M&C 1890 MOORS & CABOT INVESTMENTS

Banking & Advisory Group

NEW ISSUE

S&P:

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

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
(CUMBERLAND & NORTH YARMOUTH, MAINE)

$53,490,000 ___%
2025 SERIES B GENERAL OBLIGATION BOND ANTICIPATION NOTES
DATED: DECEMBER 29, 2025; DUE DECEMBER 15, 2026,
OFFERED @ ___.___, TO YIELD _____%
CUSIP: 807688___

The 2025 Series B General Obligation Bond Anticipation Notes (the "Notes") will be issued as fully-registered certificates without coupons and, when issued, will be registered in the name of Cede & Co., as Bond owner and nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Notes. Purchases of the Notes will be made in book-entry form, in the minimum denomination of $100,000 or any $5,000 integral multiple thereafter. Purchasers will not receive certificates representing their interest in Notes purchased. See "THE NOTES—BOOK-ENTRY-ONLY SYSTEM" herein. Principal of and interest on the Notes will be paid to DTC by U.S. Bank Trust Company, National Association, Boston, Massachusetts, as Paying Agent. Interest on the Notes will be payable on December 15, 2026.

The legal opinion of Bond Counsel, will be provided to the original purchaser and will indicate that the Notes are valid general obligations of Maine School Administrative District No. 51 (the "District" or "MSAD 51") and, unless paid from other sources, are payable as to both principal and interest from ad valorem taxes which may be levied without limit as to rate or amount upon all the property within the territorial limits of MSAD 51 (which territory includes the towns of Cumberland, Maine and North Yarmouth, Maine) and taxable by it, except to the extent that any municipality within the territory of MSAD 51 may enter into an agreement under Title 30-A, Chapter 223, Subchapter 5 of the Maine Revised Statutes, to share its assessed valuation with another municipality; and except to the extent that any municipality within the territory of MSAD 51 establishes or has established development districts either as tax increment financing districts or affordable housing development districts pursuant to Title 30-A, Chapter 206 and former (now repealed) Chapter 207 of the Maine Revised Statutes, as amended, the captured tax increment of which may not be available for payment of debt service on the Notes. The opinion will indicate that the enforceability of the obligations of MSAD 51, including the Notes, are subject to and may be limited by bankruptcy, insolvency, moratorium and other laws affecting the rights and remedies of creditors generally, and are subject to general principles of equity. The opinion will be dated and given on and will speak as of the date of original delivery of the Notes to the original purchasers.

The Notes are not subject to redemption prior to their stated date of maturity.

The Notes are offered when, as and if issued, subject to the approval of legality by Drummond Woodsum & MacMahon of Portland, Maine, Bond Counsel. It is expected that the Notes in definitive form will be available for delivery to DTC on or about December 29, 2025.

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

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

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

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CERTIFICATE
CONCERNING OFFICIAL STATEMENT

The information contained herein has been prepared by Maine School Administrative District No. 51 ("MSAD 51") with the assistance of Moors & Cabot, Inc., its Municipal Advisor, from MSAD 51's records and from various other public documents and sources which are believed to be reliable. There has been no independent investigation of such information by the Municipal Advisor or by Drummond Woodsum & MacMahon, its Bond Counsel, and such information is not guaranteed as to accuracy or completeness and is not intended to be a representation by the Municipal Advisor or Bond Counsel.

This Official Statement is not to be construed as a contract or agreement between MSAD 51 and the purchasers or holders of any of the Notes. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinion and not as representations of fact. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of MSAD 51 or its agencies and authorities, since the date hereof.

To the best of the knowledge and belief of the undersigned, this Official Statement does not contain any untrue statement of a material fact and does not omit to state any material fact necessary to make the statements made herein, in the light of the circumstances under which they were made, not misleading, subject to the condition that while information in the Official Statement obtained from sources other than MSAD 51 is not guaranteed as to accuracy, completeness or fairness, the undersigned has no reason to believe that such information is materially inaccurate or misleading. A certificate to this effect, with such if any corrections, changes and additions as may be necessary, will be signed by the undersigned and furnished at the closing.

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

Jeffrey J. Porter
Treasurer
Maine School Administrative District No. 51

OFFICIAL STATEMENT
MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
(CUMBERLAND & NORTH YARMOUTH, MAINE)
$53,490,000
2025 SERIES B GENERAL OBLIGATION BOND ANTICIPATION NOTES

This Official Statement is provided for the purpose of presenting certain information relating to the sale of the above-referenced Maine School Administrative District No. 51, 2025 Series B General Obligation Bond Anticipation Notes (the "Notes" or the "2025 Sr B Notes").

THE DISTRICT

Maine School Administrative District No. 51 (the "District" or "MSAD 51") received its Certificate of Organization dated January 26, 1966 (the "Original District"). As a result of the State of Maine school consolidation legislation, Chapter 240 of the Public Law of 2007, as subsequently amended (the "School Consolidation Act"), the Original District became a regional school unit (an "RSU") (See "REORGANIZATION OF SCHOOL ADMINISTRATIVE UNITS IN MAINE INTO REGIONAL SCHOOL UNITS") and received a revised Certificate of Organization dated June 19, 2009, even though the District had not merged with other districts or municipalities into a larger school administrative unit. Pursuant to Chapter 240 of the Public Law of 2007, the District is subject to Title 20-A, Chapter 103-A of the Maine Revised Statutes and other public laws relating to public education and applicable to RSUs, but remains the same legal entity and may keep and continue to use the name Maine School Administrative District No. 51, for official purposes, including for all contracts and debt instruments, including the Notes. See "REORGANIZATION OF SCHOOL ADMINISTRATIVE UNITS IN MAINE INTO REGIONAL SCHOOL UNITS" and "MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51" herein.

THE NOTES

DESCRIPTION OF THE NOTES

The Notes will be issued only as fully-registered securities without coupons, one certificate per CUSIP® assignment, and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York City, New York ("DTC" or the "Securities Depository"). DTC will act as the securities depository for the Notes. Purchases of the Notes will be made in book-entry form, in the minimum denomination of $100,000 or any $5,000 integral multiple thereafter. The Notes will be dated on the date of delivery and will bear interest (accrued on the basis of a 360-day year with twelve 30-day months), payable at maturity on December 15, 2026.

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

The Notes will be dated December 29, 2025. The Notes are not subject to redemption prior to their stated date of maturity. It is expected that the Notes will be available for delivery at DTC on or about December 29, 2025.

RECORD DATE; PAYMENT

The principal of the Notes is payable upon surrender thereof at the designated Corporate Trust Office of the Paying Agent. Payment of the interest on the Notes will be made to the person appearing on the registration books of the Paying Agent as the registered owner thereof at the close of business on the 1st day of the month preceding the interest payment date for the Notes, and if such day is not a regular business day of the Paying Agent, the next day preceding which is a regular business day of the Paying Agent, by check, wire or draft mailed to each registered owner at such person's address as it appears on the registration books, or at another address as is furnished to the Paying Agent in writing by the owner. Interest that is not timely paid or provided for shall cease to be payable to the registered owner as of the regular record date and shall be payable to the registered owner at the close of business on a special record date to be fixed by the Paying Agent.

AUTHORIZATION AND PURPOSE; THE PROJECT

RSUs in Maine are authorized to issue notes or bonds for school construction and other purposes under and pursuant to the laws of the State of Maine, including Sections 1490 and 1501 and Chapter 609 of Title 20-A of the Maine Revised Statutes.

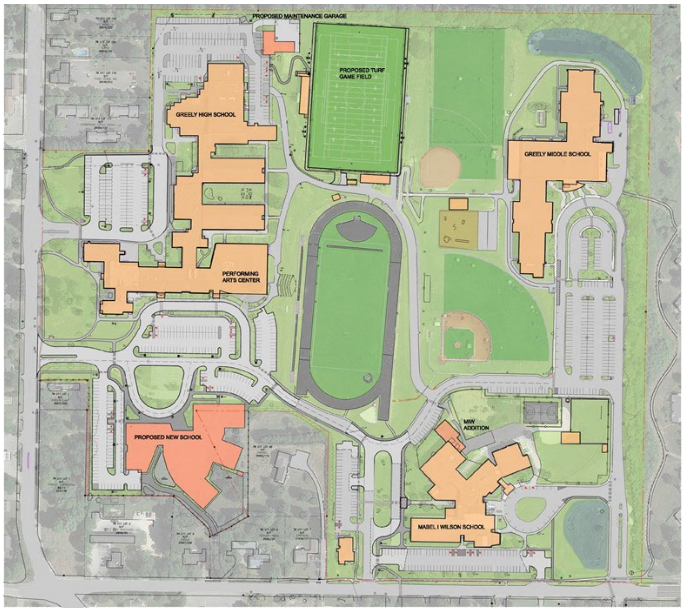
At its meeting held on March 18, 2024, the District School Board (as defined herein) voted affirmatively to ask the District's voters to consider approving $53,492,000, to provide funds to finance constructing and equipping a new pre-K-grade 1 primary school building, a maintenance building, and an addition to Mabel I. Wilson School on the District's Cumberland campus (collectively, the "Project"). On June 11, 2024, the voters of the District approved authorization of the issue of bonds or notes, in an amount not to exceed $53,492,000, to provide funds to finance the Project. The Project also includes a new artificial turf athletic field, vehicular circulation improvements, and other improvements to and reconfiguration of the Mabel I. Wilson School; and to acquire and convey such easements and other real estate interests as the school board deem necessary for the Project (also sometimes collectively referred to as the "One Campus Project").

The expenses for the construction and equipping of the Project will be a *non-State financed major capital school construction project* and debt service on any bonds issued by the District to finance the Project *will not* be included in the District's total debt service allocation for the purpose of calculating the District's total cost of education or the State contribution thereto (i.e., "qualified" for State subsidy). The District will be responsible for the entire debt service on any debt issued by the District for the Project.

On January 30, 2025, the District issued notes in the amount of $16,000,000 to provide initial funds to finance the Project (the "2025 Series A Notes"). The District is issuing the Notes, in the amount of $53,490,000, to provide funds to refinance the 2025 Series B Notes and to provide additional funds to finance the Project. The District intends to refinance the Notes, on a current basis, with a portion of the proceeds of a bond issue, currently scheduled to be sold in November 2026. See "THE NOTES – PLAN OF FINANCING" herein.

One Campus Project

Current school buildings on the Greely campus do not have enough capacity for all enrollees, and many students are being instructed in 29 modular classrooms. In addition to a new pre-K-grade 1 primary school building and turf field, the Project includes the addition of four classrooms at Mabel I. Wilson School, along with other renovations there, a new maintenance facility, the addition of new athletic and play spaces, and an investment in traffic and parking design. The District also relies on three on-site fields for athletics, but must frequently have practices elsewhere because of capacity constraints and the impact of bad weather on grass fields. MSAD 51 leadership has developed the "One Campus School Project" as a solution to these problems for any needed future expansion.



Proposed One Campus Footprint

PLAN OF FINANCING

Maine School Administrative District No. 51

Plan of Financing

	Month	Amount	Cumulative	New	Ref'd'g	Total
	Jan-24	37,400	37,400			
	Feb-24	98,500	135,900			
	Mar-24	99,000	234,900			
	Apr-24	104,800	339,700			
	May-24	67,900	407,600			
Referendum	**Jun-24**	67,400	475,000			
	Jul-24	732,500	1,207,500			
	Aug-24	285,500	1,493,000			
	Sep-24	288,500	1,781,500			
	Oct-24	137,000	1,918,500			
	Nov-24	201,000	2,119,500			
BAN	**Dec-24**	259,000	2,378,500			
(sell Jan 15	**Jan-25**	264,750	2,643,250	16,000,000		**16,000,000**
close Jan 30)	**Feb-25**	264,500	2,907,750			
	Mar-25	259,750	3,167,500			
	Apr-25	135,000	3,302,500			
	May-25	82,000	3,384,500			
	Jun-25	91,750	3,476,250			
	Jul-25	939,890	4,416,140			
	Aug-25	1,453,360	5,869,500			
	Sep-25	1,797,330	7,666,830			
	Oct-25	1,604,580	9,271,410			
	Nov-25	1,926,050	11,197,460			
BAN	**Dec-25**	2,209,020	13,406,480	37,492,000	16,000,000	**53,490,000**
(sell Dec 10	**Jan-26**	2,454,490	15,860,970			
close Dec 29)	**Feb-26**	2,805,710	18,666,680			
	Mar-26	3,498,150	22,164,830			
	Apr-26	3,572,650	25,737,480			
	May-26	3,562,210	29,299,690			
	Jun-26	5,202,710	34,502,400			
	Jul-26	5,371,490	39,873,890			
	Aug-26	5,057,770	44,931,660			
	Sep-26	3,292,830	48,224,490			
	Oct-26	2,314,110	50,538,600			
Bonds	**Nov-26**	1,819,110	52,357,710			**53,492,000**
(sell Nov 17	**Dec-26**	1,134,290	53,492,000			
close Dec 15)		**53,492,000**				

SOURCE OF PAYMENT AND REMEDIES

General Obligation Pledge; Local Assessments

Bonds and Notes are general obligations of MSAD 51 and their payment is not limited to a particular fund or revenue source. MSAD 51 comprises the towns of Cumberland and North Yarmouth (the "Member Municipalities"). Each Member Municipalities' contribution to the annual school budget, which includes MSAD 51's annual debt service obligation, is determined in accordance with the budget annually approved by the voters of MSAD 51. The School Board issues warrants to the assessor of each Member Municipality requiring the assessor to assess upon the taxable estates of the respective Member Municipality an amount equal to each Member Municipality's contribution to MSAD 51's budget. The assessor of each Member Municipality is required to commit the assessment of MSAD 51 to the respective Municipality's tax collectors, who have all the authority to collect MSAD 51's taxes as to collect State of Maine (the "State"), county, and municipal taxes. To ensure payment of assessments by the Member Municipalities, Title 20-A, Section 1489(6) of the Maine Revised Statutes, provides that if the treasurer of either of MSAD 51's Member Municipality fails to pay an assessment when due, MSAD 51 treasurer, following notice and a 60-day cure period from the due date, may initiate an action in Superior Court to compel payment of the delinquent installment. The court shall determine the amount owed by the municipality to MSAD 51 and shall order the municipal treasurer to pay all delinquent installments and accrued interest (along with court costs and reasonable attorney's fees). To ensure prompt payment of the delinquent installments, the court may require that amounts due to the municipality from the State under Title 30-A, Section 5681 and Title 36, Sections 578 and 685 be paid to MSAD 51 until the amount determined by the court is satisfied. The court shall promptly notify the disbursing State agency of the determination and direct the agency to make the required change in payee and the amounts to be paid. If additional funds are needed to satisfy the amount determined by the court to be paid to MSAD 51, the court may order the attachment or trustee process and sale of real or personal property owned by the municipality or the attachment of the municipality's bank accounts or require property tax payments to the municipality to be turned over to the court and may pay the amount owed MSAD 51 from the proceeds and return any excess to the municipality.

Ad valorem property taxes may be levied without limit as to rate or amount upon all the taxable property within the territorial limits of MSAD 51 to pay principal of and interest on the Notes, except to any extent that any municipality within the territory of MSAD 51 may enter into an agreement under Title 30-A, Chapter 223, Subchapter 5 of the Maine Revised Statutes, to share its assessed valuation with another municipality, and except to the extent that any Member Municipality within the territory of MSAD 51 establishes or has established municipal development districts either as tax increment financing districts or affordable housing development districts pursuant to Title 30-A, Chapter 206 and former (now repealed) Chapter 207 of the Maine Revised Statutes, the captured tax increment of which may not be available for payment of debt service on the Notes. The towns have established certain tax increment financing districts and elected to retain a portion of the tax increment on the captured assessed value of the property in the districts to pay costs of the development projects described in the development programs adopted with respect to the districts. Within the limits established by statute, towns have the right to designate additional development districts pursuant to Chapter 206 of Title 30-A and former Chapter 207 of the Maine Revised Statutes. There is no statutory provision for a lien on any portion of the tax levy to secure the Notes, or judgments thereon, in priority to other claims. MSAD 51 is, however, subject to suit on the Notes.

Pursuant to Title 20-A, Section 1490(5) of the Maine Revised Statutes, MSAD 51 is a quasi-municipal corporation within the meaning of Title 30-A, Section 5701 of the Maine Revised Statutes. Section 5701 provides that the personal property of the residents and the real estate within the boundaries of a quasi-municipal corporation may be taken to pay any debt due from the body corporate. However, there has been no judicial determination of whether this remedy is constitutional under current due process and equal protection standards.

MSAD 51's assessments of its Member Municipalities do not include amounts for expenses, including debt service, to the extent the expenses are expected to be paid from budgeted revenues other than revenues from the assessment of taxes. Amounts necessary to repay sums borrowed temporarily in anticipation of bonds or grants are similarly excluded because they would normally be expected to be paid from the anticipated bond proceeds or grants. Enforcement of a claim for payment of principal of or interest on bonds or notes would be subject to the applicable provisions of federal bankruptcy laws and to the provisions of statutes, if any, hereafter enacted by the Congress or the State Legislature extending the time for payment or imposing other constraints upon enforcement insofar as the same may be constitutionally applied. Bonds or Notes are not guaranteed by the State.

State Subsidy

The State subsidizes local school administrative units ("SAUs"), which includes RSUs (e.g., MSAD 51), pursuant to Chapter 606-B of Title 20-A of the Maine Revised Statutes. Chapter 606-B, is known as the "Essential Programs and Services Funding Act," (the "EPS Act") and is summarized in this section. Pursuant to Section 15671 of the EPS Act, Essential Programs and Services ("EPS") are identified as those educational resources required for all students to meet the standards in the eight-content standard subject areas of the system of learning results established by statute. In order to achieve this system of learning results, school funding based on EPS must be available in all schools on an equitable basis and utilize resources including federal funds that are currently provided or could be adapted to implement a system of learning results, as well as additional resources that are also needed to ensure that these programs and services are available to all students. The objective of school funding is to make adequate provision to provide for staffing and other material resource needs of the essential programs and services identified by the Legislature. Funding is subject to appropriation by the State legislature. The EPS Act and State funding under the EPS Act are subject to amendment by the Legislature.

The State and SAU are jointly responsible for contributing to the cost of the components of EPS. The State contribution to the cost of the components of EPS is proposed by the Commissioner of Education (the "Commissioner") and established by the Legislature. The current statutory objective is for the State to provide 55% of the statewide EPS costs to SAUs. See "THE NOTES - SOURCE OF PAYMENT AND REMEDIES - Uncertainty Regarding School Funding," below.

Based upon the State's funding level for a fiscal year, the EPS Act establishes that the Commissioner set a statewide, full-value education mill rate that determines a municipality's required local contribution. The full-value mill rate is that rate which, if applied to the statewide valuation, would produce a sufficient amount to achieve the statewide total local share of the total State/local allocation. The statewide mill rate applied to a municipality's property valuation determines the municipality's required local contribution, also referred to as the "local cost share expectation" for that municipality. The required local contribution is subject to certain adjustments, including, where applicable a minimum receiver adjustment. In some cases, an SAU's formula for dividing costs among its member municipalities creates a "re-allocation" of the member municipalities' contributions towards the SAU's local allocation.

The legislative body of an SAU may approve an additional local appropriation that exceeds the SAU's local allocation for EPS costs only if that action is approved in a separate article by a vote of the SAU's legislative body as part of the school budget approval process in that SAU and in accordance the EPS Act. For SAUs whose legislative bodies are town or city councils, the vote for additional local appropriation must be accomplished by a majority vote of the full membership of the school board, followed by approval of the town or city council. For SAUs whose legislative bodies are budget meetings conducted as a New England-style open meeting of voters, the additional local appropriation is accomplished by a secret ballot, simple majority vote. In most SAUs, following legislative body approval of the school budget, the voters of an SAU must ratify the school budget by a referendum vote.

Uncertainty Regarding School Funding

State subsidies for SAUs are based upon a number of factors set forth in the EPS Act that are subject to change each year. In addition the subsidy formula itself is subject to change each year by the Legislature. Furthermore, subsidies for SAUs are an annual item in the State's budgetary process and are subject to legislative appropriation each year.

The level of State subsidy is subject in any year to approval by the State legislature. Since the State's establishment of school subsidy programs in 1969, in some years the State has curtailed its subsidy of EPS costs(1). In 2005, the State legislature passed "LD 1," a bill that required the State to increase the State contribution to EPS costs to 55%. It was not until 2021 that the State met this 55% funding goal. Still, no assurances can be given that future legislation will not have an adverse impact on school funding in Maine. In addition, no assurances can be given regarding the current, or future, annual appropriation by the Legislature of an amount sufficient to fund the State's share of EPS allocation as it is currently defined and determined under the EPS Act. Because of the uncertainties involved in the legislative process, it is not possible to predict the level of State subsidy to SAUs in future years or indeed, whether the State's subsidy program will continue in its present form.

NOTE: (1) It is noted that in those years where the State has curtailed its subsidy of EPS costs, it always has excluded from curtailment the debt service for school construction projects that the State has approved for inclusion in EPS costs for subsidy services. No assurance can be given, however, that the State will not change this practice in some manner that would affect the level of such debt service subsidy. In any case, however, debt service on the Notes is not included in EPS costs as State approved debt service for subsidy purposes.

Recent Years' State General Purpose Aid to Local Schools

Beginning in fiscal year 2011/2012, the State set targets that include EPS costs *plus* the State contribution to teacher retirement, retired teacher health insurance, and retired teacher life insurance. The State target for General Purpose Aid to Local Schools was established at the following level in the following fiscal years:

Fiscal Year	State % Target	State % Target Including Teacher Retirement Contribution
2020/2021	51.83%	55.00%
2021/2022	55.00%	55.00%
2022/2023	55.00%	55.00%
2023/2024	55.00%	55.00%
2024/2025	55.00%	55.00%

From time-to-time, the State Legislature may change the costs includable in EPS and the method of calculating the achievement of the State target. For example, in fiscal year 2013/2014 the State target for the total cost of K-12 education as measured by the EPS school funding model, included the total "normal cost" of the teachers' retirement premium. The appropriation represents approximately $29 million over the distribution of school subsidy for the current fiscal year before that was reduced by $12.6 million through a curtailment order issued by the Governor in December 2012, as an emergency procedure to keep the State Budget in balance. The $29 million funding increase, however, is accompanied by transferring the financial obligation from the State to the schools for the "normal costs" of teachers' retirement under MainePERS (as defined herein). As seen in the percentages set forth in this section, transferring the State funding of these costs to the EPS formula in prior years brought the State closer to its stated 55% funding goal for EPS costs, without providing a net funding increase. Neither the future amount nor future rate of State subsidy can be calculated on a pro forma basis due to the variable nature of the factors included in the State's determination of funding.

TAX MATTERS

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

The District will make certain representations with respect to the use of the proceeds of the Notes and the School Projects and will covenant (i) to comply with the provisions and procedures of the Code applicable to the Notes and (ii) not to take any action or permit any action that would cause the interest paid on the Notes to be included in gross income for purposes of federal income taxation pursuant to section 103 of the Code.

In the opinion of Bond Counsel and assuming compliance with certain tax covenants, under existing statutes, regulations and court decisions interest on the Notes is excludable from the gross income of the owners of the Notes for purposes of federal income tax purposes pursuant to Section 103 of the Code. Interest on the Notes is not treated as a preference item in calculating the alternative minimum tax; however, such interest is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. In rendering its opinion, Bond Counsel will rely upon the District's representations made with respect to the use of the proceeds of the Notes and the Project and the District's covenant that it will comply with the Code.

Exemption of Interest on the Bonds or Notes from Taxation Within the State of Maine

In the opinion of Bond Counsel, interest paid on the Notes is not subject to income taxes within the State imposed on individuals under existing statutes, regulations and judicial decisions. See "PROPOSED FORM OF LEGAL OPINION" in APPENDIX D herein.

Designated as Qualified Tax-Exempt Obligations

The District ***will not designate*** the Notes as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

Original Issue Discount

Pursuant to Title 20-A, Section 1490(2)(A) of the Maine Revised Statutes, the District may not sell its bonds or notes for less than par.

Original Issue Premium

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

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

Additional Federal Income Tax Consequences

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

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

Changes in Federal Tax Law

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

Opinion of Bond Counsel

The legal opinion of the firm of Drummond Woodsum & MacMahon, of Portland, Maine (see APPENDIX D) will be furnished to the original purchaser of the Notes. The opinion will be dated and given on and will speak only as of the date of original delivery of the Notes to the original purchaser of the Notes.

Extent of Opinion

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

BOOK-ENTRY-ONLY SYSTEM

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

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

Purchases of securities deposited with DTC must be made by or through Direct Participants, which will receive a credit for such securities on DTC's records. The ownership interest of each actual purchaser of each security deposited with DTC ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in securities deposited with DTC are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in securities deposited with DTC, except in the event that use of the book-entry system for such securities is discontinued.

To facilitate subsequent transfers, all securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the securities deposited with it; DTC's records reflect only the identity of the Direct Participants to whose accounts such securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Redemption notices shall be sent to DTC. If less than all of a maturity is being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to securities deposited with it unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the issuer of such securities or its paying agent as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on securities deposited with DTC will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the issuer of such securities or its paying agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), the issuer of such securities or its paying agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the issuer of such securities or its paying agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to securities held by it at any time by giving reasonable notice to the issuer of such securities or its paying agent. Under such circumstances, in the event that a successor depository is not obtained, physical certificates are required to be printed and delivered to Beneficial Owners. The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, physical certificates will be printed and delivered to Beneficial Owners. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

RATING

The Notes are rated "___" by S&P Global Ratings ("S&P"). The District has furnished the rating agency certain information and materials, some of which may not have been included in this Official Statement. The ratings, if obtained, will reflect only the view of S&P at the time such rating is assigned and will be subject to revision or withdrawal, which could affect the market price of the Notes. S&P should be contacted directly for its rating on the Notes and its explanation of such rating. A rating is not a recommendation to buy, sell or hold the Notes, and such rating should be evaluated independently. Except as set forth in the Continuing Disclosure Agreement set forth in APPENDIX E and referred to under "THE

NOTES – CONTINUING DISCLOSURE" herein, the District has not undertaken any responsibility either to bring to the attention of the owners of the Notes any proposed change in, or withdrawal of, any rating of the Notes or to oppose any such change or withdrawal.

CONTINUING DISCLOSURE

In order to assist the underwriter in complying with the Securities Exchange Commission's ("SEC") Rule 15c2-12 (the "Rule"), the District will covenant for the benefit of the owners of the Notes to provide certain financial information and operating data relating to the Rule by not later than 270 days after the end of each fiscal year (the "Annual Report") and to provide notices of the occurrence of certain enumerated events, if material, which material events are more specifically described herein. The covenants will be contained in a "Continuing Disclosure Agreement" (the "Agreement"), the proposed form of which is provided in APPENDIX E. The Agreement will be executed by the Treasurer of the District, and incorporated by reference in the Notes. Except as discussed below, in the past five years the District has complied with the Rule in all material respects with financial information or notices of material events. The following is a list of recent filings by the District:

Financial Statements FY ended June 30,	Filing Date	Days After Fiscal Period End
2024	August 26, 2025	>270
2023	March 27, 2024	271
2022	August 7, 2023	> 270
2021	March 29, 2022	272
2020	March 2, 2021	245

Filing and Event Disclosure

The District's CDA, dated August 1, 2018, obligated the District to "… provide to the MSRB: (a) not later than *March 31* following the end of each fiscal year, commencing with the fiscal year ending June 30, 2018, certain updated financial information and operating data relating to the Issuer for the preceding fiscal year…" (the "Filing"). Therefore, the Filings for the fiscal periods ended June 30, 2023, 2022 and 2021 were filed on a timely basis. The Filing for the fiscal period ended June 30, 2022 was posted on EMMA on August 7, 2023 along with an *Event Filing – Late Filing* failure also posted on August 7, 2023 and the Filing for the fiscal period ended June 30, 2024 was posted on EMMA on August 26, 2024 along with an *Event Filing – Late Filing* failure, posted on December 2, 2025. Since the District's fiscal year ended June 30, 2014, the District includes Operating Data as a Section of its financial statements to assure that annual operating data is also filed. See APPENDIX A – FINANCIAL REPORT, JUNE 30, 2024 – Schedule 22, page 65 *et seq*.

Assurances of Future Compliance

The District adopted a Post-Issuance Compliance Policy on July 24, 2017 that, among other things, provides for timely filings with EMMA or its successor repository, if any, with respect to its existing and future continuing disclosure undertakings. In addition, the District has registered with the EMMA reminder system to receive e-mail reminders to help ensure timely annual filing of required financial and operating data.

CUSIP® IDENTIFICATION NUMBERS

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

MUNICIPAL ADVISOR

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

STATUTORY REFERENCES

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

CONDITIONS PRECEDENT TO DELIVERY

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

Approval of Legality

The legality of the Notes will be approved by Drummond Woodsum & MacMahon of Portland, Maine, Bond Counsel. The unqualified approving opinion of such counsel with respect to the Notes in substantially the form attached to this Official Statement as APPENDIX D will be delivered at the time of original delivery of the Notes and a copy of the opinion will be provided to the original purchasers. The opinion will be dated and given on and will speak only as of the date of original delivery of the Notes to the Underwriter. Bond Counsel are not passing upon and do not assume responsibility for the accuracy or adequacy of the statements made in this Official Statement (other than matters expressly set forth as their opinion) and make no representations that they have independently verified the same. See also "PROPOSED FORM OF LEGAL OPINION" in APPENDIX D herein.

Certificate With Respect to Official Statement

At the time of the original delivery of and payment for the Notes, the District will deliver a certificate of the Treasurer to the effect that the Treasurer has examined this Official Statement and the financial and other data contained therein and that, to the best of the Treasurer's knowledge and belief, both as of its date and as of the date of delivery of the Notes, the Official Statement does not contain any untrue statement of a material fact and does not omit to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading, subject to the condition that while information in the Official Statement obtained from sources other than the District is not guaranteed as to accuracy, completeness or fairness, the Treasurer has no reason to believe that such information is materially inaccurate or misleading.

No Litigation

Upon delivery of the Notes, the District shall deliver or cause to be delivered a certificate of the Treasurer, and attested to by its Secretary, dated the date of delivery of the Notes, to the effect that there is no litigation pending or, to the knowledge of the Treasurer, threatened, affecting the validity of the Notes or the power of the District to assess and to require the Member Municipality to levy and collect taxes to pay the Notes, and that neither the corporate existence nor boundaries of the District, nor the title of any of said officers to their respective offices, is being contested.

Certification of the Notes

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

Certificate With Respect to Treasurers of Member Municipalities

At the time of the original delivery of and payment for the Notes, the District will deliver a certificate of the Treasurer of each of the municipalities within the territory of the District which certifies that no agreements now exist under Title 30-A, Chapter 223, Subchapter V of the Maine Revised Statutes, to share its assessed valuation with another municipality.

REORGANIZATION OF SCHOOL ADMINISTRATIVE UNITS IN MAINE INTO REGIONAL SCHOOL UNITS

THE SCHOOL CONSOLIDATION ACT

The School Consolidation Act was enacted in 2007 with the goal of reorganizing and consolidating certain existing SAUs into RSUs, (including the District as Regional School Unit No. 51 d/b/a School Administrative Unit No. 51 and is included in this section as an "RSU"). The law sets forth State policy to provide for certain existing SAUs to be reorganized into regional, State approved, units of school administration in order to provide: equitable educational opportunities, rigorous academic programs, uniformity in delivering programs, a greater uniformity in tax rates, more efficient and effective use of limited resources, preservation of school choice and maximum opportunity to deliver services in an efficient manner. All SAUs were directed to work with other units to reorganize into larger, more efficient units, or where expansion of the SAU would be impractical or inconsistent with state policy, reorganize their own administrative structures to reduce costs and to achieve administrative efficiencies.

Subject to certain exceptions, existing SAUs were directed to form regional school units of at least 2,500 resident students, or 1,200 resident students in certain situations where geography, demographics, population density, transportation challenges and other obstacles make 2,500 impractical. SAUs that were exempt from the requirement were, nonetheless, required to submit a plan to achieve efficiencies.

The School Consolidation Act also provided for any Maine school administrative district that had not merged with other SAUs into an RSU by January 30, 2009 to be recreated as an RSU under Title 20-A, Chapter 103-A, effective July 1, 2009, without dissolving the school administrative district. The School Consolidation Act further provided for such "recreated" RSUs to be subject to all public laws relating to public education and applicable to RSUs, and to remain the same legal entity, but to be permitted to keep and continue to use the same name, including the term "school administrative district," for official purposes, including all contracts and debt instruments.

REGIONAL SCHOOL UNITS

Organization

An RSU is organized under and governed by Chapter 103-A (Sections 1451 – 1512) of Title 20-A of the Maine Revised Statutes. Pursuant to Chapter 103-A, Section 1490(5) of Title 20-A of the Maine Revised Statutes, an RSU is a body politic and corporate of the State and is a quasi-municipal corporation within the meaning of Title 30-A, Section 5701 of the Maine Revised Statutes. An RSU's power to borrow money is established pursuant to Chapter 103-A, Section 1490 of Title 20-A of the Maine Revised Statutes.

Operation

Pursuant to Title 20-A, Section 1471 of the Maine Revised Statutes, an RSU is governed by a school board. The school board elects and hires the Superintendent, who serves as its Secretary and Treasurer.

Budget and Assessments

The RSU budget preparation and approval process are conducted pursuant to Title 20-A, Sections 1482 - 1489 of the Maine Revised Statutes. The RSU budget is prepared by the school board and then must be approved at New England town meeting-style budget meeting, followed by voter approval at a budget validation referendum. The budget validation referendum must be held on or before the 45th calendar day following the scheduled date of the RSU budget meeting. If the voters do not validate the budget at the budget validation referendum, the school board must hold another budget meeting to approve a new budget at least 10 days and not more than 45 days after the referendum. The new budget approved at the budget meeting must again be submitted to the voters for validation at referendum. The process must be repeated until a budget is approved at a district budget meeting and validated at referendum. The voters of an RSU may vote to discontinue the budget validation referendum process, in which case the RSU budget is finally approved at an RSU budget meeting.

Pursuant to Title 20-A, Section 1487 of the Maine Revised Statutes, if a budget is not approved prior to July 1st, the latest budget approved at an RSU budget meeting and submitted for approval at a budget validation referendum is automatically considered the budget for operational expenses for the ensuing year until a final budget is approved. If a budget is not approved by July 1st and the officers of an RSU member municipality determine that property taxes must be committed in a timely manner, such property taxes may be committed based on the latest budget approved at an RSU budget meeting and submitted for approval at a budget validation referendum.

In accordance with the approved budget, the school board issues assessments warrants to the assessors of each member municipality for its share of the RSU’s costs. The assessors commit the assessment to the respective tax collectors, who have the authority and powers to collect the RSU’s assessments as is vested in them by law to collect state, county and municipal taxes. The RSU school board also notifies the member municipalities of the monthly installments that will become payable during the RSU’s fiscal year, due on or before the 20th of each month.

In accordance with Title 20-A, Section 1489(6) of the Maine Revised Statutes, if a treasurer of one of the RSU’s constituent municipalities fails to pay an assessment when due, the RSU treasurer, following notice and a 60-day cure period from the due date, may initiate an action in Superior Court to compel payment of the delinquent installment. The court shall determine the amount owed by the municipality to the RSU and order the municipal treasurer to pay all delinquent installments and accrued interest (along with court costs and reasonable attorney’s fees). To ensure prompt payment of the delinquent installments, the court may require that amounts due to the municipality from the State be paid to the RSU until the amount determined by the court is satisfied, promptly notifying the disbursing state agency of the determination and directing the agency to make the required change in payee and the amounts to be paid; or if additional funds are needed the court may order the attachment or trustee process and sale of real or personal property owned by the municipality or the attachment of the municipality's bank accounts or require property tax payments to the municipality to be turned over to the court and may pay the amount owed the RSU from the proceeds and return any excess to the municipality.

Power to Borrow Money

Pursuant to Title 20-A, Section 1490of the Maine Revised Statutes, the RSU school board may borrow money to pay for current operating expenses, minor capital costs, and, school construction costs. The aggregate principal amount of outstanding debt issued or assumed by an RSU for major and minor capital costs (i.e., school construction purposes and renovation, improvement, and repair purposes), shall not exceed 10% of the total of the last preceding State valuation of all of the municipalities within the RSU plus an amount not to exceed 4% of the total RSU valuation set by the State Board of Education at the time of initial approval of a school construction project.

Additions to a District

An SAU not originally a member of an RSU may be included in the RSU by filing with the Commissioner a notice of intent to engage in planning and negotiations to join with the RSU. The Commissioner shall provide information regarding the process and whether the intended action complies with the requirements of Chapter 103-A of Title 20-A. An SAU may join an existing RSU generally in the same manner required for the formation of the district. The municipal officers of each municipality in a proposed reorganized SAU shall submit the question to the voters of such SAU. If the SAU vote was in the affirmative, the existing RSU shall call a district referendum to vote on the question. If a reorganization plan is approved, the Commissioner shall file notice of approval of the unit with the State Board of Education and the Commissioner shall issue an amended certificate of organization to the reorganized RSU.

Withdrawals from an RSU

A municipality may withdraw from the RSU under the RSU statutes pursuant to Title 20-A, Section 1466 of the Maine Revised Statutes. The process of a municipality's withdrawal from an RSU is initiated by a petition signed by at least 10% of the voters of the municipality that voted in the last gubernatorial election. After a public hearing, the municipality holds a referendum election on whether to file the withdrawal petition with the RSU school board and the Commissioner of Education. If the municipal vote in favor of the petition receives less than 45% of the votes cast, that municipality may not petition to withdraw within two years of the date of that vote.

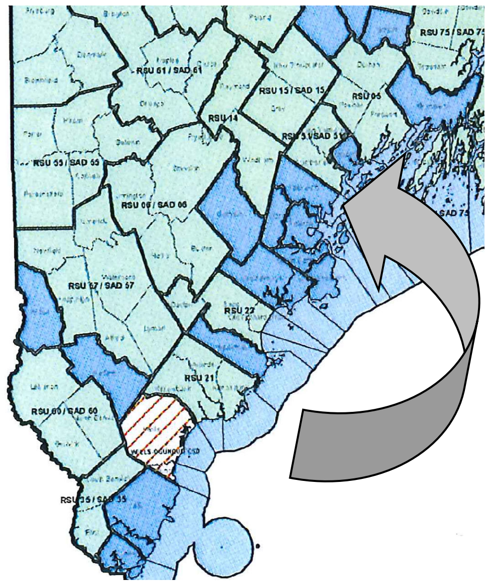
If the voters approve the withdrawal petition, the municipal officers shall form a withdrawal committee, composed of one of the municipal officers, one member from the general public, one member from the group filing the petition, and one of the municipality's representatives on the school board. The withdrawal committee must negotiate a withdrawal agreement with the RSU school board. The withdrawal agreement must contain provisions to address aspects of the withdrawal, including distribution of financial commitments arising from the RSU's outstanding bonds, notes, and other contractual obligations. The statute governing withdrawals expressly provides that the RSU "remains intact for the purpose of securing and retiring [outstanding] indebtedness" of the RSU. The Commissioner then reviews the withdrawal agreement, and either gives it conditional approval or recommends changes. If changes are recommended, they must be made by the withdrawal committee within the time period specified by the commissioner.

After the withdrawal agreement receives conditional approval from the Commissioner, the RSU school board calls a public hearing to discuss the merits of the withdrawal agreement. Following the public hearing, the withdrawal committee forwards the final agreement back to the commissioner. The commissioner then schedules the date and time for the referendum to consider the withdrawal agreement.

At the referendum, only the municipality proposing to withdraw may vote on whether to approve the withdrawal agreement. For a municipality to withdraw from an RSU formed pursuant to a reorganization plan approval of a withdrawal agreement requires a simple majority vote of the withdrawing municipality, however, the number of votes cast for and against the withdrawal must exceed 50% of the voters in the last gubernatorial election. In this type of RSU, if the municipal vote in favor of the withdrawal agreement receives less than 45% of the votes cast, that municipality may not petition to withdraw within two years of the date of that vote. For a municipality to withdraw from an RSU that was reformulated from a school administrative district pursuant to Public Law 2007, Chapter 240, Section XXXX-36(12), approval of the withdrawal agreement requires a 2/3 vote, but there is no minimum number that must vote. In this type of RSU, if the municipal vote in favor of the withdrawal agreement receives less than 60% of the votes cast, that municipality may not petition to withdraw within two years of the date of that vote.

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51

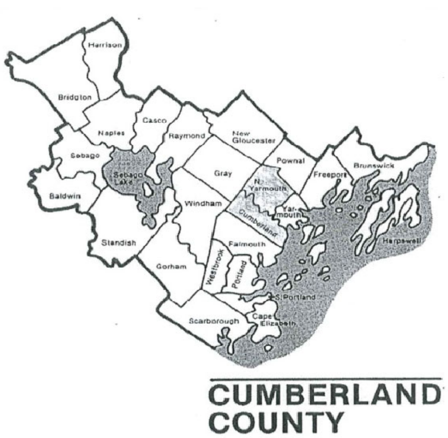
GENERAL



Maine School Administrative District No. 51 was originally organized and became operative on February 7, 1966. On June 19, 2009 the District received a new Certificate of Organization replacing, but not dissolving, the District as Regional School Unit No. 51 d/b/a School Administrative Unit No. 51. The District's territory (both the prior District and as reconstituted as an RSU) is comprises the towns of Cumberland and North Yarmouth, Maine and serves the educational needs for grades pre-Kindergarten ("K") through 12 for all of the residents of these communities. The District's administrative offices are located in Cumberland Center. Under the School Consolidation Act, the District operates pursuant to Title 20-A, Chapter 103-A of the Maine Revised Statutes.

THE MEMBER MUNICIPALITIES

The Member Municipalities are located on the southern coast of the State of Maine in the northeastern section of the County of Cumberland, the State's most populous county. Cumberland is approximately 10 miles north of Portland, Maine; North Yarmouth is approximately 15 miles north of Portland; and the towns are contiguous. The Member Municipalities' territory is bordered by the towns of Pownal on North Yarmouth's northeast, Gray and Windham to the northwest of both Member Municipalities, Falmouth on Cumberland's south and Yarmouth northeast of Cumberland and southeast of North Yarmouth. The Atlantic Ocean forms Cumberland's southeastern border. The Royal River flows through the center of North Yarmouth. Access to the Towns is provided by Exit 10 of U.S. Interstate 295 in Falmouth, Exits 15 and 17 of U.S. Interstate 295 in Yarmouth, Exits 52 and 53, and Exit 63 of the Maine Turnpike (U.S. Interstate 95) in Falmouth and Gray, respectively. U.S. Route 1 and State Route 88 follow Cumberland's coastal plain, with State Routes 26 and 100 intersecting its southwestern corner. State Route 9 bisects the Towns from a north/south direction, spurring off State Routes 115 and 231 in North Yarmouth.



The area embracing the Towns was first settled in 1636 but was abandoned twice before successful final settlement in 1713. The Town of North Yarmouth, chartered on September 22, 1680, originally encompassed the present towns of Cumberland, Freeport, Harpswell, North Yarmouth, Pownal and Yarmouth. The "North" in the name was intended to differentiate it from the Town of Yarmouth, Massachusetts in Cape Cod. The Town of Harpswell set off and incorporated in 1750; the Town of Freeport set off in 1789; the Town of Pownal, then part of Freeport, set off in 1808; and Cumberland set off and incorporated on April 2, 1821, deriving its name from its County. On July 1, 2007, Great Chebeague Island and the "Outer Islands" (as defined herein) set off from the Town of Cumberland, forming Maine's newest town, the Town of Chebeague Island. Settling originally on Casco Bay, by 1830 North Yarmouth's town center shifted upstream to the lower part of the Royal River. Yarmouth constituted the southern section of

North Yarmouth until it separated and incorporated as the Town of Yarmouth on August 8, 1849. This made North Yarmouth an inland community, four miles from the ocean, but allowed North Yarmouth's citizens to "hold in common" with the people of Yarmouth all rights and privileges in all of Yarmouth's public landings, mussel beds, flats, and fisheries. Cumberland is a suburban coastal community with highly developed shorefront areas contrasted with rural characteristics in the western portions. North Yarmouth is a suburban community contrasted with rural characteristics. The Towns have primarily single-family, owner-occupied dwellings. The land area of the Towns is comprised of residential, local business, industrial, commercial and resource protection zones, open space and woodland areas. The combined area of the territory totals 42.56 square miles.

GOVERNANCE

The District School Board is formed pursuant to Title 20-A, Chapter 103-A, Subchapter 3 of the Maine Revised Statutes. The District has a nine member School Board of which six are residents of the Town of Cumberland and three are residents of the Town of North Yarmouth. Each Director has one vote. The delegation from each community is elected for three-year staggered terms. The Superintendent is the Secretary, Treasurer, and chief administrator of the District.

THE SCHOOLS

The District has four schools located in three buildings which include a primary school, an elementary school and junior high school, and a high school. The staff consists of one superintendent, four principals, and 206.43 full-time equivalent ("FTE") teachers and various other professional and non-professional staff. The District's schools are:

Location	School	Grades	Capacity	October 1, 2024 Projected Enrollment
Cumberland	Mabel I. Wilson	Pre K – 3	750	723
Cumberland	Greely Middle	4 – 5	400	371
Cumberland	Greely Middle	6 – 8	700	512
Cumberland	Greely High	9 – 12	800	601

ENROLLMENTS

The following tables show the student population sent from the Member Municipalities and its respective percentage of the District's Resident Student population over the last five years, based upon the State of Maine Department of Education's October 1st Annual Census:

	Town of Cumberland		Town of North Yarmouth		Total Resident Enrollment[1]	
Oct 1,	**Students**	**%**	**Students**	**%**	**Students**	**%**
2024	1,515	68.52%	696	31.48%	2,207	99.00%
2023	1,473	67.99%	697	32.12%	2,170	98.23%
2022	1,444	67.63%	691	32.37%	2,135	99.03%
2021	1,414	68.11%	662	31.89%	2,076	98.76%
2020	1,388	67.41%	671	32.59%	2,059	98.33%

NOTE: [1] Does not include Tuition students. **Resident Enrollment** is based on where the students live. They are counts of students who reside in each school district and are educated at public expense. Public school district resident counts include: (1) resident students from the local school unit attending schools in the local school unit, plus (2) resident students from the local unit who are tuitioned to other public school units or private schools and who are paid for with public funds.

The following tables display the trend of the District's school enrollments by Member Municipality, and then consolidated for the entire District, including Tuition Students, based upon the State of Maine Department of Education's October 1st Annual Census.

Town of Cumberland, School Enrollment Trend

	Grades					% Resident
Oct 1,	**K-3**	**4-5**	**6-8**	**9-12**	**Total**	**Enrollment**
2024	489	256	351	418	1,514	68.52%
2023	478	252	331	412	1,473	67.88%
2022	500	228	322	394	1,444	67.63%
2021	479	219	323	393	1,414	68.11%
2020	450	207	327	404	1,388	67.41%

Town of North Yarmouth, School Enrollment Trend

	Grades					% Resident
Oct 1,	**K-3**	**4-5**	**6-8**	**9-12**	**Total**	**Enrollment**
2024	234	117	161	183	695	31.48%
2023	255	109	142	191	697	32.12%
2022	256	89	151	195	691	32.37%
2021	228	103	136	195	662	31.89%
2020	213	101	139	218	671	32.59%

MSAD 51 Consolidated Enrollments, School Enrollment Trend

	Consolidated Attending Enrollment							Member
	Member Municipalities							Municipalities
Oct. 1,	**K-3**	**4-5**	**6-8**	**9-12**	**Total**	**Tuition**	**Total**	**as % Total**
2024	723	371	512	601	3,207	27	2,234	98.79%
2023	734	361	475	604	2,174	35	2,209	98.42%
2022	756	317	473	589	2,135	21	2,156	99.03%
2021	707	322	459	588	2,076	26	2,102	98.76%
2020	663	308	466	622	2,059	35	2,094	98.33%

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

Portland Arts and Technology High School

Title 20-A, Chapter 313 of the Maine Revised Statutes, provides for "applied technology education" or a course or program of education which is designed to create or improve job-related skills that are part of a secondary school curriculum. The programs may be offered via a center (a "Center"), a satellite program (a "Satellite Program") or a region (a "Region"). A Center is an administrative entity governed, operated and administered by a single SAU.

As a Center, the Portland Arts & Technology High School ("PATHS") is owned, operated and maintained by the Department of Education of the City of Portland. The law regarding the funding of PATHS was changed by Chapter 226 of the Private and Special Laws of Maine (1999) such that sending SAUs (as defined herein) no longer pay per student tuition to Portland but pays for attendance through a cost sharing agreement. State subsidy for PATHS no longer goes entirely to Portland, but each SAU receives some subsidy for Career Technical Education based on their costs for student enrollment at PATHS.

LABOR RELATIONS

District employees (other than managerial and confidential employees) are entitled to join unions and to bargain collectively on questions of wages, hours and other terms and conditions of employment. Teachers are represented by the MSAD 51 Education Association ("MSAD 51 Ed Assoc") through its affiliation with the Maine Education Association ("MEA"). School Secretaries, Educational Technicians, and Library Technicians may also be represented by MEA, as a separate bargaining unit. Custodians and Maintenance Personnel, Bus Drivers, and School Lunch Workers may be represented by unions, as separate bargaining units. Other District employees are not represented by a union.

			Date of Contract	
Union	Members	Bargaining Unit	Effective	Expiration
MSAD 51 Ed Assoc.	253	Teachers	Sept. 1, 2024	Aug. 31, 2027
MSAD 51 Ed Assoc.	84	Secretaries, Ed Tech, Lib Tech	July 1, 2022	June 30, 2025[1]
Local Union	22	Custodians	July 1, 2023	June 30, 2026
MSAD 51 Ed Assoc.	20	Bus Drivers	July 1, 2024	June 30, 2027
Local Union	12	School Lunch Workers	July 1, 2024	June 30, 2027

NOTE: The bargaining Unit and District are currently in negotiation. The District has budgeted for compensation increases, if any.

COMMUTER PATTERNS

The following table displays the geographic place of employment for residents located in the District's Member towns and commuters that work in the District's Member towns:

Member Municipalities Workers				Workers that Commute to Member Municipalities			
Live in:	Work in:	#	%	Live in:	Work in:	#	%
Cumberland	Portland	1,419	23.67%	Cumberland	Cumberland	534	25.21%
North Yarmouth	Portland	673	11.23%	North Yarmouth	North Yarmouth	329	15.53%
Cumberland	Cumberland	534	8.91%	Gray	Cumberland	158	7.46%
North Yarmouth	North Yarmouth	329	5.49%	Falmouth	Cumberland	132	6.23%
Cumberland	Scarborough	290	4.84%	North Yarmouth	Cumberland	127	6.00%
Cumberland	South Portland	286	4.77%	Portland	Cumberland	113	5.34%
Cumberland	Falmouth	203	3.39%	Windham	Cumberland	89	4.20%
Cumberland	Freeport	202	3.37%	Yarmouth	Cumberland	55	2.60%
Cumberland	Yarmouth	160	2.67%	Yarmouth	North Yarmouth	55	2.60%
Cumberland	Westbrook	159	2.65%	New Gloucester	Cumberland	45	2.12%
North Yarmouth	Yarmouth	159	2.65%	Winthrop	Cumberland	42	1.98%
North Yarmouth	Freeport	143	2.39%	Freeport	Cumberland	35	1.65%
North Yarmouth	South Portland	139	2.32%	Cape Elizabeth	North Yarmouth	33	1.56%
North Yarmouth	Cumberland	127	2.12%	Gray	North Yarmouth	29	1.37%
North Yarmouth	Westbrook	111	1.85%	Portland	North Yarmouth	27	1.27%
All Other		1,060	17.68%	All Other		315	14.87%
Member Total Workers		**5,994**	**100.00%**	**Commuters to Members Towns**		**2,118**	**100.00%**

SOURCE: U.S. Department of Commerce, Bureau of Census - Tables 3 & 4. Residence MCD/County to Workplace MCD/County Commuting Flows for the United States: 5-Year ACS, 2011-2015, the latest information available.

