%         | 47.29%         |

\* Only six 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**  
**Notes to Required Supplementary Information, Continued**  
**June 30, 2023**

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

|                                                                  | <b>2023</b>    | <b>2022</b>    | <b>2021</b>   | <b>2020</b>    | <b>2019</b>      |
|------------------------------------------------------------------|----------------|----------------|---------------|----------------|------------------|
| <b>Total OPEB Liability</b>                                      |                |                |               |                |                  |
| Service cost                                                     | \$ 143,686     | 158,111        | 77,627        | 65,322         | 70,006           |
| Interest                                                         | 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                           | (63,040)       | 75,509         | 1,724,110     | 507,636        | (400,753)        |
| Benefit payments                                                 | (318,034)      | (304,715)      | (438,722)     | (381,958)      | (368,757)        |
| <b>Net change in total OPEB liability</b>                        | <b>335,328</b> | <b>158,441</b> | <b>10,952</b> | <b>565,588</b> | <b>(340,402)</b> |
| Total OPEB liability - beginning                                 | 10,538,108     | 10,379,667     | 10,368,715    | 9,803,127      | 10,143,529       |
| Total OPEB liability - ending                                    | \$ 10,873,436  | 10,538,108     | 10,379,667    | 10,368,715     | 9,803,127        |
| Covered-employee payroll                                         | \$ 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 | 49.7%          | 43.1%          | 44.0%         | 45.7%          | 44.4%            |

\* Only five years of information available.

**CITY OF AUBURN, MAINE**  
**Notes to Required Supplementary Information**  
**June 30, 2023**

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**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%-<br>11.48% | 2.75% plus<br>merit | 2.75-<br>9.00%  | 2.75-<br>9.00%  | 3.50-<br>9.50%  | 3.50-<br>9.50%  | 3.50-<br>9.50%  |
| Salary increases – SET            | 2.80%-<br>13.03% | 2.75% plus<br>merit | 2.75-<br>14.50% | 2.75-<br>14.50% | 3.50-<br>13.50% | 3.50-<br>13.50% | 3.50-<br>13.50% |
| Cost of living increases<br>– PLD | 1.91%            | 1.91%               | 1.91%           | 2.20%           | 2.20%           | 2.55%           | 3.12%           |
| Cost of living increases<br>– 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 Health 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:

| <b>Fiscal Year</b> | <b>Discount Rate</b> |
|--------------------|----------------------|
| 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 Health 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, 2023**

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**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:

| <b>Fiscal Year</b> | <b>Discount Rate</b> |
|--------------------|----------------------|
| 2017               | 3.78%                |
| 2018               | 3.44%                |
| 2019               | 4.10%                |
| 2020               | 2.74%                |
| 2021               | 2.12%                |
| 2022               | 2.06%                |
| 2023               | 3.72%                |

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:

| <b>Fiscal Year</b> | <b>Discount Rate</b> |
|--------------------|----------------------|
| 2018               | 3.58%                |
| 2019               | 3.87%                |
| 2020               | 3.50%                |
| 2021               | 2.21%                |
| 2022               | 2.16%                |
| 2023               | 3.54%                |

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.

