PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 3, 2026

NEW ISSUE

Moors & Cabot Investments

Banking & Advisory Group

Moody's:
S&P:

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

CITY OF PORTLAND, MAINE
$30,775,000(*)
2026 GENERAL OBLIGATION BONDS

Dated: Date of Delivery | **Due: August 1, as shown below**

Year of Maturity	Amount(*)	Interest Rate	Yield or Price	Year of Maturity	Amount(*)	Interest Rate	Yield or Price
2027	$1,870,000			2037	$1,275,000		
2028	1,870,000			2038	1,275,000		
2029	1,870,000			2039	1,275,000		
2030	1,870,000			2040	1,275,000		
2031	1,870,000			2041	1,275,000		
2032	1,735,000			2042	1,275,000		
2033	1,735,000			2043	1,275,000		
2034	1,735,000			2044	1,275,000		
2035	1,735,000			2045	1,275,000		
2036	1,735,000			2046	1,275,000		

The City of Portland, Maine (the "City") 2026 General Obligation Bonds (the "Bonds") will be issued in fully-registered form without coupons and, when issued, will be registered in the name of Cede & Co., as Bondowner and nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the minimum denomination of $5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interest in Bonds purchased. See "THE BONDS—BOOK-ENTRY-ONLY SYSTEM" herein. Principal and interest on the Bonds will be paid to DTC by U.S. Bank Trust Company, National Association, Boston, Massachusetts, as Paying Agent. Interest on the Bonds will be payable on February 1, 2027 and semi-annually on each August 1 and February 1 thereafter until maturity, or redemption prior to maturity.

The legal opinion of Bond Counsel will be provided to the original purchaser and will indicate that the Bonds are valid general obligations of the City and, unless paid from other sources are payable as to both principal and interest from *ad valorem* taxes that may be levied without limit as to rate or amount upon all the property within the territorial limits of the City and taxable by it; except to the extent that the City may enter into an agreement under Title 30-A, Chapter 223, Subchapter V of the Maine Revised Statutes, as amended, to share its assessed valuation with another municipality and except to the extent that the City establishes or has established development districts either as tax increment financing districts or affordable housing development districts (collectively, "development districts") pursuant to Title 30-A, Chapter 206 and former (now repealed) Chapter 207 of the Maine Revised Statutes, as amended, the captured tax increment of which may not be available for payment of debt service on the Bonds (see "CITY FINANCES—TAX INCREMENT FINANCING DISTRICTS AND AFFORDABLE HOUSING DEVELOPMENT DISTRICTS" herein). The City's Director of Finance has certified that the City has no agreements under Title 30-A, Chapter 223, Subchapter V of the Maine Revised Statutes, as amended, to share assessed valuation with another municipality. The City has established certain tax increment financing districts and elected to retain a portion of the tax increment on the captured assessed value of the property in the districts to pay costs of the economic development projects and programs described in the development programs adopted with respect to such districts. Within the limits established by statute, the City has the right to designate additional development districts pursuant to Title 30-A, Chapter 206 of the Maine Revised Statutes, as amended. Bond Counsel's opinion will indicate that the enforceability of the obligations of the City, including the Bonds, is subject to and may be limited by bankruptcy, insolvency, moratorium and other laws affecting the rights and remedies of creditors generally, and are subject to general principles of equity. The opinion will be dated and given on and will speak as of the date of original delivery of the Bonds to the original purchasers.

Bonds maturing on and before August 1, 2036 are not subject to redemption prior to their stated dates of maturity. Bonds maturing on and after August 1, 2037 are subject to optional redemption prior to their stated dates of maturity, at the option of the City, on and after August 1, 2036 as more fully set forth herein (see "THE BONDS—OPTIONAL REDEMPTION PRIOR TO MATURITY" herein).

The Bonds are offered when, as and if issued, subject to the approval of legality by Pierce Atwood LLP, Bond Counsel. Moors & Cabot, Inc., Boston, Massachusetts, serves as Municipal Advisor to the City. It is expected that the Bonds in definitive form will be available for delivery to DTC on or about August 27, 2026.

NOTE: (*) Preliminary, subject to change.

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

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

CUSIP® is an acronym that refers to Committee on Uniform Security Identification Procedures. The CUSIP® numbers set forth in this Official Statement have been assigned by an independent company not affiliated with the City and are included solely for the convenience of the holders of the Bonds. Neither the City nor the Underwriter makes any representation with respect to the accuracy of such CUSIP® numbers set forth in this Official Statement or undertakes any responsibility for the selection of the CUSIP® numbers or their accuracy now or at any time in the future.

The City is not responsible for the selection or uses of the CUSIP® numbers and no representation is made as to their correctness on the Bonds or as set forth in this Official Statement. The CUSIP® number for a specific maturity of the Bonds is subject to change after the issuance of the Bonds and as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that may be applicable to all or a portion of certain maturities of the Bonds.

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CERTIFICATE CONCERNING OFFICIAL STATEMENT

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

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

To the best of the knowledge and belief of the Director of Finance of the City, this Official Statement does not contain any untrue statement of a material fact and does not omit to state any material fact necessary to make the statements made herein, in the light of the circumstances under which they were made, not misleading, subject to the condition that while information in the Official Statement obtained from sources other than the City is not guaranteed as to accuracy, completeness or fairness, the Director of Finance 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 Director of Finance and furnished at the closing.

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

Brendan T. O'Connell
Director of Finance
City of Portland, Maine

OFFICIAL STATEMENT
CITY OF PORTLAND, MAINE
$30,775,000(*)
2026 GENERAL OBLIGATION BONDS

This Official Statement is provided for the purpose of presenting certain information relating to the City of Portland, Maine (the "City" or "Portland") in connection with the sale of its 2026 General Obligation Bonds (the "Bonds").

THE BONDS

DESCRIPTION OF THE BONDS

The Bonds will be issued only in fully-registered form without coupons, one certificate per maturity, and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York City, New York ("DTC" or the "Securities Depository"). DTC will act as the securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the minimum denomination of $5,000 or any integral multiple thereof. The Bonds will be dated on the date of delivery and will bear interest (accrued on the basis of a 360-day year with twelve 30-day months) payable on February 1, 2027, and semi-annually thereafter on August 1 and February 1 of each year until maturity, or redemption prior to maturity. The Bonds will mature as follows:

Amount(*)	Aug. 1,	CUSIP	Amount(*)	Aug. 1,	CUSIP
$1,870,000	2027	736560WR0	$1,275,000	2037	736560XB4
1,870,000	2028	736560WS8	1,275,000	2038	736560XC2
1,870,000	2029	736560WT6	1,275,000	2039	736560XD0
1,870,000	2030	736560WU3	1,275,000	2040	736560XE8
1,870,000	2031	736560WV1	1,275,000	2041	736560XF5
1,735,000	2032	736560WW9	1,275,000	2042	736560XG3
1,735,000	2033	736560WX7	1,275,000	2043	736560XH1
1,735,000	2034	736560WY5	1,275,000	2044	736560XJ7
1,735,000	2035	736560WZ2	1,275,000	2045	736560XK4
1,735,000	2036	736560XA6	1,275,000	2046	736560XL2

It is expected that the Bonds will be available for delivery at DTC on or about August 27, 2026.

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

OPTIONAL REDEMPTION OF THE BONDS PRIOR TO MATURITY

Bonds maturing on and before August 1, 2036 are not subject to optional redemption prior to their stated dates of maturity. Bonds maturing on or after August 1, 2037 are subject to redemption prior to their stated dates of maturity, at the option of the City, on and after August 1, 2036, as a whole or in part at any time, in such order of maturity as the City, in its discretion, may determine at a price of par (100% of original stated amount of value at maturity), together with interest accrued and unpaid to the redemption date, if any.

NOTE: (*) Preliminary, subject to change.

GENERAL PROVISIONS REGARDING REDEMPTION

Notice of Redemption

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

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

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

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

Cancellation of Bonds

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

Partial Redemption of Bonds

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

RECORD DATE; PAYMENT

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

AUTHORIZATION AND PURPOSE

The Bonds are being issued to finance the City's 2026 Capital Improvement Plan ("CIP") (the "CIP Projects", as identified and defined below). The Bonds were authorizd pursuant to Title 30-A, Section 5772 of the Maine Revised Statutes, as amended, Article VII, Section 11 of the City Charter, Order #176-20/21 passed by the City Council on March 15, 2021 and effective on March 25, 2021 and Order #147-24/25 passed by the City Council on April 14, 2025 and effective on April 24, 2025. The following tables consolidate the CIP Projects by department and term to maturity:

CIP Projects, by Department and Term to Maturity

Department	5 years	10 years	20 years	Total
Fire		1,800,000	220,000	2,020,000
H&H Services		65,000	690,000	755,000
IT		235,000		235,000
Parking			510,000	510,000
Parks/Rec	140,000	430,000	4,520,000	5,090,000
Planning (1)		50,000	525,000	575,000
Police	125,000			125,000
Library			955,000	955,000
Public Works	220,000	1,200,000	8,675,000	10,095,000
Schools		50,000	2,950,000	3,000,000
Total GF	**485,000**	**3,830,000**	**19,045,000**	**23,360,000**
Enterprise	190,000	800,000	6,425,000	7,415,000
The Bonds	**$675,000**	**$4,630,000**	**$25,470,000**	**$30,775,000**

NOTE: The following abbreviations indicate: "H&H Services" is Health & Human Services; "IT" is Information Technology; "Parking" is Parking & Garages; "Parks/Rec." is Parks, Recreation & Public Assembly; "Planning" is Planning & Urban Development; "Library" is Portland Public Library; "Enterprise" is Sewer and Stormwater.

(1) $50,000 for Public Art is included in the 10 year "Planning" category; $50,000 for Land Bank is included in the 20 year "Planning" category. See "THE BONDS – AUTHORIZATION AND PURPOSE - Public Art and Land Bank Programs" herein.

The CIP Projects by Department and then Term to Maturity

Order	Department	Projects	Yrs	Bonds
147-24/25	Fire	SCBA Replac.	10	800,000
147-24/25	Fire	Ambulance/NEW - AMB	10	500,000
147-24/25	Fire	Fire Ladder Truck	10	500,000
147-24/25	Fire	Sprinkler Sys. Cummings Ctr/ Munjoy Fire	20	220,000
147-24/25	H&H Services	Laundry Truck-Barron Ctr.	10	65,000
147-24/25	H&H Services	HVAC/Chiller Air Stack Replac.	20	210,000
147-24/25	H&H Services	Barron Ctr. Hallway/patient rooms	20	225,000
147-24/25	H&H Services	Elevator Replac.	20	255,000
147-24/25	IT	DataCtr. Storage Exp'd.	10	110,000
147-24/25	IT	Traffic Network Switches	10	125,000
147-24/25	Parking	Elm St Garage - Cap. Main.	20	175,000
147-24/25	Parking	Spring St Garage - Cap. Main.	20	335,000
147-24/25	Parks/Rec	0.75T Pick Up, Reg Cab, 4X4,	5	40,000
147-24/25	Parks/Rec	0.5T Pickup Crew Cab 4X4	5	50,000
147-24/25	Parks/Rec	0.75T Utility / Cargo Van	5	50,000
147-24/25	Parks/Rec	Tractor - Kubota M5660SU	10	65,000
147-24/25	Parks/Rec	PTO Mower Groundmaster 1200 Sr.	10	40,000
147-24/25	Parks/Rec	TORO Pro Core 864 Turf Aerator	10	45,000
147-24/25	Parks/Rec	Forklift, Electric - 5K	10	65,000
147-24/25	Parks/Rec	Backhoe / Loader, Wheeled	10	130,000
147-24/25	Parks/Rec	Replac. Signs-Ice Arena/Expo	10	85,000
147-24/25	Parks/Rec	City Hall/Merrill Boiler Replac.	20	800,000
147-24/25	Parks/Rec	Replace field house HVAC	20	360,000
147-24/25	Parks/Rec	Hadlock Field Elevator Modern.	20	125,000
147-24/25	Parks/Rec	Café Ventilation Sys.	20	90,000
147-24/25	Parks/Rec	Golf Course Improv.	20	150,000
147-24/25	Parks/Rec	Dougherty Field Recon.	20	925,000
147-24/25	Parks/Rec	Deering Oaks Pond Wall Recon.	20	1,640,000
147-24/25	Planning	Public Art	10	50,000
147-24/25	Planning	Land Bank	20	50,000
147-24/25	Planning	W. Commercial St Pathway - Phase III	20	50,000
147-24/25	Planning	Comp. Trans. Plan	20	375,000
147-24/25	Planning	Parkside to PTC Path. Proj.	20	50,000
147-24/25	Police	03 EA K9 Cars	5	125,000
147-24/25	Library	Roof Replac., HVAC, Lighting	20	955,000
147-24/25	Public Works	Small PU - Ford Ranger/w Plow	5	50,000
147-24/25	Public Works	Small PU - Ford Ranger w/ Plow	5	50,000
147-24/25	Public Works	Cargo PARTS Van 0.75T	5	50,000
147-24/25	Public Works	0.75T Ext. Cab Pick-Up w/ Liftgate	5	70,000
176-20/21	Public Works	SA Plow truck	10	185,000
176-20/21	Public Works	Loader w/wing & plow	10	220,000
147-24/25	Public Works	Bobcat / Tool Cat	10	110,000
147-24/25	Public Works	30 Each APX 1500 Vech. Radios	10	105,000
147-24/25	Public Works	Crane, Bridge, 4 Ton	10	235,000

Order	Department	Projects	Yrs	Bonds
147-24/25	Public Works	Table, Plasma Cutting	10	45,000
147-24/25	Public Works	1.5-2T Dump Body	10	160,000
147-24/25	Public Works	1.5-2T Stainless Dump Body	10	140,000
147-24/25	Public Works	Forest Ave: (Woodford/Revere to Bedford)	20	100,000
147-24/25	Public Works	Cliff Island Barge Land. Rehab.	20	450,000
147-24/25	Public Works	Islands Improv. Program	20	250,000
147-24/25	Public Works	PACTS UPI Match	20	650,000
147-24/25	Public Works	ADA Compliance Program	20	500,000
147-24/25	Public Works	Sidewalk Rehab. Program	20	1,750,000
147-24/25	Public Works	Trans. Outcomes/w Water Resources	20	300,000
147-24/25	Public Works	Libbytown Neighborhood Renewal Proj.	20	800,000
147-24/25	Public Works	Bramhall Square Recon.	20	75,000
147-24/25	Public Works	Gorham's Corner Mini Roundabout	20	250,000
147-24/25	Public Works	DOT Paving Matches	20	800,000
147-24/25	Public Works	PACTS Collector Paving	20	650,000
147-24/25	Public Works	Pavement Preserv. Program	20	2,000,000
147-24/25	Public Works	City Retaining Wall Repairs	20	100,000
147-24/25	Schools	Exterior lighting	10	50,000
147-24/25	Schools	HVAC unit 1	20	250,000
147-24/25	Schools	Small roof Replac.	20	100,000
147-24/25	Schools	Secure and ADA front entrance	20	350,000
147-24/25	Schools	Phase 2 Masonry repairs	20	500,000
147-24/25	Schools	Window Replac.	20	300,000
147-24/25	Schools	Roof Replac.	20	200,000
147-24/25	Schools	Pave./Asphalt Replac. and repairs	20	350,000
147-24/25	Schools	Roof Replac.	20	300,000
147-24/25	Schools	Roof Replac.	20	600,000
		Total General Fund		**23,360,000**
147-24/25	Enterprise	Pickup Truck Replac.	5	140,000
147-24/25	Enterprise	Pickup Truck - Compliance	5	50,000
147-24/25	Enterprise	Pump Station Generator	10	150,000
147-24/25	Enterprise	Skid Steerer	10	150,000
147-24/25	Enterprise	St Sweeper Replac.	10	500,000
147-24/25	Enterprise	CMOM - Inflow and Infiltration	20	1,100,000
147-24/25	Enterprise	Sewer Sys. Repairs, Rehab. and Improv.	20	500,000
147-24/25	Enterprise	CSO- #26 Sewershed	20	250,000
147-24/25	Enterprise	CSO- Close CSO #42	20	500,000
147-24/25	Enterprise	CSO- Downtown Swr. Sep.	20	600,000
147-24/25	Enterprise	Pave. Preserv. Program - Utility	20	400,000
147-24/25	Enterprise	Stormwater Sys. Repairs, Rehab., Improv.	20	500,000
147-24/25	Enterprise	Green Infrastructure	20	400,000
147-24/25	Enterprise	Palmer Ave (Dole Brook)	20	375,000
147-24/25	Enterprise	Rand Rd Culvert	20	1,800,000
		Total Enterprise Fund		**7,415,000**
		The Bonds		**30,775,000**

NOTE: Amounts in the above table may be adjusted following the sale to reflect the par amount of Bonds, plus allocable bid premium, if any, allocated to each project.

Amortization of CIP Projects, by Term to Maturity then by Governmental Fund (*)

	5 Years		10 Years		20 Years		
	GF	Ent	GF	Ent	GF	Ent	Totals
8/1/2027	$97,000	$38,000	$383,000	$80,000	$952,250	$319,750	$1,870,000
8/1/2028	97,000	38,000	383,000	80,000	952,250	319,750	1,870,000
8/1/2029	97,000	38,000	383,000	80,000	952,250	319,750	1,870,000
8/1/2030	97,000	38,000	383,000	80,000	952,250	319,750	1,870,000
8/1/2031	97,000	38,000	383,000	80,000	952,250	319,750	1,870,000
8/1/2032	0	0	383,000	80,000	952,250	319,750	1,735,000
8/1/2033	0	0	383,000	80,000	952,250	319,750	1,735,000
8/1/2034	0	0	383,000	80,000	952,250	319,750	1,735,000
8/1/2035	0	0	383,000	80,000	952,250	319,750	1,735,000
8/1/2036	0	0	383,000	80,000	952,250	319,750	1,735,000
8/1/2037	0	0	0	0	952,250	322,750	1,275,000
8/1/2038	0	0	0	0	952,250	322,750	1,275,000
8/1/2039	0	0	0	0	952,250	322,750	1,275,000
8/1/2040	0	0	0	0	952,250	322,750	1,275,000
8/1/2041	0	0	0	0	952,250	322,750	1,275,000
8/1/2042	0	0	0	0	952,250	322,750	1,275,000
8/1/2043	0	0	0	0	952,250	322,750	1,275,000
8/1/2044	0	0	0	0	952,250	322,750	1,275,000
8/1/2045	0	0	0	0	952,250	322,750	1,275,000
8/1/2046	0	0	0	0	952,250	322,750	1,275,000
	$485,000	$190,000	$3,830,000	$800,000	$19,045,000	$6,425,000	$30,775,000

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

Public Art and Land Bank Programs

A portion of the Bonds issued to finance the CIP Projects will be issued to fund the City's Public Art and Land Bank Programs. The Portland Public Art Program was established in 2000 in order to preserve, enhance and expand the City's public art collection. The Landbank Program was established in 2003 to provide for and preserve greenspace areas through the City. The City's policy is to add an amount of 0.05% of non-CSO debt per Program (with an adjustment to round to issuable increments) to each financing to provide funds to finance the Programs. Bonds of this financing, in the amount of $50,000 for the Public Arts Program and $50,000 for the Land Bank Program, are being issued for each program, respectively. Authorization for these projects is also included in Council Order #147-24/25.

Unspent Bond Proceeds

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

SOURCE OF PAYMENT AND REMEDIES

General

The Bonds are general obligations of the City and their payment is not limited to a particular fund or revenue source. Municipalities in the State of Maine (the "State") have the right to tax their inhabitants to pay municipal indebtedness. The Bonds are payable as to both principal and interest from *ad valorem* taxes that may be levied without limit as to rate or amount upon all the taxable property within its territorial limits, except to the extent that the City may enter into an agreement under Title 30-A, Chapter 223, Subchapter V of the Maine Revised Statutes, as amended, to share its assessed valuation with another municipality, and except to the extent that the City establishes or has established development districts as tax increment financing districts or affordable housing development districts pursuant to Title 30-A, Chapter 206 and former (now repealed) Chapter 207 of the Maine Revised Statutes, as amended, the captured tax increment of which may not be available for payment of debt service on the Bonds (see "CITY FINANCES – PROPERTY TAXATION - Tax Increment Financing Districts and Affordable Housing Development Districts" herein). The Director of Finance has certified that no tax base sharing agreement now exists. The City has established certain tax increment financing districts and elected to retain a portion of the tax increment on the captured assessed value of the property in these districts to pay costs of the economic development projects and programs described in the development programs for the districts. Within the limits established by statute, the City has the right to designate additional development districts pursuant to Title 30-A, Chapter 206 of the Maine Revised Statutes, as amended. There is no statutory provision for a lien on any portion of the tax levy to secure bonds or notes, or judgments thereon, in priority to other claims.

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

Funds to meet City expenses, including debt service, are not included in the tax levy to the extent they are expected to be met with other non-tax revenues. Amounts necessary to repay sums borrowed temporarily in anticipation of bonds or grants are similarly excluded because they would normally be expected to be paid from the anticipated bond proceeds or grants. Enforcement of a claim for payment of principal 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. The Bonds are not guaranteed by the State.

TAX MATTERS

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

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

In its arbitrage and use of proceeds certificate to be delivered concurrently with the delivery of the Bonds, the City will make certain representations with respect to the use, expenditure and investment of the proceeds of the Bonds and the use of the CIP Projects financed by the Bonds and will covenant (i) to comply with the provisions, procedures and requirements of the Code applicable to the Bonds to assure that the interest paid on the Bonds is and remains excludable from gross income for purposes of federal income taxation pursuant to Section 103 of the Code, and (ii) not to take any action or permit any action that would cause the interest paid on the Bonds to be included in gross income for purposes of federal income taxation pursuant to Section 103 of the Code.