DEMOGRAPHIC CHARACTERISTICS

Population	Town of Cumberland	Town of North Yarmouth	% Change from Previous Census Towns	State	USA
1980	5,284	1,919	31.5%	13.4%	11.4%
1990	5,836	2,429	14.7	9.2	9.8
2000	7,159	3,210	25.5	3.8	13.2
2010	7,211	3,565	3.9	4.2	8.9
2020	8,754	4,095	19.2	1.2	6.3

Population Characteristics	Town of Cumberland	Town of North Yarmouth	Cumberland County	State	USA
Median age	39.4	47.8	42.1	44.8	38.5
% under 5 yrs	7.0%	NA	4.6%	4.4%	5.5%
% under 18 yrs	26.6%	NA	17.8%	17.8%	21.7%
% 65 and over	18.6%	NA	21.0%	23.0%	17.7%
Persons/household	2.84	2.80	2.28	2.27	2.54

Income	Town of Cumberland	Town of North Yarmouth	Cumberland County	State	USA
Med. household income	$154,375	$118,304	$92,983	$71,773	$78,538
% below poverty	3.8%	6.3%	6.9%	10.4%	11.1%
Per capita income	$83,871	$58,930	$54,238	$42,035	$43,289

Housing	Town of Cumberland	Town of North Yarmouth	Cumberland County	State	USA
% owner occupied	91.4%	83.4%	70.4%	74.0%	65.0%
Owner occ. med val.	$554,100	$480,000	$411,400	$266,400	$303,400
Median gross rent	$1,615	$2,250	$1,492	$1,084	$1,348

SOURCE: 2020 Census, U.S. Department of Commerce, Bureau of the Census – Quick Facts. Certain data for North Yarmouth may not be available as Quick Facts only provides data for towns with population greater than 5,000.

Unemployment	Town of Cumberland	Town of North Yarmouth	Cumberland County	State	USA
2024	2.3%	2.0%	2.5%	3.1%	4.0%
2023	2.0	1.8	2.4	2.9	3.6
2022	2.2	1.9	2.4	3.0	3.6
2021	3.0	3.2	4.0	4.6	5.5
2020	4.3	3.9	5.3	5.4	8.1
2019	2.2	1.9	2.4	3.0	3.7
2018	2.2	1.9	2.4	3.4	3.9
2017	2.2	2.1	2.5	3.3	4.4
2016	2.7	2.3	2.9	3.9	4.9
2015	3.0	2.6	3.4	4.4	5.3

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

DISTRICT FINANCES

BUDGETARY PROCESS

See "Regional School Units – Budgets and Assessments" for the Budget process. The following table sets forth trends in the District's General Fund budgets:

General Fund Budgets
Fiscal Year Ending June 30,

	2022	2023	2024	2025	2026
REVENUES					
Charges for services:					
Town assessments	$29,022,476	$30,701,864	$32,248,410	$34,412,352	$36,663,452
Tuition	0	0	0	0	0
State subsidy	12,669,774	12,943,022	14,600,555	15,614,832	16,824,564
Interest	10,000	10,000	0	0	0
Chebeague Island debt service	134,035	127,641	134,364	107,923	27,457
Other	10,000	20,000	60,000	115,000	311,648
TOTAL REVENUES	41,846,285	43,802,527	47,043,329	50,250,107	53,827,121
EXPENDITURES					
Regular instruction	17,830,748	18,769,540	20,960,946	21,829,979	23,976,660
Special ed instruction	7,143,032	7,443,350	8,615,402	9,381,146	10,226,334
Other instruction	805,387	824,916	933,735	998,836	1,077,586
Student and staff support	3,110,418	3,321,871	3,339,075	3,806,395	4,546,914
System administration	1,219,964	1,314,386	1,362,829	1,565,868	1,692,248
School administration	1,645,738	1,816,940	1,892,534	2,013,715	2,147,761
Transportation and buses	2,077,729	2,170,343	2,009,849	2,253,499	2,302,341
Facilities maintenance	4,937,969	5,158,856	4,966,079	5,615,317	5,879,877
Debt service	3,075,300	2,982,325	2,962,880	2,785,352	1,977,401
TOTAL EXPENDITURES	$41,846,285	$43,802,527	$47,043,329	$50,250,107	$53,827,121
REVENUES OVER/UNDER EXPENSES	$0	$0	$0	$0	$0

INVESTMENT POLICY

The District has not established a formal Investment Policy. However, the District follows applicable Maine law [Title 30-A, Section 5706 *et seq.* of the Maine Revised Statutes (the "Act")] whereby all investments of the District must be made with the judgment and care that persons of prudence, discretion and intelligence, under circumstances then prevailing, exercise in the management of their own affairs, not for speculation but for investment considering (i) safety of principal and maintenance of capital, (ii) maintenance of sufficient liquidity to meet all operating and cash requirements with which a fund is charged, that is reasonably expected, and (iii) return of income commensurate with avoidance of unreasonable risk. Under its policy, the District's investment practice is to maintain a cash and investment pool that is available for use by all funds and consists of short-term investments. The District is invested principally in direct obligations of the United States government and its agencies. The District is not invested in any obligations typically referred to as derivatives, meaning obligations created from, or whose value depends on or is derived from the value of one or more underlying assets or indexes of asset values in which the municipality owns no direct interest.

FUND BALANCE

The 9% Law

Title 20-A, Section 15689-B(6) of the Maine Revised Statutes provides as follows:

> "Notwithstanding any other law, general operating fund balances at the end of a school administrative unit's fiscal year must be carried forward to meet the unit's needs in the next year or over a period not to exceed 3 years. Unallocated balances in excess of 9% of the previous fiscal year's school budget must be used to reduce the state and local share of the total allocation for the purpose of computing state subsidy. School boards may carry forward unallocated balances in excess of 9% of the previous fiscal year's school budget and disburse these funds in the next year or over a period not to exceed 3 years."

Except for the above temporary exception, the SAU may be subject to reduction in state subsidy if it maintains an unallocated fund balance in an amount exceeding 9% of the budget, and does not disburse the funds above that limit within 3 years. The 9% law applies only to "unallocated" fund balances. An SAU's "allocated" balances are not subject to this limitation. An SAU's legislative body may "allocate" its fund balance to the next year's budget or into a reserve account through their annual budget process and/or a special article. The following is a worksheet that the State Department of Education ("DOE") provides to each SAU to calculate its "unallocated" fund balance.

Unallocated Fund Balance Calculation

1) Prior Fiscal Year ("Prior FY") Operating Budget (Prior FY EF-M-46, page 2, column 6, line 22)	=	$ _______
2) x% of Operating Budget (x% x $ _____________)	=	$ _______
3) Actual ending balance (Prior FY EF-M-45, page 12, column 1, line 13)	=	$ _______
4) Balance used for budget purposes (allocated) (Current Fiscal Year EF-M-46, page 3, line 30)	=	$ _______
5) **Unallocated** ending balance (3. minus 4.)	=	$ _______
6) x% x prior year's budget (2.)	=	$ _______
7) Amount in **excess** of x% (5. minus 6. or zero if less than zero)	=	$ _______

Typically, the State DOE assumes that some or all excess is used to reduce any amounts raised locally without State participation. If some or all of the excess remains, then the State DOE will assume that the State share of the EPS allocation should have been reduced and prorate the State share, accordingly.

Fund Balance for Member Municipalities

	Town of Cumberland			Town of North Yarmouth		
Year ended June 30,	2022	2023	2024	2022	2023	2024
Assigned & Unassigned:	$4,284,298	$5,004,785	$5,397,656	$1,389,587	$1,934,208	$2,992,112
Total Revenues:	35,763,674	38,140,827	40,387,675	12,754,501	13,922,302	15,053,252
Fund Bal %/Revenues:	11.98%	13.12%	13.36%	10.89%	13.89%	19.88%

FINANCIAL STATEMENTS

Title 20-A, Chapter 221, Subchapter 2 of the Maine Revised Statutes, provides for independent annual audits of the District's accounts and establishes procedures for such audits. The District, in conformance with this statute, currently engages the services of Royer Advisors & Accountants ("Royer"). The District's fiscal year 2024 Annual Financial Statements, prepared by Royer, is presented as APPENDIX A to this Preliminary Official Statement. The consent of Royer for the incorporation of the Financial Statements included in APPENDIX A has not been requested by the District, nor has it been received.

The Member Municipalities' most recent audited fiscal year's Financial Statements are presented as APPENDIX B (for the Town of Cumberland, Maine) and APPENDIX C (for the Town of North Yarmouth, Maine) to this Official Statement. Being of public record, neither the consent of the Member Municipalities' nor its auditors has been requested by the District, nor has it been received, for the incorporation as appendices to this Official Statement.

FUNDS

The accounts of the District are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts which comprise its assets, liabilities, equities, revenues and expenditures or expenses. The following fund types and account groups are used by the District:

Governmental Funds

The **General Fund** is the general operating fund of the District. It is used to pay the general operating expenditures, the fixed charges and the capital improvement costs that are not paid through other funds.

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trust, or major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

Capital Projects Funds are used to account for financial resources to be used for the acquisition, construction or improvement of major capital facilities.

Proprietary Funds are **Enterprise Funds** that are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods and services on a continuing basis be financed or recovered primarily through charges, or where the governing body had decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Fiduciary Funds Trust and Agency Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups

The **General Long-term Debt Account Group** is established to account for all long-term obligations of the District, except those accounted for in the Proprietary Fund (if any).

The **General Fixed Assets Account Group** the District does not maintain this group of accounts which would otherwise account for the fixed assets of the District.

COMPARATIVE FINANCIAL STATEMENTS

The District

Displayed on the following pages are the comparative financial statements of the *District's Combined Balance Sheet – General Fund* and the District's *Comparative Statement of Revenues, Expenditures and Changes in Fund Balances – General Fund* for its most recent five audited fiscal periods.

The Member Municipalities

Also displayed on the following pages, are the comparative financial statements of the Town of Cumberland's and Town of North Yarmouth's *Combined Balance Sheet – General Fund* and *Comparative Statement of Revenues, Expenditures and Changes in Fund Balances – General Fund*, for its most recent three audited fiscal periods.

MSAD 51
COMPARATIVE BALANCE SHEET
GENERAL FUND
(As of June 30,)

	2024	2023	2022	2021	2020
ASSETS					
Cash and investments	$11,610,809	$12,571,282	$12,082,168	$9,284,174	$7,395,964
Cash held by third party	120,546	109,949	94,163	101,665	134,390
Accounts receivable	33,825	52,264	42,241	34,239	36,053
Prepaid expenses	15,402	51,864	12,147	11,629	9,189
Due from other funds	696,828	82,576	281,308	207,484	99,149
TOTAL ASSETS	12,477,410	12,867,935	12,512,027	9,639,191	7,674,745
LIABILITIES & FUND EQUITY					
Liabilities:					
Accounts payable	240,882	127,002	168,421	135,163	98,163
Accrued wages	4,506,063	4,021,812	3,629,704	3,402,584	3,160,593
Unearned revenue	1,122	1,122	1,122	0	0
Due to other	3,677,601	3,945,975	2,273,201	2,281,057	1,944,189
TOTAL LIABILITIES	8,425,668	8,095,911	6,072,448	5,818,804	5,202,945
FUND EQUITY:					
Non-spendable	15,402	51,864	12,147	11,629	9,189
Restricted	0	0	0	0	0
Committed	1,512,685	1,323,620	1,073,044	373,044	23,044
Assigned	0	0	0	0	0
Unassigned	2,523,655	3,396,540	5,354,388	3,435,717	2,439,567
TOTAL FUND EQUITY	4,051,742	4,772,024	6,439,579	3,820,390	2,471,800
TOTAL LIABILITIES AND EQUITY	$12,477,410	$12,867,935	$12,512,027	$9,639,194	$7,674,745

Prepared from Audited Financial Statements

MSAD No. 51
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND
(For the Years Ended June 30,)

	2024	2023	2022	2021	2020
REVENUES					
Town Assessments	$32,248,410	$30,701,864	$29,022,476	$28,003,015	$26,306,422
Inter-governmental	14,753,522	12,957,514	13,839,987	11,989,712	11,847,604
Charges for services	13,300	12,559	0	0	22,937
Interest earned	247,560	157,247	9,515	12,800	42,902
Intergovernmental on behalf	3,480,728	3,315,311	2,954,002	2,798,090	2,738,033
Chebeague Island debt	134,364	131,798	133,477	138,116	138,974
Miscellaneous	140,638	108,938	129,459	63,564	59,027
TOTAL REVENUES	51,018,522	47,385,231	46,088,916	43,005,297	41,155,899
EXPENDITURES					
Instructions	20,249,538	18,686,834	17,456,527	16,422,738	16,221,238
Special ed instruction	8,402,233	7,005,776	6,503,556	6,307,600	6,308,513
Other instruction	994,308	826,405	741,092	622,040	658,559
Student and staff report	3,538,663	3,318,866	3,103,967	3,256,882	3,024,082
System administration	1,537,274	1,317,561	1,181,547	1,206,826	1,035,476
School administration	1,892,095	1,773,403	1,608,530	1,595,770	1,407,042
Transportation and buses	2,242,275	2,187,851	2,051,000	1,629,853	1,789,929
Facilities maintenance	4,938,466	5,158,194	4,908,370	4,423,447	4,201,588
Debt service	2,949,724	2,982,325	3,075,300	3,157,063	2,769,538
Site improvements and tech	700,000	0	0	0	14,161
MainePERS	3,480,728	3,315,311	2,954,002	2,798,090	2,738,033
TOTAL EXPENDITURES	50,925,304	46,572,526	43,583,891	41,420,309	40,168,159
EXCESS REVENUES OVER (UNDER) EXPENDITURES	93,218	812,705	2,505,025	1,584,988	987,740
OTHER FINANCING SOURCES					
Operating transfers in (out)	(813,500)	(2,480,260)	114,164	(236,398)	(439,900)
TOTAL OTHER	(813,500)	(2,480,260)	114,164	(236,398)	(439,900)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	(720,282)	(1,667,555)	2,619,189	1,348,590	547,840
FUND BALANCE, JULY 1	4,772,024	6,439,579	3,820,390	2,471,800	1,923,960
FUND BALANCE, JUNE 30	$4,051,742	$4,772,024	$6,439,579	$3,820,390	$2,471,800

Prepared from Audited Financial Statements

TOWN OF CUMBERLAND, MAINE
COMPARATIVE BALANCE SHEET
GENERAL FUND
(As of June 30,)

	2024	2023	2022
ASSETS			
Cash and equivalents	$9,665,927	$9,918,717	$8,391,424
Receivables:			
Accounts	136,220	211,775	259,083
Rescue	65,174	31,896	37,597
Intergovernmental	183,538	207,941	314,783
Taxes - Prior Years	79,858	127,370	144,284
Taxes - Current Year	250,876	153,281	105,536
Leases	477,950	441,777	466,694
Prepaid items	100,657	127,841	97,767
Inventory	28,858	28,858	29,897
TOTAL ASSETS	10,989,058	11,249,456	9,847,065
LIABILITIES			
Accounts payable	346,708	351,822	609,292
Accrued payroll	527,268	350,411	354,214
Escrow liabilities	340,039	380,498	167,597
Taxes paid in advance	48,271	91,153	93,469
Unearned revenue	802,395	766,774	633,481
Inter-fund Loans Payable	2,648,754	3,486,311	2,886,740
TOTAL LIABILITIES	4,713,435	5,426,969	4,744,793
DEFERRED REVENUES	748,452	661,003	690,310
EQUITY			
Non-spendable	129,515	156,699	127,664
Restricted	0	0	0
Committed	0	0	0
Assigned	735,509	569,281	307,467
Unassigned	4,662,147	4,435,504	3,976,831
TOTAL EQUITY	5,527,171	5,161,484	4,411,962
TOTAL LIABILITIES EQUITY	$10,989,058	$11,249,456	$9,847,065

Prepared from Audited Financial Statements.

TOWN OF NORTH YARMOUTH, MAINE
COMPARATIVE BALANCE SHEET
GENERAL FUND
(As of June 30,)

	2024	2023	2022
ASSETS			
Cash and investments	$2,943,232	$2,129,276	$1,723,394
Receivables:			
Taxes	8,113	8,270	180,557
Liens	84,488	64,001	34,077
Other	148,072	168,857	135,280
Due from other governments	4,404	0	0
Prepaid items	7,000	5,400	4,500
Due from Other Funds	169,198	3,334	37,550
TOTAL ASSETS	3,364,507	2,379,138	2,115,358
LIABILITIES			
Accounts payable	16,873	22,487	75,065
Accrued expenses	36,449	34,060	7,045
Accrued payroll	167,463	0	8,191
Due to other governments	0	0	1,096
Due to other funds	0	224,095	468,229
TOTAL LIABILITIES	220,785	280,642	559,626
DEFERRED REVENUES			
Prepaid taxes	17,529	35,507	26,667
Deferred tax	69,542	57,893	76,703
DEFERRED REVENUES	87,071	93,400	103,370
EQUITY			
Non-spendable	7,000	5,400	4,500
Restricted	0	0	0
Committed	57,539	65,488	58,275
Assigned	60,000	60,000	300,000
Unassigned	2,932,112	1,874,208	1,089,587
TOTAL EQUITY	3,056,651	2,005,096	1,452,362
TOTAL LIABILITIES AND EQUITY	$3,364,507	$2,379,138	$2,115,358

TOWN OF CUMBERLAND, MAINE
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND
(For the Years Ended June 30,)

	2024	2023	2022
REVENUES			
Taxes	$32,785,879	$31,009,185	$29,352,017
Licenses and permits	253,545	304,061	291,910
Intergovernmental	3,165,352	2,848,970	2,685,666
Charges for services	3,803,054	3,551,442	3,044,077
Other	379,845	427,169	390,004
TOTAL REVENUES	40,387,675	38,140,827	35,763,674
EXPENDITURES			
General government	2,025,160	1,675,702	1,656,904
Public safety	3,585,292	3,034,574	2,835,570
Public services	2,774,696	2,828,042	2,579,858
Recreation	2,650,685	2,227,184	1,939,307
Library	828,238	624,993	566,437
Health and assistance	234,708	189,370	138,085
Unclassified	613,975	315,978	293,252
Insurance	532,085	509,409	328,469
Education	23,103,879	21,851,719	20,792,086
Capital outlay	44,638	0	0
County tax	1,189,045	1,509,811	963,505
Debt service	1,495,220	1,694,221	1,728,180
TOTAL EXPENDITURES	39,077,621	36,461,003	33,821,653
EXCESS OF REVENUES OVER EXPENDITURES	1,310,054	1,679,824	1,942,021
OTHER FINANCING SOURCES:			
Operating transfers in	1,352,219	757,791	330,000
Operating transfers out	(2,296,586)	(1,688,093)	(1,946,974)
TOTAL OTHER FINANCING:	(944,367)	(930,302)	(1,616,974)
NET CHANGE IN FUND BALANCES	365,687	749,522	325,047
FUND BALANCE, JULY 1	5,161,484	4,411,962	4,086,915
FUND BALANCE, JUNE 30	$5,527,171	$5,161,484	$4,411,962

Prepared from Audited Financial Statements

TOWN OF NORTH YARMOUTH, MAINE
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND
(For the Years Ended June 30,)

	2024	2023	2022
REVENUES			
Taxes:			
Property	$11,792,006	$10,935,894	$9,957,793
Excise	1,215,774	1,104,030	1,072,411
Intergovernmental	1,283,122	1,263,273	1,027,891
Interest income	186,419	59,631	17,192
Charges for services	444,489	432,618	519,536
Misc.	131,442	126,856	159,678
TOTAL REVENUES	15,053,252	13,922,302	12,754,501
EXPENDITURES			
Current:			
Municipal administration	1,404,923	681,650	570,160
Community services	572,474	268,936	219,928
Public safety	750,571	480,522	446,039
Public works	903,989	553,880	472,012
Buildings and grounds	0	139,802	134,736
Solid waste and recycle	521,041	293,937	231,891
Municipal finances	43,866	775,021	790,256
County assessment	436,889	376,893	395,947
Education	9,144,530	8,850,145	8,230,390
Overlay	23,167	75,318	53,363
Debt service	0	270,150	275,400
TOTAL EXPENDITURES	13,801,450	12,766,254	11,820,122
EXCESS OF REVENUES OVER EXPENDITURES	1,251,802	1,156,048	934,379
OTHER FINANCING SOURCES			
Operating transfers in/(out)	(200,247)	(588,683)	(1,234,165)
EXCESS OF REVENUES AND OTHER OVER EXPENDITURES	1,051,555	567,365	(299,786)
BEGINNING FUND BALANCE	2,005,096	1,437,731	1,752,148
ENDING FUND BALANCE	$3,056,651	$2,005,096	$1,452,362

PROPERTY TAXATION

The principal tax of the Member Municipalities is the tax on real and personal property. A single tax applies for each fiscal year to the assessed value of the taxable real or personal property. The tax collector for each of the Towns receives the tax commitment from its respective assessor, with assessed values as of April 1 of each year, after which time the tax bills are mailed.

For the current fiscal year, the tax due dates for the Town of Cumberland are in mid-September and mid-March with specific dates set by the Assessor; and for the Town of North Yarmouth, the tax due dates are in early-October and early-April with specific dates set by the Assessor. All taxes paid after the due date are subject to interest established under Title 36, Section 186 of the Maine Revised Statutes.

Real Estate Taxes

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

Business Personal Property Taxes

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

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

1. Basic reimbursement formula **-** For all municipalities in the first year after the exemption, and for a majority of the municipalities thereafter, the reimbursement would be 100% for the lost property taxes in the first tax year after the exemption takes effect (i.e., FY 2009), 90% in the second year after the exemption takes effect (i.e., FY 2010), 80% in FY 2011, 70% in 2012, 60% in 2013, and 50% in 2014 and every subsequent year. The State Constitution requires a minimum reimbursement of at least 50%.
2. Enhanced formula - Municipalities that have a total property tax base that is made up of at least 5% personal property will be eligible for an alternative reimbursement formula any year in which the alternative reimbursement formula provides a higher level of reimbursement than the basic reimbursement formula. Those municipalities will be eligible to receive the 50% minimum reimbursement plus 50% of their tax base percentage that is made up of personal property. For example, if a town's tax base is 64% personal property, it would be eligible for a reimbursement rate of 82%, which is a combination of the minimum 50% reimbursement *plus* one-half of that municipality's 64% "personal property factor".

3. Municipal Retention TIF Districts – Certain TIF districts that were enacted prior to April 1, 2008 entitle a municipality to receive reimbursement at a rate of up to 100% for exempt business equipment that is TIF exempt business equipment as defined in Title 36, Section 691(1)(G) of the Maine Revised Statutes. The increased reimbursement percentage is based on the tax increment percentage allocated to the municipality, as provided in Title 36, Section 694(2)(C) of the Maine Revised Statutes.

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

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

Tax Increment Financing Districts and Affordable Housing Development Districts

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

The Towns of Cumberland and North Yarmouth have each designated various TIF districts and may consider proposals for other districts on an ongoing basis. All districts will be evaluated based upon the town's comprehensive plan for economic development, which includes TIF as one of its aspects. In no event will the districts exceed the statutory limitation of total area and aggregate equalized value within all districts, determined as of their date of designation, as set out above.

Town of Cumberland, Maine

Fiscal Yr. End June 30,	Equalized State Valuation (000)	Assessed Valuation (000)	Tax Rate (000)	Tax Levy (000)	Collections (after Supplements and Abatements Year End (000)	% of Levy
2024	$2,337,300	$1,499,084	$22.15	$33,774	In Process	
2023	1,910,200	1,474,628	21.20	31,262	$31,109	99.51%
2022	1,614,950	1,440,712	20.55	29,607	29,501	99.64%
2021	1,503,000	1,412,394	20.35	28,756	28,742	99.58%
2020	1,406,550	1,397,027	19.85	27,731	27,629	99.63%

Town of North Yarmouth, Maine

Fiscal Yr. End June 30,	Equalized State Valuation (000)	Assessed Valuation (000)	Tax Rate (000)	Tax Levy (000)	Collections (after Supplements and Abatements) Year End (000)	% of Levy
2024	$890,500	$629,144	$19.80	$12,457	In Process	
2023	701,350	625,009	18.10	11,785	$10,792	99.50%
2022	602,750	597,320	17.10	10,844	9,716	98.14%
2021	617,650	578,151	16.55	9,813	9,198	99.63%
2020	570,400	531,506	16.62	9,191	8,964	99.93%

REVENUES FROM THE STATE

In accordance with the provisions of applicable Maine law, the State subsidizes most SAUs through the EPS model of calculating and distributing state education aid. All education expenditures, including state approved debt service, flow through the EPS model. EPS utilizes a number of factors that are subject to change each year. In addition, the EPS model itself is subject to change by the Legislature. Furthermore, subsidies for school administrative units are an annual item in the State's budgetary process and are subject to legislative appropriation in that process. No assurance can be given that future legislation will not have an adverse impact on school funding in Maine. Because of these uncertainties, it is not possible to predict the level of State subsidy to local units in future years or whether the State's subsidy program will continue in its present form. The following table displays revenues received by the District from the State for the last five audited fiscal periods:

Fiscal Yr. End June 30,	General Revenue & Debt Service	Medicaid	Total State Subsidy
2024	$14,672,881	$34,375	$14,707,256
2023	12,923,022	34,492	12,957,514
2022	13,830,878	9,109	13,839,987
2021	11,961,206	28,506	11,989,712
2020	11,819,725	27,879	11,847,604

LOCAL COST

That part of the District's budget not funded from State aid, grants or other programs is funded from assessments to the Member Municipalities (the "Local Cost"). The assessments have two components. First, the Towns must share the District's share (the "Local Allocation") of EPS costs (the "Total Allocation") that qualify for State subsidy (the "State Allocation"). Second, the Member Municipalities must also share the additional local costs of the District that are not funded by other budgeted revenues or carry-forwards and that do not qualify for inclusion in the Total Allocation. The assessments for the District are determined by the Property Valuation Method, whereby the costs are shared in the same proportion as each municipality's equalized State Valuation to the District's combined equalized State Valuation.

The District's Equalized State Valuation

The following is a list of the last five years' equalized State Valuation filed by the State Tax assessor to the Secretary of State pursuant to Title 36, Sections 208 and 305 of the Maine Revised Statutes:

Consolidated Equalized State Valuation for
Member Municipalities Comprising MSAD 51

	Town of Cumberland		Town of North Yarmouth		MSAD 51
Year	Valuation	% of District	Valuation	% of District	Valuation
2025	$2,640,150,000	72.69%	$991,850,000	27.31%	$3,632,000,000
2024	2,337,300,000	72.41%	890,500,000	27.59%	3,227,800,000
2023	1,910,200,000	73.14%	701,350,000	26.86%	2,611,550,000
2022	1,614,950,000	72.82%	602,750,000	27.18%	2,217,700,000
2021	1,503,000,000	70.87%	617,650,000	29.13%	2,120,650,000

The District's Budget and Assessments

The following table shows the District's budget and its assessments from each of the Member Municipalities, for operating and capital costs, for the last five audited fiscal years and the most recent ended fiscal year (unaudited):

FY End	MSAD 51		Town of Cumberland			Town of North Yarmouth		
June 30,	Budget	Assessment	Assessment	Budget	Assessment	Assessment	Budget	Assessment
2026	$53,827,121	$3,663,453	$26,676,167	49.56%	72.76%	$9,986,486	18.55%	27.24%
2025	50,250,107	34,412,352	24,896,829	49.55%	72.35%	9,515,524	18.94%	27.65%
2024	47,043,329	32,248,410	23,103,880	49.11%	71.64%	9,144,530	19.44%	28.36%
2023	43,802,527	30,701,864	21,851,719	49.89%	71.17%	8,850,145	20.20%	28.83%
2022	41,846,286	28,335,194	20,104,804	48.04%	70.95%	8,230,390	19.67%	29.05%

INDEBTEDNESS

LIMITATIONS AND EXCLUSIONS

The District's Debt Limitations

In accordance with Title 20-A, Section 1490(6) of the Maine Revised Statutes, the "aggregate principal amount of outstanding bonds or notes issued by an RSU for school construction purposes shall not exceed, at any one time, 10% of the total of the last preceding state valuation of all the municipalities within the RSU, plus an amount not to exceed 4% of that total RSU valuation set by the state board at the time of the initial approval of the school construction project."; or, if issued pursuant to Title 20-A, Section 1490(7) of the Maine Revised Statutes, cannot exceed 1% of the total of the last State valuation of all the municipalities of the RSU.

The consolidated 2025 equalized State Valuation for the Member Municipalities is $3,632,000,000. The District's 10% debt limitation is $363,200,000. As of June 30, 2024, the District's long-term debt outstanding was reported to be $16,227,610 or 0.45% of the consolidated 2025 equalized State Valuation of the Member Municipalities. The District will certify on the date of issue of the Notes that the District has not exceeded the foregoing debt limits and that issuance of the Notes will not cause the District to exceed the debt limit.

The Towns' Debt Limitations

Although the Notes are indebtedness of the District, and not of the Member Municipalities, the tax base of the District is the same as the tax base of the Member Municipalities. Therefore, the current indebtedness of the Member Municipalities is included in the discussions below.

In accordance with Title 30-A, Section 5702 of the Maine Revised Statutes "No municipality may incur debt which would cause its total debt outstanding at any time, exclusive of debt incurred for school purposes, for storm or sanitary sewer purposes, for energy facility purposes or for municipal airport purposes to exceed 7 1/2% of its last full state valuation, or any lower percentage or amount that a municipality may set. A municipality may incur debt for school purposes to an amount outstanding at any time not exceeding 10% of its last full state valuation, or any lower percentage or amount that a municipality may set, for storm and sanitary sewer purposes to an amount outstanding at any time not exceeding 7 1/2% of its last full state valuation, or any lower percentage or amount that a municipality may set, and for municipal airport and special district purposes to an amount outstanding at any time not exceeding 3% of its last full state valuation, or any lower percentage or amount that a municipality may set; provided, however, that in no event shall any municipality incur debt which would cause its total debt outstanding at any time to exceed 15% of its last full state valuation, or any lower percentage or amount that a municipality may set." Title 30-A, Section 5703 of the Maine Revised Statutes, provides that the limitations on municipal debt contained in Section 5702 do not apply "... to any funds received in trust by any municipality, any loan which has been funded or refunded, notes issued in anticipation of federal or state aid or revenue sharing money, tax anticipation loans, notes maturing in the current municipal year, indebtedness of entities other than municipalities, indebtedness of any municipality to the Maine School Building Authority, debt issued under chapter 235 and Title 10, chapter 110, subchapter IV, obligations payable from revenues of the current municipal year from other revenues previously appropriated by or committed to the municipality, and the state reimbursable portion of school debt."

Town of Cumberland, Maine

The Town of Cumberland, Maine's 2025 equalized State Valuation is $2,640,150,000. The Town's overall 15% debt limit is $396,022,500. As of June 30, 2024, the Town's long-term debt outstanding was $17,436,693 or 0.66% of the 2025 equalized State Valuation.

Town of North Yarmouth, Maine

The Town of North Yarmouth, Maine's 2025 equalized State Valuation is $991,850,000. The Town's overall 15% debt limit is $148,777,500. As of June 30, 2024, the Town's long-term debt outstanding was $3,125,000 or 0.32% of the 2025 equalized State Valuation.

DEBT SUMMARY

The District's long-term debt payable at June 30, 2024 (audited), projected for June 30, 2025 (unaudited), are comprised of the following issues [1]:

Purpose	Amount	Amount Forgiven	Issue Date	Final Maturity	June 30, 2024	(Paid)	June 30, 2025
Ref'd'g 2003&2005	$10,800,000	$0	6/5/2012	10/15/2025	$2,325,000	($1,085,000)	$1,240,000
Greely Middle	2,000,000	0	3/1/2014	10/15/2034	1,200,000	(100,000)	1,100,000
Ref'd'g 2009	6,855,000	0	5/31/2017	10/15/2029	4,795,000	(685,000)	4,110,000
GCA	9,300,000	0	7/17/2018	8/1/2039	7,905,000	(465,000)	7,440,000
MMBB SRRF	15,822,515	(770,088)	10/7/2022	9/1/2033	752,427	0	752,427
Land Acq.	700,000	0	7/25/2023	9/1/2028	0	0	700,000
MMBB SRRF	1,000,000	(478,300)	11/29/2023	5/1/2034	0	0	521,700
Totals					**$16,977,427**	**($2,335,000)**	**$15,864,127**

NOTE: "SRRF" indicates a loan financed through the School Revolving Renovation Fund, created by the Legislature in 1998, the Maine Municipal Bond Bank ("MMBB") serves as financial manager of the SRRF in cooperation with the Maine Department of Education administered through the MMBB. The SRRF loan is without interest and a portion is typically forgiven. The amounts in the above table show the original loan amount, the respective amount forgiven and the respective loan balance, paid in 10 equal annual installments.

[1] Does not include $363,483 capital lease issued in 2015 for energy conservation.

PROJECTED PRINCIPAL PAYMENTS, BY ISSUE

Fiscal Yr.	2012	2014	2017	2018	2022	2023	2023	Totals
2024/2025	$990,000	$100,000	$685,000	$465,000	$75,244	$140,000	$52,170	$2,507,414
2025/2026	250,000	100,000	685,000	465,000	75,244	140,000	52,170	1,767,414
2026/2027		100,000	685,000	465,000	75,244	140,000	52,170	1,517,414
2027/2028		100,000	685,000	465,000	75,244	140,000	52,170	1,517,414
2028/2029		100,000	685,000	465,000	75,244	140,000	52,170	1,517,414
2029/2030		100,000	685,000	465,000	75,244		52,170	1,377,414
2030/2031		100,000		465,000	75,244		52,170	692,414
2031/2032		100,000		465,000	75,244		52,170	692,414
2032/2033		100,000		465,000	75,244		52,170	692,414
2033/2034		100,000		465,000	75,244		52,170	692,414
2034/2035		100,000		465,000				565,000
2035/2036				465,000				465,000
2036/2037				465,000				465,000
2037/2038				465,000				465,000
2038/2039				465,000				465,000
2039/2040				465,000				465,000
2024	$1,240,000	$1,100,000	$4,110,000	$7,440,000	$752,437	$700,000	$521,700	$15,864,137
Pd.	(990,000)	(100,000)	(685,000)	(465,000)	(75,244)	(140,000)	(52,170)	(2,507,414)
2025	$250,000	$1,000,000	$3,425,000	$6,975,000	$677,193	$560,000	$469,530	$13,356,723
Pd.	(250,000)	(100,000)	(685,000)	(465,000)	(75,244)	(140,000)	(52,170)	(2,507,414)
2026	$0	$900,000	$2,740,000	$6,510,000	$601,950	$420,000	$417,360	$10,849,310

PROJECTED DEBT SERVICE REQUIREMENTS

FY end June 30,	Principal	Interest	Total Debt Service
2024	$2,335,000	$565,324	$2,900,324
2025	2,507,413	487,044	2,994,457
2026	1,767,413	418,925	2,186,338
2027	1,517,413	362,475	1,879,888
2028	1,517,413	309,025	1,826,438
2029	1,517,413	255,200	1,772,613
2030	1,377,413	203,100	1,580,513
2031	692,413	166,800	859,213
2032	692,413	146,525	838,938
2033	692,413	127,994	820,407
2034	692,413	108,881	801,294
2035	565,000	89,769	654,769
2036	465,000	72,656	537,656
2037	465,000	56,963	521,963
2038	465,000	40,688	505,688
2039	465,000	24,413	489,413
2040	465,000	8,138	473,138
	$18,199,127	$3,443,920	$21,643,047

DEBT RATIOS

The following table sets forth the ratios of bonded debt to equalized State Valuation and Per Capita Debt ratios by Member Municipality within the District, and then consolidated, including the District:

Town of Cumberland, Maine

Fiscal Yr. End June 30,	Population	Equalized State Valuation	Debt ($)	Debt as % Eq. Val.	Per Capita Debt
2024	8,754	$2,640,150,000	$17,436,693	0.66%	$1,991.85
2023	8,754	1,910,200,000	19,386,481	1.01%	2,214.59
2022	8,754	1,614,950,000	20,644,065	1.28%	2,358.24
2021	8,754	1,503,000,000	22,528,931	1.50%	2,573.56
2020	8,754	1,406,550,000	24,175,222	1.72%	2,761.62

Town of North Yarmouth, Maine

Fiscal Yr. End:	Population	Equalized State Valuation	Debt ($)	Debt as % Eq. Val.	Per Capita Debt
2024	4,095	$991,850,000	$3,125,000	0.32%	$763.13
2023	4,095	890,500,000	2,730,000	0.31%	666.67
2022	4,095	701,350,000	2,905,000	0.41%	709.40
2021	4,095	602,750,000	3,080,000	0.51%	752.14
2020	4,095	617,650,000	3,255,000	0.53%	794.87

Member Municipalities and the District

	Consolidated		Total Debt				Consolidated	
FY end June 30,	Pop.	Eq. Val.	Cumberland	North Yarmouth	MSAD 51	Total Debt	Debt % Eq. Val.	Debt Per Capita
2024	12,849	$3,632,000,000	$17,436,693	$3,125,000	$15,864,137	$36,425,830	1.00%	$2,834.92
2023	12,849	2,800,700,000	19,386,481	2,730,000	16,997,427	39,113,908	1.40%	3,044.12
2022	12,849	2,316,300,000	20,644,065	2,905,000	18,560,000	42,109,065	1.82%	3,277.23
2021	12,849	2,105,750,000	22,528,931	3,080,000	20,895,000	46,503,931	2.21%	3,619.26
2020	12,849	2,024,200,000	24,175,222	3,255,000	23,235,000	50,665,222	2.50%	3,943.13

OVERLAPPING DEBT

The District does not have any obligations for which it is responsible for on an overlapping basis.

CONTINGENT DEBT

The District does not have any obligations for which it is responsible for on a contingent basis.

FUTURE FINANCING

See "THE NOTES - AUTHORIZATION AND PURPOSE; THE PROJECT and PLAN OF FINANCING" herein.

RETIREMENT

DEFINED BENEFIT PENSION PLAN

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

Maine Public Employees Retirement System

All School teachers, plus other qualified educators, participate in the Maine Public Employees Retirement System's State Employee and Teacher ("SET") Plan. The SET plan is a cost-sharing multiple employer defined benefit plan with a special funding situation, established by the Maine State legislature. The State is a non-employer contributing entity in that the State pays the initial unfunded actuarial liability on behalf of teachers, while school districts contribute the normal cost, calculated actuarially, for their teacher members. Eligible employees other than teachers participate in the Maine Public Employees Retirement System's Participating Local District ("PLD") Plan. The PLD plan is a multiple-employer cost sharing defined benefit plan. Eligible employers (districts) are defined in Maine statute.

Pension Benefits

Benefit terms are established in Maine statute; in the case of the PLD Consolidated Plan, an advisory group, also established by statute, reviews the terms of the plan and periodically makes recommendations to the Legislature to amend them. MainePERS's retirement programs 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 (effective

October 1, 1999, the prior ten-year requirement was reduced by legislative action to five years for State employees and teachers; separate legislation enacted the same reduced requirement for judges, legislators, and employees of PLDs). In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. Normal retirement age for State employees and teachers is age 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. For PLD members, normal retirement age is 60 or 65. 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. The MainePERS also provides disability and death benefits which are established by statute for State employee and teacher members and by contract with other participating employers under applicable statutory provisions. Upon termination of membership, members' accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits and membership rights. The annual rate of interest credited to members' accounts is set by the MainePERS's Board of Trustees, currently 3.8%.

Contributions

Member contribution rates are defined by law or by the MainePERS's Board of Trustees and depend on the terms of the plan under which a member is covered. Employer contribution rates are determined through actuarial valuations. The District reports on the benefits provided and the contributions to the pension plans, associated pension liabilities, pension expense, deferred outflows and deferred inflows of resources related to pensions, as well as the actuarial methodology and assumptions in its Annual Financial Statements. See "APPENDIX A – MAINE SCHOOL ADMINISTRATIVE NO. 51, FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2024", Note 10, pages 31 *et seq*." herein.

DEFINED BENEFIT OPEB PLAN

The District sponsors two post-retirement benefit plans providing group term life insurance to retiring employees. The Group Life Insurance Plan for Retired Participating Local District (the "PLD Consolidated Plan") employees is a multiple-employer cost sharing plan. The Group Life Insurance Plan for Retired State Employees and Teachers (the "SET Plan") is a multiple-employer cost sharing plan with a special funding situation. The State is also a non-employer contributing entity in that the State pays contributions for retired public-school teachers in the plan.

Group Life Insurance

Under both the PLD and SET OPEB Plans, MainePERS 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.

Group Health Insurance

The District sponsors a post-retirement benefit plan providing health insurance to retiring employees (hereafter referred to as the "Health Plan"). The plan is a single-employer defined benefit OPEB plan administered by the Maine Education Association Benefits Trust ("MEABT"). The State Legislature has the authority to establish and amend the benefit terms and financing requirements.

Under the Health Plan, MEABT provides healthcare insurance benefits for 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.

The District reports on the benefits provided and the contributions for these OPEB plans, as well as the actuarial methodology and assumptions in its Annual Financial Statements. See "APPENDIX A – MAINE SCHOOL ADMINISTRATIVE NO. 51, FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2024", Note 11, pages 36 *et seq*." herein.

ENVIRONMENTAL MATTERS

Securities and Exchange Commission Regulation 229.103 (the "Regulation") requires that issuers subject to the disclosure requirements of the Securities Exchange Act of 1934 disclose, among other things, any material pending legal proceedings, including without limitation, legal proceedings involving environmental issues. The Regulation states that no information need be given with respect to any proceeding that involves primarily a claim for damages if the amount involved, exclusive of interest and costs, does not exceed ten percent (10%) of the current assets of the issuer, and, if a governmental authority is a party to such proceeding and such proceeding involves potential monetary sanctions, unless the issuer reasonably believes that such proceeding will result in no monetary sanctions, or in monetary sanctions, exclusive of interest and costs, of less than $100,000. Although the District, as an issuer of municipal securities, is not subject to the provisions of the Regulation or the Securities Exchange Act of 1934, the District is voluntarily making the disclosure required by the Regulation with respect to environmental liabilities:

The District is not subject to any pending legal proceedings involving environmental matters that would require disclosure under the Regulation were the District subject to its provisions.

LITIGATION

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

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APPENDIX A

MSAD 51
ANNUAL FINANCIAL STATEMENTS
AND SUPPORTING SCHEDULES
FOR THE
YEAR ENDED JUNE 30, 2024

(With Report of Independent Auditors' Thereon)

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MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51

FINANCIAL REPORT

JUNE 30, 2024

Independently Audited By

ROYER
Advisors & Accountants

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ROYER
Advisors & Accountants

INDEPENDENT AUDITOR'S REPORT

Members of the Board of Directors
Maine School Administrative District No. 51
Cumberland Center, Maine

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Maine School Administrative District No. 51 (MSAD #51), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of MSAD # 51, as of June 30, 2024, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of MSAD #51 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about MSAD #51's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently know information that may raise substantial doubt shortly thereafter.

6 Fundy Rd., Suite 100, Falmouth, ME 04105 OFFICE: (207) 781-3445 FAX: (207) 781-3578 ROYER-CPA.COM

Auditor's Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of MSAD #51's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about MSAD #51's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedule, and the pension schedules on pages 4 - 11 and 43 - 51 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise MSAD # 51's basic financial statements. Schedules 9 through 22 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Schedules 9 through 21 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, Schedules 9 through 21 are fairly stated in all material respects in relation to the basic financial statements as a whole.

The statistical schedule, Schedule 22, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 5, 2025 on our consideration of MSAD #51'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 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 MSAD #51's internal control over financial reporting and compliance.

Royer Advisors & Accountants

Royer Advisors and Accountants
Certified Public Accountants
Falmouth, Maine
August 5, 2025

MSAD #51

The Schools of Cumberland and North Yarmouth, Maine

Jeffrey Porter, *Superintendent of Schools*
Scott Poulin, *Director of Finance, Human Resources & Operations*
Julie Olsen, Ed.D, *Director of Instructional Support*
Mar-E Trebilcock, Ph.D, *Director of Academic Services*
Carla Fancy, *Assistant Director of Instructional Support*
Dirk Van Curan, *Director of Technology Services*

Management's Discussion and Analysis Required Supplementary Information

Year Ended June 30, 2024

This discussion and analysis of the Maine School Administrative District #51 (the District) financial condition provides a narrative overview and analysis of the District's financial activities for the fiscal year ending June 30, 2024. It is the belief of management that all information contained is accurate in all material respects and reflects fairly the financial position and operations of the District. This management's discussion and analysis is designed to offer further explanation of the information contained herein. We encourage readers to consider the information that we have furnished in the District's basic financial statements that follow this section.

The management discussion and analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments (currently, GASB Codification Section 2200.106-109). Certain comparative information between the current year and the prior year is included in the MD&A.

FINANCIAL HIGHLIGHTS

Financial highlights for the past year include the following:

- Assets of the District exceeding its liabilities by $41,338,644.
- Capital assets of the District, net of depreciation, totaling $55,309,252.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Engage • Empower • Inspire
www.msad51.org 357 Tuttle Road, PO Box 6A, Cumberland, ME 04021 Phone 207.829.4800 Fax 207.829.4802

GOVERNMENT-WIDE STATEMENTS

Government-wide statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector company.

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two 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 District is improving or deteriorating.

The statement of activities presents information showing how the District'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 event 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 (for example, accrued salaries).

Additionally, to assess the District's overall health, one needs to consider additional non-financial factors such as the condition of school buildings and other facilities.

Both of the government-wide financial statements distinguish functions of the District that are principally supported by the local assessments from other functions that are intended to recover a significant portion of their costs through user fees and charges.

In the government-wide financial statements, the District's activities are reported in one category:

> ***Governmental activities:*** Most of the District's basic services are included here, such as regular and special education, transportation and administration. Local assessments, local non-tax revenues, and state revenues finance most of these activities.

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 District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The District's funds can be divided into two categories: governmental funds, and fiduciary funds.

> ***Governmental funds:*** Governmental funds are used to account for essentially the same functions reported as governmental activities in the governmental-wide financial statements. However, unlike the governmental-wide statements, governmental fund financial statements focus on the 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 governmental-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the governmental-wide financial statements. By doing so, readers may better understand the long-term impact of the District'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.
>
> ***Fiduciary funds:*** The District is responsible for assets that, because of a trust arrangement, can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position (Statement 7) and a statement of changes in fiduciary net position (Statement 8). We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations. Further detail regarding the accounts is listed in the audited financial schedules and exhibits.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net position may serve over time as a useful indicator of a District's financial position. The District's total net position increased by $2,286,883, due to current year operations.

Table 1
Fiscal Year Ended June 30
Statement of Net Position

	Governmental Activities	
	2024	**2023 (Restated)**
Current and other assets	$ 22,316,293	$ 22,043,393
Capital assets	55,309,252	54,592,147
Total assets	77,625,545	76,635,540
Deferred outflows	1,798,656	2,014,753
Long-term debt outstanding	24,694,934	26,032,717
Other liabilities	12,211,237	11,662,669
Total liabilities	36,906,171	37,695,386
Deferred inflows	1,179,386	1,274,725
Net position		
Net investment in capital assets	37,430,597	35,103,654
Restricted	1,383,687	1,012,443
Unrestricted	2,524,360	3,564,086
Total net position	$ 41,338,644	$ 39,680,182

A large portion of the District's net position reflects its investment in capital assets (e.g., land, buildings, and equipment) less any related debt used to acquire those assets that are still outstanding. The District uses these assets to provide services to its students; consequently, these assets are not available for future spending. Although the investment in 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 net position represents resources that are subject to external restrictions on how they may be expended. The remaining unrestricted balance of net position may be used to meet the District's ongoing obligations to students and creditors.

Table 2 presents a summary of the District's changes in net position for the fiscal years ended June 30, 2024 and 2023.

Table 2
Fiscal Year Ended June 30
Changes in Net Position

	2024	2023
Revenues		
Program revenues:		
Charges for services	$ 326,800	$ 355,566
Operating grants and contributions	6,438,483	5,997,045
General revenues:		
Property taxes	32,248,410	30,701,864
Grants & entitlements	14,672,881	12,923,022
Other	388,198	266,184
Total revenues	54,074,772	50,243,681
Expenditures		
Instructions	29,349,474	26,557,344
Other instructions	996,040	831,062
Student and staff support	3,638,711	3,487,815
System administration	1,553,529	1,315,712
School administration	1,886,553	1,775,050
Transportation and buses	2,156,636	1,971,694
Facilities maintenance	5,726,534	4,804,499
Debt service	538,745	532,426
Site and capital improvements	1,366,384	1,846,635
Program expenditures	1,722,976	1,519,250
Maine state retirement on behalf payments	3,480,728	3,315,311
Total expenditures	52,416,310	47,956,798
Change in net position	$ 1,658,462	$ 2,286,883

The total cost of Governmental Activities this year is $52,416,310 ($47,956,798 in 2023). However, after taking into account state subsidies and other non-property tax revenues, the ultimate cost to the taxpayers of Cumberland and North Yarmouth is $32,248,410 ($30,701,864 in 2023).

General Fund Revenues Budget to Actual Summary

For FY 2024, revenues were higher than estimated revenues by $494,465 due to the increase in the state subsidy and interest earnings.

	Budget	Actual	Variance
Revenues			
Town assessments	$ 32,248,410	$ 32,248,410	$ -
Intergovern-mental	14,620,555	14,753,522	132,967
Charges for services	-	13,300	13,300
Interest earnings	8,000	247,560	239,560
Chebeague Island funds	134,364	134,364	-
Miscellaneous	32,000	140,638	108,638
	$ 47,043,329	$ 47,537,794	$ 494,465

The following chart depicts program revenues by source.

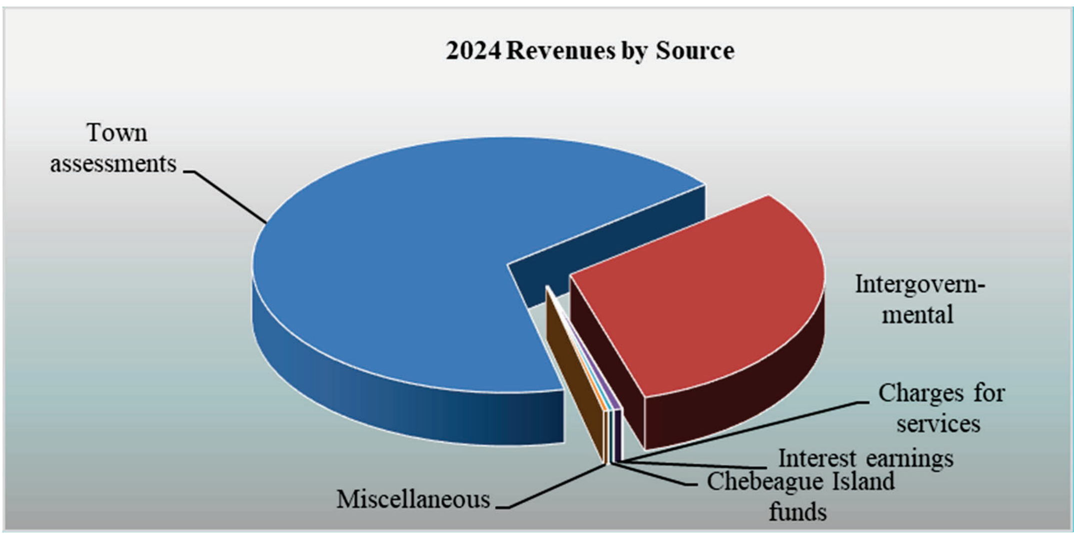

Chart A - 2024 Revenues by Source

General Fund Expenditures Budget to Actual Summary

Expenditures were less than budgeted by $546,188.

	Budget	Actual	Variance
Expenditures			
Instructions	$ 29,101,348	$ 28,651,771	$ 449,577
Other instructions	994,670	994,308	362
Student and staff support	3,539,075	3,538,663	412
System administration	1,537,829	1,537,274	555
School administration	1,892,534	1,892,095	439
Transportation and buses	2,109,849	2,055,775	54,074
Facilities maintenance	4,966,079	4,938,466	27,613
Debt service	2,962,880	2,949,724	13,156
	$ 47,104,264	$ 46,558,076	$ 546,188

Chart B graphically depicts expenditures by function.

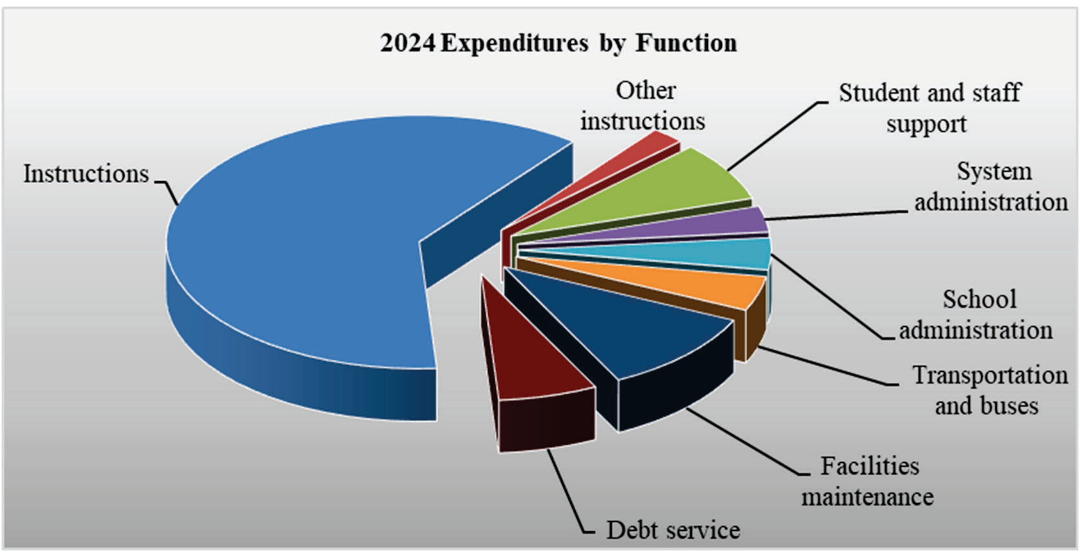

Chart B - 2024 Expenditures by Function

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The financial performance of the District as a whole is reflected in its governmental funds.

