

City of Auburn, Maine
Annual Comprehensive Financial Report

FY21



CITY OF AUBURN, MAINE

Finance Department

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**For Fiscal Year Ended
June 30, 2021**

Prepared By:
Finance and Management

CITY OF AUBURN, MAINE
ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2021

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INTRODUCTORY SECTION

City of Auburn, Maine

"Maine's City of Opportunity"

Financial Services



February 25, 2022

Honorable Mayor Levesque and
Members of the City Council
Auburn, Maine

Ladies and Gentlemen:

The annual comprehensive financial report of the City of Auburn, Maine for the fiscal year ended June 30, 2021, is hereby submitted in accordance with the requirements of both our City Charter and State statutes. The Charter and statutes require that the City issue an annual report of its financial position and activity, and that this report be audited by an independent firm of certified public accountants. This is the sixteenth year that the City's Financial Services Department has prepared this report using the reporting requirements prescribed by Governmental Accounting Standards Board (GASB) Statement No. 34. Responsibility for both the accuracy of the data presented, and the completeness and fairness of the presentation including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the City of Auburn on a government-wide and fund basis. All disclosures necessary to enable the reader to gain the maximum understanding of the City's activities have been included.

The City is required to undergo an annual single audit in conformity with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements of Federal Awards* (Uniform Guidance). The "single audit" is designed to meet the special needs of federal grantor agencies. The standards governing single audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. Information related to this single audit, including a schedule of federal awards, findings, recommendations and the independent auditor's report on compliance for each major program and on internal control over compliance, is included in a separately issued single audit report entitled "Reports Required by *Government Auditing Standards* and the Uniform Guidance".

Accounting Principles Generally Accepted in the United States of America (GAAP) require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Governmental Structure

The City of Auburn, incorporated in 1869, is located on the west bank of the Androscoggin River, in the south central section of the State and is the fifth largest City in the State of Maine. The City of Auburn continues to be a key area within the State in which industrial and commercial companies are investing. Auburn has a land area of 64 square miles and a population of 24,061. The City is empowered to levy a property tax on both real and personal property located within its boundaries.

The City operates under the council-manager form of government. Policy-making and legislative authority are vested in the City Council, which consists of a mayor and a seven-member council. The Council is elected on a non-partisan basis. The mayor and council members are elected to two-year terms. Five of the council members are elected from within their respective districts. The mayor and the two remaining council members are elected at-large. The City Council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees and hiring the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the City's departments.

The City of Auburn provides a full range of services, including police and fire protection, emergency medical services and transport, sanitation services, the construction and maintenance of highways, streets and infrastructure, solid waste collection, public education, health and social welfare, recreation, general administration, and economic development.

Major Initiatives During Fiscal Year 2021

Economic Development

Auburn has emerged as a popular market for developers and businesses, as motivated city officials aim to spur new development. Although new development initiatives are focused on addressing the housing shortage, there are several notable projects that will transform the city and businesses have taken notice. Local and national companies of all types continue to express interest in entering the market or expanding at their current facilities.

Housing Development

Like many areas throughout Maine, Auburn has a housing shortage and this has been the focus of many developers. There are several new projects currently in development – with more in the pipeline – as city officials and developers work in unison to address the issue.

The city of Auburn has also been proactive in working with developers to grow the city's housing crop. In early 2021, Mayor Jason Levesque called for 2,000 new homes to be built within the next five to seven years. Last spring, the city listed seven city-owned properties for sale with the Boulos Company, highlighted below:

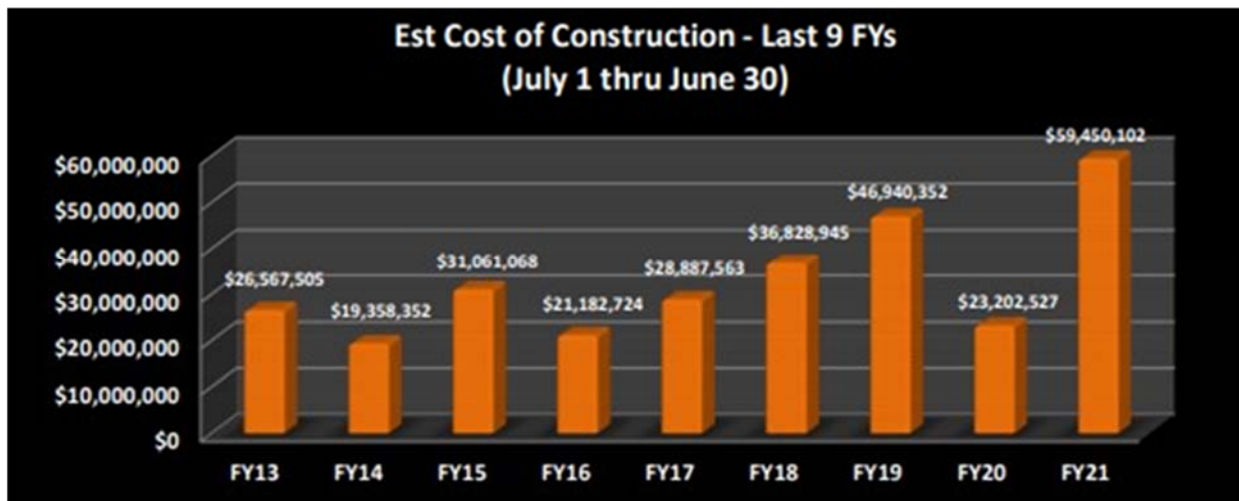
- A 0.43-acre lot on Mechanics Row, downtown: This property is currently under due diligence with a well-known developer.
- A 0.74-acre developable parking lot at 131 Main St: This property is currently under due diligence with a well-known developer.
- A 6,800-square-foot site at 186 Main St., on the banks of the Androscoggin River.
 - There is a well-known brewery willing to sign a long-term lease for the basement and first-floor future retail space and there are major employers in the area willing to prelease the apartments for staff. This property is currently under due diligence with a well-known developer.
- A 0.22-acre lot at 261 Main St.
- A 1.11-acre lot at 15 Academy St: This property is currently under due diligence with a well-known developer.
- An 8,000-square-foot pad site at Anniversary Park: This property is currently under due diligence with a well-known developer.

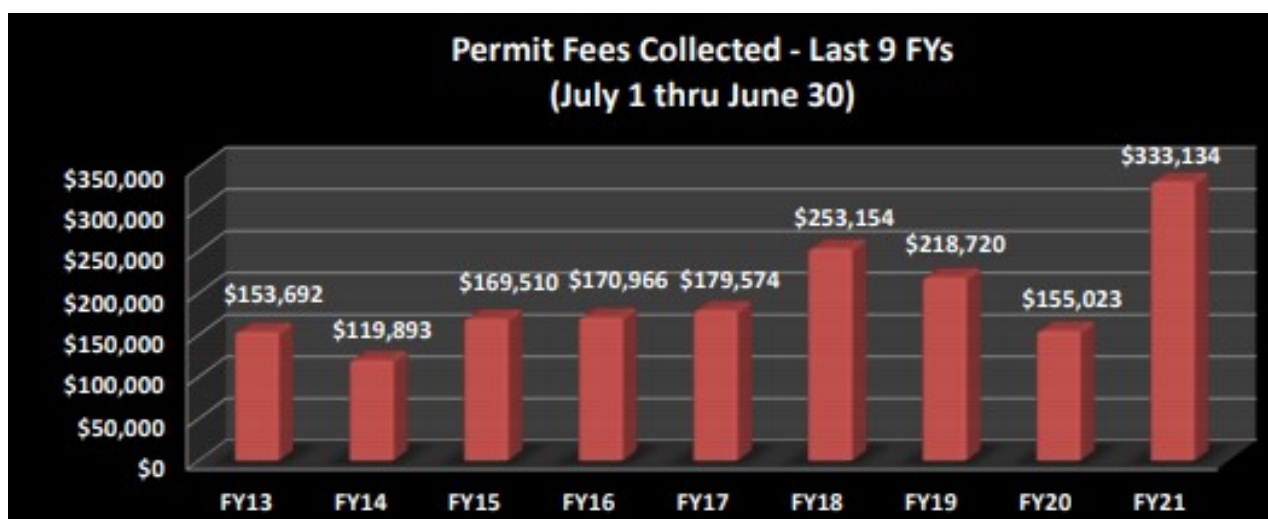
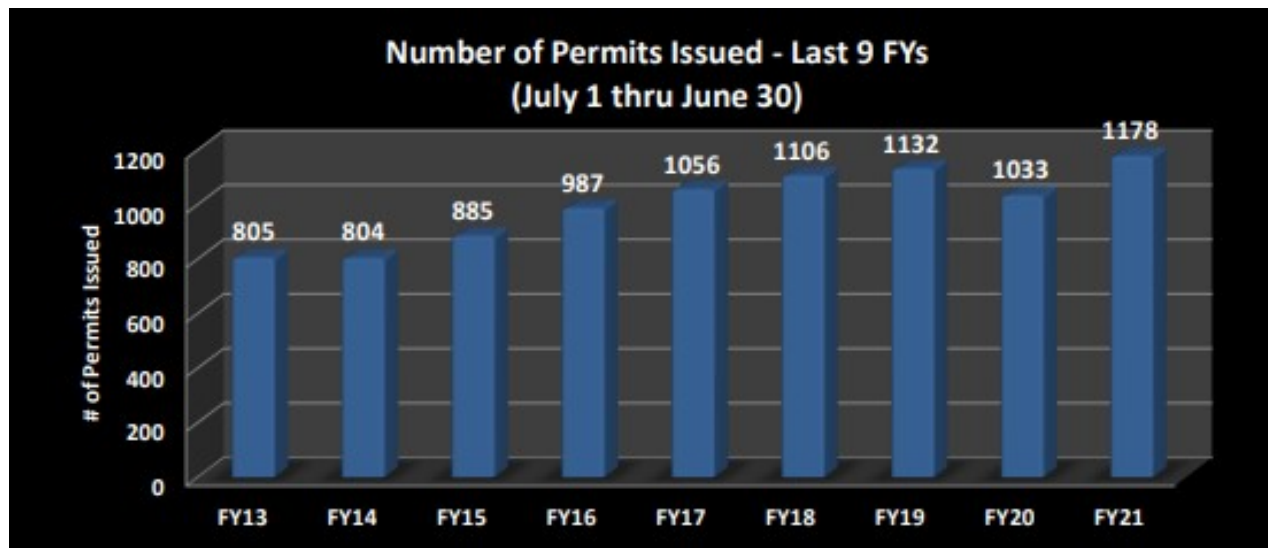
- The 9,742-square-foot 100-year-old St. Louis Church building on 0.56 acres at 32 Dunn St. in the New Auburn neighborhood.

Recent projects in the pipeline (or that have been completed) include:

- 128 housing units by A.R. Building Company, next to BJ's Wholesale Club on Mount Auburn Avenue. The units will be a mix of one- and two-bedroom apartments in two four-story buildings connected by a clubhouse. Amenities will include a gym, pool and in-unit laundry.
- 48 Hampshire Street, a mixed-income 53-unit residential building developed by the Szanton Company which opened in June of 2020.
- 48 luxury riverfront units under development by River's Edge Apartments at 273 North River Road and 204 Broad Street.
- Gracelawn Luxury Apartments, a 48-unit luxury apartment complex located at 10 Gracelawn Road. The owners are in the process of getting a Certificate of Occupancy for the final building of the development.

The former St. Louis Church on 32 Dunn Street and the six vacant lots referenced above will spur further development, especially considering that projects that create at least \$2 million in assessable value with the district may be eligible for a Credit Enhancement to assist with development costs. According to Eric Cousens, Auburn's Deputy Director of Economic and Community Development, the housing shortage, coupled with high rents and rising home sale prices, have prevented people from moving to the city. Furthermore, the city is offering incentives to spur new development, including a maximum of \$250,000 per project to assist with substantial development. Auburn's City Council has allocated \$1 million toward downtown redevelopment projects. Moreover, a record number of permits were issued in 2021, highlighted in the below picture.





Above figures exclude the new \$110 million Edward Little High School currently under construction.

Industrial

A new 2.5-megawatt, \$5.2 million solar project is planned on 20 acres at 100 Penley Corner Road. The project is by Nexamp Solar, which is currently wrapping up a 5-megawatt project in Auburn on Riverside Drive.

The demand for industrial spaces continues to outpace supply, with vacancy rates at historic lows. F.W. Webb Co. has proposed a new 66,675± SF warehouse, showroom, and distribution facility to kick off development at the Auburn Commerce Center, located off Exit 75 along Kittyhawk Avenue. Auburn Commerce Center features 3,900± SF – 452,600± SF of build-to-suit space for lease on 109.5 Acres.

Other notable projects under construction or in the pipeline include FutureGuard Building Products' 100,000± SF \$3.6 million expansion, the 14-building Mystique Way Cannabis Park, and N.S. Giles Foundations Inc's new 23,000± SF industrial building at 46 Wright's Landing in which 3,584± SF – 5,640± SF will be available for lease.

Office

Dirigo Architectural Engineering, who are based out of Turner, recently received site plan approval from the City of Auburn for a new 6,000±-7,000± SF office building located on First Flight Drive.

Retail

Most recently, Staples has moved into Auburn and has partnered with the Lewiston Auburn Metropolitan Chamber of Commerce to launch Startup Auburn. The partnership is intended to attract and encourage new business startups in Auburn. Assistance includes coworking space, 500 free business cards, a \$500 Staples gift card, and free meeting space.

In 2019, Maine's last Kmart store shuttered its door in Auburn at 603 Center Street, leaving yet another massive retail vacancy. Fortunately, Target recently proposed a \$9.6 million renovation at the 105,000± SF former big-box store, which is expected to open in the Fall of 2022. Auburn Marketplace, located at 1779 Washington Street South, is currently under construction. The property is directly adjacent to Exit 75, featuring 1,500± SF – 9,000± SF of retail/office space and co-tenanted with a national quick service restaurant with a drive-thru.

The Auburn Planning Board approved the new Olive Garden for 649 Turner St. on the site of the former Ruby Tuesday restaurant. The smaller Ruby Tuesday will be demolished to make way for the 6,600-square-foot, \$1.1 million Olive Garden.

The time has never been better to consider investing or moving your business to Auburn. Motivated city officials, coupled with exciting new development projects make this a market that everyone should keep a close eye on as Auburn continues to transform and attract new investment.

Opportunity Zones and the New Auburn Village Center Redevelopment Project

In 2018 a census tract in New Auburn was designated as an Opportunity Zone. The purpose of this federal program is to encourage development and growth in Low-Income Community census tract areas, with the hope that this will stimulate the neighborhood and result in a higher quality of life for the residents.

The City is actively marketing New Auburn Village Center Redevelopment Project and completed the new pedestrian-friendly Riverway Street, creating the opportunity for 14,000 square feet of new commercial space, 28,000 square feet of new residential space, and providing 168 parking spaces that will allow the closure of the Riverway for special community events.

The City is proactively marketing two city-own properties located in the Opportunity Zone. They are:

- An 8,000-square-foot pad site at Anniversary Park: This property is currently under due diligence with a well-known developer.
- The 9,742-square-foot 100-year-old St. Louis Church building on 0.56 acres at 32 Dunn St. in the New Auburn neighborhood.

Attracting Investors

Foreign investment is still a significant component of continued investment. Two separate foreign investment groups have purchased investment property in the City and continue to explore other projects. The Economic and Community Development department has been in negotiation with several developers regarding large-scale projects. A large retail development proposed adjacent to exit 75 off Washington Avenue now has tenants and collaboration with the State, MDOT, and the developer to complete the project is underway. As discussed in the previous year, the business park off Kittyhawk Avenue was under contract and the transaction did close in early 2021 with a strong park now under contract for a closing in January 2022. This purchase paves the way for an Auburn-based business to launch a new product and expand from approximately 80,000 square feet to a new 150,000-300,000 square foot facility over the next two years. Other industrial expansions totaling 400,000+ square feet are proposed at two other major manufacturers within the City, some of which are already under construction. In support of the strong growth and to expand Auburn's market share, the Mayor, City Manager, and Economic and Community Development Department launched a major initiative aimed at attracting new investors.

Community Development Block Grant Program

Several programs were re-adopted during the last budget process to aid residents with property improvements and to help the City rebuild and strengthen its neighborhoods and others were updated to meet the needs of the community. The Community Development staff saw significant turnover during the year. As discussed in the previous year, additional staff resources were added to expand the ability of the department both strategically and capacity. Staff undertook a rigorous review of programming, policy and financial tracking to ensure compliance with funders requirements. The City continues to leverage CDBG funds and TIF funds to improve walkability and access to parking in downtown areas. The goal is to ensure that Auburn is a friendly and safe place that people want to live, work, and play in and the community is responding positively.

Transportation

The City continues to review rail services for both for freight and passenger rail. The rail study completed during the previous year continues to help focus the negotiation of a master lease for the intermodal facility. The City continues to discuss the need for an additional Turnpike Interchange to support the continued growth in the City. The Comprehensive Plan updates discussed previously continue to be adopted and discussed in public meetings and with the Council for adoption early in the coming year. The City of Auburn continues to experience record growth and there is an increased need for better public transportation. The current public transportation fails to provide adequate transportation who have no alternative to its use and significant review is needed to meet these needs.

Financial Management

The City is committed to ensuring sound financial management of the public's funds. This includes a five-year Financial Plan, a five-year Capital Improvement Plan, maintaining a sufficient fund balance, and adhering to the highest management standards. The City Council adopted a Fund Balance Policy in FY 2011, and updated it in FY 2021, to provide on-going guidance to elected officials to strengthen fund balance. City employees perform their daily work with guidance from these plans and policies.

Capital Improvements and Debt Service

The City maintains an ongoing five-year Capital Improvement Plan (CIP) that serves as a tool for the Mayor and City Council to make strategic investments in the community. In fiscal year 2021, the Capital Improvement budget included \$5.7 million to fund street, sidewalk, infrastructure and drainage improvements; \$1 million to fund School Department capital projects; and \$3.4 million for building improvements and equipment replacements. The City of Auburn maintains an "AA-" rating from Standard & Poor's and an Aa3 rating from Moody's for the City's general obligation debt.

Education 2021

Educational Excellence: "Empowering life-long learners to succeed in an ever-changing world"

During the 2020-21 school year, the Auburn School Department continued to work toward its guiding principles as outlined in Vision 2030. This vision leads the work of the district and guides all decisions. A central focus of Vision 2030 is creating an educational experience that is flexible and personalized to maximize every student's growth. All Auburn students are supported to graduate with high aspirations, hope for the future, a passion for learning and the capacities to accomplish their dreams.

School Building Infrastructure and Fleet Improvements

New Edward Little High School: In March 2021, after nearly five years of planning, Auburn School Committee awarded the construction contract for the new Edward Little High School to Arthur C. Dudley for a base bid of \$104,592,462. Site work began on March 18 directly adjacent to the existing school building. The new school is projected to open in August 2023 with athletic fields being constructed on site

throughout the following year following demolition of the old building.

The new Edward Little High School will include a Career and Technical Education (CTE) program (which will be a satellite of the Lewiston Regional Technical Center), a full complement of athletic facilities on-site for the first time (including at least one artificial turf field), and a 1,200-seat performing arts center. The State of Maine is funding \$105.9 million (86.8%) of the approximately \$122 million project.

After receiving preliminary approval for a new, state-funded high school in Fall 2016, Auburn School Department selected Harriman Associates to lead the district through the process, from site selection through opening of the new building. Harriman led the Building Committee on an exhaustive evaluation of 47 potential sites across the city. The committee narrowed the number of sites to 5 and began a more thorough process of evaluating each site based upon parcel structure, site conditions, transit, proximity to utilities, overall cost and community priorities. By June 2018, it was clear the existing site best matched the top 3 priorities as defined by members of the community:

1. Ability to have all athletic fields on one site
2. Proximity to population density
3. Ability to act as an economic draw to bring people to Auburn

Infrastructure (Capital Improvement): Auburn School Department facilities are the property of the City of Auburn, and the Auburn School Department, as steward, maintains buildings and grounds. The School Department's facilities have a total insured replacement value of approximately \$95 million.

In Winter/Spring 2020, the School Department evaluated its Capital Improvement needs for the 20-21 school year and submitted for review and recommendation to the City Council requests totaling \$1,409,500 (which represents 1.5% of capital asset values). City Councilors approved and authorized \$1 million in CIP Bond issuance for the School Department in their August 2020 Bond Issuance. This is a capital asset renewal of 1.1% of replacement value into school facilities infrastructure. Our goal has been to maintain at minimum 2% Facility Condition Index (FCI) to ensure facilities are kept in good working order to meet the needs of students and the community and not fall behind on needed maintenance and improvements.

The following projects and purchases were completed during the 2020-21 school year from Capital Improvement funds or General Fund budget:

- Auburn Middle School: New stage curtain
- Auburn Middle School: New locker room epoxy floor
- Auburn Middle School: Improved drainage in 2 locations
- Auburn Middle School: New vehicle turning loop
- East Auburn Elementary School: New cafeteria tables
- Fairview Elementary School: New classroom furniture
- Park Avenue Elementary School: New exterior doors
- Sherwood Heights Elementary School: New cafeteria ceiling
- Sherwood Heights Elementary School: New exterior door
- Sherwood Heights Elementary School: New library carpet
- Walton Elementary School: New exterior doors
- Support Services: One-ton pickup with plow
- Support Services: New 10,000-gallon gas tank
- Support Services: New water cannon
- Support Services: New vehicle lift
- District-Wide: New telephone system at multiple locations

School Revolving Renovation Fund: In Fall 2019, the School Department applied for funding through the State's School Revolving Renovation Fund (SRRF) to complete two projects: a relocation of the main office to the front of Auburn Middle School, and the addition of an elevator/upgrade of bathrooms at Franklin School. In January 2020, both projects were approved, with total funding of up to \$190,000 for Auburn Middle School and \$1 million for Franklin.