## **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.

**CITY OF AUBURN, MAINE**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2023**

|                                            | Nonmajor<br>Special<br>Revenue<br>Funds | Nonmajor<br>Permanent<br>Funds | Total Other<br>Governmental<br>Funds |
|--------------------------------------------|-----------------------------------------|--------------------------------|--------------------------------------|
| <b>ASSETS</b>                              |                                         |                                |                                      |
| Cash and cash equivalents                  | \$ 6,756,618                            | 270,774                        | 7,027,392                            |
| Receivables:                               |                                         |                                |                                      |
| Accounts                                   | 973                                     | -                              | 973                                  |
| Loans receivable                           | 900,215                                 | -                              | 900,215                              |
| Intergovernmental                          | 5,793,273                               | -                              | 5,793,273                            |
| Prepaid expenditures                       | 106,443                                 | -                              | 106,443                              |
| Inventory                                  | 54,658                                  | -                              | 54,658                               |
| Interfund receivable                       | 7,906,527                               | -                              | 7,906,527                            |
| <b>Total assets</b>                        | <b>21,518,707</b>                       | <b>270,774</b>                 | <b>21,789,481</b>                    |
| <b>LIABILITIES</b>                         |                                         |                                |                                      |
| Accounts payable                           | 1,241,210                               | -                              | 1,241,210                            |
| Accrued payroll                            | 49,145                                  | -                              | 49,145                               |
| Unearned revenue                           | 11,397,889                              | -                              | 11,397,889                           |
| Interfund payable                          | 3,271,873                               | 1,538                          | 3,273,411                            |
| <b>Total liabilities</b>                   | <b>15,960,117</b>                       | <b>1,538</b>                   | <b>15,961,655</b>                    |
| Deferred inflows of resources:             |                                         |                                |                                      |
| Unavailable revenue - settlement proceeds  | 1,025,186                               | -                              | 1,025,186                            |
| <b>Total deferred inflows of resources</b> | <b>1,025,186</b>                        | <b>-</b>                       | <b>1,025,186</b>                     |
| Nonspendable - inventory                   | 54,658                                  | -                              | 54,658                               |
| Nonspendable - prepaid expenditures        | 106,443                                 | -                              | 106,443                              |
| Nonspendable - principal                   | -                                       | 69,475                         | 69,475                               |
| Restricted                                 | 4,129,870                               | 199,761                        | 4,329,631                            |
| Committed                                  | 358,492                                 | -                              | 358,492                              |
| Unassigned                                 | (116,059)                               | -                              | (116,059)                            |
| <b>Total fund balances</b>                 | <b>4,533,404</b>                        | <b>269,236</b>                 | <b>4,802,640</b>                     |
| <b>Total liabilities and fund balances</b> | <b>\$ 21,518,707</b>                    | <b>270,774</b>                 | <b>21,789,481</b>                    |



**CITY OF AUBURN, MAINE**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2023**

|                                                           | Nonmajor<br>Special<br>Revenue<br>Funds | Nonmajor<br>Permanent<br>Funds | Total Other<br>Governmental<br>Funds |
|-----------------------------------------------------------|-----------------------------------------|--------------------------------|--------------------------------------|
| Revenues:                                                 |                                         |                                |                                      |
| Intergovernmental                                         | \$ 12,323,010                           | -                              | 12,323,010                           |
| Charges for services                                      | 1,435,183                               | -                              | 1,435,183                            |
| Student activity fees and fundraisers                     | 277,863                                 | -                              | 277,863                              |
| Other income                                              | 878,605                                 | -                              | 878,605                              |
| Interest income                                           | 8,950                                   | 2,915                          | 11,865                               |
| Total revenues                                            | 14,923,611                              | 2,915                          | 14,926,526                           |
| Expenditures:                                             |                                         |                                |                                      |
| Current:                                                  |                                         |                                |                                      |
| General government                                        | 1,907,587                               | -                              | 1,907,587                            |
| Public safety                                             | 141,139                                 | -                              | 141,139                              |
| Health, welfare and recreation                            | 531,311                                 | -                              | 531,311                              |
| Public works                                              | 2,217,504                               | -                              | 2,217,504                            |
| Education                                                 | 6,576,017                               | -                              | 6,576,017                            |
| Food services                                             | 2,123,206                               | -                              | 2,123,206                            |
| Student activities                                        | 260,269                                 | -                              | 260,269                              |
| Debt service                                              | 159,119                                 | -                              | 159,119                              |
| Total expenditures                                        | 13,916,152                              | -                              | 13,916,152                           |
| Excess (deficiency) of revenues over (under) expenditures | 1,007,459                               | 2,915                          | 1,010,374                            |
| Other financing sources (uses):                           |                                         |                                |                                      |
| Transfers out                                             | 175,000                                 | -                              | 175,000                              |
| Total other financing sources (uses)                      | 175,000                                 | -                              | 175,000                              |
| Net change in fund balances                               | 1,182,459                               | 2,915                          | 1,185,374                            |
| Fund balances, July 1                                     | 3,350,945                               | 266,321                        | 3,617,266                            |
| <b>Fund balances, June 30</b>                             | <b>\$ 4,533,404</b>                     | <b>269,236</b>                 | <b>4,802,640</b>                     |