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

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

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

Bonds Not Designated as Qualified Tax-Exempt Obligations

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

Original Issue Discount

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

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

Original Issue Premium

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

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

Additional Federal Income Tax Consequences

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

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

Changes in Federal Tax Law

From time to time, there are legislative proposals in the United States Congress ("Congress") and in the states that, if enacted, could alter or amend the federal and State tax matters referred to herein. In addition, such legislation (whether currently proposed, proposed in the future, or enacted) could affect the market value or marketability of the Bonds or significantly reduce the benefit of, or otherwise affect, the exclusion from gross income for federal income tax of interest on the Bonds. Future Congressional proposals could also affect the Bonds, even if never enacted. It cannot be predicted whether, or in what form, any such proposals might ultimately be enacted or whether if enacted such proposals would apply to bonds issued prior to enactment. The introduction or enactment of any such legislative proposals may affect, perhaps significantly, the market price for, or marketability of, the Bonds. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds or the market value thereof would be impacted thereby. Prospective purchasers of the Bonds should consult their own tax and financial advisors regarding such matters.

Opinion of Bond Counsel

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

Extent of Opinion

Bond Counsel expresses no opinion regarding any tax consequences of holding the Bonds other than its opinion with regard to (a) the exclusion of interest on the Bonds from gross income pursuant to Section 103 of the Code, (b) interest on the Bonds not constituting an item of tax preference for purposes of calculating the alternative minimum tax under of the Code provided, however, that such interest will be taken into account included in determining the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code, and (c) the exemption of interest on the Bonds from taxation within the State pursuant to Title 30-A, Section 5772(9) of the Maine Revised Statutes, as amended. The opinion of Bond Counsel represents Pierce Atwood's judgment regarding the proper treatment of the interest paid on the Bonds for purposes of federal income taxation and is not binding on the IRS or the courts, and is not a guarantee of results. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the City or about the effect of changes to the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. Prospective purchasers of the Bonds should consult their tax advisors with respect to all other tax consequences (including but not limited to those described above) of holding the Bonds.

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds . The Bonds will be issued as fully-registered Bonds 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 security certificate will be issued for the Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

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 bonds, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of bond 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 subsidiaries. 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 the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Security ("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 the Bonds 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 the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued. To facilitate subsequent transfers, all Bonds 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 the Bonds 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 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds 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. Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, redemption and interest on the Bonds 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 Issuer or Agent, on 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 bonds 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, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or 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 the Bonds at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.
The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from DTV and the Issuer takes no responsibility for the accuracy thereof.

RATINGS

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

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

CONTINUING DISCLOSURE

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

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

Financial and/or Operating Data Filings

Since, and including in, its 2021 Annual Filing, the City has annually posted on EMMA, including to all applicable CUSIPs, both its ACFR and, as and to the extent required by its CDAs, either a separate "Operating Data" filing OR its Official Statement for the year, if available not later than 270 days after the end of each fiscal year, but as the City's "Operating Data Filing" for the applicable fiscal year.

NOTE: Financial information and operating data filings for Portland Jetport, a department of the City (the "Jetport"; Base CUSIP 736564) were not separately posted until the filings for fiscal year 2017, which has since has continued to date. Prior to the 2017 filings financial information and operating data for the Jetport was included in the City's annual financial information and operating data filings (Base CUSIP 736560).

The following list summarizes the City's recent annual financial and operating data filings to EMMA for the past five years:

Financial Information and Operating Data Filed FY ended June 30,	Filed with EMMA Filing Date	Days After Fiscal Period End
2025	February 24, 2026	239
2024	March 13, 2025[1]	256
2023	March 20, 2024	264
2022	March 9, 2023	252
2021	March 22, 2022	265

NOTE: As amended or supplemented on April 11, 2025.

Assurance of Future Compliance

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

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.

MUNICIPAL ADVISOR

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

CUSIP® IDENTIFICATION NUMBERS

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

CONDITIONS PRECEDENT TO DELIVERY

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

No Litigation

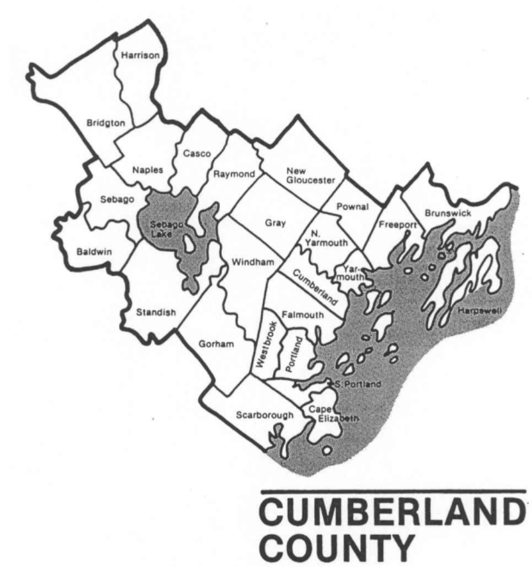
Upon delivery of the Bonds, the City shall deliver or cause to be delivered a certificate of the Director of Finance, dated the date of delivery of the Bonds, to the effect that there is no litigation pending or, to the knowledge of such official, threatened, affecting the validity of the Bonds or the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

Approval of Legality

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

CITY OF PORTLAND

GENERAL



The City of Portland is located on the southern coast of the State of Maine in the southeastern section of the County of Cumberland, the State's most populous county. The City is approximately 108 miles north-northeast of Boston, Massachusetts and 60 miles southwest of the City of Augusta, the State's capital. Portland is bordered by the Town of Falmouth on the northeast and the City of Westbrook on its west, with the Presumpscot River forming a portion of this border. The Fore River separates Portland from the City of South Portland for a major portion of its southern border. The Atlantic Ocean forms Portland's eastern border as Portland Harbor and Casco Bay.

As the hub of Maine's southern region, convenient access to Portland is provided by Exits 44 through 48 of U.S. Interstate Route 95 (the Maine Turnpike) which intersects the City's western plain in a north-south direction and the U.S. Interstate Route 295 spur which bisects the City through its interior. U.S. Route 1 follows the coastal plain of the City, also in a north-south direction. The Portland International Jetport, located in the City, provides air traffic for the region. The Casco Bay Island Transit District provides for commuter and tour boat service to the major islands in Casco Bay. The Ocean Gateway Ferry Terminal supplements the Maine State Pier as berthing for cruise ships. Bus transit, by major carriers operating from two terminals in the City, provides regularly scheduled inter-state and intra-state transportation. The Maine Central Railroad, Boston & Maine Corporation and the St. Lawrence & Atlantic Railroad Company provide the greater Portland area with rail links to all of Maine, the continental United States and Canada.

The area embracing Portland was first settled in 1632 and called "Machigonne", the Micmac Indian name meaning "shaped like a great knee". The area was then referred to as Casco but subsequently incorporated as Old Falmouth in 1718, formed of the area now encompassing the cities of Portland, South Portland, and Westbrook and the towns of Cape Elizabeth and Falmouth. Portland separated from Old Falmouth incorporating as a town and taking its present name on July 4, 1786, was chartered as a city on March 26, 1832 and annexed the City of Deering (formerly part of the Town of Stroudwater which included the present limits of Westbrook plus Deering, Deering being further set off as a city in 1871) on February 6, 1899. Portland was the site of the 1819 Constitutional Convention when Maine broke away from the Commonwealth of Massachusetts to become a separate state in 1820. The City served as the first state capital from 1820 until its removal to Augusta in 1831.

The metropolitan area is clustered on the "Peninsula" which is surrounded on its sides by Back Cove, Casco Bay and the Fore River with the Eastern and Western Promenades at its opposite ends. Once confined geographically to this narrow peninsula the City added greatly to its territory with the annexation of Deering and now consists of 19.15 square miles of land area. The sections of the City are: Brighton, Casco Bay Islands, Deering, East Deering, the Peninsula, North Deering, Riverton, Stroudwater, Woodfords and Morrills.

Portland is the largest city in Maine, the seat of government for the County of Cumberland and is the region's leading industrial, commercial and cultural center. With one of the finest deep water harbors on the Atlantic Coast, Portland is closer to Europe than any other transatlantic port in the United States. The

City enjoys numerous parks, monuments, historical sites, several hotels and restaurants. Portland is the home of the Portland Campus of the University of Southern Maine, the Portland Campus of the University of New England, the Portland Museum of Art, the Maine College of Art, Cross Insurance Arena, and the Roux Institute. Major medical centers, including the Maine Medical Center and Mercy Hospital, are also located in the City.

GOVERNMENT

The basic forms of local government in Maine are the "Direct" form, often referred to as town meeting government, in which the town meeting serves as the legislative body, passing laws, approving the spending of monies; and the "Representational" form, in which an elected council serves as the legislative body. Variations of the Direct form are: *Town Meeting/Selectboard* form of government (209 municipalities); *Town Meeting/Selectboard/Manager*, (135 towns); *Town Meeting/Council/Manager* (20 towns) a variation of the town meeting form of government, where the legislative functions of government are shared between the town meeting and an elected council, and *Selectboard/Town Meeting/Administrator* (80 municipalities). Variations of the Representational form are: *Council/Mayor/Administrator* (four cities), and *Council/Manager* (37 municipalities).

The City operates under a charter initially adopted on March 26, 1832, as amended effective July 1, 2023, providing for a *Council/Mayor/Manager* form of government with a nine-member City Council, one member of which is the Mayor. Each of the City's five voting districts elect one Council member, with four members, including the Mayor, being elected from the registered voters of the entire City at-large. Council members, except for the Mayor, hold three-year staggered terms. The Mayor's term is four years with a two consecutive term limit. The Charter constitutes the City Council as Municipal Officers of the City and grants to the City Council all powers to enact, amend, or repeal rules, ordinances and resolutions relating to the City's property, affairs and government, to preserve the public peace, health and safety, to establish personnel policies, to give effect to any vote of the City and to authorize the issuance of debt. The City Council adopts an annual budget and provides for an annual audit. The City Manager, pursuant to Section VI(1)(a) of the City's Charter is appointed by majority vote of the City Council, is the administrative head of the City and is responsible to the City Council for the administration of all departments.

MUNICIPAL SERVICES [(1)]

The City provides general governmental services for the territory within its boundaries, including police and fire protection, construction and maintenance of highways, streets and sidewalks, parks, recreation and coastal areas, health and social services, planning and zoning and general administrative services. Public education is provided by the City, under its own supervision, for grades Kindergarten ("K") through 12 and for applied technology education.

The City owns and maintains its own sewer collection and interceptor system and is responsible for the costs of maintenance, improvements and expansion of the system to provide transmission of sewage to the Portland Water District's treatment plant. The Portland Water District owns and operates the treatment plant, the use for which the City pays a monthly fee (see "INDEBTEDNESS - OVERLAPPING DEBT - Portland Water District" herein). The Portland Water District also provides water service to the City's inhabitants (see "INDEBTEDNESS - CONTINGENT DEBT - Portland Water District" herein).

NOTE: [(1)] The information regarding the City's Departments, below, is extracted from portions of the City's *FY 2026 Municipal Budget* Book.

Police Department

The Police Department is comprised of: Administration, Uniform Operations, Bureau of Investigative Services, Operations Support Services, and Jetport Security. The Department is budgeted for 190.0 employees who include a Chief of Police, Majors, Lieutenants, Sergeants, Police Officers, Detectives, Police K9 Officers, Telecommunicators, behavioral health unit and an Animal Control Officer. The Police Department operates from the downtown Public Safety Building with a total of six satellite community policing centers. The Police Department maintains approximately 55 marked cruisers and 37 unmarked sedans, all of which are in good repair.

Dispatch Services

In FY 2022, Dispatch Services separated from the Police Department's budget and transferred to its own department, although it is still administered by the Police Department. This separation helped isolate costs for the two distinct functions which made it easier to compare the them to other departments around the country and helped properly allocate the costs for shared emergency dispatch services with neighboring communities. The department supervises the Portland Regional Communications Center ("PRCC") which serves the City as well as the neighboring municipalities of South Portland and Cape Elizabeth and is responsible for receiving telephone requests for all emergency services and dispatching appropriate police, fire, and emergency medical services resources. The department is budgeted for 37.0 personnel for fiscal year 2026.

Fire Department

The Fire Department is composed of 229 employees that include a Fire Chief, Assistant Fire Chief, Division Chief, Deputy Chiefs, Captains, Lieutenants and firefighters. Between the mainland and Peaks Island, the Fire Department staffs ten fire stations. The Fire Department consists of five organizations: Administration, Code Enforcement and Community Services, Field Operations, Operations Support Services, and Jetport Air Rescue. The Administration organization is responsible for the planning, organization, and day-to-day operations and administers the human resources activities for the department. Code Enforcement and Community Services is responsible for building permits, site plans, sprinkler system permits, fire alarm system permits, and the installation of storage tanks & liquefied petroleum gas tanks. Field Operations is responsible for fire suppression, emergency medical care & transport, hazardous materials response, and technical rescue response. Field Operations also ensures compliance with state mandates and helps maintain the medical licenses of over 200 employees. Operations Support Services deals with currently over 1,600 hydrants in the City, building maintenance, and fire alarms. The Jetport Air Rescue Station provides aircraft rescue and firefighting for the Portland International Jetport.

The Fire Department also operates a Marine Division with three boats, protecting the harbor area of Portland and the adjoining City of South Portland, including sixteen of the major islands of Casco Bay and also maintains the Spring Street Fire Museum and approximately 60 vehicles or pieces of equipment, all of which are in good repair.

Public Works

The Public Works Department is responsible for basic municipal services, public infrastructure management, city-wide fleet management, the development & implementation of capital improvement plans, and wastewater & stormwater utilities. Administration provides strategic planning through accounting & payroll services, human resource functions, general office support, issuance of street opening & street-sidewalk occupancy permits, and customer service. Streets & Sidewalks organization's is a maintenance program comprised of five working crews responsible for each of the five Districts within the

City who perform work related to municipal street, sidewalk, and grounds maintenance. Solid Waste provides collecting recyclables and pay-as-you-throw trash as well as monitoring and ensuring safe and compliant operations at Riverside Recycling Center, maintaining litter receptacles, and waste and recycling services for City and School buildings Communications is focused on supporting customer service throughout the department and participates in the "Radio Watch" program, notifying appropriate response personnel of emergency situations occurring in the City.

Winter Operations provides daily operations of sanding & salting streets, plowing, and snow and ice removal services throughout the City and Island Services is responsible for all Public Works functions on City-owned islands in Casco Bay. Traffic & Transportation Operations supports traffic and transportation operations throughout the City. Transportation Engineering, along with the Engineering, provides civil engineering supporting an increasing volume of locally administered projects funded by the Federal Highway Program through Portland Area Comprehensive Transportation System ("PACTS") and Maine Department of Transportation ("DOT"). Fleet Services purchases, repairs, and rebuilds the City-owned vehicles and preventative maintenance to assure equipment availability and reliability. The total number of vehicles and equipment in the fleet exceeds 800. Fleet Services provides for the cost of all parts, outside repairs, and fuel for all City equipment. The department is budgeted for 137.5 personnel for fiscal year 2026.

Health and Human Services Department

The City's Health and Human Services Department ("H&HS") undertakes planning and coordination of health and human service activities in Portland, often in collaboration with non-profit agencies and the State and federal governments. The department consists of four operational divisions: H&HS Administration, Public Health, Social Services, and the Barron Center. The H&HS Administration contains administrative staff and operations including research, formerly housed in Public Health before a 2026 reorganization. Public Health is the State's most comprehensive local public health division and in itself consists of five organizations: Administration, Family Health, Chronic Disease Prevention, Health Equity, and India Street Health Center that houses Portland's Substance Use Prevention & Harm Reduction Services Program, HIV/STD Clinic, the Portland Community Free Clinic, and the Teen Clinic. The department is budgeted for 268 personnel for fiscal year 2026.

The Barron Center operates the State's second largest long-term care nursing facility which serves the residents of Portland and the surrounding communities. The Center is a 219-bed skilled rehabilitation and nursing facility which includes a 50-bed specialty unit for the care of dementia. Other services include short & long-term nursing care, end of life care, hospice services, and speech, occupational, & physical therapy services. The Barron Center Administration is responsible for the care and management of the facility's capacity for 219 residents and 200+ full and part-time employees and its Environmental Services employees are responsible for the maintenance of the 12-acre Brighton Avenue facility. Nursing Administration is responsible for the supervision and management of nursing direct care 24/7 by providing clinical supervision and direction to the Barron Center's nursing staff on the five nursing units in the main building and the 50-bed Alzheimer's unit.

Parks, Recreation, and Facilities Department

The City's Parks, Recreation, and Facilities Department is to enhance the quality of life through people, parks, and programming consisting of three major units: Parks, Recreation, and Public Assemblies. Parks manages a system that includes over 60 parks, 7.5 miles of multi-use trails, ten community gardens, two stadiums, and dozens of athletic fields/courts spread across nearly 1,300 acres of land, and maintains flowerbeds, meadows, and natural open spaces throughout the City. Athletic Facilities are responsible for all City-owned athletic facilities including 14 baseball and softball fields, two artificial surface football and soccer stadiums, 15 multi-purpose fields, 30 playgrounds, ornamental fountains, a variety of tennis, basketball, and volleyball courts, and ornamental water fountains. The department is budgeted for 142.8 personnel for fiscal year 2026.

Cemeteries is responsible for the care and maintenance of Evergreen and Forest City Cemeteries, the City's two active burial grounds, maintains two largest inactive cemeteries in the City, Eastern and Western Cemeteries, and the inactive Pine Grove Cemetery with combined responsibility for 13 cemeteries. Recreation provides a programming, leagues and clinics for all age groups and operates four community centers, as well as summer camp programs. Aquatics operates two indoor pools, at Riverton and Reiche Community Centers, and the Kiwanis Pool, a seasonal outdoor pool on Douglas Street. The Riverside Golf Course operates the 30 hole City-owned Riverside Golf Course, also home to several golf tournaments. The Ice Arena operates the William B Troubh ice arena, a City-owned rink that provides ice time rental and figure skating lessons.

The Public Assembly Facility supervises the general management, marketing, booking, event coordination, and other staffing and operational needs of the department's facilities that include James A. Banks Exposition Building, Hadlock Field, Merrill Auditorium, Maine State Pier, and Ocean Gateway. Merrill Auditorium includes all of the expenses for the venue operations at Merrill Auditorium, a 1,900-seat performing arts venue attached to City Hall that hosts a variety of performances each year with traditionally approximately 125 annual events with over 148,000 patrons in attendance.

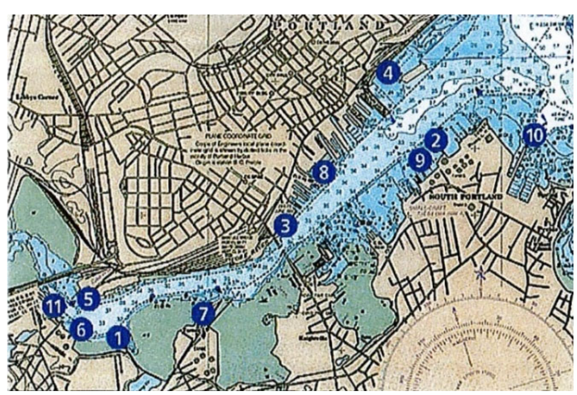
Information Technology

The Information Technology Department ("IT") is comprised of the Advanced Services Team, the Business Applications Team, the Infrastructure Team, and the Service Desk Team. The Advanced Services Team's responsibility is to identify and implement new ways to improve service delivery through IT and new technologies. The Business Applications Team is responsible for the implementation, documentation, and management of business applications used throughout the City and supports the City's line-of-business applications. The Infrastructure Team manages networks, PCs, servers, backups, and disaster recovery while ensuring security and performance. The Service Desk Team provides crucial support to City technology users to ensure smooth and efficient delivery of IT services. The department is budgeted for 19.0 personnel for fiscal year 2026.

THE WATERFRONT

The Port of Portland

The Port of Portland (the "Port") has a diverse economic mix and cargo base of crude and refined petroleum, bulk cargoes such as salt and coal, finished products such as newsprint, tapioca, wood pulp and containerized cargo. The Port has a dredged deep-water channel, excellent berthing for vessels of all sizes and with the largest bascule type bridge in North America with a 196-foot horizontal span that can handle the widest vessels at the upriver terminals. Three transport facilities operate on the Portland Waterfront. The International Marine Terminal ("IMT") is owned by the City but operated by the Maine Port Authority. It is the only international container terminal in northern New England. This facility continues to expand in size and is connected directly to rail service.



The City has a container and cargo facility on the west end of the waterfront and has entered into a management agreement with the State of Maine Port Authority for the State to operate the facility and share revenues with the City. Since 2014, Eimskip USA (the Icelandic Steamship Company) has provided scheduled cargo shipping service at the IMT. The company offers direct transatlantic cargo shipping services between the U.S., Canada and Europe and is planning further expansion of its operations on Portland's waterfront.

Ocean Gateway Marine Passenger Terminal

The Marine Passenger Terminal (the "Ocean Gateway"), in conjunction with the Maine State Pier, provides berthing for cruise ships which consolidates passenger activities at the east end of the Port. Ocean Gateway is an International Marine Passenger Terminal that provides berthing for cruise ships from May through October.

Casco Bay Lines ("CBL") is a quasi-public ferry service that provides transport for island residents and visitors to seven Casco Bay Islands off the coast of Portland and operates year-round from its terminal at the Ocean Gateway. Last year CBL transported 1.1 million passengers, 500,000 pieces of freight and over 36,000 vehicles. The ferry service received a $6 million grant in 2018 from the Federal Transportation Administration ("FTA") to help fund replacement of an aging ferry in its five-vessel fleet. Recently, BDL won a $3.4 million grant from the FTA to fund the third phase of renovations to its Portland Ferry Terminal.

The Portland Pier Authority

The Portland Fish Pier (the "Fish Pier") is a City-owned industrial facility and subdivision that provides berthing to fishing vessels and land lease lots to private and public fishing-related businesses. The Portland Fish Pier Authority, incorporated on August 14, 1989, was formed by the Municipal Officers of the City as a local development corporation to manage and market the Portland Fish Pier for the benefit of the fishing and fishery-related business enterprises and the citizens of the City.