Governmental funds: The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances available for spending. Governmental funds report the differences between their assets and liabilities as fund balances. Reserved amounts reflect amounts which are not available to be spent except for specific purposes while unassigned amounts reflect amounts that are available to be used. Approximately 26.5% of the total fund balance of $7,640,300, constitutes unassigned fund balance ($2,027,488).

Budgetary highlights: Title 20-A, Chapter 103, subchapter IV, sections 1302-1310 provides a budget process for the District. The District's fiscal budget year begins on the first day of July and ends on the last day in June of the following year. Pursuant to State of Maine statutes, the Board of Directors of the District prepares a budget annually. At least seven days before the Board calls a budget meeting, the Board makes available to the legislative body (its citizens) a detailed budget document that includes anticipated revenues and estimated expenditures for final budget approval. At the public meeting, the voters approve the annual budget. Approximately one week later, there is a budget validation vote. The Board of Directors then issues warrants to the assessors of each member community, and their respective municipal treasurer will pay the District amounts in monthly installments due the 20th day of each month. North Yarmouth accounts for approximately 28% of the property tax assessment and Cumberland is approximately 72%.

CAPITAL ASSETS

At June 30, 2024, the District had $55,309,252 ($54,592,147 in 2023) invested in a broad range of capital assets, including land, buildings, furniture and equipment.

Table 3
Fiscal Year Ended June 30
Capital Assets (Net of Depreciation)

	2024	2023
Land	$ 952,993	$ 196,993
Construction in progress	794,068	726,621
Land improvements	340,221	354,366
Buildings and improvements	50,296,508	50,388,480
Equipment and transportation	2,925,462	2,925,687
	$ 55,309,252	$ 54,592,147

The chart below provides a graphic depiction of the distribution of the 2024 net book value of fixed assets (capital assets, net of depreciation) by asset class.

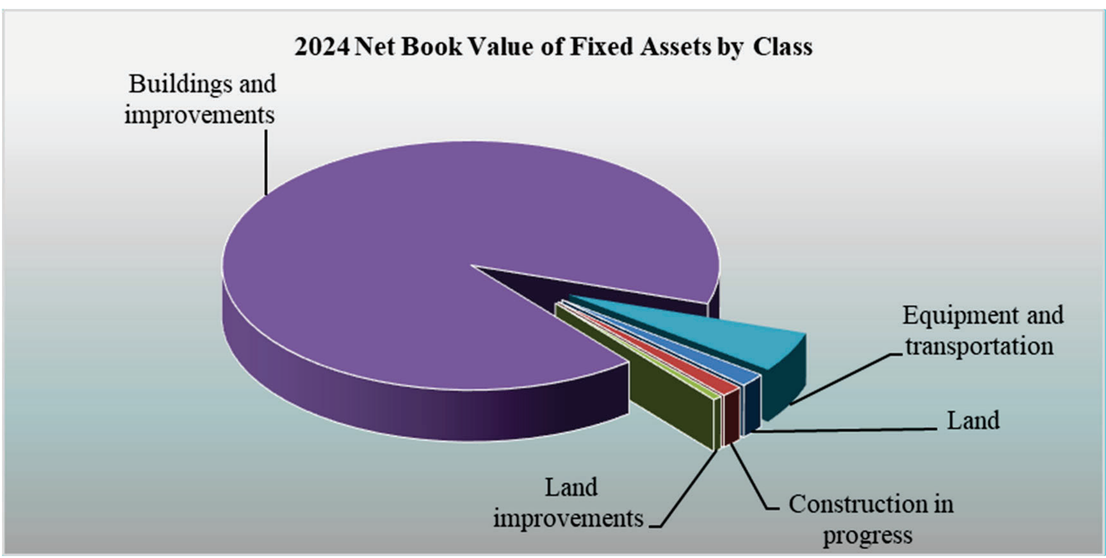

Chart C - Net Book Value of Fixed Assets by Class

DEBT ADMINISTRATION

At year-end the District had a total of $16,693,534 ($17,995,377 in 2023) of general obligation long-term debt. In addition, the financed purchase obligations totaled $2,238,465 ($2,382,699 in 2023) and the operating lease liabilities obligations totaled $5,762,934 ($5,654,640 in 2023).

The following is a summary of long-term debt transactions, financed purchases and operating lease obligations of the District for the year ended June 30, 2024 and 2023.

Table 4
Fiscal Year Ended June 30
General Long-Term Debt and Lease Obligations

	General Long-term Debt and Lease Obligations	
	2024	**2023**
Debt Payable at July 1	$ 26,032,717	$ 23,218,278
Additions	1,761,762	6,445,075
Retired	(3,099,545)	(3,630,636)
Debt Payable at June 30	$ 24,694,934	$ 26,032,717

More detailed information about our long-term liabilities is included in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The district’s general fund expenditure budget increased by 6.82% for fiscal year 2025. An increase in State subsidy of $1,014,278 and increased valuation limited the tax mil rate to a moderate 3.98% in Cumberland and 3.13% in North Yarmouth.

Unlike most school districts in Maine, MSAD #51 is experiencing increased growth and enrollment. To address the enrollment and eliminate the temporary modular classrooms, voters of the district approved a referendum on June 11, 2024 for the construction and bonding of a $53,492,000 project that includes construction of new Primary school on campus, an addition and reconfiguration to the Mabel I. Wilson Elementary School, construction of a new maintenance building, artificial turf field, and vehicular circulation improvements.

The turf field will come online in the Fall of 2025. The completion of the total project is slated for the Summer of 2027. This project fully supports the one campus model which our students and community enjoy.

The ramping up in the debt service will be substantially mitigated by maturing debt service in Fiscal 2025 and in Fiscal year 2031.

Please feel free to contact the district’s management with any questions you may have.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of The District's finances and demonstrate The District's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, please contact Jeff Porter, Superintendent, or Scott Poulin, Director of Finance, Human Resources and Operations at 357 Tuttle Road, Cumberland, ME 04021, (207) 829-4800.

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BASIC FINANCIAL STATEMENTS

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Statement of Net Position
As of June 30, 2024

	Governmental Activities
ASSETS	
Cash and investments	$ 12,062,203
Cash held by third party	2,256,336
Accounts receivable	333,060
Prepaid expenses	15,402
Inventory	35,904
Capital assets:	
Land and construction in progress	1,747,061
Other capital assets, net of depreciation	53,562,191
Total capital assets	55,309,252
Intangible right-to-use lease assets, net of amortization	7,613,388
TOTAL ASSETS	77,625,545
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amount on refunding	165,943
Deferred outflows for pensions	1,309,805
Deferred outflows for other post-employment benefits	322,908
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,798,656
LIABILITIES	
Accounts payable	304,971
Accrued wages and benefits	4,545,135
Unearned revenue	1,249,512
Due to students	27,159
Due to fiduciary funds	48,427
Accrued interest expense	174,826
Long-term liabilities:	
Bonds and leases due within one year (includes current portion of bond premiums of $101,317)	3,747,567
Bonds and leases due beyond one year (including bond premiums of $364,607)	20,947,367
Accrued compensated absences	500,901
Net pension liability	684,466
Net other post-employment benefits liability	4,675,840
TOTAL LIABILITIES	36,906,171
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows for pensions	271,600
Deferred inflows for other post-employment benefits	907,786
TOTAL DEFERRED INFLOWS OF RESOURCES	1,179,386
NET POSITION	
Net investment in capital assets	37,430,597
Restricted for:	
Special revenues	1,383,687
Unrestricted	2,524,360
TOTAL NET POSITION	$ 41,338,644

The Accompanying Notes are an Integral Part of these Statements.

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Statement of Activities
For the Year Ended June 30, 2024

		Program Revenues		Net (Expense) Revenue and Changes In Net Position
Functions / Programs	Expenses	Charges for Services	Grants and Contributions	Governmental Activities
PRIMARY GOVERNMENT				
Governmental Activities				
Regular instructions	$ 20,473,056	$ 71,010	$ 390,553	$ (20,011,493)
Special education instruction	8,876,418	-	508,327	(8,368,091)
Other instruction	996,040	-	-	(996,040)
Student and staff support	3,638,711	-	-	(3,638,711)
System administration	1,553,529	-	-	(1,553,529)
School administration	1,886,553	-	-	(1,886,553)
Transportation and buses	2,156,636	-	-	(2,156,636)
Facilities maintenance	5,726,534	-	-	(5,726,534)
Debt service	538,745	-	134,364	(404,381)
Site improvements and technology purchases	1,366,384	-	75,010	(1,291,374)
Program expenditures	1,722,976	255,790	1,849,501	382,315
MainePERS on-behalf payments	3,480,728	-	3,480,728	-
TOTAL PRIMARY GOVERNMENT	$ 52,416,310	$ 326,800	$ 6,438,483	(45,651,027)

General Revenues:	
Taxes:	
Local assessments - K - 12	32,248,410
State allocation	14,672,881
Investment earnings	247,560
Miscellaneous	140,638
Total general revenues	47,309,489
Change in net position	1,658,462
Net Position - July 1, 2023 (Restated)	39,680,182
Net Position - June 30, 2024	$ 41,338,644

The Accompanying Notes are an Integral Part of these Statements.

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Balance Sheet
Governmental Funds
As of June 30, 2024

	General Fund	Capital Improvements Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	$ 11,610,809	$ -	$ 451,394	$ 12,062,203
Cash held by third party	120,546	-	-	120,546
Accounts receivable	33,825	-	299,235	333,060
Prepaid expense	15,402	-	-	15,402
Due from other funds	696,828	2,720,557	908,617	4,326,002
Inventories	-	-	35,904	35,904
TOTAL ASSETS	$ 12,477,410	$ 2,720,557	$ 1,695,150	$ 16,893,117
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 240,882	$ 19,519	$ 44,570	$ 304,971
Accrued wages and benefits	4,506,063	-	39,073	4,545,136
Unearned revenues	1,122	-	-	1,122
Due to students	-	-	27,159	27,159
Due to other funds	3,677,601	-	696,828	4,374,429
Total liabilities	8,425,668	19,519	807,630	9,252,817
Fund Balances				
Nonspendable	15,402	-	35,904	51,306
Restricted for:				
Special revenue funds	-	-	1,347,783	1,347,783
Committed for:				
Capital Improvement expenditures	-	2,701,038	-	2,701,038
Operating budget expenditures	250,000	-	-	250,000
Technology expenditures	23,044	-	-	23,044
Emergencies expenditures	1,239,641	-	-	1,239,641
Unassigned	2,523,655	-	(496,167)	2,027,488
Total fund balances	4,051,742	2,701,038	887,520	7,640,300
TOTAL LIABILITIES AND FUND BALANCES	$ 12,477,410	$ 2,720,557	$ 1,695,150	$ 16,893,117

The reconciliation of the ending fund balances of governmental funds to the net position in the statement of net position is presented on a separate schedule on the next page.

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position
As of June 30, 2024

Total governmental funds balances (from Statement 3**)**	$ 7,640,300
Amounts reported for governmental activities in the Statement of Net Position (Statement 1) are different because (see Note 1, also):	
Cash held by party	2,135,790
Capital assets and right-to-use assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	62,922,640
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds payable	(16,227,610)
Financed purchases	(2,238,465)
Lease liabilities	(5,762,934)
Accrued interest	(174,826)
Bond premiums	(465,924)
Amount deferred on refunding	165,943
Accrued compensated absences	(500,901)
Unearned SRRF Revenues	(1,248,390)
Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore, are not reported in the funds.	
Net pension liability	(684,466)
Net other post-employment benefits liability	(4,675,840)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, not reported in the funds.	
Deferred outflows of resources related to pensions	1,309,805
Deferred inflows of resources related to pensions	(271,600)
Deferred outflows of resources related to other post-employment benefits	322,908
Deferred inflows of resources related to other post-employment benefits	(907,786)
Net position of governmental activities (see Statement 1**)**	$ 41,338,644

The Accompanying Notes are an Integral Part of these Statements.

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

	General Fund	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	$ 32,248,410	$ -	$ -	$ 32,248,410
Intergovernmental	14,753,522	-	2,119,610	16,873,132
Charges for services	13,300	-	313,500	326,800
Interest earned	247,560	-	-	247,560
Intergovernmental on behalf payments	3,480,728	-	-	3,480,728
Chebeague Island debt service payment	134,364	-	-	134,364
Miscellaneous	140,638	-	548,133	688,771
Total revenues	51,018,522	-	2,981,243	53,999,765
EXPENDITURES				
Regular instructions	20,249,538	-	229,337	20,478,875
Special education instruction	8,402,233	-	510,247	8,912,480
Other instruction	994,308	-	3,260	997,568
Student and staff support	3,538,663	-	110,280	3,648,943
System administration	1,537,274	-	-	1,537,274
School administration	1,892,095	-	-	1,892,095
Transportation and buses	2,242,275	-	-	2,242,275
Facilities maintenance	4,938,466	-	-	4,938,466
Debt service	2,949,724	-	-	2,949,724
Site improvements and techology purchases	700,000	1,949,147	850,350	3,499,497
Program expenditures	-	-	1,756,875	1,756,875
Maine state retirement on-behalf payments	3,480,728	-	-	3,480,728
Total expenditures	50,925,304	1,949,147	3,460,349	56,334,800
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	93,218	(1,949,147)	(479,106)	(2,335,035)
OTHER FINANCING SOURCES (USES)				
Loan proceeds	-	-	354,183	354,183
Financed purchases proceeds	886,500	-	-	886,500
Transfer to general fund	(1,700,000)	-	-	(1,700,000)
Transfer from capital projects fund	-	1,700,000	-	1,700,000
	(813,500)	1,700,000	354,183	1,240,683
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(720,282)	(249,147)	(124,923)	(1,094,352)
FUND BALANCES - JULY 1, 2023	4,772,024	2,950,185	1,012,443	8,734,652
FUND BALANCES - JUNE 30, 2024	$ 4,051,742	$ 2,701,038	$ 887,520	$ 7,640,300

The reconciliation of the net change in fund balances of governmental funds to the change in net position in the statement of activities is presented on a separate schedule on the next page.

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2024

Excess of revenues over (under) expenditures - total governmental funds (from Statement 5)		$ (1,094,352)
Amounts reported for governmental activities in the Statement of Activities (Statement 2) are different because (see Note 1, also):		
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 and reported as depreciation expense. This is the amount by which depreciation and amortization exceeded capital outlay in the current period:		
Capital outlay	$ 2,358,466	
Depreciation	(1,641,361)	
Right-to-use asset acquisition	1,448,240	
Amortization of right-to-use asset	(1,048,670)	1,116,675
Bond and lease proceeds are reported as other financing sources in the governmental funds, but are reported as additions to long-term liabilities in the Statement of Net Position. Repayment of bond principal and payments on the principal portion of leases are reported as expenditures in the governmental funds, but are reported as reductions to long-term liabilities in the Statement of Net Position. This is the amount by which proceeds exceeded repayments in the current period:		
Long-term bond proceeds	(1,221,700)	
Deferred bond proceeds	242,527	
Long-term bond principal repayments	2,391,087	
Financed purchases proceeds	(186,500)	
Financed purchases repayment	330,734	
Lease liabilities proceeds	(353,562)	
Lease liabilities repayments	245,268	1,447,854
Some expenses reported in the Statement of Activities, such as accrued compensated absences, do not use current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Change in accrued interest expense		22,288
Change in deferred bond premiums		132,456
Change in the amount deferred on refunding		(78,765)
Change in accrued compensated absences		(13,703)
Change in the pension contribution		123,560
Change in the other post-employment benefits contribution		2,449
Change in net position of governmental activities (see Statement 2)		$ 1,658,462

The Accompanying Notes are an Integral Part of these Statements.

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Statement of Fiduciary Net Position
Fiduciary Funds
As of June 30, 2024

	Private- purpose Trusts
ASSETS	
Cash and cash equivalents	$ 11,065
Due from other funds	48,427
TOTAL ASSETS	59,492
NET POSITION	
Principal	10,335
Income	49,157
TOTAL NET POSITION	$ 59,492

The Accompanying Notes are an Integral Part of these Statements.

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2024

	Private-purpose Trusts
ADDITIONS	
Interest	$ 279
Donations received	3,190
	3,469
DEDUCTIONS	
Scholarship	8,705
CHANGE IN NET POSITION	(5,236)
NET POSITION - JULY 1, 2023	64,728
NET POSITION - JUNE 30, 2024	$ 59,492

The Accompanying Notes are an Integral Part of these Statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Reporting Entity

Maine School Administrative District No. 51 is a Quasi-Municipal Corporation having received its Certificate of Organization on January 26, 1966, pursuant to Title 20-A and Chapter 103 of the Maine Revised Statutes, as amended. The School District's territory includes the Towns of Cumberland and North Yarmouth, Maine, providing the educational needs for grades kindergarten through 12 for the residents of these communities. The District has an eight-member Board of Directors of which five are residents of the Town of Cumberland and three are residents of the Town of North Yarmouth. The Directors are elected for three-year staggered terms. The Superintendent is the Secretary, Treasurer and Chief Administrator of the School District.

In evaluating the District as a reporting entity, management has addressed all potential component units for which the District may or may not be financially accountable and, as such, be includable within the District's basic financial statements. In accordance with the Governmental Accounting Standards Board (GASB), the District (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the District. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's basic financial statements to be misleading or incomplete. Based on the application of these criteria, the District has not identified any component units that should be included in these financial statements.

The Governmental Accounting Standards Board is the authoritative standard-setting body for the establishment of governmental accounting and financial reporting principles.

The financial statements of the District have been prepared in accordance with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The following is a summary of the more significant policies.

Basis of Presentation

Government-Wide Financial Statements

The government-wide financial statements, comprised of the statement of net position and the statement of activities, report information on all the non-fiduciary activities of the District. The statement of net position presents the financial condition of the governmental activities of the District. The statement of activities presents a comparison between expenses, both direct and indirect, and program revenues for each program of the governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues. The comparison of program revenues and direct expenses identifies the extent to which each program is self-financing or draws from the general revenues of the District.

Fund Financial Statements

Fund financial statements report detailed information about the School District. Since the focus is on major funds rather than reporting funds by type, each major fund is presented in a separate column. GASB sets forth minimum criteria (percentages of the assets, liabilities, revenues, or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus and Basis of Accounting

The accounting and reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liability is incurred, regardless of when the related cash flow takes place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements 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 (recorded) in the accounting period in which they become susceptible to accrual, that is, when they become both measurable and available to finance expenditures of the current fiscal period. “Measurable” means the amount of the transaction can be determined, and “available” means collectible within 60 days after the end of the fiscal year. Revenue sources susceptible to accrual include intergovernmental revenues and investment earnings. Expenditures are recognized when the corresponding liabilities are incurred, except for principal and interest on general long-term debt, which are recognized when due, and compensated absences, which are recognized when paid to the employees. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Fiduciary funds are reported using the economic resources measurement focus.

Fund Accounting

The District uses individual funds to maintain its financial records during the year in order to aid financial management and to demonstrate legal compliance. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures/expenses. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the District:

Governmental Funds

Governmental funds are identified as either general, special revenue, or capital projects, based upon the following guidelines.

The General Fund is the operating fund of the District and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds are used to account for the proceeds of specific sources (other than major capital projects or expendable trusts) that are legally restricted to expenditures for specified purposes.

Capital Projects Funds are used to account for financial resources to be used for acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The Capital Improvement Fund is reported as a major fund.

Fiduciary Funds (Not included in the government-wide statements)

Private-Purpose Trust and Custodial Funds - Trust funds are used to account for assets received by the District and held in a trustee capacity. Custodial funds are generally used to account for assets that the District holds on behalf of others as their agent. Custodial funds are custodial in nature (assets equal liabilities).

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

The District'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. The policy is that deposits can only be made in financial institutions insured by the Federal Deposit Insurance Corporation (FDIC) or National Credit Union Administration (NCUA) and/or Excess Share Insurance Corporation (ESI). The District's policy authorizes investments in obligations of the U. S. Treasury and U. S. Agencies, repurchase agreements, certain certificates of deposit and certain money market funds. The District invests its funds in an effort to ensure preservation of capital, remain sufficiently liquid and attain a reasonable market rate of return. Investments are reported at fair value except for money market investments that have a remaining maturity at time of purchase of one year or less stated at amortized cost.

Receivables

Accounts receivable in all funds report amounts that have arisen in the ordinary course of business. Governmental fund type receivables consist primarily of amounts due from the state or federal governments. These intergovernmental receivables are generally collected within 90 days of the end of the fiscal year and are considered collectible. As such, no allowance for doubtful accounts is recorded.

Inventories

School lunch inventories are valued at the lower of cost (first-in, first-out basis) or net realizable value.

Capital Assets

Capital assets, which include property, plant and equipment, are defined by the District as assets with an initial individual cost of more than $5,000 and an estimated useful life in excess of one year. These assets are reported in the governmental column in the government-wide financial statements. Such purchased assets are recorded at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed in the Leases section below) and depreciated over their estimated useful lives (excluding salvage value) or, for lease assets, over the term of the lease. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

Buildings and Building Improvements	5 - 75 years
Vehicles and Equipment	5 - 10 years

The cost of normal repairs and maintenance that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. However, interest incurred during the construction phase of the capital asset is not included as part of the capitalized value of the asset.

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures upon acquisition. Fixed assets are not capitalized, and the related depreciation is not reported in the fund financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the combined balance sheet of the governmental funds and fiduciary funds. Generally, the effect of interfund activity has been removed from the government-wide statements.

Operating transfers are used to move unrestricted resources from various funds to finance programs that the School must account for in other funds in accordance with budgetary authorizations.

Leases

The District routinely engages in lease agreements to meet operational needs. The District’s lease agreements generally relate to buildings and improvements, and technology. For short-term leases with a maximum possible term of 12 months or less at commencement, the District recognizes periodic expense based on the provisions of the lease agreement. For all other agreements where the District is the lessee, at the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The intangible right-to-use lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. The intangible right-to-use lease asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. Intangible right-to-use lease assets, reported similar to other assets, and lease liabilities, reported similar to long-term debt, are included in the statement of net position. The District monitor changes in circumstances that would require a remeasurement of its lease and will remeasure the intangible right-to-use lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Long-Term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of assets. Bond premiums and discounts 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.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has deferred outflows of resources of $1,798,656 related to an advance debt refunding and a pension and other post-employment benefits obligations as of June 30, 2024.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has deferred inflows of resources of $1,179,386 related to a pension and other post-employment benefits obligations as of June 30, 2024.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pensions and Other Post-Employment Benefits (OPEB)

For purposes of measuring the District's net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the MainePERS State Employee and Teacher Plan (the Plan), the Participating Local District Plan (PLD), and additions to/deductions from the Plan and PLD's fiduciary net position have been determined on the same basis as they are reported by the Plan and PLD. For purposes of measuring the District's OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the MainePERS Group Life Insurance (GLI) Plan and the SAD 51 Cumberland and North – Maine Education Association Benefits Trust (MEABT) Postretirement Benefit Plan (the OPEB Plans) and additions to/deductions from the OPEB Plans' fiduciary net position have been determined on the same basis as they are reported by the OPEB Plans.

For these purposes, the Pension Plan and the OPEB Plans recognize benefits and contributions and premium refunds and withdrawals to the plans' members and beneficiaries are recognized as deductions when due and payable in accordance with the terms of the statutes. In addition, an estimate is made for group life insurance death benefits incurred before year end but not reported to the OPEB Plan until after year end. Investments of the plans are measured at fair value.

Due to timing differences between audited information about the plans becoming available from MainePERS and MEABT and the statutorily required deadlines for audited financial statements for the District, the District uses measurement dates from the plan's account balances and activities that are 12 months prior to the date of the Statement of Net Position. Appropriate adjustments are made to the Statement of Net Position and Statement of Activity to reflect these divergent measurement dates. The use of the different measurement date is allowed under GASB Statement No. 68 *Accounting and Financial Reporting for Pensions* and GASB Statement No 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Net Position and Fund Equity Classifications

Net position is required to be classified in the government-wide statements into the following three components:

Net Investment in Capital Assets - This component consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Capital assets	79,181,964
Accumulated depreciation	(23,872,712)
Bonds and leases payable	(17,578,674)
Bond premiums	(465,924)
Amount deferred on refunding	165,943
Net investment in capital assets	$ 37,430,597

Restricted - This component consists of constraints placed on the use of net position which are either externally imposed by debt covenants, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted - This component consists of net position that does not meet the definition of "restricted" or "net investment in capital assets".

Fund Balance

In the fund financial statements, governmental fund balance is presented in five possible categories:

Nonspendable - This classification includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance (Continued)

Restricted - This classification represents those portions of fund equity that have externally enforceable legal restrictions.

Committed - This classification describes the portion of the fund balance that represents resources whose use is constrained by limitations that the government imposes upon itself at its highest level of decision making and that remain binding unless removed in the same manner.

Assigned - This classification reflects the amounts constrained by the District's "intent" to be used for specific purposes, but are neither restricted nor committed. The School Board has the authority to assign amounts to be used for specific purposes.

Unassigned - This classification represents amounts that are available for any purpose.

The District has no formal revenue spending policy for programs with multiple revenue sources. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance.

Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. These estimates and assumptions affect the reported amounts of assets, liabilities, the disclosure of contingent liabilities, and the reported revenues and expenses.

Note 2: DEPOSITS AND INVESTMENTS

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the bank's failure, the District will not be able to recover the value of its deposits and investments that are in the possession of an outside party.

Deposits

The District does not have a deposit policy for custodial credit risk. As of June 30, 2024, all of the District's bank balances were either insured by the FDIC, National Credit Union Administration (NCUA), and Excess Share Insurance Corporation (ESI), or by irrevocable standby letters of credit.

Cash Held by Third Parties

The District owns assets held by the Maine School Management Association and by Maine Municipal Bond Bank. These amounts are invested by the custodian in money market accounts or similar very low risk investment vehicles that invest in U.S. government obligations. Management believes the custodial credit risk of the assets to be low. As of June 30, 2024, the carrying value of amounts held was $2,256,336 Carrying value approximates fair value. None of the underlying securities are in the District's name.

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer. All of the District's investments are in external investment pools.

Note 3: INTERFUND RECEIVABLES AND PAYABLES

Individual interfund receivables and payables balances at June 30, 2024, were as follows:

	Interfund Receivables	Interfund Payables
General fund	$ 696,828	$ 3,677,601
Capital Improvement Fund	2,720,557	-
Nonmajor special revenues	908,617	125,651
Nonmajor capital projects	-	571,177
Fiduciary	48,427	-
	$ 4,374,429	$ 4,374,429

The purpose of interfund loans is to charge revenues and expenditures to the appropriate fund when that activity is accounted for through the centralized checking account. The balances represent each fund's portion of the centralized account.

Transfers

Interfund transfers for the year ended June 30, 2024 consisted of the following:

	Transfers In	Transfers Out
General fund	$ -	$ 1,700,000
Capital Improvement Fund	1,700,000	-
	$ 1,700,000	$ 1,700,000

Operating transfers are used to move unrestricted resources from various funds to finance programs that the District must account for in other funds in accordance with budgetary authorizations.

Note 4: CAPITAL ASSETS

Included in the capital assets below are capital assets that were obtained with capital leases. They are as follows:

	Cost	Accumulated Depreciation
Operations and maintenance	$ 3,246,091	$ 882,867
Transportation	219,740	28,993
Total	$ 3,465,831	$ 911,860

Note 4: CAPITAL ASSETS (Continued)

Capital asset activity during 2024 was:

	Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024
Capital assets not being depreciated:				
Land	$ 196,993	$ 756,000	$ -	$ 952,993
Construction in progress	726,621	67,447	-	794,068
Total capital assets not being depreciated	923,614	823,447	-	1,747,061
Capital assets being depreciated:				
Land improvements	957,384	14,443	-	971,827
Building and improvements	67,240,968	1,066,202	-	68,307,170
Transportation	4,273,092	186,500	(58,200)	4,401,392
Equipment	3,486,640	267,874	-	3,754,514
Total capital assets being depreciated	75,958,084	1,535,019	(58,200)	77,434,903
Total capital assets	76,881,698	2,358,466	(58,200)	79,181,964
Accumulated depreciation:				
Land improvements	603,018	28,588	-	631,606
Building and improvements	16,852,488	1,158,174	-	18,010,662
Transportation	2,612,950	253,748	(58,200)	2,808,498
Equipment	2,221,095	200,851	-	2,421,946
Total accumulated depreciation	22,289,551	1,641,361	(58,200)	23,872,712
Capital assets, net	$ 54,592,147	$ 717,105	$ -	$ 55,309,252

	Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024
Intangible right-to-use lease assets				
Building and improvements	$ 8,029,586	$ 900,507	$ -	$ 8,930,093
Equipment	258,272	547,733	-	806,005
Total intangible right-to-use lease assets	8,287,858	1,448,240	-	9,736,098
Accumulated amortization:				
Building and improvements	946,870	983,119	-	1,929,989
Equipment	127,170	65,551	-	192,721
Total accumulated amortization	1,074,040	1,048,670	-	2,122,710
Intangible right-to-use assets, net	$ 7,213,818	$ 399,570	$ -	$ 7,613,388

Depreciation and amortization were charged to functions as follows:

Operations and maintenance	$ 2,265,624
Transportation	236,270
Program expenditures	6,994
Instructions	181,143
Total depreciation and amortization	$ 2,690,031

Note 5: CHANGES IN LONG-TERM LIABILITIES

Long-Term Liabilities

The following is a summary of long-term liability activity of the District for the year ended June 30, 2024:

Governmental Activities	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
General obligation bonds	$ 17,396,997	$ 1,221,700	$ (2,391,087)	$ 16,227,610	$ 2,566,422
Bond Premiums	598,380	-	(132,456)	465,924	101,317
Financed purchases	2,382,699	186,500	(330,734)	2,238,465	334,919
Lease liabilities	5,654,640	353,562	(245,268)	5,762,934	744,909
Accrued compensated absences	487,198	27,067	(13,364)	500,901	-
Net pension liability	873,200	-	(188,734)	684,466	-
Net other post-employment benefits liability	4,655,110	20,730	-	4,675,840	-
	$ 32,048,224	$ 1,809,559	$ (3,301,643)	$ 30,556,140	$ 3,747,567

Note 6: LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS

Long-Term Debt Obligations

General long-term debt consists of the following:

The Bank of New York Mellon: 2012 General Obligation Refunding Bonds (Middle School and Greely Junior High School Renovation), maturing 10/15/2025, annual series principal payments are $845,000 (2015), $1,100,000 (2016-2017), $1,090,000 (2018), $1,085,000 (2019-2023), $990,000 (2024), and $250,000 (2025). Various interest rates of 2% to 5%; interest paid semi-annually; authorized and issued $10,800,000.	$ 1,240,000
The Bank of New York Mellon: 2014 General Obligation Bonds(Greely Grades 4-5 Addition), maturing 10/15/2034, annual series principal payments of $100,000; various interest rates of 3% to 4%; interest paid semi-annually; authorized and issued $2,000,000.	1,100,000
Banc of America Leasing & Capital LLC 2015 Qualified Energy Conservation Bond, maturing 11/18/2029, annual series payments between $74,000 and $80,000, taxable QECBs interest rate of 4.61% and federal tax credit rate of 4.40%, authorized and issued $831,218.	363,483
U. S. Bank: 2017 General Obligation Refunding Bonds(Greely High Renovation), maturing 10/15/2029, annual series principal payments of $685,000 to $690,000 beginning 10/15/2020; various interest rates of 2.5% to 4%; interest paid semi-annually; authorized and issued $6,855,000.	4,110,000
U. S. Bank: 2018 General Obligation Bonds (Performing Arts Center), maturing 08/01/2039, annual series principal payments of $465,000; various interest rates of 3% to 4%; interest paid semi-annually; authorized and issued $9,300,000.	7,440,000
Maine Municipal Bond Bank: 2022 School Revolving Renovation Fund (SRRF) Bond (Mabel I Wilson Upgrades), maturing 09/01/2033, annual series principal payments of $75,243, interest rate of 0%; authorized and issued $752,427.	752,427
William Wyatt: 2023 General Obligation Bond (Land Purchase), maturing 09/01/2028, annual series principal payments of $140,000, interest rate of 3%; authorized and issued $700,000.	700,000
Maine Municipal Bond Bank: 2023 School Revolving Renovation Fund (SRRF) Bond (Greely High School Upgrades), maturing 05/01/2034, annual series principal payments of $52,170, interest rate of 0%; authorized and issued $521,700.	521,700
	$ 16,227,610

Note 6: LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS ((Continued)

Long-Term Debt Obligations (Continued)

The annual requirement to amortize debt outstanding as of June 30, 2024, is as follows:

Year	Principal	Interest	Total
2025	$ 2,566,422	$ 501,135	$ 3,067,557
2026	1,829,455	432,261	2,261,716
2027	1,582,602	372,915	1,955,517
2028	1,585,866	316,423	1,902,289
2029	1,589,252	259,403	1,848,655
2030-2034	4,184,013	756,152	4,940,165
2035-2039	2,425,000	284,488	2,709,488
2040-2041	465,000	8,138	473,138
	$ 16,227,610	$ 2,930,915	$ 19,158,525

Interest expense paid was $652,770 for the year.

Under a provision of state law, the State of Maine reimburses the District for a portion of the financing costs of various approved school construction projects. The District's State aid subsidy is dependent upon continued annual appropriation by the State legislature.

Financed Purchases Obligations

The District has various leases of vehicles, and equipment, including energy efficient equipment expiring at different times. Annual payments are made in the amount of principal and interest due on the debt.

The following is a summary of financed purchases transactions of the District for the year ended June 30, 2024:

Year Ending June 30,	Principal	Interest	Total
2025	$ 334,919	$ 67,169	$ 402,088
2026	274,021	53,555	327,576
2027	220,763	43,477	264,240
2028	229,933	37,168	267,101
2029	239,459	30,588	270,047
2030-2034	939,370	67,420	1,006,790
Total financed purchased obligations	$ 2,238,465	$ 299,378	$ 2,537,842

Note 7: LEASE LIABILITIES

The District leases equipment through Androscoggin Bank and portable classrooms through Schiavi Leasing Corporation. The lease payments on lease liabilities at June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	$ 744,909	$ 137,688	$ 882,597
2026	511,562	112,898	624,460
2027	316,083	90,288	406,371
2028	306,003	80,370	386,373
2029	85,420	74,580	160,000
2030-2034	452,340	347,661	800,001
2035-2039	497,464	302,536	800,000
2040-2044	547,090	252,910	800,000
2045-2049	601,666	198,334	800,000
2050-2054	661,687	138,313	800,000
2055-2059	727,696	72,304	800,000
2060-2061	311,014	8,986	320,000
Total lease liabilities obligations	$ 5,762,934	$ 1,816,867	$ 7,579,801

Total operating lease expense for the year ending June 30, 2024, was $1,171,518.

Note 8: CONTINGENT LIABILITIES

Grant Funds

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

Litigation

The District is subject to certain legal proceedings and claims which arise in the ordinary course of conducting its activities. In the opinion of management, the District has defensible positions and any ultimate liabilities are covered by insurance or will not materially affect the financial position of the District.

Note 9: OTHER DISCLOSURES

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; and natural disasters for which the District either carries commercial insurance, or participates in a public entity risk pool. Currently, the District participates in several public entity risk pools sponsored by the Maine State Management Association. Based on the coverage provided by the pools, as well as coverage provided by commercial insurance purchased, the District is not aware of any material actual or potential claim liabilities which should be recorded at June 30, 2024. There were no significant reductions in insurance coverage from that of the prior year. Settled claims have not exceeded insurance coverage for any of the past three fiscal years. The amount of unpaid claims was $0 on June 30, 2024.

Note 9: OTHER DISCLOSURES (Continued)

Unemployment Compensation Fund

The District is self-insured for unemployment compensation, thereby retaining the full liability of these risks. The unemployment compensation fund consists of a reserve account held with the Maine School Management Association. Contributions during the year are invested and held temporarily to administer unemployment benefits for the School, if any. As of the date of this report, there are no unpaid claims outstanding, nor is the District aware of any potential claims which have been incurred yet remain unreported and which should be recorded at June 30, 2024.

Chebeague Island School

Pursuant to negotiations between the Chebeague Island Secession Representatives and the Board, the parties agreed to the following: The Town of Chebeague Island (the Town) will pay their percentage share of the District's debt that equals the ratio of the State valuation of the Town of Chebeague Island to the combined State valuations of the Towns of Cumberland, North Yarmouth, and Chebeague Island.

Note 10: DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description

The MainePERS State Employee and Teacher Plan (the Plan) is a multiple-employer cost sharing plan with a special funding situation. As of June 30, 2023, there were 239 employers, including the State of Maine, participating in the plan. The State of Maine is also a non-employer contributing entity in that the State pays the initial unfunded actuarial liability on behalf of teachers, while school districts contribute the normal cost, calculated actuarially, for their teacher members.

The Participating Local District (PLD) Plan is a multiple-employer cost sharing plan. Eligible employers (districts) are defined in Maine statute. As of June 30, 2023, there were 327 employers in the plan.

Each Plan is administered by the Maine Public Employees Retirement System (the System).

Pension Benefits

Benefit terms are established in Maine statute; in the case of the PLD Consolidated Plan, an advisory group, also established by statute, reviews the terms of the plan and periodically makes recommendations to the Legislature to amend the terms. The System's retirement programs 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 (effective October 1, 1999, the prior ten-year requirement was reduced by legislative action to five years for State employees and teachers; separate legislation enacted the same reduced requirement for employees of PLDs). In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. Normal retirement age for State employees and teachers is age 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. For PLD members, normal retirement age is 60 or 65. 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. The System also provides disability and death benefits which are established by statute for State employee and teacher members and by contract with other participating employers under applicable statutory provisions.

Upon termination of membership, members' accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits and membership rights. The annual rate of interest credited to members' accounts is set by the System's Board of Trustees and is currently 3.88%.

Note 10: DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the Pension Plan (Continued)

Member and Employer Contributions

Retirement benefits are funded by contributions from members and employers and by earnings on investments. Disability and death benefits are funded by employer normal cost contributions and by investment earnings. Member and employer contribution rates are each a percentage of applicable member compensation. Member contribution rates are defined by law or by the System's Board of Trustees and depend on the terms of the plan under which a member is covered. Employer contribution rates are determined through actuarial valuations.

Financial Reporting

MainePERS issues annual financial reports for the Plan which can be found online at:

http://www.mainepers.org/Publications/Publications.htm#Annual Reports

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

The net pension liability, deferred inflows of resources and deferred outflows of resources related to pensions were measured at June 30, 2023, the latest measurement date available, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. These amounts are reported on the District's financial statements as of June 30, 2024. The District's deferred outflows of resources related to pensions balance, as of the measurement date, was increased by contributions to pensions made in the current fiscal year. These amounts were adjusted accordingly as reductions to expenses in the Statement of Activities.

At June 30, 2023, the District reported a liability for its proportionate share of the net pension liability for the SET Plan that reflected a reduction for State pension support provided to the District. The amount recognized by the District 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 District were as follows:

District's proportionate share of the net pension liability	$	522,139
State's proportionate share of the net pension liability associated with the District		22,393,301
Total	$	22,915,440

The District's proportion of the Plan's net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2023, for the SET plan, the District's proportion was 0.034416%, which was a decrease of 0.01476% from its proportion measured as of June 30, 2022. At June 30, 2023, for the PLD plan, the District's proportion was 0.050871%, which was an decrease of 0.002915% from its proportion measured as of June 30, 2022.

Note 10: DEFINED BENEFIT PENSION PLAN (Continued)

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

For the year ended June 30, 2024, the District recognized total pension expense of $4,343,122 and revenue of $3,480,728 for support provided by the State related to the SET plan, resulting in a net pension expense of $862,394. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SET Plan		PLD Plan		Net of Both Plans	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiance	$ 42,779	$ -	$ 30,136	$ -	$ 72,915	$ -
Change of assumptions	-	-	-	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	48,440	-	27,546	-	75,986
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	190,290	6,072	5,324	6,072	195,614
District contributions subsequent to the measurement date	1,230,818	-	-	-	1,230,818	-
Total	$ 1,273,597	$ 238,730	$ 36,208	$ 32,870	$ 1,309,805	$ 271,600

Differences due to changes in assumptions about future economic or demographic factors or other inputs were recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan.

District contributions to the Plan subsequent to the measurement date, totaling $1,230,818, are reported as deferred outflows of resources related to pensions and will be recognized in pension expense in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	SET Plan	PLD Plan	Total
Fiscal year 2025	$ (92,194)	$ 1,412	$ (90,782)
Fiscal year 2026	(112,654)	(27,294)	(139,948)
Fiscal year 2027	6,446	27,939	34,385
Fiscal year 2028	2,451	1,281	3,732
Total	$ (195,951)	$ 3,338	$ (192,613)

Actuarial Methods and Assumptions

The collective total pension liability for the Plans was determined by an actuarial valuation as of June 30, 2023, using the following methods and assumptions applied to all periods included in the measurement.

Note 10: DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial Methods and Assumptions (Continued)

Actuarial Cost Method

The Entry Age Normal cost method is used to develop costs. Under this cost method, the total employer contribution rate consists of two elements: the normal cost rate and the unfunded actuarial liability (UAL) rate.

The individual entry age normal method is used to determine liabilities. Under the individual entry age normal method, a normal cost rate is calculated for each employee. This rate is determined by taking the value, as of age at entry into the plan, of the member's projected future benefits, and dividing it by the value, also as of the member's entry age, of his or her expected future salary. The normal cost for each employee is the product of his or her pay and his or her normal cost rate. The normal cost for the group is the sum of the normal costs for all members.

Experience gains and losses, i.e., decreases or increases in liabilities and/or in assets when actual experience differs from the actuarial assumptions, affect the unfunded actuarial accrued liability.

Asset Valuation Method

The actuarial valuation employs a technique for determining the actuarial value of assets which reduces the impact of short-term volatility in the market value. The specific technique adopted in this valuation recognizes in a given year one-third of the investment return that is different from the actuarial assumption for investment return.

Amortization

The IUAL of the SET Plan is amortized on a level percentage of payroll over the amortization period then in effect under statutory and constitutional requirements. All other gains, losses, and changes are amortized over twenty-year periods beginning on the date as of which they occur.

The net pension liability of the PLD Consolidated Plan is amortized on a level percentage of payroll using a method where a separate twenty-year closed period is established annually for the gain or loss for that year.

Significant actuarial assumptions employed by the actuary for funding purposes as of June 30, 2023 and June 30, 2022 are as follows:

Investment Rate of Return - For both Plans, 6.50% per annum, compounded annually for 2023 and 2022

Inflation Rate - For both Plans, 2.75% (2023 and 2022)

Salary Increases, Merit and Inflation – For the SET Plan for 2023 and 2022, Teachers, 2.80% to 13.03%; all participants in the PLD Plan for 2023 and 2022, 2.75% to 11.48%;

Cost of Living Benefit Increases – For the SET Plan, 2.20% (2023 and 2022), For the PLD Plan, 1.91% (2023 and 2022)

Mortality Rates – Based on the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC_2020 model.

Note 10: DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial Methods and Assumptions (Continued)

The long-term expected rate of return on pension plan assets 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 class of assets. 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 June 30, 2023 are summarized in the following table:

	Target Allocation	Long-Term Expected Real Rate of Return
Public equities	30.0%	6.0%
US Government	7.5%	2.6%
Private equity	15.0%	7.6%
Real assets:		
Real estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural resources	5.0%	5.0%
Traditional credit	7.5%	3.2%
Alternative credit	5.0%	7.4%
Diversifiers	10.0%	5.0%

Discount Rate

The discount rate used to measure the collective total pension liability was 6.50% for 2023 and 2022 for each of the plans. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and non-employer entity contributions will be made at contractually required rates, actuarially determined. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. 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 liability.

Note 10: DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial Methods and Assumptions (Continued)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rates

The following table presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.50%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.50%) or 1 percentage point higher (7.50%) than the current rate.

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
SET Plan:			
District's proportionate share of the net pension liability	$ 1,026,647	$ 522,139	$ 102,163
PLD Plan			
Net pension liability (asset)	444,787	162,327	(70,680)
Total	$ 1,471,434	$ 684,466	$ 31,483

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued MainePERS financial report.

NOTE 11: OTHER POST-EMPLOYMENT BENEFITS PLANS

General Information about the OPEB GLI Plans

GLI OPEB Plans Descriptions

The District participates in the two post-retirement benefit plans providing group term life insurance to retiring employees. Teachers participate in the Group Life Insurance Plan for State Employees and Teachers (the SET Plan). For certain District employees, the District contributes to the Group Life Insurance Plan for Participating Local Districts (the PLD Plan). Both plans are a multiple-employer cost-sharing defined benefit OPEB plan administered by the Maine Public Employees Retirement System (MainePERS), however the SET Plan has a special funding situation. The MainePERS Board of Trustees has the authority to establish and amend the benefit terms and financing requirements for each plan.

SET OPEB Plan – As of June 30, 2023, there were 234 employers, including the State of Maine, participating in the SET OPEB plan. The State is also a non-employer contributing entry in that the State pays contributions for retired school teachers in the plan.

PLD OPEB Plan – As of June 30, 2023, there were 146 employers participating in the PLD OPEB plan.

NOTE 11: OTHER POST-EMPLOYMENT BENEFITS PLANS (Continued)

GLI OPEB Plans (Continued)

GLI OPEB Plans Benefits

The OPEB plans provides basic group life insurance benefits, during retirement, to retirees who participated in the group life insurance plan prior to retirement for a minimum of 10 years. The level of coverage in retirement is initially set to an amount equal to the retiree's 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.

GLI OPEB Plans Funding Policies

Premium rates are those determined by MainePERS's Board of Trustees to be actuarially sufficient to pay anticipated claims. The premiums for retiree life insurance coverage are factored into the premiums paid for basic coverage while participants are active members. Premiums for basic life insurance coverage for retired teachers are paid by the State of Maine as the total dollar amount of each year's annual required contribution. PLD employers are required to remit a premium of $0.48 per $1,000 of coverage for covered active employees, a portion of which is to provide a level of coverage in retirement. PLD employers with retired PLD employees continue to remit a premium of $0.48 per $1,000 of coverage per month during the post-employment retired period.

GLI OPEB Plans Financial Reporting

MainePERS issues annual financial reports for the Group Life Insurance Plan which can be found online at:

http://www.mainepers.org/Publications/Publications.htm#Annual Reports

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

GLI OPEB Plans

The net OPEB liability, deferred inflows of resources and deferred outflows of resources related to OPEB were measured at June 30, 2023, the latest measurement date available, and the total OPEB liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The District currently has no proportionate share of the collective net OPEB liability for the SET Plan. Therefore, at June 30, 2024, the District reported a liability of $0 for its proportionate share of the net OPEB liability. The State's proportionate share of the net OPEB liability associated with the District was $652,980. Likewise, for the year ended June 30, 2024, the District recognized no OPEB expense (related to the MainePERS GLI OPEB SET Plan).

The District's collective net OPEB liability for the PLD Plan as of June 30, 2023, was $31,909. For the year ended June 30, 2024, the District paid its premiums for both active and retired employees and recognized a reduction of OPEB expense of $1,621 (related to the MainePERS GLI OPEB PLD Plan).

GLI OPEB Plan Reporting

Normally, additional disclosures about actuarial methods and assumptions as well as required supplementary information relating to the District's proportionate share of the collective net OPEB liability and a schedule of the District's contributions to the OPEB Plan would be presented. However, due to the District having no or minimal liability nor contributions to the plan, these disclosures and schedules would provide no useful information and, thus, have been omitted.

Detailed information about the OPEB plan is available in the separately issued MainePERS financial report.

NOTE 11: OTHER POST-EMPLOYMENT BENEFITS PLANS (Continued)

General Information about the OPEB Health Insurance Plan

Health Insurance OPEB Plan Description

The District 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 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.

Health Insurance OPEB Benefits Provided

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

Employees covered by benefit terms: At June 30, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	119
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	353
Total	472

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

Health Insurance OPEB Plan

The District's total OPEB liability of $4,643,931 was measured as of June 30, 2023, and was determined by an actuarial valuation as of that date.

Changes in the Total OPEB Liability

Balance at June 30, 2024	$	4,620,212
Changes for the year:		
Service Cost		104,425
Interest		164,329
Changes of benefit terms		-
Differences between expected and actual experience		-
Changes in assumptions or other inputs		(78,421)
Benefit payments		(166,614)
Net changes		23,719
Balance at June 30, 2023	$	4,643,931

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

NOTE 11: OTHER POST-EMPLOYMENT BENEFITS PLANS (Continued)

Health Insurance OPEB Plan (Continued)

For the year ended June 30, 2024, the District recognized a OPEB expense reduction of $827. At June 30, 2024, the District 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	$ 57,241	$ 577,694
Changes of Assumptions or other inputs	116,904	319,891
District contributions subsequent to measurement date	145,151	-
Total	$ 319,296	$ 897,585

District contributions to the Plan subsequent to the measurement date, totaling $145,151, are reported as deferred outflows of resources related to OPEB and will be recognized in OPEB expense in the next fiscal year. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended June 30:	
2025	$ (124,431)
2026	(89,698)
2027	(134,236)
2028	(134,236)
2029	(112,738)
Thereafter	(128,101)
	$ (723,440)

Actuarial Assumptions and Other Inputs

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

Inflation	Not reported
Salary increases	2.75% - 13.03% per year
Discount rate	3.65% per annum
Healthcare cost trend rates - Pre-Medicare	Initial trend of 7.95% applied in FY 2023 grading over 19 years to 4.00% per annum
Healthcare cost trend rates - Medicare	Initial trend of 0.00% applied in FY 2023 and 5.62% applied in FY2024 grading over 18 years to 4.29% per annum
Retirees' share of the benefit related costs	40% of the blended premium rate with a State subsidy for the remaining 60% of the blended single premium rate

Mortality rates were based on the 2010 Public Plan Teacher Benefits Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC_2020 model.

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

NOTE 11: OTHER POST-EMPLOYMENT BENEFITS PLANS (Continued)

Health Insurance OPEB Plan (Continued)

Discount Rate

The rate used to measure the total OPEB liability was 3.65% per annum. Since the plan is pay as you go and is not funded, the discount rate was based upon the Bond Buyer 20-Bond GO Index. This rate is assumed to be an index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

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

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB Liability	$ 5,433,905	$ 4,643,931	$ 4,011,926

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the District's total OPEB liability calculated using the healthcare cost trend rates, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage- point lower or 1 percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability	$ 3,920,948	$ 4,643,931	$ 5,571,274

Note 12: PRIOR PERIOD ADJUSTMENT

The District's beginning net position for Governmental Activities in Statement 2 has been restated from the previously issued 2023 financial statements to reflect accrued compensated absences that had not been reported. As a result, the beginning net position for Governmental Activities in Statement 2 decreased by $452,104.

Note 13: PURPOSE OF STUDENT ACTIVITY FUNDS

The purpose of the Student Activity Funds is to maintain accountability of the various extracurricular activities for the students at Maine School Administrative District No. 51.

Note 14: COMPONENTS OF FUND BALANCE

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

	Non-spendable	Restricted	Committed	Unassigned
General fund:				
Prepaid expenses	$ 15,402	$ -	$ -	$ -
Operating budget expenditures	-	-	250,000	-
Technology expenditures	-	-	23,044	-
Emergencies expenditures	-	-	1,239,641	-
Unassigned	-	-	-	2,523,655
Capital improvements	-	-	2,701,038	(496,167)
Other governmental funds:				
Special revenues				
MEABT Wellness	-	41	-	-
PEPG Development grant	-	500	-	-
CRF #2	-	-	-	-
GEER - teens to trails	-	551	-	-
School lunch program	35,904	766,235	-	-
Getting to proficiency	-	376	-	-
MLTI repairs & maintenance	-	20,932	-	-
Foundation 51	-	24,406	-	-
GMS ski	-	583	-	-
Athletic donations	-	5,686	-	-
Ted warner memorial fund	-	6,127	-	-
Greely turf	-	846	-	-
NASA grant	-	1,418	-	-
Charitable gifts	-	238	-	-
Casco Bay japanese	-	5,422	-	-
Insurance reimbursement	-	20,217	-	-
Siemens grant	-	5,454	-	-
Go fund me grant	-	3,750	-	-
KyleCares	-	31,755	-	-
Water education grant	-	410	-	-
New reader board	-	634	-	-
The NEA foundation grant	-	750	-	-
PTO grant	-	3	-	-
GHS functional life skills	-	162	-	-
GMS functional life skills	-	20	-	-
Berlin city MIW grant	-	84	-	-
Community development	-	43,006	-	-
Greely high school student activities	-	259,415	-	-
Greely middle school grades 6-8 student act	-	80,343	-	-
Mabel I Wilson School Student activities	-	36,436	-	-
Greely middle school grade 4-5 student acti	-	31,983	-	-
Total	$ 51,306	$ 1,347,783	$ 4,213,723	$ 2,027,488

Note 15: SUBSEQUENT EVENTS

In June 2024, the District voters approved the issuance of a General Obligation Bond not to exceed $53,492,000 to finance the construction of a new preK-Grade 1 primary school building, a maintenance building, an addition to Mabel I. Wilson School, a new artificial turf athletic field, vehicular circulation improvements, and other improvements to Mabel I Wilson School to be repaid over 20 years at an interest rate at prevailing rates at the time the District issues the bond.