**CITY OF AUBURN, MAINE**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2023**

|                                                       | City<br>Special      | Centralized<br>School Lunch<br>Program | School<br>Activity<br>Funds | School<br>Special | Parking       | Parks and<br>Recreation | Totals            |
|-------------------------------------------------------|----------------------|----------------------------------------|-----------------------------|-------------------|---------------|-------------------------|-------------------|
| <b>ASSETS</b>                                         |                      |                                        |                             |                   |               |                         |                   |
| Cash and cash equivalents                             | \$ 6,470,601         | 205,660                                | 80,357                      | -                 | -             | -                       | 6,756,618         |
| Receivables:                                          |                      |                                        |                             |                   |               |                         |                   |
| Accounts                                              | -                    | -                                      | 260                         | 713               | -             | -                       | 973               |
| Loans receivable                                      | 900,215              | -                                      | -                           | -                 | -             | -                       | 900,215           |
| Intergovernmental                                     | 3,093,778            | 116,665                                | -                           | 2,582,830         | -             | -                       | 5,793,273         |
| Prepaid expenditures                                  | -                    | 12,780                                 | -                           | 93,663            | -             | -                       | 106,443           |
| Inventory                                             | -                    | 54,658                                 | -                           | -                 | -             | -                       | 54,658            |
| Interfund receivable                                  | 6,588,918            | 1,024,624                              | 574                         | -                 | 40,799        | 251,612                 | 7,906,527         |
| <b>Total assets</b>                                   | <b>17,053,512</b>    | <b>1,414,387</b>                       | <b>81,191</b>               | <b>2,677,206</b>  | <b>40,799</b> | <b>251,612</b>          | <b>21,518,707</b> |
| <b>LIABILITIES</b>                                    |                      |                                        |                             |                   |               |                         |                   |
| Accounts payable                                      | 959,970              | 11,404                                 | -                           | 254,726           | 584           | 14,526                  | 1,241,210         |
| Accrued payroll                                       | -                    | -                                      | -                           | 49,145            | -             | -                       | 49,145            |
| Unearned revenue                                      | 11,386,515           | 11,374                                 | -                           | -                 | -             | -                       | 11,397,889        |
| Interfund payable                                     | 1,804,523            | -                                      | -                           | 1,467,350         | -             | -                       | 3,271,873         |
| <b>Total liabilities</b>                              | <b>14,151,008</b>    | <b>22,778</b>                          | <b>-</b>                    | <b>1,771,221</b>  | <b>584</b>    | <b>14,526</b>           | <b>15,960,117</b> |
| Deferred inflows of resources:                        |                      |                                        |                             |                   |               |                         |                   |
| Unavailable revenue - settlement proceeds             | 1,025,186            | -                                      | -                           | -                 | -             | -                       | 1,025,186         |
| <b>Total deferred inflows of resources</b>            | <b>1,025,186</b>     | <b>-</b>                               | <b>-</b>                    | <b>-</b>          | <b>-</b>      | <b>-</b>                | <b>1,025,186</b>  |
| <b>FUND BALANCES (DEFICITS)</b>                       |                      |                                        |                             |                   |               |                         |                   |
| Nonspendable - inventory                              | -                    | 54,658                                 | -                           | -                 | -             | -                       | 54,658            |
| Nonspendable - prepaid expenditures                   | -                    | 12,780                                 | -                           | 93,663            | -             | -                       | 106,443           |
| Restricted                                            | 1,990,174            | 1,324,171                              | -                           | 815,525           | -             | -                       | 4,129,870         |
| Committed                                             | -                    | -                                      | 81,191                      | -                 | 40,215        | 237,086                 | 358,492           |
| Unassigned                                            | (112,856)            | -                                      | -                           | (3,203)           | -             | -                       | (116,059)         |
| <b>Total fund balances (deficits)</b>                 | <b>1,877,318</b>     | <b>1,391,609</b>                       | <b>81,191</b>               | <b>905,985</b>    | <b>40,215</b> | <b>237,086</b>          | <b>4,533,404</b>  |
| <b>Total liabilities and fund balances (deficits)</b> | <b>\$ 17,053,512</b> | <b>1,414,387</b>                       | <b>81,191</b>               | <b>2,677,206</b>  | <b>40,799</b> | <b>251,612</b>          | <b>21,518,707</b> |