The Portland Fish Pier Authority (the "Fish Pier Authority") establishes rules and regulations for the safe, businesslike operation of the entire Fish Pier, as well as to ensure the Pier continues to support the commercial fishing community. The Portland Fish Exchange (the "Fish Exchange") is an independent city-owned display auction for Maine seafood, concentrating on service to groundfish harvesters (sellers) and processors/distributors (buyers). The "Fish Exchange" is located at #6 Portland Fish Pier and handles as much as 90% of Maine's groundfish harvest. In June 2024, the Fish Pier Authority merged with the Fish Exchange, retaining the name of the *Portland Fish Pier Authority*. The Fish Exchange operates as a unit of the merged organization continuing the important job of landing, auctioning, and distributing groundfish and other seafood products from the Gulf of Maine. The primary purpose of the merger was to bring budgetary stability, transparency, and accountability where a single board of directors oversees an integrated budget for the City's seafood-related enterprises. The 2024 merger recommitted the City of Portland as an active and critical participant in the Maine seafood economy for years to come.

PUBLIC EDUCATION

The City operates its educational program for grades K through 12 and for applied technology education under its own supervision as a School Administrative Unit ("SAU"). Article III of the City's Charter, as amended, provides that the Department of Education for the City be administered by a Board of Public Education (the "School Committee") comprised of nine members. Each of the City's five voting districts elects one School Committee member, with four members being elected by the voters of the City at-large. The School Committee members are elected for three-year staggered terms. The School Committee performs all duties and functions in regard to the care and management of the public schools of the City.

The School Committee prepares and submits its budget to the City Council, which includes it in the budget process. See also "CITY FINANCES - BUDGETARY PROCESS" section herein for review and appropriation of one gross amount for school purposes. This appropriation is expended under the direction and control of the School Committee. The Schools' staff consists of a Superintendent, a Senior Executive Director of Strategy, an Assistant Superintendent of Elementary Schools, an Assistant Superintendent of Secondary Schools, an Executive Director of Human Resources, an Assistant Superintendent of Student, Family & Community Partnerships, a Senior Director of Finance, 35 full time equivalent ("FTE") principals, vice-principals and co-curricular directors, 617 FTE teachers and 724 FTE other staff. The City's school enrollment trends are listed as follows:

	Resident Enrollment, by Grade				Non-	Attending
October 1,	K-5	6-8	9-12	Total	Resident	Enrollment
2025	3,004	1,272	1,970	6,246	NA	6,246
2024	3,105	1,279	2,114	6,498	NA	6,498
2023	2,913	1,376	2,211	6,500	NA	6,500
2022	3,021	1,371	2,086	6,478	NA	6,478
2021	3,033	1,429	2,010	6,472	NA	6,472
2020	3,048	1,430	2,017	6,495	NA	6,795
2019	3,224	1,464	2,060	6,848	NA	6,848
2018	3,135	1,471	2,004	6,610	158	6,768
2017	3,158	1,466	1,988	6,612	153	6,765

SOURCE: State of Maine, Department of Education ("DOE"), "November1 Census of Students Educated at Public Expense".

City's Schools	Grades	Current Capacity	Enrollment (Oct 1, 2025)
Amanda C. Rowe	K – 5	596	468
Cliff Island	K – 5	10	2
East End Community	K – 5	528	375
Harrison Lyseth Elementary	K – 5	577	473
Howard C Reiche Community	K – 5	554	463
Longfellow	K – 5	420	250
Ocean Avenue	K – 5	474	312
Peaks Island	K – 5	85	45
Presumpscot	K – 5	342	245
Gerald E. Talbot Community	K – 5	542	371
King Middle	6 – 8	625	437
Lincoln Middle	6 – 8	600	351
Lyman Moore Middle	6 – 8	750	484
Casco Bay High	9 – 12	322	366
Deering High	9 – 12	1,059	837
Portland High	9 – 12	1,338	767

Portland Arts & Technology High School

Title 20-A, Chapter 313 of the Maine Revised Statutes, as amended, 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 an applied technology center (a "Center") or an applied technology region (a "Region"). A Region is a quasi-municipal corporation established by the Legislature for the delivery of applied technology programs, which is comprised of two or more SAUs and is governed by a cooperative board. A Center is governed by a single

SAU and its obligations are those of the unit. 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 Career Technical Education SAUs ("CTE") are funded through a CTE allocation paid by the State and paid directly to the CTE Region or Center. The CTE funding statute still allows CTEs to assess members if their budget needs exceed the State CTE allocation; and to have cost sharing agreements. Of the 390 student population as of October 1, 2025, 138 are residents of the City and 252 are students from SAUs other than Portland.

LABOR RELATIONS

As of June 30, 2025, the City employed approximately 2,929 FTE employees, including the School Department's 1,343 employees. The following lists the various bargaining units that are represented by a union, and the status of its current contract. City Employees not included in the below table are not represented by unions. The contracts for employees represented by unions are effective and expire:

			Date of Contract	
Union[1]	**Members**	**Bargaining Unit**	**Effective**	**Expiration**
PBA	108	Police Officers	1/1/2025	12/31/2027
PSOBA	28	Police Sergeants, Lieutenants, Captains	1/1/2025	12/31/2027
AFSCME	40	Foreman and Supervisors	7/1/2024	12/31/2026
AFSCME	175	Labor and Trades	7/1/2025	6/30/2027
AFSCME (CEBA)	406	Various Other	7/1/2024	12/31/2026
IAFF Local 740	218	Firefighters	1/1/2024	12/31/2026
Pro-Tech	159	Professionals & Technical	7/1/2025	6/30/2028
CEA/IAFF	27	Dispatchers and Technicians	7/1/2021	6/30/2027
PEA (MEA)	811	Educators	9/1/2025	8/31/2028
ETLF (MEA)	223	Ed Techs and Bilingual Facilitators	9//2024	8/31/2027
BASE (MEA)	208	School Support Staff	7/1/2026	6/30/2029
PAA	35	School Administrators	7/1/2023	6/30/2026

NOTES: [1] "PBA" indicates Police Benevolent Association; "PSOBA" indicates Police Superior Officers Benevolent Association; "AFSCME" indicates the American Federation of State, County and Municipal Employees, affiliated with the American Federation of Labor & Congress of Industrial Organizations (the "AFL-CIO"), of which the respective group is represented as a separate bargaining unit; "Pro-Tech" indicates Professional and Technical Employees Association; "CEBA" indicates the City Employee Benefits association; "IAFF" indicates the International Association of Fire Fighters; "MEA" indicates the Maine Education Association, of which the respective unit is also affiliated, as a separate bargaining unit. "CEA" indicates the Communications Employees Association; The MEA represents three bargaining units, each of which is a separate bargaining unit including: Portland Education Association ("PEA"); Education Tech Language Facilitators ("ETLF"); and Benefit Association of School Employees ("BASE"), Portland Administrators Association ("PAA") is an independent employee association that represents principals and assistant principals.

PORTLAND INTERNATIONAL JETPORT

General

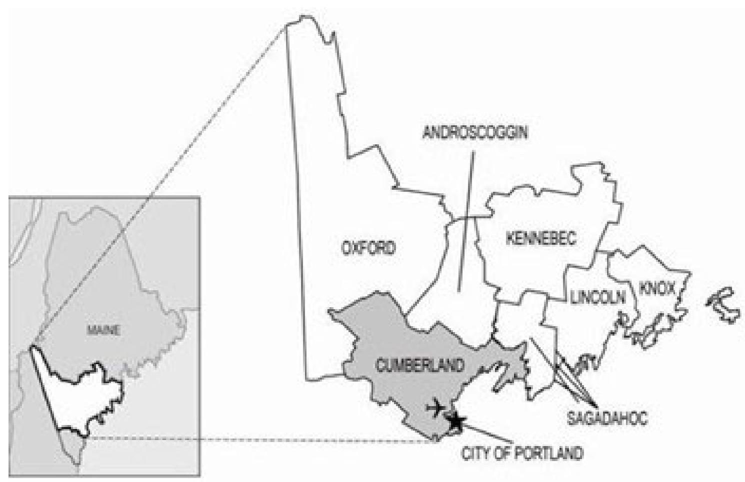
The Jetport is classified as a primary commercial service airport by the Federal Aviation Administration ("FAA") in its National Plan of Integrated Airport Systems; and is further classified as a small hub airport because it enplanes between 0.05 and 0.25 percent of the airline passengers in the United States. The Jetport (FAA designation "PWM" an acronym for Portland-Westbrook-Municipal) occupies approximately 769 acres of land in the City and in the adjacent city of South Portland and is approximately three miles west of Portland's downtown. The Jetport differentiates itself through its customer service and has been recognized for its efforts in this area.

The Jetport has been awarded the Airport Council International Airport Service Quality Awards for Best Airport by Size and Category in North America for nine consecutive years from 2017 through 2025 (in the (less than 2 million Passengers Category from 2017-2018; and 2-5 million Passengers Category from 2019-2025). Additionally in 2026, the Jetport received the 2025 Airport Council International Airport Service Quality Awards for the Most Dedicated Staff in North America and Easiest Airport Journey in North America categories.

The Jetport Campus

The Jetport's Air Trade Area

The Jetport's primary air trade area, within which (i) a majority of originating passengers using the Jetport reside and (ii) comparable alternative facilities are not available within a driving distance of less than 90 miles, is comprised of the seven Maine counties of Androscoggin, Cumberland, Kennebec, Knox, Lincoln, Oxford and Sagadahoc These counties are home to approximately 732,635 people, or approximately 52.1% of the population of Maine.



SOURCE: United States Census Bureau, County Population Totals and Components of Change: 2020-2024, *https://www.census.gov/data/tables/time-series/demo/popest/2020s-counties-total.html.*

Airfield

The Jetport's major airfield facilities consist of two air carrier runways and associated taxiways, which provide access to the air carrier apron to the north and west, the cargo area to the north and east, and general aviation facilities to the east and south. The primary runway, 11/29, is 7,200 feet in length. The secondary runway, 18/36, is 6,100 feet in length and used primarily for crosswind operations.

Jetport Runways

The taxiway system at the Jetport consists of two full-length taxiways parallel to the two air carrier runways and seven exit taxiways. Taxiway A provides full- length access to the holding aprons as well as ingress on the north side of Runway 11/29 and on both ends of Runway 11/29. Taxiway C is a full-length taxiway parallel to the west side of Runway 18/36. The north end of Taxiway C provides ingress and egress to Runway 18. The south end of Taxiway C intersects with and provides an exit to Runway 11/29 as well as provides ingress and egress to Runway 36. Additionally, it connects to the south fixed base operator apron via Taxiways Y and Z. The seven exit taxiways are: Taxiway

B, Taxiway D, Taxiway E, Taxiway F, Taxiway G, Taxiway H, and Taxiway J. Taxiway B also serves as a connector from the south end of Taxiway C and Runway 18/36 to the east end of Runway 11/29.

Terminal

In 2012, the Jetport completed the Terminal Project financed with the Series 2010 (since refunded by the Series 2019 Bonds), a significant renovation and expansion of its passenger terminal complex. The Terminal Project was only the second in the U.S. to achieve LEED gold certification by the U.S. Green Building Council ("USGBC"). The terminal is located near midfield in an east-west orientation on the north side of Runway 11/29 and consists of approximately 300,000 square feet of space, divided into three levels for passenger processing. The passenger terminal contains 14 passenger gates, all of which contain passenger loading bridges. Three loading bridges for gates 11, 12, and 14 are new as of 2025 and gates 3 through7 are getting new passenger loading bridges in 2026. The passenger terminal apron is south of the terminal and provides aircraft parking, access and circulation for air carrier gate positions.

Jetport Campus

Parking Facilities

The parking facilities at the Jetport include a short-term parking area, long-term garage, and long-term surface lot, all located north of the terminal financed in part with the City's $29,165,000 General Airport Revenue Bonds, Series 2003A Bonds (since refunded by its General Airport Revenue Refunding Bonds, Series 2013, and subsequently the Series 2023 Bonds) and the Series 2008 Bonds (since refunded by its Series 2016 Bonds, now being refunded by these Series 2026 Bonds). The parking facilities at the Jetport include a 2,162-space parking garage, a 240-space car rental facility in the garage sublevel, and a 340-space surface lot completed in phases in March 2003 and January 2009. These lots provide a total of 2,502 public parking spaces adjacent to the Jetport terminal. In addition, the Jetport has a 459-space discount public parking lot located approximately two miles west of the terminal that is accessed via Jetport parking shuttle, an overflow and waiting 102-space (cell phone) lot located just north of the long-term garage, and an adjacent 300-space gravel valet parking lot purchased from Toye Airport Park LLC in 2021. Finally, the Jetport has a 456-space employee surface lot west of the terminal.

Other Facilities

Other Jetport facilities include general aviation, cargo, snow removal equipment and maintenance building, airport rescue and firefighting ("ARFF") station and the air traffic control tower ("ATC Tower"). There are two general aviation areas providing aprons, fueling facilities, hangars, and buildings. One general aviation area is located to the north of the terminal and west of Runway 18/36 and the other located to the south of Runway 11/29 and west of Runway 18/36. The cargo area and the maintenance facility are located to the east of Runway 18/36. The ARFF station and ATC Tower are located to the west of Runway 18/36 and the east of the terminal.

PORTLAND PUBLIC LIBRARY

The Portland Public Library (the “Library”) was established in 1867 as the Portland Institute and Public Library, which opened in the City Hall in 1868. As City Hall space became needed for other purposes, James Phinney Baxter donated land and a new building at 619 Congress Street in Portland. The cornerstone of the building was laid on September 9, 1887. On January 26, 1889 the library trustees incorporated as The Portland Public Library, opened on February 21, 1889. In August, 1979, the Library moved to a new 80,000 square foot facility at 5 Monument Square and subsequently underwent an expansion and renovation, completed in 2010. The Baxter Building became part of the former Portland School of Art. The Portland Room contains the Library’s special collections including a sizeable collection of City documents and other important resources documenting Portland’s history. In addition to a Main library, the Library also includes three branch libraries and an annex.

The Library, a 501(c)(3) non-profit organization, is managed by a Board of Trustees which may include up to 21 members who may serve up to three, three-year staggered terms. The Board currently consists of 19 Trustees. The Library is funded largely by City appropriation, supplemented by other public funding from Cumberland County and the State, grants, foundations, and private individuals. For the year ended June 30, 2025, the City provided approximately 81% of the Library’s financial support. The City owns the land and buildings in which the Library operates (except the annex, which the Library owns). The Library’s current collection includes approximately 360,000 volumes. The Portland Public Library is managed by the Executive Director, Associate Director, Marketing Director, Finance Manager, Director of Human Resources, Director of Advancement & External Relations, 143 professional librarians and other regular positions totaling 44 FTEs.

FORMER PORTLAND METROPOLITAN STATISTICAL AREA

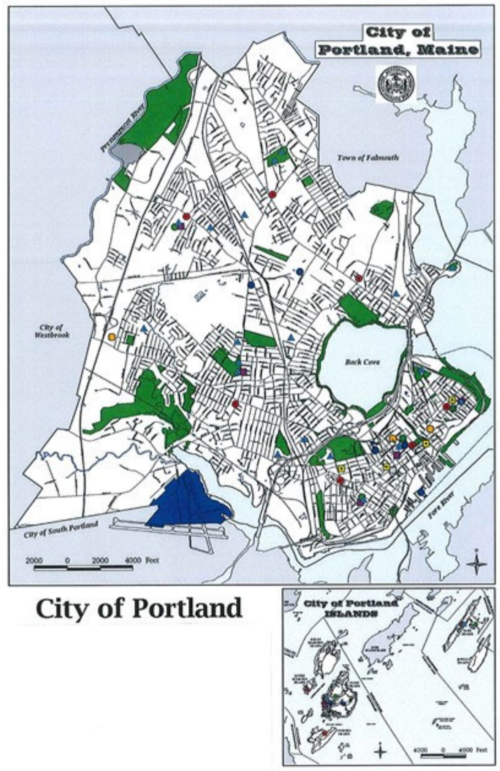
The U.S. Department of Commerce, Bureau of the Census formerly defined a metropolitan statistical area (“MSA”) as an area that includes at least one city with 50,000 or more inhabitants, or a Census Bureau-defined urbanized area (of at least 50,000 inhabitants) and a total metropolitan population of at least 75,000 (in New England). Additional cities and towns were included in the MSA if they meet specified requirements of commuting to the central area and other selected requirements of metropolitan character (such as population density and percent urban). An MSA was also considered a labor market area. The map displays the three cities and 19 towns that comprised the former Portland MSA.

SOURCE: Maine Department of Labor, Labor Market Information Services

Local Economy

Portland is a healthy, vibrant City with diverse sectors driving its economy. It is a major center in northern New England for commerce, finance, arts and entertainment, food and drink, health care, IT, the marine industry, post-secondary education, and tourism. The City is attracting new residents from all over the country and around the world, including an ever-growing creative sector of young entrepreneurs. While Maine is reported to be the state with the oldest people, median age of 44.8 years, Portland’s median age is 37.9, even less than the national median age of 39.2 (all from 2024 US Census).

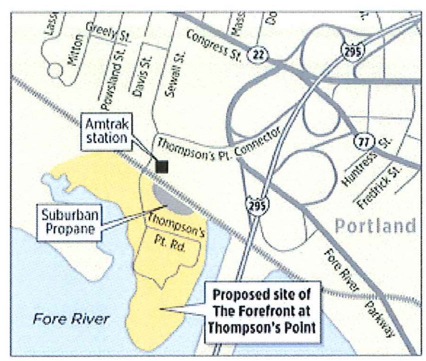
Portland's downtown greatly contributes to the City's reputation as a vibrant center for innovation, arts and culture, dining, shopping, and entertainment. Young professionals, retirees and entrepreneurs of all ages are choosing to move to Portland for these reasons as well as its pedestrian orientation. The Old Port and the Arts District are the two districts that comprise the heart of the downtown.



Portland has two major hospitals: Maine Medical Center ("MMC") and Mercy Hospital. MMC is a teaching hospital and the largest medical facility in northern New England. Also being Portland's largest employer, MMC has recently undertaken an estimated $525 million expansion to modernize and expand the hospital and related campus facilities. Bridging health care and academia, the University of New England ("UNE"). UNE opened the State's first College of Pharmacy in 2009 and graduated its first class of pharmacists in the spring of 2013. UNE opened its College of Dental Medicine on its Portland campus in 2013.

Transportation

The Portland Transportation Center ("PTC") is an intermodal facility in Portland's Libbytown neighborhood, adjacent to Thompson's Point. The PTC hosts Concord Coach Lines and the AMTRAK's Downeaster line that offers passenger rail service to various Maine communities. Concord provides bus service to Boston, Logan Airport and various Maine locations as far north as Orono, the home of the flagship University of Maine campus and daily direct trips to New York City.



Northern New England Passenger Rail Authority ("NNEPRA") Board of Directors, a seven-member board appointed by the Governor of Maine, governs the Amtrak Downeaster, managing its operations, marketing, and planning. In 2019, the NNERPA Board supported a proposal to relocate the Amtrak station to a location near Portland's original Union Station, on St. John Street. Officials are currently evaluating three potential sites in that area but while these options are being debated, no final vote or specific timeline for construction, if any, has been decided.

Greater Portland Transit District

The City participates in the Greater Portland Transit District ("GPTD"), a municipal transit district incorporated June 24, 1966 in accordance with the provisions of Title 30-A, Chapter 163, of the Maine State Statutes, as amended. The GPTD currently operates a public passenger bus service throughout the cities of Portland, South Portland and Westbrook, and the towns of Falmouth, Freeport, Gorham, Yarmouth and Brunswick. The membership of the GPTD is composed of the cities of Portland, South Portland and

Westbrook, and the towns of Falmouth and, effective January 1, 2020, Freeport, Yarmouth and Brunswick, effective March 2024 Gorham, and effective December 2024 South Portland (the "Members"). The Board of Directors currently consists of 19 directors appointed the Member communities. The GPTD is economically dependent upon grants from the Federal Transit Administration and subsidies from its Members. Except for each Member's allocable share of bonds payable, which are repaid through Member assessments, no Member has any obligation or entitlement and the City's share of any residual interest has not been determined. Each year the GPTD delivers an annual operating deficit assessment (including that year's debt service) to each Member municipality. If a Member withdraws, it is still responsible for its allocable share of outstanding long-term debt.

Professional Sports

In 2024, the Sports Business Journal named Portland to be the #1 Minor League Sports Market in the US. Portland is home to: the Portland Sea Dogs, a Double-A affiliate of the MLB's Boston Red Sox; the Maine Celtics, a G-League affiliate of the NBA's Boston Celtics; the Maine Mariners affiliate of the NHL's Boston Bruins; and the Maine Hearts of Pine, a United Soccer League expansion team.

Commercial Center

Retail Sales by Product Group and Consumer Sales,
by Calendar Year ($/000)

	Business/ Operating	Building Supply	Food Store	General Mdse.	Other Retail	Auto/ Transp.	Rest. & Lodging	Group Total	Consumer Sales
2025	258,592	414,125	214,477	182,187	222,582	430,330	674,950	2,397,244	2,138,651
2024	240,994	444,470	209,001	181,914	221,892	427,388	658,208	2,383,867	2,142,872
2023	245,131	450,490	216,554	180,777	227,863	394,110	641,463	2,356,387	2,111,256
2022	234,254	440,898	221,186	189,954	223,587	360,144	597,831	2,267,855	2,033,601
2021	210,440	384,354	217,538	178,652	215,950	357,708	488,213	2,052,855	1,842,415
2020	171,771	322,334	202,008	135,586	173,442	265,649	279,357	1,550,146	1,378,376
2019	193,920	273,044	207,841	144,640	170,376	296,502	528,136	1,814,459	1,620,539
2018	184,957	274,124	197,784	135,427	158,830	304,716	502,847	1,758,684	1,573,727
2017	176,976	262,607	186,900	130,658	160,654	286,226	483,295	1,687,316	1,510,340
2016	173,895	254,344	174,345	128,625	162,235	278,584	467,074	1,639,102	1,465,208

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

Building Permits

Fiscal Year	Commercial		Residential		Totals	
	Units	Est. Cost	Units	Est. Cost	Permits	Est. Cost
2025	30	$384,730,418	37	$16,658,231	67	$401,388,649
2024	15	84,278,597	33	15,979,965	48	100,258,562
2023	21	108,058,573	27	16,400,361	48	124,458,934
2022	26	181,187,447	19	8,716,300	45	189,903,747
2021	25	127,118,280	41	67,753,051	66	194,871,331
2020	26	121,309,861	50	12,854,100	76	134,163,961
2019	26	136,059,446	28	10,175,500	54	146,234,946
2018	28	48,188,657	29	9,651,892	57	57,840,549
2017	25	108,189,915	32	9,025,876	57	117,215,791
2016	19	61,609,651	24	14,415,925	43	76,025,576

The Roux Institute

David and Barbara Roux founded the Initiative for Digital Engineering and Life Sciences ("IDEALS") in 2018. IDEALS announced the development of the Roux Institute (the "Institute"), a graduate campus and research center affiliated with Northeastern University and located in Portland, on January 27, 2020. The Institute is currently located in the WEX Inc. headquarters at 100 Fore Street in downtown Portland. In August 2021 IDEALS purchased the former Burnham & Morrill site at One Beanpot Circle for a permanent home for the Institute and a new 13.5-acre campus is under construction at the site, which is anticipated to open in 2027. The approved site plan calls for a 238,000 square foot academic building, a parking garage and a childcare facility. It is expected that the Institute will build up to 250 student housing units in the first five years, and up to 650 units within two decades.