Of those amounts, the State will forgive 61%, leaving the School Department to pay back 39% of the funds at zero interest over 10 years.

The Auburn Middle School front office relocation project was completed in December 2020.

The Franklin elevator/bathroom project was started in April 2021, with expected completion in December 2021.

Coronavirus Relief Funds (CRF): In 2020, Auburn School Department received \$6,529,000 of CRF funds in response to the Covid-19 pandemic. Utilizing some of those funds, the School Department completed the following purchases and projects:

- East Auburn Elementary School: New portable classroom on cement pad
- Walton Elementary School: Bus drop-off loop
- Washburn Elementary School: New Portable classroom on cement pad
- District-Wide: Installation of Pro-AV camera system in all schools
- Transportation Vehicles: see below

Transportation: The School Department continues the replacement of older school buses, with the assistance of the State Department of Education (DOE) Bus Purchase/Replacement program. The DOE Bus Purchase/Replacement program stipulates that school buses are eligible for replacement utilizing state funding when they reach 10 years of age and exceed 125,000 miles of service. The DOE Bus Purchase/Replacement program schedule allows the Auburn School Department to maintain a bus fleet in conformance with State DOE standards while utilizing all available state funding and maintaining a safe and dependable fleet.

Reimbursement from DOE is a direct allocation provided through state subsidy one year after purchase. In 2020-21, the School Department added two new 2022 model year gasoline-powered school buses that were eligible for DOE funding under the program and will be reimbursed in 2021-22.

The Department used CRF funds to purchase two additional 2022 gasoline buses in 2020-21, for a total of four new buses.

Over the past several years, the School Department has converted 100% of its main, “home to school” bus fleet to either propane or gas, eliminating diesel buses from everyday runs. Aside from producing an annual savings, we are lessening our greenhouse gas emissions and carbon footprint.

With our recent investments in upgrading the fleet, all of our main “home to school” buses are no more than 5 years old.

As of June 2021, the School Department owns 38 school buses. Of these, 25 are regularly in service, 9 are spares and 4 are marked to be sold.

Additionally, the School Department used CRF funds to purchase 6 new vans during 2020-21 (one earmarked for nutrition, one for technology and the other four for general and special education student transportation).

As of June 2021, the School Department owns 15 vans and 11 trucks (used for maintenance and plowing).

The School Department purchases all of its vehicles outright and has no lease payments or other debt on any of its vehicles.

On the Move: Fiscal Year 2022 Goals

For the 2022 Fiscal Year, the operating budget is to a great extent a maintenance budget to maintain the funding that is essential for the City to continue servicing the needs of the citizens in the community. But it also includes some innovation, expanded Economic Development capacity and strategic decision-making that will serve the city well. Last year's budget recognized that it is vital to retain and attract people to work for the city, and the adjusted funding for a Compensation Study is proving to help stabilize staffing and services as intended, with a well-balanced, stable and effective city government. The City has taken further steps to restore full bus service to the community with the partial restoration of funding to the Lewiston-Auburn Transit Committee and secured outside funding for a comprehensive public transit review study in cooperation with the City of Lewiston and ATRC. This will help implement the effort to reach out to the business community to create a new bus transportation model that makes the bus system an integral part of Auburn's future.

In terms of innovation, Auburn is on the move! The City has taken the step of being among the first communities in Maine to aggressively pursue as a goal a blend of recreation and sports tourism with the reorganization and establishment of a new department called Recreation and Sports Tourism. The City has purchased the previously leased Norway Savings Bank Arena (NSBA) and formally combined it with our former Recreation Department as well as the Ingersoll Turf Facility into a new dynamic, collaborative department. By maximizing our fiscal and personnel resources in this way, we are pointing ourselves toward the future and saying that we want Auburn to be one of Maine's most exciting recreation and sports destinations. 2021 boasts new partnerships with local non-profits to deliver even more recreation capacity and variety including the YMCA, Auburn Suburban Baseball and Softball, and New England Mountain Bike Association.

Financial Information

The City's Financial Services Department is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure being used is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the costs of control procedures are weighed against the expected benefits to be derived, and that the evaluation of costs and benefits requires educated estimates and professional judgments by management. All of the City's internal accounting control evaluations occur within this framework.

As a recipient of federal, state, and local financial assistance, the City is also responsible for ensuring that adequate internal controls are in place to ensure and document compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management and the finance department staff of the City.

The City legally adopts fiscal year budgets at the appropriation resolve level that are established in accordance with the various laws that govern the City's operations as authorized by the Council. The budget is divided into monthly budget allocations based on expenditure expectations and on historical trends whenever possible. These allocations are reviewed monthly against actual expenditures, and variances are addressed in the financial report presented each month to the City Council. At mid-year, unless conditions dictate an earlier need, budgets are reviewed; year-end projections made, and adjustments to the financial plan considered and any necessary changes are legally adopted through the passage of an appropriation and revenue resolve.

Other Information

Independent Audit

State Statute and the City Charter require an annual audit of all financial records by independent certified public accountants. The audit of fiscal year 2021 was performed for the City Council by the firm of Runyon

Kersteen Ouellette, PA, a firm of licensed Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Auburn, for the fiscal year ended June 30, 2021, are free of material misstatement.

The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluation of the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Auburn's financial statements for the fiscal year ending June 30, 2021, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Uniform Guidance. Auditing standards generally accepted in the United States of America and the standards set forth in the U.S. Government Accountability Office's *Government Auditing Standards* were used by the auditors in conducting the engagement. The auditors' reports on internal controls and compliance with applicable laws and regulations can be found in a separately issued single audit report.

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the year ended June 30, 2020. This was the twenty-ninth consecutive year that the City received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

This report is the result of many hours of dedicated work by Gina Klemanski, Jessica Bouchard and Nancy Bosse in the Financial Services Department. I am also pleased to acknowledge the services and assistance of independent auditors, Runyon Kersteen Ouellette, in the preparation and production of this report.

A handwritten signature in black ink that reads "Jill M Eastman". The signature is written in a cursive, flowing style.

Jill M Eastman
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Auburn
Maine**

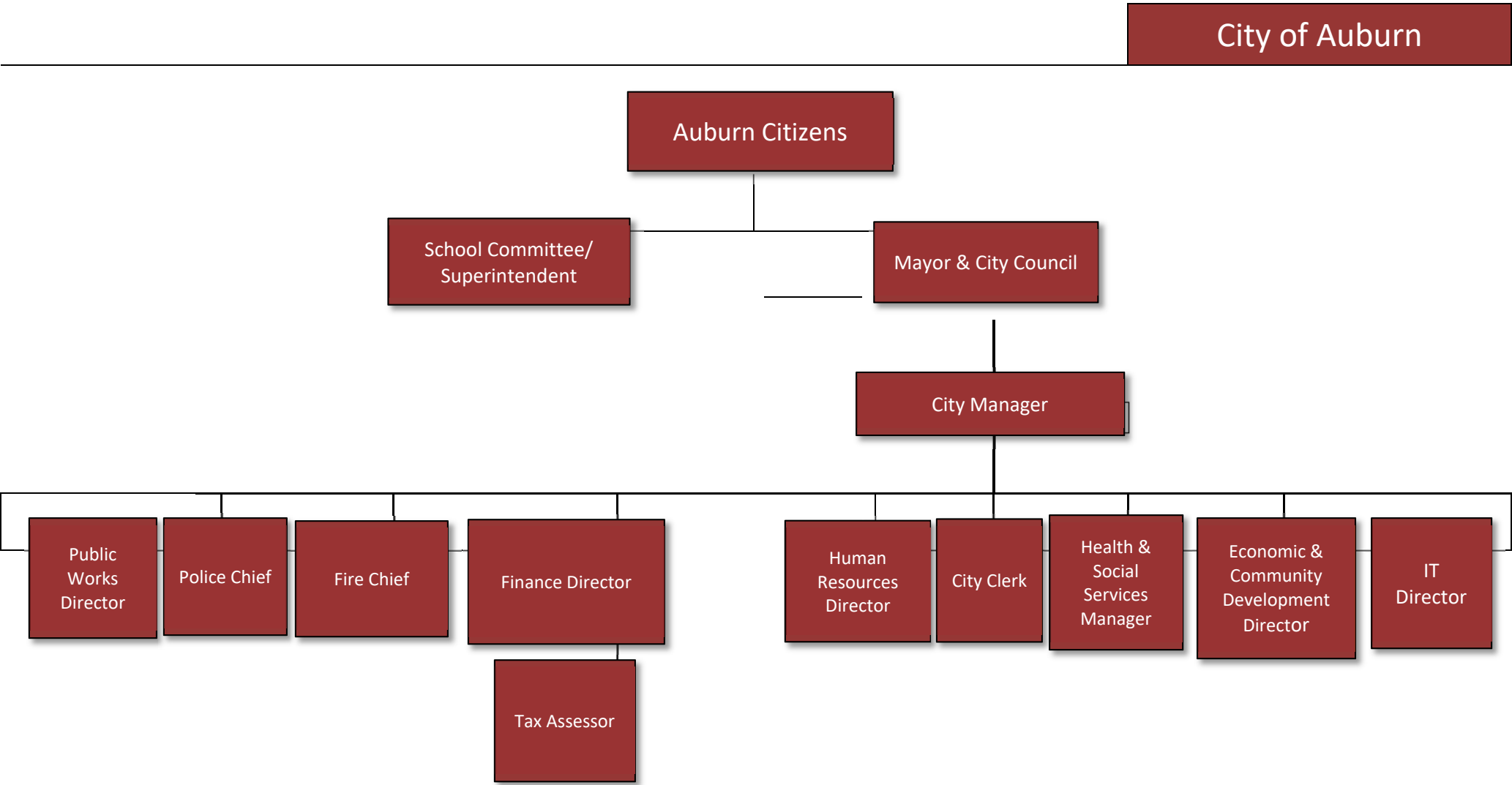
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

ORGANIZATIONAL CHART
2021



CITY OF AUBURN, MAINE

LIST OF ELECTED AND APPOINTED OFFICIALS

June 30, 2021

Elected Officials

Mayor	Jason J. Levesque
Council Member – Ward 1	Holly Lasagna
Council Member – Ward 2	Timothy MacLeod
Council Member – Ward 3	Stephen Milks
Council Member – Ward 4	Brian Carrier
Council Member – Ward 5	Leroy G. Walker
Council Member – At Large	Belinda Gerry
Council Member – At Large	Katherine Boss
School Committee – Chair, Ward 3	Karen Mathieu
School Committee – Ward 1	Korin McGuigan
School Committee – Ward 2	Pamela Hart
School Committee – Ward 4	Brian Belknap II
School Committee – Ward 5	Daniel F. Poisson Sr.
School Committee – At Large	David Simpson
School Committee – At Large	Faith Fontaine
School Committee – Mayor's Representative	Brian Carrier

Appointed Officials

City Manager	Phillip Crowell
Assistant City Manager	Brian Wood
Finance Director	Jill M. Eastman
School Superintendent	Cornelia Brown PhD
School Business Manager	Adam Hanson
City Clerk	Susan Clements-Dallaire
Tax Collector	Kelsey Earle
Assessor	Karen Scammon
Fire Chief	Robert Chase
Human Resources Director	Christine Mumau
Police Chief	Jason Moen
Public Works Director	Dan Goyette
Recreation Director	Sabrina Best
Health & Social Services Manager	Jeff Tardiff
Economic & Community Development Director	Jay Brenchick

FINANCIAL SECTION



Report of Independent Auditors

City Council
City of Auburn, Maine:

Report on the Financial Statements

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, 2021, 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.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in the notes to the financial statements, in 2021, the City adopted new accounting guidance, GASBS No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules related to the pension and OPEB liabilities, be presented to supplement the basic financial statements. Such 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. 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.

Other 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 introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

City Council
City of Auburn, Maine

The combining and individual fund statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2022, 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.



February 25, 2022
South Portland, Maine

Management's Discussion and Analysis

Fiscal Year Ended June 30, 2021

As management of the City of Auburn, Maine, we offer this narrative overview and analysis of the financial activities of the City of Auburn, Maine for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal to this report.

Financial Highlights

- The assets and deferred outflows of resources of the City of Auburn exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$79,838,092 (*net position*).
- The City of Auburn's total net position increased by \$7,243,403.
- As of the end of the current fiscal year, the City of Auburn's governmental funds reported combined ending fund balances of \$83,721,202 an increase of \$55,076,637 in comparison with the prior year.
- At the end of the current fiscal year, total assigned and unassigned fund balance for the General Fund was \$15,143,586, or 17.72% of total General Fund expenditures (budgetary basis – excluding transfers).
- The City of Auburn issued one bond for \$8,460,000 for its Capital Improvement Plan, one bond for \$59,985,000 to construct Edward Little High School, and one BAN (Bond Anticipation Note) for \$8,000,000 to provide interim financing for the Edward Little High School construction. The \$8,460,000 issuance with the addition of bond premium of \$1,650,000 will be used for the following projects: to fund the City's street, sidewalk and infrastructure improvements; purchase multiple pieces of heavy equipment; and for building improvements. Of the total \$10,110,000, \$1,000,000 will fund various school capital projects.

Overview of the Financial Statements

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

Government-wide financial statements

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

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

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

Both of the government-wide financial statements distinguish functions of the City of Auburn that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government; public safety; health, welfare and recreation; public works, including highways, streets, and solid waste disposal; other agencies; education; and interest on debt. The City has two business-type activities, Ingersoll Turf Facility and Norway Savings Bank Ice Arena. The government-wide financial statements can be found on pages 33-34 of this report.

Fund financial statements

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

Governmental funds

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

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

The City of Auburn maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Community Development Programs, Tax Increment Financing, Capital Improvement Program, New Edward Little Building Project, and City Special Revenue, 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 nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

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

The basic governmental fund financial statements can be found on pages 35-40 of this report.

Proprietary funds

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

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

The basic proprietary fund financial statements can be found on pages 41-43 of this report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City of Auburn's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 44-45 of this report.

Notes to basic financial statements

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

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that can be found beginning on page 86 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. The combining and individual fund statements and schedules can be found on pages 95-107 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Auburn, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$79,838,092 at the close of the most recent fiscal year.

City of Auburn's Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020 Restated	2021	2020	2021	2020 Restated
Current and other assets	\$ 107,245,568	42,397,483	(1,247,423)	(1,291,143)	105,998,145	41,106,340
Capital assets	144,653,351	136,018,850	284,771	361,574	144,938,122	136,380,424
Total assets	251,898,919	178,416,333	(962,652)	(929,569)	250,936,267	177,486,764
Deferred outflows of resources:						
Related to pensions	3,793,246	4,056,753	16,223	27,093	3,809,469	4,083,846
Related to OPEB	1,979,150	594,583	717	-	1,979,867	594,583
Total deferred outflows of resources	5,772,396	4,651,336	16,940	27,093	5,789,336	4,678,429
Noncurrent liabilities	153,257,803	94,896,100	100,465	109,624	153,358,268	95,005,724
Other liabilities	22,196,547	11,692,509	6,360	5,246	22,202,907	11,697,755
Total liabilities	175,454,350	106,588,609	106,825	114,870	175,561,175	106,703,479
Deferred inflows of resources:						
Deferred charge on refunding	84,545	98,636	-	-	84,545	98,636
Related to pensions	348,533	2,339,599	1,055	17,626	349,588	2,357,225
Related to OPEB	890,338	406,394	1,865	4,770	892,203	411,164
Total deferred inflows of resources	1,323,416	2,844,629	2,920	22,396	1,326,336	2,867,025
Net investment in capital assets	81,828,684	78,952,151	284,771	361,574	82,113,455	79,313,725
Restricted	7,417,293	6,805,813	-	-	7,417,293	6,805,813
Unrestricted	(8,352,428)	(12,123,533)	(1,340,228)	(1,401,316)	(9,692,656)	(13,524,849)
Total net position	\$ 80,893,549	73,634,431	(1,055,457)	(1,039,742)	79,838,092	72,594,689

*The 2020 amounts in this table have been restated for the effects of prior-period adjustments.

By far, the largest portion of the City of Auburn's net position (102.84% or \$82,113,455) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding, and adding back any unspent bond proceeds. The City has made a conscious effort to continue its investment in long-term infrastructure improvements such as storm water separation, roadways, traffic improvements, sidewalks, facilities, and large equipment. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending.

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

An additional portion of the City of Auburn's net position (9.29%) represents resources that are subject to external restrictions on how they may be used. The remaining unrestricted *net position* is a deficit of (\$9,692,656).

City of Auburn's Changes in Net Position							
	Governmental Activities		Business-type Activities		Total		
	2021	2020 Restated	2021	2020	2021	2020 Restated	
Revenues:							
Program revenues:							
Charges for services	\$ 3,978,058	3,853,586	886,712	973,169	4,864,770	4,826,755	
Operating grants and contributions	47,580,889	37,389,665	-	-	47,580,889	37,389,665	
Capital grants and contributions	1,279,725	289,649	-	-	1,279,725	289,649	
General revenues:							
Property and other taxes	51,032,434	50,590,615	-	-	51,032,434	50,590,615	
Grants and contributions not restricted to specific programs	9,370,542	7,939,649	-	-	9,370,542	7,939,649	
Other	339,769	1,093,844	1,289	2,222	341,058	1,096,066	
Total revenues	113,581,417	101,157,008	888,001	975,391	114,469,418	102,132,399	
Expenses:							
General government	14,663,651	15,340,450	-	-	14,663,651	15,340,450	
Public safety	11,076,827	10,521,575	-	-	11,076,827	10,521,575	
Health, welfare and recreation	2,985,799	2,733,265	-	-	2,985,799	2,733,265	
Public services	13,544,720	13,039,351	-	-	13,544,720	13,039,351	
Local agency support	3,942,717	4,127,325	-	-	3,942,717	4,127,325	
Education	56,451,019	52,017,258	-	-	56,451,019	52,017,258	
Interest on debt	2,194,313	1,119,403	-	-	2,194,313	1,119,403	
Food services	1,463,253	1,567,231	-	-	1,463,253	1,567,231	
Ingersoll Turf Facility	-	-	205,194	152,289	205,194	152,289	
Norway Savings Bank Arena	-	-	698,522	733,217	698,522	733,217	
Total expenses	106,322,299	100,465,858	903,716	885,506	107,226,015	101,351,364	
Increase (decrease) in net position before transfers	7,259,118	691,150	(15,715)	89,885	7,243,403	781,035	
Transfers	-	27,730	-	(27,730)	-	-	
Change in net position	7,259,118	718,880	(15,715)	62,155	7,243,403	781,035	
Net position - July 1, restated	73,634,431	72,915,551	(1,039,742)	(1,101,897)	72,594,689	71,813,654	
Net position - June 30	\$ 80,893,549	73,634,431	(1,055,457)	(1,039,742)	79,838,092	72,594,689	

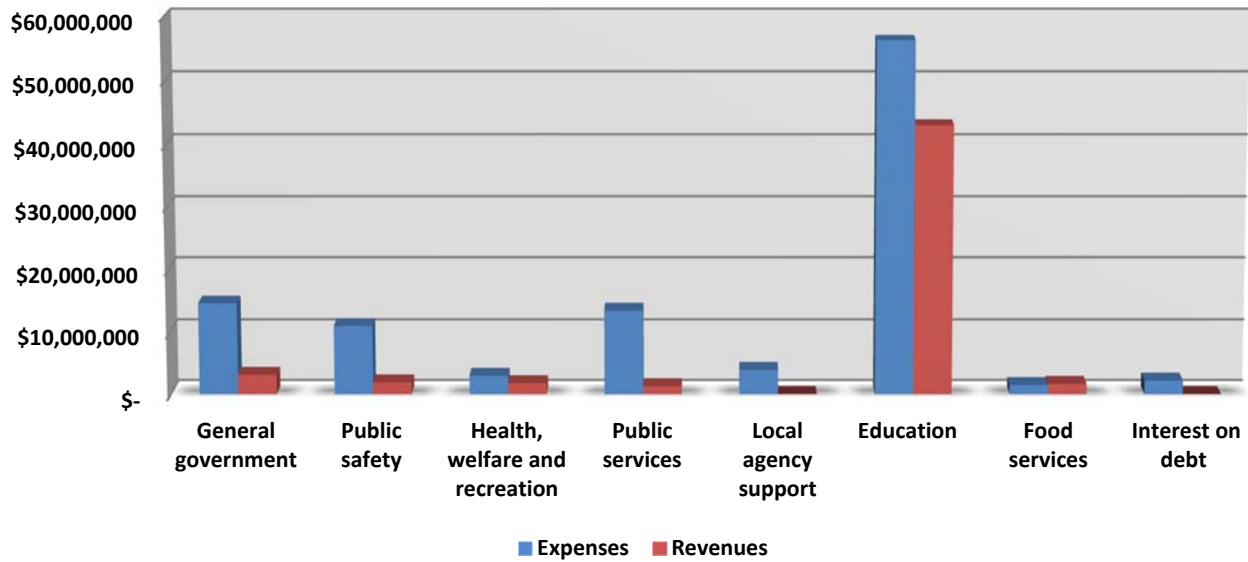
*The 2020 amounts in this table have been restated for the effects of prior-period adjustments.