**CITY OF AUBURN, MAINE**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2023**

|                                                           | <b>City<br/>Special</b> | <b>Centralized<br/>School Lunch<br/>Program</b> | <b>School<br/>Activity<br/>Funds</b> | <b>School<br/>Special</b> | <b>Parking</b> | <b>Parks and<br/>Recreation</b> | <b>Totals</b>     |
|-----------------------------------------------------------|-------------------------|-------------------------------------------------|--------------------------------------|---------------------------|----------------|---------------------------------|-------------------|
| Revenues:                                                 |                         |                                                 |                                      |                           |                |                                 |                   |
| Intergovernmental                                         | \$ 4,414,442            | 2,428,908                                       | -                                    | 5,479,660                 | -              | -                               | 12,323,010        |
| Charges for services                                      | 2,677                   | 73,839                                          | -                                    | 701,863                   | 144,412        | 512,392                         | 1,435,183         |
| Student activity fees and fundraisers                     | -                       | -                                               | 277,863                              | -                         | -              | -                               | 277,863           |
| Other income                                              | 468,069                 | 4,060                                           | -                                    | 406,476                   | -              | -                               | 878,605           |
| Interest income                                           | 8,950                   | -                                               | -                                    | -                         | -              | -                               | 8,950             |
| <b>Total revenues</b>                                     | <b>4,894,138</b>        | <b>2,506,807</b>                                | <b>277,863</b>                       | <b>6,587,999</b>          | <b>144,412</b> | <b>512,392</b>                  | <b>14,923,611</b> |
| Expenditures:                                             |                         |                                                 |                                      |                           |                |                                 |                   |
| Current:                                                  |                         |                                                 |                                      |                           |                |                                 |                   |
| General government                                        | 1,757,219               | -                                               | -                                    | -                         | 150,368        | -                               | 1,907,587         |
| Public safety                                             | 141,139                 | -                                               | -                                    | -                         | -              | -                               | 141,139           |
| Health, welfare and recreation                            | 23,639                  | -                                               | -                                    | -                         | -              | 507,672                         | 531,311           |
| Public works                                              | 2,217,504               | -                                               | -                                    | -                         | -              | -                               | 2,217,504         |
| Education                                                 | -                       | -                                               | -                                    | 6,576,017                 | -              | -                               | 6,576,017         |
| Food services                                             | -                       | 2,123,206                                       | -                                    | -                         | -              | -                               | 2,123,206         |
| Student activities                                        | -                       | -                                               | 260,269                              | -                         | -              | -                               | 260,269           |
| Debt service                                              | 159,119                 | -                                               | -                                    | -                         | -              | -                               | 159,119           |
| <b>Total expenditures</b>                                 | <b>4,298,620</b>        | <b>2,123,206</b>                                | <b>260,269</b>                       | <b>6,576,017</b>          | <b>150,368</b> | <b>507,672</b>                  | <b>13,916,152</b> |
| Excess (deficiency) of revenues over (under) expenditures | 595,518                 | 383,601                                         | 17,594                               | 11,982                    | (5,956)        | 4,720                           | 1,007,459         |
| Other financing sources (uses):                           |                         |                                                 |                                      |                           |                |                                 |                   |
| Transfers in/out                                          | 175,000                 | -                                               | -                                    | -                         | -              | -                               | 175,000           |
| <b>Total other financing sources (uses)</b>               | <b>175,000</b>          | <b>-</b>                                        | <b>-</b>                             | <b>-</b>                  | <b>-</b>       | <b>-</b>                        | <b>175,000</b>    |
| Net change in fund balances                               | 770,518                 | 383,601                                         | 17,594                               | 11,982                    | (5,956)        | 4,720                           | 1,182,459         |
| Fund balances (deficits), July 1                          | 1,106,800               | 1,008,008                                       | 63,597                               | 894,003                   | 46,171         | 232,366                         | 3,350,945         |
| <b>Fund balances, June 30</b>                             | <b>\$ 1,877,318</b>     | <b>1,391,609</b>                                | <b>81,191</b>                        | <b>905,985</b>            | <b>40,215</b>  | <b>237,086</b>                  | <b>4,533,404</b>  |