Proposed Campus Site Plan

Roux's inaugural class began with an initial class of 10 students graduated in 2021 and a second class completed the three-month program in December 2021. The Institute offers graduate and certification programs geared towards artificial intelligence and machine learning. The Institute partners with Maine companies to equip the workforce with essential tech skills to advance research and development along with direct assistance to business startups and entrepreneurs. Roux Institute aims to establish an innovation corridor stretching from Boston to Portland. The location in Portland aligns with the State Governor's goal of transforming Portland into a technology hub as the State works to attract new businesses and retrain its workforce for more technology-focused jobs.

Rendition of the Facility

Representative Employers

Employers	Business	Approximate # Employees	% of Total City Employment
Maine Medical Center	Medical Facility	9,610	24.1%
UNUM/Provident Corporation	Insurance	2,685	6.7%
Northern Light/Mercy Hospital	Medical Facility	1,416	3.5%
TD Bank	Commercial Bank	1,021	2.6%
Martins Point Healthcare	Medical Facility	770	1.9%
WEX, Inc.	Financial Transactions	742	1.8%
UNE	College	553	1.4%
Portland Seadogs	Double A affiliate Boston Red Sox	353	0.9%
Tyson Foods	Frozen Food Manufacturer	343	0.9%
Hannaford	Groceries Supermarket	340	0.9%

Commuter Patterns

Commuter Patterns

Portland Residents who work in:	Number of Workers	% Portland Workers	Portland Workers who live in:	Number of Workers	% Portland Workforce
Portland	22,088	61.17%	Portland	22,088	35.46%
South Portland	3,728	10.32%	South Portland	4,693	7.53%
Westbrook	1,774	4.91%	Scarborough	3,088	4.96%
Scarborough	1,679	4.65%	Westbrook	3,056	4.91%
Falmouth	1,059	2.93%	Gorham	2,813	4.52%
Gorham	569	1.58%	Windham	2,757	4.43%
Freeport	463	1.28%	Falmouth	2,168	3.48%
Brunswick	350	0.97%	Saco	1,674	2.69%
Biddeford	320	0.89%	Cape Elizabeth	1,575	2.53%
Cape Elizabeth	304	0.84%	Biddeford	1,490	2.39%
Windham	297	0.82%	Cumberland	1,419	2.28%
Yarmouth	272	0.75%	Standish	1,368	2.20%
Lewiston	255	0.71%	Yarmouth	1,352	2.17%
Saco	234	0.65%	Buxton	1,216	1.95%
Bath	202	0.56%	Gray	990	1.59%
Auburn	172	0.48%	Freeport	765	1.23%
Sanford	170	0.47%	Brunswick	741	1.19%
New Gloucester	142	0.39%	Old Orchard Beach	678	1.09%
Augusta	130	0.36%	Raymond	675	1.08%
Cumberland	113	0.31%	North Yarmouth	673	1.08%
Boston	95	0.26%	Hollis	617	0.99%
Gray	90	0.25%	Lewiston	569	0.91%
Casco	64	0.18%	Auburn	530	0.85%
Old Orchard Beach	59	0.16%	New Gloucester	501	0.80%
Buxton	58	0.16%	Kennebunk	468	0.75%
Topsham	54	0.15%	Limington	422	0.68%
Bridgton	53	0.15%	Waterboro	415	0.67%
Kennebunk	52	0.14%	Naples	338	0.54%
Gardiner	51	0.14%	Topsham	310	0.50%
Wells	44	0.12%	Sanford	298	0.48%
Harpswell	40	0.11%	Casco	265	0.43%
George	39	0.11%	Durham	257	0.41%
Naples	38	0.11%	Poland	239	0.38%
Manchester	36	0.10%	Bowdoin	217	0.35%
Bangor	34	0.09%	Lyman	212	0.34%
Norway	33	0.09%	Arundel	207	0.33%
Hollis	33	0.09%	Wells	199	0.32%
North Berwick	32	0.09%	Lisbon	198	0.32%
Durham	31	0.09%	Pownal	169	0.27%
Paris	29	0.08%	Dayton	164	0.26%
Ogunquit	29	0.08%	Limerick	151	0.24%
Kennebunkport	28	0.08%	Bridgton	143	0.23%
North Yarmouth	27	0.07%	Kennebunkport	124	0.20%
All Other	740	2.05%	All Other	4,340	6.97%
Total Workers	**36,110**	**100.00%**	**Total Commuters**	**62,292**	**100.00%**

SOURCE: State of Maine, Department of Labor, Labor Market Information Services; U.S. Department of Commerce, Bureau of Census, 2020 Census.

DEMOGRAPHIC CHARACTERISTICS

Population	City of Portland	% Change from Prior Census City	State	USA
1980	61,572	(5.4)	13.4	11.4
1990	64,358	4.5	9.2	9.8
2000	64,249	(0.3)	3.8	13.2
2010	66,194	3.0	4.2	8.9
2020	68,427	3.4	1.2	6.3

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

Population Characteristics	City of Portland	Cumberland County	State of Maine	USA
Median age (years)	36.8	42.2	44.7	38.1
% under 5 years	4.8%	4.4%	4.7%	6.0%
% under 18 years	15.4%	18.3%	18.5%	22.3%
% 65 and over	15.4%	19.0%	21.2%	16.5%
Persons/household	2.10	2.32	2.29	2.62

Income	City of Portland	Cumberland County	State of Maine	USA
Median household income	$61,695	$76,014	$59,489	$64,994
% below poverty level	13.9%	8.6%	10.6%	11.4%
Per capita income	$38.682	$41,822	$33,774	$35,384

Housing	City of Portland	Cumberland County	State of Maine	USA
% Owner occupied	45.2%	70.0%	72.9%	64.4%
Owner occupied med. value	$302,700	$288,800	$198,000	$229,800
Median gross rent	$1,204	$1,193	$873	$1,096
Households	30,796	123,384	569,551	-

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

Unemployment	City of Portland	Cumberland County	State of Maine	USA
2025	2.9%	2.7%	3.4%	4.3%
2024	2.6	2.5	3.1	4.0
2023	2.6	2.4	2.9	3.6
2022	2.4	2.4	3.0	3.5
2021	4.6	4.0	4.6	5.3
2020	6.3	5.3	5.4	8.1
2019	2.3	2.4	3.0	3.7
2018	2.6	2.7	3.4	3.9
2017	2.5	2.5	3.3	4.4
2016	2.8	2.9	3.9	4.9

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

CITY FINANCES

BUDGETARY PROCESS

Article VII of the City's Charter provides for a budget process. The fiscal year (or "budget year") of the City begins on the first day of July and ends on the thirtieth day of June of the following year. The Charter provides that the City Manager submit a budget to the Council not later than two months before the end of the fiscal year. An accurate summary of the budget is available upon submission. The Council holds a public hearing before its subsequent final passage of the appropriation resolve ("Appropriation Resolve" or "Resolve"). The Charter further provides that the annual Appropriation Resolve for the next fiscal year be on or before the last day of the twelfth month of the fiscal year currently ending. If the Council fails to adopt said Resolve by this date, the Charter directs the City Council to make appropriation for current departmental expenses, chargeable to the appropriation for the year, when passed, to an amount sufficient to cover the necessary expenses of the various departments until the annual Appropriation Resolve is in force. If the Appropriation Resolve establishes a property tax levy that exceeds the Property Tax Levy Limit, then the excess of the appropriation must be approved in a separate article by a majority of the entire City Council (i.e., a "super majority"). The Property Tax Levy Limit of one year may not exceed the Property Tax Levy Limit from the prior year by more than a specified Growth Limitation Factor (see "THE BONDS – SOURCE OF PAYMENT AND REMEDIES - Limitation on Municipal Property Tax" herein). The school budget is voted on by the School Board, then presented to the City Council at a Budget Meeting and is then subject to referendum by the voters of the City through a Budget Validation process. Upon adoption of the budget, a property tax levy is then established by the City Assessor. The following table sets forth the City's General Fund's budgets for the City for the last four and the current fiscal year:

General Fund Budgets for Fiscal Year Ending June 30,

	2023	2024	2025	2026	2027
Revenues					
Taxes	$204,642,677	$218,076,398	$229,638,332	$247,380,975	$258,793,568
Licenses and Permits	7,079,950	7,285,573	7,430,794	8,619,540	9,797,172
Fines, Forfeits and Penalties	1,966,254	2,085,204	2,396,804	2,587,135	2,620,635
Use of Money and Property	10,882,236	13,056,181	17,230,269	18,291,950	19,005,077
Intergovernmental	64,392,196	40,700,479	33,937,410	21,959,353	23,026,434
Current Services	38,696,672	40,723,175	43,475,199	48,353,619	49,295,995
School	22,395,227	24,234,292	25,386,487	29,941,358	26,188,767
Other	2,219,545	3,487,041	6,392,174	2,346,509	3,998,177
Interdepartmental	40,943,694	44,626,182	51,128,413	53,937,077	43,714,676
Fund Balance	2,035,390	4,376,204	7,882,780	8,800,000	4,000,000
Transfers from (to) Other Funds	0	0	0	0	0
Total Revenues	$395,253,841	$398,650,729	$424,898,662	$442,217,516	$440,440,501
Expenditures					
General Government	$34,317,877	$38,651,754	$41,344,890	$43,648,125	$45,720,858
Public Safety	37,354,968	40,617,932	45,424,293	48,139,003	53,223,165
Public Works	16,313,403	17,075,683	18,487,119	18,874,176	20,224,052
Health and Social Services	80,463,404	55,239,085	53,287,772	51,828,317	47,834,854
Public Library	4,312,969	4,528,618	4,891,900	5,136,495	5,393,315
Education	126,407,899	136,777,421	148,471,891	157,167,337	161,630,013
Pension and Insurance	31,857,739	35,563,304	39,221,281	43,501,676	51,371,194
Other	11,678,588	15,600,454	13,456,916	13,023,003	15,014,206
Debt Service	52,546,994	54,596,478	60,312,600	60,899,384	40,028,844
Total Expenditures	$395,253,841	$398,650,729	$424,898,662	$442,217,516	$440,440,501

CAPITAL IMPROVEMENT PROGRAM

Article VI, Section 5(i) of the City Charter requires the City Manager to prepare a one-year plan of specific projects and costs; and a two-to-five-year plan of specific projects, costs and proposed funding sources for its capital improvement plan ("CIP"). The CIP is a five-year financing and construction/acquisition plan for public improvement projects that require significant financial investment by the City. The CIP represents a balance between maintaining the City's existing assets and investing in new assets to support the City's growth, as well as ensuring that investments are made in accordance with the community's priorities.

The City's CIP and Comprehensive Plan, which includes an inventory of possible capital projects some of which may ultimately be included in its CIP, are an indication of projects which may be financed through the issuance of indebtedness. The issuance of debt, however, is subject to the review and approval of the City Council and, above a certain threshold, by voter referendum approval (see "THE BONDS – AUTHORIZATION AND PURPOSE – City Debt Referendum Requirement" herein). A link to the City's current CIP is available at *https://content.civicplus.com/api/assets/f7378170-cc86-42e6-9e5e-c656c9196205?cache=1800*

INVESTMENT POLICY

The City adopted and has followed a formal Investment Policy since January 5, 1995, most recently amended on August 6, 2014. Pursuant to the Investment Policy, and under applicable Maine law [Title 30-A, Section 5706 et seq. of the Maine Revised Statutes, as amended (the "Act")], all investments of the City must be made with the judgment and care that persons of prudence, discretion and intelligence, under circumstances then prevailing, exercise in the management of their own affairs, not for speculation but for investment considering (i) safety of principal and maintenance of capital, (ii) maintenance of sufficient liquidity to meet all operating and cash requirements with which a fund is charged, that is reasonably expected, and (iii) return of income commensurate with avoidance of unreasonable risk. Under the Act, the City's investment practice is to maintain a cash and investment pool that is available for use by all funds and consists of short-term investments. The City is 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 POLICY

The City has a strong fund balance policy, which aligns with municipal government best practices. The purpose of the policy is to establish a target level of fund balance for the General Fund and to establish a process and criteria for the continued evaluation of that target level as conditions warrant. The policy also establishes a process for reaching and maintaining the targeted level of unassigned fund balance, and the priority for the use of amounts in excess of the target. Finally, the policy provides a mechanism for monitoring and reporting the City's General Fund balance. The policy applies only to the General Fund and the goal of the City is to achieve and maintain unassigned fund balance at 16.66% of General Fund expenditures (two months of expenditures) measured on a Generally Accepted Accounting Principles ("GAAP") basis. It is an unassigned General Fund balance will be equal to at least 16.66% of expenditures. This policy aligns with guidance from the Government Finance Officers Association ("GFOA"). In 2023 the policy was supplemented with the addition of *"...recommends, at a minimum, that general-purpose governments, regardless of size, maintain unrestricted budgetary fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures."*

Pursuant to Maine Statue, related to establishing reserves, any audited increase in unassigned General Fund balance from one fiscal year to the next will cause 25% to be transferred to a Tax Rate Stabilization account. Statue allows this type of account to, "…be applied in periods of financial emergency to assist in continuing its normal operation without increasing the tax rate." Balances in the Tax Rate Stabilization account are included in the calculation of the 16.66% goal. The following table displays fund balance results over the last five audited fiscal years under its policy:

	Fiscal Year Ended June 30,				
	2021	**2022**	**2023**	**2024**	**2025**
Assigned and Unassigned General Fund Balances	$80,920,315	$83,535,142	$99,718,175	$101,524,824	$89,265,805
Next Year's Budgeted Expenditures	338,611,584	401,916,909	405,683,651	430,472,538	447,851,153
Assigned and Unassigned General Fund Balances as % Expenditures	23.90%	27.93%	24.58%	23.58%	19.93%

Fund Balance as % Total General Fund Revenues

	Fiscal Year Ended June 30,				
	2021	**2022**	**2023**	**2024**	**2025**
Assigned and Unassigned General Fund Balance	$80,920,315	$83,535,142	$99,718,175	$101,524,824	$89,265,805
Total Revenues (Current Year)	303,476,586	336,456,939	360,858,683	381,213,174	386,000,982
Assigned and Unassigned General Fund Balance as % Revenues	26.66%	24.83%	27.63%	26.63%	23.13%
Unassigned General Fund Balance	$57,566,129	$66,209,579	$69,588,138	$77,632,678	74,762,896
Total Revenues (Current Year)	303,476,586	336,456,939	360,858,683	381,213,174	286,000,892
Unassigned General Fund Balance as % Revenues	18.97%	19.68%	19.28%	20.36%.	19.35%

FINANCIAL STATEMENTS

Title 30-A, Chapter 223, Subchapter VIII of the Maine Revised Statutes, as amended, and Article VII, Section 1 of the City Charter provide for independent annual audits of the City's accounts and establishes procedures for such audits. The City, in conformance with this statute and its Charter engaged the services of CBIZ CPAs P.C. ("CBIZ"), of Merrimack, New Hampshire for its 2025 ACFR. The City's fiscal year 2025 Financial Statements, audited by CBIZ, are presented as APPENDIX A to this Official Statement. The City has not requested the consent of CBIZ for the incorporation of the Financial Statements included in APPENDIX A, nor has it been received.

For the 32nd consecutive year the Government Finance Officers Association (the "GFOA") awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the City for its Annual Comprehensive Financial Report ("ACFR") for the fiscal year ended June 30, 2024.

FUNDS

The accounts of the City are organized on the basis of funds and 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 that comprise its assets, liabilities, fund balance/retained earnings, revenues and expenditures/expenses. The various funds and fund types are summarized by type in the financial statements.

The City reports the following major **Governmental Funds**: The *General Fund* is the primary operating fund and accounts for all financial resources of the general government, except those required to be accounted for in another fund. The *Debt Service Fund* accounts for the servicing of general long-term debt not being financed by proprietary or nonexpendable trust funds. *Capital Project Funds* account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

The City reports the following major **Proprietary Funds**: The *Jetport Fund* accounts for the operation of the local airport, which serves the southwestern part of the State; its revenue produced primarily through contracts and leases and is one of the largest (by passenger volume) facilities in Northern New England. The principal function of the *Sewer Fund* is to account for the sewer services provided to the City residents and business establishments. The Portland Water District owns and operates the filtration plant for which the Sewer Fund pays a monthly fee; the City owns and maintains the infrastructure sewer lines and is responsible for the costs of maintenance, improvements and expansion. All users of the system pay monthly or quarterly fees, based upon water volume, to support the expenditures of the fund. The *Stormwater Fund* accounts for the maintaining and repairing the storm water drainage system. The *Fish Pier Authority Enterprise Fund*, a blended component unit, provides management services for the City's Fish Pier to make the provision of services to fishing vessels and the operation of the public fish auction possible. The operations of the Fish Pier Authority consist primarily of lease revenue and maintenance expenses. The *Portland Development Corporation*, a blended component unit, is a local development corporation organized by the City to implement and administer its economic development programs which operations consisting primarily of management of economic development loan programs and the acquisition, development and sale of real estate.

Fiduciary Funds account for assets held by the City in a trustee capacity or as an agent on behalf of others. The City's fiduciary funds include *Agency funds*, custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. The funds are used to account for assets that the City holds for others in an agency capacity

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

	2025	2024	2023	2022	2021
ASSETS					
Cash and equivalents	$115,266,598	$103,794,522	$84,122,728	$91,935,901	$108,174,520
Investments	27,405,079	26,291,008	17,624,175	3,979,122	4,365,448
Taxes receivable	4,144,251	3,628,608	3,142,741	3,077,892	3,133,203
Accounts receivable	10,369,277	8,429,542	7,311,471	8,167,324	7,437,267
Allowance for uncollectible	(4,214,243)	(513,792)	(782,364)	(981,741)	(824,651)
Due from other governments	5,919,914	5,915,839	17,913,343	14,408,114	5,733,681
Leases receivable	7,284,064	5,222,210	6,015,997	6,722,299	0
Inter-funds receivable	3,138,551	9,300,382	9,468,812	8,193,494	12,577,692
Inventories	1,496,783	1,380,158	954,230	905,707	834,077
Other	15,131,336	157,982	346,184	106,273	140,248
TOTAL ASSETS	185,941,610	163,606,459	146,117,317	136,514,385	141,571,486
LIABILITIES					
Accounts payable	20,123,676	9,884,948	6,940,159	7,336,699	5,372,296
Accrued liabilities	20,120,201	17,856,443	15,911,524	20,518,292	21,777,906
Claims and judgments	1,967,921	1,803,926	2,127,880	1,464,615	1,143,048
Unearned revenue	537,311	910,786	1,284,378	4,812,179	23,239,080
TOTAL LIABILITIES	42,749,109	30,456,103	26,263,941	34,131,785	51,532,330
DEFERRED INFLOWS					
Deferred revenue	10,803,886	8,781,810	9,424,522	10,283,795	2,900,123
TOTAL DEFERRED INFLOWS	10,803,886	8,781,810	9,424,522	10,283,795	2,900,123
FUND BALANCE					
Non-spendable	1,628,119	1,538,140	1,300,415	1,011,980	974,325
Restricted	360,236	360,236	360,236	360,236	343,909
Committed	41,134,455	20,945,346	9,050,029	7,191,447	4,900,484
Assigned	14,592,909	23,892,146	30,130,037	17,325,563	23,354,186
Unassigned	74,672,896	77,632,678	69,588,138	66,209,579	57,566,129
TOTAL FUND BALANCE	132,388,615	124,368,546	110,428,854	92,098,804	87,139,033
TOTAL LIABILITIES AND FUND BALANCE	$185,941,610	$163,606,459	$146,117,317	$136,514,385	$141,571,486

Prepared from Audited Financial Statements.