Governmental Activities

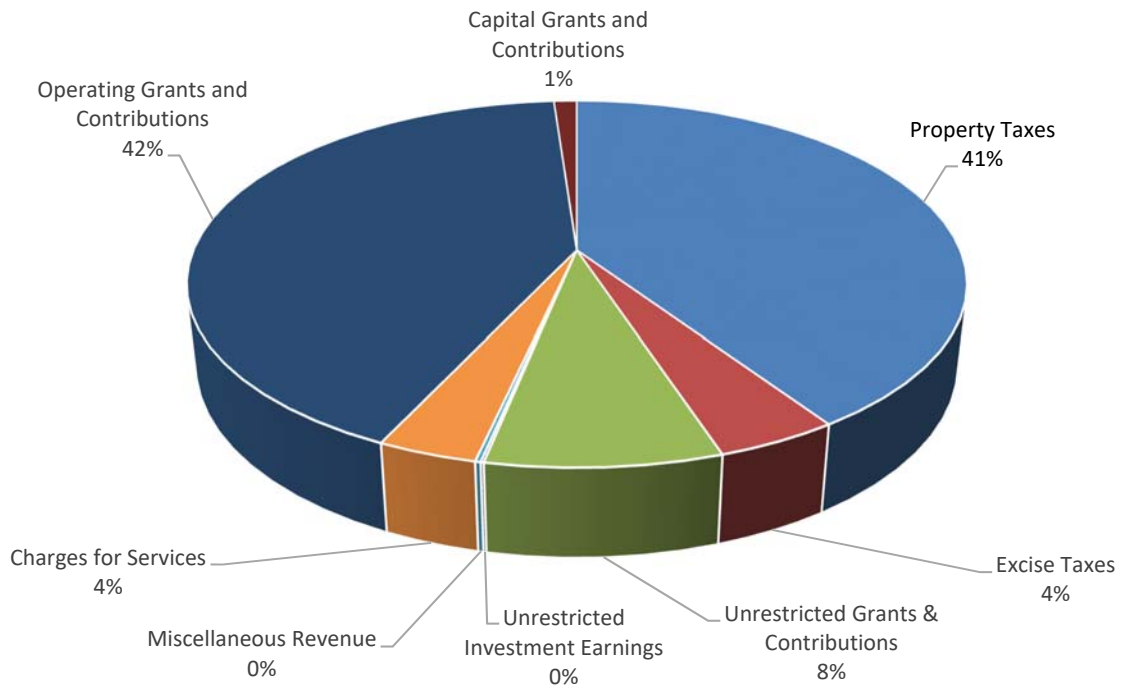
Governmental activities increased the City of Auburn's net position by \$7,259,118. Key elements of this increase are as follows:

- The City received more in operating grants and contributions during the current fiscal year.
- This increase was also from an increase in unrestricted grants and contributions of \$1,430,893, which was driven mostly by increases in State Revenue Sharing and Homestead and BETE exemption revenue.
- Total expenses increased by \$5,856,441 (5.83%) primarily due to the increase in, public safety, education, and interest on debt.

Expenses and Program Revenues -Governmental Activities For the Year Ending June 30, 2021



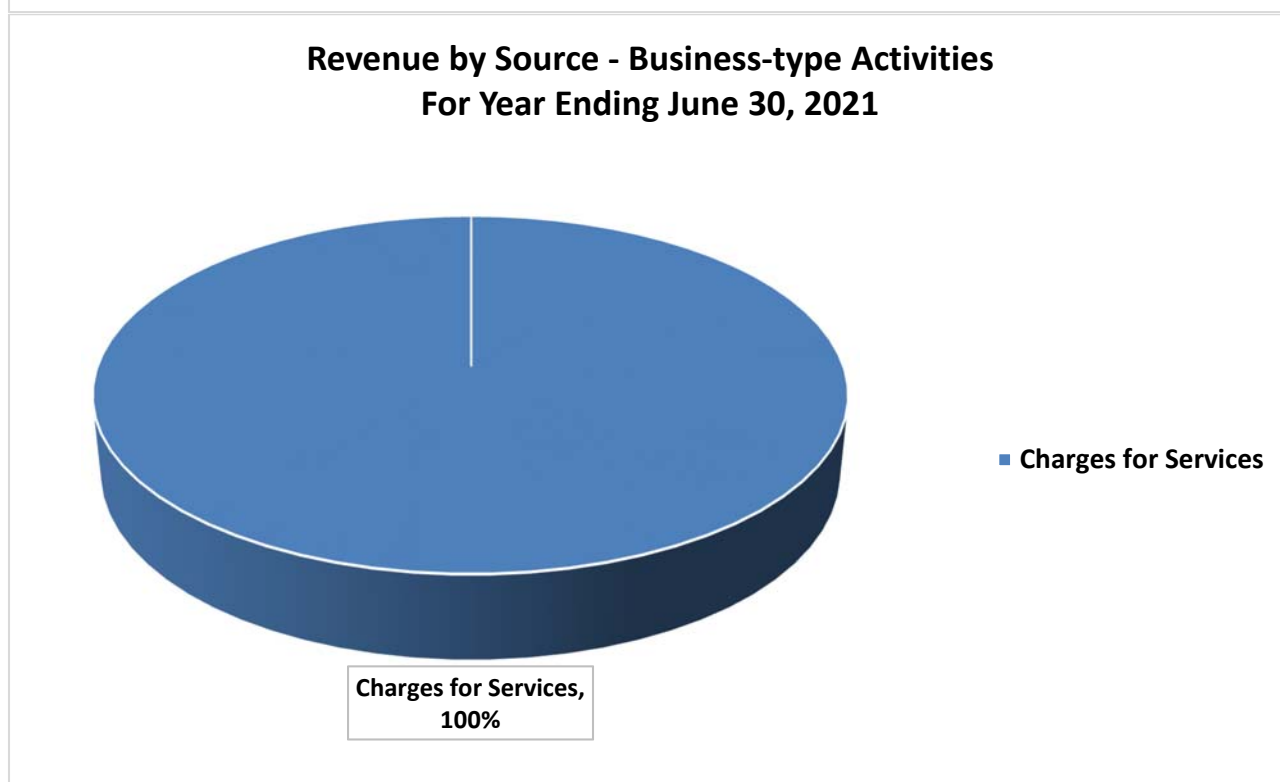
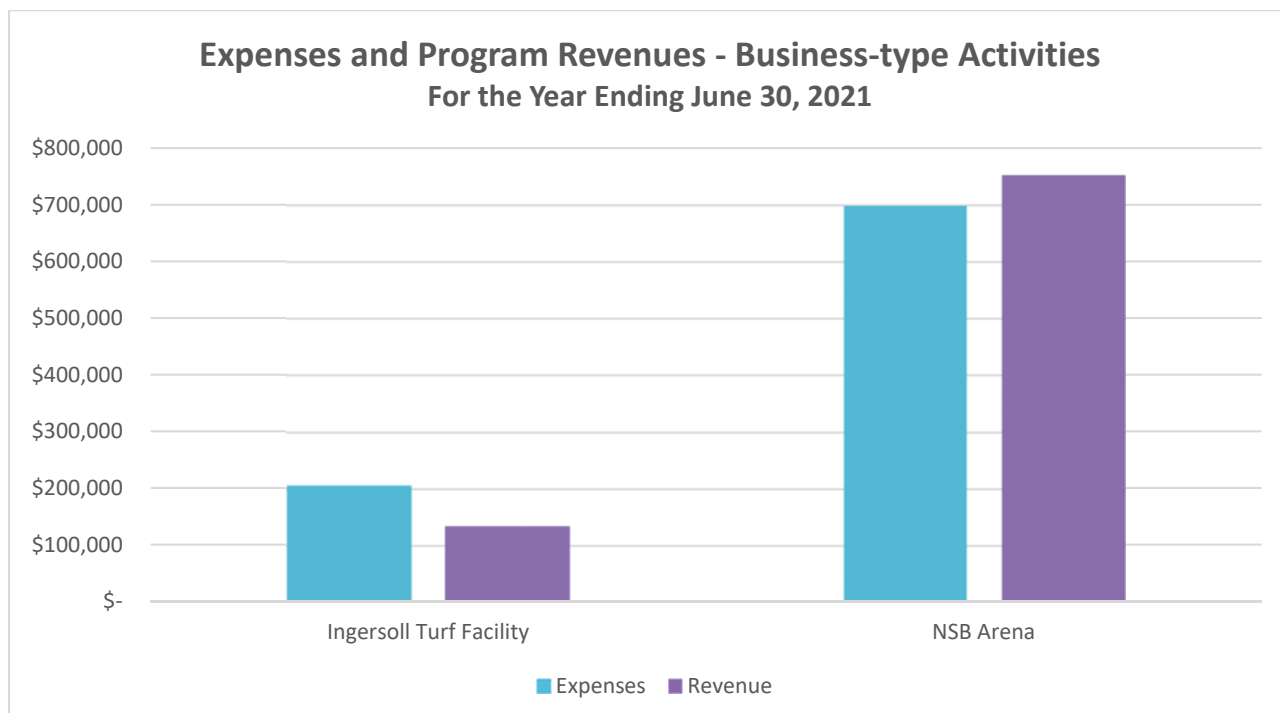
Revenue by Source - Governmental Activities For the Year Ended June 30, 2021



Business-type Activities

The City's two business-type activities, its Ingersoll Turf Facility and Norway Savings Bank Arena, decreased the City of Auburn's net position by \$15,715.

Revenues for business-type activities decreased by \$87,390 or 8.95%. This is attributed to a decline in operations during the pandemic. Expenses for business-type activities increased by \$18,210 or 2.05%, which is primarily due to general inflation on wages, benefits, and utilities.



Financial Analysis of the Government's Funds

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

Governmental Funds

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

As of the end of the current fiscal year, the City of Auburn's governmental funds reported combined ending fund balances of \$83,721,202, an increase of \$55,076,637, in comparison with the prior year. This total consists of: General Fund, \$18,142,402; Community Development Programs Fund, \$1,697,863; Tax Increment Financing, (\$796,962); Capital Improvement Programs, \$8,548,097; New Edward Little Building Project, \$55,231,860; City Special Revenue Fund, (\$149,028), and Other Governmental Funds, \$779,924. These fund balances (deficits) are intended, and in some cases restricted, committed or assigned, for specific purposes.

The General Fund is the chief operating fund of the City of Auburn. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$13,192,192. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund budget. Unassigned fund balance represents 14.33% of the total General Fund's final budgeted expenditures of \$92,080,867 (includes budgeted transfers out) at June 30, 2021. The City Council adopted a Fund Balance Policy in June 2011, establishing a goal of having a General Fund unassigned fund balance equal to 12.5% of the City's municipal and school budgets. Rating agencies look favorably upon the establishment of fund balance policies by communities, which signifies the recognition that a healthy fund balance is imperative to the good financial standing of the community.

The Community Development Program Fund balance decreased by \$275,405. The decrease was due to the timing of drawdowns as well as the increase in expenditures for the CDBG program.

The Tax Increment Financing Fund deficit decreased by \$359,622 due to increased tax revenue captured within the TIF districts.

The Capital Improvements Program balance increased by \$1,286,623 which represents an increase of 17.72% of total fund balance from the prior year. Bond proceeds received in the current year will be offset by future capital and other expenditures.

The New Edward Little Building Project fund balance increased by \$49,627,083, due to the issuance of a long-term bond. Construction related expenditures will be ongoing for the next two fiscal years to complete the project.

The City Special Revenue Fund balance decreased by \$125,051 as current year grant and other expenditures exceeded revenues. The City utilized past funding to complete projects and also anticipates future reimbursements.

Proprietary Funds

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

Unrestricted net position of the City's proprietary funds, which include Ingersoll Turf Facility and Norway Savings Bank Ice Arena, amounted to a deficit of (\$1,340,228). The total decrease in net position was \$15,715.

General Fund Budgetary Highlights

For the current fiscal year, the total revenue was above budgetary projections and the total expenditures were below budgetary projections. During the current fiscal year, the budgetary fund balance of the City of Auburn's General Fund increased by \$3,717,397. Contributing factors to this increase included:

- Motor vehicle excise taxes were above budgetary projections by \$786,661.
- State revenue sharing was above projections by \$1,075,780.
- General government expenditures were under budget by \$1,103,397, due to savings in economic development, city manager, facilities, and employee benefits. There were vacant positions in the City Manager's department and economic development during the fiscal year. Legal fees were below projections in the Manager's budget. Facilities had savings in utility costs and maintenance and repair costs. Employee benefits were below projections due to vacancies and a smaller increase in health insurance than was projected.
- Education expenditures were under budget by \$1,098,565 due to savings in regular instruction and special education as many budgeted positions were not able to be filled.
- Budgeted use of City and School surplus were used to offset the current year's expenditures and keep the mil rate down.

Capital Asset and Debt Administration

Capital Assets

The City of Auburn's investment in capital assets for its governmental and business-type activities as of June 30, 2021 amounts to \$144,938,122 (net of accumulated depreciation). This investment in capital assets includes land, buildings, land improvements, machinery and equipment, vehicles and infrastructure. The total increase in the City of Auburn's investment in capital assets for the current fiscal year was 6.27%. For more detail, refer to Capital Assets in the Detailed Notes for All Funds on Pages 57-58.

City of Auburn's Capital Assets (net of depreciation)						
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 7,886,570	7,886,570	-	-	7,886,570	7,886,570
Construction in progress	14,453,861	8,006,795	-	-	14,453,861	8,006,795
Buildings and improvements	45,776,191	47,087,414	94,308	120,744	45,870,499	47,208,158
Equipment	3,161,392	1,608,804	190,463	240,830	3,351,855	1,849,634
Vehicles	5,504,711	4,715,758	-	-	5,504,711	4,715,758
Infrastructure	67,870,626	66,713,509	-	-	67,870,626	66,713,509
Total capital assets	\$ 144,653,351	136,018,850	284,771	361,574	144,938,122	136,380,424

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

- Construction of the new high school is ongoing and \$7,626,282 was spent in 2021.
- Other school building improvements, such as elevators and restroom renovation for a total of \$436,563.
- Public works replaced two pick-up trucks and 1 plow truck for \$257,326.
- The fire department took possession of a new Pierce fire engine for \$623,395.
- The annual road reclamation and reconstruction projects totaled \$1,495,407.
- The School Department purchased four new school buses, and several smaller transport vehicles for a total cost of \$647,923.
- The police department replaced five police vehicles for a total cost of \$176,774.

Long-term Debt

At the end of the current fiscal year, the City of Auburn had total general obligation bonded debt outstanding, not including premiums, of \$112,130,000. The City's entire debt is backed by the full faith and credit of the City. For more detail, refer to Long-term Debt in the Detailed Notes for All Funds on pages 61-63.

General Obligation Bonds			
Governmental Activities		Business-type Activities	
2021	2020	2021	2020
\$ 112,130,000	59,925,000	-	-

During the current fiscal year, the City of Auburn's total bonded debt increased by \$52,205,000. The City issued general obligation bonds totaling \$8,460,000 for the annual capital improvement program for the City and School Department, general obligation bonds of \$59,985,000 for the Edward Little High School Project, and also a \$8,000,000 bond anticipation note (BAN) as interim financing for the high school project. The BAN was paid off before the end of the fiscal year with funds from the long-term bond previously mentioned.

The City of Auburn maintained an "Aa3" rating from Moody's on October 1, 2020 and received an "AA-" rating from Standard & Poor's for its general obligation debt. Please refer to the agencies' reports for a comprehensive explanation of their rating assessment.

State statutes limit the amount of general obligation debt a municipality may issue to 15 percent of its total state assessed valuation. The current debt limitation for the City of Auburn is \$326,385,000 that is significantly in excess of the City of Auburn's outstanding general obligation debt.

The City also has several other notes and financed purchase arrangements, the details of which can be found in the Long-term Debt in the Detailed Notes for All Funds on pages 63-65.

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

The City's property tax base has stabilized, and the current outlook is that Auburn and the region are poised for strong growth. The City continues to hold firm that pursuing further economic growth to increase the property tax base is the best way to sustain the quality of life and reduce the property tax burden. Over the past five years, there has been a steady increase in the number of approved permits and values of new construction has increased. In 2021 there were 214 Residential building permits issued with a value of \$8,926,600 and 143 Commercial building permits issued with a value of \$49,995,607. This was a total of new building permits with a value of \$58,922,207, more than double compared to 2020.

Property values have increased in total assessed value for fiscal year 2021 and showed a larger increase in 2022. Local real estate sales continue to produce sales values that exceed assessments and construction is strong. The FY 2021 budget focused on maintaining the current level of services, infrastructure improvements, and economic development, and the need to increase the City's assessed value. The 2022 budget increased resources for Economic Development to support an increase in new development and expand on positive trends.

On the Move: Fiscal Year 2022 Goals

The City of Auburn continues to experience an upswing in building construction for new businesses, business expansions and 2022 shows increased construction of new homes and market-rate apartment units. This is the best indication yet of the people and groups that are looking to Auburn as a place to live, work, and play. Previous downtown market rate and workforce development projects that provided over 100 units rented quickly and new market-rate apartments under construction are being leased prior to completion at increasing rental rates.

For the 2022 Fiscal Year, the budget supports and expands the City's continued efforts to ensure that there is an adequate road and transportation network for economic commerce and the community's future growth. Significantly, the budget planning is driven by our Strategic Plan that was completed in late 2019 and prioritizes growth, quality of life, and investments in the future. The strategic plan is helping the City move forward with a full discussion of all available options, set goals for growing our economy and improving our quality of life, prioritize these goals, and define the investment strategy for achieving them. Our 2021 Comprehensive plan update is nearing completion.

Additionally, the City has taken further steps to concentrate on Capital Investments and Infrastructure and have created a department who will be implementing a new capital asset management program and maintain all current and future assets.

The Budget and Tax Rates

The City's Fiscal Year 2021-2022 budget has an expenditure increase of 4.05% and a tax levy increase of 0.83%. These increases were primarily due to an increase in operating expenses for both the municipal and school budgets offset by an increase in non-property tax revenue for municipal and education in FY 2022. The use of fund balance had been used in previous years to help keep the tax rate increase lower. The City's fund balance policy requires the City to maintain a 12.5% unassigned fund balance in the general fund (12.5% of general fund expenditures). At the end of fiscal year 2015, it was noted that the City fell below this percentage and the FY 2022 budget continued addressing this issue. It should also be noted that in FY 2020 and FY 2021, the City's unassigned fund balance as a percentage of expenditures increased, and thus the City feels that by eliminating the use of fund balance in the coming years, the City will be back in line with policy.

Requests for Information

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

BASIC FINANCIAL STATEMENTS

CITY OF AUBURN, MAINE
Statement of Net Position
June 30, 2021

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 20,322,042	488,613	20,810,655
Investments	68,634,797	-	68,634,797
Amounts held in escrow	786,396	-	786,396
Receivables:			
Accounts, net of allowance	677,760	51,524	729,284
Intergovernmental	7,020,203	-	7,020,203
Taxes receivable	1,501,283	-	1,501,283
Loans, net of allowance	6,438,197	-	6,438,197
Internal balances	1,787,560	(1,787,560)	-
Prepaid expenses	32,855	-	32,855
Inventories	44,475	-	44,475
Capital assets, not being depreciated	22,340,431	-	22,340,431
Capital assets, being depreciated, net	122,312,920	284,771	122,597,691
Total assets	251,898,919	(962,652)	250,936,267
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - related to pensions	3,793,246	16,223	3,809,469
Deferred outflows of resources - related to OPEB	1,979,150	717	1,979,867
Total deferred outflows of resources	5,772,396	16,940	5,789,336
LIABILITIES			
Accounts payable and other current liabilities	5,165,335	6,360	5,171,695
Accrued payroll	4,820,192	-	4,820,192
Unearned revenue	12,211,020	-	12,211,020
Noncurrent liabilities:			
Due within one year	11,339,263	-	11,339,263
Due in more than one year	141,918,540	100,465	142,019,005
Total liabilities	175,454,350	106,825	175,561,175
DEFERRED INFLOWS OF RESOURCES			
Deferred charge on refunding	84,545	-	84,545
Deferred inflows of resources - related to pensions	348,533	1,055	349,588
Deferred inflows of resources related to OPEB	890,338	1,865	892,203
Total deferred inflows of resources	1,323,416	2,920	1,326,336
NET POSITION			
Net investment in capital assets	81,828,684	284,771	82,113,455
Restricted for:			
Permanent funds:			
Expendable	197,571	-	197,571
Nonexpendable	69,475	-	69,475
Other purposes:			
City Services	2,183,712	-	2,183,712
Education	2,814,114	-	2,814,114
Centralized School Lunch	454,558	-	454,558
Community Development Programs	1,697,863	-	1,697,863
Unrestricted	(8,352,428)	(1,340,228)	(9,692,656)
Total net position	\$ 80,893,549	(1,055,457)	79,838,092

See accompanying notes to financial statements.