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REQUIRED SUPPLEMENTARY INFORMATION

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Budgetary Comparison Schedule
Budget and Actual - General Fund - Budgetary Basis
Year Ended June 30, 2024

	Initial Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Town assessments	$ 32,248,410	$ 32,248,410	$ 32,248,410	$ -
Charges for services:				
Tuition	-	-	13,300	13,300
State shared revenues:				
General and debt service	14,600,555	14,600,555	14,672,881	72,326
Medicaid reimbursement (net)	20,000	20,000	34,375	14,375
Other	-	-	46,266	46,266
Total State shared revenue	14,620,555	14,620,555	14,753,522	132,967
Miscellaneous:				
Interest	8,000	8,000	247,560	239,560
Chebeague Island debt service payment	134,364	134,364	134,364	-
Other	32,000	32,000	140,638	108,638
Total miscellaneous	174,364	174,364	522,562	348,198
TOTAL REVENUES	47,043,329	47,043,329	47,537,794	494,465
EXPENDITURES-BY FUNCTIONS				
Regular instructions	20,960,946	20,585,946	20,249,538	336,408
Special education instruction	8,615,402	8,515,402	8,402,233	113,169
Other instruction	994,670	994,670	994,308	362
Student and staff support	3,339,075	3,539,075	3,538,663	412
System administration	1,362,829	1,537,829	1,537,274	555
School administration	1,892,534	1,892,534	1,892,095	439
Transportation and buses	2,009,849	2,109,849	2,055,775	54,074
Facilities maintenance	4,966,079	4,966,079	4,938,466	27,613
Debt service	2,962,880	2,962,880	2,949,724	13,156
TOTAL EXPENDITURES-BY FUNCTIONS	47,104,264	47,104,264	46,558,076	546,188
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(60,935)	(60,935)	979,718	1,040,653
OTHER FINANCING SOURCES (USES)				
Transfer to Capital Projects	(1,700,000)	(1,700,000)	(1,700,000)	-
	(1,700,000)	(1,700,000)	(1,700,000)	-
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	$ (1,760,935)	$ (1,760,935)	$ (720,282)	$ 1,040,653

See Notes to Required Supplementary Information

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51

Schedule of the District's Proportionate Share of the Net Pension Liability

MainePERS State Employee and Teacher Plan

Employer ID: TD051

For the Last Ten Years *

Fiscal Year Ended June 30,	District's proportion of the net pension liability	District's proportionate share of the net pension liability	State's proportionate share of the net pension liability associated with the District	Total	District's covered-employee payroll	District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	0.034416%	$ 522,139	$ 22,393,301	$ 22,915,440	$ 22,453,690	2.33%	86.03%
2023	0.049176%	730,220	21,611,313	22,341,533	21,386,648	3.41%	85.79%
2022	0.051437%	435,068	12,180,977	12,616,045	20,205,991	2.15%	90.90%
2021	0.029102%	475,018	24,048,511	24,523,529	19,476,421	2.44%	81.03%
2020	0.036135%	529,694	21,133,681	21,663,375	18,868,234	2.81%	82.73%
2019	0.024869%	335,593	20,067,824	20,403,417	18,578,296	1.81%	82.90%
2018	0.027945%	405,911	21,449,234	21,855,145	18,191,511	2.23%	80.78%
2017	0.032346%	571,444	24,762,765	25,334,209	16,836,110	3.39%	76.21%
2016	0.024175%	326,391	19,463,820	19,790,211	16,794,091	1.94%	81.18%
2015	0.026666%	288,081	15,130,907	15,418,988	15,991,580	1.80%	83.91%

* Date headers reflect the reporting fiscal year, but measurement dates are twleve months prior.

See Notes to Required Supplementary Information

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51

Schedule of the District's Employer Contributions

MainePERS State Employee and Teacher Plan

Employer ID: TD051

For the Last Ten Years *

Fiscal Year Ended June 30,	Contractually required contributions	District's contributions in relation to the contractually required contributions	District's contribution deficiency (excess)	District's covered-employee payroll	District's contributions as a percentage of its covered-employee payroll
2024	$ 1,230,818	$ 1,230,818	$ -	$ 24,448,024	5.03%
2023	985,958	985,958	-	22,453,690	4.39%
2022	974,284	974,284	-	21,386,648	4.56%
2021	972,300	972,300	-	20,205,991	4.81%
2020	865,448	865,448	-	19,476,421	4.44%
2019	818,004	818,004	-	18,868,234	4.34%
2018	778,321	778,321	-	18,578,296	4.19%
2017	645,945	645,945	-	18,191,511	3.55%
2016	602,800	602,800	-	16,836,110	3.58%
2015	483,788	483,788	-	16,794,091	2.88%

* Date headers reflect both the reporting fiscal year and the measurement date.

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51

Schedule of the District's Proportionate Share of the Net Pension Liability

MainePERS Participating Local District Consolidated Plan

Employer ID: P0198

For the Last Ten Years *

Fiscal Year Ended June 30,	District's proportion of the net pension liability	District's proportionate share of the net pension (asset) liability	District's covered-employee payroll	District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	0.050871%	$ 162,327	$ 534,192	30.39%	92.34%
2023	0.053786%	142,980	497,894	28.72%	93.26%
2022	0.047265%	(15,189)	410,423	-3.70%	100.86%
2021	0.039516%	157,002	344,879	45.52%	88.35%
2020	0.038712%	118,328	324,397	36.48%	90.62%
2019	0.036365%	99,523	288,388	34.51%	91.14%
2018	0.037224%	154,456	297,466	51.92%	86.43%
2017	0.046707%	248,159	391,376	63.41%	81.61%
2016	0.038049%	121,394	379,343	32.00%	88.27%
2015	0.039470%	60,737	402,435	15.09%	94.10%

* Date headers reflect the reporting fiscal year, but measurement dates are twleve months prior.

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51

Schedule of the District's Employer Contributions
MainePERS Participating Local District Consolidated Plan
Employer ID: P0198
For the Last Ten Years *

Fiscal Year Ended June 30,	Contractually required contributions	District's contributions in relation to the contractually required contributions	District's contribution deficiency (excess)	District's covered-employee payroll	District's contributions as a percentage of its covered-employee payroll
2024	$ 46,311	$ 46,311	$ -	$ 516,069	8.97%
2023	45,871	45,871	-	534,192	8.59%
2022	41,145	41,145	-	497,894	8.26%
2021	32,337	32,337	-	410,423	7.88%
2020	25,521	25,521	-	344,879	7.40%
2019	23,681	23,681	-	324,397	7.30%
2018	20,187	20,187	-	288,388	7.00%
2017	19,335	19,335	-	297,466	6.50%
2016	21,917	21,917	-	391,376	5.60%
2015	15,553	15,553	-	379,343	4.10%

* Date headers reflect both the reporting fiscal year and the measurement date.

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51

Schedule of the District's Proportionate Share of the Net OPEB Liability

MainePERS Group Life Insurance OPEB Teacher Plan

Employer ID: TD051

For the Last Seven Years *

Fiscal Year Ended June 30,	District's proportion of the net pension liability	District's proportionate share of the net pension liability	State's proportionate share of the net pension liability associated with the District	Total	District's covered-employee payroll	District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	0.00%	$ -	$ 652,980	$ 652,980	$ 22,453,690	0.00%	56.97%
2023	0.00%	-	693,671	693,671	21,386,648	0.00%	52.39%
2022	0.00%	-	349,551	349,551	20,205,991	0.00%	62.90%
2021	0.00%	-	735,014	735,014	19,476,421	0.00%	49.51%
2020	0.00%	-	690,377	690,377	18,868,234	0.00%	49.22%
2019	0.00%	-	695,511	695,511	18,578,296	0.00%	48.04%
2018	0.00%	-	644,740	644,740	18,191,511	0.00%	47.29%

* Date headers reflect the reporting fiscal year, but measurement dates are twleve months prior.

Note: This schedule is intended to show information for ten years.
The data presented is attributable to those years since the District's
first year of GASB 75 implementation; the fiscal year ended June 30, 2018.

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51

Schedule of the District's Proportionate Share of the Net OPEB Liability

MainePERS Group Life Insurance OPEB PLD Plan

Employer ID: P0198

For the Last Seven Years *

Fiscal Year Ended June 30,	District's proportion of the net pension liability	District's proportionate share of the net pension liability	District's covered-employee payroll	District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2024	100.00%	$ 31,909	$ 534,192	5.97%	59.71%
2023	100.00%	35,898	497,894	7.21%	55.88%
2022	100.00%	25,309	410,423	6.17%	67.26%
2021	100.00%	32,406	344,879	9.40%	55.40%
2020	100.00%	56,566	324,397	17.44%	43.18%
2019	100.00%	50,880	288,388	17.64%	43.92%
2018	100.00%	55,215	297,466	18.56%	47.42%

* Date headers reflect the reporting fiscal year, but measurement dates are twleve months prior.

Note: This schedule is intended to show information for ten years.
The data presented is attributable to those years since the District's first year of
GASB 75 implementation; the fiscal year ended June 30, 2018.
The schedule will be updated annually as new information becomes available.

See Notes to Required Supplementary Information

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Schedule of Changes in the District's Total Health Plan
OPEB Liability and Related Ratios
Maine Education Association Benefits Trust Health Insurance OPEB Plan
For the Last Six Years *

	2024	2023	2022	2021	2020
A Service cost	$ 104,425	$ 127,145	$ 125,307	$ 58,559	$ 49,140
B Interest	164,329	117,341	116,293	200,222	205,515
C Benefit term changes	-	-	-	(466,639)	-
D Experience differences	-	(770,260)	-	114,485	-
E Assumption changes	(78,421)	(97,759)	44,523	(286,445)	311,766
F Benefit payments	(166,614)	(122,431)	(112,931)	(177,026)	(154,360)
G Net change	23,719	(745,964)	173,192	(556,844)	412,061
H Beginning liability	4,620,212	5,366,176	5,192,984	5,749,828	5,337,767
I Ending liability	$ 4,643,931	$ 4,620,212	$ 5,366,176	$ 5,192,984	$ 5,749,828
J Covered payroll	16,570,556	16,166,396	16,466,744	16,065,116	17,040,125
K Payroll percentage	28.03%	28.58%	32.59%	32.32%	33.74%

	2019
A Service cost	$ 52,779
B Interest	195,488
C Benefit term changes	-
D Experience differences	-
E Assumption changes	(243,125)
F Benefit payments	(149,025)
G Net change	(143,883)
H Beginning liability	5,481,650
I Ending liability	$ 5,337,767
J Covered payroll	16,584,063
K Payroll percentage	32.19%

* Date headers reflect the reporting fiscal year, but measurement dates are twleve months prior.

A Service cost related to the District
B Interest, which includes interest on service cost
C Changes in the Plan's benefit terms
D Differences between expected and actual experience
E Changes of assumptions
F Benefit payments, including refunds of member contributions
G Net change in total OPEB liability (sum of A through F)
H Total OPEB liability at the beginning of the fiscal year.
I Total OPEB liability at the end of the fiscal year.
J Covered-employee payroll
K Total OPEB liability as a percentage of covered-employee payroll.

Note: This schedule is intended to show information for ten years.
The data presented is attributable to those years since the District's first year of GASB 75 implementation; the fiscal year ended June 30, 2019.
The schedule will be updated annually as new information becomes available.

See Notes to Required Supplementary Information

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Notes to the Required Supplementary Information
June 30, 2023

Note 1: BUDGETARY ACCOUNTING

Budgets are adopted for the general fund only. Formal budgetary integration is employed as a management control device during the year for the general fund. The budget is presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles. A comparison of budget to actual is presented in these financial statements.

Note 2: BUDGETARY VS. GAAP BASIS OF ACCOUNTING

As required by generally accepted accounting principles (GAAP), the District has reported a revenue and expenditure for Maine Public Employees Retirement contributions in the amount of $3,480,728, made by the State of Maine on behalf of the School District. Since the amount has not been budgeted, there is a difference in reporting on a budgetary basis of accounting vs. reporting under accounting principles generally accepted in the United States of America. The amount has been included as an intergovernmental revenue and expenditure in the General Fund on Statement 5. There is no effect on the fund balance at the end of the year.

Capital lease proceeds and expenditures of $186,500 have been reported on the GAAP statements but not on the budgetary basis statements. There is no effect on the fund balance at the end of the year.

The following is an explanation of the various differences and their effect on current year revenues, expenditures, and other financing sources (uses) on a GAAP basis as presented in Statement 5:

Revenues	
Total Revenues as reported on Budgetary Comparison Schedule Budget and Actual- Budgetary Basis (Schedule 1)	$ 47,537,794
Differences-budget to GAAP	
On behalf payments for Maine State Retirement Contributions made by the state of Maine	3,480,728
Total Revenues as reported on Statement of Revenues, Expenditures, and Changes in Fund Balances- Governmental Funds (Statement 5)	$ 51,018,522
Expenditures	
Total Expenditures as reported on Budgetary Comparison Schedule Budget and Actual- Budgetary Basis (Schedule 1)	$ 46,558,076
Differences-budget to GAAP	
Capital lease purchases	886,500
On behalf payments for Maine State Retirement Contributions made by the state of Maine	3,480,728
Total Expenditures as reported on Statement of Revenues, Expenditures, and Changes in Fund Balances- Governmenatl Funds (Statement 5)	$ 50,925,304
Other Financing Sources (Uses)	
Total Other Financing Sources (Uses) as reported on Budgetary Comparison Schedule - Budget and Actual- Budgetary Basis (Schedule 1)	$ (1,700,000)
Differences-budget to GAAP	
Capital lease proceeds	886,500
Total Expenditures as reported on Statement of Revenues, Expenditures, and Changes in Fund Balances- Governmenatl Funds (Statement 5)	$ (813,500)

OTHER SUPPLEMENTARY INFORMATION

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Schedule 9

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Schedule of Changes in Fund Balance - General Fund
Year Ended June 30, 2024

		Committed	Committed	Committed	Nonspendable	
	Unassigned	Operating Budget Cost Center Reserve	Technology Reserve	Emergencies Reserve	Prepaid Expenses	Total
FUND BALANCE - JULY 1, 2023	$ 3,396,540	$ 250,000	$ 23,044	$ 1,050,576	$ 51,864	$ 4,772,024
TRANSFER TO EMERGENCIES RESERVE (ART. 18-JUNE 2024)	(250,000)	-	-	250,000	-	-
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(622,885)	-	-	(60,935)	(36,462)	(720,282)
FUND BALANCE - JUNE 30, 2024	$ 2,523,655	$ 250,000	$ 23,044	$ 1,239,641	$ 15,402	$ 4,051,742

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Combining Balance Sheet - Other Governmental Funds
June 30, 2024
(With comparative totals for the year ended June 30, 2023)

	Special Revenues (Schedule 14)	Capital Projects (Schedule 16)	Totals (Memorandum Only) 2024	Totals (Memorandum Only) 2023
ASSETS				
Cash/investments	$ 451,394	$ -	$ 451,394	$ 392,074
Accounts receivable	224,225	75,010	299,235	206,123
Inventories	35,904	-	35,904	31,057
Due from other funds	908,617	-	908,617	564,091
TOTAL ASSETS	$ 1,620,140	$ 75,010	$ 1,695,150	$ 1,193,345
LIABILITIES AND FUND BALANCE				
Liabilities				
Accounts payable	$ 44,570	$ -	$ 44,570	$ 32,121
Accrued salaries	39,073	-	39,073	37,317
Due to students	27,159	-	27,159	28,888
Due to other funds	125,651	571,177	696,828	82,576
	236,453	571,177	807,630	180,902
Fund balance (deficit)	1,383,687	(496,167)	887,520	1,012,443
TOTAL LIABILITIES AND FUND BALANCE	$ 1,620,140	$ 75,010	$ 1,695,150	$ 1,193,345

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Other Governmental Funds
Year Ended June 30, 2024
(With Comparative Totals for the Year Ended June 30, 2023)

	Special Revenues (Schedule 15)	Capital Projects (Schedule 17)	Totals (Memorandum Only) 2024	2023
REVENUES				
Intergovernmental	$ 2,119,610	$ -	$ 2,119,610	$ 2,133,747
Charges for services	313,500	-	313,500	343,008
Other	548,133	-	548,133	381,696
	2,981,243	-	2,981,243	2,858,451
EXPENDITURES	2,609,999	850,350	3,460,349	2,642,670
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	371,244	(850,350)	(479,106)	215,781
OTHER FINANCING SOURCES (USES)				
Bond and lease proceeds	-	354,183	354,183	107,553
Transfer out to other fund	-	-	-	-
	-	354,183	354,183	107,553
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	371,244	(496,167)	(124,923)	323,334
FUND BALANCE - JULY 1	1,012,443	-	1,012,443	689,109
FUND BALANCE (DEFICIT) - JUNE 30	$ 1,383,687	$ (496,167)	$ 887,520	$ 1,012,443

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Combining Statement of Fiduciary Net Position - Fiduciary Funds
June 30, 2024

	Private- purpose Trusts								
	Morton Hamlin Scholarship Fund	Alice W. Lang Scholarship Fund	Bruce Churchill Scholarship Fund	David W Scully Scholarship Fund	Berkeley Hutchins Scholarship Fund	Spruce Cliff Fund	Elizabeth Clark Scholarship Fund	Jason and Carrie Cianchette Scholarship Fund	Total
ASSETS									
Cash	$ 5,156	$ 5,909	$ -	$ -	$ -	$ -	$ -	$ -	$ 11,065
Due from other funds	-	-	2,381	35,000	2,440	750	7,840	16	48,427
Total assets	5,156	5,909	2,381	35,000	2,440	750	7,840	16	59,492
NET POSITION									
Principal	5,000	5,335	-	-	-	-	-	-	10,335
Income	156	574	2,381	35,000	2,440	750	7,840	16	49,157
	$ 5,156	$ 5,909	$ 2,381	$ 35,000	$ 2,440	$ 750	$ 7,840	$ 16	$ 59,492

Schedule 13

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Combining Statement of Changes in Fiduciary Net Position - Fiduciary Funds
Year Ended June 30, 2024

	Private- purpose Trust								
	Morton Hamlin Scholarship Fund	Alice W. Lang Scholarship Fund	Bruce Churchill Scholarship Fund	David W Scully Scholarship Fund	Berkeley Hutchins Scholarship Fund	Spruce Cliff Fund	Elizabeth Clark Scholarship Fund	Jason and Carrie Cianchette Scholarship Fund	Total
ADDITIONS									
Interest earned	$ 127	$ 152	$ -	$ -	$ -	$ -	$ -	$ -	$ 279
Donation received	-	-	-	-	2,440	750	-	-	3,190
Total revenue	127	152	-	-	2,440	750	-	-	3,469
DEDUCTIONS									
Scholarships	-	500	-	5,000	2,350	-	855	-	8,705
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	127	(348)	-	(5,000)	90	750	(855)	-	(5,236)
NET POSITION - BEGINNING OF YEAR	5,029	6,257	2,381	40,000	2,350	-	8,695	16	64,728
NET POSITION - END OF YEAR	$ 5,156	$ 5,909	$ 2,381	$ 35,000	$ 2,440	$ 750	$ 7,840	$ 16	$ 59,492

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Combining Balance Sheet - Nonmajor Special Revenue Funds
June 30, 2024

	ASSETS					LIABILITIES AND FUND BALANCE					
	Cash	Due from Other Funds	Accounts Receivable	Inventories	**Total Assets**	Accounts Payable	Accrued Salaries	Due to Students	Due to Other Funds	Fund Balance	**Total Liabilities and Fund Balance**
Federal and State programs											
Title 1A disadvantaged	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Local entitlement Title 6 Part B	-	-	117,677	-	117,677	863	39,073	-	77,741	-	117,677
Preschool grant	-	-	15,469	-	15,469	-	-	-	15,469	-	15,469
MEABT wellness	-	41	-	-	41	-	-	-	-	41	41
PEPG development grant	-	500	-	-	500	-	-	-	-	500	500
Preventing student homelessness	-	-	-	-	-	-	-	-	-	-	-
MLTI state grant	-	-	-	-	-	-	-	-	-	-	-
CRF #2	-	-	-	-	-	-	-	-	-	-	-
GEER - teens to trails	-	551	-	-	551	-	-	-	-	551	551
Literacy grant	-	-	10,003	-	10,003	-	-	-	10,003	-	10,003
School lunch program	-	775,401	56,991	35,904	868,296	38,998	-	27,159	-	802,139	868,296
Getting to proficiency	-	376	-	-	376	-	-	-	-	376	376
Total Federal and State programs	-	776,869	200,140	35,904	1,012,913	39,861	39,073	27,159	103,213	803,607	1,012,913
Other programs											
MLTI repairs & maintenance	-	20,932	-	-	20,932	-	-	-	-	20,932	20,932
Foundation 51	-	27,032	-	-	27,032	2,626	-	-	-	24,406	27,032
GMS ski	-	583	-	-	583	-	-	-	-	583	583
Athletic donations	-	5,686	-	-	5,686	-	-	-	-	5,686	5,686
Ted warner memorial fund	-	6,127	-	-	6,127	-	-	-	-	6,127	6,127
Greely turf	-	846	-	-	846	-	-	-	-	846	846
NASA grant	-	1,418	-	-	1,418	-	-	-	-	1,418	1,418
Charitable gifts	-	238	-	-	238	-	-	-	-	238	238
Casco Bay japanese	-	5,422	-	-	5,422	-	-	-	-	5,422	5,422
Pay to play	-	-	24,085	-	24,085	1,676	-	-	22,409	-	24,085
Donations for scholarships	-	-	-	-	-	-	-	-	-	-	-
Insurance reimbursement	-	20,217	-	-	20,217	-	-	-	-	20,217	20,217
Siemens grant	-	5,454	-	-	5,454	-	-	-	-	5,454	5,454
Go fund me grant	-	3,750	-	-	3,750	-	-	-	-	3,750	3,750
KyleCares	-	32,162	-	-	32,162	407	-	-	-	31,755	32,162
Water education grant	-	410	-	-	410	-	-	-	-	410	410
New reader board	-	634	-	-	634	-	-	-	-	634	634
The NEA foundation grant	-	750	-	-	750	-	-	-	-	750	750
PTO grant	-	3	-	-	3	-	-	-	-	3	3
GHS functional life skills	162	-	-	-	162	-	-	-	-	162	162
GMS functional life skills	20	-	-	-	20	-	-	-	-	20	20
Berlin city MIW grant	-	84	-	-	84	-	-	-	-	84	84
Community development	43,035	-	-	-	43,035	-	-	-	29	43,006	43,035
Greely high school student activities	259,415	-	-	-	259,415	-	-	-	-	259,415	259,415
Greely middle school grades 6-8 student activities	80,343	-	-	-	80,343	-	-	-	-	80,343	80,343
Greely middle school grades 4-5 student activities	31,983	-	-	-	31,983	-	-	-	-	31,983	31,983
Mabel I Wilson School Student activities	36,436	-	-	-	36,436	-	-	-	-	36,436	36,436
Total other programs	451,394	131,748	24,085	-	607,227	4,709	-	-	22,438	580,080	607,227
TOTAL	$ 451,394	$ 908,617	$ 224,225	$ 35,904	$ 1,620,140	$ 44,570	$ 39,073	$ 27,159	$ 125,651	$ 1,383,687	$ 1,620,140

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2024

	Fund Balances Beginning of Year restated	Program Revenues Intergovernmental	Program Revenues Other	Transfers In (Out)	Program Expenditures	Fund Balances End of Year
Federal and State programs						
Title 1A disadvantaged	$ -	$ 123,202	$ -	$ -	$ 123,202	$ -
Local entitlement Title 6 Part B	-	493,204	-	-	493,204	-
Preschool grant	-	15,123	-	-	15,123	-
MEABT wellness	46	500	-	-	505	41
PEPG development grant	500	-	-	-	-	500
Preventing student homelessness	-	1,378	-	-	1,378	-
MLTI State Grant	-	91,400	-	-	91,400	-
CRF #2	14,880	-	-	-	14,880	-
GEER - WAVES and teens to trails	551	-	-	-	-	551
Literacy Grant	-	18,377	-	-	18,377	-
School lunch program	503,042	1,376,426	265,790	-	1,343,119	802,139
Getting to proficiency	376	-	-	-	-	376
Total Federal and State programs	519,395	2,119,610	265,790	-	2,101,188	803,607
Other programs						
MLTI repairs & maintenance	21,199	-	-	-	267	20,932
Foundation 51	26,617	-	17,356	-	19,567	24,406
GMS ski	1,568	-	2,275	-	3,260	583
Athletic donations	5,686	-	-	-	-	5,686
Ted warner memorial fund	6,127	-	-	-	-	6,127
Greely turf	846	-	-	-	-	846
NASA grant	1,418	-	-	-	-	1,418
Charitable gifts	238	-	-	-	-	238
Casco Bay japanese	6,067	-	-	-	645	5,422
Pay to play	-	-	57,710	-	57,710	-
Donations for scholarships	-	-	1,000	-	1,000	-
Insurance reimbursement	20,217	-	-	-	-	20,217
Siemens grant	5,454	-	-	-	-	5,454
Go fund me grant	3,750	-	-	-	-	3,750
KyleCares	-	-	43,927	-	12,172	31,755
Water education grant	410	-	-	-	-	410
New reader board	634	-	-	-	-	634
The NEA foundation grant	650	-	500	-	400	750
PTO grant	38	-	-	-	35	3
GHS functional life skills	97	-	738	-	673	162
GMS functional life skills	82	-	169	-	231	20
Berlin city MIW grant	84	-	-	-	-	84
Community development	43,006	-	-	-	-	43,006
Greely high school student activities	214,779	-	335,926	-	291,290	259,415
Greely middle school grades 6-8 student activities	64,343	-	89,198	-	73,198	80,343
Greely middle school grades 4-5 student activities	28,260	-	25,147	-	21,424	31,983
Mabel I Wilson School Student activities	41,478	-	21,897	-	26,939	36,436
Total other programs	493,048	-	595,843	-	508,811	580,080
TOTAL	$ 1,012,443	$ 2,119,610	$ 861,633	$ -	$ 2,609,999	$ 1,383,687

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Combining Balance Sheet - Nonmajor Capital Projects Funds
June 30, 2024
(With Comparative Totals for the Year ended June 30, 2023)

	New Elementary School Fund	State Revolving Loan Fund	Totals (Memorandum Only) 2024	2023
ASSETS				
Accounts receivable	$ -	$ 75,010	$ 75,010	$ 11,213
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	$ -	$ -	$ -	$ 9,500
Due to other funds	496,167	75,010	571,177	1,713
Total liabilities	496,167	75,010	571,177	11,213
FUND BALANCE (DEFICIT)	(496,167)	-	(496,167)	-
TOTAL LIABILITIES AND FUND BALANCES	$ -	$ 75,010	$ 75,010	$ 11,213

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
Year Ended June 30, 2024
(With Comparative Totals for the Year ended June 30, 2023)

	New Elementary School Fund	State Revolving Loan Fund	Totals (Memorandum Only) 2024	2023
REVENUES				
Interest	$ -	$ -	$ -	$ -
EXPENDITURES	496,167	354,183	850,350	107,553
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(496,167)	(354,183)	(850,350)	(107,553)
OTHER FINANCING SOURCES (USES)				
Loan proceeds	-	354,183	354,183	107,553
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(496,167)	-	(496,167)	-
FUND BALANCE - JULY 1	-	-	-	-
FUND BALANCE (DEFICIT) - JUNE 30	$ (496,167)	$ -	$ (496,167)	$ -

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Greely High School Student Activity Funds
Statement of Cash Receipts, Disbursements, and Changes in Cash Balances
Year Ended June 30, 2024

	Balance 6/30/2023	Receipts	Disbursements	Balance 6/30/2024
Athletics	$ 49,501	$ 140,303	$ 144,096	$ 45,708
AP exams	12,156	19,773	18,980	12,949
Art club	136	-	-	136
Band	3,232	2,776	2,572	3,436
Best buddies	2,291	-	-	2,291
Bright spot	4,748	100	1,619	3,229
CCC	762	-	-	762
Chorus	2,715	4,078	4,674	2,119
Civil rights team	-	-	98	(98)
Class of 2001	28	-	-	28
Class of 2002	465	-	-	465
Class of 2003	683	-	-	683
Class of 2004	1,464	-	-	1,464
Class of 2005	17	-	-	17
Class of 2007	2,451	-	-	2,451
Class of 2009	1,380	-	-	1,380
Class of 2010	974	-	-	974
Class of 2011	1,474	-	-	1,474
Class of 2013	2,558	-	-	2,558
Class of 2014	1,142	-	-	1,142
Class of 2015	1,737	-	-	1,737
Class of 2016	4,817	-	-	4,817
Class of 2017	4,138	-	-	4,138
Class of 2018	2,349	-	-	2,349
Class of 2019	3,489	-	-	3,489
Class of 2020	4,014	-	-	4,014
Class of 2021	(73)	-	-	(73)
Class of 2022	3,120	-	-	3,120
Class of 2023	(25)	-	-	(25)
Class of 2024	5,964	5,828	4,765	7,027
Class of 2025	3,613	16,872	12,100	8,385
Class of 2026	2,531	1,419	103	3,847
Class of 2027	-	2,374	-	2,374
Community service	1,357	80	732	705
Debate	7	-	-	7
Drama	23,085	27,199	19,811	30,473
English	480	43	-	523
Faculty fund	342	510	777	75
French	296	2,433	632	2,097
Global awareness	68	77	77	68
Guidance	9,699	3,969	3,000	10,668
Hanley denning fund	1,861	-	-	1,861
IB exam fees	-	7,350	6,664	686
Industrial arts	43	-	-	43
Inkwell/literary magazine	2,161	42	211	1,992

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Greely High School Student Activity Funds
Statement of Cash Receipts, Disbursements, and Changes in Cash Balances
Year Ended June 30, 2024

	Balance 6/30/2023	Receipts	Disbursements	Balance 6/30/2024
Junior classic	$ 447	$ 300	$ 505	$ 242
KyleCares	-	10,305	10,305	-
Library	1,150	518	-	1,668
Math	107	100	-	207
Math team	344	491	760	75
MCL	82	-	-	82
Model U.N.	1,859	2,025	2,475	1,409
Natural Helpers	78	-	-	78
National honor society	105	2,150	1,603	652
Office fund	493	420	194	719
Office supplies	2,645	-	-	2,645
Outing club	5	-	-	5
Pathways	-	1,315	-	1,315
Project graduation - class 2023	9,669	-	-	9,669
Project graduation - class 2024	8,776	25,245	30,495	3,526
Project graduation - class 2025	-	53,888	21,380	32,508
Project graduation - general	13,421	-	-	13,421
Quiz show	-	-	-	-
Research	409	-	-	409
Science department/math	786	336	134	988
Social studies	200	184	-	384
Spanish club	16	-	-	16
Special olympics	5,077	2,308	2,253	5,132
Student council	779	-	10	769
Sunshine fund	-	-	-	-
Yearbook	5,081	1,115	265	5,931
	$ 214,779	$ 335,926	$ 291,290	$ 259,415

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Greely Middle School Grades 6-8 Student Activity Funds
Statement of Cash Receipts, Disbursements, and Changes in Cash Balances
Year Ended June 30, 2024

	Balance 6/30/2023	Receipts	Disbursements	Balance 6/30/2024
6th grade activity	$ 179	$ -	$ -	$ 179
7th grade activity	597	15,890	15,876	611
8th grade activity	1,220	7,095	7,063	1,252
Art	429	53	-	482
Band	531	5,706	5,815	422
Best buddies	500	120	605	15
Chamber singers	10	-	-	10
Community service club	928	-	-	928
Discretionary acct	62	-	-	62
District II fees	9	-	-	9
Drama	3,753	246	1,446	2,553
Fish release grant	470	-	-	470
Foreign language	145	180	177	148
Found money guidance	944	83	-	1,027
Hannaford/target	6,355	1,426	628	7,153
Historical studies grant	225	-	-	225
Japan club	738	-	-	738
Language arts	91	-	-	91
Library	3,583	11,974	10,686	4,871
Life skills	344	-	-	344
Magazine sales	8,494	2,094	2,204	8,384
Office	194	1,461	1,499	156
Outing club (madden)	365	181	280	266
Peabody essex museum	454	-	-	454
Recycling shed fund (md)	1,381	-	-	1,381
Redemption project	107	-	-	107
Rippleffect cow island	10,168	31,366	18,031	23,503
School photos	6,961	1,311	-	8,272
Special olympics	1,901	1,700	2,014	1,587
STEM (industrial arts)	1,010	-	-	1,010
Student council	4,897	7,795	6,356	6,336
Student planners	325	-	-	325
Sunshine fund	973	310	518	765
Teams (USM)	529	-	-	529
Tech	955	-	-	955
Town forest grant	300	-	-	300
Yearbook	4,216	207	-	4,423
	$ 64,343	$ 89,198	$ 73,198	$ 80,343

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Greely Middle School Grades 4-5 Student Activity Funds
Statement of Cash Receipts, Disbursements, and Changes in Cash Balances
Year Ended June 30, 2024

	Balance 6/30/2023	Receipts	Disbursements	Balance 6/30/2024
Art grades 4-5	$ 345	$ 130	$ 51	$ 424
Book fair	8,433	1,746	58	10,121
Donations	346	-	-	346
Field trip	4,145	18,591	18,424	4,312
General	8,678	-	340	8,338
Library	(28)	768	740	-
Music	537	543	393	687
Nursing	85	-	-	85
Planners	145	-	-	145
Returned check fee	145	-	-	145
Sprague donations	(121)	-	-	(121)
Student activity	5,550	3,369	1,418	7,501
	$ 28,260	$ 25,147	$ 21,424	$ 31,983

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
Mabel I. Wilson School Student Activity Funds
Statement of Cash Receipts, Disbursements, and Changes in Cash Balances
Year Ended June 30, 2024

	Balance 6/30/2023	Receipts	Disbursements	Balance 6/30/2024
Wilson school activities	$ 3,786	$ 2,725	$ 1,096	$ 5,415
1st grade acct	3,517	-	-	3,517
2nd grade acct	3,545	588	930	3,203
3rd grade acct	2,108	738	720	2,126
Anonymous donation	120	250	222	148
Art activity acct	1,883	379	673	1,589
Book fair	10,868	10,709	17,229	4,348
Hannaford-target	3,042	1,309	240	4,111
Kindergarten acct	514	-	-	514
Library	1,699	-	-	1,699
Memorial fund	455	452	457	450
Memorial fund2	632	-	-	632
Multiyear	926	-	85	841
Playground fund	43	-	-	43
School photos	5,504	4,747	5,287	4,964
Soda machine	521	-	-	521
Student olympics	293	-	-	293
Student program	1,144	-	-	1,144
Transportation	878	-	-	878
	$ 41,478	$ 21,897	$ 26,939	$ 36,436

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
ANNUAL OPERATING DATA - 2024

ENROLLMENTS:

	Town of Cumberland		Town of North Yarmouth		Total Enrollment	
Oct 1,	Students	%	Students	%	Students	%
2023	1,473	67.88%	697	32.12%	2,170	100.00%
2022	1,444	67.63%	691	32.37%	2,135	100.00%
2021	1,414	68.11%	662	31.89%	2,076	100.00%
2020	1,388	67.41%	671	32.59%	2,059	100.00%
2019	1,418	67.85%	672	32.15%	2,090	100.00%
2018	1,391	67.20%	679	32.80%	2,070	100.00%
2017	1,336	67.10%	655	32.90%	1,991	100.00%
2016	1,388	70.28%	587	29.72%	1,975	100.00%
2015	1,401	70.26%	593	29.74%	1,994	100.00%
2014	1,432	71.35%	575	28.65%	2,007	100.00%

Town of Cumberland, School Enrollment Trend

	Grades						% Resident
Oct 1,	PK-3	4-5	5-6	6-8	9-12	Total	Enrollment
2023	478	252	0	332	411	1,473	67.88%
2022	500	228	0	322	394	1,444	67.63%
2021	479	219	0	323	393	1,414	68.11%
2020	450	207	0	327	404	1,388	67.41%
2019	466	220	0	339	393	1,418	67.85%
2018	419	220	0	328	424	1,391	67.20%
2017	411	214	0	314	397	1,336	67.10%
2016	393	198	0	360	437	1,388	70.28%
2015	381	202	0	357	461	1,401	70.26%
2014	367	236	0	379	440	1,432	71.35%

Schedule 22 (Continued)

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
ANNUAL OPERATING DATA - 2024

Town of North Yarmouth, School Enrollment Trend

	Grades						% Resident
Oct 1,	PK-3	4-5	5-6	6-8	9-12	Total	Enrollment
2023	256	109	0	143	189	697	32.12%
2022	256	89	0	151	195	691	32.37%
2021	228	103	0	136	195	662	31.89%
2020	213	101	0	139	218	671	32.59%
2019	221	86	0	136	229	672	32.15%
2018	191	99	0	155	234	679	32.80%
2017	183	88	0	163	221	655	32.90%
2016	175	94	0	145	173	587	29.72%
2015	174	103	0	134	182	593	29.74%
2014	162	79	0	138	189	575	28.65%

MSAD No. 51 Consolidated Enrollments, School Enrollment Trend

	Consolidated								Member
	Member Towns								Towns
Oct 1,	PK-3	4-5	5-6	6-8	9-12	Total	Tuition	Total	as % Total
2023	734	361	0	475	600	2,170	27	2,197	98.77%
2022	756	317	0	473	589	2,135	21	2,156	99.03%
2021	707	322	0	459	588	2,076	26	2,102	98.76%
2020	663	308	0	466	622	2,059	35	2,094	98.33%
2019	687	306	0	475	622	2,090	39	2,129	98.17%
2018	610	319	0	483	658	2,070	54	2,124	97.46%
2017	594	302	0	477	618	1,991	53	2,044	97.41%
2016	568	292	0	505	610	1,975	43	2,018	97.87%
2015	555	305	0	491	643	1,994	37	2,031	98.18%
2014	529	315	0	517	629	1,990	34	2,024	98.24%

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
ANNUAL OPERATING DATA - 2024

LABOR RELATIONS:

Union	Members	Bargaining Unit	Date of Contract	
			Effective	Expiration
MSAD 51 Ed Assoc	176	Teachers	Sept. 1, 2021	Aug. 31, 2024
MSAD 51 Ed Assoc	24	School Secretaries, Ed and Lib Tec	July 1, 2022	June 30, 2025
Local Union	17	Custodians	July 1, 2023	June 30, 2026
MSAD 51 Ed Assoc	5	Bus Drivers	July 1, 2021	June 30, 2024
Local Union	10	School Lunch Workers	July 1, 2021	June 30, 2024

REVENUES FROM THE STATE:

Fiscal Yr. End June 30,	General Revenue & Debt Service	Adult Education	Total State Subsidy
2024	$ 14,672,881	$ -	$ 14,672,881
2023	12,923,022	-	12,923,022
2022	13,830,878	-	13,830,878
2021	11,961,206	-	11,961,206
2020	11,819,725	-	11,819,725
2019	10,880,596	-	10,880,596
2018	11,274,997	-	11,274,997
2017	11,883,466	-	11,883,466
2016	11,575,066	-	11,575,066
2015	11,844,304	-	11,844,304

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
ANNUAL OPERATING DATA - 2024

Town of Cumberland, Maine

Fiscal Yr. End June 30,	Equalized State Valuation (000)	Assessed Valuation (000)	Tax Rate (000)	Tax Levy (000)	Collections (after Supplements and Abatements) Year End (000)	% of Levy
2024	2,337,300	$ 1,504,875	$ 22.15	$ 33,333	In Process	
2023	1,910,200	1,474,628	21.20	31,262	31,109	99.51%
2022	1,614,950	1,440,712	20.55	29,607	29,548	99.80%
2021	1,503,000	1,412,394	20.35	28,756	28,621	99.53%
2020	1,406,550	1,397,027	19.85	27,731	27,629	99.63%
2019	1,328,750	1,357,732	19.70	26,747	26,746	100.00%
2018	1,264,650	1,331,143	18.80	25,025	24,966	99.76%
2017	1,171,250	1,301,245	18.25	23,748	23,740	99.97%
2016	1,144,550	1,282,280	18.10	23,209	23,203	99.97%
2015	1,099,350	1,244,271	17.40	21,650	21,645	99.98%

Town of North Yarmouth, Maine

Fiscal Yr. End June 30,	Equalized State Valuation (000)	Assessed Valuation (000)	Tax Rate (000)	Tax Levy (000)	Collections (after Supplements and Abatements) Year End (000)	% of Levy
2024	$ 890,500	$ 638,524	$ 19.18	$ 11,785	In Process	
2023	701,350	625,009	18.10	10,843	10,750	99.14%
2022	602,750	597,320	17.10	9,813	9,731	99.16%
2021	617,650	578,151	16.55	9,250	8,933	96.57%
2020	570,400	531,506	16.62	8,864	8,829	99.61%
2019	528,500	517,179	16.67	8,621	8,524	98.87%
2018	484,450	484,896	16.27	7,887	7,849	99.52%
2017	466,000	425,108	17.62	7,490	7,461	99.61%
2016	442,700	422,300	17.52	7,399	7,367	99.41%
2015	431,500	418,307	17.15	7,173	7,124	98.24%

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
ANNUAL OPERATING DATA - 2024

The District's Equalized State Valuation

Year	Equalized State Valuation				
	Town of Cumberland		Town of North Yarmouth		MSAD No. 51
	Valuation	% of District	Valuation	% of District	Valuation
2024	$2,337,300,000	72.41%	$890,500,000	27.59%	$ 3,227,800,000
2023	1,910,200,000	73.14%	701,350,000	26.86%	2,611,550,000
2022	1,614,950,000	72.82%	602,750,000	27.18%	2,217,700,000
2021	1,503,000,000	70.87%	617,650,000	29.13%	2,120,650,000
2020	1,406,550,000	71.15%	570,400,000	28.85%	1,976,950,000
2019	1,328,750,000	71.54%	528,500,000	28.46%	1,857,250,000
2018	1,264,650,000	72.30%	484,450,000	27.70%	1,749,100,000
2017	1,171,250,000	71.54%	466,000,000	28.46%	1,637,250,000
2016	1,144,550,000	72.11%	442,700,000	27.89%	1,587,250,000
2015	1,099,350,000	71.81%	431,500,000	28.19%	1,530,850,000

The District's Budget and Assessment

Fiscal Yr Ended	MSAD No. 51		Town of Cumberland			Town of North Yarmouth		
	Budget	Assessment	Assess.	% Budget	% Assess.	Assess.	% Budget	% Assess.
2024	$ 47,104,264	$ 32,248,410	$ 23,103,270	49.05%	71.64%	$ 9,145,140	19.41%	28.36%
2023	43,805,527	30,701,864	21,851,719	49.88%	71.17%	8,850,145	20.20%	28.83%
2022	41,846,286	29,022,477	20,792,086	49.69%	71.64%	8,230,390	19.67%	28.36%
2021	40,252,323	28,003,015	20,104,804	49.95%	71.80%	7,898,211	19.62%	28.20%
2020	38,390,121	26,306,422	18,937,757	49.33%	71.99%	7,368,665	19.19%	28.01%
2019	37,329,796	26,023,982	18,690,271	50.07%	71.82%	7,333,711	19.65%	28.18%
2018	35,950,197	23,979,920	17,208,108	47.87%	71.76%	6,771,812	18.84%	28.24%
2017	34,959,382	22,506,952	16,060,474	45.94%	71.36%	6,446,478	18.44%	28.64%
2016	33,776,839	21,886,952	15,557,051	46.06%	71.08%	6,329,901	17.97%	29.05%
2015	32,601,904	20,173,392	14,313,306	43.90%	70.95%	5,860,086	17.87%	29.01%

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
ANNUAL OPERATING DATA - 2024

DEBT SUMMARY:

Year Issued	Purpose	Amount Issued	Date of Final Maturity	Balance on June 30, 2023	Proceeds	(Paid)	2024
2012	Ref'd'g 2003 & 2005	10,800,000	10/15/2025	$ 2,325,000	$ -	$ (1,085,000)	$ 1,240,000
2014	Greely Middle	2,000,000	10/15/2034	1,200,000	-	(100,000)	1,100,000
2015	Qualified Energy Energy Improvements	831,218	11/18/2029	419,570	-	(56,087)	363,483
2017	Ref'd'g 2009	831,218	11/18/2029	4,795,000	-	(685,000)	4,110,000
2018	Performing Arts Center	9,300,000	10/15/2039	7,905,000	-	(465,000)	7,440,000
2022	School Revolving Fund Loan-MIW	752,427	09/01/2033	752,427	-	-	752,427
2023	Adjacent Land Acquisition	700,000	09/01/2028	-	700,000	-	700,000
2023	School Revolving Fund Loan-GHS	521,700	05/01/2034	-	521,700	-	521,700
	Totals			**$ 17,396,997**	**$ 1,221,700**	**$ (2,391,087)**	**$ 16,227,610**

DEBT RATIOS:

Town of Cumberland, Maine

Fiscal Yr. End June 30,	Population	Equalized State Valuation	Total Debt ($) General Fund	Enterprise Fund	Total Debt	Debt as % Eq. Val.	Per Capita Debt
2024	8,473	$ 2,337,300,000	$ 17,953,196	$ 598,827	$ 18,552,023	0.79%	$ 2,190
2023	8,473	1,910,200,000	19,892,664	693,860	20,586,524	1.08%	2,430
2022	8,473	1,614,950,000	21,406,636	522,185	21,928,821	1.36%	2,588
2021	8,473	1,503,000,000	23,494,906	586,616	24,081,522	1.60%	2,842
2020	8,473	1,406,550,000	24,980,189	651,047	25,631,236	1.82%	3,025
2019	7,211	1,328,750,000	18,984,353	825,833	19,810,186	1.49%	2,747
2018	7,211	1,264,650,000	20,302,680	975,621	21,278,301	1.68%	2,951
2017	7,211	1,171,250,000	21,197,369	1,105,409	22,302,778	1.90%	3,093
2016	7,211	1,144,550,000	14,635,588	1,225,197	15,860,785	1.39%	2,200
2015	7,211	1,099,350,000	15,683,965	1,344,984	17,028,949	1.55%	2,362

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
ANNUAL OPERATING DATA - 2024

Town of North Yarmouth, Maine

Fiscal Yr. End June 30,	Population	Equalized State Valuation	Total Debt ($) General Fund	Total Debt ($) Enterprise Fund	Total Debt ($) Total Debt	Debt as % Eq. Val.	Per Capita Debt
2024	4072	$ 890,500,000	$ 3,125,000	$ -	$ 3,125,000	0.35%	$ 767
2023	4072	701,350,000	2,730,000	-	2,730,000	0.39%	670
2022	4072	602,750,000	2,905,000	-	2,905,000	0.48%	713
2021	4072	617,650,000	3,080,000	-	3,080,000	0.50%	756
2020	4072	570,400,000	3,255,000	-	3,255,000	0.57%	799
2019	3,565	528,500,000	3,430,000	-	3,430,000	0.65%	962
2018	3,565	484,450,000	-	-	-	0.00%	-
2017	3,565	466,000,000	-	-	-	0.00%	-
2016	3,565	442,700,000	13,188	-	13,188	0.00%	4
2015	3,565	431,500,000	76,372	-	76,372	0.02%	21

Member Towns and the District

Fiscal Yr. End June 30,	Consolidated Pop.	Consolidated Eq. Val. (000)	Total Debt Cumberland	Total Debt North Yarmouth	Total Debt MSAD No. 51	Consolidated Total Debt	Consolidated Debt % Eq. Val.	Consolidated Debt Per Capita
2024	12,545	$ 3,227,800	$ 18,552,023	$ 3,125,000	$ 16,227,610	$ 37,904,633	1.17%	$ 3,021.49
2023	12,545	2,611,550	20,586,524	2,730,000	19,032,840	42,349,364	1.62%	3,375.80
2022	12,545	2,217,700	21,928,821	2,905,000	21,421,316	46,255,137	2.09%	3,687.14
2021	12,545	2,120,650	24,081,522	3,080,000	23,815,019	50,976,541	2.40%	4,063.49
2020	12,545	1,976,950	25,631,236	3,255,000	25,751,103	54,637,339	2.76%	4,355.31
2019	10,776	1,857,250	19,810,186	3,430,000	24,389,662	47,629,848	2.56%	4,419.99
2018	10,776	1,749,100	21,278,301	-	26,333,789	47,612,090	2.72%	4,418.35
2017	10,776	1,637,250	22,302,778	-	22,424,572	44,727,350	2.73%	4,150.64
2016	10,776	1,587,250	15,860,785	13,188	24,361,097	40,235,070	2.53%	3,733.77
2015	10,776	1,530,850	17,028,949	76,372	25,615,000	42,720,321	2.79%	3,964.40

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APPENDIX B

TOWN OF CUMBERLAND, MAINE
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE
YEAR ENDED JUNE 30, 2024

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TOWN OF CUMBERLAND, MAINE

Annual Financial Report

For the Fiscal Year ended June 30, 2024

Prepared by: Helene DiBartolomeo
Director of Finance

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RKO
Runyon Kersteen Ouellette

Certified Public Accountants and Business Consultants

Independent Auditor's Report

Town Council
Town of Cumberland, Maine

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Cumberland, Maine as of June 30, 2024, 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.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Town Council
Town of Cumberland, Maine

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedules related to the Town's net pension liability be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

Town Council
Town of Cumberland, Maine

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2025, on our consideration of the Town of Cumberland, 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 Town of Cumberland, 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 Town of Cumberland, Maine's internal control over financial reporting and compliance.

Runyon Kersteen Ouellette

October 14, 2025
South Portland, Maine

BASIC FINANCIAL STATEMENTS

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Statement 1

TOWN OF CUMBERLAND, MAINE
Statement of Net Position
June 30, 2024

		Governmental Activities	Business-type Activities	Total
ASSETS				
Cash and cash equivalents	$	9,716,862	-	9,716,862
Investments		182,796	8,257	191,053
Receivables:				
Accounts		140,150	209,122	349,272
Rescue		65,174	-	65,174
Intergovernmental		483,538	-	483,538
Taxes - current year		250,876	-	250,876
Taxes - prior years		79,858	-	79,858
Note		6,599	-	6,599
Leases		477,950	-	477,950
Prepaid expenses		100,657	13,702	114,359
Inventory		28,858	-	28,858
Internal balances		(466,238)	466,238	-
Capital assets not being depreciated		8,679,043	146,476	8,825,519
Capital assets being depreciated, net		47,306,802	2,124,910	49,431,712
Total assets		67,052,925	2,968,705	70,021,630
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pensions		755,648	-	755,648
Total deferred outflows of resources		755,648	-	755,648
LIABILITIES				
Accounts payable		1,475,661	20,594	1,496,255
Accrued payroll		568,067	8,293	576,360
Other liabilities		1,190,705	29,768	1,220,473
Accrued interest payable		109,141	4,000	113,141
Noncurrent liabilities:				
Due within one year		2,149,187	91,187	2,240,374
Due in more than one year		17,792,483	512,862	18,305,345
Total liabilities		23,285,244	666,704	23,951,948
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pensions		225,978	-	225,978
Deferred inflows of resources related to leases		446,352	-	446,352
Total deferred inflows of resources		672,330	-	672,330
NET POSITION				
Net investment in capital assets		37,788,836	1,672,559	39,461,395
Restricted for:				
Police programs		8,910	-	8,910
Town donations		56,910	-	56,910
Fuel assistance		280,994	-	280,994
Expendable permanent funds		168,317	-	168,317
Nonexpendable permanent funds		64,527	-	64,527
Unrestricted		5,482,505	629,442	6,111,947
Total net position	**$**	**43,850,999**	**2,302,001**	**46,153,000**

See accompanying notes to basic financial statements.