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

	2025	2024	2023	2022	2021
REVENUES					
Property taxes	$216,958,806	$207,030,249	$193,467,208	$182,245,985	$183,818,463
Excise taxes	14,239,769	13,417,084	12,576,674	11,922,198	12,120,475
Licenses and permits	13,094,035	8,320,247	9,902,490	9,247,452	7,352,278
Fines, forfeits and penalties	2,741,251	2,298,904	2,327,049	2,201,264	1,979,783
Uses of money and property	14,009,333	12,840,084	14,981,100	10,721,754	7,307,561
Investment income	6,838,685	6,595,524			
Intergovernmental	76,775,923	93,327,885	91,333,523	85,235,191	56,190,689
Current services	41,208,090	37,383,197	35,871,271	34,864,188	34,267,610
Other	135,000	0	399,367	18,908	439,727
TOTAL REVENUES	386,000,892	381,213,174	360,858,683	336,456,939	303,476,586
EXPENDITURES					
General government	33,072,471	30,185,659	27,556,558	23,774,055	21,214,425
Public safety	42,403,919	38,953,604	35,070,898	36,216,857	31,967,923
Public services	17,454,050	14,004,942	13,795,765	12,423,324	10,961,045
Health and social services	35,671,390	44,116,542	50,408,385	50,808,643	34,743,102
Public library	5,054,281	4,207,925	5,099,489	4,387,116	3,442,123
Education	143,319,925	136,876,623	126,065,812	117,461,739	109,474,136
Transportation	3,092,221				
Pension and insurance	35,227,247	29,783,558	28,344,880	27,769,097	27,075,996
Other	10,519,611	16,422,537	13,506,757	11,994,554	11,817,335
Debt service	42,869,162	42,590,952	40,495,524	41,037,892	34,217,246
Capital outlay	685,875	552,471	146,621	32,442,433	610,242
TOTAL EXPENDITURES	369,370,152	357,694,813	340,490,689	358,315,711	285,523,573
EXCESS (DEFICIENCY) OF OPERATING REVENUES	16,630,740	23,518,361	20,367,994	(21,858,772)	17,953,013
OTHER SOURCES (USES)					
Capital leases	0	0	0	31,501,944	0
Sale of city property	173,595	551,286	209,163	1,051,481	297,781
Transfer in	1,343,929	435,217	2,343,305	2,210,653	826,441
Transfer out	(10,128,195)	(10,565,174)	(4,590,412)	(7,945,534)	(12,939,527)
TOTAL OTHER SOURCES (USES)	(8,610,671)	(9,578,671)	(2,037,944)	26,818,544	(11,815,305)
EXCESS (DEFICIENCY) REVENUES/ EARNINGS OVER EXPENDITURES/OTHER USES	8,020,069	13,939,692	18,330,050	4,959,772	6,137,708
BEGINNING FUND BALANCE	124,368,546	110,428,854	92,098,804	87,139,033	81,001,324
ENDING FUND BALANCE	$132,388,615	$124,368,546	$110,428,854	$92,098,804	$87,139,033

Prepared from Audited Financial Statements.

PROPERTY TAXATION

The principal tax of the City is the tax on real and personal property. A single tax applies for each fiscal year to the assessed value of the taxable real or personal property. The City's Tax Collector receives the tax commitment from the City Assessor, with assessed values as of April 1 of each year, after which time the tax bills are mailed. For fiscal 2025/2026 the tax due dates are October 17, 2025 and March 20, 2026. All taxes paid after the due date will be subject to interest, established by the City pursuant to Title 36, Section 505(4) of the Maine Revised Statutes, as amended, currently at the rate of 8.00% per annum, as set by the City.

Real Estate Tax

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

Business Equipment Tax Exemption Tax

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

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

1. Basic reimbursement formula - For all municipalities in the first year after the exemption, and for a majority of the municipalities thereafter, the reimbursement would be 100% for the lost property taxes in the first tax year after the exemption takes effect (i.e., 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 May 1, 2008 entitle a municipality to receive reimbursement at a rate of up to 100% for exempt business equipment that is TIF exempt business equipment as defined in Title 36, Section 691(1)(G) of the Maine Revised Statutes, as amended. The increased reimbursement percentage is based on the tax increment percentage allocated to the municipality, as provided in Title 36, Section 694(2)(C) of the Maine Revised Statutes, as amended

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

Calendar Year	BETE Exempt Value
2025	$501,997,440
2024	480,201,080
2023	431,420,280
2022	381,132,120
2021	253,325,290
2020	203,681,900
2019	169,717,830
2018	173,017,850

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

Largest Taxpayers

		Fiscal Year ended June 30, 2025		
Tax Payer	Business	Assessed Value	Tax Levy	% Tax Levy
UNUM	Insurance	$206,049,660	$3,092,805	1.36%
Northern Utilities/UNITIL	Utility	189,706,614	$2,847,496	1.25%
Central Maine Power (CMP)	Utility	141,873,813	$2,129,526	0.94%
JB Brown & Sons	Real Estate	93,345,940	$1,401,123	0.62%
North River IV, LLC	Real Estate	73,027,800	$1,096,147	0.48%
PVA Limited Partnership	Real Estate	62,526,380	$938,521	0.41%
One City Center Associates, LLC	Real Estate	57,834,650	$868,098	0.38%
RB Portland, LLC	Hospitality	57,001,100	$855,587	0.38%
Albany Road-Portland, LLC	Real Estate	45,000,000	$675,450	0.30%
Lafayette Portland LLC	Apartments	39,923,200	$599,247	0.26%
Top Ten Taxpayers		**$966,289,157**	**$14,504,000**	**6.38%**
Total assessed value of FY25 tax roll:		$15,144,457,695	$227,318,310	101.83%

Tax Levy and Collections

Fiscal Yr. End June 30,	Equalized State Valuation (000)	Local Assessed Valuation (000)	Tax Rate (000)	Tax Levy (000)	Collections (after Supplements and Abatements) Year End (000)	% of Levy	% of Levy A/O 06/30/25
2026	$20,280,650	$20,099,365	$11.98	$243,152	---- In Process ---		
2025	18,568,850	15,148,749	15.01	227,395	$225,203	99.04%	99.04%
2024	16,487,050	14,872,866	14.41	214,588	212,011	98.80	99.57
2023	14,790,100	14,641,408	13.61	199,270	197,690	99.21	99.70
2022	12,095,550	14,621,612	12.99	189,927	188,218	99.10	99.45
2021	11,149,300	8,070,000	23.31	187,343	185,792	99.17	99.37
2020	10,507,000	7,936,155	23.31	194,992	178,586	96.54	99.21
2019	9,687,850	7,849,594	22.48	176,459	174,971	99.16	99.65
2018	9,049,500	7,761,185	21.65	168,030	166,648	99.18	99.88
2017	8,501,550	7,691,575	21.11	162,368	160,557	98.88	99.67
2016	7,996,350	7,691,357	20.63	158,673	156,930	98.90	99.54

TAX INCREMENT FINANCING DISTRICTS AND AFFORDABLE HOUSING DEVELOPMENT DISTRICTS

Chapter 206 and former (now repealed) Chapter 207 of Title 30-A of the Maine Revised Statutes, as amended, enables a municipality to finance qualified development by borrowing against the future increased property tax receipts attributable to that development. Under the statutory framework, the municipality designates a tax increment financing ("TIF") district or an affordable housing development district (a "housing district") for a period of up to 30 years and adopts a development program (the "Development Program") stating the means and objectives for the development of that district. The municipality may designate, or "capture", all or a portion of the increase in assessed value resulting from development within the district and dedicates the increased property taxes it receives in future years generated by the "captured" assessed value to payment of the costs of the Development Program, which may include debt service on borrowing to fund such costs. Such districts are subject to statutory limits on their size, including the following limitations: (a) the total area of a single district may not exceed 2% of the total acreage of the municipality, (b) the total area of all TIF districts or housing districts within a municipality each may not exceed 5% of the total acreage of the municipality, and (c) the aggregate original assessed value of all TIF districts and the aggregate original assessed value of all housing districts within the municipality as of the April 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 or TIF districts that consist solely of one or more community wind power generation facilities owned by a community wind power generator that has been certified by the Public Utilities Commission pursuant to Title 35-A, Section 3403, Subsection 3 of the Maine Revised Statutes, as amended.

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

The City has designated various tax increment financing districts and may consider proposals for other districts on an ongoing basis. All districts will be evaluated based upon the City's comprehensive plan for economic development, which includes tax increment financing as one of its aspects. In no event will the City's 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.

REVENUES FROM THE STATE

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

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

Fiscal Yr. End June 30,	State Revenue Sharing	State School Subsidy	General Assistance (Reimbursements)	Other State	Total From State
2025	$11,685,603	$41,630,009	$3,803,947	$6,268,846	$63,388,405
2024	11,236,531	52,287,173	18,930,422	6,099,697	88,553,823
2023	13,592,035	40,170,690	31,434,989	5,175,979	90,373,692
2022	12,204,285	38,280,719	23,860,474	5,224,929	79,570,407
2021	8,408,319	40,550,801	13,090,999	5,249,454	67,298,673

INDEBTEDNESS

LIMITATIONS AND EXCLUSIONS

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

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

The City's 2026 equalized state valuation ("equalized State Valuation") is $20,280,650,000. The 15% debt limit is $3,042,097,500. As of June 30, 2025 the City's total long-term general obligation debt outstanding was $294,202,999, or 1.45% of its 2026 equalized State Valuation.

Debt Management Policy

On October 6, 2011 the City Council instituted a formal Debt Management Policy for use in guiding financing decisions and to manage debt levels by evaluating the need for capital investment against the capacity to pay for financing to meet the needs of the City. The Debt Management Policy replaced the City's *Resolution Limiting City Long-Term Debt*, established and followed since January 2002. The primary focus of the policy is to measure debt secured by the full faith and credit of the City for which such debt service is supported with the goal being to equip the City Council, administration and taxpayers with guidelines and information that can inform good decisions on borrowing money to accomplish the fiscal and operational mission of the City. The City's CIP includes projections for replacement of assets as well as anticipating investment in new assets that may be needed and is updated periodically to reflect additions, deletions and other changes in assets or circumstances.

Borrowing capacity is evaluated first by the Governing Principles, and then using a number of factors, specifically:

- *Demand*, measured by the needs presented by the Capital Plan;
- *Capacity,* evaluated by annual debt service levels, market conditions, economic conditions and opportunities of low interest financing programs, debt service reimbursement, grant opportunities or other situations beneficial to the City;
- *Affordability* as to the fiscal impact including budgetary impact and tax impact;
- *Term*, the length of payback period;
- *Payment Structure* where payments are primarily with level principal and declining interest over the life of the debt, except where level debt service payments offer economic benefit, such as for rate stabilization; and
- *Refundings* to pay off prior outstanding debt where the net savings, after costs of issuance, is estimated to be at least $50,000 annually for the new financing.

DEBT SUMMARY

Issued Date	Issued ($/000)		Final Date	6/30/2025	6/30/2026	6/30/2027
7/19/2001	111,800.0	(4)	6/1/2026	$20,475,000	$0	$0
6/15/2009	11,135.0	(1)	4/1/2029	2,227,000	1,670,250	1,113,500
6/15/2009	3,000.0	(2)	4/1/2029	382,552	286,914	191,276
3/1/2010	18,912.0		9/1/2030	1,095,000	910,000	725,000
11/9/2010	11,100.0	(1)	10/1/2030	3,330,000	2,775,000	2,220,000
5/2/2011	7,769.5	(1)	4/1/2031	2,185,940	1,821,617	1,457,293
12/18/2011	7,245.0	(1)	10/1/2031	2,535,750	2,173,500	1,811,250
2/1/2012	11,494.0		2/1/2027	1,325,000	660,000	0
2/1/2013	15,418.0		2/1/2033	4,850,000	4,240,000	3,630
4/15/2013	14,300.0	(1)	4/1/2033	5,720,000	5,005,000	4,290,000
2/1/2014	20,118.0		11/1/2033	6,100,000	5,420,000	4,740,000
2/12/2015	20,431.0		11/1/2034	5,875,000	4,980,000	4,425,000
12/1/2015	6,800.0	(1)	12/1/2045	4,760,000	4,533,333	4,306,667
3/17/2016	33,385.0		4/1/2036	12,530,000	10,225,000	8,830,000
3/15/2017	14,514.0		3/15/2037	6,870,000	5,935,000	5,000,000
8/17/2017	24,600.0		8/1/2037	15,990,000	14,760,000	13,530,000
3/22/2018	22,640.0		4/1/2038	13,705,000	12,470,000	11,235,000
7/2/2018	11,240.0	(1)	7/1/2048	8,992,000	8,617,333	8,242,667
4/1/2019	19,745.0		4/1/2039	11,300,000	10,000,000	8,700,000
3/26/2020	43,000.0		10/1/2040	33,320,000	30,900,000	28,480,000
3/9/2021	9,276.0	(1)	7/1/2046	8,162,880	7,791,840	7,420,800
6/8/2021	67,710.0		4/1/2051	53,230,000	49,515,000	45,910,000
5/5/2022	49,430.0		5/1/2042	41,240,000	38,510,000	35,780,000
12/22/2022	6,408.1	(1)	10/1/2043	6,087,736	5,767,329	5,446,922
12/22/2022	250.0	(3)	7/1/2033	157,500	140,000	122,500
5/25/2023	7,122.8	(1)	10/1/2042	6,766,637	6,410,498	6,054,360
10/17/2023	47,900.0		11/1/2053	46,005,000	43,370,000	40,735,000
11/21/2023	957.4		7/1/2034	670,160	552,222	490,864
4/30/2025	19,000.0		7/15/2045	19,000,000	19,000,000	19,000,000
	Sub-totals			**344,888,155**	**298,439,836**	**270,261,729**
8/27/2026	30,775.0		8/1/2046	0	0	30,775,000
	Totals			**$344,888,155**	**$298,439,836**	**$301,036,729**

NOTES: (1) Represents a loan through the Clean Water State Revolving Loan Fund Program (the "CWSRF") administered jointly by Maine Municipal Bond Bank ("MMBB") and the State of Maine, acting by and through its DEP to provide funds to finance eligible projects CSO projects.

(2) Represents a grant and SRF loan with funds made available through the American Recovery and Reinvestment Act of 2009.

(3) Indicates State Revolving Renovation Loan Fund (the "SRRF") administered jointly by the MMBB and the State of Maine, acting by and through its DEP at 0% interest. Portions of the issue amount(s) are typically forgiven. The "Balance Due" represents only the remaining principal payment(s) due.

(4) Effective July 1, 1995 the City joined the CPPLD, defined herein, and ceased to be an individual sponsor of PLD 2. The City's initial unfunded un-pooled actuarial liability ("IUUAL") was calculated on July 1, 1997. The IUUAL represents the amount of a PLD's unfunded actuarial liability as of the date it transitioned to the consolidated plan. The City's 2001 General Obligation Pension Bonds ("POBs") applied sufficient POB bond proceeds for the City to defease its IUUAL to the Maine State Retirement System.

DISCLAIMERS: 1) The above table does not include a Maine DOT Note payable (as of June 30, 2025 of $338,128) or LED Street Lighting Direct Borrowings (as of June 30, 2025 a consolidated amount of $3,278,208).

2) Certain of the MMBB loans, reported above, represent the total amount of the respective loan obligated on its issue date. However, the loans reported in the ACFR are classified as notes payable until the entire loan is drawn.

City of Portland, Maine
General Obligation Bonds
Projected Principal Payments by Issue
<u>($/000)</u>

Fiscal Yr. End June 30,	2001 POB	2009 CWSRF	2009 ARRA	2010	2010 CWSRF	2011 CWSRF	2011 CWSRF	2012	2013	2013 CWSRF	2014	2015	2015 CWSRF	2016	2017	2017 Sr B	2018	2018 Sr B CWSRF	2019	2020	2021 CWSRF	2021	2022	2022 CWSRF	2022 SRRF	2023 CWSRF	2023	2023 SRRF	2025	2026	Total Principal
2025	20,475	557	96	185	555	364	362	665	610	715	680	895	227	2,305	935	1,230	1,235	375	1,300	2,420	371	3,715	2,730	320	18	356	2,635	118	0		**46,448**
2026		557	96	185	555	364	362	660	610	715	680	555	227	1,395	935	1,230	1,235	375	1,300	2,420	371	3,605	2,730	320	18	356	2,635	62	0		**24,553**
2027		557	96	185	555	364	362		610	715	680	555	227	985	500	1,230	1,235	375	1,300	2,420	371	3,635	2,730	320	18	356	2,635	62	1,470		**24,548**
2028		557	96	180	555	364	362		610	715	680	555	227	985	500	1,230	1,000	375	1,300	2,420	371	3,660	2,730	320	18	356	2,635	62	1,470		**24,333**
2029				180	555	364	362		610	715	680	555	227	980	500	1,230	1,000	375	610	2,420	371	3,415	2,730	320	18	356	2,355	62	1,470		**22,460**
2030				180	555	364	362		600	715	675	555	227	980	500	1,230	1,000	375	610	2,420	371	2,820	2,730	320	18	356	2,355	62	1,470		**21,850**
2031							362		600	715	675	555	227	980	500	1,230	1,000	375	610	1,880	371	2,325	2,730	320	18	356	2,355	62	1,470		**19,716**
2032									600	715	675	550	227	980	500	1,230	1,000	375	610	1,880	371	1,765	2,215	320	18	356	2,355	62	1,010		**17,814**
2033											675	550	227	980	500	1,230	1,000	375	610	1,880	371	1,765	2,215	320	18	356	2,355	62	1,010		**16,499**
2034												550	227	980	500	1,230	1,000	375	610	1,880	371	1,765	2,215	320		356	1,955	62	1,010		**15,406**
2035													227	980	500	1,230	1,000	375	610	1,880	371	1,760	2,215	320		356	1,955		1,010		**14,789**
2036													227		500	1,230	1,000	375	610	1,880	371	1,760	2,215	320		356	1,955		1,010		**13,809**
2037													227			1,230	1,000	375	610	1,880	371	1,760	2,215	320		356	1,955		660		**12,959**
2038													227					375	610	1,880	371	1,760	2,210	320		356	1,955		660		**10,724**
2039													227					375		1,880	371	1,760	2,210	320		356	1,955		660		**10,114**
2040													227					375		1,880	371	1,760	2,210	320		356	1,955		660		**10,114**
2041													227					375			371	1,425	2,210	320		356	1,955		660		**7,899**
2042													227					375			371	1,425		320		356	1,950		660		**5,684**
2043													227					375			371	1,425		320		356	1,950		660		**5,684**
2044													227					375			371	1,425					415		660		**3,472**
2045													227					375			371	1,420					415		660		**3,467**
2046																		375			371	1,420					415		660		**3,241**
2047																		375				1,415					415				**2,205**
2048																		375				1,415					415				**2,205**
2049																						1,415					415				**1,830**
2050																						1,415					415				**1,830**
2051																											415				**415**
2052																											415				**415**
2053																											415				**415**
2054																															**0**
June 30, 2025	20,475	2,227	383	1,095	3,330	2,186	2,536	1,325	4,850	5,720	6,100	5,875	4,760	12,530	6,870	15,990	13,705	8,992	11,300	33,320	8,163	53,230	41,240	6,088	158	6,767	46,005	46,005	19,000		**344,897**
<u>Paid 2025</u>	<u>(20,475)</u>	<u>(557)</u>	<u>(96)</u>	<u>(185)</u>	<u>(555)</u>	<u>(364)</u>	<u>(362)</u>	<u>(665)</u>	<u>(610)</u>	<u>(715)</u>	<u>(680)</u>	<u>(895)</u>	<u>(227)</u>	<u>(2,305)</u>	<u>(935)</u>	<u>(1,230)</u>	<u>(1,235)</u>	<u>(375)</u>	<u>(1,300)</u>	<u>(2,420)</u>	<u>(371)</u>	<u>(3,715)</u>	<u>(2,730)</u>	<u>(320)</u>	<u>(18)</u>	<u>(356)</u>	<u>(2,635)</u>	<u>(2,635)</u>	<u>0</u>		<u>(46,448)</u>
June 30, 2026	0	1,670	287	910	2,775	1,822	2,174	660	4,240	5,005	5,420	4,980	4,533	10,225	5,935	14,760	12,470	8,617	10,000	30,900	7,792	49,515	38,510	5,767	140	6,411	43,370	43,370	19,000		**298,449**

DEBT RATIOS

Fiscal Yr. End June 30,	Pop	Equal. State Val. (000)	Assessed Valuation (000)	Total Bonded Debt	Gross Debt as % Eq. Val.	Gross Debt Per Capita
2025	69,568	$18,568,850	$15,148,929	$341,135,195	1.84%	$4,903.62
2024	69,104	16,487,050	14,872,867	366,075,808	2.19%	5,297.20
2023	68,408	14,790,100	14,641,408	359,799,711	2.43%	5,259.61
2022	68,408	12,095,550	14,621,612	385,631,306	3.19%	5,637.23
2021	68,408	11,149,300	8,070,000	369,731,601	3.32%	5,404.80
2020	66,215	10,507,000	7,936,155	335,854,715	3.20%	5,072.18
2019	66,215	9,687,850	7,849,594	319,660,011	3.30%	4,827.61
2018	66,882	9,049,500	7,761,185	313,735,640	3.47%	4,690.88
2017	66,937	8,501,550	7,761,521	288,610,267	3.39%	4,311.67
2016	66,881	7,996,350	7,691,357	295,375,695	3.69%	4,416.44

PROJECTED DEBT SERVICE

FY end June 30,	Prior Debt Principal	Prior Debt Interest	Prior Debt Total Prior	Projected Debt Pro Forma Principal	Projected Debt Pro Forma Interest	Projected Debt Pro Forma Total	Projected Total Debt Service
2025	$46,448,318	$13,880,600	$60,328,918				
2026	24,551,739	10,988,049	35,539,788				
2027	24,546,739	11,543,603	36,090,342				
2028	24,331,739	9,856,516	34,188,254				
2029	22,459,351	8,170,274	30,629,625				
2030	21,849,351	7,317,501	29,166,851				
2031	19,715,027	6,461,874	26,176,901				
2032	17,812,777	5,750,456	23,563,234				
2033	16,497,777	5,149,606	21,647,383				
2034	15,405,277	4,633,744	20,039,021				
2035	14,788,919	4,171,221	18,960,140				
2036	13,808,919	3,710,596	17,519,515				
2037	12,958,919	3,285,121	16,244,040				
2038	10,723,919	2,900,278	13,624,198				
2039	10,113,919	1,955,378	12,069,298				
2040	10,113,919	1,643,348	11,757,267				
2041	7,898,919	1,357,401	9,256,321				
2042	5,683,919	1,093,224	6,777,143				
2043	5,683,919	906,944	6,590,863				
2044	3,472,373	740,603	4,212,976				
2045	3,467,373	618,095	4,085,468				
2046	3,240,707	504,691	3,745,398				
2047	2,204,667	385,909	2,590,576				
2048	2,204,667	304,625	2,509,292				
2049	1,830,000	206,575	2,036,575				
2050	1,830,000	129,225	1,959,225				
2051	415,000	51,875	466,875				
2052	415,000	31,125	446,125				
2053	415,000	10,375	425,375				
2054	0	0	0				
	$344,888,155	$107,758,832	$452,646,987				

NOTE: [(1)] Includes MMBB Fees, DEP Administrative Fees or DEP Management Fees assessed on loans made through the CWSRF program (see "INDEBTEDNESS – DEBT SUMMARY – Footnote (1)", herein).