CITY OF AUBURN, MAINE
Statement of Activities
For the Year Ended June 30, 2021

For the Year Ended June 30, 2021							
Functions/programs	Expenses	Program Revenues			Net (expense) revenue and changes in net position		
		Charges for services	Operating grants and contributions	Capital grants and contributions	Primary Government		Total
					Governmental activities	Business-type activities	
Primary government:							
Governmental activities:							
General government	\$ 14,663,651	1,547,431	1,580,910	-	(11,535,310)	-	(11,535,310)
Public safety	11,076,827	1,316,378	591,249	-	(9,169,200)	-	(9,169,200)
Health, welfare and recreation	2,985,799	451,777	1,313,857	-	(1,220,165)	-	(1,220,165)
Public services	13,544,720	-	-	1,279,725	(12,264,995)	-	(12,264,995)
Other agencies	3,942,717	-	-	-	(3,942,717)	-	(3,942,717)
Education	56,451,019	654,868	42,451,101	-	(13,345,050)	-	(13,345,050)
Food services	1,463,253	7,604	1,643,772	-	188,123	-	188,123
Interest on debt	2,194,313	-	-	-	(2,194,313)	-	(2,194,313)
Total governmental activities	106,322,299	3,978,058	47,580,889	1,279,725	(53,483,627)	-	(53,483,627)
Business-type activities:							
Ingersoll Turf Facility	205,194	133,840	-	-	-	(71,354)	(71,354)
Norway Savings Bank Arena	698,522	752,872	-	-	-	54,350	54,350
Total business-type activities	903,716	886,712	-	-	-	(17,004)	(17,004)
Total primary government	\$ 107,226,015	4,864,770	47,580,889	1,279,725	(53,483,627)	(17,004)	(53,500,631)
General revenues, unrestricted:							
Property taxes, levied for general purposes					45,966,658	-	45,966,658
Motor vehicle excise taxes					4,899,522	-	4,899,522
Interest on delinquent taxes					166,254	-	166,254
Grants and contributions not restricted to specific programs:							
State Revenue Sharing					3,784,092	-	3,784,092
Homestead and BETE exemptions					4,936,302	-	4,936,302
Other State aid					650,148	-	650,148
Unrestricted investment earnings					123,716	1,289	125,005
Miscellaneous revenues					216,053	-	216,053
Total general revenues					60,742,745	1,289	60,744,034
Change in net position					7,259,118	(15,715)	7,243,403
Net position - beginning - as restated					73,634,431	(1,039,742)	72,594,689
Net position - ending					\$ 80,893,549	(1,055,457)	79,838,092

See accompanying notes to financial statements.

CITY OF AUBURN, MAINE
Balance Sheet
Governmental Funds
June 30, 2021

	General	Community Development Programs	Tax Increment Financing	Capital Improvement Program	New Edward Little Building Project	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 19,829,213	-	-	-	-	492,829	20,322,042
Amounts held in escrow	-	-	-	786,396	-	-	786,396
Investments	6,159,297	-	1,049,671	3,836,469	56,913,228	676,132	68,634,797
Receivables:							
Taxes	1,501,283	-	-	-	-	-	1,501,283
Accounts, net of allowance	557,611	-	-	198,459	-	461	756,531
Loans, net of allowance	656,408	4,761,457	-	-	-	1,020,332	6,438,197
Intergovernmental	681,691	2,363,118	-	192,773	549,038	3,233,583	7,020,203
Inventory	-	-	-	-	-	44,475	44,475
Interfund receivables	-	-	-	4,382,602	-	4,684,573	9,067,175
Prepaid expenditures	32,855	-	-	-	-	-	32,855
Total assets	\$ 29,418,358	7,124,575	1,049,671	9,396,699	57,462,266	10,152,385	114,603,954
LIABILITIES							
Accounts payable	1,037,281	98,454	20,815	848,602	2,176,626	967,946	5,149,724
Accrued payroll and benefits payable	4,810,136	-	-	-	-	10,056	4,820,192
Escrow funds payable	-	15,611	-	-	-	-	15,611
Unearned revenue	223,250	5,199,513	-	-	-	6,788,257	12,211,020
Interfund payables	3,877,470	113,134	1,825,818	-	53,780	1,488,184	7,358,386
Total liabilities	9,948,137	5,426,712	1,846,633	848,602	2,230,406	9,254,443	29,554,933
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	1,327,819	-	-	-	-	-	1,327,819
Total deferred inflows of resources	1,327,819	-	-	-	-	-	1,327,819
FUND BALANCES (deficits)							
Nonspendable - amounts held in escrow	-	-	-	-	-	-	-
Nonspendable - inventory	-	-	-	-	-	44,475	44,475
Nonspendable - prepaid expenditures	32,855	-	-	-	-	-	32,855
Nonspendable - long-term receivables	656,408	-	-	-	-	-	656,408
Nonspendable - principal	-	-	-	-	-	69,475	69,475
Restricted	2,309,553	1,697,863	-	-	-	2,595,044	6,602,460
Committed	-	-	-	8,548,097	55,231,860	397,838	64,177,795
Assigned	1,951,394	-	-	-	-	-	1,951,394
Unassigned	13,192,192	-	(796,962)	-	-	(2,208,890)	10,186,340
Total fund balances (deficits)	18,142,402	1,697,863	(796,962)	8,548,097	55,231,860	897,942	83,721,202
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 29,418,358.00	7,124,575	1,049,671	9,396,699	57,462,266	10,152,385	

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.	144,653,351
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	1,327,819
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	(114,178,512)
Capital leases payable	(337,620)
Unamortized debt premiums	(9,364,344)
Accrued compensated absences	(2,248,166)
Accrued self-insurance liability	(980,149)
Other postemployment benefits with related deferred inflows and outflows of resources	(12,914,928)
Net pension liability with related deferred inflows and outflows of resources	(7,685,424)
City pension liability	-
Deferred charge on refunding	(84,545)
Landfill postclosure care costs	(52,500)
Accrued interest on debt	(962,635)

Net position of governmental activities

\$ 80,893,549

CITY OF AUBURN, MAINE
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2021

	General	Community Development Programs	Tax Increment Financing	Capital Improvement Program	New Edward Little Building Project	Other Governmental Funds	Total Governmental Funds
Revenues:							
Taxes	\$ 51,765,024	-	-	-	-	-	51,765,024
Intergovernmental	40,794,332	678,117	-	-	-	16,112,940	57,585,389
Licenses and permits	607,551	-	-	-	-	-	607,551
Charges for services	2,402,506	-	-	-	-	944,420	3,346,926
Student activity fees and fundraisers	-	-	-	-	-	145,673	145,673
Other income	239,634	25,498	172,000	-	500	302,096	739,728
Interest income	69,131	-	-	22,105	29,362	3,118	123,716
Total revenues	95,878,178	703,615	172,000	22,105	29,862	17,508,247	114,314,007
Expenditures:							
Current:							
General government	11,131,004	979,020	508,560	-	-	1,489,139	14,107,723
Public safety	10,497,535	-	-	-	-	265,260	10,762,795
Health, welfare and recreation	1,680,073	-	-	-	-	772,877	2,452,950
Public services	5,608,516	-	-	-	-	1,227,796	6,836,312
Other agencies	3,942,717	-	-	-	-	-	3,942,717
Education	48,947,314	-	-	-	-	11,798,866	60,746,180
Food services	-	-	-	-	-	1,463,253	1,463,253
Student activities	-	-	-	-	-	227,763	227,763
Unclassified	230,726	-	-	-	-	121	230,847
Capital outlay	-	-	536,295	8,126,428	7,637,473	-	16,300,196
Debt service	7,615,817	-	1,013,146	-	16,438,996	163,311	25,231,270
Total expenditures	89,653,702	979,020	2,058,001	8,126,428	24,076,469	17,408,386	142,302,006
Excess (deficiency) of revenues over (under) expenditures	6,224,476	(275,405)	(1,886,001)	(8,104,323)	(24,046,607)	99,861	(27,987,999)
Other financing sources (uses):							
Issuance of long-term debt	-	-	-	8,460,000	67,985,000	-	76,445,000
Premium on issuance of debt	-	-	-	930,946	5,688,690	-	6,619,636
Transfers to/from other funds	(2,395,623)	-	2,245,623	-	-	150,000	-
Total other financing sources (uses)	(2,395,623)	-	2,245,623	9,390,946	73,673,690	150,000	83,064,636
Net change in fund balances	3,828,853	(275,405)	359,622	1,286,623	49,627,083	249,861	55,076,637
Fund balances (deficits), beginning of year, as restated	14,313,549	1,973,268	(1,156,584)	7,261,474	5,604,777	648,081	28,644,565
Fund balances (deficits), end of year	\$ 18,142,402	1,697,863	(796,962)	8,548,097	55,231,860	897,942	83,721,202

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, 2021

Net change in fund balances - total governmental funds (from Statement 4)	\$ 55,076,637
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	17,970,825
Depreciation and losses on dispositions not reported in governmental funds	(9,336,324)
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.	(732,590)
The issuance of long-term debt (e.g., bonds, notes 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 proceeds exceeded repayments:	
Issuance of long-term debt	(76,445,000)
Principal payments on long-term debt and capital leases	26,041,310
Premium on issuance of debt	(6,619,636)
Amortization of bond premium	980,226
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	239,572
Accrued self-insurance liability	(119,410)
Other postemployment benefits with related deferred inflows and outflows of resources	610,523
Net pension liability with related deferred inflows and outflows of resources	(263,230)
Landfill postclosure care costs	49,500
Accrued interest on debt	(207,376)
Change in net position of governmental activities (see Statement 2)	\$ 7,259,118

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, 2021

	Budgeted Amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Taxes:				
Real and personal property	\$ 46,480,498	46,480,498	46,699,248	218,750
Excise and registrations	4,112,861	4,112,861	4,899,522	786,661
Interest on delinquent taxes	150,000	150,000	166,254	16,254
Total taxes	50,743,359	50,743,359	51,765,024	1,021,665
Intergovernmental:				
State revenue sharing	2,708,312	2,708,312	3,784,092	1,075,780
School subsidy	26,217,074	26,217,074	26,555,270	338,196
Homestead	1,420,000	1,420,000	1,853,039	433,039
BETE	3,100,000	3,100,000	3,083,263	(16,737)
Other:				
School Department	288,649	288,649	341,342	52,693
Tax sharing/in lieu of	240,000	240,000	252,891	12,891
Municipal	887,086	887,086	650,148	(236,938)
Total intergovernmental	34,861,121	34,861,121	36,520,045	1,658,924
Other revenue:				
Licenses and permits	353,400	353,400	607,551	254,151
Charges for services:				
Municipal	2,010,424	2,010,424	2,069,340	58,916
School	428,766	428,766	310,851	(117,915)
Fines, forfeits and penalties	53,000	53,000	23,581	(29,419)
Interest:				
Municipal	80,000	80,000	68,566	(11,434)
Miscellaneous	10,000	10,000	216,053	206,053
Total other revenue	2,935,590	2,935,590	3,295,942	360,352
Total revenues	88,540,070	88,540,070	91,581,011	3,040,941

CITY OF AUBURN, MAINE
General Fund
Statement of Revenues, Expenditures and Changes in
Fund Balances -- Budget and Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Expenditures:				
General government:				
Mayor and council	\$ 99,000	99,000	80,189	18,811
Economic and community development	1,339,047	1,401,256	1,023,089	378,167
City manager	776,095	776,095	721,277	54,818
City clerk	216,946	232,859	215,971	16,888
Finance	751,849	751,849	743,162	8,687
Human resources	157,057	157,057	152,355	4,702
Information technology	609,260	626,727	647,610	(20,883)
Facilities	667,494	684,123	609,043	75,080
Worker's compensation (transfer to reserve)	641,910	641,910	641,910	-
Benefits and wage increases	6,840,635	6,840,635	6,273,508	567,127
Total general government	12,099,293	12,211,511	11,108,114	1,103,397
Public safety:				
Fire & EMS Transport	5,152,131	5,171,949	5,338,337	(166,388)
Police	4,332,339	4,338,407	4,373,225	(34,818)
Water and sewer	792,716	792,719	781,203	11,516
Total public safety	10,277,186	10,303,075	10,492,765	(189,690)
Health, welfare and recreation:				
Health and social services administration	78,407	78,407	59,435	18,972
Health and social services - public assistance	120,875	120,875	76,144	44,731
Recreation and sports tourism	520,474	531,867	512,961	18,906
Library	1,031,533	1,031,533	1,031,533	-
Total health, welfare and recreation	1,751,289	1,762,682	1,680,073	82,609
Public services				
Public works	4,979,329	5,090,305	4,528,652	561,653
Solid waste disposal	1,051,318	1,051,318	1,079,864	(28,546)
Total public services	6,030,647	6,141,623	5,608,516	533,107
Other agencies:				
County tax	2,629,938	2,629,938	2,629,938	-
Auburn-Lewiston Airport	170,000	170,000	167,995	2,005
Arts & Culture Auburn	10,000	10,000	10,000	-
Lewiston-Auburn Transit Committee	331,138	331,138	-	331,138
Lewiston-Auburn E911 Center	1,134,304	1,134,304	1,134,784	(480)
Total other agencies	4,275,380	4,275,380	3,942,717	332,663

CITY OF AUBURN, MAINE
General Fund
Statement of Revenues, Expenditures and Changes in
Fund Balances -- Budget and Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Expenditures, continued:				
Education	\$ 45,802,612	45,887,828	44,789,263	1,098,565
Other appropriations:				
Tax sharing	260,000	260,000	230,726	29,274
Debt service - principal	6,166,003	6,166,003	6,166,002	1
Debt service - interest and other	1,411,732	1,411,732	1,449,815	(38,083)
Emergency reserve	461,230	461,230	-	461,230
Total other appropriations	8,298,965	8,298,965	7,846,543	452,422
Total expenditures	88,535,372	88,881,064	85,467,991	3,413,073
Excess (deficiency) of revenues over (under) expenditures	4,698	(340,994)	6,113,020	6,454,014
Other financing sources (uses):				
Transfers in from other funds	1,696,743	1,696,743	600,000	(1,096,743)
Transfers to other funds	(3,199,803)	(3,199,803)	(2,995,623)	204,180
Budgeted use of surplus - City	527,500	787,976	-	(787,976)
Budgeted use of surplus - School	970,862	1,056,078	-	(1,056,078)
Total other financing sources (uses)	(4,698)	340,994	(2,395,623)	(2,736,617)
Net change in fund balance - budgetary basis	-	-	3,717,397	3,717,397
Fund balance, July 1 - budgetary basis			15,467,505	
Fund balance, June 30 - budgetary basis			19,184,902	
Reconciliation to GAAP basis:				
Reserve funds deficit fund balance			(1,042,500)	
Fund balance, June 30 - GAAP basis			\$ 18,142,402	

See accompanying notes to financial statements.

CITY OF AUBURN, MAINE
Statement of Net Position
Proprietary Funds
June 30, 2021

Business-type Activities - Enterprise Funds			
	Ingersoll Turf Facility	NSB Ice Arena	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 226,382	262,231	488,613
Accounts receivable	-	51,524	51,524
Total current assets	226,382	313,755	540,137
Noncurrent assets:			
Capital assets:			
Land improvements	18,584	-	18,584
Buildings	672,279	58,223	730,502
Equipment	119,673	514,998	634,671
Less accumulated depreciation	(721,022)	(377,964)	(1,098,986)
Total noncurrent assets	89,514	195,257	284,771
Total assets	315,896	509,012	824,908
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	-	16,223	16,223
Deferred outflows of resources related to OPEB	-	717	717
Total deferred outflows of resources	-	16,940	16,940
LIABILITIES			
Current Liabilities:			
Accounts payable	554	5,806	6,360
Interfund payables	48,504	1,739,056	1,787,560
Total current liabilities	49,058	1,744,862	1,793,920
Noncurrent liabilities:			
Net pension liability	-	57,802	57,802
Net OPEB liability	-	42,663	42,663
Total noncurrent liabilities	-	100,465	100,465
Total liabilities	49,058	1,845,327	1,894,385
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	-	1,055	1,055
Deferred inflows of resources related to OPEB	-	1,865	1,865
Total deferred inflows of resources	-	2,920	2,920
NET POSITION			
Net investment in capital assets	89,514	195,257	284,771
Unrestricted	177,324	(1,517,552)	(1,340,228)
Total net position	\$ 266,838	(1,322,295)	(1,055,457)

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, 2021

	Ingersoll Turf Facility	NSB Ice Arena	Totals
Operating revenues:			
Charges for services	\$ 133,840	752,872	886,712
Total operating revenue	133,840	752,872	886,712
Operating expenses:			
Personnel	143,022	255,242	398,264
Supplies	5,911	54,711	60,622
Utilities	20,835	234,203	255,038
Contracted services	4,607	35,369	39,976
Repairs and maintenance	3,084	69,929	73,013
Depreciation	27,735	49,068	76,803
Total operating expenses	205,194	698,522	903,716
Operating income (loss)	(71,354)	54,350	(17,004)
Nonoperating revenue (expense):			
Interest income	1,289	-	1,289
Total nonoperating revenue (expense)	1,289	-	1,289
Change in net position	(70,065)	54,350	(15,715)
Total net position (deficit), July 1	336,903	(1,376,645)	(1,039,742)
Total net position (deficit), June 30	\$ 266,838	(1,322,295)	(1,055,457)

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, 2021

	Ingersoll Turf Facility	NSB Ice Arena	Totals
Cash flows from operating activities:			
Cash received from customers	\$ 133,840	761,385	895,225
Cash paid to suppliers for goods and services	(34,273)	(393,262)	(427,535)
Cash paid to employees for services	(143,022)	(273,724)	(416,746)
Net cash provided by (used in) operating activities	(43,455)	94,399	50,944
Cash flows from noncapital financing activities:			
Net change in interfund loans	43,456	(65,161)	(21,705)
Net cash provided by (used in) noncapital financing activities	43,456	(65,161)	(21,705)
Cash flows from investing activities:			
Interest on investments	1,289	-	1,289
Net cash provided by (used in) investing activities	1,289	-	1,289
Net increase (decrease) in cash and cash equivalents	1,290	29,238	30,528
Cash and cash equivalents, July 1	225,092	232,993	458,085
Cash and cash equivalents, June 30	226,382	262,231	488,613
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	(71,354)	54,350	(17,004)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	27,735	49,068	76,803
Pension expense (gain)	-	(18,266)	(18,266)
OPEB expense (gain)	-	(216)	(216)
(Increase) decrease in assets:			
Accounts receivable	-	8,513	8,513
Increase (decrease) in liabilities:			
Accounts payable	164	950	1,114
Total adjustments	27,899	40,049	67,948
Net cash provided by (used in) operating activities	\$ (43,455)	94,399	50,944

See accompanying notes to financial statements.

CITY OF AUBURN, MAINE
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2021

	Private- purpose Trust Funds	Custodial Funds
ASSETS		
Cash and cash equivalents	\$ 131,315	-
Investments	1,993,912	-
Intergovernmental receivables	-	11,880
Interfund receivables	9,642	69,129
Total assets	2,134,869	81,009
LIABILITIES		
Accounts payable	-	5,022
Accrued expenses	-	62,677
Total liabilities	-	67,699
NET POSITION		
Restricted for:		
Individuals and organizations	2,134,869	13,310
Total net position	\$ 2,134,869	13,310

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, 2021

	Private- purpose Trust Funds	Custodial Funds
ADDITIONS		
Contributions:		
Private contributions	\$ 860,216	552,962
Total contributions	860,216	552,962
Investment earnings:		
Interest and dividends	31,111	-
Total investment earnings	31,111	-
Total additions	891,327	552,962
DEDUCTIONS		
Scholarships and other	395,818	-
Recipient payments	-	613,224
Total deductions	395,818	613,224
Net increase (decrease) in fiduciary net position	495,509	(60,262)
Net position - beginning	1,639,360	73,572
Net position - ending	\$ 2,134,869	13,310

See accompanying notes to financial statements.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements
June 30, 2021

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, 2021

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, 2021

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, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

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

2. Receivables and Payables

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

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

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

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

3. Inventories and Prepaid Items

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

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

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar assets, and capital assets received in a service concession arrangement are recorded at acquisition value.

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:

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

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 position 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 only report a deferred inflow of resources, unavailable revenue from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The governmental activities 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 is recognized as a reduction of the respective liability in the subsequent year. They also 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 respective plan. They also include the net difference between projected and actual earnings on plan investments, which is deferred and amortized over a five-year period. Deferred inflows of resources also include a deferred charge on refunding, which results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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.

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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

8. 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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

9. 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.

10. 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.

11. 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, 2021

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY, Continued

B. Excess of Expenditures over Appropriations

For the year ended June 30, 2021, expenditures exceeded appropriation in the following general fund categories: Information Technology, \$20,883; Fire and EMS Transport, \$166,388; Police, \$34,818; Solid waste disposal, \$28,546; Lewiston-Auburn E911 center, \$480; and Debt service – interest and other, \$38,083. In total, the City's expenditures were \$3,413,073 less than appropriations.

C. Deficit Fund Equity

At June 30, 2021, the City had the following funds with a deficit fund balance/net position: Tax Increment Financing, \$796,962; 211 Fairview, \$566,304; and Norway Savings Bank Arena (Proprietary), \$1,322,295. Revenue to offset the 211 Fairview deficit is expected from a future property sale in fiscal year 2021-2022 to Bedard Medical Equipment and Supplies. Future revenues and transfers from the General Fund are expected to fund the remaining deficit fund balances.

Additionally, within the City Special Revenue Fund, the following grants had deficit fund balances at June 30, 2021: Homeland Security, \$112,746; Law Enforcement Training, \$8,505; EUDL Underage Drinking, \$40; Project Canopy, \$9,522; State Bi-Centennial Parade, \$1,610; Leadercast, \$3,500; Futsol Court Project, \$11,527; and EDI Grant, \$1,484,407. These deficits are offset by fund balances in other grants and result in net fund deficit in the City Special Revenue Fund as a whole at June 30, 2021 of \$149,028.