**CITY OF AUBURN, MAINE**  
**Combined Balance Sheet**  
**Nonmajor Permanent Funds**  
**June 30, 2023**

|                                            |                   |
|--------------------------------------------|-------------------|
| <b>ASSETS</b>                              |                   |
| Cash and cash equivalents                  | \$ 270,774        |
| <b>Total assets</b>                        | <b>270,774</b>    |
| <b>LIABILITIES</b>                         |                   |
| Interfund payable                          | 1,538             |
| <b>Total liabilities</b>                   | <b>1,538</b>      |
| <b>FUND BALANCES</b>                       |                   |
| Nonspendable - principal                   | 69,475            |
| Restricted                                 | 199,761           |
| <b>Total fund balances</b>                 | <b>269,236</b>    |
| <b>Total liabilities and fund balances</b> | <b>\$ 270,774</b> |

**CITY OF AUBURN, MAINE**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Permanent Funds**  
**For the Year Ended June 30, 2023**

|                                    |                   |
|------------------------------------|-------------------|
| <b>Revenues:</b>                   |                   |
| Interest income                    | \$ 2,915          |
| <b>Total revenues</b>              | <b>2,915</b>      |
| <b>Expenditures:</b>               |                   |
| <b>Current:</b>                    |                   |
| Miscellaneous                      | -                 |
| <b>Total expenditures</b>          | <b>-</b>          |
| <b>Net change in fund balances</b> | <b>2,915</b>      |
| Fund balances, July 1              | 266,321           |
| <b>Fund balances, June 30</b>      | <b>\$ 269,236</b> |

***CUSTODIAL FUNDS***

CITY OF AUBURN, MAINE  
Combining Statement of Fiduciary Net Position  
Custodial Funds  
June 30, 2023

|                               | RETC             | AVEC          | Total          |
|-------------------------------|------------------|---------------|----------------|
| <b>ASSETS</b>                 |                  |               |                |
| Intergovernmental receivables | \$ 68,035        | -             | 68,035         |
| Interfund receivables         | 62,735           | 11,018        | 73,753         |
| <b>Total assets</b>           | <b>130,770</b>   | <b>11,018</b> | <b>141,788</b> |
| <b>LIABILITIES</b>            |                  |               |                |
| Accounts payable              | 1,285            | -             | 1,285          |
| Accrued payroll               | 48,591           | 542           | 49,133         |
| <b>Total liabilities</b>      | <b>49,876</b>    | <b>542</b>    | <b>50,418</b>  |
| <b>NET POSITION</b>           |                  |               |                |
| Restricted for:               |                  |               |                |
| Individuals and organizations | 80,894           | 10,476        | 91,370         |
| <b>Total net position</b>     | <b>\$ 80,894</b> | <b>10,476</b> | <b>91,370</b>  |

**CITY OF AUBURN, MAINE**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Custodial Funds**  
**For the year ended June 30, 2023**

|                                                   | RETC             | AVEC          | Total         |
|---------------------------------------------------|------------------|---------------|---------------|
| <b>ADDITIONS</b>                                  |                  |               |               |
| Contributions:                                    |                  |               |               |
| Service revenues                                  | \$ 479,249       | 16,500        | 495,749       |
| Total contributions                               | 479,249          | 16,500        | 495,749       |
| Total additions                                   | 479,249          | 16,500        | 495,749       |
| <b>DEDUCTIONS</b>                                 |                  |               |               |
| Recipient payments                                | 632,697          | 18,845        | 651,542       |
| Total deductions                                  | 632,697          | 18,845        | 651,542       |
| Net increase (decrease) in fiduciary net position | (153,448)        | (2,345)       | (155,793)     |
| Net position - beginning                          | 234,342          | 12,821        | 247,163       |
| <b>Net position - ending</b>                      | <b>\$ 80,894</b> | <b>10,476</b> | <b>91,370</b> |

***TAX INCREMENT FINANCING FUND***



CITY OF AUBURN, MAINE  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Tax Increment Financing Fund  
For the Year Ended June 30, 2023