DEBT SERVICE COMPONENT OF OPERATING EXPENDITURES

	2021	2022	2023	2024	2025
Total Current Year Debt Service:	$43,398,107	$49,495,115	$54,311,844	$55,436,421	$58,257,936
(less Subsidized School Debt):	(3,252,286)	(3,076,483)	(3,012,453)	(2,931,070)	(2,831,220)
(less POB Debt)	(16,448,711)	(17,485,795)	(18,585,400)	(19,752,493)	(20,989,817)
(less self-supporting Enterprise Debt):	(8,357,663)	(11,637,506)	(12,578,795)	(12,834,484)	(13,448,793)
Net Tax-backed Debt:	$15,139,992	$15,339,447	$17,295,331	$19,918,374	$20,988,106
Budgeted Operating Expense:	$338,611,584	$401,916,909	$401,916,909	$405,683,651	$430,472,538
Debt Service as % Oper. Expense:	4.69%	4.53%	4.30%	4.91%	4.88%

OVERLAPPING DEBT

County of Cumberland

The City is subject to an annual assessment of its proportional share of the County of Cumberland's expenses, including debt repayment, as determined by the percentage of the City's equalized State Valuation to the County's equalized State Valuation. As of January 1, 2026 the City's equalized State Valuation is $20,280,650,000 or 21.90%, of the County's equalized State Valuation of $92,619,150,000. The City's share is $6,062,496, of Cumberland County's $27,686,649 long-term debt outstanding as of June 30, 2025.

Greater Portland Transit District

The City participates in the Greater Portland Transit District ("GPTD"), a municipal transit district incorporated June 24, 1966 in accordance with the provisions of Title 30-A, Chapter 163, of the Maine State Statutes, as amended. The GPTD currently operates a public passenger bus service throughout the cities of Portland and Westbrook, and the towns of Falmouth, Freeport, Yarmouth and Brunswick. The membership of the GPTD is composed of the cities of Portland and Westbrook, and the towns of Falmouth and, effective January 1, 2020, Freeport, Yarmouth and Brunswick (the "Members"). The Board of Directors currently consists of five directors appointed from Portland, three directors appointed from Westbrook, two directors appointed from Falmouth and one director each appointed from Brunswick. Freeport and Yarmouth. The GPTD is economically dependent upon grants from the Federal Transit Administration and subsidies from its Members. Except for each Member's allocable share of bonds payable, which are repaid through Member assessments, no Member has any obligation or entitlement and the City's share of any residual interest has not been determined. The City's 2025 assessment by the GPTD was $2,999,507; or 55% of GPTD's total assessment of $5,435,704. At December 31, 2025, the Greater Portland Transit District had $812,050 long-term debt outstanding.

Portland Water District – Sewer Debt

The City is also served by the Wastewater Division of the Portland Water District (the "PWD"), a wholly separate quasi-municipal entity whose operations are not part of the City, for treatment of its wastewater. The City owns and maintains the collector sewer lines and is responsible for the cost of their maintenance, improvements and expansion. The PWD owns and operates a sewer interceptor system, all pumping stations within the City and a treatment plant in the City for sewage delivered to the plant by the City, for which the City pays a monthly fee. The City is responsible for the entire debt service required to finance the PWD's treatment plant (the "Wastewater System Debt"). All City users of the wastewater system pay monthly fees, based upon water volume, to support expenditures from the Enterprise Fund which are paid for these services. The City is directly responsible for $34,914,396 of its portion of PWD's Wastewater System Debt, as of December 31, 2025.

Portland Water District – Water Debt

The Water Division of the PWD also provides water to the inhabitants of ten cities and towns within the Greater Portland Area (the "PWD Municipalities"), including the City. The Water Division's debt is not a debt or obligation of the City. However, under Title 35-A, Section 6103 of the Maine Revised Statutes, as amended (the "Act"), and pursuant to an agreement with nine of the ten PWD Municipalities, (the "Section 6103 Members" - the exception being the Town of Standish) in compliance with Subsection 6 of the Act, the PWD possesses authority for taxation in the event of default in the payment of the indebtedness of the PWD incurred for water purposes (the "Water System Debt"). In the event of a default by PWD in the payment of the principal of, or interest on, its Water System Debt, the Trustees of the PWD have the authority to issue a warrant for payment of amounts necessary to cure the default to the assessors in each Section 6103 Member municipality within the PWD, including the City. Such assessment is allocated, pro-rata, to each Section 6103 Member municipality based upon 100% of its respective equalized State Valuation. Based upon the 2026 Equalized Valuation, the City is contingently liable for 32.66%, or $25,954,298, of the PWD's $79,464,510 Water System Debt, as of December 31, 2025.

CONTINGENT DEBT

ecomaine

ecomaine (formerly Regional Waste Systems, Inc.), a Maine Corporation, is a solid waste management corporation serving participating municipalities in Cumberland, Oxford, and York counties in Maine. Owned and controlled by 27 member communities, ecomaine creates electricity through its processing of waste and operates an extensive recycling program. The City 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 obligations of each municipality as set forth in such agreements are secured by the full faith and credit of the municipality, subject to certain limitations. On June 30, 2025, ecomaine had no debt outstanding.

The Interlocal Agreement requires that the City pay a proportionate share of the debt of ecomaine based on the percentage of solid waste processed from the City by ecomaine. Based upon the most recent fiscal year, the City is contingently liable for debt issued by ecomaine. The City's share of this debt will be calculated annually based on the percentage of solid waste to be processed and other factors affecting the cost to operate ecomaine, and may be subject to change as a result.

On December 10, 2025 ecomaine closed on a bond issue in the amount of $39,455,000, plus allocable bid premium, to provide funds to finance a new Materials Recovery Facility ("MRF") ($27,164,000); landfills and pump stations ($6,405,032); Waste to Energy facilities ("WTE") ($7,030,968); and various rolling stock to be used at the facility ($1,300,000). For the year ended June 30, 2025, the City delivered 24.95% of the recycling tonnage and 15.78% of the total waste tonnage received by ecomaine from participating municipalities.

TOTAL GENERAL OBLIGATION, OVERLAPPING AND CONTINGENT DEBT

	Direct Debt	Overlapping Debt	Contingent Debt	Total Debt
City of Portland	$344,726,359			$344,726,359
County of Cumberland		$6,062,496		6,062,496
PWD (Wastewater)		34,914,396		34,914,396
PWD (Water)			$25,954,298	25,954,298
ecomaine			6,223,355	6,223,355
Total Debt	$344,726,359	$40,976,892	$32,177,653	$417,880,904
% 2026 ESV	1.70%	0.20%	0.16%	2.06%
Per Capita (2025)	$4,955.24	$589.02	$462.54	$6,006.80

FUTURE FINANCING

Capital Improvement Program

The City typically borrows to provide funds to finance a portion of its CIP each year. Article VI, Section 5(i) of the City Charter requires the City Manager to prepare a one-year plan of specific projects and costs and proposed funding sources for its CIP. The City's CIP and Comprehensive Plan, includes an inventory of possible capital projects some of which may ultimately be included in its CIP, are an indication of projects which may be financed through the issuance of indebtedness. The issuance of debt, however, is subject to the review and approval of the City Council pursuant to Title 30-A, Section 5772 of the Maine Revised Statutes, as amended, Article VII, Section 11 of the City Charter and an Order from the City Council and, if above a certain threshold, by voter referendum approval (see "THE BONDS – AUTHORIZATION AND PURPOSE – City Debt Referendum Requirement" herein).

Authorized But Unissued General Obligation Debt

There may be projects for which authorization is outstanding but the respective debt has not been issued; or projects that, while the City Council has not yet taken formal action for authorization of the issuance of debt, the City expects that such action will be taken as needed. Other than the above discussions, the City does not have other authorized but unissued general obligation debt, nor does it expect to issue any other general obligation debt, until calendar year 2027.

RETIREMENT

A. DEFINED BENEFIT PENSION PLAN

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

The PLD and SET Plans provide defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e., eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit. In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age.

For PLD members, normal retirement age is 60 (65 for new members to the PLD Plan on or after July 1, 2014). For SET Plan members, normal retirement age is 60, 62, or 65. The normal retirement age is determined by whether a member had met certain creditable service requirements on specific dates, as established by statute. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. MPERS also provides disability and death benefits, which are established by contract under applicable statutory provisions (for the PLD Plan) or by statute (for the SET Plan).

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

The City reports on the benefits provided and the contributions to the pension plans, associated pension liabilities, pension expense, deferred outflows and deferred inflows of resources related to pensions, as well as the actuarial methodology and assumptions in its ACFR. Please see APPENDIX A – CITY OF PORTLAND, MAINE 2025 ACFR, pages 63*et seq.*

B. DEFERRED COMPENSATION PLAN

The City also offers a deferred compensation plan in accordance with Internal Revenue Code Section 457(b) through Mission Square (formerly ICMA-RC) for City employees and a deferred compensation plan in accordance with Internal Revenue Code Section 403(b) through Admin Partners for School employees. The plans permit full-time employees to defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, or death. The City has no liability for losses under the plans but does have the duty of due care that would be required of an ordinary prudent investor for safeguarding purposes only. The investments are self-directed by employees. Total employer contributions to the plans for the fiscal year ending June 30, 2025 were $51,464.

C. OTHER POST-EMPLOYMENT BENEFITS

Life Insurance

The City sponsors two post-retirement benefit plans providing group term life insurance to retiring employees. For municipal employees and certain School Department employees the City participates in Group Life Insurance Plan for the PLD. Teachers also participate in the Group Term Life Insurance Plan for SET. Both plans are a cost-sharing multiple-employer defined benefit OPEB plan administered by MainePERS. The MainePERS Board of Trustees has the authority to establish and amend the benefit terms and financing requirements for each plan. MainePERS issues a publicly available financial reports that are available at *www.mainepers.org.*

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. The City reports on the benefits provided and the contributions for these OPEB plans, as well as the actuarial methodology and assumptions in its ACFR. Please see APPENDIX A – CITY OF PORTLAND, MAINE 2025 ACFR, pages –67 *et seq.*

Health Insurance

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

MMEHT provides healthcare benefits for retirees and their dependents. City employees over the age of 55 with 5 years of continuous service are allowed to participate in the plan. Retirees that are designated in a plan pay 100% of the single coverage premium and 100% of the family coverage premium. For those City employees eligible for Medicare (post-65 Retiree Plan), the plan is offered in conjunction with Medicare Parts A and B and the Companion Plan B. Eligible retirees are required to pay 100% of health insurance premiums to receive health benefit coverage and therefore, the City makes no actual contributions. The City reports on the benefits provided and the contributions for these OPEB plans, as well as the actuarial methodology and assumptions in its ACFR. Please see APPENDIX A – CITY OF PORTLAND, MAINE 2025 ACFR, pages 71 *et seq*.

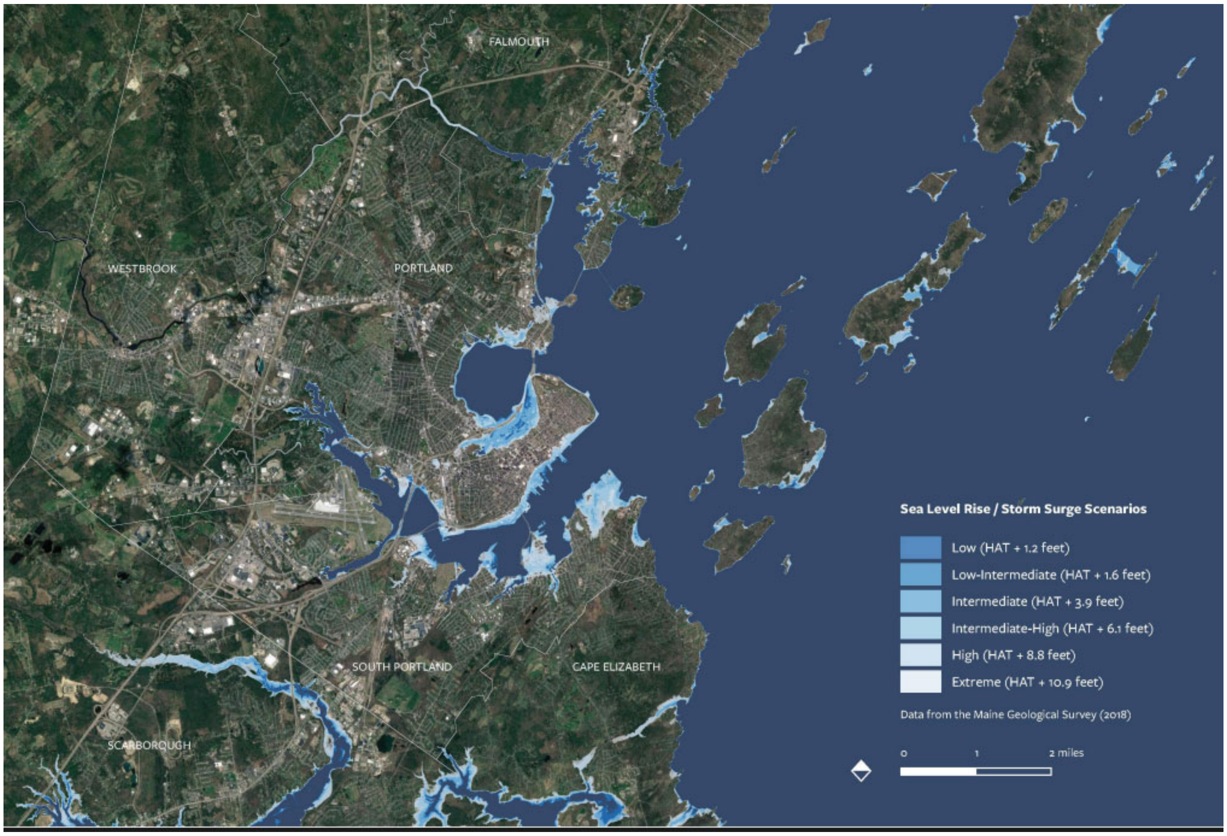
CLIMATE CHANGE

On June 10, 2019 the Mayors of Portland and South Portland joined community members from both cities at the Gulf of Maine Research Institute to kick off *One Climate Future*[(1)], their groundbreaking effort to develop a joint climate action and adaptation plan for the two cities. The *Climate Change and Vulnerability Assessment*[(2)], a portion of *One Climate Future* focuses on identifying climate hazards that the City is likely to face, including sea level rise, extreme storms, and higher temperatures. By examining the impact on infrastructure, ecosystems, economies, and communities, the assessment helps prioritize actions to enhance community resilience.

This comprehensive assessment builds upon nearly two decades of research by various institutions, advocacy groups, businesses, and governmental departments. It integrates local, regional, state, and national vulnerability assessments to provide an understanding of Portland's vulnerabilities. The report highlights specific areas of concern and emphasizes how vulnerability compounds across interconnected systems. New map-based assessments offer additional insights, such as Portland's Projected Coastal Flood Risk Map, enriches the assessment. Looking ahead, Portland will encounter both acute "shocks" (such as powerful storms and heatwaves) and chronic "stresses" (like nuisance flooding) due to climate change. These challenges intersect with other chronic stresses, making proactive measures crucial.

One Climate Future also established adaptation goals, stating that the City will build the resilience of its neighborhoods, infrastructure, and ecosystems to prepare for the impacts of climate change. As with issues of mitigation, adaptation is closely tied to land use … how and where people build homes, workplaces, institutions, and green spaces. One Climate Future suggested an approach to resilience zoning to prepare the City for the impacts of sea level rise, increased precipitation and storms, and hotter air temperatures. *ReCode Portland*[(3)] built on that approach and will better equip the City to meet needs in areas such as housing, design, preservation, conservation, the working waterfront, energy, and transportation.

FOR MORE INFORMATION: [(1)] https://www.oneclimatefuture.org/
[(2)] https://www.oneclimatefuture.org/wp-content/uploads/2020/12/OneClimateFuture_VulnerabilityAssessment_Final.pdf
[(3)] https://portland.civilspace.io/en/projects/recode-portland



Extent of Inundation from Projected Sea Level Rise in Portland and South Portland (2100)

ENVIRONMENTAL MATTERS

The City is subject to a wide variety of federal and State laws and regulations relating to land use, water resources, sewage disposal, the use, storage, discharge, emission and disposal of wastes and other environmental matters. While the City believes that its properties and operations are presently in material compliance with all land use and environmental laws, failure to comply with such laws could result in the imposition of severe penalties on operations by government agencies or courts that could adversely affect the City. The City is not aware of any environmental conditions or non-compliance, the remediation or correction of which the City believes would have a material adverse impact on the financial condition of the City. The City is not subject to any pending or threatened proceedings or actions involving environmental matters that, if adversely decided, would have a material adverse impact upon the City's financial condition or ability to pay debt service on the Bonds as and when due.

In order to achieve compliance with DEP Discharge Permits, and to satisfy Clean Water Act Regulations, in 1997 the City prepared and submitted to DEP a Tier I Implementation Plan outlining 45 CSO Abatement Projects; and in 2003 prepared and submitted to DEP a Tier II Implementation Plan (the "Tier II Plan") outlining 75 CSO Abatement Projects (the "Tier I and/or Tier II Projects"). The Tier I and Tier II Projects haves been completed. The City Council authorized bonds in an amount not to exceed $60,955,000 to provide funds to finance the Tier II Projects (Council Order #129-07/08 adopted February 4, 2008). The City has issued $57,373,500 of bonds for the Tier II Projects, leaving $3,581,500 authorized but unissued.

The Tier III Plan, the next stage of its consent agreement with DEP was approved by the City Council on June 20, 2011 and by DEP in April 2013. The Tier III Plan is for a 15-year implementation period with progress assessments every five years. In lieu of authorizing financing(s) in three five-year increments, the City Council authorized bonds in an amount not to exceed $168,950,000 to finance the Tier III projects over the 15-year period (Order #227-12/13 adopted May 20, 2013). CSO Abatement projects in the Tier III Plan are expected to be financed as funds are needed, with aggregate approval for the plan and financing(s) based on construction schedule cash flow. The City anticipates that, from time-to-time and/or reflecting current conditions, it may adjust the amount(s) and the specific project(s) to be financed and/or constructed in a given year. This debt is a component of the Sewer Fund and, as such, the funds planned to provide debt service to repay the financing of the Tier III CSO Abatement projects are expected to be provided by user fees. Increases in annual fees have been and are planned as needed to satisfy the debt service for these and future Tier III CSO Abatement project financings. To date, the City has issued bonds in the amount of $77,592,607 to finance CSO Abatement Projects included in the Tier III Plan, most recently on May 25, 2023, leaving $91,357,393 authorized but unissued.

LITIGATION

There are various claims and suits pending against the City which arise in the normal course of the City's activities. In the opinion of the City management, the ultimate disposition of these various claims and suits will not materially affect the financial condition of the City.

APPENDIX A

CITY OF PORTLAND, MAINE
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR
FISCAL YEAR ENDED JUNE 30, 2025

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Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2025

City of Portland, Maine

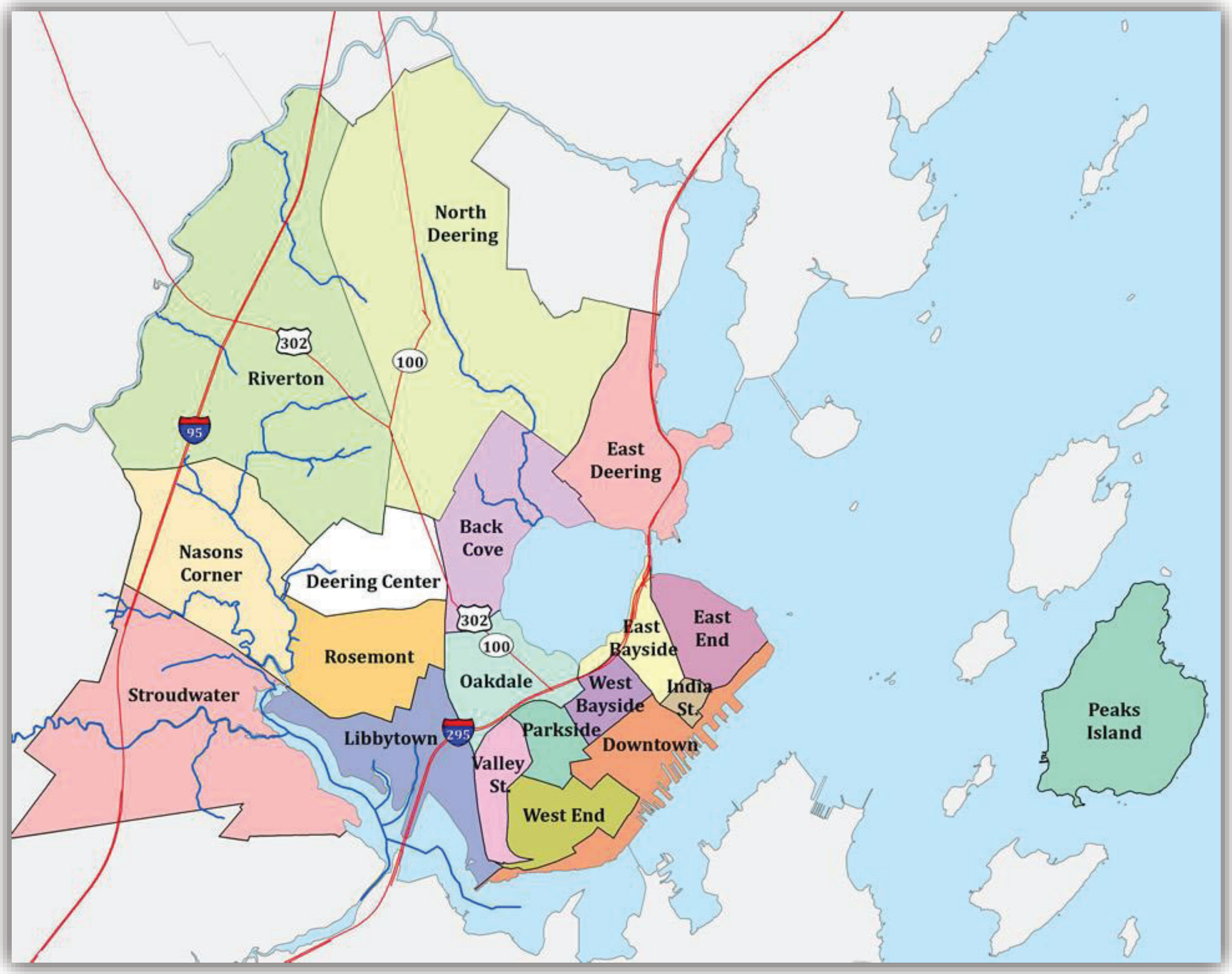
All photos courtesy of Corey Templeton, www.coreytempletonphotography.com