Within the School Special Revenue Fund, the following grants and programs had deficit fund balances at June 30, 2021: Title IA, \$288; Local Entitlement, \$4,312; Migrant Education, \$1,566; Employee Computer Reimbursement, \$3,984; and Other funds, \$579. 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, 2021 of \$493,832.

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 \$4,274,287 in 2021. 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, 2021

III. DETAILED NOTES ON ALL FUNDS, Continued

As of June 30, 2021, the City deposits amounted to \$89,576,767 with bank balances of \$89,838,680. The City does not have a deposit policy for custodial credit risk. As of June 30, 2021, none of the City's total bank balance was exposed to custodial credit risk as it was 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	\$ 20,322,042
Proprietary funds	488,613
Fiduciary funds	131,315
<u>Investments - Governmental funds</u>	<u>68,634,797</u>
<u>Total deposits reported</u>	<u>\$ 89,576,767</u>

2. Investments

At June 30, 2021, 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, 2021, 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	\$ 676,406	676,406	-	-
Bond mutual funds	518,210	518,210	-	-
Money market funds	24,527	24,527	-	-
Maine Community Foundation investment pool	774,769	-	-	774,769
Total	\$ 1,993,912	1,219,143	-	774,769

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

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

Interest rate risk: In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the investment's term to match anticipated cash requirements. The City has only one type of investment for which the investment term is determinable: bond mutual funds. The weighted average maturity of the City's investment in bond mutual funds at year end was 12.4 years.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

III. DETAILED NOTES ON ALL FUNDS, Continued

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

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 June 30, 2021	Rating
\$ 26,621	AA
232,196	BBB
130,686	BB
128,707	Not Rated

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, 2021 the City had no investments that were subject to custodial credit risk. The City's investment policy states that all security transactions will be settled using a delivery versus payment settlement system. The City's securities are held by third party custodians or trust departments designated by the Finance Director and evidenced by safekeeping receipts.

B. Receivables

Receivables as of June 30, 2021, for the City's individual major funds, nonmajor funds and business-type enterprise funds in the aggregate, including applicable allowances for uncollectible accounts, are as follows:

	General Fund	Community Dev. Programs	Capital Projects	New Edward Little Building	City Special	Other Governmental Funds	Enterprise Funds	Total
Receivables:								
Taxes	\$ 1,501,283	-	-	-	-	-	-	1,501,283
Accounts	827,428	-	198,459	549,038	-	461	51,524	1,626,910
Loans	656,408	5,011,904	-	-	1,020,332	-	-	6,688,644
Intergovernmental	681,691	2,363,118	192,773	-	1,086,304	2,147,279	-	6,471,165
Gross receivables	3,666,810	7,375,022	391,232	549,038	2,106,636	2,147,740	51,524	16,288,002
Less: allowance for uncollectible	(269,817)	(250,447)	-	-	-	-	-	(520,264)
Total net receivables	\$ 3,396,993	7,124,575	391,232	549,038	2,106,636	2,147,740	51,524	15,767,738

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

III. DETAILED NOTES ON ALL FUNDS, Continued

Property taxes levied during fiscal year 2021 are recorded as receivables. The receivables collected during the fiscal year ended June 30, 2021 and during the 1st 60 days of fiscal year 2022 are recognized as revenues in the Governmental Funds, in fiscal year 2021. Receivables of \$1,327,819, 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 28, 2020 on the assessed values of real property as of April 1, 2020. Taxes were due September 15, 2020 and March 15, 2021. The assessed value of \$1,956,632,371 was 90% of the 2021 state valuation of \$2,175,900,000.

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 \$493,755 for the year ended June 30, 2020.

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.

The following summarizes the periods ended June 30, 2021 and 2020 levies:

	<u>2021</u>	<u>2020</u>
Valuation:		
Real property	\$1,841,328,464	1,840,831,799
Personal property	115,303,907	116,174,259
Assessed value (less: exempt properties)	1,956,632,371	1,957,006,058
Tax rate (per \$1,000)	23.75	23.75
Commitment	46,470,019	46,478,894
Supplemental taxes assessed	8,902	115,997
	46,478,921	46,594,891
Less:		
Collections and abatements	45,776,200	45,524,340
<u>Receivable at June 30</u>	<u>\$ 702,721</u>	<u>1,070,551</u>
Due date(s)	9/15/20 3/15/21	9/16/19 3/15/20
Interest rate charged on delinquent taxes	8.0%	7.0%
Collection rate	98.49%	97.70%

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

III. DETAILED NOTES ON ALL FUNDS, Continued

D. Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance June 30, <u>2020</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2021</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 7,886,570	-	-	7,886,570
Construction in progress	8,006,795	9,616,345	3,169,279	14,453,861
Total capital assets, not being depreciated	15,893,365	9,616,345	3,169,279	22,340,431
Capital assets, being depreciated:				
Buildings and building improvements	93,495,219	1,185,289	-	94,680,508
Equipment	7,409,653	2,087,409	663,002	8,834,060
Vehicles	12,488,505	1,748,811	529,964	13,707,352
Infrastructure	127,017,415	6,502,250	-	133,519,665
Total capital assets being depreciated	240,410,792	11,523,759	1,192,966	250,741,585
Less accumulated depreciation for:				
Buildings and building improvements	46,407,805	2,496,512	-	48,904,317
Equipment	5,800,849	534,821	663,002	5,672,668
Vehicles	7,772,747	948,562	518,668	8,202,641
Infrastructure	60,303,906	5,345,133	-	65,649,039
Total accumulated depreciation	120,285,307	9,325,028	1,181,670	128,428,665
Total capital assets being depreciated, net	120,125,485	2,198,731	11,296	122,312,920
Governmental activities				
capital assets, net	\$ 136,018,850	11,815,076	3,180,575	144,653,351

	Balance June 30, <u>2020</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2021</u>
Business-type activities:				
Capital assets, being depreciated:				
Improvements other than buildings	\$ 18,584	-	-	18,584
Buildings and building improvements	730,502	-	-	730,502
Equipment	634,671	-	-	634,671
Total capital assets being depreciated	1,383,757	-	-	1,383,757
Less accumulated depreciation for:				
Improvements other than buildings	18,584	-	-	18,584
Buildings and building improvements	609,758	26,436	-	636,194
Equipment	393,841	50,367	-	444,208
Total accumulated depreciation	1,022,183	76,803	-	1,098,986
Total capital assets being depreciated, net	361,574	(76,803)	-	284,771
Business-type activities capital				
assets, net	\$ 361,574	(76,803)	-	284,771

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

III. DETAILED NOTES ON ALL FUNDS, Continued

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

Governmental activities:

General government	\$ 523,725
Public safety	475,230
Public works, including depreciation of general infrastructure assets	5,565,272
Health, welfare and recreation	522,580
Education	2,238,221

<u>Total depreciation expense – governmental activities</u>	<u>\$ 9,325,028</u>
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Business-type activities:

Ingersoll Turf Facility	\$ 27,735
Norway Savings Bank Ice Arena	49,068

<u>Total depreciation expense – business-type activities</u>	<u>\$ 76,803</u>
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E. Tax Increment Financing Districts

The City currently has twenty-five tax increment financing (TIF) districts, fifteen of which were active during the year ended June 30, 2021. Two of the twenty-three districts never became active, and eight have expired, leaving fifteen active TIF districts (numbers 6 – 25 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 2021, \$201,361 was captured and recorded in the TIF Fund. During 2021, \$80,544 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 2021, \$456,316 was captured and recorded in the TIF Fund, and \$300,000 was transferred 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 2021, \$819,788 was captured and recorded in the TIF Fund. During 2021, \$611,760 was expended in the TIF Fund for public improvements and debt service.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

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 2021, \$172,810 was captured and recorded in the TIF Fund, and \$238,142 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 2021, \$319,924 was captured and recorded in the TIF Fund. During 2021, \$450,364 was expended or transferred 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 2021, \$465,988 was captured and recorded in the TIF Fund. During 2021, \$455,208 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 2021, \$30,435 was captured and recorded in the TIF Fund, and \$30,435 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 2021, \$32,531 was captured and recorded in the TIF Fund, and \$65,110 was expended for the year ended June 30, 2021.

#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 2021, \$58,978 was captured and recorded in the TIF Fund, and \$58,978 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 2021, \$49,607 was captured and recorded in the TIF Fund, and \$24,803 was expended for the year ended June 30, 2021.

#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 2021, \$83,937 was captured and recorded in the TIF Fund, and \$41,969 was expended in the TIF Fund.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

III. DETAILED NOTES ON ALL FUNDS, Continued

#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 2021, \$118,293 was captured and recorded in the TIF Fund, and \$20,701 was expended in the TIF Fund.

#24 Millbran LLC - This TIF was established in 2020 and encompasses 2.95 acres. The original value was \$262,600, 51% of the tax revenue associated with increased value within the district will be captured of which 100% will be used to fulfill the obligations under a credit enhancement agreement. During 2021, \$190,094 was captured and recorded in the TIF Fund and \$178,966 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 2021, \$83,459 was expended from the TIF Fund.

F. Interfund Receivables and Payables and Transfers

The composition of interfund balances as of June 30, 2021 is as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	3,877,470	600,000	2,995,623
Community Dev. Programs	-	113,134	-	-
Tax Increment Financing	-	1,825,818	2,845,623	600,000
Capital Improvement	4,382,602	-	-	-
New Edward Little Building	-	53,780	-	-
Other Governmental Funds	4,684,573	1,488,184	150,000	-
Fiduciary Funds	78,771	-	-	-
Enterprise Funds:				
Ingersoll Turf Facility	-	48,504	-	-
Norway Savings Bank Ice Arena	-	1,739,056	-	-
Totals	\$ 9,145,946	9,145,946	3,595,623	3,595,623

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, 2021

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, 2021:

	<u>Contract Total</u>	<u>Percentage Complete</u>	<u>Billed to Date</u>	<u>Balance Remaining</u>
Streetlight Project	\$ 800,000	93.79%	750,318	49,682
Gracelawn Rd	1,096,976	66.50%	729,518	367,458
2021 Road Reconstruction	2,114,811	3.65%	77,141	2,037,670
2021 Road Resurfacing	741,963	81.95%	608,002	133,961
2021 Reclamation	766,040	5.14%	39,393	726,647
High School Engineering	5,647,632	76.88%	4,342,015	1,305,617
High School Construction	104,516,605	5.37%	5,616,389	98,900,216

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	\$ 495,023
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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 2021, general obligation bonds totaling \$76,445,000 were issued and dedicated to the capital improvement program for the City and School Department.

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, 2021. General obligation bonds and notes payable outstanding at June 30, 2021 are as follows:

	<u>Issued</u>	<u>Original</u>	<u>Matures</u>	<u>Interest rate</u>	<u>Outstanding balance</u>
Bonds:					
General Obligation Bonds	11/01/11	\$ 4,500,000	09/01/21	2.00%-2.75%	450,000
General Obligation Bonds	09/27/12	13,835,000	09/01/27	2.00%-4.50%	5,280,000
General Obligation Bonds	11/01/13	5,625,000	09/01/23	2.00%-3.00%	1,680,000
General Obligation Bonds	10/30/14	6,800,000	09/01/24	2.00%-4.00%	2,720,000
General Obligation Bonds	11/05/15	5,700,000	09/01/25	2.00%	2,850,000
General Obligation Bonds	03/10/16	4,250,000	09/01/26	2.00-4.00%	1,950,000
General Obligation Bonds	11/15/16	5,030,000	09/01/26	3.00%	2,990,000
General Obligation Bonds	11/08/17	8,500,000	09/01/27	4.00-5.00%	5,800,000
General Obligation Bonds	11/08/18	7,655,000	09/01/28	3.00-5.00%	6,120,000
General Obligation Bonds	10/15/19	7,900,000	09/01/29	4.00-5.00%	7,110,000
General Obligation Bonds	10/15/19	7,000,000	09/01/39	1.90-3.50%	6,735,000
General Obligation Bonds	11/12/20	8,460,000	09/01/30	5.00%	8,460,000
General Obligation Bonds	05/03/21	59,985,000	11/01/41	2.12-4.00%	59,985,000
Bonds payable					112,130,000

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

III. DETAILED NOTES ON ALL FUNDS, Continued

Notes from direct borrowings:

Parking Garage	04/30/02	\$ 6,000,000	11/01/22	3.05%-5.25%	600,000
New Auburn Hall	10/31/02	13,100,000	11/01/22	2.031%-5.031%	820,000
QZAB	07/13/12	1,057,323	07/13/22	4.40%	211,465
School Revolving Loan	06/29/20	1,190,000	06/29/30	0.00%	417,047
Notes payable					2,048,512

Total long-term debt \$ 114,178,512

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

Year Ending <u>June 30,</u>	<u>General Obligation Bonds</u>		<u>Notes from Direct Borrowing</u>		<u>Capital Leases</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 8,300,000	3,663,065	862,071	11,009	80,712	10,095
2023	10,450,000	3,308,573	862,071	4,652	83,126	7,682
2024	9,865,000	2,916,136	46,339	-	85,611	5,196
2025	9,330,000	2,560,180	46,339	-	88,171	2,636
2026	8,505,000	2,212,839	46,339	-	-	-
2027-2031	29,045,000	7,064,063	185,353	-	-	-
2032-2036	16,915,000	3,174,560	-	-	-	-
2037-2041	16,725,000	1,246,463	-	-	-	-
2042-2046	2,995,000	31,822	-	-	-	-
Total	\$ 112,130,000	26,177,701	2,048,512	15,661	337,620	25,609

For the year ended June 30, 2021, interest expense of the General Fund was \$1,904,805 (which includes amounts allocated to the School Department).

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, 2021, the statutory limit for the City was \$326,385,000. The City's outstanding bonded long-term debt of \$112,130,000 at June 30, 2021 was \$214,255,000 less than the statutory limit.

The City has entered into certain agreements as lessee for financing the acquisition of vehicles. These leases qualify as capital leases for accounting purposes, and therefore, have been recorded at the present value of future minimum lease payments as of the date of its inception. At June 30, 2021, the amount capitalized under capital leases totals \$775,000.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

III. DETAILED NOTES ON ALL FUNDS, Continued

Changes in General Long-term Liabilities. Long-term liability activity for the year ended June 30, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable					
General obligation bonds	\$ 59,925,000	76,445,000	24,240,000	112,130,000	8,300,000
Premium	3,724,934	6,619,636	980,226	9,364,344	980,227
Total bonds payable	63,649,934	83,064,636	25,220,226	121,494,344	9,280,227
Notes from direct borrowing	2,945,633	-	897,121	2,048,512	862,071
Capital leases payable	1,241,809	-	904,189	337,620	80,712
Accrued compensated absences	2,487,738	248,773	488,345	2,248,166	112,408
Accrued self-insurance liability	860,739	627,600	508,190	980,149	30,710
Other postemployment benefits	13,713,640	290,100	-	14,003,740	-
Net pension liability	9,139,348	1,990,789	-	11,130,137	-
Landfill postclosure care costs	102,000	-	49,500	52,500	10,500
Accrued interest on debt	755,259	207,376	-	962,635	962,635
Governmental activities					
long-term liabilities	\$ 94,896,100	86,429,274	28,067,571	153,257,803	11,339,263

The 2021 General Obligation Bond is liquidated by the New Edward Little Building project fund. All other bonds, notes, and capital leases payable are primarily liquidated by the General fund (87%), TIF Fund (12%), 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 obligation, 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	\$ 70,368	-	12,566	57,802	-
Other postemployment benefits	39,256	3,407	-	42,663	-
Business-type activities					
long-term liabilities	\$ 109,624	3,407	12,566	100,465	-

I. 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 and capital 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, 2021:

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

III. DETAILED NOTES ON ALL FUNDS, Continued

	<u>Governmental</u>	<u>Business-type</u>
Capital assets	\$ 273,082,016	1,383,757
Accumulated depreciation	(128,428,665)	(1,098,986)
General obligation bonds	(112,130,000)	-
Notes from direct borrowing	(2,048,512)	-
Capital leases	(337,620)	-
Unamortized debt premium	(9,364,344)	-
Deferred charge on refunding	(84,545)	-
Non-capital unamortized premium	78,606	-
Unspent bond proceeds	61,061,748	-
Total net investment in capital assets	\$ 81,828,684	284,771

J. Fund Balances

As of June 30, 2021, fund balances components consisted of the following:

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Nonspendable:			
Long-term receivables	\$ 656,408	-	656,408
Inventory	-	44,475	44,475
Prepaid expenditures	32,855	-	32,855
Principal for permanent funds	-	69,475	69,475
Total nonspendable	689,263	113,950	803,213
Restricted:			
Education	2,309,553	914,644	3,224,197
Community development programs	-	1,697,863	1,697,863
City special:			
General government	-	923,261	923,261
Public safety	-	386,131	386,131
Health and welfare	-	41,687	41,687
Public services	-	131,750	131,750
Permanent funds:			
Health and welfare	-	191,331	191,331
Public services	-	6,240	6,240
Total restricted	2,309,553	4,292,907	6,602,460
Committed:			
Education	-	132,675	132,675
Parking	-	12,839	12,839
Parks and recreation	-	252,324	252,324
Capital improvement	-	8,548,097	8,548,097
New Edward Little Building project	-	55,231,860	55,231,860
Total committed	-	64,177,795	64,177,795
Assigned:			
Subsequent budget	475,000	-	475,000
Reserves	1,222	-	1,222
Self-insurance	980,149	-	980,149
Encumbrances:			
General government	148,333	-	148,333
Public safety	51,317	-	51,317
Health and welfare	7,238	-	7,238
Public services	288,135	-	288,135
Total assigned	1,951,394	-	1,951,394
Unassigned	13,192,192	(3,005,852)	10,186,340
Total fund balance	\$ 18,142,402	65,578,800	83,721,202

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

III. DETAILED NOTES ON ALL FUNDS, Continued

K. 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 \$52,500 reported as landfill post-closure care liability at June 30, 2021 represents the estimated liability for post-closure care costs at that date. The cost is comprised of \$52,500 for post-closure care costs (5 years) for a brush landfill that stopped accepting debris during fiscal year 1996.

The estimated total cost of landfill post-closure care of \$52,500 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, 2021. 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, 2021.

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, 2021, the City incurred new claims of \$627,600, but the City paid \$508,190 in actual claims during the fiscal year.

The City purchases commercial insurance for claims in excess of coverage provided by the self-insurance program and for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. All departments of the City participate in the program and the General Fund budget is based on actuarial estimates of the amounts needed to pay prior and current year claims and to establish a reserve for estimated future payment of incurred losses. The total liability of \$980,149 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 0.20% has been used in calculating the liability.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

IV. OTHER INFORMATION, Continued

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

	Fiscal Year <u>2021</u>	Fiscal Year <u>2020</u>
Unpaid claims as of July 1	\$ 860,739	1,091,532
Incurred claims (including claims incurred but not reported as of June 30)	627,600	126,230
<u>Total claim payments</u>	<u>508,190</u>	<u>357,023</u>
Current claims liability	30,710	19,522
<u>Long-term claims liability</u>	<u>949,439</u>	<u>841,217</u>
<u>Total unpaid claims liability</u>	<u>\$ 980,149</u>	<u>860,739</u>

The City assigns a portion of its General Fund balance for workers compensation. This amount totaled \$980,149 at June 30, 2021.

B. Joint Ventures

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

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

The interlocal agreements for these three joint ventures do not stipulate that the participants have a present or future claim to the net resources of the organization, except upon dissolution.

Therefore, no equity interest has been reported in the financial statements for these joint ventures.

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

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

Information pertaining to each of these four joint ventures follows:

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

IV. OTHER INFORMATION, Continued

Auburn-Lewiston Municipal Airport

The Auburn-Lewiston Municipal Airport is operated jointly by the Cities of Auburn and Lewiston by a seven-member board currently comprised of three members from the City of Auburn and three members from the City of Lewiston appointed by the respective City Councils, and one member from the Auburn Chamber of Commerce. The Airport's governing Board selects management staff, sets user charges, establishes budgets, and controls all aspects of its operations. The City of Auburn is responsible, through the budget process, to fund 50% of the annual anticipated operating and capital needs of the airport. In the fiscal year ended June 30, 2021, the City of Auburn contributed \$167,995 for airport operations.

The following is selected information for the years ending June 30, 2021 and June 30, 2020:

	June 30, <u>2021</u>	June 30, <u>2020</u>
Total assets	\$ 19,494,055	\$ 21,097,368
Total deferred outflows of resources	21,193	22,923
Total liabilities	2,562,845	6,605,545
Total deferred inflows of resources	15,214	36,097
Net position	16,937,189	14,478,649
Change in net position	2,458,540	5,775,189

In addition to contributions from the two municipalities, the Airport derives revenues through user fees, federal and state grant funding, and interest on investments in time deposits. For the year ended June 30, 2021, the Airport had total revenues of \$4,871,670 and expenditures of \$2,413,130, including depreciation of \$666,427 and a pension gain of \$7,286.

The separate audited financial statements of the Auburn-Lewiston Municipal Airport may be obtained from the City's Finance Department.

Lewiston-Auburn Transit Committee

The Lewiston-Auburn Transit Committee is a joint venture of the Cities of Lewiston and Auburn. The Committee was formed for the purpose of planning and implementing short-term and long-term bus transit development, and to apply for and administer federal and state capital acquisition and operating assistance grants for mass transit benefiting the Lewiston-Auburn area. The Committee is made up of six members, three each from the Cities of Auburn and Lewiston, appointed by their respective City Councils. The Committee's governing board selects management staff, sets user charges, establishes budgets, and controls all aspects of its operations.