Statement 2

TOWN OF CUMBERLAND, MAINE
Statement of Activities
For the year ended June 30, 2024

			Program Revenues		Net (expense) revenue and changes in net position		
					Primary Government		
Functions/programs	Expenses	Charges for services	Operating grants and contributions	Capital grants and contributions	Governmental activities	Business-type activities	Total
Primary government:							
Governmental activities:							
General government	$ 5,993,658	526,778	15,229	-	(5,451,651)	-	(5,451,651)
Public safety	4,026,237	421,591	-	-	(3,604,646)	-	(3,604,646)
Public services	5,628,308	768,599	143,134	427,190	(4,289,385)	-	(4,289,385)
Recreation	2,862,455	2,741,265	-	-	(121,190)	-	(121,190)
Library	1,049,463	59,265	-	-	(990,198)	-	(990,198)
Education	23,103,879	-	-	-	(23,103,879)	-	(23,103,879)
Health and public assistance	289,766	-	174,213	-	(115,553)	-	(115,553)
Interest on debt	329,528	-	-	-	(329,528)	-	(329,528)
Total governmental activities	43,283,294	4,517,498	332,576	427,190	(38,006,030)	-	(38,006,030)
Business-type activities:							
Senior Housing	381,715	359,121	-	-	-	(22,594)	(22,594)
Sewer System	1,356,496	1,209,475	-	-	-	(147,021)	(147,021)
Total business-type activities	1,738,211	1,568,596	-	-	-	(169,615)	(169,615)
Total primary government	**$ 45,021,505**	**6,086,094**	**332,576**	**427,190**	**(38,006,030)**	**(169,615)**	**(38,175,645)**

		Governmental activities	Business-type activities	Total
General revenues:				
Property taxes, levied for general purposes	$	30,250,903	-	30,250,903
TIF district taxes		3,071,189	-	3,071,189
Outer island property taxes		45,895	-	45,895
Payments in lieu of taxes		40,265	-	40,265
Motor vehicle excise taxes		2,514,841	-	2,514,841
Interest and penalties		25,972	-	25,972
Grants and contributions not restricted to specific programs:				
Homestead and BETE exemptions		1,016,153	-	1,016,153
State revenue sharing		1,734,568	-	1,734,568
Unrestricted investment earnings (loss)		383,026	233	383,259
Miscellaneous revenues		408,684	-	408,684
Total general revenues		39,491,496	233	39,491,729
Change in net position		1,485,466	(169,382)	1,316,084
Net position - beginning		42,365,533	2,471,383	44,836,916
Net position - ending	**$**	**43,850,999**	**2,302,001**	**46,153,000**

See accompanying notes to basic financial statements.

Statement 3

TOWN OF CUMBERLAND, MAINE
Balance Sheet
Governmental Funds
June 30, 2024

	General	TIF Fund	Road Improvements	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 9,665,927	-	-	50,935	9,716,862
Investments	-	-	-	182,796	182,796
Receivables:					
Accounts	136,220	-	-	3,930	140,150
Rescue	65,174	-	-	-	65,174
Intergovernmental	183,538	-	300,000	-	483,538
Taxes - current year	250,876	-	-	-	250,876
Taxes - prior years	79,858	-	-	-	79,858
Note	-	-	-	6,599	6,599
Leases	477,950	-	-	-	477,950
Prepaid items	100,657	-	-	-	100,657
Inventory	28,858	-	-	-	28,858
Interfund loans receivable	-	-	-	3,455,716	3,455,716
Total assets	**10,989,058**	**-**	**300,000**	**3,699,976**	**14,989,034**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	346,708	29,278	371,946	178,478	926,410
Accrued payroll	527,268	40,277	-	522	568,067
Escrow liabilities	340,039	-	-	-	340,039
Taxes paid in advance	48,271	-	-	-	48,271
Unearned revenue	802,395	-	-	-	802,395
Interfund loans payable	2,648,754	1,165,212	643,959	13,280	4,471,205
Total liabilities	4,713,435	1,234,767	1,015,905	192,280	7,156,387
Deferred inflows of resources:					
Unavailable revenue - property taxes	302,100	-	-	-	302,100
Related to leases	446,352	-	-	-	446,352
Total deferred inflows of resources	748,452	-	-	-	748,452
Fund balances (deficits):					
Nonspendable	129,515	-	-	71,126	200,641
Restricted	-	-	-	516,018	516,018
Committed	-	-	-	2,934,719	2,934,719
Assigned	735,509	-	-	-	735,509
Unassigned	4,662,147	(1,234,767)	(715,905)	(14,167)	2,697,308
Total fund balances (deficits)	5,527,171	(1,234,767)	(715,905)	3,507,696	7,084,195
Total liabilities, deferred inflows of resources, and fund balances	**$ 10,989,058**	**-**	**300,000**	**3,699,976**	

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.		55,985,845
Other long-term assets are not available to pay for current period expenditures and, therefore, are unavailable revenues in the funds.		302,100
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	(16,826,142)	
Financed purchase agreements	(46,879)	
Leases payable	(243,813)	
Unamortized premiums on bonds	(1,080,175)	
Accrued interest	(109,141)	
Accrued compensated absences	(352,985)	
Net pension liability, including related deferred inflows/outflows	(802,006)	
Landfill post closure care costs	(60,000)	
		(19,521,141)
Net position of governmental activities		**$ 43,850,999**

See accompanying notes to basic financial statements.

Statement 4

TOWN OF CUMBERLAND, MAINE
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2024

	General	TIF Fund	Road Improvements	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	$ 32,785,879	3,071,189	-	-	35,857,068
Licenses, permits and fees	253,545	-	-	111,035	364,580
Intergovernmental	3,165,352	-	359,998	61,102	3,586,452
Charges for services	3,803,054	-	-	59,716	3,862,770
Donations and local grants	4,500	-	-	166,240	170,740
Investment income (loss)	-	-	-	383,026	383,026
Other	375,345	-	-	23,005	398,350
Total revenues	40,387,675	3,071,189	359,998	804,124	44,622,986
Expenditures:					
Current:					
General government	2,025,160	1,327,236	-	10,641	3,363,037
Public safety	3,585,292	-	-	34,623	3,619,915
Public services	2,774,696	-	-	92,655	2,867,351
Recreation	2,650,685	-	-	5,395	2,656,080
Library	828,238	-	-	117,417	945,655
Health and public assistance	234,708	-	-	54,257	288,965
Unclassified	613,975	-	-	-	613,975
Insurance	532,085	-	-	-	532,085
Education	23,103,879	-	-	-	23,103,879
County tax	1,189,045	-	-	-	1,189,045
Capital outlay	44,638	123,714	2,282,137	1,192,701	3,643,190
Debt service:					
Principal	1,057,183	645,013	-	-	1,702,196
Interest	438,037	143,038	-	-	581,075
Total expenditures	39,077,621	2,239,001	2,282,137	1,507,689	45,106,448
Excess (deficiency) of revenues over (under) expenditures	1,310,054	832,188	(1,922,139)	(703,565)	(483,462)
Other financing sources (uses):					
Issuance of lease payable	44,638	-	-	-	44,638
Sale of assets	-	-	-	79,749	79,749
Transfers in	1,307,581	-	1,224,138	1,072,448	3,604,167
Transfers out	(2,296,586)	(1,307,581)	-	-	(3,604,167)
Total other financing sources (uses)	(944,367)	(1,307,581)	1,224,138	1,152,197	124,387
Net change in fund balances	365,687	(475,393)	(698,001)	448,632	(359,075)
Fund balances (deficits), beginning of year	5,161,484	(759,374)	(17,904)	3,059,064	7,443,270
Fund balances (deficits), end of year	**$ 5,527,171**	**(1,234,767)**	**(715,905)**	**3,507,696**	**7,084,195**

See accompanying notes to basic financial statements.

TOWN OF CUMBERLAND, MAINE
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the year ended June 30, 2024

Net change in fund balances - total governmental funds (from Statement 4)		$ (359,075)
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. These are the changes related to capital assets:		
Capital outlay	2,167,076	
Depreciation and amortization	(2,251,362)	(84,286)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the change in unavailable revenues - property taxes.		66,025
Expenses in the statement of activities that do not consume current financial resources are not reported as expenditures in the funds: These are the changes related to long-term assets and liabilities:		
Landfill closure costs	6,000	
Accrued interest payable	14,275	
Accrued compensated absences	2,292	
Net pension liability (asset)	(334,820)	
Deferred inflows and outflows related to the net pension liability	168,617	(143,636)
The issuance of debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. These are the changes in long term debt:		
Amortization of leases payable	111,608	
Issuance of lease payables	(44,638)	
Principal payments - bonds and notes	1,812,287	
Principal payments - financed purchases	45,983	
Amortization of bond premium	81,198	2,006,438
Change in net position of governmental activities (see Statement 2)		**$ 1,485,466**

See accompanying notes to basic financial statements.

TOWN OF CUMBERLAND, MAINE
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the year ended June 30, 2024

	Budgeted amounts Original	Budgeted amounts Final	Actual	Variance with final budget positive (negative)
Revenues:				
Taxes	$ 32,366,659	32,366,659	32,785,879	419,220
Licenses and permits	150,165	150,165	253,545	103,380
Intergovernmental	2,832,675	2,832,675	3,165,352	332,677
Charges for services	2,901,108	2,901,108	3,562,172	661,064
Other	300,665	300,665	375,345	74,680
Total revenues	38,551,272	38,551,272	40,142,293	1,591,021
Expenditures:				
Current:				
General government	1,675,182	1,675,182	1,862,156	(186,974)
Public safety	3,499,461	3,499,461	3,585,292	(85,831)
Public services	2,658,588	2,658,588	2,541,229	117,359
Recreation	2,357,503	2,357,503	2,650,685	(293,182)
Library	773,989	773,989	828,238	(54,249)
Health and public assistance	118,196	118,196	142,619	(24,423)
Unclassified	590,173	590,173	613,975	(23,802)
Insurance	423,557	423,557	532,085	(108,528)
Education	23,103,879	23,103,879	23,103,879	-
County tax	1,189,811	1,189,811	1,189,045	766
Debt service	1,576,783	1,576,783	1,495,220	81,563
Total expenditures	37,967,122	37,967,122	38,544,423	(577,301)
Excess (deficiency) of revenues over (under) expenditures	584,150	584,150	1,597,870	1,013,720
Other financing sources (uses):				
Transfers in	1,444,431	1,444,431	1,307,581	(136,850)
Transfers to General Fund reserves	(80,000)	(80,000)	(360,000)	(280,000)
Transfers out	(1,948,581)	(1,948,581)	(2,296,586)	(348,005)
Total other financing sources (uses)	(584,150)	(584,150)	(1,349,005)	(764,855)
Net change in fund balance	-	-	248,865	248,865
Fund balance, beginning of year - budgetary basis			4,563,345	
Fund balance, end of year - budgetary basis	**$**		**4,812,210**	
Reconciliation to GAAP:				
Change in reserves			116,822	
Fund balance, beginning of year - GAAP basis			5,161,484	
Fund balance, end of year - GAAP basis	**$**		**5,527,171**	

See accompanying notes to basic financial statements.

Statement 7

TOWN OF CUMBERLAND, MAINE
Statement of Net Position
Proprietary Funds
June 30, 2024

	Business-type Activities - Enterprise Funds		
	Senior Housing Fund	Sewer System	Totals
ASSETS			
Current assets:			
Investments	$ 8,257	-	8,257
Accounts receivable	-	209,122	209,122
Prepaid expense	13,702	-	13,702
Interfund loans receivable	105,030	361,208	466,238
Total current assets	126,989	570,330	697,319
Noncurrent assets:			
Property, plant, and equipment	2,458,621	4,161,661	6,620,282
Less accumulated depreciation	(1,728,647)	(2,620,249)	(4,348,896)
Total noncurrent assets	729,974	1,541,412	2,271,386
Total assets	856,963	2,111,742	2,968,705
LIABILITIES			
Current liabilities:			
Accounts payable	18,861	1,733	20,594
Accrued payroll	6,322	1,971	8,293
Accrued interest payable	4,000	-	4,000
Security deposit	29,768	-	29,768
Accrued compensated absences, current	2,300	-	2,300
Bonds and premiums, current	88,887	-	88,887
Total current liabilities	150,138	3,704	153,842
Noncurrent liabilities:			
Accrued compensated absences	2,922	-	2,922
Bonds and premiums payable	509,940	-	509,940
Total noncurrent liabilities	512,862	-	512,862
Total liabilities	663,000	3,704	666,704
NET POSITION			
Net investment in capital assets	131,147	1,541,412	1,672,559
Unrestricted	62,816	566,626	629,442
Total net position	**$ 193,963**	**2,108,038**	**2,302,001**

See accompanying notes to basic financial statements.

Statement 8

TOWN OF CUMBERLAND, MAINE
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the year ended June 30, 2024

	Business-type Activities - Enterprise Funds		
	Senior Housing Fund	Sewer System	Totals
Operating revenues:			
Rental income	$ 359,121	-	359,121
Charges for services	-	1,199,575	1,199,575
Sewer connection permits	-	900	900
Other	-	9,000	9,000
Total operating revenues	359,121	1,209,475	1,568,596
Operating expenses:			
Wages and benefits	149,993	36,212	186,205
Utilities	27,518	-	27,518
Maintenance	79,954	-	79,954
Wastewater assessment	-	1,232,292	1,232,292
General costs	12,873	4,588	17,461
Rehab costs	14,658	-	14,658
Depreciation	75,090	83,404	158,494
Total operating expenses	360,086	1,356,496	1,716,582
Operating income (loss)	(965)	(147,021)	(147,986)
Nonoperating income (expense):			
Investment income (loss)	233	-	233
Interest expense	(21,629)	-	(21,629)
Total nonoperating income (expense)	(21,396)	-	(21,396)
Change in net position	(22,361)	(147,021)	(169,382)
Total net position, beginning of year	216,324	2,255,059	2,471,383
Total net position, end of year	**$ 193,963**	**2,108,038**	**2,302,001**

See accompanying notes to basic financial statements.

Statement 9

TOWN OF CUMBERLAND, MAINE
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2024

Business-type Activities - Enterprise Funds	Senior Housing Fund	Sewer System	Totals
Cash flows from operating activities:			
Receipts from customers and users	$ 425,187	1,270,531	1,695,718
Payments to suppliers	(124,872)	(1,235,147)	(1,360,019)
Payments to employees	(150,922)	(35,384)	(186,306)
Net cash provided by (used in) operating activities	149,393	-	149,393
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(31,931)	-	(31,931)
Bond principal payments	(91,518)	-	(91,518)
Interest paid	(25,944)	-	(25,944)
Net cash provided by (used in) capital and related financing activities	(149,393)	-	(149,393)
Change in cash	-	-	-
Cash, beginning of year	-	-	-
Cash, end of year	**$ -**	**-**	**-**
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	$ (965)	(147,021)	(147,986)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation expense	75,090	83,404	158,494
(Increase) decrease in accounts receivable	-	(36,504)	(36,504)
(Increase) decrease in prepaid expenses	(1,140)	-	(1,140)
(Increase) decrease in interfund loans receivable	65,530	97,560	163,090
Increase (decrease) in accounts payable	11,271	1,733	13,004
Increase (decrease) in accrued payroll	(1,596)	828	(768)
Increase (decrease) in accrued compensated absences	667	-	667
Increase (decrease) in security deposit	536	-	536
Net cash provided by (used in) operating activities	$ 149,393	-	149,393

See accompanying notes to basic financial statements.

Statement 10

TOWN OF CUMBERLAND, MAINE
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2024

	Private-purpose Trust Fund (Scholarships)	Custodial Fund (Food Pantry Component Unit)
ASSETS		
Investments	$ 151,678	-
Due from general fund	-	551,077
Total assets	151,678	551,077
LIABILITIES		
Accounts payable	21	-
Due to general fund	1,826	-
Total liabilities	1,847	-
NET POSITION		
Restricted	$ **149,831**	**551,077**

See accompanying notes to basic financial statements.

Statement 11

TOWN OF CUMBERLAND, MAINE
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the year ended June 30, 2024

		Private-purpose Trust Fund (Scholarships)	Custodial Fund (Food Pantry Component Unit)
Additions:			
Donations	$	200	80,948
Investment income (loss)		3,811	-
Total additions		4,011	80,948
Deductions:			
Program expenses		-	91,236
Total deductions		-	91,236
Net increase (decrease) in fiduciary net position		4,011	(10,288)
Net position, beginning of year		145,820	561,365
Net position, end of year	**$**	**149,831**	**551,077**

See accompanying notes to basic financial statements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of Cumberland 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:

Reporting Entity

The Town of Cumberland was incorporated in 1821 and operates under a Council-Manager form of government. The Town is located in Cumberland County.

In evaluating how to define the reporting entity for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit was made by applying the criteria set forth by accounting principles generally accepted in the United States of America. The criterion used 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, the Town has reported the following component unit:

Cumberland Food Pantry is a component unit of the Town. Although it is legally separate from the Town, the Food Pantry is reported as if it were part of the primary government because Town management makes up the entire Pantry’s board. Although the Town provides administrative and accounting services for the Food Pantry, the Town does not have administrative involvement in that it does not determine the services provided or the spending of the pantry’s funds. The Food Pantry is also reported as a fiduciary fund as it meets the requirements under GASB 84. Under those requirements, a) the assets are for the benefit of individuals, b) the Town does not have administrative involvement with the assets, and c) the assets of the pantry are not derived from the Town’s provision of goods or services but are funded through outside donations and grants. There are no separately issued financial statements for this component unit and it is reported as a custodial fund.

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 non-fiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. However, interfund services provided and used are not eliminated in the process of consolidation. 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 is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Town has elected not to allocate indirect costs among the programs, functions, and segments. 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 as general revenues.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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 and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Basis of 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 revenue 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. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including lease payments, as well as certain compensated absences and claims and judgments, are recorded only when the payment is due.

Those revenues susceptible to accrual are property taxes, interest, and charges for services. Other receipts and taxes become measurable and available when cash is received by the Town 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 Town reports the following major governmental funds:

The General Fund is the Town'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 Tax Increment Financing Fund (TIF) is a capital projects fund that accounts specifically for the taxes raised through the Town's TIF districts and the related capital and economic development expenditures.

The Road Improvements Fund is a capital projects fund that accounts for the revenues raised to be used for road projects, including debt proceeds, and the related capital expenditures.

The Town reports the following major proprietary funds:

The Senior Housing Fund accounts for the construction and operation of senior housing units in Cumberland overseen by the Cumberland Housing Authority.

The Sewer System accounts for the operation of a sewer system in Cumberland.

Additionally, the Town reports the following fiduciary fund types:

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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 Town in a trustee capacity, whereby the original bequest is preserved as nonexpendable and the accumulated interest earnings are available to provide for educational awards.

The Custodial Fund is used to report amounts held on behalf of the Cumberland Food Pantry and the related activity.

Fiduciary funds use an economic resources measurement focus and the accrual basis of accounting.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and charges between the Town's sewer fund and various other functions of the government. 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 non-operating 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 Town's proprietary funds are charges to customers for sales and services; operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Equity

Cash, Cash Equivalents, and Investments - Cash and cash equivalents are considered to be cash on hand, demand deposits and time deposits. Investments are stated at fair value. For statement of cash flow purposes, the Town considers cash and cash equivalents to be demand deposits, certificates of deposit with maturities of less than three months, and money market mutual funds.

The Town has established a formal investment policy that governs the investment of all of its funds. Pursuant to its investment policy and applicable Maine law (Title 30-A, Section 5706 et. Seq. of the Maine Revised Statutes, as amended) all investments of the Town must be made with care, prudence, and skill. The goals of the investment policy are to provide safety of principal through diversification of assets and to provide a high degree of liquidity in the investments. The Town is not invested in any obligations typically referred to as derivatives.

Inventory and prepaid items - The General Fund reports fuel inventory, which is valued at cost, using the first-in, first-out method. The cost of inventory is recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Interfund Loans Receivable/Payable - Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as interfund loans or as interfund advances (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Leases Receivable - the Town of Cumberland is the lessor for non-cancellable leases of land for a cellular tower and building space at the Val Halla golf course. The Town has recognized lease receivables and deferred inflows of resources in the financial statements. At the commencement of the leases, the Town of Cumberland measures the lease asset at the present value of payments expected to be made during the lease terms. Subsequently, the lease asset is reduced by the principal portion of the lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments made at or before the lease commencement date. Subsequently, the lease deferred inflow of resources is recognized as revenue over the life of the lease term.

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

- The Town uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the leases. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Town monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Capital Assets - Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and right-to-use leased assets for equipment and land, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than $5,000 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 are recorded at an estimated amount that would be paid for a similar asset as of the acquisition date. The costs of normal repairs and maintenance 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.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Land improvements	15-40 years
Right-to-use assets	3-40 years
Buildings and building improvements	20-40 years
Machinery and equipment	4-30 years
Furniture and office equipment	10-20 years
Computer equipment	3-7 years
Vehicles	4-30 years
Infrastructure	20-50 years

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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 represent a consumption of net assets that applies to future periods and deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) or inflow of resources (revenue) until that time. The governmental funds report deferred inflows of resources for unavailable revenue from property taxes and leases receivable. 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 liability, which include the Town's contributions subsequent to the measurement date, which is recognized as a reduction of the net pension liability in the subsequent year. They also include changes in assumptions, differences between expected and actual experience, and changes in proportion and differences between Town contributions and proportionate share of contributions, which are deferred and amortized over the average expected remaining service lives of active and inactive members in the plan. They also include the net difference between projected and actual earnings on pension plan investments, which is deferred and amortized over a five-year period.

Vacation and Sick Leave - Under terms of personnel policies and union contracts, vacation and sick leave are granted in varying amounts according to length of service and are accrued ratably over the year. Regular part-time employees receive vacation and sick leave on a pro-rated basis. Accumulated vacation time has been recorded as a liability in the government-wide and proprietary funds.

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 additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. 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.

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. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the period incurred.

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.

Leases Payable - the Town is a lessee for four noncancellable leases of golf carts and related equipment, and a land easement. The Town recognizes a lease liability and an intangible right-to-use asset (lease asset) in the government-wide financial statements. The Town recognizes lease liabilities with an initial, individual value of $5,000 or more.

At the commencement of a lease, the Town initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Subsequently, the lease asset is amortized on a straight-line bases over its useful life.

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

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

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

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

Fund Equity - Governmental Fund balance is reported in five classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which those funds can be spent. 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, and that remain binding unless removed in the same manner.
- *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 committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Town Council is the highest level of decision-making authority for the Town that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation. For assigned fund balance amounts, the Town Manager has the authority to assign unspent budgeted amounts to specific purposes in the General Fund at year end. The Town Council approves the assigned amounts either before or after year end.

It is the policy of the Town of Cumberland to maintain unassigned fund balance in the General Fund at 12% of General Fund revenues measured on a GAAP basis. In the event that the unassigned fund balance drops below this level, the Town Manager will develop a plan, implemented through the annual budgetary process, to bring the balance to the target level over a period of no more than five (5) years. Amounts in excess of the target shall be used to offset negative balances in capital projects funds, offset intergovernmental loans, and to build capital project fund levels for future purchases, as determined by the Town Council and Town Manager. If the first three purposes are met, then the Town may use excess balances to offset future tax levy amounts through a stabilization fund.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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

Interfund Transactions - Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly chargeable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Use of Estimates - Preparation of the Town'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.

Comparative Data/Reclassifications - Comparative data for the prior year has been presented only for certain funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

Net Position - The net position amount represents the difference between assets, deferred outflows, liabilities, and deferred inflows of resources. The net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, notes, and financed purchases 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 Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Town's net investment in capital assets was calculated as follows at June 30, 2024:

	Governmental activities	Business-type activities
Capital assets	$ 85,513,249	6,620,282
Accumulated depreciation/amortization	(29,527,404)	(4,348,896)
Unamortized premium on bonds	(1,080,175)	(35,155)
Bonds and notes payable	(16,826,142)	(563,672)
Financed purchase agreements	(46,879)	-
Leases payable	(243,813)	-
Net investment in capital assets	**$ 37,788,836**	**1,672,559**

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The Town utilizes a formal budgetary accounting system to control revenues and expenditures. Budgets are established in accordance with the various laws which govern the Town's operations. For the funds for which a formal budget is adopted, the same basis of accounting is used to reflect actual revenues and expenditures recognized on the basis of accounting principles generally accepted in the United States of America.

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, CONTINUED

Budgets are adopted for the General Fund only on a basis consistent with generally accepted accounting principles (GAAP) in the United States of America, with the exception of General Fund reserves, which are excluded on a budgetary basis. The level of control (level at which expenditures may not exceed budget) is the Department. Generally, all unexpended budgetary accounts lapse at the close of the fiscal year. Encumbrance accounting is not employed by the Town.

The Town Manager is authorized to transfer budgeted amounts between general classifications of expenditures within a department; however, the gross appropriation for each department shall not be exceeded except by consent of the Council. The budgeted financial statements represented in this report reflect the final budget authorization, including all amendments.

B. Excess of Expenditures over Appropriations

For the year ended June 30, 2024, the following General Fund expenditures exceeded appropriations in the following departments:

Administration	117,669	Waste disposal	29,637
Assessor	3,200	Val Halla golf course	7,761
Technology	80,805	Recreation programs	285,421
Elections	1,475	Prince Memorial library	54,249
Legal services	20,925	Active living	6,302
Fire	177,740	General assistance	18,259
Code enforcement	10,337	Fire hydrant charges	2,083
		Abatements	61,660
		Insurance	108,528

These over expenditures lapsed to fund balance at year-end.

C. Deficit Fund Balances

At June 30, 2024, the following funds had deficit fund balances:

TIF Fund	$ 1,234,767
Road improvements	715,905
Nonmajor capital project funds:	
Streetlight upgrades	13,280
Nonmajor permanent funds:	
Sweetser fund	887

These fund deficits will be covered by future revenue sources or transfers from the General Fund.

DEPOSITS AND INVESTMENTS

A. Deposits

Custodial Credit Risk-Town Deposits: Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town's policy is to have its deposits covered by F.D.I.C. insurance or by additional insurance purchased on behalf of the Town by the respective banking institution. As of June 30, 2024, of the Town's bank balances of $10,074,615, none was exposed to custodial credit risk as it was covered by the F.D.I.C. or by additional insurance purchased on behalf of the Town by the respective banking institutions.

B. Investments

At June 30, 2024, the Town had the following investments and maturities:

	Fair value	Less than 1 year	1-5 years	More than 5 years
U. S. Government securities	$ 11,454	-	11,454	-
U. S. Treasury notes	289,163	-	202,504	85,659
Money markets	42,114	N/A	N/A	N/A
Total investments	**$ 342,731**	**-**	**213,958**	**85,659**

The Town 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.

The Town has the following recurring fair value measurements as of June 30, 2024:

- U.S. governmental securities and U.S. treasury notes are valued using quoted market prices (level 1 inputs).

Custodial Credit Risk-Town Investments: For investments, custodial credit risk is the risk that, in the event of failure of the counterparty, the Town will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. As of June 30, 2024, the Town had no investments that were subject to custodial risk.

Interest Rate Risk: The Town does not have a policy related to interest rate risk.

Credit Risk: The Town's investment policy authorizes the Town to invest in short term and fixed income investments, limited to one of the highest grade ratings ((A – AAA) (AAA for U.S. Treasury and Agency issues, and money market funds; AA- for prime Commercial paper)).

The U.S. Government securities include Federal National Mortgage Association (Fannie Mae) bonds with fair values of $11,454 and are rated AA+ by Fitch Ratings.

PROPERTY TAX

The Town'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 Town. Assessed values are periodically established by the Assessor at 100% of the assumed market value.

Property taxes were levied July 31, 2023, on the assessed values of real property as of April 1, 2023. This assessed value of $1,504,874,980 was 77% of the estimated market value and 78.8% of the 2023 state valuation of $1,910,200,000.

The Town 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 $243,495 for the year ended June 30, 2024.

Tax liens are placed on real property within twelve months following the tax commitment date if taxes are delinquent. The Town 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 were recorded as receivables at the time the levy was made. The receivables collected during the year 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 revenue.

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

	2024	2023
Assessed value	1,504,874,980	1,474,627,880
Tax rate (per $1,000)	22.15	21.20
Commitment	33,332,981	31,262,111
Less: collections and abatements	33,082,105	31,108,830
Receivable at June 30	**$ 250,876**	**153,281**
Due date(s)	9/15/2023	9/16/2022
	2/15/2024	3/16/2023
Interest rate charged on delinquent taxes	8.00%	4.00%
Collection rate	99.25%	99.51%

As of July 1, 2007, per H.P. 1243 – L.D. 1735 *an Act to Authorize Chebeague Island to Secede from the Town of Cumberland*, Chebeague Island must pay to the Town of Cumberland 50% of the property taxes committed to the Town of Chebeague Island from the Outer Islands for a period of 50 years; to be paid on an annual basis. As of June 30, 2024, and 2023, Chebeague Island has paid $45,895 and $45,895, respectively.

LEASES RECEIVABLE

In FY 2020, the Town entered into the first extension phase of a lease for land for a cellular tower. Under the terms of the lease, the lease may be extended for four terms, expiring on September 25, 2039. Under the lease terms, the Town will receive monthly payments of $2,070 for the first extension, with payments increasing in the next three extensions to $2,381, $2,738, and $3,148, respectively.

LEASES RECEIVABLE, CONTINUED

In December 2023, a lease for building space at Val Halla expired and a new lease was initiated by the Town with the same tenant. The term of the new lease is for sixty months beginning January 1, 2024, and ending December 31, 2028, and provides a monthly rental payment of $833, with a 5% annual increase.

As of June 30, 2024, and 2023, the Town’s receivable for lease payments was $477,950 and $441,777, respectively. Also, the Town has a deferred inflow of resources associated with the leases that will be recognized as revenue over the lease term. As of June 30, 2024, and 2023, the balance of the deferred inflow of resources was $446,352 and $424,928, respectively.

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

Fiscal year ending June 30,	Principal	Interest	Total
2025	28,809	9,071	37,880
2026	30,839	8,485	39,324
2027	31,989	7,873	39,862
2028	33,188	7,239	40,427
2029	28,034	6,607	34,641
2030-2034	137,940	25,243	163,183
2035-2039	177,735	9,925	187,660
2040	9,416	32	9,448
Total	**$ 477,950**	**74,475**	**552,425**

CAPITAL ASSETS

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

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Governmental activities:				
Capital assets not being depreciated/amortized:				
Books and collections	$990,116	-	-	990,116
Construction in progress	790,090	447,728	726,852	510,966
Land	7,177,961	-	-	7,177,961
Total capital assets not being depreciated/ amortized	8,958,167	447,728	726,852	8,679,043

CAPITAL ASSETS, CONTINUED

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Capital assets being depreciated/amortized:				
Right to use leased assets	519,502	44,638	-	564,140
Land improvements	4,812,038	-	-	4,812,038
Buildings and building improvements	20,139,883	27,590	-	20,167,473
Machinery and equipment	3,528,150	210,727	-	3,738,877
Furniture and office equipment	76,531	15,161	-	91,692
Computer equipment	265,822	-	-	265,822
Vehicles	5,723,507	300,283	-	6,023,790
Infrastructure	39,322,573	1,847,801	-	41,170,374
Total capital assets being depreciated/ amortized	74,388,006	2,446,200	-	76,834,206
Less accumulated depreciation/amortization:				
Right to use leased assets	$ 204,821	103,827	-	308,648
Land improvements	3,250,468	148,963	-	3,399,431
Buildings and building improvements	6,378,931	534,678	-	6,913,609
Machinery and equipment	2,505,761	235,062	-	2,740,823
Furniture and office equipment	68,671	1,631	-	70,302
Computer equipment	182,201	26,807	-	209,008
Vehicles	3,602,910	393,079	-	3,995,989
Infrastructure	11,082,279	807,315	-	11,889,594
Total accumulated depreciation/amortization	27,276,042	2,251,362	-	29,527,404
Total capital assets being depreciated/ amortized, net	47,111,964	194,838	-	47,306,802
Governmental activities capital assets, net	**$ 56,070,131**	**642,566**	**726,852**	**55,985,845**

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

Governmental activities:	
General government	$ 132,953
Public safety	406,322
Public services, including depreciation of general infrastructure assets	1,298,014
Health and public assistance	801
Recreation	309,464
Library	103,808
Total depreciation/amortization expense – governmental activities	**$ 2,251,362**

CAPITAL ASSETS, CONTINUED

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Business-type activities:				
Capital assets not being depreciated:				
Construction in progress	$ 114,545	31,931	-	146,476
Total capital assets not being depreciated	114,545	31,931	-	146,476
Capital assets, being depreciated:				
Land improvements	63,170	-	-	63,170
Buildings and building improvements	2,256,637	-	-	2,256,637
Machinery and equipment	3,007	-	-	3,007
Infrastructure, sewer	4,150,992	-	-	4,150,992
Total capital assets being depreciated	6,473,806	-	-	6,473,806
Less accumulated depreciation for:				
Land improvements	60,104	383	-	60,487
Buildings and building improvements	1,598,049	75,090	-	1,673,139
Machinery and equipment	3,007	-	-	3,007
Infrastructure, sewer	2,529,242	83,021	-	2,612,263
Total accumulated depreciation	4,190,402	158,494	-	4,348,896
Total capital assets being depreciated, net	2,283,404	(158,494)	-	2,124,910
Business-type activities capital assets, net	**$ 2,397,949**	**(126,563)**	**-**	**2,271,386**

Depreciation expense was charged to the business-type activities as follows:

Business-type activities:	
Senior Housing	$ 75,090
Sewer System	83,404
Total depreciation expense – business-type activities	**$ 158,494**

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The purpose of interfund loans is to charge revenues and expenditures to the appropriate fund when that activity is accounted for through the centralized checking account. The balances represent each fund’s portion of the centralized checking account.

Interfund transfers consist of budgeted transfers to and from other funds to fund certain activities accounted for in those funds and transfers to close out capital project funds that are no longer needed. Transfers were also made from the General Fund to the capital project funds to offset deficit fund balances.

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS, CONTINUED

Individual interfund loan receivables, payables, and transfers at the year ended June 30, 2024, were as follows:

Fund	Interfund loans receivable	Interfund loans payable	Transfers in	Transfers out
General Fund	$ -	2,648,754	1,307,581	2,296,586
TIF Fund	-	1,165,212	-	1,307,581
Road Improvements Fund	-	643,959	1,224,138	-
Other Governmental Funds:				
Special Revenue	404,372	-	25,000	-
Capital Projects	3,051,329	13,280	1,047,448	-
Permanent	15	-	-	-
Total Other Governmental Funds	3,455,716	13,280	1,072,448	-
Proprietary Funds:				
Senior Housing	105,030	-	-	-
Sewer System	361,208	-	-	-
Total Proprietary Funds	466,238	-	-	-
Fiduciary Funds:				
Private-purpose Trusts	-	1,826	-	-
Custodial fund	551,077	-	-	-
Total Fiduciary Funds	551,077	1,826	-	-
Totals	**$ 4,473,031**	**4,473,031**	**3,604,167**	**3,604,167**

CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2024, was as follows:

	Beginning balance	Additions	Reductions	Ending balance	Due within one year
Governmental activities:					
General obligation bonds	$ 13,915,000	-	1,115,000	12,800,000	1,070,000
Unamortized bond premium	1,161,373	-	81,198	1,080,175	81,198
Total bonds payable	15,076,373	-	1,196,198	13,880,175	1,151,198
*Notes from direct borrowings	4,723,429	-	697,287	4,026,142	712,567
*Financed purchases	92,862	-	45,983	46,879	46,879
Leases	310,783	44,638	111,608	243,813	120,881
Accrued compensated absences	355,277	-	2,292	352,985	117,662
Net pension liability (asset)	996,856	334,820	-	1,331,676	-
Landfill post closure care costs	66,000	-	6,000	60,000	6,000
Total governmental activity long-term liabilities	**$ 21,621,580**	**379,458**	**2,059,368**	**19,941,670**	**2,149,187**

*Notes and financed purchases are considered direct borrowings

CHANGES IN LONG-TERM LIABILITIES, CONTINUED

The accrued compensated absences and the net pension liabilities are normally fully liquidated by the General Fund.

	Beginning balance	Additions	Reductions	Ending balance	Due within one year
Business-type activities:					
Bonds payable	$ 439,600	-	40,000	399,600	40,000
Unamortized bond premium	38,670	-	3,515	35,155	3,515
Total bonds payable	478,270	-	43,515	434,755	43,515
Notes payable	215,590	-	51,518	164,072	45,372
Accrued compensated absences	4,555	667	-	5,222	2,300
Total business-type activity long-term liabilities	**698,415**	**667**	**95,033**	**604,049**	**91,187**
Total long-term governmental and business-type activities	**$ 22,319,995**	**380,125**	**2,154,401**	**20,545,719**	**2,240,374**

LONG-TERM DEBT

Bonds, Notes, and Financed Purchases Payable

Bonds, notes and financed purchases payable at June 30, 2024, are comprised of the following:

	Originally Issued	Date of issue	Date of maturity	Interest rate	Balance
Governmental activities:					
Bonds payable:					
2020 improvements	$ 6,340,000	5/1/20	5/1/2040	2.25-5.00%	5,335,000
2015 improvements and refunding bonds	5,730,000	1/14/15	6/30/2034	2.00-4.00%	2,355,000
2017 improvements	7,300,000	1/18/17	4/1/2038	2.50-3.50%	5,110,000
Total governmental activities bonds payable					12,800,000
Notes from direct borrowings:					
Economic development	4,100,000	5/27/10	11/1/2029	3.36-5.75%	1,470,606
Infrastructure/Val Halla	2,775,802	5/15/08	11/1/2027	2.00-5.50%	535,802
Infrastructure improvements	4,000,000	5/28/09	11/1/2029	2.08-5.58%	1,584,417
Cumberland County	500,000	9/7/22	6/30/2029	0.00%	400,000
Paytner property note	90,000	5/11/18	12/1/2027	5.00%	35,317
Total governmental activities notes payable					4,026,142
Financed purchases:					
Street sweeper	230,000	4/16/21	4/16/2025	1.95%	46,879
Total governmental activities financed purchase payable					46,879
Business-type activity debt:					
Senior Housing renovations note	250,000	10/23/22	9/23/2027	3.95%	164,072
Senior Housing roof/refunding bond	740,000	1/14/15	6/30/2034	2.00-4.00%	399,600
Total business-type activity debt					563,672
Total bonds, notes, and financed purchases payable					**$ 17,436,693**

LONG-TERM DEBT, CONTINUED

The annual debt service requirements to amortize bonds and notes payable are as follows:

Governmental activities

	Bonds Payable		Notes Payable		Financed Purchases	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	1,070,000	431,887	712,567	104,874	46,879	914
2026	1,085,000	389,387	732,615	80,656	-	-
2027	900,000	346,287	751,898	58,644	-	-
2028	900,000	310,587	741,373	37,901	-	-
2029	900,000	274,887	536,802	21,423	-	-
2030-2034	4,500,000	881,573	550,887	7,205	-	-
2035-2039	3,115,000	270,077	-	-	-	-
2040	330,000	7,425	-	-	-	-
Total	**$ 12,800,000**	**2,912,110**	**4,026,142**	**310,703**	**46,879**	**914**

All governmental activities long-term debt service requirements are paid by the General Fund, TIF Fund, or Land Acquisition Fund. Business-type debt is paid by the proprietary enterprise funds.

Business-type activities

	Bonds and notes payable	
	Principal	Interest
2025	85,372	21,834
2026	91,439	18,218
2027	93,538	14,520
2028	53,723	11,292
2029	40,000	9,600
2030-2034	199,600	24,000
Totals	**$ 563,672**	**99,464**

In accordance with 30-A MRSA, Section 5701, no municipality shall incur debt for specified purposes in excess of certain percentages of state valuation of such municipality. Additionally, no municipality shall incur debt in the aggregate in excess of 15% of its state assessed valuation. At June 30, 2024, the Town's outstanding debt did not exceed these limits. As of June 30, 2024, the total outstanding bonds payable for the Town are 0.75% of the 2023 state valuation of $1,910,200,000.

DEFEASED DEBT

In prior years, the government defeased general obligation public improvement bonds and a note payable by placing the proceeds of the new bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds and note payable. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's financial statements. At June 30, 2024, $330,000 of defeased bonds remain outstanding.

CONDUIT DEBT

During FY 2015, Town issued $2,300,000 in revenue bonds to provide financial assistance to the Friends School of Portland to help fund the construction of a new school in Cumberland. Upon repayment of the bonds, ownership of the acquired assets transfers to the School. Neither the Town, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 2024, the outstanding principal balance of the revenue bonds was $1,649,358.

LEASES PAYABLE

On April 1, 2017, the Town entered into the extension phase of a lease agreement for land, expiring on March 1, 2027. As of June 30, 2024, the value of the lease liability was $24,066. The lease provides for semi-annual payments of $3,743, increasing each year by 3.5% on each September 1st. The value of the right-to-use asset as of the end of the current fiscal year was $44,695 and had accumulated amortization of $22,347.

On November 7, 2019, the Town entered into three lease agreements for 40 golf carts, 10 golf carts, and 40 GPS units, to be used at the Val Halla golf course. The leases provide for six-year terms. As of June 30, 2024, the value of the lease liability was $176,457. The leases provide for monthly payments of $9,027, $3,672, and $3,763, respectively, paid in six-month installments paid between the months of May and September of each year, until 36 months are paid. The value of the right-to-use asset as of the end of the current fiscal year was $474,807 and had accumulated amortization of $284,884.

On April 11, 2024, the Town entered into a lease agreement for photocopiers. The lease is for a term of 63 months and expires on July 11, 2029. As of June 30, 2024, the value of the lease liability was $43,290. The lease provides for monthly payments of $746. The value of the right-to-use asset as of the end of the current fiscal year was $44,638 and had accumulated amortization of $1,417.

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

Fiscal Year End	Leases Payable		
	Principal	**Interest**	**Total**
2025	$ 120,881	3,535	124,416
2026	87,699	1,184	88,883
2027	16,971	571	17,542
2028	8,673	279	8,952
2029	8,844	108	8,952
2030	745	1	746
Totals	**$ 243,813**	**$5,678**	**$ 249,491**

OVERLAPPING DEBT

Overlapping Debt

The Town is subject to an annual assessment of its proportional share of Cumberland County expenses, including debt repayment, as determined by the percentage of the Town's State valuation to the County's State valuation. For the year ended June 30, 2024, the Town's State valuation from 2023 of $1,910,200,000 was 2.93% of the County's State valuation of $65,268,050,000. The Town's share is 2.93% or $874,369 of Cumberland County's $29,875,601 in long-term debt outstanding at June 30, 2024.

OVERLAPPING DEBT, CONTINUED

The Town's proportionate share of Maine School Administrative District #51 debt of $16,227,610 is $11,549,457 (71.17%). This debt service is included in the annual assessments to the Town.

Portland Water District - The Town is also served by the Portland Water District. At June 30, 2024, the Town's share of self-supporting bonded water debt is 4.51% or $2,951,855 of total debt of $65,451,334. In addition, the Town's share of direct wastewater debt is 0.03% or $18,750 of total debt of $61,217,563.

JOINTLY GOVERNED ORGANIZATION

The Town of Cumberland participates in a jointly governed organization, which is not part of the Town's reporting entity.

ecomaine is a solid waste management corporation serving 40 municipalities in Cumberland, Oxford, and York counties in Maine. Owned and controlled by 21 member communities, ecomaine creates electricity through its processing of waste and also operates an extensive recycling program.

The Town is a member community in ecomaine. Interlocal (waste handling) agreements between ecomaine and participating communities obligate the members to deliver certain solid waste produced within the community to ecomaine for processing and to make service payments and pay tipping fees for such processing.

The Town has no explicit, measurable equity interest and therefore has not reported an asset in these financial statements in connection with its participation in ecomaine. Selected balance sheet information for ecomaine for the year ended June 30, 2024, includes total assets and deferred outflows of $93,520,977, total liabilities and deferred inflows of $48,029,385 and unrestricted net position of $12,289,312. The liabilities include an accrual for landfill closure and post closure care amounting to $18,497,670. ecomaine has a plan to fund this liability in the form of a cash reserve over the period of years between 2011 and a projected closing date. The separate audited financial statements of ecomaine may be obtained at their administrative office: ecomaine, 64 Blueberry Rd., Portland, Maine 04102.

LANDFILL CLOSURE AND POSTCLOSURE COSTS

Under State law, Maine communities had until December 31, 1994 to close existing landfills under a DEP approved plan. The Town currently has one demolition debris landfill. Although the landfill was closed to receiving additional debris in the early 1990's, the landfill was not properly capped or officially closed. The Town submitted a closure plan to the Environmental Protection Agency, which was approved, and the final closure costs were incurred in FY 2018. The Town has estimated post closure costs of $60,000, which have been recognized as a liability on the government-wide financial statements. The actual costs of post closure monitoring may be higher or lower due to inflation, changes in technology, engineering estimates, or changes in landfill laws and regulations.

The following is a summary of the estimated post closure costs for the Town's landfill as of June 30, 2024:

Post closure costs

Annual monitoring: $6,000 per year for 10 years	$ 60,000
Total post closure costs	**$ 60,000**

NET PENSION LIABILITY

General Information about the Pension Plan

Plan Description - Employees of the Town are provided with pensions through the Maine Public Employees Retirement System Consolidated Plan for Local Participating Districts (PLD Plan), a cost-sharing multiple-employer defined benefit pension plan, administered by the Maine Public Employees Retirement System (MPERS). Benefit terms are established in Maine statute; in the case of the PLD Plan, an advisory group, also established by statute, reviews the terms of the plan and periodically makes recommendations to the Maine State Legislature to amend the terms. MPERS issues a publicly available financial report that can be obtained at www.mainepers.org.

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 (65 for new members to the PLD Plan on or after July 1, 2014). 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. MPERS also provides disability and death benefits, which are established by contract under applicable statutory provisions.

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. Employees are required to contribute a percentage of their annual pay (listed below). The Town's contractually required contribution rates for the year ended June 30, 2024, are a percentage of annual payroll (listed below), 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. Contributions to the pension plan from the Town for the year ended June 30, 2024, were:

MEPERS Plan		Employer Contribution	Employer Rate	Employee Rate
2C Plan	$	220,144	11.6%	8.4%
3C Plan		183,028	12.8%	9.3%
Retirees		5,219	5.0%	0.0%
Total	**$**	**408,391**		

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

At June 30, 2024, the Town reported a liability of $1,331,676 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating local districts, actuarially determined. At June 30, 2023, the Town's proportion was 0.4173%.

For the year ended June 30, 2024, the Town recognized pension expense of $574,594.

NET PENSION LIABILITY, CONTINUED

At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 247,228	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	225,978
Changes in proportion and differences between Town contributions and proportionate share of contributions	100,029	-
Town contributions subsequent to the measurement date	408,391	-
Total	**$ 755,648**	**225,978**

$408,391 is reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2025	$ 44,966
2026	(163,396)
2027	229,203
2028	10,506

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

Inflation	2.75%
Salary Increases	2.75%-11.48%
Investment return	6.50% per annum, compounded annually
Cost of living benefit increases	1.91% per annum

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

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

NET PENSION LIABILITY, CONTINUED

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

Asset Class	Target Asset Allocation	Long-term Expected Real Rate of Return
Public equities	30.0%	6.0%
US government	10.0%	2.6%
Private equity	12.5%	7.6%
Real estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural resources	5.0%	5.0%
Traditional credit	5.0%	3.2%
Alternative credit	10.0%	7.4%
Diversifiers	7.5%	5.0%

Discount Rate - The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate 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 plan's 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 liability.

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

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Town's proportionate share of the net pension liability (asset)	$ 3,648,890	1,331,676	(579,837)

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

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

457 RETIREMENT PLAN

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue (IRC) Section 457. The plan permits participating employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The Town matches employee contributions up to 7% of annual compensation for those employees who do not participate in the MPERS retirement plan. The Town contributed $106,416 and $102,463 for the years ended June 30, 2024, and 2023, respectively, on behalf of Town employees.

The Town amended the plan in accordance with the provisions of IRS Section 457(g). Assets of the plan were placed in trust for the exclusive benefit of participants and their beneficiaries. The requirements of that IRS Section prescribes that the Town no longer owns the amounts deferred by employees, including the related income on those amounts. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on their plan assets, were removed from the Town's financial statements.

TAX INCREMENT FINANCING DISTRICTS AND TAX ABATEMENTS

Under the State of Maine Title 30-A M.R.S., the Town has established seven Tax Increment Financing Districts (TIFs) to finance development programs located in the Town of Cumberland. The Town of Cumberland has entered into nine Credit Enhancement Agreements (CEAs) with individual organizations as permitted within its seven TIF districts, as follows:

Organization	TIF District	Agreement Expires	Maximum	Taxes Abated
INS Realty LLC (Norton)	1	6/30/2027	$ 500,000	$ 25,410
Maine Colloids LLC (Seafax)	2	6/30/2026	500,000	35,629
LGC North America Maine Standards	3	6/30/2033	500,000	51,167
Lola (Lakeside Concrete Inc.)	3	6/30/2038	500,000	20,930
Hardy Street LLC	3	6/30/2033	500,000	24,612
FMC Development LLC Memory Care	1	6/30/2027	500,000	23,244
Casco Systems	5	6/30/2036	500,000	31,651
Integrative Health	3	3/25/2038	250,000	10,990
Sky View Holdings LLC	3	3/25/2038	250,000	7,495
Larsen Holdings	3	6/30/2038	500,000	13,874
The Belted Cow	3	3/25/2038	500,000	21,005

The CEAs outline conditions for reimbursement of fifty percent of tax revenues generated through the increased values of certain parcels within the districts, up to a maximum amount. The developers agree that all payments made pursuant to the CEAs will be used to either pay debt service on indebtedness incurred to finance project costs, or to pay directly, amortize, or reimburse the developers for payments on qualified project costs up to a maximum amount or defined number of years, whichever occurs first.

The agreements and payments are intended to promote economic development through real estate development and job creation, as well as infrastructure improvements. Based on the terms of the agreements, the incremental tax is remitted to the District over the life of the TIF District to assist in financing the development projects.

For the fiscal year ended June 30, 2024, the Town remitted a total of $266,007 in Credit Enhancement payments.

TAX INCREMENT FINANCING DISTRICTS AND TAX ABATEMENTS, CONTINUED

The following is a summary of the amounts by TIF district:

TIF District (capital projects funds)	Original Assessment Value	Captured Assessed Value	Total Taxes	Taxes Abated
Route One North District 1	$ 355,000	42,094,170	932,386	48,654
Route One South District 2	339,640	11,051,370	244,788	35,629
Route One South District 3	3,717,000	35,240,210	780,571	150,073
Route 100 District 4	2,866,400	11,370,630	251,859	-
Route 100 District 5	5,867,800	12,601,410	279,121	31,651
Summit National Gas District 6	-	8,204,200	181,723	-
Summit National Gas District 7	-	7,059,500	156,368	-
Tuttle Road TIF District 8	583,900	11,032,650	244,373	-
Total	**$ 13,729,740**	**138,654,140**	**3,071,189**	**266,007**

FUND BALANCE

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

	Nonspendable	Restricted	Committed	Assigned
General Fund:				
Prepaid expenditures	$ 100,657	-	-	-
Fuel reserve inventory	28,858	-	-	-
Assessor's reserve	-	-	-	399,915
Circuit breaker program	-	-	-	108,932
Waste reserve	-	-	-	200,000
Fuel reserve*	-	-	-	26,662
Total general fund	-	-	-	735,509
Other Governmental Funds:				
Permanent fund principal	64,527	-	-	-
Permanent fund earnings	-	169,204	-	-
Grants and donations	-	56,910	-	-
Fuel assistance program	-	280,994	-	-
Public safety programs	-	8,910	2,074	-
Twin Brooks recreation area	-	-	28,674	-
Library programs	-	-	18,648	-
Capital projects note receivable	6,599	-	-	-
Capital projects	-	-	2,885,323	-
Total other governmental funds	71,126	516,018	2,934,719	-
Total	**$ 200,641**	**516,018**	**2,934,719**	**735,509**

*A portion of the fuel reserve fund balance is included in the nonspendable portion of the General Fund as it is made up of fuel inventory. Also, the HR reserve has a deficit balance of $(49,406) as of June 30, 2024, so the balance has been included in the General Fund's unassigned fund balance.

FUND BALANCE, CONTINUED

The General Fund unassigned fund balance total of $4,662,147 represents a fund balance that has not been restricted, committed, or assigned to specific purposes within the General Fund. Negative unassigned fund balances have also been reported in the TIF Fund of $(1,234,767), the road improvement fund of $(715,905), and in the other governmental funds of $(14,167), for a total unassigned fund balance of $2,697,308 (see statement 3).

RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town either carries commercial insurance or participates in public entity risk pools. Currently, the Town participates in a public entity pool for workers' compensation sponsored by Maine Municipal Association in which participants in the pool share risk in proportion to their contributions.