CITY OF PORTLAND, MAINE

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Prepared by the City of Portland, Maine
Finance Department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Riverton
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East Deering
Back Cove
Nasons Corner
Deering Center
302
100
East Bayside
East End
Rosemont
Oakdale
West Bayside
India St.
Stroudwater
295
Libbytown
Parkside
Downtown
Valley St.
West End
Peaks Island

CITY OF PORTLAND, MAINE
ANNUAL COMPREHENSIVE FINANCIAL REPORT
JUNE 30, 2025

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JUNE 30, 2025

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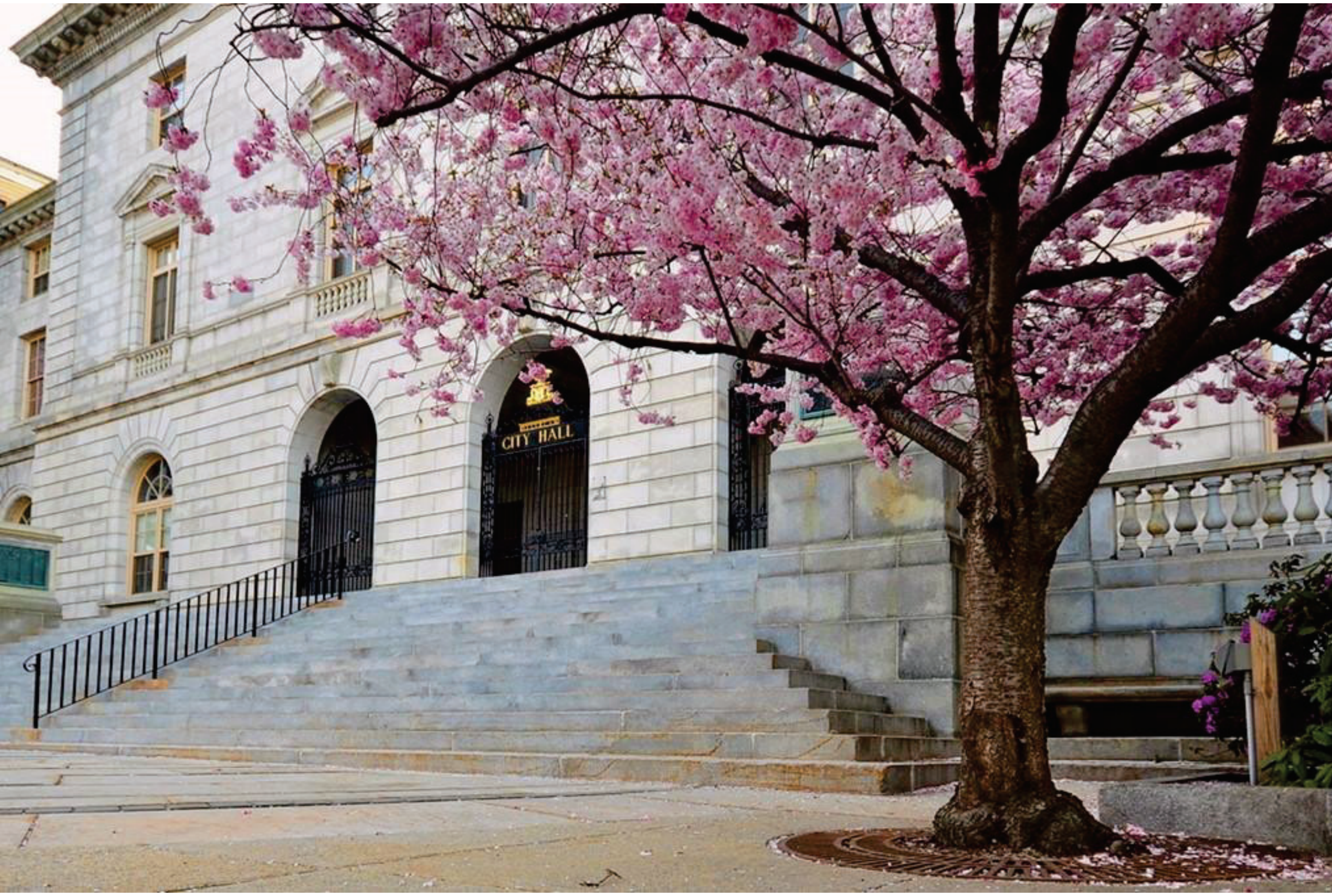
Introduction



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February 23, 2026

Mark Dion, Mayor
Members of the City Council
Citizens of Portland, Maine

In accordance with the requirements of our charter and the laws of the State of Maine to prepare a complete set of audited financial statements and in recognition of the increased interest in public officials' accountability to citizens and potential investors, this annual comprehensive financial report ("annual report") of the City of Portland, Maine for the fiscal year ended June 30, 2024, is submitted.

The City is also required to undergo a single audit in conformity with the U.S. Office of Management and Budget's Uniform Guidance, *Cost Principles, Audit, and Administrative Requirements for Federal Awards*. Information pertaining to this single audit, including a schedule of expenditures of federal awards, findings and questioned costs, recommendations and the independent auditor's reports on the internal control and compliance with applicable laws and regulations, are reported in a separate document.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that is established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance the financial statements are free of any material misstatements.

CBIZ CPAs, a licensed firm of Certified Public Accountants, has issued an unmodified ("clean") opinion on the City of Portland, Maine's financial statements for the year ended June 30, 2024. The independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements.

Profile of the Government

The City of Portland, Maine is located in the state's southern coastal region, along the shores of Casco Bay. The City occupies 52.60 square miles and serves a population of nearly 70,000. The City is empowered to levy a tax on real property and business owners' personal property located within its boundaries.

The City was first settled in 1632 and incorporated in 1786. The first City charter was granted in 1832; its original charter was adopted in 1923. It has been amended several times, most recently, November 2, 2010. A nine-member City Council constitutes the legislative body, which includes a popularly elected mayor. The City Manager is the chief executive officer of the City.

The City adopts fiscal year budgets for its general and enterprise funds. Special revenue funds do not have legally adopted budgets but do have program budgets. Budgetary controls are maintained on the other governmental funds through formal authorizations by the City Council and through grant agreements. Debt service requirements (principal and interest) are budgeted as expenditures in the general fund. Budgets are legally adopted by the City Council through the passage of an appropriation order. Total expenditures may not exceed total appropriations without approval of the City Council.

A nine-member board of education has general authority for the public schools. The board annually presents a budget for school purposes for the ensuing municipal year. The City Council approves the school budget through a series of council orders. The orders must be ratified by the voters by referendum usually held in May before the start of the new fiscal year.

The City provides a full range of municipal services that include police and fire, highways and sanitation, health and human services, parks, recreation, education, public improvements, planning and urban development, parking, airport, sanitary sewer, and general administrative services.

The financial reporting entity of the City includes all the funds of the City of Portland, Maine as well as all its component units. Component units are legally separate entities for which the City (the primary government) is financially accountable. Blended component units, although legally separate, are in substance, part of the primary government's operations and are included as part of the primary government. The Portland Development Corporation and the Fish Pier Authority are reported as enterprise funds in the City's fund financial statements and are included in the business-type activities column in the government-wide financial statements. The Portland Public Library is a discretely presented component unit reported in a separate column in the government-wide financial statements only. The notes to financial statements provide additional information on component units.

Portland's Local Economy Report for FY2025 (July 1, 2024–June 30, 2025)

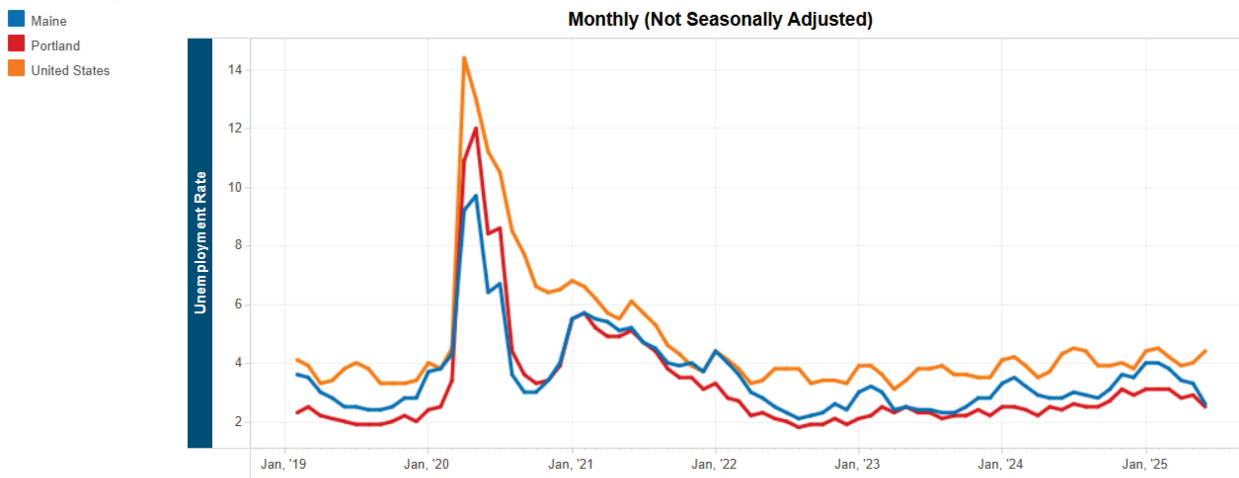
Overview

Portland, the most populous city in the state of Maine and the seat of Cumberland County, features a diversity of economic sectors. It is the major center in Northern New England for commerce, finance, arts and entertainment, food and beverage, life sciences, information technology, higher education, and tourism. Portland's working waterfront supports a vibrant and active marine economy. Mixed use office, retail, residential and commercial districts as well as marine and industrial areas provide wide-ranging development opportunities and remain ongoing priorities for the future. The City's taxable valuation breakdown shows that Portland has a healthy real estate tax base ratio at 37% commercial/industrial and 63% residential. For FY25, the total value of taxable property in Portland is $15.1 billion, which generates $227 million in property tax revenue. Small businesses are the backbone of the City's economy and employment: more than threequarters of Portland's businesses have less than ten employees, while less than 10% have 50 or more.

Population Demographics

With a population of just over 68,000, Portland is the hub of a Metropolitan Statistical Area of about 550,000 people. A city of growing diversity, more than 10% of the population was born in a country other than the United States. Of the population aged 25 and older, 61% have obtained a Bachelor's degree or higher. While Maine's median age of 45 is the highest in the country, Portland's median age is 37. (U.S. Census data)

Unemployment: Portland has a labor force of approximately 43,000 people, with an unemployment rate of 2.5%



(Source: Maine Department of Labor)

New Residents: Traditionally, the City has attracted new residents from all over the country and around the world, including entrepreneurs. The impact of the pandemic on remote work has led to an even larger influx of new residents. This past year, Portland was ranked as the fifth best city in the US to find a job, according to WalletHub. Portland's continued integration of immigrants is crucial for maintaining and diversifying the labor pool, especially given the state of Maine's broader demographic challenge of an aging population.

Downtown

Portland's dense, walkable downtown and urban core greatly contribute to the City's reputation as a livable, vibrant center for innovation, arts and culture, dining, shopping, and entertainment which attracts visitors and residents alike.

Downtown Office Vacancy Rates, 2019-2024
(Source: The Boulos Company)

The commercial real estate market continues to see a strong post-pandemic recovery. The Boulos Company provides an annual overview of the commercial real estate market, and in its 2025 office market outlook observed that unlike suburban markets, downtown Portland did not face substantial unoccupied spaces to backfill over the past year.

Creative Economy

Sustaining the arts community and promoting the cultural life of Portland are key economic development initiatives. Portland has over 150 arts and cultural organizations that contribute to the City's creative lifestyle and vibrancy. The arts are an economic engine powering the creative economy, and are pivotal for workforce recruitment and retention. The American Economic Prosperity Study concluded in October 2023, finding that Portland's nonprofit arts and culture industry generated $86 million in economic activity in 2022. That economic activity – $58.2 million in spending by nonprofit arts and culture organizations and $27.8 million in event-related spending by their audiences – supported 1,872 jobs and generated $20.7 million in local, state, and federal government revenue.

Creative Portland supports the cultural life of the City with projects, programs and resources including showcases such as Hear Here at Merrill Auditorium to highlight, nurture and support local artists and the local arts ecosystem, a robust website listing opportunities and resources, a Monthly Arts Update newsletter, a cultural app, called the Creative Portland app, that offers 24/7 listings designed to increase access to the arts, the First Friday Art Walk, a biennial arts & culture summit, a fiscal sponsorship program, a Creative Portland Gallery annual art exhibition, a community open house called Monday Morning Drop By, and public art installations on bus shelters. Attendance at Merrill Auditorium in FY25 saw 130 events with 148,000 in attendance.

Hospitality Industry

Food and Beverage

Over the years, Portland's reputation as a culinary destination has continued to grow and bring the City extraordinary accolades. In 2025, the Portland food and drink sector is thriving with many restaurants offering outdoor dining, a trend which began as a pandemic adaptation and proved immensely popular. In addition to its booming restaurant industry, the City is home to a robust craft beer, distilling and wine-making industry. Each year, establishments located in Portland feature prominently in the James Beard Award nominations. Portland semifinalists in 2025 were Gross Confection Bar, Coffee By Design, The Jewel Box, Mr. Tuna, and Leeward. In August of 2025, Travel and Leisure Magazine declared, “Portland, Maine, Is One of the Best Food Cities In the U.S.,” highlighting how the city “went from being a great little food town to one of America’s finest places to eat.”

Tourism and Hotel Development

The number of visitors to the State of Maine fell for the third year in a row in 2024, a trend recently exacerbated by tariffs and a steep drop in Canadian tourists. Despite the drop, spending by tourists in Maine increased, especially in and around Portland. The 2024 Economic Impact and Visitor Tracking Study completed by Downs & St. Germain Research for the period December 2023 through November 2024 indicates that the Greater Portland and Casco Bay region attracted 2.8 million visitors in 2024, down 3.8% from 2023. These visitors spent more than $1.7 billion in direct spending on accommodations, transportation, groceries, restaurants, shopping, entertainment, and other expenses. The economic impact of that direct spending generated approximately $2.9 billion to Greater Portland and Casco Bay’s economy, an increase of 5.2% from the previous year.

The tourism and hospitality sector, while vibrant, faces some challenges. Hotel development in Portland is projected to slow down, partly due to a six-month moratorium, which may redirect developers to neighboring cities. The 148-room hotel at Thompson’s Point is expected to open in 2026. The former M&T Bank building at 465 Congress Street will be developed by Fathom Companies into a hotel with a speakeasy in the vault, adding vibrancy and activity to the Monument Square area. Fathom Companies has developed several other hotels in historic buildings in Portland, such as the Press Hotel.

In 2023, the Portland City Council approved the establishment of Maine’s first Tourism Development District under the Maine State Development District Law. Modeled after the Portland Downtown District, the Portland Tourism Development District (PTDD) allows the City to levy an assessment on non-seasonal lodging properties within the City with more than 40 rooms. The district recently completed its first full year of operations, generating total assessments of $1,432,052 for the district. The city retains 10% and the remaining revenue is sent to Visit Portland to focus on marketing the city for continued growth and development of Portland's Tourism sector.

Sports

Portland was named the #1 Minor League Sports Market in the country in 2024 by Sports Business Journal, reaffirming the City's investment in its athletic facilities, infrastructure, and local economy. Portland is home to several sports teams which attract visitors from the region and beyond. The Portland Sea Dogs is a Double-A affiliate of the Boston Red Sox Major League Baseball team, with 366,442 fans in attendance during their 2025 season, including 25 sold-out games. The team signed a lease extension last year that extends through 2045. The Sea Dogs completed an approximately $10 million upgrade at its Delta Dental Park at Hadlock Field, including a new home player clubhouse, batting cages and offices, and an enlarged bullpen. The Maine Celtics are the G League affiliate of the Boston Celtics National Basketball Association team. For the 2024-25 season, total attendance was 54,052 for the regular season, and an additional 1,427 attending during the team's participation in the G League Eastern Conference finals. The Maine Mariners is an affiliate of the Boston Bruins National Hockey League team and averaged 4,521 fans per game during the 2024-2025 season, leading all North Division teams in attendance. The largest crowd in Maine Mariners history were in attendance for the final game of the 2024-25 season. The Maine Hearts of Pine is a United Soccer League expansion team that began their inaugural season in 2025 to sold-out crowds, using Portland's Fitzpatrick Stadium as their home field.


Photo Credit: 365DigitalPhotography.com


Photo Credit: Maine Mariners Photography Team


Photo Credit: China Wong/Maine Celtics


Photo Credit: Josh Lane, Portland Hearts of Pine, Head of Marketing, Creative and Brand

Portland's hospitality industry has benefitted from the City's many food and beverage amenities, tourism improvements, and by its minor league sports. While the industry faces challenges from macro-level inflation, supply chain challenges and a worker shortage, all exacerbated by a shortage of high-quality and affordable childcare and affordable housing, Portland's affordable housing programs and its business assistance programs have mitigated some of these challenges.

Education

In June of 2025, the University of New England, home of Maine's only medical school, opened its Harold and Bibby Alfond Center for Health Sciences on its Portland Campus. The new facility culminates the relocation of the UNE College of Osteopathic Medicine from Biddeford to Portland. The relocation will allow the program to increase its graduating class from 165 to 200 medical students per year, with the first larger class starting in fall 2025.

In FY25, the University of Southern Maine (USM) completed construction on the Crewe Center for the Arts, USM's new home for excellence in music, visual arts, book arts, and theatre. This new building has positioned USM to be the first college or university in Maine to become an All-Steinway institution, a designation that's symbolic of the highest-ranked music programs globally and a rare status for a regional public university.


University of Southern Maine Crewe Center for the Arts (credit: Perkins Eastman)

Northeastern University's Roux Institute, founded in 2020, is building a talent pipeline and driving innovation at the intersection of tech, data, and the advanced life sciences. In FY24, ground broke for the school's expansion into the former B&M Baked Beans factory in the East Deering neighborhood. The 1.15 million-square-foot property will house classrooms, office and research space, a restaurant, a hotel and a daycare facility, among other amenities, with completion expected in 2027.

Hospitals
Health Care and Social Services account for the largest employment in industry in the city. Portland has two major hospitals: Maine Medical Center (MMC) and Northern Light Mercy Hospital. MMC is a teaching hospital for Tufts University School of Medicine and the largest medical facility in northern New England. As Portland's largest employer with over 9,000 employees, MMC accounts for nearly a quarter of Portland's non-governmental employment.

Both hospitals have undergone recent expansions. MMC recently completed a six-year, $378 million expansion, capped off by the opening last year of its new 300,000 square foot Malone Family Tower which includes 96 private patient rooms, 10 operating rooms, nine procedure rooms, and 40 pre- and post-procedure beds. Construction on the Northern Light Mercy Hospital's new Fore River campus was completed in 2022, wrapping up a $74.7 million project. The site of the former Mercy Hospital at 144 State Street underwent an adaptive reuse development featuring 170 housing units, including 95 units of low-income family and senior housing developed in partnership with Community Housing of Maine (CHOM). The units developed by CHOM were opened for occupancy in 2025.

Transportation
Portland is a transportation hub for air, rail and shipping, and the City recognizes that transportation is a vital economic driver connecting Portland to the world. The City's transportation infrastructure includes the Portland International Jetport, the Portland Transportation Center and three transport facilities on the Portland Waterfront. The City's density,

combined with its multiple transit connections, offer a variety of healthy and sustainable alternatives to commuting by automobile.

Greater Portland METRO is the primary provider of bus service in Portland, and a critical piece of Portland's sustainable transportation strategy, providing service city-wide and beyond Portland's limits to commuters, tourists, and students. Although ridership went down in the midst of the pandemic, numbers have slowly risen, and METRO, in collaboration with the City of Portland, continues to strategize on creative ways to build a robust public transportation system. Portland Bikeshare provides a cost-effective, carbon-free, accessible, healthy mode of transportation for residents and visitors alike.

The Portland International Jetport, located just 10 minutes from downtown, is Maine's largest airport and one of the fastest growing airports in New England. The Jetport is currently served by seven airlines: American, Breeze, Delta, JetBlue, Southwest, and United, with seasonal service from Sun Country. Avelo Airlines introduced seasonal service from the Jetport during 2025 that concluded for the season at the end of August. The Jetport primarily serves southern Maine, and its revenue is produced through contracts and leases with airlines, concessions, fixed base operators, and other aeronautical business partners. The Jetport has seen a strong pandemic recovery in passenger volumes throughout 2025, which is commensurate with the continued high air travel demand for leisure destinations such as Maine. In 2024, passenger traffic at the Jetport totaled 2.4 million passengers, surpassing the pre-pandemic record total of 2.2 million passengers. The City expects to see similar levels of travelers for 2025, with over a million total passengers for the first six months of 2025 alone.

Ownership of the International Marine Terminal (IMT) was officially transferred to the Maine Port Authority in 2022. It is the only international container terminal in Northern New England. This facility continues to expand in size and is connected directly to freight rail service. Eimskip USA, the Icelandic Steamship Company, established its U.S. Port of Call in Portland at the IMT in 2014, moving its base of operations from Norfolk, Virginia. The company offers direct transatlantic cargo shipping services between the U.S., Canada and Europe and is planning further expansion of its operations on Portland's waterfront.

The Maine International Cold Storage Facility opened in February of 2025. The 120,000 square foot cold storage facility to support Maine and Portland's growing food production industry provides profound economic benefits to the City and beyond.