For the fiscal year ended June 30, 2021, the City of Auburn contributed \$0 for operating expenses.

The following is selected information for the years ending September 30, 2020 and September 30, 2019 (the latest information available):

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

IV. OTHER INFORMATION, Continued

	September 30, <u>2020</u>	September 30, <u>2019</u>
Total assets	\$ 3,251,925	\$ 3,780,358
Total liabilities	536,189	787,374
Net position	2,715,736	2,992,984
Change in net position	(277,248)	1,455,793

Total revenues for the year ended September 30, 2020 were \$2,077,602 and expenses were \$2,390,422, including depreciation on contributed assets of \$312,750.

The separate audited financial statements of the Lewiston-Auburn Transit Committee may be obtained from the City's Finance Department.

Lewiston-Auburn 9-1-1 Committee

The Lewiston-Auburn 9-1-1 Committee is a joint venture of the Cities of Auburn and Lewiston. Incorporated on January 26, 1978, the committee provides an emergency communication system for the Auburn-Lewiston area. The Committee is made up of seven members, the police and fire chiefs and one councilor from each city and a citizen-at-large from either city elected by those six members. The at-large member serves as Committee Chairman.

The committee's primary source of revenues consists of equal contributions from the Cities of Auburn and Lewiston. In the fiscal year ended June 30, 2021, the City of Auburn contributed \$1,134,784.

The following is selected financial information for the years ending June 30, 2020 and June 30, 2019 (the latest information available):

	June 30, <u>2020</u>	June 30, <u>2019</u>
Total assets	\$ 6,625,298	\$ 2,738,666
Total deferred outflows of resources	186,006	181,872
Total liabilities	2,820,063	701,700
Total deferred inflows of resources	121,746	108,053
Total net position	3,869,495	2,110,785
Change in net position	1,758,710	1,073,507

Total revenues for the year ended June 30, 2020 were \$4,212,196 and expenditures were \$2,453,486.

The separate audited financial statements of the Lewiston-Auburn 9-1-1 Committee may be obtained from the City's Finance Department.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

IV. OTHER INFORMATION, Continued

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 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 interlocal agreement between 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. The Corporation is administered by a twelve-member board comprised of one member from each participating municipality. Each member is entitled to one vote for all corporate business except for bonding, which matures more than three years from the date of issuance, and for adoption of the annual budget in which case votes are weighted by community population and requires an 85% majority for passage. The City of Auburn accounts for approximately 70% of the population of the twelve municipalities participating in MMWAC.

The following is selected financial information for MMWAC for the years ending June 30, 2020 and June 30, 2019 (the latest information available):

	<u>2020</u>	<u>2019</u>
Total assets and deferred outflows	\$ 9,746,282	\$ 10,218,351
Total liabilities and deferred inflows	722,562	749,163
Members' equity	9,023,720	9,469,188
Operating revenue	7,313,223	7,271,875
Operating expenses	7,868,316	7,637,778
Depreciation and amortization	254,526	248,407
Non-operating revenue	109,625	101,452
Net income/(loss) before depreciation and amortization	(300,567)	(16,551)
Net change in members equity	(445,468)	(263,958)

The Waste Handling Agreement obligates each member municipality to pay its "proportionate share" of all liabilities and expenses of MMWAC to the extent MMWAC does not have sufficient funds therefore. In September 1994, a consensus of the member communities concluded that the most cost effective method of funding MMWAC's obligations was for each of the member communities to issue general obligation debt to fund the communities' share of certain MMWAC obligations. Accordingly, such debt was issued and the proceeds contributed to MMWAC to liquidate these obligations.

The separate audited financial statements of the MMWAC may be obtained from the City's Finance Department.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

IV. OTHER INFORMATION, Continued

C. Restatement of Net Position/Fund Balance

For the fiscal year ended June 30, 2021, the City has elected to implement Statement No. 84 of the Government Accounting Standards Board – *Fiduciary Activities*. As a result of implementing GASB Statement No. 84, the City has restated the beginning net position of the governmental activities and the beginning fund balance in the Other governmental funds to account for certain activities that were previously reported as fiduciary funds. Net position and fund balance were increased as of July 1, 2020 by \$214,765.

D. 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, 2021 the City contributed \$138,184 to employee's deferred compensation plans.

E. 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, 2021, the City had the following balances reported in the government-wide financial statements:

	Net Pension <u>Liability</u>	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>	Pension <u>Expense</u>
PLD Plan	\$ 9,830,068	2,759,005	179,458	2,176,961
SET Plan	1,357,871	1,050,464	170,130	4,059,175
Total	\$ 11,187,939	3,809,469	349,588	6,236,136

Detailed disclosures for each plan follow.

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.

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 7.35% to 9.50% 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, 2021 was 10.10% or 12.90% of annual payroll for the regular plan or public safety plan, respectively. Contributions to the pension plan from the City were \$1,627,915 for governmental activities and \$9,629 for business-type activities for the year ended June 30, 2021.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

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, 2021, was 18.49% of annual payroll, of which 4.16% of payroll was required from the City and 14.33% was required from the State. Contributions to the pension plan from the City were \$979,508 for the year ended June 30, 2021.

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, 2020, 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, 2021, the City reported a liability of \$9,772,266 for governmental activities and \$57,802 for business-type activities for its proportionate share of the net pension liability. At June 30, 2020, the City's proportion of the PLD Plan was 2.4741%.

SET Plan - At June 30, 2021, 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	\$ 1,357,871
State's proportionate share of the net pension liability associated with the City	<u>28,523,249</u>
Total	<u>\$ 29,881,120</u>

At June 30, 2020, the City's proportion of the SET Plan was 0.0832%.

For the year ended June 30, 2021, the City recognized pension expense of \$2,185,596 for governmental activities and a gain of \$8,635 for business-type activities for the PLD Plan and also recognized a pension expense of \$4,059,175 and revenue of \$3,374,121 for support provided by the State for the SET Plan.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

IV. OTHER INFORMATION, Continued

At June 30, 2021, 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	\$ 478,972	-	2,833	-
Changes of assumptions	-	-	-	-
Net difference between projected and actual earnings on pension plan investments	635,895	-	3,761	-
Changes in proportion and differences between City contributions and proportionate share of contributions	-	178,403	-	1,055
City contributions subsequent to the Measurement date	1,627,915	-	9,629	-
Total	\$ 2,742,782	178,403	16,223	1,055

At June 30, 2021, 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	\$ 14,664	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	56,292	-
Changes in proportion and differences between City contributions and proportionate share of contributions	-	170,130
City contributions subsequent to the Measurement date	979,508	-
Total	\$ 1,050,464	170,130

An amount of \$2,607,423 for governmental activities and \$9,629 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, 2022. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

IV. OTHER INFORMATION, Continued

Year Ended <u>June 30:</u>	Governmental <u>Activities</u>	Business-type <u>Activities</u>
2022	\$ (529,040)	(2,457)
2023	185,451	1,599
2024	590,104	3,195
2025	590,775	3,202

Actuarial Assumptions - The total pension liability in the June 30, 2020 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% plus merit	2.75% plus merit
Investment return, per annum, compounded annually	6.75%	6.75%
Cost of living benefit increases, per annum	1.91%	2.20%

Mortality rates were based on the RP2014 Total Dataset Healthy Annuitant Mortality Table, for males and females.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period June 30, 2012 to June 30, 2015.

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, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Public equities	30.0%	6.0%
US Government	7.5%	2.3%
Private equity	15.0%	7.6%
Real estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural resources	5.0%	5.0%
Traditional credit	7.5%	3.0%
Alternative credit	5.0%	7.2%
Diversifiers	10.0%	5.9%

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

IV. OTHER INFORMATION, Continued

Discount Rate - The discount rate used to measure the total pension liability was 6.75% 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 6.75% 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 (5.75% for PLD Plan and for the SET Plan) or 1 percentage-point higher (7.75% for PLD Plan and for SET Plan) than the current rate:

<u>PLD Plan</u>	1% Decrease <u>(5.75%)</u>	Current Discount Rate <u>(6.75%)</u>	1% Increase <u>(7.75%)</u>
City's proportionate share of the net pension liability	\$ 20,658,835	\$ 9,830,068	\$ 965,928
<u>SET Plan</u>	1% Decrease <u>(5.75%)</u>	Current Discount Rate <u>(6.75%)</u>	1% Increase <u>(7.75%)</u>
City's proportionate share of the net pension liability	\$ 2,354,946	\$ 1,357,871	\$ 526,829

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, 2021.

Defined Contribution Pension Plan

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

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

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

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

IV. OTHER INFORMATION, Continued

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 \$138,184, which was 6% of its current-year covered payroll. The covered payroll amounted to \$2,303,033. Employees' required contributions amounted to \$115,422, 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.

F. 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, 2021, the City had the following balances reported in the government-wide financial statements:

	Total OPEB <u>Liability</u>	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>	OPEB (Gain) <u>Expense</u>
Health Plan	\$ 3,677,874	61,813	160,791	(18,493)
Life Plan	-	-	-	85,480
School Plan	10,368,529	1,918,054	731,412	(592,245)
Total	\$14,046,403	1,979,867	892,203	(525,258)

Detailed disclosures for each plan follow.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

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 June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	40
Inactive employee entitled to but not yet receiving benefits	-
Active employees	199
Total	<u>239</u>

Total OPEB Liability

The City's total OPEB liability of \$3,677,874 was measured as of January 1, 2021, and was determined by a rollforward of an actuarial valuation as of that January 1, 2020. \$42,663 has been allocated to business-type activities (based on number of participants) and the remaining \$3,635,211 is reported in governmental activities as of June 30, 2021.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the January 1, 2021 measurement was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.00% per year
Salary increases	2.75% per year
Discount rate	2.12%
Healthcare cost trend rates	Initial trend of 8.55% grading over 20 years to 3.28% per annum
Retirees' share of the benefit related costs	100% of projected health insurance premiums

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

Mortality rates were based on the RP2014 Total Dataset Healthy Annuitant Mortality Table, for males and females.

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

IV. OTHER INFORMATION, Continued

The actuarial assumptions used in the January 1, 2020 valuation were based on the results of an actuarial experience study for the period June 30, 2012 through June 30, 2015.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2020	\$ 3,384,181
Changes for the year:	
Service cost	94,619
Interest	93,923
Changes in benefit terms	-
Difference between expected and actual	-
Changes in assumptions or other inputs	207,777
Benefit payments	(102,626)
Net changes	<u>293,693</u>
Balance at June 30, 2021	\$ <u>3,677,874</u>

Change in assumptions reflects a change in the discount rate from 2.74% to 2.12%.

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 2.12%, 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 (1.12%) or 1 percentage-point higher (3.12%) than the current rate:

	1% Decrease (1.12%)	Discount Rate (2.12%)	1% Increase (3.12%)
Total OPEB liability	\$ <u>4,254,251</u>	<u>3,677,874</u>	<u>3,209,548</u>

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 8.55% grading over 20 years to 3.28% per annum, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ <u>3,149,597</u>	<u>3,677,874</u>	<u>4,354,947</u>

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

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, 2021, the City recognized an OPEB gain of \$18,493. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

		Governmental Activities		Business-type Activities	
		Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	-	57,481	-	675
Changes of assumption or other inputs		-	101,445	-	1,190
Contributions subsequent to measurement		61,096	-	717	-
Total	\$	<u>61,096</u>	<u>158,926</u>	<u>717</u>	<u>1,865</u>

An amount of \$61,096 for governmental activities and \$717 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, 2022. 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 Activities</u>	<u>Business-type Activities</u>
2022	\$	(42,102)	(494)
2023		(42,102)	(494)
2024		(42,102)	(494)
2025		(42,102)	(494)
2026		(42,102)	(494)
Thereafter		51,584	605

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.mainebers.org.

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

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

IV. OTHER INFORMATION, Continued

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 \$85,480 for the year ended June 30, 2021. 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, 2021, 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 \$761,280 as of June 30, 2021. The net OPEB liability was measured as of June 30, 2020, 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, 2020, the City's proportion was 0.00%.

For the year ended June 30, 2021, the City recognized OPEB expense of \$85,480 and also revenues of \$85,480 for support provided by the State. At June 30, 2021, 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, 2020 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary increases	2.75% - 14.50%
Investment rate of return	6.75%

Mortality rates were based on the RP2014 Total Dataset Healthy Annuitant Mortality Table, for males and females.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study conducted for the period June 30, 2012 to June 30, 2015.

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Public equities	70.0%	6.0%
Real estate	5.0%	5.2%
Traditional credit	15.0%	3.0%
US government securities	10.0%	2.3%

IV. OTHER INFORMATION, Continued

Discount Rate - The rate used to measure the total OPEB liability for the plan was 6.75%. 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 45% 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 55% 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, 2021

IV. OTHER INFORMATION, Continued

Employees Covered by Benefit Terms – At June 30, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	248
Inactive employee entitled to but not yet receiving benefits	-
Active employees	477
Total	<u>725</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 \$10,368,529 was measured as of June 30, 2020, and was determined by an actuarial valuation of the same date.

Changes in the Total OPEB Liability

Balance at June 30, 2020	\$ 10,368,715
Changes for the year:	
Service cost	77,627
Interest	358,010
Changes of benefit terms	(864,961)
Differences between expected and actual experience	(853,314)
Changes in assumptions or other inputs	1,721,174
Benefit payments	(438,722)
Net changes	<u>(186)</u>
Balance at June 30, 2021	<u>\$ 10,368,529</u>

Change of benefit terms reflects the implementation of the Medicare Advantage plan. Change in assumptions reflects a change in the discount rate from 3.50% to 2.21%.

For the year ended June 30, 2021, the City recognized an OPEB gain of \$592,245. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	731,412
Changes of assumption or other inputs	1,613,339	-
City contributions subsequent to measurement date	304,715	-
Total	<u>\$ 1,918,054</u>	<u>731,412</u>

CITY OF AUBURN, MAINE
Notes to Basic Financial Statements, Continued
June 30, 2021

IV. OTHER INFORMATION, Continued

\$304,715 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, 2022. 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 Activities</u>
2022	\$ 141,794
2023	141,794
2024	141,793
2025	208,586
2026	123,980
Thereafter	123,980

Actuarial Assumptions - The total OPEB liability in the June 30, 2020 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	2.00%
Salary increases	2.75% per year
Discount rate	2.21% per annum
Healthcare cost trend rates - Pre-Medicare	6.21% for 2021 grading over 19 years to 3.25%
Healthcare cost trend rates - Medicare	6.30% for 2021 grading over 19 years to 3.25%
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.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period June 30, 2012 through June 30, 2015.

Discount Rate - The rate used to measure the total OPEB liability was 2.21% 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, 2021

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 2.21%, 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 (1.21%) or 1 percentage-point higher (3.21%) than the current rate:

	1% Decrease (1.21%)	Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB liability	\$ 12,057,630	10,368,529	9,000,164

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 8,927,330	10,368,529	12,167,561

G. 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, 2021

IV. OTHER INFORMATION, Continued

For the fiscal year ended June 30, 2021, the City remitted a total of \$508,560 in Credit Enhancement payments, including the following, each of which exceeded 10 percent of the total amount remitted:

<u>TIF district</u>	<u>Beginning; duration</u>	<u>CEA entity</u>	<u>CEA reimbursement basis</u>	<u>Amount paid during the fiscal year</u>
TIF 6 Tambrands II	2001; 30 Years	Tambrands, Inc.	40% on revenues within district	\$ 80,544 (15.84%)
TIF 13 Retail Development	2007; 15 years	Auburn Plaza, Inc.	30%-47% based on growth in value of the district	150,365 (29.57%)
TIF 19 Hartt Transport	2014; 20 years	Hartt Transportation Systems, Inc.	40% on revenues within district	65,110 (12.80%)
TIF 20 62 Spring Street	2017; 20 Years	62 Spring Street LP	76% on revenues within district	58,978 (11.60%)

CITY OF AUBURN, MAINE
Required Supplementary Information
June 30, 2021

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

PLD Plan

	<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	2.4741%	2.5370%	2.5645%	2.4465%	2.5764%	2.5871%	2.3477%
City's proportionate share of the net pension liability	\$ 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	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 as a percentage of its covered payroll	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	88.35%	90.62%	91.14%	86.43%	81.61%	88.27%	94.10%

SET Plan

City's proportion of the net pension liability	0.0832%	0.0993%	0.1009%	0.1415%	0.1268%	0.1256%	0.1048%
City's proportionate share of the net pension liability	\$ 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	28,523,249	24,793,363	22,421,680	23,808,252	28,107,548	22,336,682	16,612,780
Total	\$ 29,881,120	26,248,509	23,783,241	25,863,634	30,347,427	24,032,228	17,745,160

City's covered payroll	\$ 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	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	81.03%	82.73%	82.90%	80.78%	76.21%	81.18%	83.91%

* Only seven 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, 2021

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>PLD Plan</u>								
Contractually required contribution	\$ 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	(1,637,544)	(1,577,025)	(1,551,925)	(1,422,738)	(1,253,966)	(1,205,273)	(1,057,514)	(809,164)
Contribution deficiency (excess)	-	-	-	-	-	-	-	-
City's covered payroll	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	11.90%	11.20%	11.51%	11.08%	10.63%	10.39%	9.30%	7.35%
<u>SET Plan</u>								
Contractually required contribution	\$ 979,508	942,731	858,216	859,607	723,656	675,623	531,203	495,351
Contributions in relation to the contractually required contribution	(979,508)	(942,731)	(858,216)	(859,607)	(723,656)	(675,623)	(531,203)	(495,351)
Contribution deficiency (excess)	-	-	-	-	-	-	-	-
City's covered payroll	\$ 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	4.16%	4.16%	3.97%	3.97%	3.36%	3.36%	2.65%	2.65%

* Only eight years of information available.

CITY OF AUBURN, MAINE
Required Supplementary Information, Continued
June 30, 2021

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

		2021	2020	2019	2018
Total OPEB Liability					
Service cost	\$	94,619	84,449	96,526	81,439
Interest		93,923	136,263	122,218	144,506
Changes of benefit terms		-	(84,028)	-	-
Differences between expected and actual experience		-	52,766	-	(178,552)
Changes of assumptions or other inputs		207,777	23,083	(305,301)	(183,140)
Benefit payments		(102,626)	(133,436)	(128,304)	(169,967)
Net change in total OPEB Liability		293,693	79,097	(214,861)	(305,714)
		3,384,181	3,305,084	3,519,945	3,825,659
Total OPEB liability - ending	\$	3,677,874	3,384,181	3,305,084	3,519,945
Covered-employee payroll	\$	11,051,932	11,051,932	11,209,262	11,209,262
Total OPEB liability as a percentage of covered-employee payroll		33.28%	30.62%	29.49%	31.40%

* Only four years of information available.

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*

		2021	2020	2019	2018
City's proportion of the net OPEB liability		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		761,280	708,166	659,905	598,566
Total	\$	761,280	708,166	659,905	598,566
Plan fiduciary net position as a percentage of the total OPEB liability		49.51%	49.22%	48.04%	47.29%

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

CITY OF AUBURN, MAINE
Required Supplementary Information, Continued
June 30, 2021

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

	2021	2020	2019
Total OPEB Liability			
Service cost	\$ 77,627	65,322	70,006
Interest	358,010	374,588	359,102
Changes of benefit terms	(864,961)	-	-
Differences between expected and actual experience	(853,314)	-	-
Changes of assumptions or other inputs	1,721,174	507,636	(400,753)
Benefit payments	(438,722)	(381,958)	(368,757)
Net change in total OPEB liability	(186)	565,588	(340,402)
 Total OPEB liability - beginning	 10,368,715	 9,803,127	 10,143,529
Total OPEB liability - ending	\$ 10,368,529	10,368,715	9,803,127
 Covered-employee payroll	 \$ 23,564,575	 22,702,349	 22,094,744
Total OPEB liability as a percentage of covered-employee payroll	44.0%	45.7%	44.4%

* Only three years of information available.

CITY OF AUBURN, MAINE
Notes to Required Supplementary Information
June 30, 2021

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>2020</u>	<u>2018</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Discount rate – PLD	6.75%	6.75%	6.875%	7.125%	7.250%	7.250%
Discount rate – SET	6.75%	6.75%	6.875%	7.125%	7.125%	7.250%
Inflation rate	2.75%	2.75%	2.75%	3.50%	3.50%	3.50%
Salary increases – PLD	2.75% plus merit	2.75-9.00%	2.75-9.00%	3.50-9.50%	3.50-9.50%	3.50-9.50%
Salary increases – SET	2.75% plus merit	2.75-14.50%	2.75-14.50%	3.50-13.50%	3.50-13.50%	3.50-13.50%
Cost of living increases – PLD	1.91%	1.91%	2.20%	2.55%	3.12%	3.12%
Cost of living increases – SET	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 2015, mortality rates were based on the RP2000 Combined Mortality Table projected forward to 2015 using Scale AA. In 2016 and going forward, mortality rates were based on the RP2014 Total Data Set Healthy Annuitant Mortality Table.

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

Changes of Benefit Terms - None

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

Fiscal Year	Discount Rate
2018	6.875%
2019	6.750%

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

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

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

Fiscal Year	Discount Rate
2017	3.78%
2018	3.44%
2019	4.10%
2020	2.74%
2021	2.12%

Additionally, the valuation method was changed from the Projected Unit Credit funding method in 2017 to the Entry Age Normal funding method in 2018.