Based on the coverage provided by commercial insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded at June 30, 2024. There were no significant reductions in insurance coverage from that of the prior year. Settled claims have not exceeded insurance coverage for any of the past three fiscal years. As of June 30, 2024, there were no unpaid claims.

CONTINGENT RECEIVABLES

The Town entered into an agreement with a local developer to build affordable housing for those with moderate income at the Small's Brook Crossing Subdivision. The Town subsidized the development by contributing $20,000 per home. In return, the Town received a silent second mortgage on each home. Interest on the mortgages accrues at a rate of 4% annually and is only paid when the house is sold, except that the interest accumulation shall terminate after twenty years. Should one of the homes be sold, the buyer must be a "qualified buyer" in accordance with the income and asset criteria, which is based on the median income for the Portland metropolitan statistical area. If the buyer is not eligible, the Town will collect from the seller the full amount of the silent second mortgage, plus any accrued interest, at the closing. The Town has not recognized receivables or revenues related to the silent second mortgages as it cannot reasonably estimate the amount that will be repaid to the Town, if any, as amounts are contingent on the terms mentioned above.

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TOWN OF CUMBERLAND, MAINE
Required Supplementary Information

Schedule of Town's Proportionate Share of the Net Pension Liability (Asset)
Maine Public Employees Retirement System Consolidated Plan

Last 10 Fiscal Years**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Town's proportion of the net pension liability (asset)	0.4173%	0.3750%	0.3506%	0.3831%	0.3634%	0.4149%	0.3814%	0.3555%	0.3399%	0.3108%
Town's proportionate share of the net pension liability (asset) $	1,331,676	996,856	(112,682)	1,522,134	1,110,778	1,135,389	1,561,679	1,888,928	1,084,542	478,298
Town's covered payroll	3,191,436	2,511,677	2,099,873	2,194,515	2,033,084	2,047,217	1,946,735	1,756,120	1,590,688	1,373,904
Town's proportionate share of the net pension liability as a percentage of its covered payroll	41.73%	39.69%	-5.37%	69.36%	54.64%	55.46%	80.22%	107.56%	68.18%	34.81%
Plan fiduciary net position as a percentage of the total pension liability	92.34%	93.26%	100.86%	88.35%	90.62%	91.14%	86.43%	81.60%	88.27%	94.10%

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

TOWN OF CUMBERLAND, MAINE
Required Supplementary Information, Continued

Schedule of Town Contributions
Maine Public Employees Retirement System Consolidated Plan

Last 10 Fiscal Years

		2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$	408,391	384,593	295,210	238,062	248,785	230,331	222,689	194,047	175,653	140,342
Contributions in relation to the contractually required contributions		(408,391)	(384,593)	(295,210)	(238,062)	(248,785)	(230,331)	(222,689)	(194,047)	(175,653)	(140,342)
Contributions deficiency (excess)	**$**	-	-	-	-	-	-	-	-	-	-
Town's covered payroll	$	3,452,124	3,191,436	2,511,677	2,099,873	2,194,515	2,033,084	2,047,217	1,946,735	1,756,120	1,590,688
Contributions as a percentage of covered payroll		11.83%	12.05%	11.75%	11.34%	11.34%	11.33%	10.88%	9.97%	10.00%	8.82%

Last 10 Fiscal Years*

Changes of Benefit Terms - None

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

	2021	2020	2018	2016	2015
Discount rate	6.500%	6.750%	6.750%	6.875%	7.125%
Inflation rate	2.75%	2.75%	2.75%	2.75%	3.50%
Salary increases	2.75%-11.48%	2.75 plus merit	2.75%-9.00%	2.75% - 9.00%	3.50% - 9.50%
Cost of living increases	1.91%	1.91%	1.91%	2.20%	2.55%

Mortality rates:
In 2015 mortality rates were based on the RP2000 Combined Mortality Table projected forward to 2015 using Scale AA.
In 2016 through 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 General Benefits-Weighted Healthy Retiree Mortality Table.

** 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.*

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GENERAL FUND

The General Fund is the general operating fund of the Town. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The fund pays general operating expenditures, fixed charges, and capital improvement costs which are not paid through other funds.

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Exhibit A-1

TOWN OF CUMBERLAND, MAINE
General Fund
Comparative Balance Sheets
June 30, 2024, and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	$ 9,665,927	9,918,717
Receivables:		
Accounts	136,220	211,775
Rescue	65,174	31,896
Intergovernmental	183,538	207,941
Taxes - current year	250,876	153,281
Taxes - prior years	79,858	127,370
Leases	477,950	441,777
Prepaid items	100,657	127,841
Inventory	28,858	28,858
Total assets	**10,989,058**	**11,249,456**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities:		
Accounts payable	346,708	351,822
Accrued payroll	527,268	350,411
Escrow liabilities	340,039	380,498
Taxes paid in advance	48,271	91,153
Unearned revenues	802,395	766,774
Interfund loans payable	2,648,754	3,486,311
Total liabilities	4,713,435	5,426,969
Deferred inflows of resources:		
Unavailable revenue - property taxes	302,100	236,075
Related to leases	446,352	424,928
Total deferred inflows of resources	748,452	661,003
Fund balance:		
Nonspendable	129,515	156,699
Assigned	735,509	569,281
Unassigned	4,662,147	4,435,504
Total fund balance	5,527,171	5,161,484
Total liabilities, deferred inflows of resources, and fund balance	**$ 10,989,058**	**11,249,456**

Exhibit A-2

TOWN OF CUMBERLAND, MAINE
General Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
For the year ended June 30, 2024
(With comparative actual amounts for the year ended June 30, 2023)

	2024			
	Final Budget	Actual	Variance positive (negative)	2023 Actual
Revenues:				
Taxes:				
Property taxes	$ 30,261,792	30,243,297	(18,495)	28,497,534
Supplemental taxes	-	7,606	7,606	3,251
Change in unavailable taxes	-	(66,025)	(66,025)	(3,908)
Outer island property taxes	45,900	45,895	(5)	45,895
Payments in lieu of taxes	38,967	40,265	1,298	38,967
Excise taxes	2,020,000	2,514,841	494,841	2,427,446
Total taxes	32,366,659	32,785,879	419,220	31,009,185
Licenses and permits:				
Town clerk licenses and fees	11,209	15,146	3,937	17,315
Snowmobile and boat registrations	500	-	(500)	481
Automobile registrations	21,406	33,307	11,901	34,618
Building permits	75,000	138,535	63,535	179,378
Electrical permits	21,500	35,905	14,405	46,009
Plumbing permits	18,800	30,275	11,475	25,744
Other permits	1,750	377	(1,373)	516
Total licenses and permits	150,165	253,545	103,380	304,061
Intergovernmental:				
State Revenue Sharing	1,700,000	1,734,568	34,568	1,769,683
Homestead and BETE reimbursements	719,996	1,016,153	296,157	726,792
D.O.T. block grant	110,000	142,248	32,248	72,216
Municipal shared services	302,679	252,795	(49,884)	271,212
Federal grants	-	-	-	1,253
Other state aid	-	19,588	19,588	7,814
Total intergovernmental	2,832,675	3,165,352	332,677	2,848,970
Charges for services:				
Recreation programs	1,275,645	1,554,850	279,205	1,345,746
Val Halla golf programs	1,092,420	1,186,415	93,995	1,211,612
Police permits and services	26,328	37,913	11,585	41,667
Fire services	18,000	100,212	82,212	67,714
Ambulance and medical services	160,000	261,331	101,331	201,007
Public services revenue	25,500	5,105	(20,395)	29,335
Waste disposal	303,215	411,577	108,362	406,007
Library income	-	4,769	4,769	2,980
Total charges for services	2,901,108	3,562,172	661,064	3,306,068

TOWN OF CUMBERLAND, MAINE
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund, Continued

		2024 Final Budget	2024 Actual	2024 Variance positive (negative)	2023 Actual
Revenues, continued:					
Other:					
Growth permits and fees	$	2,000	20,438	18,438	25,162
Interest and lien costs		20,000	25,972	5,972	34,993
Miscellaneous		278,665	328,935	50,270	357,497
Total other		300,665	375,345	74,680	417,652
Total revenues		38,551,272	40,142,293	1,591,021	37,885,936
Expenditures:					
Current:					
General government:					
Administration		695,656	813,325	(117,669)	685,923
Assessor		131,009	134,209	(3,200)	118,857
Town clerk		388,610	357,944	30,666	342,165
Technology		281,348	362,153	(80,805)	305,418
Elections		51,997	53,472	(1,475)	49,809
Planning		79,062	72,628	6,434	75,814
Legal services		47,500	68,425	(20,925)	33,406
Total general government		1,675,182	1,862,156	(186,974)	1,611,392
Public safety:					
Police		1,912,107	1,877,523	34,584	1,622,194
Fire		1,300,358	1,478,098	(177,740)	1,209,792
Code enforcement		164,147	174,484	(10,337)	164,530
Harbor master		23,139	23,078	61	12,333
Animal control		99,710	32,109	67,601	25,725
Total public safety		3,499,461	3,585,292	(85,831)	3,034,574
Public services:					
Public works		1,443,821	1,370,475	73,346	1,332,261
Waste disposal		770,240	799,877	(29,637)	768,930
Parks		423,414	361,718	61,696	428,282
West Cumberland Hall and Historical Society building		21,113	9,159	11,954	15,823
Total public services		2,658,588	2,541,229	117,359	2,545,296

TOWN OF CUMBERLAND, MAINE
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund, Continued

		2024 Final Budget	2024 Actual	2024 Variance positive (negative)	2023 Actual
Expenditures, continued:					
Current, continued:					
Recreation:					
Val Halla golf course	$	1,047,421	1,055,182	(7,761)	945,851
Recreation programs		1,310,082	1,595,503	(285,421)	1,281,333
Total recreation		2,357,503	2,650,685	(293,182)	2,227,184
Prince Memorial Library		773,989	828,238	(54,249)	624,993
Health and public assistance:					
Active living		79,321	85,623	(6,302)	58,209
Health services		3,875	3,737	138	3,886
General assistance		35,000	53,259	(18,259)	21,909
Total health and public assistance		118,196	142,619	(24,423)	84,004
Unclassified:					
Conservation Commission		80,000	75,805	4,195	43,671
Cemetery Association		29,437	29,437	-	31,740
Fire hydrant charges		92,059	94,142	(2,083)	90,167
Contingencies		10,000	6,535	3,465	2,428
Municipal building maintenance		135,182	102,901	32,281	92,964
Abatements		243,495	305,155	(61,660)	55,008
Total unclassified		590,173	613,975	(23,802)	315,978

Exhibit A-2, Cont.

TOWN OF CUMBERLAND, MAINE
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund, Continued

		2024			
		Final Budget	Actual	Variance positive (negative)	2023 Actual
Expenditures, continued:					
Current, continued:					
Insurance	$	423,557	532,085	(108,528)	509,409
MSAD #51		23,103,879	23,103,879	-	21,851,719
County tax		1,189,811	1,189,045	766	1,009,811
Debt service:					
Principal		1,057,183	1,057,183	-	1,210,997
Interest		519,600	438,037	81,563	483,224
Total debt service		1,576,783	1,495,220	81,563	1,694,221
Total expenditures		37,967,122	38,544,423	(577,301)	35,508,581
Excess (deficiency) of revenues over (under) expenditures		584,150	1,597,870	1,013,720	2,377,355
Other financing sources (uses):					
Transfers in		1,444,431	1,307,581	(136,850)	257,791
Transfers to General Fund reserves		(80,000)	(360,000)	(280,000)	(460,000)
Transfers out		(1,948,581)	(2,296,586)	(348,005)	(1,688,093)
Total other financing sources (uses)		(584,150)	(1,349,005)	(764,855)	(1,890,302)
Net change in fund balance		-	248,865	248,865	487,053
Fund balance, beginning of year - budgetary basis			4,563,345		4,076,292
Fund balance, end of year - budgetary basis	**$**		**4,812,210**		**4,563,345**
Reconciliation to GAAP:					
Change in reserves			116,822		262,469
Fund balance, beginning of year - GAAP basis			5,161,484		4,411,962
Fund balance, end of year - GAAP basis	**$**		**5,527,171**		**5,161,484**

Exhibit A-3

TOWN OF CUMBERLAND, MAINE
General Fund Reserves
Schedule of Revenues, Expenditures and Changes in Fund Balances
For year ended June 30, 2024

			Balance beginning of year	Other Revenues	Expenditures	Transfers in (out)	Balance end of year
100	Assessor's reserve	$	250,342	-	427	150,000	399,915
106	Circuit breaker		41,521	4,500	92,089	155,000	108,932
208	HR reserve		58,171	-	162,577	55,000	(49,406)
256	Waste reserve		200,000	-	-	-	200,000
255	Fuel		48,105	240,882	233,467	-	55,520
	Total	**$**	**598,139**	**245,382**	**488,560**	**360,000**	**714,961**

ALL OTHER GOVERNMENTAL FUNDS

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Exhibit B-1

TOWN OF CUMBERLAND, MAINE
All Other Governmental Funds
Combining Balance Sheet
June 30, 2024

		Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Other Governmental Funds
ASSETS					
Cash and cash equivalents	$	-	-	50,935	50,935
Investments		-	-	182,796	182,796
Accounts receivable		-	3,930	-	3,930
Note receivable		-	6,599	-	6,599
Interfund loans receivable		404,372	3,051,329	15	3,455,716
Total assets		**404,372**	**3,061,858**	**233,746**	**3,699,976**
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable		7,640	169,936	902	178,478
Accrued payroll		522	-	-	522
Interfund loans payable		-	13,280	-	13,280
Total liabilities		8,162	183,216	902	192,280
Fund balances:					
Nonspendable		-	6,599	64,527	71,126
Restricted		346,814	-	169,204	516,018
Committed		49,396	2,885,323	-	2,934,719
Unassigned		-	(13,280)	(887)	(14,167)
Total fund balances		396,210	2,878,642	232,844	3,507,696
Total liabilities and fund balances	**$**	**404,372**	**3,061,858**	**233,746**	**3,699,976**

Exhibit B-2

TOWN OF CUMBERLAND, MAINE
All Other Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2024

		Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Other Governmental Funds
Revenues:					
Intergovernmental	$	61,102	-	-	61,102
Licenses, permits and fees		-	111,035	-	111,035
Charges for services		59,716	-	-	59,716
Donations		165,354	886	-	166,240
Investment income (loss)		514	377,261	5,251	383,026
Other		16,915	6,090	-	23,005
Total revenues		303,601	495,272	5,251	804,124
Expenditures:					
Current:					
General government		-	10,641	-	10,641
Public safety		34,623	-	-	34,623
Recreation		5,395	-	-	5,395
Public services		-	92,655	-	92,655
Library		117,417	-	-	117,417
Health and public assistance		54,257	-	-	54,257
Capital outlay		61,102	1,131,599	-	1,192,701
Total expenditures		272,794	1,234,895	-	1,507,689
Excess (deficiency) of revenues over (under) expenditures		30,807	(739,623)	5,251	(703,565)
Other financing sources (uses):					
Sale of assets		-	79,749	-	79,749
Transfers from other funds		25,000	1,047,448	-	1,072,448
Total other financing sources (uses)		25,000	1,127,197	-	1,152,197
Net change in fund balances		55,807	387,574	5,251	448,632
Fund balances, beginning of year		340,403	2,491,068	227,593	3,059,064
Fund balances, end of year	**$**	**396,210**	**2,878,642**	**232,844**	**3,507,696**

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for resources obtained and expended for specified purposes that are restricted by law or committed by administrative action.

Special Revenue Funds have been established for the following purposes:

Fire Grant Fund - To account for donations, grant funds and other dedicated fire related revenues and expenditures.

Police Fund - To account for donations, grant funds and other dedicated police related revenues and expenditures.

Twin Brook Fund - To account for donations collected and funds expended to maintain the cross-country ski trails at the Twin Brooks recreational area.

Other Special Revenues - To account for donations and other restricted resources and expenditures related to the community band and other special programs.

Library Fund - To account for donations, grant funds and other dedicated library related revenues and expenditures.

Fuel Assistance Fund - To account for donations and other revenue sources used to assist citizens with fuel purchases during the colder months of the year.

American Rescue Recovery Act (ARPA) Fund – To account for the federal funds received through ARPA and related expenditures.

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Exhibit C-1

TOWN OF CUMBERLAND, MAINE
Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2024

	Fire Grant Fund	ARPA Fund	Police Fund	Twin Brook Fund	Other Special Revenues	Library Fund	Fuel Assistance Fund	Totals
ASSETS								
Interfund loans receivable	$ 3,126	-	8,910	28,674	56,910	21,675	285,077	404,372
Total assets	**3,126**	**-**	**8,910**	**28,674**	**56,910**	**21,675**	**285,077**	**404,372**
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	1,052	-	-	-	-	2,505	4,083	7,640
Accrued payroll	-	-	-	-	-	522	-	522
Total liabilities	1,052	-	-	-	-	3,027	4,083	8,162
Fund balances:								
Restricted	-	-	8,910	-	56,910	-	280,994	346,814
Committed	2,074	-	-	28,674	-	18,648	-	49,396
Total fund balances	2,074	-	8,910	28,674	56,910	18,648	280,994	396,210
Total liabilities and fund balances	**$ 3,126**	**-**	**8,910**	**28,674**	**56,910**	**21,675**	**285,077**	**404,372**

Exhibit C-2

TOWN OF CUMBERLAND, MAINE
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2024

	Fire Grant Fund	ARPA Fund	Police Fund	Twin Brook Fund	Other Special Revenues	Library Fund	Fuel Assistance Fund	Totals
Revenues:								
Intergovernmental	$ -	61,102	-	-	-	-	-	61,102
Charges for services	22,120	-	-	-	-	37,596	-	59,716
Donations and local grants	-	-	-	-	15,229	-	150,125	165,354
Investment income	-	-	-	-	-	514	-	514
Other revenue	-	-	15	-	-	16,900	-	16,915
Total revenues	22,120	61,102	15	-	15,229	55,010	150,125	303,601
Expenditures:								
Current:								
Public safety	23,667	-	10,956	-	-	-	-	34,623
Recreation	-	-	-	-	5,395	-	-	5,395
Library	-	-	-	-	-	117,417	-	117,417
Health and public assistance	-	-	-	-	-	-	54,257	54,257
Capital outlay	-	61,102	-	-	-	-	-	61,102
Total expenditures	23,667	61,102	10,956	-	5,395	117,417	54,257	272,794
Excess (deficiency) of revenues over (under) expenditures	(1,547)	-	(10,941)	-	9,834	(62,407)	95,868	30,807
Other financing sources (uses):								
Transfers from other funds	-	-	-	25,000	-	-	-	25,000
Total other financing sources (uses)	-	-	-	25,000	-	-	-	25,000
Net change in fund balances	(1,547)	-	(10,941)	25,000	9,834	(62,407)	95,868	55,807
Fund balances, beginning of year	3,621	-	19,851	3,674	47,076	81,055	185,126	340,403
Fund balances, end of year	**$ 2,074**	**-**	**8,910**	**28,674**	**56,910**	**18,648**	**280,994**	**396,210**

NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECT FUNDS

Capital Project Funds are established to account for resources obtained and expended for the acquisition of major capital facilities other than those employed in the delivery of services accounted for in Enterprise Funds.

The funds were established for the following purposes:

Town Building Reserves - To account for funds used for major repairs and maintenance or improvements to Town buildings.

Land Acquisition Fund - To account for funds set aside for the purchase of land.

Land and Conservation Fund – To account for grants, donations, and other revenues used for conservation purposes and the related expenditures.

Tennis Court Fund - To account for funds used to reconstruct the tennis courts.

Route 1 Parking Reserve - To account for funds set aside as a reserve for major or non-routine maintenance of the Route 1 parking lot.

Equipment Reserves Fund - Reserve fund for the purchases of miscellaneous equipment.

Solar Power Field - To account for the Town’s investment in solar energy infrastructure.

Street Light Upgrades - To account for funds set aside for the upgrade of Town street lights.

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Exhibit D-1

TOWN OF CUMBERLAND, MAINE
Nonmajor Capital Project Funds
Combining Balance Sheet
June 30, 2024

	Town Building Reserves	Land Acquisition Fund	Land and Conservation	Tennis Court Fund	Rt 1 Parking Reserve	Equip. Reserves	Solar Power Field	Street Light Upgrades	Totals
ASSETS									
Accounts receivable	$ -	-	-	-	-	-	3,930	-	3,930
Note receivable	-	6,599	-	-	-	-	-	-	6,599
Interfund loans receivable	1,194,568	119,462	54,478	23,077	20,258	1,247,077	392,409	-	3,051,329
Total assets	**1,194,568**	**126,061**	**54,478**	**23,077**	**20,258**	**1,247,077**	**396,339**	**-**	**3,061,858**
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	4,883	-	1,200	-	-	145,509	18,344	-	169,936
Interfund loans payable	-	-	-	-	-	-	-	13,280	13,280
Total liabilities	4,883	-	1,200	-	-	145,509	18,344	13,280	183,216
Fund balances (deficits):									
Nonspendable	-	6,599	-	-	-	-	-	-	6,599
Committed	1,189,685	119,462	53,278	23,077	20,258	1,101,568	377,995	-	2,885,323
Unassigned	-	-	-	-	-	-	-	(13,280)	(13,280)
Total fund balances (deficits)	1,189,685	126,061	53,278	23,077	20,258	1,101,568	377,995	(13,280)	2,878,642
Total liabilities and fund balances	**$ 1,194,568**	**126,061**	**54,478**	**23,077**	**20,258**	**1,247,077**	**396,339**	**-**	**3,061,858**

Exhibit D-2

TOWN OF CUMBERLAND, MAINE
Nonmajor Capital Project Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2024

	Town Building Reserves	Land Acquisition Fund	Land and Conservation	Tennis Court Fund	Rt 1 Parking Reserve	Equip. Reserves	Solar Power Field	Street Light Upgrades	Totals
Revenues:									
Licenses, permits and fees	$ -	-	-	-	-	111,035	-	-	111,035
Donations	-	-	300	-	-	586	-	-	886
Investment income	-	644	-	-	-	376,617	-	-	377,261
Other revenue	5,776	-	-	-	-	314	-	-	6,090
Total revenues	5,776	644	300	-	-	488,552	-	-	495,272
Expenditures:									
Current:									
General government	-	-	10,641	-	-	-	-	-	10,641
Public services	-		-	-	-	-	92,655	-	92,655
Capital outlay	247,705	20,781	3,600	-	-	855,333	-	4,180	1,131,599
Total expenditures	247,705	20,781	14,241	-	-	855,333	92,655	4,180	1,234,895
Excess (deficiency) of revenues over (under) expenditures	(241,929)	(20,137)	(13,941)	-	-	(366,781)	(92,655)	(4,180)	(739,623)
Other financing sources (uses):									
Sale of assets	-	72,000	-	-	-	7,749	-	-	79,749
Transfer from other funds	250,000	-	-	-	-	631,943	116,005	49,500	1,047,448
Total other financing sources (uses)	250,000	72,000	-	-	-	639,692	116,005	49,500	1,127,197
Net change in fund balances	8,071	51,863	(13,941)	-	-	272,911	23,350	45,320	387,574
Fund balances (deficits), beginning of year	1,181,614	74,198	67,219	23,077	20,258	828,657	354,645	(58,600)	2,491,068
Fund balances (deficits), end of year	**$ 1,189,685**	**126,061**	**53,278**	**23,077**	**20,258**	**1,101,568**	**377,995**	**(13,280)**	**2,878,642**

NONMAJOR GOVERNMENTAL FUNDS

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 reporting government's programs.

Prince Fund - To support Greely High School. It is applied to MSAD #51 annual assessment.

Cumberland School Fund - To support the schools. It is applied to MSAD #51's annual assessment.

Paul Merrill Fund – To support the Library.

Sweetser Fund - To purchase non-fiction books for the Library.

Historical Society Fund - To maintain and support the Cumberland Historical Society.

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Exhibit E-1

TOWN OF CUMBERLAND, MAINE
Nonmajor Permanent Funds
Combining Balance Sheet
June 30, 2024

		Cumberland School Fund	Prince Fund	Paul Merrill Fund	Sweetser Fund	Historical Society Fund	Totals
ASSETS							
Cash and cash equivalents	$	-	-	-	-	50,935	50,935
Investments		55,018	53,262	74,516	-	-	182,796
Interfund loans receivable		-	-	-	-	15	15
Total assets		**55,018**	**53,262**	**74,516**	**-**	**50,950**	**233,746**
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable		-	-	-	887	15	902
Total liabilities		-	-	-	887	15	902
Fund balances:							
Nonspendable - principal		2,225	2,165	56,187	-	3,950	64,527
Restricted - accumulated earnings		52,793	51,097	18,329	-	46,985	169,204
Unassigned		-	-	-	(887)	-	(887)
Total fund balances (deficit)		55,018	53,262	74,516	(887)	50,935	232,844
Total liabilities and fund balances	**$**	**55,018**	**53,262**	**74,516**	**-**	**50,950**	**233,746**

Exhibit E-2

TOWN OF CUMBERLAND, MAINE
Nonmajor Permanent Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2024

		Cumberland School Fund	Prince Fund	Paul Merrill Fund	Sweetser Fund	Historical Society Fund	Totals
Revenues:							
Investment income (loss)	$	1,552	1,502	2,101	(25)	121	5,251
Total revenues		1,552	1,502	2,101	(25)	121	5,251
Expenditures:							
Current:							
Health and public assistance		-	-	-	-	-	-
Total expenditures		-	-	-	-	-	-
Net change in fund balances		1,552	1,502	2,101	(25)	121	5,251
Fund balances (deficit), beginning of year		53,466	51,760	72,415	(862)	50,814	227,593
Fund balances (deficit), end of year	**$**	**55,018**	**53,262**	**74,516**	**(887)**	**50,935**	**232,844**

FIDUCIARY FUNDS -

PRIVATE-PURPOSE TRUST FUNDS

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Exhibit F-1

TOWN OF CUMBERLAND, MAINE
Fiduciary Funds - Private-purpose Trust
Combining Statement of Fiduciary Net Position
June 30, 2024

	John M. and Lillian R. Kimball Award Trust	Eliphalet Greely Fund	Scholar-ship Fund	Derrah Scholar-ship Fund	Lynne Pickard Scholar-ship	Carle Henry Music Scholar-ship	Louis Lambert Scholar-ship	Roy O'Looke Scholar-ship	Jessica Parker Fund	Tom Pollis Scholar-ship	Totals
ASSETS											
Investments	$ 15,954	85,208	-	5,132	-	60	3,338	51	1,193	40,742	151,678
Total assets	15,954	85,208	-	5,132	-	60	3,338	51	1,193	40,742	151,678
LIABILITIES											
Accounts payable	-	-	21	-	-	-	-	-	-	-	21
Due to general fund	-	-	37	676	463	150	500	-	-	-	1,826
Total liabilities	-	-	58	676	463	150	500	-	-	-	1,847
NET POSITION											
Held in trust	15,954	85,208	(58)	4,456	(463)	(90)	2,838	51	1,193	40,742	149,831
Total net position	**$ 15,954**	**85,208**	**(58)**	**4,456**	**(463)**	**(90)**	**2,838**	**51**	**1,193**	**40,742**	**149,831**

Exhibit F-2

TOWN OF CUMBERLAND, MAINE
Fiduciary Funds - Private-purpose Trust
Combining Statement of Changes in Fiduciary Net Position
For the year ended June 30, 2024

	John M. and Lillian R. Kimball Award Trust	Eliphalet Greely Fund	Scholar-ship Fund	Derrah Scholar-ship Fund	Lynne Pickard Scholar-ship	Carle Henry Music Scholar-ship	Louis Lambert Scholar-ship	Roy O'Looke Scholar-ship	Jessica Parker Fund	Tom Pollis Scholar-ship	Totals
Additions:											
Donations	$ -	-	-	200	-	-	-	-	-	-	200
Investment income (loss)	451	2,403	4	135	-	(461)	96	1	33	1,149	3,811
Total additions	451	2,403	4	335	-	(461)	96	1	33	1,149	4,011
Deductions:											
Scholarships awarded	-	-	-	-	-	-	-	-	-	-	-
Total deductions	-	-	-	-	-	-	-	-	-	-	-
Change in net position	451	2,403	4	335	-	(461)	96	1	33	1,149	4,011
Net position, beginning of year	15,503	82,805	(62)	4,121	(463)	371	2,742	50	1,160	39,593	145,820
Net position, end of year	**$ 15,954**	**85,208**	**(58)**	**4,456**	**(463)**	**(90)**	**2,838**	**51**	**1,193**	**40,742**	**149,831**

STATISTICAL SECTION

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This part of the Town of Cumberland, Maine's 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**

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Table 1

TOWN OF CUMBERLAND, MAINE
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2015	2016*	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities:										
Net investment in capital assets	$ 17,444,794	24,607,681	26,426,553	28,666,371	30,529,130	30,955,865	33,046,297	34,793,419	35,866,684	37,788,836
Restricted	514,636	730,607	325,714	355,130	387,279	408,269	357,923	317,506	480,508	579,658
Unrestricted	3,195,467	1,346,278	1,360,414	2,136,421	1,528,681	1,973,590	3,880,870	4,340,339	6,018,341	5,482,505
Total governmental activities net position	$ 21,154,897	26,684,566	28,112,681	31,157,922	32,445,090	33,337,724	37,285,090	39,451,264	42,365,533	43,850,999
Business-type activities:										
Net investment in capital assets	$ 3,633,799	1,781,340	1,752,539	1,814,746	1,994,078	2,012,859	1,967,112	1,912,219	1,704,089	1,672,559
Unrestricted	840,271	1,098,893	1,313,059	1,347,219	598,617	528,000	665,717	703,884	767,294	629,442
Total business-type activities net position	4,474,070	2,880,233	3,065,598	3,161,965	2,592,695	2,540,859	2,632,829	2,616,103	2,471,383	2,302,001
Primary government:										
Net investment in capital assets	$ 21,078,593	26,389,021	28,179,092	30,481,117	32,523,208	32,968,724	35,013,409	36,705,638	37,570,773	39,461,395
Restricted	514,636	730,607	325,714	355,130	387,279	408,269	357,923	317,506	480,508	579,658
Unrestricted	4,035,738	2,445,171	2,673,473	3,483,640	2,127,298	2,501,590	4,546,587	5,044,223	6,785,635	6,111,947
Total primary government net position	**$ 25,628,967**	**29,564,799**	**31,178,279**	**34,319,887**	**35,037,785**	**35,878,583**	**39,917,919**	**42,067,367**	**44,836,916**	**46,153,000**

*In FY 2016, the Town ceased reporting the Val Halla golf course as an enterprise fund. All amounts are now reported in the General Fund and Governmental Activities.

Table 2

TOWN OF CUMBERLAND, MAINE
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2015	2016*	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
General government	$ 2,576,262	2,947,324	3,791,286	3,600,128	3,347,435	4,067,516	4,366,616	4,346,758	5,392,997	5,993,658
Public safety	2,514,371	2,636,327	2,742,321	2,760,514	2,962,840	2,980,552	2,610,953	3,345,401	3,468,455	4,026,237
Public services	2,862,022	4,902,734	3,687,941	3,391,362	4,533,495	3,966,961	3,448,537	4,867,071	4,504,043	5,628,308
Recreation	948,009	1,855,156	1,905,086	2,000,118	2,116,841	2,020,170	1,806,704	2,155,677	2,479,046	2,862,455
Education and libraries	14,795,916	16,075,925	16,579,156	17,762,502	19,278,276	19,548,696	20,713,580	21,483,849	22,620,527	24,153,342
Health and public assistance	86,796	83,022	236,687	179,542	178,167	192,281	191,604	242,808	239,215	289,766
Interest on debt	605,148	486,383	486,260	638,207	594,936	676,119	707,710	513,225	629,255	329,528
Total governmental activities expenses	24,388,524	28,986,871	29,428,737	30,332,373	33,011,990	33,452,295	33,845,704	36,954,789	39,333,538	43,283,294
Business-type activities:										
Senior Housing	292,029	305,163	296,036	295,442	300,636	313,281	298,133	345,977	409,903	381,715
Sewer System	843,432	838,334	891,253	975,371	1,684,199	1,222,227	1,090,820	1,133,755	1,211,904	1,356,496
Val Halla Golf and Recreation Center	944,462	-	-	-	-	-	-	-	-	-
Total business-type activities expenses	2,079,923	1,143,497	1,187,289	1,270,813	1,984,835	1,535,508	1,388,953	1,479,732	1,621,807	1,738,211
Total primary government expenses	**$ 26,468,447**	**30,130,368**	**30,616,026**	**31,603,186**	**34,996,825**	**34,987,803**	**35,234,657**	**38,434,521**	**40,955,345**	**45,021,505**
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 360,104	584,060	761,633	426,981	425,366	398,101	569,427	647,807	600,435	526,778
Public safety	410,695	311,392	334,833	304,185	315,351	255,050	183,994	338,009	335,422	421,591
Public services	320,850	444,332	453,460	523,150	677,927	675,008	711,757	800,662	799,401	768,599
Recreation	768,827	1,478,213	1,531,982	1,672,990	1,657,575	1,258,249	1,400,550	2,040,121	2,557,358	2,741,265
Education and libraries	167,135	24,971	28,515	29,459	36,593	24,223	13,004	39,232	48,711	59,265
Operating grants and contributions	172,205	125,782	143,168	165,973	111,406	146,325	290,718	245,185	372,590	332,576
Capital grants and contributions	309,461	3,205,460	841,007	2,057,401	972,642	163,489	1,482,888	265,025	612,613	427,190
Total governmental activities program revenues	2,509,277	6,174,210	4,094,598	5,180,139	4,196,860	2,920,445	4,652,338	4,376,041	5,326,530	5,277,264
Business-type activities:										
Charges for services:										
Senior Housing	$ 318,745	315,803	328,939	335,360	335,360	341,327	345,551	343,124	355,120	359,121
Sewer System	918,929	955,624	1,043,742	1,031,894	1,079,880	1,141,887	1,135,475	1,120,415	1,122,076	1,209,475
Val Halla Golf and Recreation Center	625,406	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	1,863,080	1,271,427	1,372,681	1,367,254	1,415,240	1,483,214	1,481,026	1,463,539	1,477,196	1,568,596
Total primary government program revenues	**$ 4,372,357**	**7,445,637**	**5,467,279**	**6,547,393**	**5,612,100**	**4,403,659**	**6,133,364**	**5,839,580**	**6,803,726**	**6,845,860**
Net (expense)/revenue:										
Governmental activities	$ (21,879,247)	(22,812,661)	(25,334,139)	(25,152,234)	(28,815,130)	(30,531,850)	(29,193,366)	(32,578,748)	(34,007,008)	(38,006,030)
Business-type activities	(216,843)	127,930	185,392	96,441	(569,595)	(52,294)	92,073	(16,193)	(144,611)	(169,615)
Total primary government net expense	**$ (22,096,090)**	**(22,684,731)**	**(25,148,747)**	**(25,055,793)**	**(29,384,725)**	**(30,584,144)**	**(29,101,293)**	**(32,594,941)**	**(34,151,619)**	**(38,175,645)**

*In FY 2016, the Town ceased reporting the Val Halla golf course as an enterprise fund. All amounts are now reported in the General Fund and Governmental Activities.

TOWN OF CUMBERLAND, MAINE
Changes in Net Position, Continued
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	$ 20,441,626	21,743,533	22,104,213	23,028,076	24,553,518	25,502,152	26,297,601	27,012,949	28,535,778	30,276,875
TIF District taxes	1,251,165	1,555,973	1,690,373	2,029,016	2,221,671	2,359,331	2,484,224	2,650,265	2,806,568	3,071,189
Excise taxes	1,693,482	1,856,148	1,959,451	2,120,226	2,162,878	2,057,140	2,439,774	2,280,618	2,427,446	2,514,841
Outer island property taxes	41,867	39,889	43,352	43,774	44,041	47,027	45,895	45,895	45,895	45,895
Payment in lieu of taxes	28,656	29,608	29,804	30,688	31,918	32,123	37,806	38,079	38,967	40,265
Unrestricted grants and contributions	611,559	620,550	694,761	830,008	959,020	1,275,538	1,778,031	2,269,252	2,496,475	2,750,721
Investment earnings	5,897	6,456	17,122	42,277	69,631	106,058	15,556	2,130	176,651	383,026
Miscellaneous	304,127	470,847	223,178	73,410	59,621	45,115	41,845	445,734	393,497	408,684
Transfers	(627,451)	1,721,844	-	-	-	-	-	-	-	-
Total governmental activities	**23,750,928**	**28,044,848**	**26,762,254**	**28,197,475**	**30,102,298**	**31,424,484**	**33,140,732**	**34,744,922**	**36,921,277**	**39,491,496**
Business-type activities:										
Investment income (loss)	6,538	77	(27)	(74)	325	458	(103)	(533)	(109)	233
Transfers	627,451	(1,721,844)	-	-	-	-	-	-	-	-
Total business-type activities	**633,989**	**(1,721,767)**	**(27)**	**(74)**	**325**	**458**	**(103)**	**(533)**	**(109)**	**233**
Total primary government	**$ 24,384,917**	**26,323,081**	**26,762,227**	**28,197,401**	**30,102,623**	**31,424,942**	**33,140,629**	**34,744,389**	**36,921,168**	**39,491,729**
Change in Net Position										
Governmental activities	938,267	2,710,709	1,610,020	(617,655)	1,287,168	892,634	3,947,366	2,166,174	2,914,269	1,485,466
Business-type activities	761,919	(1,536,375)	96,414	(569,669)	(569,270)	(51,836)	91,970	(16,726)	(144,720)	(169,382)
Total primary government	**$ 1,700,186**	**1,174,334**	**1,706,434**	**(1,187,324)**	**717,898**	**840,798**	**4,039,336**	**2,149,448**	**2,769,549**	**1,316,084**

TOWN OF CUMBERLAND, MAINE
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Nonspendable	$ 5,849	116,294	42,039	55,286	21,854	15,630	64,628	127,664	156,699	129,515
Assigned	-	371,748	365,419	449,964	227,770	192,753	363,514	307,467	569,281	735,509
Unassigned	2,060,936	2,023,066	2,028,570	2,084,824	2,479,646	3,073,752	3,658,773	3,976,831	4,435,504	4,662,147
Total general fund	**$ 2,066,785**	**2,511,108**	**2,436,028**	**2,590,074**	**2,729,270**	**3,282,135**	**4,086,915**	**4,411,962**	**5,161,484**	**5,527,171**
All Other Governmental Funds										
Nonspendable, reported in:										
Capital projects	$ -	10,100	-	-	-	-	12,297	18,870	12,884	6,599
Permanent funds	99,241	99,241	99,241	99,241	99,241	99,241	99,241	99,241	64,527	64,527
Restricted, reported in:										
Permanent funds	172,839	174,914	174,361	172,276	181,519	194,367	142,317	130,623	163,928	169,204
Capital projects	242,556	420,343	-	-	-	-	-	6,000	-	-
Special revenue funds	-	36,109	52,112	83,613	106,519	114,661	116,365	87,642	252,053	346,814
Committed, reported in:										
Special revenue funds	87,761	57,872	71,998	60,776	54,960	56,145	51,834	79,356	88,350	49,396
Capital projects funds	850	733,735	7,054,109	1,890,462	575,423	6,730,250	1,810,833	1,566,524	2,536,784	2,885,323
Assigned, reported in:										
Capital projects funds	1,922,955	-	-	-	-	-	-	-	-	-
Debt service fund	392,130	474,937	655,469	737,940	712,115	697,791	587,791	357,791	-	-
Unassigned, reported in:										
Special revenue funds	-	-	-	-	(1,835)	(3,650)	(347)	-	-	-
Permanent funds	-	-	-	-	-	-	-	-	-	(887)
Capital projects funds	(6,226)	(1,234,150)	(1,133,133)	(963,613)	(1,501,258)	(1,900,527)	(1,198,957)	(994,685)	(835,878)	(1,963,952)
Total all other governmental funds	**$ 2,912,106**	**773,101**	**6,974,157**	**2,080,695**	**226,684**	**5,988,278**	**1,621,374**	**1,351,362**	**2,282,648**	**1,557,024**
Total governmental funds	**$ 4,978,891**	**3,284,209**	**9,410,185**	**4,670,769**	**2,955,954**	**9,270,413**	**5,708,289**	**5,763,324**	**7,444,132**	**7,084,195**

Table 4

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

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	$ 23,526,104	25,298,238	25,809,867	27,161,299	28,960,212	29,986,223	31,277,111	32,002,282	33,815,753	35,857,068
Licenses and permits	159,680	168,174	207,889	151,495	282,018	273,252	376,064	409,230	422,746	364,580
Intergovernmental	1,016,858	1,353,722	1,629,296	1,118,956	2,183,602	1,676,714	2,476,281	3,019,603	3,500,600	3,586,452
Charges for services	1,388,081	2,256,124	2,297,259	2,526,783	2,552,962	2,080,755	2,177,160	3,084,526	3,601,036	3,862,770
Donations	-	-	-	-	-	-	139,820	18,500	231,627	170,740
Investment income (loss)	-	-	-	-	69,631	106,058	15,556	2,130	176,651	383,026
Other	735,520	444,437	652,584	554,952	217,104	256,810	252,219	482,608	459,486	398,350
Total revenues	26,826,243	29,520,695	30,596,895	31,513,485	34,265,529	34,379,812	36,714,211	39,018,879	42,207,899	44,622,986
Expenditures										
General government	1,405,149	1,738,077	1,893,954	2,113,523	2,196,286	2,341,618	2,508,192	2,956,456	3,053,713	3,363,037
Public safety	2,274,019	2,403,779	2,486,136	2,507,112	2,540,652	2,622,589	2,566,139	2,927,836	3,063,582	3,619,915
Public services	1,749,724	1,839,511	2,081,177	2,502,789	2,235,968	2,188,130	2,243,518	2,685,904	2,912,145	2,867,351
Recreation	835,482	1,600,021	1,660,102	1,751,478	1,882,453	1,746,974	1,588,198	1,942,556	2,233,165	2,656,080
Education and libraries	14,718,516	15,999,440	16,501,645	17,684,884	19,198,802	19,469,223	20,625,449	21,378,948	22,516,666	24,049,534
Health and public assistance	85,348	81,574	235,239	178,094	176,719	190,833	190,156	241,360	237,767	288,965
Unclassified	1,270,640	1,299,214	1,284,793	1,322,558	1,400,947	1,451,536	1,559,451	1,585,226	2,335,198	2,335,105
Capital outlay	4,434,772	5,089,978	4,581,440	6,649,863	4,436,464	4,130,597	7,155,862	2,729,463	2,101,021	3,643,190
Debt service:										
Principal	1,001,602	997,192	1,034,696	939,915	1,283,555	1,290,776	1,634,085	1,864,320	1,938,007	1,702,196
Interest	479,821	541,061	436,216	729,185	650,215	697,584	810,714	749,610	672,689	581,075
Total expenditures	28,255,073	31,589,847	32,195,398	36,379,401	36,002,061	36,129,860	40,881,764	39,061,679	41,063,953	45,106,448
Excess (deficiency) of revenues over (under) expenditures	(1,428,830)	(2,069,152)	(1,598,503)	(4,865,916)	(1,736,532)	(1,750,048)	(4,167,553)	(42,800)	1,143,946	(483,462)
Other financing sources (uses)										
Transfers in	2,163,184	1,763,157	2,228,086	1,439,468	1,717,940	1,911,229	2,886,915	2,776,974	2,924,931	3,604,167
Transfers out	(2,790,635)	(1,785,458)	(2,228,086)	(1,439,468)	(1,717,940)	(1,911,229)	(2,886,915)	(2,776,974)	(2,924,931)	(3,604,167)
Sale of assets	-	396,861	115,717	36,500	11,718	719,997	375,429	97,835	36,000	79,749
Payment to refunded bond escrow agent	(2,931,919)	-	-	-	-	-	-	-	-	-
Bonds and notes issued	5,730,000	-	7,300,000	90,000	10,000	6,616,000	-	-	-	-
Premiums on bonds issued	601,379	-	308,762	-	-	728,510	-	-	-	-
Other debt proceeds	-	-	-	-	-	-	230,000	-	-	44,638
Total other financing sources (uses)	2,772,009	374,560	7,724,479	126,500	21,718	8,064,507	605,429	97,835	36,000	124,387
Net change in fund balances	**$ 1,343,179**	**(1,694,592)**	**6,125,976**	**(4,739,416)**	**(1,714,814)**	**6,314,459**	**(3,562,124)**	**55,035**	**1,179,946**	**(359,075)**
Debt service as a percentage of noncapital expenditures	6.40%	6.14%	5.88%	5.17%	5.53%	5.86%	7.23%	7.02%	6.63%	5.32%

Table 5

TOWN OF CUMBERLAND, MAINE
General Governmental Tax Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)
(dollar amounts expressed in thousands)

Fiscal Year		Real estate	Personal property	Excise tax	Total
2015	$	21,492	270	1,693	23,455
2016		22,918	404	1,856	25,178
2017		23,324	439	1,959	25,722
2018		24,717	250	2,120	27,087
2019		26,438	283	2,163	28,884
2020		27,525	286	2,057	29,868
2021		28,440	298	2,440	31,178
2022		29,300	336	2,281	31,917
2023		30,949	352	2,427	33,728
2024		32,913	335	2,515	35,763

Note: The table does not include outer island taxes, supplemental taxes, payments in lieu of taxes or interest and costs.

Table 6

TOWN OF CUMBERLAND, MAINE
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(dollar amounts expressed in thousands)

Fiscal Year Ended June 30		Real Property: Residential and Commercial Property (1)	Personal Property (1)	Less: Tax Exempt Real Property (1)	Total Taxable Assessed Value (1)	Total Direct Tax Rate (1)	Estimated Actual Taxable Value (2)	Assessed Value as a Percentage of Actual Value
2015	$	1,305,746	15,495	76,970	1,244,271	5.13	1,057,800	117.6%
2016		1,341,466	22,333	81,519	1,282,280	5.39	1,099,350	116.6%
2017		1,362,438	24,069	85,265	1,301,242	5.31	1,144,550	113.7%
2018		1,403,144	13,298	85,299	1,331,143	5.26	1,171,250	113.7%
2019		1,424,708	14,364	81,340	1,357,732	5.28	1,264,650	107.4%
2020		1,464,931	14,404	82,308	1,397,027	5.74	1,328,750	105.1%
2021		1,432,258	16,482	36,346	1,412,394	5.46	1,406,550	100.4%
2022		1,458,982	16,370	34,640	1,440,712	5.45	1,503,000	95.9%
2023		1,503,911	18,651	47,934	1,474,628	5.70	1,614,950	91.3%
2024		1,530,102	15,121	40,348	1,504,875	6.01	1,910,200	78.8%

(1) Source - Cumberland Assessor's office

(2) Source - Maine Revenue Services

Note: The table does not include outer island taxes, payments in lieu of taxes or interest and costs.

Table 7

TOWN OF CUMBERLAND, MAINE
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

	Town Direct and Overlapping Rates*					
	Direct			Overlapping		
	Town rate					
Fiscal year	Operating	Debt service	Total direct rate	Education rate	County rate	Total rate
2015	4.93	0.20	5.13	11.70	0.57	17.40
2016	4.94	0.45	5.39	12.13	0.58	18.10
2017	4.83	0.48	5.31	12.34	0.60	18.25
2018	4.74	0.52	5.26	12.93	0.61	18.80
2019	4.75	0.53	5.28	13.77	0.65	19.70
2020	5.21	0.53	5.74	13.46	0.65	19.85
2021	4.49	0.97	5.46	14.23	0.66	20.35
2022	4.23	1.22	5.45	14.43	0.67	20.55
2023	4.55	1.15	5.70	14.82	0.68	21.20
2024	5.16	0.85	6.01	15.35	0.79	22.15

* Tax rates are based upon $1,000 of assessed value
SOURCE: Cumberland assessor's office

Table 8

TOWN OF CUMBERLAND, MAINE
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2024 Taxable Assessed Value	2024 Rank	2024 Percentage of Total Taxable Assessed Value	2015 Taxable Assessed Value	2015 Rank	2015 Percentage of Total Taxable Assessed Value
Central Maine Power Company	$ 44,299,900	1	2.94%	$ 44,100,000	1	3.54%
Ocean View at Cumberland, LLC	23,686,300	2	1.57%			
Summit Natural Gas	15,263,700	3	1.01%			
C and A Holdings, LLC	7,408,000	4	0.49%			
LGC North America dba Maine Standards Company, LLC	5,015,300	5	0.33%	4,650,500	3	0.37%
Mirza, Zareen Taj	4,806,100	6	0.32%	3,888,100	4	0.31%
Maritime & Northeast Pipeline	3,936,700	7	0.26%			
Lemole, Emily Jane A-Trustee	3,858,100	8	0.26%	3,837,300	5	0.31%
Time Warner Cable Northeast	3,519,300	9	0.23%			
New England Clean Energy Connect	3,322,500	10	0.22%			
Spears Hill, LLC				6,051,200	2	0.49%
Mathias, Glenn				3,251,900	6	0.26%
BBW Real Estate LLC				3,188,600	7	0.26%
Martin Joseph R.				3,076,800	8	0.25%
Portland Water District				2,941,500	9	0.24%
Piaso, Shirley A.				2,865,100	10	0.23%
Totals	**$ 115,115,900**		**7.64%**	**$ 77,851,000**		**6.26%**

SOURCE: Cumberland assessor's office

Table 9

TOWN OF CUMBERLAND, MAINE
Property Tax Levies and Collections
Last Ten Fiscal Years
(dollar amounts expressed in thousands)

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy: Amount	Collected within the Fiscal Year of the Levy: Percentage of Levy	Collections in Subsequent Years	Total Collections to Date: Amount	Total Collections to Date: Percentage of Levy
2015	21,650	21,398	98.84%	242	21,645	99.98%
2016	23,209	23,014	99.16%	189	23,203	99.97%
2017	23,748	23,607	99.41%	137	23,740	99.97%
2018	25,025	24,861	99.34%	161	24,966	99.76%
2019	26,747	26,604	99.47%	136	26,746	100.00%
2020	27,731	27,493	99.14%	220	27,629	99.63%
2021	28,742	28,621	99.58%	100	28,621	99.58%
2022	29,607	29,501	99.64%	47	29,548	99.80%
2023	31,262	31,109	99.51%	201	31,310	100.15%
2024	33,333	33,082	99.25%	-	33,082	99.25%

Note: excludes supplemental taxes.

Table 10

TOWN OF CUMBERLAND, MAINE
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities				Business-type Activities					
Fiscal Year	General Obligation Bonds*	Notes Payable*	Lease Payable	Financed Purchases	General Obligation Bonds*	Notes Payable*	Financed Purchases	Total Primary Government	Percentage of Personal Income	Per Capita (1)
2015	15,308,444	330,934	-	13,843	1,344,984	-	44,587	17,042,792	3.341%	2,257
2016	14,387,387	248,201	-	31,624	1,225,197	-	-	15,892,409	3.070%	2,045
2017	21,031,901	165,468	-	3,896	1,105,409	-	-	22,306,674	4.229%	2,816
2018	20,134,447	168,233	-	-	975,621	-	-	21,278,301	3.913%	2,606
2019	12,494,264	6,490,089	-	-	825,833	-	-	19,810,186	3.643%	2,427
2020	18,784,967	6,195,222	-	-	651,047	-	-	25,631,236	4.714%	3,140
2021	17,803,769	5,508,931	519,502	182,206	586,616	-	-	24,601,024	4.524%	2,950
2022	16,462,571	4,806,100	418,657	137,965	522,185	-	-	22,347,478	4.387%	2,950
2023	15,076,373	4,723,429	310,783	92,862	478,270	215,590	-	20,897,307	3.633%	2,429
2024	13,880,175	4,026,142	243,813	46,879	434,755	164,072	-	18,795,836	3.268%	2,128

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

(1) Based on population as provided by the U.S. Bureau of the Census

* Bonds and notes were classified based on GASB 88 definitions beginning in FY 2019.

Table 11

TOWN OF CUMBERLAND, MAINE
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2014	16,653,428	1.57%	2,253
2015	15,612,584	1.48%	2,068
2016	22,137,310	2.01%	2,848
2017	21,110,068	1.84%	2,665
2018	13,320,097	1.14%	1,632
2019	19,436,014	1.54%	2,381
2020	18,390,385	1.38%	2,253
2021	18,909,887	1.34%	2,316
2022	16,984,756	1.13%	2,005
2023	15,554,643	0.96%	1,808
2024	14,314,930	0.75%	1,621

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

Table 12

TOWN OF CUMBERLAND, MAINE
Direct and Overlapping Governmental Activities Debt
June 30, 2024

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Overlapping debt:			
Cumberland County	$ 29,875,601	2.93%	874,369
Portland Water District - water	65,451,334	4.51%	2,951,855
Portland Water District -waste water	61,217,563	0.03%	18,750
MSAD #51	16,227,610	71.17%	11,549,457
Subtotal, overlapping debt			15,394,431
Direct debt:			
Bonds payable	13,880,175		13,880,175
Notes payable	4,026,142		4,026,142
Leases payable	243,813		243,813
Financed purchases	46,879		46,879
Subtotal, direct debt			18,197,009
Total direct and overlapping debt			**$ 33,591,440**

Note: the County's overlapping debt is determined by the Town's portion of the State's valuation of the county. The MSAD overlapping debt is determined by the relative valuations of participating members.