|                                                              | TIF 6<br>Tambrands II | TIF 9<br>Mall Area | TIF 10<br>Downtown<br>Area | TIF 10<br>Downtown<br>Omniibus | TIF 12<br>Auburn<br>Industrial<br>Park | TIF 13<br>Retail | TIF 14 & 15<br>Auburn<br>Mall | TIF 16<br>Webster<br>School<br>Housing | TIF 19<br>Hartt<br>Transport | TIF 20<br>62 Spring<br>Street | TIF 21<br>Minot<br>Avenue | TIF 22<br>48 Hampshire<br>Street | TIF 23<br>Auburn Memory<br>Care Facility | TIF 24<br>Millbran LLC | TIF 25<br>Futurguard | TIF 26<br>West Shore<br>Landing | Totals      |
|--------------------------------------------------------------|-----------------------|--------------------|----------------------------|--------------------------------|----------------------------------------|------------------|-------------------------------|----------------------------------------|------------------------------|-------------------------------|---------------------------|----------------------------------|------------------------------------------|------------------------|----------------------|---------------------------------|-------------|
| Revenues:                                                    |                       |                    |                            |                                |                                        |                  |                               |                                        |                              |                               |                           |                                  |                                          |                        |                      |                                 |             |
| Other income                                                 | \$ -                  | -                  | -                          | -                              | -                                      | -                | -                             | -                                      | -                            | -                             | -                         | -                                | -                                        | -                      | -                    | -                               | -           |
| Total revenues                                               | -                     | -                  | -                          | -                              | -                                      | -                | -                             | -                                      | -                            | -                             | -                         | -                                | -                                        | -                      | -                    | -                               | -           |
| Expenditures:                                                |                       |                    |                            |                                |                                        |                  |                               |                                        |                              |                               |                           |                                  |                                          |                        |                      |                                 |             |
| Current:                                                     |                       |                    |                            |                                |                                        |                  |                               |                                        |                              |                               |                           |                                  |                                          |                        |                      |                                 |             |
| General government                                           | 143,231               | -                  | -                          | 16,821                         | -                                      | 126,667          | 210,923                       | 29,154                                 | -                            | 56,495                        | 24,109                    | 48,001                           | 39,653                                   | 35,248                 | 5,164                | -                               | 735,466     |
| Capital outlay                                               | -                     | -                  | 11,963                     | -                              | -                                      | -                | -                             | -                                      | -                            | -                             | -                         | -                                | -                                        | -                      | -                    | -                               | 11,963      |
| Debt service                                                 | -                     | -                  | 287,550                    | -                              | 265,100                                | -                | -                             | -                                      | -                            | -                             | -                         | -                                | 135,236                                  | -                      | 3,603                | -                               | 691,489     |
| Total expenditures                                           | 143,231               | -                  | 299,513                    | 16,821                         | 265,100                                | 126,667          | 210,923                       | 29,154                                 | -                            | 56,495                        | 24,109                    | 48,001                           | 174,889                                  | 35,248                 | 8,767                | -                               | 1,438,918   |
| Excess (deficiency) of revenues<br>over (under) expenditures | (143,231)             | -                  | (299,513)                  | (16,821)                       | (265,100)                              | (126,667)        | (210,923)                     | (29,154)                               | -                            | (56,495)                      | (24,109)                  | (48,001)                         | (174,889)                                | (35,248)               | (8,767)              | -                               | (1,438,918) |
| Other financing sources (uses):                              |                       |                    |                            |                                |                                        |                  |                               |                                        |                              |                               |                           |                                  |                                          |                        |                      |                                 |             |
| Transfers from other funds                                   | 190,975               | -                  | 848,520                    | 16,821                         | 157,316                                | 294,264          | 448,773                       | 48,589                                 | 30,617                       | 56,495                        | 48,219                    | 96,002                           | 113,293                                  | 35,248                 | 34,426               | 59,528                          | 2,479,086   |
| Total other financing sources (uses)                         | 190,975               | -                  | 848,520                    | 16,821                         | 157,316                                | 294,264          | 448,773                       | 48,589                                 | 30,617                       | 56,495                        | 48,219                    | 96,002                           | 113,293                                  | 35,248                 | 34,426               | 59,528                          | 2,479,086   |
| Net change in fund balances (deficits)                       | 47,744                | -                  | 549,007                    | -                              | (107,784)                              | 167,597          | 237,850                       | 19,435                                 | 30,617                       | -                             | 24,110                    | 48,001                           | (61,596)                                 | -                      | 25,659               | 59,528                          | 1,040,168   |
| Fund balances (deficits), beginning of year                  | 78,951                | 806,274            | 227,395                    | 10,289                         | (519,427)                              | 455,494          | (900,466)                     | -                                      | (2,664)                      | 1,121                         | 50,242                    | 84,061                           | 33,114                                   | 13,914                 | (102,204)            | -                               | 236,094     |
| Fund balances (deficits), end 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   |