CITY OF AUBURN, MAINE
Notes to Required Supplementary Information, Continued
June 30, 2021

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

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

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

Fiscal Year	Discount Rate
2018	3.58%
2019	3.87%
2020	3.50%
2021	2.21%

Mortality rates:

2018 to 2020, mortality rates were based on the RP2014 Total Data Set Healthy Annuitant Mortality Table. In 2021 and going forward, mortality rates were based on the 2010 Public Plan Teacher Benefits Weighted Healthy Retiree Mortality Table.

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, 2021

	Nonmajor Special Revenue Funds	Nonmajor Permanent Funds	Total Other Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 492,829	-	492,829
Investments	407,246	268,886	676,132
Receivables:			
Accounts	461	-	461
Loans receivable	1,020,332	-	1,020,332
Intergovernmental	3,233,583	-	3,233,583
Inventory	44,475	-	44,475
Interfund receivable	4,684,573	-	4,684,573
Total assets	9,883,499	268,886	10,152,385
LIABILITIES			
Accounts payable	967,946	-	967,946
Accrued payroll	10,056	-	10,056
Unearned revenue	6,788,257	-	6,788,257
Interfund payable	1,486,344	1,840	1,488,184
Total liabilities	9,252,603	1,840	9,254,443
FUND BALANCES			
Nonspendable - inventory	44,475	-	44,475
Nonspendable - principal	-	69,475	69,475
Restricted	2,397,473	197,571	2,595,044
Committed	397,838	-	397,838
Unassigned	(2,208,890)	-	(2,208,890)
Total fund balances	630,896	267,046	897,942
Total liabilities and fund balances	\$ 9,883,499	268,886	10,152,385

CITY OF AUBURN, MAINE
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	Nonmajor Special Revenue Funds	Nonmajor Permanent Funds	Total Other Governmental Funds
Revenues:			
Intergovernmental	\$ 16,112,940	-	16,112,940
Charges for services	944,420	-	944,420
Other income	302,096	-	302,096
Student activity fees and fundraisers	145,673	-	145,673
Interest income	1,587	1,531	3,118
Total revenues	17,506,716	1,531	17,508,247
Expenditures:			
Current:			
General government	1,489,139	-	1,489,139
Public safety	265,260	-	265,260
Health, welfare and recreation	772,877	-	772,877
Public works	1,227,796	-	1,227,796
Education	11,798,866	-	11,798,866
Food services	1,463,253	-	1,463,253
Student activities	227,763	-	227,763
Unclassified	-	121	121
Debt service	163,311	-	163,311
Total expenditures	17,408,265	121	17,408,386
Excess (deficiency) of revenues over (under) expenditures	98,451	1,410	99,861
Other financing sources (uses):			
Transfers in	150,000	-	150,000
Total other financing sources (uses)	150,000	-	150,000
Net change in fund balances	248,451	1,410	249,861
Fund balances, July 1, as restated	382,445	265,636	648,081
Fund balances, June 30	\$ 630,896	267,046	897,942

CITY OF AUBURN, MAINE
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2021

	City Special	Centralized School Lunch Program	School Activity Funds	School Special	211 Fairview	Parking	Parks and Recreation	Totals
ASSETS								
Cash and cash equivalents	\$ -	360,444	132,385	-	-	-	-	492,829
Investments	407,246	-	-	-	-	-	-	407,246
Receivables:								
Accounts	-	461	-	-	-	-	-	461
Loans receivable	1,020,332	-	-	-	-	-	-	1,020,332
Intergovernmental	1,086,304	67,976	-	2,079,303	-	-	-	3,233,583
Inventory	-	44,475	-	-	-	-	-	44,475
Interfund receivable	4,414,447	-	290	-	-	13,201	256,635	4,684,573
Total assets	6,928,329	473,356	132,675	2,079,303	-	13,201	256,635	9,883,499
LIABILITIES								
Accounts payable	304,457	328	-	658,488	-	362	4,311	967,946
Accrued payroll	-	-	-	10,056	-	-	-	10,056
Unearned revenue	6,772,900	15,357	-	-	-	-	-	6,788,257
Interfund payable	-	3,113	-	916,927	566,304	-	-	1,486,344
Total liabilities	7,077,357	18,798	-	1,585,471	566,304	362	4,311	9,252,603
FUND BALANCES (DEFICITS)								
Nonspendable - inventory	-	44,475	-	-	-	-	-	44,475
Restricted	1,482,829	410,083	-	504,561	-	-	-	2,397,473
Committed	-	-	132,675	-	-	12,839	252,324	397,838
Unassigned	(1,631,857)	-	-	(10,729)	(566,304)	-	-	(2,208,890)
Total fund balances (deficits)	-	(149,028)	132,675	493,832	(566,304)	12,839	252,324	630,896
Total liabilities and fund balances (deficits)	\$ 6,928,329	473,356	132,675	2,079,303	-	13,201	256,635	9,883,499

CITY OF AUBURN, MAINE
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2021

	City Special	Centralized School Lunch Program	School Activity Funds	School Special	211 Fairview	Parking	Parks and Recreation	Totals
Revenues:								
Intergovernmental	\$ 2,701,975	1,553,493	-	11,354,317	-	-	503,155	16,112,940
Charges for services	1,601	7,604	-	344,017	-	139,421	451,777	944,420
Student activity fees and fundraisers	-	-	145,673	-	-	-	-	145,673
Other income	40,716	90,279	-	171,101	-	-	-	302,096
Interest income	1,587	-	-	-	-	-	-	1,587
Total revenues	2,745,879	1,651,376	145,673	11,869,435	-	139,421	954,932	17,506,716
Expenditures:								
Current:								
General government	1,364,563	-	-	-	-	124,576	-	1,489,139
Public safety	265,260	-	-	-	-	-	-	265,260
Health, welfare and recreation	-	-	-	-	-	-	772,877	772,877
Public works	1,227,796	-	-	-	-	-	-	1,227,796
Education	-	-	-	11,798,866	-	-	-	11,798,866
Food services	-	1,463,253	-	-	-	-	-	1,463,253
Student activities	-	-	227,763	-	-	-	-	227,763
Debt service	163,311	-	-	-	-	-	-	163,311
Total expenditures	3,020,930	1,463,253	227,763	11,798,866	-	124,576	772,877	17,408,265
Exceeds (deficiency) of revenues over (under) expenditures	(275,051)	188,123	(82,090)	70,569	-	14,845	182,055	98,451
Other financing sources (uses):								
Transfers in	150,000	-	-	-	-	-	-	150,000
Total other financing sources (uses)	150,000	-	-	-	-	-	-	150,000
Net change in fund balances	(125,051)	188,123	(82,090)	70,569	-	14,845	182,055	248,451
Fund balances (deficits), July 1 - restated	(23,977)	266,435	214,765	423,263	(566,304)	(2,006)	70,269	382,445
Fund balances (deficits), June 30	\$ (149,028)	454,558	132,675	493,832	(566,304)	12,839	252,324	630,896

CITY OF AUBURN, MAINE
Combined Balance Sheet
Nonmajor Permanent Funds
June 30, 2021

ASSETS		
Investments	\$	268,886
<hr/>		
Total assets		268,886
<hr/>		
LIABILITIES		
Interfund payable		1,840
Total liabilities		1,840
<hr/>		
FUND BALANCES		
Nonspendable - principal		69,475
Restricted		197,571
Total fund balances		267,046
<hr/>		
Total liabilities and fund balances	\$	268,886

CITY OF AUBURN, MAINE
Combined Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Permanent Funds
For the Year Ended June 30, 2021

<hr/>		
<hr/>		
Revenues:		
Interest income	\$	1,531
Total revenues		1,531
<hr/>		
Expenditures:		
Current:		
Miscellaneous		121
Total expenditures		121
<hr/>		
Net change in fund balances		1,410
<hr/>		
Fund balances, July 1		265,636
<hr/>		
Fund balances, June 30	\$	267,046

CUSTODIAL FUNDS

CITY OF AUBURN, MAINE
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2021

		RETC	AVEC	Total
ASSETS				
Intergovernmental receivables	\$	11,880	-	11,880
Interfund receivables		55,650	13,479	69,129
Total assets		67,530	13,479	81,009
LIABILITIES				
Accounts payable		3,957	1,065	5,022
Accrued expenses		62,098	579	62,677
Total liabilities		66,055	1,644	67,699
NET POSITION				
Restricted for:				
Individuals and organizations		1,475	11,835	13,310
Total net position	\$	1,475	11,835	13,310

CITY OF AUBURN, MAINE
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the year ended June 30, 2021

	RETC	AVEC	Total
ADDITIONS			
Contributions:			
Private contributions	\$ 536,462	16,500	552,962
Total contributions	536,462	16,500	552,962
Total additions	536,462	16,500	552,962
DEDUCTIONS			
Recipient payments	599,352	13,872	613,224
Total deductions	599,352	13,872	613,224
Net increase (decrease) in fiduciary net position	(62,890)	2,628	(60,262)
Net position - beginning	64,365	9,207	73,572
Net position - ending	\$ 1,475	11,835	13,310

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, 2021

	TIF 6	TIF 9	TIF 10 Downtown	TIF 10 Downtown	TIF 12 Auburn Industrial	TIF 13 Retail	TIF 14 & 15 Auburn	TIF 16 Webster School	TIF 19 Hartt	TIF 20 62 Spring	TIF 21 Minot	TIF 22 48 Hampshire	TIF 23 Auburn Memory	TIF 24	TIF 25	Totals
	Tambrands II	Mall Area	Area	Omnibus	Park	Developme	Mall	Housing	Transport	Street	Avenue	Street	Care Facility	Millbran LLC	Futurguard	
Revenues:																
Other income	\$ -	-	-	-	-	-	-	-	-	-	-	-	-	172,000	-	172,000
Total revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	172,000	-	172,000
Expenditures:																
Current:																
General government	80,544	-	-	17,561	-	150,365	-	30,435	65,110	58,978	24,803	41,969	20,701	18,094	-	508,560
Capital Outlay	-	-	291,964	-	-	-	-	-	-	-	-	-	-	160,872	83,459	536,295
Debt service	-	-	319,796	-	238,142	-	455,208	-	-	-	-	-	-	-	-	1,013,146
Total expenditures	80,544	-	611,760	17,561	238,142	150,365	455,208	30,435	65,110	58,978	24,803	41,969	20,701	178,966	83,459	2,058,001
Excess (deficiency) of revenues over (under) expenditures	(80,544)	-	(611,760)	(17,561)	(238,142)	(150,365)	(455,208)	(30,435)	(65,110)	(58,978)	(24,803)	(41,969)	(20,701)	(6,966)	(83,459)	(1,886,001)
Other financing sources (uses):																
Transfers from other funds	201,361	456,316	819,788	17,561	172,810	319,924	465,988	30,435	32,531	58,978	49,607	83,937	118,293	18,094	-	2,845,623
Transfers to other funds	-	(300,000)	-	-	-	(300,000)	-	-	-	-	-	-	-	-	-	(600,000)
Total other financing sources (uses)	201,361	156,316	819,788	17,561	172,810	19,924	465,988	30,435	32,531	58,978	49,607	83,937	118,293	18,094	-	2,245,623
Net change in fund balances (deficits)	120,817	156,316	208,028	-	(65,332)	(130,441)	10,780	-	(32,579)	-	24,804	41,968	97,592	11,128	(83,459)	359,622
Fund balances (deficits), beginning of year	(161,840)	192,297	(488,207)	10,289	(388,767)	411,537	(763,271)	-	29,915	1,121	195	-	147	-	-	(1,156,584)
Fund balances (deficits), end of year	\$ (41,023)	348,613	(280,179)	10,289	(454,099)	281,096	(752,491)	-	(2,664)	1,121	24,999	41,968	97,739	11,128	(83,459)	(796,962)

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Auburn, Maine's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents

Tables

Financial Trends

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These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

5-8

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity

9-12

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

13-14

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

15-17

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

CITY OF AUBURN, MAINE
Net Position by Component
Last Ten Fiscal Years
From Government-wide Statement of Net Position

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities:										
Net Investment in capital assets	\$ 53,111,954	\$ 61,542,514	\$ 67,831,558	\$ 73,604,804	\$ 79,732,308	\$ 80,283,459	\$ 80,738,742	\$ 80,147,897	\$ 78,952,151	\$ 81,828,684
Restricted	10,879,129	11,871,042	11,621,393	8,791,119	8,780,922	8,513,552	6,492,342	6,418,738	6,805,813	7,417,293
Unrestricted	21,012,904	10,929,045	(4,145,261)	(1,665,491)	(5,594,225)	(6,078,826)	(18,015,680)	(13,889,691)	(12,338,298)	(8,352,428)
Total governmental activities net position	85,003,987	84,342,601	75,307,690	80,730,432	82,919,005	82,718,185	69,215,404	72,676,944	73,419,666	80,893,549
Business-type activities:										
Net investment in capital assets	781,208	708,368	548,461	493,154	456,021	539,164	515,180	438,377	361,574	284,771
Restricted	-	34,042	-	196,221	238,079	324,591	-	-	-	-
Unrestricted	651,420	594,157	460,816	(118,847)	(426,861)	(854,106)	(1,328,426)	(1,540,274)	(1,401,315)	(1,340,228)
Total business-type activities net position	1,432,628	1,336,567	1,009,277	570,528	267,239	9,649	(813,246)	(1,101,897)	(1,039,741)	(1,055,457)
Primary government:										
Investment in capital assets	53,893,162	62,250,882	68,380,019	74,097,958	80,188,329	80,822,623	81,253,922	80,586,274	79,313,725	82,113,455
Restricted	10,879,129	11,905,084	11,621,393	8,987,340	9,019,001	8,838,143	6,492,342	6,418,738	6,805,813	7,417,293
Unrestricted	21,664,324	11,523,202	(3,684,445)	(1,784,338)	(6,021,086)	(6,932,932)	(19,344,106)	(15,429,965)	(13,739,614)	(9,692,656)
Total primary government net position	\$ 86,436,615	\$ 85,679,168	\$ 76,316,967	\$ 81,300,960	\$ 83,186,244	\$ 82,727,834	\$ 68,402,158	\$ 71,575,047	\$ 72,379,924	\$ 79,838,092

Table 2

CITY OF AUBURN, MAINE
Change in Net Position
Last Ten Fiscal Years
From Government-wide Statement of Activities

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities:										
General government	\$ 14,680,105	\$ 13,391,002	\$ 19,950,058	\$ 10,720,976	\$ 14,742,709	\$ 14,171,875	\$ 12,926,678	\$ 10,970,510	\$ 15,340,450	\$ 14,663,651
Public safety	8,001,972	8,468,689	9,404,183	9,969,244	10,298,205	10,180,500	10,164,734	10,562,320	10,521,575	11,076,827
Health, welfare and recreation	2,117,014	2,266,012	2,172,119	1,637,285	1,590,246	2,183,193	2,260,080	2,312,264	2,733,265	2,985,799
Public works	6,059,774	8,086,620	12,427,048	11,370,585	10,948,454	12,069,994	13,154,573	14,865,530	13,039,351	13,544,720
Other agencies	3,389,283	3,560,926	3,400,687	3,418,863	3,551,739	3,529,357	3,722,648	3,883,900	4,127,325	3,942,717
Education	42,418,741	41,810,979	44,089,463	40,636,517	42,854,285	44,423,602	46,840,880	47,221,915	51,702,067	56,451,019
Food services	-	-	-	-	-	-	1,597,569	1,644,924	1,567,231	1,463,253
Interest on debt	758,377	2,418,356	122,068	1,580,603	1,000,662	861,111	610,214	784,154	1,119,403	2,194,313
Total governmental activities expenses	77,425,266	80,002,584	91,565,626	79,334,073	84,986,300	87,419,632	91,277,376	92,245,517	100,150,667	106,322,299
Business-type activities:										
Ingersoll Ice Turf Facility	539,555	490,593	604,369	131,223	216,417	159,278	172,462	164,891	152,289	205,194
Norway Savings Bank Arena	-	-	525,814	1,218,591	1,230,422	1,293,801	1,373,107	1,329,482	733,217	698,522
Centralized School Lunch	-	1,421,308	1,312,651	1,419,459	1,497,678	1,576,332	-	-	-	-
Total business-type activities expenses	539,555	1,911,901	2,442,834	2,769,273	2,944,517	3,029,411	1,545,569	1,494,373	885,506	903,716
Total primary government expenses	77,964,821	81,914,485	94,008,460	82,103,346	87,930,817	90,449,043	92,822,945	93,739,890	101,036,173	107,226,015
Program Revenues										
Governmental activities:										
Charges for services:										
General government	532,771	480,870	456,624	695,278	1,306,850	1,371,527	1,193,393	1,171,724	1,244,128	1,547,431
Public safety	701,234	841,366	920,429	1,526,254	1,579,875	1,264,202	782,884	1,289,111	1,214,662	1,316,378
Health, welfare and recreation	308,403	318,635	279,854	261,595	240,972	304,873	332,437	342,772	405,971	451,777
Public works	3,158	2,674	1,549	-	-	-	-	-	-	-
Education	514,390	484,567	412,347	707,739	821,713	386,407	846,164	853,959	754,298	654,868
Food services	-	-	-	-	-	-	223,816	238,869	234,527	7,604
Operating grants and contributions	33,003,967	29,939,559	31,349,557	28,816,555	29,064,768	29,950,181	31,862,806	34,412,681	37,098,316	47,580,889
Capital grants and contributions	-	-	-	2,956,553	2,995,835	-	315,234	530,953	289,649	1,279,725
Total governmental activities program revenues	35,063,923	32,067,671	33,420,360	34,963,974	36,010,013	33,277,190	35,556,734	38,840,069	41,241,551	52,838,672
Business-type activities:										
Charges for services	433,375	669,015	1,139,096	1,067,189	1,308,448	1,383,077	1,132,476	1,204,906	973,169	886,712
Operating grants and contributions	-	1,159,343	1,090,354	1,241,187	1,332,667	1,388,744	-	-	-	-
Total business-type activities program revenues	433,375	1,828,358	2,229,450	2,308,376	2,641,115	2,771,821	1,132,476	1,204,906	973,169	886,712
Total primary government program revenues	35,497,298	33,896,029	35,649,810	37,272,350	38,651,128	36,049,011	36,689,210	40,044,975	42,214,720	53,725,384

CITY OF AUBURN, MAINE
Change in Net Position
Last Ten Fiscal Years
From Government-wide Statement of Activities

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net (expense)/revenue:										
Governmental activities	(42,361,343)	(47,934,913)	(58,145,266)	(44,370,099)	(48,976,287)	(54,142,442)	(55,720,642)	(53,155,232)	(58,909,116)	(53,483,627)
Business-type activities	(106,180)	(83,543)	(213,384)	(460,897)	(303,402)	(257,590)	(413,093)	(289,467)	87,663	(17,004)
Total primary government net expense	(42,467,523)	(48,018,456)	(58,358,650)	(44,830,996)	(49,279,689)	(54,400,032)	(56,133,735)	(53,444,699)	(58,821,453)	(53,500,631)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes	43,192,698	42,759,291	44,522,766	45,445,286	46,425,471	48,765,867	50,260,659	50,131,887	50,590,615	51,032,434
Grants not restricted to specific programs	4,172,425	4,330,113	4,336,314	4,393,527	4,474,139	4,760,666	5,541,000	6,338,739	7,939,649	9,370,542
Investment earnings	65,072	16,581	2,829	49,791	197,562	112,123	106,216	141,270	308,215	123,716
Other	230,549	166,802	248,446	(95,763)	644,533	42,854	10,437	4,876	785,629	216,053
Transfers	-	-	-	-	-	-	-	-	27,730	-
Total governmental activities general revenues	47,660,744	47,272,787	49,110,355	49,792,841	51,741,705	53,681,510	55,918,312	56,616,772	59,651,838	60,742,745
Business-type activities:										
Investment earnings	51	757	1,176	370	113	-	-	816	2,222	1,289
Other	-	-	-	21,778	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	(27,730)	-
Total business-type activities general revenues	51	757	1,176	22,148	113	-	-	816	(25,508)	1,289
Total primary government	47,660,795	47,273,544	49,111,531	49,814,989	51,741,818	53,681,510	55,918,312	56,617,588	59,626,330	60,744,034
Change in Net Position										
Governmental activities	5,299,401	(662,126)	(9,034,911)	5,422,742	2,765,418	(460,932)	197,670	3,461,540	742,722	7,259,118
Business-type activities	(106,129)	(82,786)	(212,208)	(438,749)	(303,289)	(257,590)	(413,093)	(288,651)	62,155	(15,715)
Total primary government	\$ 5,193,272	\$ (744,912)	\$ (9,247,119)	\$ 4,983,993	\$ 2,462,129	\$ (718,522)	\$ (215,423)	\$ 3,172,889	\$ 804,877	\$ 7,243,403