Table 13

TOWN OF CUMBERLAND, MAINE
Legal Debt Margin Information
Last Ten Fiscal Years
(dollar amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Assessed value per State	$ 1,057,800	1,099,350	1,144,550	1,171,250	1,265,650	1,328,750	1,406,550	1,503,000	1,614,950	1,910,200
Total debt limit - all purposes - 15% of assessed value	$ 158,670	164,903	171,683	175,688	189,848	199,313	210,983	225,450	242,243	286,530
Less outstanding debt applicable to debt limit	16,313	15,229	21,409	20,439	19,025	24,175	23,495	21,406	19,294	17,390
Legal debt margin	$ 142,357	149,674	150,274	155,249	170,823	175,138	187,488	204,044	222,949	269,140
Total outstanding debt applicable to the limit as a percentage of debt limit	10.28%	9.24%	12.47%	11.63%	10.02%	12.13%	11.14%	9.49%	7.96%	6.07%
The debt limit is restricted by State statute based on the assessed value per the State above and the percentages below.										
Municipal purposes - 7.5%										
Debt limit	$ 79,335	82,451	85,841	87,844	94,924	99,656	105,491	112,725	121,121	143,265
Less outstanding debt applicable to debt limit	16,313	15,229	21,409	20,439	19,025	24,175	23,495	21,406	19,294	17,390
Debt margin for municipal purposes	$ 63,022	67,222	64,432	67,405	75,899	75,481	81,996	91,319	101,827	125,875
Outstanding debt applicable to the limit as a percentage of debt limit for municipal purposes	20.56%	18.47%	24.94%	23.27%	20.04%	24.26%	22.27%	18.99%	15.93%	12.14%
School purposes - 10%										
Debt limit	$ 105,780	109,935	114,455	117,125	126,565	132,875	140,655	150,300	161,495	191,020
Less outstanding debt applicable to debt limit	-	-	-	-	-	-	-	-	-	-
Debt margin for school purposes	$ 105,780	109,935	114,455	117,125	126,565	132,875	140,655	150,300	161,495	191,020
Outstanding debt applicable to the limit as a percentage of debt limit for school purposes	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Storm and sanitary sewer purposes - 7.5%										
Debt limit	$ 79,335	82,451	85,841	87,844	94,924	99,656	105,491	112,725	121,121	143,265
Less outstanding debt applicable to debt limit	-	-	-	-	-	-	-	-	-	-
Debt margin for sewer purposes	$ 79,335	82,451	85,841	87,844	94,924	99,656	105,491	112,725	121,121	143,265
Outstanding debt applicable to the limit as a percentage of debt limit for sewer purposes	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Maximum total debt limit - 15%	$ 158,670	164,903	171,683	175,688	189,848	199,313	210,983	225,450	242,243	286,530

Table 14

TOWN OF CUMBERLAND, MAINE
Demographic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income	Per Capita Income Cumberland County (1)	Median Age (2)	High School Completion Rates (4)	School Enrollment (4)	State Unemployment Rate (3)
2015	7,550	510,047,800	67,556	45.0	97%	1,422	4.7%
2016	7,772	517,622,972	66,601	45.0	97%	1,401	3.9%
2017	7,920	527,479,920	66,601	45.0	97%	1,388	3.2%
2018	8,164	543,730,564	66,601	45.0	97%	1,337	2.9%
2019	8,164	543,730,564	66,601	45.0	95%	1,371	3.2%
2020	8,164	543,730,564	66,601	45.0	95%	1,418	6.7%
2021	8,164	543,730,561	66,601	45.0	95%	1,437	4.8%
2022	8,473	509,444,355	59,619	44.7	93%	1,414	3.0%
2023	8,605	575,149,595	66,839	41.3	96%	1,397	2.4%
2024	8,832	575,149,595	65,121	41.3	99%	1,473	3.0%

Sources:
(1) U.S. Bureau of the Census

(2) U.S. Census Bureau (2010 Census latest available figures)

(3) Maine Department of Labor (seasonally adjusted)

(4) Maine Department of Education

Table 15

TOWN OF CUMBERLAND, MAINE
Principal Employers
Current Year and Nine Years Ago

	2024			2015	
Employer	Employees	Rank	Percentage of Total Town Employment	Employees	Rank
MSAD 51	300-450	1	2.5%-6.3%	300-450	1
Town of Cumberland	150-200	2	2.5%-6.3%	150-200	2
Seafax	50-99	3	1.3%-2.5%	50-99	4
AH Grover Inc	20-49	4	.5%-1.3%		
Burger King	20-49	5	.5%-1.3%		
Coastal Inc	20-49	6	.5%-1.3%		
Drowne Road School	20-49	7	.5%-1.3%		
Lucinda's Day Spa	20-49	8	.5%-1.3%	50-99	7
Maine Line Fence Co.	20-49	9	.5%-1.3%	20-49	9
Sevee Maher Engineers	20-49	10	.5%-1.3%	50-99	6
Exactitude				50-99	3
Norton Insurance				50-99	5
Met Life				20-49	8
SHP Management Corp.					
Skillin's Greenhouse				20-49	10

Table 16

TOWN OF CUMBERLAND, MAINE
Full-time Equivalent Town Government Employees by Function/Program
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government:										
Management	2	2	2	2	2	2	2	2	2	3
Finance/Administration	10	10	10	9	10	10	10	10	10	11
Planning	2	2	3	3	3	3	3	3	2	2
Assessing	0	1	1	1	1	1	1	1	1	1
Public Safety:										
Fire	4	4	4	5	5	5	6	9	10	12
Police	12	12	12	12	12	14	12	13	14	14
Public Services:										
Public Works	7	7	7	7	7	6	6	7	7	7
Parks	3	3	3	3	3	4	4	4	4	3
Recreation & Other:										
Recreation	5	5	5	5	5	4	2	3	4	4
Library	4	4	4	5	5	5	5	5	5	7
Valhalla	3	3	3	3	3	4	5	5	5	5
Total Full-time Employees	**52**	**53**	**54**	**55**	**56**	**58**	**56**	**62**	**64**	**69**

Source: Town of Cumberland budget documents

Table 17

TOWN OF CUMBERLAND, MAINE
Operating Indicators by Function
Last Ten Calendar Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function										
Code Enforcement:										
Building permits	266	302	302	321	338	377	345	345	327	344
Sign permits	15	18	18	7	6	6	7	7	5	5
Fire Protection:										
Number of calls answered	1,279	1,233	1,233	964	962	861	1,060	1,060	1,291	1,298
Number of inspections conducted	162	83	83	41	53	32	36	36	152	26
Police Protection:										
Number of law violations:										
Arrests	54	99	99	163	187	107	64	64	51	52
Traffic violations	852	2,919	2,919	2,152	3,000	1,841	1,340	1,340	1,231	1,345
Parking violations	4	2	2	27	35	15	26	26	29	12
Number of calls for service	8,216	8,244	8,244	9,106	9,516	8,673	7,034	7,034	8,793	8,736
Sewerage System:										
Number of service connections	1,092	1,136	1,136	1,179	1,213	1,229	1,259	1,259	1,259	1,259
Daily average treatment in gallons	211,973	204,000	204,000	234,157	226,849	235,000	218,000	218,000	218,000	218,000

Sources: Town of Cumberland Code Enforcement, Police, and Fire Departments; Portland Water District

Table 18

TOWN OF CUMBERLAND, MAINE
Capital Asset Statistics by Function
Last Ten Fiscal Years

	Fiscal Year									
Function	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Public Safety:										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	7	7	7	7	7	7	7	7	7	7
Fire:										
Stations	2	2	2	2	2	2	2	2	2	2
Vehicles	11	11	11	11	11	10	10	10	10	10
Public Works:										
Streets (miles)	79	80	80	80	81	81	81	81	81	81
Number of streetlights	203	203	204	204	205	205	205	205	205	205
Parks & Recreation:										
Parks	2	3	3	3	6	6	6	6	6	6
Parks (acreage)	272	487	487	487	1,100	1,152	1,152	1,152	1,152	1,152
Public skating rinks	1	1	1	1	1	1	1	1	1	1
Public tennis courts	4	4	4	4	4	4	4	4	4	4
Public golf courses	1	1	1	1	1	1	1	1	1	1
Sewer:										
Miles of sanitary sewers	25	25	29	29	29	29	29	32	32	32

Sources: Town of Cumberland Code Enforcement, Police, and Fire Departments; Portland Water District

Table 19

TOWN OF CUMBERLAND, MAINE
Miscellaneous Statistics
For the year ended June 30, 2024

Date of incorporation	1821
Form of government	Council/Manager
Number of full-time employees	64
All employees	340
Area in square miles	20
Name of government facilities and services:	
Miles of streets	81
Number of street lights	205
Culture and recreation:	
Parks	6
Park acreage	1,152
Skating rinks	1
Tennis courts	4
Golf course	1
Fire Protection:	
Number of fire-EMS FT personnel	10
Call Company Part time personnel	38
Police Protection:	
Number of police personnel and officers	13
Number of patrol units	8
Education:	
Number of elementary schools	1
Number of elementary school instructors	117
Number of secondary schools	2
Number of secondary school instructors	140

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APPENDIX C

TOWN OF NORTH YARMOUTH, MAINE
ANNUAL FINANCIAL STATEMENTS
FOR THE
YEAR ENDED JUNE 30, 2024

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Audited Financial Statements
and Other Financial Information

Town of North Yarmouth, Maine

June 30, 2024

RHR SMITH & COMPANY
Certified Public Accountants

Proven Expertise & Integrity

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TOWN OF NORTH YARMOUTH, MAINE

CONTENTS

JUNE 30, 2024

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RHR SMITH & COMPANY
Certified Public Accountants
Proven Expertise & Integrity

INDEPENDENT AUDITOR'S REPORT

Selectboard
Town of North Yarmouth
North Yarmouth, Maine

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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Tel: (800) 300-7708 (207) 929-4606 Fax: (207) 929-4609
www.rhrsmith.com

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

Auditor's Responsibilities for the Audit of Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information and pension and OPEB information on pages 5 through 12 and 56 through 63 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.

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2024, on our consideration of the Town of North Yarmouth, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 Town of North Yarmouth, 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 Town of North Yarmouth, Maine's internal control over financial reporting and compliance.

RHR Smith & Company

Buxton, Maine
October 17, 2024

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

(UNAUDITED)

The following management's discussion and analysis of Town of North Yarmouth, Maine's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2024. Please read it in conjunction with the Town's financial statements.

Financial Statement Overview

The Town of North Yarmouth's basic financial statements include the following components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also includes required supplementary information which consists of the general fund budgetary comparison schedule and pension and OPEB information and other supplementary information which includes combining and other schedules.

Basic Financial Statements

The basic financial statements include financial information in two differing views: the government-wide financial statements and the fund financial statements. These basic financial statements also include the notes to financial statements that explain in more detail certain information in the financial statements and also provide the user with the accounting policies used in the preparation of the financial statements.

Government-Wide Financial Statements

The government-wide financial statements provide a broad view of the Town's operations in a manner that is similar to private businesses. These statements provide both short-term as well as long-term information in regards to the Town's financial position. These financial statements are prepared using the accrual basis of accounting. This measurement focus takes into account all revenues and expenses associated with the fiscal year regardless of when cash is received or paid. The government-wide financial statements include the following two statements:

The Statement of Net Position - this statement presents *all* of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference being reported as net position.

The Statement of Activities - this statement presents information that shows how the government's net position changed during the period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

The above-mentioned financial statements have one column for the Town's activity. The type of activity presented for the Town of North Yarmouth is:

- *Governmental activities* - The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). All of the Town's basic services are reported in governmental activities, which include municipal administration, community services, public safety, public works, buildings and grounds, solid waste and recycling, municipal finances, county assessment, education, program expenses, overlay and capital outlay.

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 Town of North Yarmouth, like other local governments, uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. All of the funds of the Town of North Yarmouth are considered governmental funds.

Governmental funds: All of the basic services provided by the Town are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported in governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources. They also focus on the balance of spendable resources available at the end of the fiscal year. Such information will be useful in evaluating the government's near-term financing requirements. This approach is known as the current financial resources measurement focus and the modified accrual basis of accounting. Under this approach, revenues are recorded when cash is received or when susceptible to accrual. Expenditures are recorded when liabilities are incurred and due. These statements provide a detailed short-term view of the Town's finances to assist in determining whether there will be adequate financial resources available to meet the current needs of the Town.

Because the focus of governmental funds is narrower than that of 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 government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are presented on the page immediately following each governmental fund financial statement.

The Town of North Yarmouth presents four columns in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. The Town's major governmental funds are the general fund, ARPA fund and the capital projects fund. All other funds are shown as nonmajor and are combined in the "Other Governmental Funds" column on these statements.

The general fund is the only fund for which the Town legally adopted a budget. The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund provides a comparison of the original and final budget and the actual expenditures for the current year.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to Financial Statements can be found following the Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund, Schedule of Proportionate Share of the Net Pension Liability, Schedule of Contributions - Pension, Schedule of Changes in Net OPEB Liability, Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Contributions - OPEB and Notes to Required Supplementary Information.

Other Supplementary Information

Other supplementary information follows the required supplementary information. These combining and other schedules provide information in regards to nonmajor funds, capital asset activity and other detailed budgetary information for the general fund.

Government-Wide Financial Analysis

Our analysis below focuses on the net position and changes in net position of the Town's governmental activity. The Town's total net position for governmental activities increased by $941,741 from $21,296,306 to $22,416,873.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - increased for governmental activities to a balance of $3,336,816 at the end of this year.

Table 1
Town of North Yarmouth, Maine
Net Position
June 30,

	2024	2023
Assets:		
Current Assets	$ 4,471,484	$ 3,848,310
Noncurrent Assets - Capital Assets	21,277,869	20,451,635
Total Assets	25,749,353	24,299,945
Deferred Outflows of Resources:		
Deferred Outflows Related to Pension	71,705	-
Deferred Outflows Related to OPEB	23,163	12,314
Total Deferred Outflows of Resources	94,868	12,314
Liabilities:		
Current Liabilities	361,387	252,533
Noncurrent Liabilities	3,016,609	2,699,734
Total Liabilities	3,377,996	2,952,267
Deferred Inflows of Resources:		
Prepaid Taxes	17,529	35,507
Deferred Inflows Related to OPEB	42,672	28,179
Total Deferred Inflows of Resources	60,201	63,686
Net Position:		
Net Investment in Capital Assets	18,151,592	17,719,720
Restricted	928,465	1,181,511
Unrestricted	3,325,967	2,395,075
Total Net Position	$ 22,406,024	$ 21,296,306

Revenues and Expenses

Revenues for the Town's governmental activities increased by 15.68%, while total expenses increased by 7.45%. All revenue categories experienced increases. The largest increases in expenses were in municipal administration, public safety and program expenses.

Table 2
Town of North Yarmouth, Maine
Changes in Net Position
For the Years Ended June 30,

	2024	2023
Revenues		
Program Revenues:		
Charges for services	$ 444,489	$ 432,618
Operating grants and contributions	32,803	28,053
General Revenues:		
Taxes	13,019,429	12,021,114
Grants and contributions not restricted to specific programs	1,250,319	1,235,220
Interest income	253,479	81,398
Miscellaneous	1,133,295	147,977
Total Revenues	16,133,814	13,946,380
Expenses		
Municipal administration	1,365,321	771,034
Community services	393,749	224,771
Public safety	1,107,863	595,229
Public works	1,043,547	1,385,032
Buildings and grounds	-	139,802
Solid waste and recycling	521,041	293,937
Municipal finances	43,866	775,021
County assessment	436,889	376,893
Education	9,144,530	8,850,145
Program expenses	944,123	400,679
Overlay	23,167	75,318
Interest on long-term debt	-	95,150
Total Expenses	15,024,096	13,983,011
Change in Net Position	1,109,718	(36,631)
Net Position - July 1	21,296,306	21,332,937
Net Position - June 30	$ 22,406,024	$ 21,296,306

Financial Analysis of the Town's Fund Statements

Governmental funds: The financial reporting focus of the Town's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information may be useful in assessing the Town's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's financial position at the end of the year and the net resources available for spending.

Table 3
Town of North Yarmouth, Maine
Fund Balances - Governmental Funds
June 30,

	2024	2023	Increase/ (Decrease)
Major Funds:			
General Fund:			
Nonspendable	$ 7,000	$ 5,400	$ 1,600
Committed	57,539	65,488	(7,949)
Assigned	60,000	60,000	-
Unassigned	2,932,112	1,874,208	1,057,904
ARPA Fund:			
Restricted	-	101,609	(101,609)
Capital Projects Fund:			
Committed	283,051	450,854	(167,803)
Total Major Funds	$ 3,339,702	$ 2,557,559	$ 782,143
Nonmajor Funds:			
Special Revenue Funds:			
Restricted	$ 766,856	$ 932,635	$ (165,779)
Assigned	62,924	60,902	2,022
Unassigned (deficit)	(4,915)	-	(4,915)
Permanent Funds:			
Restricted	161,609	147,267	14,342
Total Nonmajor Funds	$ 986,474	$ 1,140,804	$ (154,330)

The changes to total fund balances for the general fund, ARPA fund, capital projects fund and nonmajor funds occurred due to the regular activity of operations.

Budgetary Highlights

There were no changes between the original and final budget.

The general fund actual revenues exceeded budgeted amounts by $658,309. All revenue categories were received in excess of budgeted amounts.

The general fund actual expenditures were under budgeted amounts by $393,246. All expenditures were within or at budgeted amounts with the exception of municipal finances, county assessments and transfers to other funds.

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2024, the net book value of capital assets recorded by the Town increased by $826,234 from the prior year. This increase is the result of capital additions of $2,043,997, less net disposals of $4,085 and current year depreciation expense of $1,213,678.

Table 4
Town of North Yarmouth, Maine
Capital Assets (Net of Depreciation)
June 30,

	2024	2023
Land	$ 1,319,645	$ 1,162,995
Buildings and Improvements	4,286,261	4,315,815
Machinery and Equipment	2,320,586	1,502,264
Infrastructure	13,351,377	13,470,561
Total	$ 21,277,869	$ 20,451,635

Debt

At June 30, 2024, the Town had $3,126,277 in a bond and note from direct borrowings payable outstanding versus $2,731,915 in the prior year. Refer to Note 6 of Notes to Financial Statements for detailed information.

Currently Known Facts, Decisions or Conditions

Economic Factors and Next Year's Budgets and Rates

The Town’s unassigned fund balance is currently at a level to sustain government operations for a period of approximately three months. The Town also maintains reserves for future capital and other program needs.

Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Office at 110 Village Square Road, North Yarmouth, Maine 04097.

STATEMENT A

TOWN OF NORTH YARMOUTH, MAINE

STATEMENT OF NET POSITION
JUNE 30, 2024

		Governmental Activities
ASSETS		
Current assets:		
Cash and cash equivalents	$	3,778,655
Investments		440,752
Accounts receivable (net of allowance for uncollectibles)		
Taxes		8,113
Liens		84,488
Other		148,072
Due from other governments		4,404
Prepaid items		7,000
Total current assets		4,471,484
Noncurrent assets:		
Capital assets:		
Land and other assets not being depreciated		1,319,645
Buildings and equipment, net of accumulated depreciation		19,958,224
Total noncurrent assets		21,277,869
TOTAL ASSETS		25,749,353
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pension		71,705
Deferred outflows related to OPEB		23,163
TOTAL DEFERRED OUTFLOWS OF RESOURCES		94,868
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$	25,844,221
LIABILITIES		
Current liabilities:		
Accounts payable	$	21,788
Accrued expenses		36,449
Current portion of long-term obligations		303,150
Total current liabilities		361,387
Noncurrent liabilities:		
Noncurrent portion of long-term obligations:		
Bond payable		2,848,152
Capital leases payable		639
Accrued compensated absences		102,658
Net OPEB liability		65,160
Total noncurrent liabilities		3,016,609
TOTAL LIABILITIES		3,377,996
DEFERRED INFLOWS OF RESOURCES		
Prepaid taxes		17,529
Deferred inflows related to OPEB		42,672
TOTAL DEFERRED INFLOWS OF RESOURCES		60,201
NET POSITION		
Net investment in capital assets		18,151,592
Restricted		928,465
Unrestricted		3,325,967
TOTAL NET POSITION		22,406,024
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$	25,844,221

See accompanying independent auditor's report and notes to financial statements.

STATEMENT B

TOWN OF NORTH YARMOUTH, MAINE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental activities:					
Municipal administration	$ 1,365,321	$ 32,663	$ -	$ -	$ (1,332,658)
Community services	393,749	24,426	791	-	(368,532)
Public safety	1,107,863	197,200	-	-	(910,663)
Public works	1,043,547	7,266	32,012	-	(1,004,269)
Solid waste and recycling	521,041	182,934	-	-	(338,107)
Municipal finances	43,866	-	-	-	(43,866)
County assessment	436,889	-	-	-	(436,889)
Education	9,144,530	-	-	-	(9,144,530)
Program expenses	944,123	-	-	-	(944,123)
Overlay	23,167	-	-	-	(23,167)
Total government	$ 15,024,096	$ 444,489	$ 32,803	$ -	(14,546,804)

STATEMENT B (CONTINUED)

TOWN OF NORTH YARMOUTH, MAINE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	Governmental Activities
Changes in net position:	
Net (expense) revenue	(14,546,804)
General revenues:	
Taxes:	
Property taxes, levied for general purposes	11,803,655
Excise taxes	1,215,774
Grants and contributions not restricted to specific programs	1,250,319
Interest income	253,479
Miscellaneous	1,133,295
Total general revenues	15,656,522
Change in net position	1,109,718
NET POSITION - JULY 1	21,296,306
NET POSITION - JUNE 30	$ 22,406,024

See accompanying independent auditor's report and notes to financial statements.

STATEMENT C

TOWN OF NORTH YARMOUTH, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2024

	General Fund	ARPA Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 2,943,232	$ -	$ 59,592	$ 775,831	$ 3,778,655
Investments	-	-	392,657	48,095	440,752
Accounts receivable (net of allowance for uncollectibles):					
Taxes	8,113	-	-	-	8,113
Liens	84,488	-	-	-	84,488
Other	148,072	-	-	-	148,072
Due from other governments	4,404	-	-	-	4,404
Prepaid items	7,000	-	-	-	7,000
Due from other funds	169,198	-	-	167,463	336,661
TOTAL ASSETS	$ 3,364,507	$ -	$ 452,249	$ 991,389	$ 4,808,145
LIABILITIES					
Accounts payable	$ 16,873	$ -	$ -	$ 4,915	$ 21,788
Accrued expenses	36,449	-	-	-	36,449
Due to other funds	167,463	-	169,198	-	336,661
TOTAL LIABILITIES	220,785	-	169,198	4,915	394,898
DEFERRED INFLOWS OF RESOURCES					
Prepaid taxes	17,529	-	-	-	17,529
Deferred property tax	69,542	-	-	-	69,542
TOTAL DEFERRED INFLOWS OF RESOURCES	87,071	-	-	-	87,071
FUND BALANCES					
Nonspendable	7,000	-	-	-	7,000
Restricted	-	-	-	928,465	928,465
Committed	57,539	-	283,051	-	340,590
Assigned	60,000	-	-	62,924	122,924
Unassigned (deficit)	2,932,112	-	-	(4,915)	2,927,197
TOTAL FUND BALANCES	3,056,651	-	283,051	986,474	4,326,176
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 3,364,507	$ -	$ 452,249	$ 991,389	$ 4,808,145

See accompanying independent auditor's report and notes to financial statements.

STATEMENT D

TOWN OF NORTH YARMOUTH, MAINE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024

	Total Governmental Funds
Total Fund Balances	$ 4,326,176
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, net of accumulated depreciation	21,277,869
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds shown above:	
Taxes and liens receivable	69,542
Deferred outflows of resources related OPEB are not financial resources and therefore are not reported in the funds	94,868
Long-term obligations are not due and payable in the current period and therefore are not reported in the funds:	
Bond payable	(3,125,000)
Notes from direct borrowings payable	(1,277)
Accrued compensated absences	(128,322)
Net OPEB liability	(65,160)
Deferred outflows of resources related OPEB are not financial resources and therefore are not reported in the funds	(42,672)
Net position of governmental activities	$ 22,406,024

STATEMENT E

TOWN OF NORTH YARMOUTH, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	General Fund	ARPA Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes:					
Property	$ 11,792,006	$ -	$ -	$ -	$ 11,792,006
Excise	1,215,774	-	-	-	1,215,774
Intergovernmental	1,283,122	-	-	-	1,283,122
Interest income	186,419	-	21,925	45,135	253,479
Charges for services	444,489	-	-	-	444,489
Miscellaneous	131,442	-	-	1,001,853	1,133,295
TOTAL REVENUES	15,053,252	-	21,925	1,046,988	16,122,165
EXPENDITURES					
Current:					
Municipal administration	1,404,923	-	-	-	1,404,923
Community services	572,474	-	-	-	572,474
Public safety	750,571	-	-	-	750,571
Public works	903,989	-	-	-	903,989
Solid waste and recycling	521,041	-	-	-	521,041
Municipal finances	43,866	-	-	-	43,866
County assessment	436,889	-	-	-	436,889
Education	9,144,530	-	-	-	9,144,530
Program expenses	-	101,609	-	842,514	944,123
Overlay	23,167	-	-	-	23,167
Capital outlay	-	-	173,864	574,915	748,779
TOTAL EXPENDITURES	13,801,450	101,609	173,864	1,417,429	15,494,352
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,251,802	(101,609)	(151,939)	(370,441)	627,813
OTHER FINANCING SOURCES (USES)					
Transfers in	243,764	-	150,000	294,011	687,775
Transfers (out)	(444,011)	-	(165,864)	(77,900)	(687,775)
TOTAL OTHER FINANCING SOURCES (USES)	(200,247)	-	(15,864)	216,111	-
NET CHANGE IN FUND BALANCES	1,051,555	(101,609)	(167,803)	(154,330)	627,813
FUND BALANCES - JULY 1	2,005,096	101,609	450,854	1,140,804	3,698,363
FUND BALANCES - JUNE 30	$ 3,056,651	$ -	$ 283,051	$ 986,474	$ 4,326,176

TOWN OF NORTH YARMOUTH, MAINE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Net change in fund balances - total governmental funds (Statement E)		$ 627,813
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:		
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to be allocated to those expenditures over the life of the assets:		
Capital asset acquisitions		2,043,997
Capital asset disposals		(4,085)
Depreciation expense		(1,213,678)
		826,234
Debt proceeds provide current financial resources to govermental funds, but issuing debt increases long-term obligations in the Statement of Net Position		(570,000)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:		
Taxes and liens receivable		11,649
Deferred outflows of resources are a consumption of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds.		
Pension		71,705
OPEB		10,849
		82,554
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Position		175,638
Deferred inflows of resources are an acquisition of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds.		(14,493)
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:		
Accrued compensated absences		(26,583)
Net OPEB liability		(3,094)
		(29,677)
Change in net position of governmental activities (Statement B)		$ 1,109,718

See accompanying independent auditor's report and notes to financial statements.

TOWN OF NORTH YARMOUTH, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Town of North Yarmouth was incorporated under the laws of the State of Maine. The Town operates under the selectboard-manager form of government and provides the following services: administration services, community services, public safety, public works, buildings and grounds, solid waste and recycling, municipal finances, county assessment and education.

The Town's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The Town's combined financial statements include all accounts and all operations of the Town. We have determined that the Town has no component units as described in GASB Statement No. 14 and amended by GASB Statements No. 39 and No. 61.

Implementation of New Accounting Standards

During the year ended June 30, 2024, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 100 "Accounting Changes and Error Corrections - an Amendment of GASB Statement No. 62". The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. Management has determined the impact of this Statement is not material to the financial statements.

Government-Wide and Fund Financial Statements

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds).

Both the government-wide and fund financial statements categorize primary activities as governmental.

In the government-wide Statement of Net Position, the governmental activities column is (a) presented on a consolidated basis by column and (b) reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

in three parts - net investment in capital assets, restricted net position and unrestricted net position. The Town first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functions (administration services, public safety, etc.) excluding fiduciary activities. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, miscellaneous revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the most part, the interfund activity has been eliminated from these government-wide financial statements.

The net costs (by function) are normally covered by general revenue (taxes, certain intergovernmental revenues and charges for services, etc.).

The Town does not allocate indirect costs. All costs are charged directly to the corresponding department.

The government-wide focus is more on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

Measurement Focus - Basic Financial Statements and Fund Financial Statements

The financial transactions of the Town are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. The following fund types are used by the Town:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position (sources, uses and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Town:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Major Funds

a. The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

b. The ARPA Fund is used to account for the financial resources of the American Rescue Plan Act funds. Revenue proceeds consist of federal grant funding.

c. The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment. The primary revenue source of revenue for this fund is transfers from other funds.

Nonmajor Funds

d. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

e. Permanent Funds are used to account for assets held by the Town that are legally restricted pursuant to Title 30-A, §5653 of the Maine State Statutes, as amended and unless otherwise specified, only earnings and not principal, may be used for purposes that benefit the Town or its citizenry.

The emphasis in fund financial statements is on the major funds in the governmental activities category. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenses of either the fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

1. Accrual

Governmental activities in the government-wide financial statements and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Budget

The Town's policy is to adopt an annual budget for operations. The budget is presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles.

The following procedures are followed in establishing budgetary data reflected in the financial statements:

1. Early in the second half of the year the Town prepares a budget for the fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.

2. A meeting of the inhabitants of the Town was called for the purpose of adopting the proposed budget after public notice of the meeting was given.

3. The budget was adopted subsequent to passage by the inhabitants of the Town.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deposits and Investments

The Town'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.

It is the Town's policy to value investments at fair value. None of the Town's investments are reported at amortized cost. The Town Treasurer is authorized by State Statutes to invest all excess funds in the following:

- Obligations of the U.S. Government, its agencies and instrumentalities
- Certificates of deposit and other evidence of deposits at banks, savings and loan associations and credit unions
- Repurchase agreements
- Money market mutual funds

The Town of North Yarmouth, Maine has a formal investment policy and also follows the State of Maine Statutes.

Receivables

Receivables include amounts due from governmental agencies, rescue receivables and local businesses. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. The allowance for uncollectible accounts is estimated to be $0 as of June 30, 2024. Accounts receivable netted with allowances for uncollectible accounts were $152,476 for the year ended June 30, 2024.

Interfund 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 "due to/from other funds". While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Any residual balances outstanding between governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances".

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Transactions Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of Governmental Funds.

Capital Assets

Capital assets purchased or acquired with an original cost of $10,000 or more are reported at historical cost or estimated historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated capital assets are reported at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

Infrastructure assets include roads, bridges, underground pipe (other than related to independently owned utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the Town. The Town has not retroactively recorded infrastructure.

Estimated useful lives are as follows:

Buildings	20 - 50 years
Infrastructure	50 - 100 years
Machinery and equipment	3 - 50 years

Long-term Obligations

The accounting treatment of long-term obligations depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term obligations to be repaid from governmental and business-type resources is reported as liabilities in government-wide statements. The long-term obligations consist of a bonds payable, note from direct borrowing payable, accrued compensated absences and net OPEB liability.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

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 Participating Local District (PLD) Consolidated Plan and additions to/deductions from the PLD Plan's fiduciary net position have been determined on the same basis as they are reported by the PLD Consolidated Plan. 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.

OPEB

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, management received and relied on an actuarial report provided to them by the Maine Municipal Employees Health Trust (MMEHT), which determined the Town's fiduciary net position as a single employer defined benefit plan based on information provided solely by MMEHT to complete the actuarial report. Additions to/deductions from the MMEHT OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by MMEHT. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislations adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components - nonspendable, restricted, committed, assigned and unassigned.

Nonspendable - This includes amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted - This includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governments.

Committed - This includes amounts that can be used only for specific purposes determined by a formal action of the inhabitants of the Town. The inhabitants of the Town through Town meetings are the highest level of decision-making authority of the Town. Commitments may be established, modified or rescinded only through a Town meeting vote.

Assigned - This includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The authority for assigning fund balance is given annually by vote of the taxpayers and is expressed by the Selectboard.

Unassigned - This includes all other spendable amounts. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Town meeting vote has provided otherwise in its commitment or assignment actions.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has two types of this item, deferred outflows related to pension and deferred outflows related to OPEB. These items are reported in the statement of net position

In addition to liabilities, the statement of financial position and or balance sheet will at times report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred tax revenues, which arises only under a modified accrual basis of accounting, qualifies for reporting in this category. Accordingly, this item is reported in the governmental funds balance sheet. Prepaid taxes also qualify for reporting in this category. This item is reported in both the statements of net position and governmental funds balance sheet. Deferred inflows related to OPEB qualifies for reporting in this category as well. This item is reported only in the statement of net position. All items in this category are deferred and recognized as an inflow of resources in the period that the amounts become available.

Revenue Recognition - Property Taxes - Modified Accrual Basis

The Town's property tax for the current year was levied July 12, 2023 on the assessed value listed as of April 1, 2023, for all real and personal property located in the Town. Taxes were due in two installments on September 18, 2023 and March 18, 2024. Interest on unpaid taxes commenced on September 19, 2023 and March 19, 2024, at 8% per annum.

Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected within sixty days after year end. The remaining receivables have been recorded as deferred revenues.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Town 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 $144,183 for the year ended June 30, 2024.

Program Revenues

Program revenues include all directly related income items applicable to a particular program (charges to customers or applicants for goods, services or privileges provided, operating or capital grants and contributions, including special assessments).

Encumbrance Accounting

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end. The Town does not utilize encumbrance accounting for its general fund.

Use of Estimates

During the preparation of the Town's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from these estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

State statutes require that all investments made by the Town consider the safe and sound investment of principal and preservation of capital in the overall portfolio, maintenance of sufficient liquidity to meet day-to-day operations and other cash requirements and maximization of income, within established investment risk guidelines, with consistent cash flows throughout the budgetary cycle. These investment policies apply to all Town funds.

Deposits:

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Town will not be able to recover its deposits. The Town does not have a policy covering custodial credit risk for deposits. The Town maintains deposits in qualifying financial institutions that are a member of the FDIC or NCUSIF as defined in Title 30-A, Section 5706 of the Maine Revised Statutes.

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

At June 30, 2024, the Town's cash and cash equivalent balances of $3,778,655 were comprised of deposits amounting to $3,875,156. Bank deposits are adjusted primarily by outstanding checks and deposits in transit to reconcile to the Town's cash and cash equivalent balance. Of these bank deposits $250,000 was fully insured by federal depository insurance and $66,303 was covered by the Securities Investor Protection Corporation (SIPC) and consequently were not exposed to custodial credit risk. The remaining deposits of $3,558,853 were collateralized by securities held by an irrevocable stand-by letter of credit.

Account Type	Bank Balance
Checking accounts	$ 159,293
ICS accounts	3,649,560
Cash equivalents	66,303
	$ 3,875,156

Investments:

Custodial credit risk for investments is that, in the event of failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the Town does have a policy for custodial credit risk for investments. The Town seeks to minimize custodial credit risk by doing business with authorized institutions, depositories and brokers/dealers.

Interest rate risk - is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town does have a formal investment policy that mitigates interest rate risk by limiting investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates.

Of the Town's investments of $440,752, the entire amount was covered by the Securities Investor Protection Corporation (SIPC).

At June 30, 2024, the Town had the following investments and maturities:

Investment Type	Fair Value	N/A	< 1 Year	1 - 5 Years	>5 Years
Debt securities:					
U.S. Agency securities	$ 109,329	$ -	$ 34,482	$ 74,847	$ -
Brokered certificate of deposit	9,959	-	-	9,959	-
Corporate bonds	260,804	-	19,753	172,593	68,458
Equity securities:					
Exchange traded funds	60,660	60,660	-	-	-
	$ 440,752	$ 60,660	$ 54,235	$ 257,399	$ 68,458

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value Hierarchy

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Town has the following recurring fair value measurements as June 30, 2024:

		Fair Value Measurements Using		
	June 30, 2023 Total	Quoted Prices in Active Markets for Identical Assets (Level I)	Significant Other Observable Inputs (Level II)	Significant Unobservable Inputs (Level III)
Investments by fair value level				
Debt securities:				
U.S. Agency Securities	$ 109,329	$ -	$ 109,329	$ -
Brokered certificate of deposit	9,959	-	9,959	-
Corporate bonds	260,804	-	260,804	-
Total debt securities	380,092	-	380,092	-
Equity securities:				
Exchange traded funds	60,660	60,660	-	-
Total equity securities	60,660	60,660	-	-
Total investments by fair value level	440,752	$ 60,660	$ 380,092	$ -
Cash equivalents measured at the net asset value (NAV)				
Money market mutual funds	66,303			
Total cash equivalents measured at the NAV	66,303			
Total investments and cash equivalents measured at fair value	$ 507,055			

Equity securities classified in Level I of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level II of the fair value hierarchy are valued from publicly reliable sources or using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The Town has no Level III investments.

Credit risk - Statutes for the State of Maine authorize the Town to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Maine, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. The Town does have an investment policy on credit risk. The Town mitigates this risk by limiting investments to authorized types of securities, using qualified financial institutions authorized by the finance committee and diversifying the investment portfolio to meet the

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Town's current and future cash flow needs. Generally, the Town invests excess funds in cash management accounts and various insured certificates of deposit.

Certain long-term trust funds are invested through a financial institution with trust powers in a mix of securities that comply with state and federal regulations to provide long-term growth and income. As of June 30, 2024, the Town's investments in corporate bonds were rated by Moody's Rating Service:

Rating	Amount
A	$ 9,969
A-	66,542
A+	9,986
AA	9,394
AA-	9,108
AAA	19,636
BBB	47,228
BBB+	74,617
Unrated	14,324
	$ 260,804

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2024 consisted of the following individual fund receivables and payables:

	Receivables (Due From)	Payables (Due To)
Major funds:		
General fund	$ 169,198	$ 167,463
Capital projects	-	169,198
Nonmajor funds:		
Special revenue funds	165,136	-
Permanent funds	2,327	-
	$ 336,661	$ 336,661

The result of amounts owed between funds are considered to be in the course of normal operations by the Town. Reconciliation of the amounts owed between funds may or may not be expected to be repaid within one year in their entirety due to the recurring nature of these transactions during operations.

NOTE 4 - INTERFUND TRANSFERS

Interfund transfers at June 30, 2024 consisted of the following:

	Transfers In	Transfers Out
Major funds:		
General fund	$ 243,764	$ 444,011
Capital projects	150,000	165,864
Nonmajor funds:		
Special revenue funds	294,011	77,900
	$ 687,775	$ 687,775

Interfund transfers are the results of legally authorized activity and are considered to be in the course of normal operations.

NOTE 5 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2024:

	Balance 7/1/23	Additions	Disposals	Balance 6/30/24
Non-depreciated assets:				
Land	$ 1,039,695	$ 239,100	$ -	$ 1,278,795
Construction in progress	123,300	40,850	(123,300)	40,850
	1,162,995	279,950	(123,300)	1,319,645
Depreciated assets:				
Buildings and improvements	5,436,778	117,146	-	5,553,924
Machinery, equipment and vehicles	3,225,835	1,070,565	(63,665)	4,232,735
Infrastructure	37,071,884	699,636	-	37,771,520
	45,734,497	1,887,347	(63,665)	47,558,179
Less accumulated depreciation:				
Buildings and improvements	(1,120,963)	(146,700)	-	(1,267,663)
Machinery, equipment and vehicles	(1,723,571)	(248,158)	59,580	(1,912,149)
Infrastructure	(23,601,323)	(818,820)	-	(24,420,143)
	(26,445,857)	(1,213,678)	59,580	(27,599,955)
Net depreciated assets	19,288,640	673,669	(4,085)	19,958,224
Net capital assets	$ 20,451,635	$ 953,619	$ (127,385)	$ 21,277,869

NOTE 5 - CAPITAL ASSETS (CONTINUED)

Current year depreciation:	
Municipal administration	$ 12,807
Community services	137,951
Public safety	104,812
Public works	958,108
Total depreciation expense	$ 1,213,678

NOTE 6 - LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ended June 30, 2024:

	Balance 7/1/23 (Restated)	Additions	Deletions	Balance 6/30/24	Current Portion
Bonds payable	$ 2,730,000	$ 570,000	$ (175,000)	$ 3,125,000	$ 276,848
Note from direct borrowings payable	1,915	-	(638)	1,277	638
	$ 2,731,915	$ 570,000	$ (175,638)	$ 3,126,277	$ 277,486

The following is a summary of the outstanding bonds payable:

$3,430,000, 2018 General Obligation Bond due in annual principal installments and semiannual interest installments through November 2038. Interest is charged at a varying fixed rate from 3.00% to 4.00% per annum. Annual principal installments vary from $175,000 to $170,000.	$ 2,555,000
$570,000, 2023 General Obligation Bond due in annual principal and interest installments through October 2028. Interest is charged at a fixed rate of 5.530% per annum. Annual principal installments vary from $101,848 to $126.768.	570,000
Total Bond Payable	$ 3,125,000

The following is a summary of the outstanding note from direct borrowings payable:

June 2020 Postage meter lease payable to Pitney Bowes due in quarterly installments of $160 through 2026.	$ 1,277

The following is a summary of outstanding bonds principal, note from direct borrowing payable and interest requirements for the following fiscal years ending June 30:

NOTE 6 - LONG-TERM DEBT (CONTINUED)

	Bond Payable		Note from direct borrowings payable		Total
	Principal	Interest	Principal	Interest	Debt Service
2025	$ 276,848	$ 115,696	$ 638	$ -	393,182
2026	277,646	105,723	639	-	384,008
2027	283,682	94,588	-	-	378,270
2028	290,056	83,114	-	-	373,170
2029	296,768	71,302	-	-	368,070
2030-2034	850,000	241,187	-	-	1,091,187
2035-2039	850,000	85,000	-	-	935,000
	$ 3,125,000	$ 796,610	$ 1,277	$ -	$ 3,922,887

All bonds payable are direct obligations of the Town, for which its full faith and credit are pledged. The Town is not obligated for any special assessment debt. All debt is payable from taxes levied on all taxable property within the Town.

NOTE 7 - OTHER LONG-TERM OBLIGATIONS

A summary of other long-term obligations for the year ended June 30, 2024 is as follows:

	Balance 7/1/23	Additions	Deletions	Balance 6/30/24	Current Portion
Accrued compensated absences	$ 101,739	$ 26,583	$ -	$ 128,322	$ 25,664
Net pension (asset)/liability					
Net OPEB liability	62,066	7,606	(15,361)	54,311	-
Totals	$ 163,805	$ 34,189	$ (15,361)	$ 182,633	$ 25,664

Please see Notes 8 and 15 for detailed information on the other long-term obligations.

NOTE 8 - ACCRUED COMPENSATED ABSENCES

The Town's policies regarding vacation and sick time permits employees to accumulate earned but unused vacation and sick leave. The liability for these compensated absences is recorded as a long-term obligation in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. As of June 30, 2024, the Town's liability for compensated absences is $128,322.

NOTE 9 - NET INVESTMENT IN CAPITAL ASSETS

The following is the calculation of the net investment in capital assets for the Town at June 30, 2024:

Invested in capital assets	$ 48,877,824
Accumulated depreciation	(27,599,955)
Outstanding capital related debt	(3,126,277)
	$ 18,151,592

NOTE 10 - RESTRICTED NET POSITION AND RESTRICTED FUND BALANCE

At June 30, 2024, the Town had the following restricted net position and restricted fund balance:

Nonmajor special revenue funds (Schedule E)	$ 766,856
Nonmajor permanent funds (Schedule G)	161,609
	$ 928,465

NOTE 11 - NONSPENDABLE FUND BALANCES

At June 30, 2024, the Town had the following nonspendable fund balances:

General fund:	
Prepaid items	$ 7,000

NOTE 12 - COMMITTED FUND BALANCES

At June 30, 2024, the Town had the following committed fund balances:

General fund:	
Senior Tax Program	$ 38,138
Accrued compensated absences	19,401
Capital projects fund	283,051
	$ 340,590

NOTE 13 - ASSIGNED FUND BALANCES

At June 30, 2024, the Town had the following assigned fund balances:

General fund:		
Use for FY 2025 budget	$	60,000
Nonmajor special revenue funds (Schedule E)		62,924
	$	122,924

NOTE 14 - DEFINED BENEFIT PENSION PLANS

MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Participating Local District Consolidated Plan

Plan Description

Town employees contribute to the Maine Public Employees Retirement System (MainePERS), a cost-sharing multiple-employer defined benefit pension plan established by the Maine State Legislature. Title 5 of the Maine Revised Statutes Annotated assigns the authority to establish and amend benefit provisions to the Participating Local District (PLD) Consolidated Plan's advisory group, which reviews the terms of the plan and periodically makes recommendations to the Legislature to amend the terms. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Consolidated Plan. That report may be obtained online at www.mainepers.org or by contacting the System at (207) 512-3100.

Benefits Provided

The Maine Public Employees Retirement System provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. The System's retirement programs 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 (effective October 1, 1999, the prior ten-year requirement was reduced by legislative action to five years for employees of PLDs). 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, 62 or 65. 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. The System also provides disability and death benefits

NOTE 14 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

which are established by contract with PLD employers under applicable statutory provisions. As of June 30, 2023, there were 327 employers in the plan.

Upon termination of membership, members' accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits and membership rights. The annual rate of interest credited to members' accounts is set by the System's Board of Trustees and is currently 3.88%.

Contributions

Retirement benefits are funded by contributions from members and employers and by earnings on investments. Disability and death benefits are funded by employer normal cost contributions and by investment earnings. The Town's 3c plan members are required to contribute 9.30% of their annual covered salary and the Town's AC plan members are also required to contribute 6.95% of their annual salary. The Town is required to contribute at an actuarially determined rate. The current rate is 12.8% for the 3c plan and 10.20% for the AC plan of covered payroll. The contribution rates of plan members and the Town are established and may be amended by the Maine Public Employee Retirement Systems advisory group. The Town's contribution to the MainePERS PLD Consolidated Plan for the year ended June 30, 2024 was $71,705.

Pension Liabilities

PLD Consolidated Plan

At June 30, 2024, the Town reported a liability of $0 for its proportionate share of the net pension liabilities for the plan. The net pension liabilities were measured as of June 30, 2023 and the total pension liabilities used to calculate the net pension liabilities was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liabilities were based on a projection of the Town's long-term share of contributions to each pension plan relative to the projected contributions of all PLDs, actuarially determined. At June 30, 2023, the Town's proportion was 0.0%, which was an increase of 0.0% from its proportion measured as of June 30, 2022.

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

For the year ended June 30, 2024, the Town recognized total pension revenue of $71,705 for the PLD plan. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE 14 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

	PLD Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	71,705	-
Total	$ 71,705	$ -

$71,705 for the PLD plan was reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the years ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	PLD Plan
Plan year ended June 30:	
2024	$ -
2025	-
2026	-
2027	-
2028	-
Thereafter	-

Actuarial Methods and Assumptions

The respective collective total pension liability for the plans was determined by an actuarial valuation as of June 30, 2023, using the following methods and assumptions applied to all periods included in the measurement:

NOTE 14 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Actuarial Cost Method

The Entry Age Normal actuarial funding method is used to determine costs. Under this funding method, the total employer contribution rate consists of two elements: the normal cost rate and the unfunded actuarial liability (UAL) rate.

The individual entry age normal method is used to determine liabilities. Under the individual entry age normal method, a normal cost rate is calculated for each employee. This rate is determined by taking the value, as of age at entry into the plan, of the member's projected future benefits and dividing it by the value, also as of the member's entry age, of their expected future salary. The normal cost for each member is the product of the member's pay and normal cost rate. The normal cost for the group is the sum of the normal costs for all members.

Experience gains and losses, i.e., decreases or increases in liabilities and/or in assets when actual experience differs from the actuarial assumptions, affect the unfunded actuarial accrued liability.

Asset Valuation Method

The actuarial valuation employs a technique for determining the actuarial value of assets which reduces the impact of short-term volatility in the market value. The specific technique adopted in this valuation recognizes in a given year one-third of the investment return that is different from the actuarial assumption for investment return.

Amortization

The net pension liability of the PLD Consolidated Plan is amortized on a level percentage of payroll using a method where a separate twenty-year closed period is established annually for the gain or loss for that year.

Significant actuarial assumptions employed by the actuary for funding purposes as of June 30, 2023 are as follows:

Investment Rate of Return - 6.50% per annum for the year ended June 30, 2023 and 2022, compounded annually.

Salary Increases, Merit and Inflation - 2.75% to 11.48% per year

Mortality Rates - For the plan, the rates are based on the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC_2020 model.

NOTE 14 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Cost of Living Benefit Increases - 1.91%

The long-term expected rate of return on pension plan assets 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 class of assets. 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 June 30, 2023 are summarized in the following table.

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Public equities	30.0%	6.0%
US Government	7.5%	2.8%
Private equity	15.0%	7.6%
Real assets:		
Real estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural resources	5.0%	5.0%
Traditional credit	7.5%	3.2%
Alternative credit	5.0%	7.4%
Diversifiers	10.0%	5.0%

Discount Rate

The discount rate used to measure the collective total pension liability was 6.50% for 2023 for the Plan. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and non-employer entity contributions will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. 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 liability.

The following table shows how the collective net pension liability as of June 30, 2023 would change if the discount rate used was one percentage point lower or one percentage point higher than the current rate. The current rate is 6.50% for each of the Plans.

NOTE 14 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

	1% Decrease	Discount Rate	1% Increase
PLD Plan:			
Discount rate	5.50%	6.50%	7.50%
Town's proportionate share of the net pension (asset) liability	$ -	$ -	$ -

Changes in Net Pension Liability

Each employer's share of the collective net pension liability is equal to the collective net pension liability multiplied by the employer's proportionate share as of June 30, 2023 as shown in the schedules of employer and non-employer contributing entity allocations. Changes in net pension liability are recognized in pension expense for the year ended June 30, 2023 with the following exceptions.

Differences between Expected and Actual Experience

The difference between expected and actual experience with regard to economic or demographic factors were recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. For 2023 through 2020, this was three years for the PLD Consolidated Plan. For 2019, this was four years for the PLD Consolidated Plan. For 2018 and 2017, this was three years; prior to 2017, this was four years for the PLD Consolidated Plan.

Differences between Expected and Actual Investment Earnings

Differences between projected and actual investment earnings are recognized in pension expense using a straight-line amortization method over a closed five-year period. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

Changes in Assumptions

Differences due to changes in assumptions about future economic or demographic factors or other inputs are recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The actuarial assumptions used for the year ended June 30, 2023 valuation were based on the results of an actuarial experience study for the period of July 1, 2015 through June 30, 2020. The first year is recognized as pension expense and the remaining years are shown as either deferred

NOTE 14 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

outflows of resources or deferred inflows of resources. Please refer to the *Actuarial Methods and Assumptions* section for information relating to the use of assumptions.

Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions

Differences resulting from a change in proportionate share of contributions and differences between total employer contributions and the employer's proportionate share of contributions are recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. Differences between total employer contributions and the employer's proportionate share of contributions may arise when an employer has a contribution requirement for an employer specific liability.

Pension Plan Fiduciary Net Position

Additional financial and actuarial information with respect to the Plan can be found in the MainePERS' 2023 Annual Comprehensive Financial Report available online at www.mainepers.org or by contacting the System at (207) 512-3100.

NOTE15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

MAINE MUNICIPAL EMPLOYEES HEALTH TRUST

Plan Description

The Town and Town retirees contribute to the Town's OPEB Plan with the Maine Municipal Employees Health Trust (MMEHT), a single employer defined benefit plan. Contributions and membership in this Plan are voluntary and may be terminated at any time by the Town and/or the Town retirees. MMEHT is a fully funded, self-insured trust which provides benefits to municipal and quasi-municipal organizations and county governments and acts as the agent to the Town concerning administration of this Plan. Title 24-A Chapter 81 of the Maine Revised Statutes Annotated authorizes the regulation of MMEHT as a Multiple Employer Welfare Arrangement by the State of Maine Bureau of Insurance. Benefits and plans are designed and governed by MMEHT participants and are administered by a number of third-party administrators contracted by MMEHT. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. MMEHT issues a publicly available financial report that includes

NOTE15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

financial statements and required supplementary information. That report may be obtained by MMEHT at (800) 852-8300.