Table 3

CITY OF AUBURN, MAINE											
Fund Balances											
Last Ten Fiscal Years											
From Governmental Funds Balance Sheet											
	Fiscal Year										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	
General Fund											
Nonspendable	\$ 97,171	\$ 75	\$ 629,503	\$ 1,415,749	1,341,590	\$ 1,178,773	\$ 1,600,597	\$ 761,970	\$ 1,433,522	\$ 689,263	
Restricted	1,840,047	2,449,945	1,969,754	1,411,047	1,625,968	2,023,296	1,931,802	2,273,457	1,364,114	2,309,553	
Assigned	942,172	1,154,572	812,886	3,046,996	2,084,993	1,750,310	1,863,605	2,034,264	1,653,481	1,951,394	
Unassigned	10,734,773	8,775,150	8,651,216	4,971,398	5,897,971	7,113,261	7,780,670	8,065,076	9,862,432	13,192,192	
Total general fund	\$ 13,614,163	\$ 12,379,742	\$ 12,063,359	\$ 10,845,190	\$ 10,950,522	\$ 12,065,640	\$ 13,176,674	\$ 13,134,767	\$ 14,313,549	\$ 18,142,402	
All Other Governmental Funds											
Nonspendable	5,813,531	5,712,143	5,628,850	5,670,226	4,007,094	3,725,627	101,863	102,425	145,267	113,950	
Restricted	3,464,347	3,710,739	4,022,789	1,709,846	1,518,854	1,393,889	3,506,455	3,164,800	4,492,963	4,292,907	
Committed	10,998,530	7,985,485	5,755,639	8,162,868	8,099,287	7,605,758	7,177,933	7,508,990	12,936,520	64,177,795	
Unassigned	(694,644)	(1,125,143)	(3,649,469)	(1,871,314)	(757,648)	(1,162,157)	(1,512,021)	(1,510,710)	(3,458,499)	(3,005,852)	
Total all other governmental funds	\$ 19,581,764	\$ 16,283,224	\$ 11,757,809	\$ 13,671,626	\$ 12,867,587	\$ 11,563,117	\$ 9,274,230	\$ 9,265,505	\$ 14,116,251	\$ 65,578,800	

Table 4

CITY OF AUBURN, MAINE
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes	\$ 42,960,856	\$ 42,749,449	\$ 44,563,151	\$ 45,411,397	\$ 46,319,694	\$ 48,639,845	\$ 50,263,953	\$ 50,021,033	\$ 50,695,750	\$ 51,765,024
Intergovernmental	36,258,176	33,631,641	35,325,279	35,719,754	36,041,524	34,192,549	37,269,921	40,798,002	44,950,674	57,585,389
Licenses and permits	266,852	374,011	325,476	345,658	330,039	364,352	345,604	330,240	366,143	607,551
Charges for services	1,750,848	1,720,625	1,799,725	2,644,856	3,452,095	2,900,398	2,983,648	3,500,458	3,416,494	3,346,926
Student activity fees and fundraisers	-	-	-	-	-	-	-	-	-	145,673
Unclassified	1,191,668	854,889	601,599	876,354	1,502,589	735,534	615,214	696,252	815,120	863,444
Total revenues	82,428,400	79,330,615	82,615,230	84,998,019	87,645,941	86,832,678	91,478,340	95,345,985	100,244,181	114,314,007
Expenditures										
General government	12,532,558	11,881,126	11,362,793	10,963,750	11,832,503	11,898,280	13,613,954	13,184,929	13,992,151	14,107,723
Public safety	7,717,441	8,063,515	8,987,931	9,702,645	9,794,109	9,814,755	9,947,488	10,053,737	10,120,729	10,762,795
Health, welfare and recreation	1,876,392	2,022,319	1,937,404	1,388,546	1,704,443	1,920,557	1,956,709	2,001,090	2,196,929	2,452,950
Public services	4,285,363	4,524,288	7,611,817	8,943,737	8,326,272	5,598,126	5,465,530	6,175,911	5,627,287	6,836,312
Other agencies	3,389,283	3,560,926	3,400,687	3,418,863	3,551,739	3,529,357	3,722,648	3,883,900	4,127,325	3,942,717
Education	42,273,954	42,137,967	43,678,540	44,402,432	44,782,404	45,934,377	47,722,030	49,926,248	52,401,836	60,746,180
Food services	-	-	-	-	-	-	1,597,569	1,644,924	1,567,231	1,463,253
Student activities	-	-	-	-	-	-	-	-	-	227,763
Unclassified	403,753	405,669	325,374	459,325	482,462	362,228	453,112	301,654	226,299	230,847
Self-insurance	517,299	383,566	-	-	-	-	-	-	-	-
Capital outlay	4,855,507	9,800,219	8,539,810	6,248,281	6,379,436	6,211,980	10,307,956	8,945,543	21,290,876	16,300,196
Debt service:										
Principal	6,894,785	7,027,846	6,508,659	6,484,056	6,439,503	6,545,628	6,509,811	6,829,817	7,159,054	23,781,455
Interest expense	1,511,411	1,045,204	1,000,416	942,636	997,067	879,024	814,380	1,007,693	982,186	1,449,815
Total expenditures	86,257,746	90,852,645	93,353,431	92,954,271	94,289,938	92,694,312	102,111,187	103,955,446	119,691,903	142,302,006
Deficiency of revenues under expenditures	(3,829,346)	(11,522,030)	(10,738,201)	(7,956,252)	(6,643,997)	(5,861,634)	(10,632,847)	(8,609,461)	(19,447,722)	(27,987,999)
Other financing sources (uses)										
Issuance of long-term debt	4,500,000	14,892,323	5,625,000	8,153,025	9,950,000	5,030,000	9,524,036	7,655,000	24,090,000	76,445,000
Premium on issuance of debt	83,077	1,052,751	186,945	498,875	481,134	382,170	1,177,478	794,168	1,359,520	6,619,636
Payment to refunded bond escrow agent	-	(9,118,353)	-	-	(4,485,844)	-	-	-	-	-
Transfers in	2,215,395	2,345,053	2,084,032	2,099,914	2,279,802	1,471,787	2,120,787	2,119,803	3,568,286	2,245,623
Transfers out	(2,202,120)	(2,331,778)	(2,084,032)	(2,099,914)	(2,279,802)	(1,471,787)	(2,120,787)	(2,119,803)	(3,540,556)	(2,245,623)
Total other financing sources	4,596,352	6,839,996	5,811,945	8,651,900	5,945,290	5,412,170	10,701,514	8,449,168	25,477,250	83,064,636
Net change in fund balances	\$ 767,006	\$ (4,682,034)	\$ (4,926,256)	\$ 695,648	\$ (698,707)	\$ (449,464)	\$ 68,667	\$ (160,293)	\$ 6,029,528	\$ 55,076,637
Debt service as a percentage of noncapital expenditures	10.33%	9.96%	8.74%	8.99%	8.80%	8.46%	7.94%	8.14%	8.11%	20.29%

Table 5

CITY OF AUBURN, MAINE
Assessed Value to Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal year		Assessed Value - Real Property	Assessed Value - Personal Property	Total Assessed Value	Estimated Actual Value	Ratio of Total Assessed Value to Total Estimated Actual Value	Total Tax/ (Mil) Rate
2012	\$	1,850,235,678	208,348,600	2,058,584,278	1,980,250,000	104.0%	19.39
2013		1,820,465,334	190,045,000	2,010,510,334	1,954,400,000	102.9%	19.59
2014		1,823,040,083	182,681,300	2,005,721,383	1,926,200,000	104.1%	20.43
2015		1,818,986,378	165,931,000	1,984,917,378	1,963,550,000	101.1%	20.95
2016		1,831,661,043	162,903,400	1,994,564,443	1,960,100,000	101.8%	21.25
2017		1,852,057,439	146,229,300	1,998,286,739	1,983,950,000	100.7%	22.35
2018		1,869,652,126	133,614,300	2,003,266,426	1,981,700,000	101.1%	22.99
2019		1,839,302,499	125,115,433	1,964,417,932	2,002,200,000	98.1%	23.68
2020		1,840,831,799	116,174,259	1,957,006,058	2,103,950,000	93.0%	23.75
2021		1,841,328,464	115,303,907	1,956,632,371	2,175,900,000	89.9%	23.75

Table 6

CITY OF AUBURN, MAINE
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year	General Government		General Fund Debt Service		Education		Total Tax/ (Mil) Rate
2012	9.01	46.47%	3.31	17.07%	7.07	36.46%	19.39
2013	9.01	45.99%	3.20	16.33%	7.38	37.67%	19.59
2014	9.62	47.09%	3.15	15.42%	7.66	37.49%	20.43
2015	9.67	46.16%	3.15	15.04%	8.13	38.81%	20.95
2016	9.83	46.26%	3.18	14.96%	8.24	38.78%	21.25
2017	10.31	46.13%	3.21	14.36%	8.83	39.51%	22.35
2018	10.56	45.93%	3.10	13.48%	9.33	40.58%	22.99
2019	9.55	40.33%	4.97	20.99%	9.16	38.68%	23.68
2020	11.12	46.82%	3.48	14.65%	9.15	38.53%	23.75
2021	10.73	45.18%	3.87	16.29%	9.15	38.53%	23.75

Table 7

CITY OF AUBURN, MAINE
Principal Property Taxpayers
Current Year and Nine Years Ago
June 30, 2021

	Taxpayer	Business	Assessed Value	% of Total Tax Base	Cumulative %
1	Tambrands	Personal Products	\$ 60,563,076	3.1%	3.10%
2	Central Maine Power Company	Electric Utility	52,408,004	2.7%	5.77%
3	Brookfield White Pine Hydro LLC	Electric Utility	32,848,605	1.7%	7.45%
4	Pioneer Plastics	Laminates	22,779,199	1.2%	8.62%
5	Northern Utilities Inc	Natural Gas Utility	18,970,779	1.0%	9.59%
6	Wal Mart	Retail	18,721,288	1.0%	10.54%
7	Auburn Plaza	Regional Shopping	17,180,152	0.9%	11.42%
8	Gates Formed Fiber	Automotive Products	16,032,584	0.8%	12.24%
9	Riverwatch LLC	Lodging	12,846,505	0.7%	12.90%
10	Lowes Home Centers	Retail	12,637,744	0.6%	13.54%
			<u>\$ 264,987,936</u>		

June 30, 2012

	Taxpayer	Business	Assessed Value	% of Total Tax Base	Cumulative %
1	Tambrands	Personal Products	\$ 83,079,000	4.0%	4.04%
2	Auburn Plaza Inc	Regional Shopping	31,475,700	1.5%	5.56%
3	Wal-Mart Real Estate	Retail	25,844,900	1.3%	6.82%
4	Pioneer Plastics	Plastic Laminates	23,522,300	1.1%	7.96%
5	Central Maine Power Co	Electric Utility	20,204,230	1.0%	7.80%
6	Gates Formed Fiber	Automotive Products	19,848,600	1.0%	8.77%
7	Lowes Home Centers	Retail	16,389,900	0.8%	9.56%
8	Cascades Auburn Fiber	Paper Reprocessor	14,905,900	0.7%	10.29%
9	FPL Energy Maine Hydro LLC	Electric Utility	14,568,700	0.7%	10.99%
10	Riverwatch LLC	Lodging	14,407,500	0.7%	11.69%
			<u>\$ 264,246,730</u>		

Table 8

CITY OF AUBURN, MAINE
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections Subsequent Years	Total Collections to Date	
		Amount Collected	Percentage of Levy		Amount Collected	Percentage of Levy
2012	\$ 39,948,404	38,831,952	97.21%	1,074,867	39,906,819	99.90%
2013	39,455,557	38,386,284	97.29%	1,003,122	39,389,406	99.83%
2014	40,987,430	39,889,671	97.32%	1,032,940	40,922,611	99.84%
2015	41,671,464	40,403,806	96.96%	1,202,885	41,606,691	99.84%
2016	42,459,969	41,444,901	97.61%	939,599	42,384,500	99.82%
2017	44,678,284	43,627,568	97.65%	961,667	44,589,235	99.80%
2018	46,107,186	44,284,387	96.05%	1,636,162	45,920,549	99.60%
2019	46,623,540	45,532,570	97.66%	961,269	46,493,839	99.72%
2020	46,594,891	45,524,340	97.70%	706,461	46,230,801	99.22%
2021	46,478,921	45,776,200	98.49%	N/A	45,776,200	98.49%

Table 9

CITY OF AUBURN, MAINE
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal year	Governmental Activities					Total Long-term Debt	Ratio of Total Debt		Per Capita Net of State Subsidy
	General Obligation Bonds	Notes	Capital Leases	Bonds Payable Premium	Total Long-term Debt	Net of State Subsidy	To Assessed Value	Per Capita	
2012	\$ 61,239,000	598,596	-	-	61,837,596	51,652,300	3.0%	2,682	2,240
2013	59,534,323	504,518	-	1,052,751	61,091,592	54,863,817	2.9%	2,650	2,380
2014	56,826,591	494,897	-	1,169,513	58,491,001	52,408,483	2.9%	2,537	2,273
2015	55,170,858	383,927	1,231,203	1,551,550	58,337,538	53,735,209	2.9%	2,530	2,331
2016	52,225,126	272,956	1,054,017	1,609,074	55,161,173	50,305,298	2.8%	2,393	2,182
2017	48,634,394	211,608	871,863	1,817,852	51,535,717	47,127,830	2.6%	2,235	2,044
2018	48,883,662	137,468	1,590,004	2,704,191	53,315,325	49,411,196	2.7%	2,298	2,130
2019	44,720,000	3,442,435	1,407,190	2,945,851	52,515,476	49,115,105	2.7%	2,264	2,117
2020	59,925,000	2,945,633	1,241,809	3,724,934	67,837,376	64,936,099	3.5%	2,925	2,799
2021	112,130,000	2,048,512	337,620	9,364,344	123,880,476	60,994,199	6.3%	5,149	2,535

Table 10

CITY OF AUBURN, MAINE
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal year	General Obligation Bonds**	To Estimated Actual Value	Per Capita	Total General Obligation Bonds Net of State Subsidy	Per Capita Net of State Subsidy
2012	61,239,000	3.1%	2,656.21	51,053,704	2,214.43
2013	60,587,074	3.1%	2,627.94	54,359,299	2,357.81
2014	57,996,104	3.0%	2,515.55	51,913,586	2,251.73
2015	56,722,408	2.9%	2,460.31	52,120,079	2,260.68
2016	53,834,200	2.7%	2,335.03	48,978,325	2,124.41
2017	50,452,246	2.5%	2,188.34	46,044,359	1,997.15
2018	51,587,853	2.6%	2,237.60	47,683,724	2,068.26
2019	47,665,851	2.4%	2,054.92	44,265,480	1,908.32
2020	63,649,934	3.0%	2,744.00	60,748,657	2,618.93
2021	121,494,344	5.6%	5,049.43	58,608,067	2,435.81

** The 2013-2021 General Obligation Bonds include the premium on bonds, as well as bond amounts.

Table 11

CITY OF AUBURN, MAINE
Direct and Overlapping Governmental Activities Debt
Last Ten Fiscal Years

Fiscal Year	Direct Debt - City of Auburn	Direct Debt - Androscoggin County	Auburn's Share of Androscoggin County Debt	Overlapping Debt - Androscoggin County	Direct and Overlapping Debt		
					Total Debt	Percent of Assessed Value	Per Capita
2012	61,837,596	-	24.64%	-	61,837,596	3.00%	2,682.18
2013	61,091,592	-	24.64%	-	60,038,841	2.99%	2,604.16
2014	58,491,001	-	25.36%	-	57,321,488	2.86%	2,486.29
2015	58,337,538	-	25.36%	-	58,337,538	2.94%	2,530.36
2016	55,161,173	-	25.36%	-	55,161,173	2.77%	2,392.59
2017	51,535,717	-	25.36%	-	51,535,717	2.58%	2,235.34
2018	53,315,325	-	24.90%	-	53,315,325	2.66%	2,298.47
2019	52,515,476	-	24.44%	-	52,515,476	2.67%	2,263.99
2020	67,837,376	-	24.41%	-	67,837,376	3.47%	2,924.53
2021	123,880,476	-	24.14%	-	123,880,476	6.33%	5,148.60

CITY OF AUBURN, MAINE
Legal Debt Management
Last Ten Years
Computation of Legal Debt Margin
June 30, 2021

Historical Legal Debt Margin Last Ten Fiscal Years

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Table 13

CITY OF AUBURN, MAINE
Demographic and Economic Statistics
Last Ten Calendar Years

Fiscal Year	(1) Population	(2) Total Personal Wages	Per Capita Personal Wages	(2) Annual Average Unemployment Rate
2012	23,055	Not available	Not available	7.2%
2013	23,055	Not available	Not available	7.8%
2014	23,055	Not available	Not available	5.5%
2015	23,055	541,950,460	23,507	4.7%
2016	23,055	Not available	Not available	3.7%
2017	23,055	611,994,975	26,545	3.5%
2018	23,055	635,862,779	27,580	3.5%
2019	23,196	758,480,605	32,699	3.0%
2020	23,196	711,154,487	30,658	3.0%
2021	24,061	711,154,487	29,556	3.0%

(1) Source: US Census Bureau

(2) Source: Maine Department of Labor

Table 14

CITY OF AUBURN, MAINE
Principal Non-Governmental Employers
Current Year and Nine Years Ago
June 30, 2021

Rank	Employer	Total Number of Employees	Percent of Total Employees
1	Pioneer Plastics	624	3.7%
2	Wal-Mart Supercenter	518	3.1%
3	Tambrands Inc.	419	2.5%
4	Carbonite Inc	352	2.1%
5	Clover Living Center	287	1.7%
6	Hartt Transportation Systems	248	1.5%
7	UPS	232	1.4%
8	Conform Automotive	202	1.2%
9	Hannaford	170	1.0%
10	Shaws Supermarket	138	0.8%
	All Other Employers	13,786	81.2%
	Total Employees	16,976	

Principal Non-Governmental Employers
June 30, 2012

Rank	Employer	Total appr. number of employees	
1	Wal-Mart Supercenter	562	4.9%
2	Tambrands Inc.	541	4.7%
3	Lepage Bakeries	522	4.5%
4	Pioneer Plastics	502	4.3%
5	Gates Formed Fiber Products	450	3.9%
6	Clover Living Center	268	2.3%
7	Hannaford	177	1.5%
8	General Electric	161	1.4%
9	Shaw's Supermarket	156	1.3%
10	Thomas Moser Cabinetmakers	128	1.1%
	All Other Employers	8,103	70.0%
	Total Employees	11,570	

Source: Maine Department of Labor

Table 15

CITY OF AUBURN, MAINE Number of Employees Last Ten Fiscal Years							
Fiscal Year	General Government	Public Safety	Health, Welfare & Recreation	Public Services	Education	Ice Arena	Total
2012	42.00	123.00	14.00	55.00	585.00	2.00	821.00
2013	45.00	124.00	5.00	55.00	585.00	2.00	816.00
2014	39.00	128.00	5.00	59.00	564.00	5.00	800.00
2015	34.00	126.00	5.00	72.00	565.00	3.00	805.00
2016	34.00	126.00	4.50	70.00	565.00	3.00	802.50
2017	33.50	128.00	5.50	64.00	565.00	4.00	800.00
2018	33.00	137.00	7.50	63.00	569.00	4.00	813.50
2019	36.00	137.00	8.50	62.00	569.00	4.00	816.50
2020	36.00	137.00	8.50	62.00	569.00	4.00	816.50
2021	36.00	137.00	8.50	62.00	569.00	4.00	816.50

Source: Various City departments

Table 16

CITY OF AUBURN, MAINE Demand for Level of Service Last Ten Fiscal Years						
	General Government	Public Safety	Health, Welfare & Recreation	Public Works	Education	Ice Arena
	Service Units:	Service Units:	Service Units:	Service Units:	Service Units:	Service Units:
Fiscal Year	City Population	Police / Fire No. of Service Calls	Libraries / Parks / Cemeteries Maintained	Miles of Road Maintained	No. of Students	Hours of Ice Time Rented
2012	23,055	26,195 / 3,545	1 / 19 / 17	237	3,650	1,798
2013	23,055	24,110 / 3,560	1 / 19 / 17	237	3,744	1,798
2014	23,055	26,626 / 3,535	1 / 19 / 17	237	3,623	1,832
2015	23,055	29,428 / 4,232	1 / 19 / 17	237	3,610	2,996
2016	23,055	27,161 / 4,432	1 / 19 / 17	237	3,554	3,884
2017	22,948	25,470 / 4,609	1 / 19 / 17	237	3,498	3,899
2018	22,948	24,451 / 4,775	1 / 19 / 17	237	3,578	3,885
2019	23,196	24,036 / 4,741	1 / 19 / 17	237	3,474	2,963
2020	23,196	24,767 / 4,752	1 / 19 / 17	238	3,450	2,439
2021	24,061	24,767 / 4,962	1 / 19 / 17	250	3,462	2,386

Source: Various City departments

Table 17

CITY OF AUBURN, MAINE						
Capital Assets Statistics - Net Book Value						
Last Ten Fiscal Years						
Fiscal Year	General Government	Public Safety	Health, Welfare & Recreation	Public Works	Education	Proprietary Funds
2012	33,680,128	1,844,090	8,507,608	47,535,463	27,830,918	729,731
2013	34,145,986	2,020,995	6,001,834	46,166,780	27,536,761	630,402
2014	32,439,570	1,806,175	5,813,288	49,100,585	28,482,183	471,624
2015	32,659,081	2,837,912	5,700,706	47,011,147	29,350,762	416,996
2016	32,300,141	2,399,469	6,020,280	57,246,091	28,956,784	456,021
2017	33,091,101	2,373,248	4,342,849	55,694,038	28,816,772	539,164
2018	34,850,012	2,306,507	5,058,191	54,114,905	29,182,526	515,180
2019	33,150,491	2,297,125	4,613,096	55,782,871	29,218,042	438,377
2020	33,364,328	1,806,093	13,159,293	59,978,937	27,710,199	361,574
2021	12,653,737	2,583,377	15,610,650	72,449,979	41,355,608	284,771

Source: Various City departments