Benefits Provided

This Plan provides medical/prescription drug benefits during retirement to Medicare and non-Medicare retirees and their surviving spouses with varying levels of benefits determined by voluntary plan selection by the retiree as well as applicable Medicare statutes and regulations. The Plan also provides an automatic life insurance benefit of $2,000 to participants which includes a surviving spouse benefit for the same. The employee must meet the minimum requirement of age 55 with at least 5 years of service at retirement to be eligible for the Plan. The retiree must enroll when first eligible and continue coverage without interruption.

Employees Covered by Benefit Terms

At January 1, 2024, the following employees were covered by the benefit terms:

Active members	12
Retirees and spouses	-
Total	12

Contributions

Retiree and spouse premium amounts are funded by the retiree at the rate for the coverage elected by the retiree. Premium rates are those determined by the MMEHT's Board of Trustees to be actuarially sufficient to pay anticipated claims. Premiums for retiree life insurance coverage are factored into the premiums paid for basic coverage. Retirees and spouses must contribute 100% of the premium amounts. The sponsoring employer pays the remainder of the premium. Medical benefits are provided for the life of the retiree and surviving spouses.

Retiree Premium Amounts

The following monthly premium amounts were reported on the individual data file. Actual plan election was reflected in expected retiree premium amounts.

NOTE15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Pre-Medicare	**Single Coverage**	**Family Coverage**
POS 200	$ 1,183	$ 2,654
Medicare		
Medicare-Eligible Retirees	$ 659	$ 1,319

Total OPEB Liability, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2024, the Town reported a liability of $65,160 for its total OPEB liability for this Plan. The total OPEB liability was measured as of January 1, 2024 and was determined by an actuarial valuation as of that date. The Town's total OPEB liability was based on the Entry Age Normal Actuarial Cost Method which does not reflect future changes in benefits, subsidies, penalties, taxes or administrative costs that may be required as a result of the Patient Protection and Affordable Care Act of 2010 (ACA) related legislation and regulations.

For the year ended June 30, 2024, the Town recognized OPEB expense of $6,738. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	MMEHT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,515	$ 32,188
Changes of assumptions	20,780	10,484
Net difference between projected and actual earnings on OPEB plan investments	-	-
Contributions subsequent to the measurement date	868	-
Total	$ 23,163	$ 42,672

NOTE15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

$868 were reported as deferred outflows of resources related to OPEB resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	MMEHT
Plan year ended December 31:	
2024	$ (1,362)
2025	(658)
2026	(3,003)
2027	(3,639)
2028	(3,639)
Thereafter	(8,076)

Discount Rate

The discount rate is the assumed interest rate used for converting projected dollar related values to a present value as of the valuation date of January 1, 2024. The discount rate determination is based on the high-quality AA/Aa or higher bond yields in effect for 20-year, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index. The rate of 3.26% per annum for June 30, 2024 was based upon a measurement date of December 28, 2023. The sensitivity of net OPEB liability to changes in discount rate are as follows:

	1% Decrease	Discount Rate	1% Increase
	2.26%	3.26%	4.26%
Total OPEB liability	$ 75,836	$ 65,160	$ 56,330
Plan fiduciary net position	-	-	-
Net OPEB liability	$ -	$ -	$ -
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

Healthcare Trend

The healthcare trend is the assumed dollar increase in dollar-related values in the future due to the increase in the cost of health care. The healthcare cost trend rate is the rate of change in per capita health claim costs over time as a result of factors such as

NOTE15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

medical inflation, utilization of healthcare services, plan design and technological developments. The sensitivity of net OPEB liability to changes in healthcare cost trend rates are as follows:

	1% Decrease	Healthcare Trend Rates	1% Increase
Total OPEB liability	$ 55,259	$ 65,160	$ 77,547
Plan fiduciary net position	-	-	-
Net OPEB liability	$ -	$ -	$ -
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

Actuarial Methods and Assumptions

The total OPEB liability for the Plan was determined by an actuarial valuation as of January 1, 2024, using the following methods and assumptions applied to all periods included in the measurement:

Actuarial Cost Method

The Entry Age Normal Actuarial Cost Method is used to determine costs. Under this funding method, a normal cost rate is determined as a level percent of pay for each active Plan member and then summed to produce the total normal cost for this Plan. The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets.

For medical and pharmacy, historical claims and census records were assembled and provided through June 30, 2021. Medicare and non-Medicare eligible medical and prescription experience were analyzed. It was assumed that current enrollment distribution of benefit options would remain constant in the future for retirees. The cost was distributed based on the current covered population and the actuary's standard age curves which vary by age, gender and Medicare status. Children costs are converted to a load on the non-Medicare retirees which implicitly assumes that future retirees will have the same child distribution as current retirees.

Assumptions

The actuarial assumptions used in the January 1, 2024 actuarial valuation were adopted by the Maine State Retirement Consolidated Plan for Participating Local Districts

NOTE15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

as of June 30, 2021 and based on the experience study covering the period from June 30, 2016 through June 30, 2020. As of January 1, 2024, they are as follows:

Discount Rate - 3.26% per annum for year end 2024 reporting. 3.72% per annum for year end 2023 reporting.

Trend Assumptions:

Medical Trend assumptions were developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model. The SOA model was released in December 2007 and version 2024_1b was used for this valuation. The following assumptions were input into this model:

Variable	Rate
Rate of Inflation	2.38%
Rate of Growth in Real Income/GDP per capital 2032+	1.40%
Extra Trend due to Taste/Technology 2031+	1.10%
Expected Health Share of GDP 2031	19.80%
Health Share of GDP Resistance Point	18.00%
Year for Limiting Cost Growth to GDP Growth	2044

The SOA Long-Run Medical Cost Trend Model and its baseline projection are based on an econometric analysis of historical U.S. medical expenditures and the judgements of experts in the field. The long-run baseline projection and input variables have been developed under the guidance of the SOA Project Oversight Group.

The trends selected from 2024 to 2027 were based on plan design, population weighting, renewal projections and market analysis. For years 2028 to 2032, these are interpolated from 2027 to 2033 (which is the product of the inflation, GDP and extra trend rate assumptions).

Deductibles, Co-payments and Out of Pocket Maximums are assumed to increase at the above trend rates. The ultimate trend rate reflects an assumed nominal per capital GDP growth.

Administrative and claims expense: 3% per annum

Future plan changes: It is assumed that the current Plan and cost-sharing structure remains in place for all future years.

NOTE15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Retirement Rates - Rates vary for plans with no explicit employer subsidy (or payment) versus those plans defining an explicit employer subsidy (or payment). The rates are based on assumptions from the Maine State Retirement Consolidated Plan for Participating Local District at June 30, 2021.

Retirement Contribution Increases - Assumed to increase at the same rate as incurred claims. A constant cost sharing in plan design between employer and employees is assumed.

Family Enrollment Composition - For males, 50% of future retirees under the age of 65 and 50% of current retirees are married and elect spousal coverage while females are at 30% for both. 25% of male and female future retirees over the age of 65 are married and elect spousal coverage.

Age Difference of Spouses - Husbands are assumed to be 3 years older than wives.

Administrative expenses - Included in the per capita claims cost.

Disability Incidence - Disabled lives will be considered active employees and will not be valued separately.

Salary Increase Rate - 2.75% per year assumed using the level percentage of pay entry age method.

Dates of Hire - Needed to be assumed for some employees and will be based on the average age at hire for similar employees.

Rate of Mortality:

Healthy Annuitant- Based on 112.1% and 118.5% of the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, respectively, for males and females. The proposed rates are projected generationally using the RPEC_2020 model, with an ultimate rate of 1.00% for ages 80 and under, grading down to 0.05% at age 95 and further grading down to 0.00% at age 115, along with convergence to the ultimate rates in the year 2027. All other parameters used in the RPEC_2020 model are those included in the published MP-2020 scale. As prescribed by the Trust, mortality rates were taken from the assumptions for the Maine State Retirement Consolidated Plan for Participating Local Districts at June 30, 2021.

NOTE15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Active Employees - Rates of mortality are based on 83.5% and 88.6% of the 2010 Public Plan General Benefits- Weighted Employee Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the RPEC_2020 model as described in the healthy annuitant mortality. As prescribed by the Trust, mortality rates were taken from the assumptions for the Maine State Retirement Consolidated Plan for Participating Local Districts at June 30, 2021.

Retiree Continuation Percentage:

Medicare participant retirees - 100% assumed to continue in the plan elected

Pre-Medicare plan retirees and active participants - 75% assumed to continue coverage once Medicare-eligible

Pre-Medicare plan spouses and spouses of active participants - 50% assumed to continue coverage once Medicare-eligible

Changes in Net OPEB Liability

Changes in net OPEB liability are recognized in OPEB expense for the year ended June 30, 2024 with the following exceptions:

Differences between Expected and Actual Experience

The difference between expected and actual experience are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. The net difference between expected and actual experience as of January 1, 2024 was ($30,673).

Changes in Assumptions

Differences due to changes in assumptions about future economic, demographic or claim and expense factors or other inputs are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The actuarial assumptions used in the January 1, 2024 actuarial valuation were adopted by the Maine State Retirement Consolidated Plan for Participating Local Districts as of June 30, 2021 and based on the experience study covering the period from June 30, 2016 through June

NOTE15 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

30, 2020. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

Differences between Projected and Actual Earnings on OPEB Plan Investments

Differences between projected and actual investment earnings are recognized in OPEB expense using a straight-line amortization method over a closed five-year period. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

OPEB Plan Fiduciary Net Position

Additional financial and actuarial information with respect to this Plan can be found at the Town office at 110 Village Square Road, North Yarmouth, Maine 04097.

NOTE 16 - TAX INCREMENT FINANCING DISTRICTS AND ABATEMENTS

The Town has established a tax increment financing district in accordance with Maine statutes to finance development programs located in the Town of North Yarmouth. The expenditures from this development program will be recovered in future years through an incremental tax levied upon the district's so called "captured asset value". A portion of the incremental tax revenues will be returned to the district to fund the expenditures of the development program and to finance future expansion.

Village Omnibus Tax Increment Financing District

The TIF District will remain in place for a period of 30 years from adoption. The tax increment revenues will be retained by the Town and used to fund the development plan of the District. The Selectboard shall determine, in its discretion, whether it is necessary or appropriate to enter any Credit Enhancement Agreement to grant these abatements. The state law does not provide for the recapture of abated taxes in the event an abatement recipient does not fill the commitment it makes in return for the tax abatement. The Town reserves the right to incur indebtedness to finance, in part or in whole, the projects within the Development Program. Any projects financed through municipal bonded indebtedness must be approved in advance by the North Yarmouth voters.

The District was created to assist in improving the Town's certain public facilities within said rights of way and to expand and diversify the Town's tax base in order to improve its economy. This Development Program will provide the infrastructure and planning necessary for commercial development of property within the District, as well as certain public improvements within and outside the District that will enable additional

NOTE 16 - TAX INCREMENT FINANCING DISTRICTS AND ABATEMENTS (CONTINUED)

commercial development within the Town, thereby expanding and diversifying the Town's tax base.

The taxable Original Assessed Value of the District is $16,651,400 and consists of 263.92 acres and 70 parcels, only 5 of which are public properties. Therefore, the majority of the property within the District is privately owned and subject to independent development consistent with the Town's Zoning Ordinance and Comprehensive Plan.

Abatements

The Town is not subject to any tax abatement agreements entered into by other governmental entities.

NOTE 17 - OVERLAPPING DEBT

The Town is contingently liable for its proportionate share of any defaulted debt by entities of which it is a member. At June 30, 2024, the Town's share was approximately:

	Outstanding Debt	Percentage	Amount
MSAD #51	$ 14,930,667	28.32%	$ 4,227,720
County of Cumberland	29,875,598	1.07%	321,034
			$ 4,548,754

NOTE 17 – RELATED PARTY

North Yarmouth's Assistant Town Manager, Debbie Grover is the wife of the owner of A. H. Grover Inc. A.H. Grover Inc. is an excavation company that was hired to replace culverts for the town and was paid a total of $193,075 in FY 24.

NOTE 18 - CONTINGENCIES

With regard to pending legal claims or any unasserted claims, it is not feasible at this time to predict or determine their outcome. Management believes, however, that settlement amounts, if any, will not have a material adverse effect on the Town's financial position.

The Town participates in various intergovernmental grant programs which may be subject to future program compliance audits by the grantors or their representatives. Accordingly, the Town's compliance with applicable grant requirement may be

NOTE 18 – CONTINGENCIES (CONTINUED)

established at some future date. The amount, if any, of any liabilities arising from the disallowance of expenditures or ineligibility of grant revenues cannot be determined at this time.

NOTE 19 - RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of damage to and destruction of assets; errors and omissions; and natural disasters for which the Town participates in a public entity risk pool sponsored by the Maine Municipal Association. The Maine Municipal Association Group Risk Pool is a state-chartered pool established exclusively for Maine municipalities. The pool provides certain property, liability, fidelity and vehicle coverage. If the assets of the pool are at any time actuarially determined to be insufficient to enable the pool to discharge its legal obligations, other obligations and actuarially sound reserves, the pool has the power to make up the deficiency by the levy of a prorated assessment. There have been no deficiencies during the past three years and management believes that no deficiency exists at June 30, 2024.

The Town is a member of the Maine Municipal Association - Property and Casualty Pool and pays an annual premium for its coverage. Under the property portion of the policy, coverage is provided after a per occurrence deductible is met. The limit of coverage for liability claims brought under the Maine Tort Claims Act is $400,000 per occurrence. A $2,000,000 limit of liability is provided for liability claims outside the Maine Tort Claims Act. There is no aggregate liability limit. Coverage for Public Officials Liability, including Employment Practices, is a part of the program. Coverage is on an occurrence basis, rather than a "claims made" form. A $2,000,000 limit of liability is provided for all claims for Wrongful Acts seeking monetary damages pursuant to federal or state law for which the Maine Tort Claims Act does not provide immunity or limitations. Each member has a $4,000,000 annual aggregate limit. An annual sublimit of $100,000 per member applies for all back wages and/or future salary awards for employment-related claims, subject to a $5,000 retention and a 10% contribution by the member.

The Town is also a member of the Maine Municipal Association - Worker Compensation Trust Fund ("Fund"). The Fund was created to formulate, develop and administer a program of modified self-funding for the Fund's membership, obtain lower costs for worker's compensation coverage and develop a comprehensive loss control program. The Town pays an annual premium to the fund for its worker's compensation coverage. The Town's agreement with the Fund provides that the fund will be self-sustaining through member premiums and will provide, through commercial companies' reinsurance contracts, coverage for claims in excess of $1,000,000.

The Town is also a member of the Maine Municipal Association - Unemployment Compensation Group Fund ("MMA UC Fund"). The MMA UC Fund was created to assist

NOTE 19 - RISK MANAGEMENT (CONTINUED)

in meeting members' obligations under the Employment Security Act in an efficient and cost-effective manner. The Fund is composed of individual municipalities and other public and related non-profit entities that are individually self-insured but administered as a group. Within the Fund, each member has a separate account. As such, the Town makes quarterly payments into their account, based on rates developed by MMA's consulting actuary. Claims, if any, are paid out of the Town's own account. The Maine Department of Labor classifies MMA's UC Fund members as Direct Re-imbursement Employers. In other words, the Fund reimburses the Maine DOL on the Town's behalf only when the Town has unemployment claims from present or former employees.

Occasionally, the Town may have layoffs or resignations or even a part-time employee losing a primary job, that lead to larger claims payments than anticipated. When claims exceed the balance of the Town's account, the UC Fund continues to pay the Town's claims with no regard for the negative balance. Repayment of a negative balance is spread out over a period of years to avoid a financial hardship to the Town.

Based on the coverage provided by the insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded as of June 30, 2024. There were no significant reductions in insurance coverage from that of the prior year and amounts of settlements have not exceeded insurance coverage in the past three years.

NOTE 20 - DEFERRED COMPENSATION PLAN

MISSIONSQUARE RETIREMENT

A. Plan Description

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 401(k) and maintained by MissionSquare Retirement. The plan, available to employees who are in certain employee groups, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseen emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) to be held in a trust for the exclusive benefit of the participants and their beneficiaries.

NOTE 20 - DEFERRED COMPENSATION PLAN (CONTINUED)

It is the opinion of the Town's management that the Town has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

B. Funding Policy

Under the defined contribution plan, the Town contributes up to a five percent (5%) match of the gross wage of full-time hourly employees and up to an eight (8%) match of the gross wage of salaried full-time employees to the fund.

The Town's contributions to the plan for 2023 were $24,983.

NOTE 21 - JOINT VENTURES

The Town is a member of a joint venture with 45 other municipalities throughout Cumberland, Oxford and York counties. Ecomaine is a solid waste management corporation that creates electricity through its processing of waste and also operates as an extensive recycling program. A joint committee, made up of the Town of North Yarmouth and 20 other member communities owns and controls the corporation. Interlocal (waste handling) agreements between Ecomaine and participating communities obligate the members to deliver certain solid waste produced with the community to Ecomaine for processing and to make service payments and pay tipping fees for such processing. The Town has no explicit, measurable equity interest and therefore has not reported an asset in the financial statements in connection with its participation in Ecomaine. The Town of North Yarmouth has an owner membership of 1.46% in Ecomaine as of June 30, 2024 (the most current period available).

Ecomaine has issued bonds to fund the design, construction and start-up of a resource recovery system. The bonds are special revenue obligations of Ecomaine, payable from and secured by a pledge of Ecomaine revenues. The bonds do not constitute a debt or liability within the meaning of any constitutional or statutory provision of the State of Maine or a pledge of the full faith and credit of a political subdivision of the State of Maine. Ecomaine has no taxing power. The obligations of the participating municipalities under the Waste Handling Agreements are secured by the full faith and credit of the participating municipalities subject to certain limitations. On June 30, 2024 (the most current period available), Ecomaine had no outstanding debt. Additionally, the Town's share of the projected landfill closure and post closure cost relating to Ecomaine is estimated to be $98,925.

Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund
- Schedule of Proportionate Share of the Net Pension Liability
- Schedule of Contributions – Pension
- Schedule of Changes in Net OPEB Liability
- Schedule of Changes in Net OPEB Liability and Related Ratios
- Schedule of Contributions - OPEB
- Notes to Required Supplementary Information

SCHEDULE 1

TOWN OF NORTH YARMOUTH, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variance Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1, Restated	$ 2,005,096	$ 2,005,096	$ 2,005,096	$ -
Resources (Inflows):				
Property taxes	11,785,286	11,785,286	11,792,006	6,720
Excise taxes	1,004,200	1,004,200	1,215,774	211,574
Intergovernmental	1,260,696	1,260,696	1,283,122	22,426
Charges for services	315,025	315,025	444,489	129,464
Interest income	85,000	85,000	186,419	101,419
Other revenue	110,600	110,600	131,442	20,842
Transfers from other funds	77,900	77,900	243,764	165,864
Amounts Available for Appropriation	16,643,803	16,643,803	17,302,112	658,309
Charges to Appropriations (Outflows):				
Municipal administration	1,436,273	1,436,273	1,404,923	31,350
Community services	625,486	625,486	572,474	53,012
Public safety	909,375	909,375	750,571	158,804
Public works	950,632	950,632	903,989	46,643
Solid waste and recycling	528,780	528,780	521,041	7,739
Municipal finances	43,866	43,866	43,866	-
County assessment	436,571	436,571	436,889	(318)
Education	9,144,530	9,144,530	9,144,530	-
Overlay	144,183	144,183	23,167	121,016
Transfers to other funds	419,011	419,011	444,011	(25,000)
Total Charges to Appropriations	14,638,707	14,638,707	14,245,461	393,246
Budgetary Fund Balance, June 30	$ 2,005,096	$ 2,005,096	$ 3,056,651	$ 1,051,555

See accompanying independent auditor’s report and notes to financial statements.

SCHEDULE 2

TOWN OF NORTH YARMOUTH, MAINE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST 10 FISCAL YEARS*

	2024
PLD Plan:	
Proportion of the net pension liability	0.00%
Proportionate share of the net pension liability	$ -
Covered payroll	$ -
Proportionate share of the net pension liability as a percentage of its covered payroll	0.00%
Plan fiduciary net position as a percentage of the total pension liability	92.34%

* The amounts presented for each fiscal year were determined as of June 30 and are for those years for which information is available.

See accompanying independent auditor’s report and notes to financial statements.

SCHEDULE 3

TOWN OF NORTH YARMOUTH, MAINE

SCHEDULE OF CONTRIBUTIONS - PENSION
LAST 10 FISCAL YEARS*

	2024
PLD Plan:	
Contractually required contribution	$ 71,705
Contributions in relation to the contractually required contribution	(71,705)
Contribution deficiency (excess)	$ -
Covered payroll	$ 677,107
Contributions as a percentage of covered payroll	10.59%

* The amounts presented for each fiscal year are for those years for which information is available.

SCHEDULE 4

TOWN OF NORTH YARMOUTH, MAINE

SCHEDULE OF CHANGES IN NET OPEB LIABILITY
FOR THE YEAR ENDED JUNE 30, 2024

	Increase (Decrease)		
	Net OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 1/1/23 (Reporting December 31, 2023)	$ 62,066	$ -	$ 62,066
Changes for the year:			
Service cost	6,423	-	6,423
Interest	2,542	-	2,542
Changes of benefits	-	-	-
Differences between expected and actual experience	(21,825)	-	(21,825)
Changes of assumptions	16,247	-	16,247
Contributions - employer	-	293	(293)
Contributions - member	-	-	-
Net investment income	-	-	-
Benefit payments	(293)	(293)	-
Administrative expense	-	-	-
Net changes	3,094	-	3,094
Balances at 1/1/24 (Reporting December 31, 2024)	$ 65,160	$ -	$ 65,160

SCHEDULE 5

TOWN OF NORTH YARMOUTH, MAINE

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS*

	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability							
Service cost (BOY)	6,423	7,445	8,226	7,248	3,885	4,333	3,533
Interest (includes interest on service cost)	2,542	1,414	1,719	1,828	1,597	1,306	1,434
Changes of benefit terms	-	-	-	-	(1,119)	-	-
Differences between expected and actual experience	(21,825)	-	(17,079)	-	5,310	-	(9,095)
Changes of assumptions	16,247	(7,964)	(4,377)	4,470	14,788	(4,199)	3,444
Benefit payments, including refunds of member contributions	(293)	(70)	(166)	(160)	-	-	(192)
Net change in total OPEB liability	$ 3,094	$ 825	$ (11,677)	$ 13,386	$ 24,461	$ 1,440	$ (876)
Total OPEB liability - beginning	$ 62,066	$ 61,241	$ 72,918	$ 59,532	$ 35,071	$ 33,631	$ 34,507
Total OPEB liability - ending	$ 65,160	$ 62,066	$ 61,241	$ 72,918	$ 59,532	$ 35,071	$ 33,631
Plan fiduciary net position							
Contributions - employer	293	70	166	160	-	-	192
Contributions - member	-	-	-	-	-	-	-
Net investment income	-	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(293)	(70)	(166)	(160)	-	-	(192)
Administrative expense	-	-	-	-	-	-	-
Net change in fiduciary net position	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan fiduciary net position - ending	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net OPEB liability - ending	$ 65,160	$ 62,066	$ 61,241	$ 72,918	$ 59,532	$ 35,071	$ 33,631
Plan fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Covered payroll	$ 782,690	$ 566,319	$ 566,319	$ 475,072	$ 475,072	$ 444,056	$444,056
Net OPEB liability as a percentage of covered payroll	8.3%	11.0%	10.8%	15.3%	12.5%	7.9%	7.6%

* The amounts presented for each fiscal year are for those years for which information is available.

SCHEDULE 6

TOWN OF NORTH YARMOUTH, MAINE

SCHEDULE OF CONTRIBUTIONS - OPEB
LAST TEN FISCAL YEARS*

	2024	2023	2022	2021	2020	2019	2018
MMEHT:							
Employer contributions	$ 293	$ 70	$ 166	$ 160	$ -	$ -	$ 192
Benefit payments	(293)	(70)	(166)	(160)	-	-	(192)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 782,690	$ 566,319	$ 566,319	$ 475,072	$ 475,072	$ 444,056	$444,056
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

* The amounts presented for each fiscal year are for those years for which information is available.

TOWN OF NORTH YARMOUTH, MAINE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2024

Changes of Assumptions

MEPERS PLD Plan:

There were no changes of assumptions.

Maine Municipal Health Trust

There was a change in the discount rate from 3.72% to 3.26% per GASB 75 discount rate selection. Trends were updated since the last valuation.

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See accompanying independent auditor's report and notes to financial statements.

Other Supplementary Information

Other supplementary information includes financial statements not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues
- Schedule of Departmental Operations - General Fund
- Combining Balance Sheet - Nonmajor Governmental Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
- Combining Balance Sheet - Nonmajor Special Revenue Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds
- Combining Balance Sheet - Nonmajor Permanent Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Permanent Funds
- Schedule of General Capital Assets by Function
- Schedule of Changes in General Capital Assets by Function

SCHEDULE A

TOWN OF NORTH YARMOUTH, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
BUDGET AND ACTUAL - GENERAL FUND REVENUES
FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Final Budget	Actual Amounts	Variance Positive (Negative)
Resources (Inflows):				
Taxes:				
Property taxes	$ 11,785,286	$ 11,785,286	$ 11,792,006	$ 6,720
Auto excise	1,000,000	1,000,000	1,207,689	207,689
Boat excise	4,200	4,200	8,085	3,885
Subtotal	12,789,486	12,789,486	13,007,780	218,294
Intergovernmental revenues:				
BETE	70,047	70,047	70,155	108
General assistance	2,100	2,100	791	(1,309)
Homestead exemption	391,551	391,551	391,551	-
LRAP	27,000	27,000	32,012	5,012
State revenue sharing	748,498	748,498	770,481	21,983
Tree growth	4,300	4,300	4,552	252
Veterans' exemption	2,200	2,200	2,518	318
Renewable energy exemption	-	-	345	345
Miscellaneous	15,000	15,000	10,717	(4,283)
Subtotal	1,260,696	1,260,696	1,283,122	22,426
Charges for services:				
Agent fees	15,000	15,000	19,111	4,111
Building permits	65,000	65,000	45,070	(19,930)
Clerk fees	600	600	895	295
Code enforcement	8,950	8,950	8,175	(775)
Community center fees	25,000	25,000	24,426	(574)
Customer service fees	500	500	516	16
Dog control/park use permit	500	500	-	(500)
Electrical permits	11,000	11,000	15,289	4,289
FOAA fees	-	-	186	186
Genealogy search	-	-	15	15
Planning board fees	3,000	3,000	1,000	(2,000)
Plumbing fees	10,000	10,000	9,226	(774)
Private road signs and road permits	900	900	945	45
Rescue fees	70,000	70,000	126,670	56,670
Site plan review	1,500	1,500	-	(1,500)
Solar	-	-	7,266	7,266
Solid waste/recycling	100,000	100,000	182,809	82,809
Solid waste hauler permit	75	75	125	50
Vital records	3,000	3,000	2,765	(235)
Subtotal	315,025	315,025	444,489	129,464

SCHEDULE A (CONTINUED)

TOWN OF NORTH YARMOUTH, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
BUDGET AND ACTUAL - GENERAL FUND REVENUES
FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Final Budget	Actual Amounts	Variance Positive (Negative)
Interest income:				
Interest income	70,000	70,000	176,416	106,416
Tax interest	15,000	15,000	10,003	(4,997)
Subtotal	85,000	85,000	186,419	101,419
Miscellaneous revenues:				
Cable franchise fees	30,000	30,000	31,986	1,986
Cell tower rental	45,000	45,000	47,771	2,771
Consolidated Comm lease	6,000	6,000	6,000	-
Donation	15,000	15,000	15,000	-
Property and casualty	2,500	2,500	-	(2,500)
Rental fees	10,200	10,200	11,050	850
Other miscellaneous	1,900	1,900	19,635	17,735
Subtotal	110,600	110,600	131,442	20,842
Transfers from other funds	77,900	77,900	243,764	165,864
Amounts Available for Appropriation	$ 14,638,707	$ 14,638,707	$ 15,297,016	$ 658,309

See accompanying independent auditor’s report and notes to financial statements.

SCHEDULE B

TOWN OF NORTH YARMOUTH, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive/ (Negative)
MUNICIPAL ADMINISTRATION:					
Operations	$ 566,436	$ -	$ 566,436	$ 564,723	$ 1,713
Contracts/professional services	869,837	-	869,837	840,200	29,637
Totals	1,436,273	-	1,436,273	1,404,923	31,350
COMMUNITY SERVICES:					
General assistance	6,900	-	6,900	4,547	2,353
Social services	9,868	-	9,868	9,868	-
Community center	608,718	-	608,718	558,059	50,659
Totals	625,486	-	625,486	572,474	53,012
PUBLIC SAFETY:					
Fire/rescue department	775,729	-	775,729	632,972	142,757
Contracts/professional services	133,646	-	133,646	117,599	16,047
Totals	909,375	-	909,375	750,571	158,804
PUBLIC WORKS	950,632	-	950,632	903,989	46,643

SCHEDULE B (CONTINUED)

TOWN OF NORTH YARMOUTH, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Adjustments	Final Budget	Actual Expenditures	Variance Positive/ (Negative)
SOLID WASTE AND RECYCLING	528,780	-	528,780	521,041	7,739
MUNICIPAL FINANCES:					
Employee benefits	10,951	-	10,951	10,951	-
Grant expenses	915	-	915	915	-
Senior tax program	32,000	-	32,000	32,000	-
Totals	43,866	-	43,866	43,866	-
COUNTY ASSESSMENT	436,571	-	436,571	436,889	(318)
EDUCATION	9,144,530	-	9,144,530	9,144,530	-
OVERLAY	144,183	-	144,183	23,167	121,016
TRANSFERS TO OTHER FUNDS:					
TIF	269,011	-	269,011	269,011	-
Special revenue fund	-	-	-	25,000	(25,000)
Capital projects fund	150,000	-	150,000	150,000	-
Totals	419,011	-	419,011	444,011	(25,000)
TOTAL DEPARTMENTAL OPERATIONS	$ 14,638,707	$ -	$ 14,638,707	$ 14,245,461	$ 393,246

See accompanying independent auditor’s report and notes to financial statements.

TOWN OF NORTH YARMOUTH, MAINE

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024

	Special Revenue Funds	Permanent Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	$ 616,549	$ 159,282	$ 775,831
Investments	48,095	-	48,095
Due from other funds	165,136	2,327	167,463
TOTAL ASSETS	$ 829,780	$ 161,609	$ 991,389
LIABILITIES			
Accounts payable	$ 4,915	$ -	$ 4,915
TOTAL LIABILITIES	4,915	-	4,915
FUND BALANCES			
Nonspendable	-	-	-
Restricted	766,856	161,609	928,465
Committed	-	-	-
Assigned	62,924	-	62,924
Unassigned (deficit)	(4,915)	-	(4,915)
TOTAL FUND BALANCES	824,865	161,609	986,474
TOTAL LIABILITIES AND FUND BALANCES	$ 829,780	$ 161,609	$ 991,389

See accompanying independent auditor’s report and notes to financial statements.

TOWN OF NORTH YARMOUTH, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Special Revenue Funds	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES			
Investment income, net of unrealized gains/(losses)	$ 37,944	$ 7,191	$ 45,135
Other income	994,702	7,151	1,001,853
TOTAL REVENUES	1,032,646	14,342	1,046,988
EXPENDITURES			
Capital outlay	574,915	-	574,915
Other	842,514	-	842,514
TOTAL EXPENDITURES	1,417,429	-	1,417,429
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(384,783)	14,342	(370,441)
OTHER FINANCING SOURCES (USES)			
Transfers in	294,011	-	294,011
Transfers (out)	(77,900)	-	(77,900)
TOTAL OTHER FINANCING SOURCES (USES)	216,111	-	216,111
NET CHANGE IN FUND BALANCES	(168,672)	14,342	(154,330)
FUND BALANCES - JULY 1	993,537	147,267	1,140,804
FUND BALANCES - JUNE 30	$ 824,865	$ 161,609	$ 986,474

See accompanying independent auditor’s report and notes to financial statements.

Special Revenue Funds

Special revenue funds are established to account for the proceeds of specific revenue sources (other than fiduciary trusts or for major capital projects) that are legally restricted to expenditures for specific purposes.

SCHEDULE E

TOWN OF NORTH YARMOUTH, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2024

	Events Committee	Flag Committee	Living Well in North Yarmouth	Memorial	Scholarship
ASSETS					
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ 6,712
Investments	-	-	-	-	48,095
Due from other funds	2,534	1,010	2,460	1,193	-
TOTAL ASSETS	$ 2,534	$ 1,010	$ 2,460	$ 1,193	$ 54,807
LIABILITIES					
Accounts payable	$ -	$ -	$ -	$ -	$ -
TOTAL LIABILITIES	-	-	-	-	-
FUND BALANCES (DEFICITS)					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	2,534	1,010	2,460	1,193	54,807
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	2,534	1,010	2,460	1,193	54,807
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	$ 2,534	$ 1,010	$ 2,460	$ 1,193	$ 54,807

SCHEDULE E (CONTINUED)

TOWN OF NORTH YARMOUTH, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2024

	Keep North Yarmouth Warm Fund	Grant Fund	TIF	Fire Truck Bond	Parks and Recreation	Total
ASSETS						
Cash and cash equivalents	$ -	$ -	$ 609,837	$ -	$ -	$ 616,549
Investments	-	-	-	-	-	48,095
Due from other funds	23,663	63,111	70,245	-	920	165,136
TOTAL ASSETS	$ 23,663	$ 63,111	$ 680,082	$ -	$ 920	$ 829,780
LIABILITIES						
Accounts payable	$ -	$ -	$ -	$ 4,915	$ -	$ 4,915
TOTAL LIABILITIES	-	-	-	4,915	-	4,915
FUND BALANCES (DEFICITS)						
Nonspendable	-	-	-	-	-	-
Restricted	23,663	63,111	680,082	-	-	766,856
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	920	62,924
Unassigned	-	-	-	(4,915)	-	(4,915)
TOTAL FUND BALANCES (DEFICITS)	23,663	63,111	680,082	(4,915)	920	824,865
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	$ 23,663	$ 63,111	$ 680,082	$ -	$ 920	$ 829,780

See accompanying independent auditor's report and notes to financial statements.

SCHEDULE F

TOWN OF NORTH YARMOUTH, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Events Committee	Flag Committee	Living Well in North Yarmouth	Memorial	Scholarship
REVENUES					
Interest income	$ -	$ -	$ -	$ -	$ 5,667
Other income	-	280	-	-	-
TOTAL REVENUES	-	280	-	-	5,667
EXPENDITURES					
Other	-	1,750	925	-	1,250
TOTAL EXPENDITURES	-	1,750	925	-	1,250
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(1,470)	(925)	-	4,417
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers (out)	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-
NET CHANGE IN FUND BALANCES (DEFICITS)	-	(1,470)	(925)	-	4,417
FUND BALANCES (DEFICITS) - JULY 1	2,534	2,480	3,385	1,193	50,390
FUND BALANCES (DEFICITS) - JUNE 30	$ 2,534	$ 1,010	$ 2,460	$ 1,193	$ 54,807

TOWN OF NORTH YARMOUTH, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Keep North Yarmouth Warm Fund	Grant Fund	TIF	Fire Truck Bond	Parks and Recreation	Total
REVENUES						
Interest income	$ -	$ -	$ 32,277	$ -	$ -	$ 37,944
Other income	1,250	407,661	15,511	570,000	-	994,702
TOTAL REVENUES	1,250	407,661	47,788	570,000	-	1,032,646
EXPENDITURES						
Capital outlay	-	-	-	574,915	-	574,915
Other	2,147	391,352	445,090	-	-	842,514
TOTAL EXPENDITURES	2,147	391,352	445,090	574,915	-	1,417,429
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(897)	16,309	(397,302)	(4,915)	-	(384,783)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	25,000	269,011	-	-	294,011
Transfers (out)	-	-	(77,900)	-	-	(77,900)
TOTAL OTHER FINANCING SOURCES (USES)	-	25,000	191,111	-	-	216,111
NET CHANGE IN FUND BALANCES (DEFICITS)	(897)	41,309	(206,191)	(4,915)	-	(168,672)
FUND BALANCES (DEFICITS) - JULY 1	24,560	21,802	886,273	-	920	993,537
FUND BALANCES (DEFICITS) - JUNE 30	$ 23,663	$ 63,111	$ 680,082	$ (4,915)	$ 920	$ 824,865

See accompanying independent auditor's report and notes to financial statements.

Permanent Funds

Permanent funds are used to account for assets held by the Town of North Yarmouth, Maine that are legally restricted pursuant to Title 30-A, §5653 of the Maine State Statutes, as amended and unless otherwise specified, only earnings and not principal, may be used for purposes that benefit the Town or its citizenry. These funds have been established for various purposes including the provision and/or maintenance of cemeteries.

SCHEDULE G

TOWN OF NORTH YARMOUTH, MAINE

COMBINING BALANCE SHEET - NONMAJOR PERMANENT FUNDS
JUNE 30, 2024

	Cemetery Trust	Total
ASSETS		
Cash and cash equivalents	$ 159,282	$ 159,282
Due from other funds	2,327	2,327
TOTAL ASSETS	$ 161,609	$ 161,609
LIABILITIES		
Due to others funds	$ -	$ -
TOTAL LIABILITIES	-	-
FUND BALANCES		
Nonspendable	-	-
Restricted	161,609	161,609
Committed	-	-
Assigned	-	-
Unassigned	-	-
TOTAL FUND BALANCES	161,609	161,609
TOTAL LIABILITIES AND FUND BALANCES	$ 161,609	$ 161,609

See accompanying independent auditor’s report and notes to financial statements.

SCHEDULE H

TOWN OF NORTH YARMOUTH, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR PERMANENT FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Cemetery Trust	Total
REVENUES		
Interest income	$ 7,191	$ 7,191
Other income	7,151	7,151
TOTAL REVENUES	14,342	14,342
EXPENDITURES		
Other	-	-
TOTAL EXPENDITURES	-	-
NET CHANGE IN FUND BALANCES	14,342	14,342
FUND BALANCES - JULY 1	147,267	147,267
FUND BALANCES - JUNE 30	$ 161,609	$ 161,609

See accompanying independent auditor’s report and notes to financial statements.

General Capital Assets

General capital assets are those assets related to activities reported in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position.

SCHEDULE I

TOWN OF NORTH YARMOUTH, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION
JUNE 30, 2024

	Land and Non-depreciable Assets	Buildings, Building Improvements and Land Improvements	Furniture, Fixtures, Equipment and Vehicles	Infrastructure	Total
Municipal Administration	$ 100,000	$ 457,718	$ 40,678	$ -	$ 598,396
Community Services	1,048,795	4,068,719	228,527	-	5,346,041
Public Safety	40,850	419,986	2,302,203	-	2,763,039
Public Works	130,000	607,501	1,661,327	37,771,520	40,170,348
Total General Capital Assets	1,319,645	5,553,924	4,232,735	37,771,520	48,877,824
Less: Accumulated Depreciation	-	(1,267,663)	(1,912,149)	(24,420,143)	(27,599,955)
Net General Capital Assets	$ 1,319,645	$ 4,286,261	$ 2,320,586	$ 13,351,377	$ 21,277,869

See accompanying independent auditor's report and notes to financial statements.

TOWN OF NORTH YARMOUTH, MAINE

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION
FOR THE YEAR ENDED JUNE 30, 2024

	General Capital Assets 7/1/23	Additions	Deletions	General Capital Assets 6/30/24
Municipal Administration	$ 597,564	$ 13,387	$ (12,555)	$ 598,396
Community Services	5,029,365	316,676	-	5,346,041
Public Safety	1,871,740	891,299	-	2,763,039
Public Works	39,398,823	822,635	(51,110)	40,170,348
Total General Capital Assets	46,897,492	2,043,997	(63,665)	48,877,824
Less: Accumulated Depreciation	(26,445,857)	(1,213,678)	59,580	(27,599,955)
Net General Capital Assets	$ 20,451,635	$ 830,319	$ (4,085)	$ 21,277,869

See accompanying independent auditor's report and notes to financial statements.

RHR SMITH & COMPANY
Certified Public Accountants
Proven Expertise & Integrity

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Selectboard
Town of North Yarmouth
North Yarmouth, Maine

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of North Yarmouth, Maine as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the Town of North Yarmouth, Maine's basic financial statements and have issued our report thereon dated October 17, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of North Yarmouth, Maine's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of North Yarmouth, Maine's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of North Yarmouth, Maine's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the organization's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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www.rhrsmith.com

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses, may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of North Yarmouth, Maine's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RHR Smith & Company

Buxton, Maine
October 17, 2024

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APPENDIX D

PROPOSED FORM
OF
LEGAL OPINION

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DrummondWoodsum
ATTORNEYS AT LAW

E. William Stockmeyer
Admitted in ME, NH

207.253.0585
billstockmeyer@dwmlaw.com

84 Marginal Way, Suite 600
Portland, Maine 04101-2480
207.772.1941 Main
207.772.3627 Fax

December 29, 2025

[address]

FORM OF OPINION

Attn: [underwriter]

Re: Maine School Administrative District No. 51 – 2025 Series B General Obligation Bond Anticipation Notes in principal amount of $53,490,000, dated December 29, 2025
CUSIP: 807688___

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance and sale by Maine School Administrative District No. 51 (the "Issuer") of the Issuer's registered 2025 Series B General Obligation Bond Anticipation Notes in the principal amount of $53,490,000, dated December 29, 2025 (the "Note").

We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion. In our examination of the foregoing, we have assumed the genuineness of all signatures, the legal capacity of natural persons, the authenticity of all documents submitted to us as certified or photostatic copies, and the authenticity of the originals of such copies. As to questions of fact material to our opinion, we have relied upon certified proceedings and other certifications of public officials furnished to us, and we have not undertaken to verify the same by independent investigation.

We have not been engaged or undertaken to review the accuracy, completeness, or sufficiency of any offering material relating to the Note, and we express no opinion relating thereto.

The Note is dated December 29, 2025 and will mature on December 15, 2026. Principal and interest will be payable at maturity.

The Note is not subject to redemption prior to maturity.

The Note should be signed by the Treasurer of the Issuer, countersigned by the Chair of the School Board of the Issuer, and attested to by the Secretary of the Issuer, and should bear the signed certificate of the authenticating agent identified thereon. The Note is numbered R-1 and issued in fully registered form without coupons and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company. Purchases of the Note will be made in book-entry form, in the minimum denomination of $100,000 or any $5,000 integral multiple thereafter.

In formulating our opinion we have made such examination of Maine law and federal tax law as we have deemed relevant for the purposes of this opinion but have not made an independent review of the laws of any other state or jurisdiction. Accordingly, we express no opinion as to the laws of any state or jurisdiction other than those of the State of Maine and the tax laws of the United States of America.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Note, executed as described above and subject to due authentication, has been duly authorized and is a valid and binding general obligation of the Issuer, enforceable in accordance with its terms.

2. Unless paid from other sources, the Note is payable as to both principal and interest from ad valorem taxes which may be levied without limit as to rate or amount upon all the property within the territorial limits of the Issuer (which territory comprises the Towns of Cumberland and North Yarmouth, Maine) and taxable by it, except to the extent that any municipality within the territory of the Issuer may enter into an agreement under Title 30-A, Chapter 223, Subchapter 5 of the Maine Revised Statutes, as amended, to share its assessed valuation with another municipality; and except to the extent that any municipality within the territory of the Issuer establishes or has established development districts either as tax increment financing districts or affordable housing development districts pursuant to Title 30-A, Chapter 206 and former (now repealed) Chapter 207 of the Maine Revised Statutes, as amended, the captured tax increment of which may not be available for payment of debt service on the Note.

3. Under existing statutes and court decisions, interest on the Note (i) is excludable from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) is not treated as a preference item in calculating the alternative minimum tax under the Code. However, such interest is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. The opinions set forth herein are subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Note in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with each such requirement. Failure to comply with certain of such requirements, however, may cause the inclusion of interest on the Note in gross income for federal income tax purposes to be retroactive to the date of the issuance of the Note. We express no opinion regarding any other federal tax consequences arising with respect to the Note.

4. Interest payable on the Note is not subject to Maine income taxes imposed upon individuals under existing statutes, regulations, and court decisions. We express no opinion with respect to taxation of the Note and the interest thereon under the laws of any state other than the State of Maine.

5. The Note is **not** designated as a qualified tax-exempt obligation by the Issuer pursuant to section 265(b)(3) of the Code.

The foregoing opinions are qualified to the extent that the enforceability of obligations of the Issuer, including the Note, may be limited by bankruptcy, moratorium, or insolvency, or other laws affecting the rights and remedies of creditors generally and are subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

We have not examined and assume no responsibility for the financial condition of the Issuer and nothing set forth herein shall be construed as an assurance as to the Issuer's financial condition or ability to make payment on the Note.

The opinions rendered herein are given as of the date hereof and we assume no obligation to update, revise or supplement such opinions to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

____
DRUMMOND WOODSUM & MACMAHON

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APPENDIX E

PROPOSED FORM
OF
CONTINUING DISCLOSURE AGREEMENT

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MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
PROPOSED FORM OF
CONTINUING DISCLOSURE AGREEMENT

In connection with the issuance by Regional School Unit No. 51 d/b/a Maine School Administrative District No. 51 (the "Issuer") of its $_____,000 2025 Series B General Obligation Bond Anticipation Notes, dated as of December __, 2025 (the "Notes") and with reference to the continuing disclosure requirements of Rule 15c2-12 under the Securities and Exchange Act of 1934, as amended, and officially interpreted from time to time (the "Rule"), the Issuer hereby covenants under this Continuing Disclosure Agreement (the "Agreement") that it will engage in the undertakings described in Paragraphs 1, 2 and 3 herein for the benefit of the beneficial owners of the Notes, subject to the conditions and limitations specified herein.

Under the Agreement, the Issuer will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified material events, to the MSRB (defined below) . This information will be available free of charge from the MSRB via the Electronic Municipal Market Access ("EMMA") system at *www.emma.msrb.org*. The Issuer reserves the right to incorporate by reference its Official Statement dated December __, 2025 relating to the Notes (the "Official Statement"), which will be submitted to the MSRB at the time of delivery of the Notes.

In addition to the definitions set forth above in the undertaking, which apply to any capitalized term used in this Agreement unless otherwise defined, if used the following capitalized terms shall have the following meanings:

"Annual Financial Information" shall mean the financial information or operating data of the type included in the final Official Statement, provided at least annually by the Issuer pursuant to, and as described in, Sections 1 of this Agreement.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Notes (including persons holding Notes through nominees, depositories, or other intermediaries), or (b) is treated as the owner of any Notes for federal income tax purposes.

"Business Day" shall mean a day other than a Saturday or a Sunday or a day on which banks in Maine are authorized or required by law to close.

"Dissemination Agent" shall mean the Issuer or any Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"Financial Obligation" shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with SEC Rule 15c2-12.

"Holders" shall mean the registered Holders of the Notes, as recorded in the registration books of the Registrar.

"Municipal Securities Rulemaking Board" or "MSRB" shall mean the Municipal Securities Rulemaking Board, established under the Securities and Exchange Act of 1934, as amended, or any successor thereto, with an address of 1300 I Street NW, Suite 1000, Washington, DC 20005.

"State" shall mean the State of Maine.

1. The Issuer will provide to the MSRB: (a) not later than 270 days following the end of each fiscal year, commencing with the fiscal year ending June 30, 2025, certain updated financial information and operating data relating to the Issuer for the preceding fiscal year of the type presented in the Official Statement prepared in connection with the Notes under the headings "DISTRICT FINANCES," "INDEBTEDNESS," "RETIREMENT" and in APPENDIX A and such other financial information and operating data as may be required to comply with the Rule; and (b) the updated information discussed in clause (a) above will include audited financial statements, if the Issuer commissions an audit and it is completed by the required time. If audited financial statements are not available by the required time, the Issuer will provide audited financial statements when and if such audited financial statements become available. Such filings, if not completed by the required time in clause (a) above, but if filed

when available, will not be deemed to be a "late filing". Any such financial statements will be prepared in accordance with the accounting principles described in Appendix A or such other accounting principles as the Issuer may be required to employ from time to time pursuant to State law or regulation.

The Issuer reserves the right to modify from time to time the specific types of information provided under clause (a) above or the format of the presentation of such information to reflect changed circumstances, provided that any such modification will be done in a manner consistent with the Rule.

2. The Issuer will provide in a timely manner, not in excess of ten (10) business days, after the occurrence of an event listed in this Section 2 to the MSRB through EMMA (in an electronic format as prescribed by the MSRB) notice of the occurrence of any of the following events with respect to the Notes.

(a) Certain events whether material or not material:

(1) Principal and interest payment delinquencies;
(2) Unscheduled draws on debt service reserves reflecting financial difficulties;
(3) Unscheduled draws on credit enhancements reflecting financial difficulties;
(4) Substitution of credit or liquidity providers, or their failure to perform;
(5) Adverse tax opinions or events affecting the tax-exempt status of the Notes, the issuance by the Internal Revenue Service of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes;
(6) Tender offers;
(7) Defeasances;
(8) Rating changes;
(9) Bankruptcy, insolvency, receivership or similar event of the Issuer (Note: For the purposes of the event identified in paragraph l, the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.); or
(10) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of any Financial Obligation of the Issuer or obligated person, any of which reflect financial difficulties

(b) Certain events if material:

(1) Non-payment related defaults;
(2) Modifications to the rights of holders of the Notes;
(3) Bond calls;
(4) The release, substitution, or sale of property securing repayment of the Notes;
(5) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
(6) Appointment of a successor or additional trustee or the change of name of a trustee; and
(7) Incurrence of a Financial Obligation of the Issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer or obligated person, any of which affect security Holders, if material.

The Issuer from time to time may choose to provide notice of the occurrence of certain other events, in addition to those listed above, but the Issuer does not undertake to commit to provide any such notice of the occurrence of any material event except those listed above.

3. The Issuer will provide in a timely manner to the MSRB notice of a failure to satisfy the requirements of Paragraph 1 herein.

4. The intent of the Issuer's undertaking in this Agreement is to provide on a continuing basis the information described in the Rule. The provisions of the Agreement may be amended by the Issuer without the consent of, or notice to, any beneficial owners of the Notes, (a) to comply with or conform to the provisions of the Rule or any amendments thereto or authoritative interpretations thereof by the Securities and Exchange Commission ("SEC") or its staff (whether required or optional), (b) to add a dissemination agent for the information required to be provided by such undertakings and to make any necessary or desirable provisions with respect thereto, (c) to add to the covenants of the Issuer for the benefit of the beneficial owners of the Notes, (d) to modify the contents, presentation and format of the financial information from time to time as a result of a change in circumstances that arises from a change in legal requirements, or (e) to otherwise modify the undertakings in a manner consistent with the requirements of the Rule concerning continuing disclosure; provided, however, that in the case of any amendment pursuant to clause (d) or (e), (i) the undertaking, as amended, would have complied with the requirements of the Rule at the time of the offering of the Notes, after taking into account any amendments or authoritative interpretations of the Rule, as well as any change in circumstances, and (ii) the amendment does not materially impair the interests of the beneficial owners of the Notes, as determined either by a party unaffiliated with the Issuer (such as bond counsel), or by the vote or consent of beneficial owners of a majority in outstanding principal amount of the Notes affected thereby at or prior to the time of such amendment.

   Furthermore, the Issuer's obligations under this Agreement shall terminate upon the legal defeasance, prior redemption or payment of in full of all of the Notes or to the extent that the Rule, as in effect from time to time, no longer requires the issuers of municipal securities to provide all or any portion of the information the Issuer has agreed to provide pursuant to the Agreement, the obligation of the Issuer to provide such information also shall cease immediately.

5. The purpose of the Issuer's undertaking is to conform to the requirements of the Rule and, except for creating the right on the part of the beneficial owners of the Notes, from time to time, to specifically enforce the Issuer's obligations hereunder, not to create new contractual or other rights for any beneficial owner of the Notes, any municipal securities broker or dealer, any potential purchaser of the Notes, the SEC or any other person. The sole remedy in the event of any actual or alleged failure by the Issuer to comply with any provision herein shall be an action for the specific performance of the Issuer's obligations hereunder and not for money damages in any amount. Any failure by the Issuer to comply with any provision of this undertaking shall not constitute an event of default with respect to the Notes.

6. Except as disclosed in its Official Statement, the Issuer has never failed to comply in all material respects with any previous undertakings to provide financial information or notices of material events in accordance with the Rule.

7 The Issuer's Treasurer, or such official's designee from time to time, shall be the contact person on behalf of the Issuer from whom the foregoing information, data and notices may be obtained. The name, address and telephone number of the initial contact person is: Scott D. Poulin, Director of Finance, MSAD No. 51, 357 Tuttle Road, P.O. Box 6A, Cumberland, ME 04021, telephone: (207) 829-4800, facsimile: (207) 829-4802.

Dated: __________ ____, 20__	REGIONAL SCHOOL UNIT NO. 51 d/b/a MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 51
	By:______________________________

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