Casco Bay Lines is a quasi-public ferry service that provides transport for island residents and visitors to six Casco Bay Islands, four of which are part of the City of Portland. Since most of the islands have year-round inhabitants, Casco Bay Lines operates year-round from its terminal on Portland's waterfront. Annually, it transports more than one million passengers, 35,000 vehicles and over 500,000 pieces of freight. The ferry service received a $6 million grant in 2018 from the Federal Transportation Administration (FTA) to help fund replacement of the aging Machigone II ferry, the oldest in its five-vessel fleet. The new vessel, the Battery Steele, will be the state's first electric hybrid propulsion ferry when it goes into regular service, expected later this year.

Ocean Gateway is an International Marine Passenger Terminal owned by the City of Portland. It provides berthing for cruise ships from May through October. In 2025, Port of Portland will host a total of 102 calls carrying 210,500 passengers. The largest of these vessels, the Majestic Princess, carries 5,700 passengers and crew. In 2025, Portland will have once again hosted a Coast Guard vessel, the State of Maine and Texas A&M training vessels, 32 small cruise ships (passengers under 1,000) and 70 large cruise ships, with 7 maiden calls. Passenger fees for the year will total $3.1 million, an increase of $1 million from the previous year.

Portland Transportation Center is an intermodal facility at Thompson's Point. It hosts Concord Coach Lines and the Amtrak Downeaster. Concord provides bus service to Boston, Logan Airport and various Maine locations as far north as Orono, the home of the University of Maine campus. In addition, it offers daily direct trips to New York City. The Amtrak Downeaster offers passenger rail service from Brunswick, Freeport, Portland, Old Orchard Beach, Saco, Wells and several stops in New Hampshire to Boston. It is one of the best performing regional Amtrak passenger rails in the country. In 2024, Northern New England Passenger Rail Authority, which operates the Downeaster, commenced a study to explore potentially moving the train station to St. John Street, which would remove 15 minutes of travel time for passengers from the north which is spent moving the train off and on a branch of the CSX main line to reach the existing station at the Portland Transportation Center at Thompson's Point.

Housing

Guided by the premise that "all who work in Portland should have the option of living in Portland," the City's 2017 comprehensive plan, *Portland's Plan 2030,* established a goal of 2,557 new housing units over the ten-year period from 2017-2027, or an average of 256 new units per year. Portland is projected to surpass this goal by more than 2,000 units.

Portland, like many communities across the state and country, is dealing with issues around housing affordability and availability. Historically high costs of building materials, a labor shortage, and strained supply chains have made new housing prices higher. High interest rates have made home ownership a challenge. Less than half of Portland's housing units are owner-occupied, with a higher proportion of renters compared to the national average. However, Portland continues to make progress on its housing goals. In 2025, 1,041 new housing units were approved. Of these, 23% were designated affordable.

The first phase at Dougherty Commons, 45 Dougherty, opened this year. Dougherty Commons is designed to be a welcoming neighborhood development of mixed low-income rental and price restricted condo homes in the Libbytown Neighborhood in Portland. The development is adjacent to the Dougherty Fields complex which has a playground, outdoor swimming pool, skate park, playing fields, and basketball court, and near multiple bus lines.

Notable projects approved this year include Community Housing of Maine's development of Woodfords Congregational Church parish house and parking lot into low-income senior rental housing, and the Youth and Family Outreach redevelopment which will include 60 units with the first floor dedicated to childcare.

Major Initiatives

The City Council is planning to address the shortage of childcare providers by developing an unutilized portion of the Barron Center, a City-owned nursing home, into a new housing development with childcare at 1125 Brighton Avenue. Half the childcare slots are envisioned to go to City employees to improve retention efforts.

After over a decade of planning, design, permitting and funding efforts, the Portland Harbor Dredge and Confined Aquatic Disposal (CAD) Cell project began in January 2025. The initiative is being led by the City's Housing and Economic Development Department, with partners including the City of South Portland, MaineDOT, and the Portland Harbor Commission. Many of the vessel support and berthing resources of Portland Harbor have not received maintenance dredging in generations due to the expense and permitting barriers created by legacy pollution and contaminated harbor sediments. The project removes barriers through construction of Maine's first CAD cell to receive contaminated dredge spoils. Portland Harbor's annual economic output (estimated at over $1 billion, AECOM 2020) relies on a foundation of safe and reliable vessel support infrastructures found at public and private piers, wharfs, marinas, and ramps on both sides of the Fore River. The CAD cell portion of the project was completed this year, and dredging of marine infrastructures will be conducted over several subsequent years until the CAD cell reaches its capacity of 244,000 cubic yards of contaminated material.

The Portland City Council unanimously voted to approve the City's ReCode effort in November of 2024. ReCode is Portland's first comprehensive rewrite of the city's entire land use code and zoning map in more than 50 years. ReCode creates a new, unified development code to serve Portland for the 21st century. The new code is more user-friendly, will advance the goals of the city's comprehensive plan, Portland's Plan 2030, and will better equip the City to address needs in areas such as housing, design, preservation, conservation, the working waterfront, energy, and transportation.

Long-term financial planning

As part of the City charter, the Capital Improvement Plan (CIP) is updated annually and submitted to and adopted by the Council. The CIP is a financing and construction/acquisition plan for projects that require significant capital investment. The plan strives to maintain a balance between maintaining existing assets and investing in new assets to support growth and community priorities.

Additionally, the City continually planned for the final retirement of its 2001 pension obligation bond issue, having established a debt service reserve for this purpose. Pension obligation debt service of $22.3 million is currently carried within the City operating budget for final retirement of the bonds on June 1, 2026. Final retirement of the pension obligation bonds will present opportunities for property tax relief, decreased reliance on annual borrowing and increased focus on scheduled maintenance of capital assets.

Relevant financial policies

The City has established a fund balance policy that applies to the general fund with the goal of achieving and maintaining unassigned fund balance at 16.66% of general fund expenditures (two months of expenditures) measured on a Generally Accepted Accounting Principles ("GAAP") basis. The City considers a balance of less than 8.33% to be a cause for concern and will work to restore unassigned fund balance as soon as possible if it falls below this benchmark. As of June 30, 2025, unassigned fund balance was fully in compliance with policy.

Fund Balance Percentage of Expenditures	June 30, 2025
Unassigned General Fund balance	$ 74,672,896
Subsequent year's budgeted expenditures	447,851,153
Unassigned fund balance percentage	16.7%

The City debt management policy, which addresses both the issuance of general obligation debt and lease purchases, prohibits the City from issuing debt to fund current or ongoing operations of the City or Schools, except in the form of Tax Anticipation Notes (TANs), when applicable; from lending its borrowing capacity to or guaranteeing the debt of any other entity; and from issuing debt for longer than the useful lives of the capital investment being financed, or than the final maturity of refunded debt. As of June 30, 2025 the City was in full compliance with State law that limits long-term debt outstanding to 15% of the State assessed valuation of the City.

State Debt Limit	June 30, 2025
Assessed value per State Property Tax Division	$ 18,568,850,000
x debt limit percentage	15%
Legal debt limit	$ 2,785,327,500
Outstanding debt applicable to debt limit	337,518,859
Legal debt margin	$ 2,447,808,641
Outstanding debt percentage of debt limit	12.12%

Acknowledgements

This report could not have been completed without the dedicated service from the City Finance Department, the cooperation and assistance of all City departments, and the assistance and review of CBIZ CPAs.

Respectfully submitted,

Danielle West	Brendan T. O’Connell
City Manager	Finance Director

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its annual comprehensive financial report ("annual report") for the year ended June 30, 2024. This was the thirtieth consecutive year that the City has received this prestigious award. The award requires a government to publish an easily readable and efficiently organized annual comprehensive financial report. This report also satisfies Generally Accepted Accounting Principles and applicable legal requirements.

Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Portland
Maine

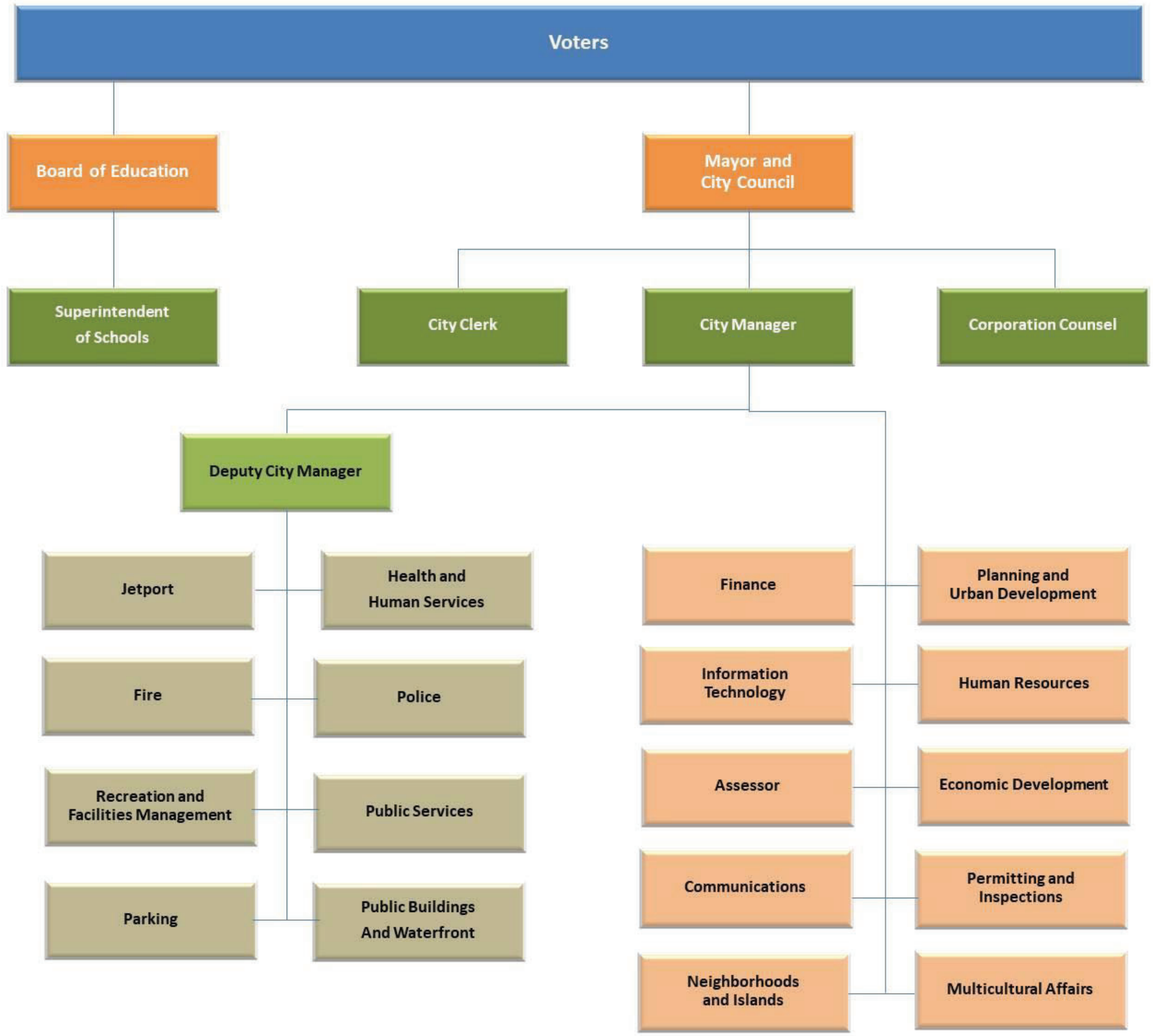
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill
Executive Director/CEO

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

CITY OF PORTLAND, MAINE
Table of Organization
June 30, 2025



CITY OF PORTLAND, MAINE

Principal Executive Officers
As of June 30, 2025

City Council

Mark Dion, Mayor

Sarah Michniewicz, District 1
Wesley Pelletier, District 2
Regina Phillips, District 3
Anna Bullett, District 4
Kate Sykes, District 5

Pious Ali, At Large
April Fournier, At Large
Benjamin Grant, At Large

City Staff

Danielle West, City Manager
Ashley Rand, City Clerk
Brendan T. O'Connell, Finance Director
Michael Goldman, Corporation Counsel

Financial Section

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CBIZ CPAs

CBIZ CPAs P.C.

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Merrimack, NH 03054

P: 603.882.1111

Independent Auditors' Report

To the Honorable Mayor and City Council
City of Portland, Maine

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Portland, Maine (the "City"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion based on our audit and the report of other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Portland, Maine, as of June 30, 2025, 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.

We did not audit the financial statements of the Portland Public Library, the discretely presented component unit of the City of Portland, Maine. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Portland Public Library, is based solely on the report of the other auditors.

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. The financial statements of Portland Public Library were not audited in accordance with *Government Auditing Standards*. We are required to be independent of the City 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City'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.

Auditors' 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 and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City'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 Management's Discussion and Analysis and the schedules listed under the Required Supplementary Information in the accompanying table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 evidence sufficient to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial schedules as listed in the accompanying table of contents 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 relate 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 GAAS. In our opinion, the combining and individual fund financial schedules 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 Comprehensive Financial Report (ACFR). The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' 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.

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 February 23, 2026 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

Merrimack, NH
February 23, 2026

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Management's Discussion and Analysis (Unaudited)

As management of the City of Portland, Maine (the City), we offer readers of the City of Portland, Maine's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2025. We encourage the readers to consider the information presented here in conjunction with additional information we have furnished in our letter of transmittal, which can be found on pages 1-11 of this report. All amounts in the Management's Discussion and Analysis are expressed in thousands of dollars. Also, please note that percentages may not add to 100% due to rounding.

Financial Highlights

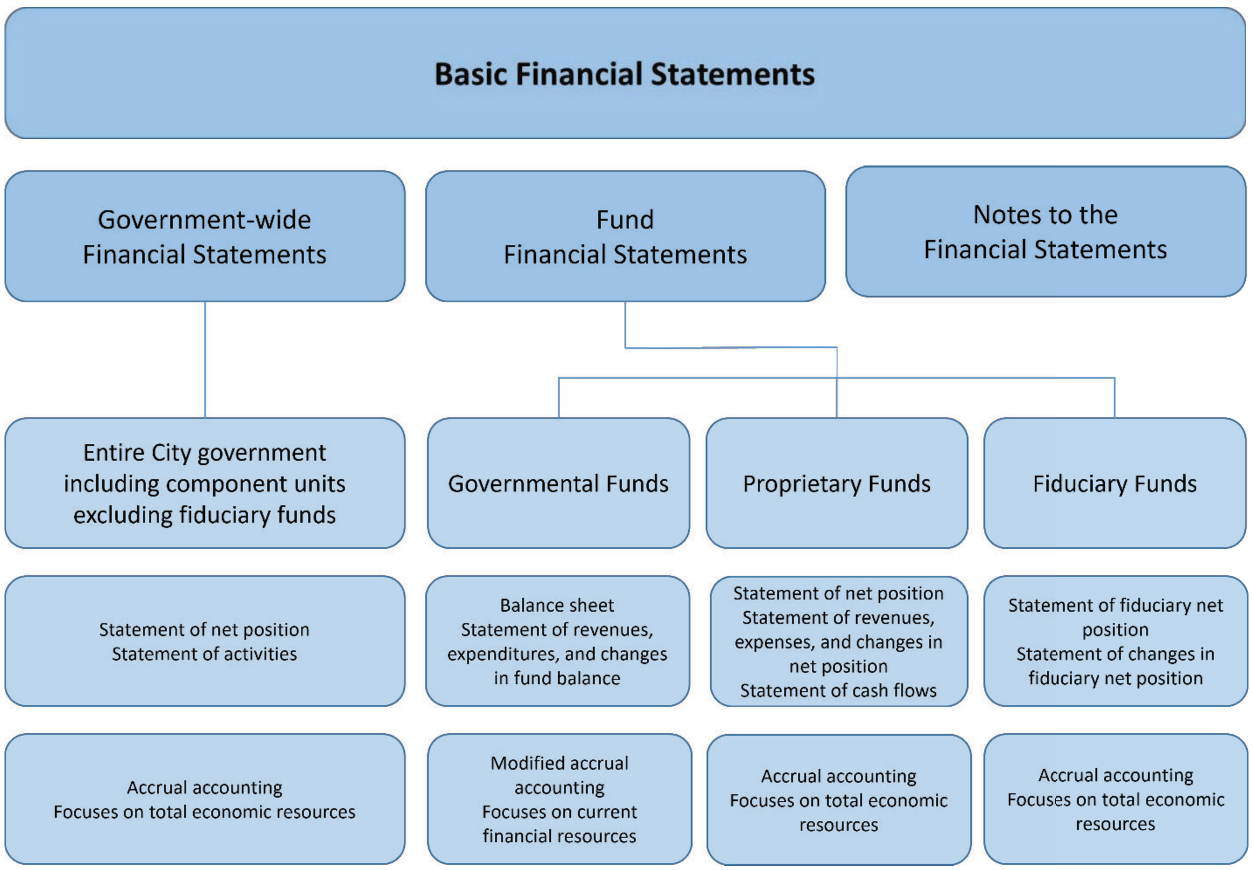
- The assets plus the deferred outflows of the City of Portland, Maine exceeded its liabilities plus deferred inflows at the close of the most recent fiscal year by $700,178 *(Net Position).*
- The City's total net position increased by $75,876. Of the total increase in net position, $38,643 relates to the governmental funds and $37,233 is attributed to the enterprise funds. The primary reasons for the increase in the governmental funds is due to continued strong collections of property and excise taxes, increased investment income, and reduced expenditures for social services. The increase in net position in the enterprise funds can be attributed to a continuing trend of increased passenger traffic at the Jetport, with increases in both Jetport operating revenues and passenger facility charges; and strong positive operating results in both the Sewer and Stormwater funds, resulting from increases in sewer user charges and collections of stormwater fees.
- As of the close of the current fiscal year, the City of Portland, Maine's governmental funds reported combined ending fund balances of $264,314, an increase of $24,751 compared to the prior year. The *unassigned fund balance* decreased by $1,086 to $74,673 while *nonspendable*, *restricted, committed*, and *assigned* fund balance increased by $25,837. In total, the general fund balance increased by $8,020. The capital projects fund increased by $8,134. The debt service fund decreased by $2,864, the American Rescue Plan special revenue fund had no change, and other governmental funds increased by $11,461.
- The city realized actual revenues and other financing sources of $5,400 above amounts budgeted, primarily due to continued strong collections of property and excise taxes, increases in revenues from building permits, and increasing investment income. Actual expenditures were $10,728 under budgeted amounts as a result of lower costs in social services, energy and education.
- The City's investment in capital assets increased $10,566. Depreciation/amortization expense for the year was $38,524 while net additions were $49,090. Capital assets for the City's governmental activities decreased by $9,090 and increased by $19,656 for business-type activities.
- The City's total general obligation debt decreased $28,553 with $19,000 new issues of general obligation bonds and direct borrowings and $47,553 principal repayments. General obligation debt decreased by $22,409 for government activities, and decreased by $6,144 for business-type activities.

Overview of the Financial Statements

This discussion and analysis serves as an introduction the City of Portland, Maine's basic financial statements. The basic financial statements are comprised of three components:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

This report also contains required supplementary information and other supplementary information in addition to the basic financial statements, and other information found in the statistical section.



Government-wide financial statements: These statements are designed to provide readers with a broad overview of the City of Portland, Maine's finances in a manner similar to a private-sector business.

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

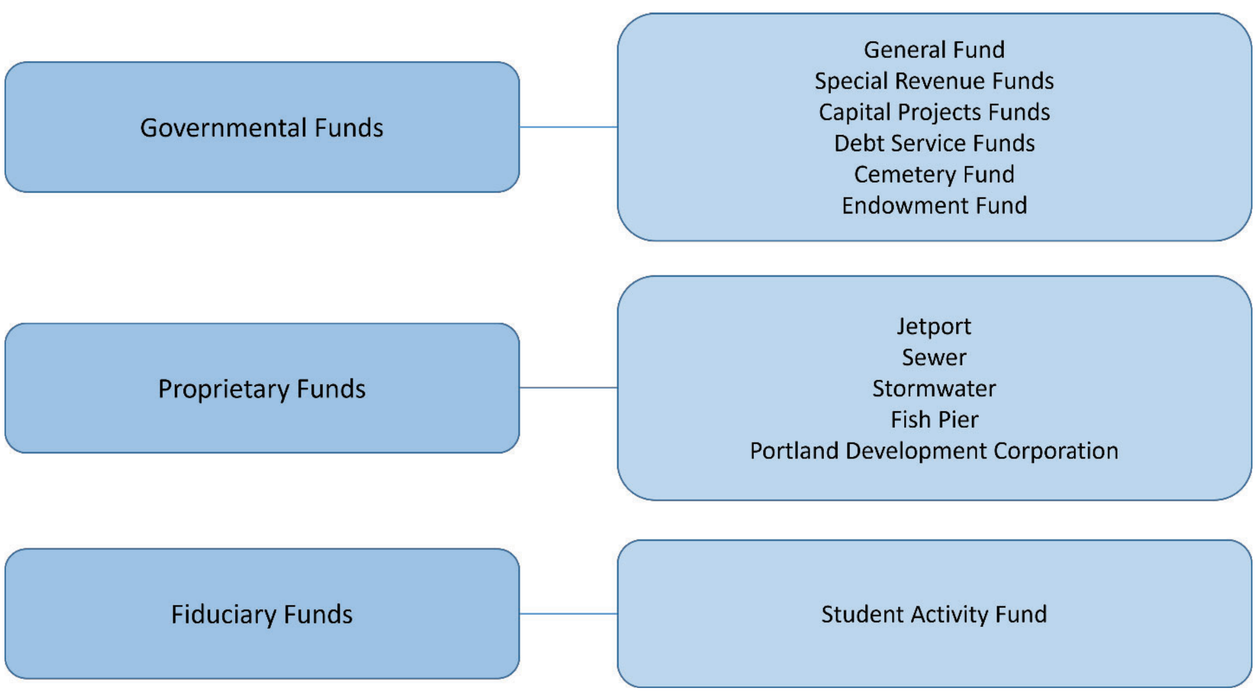
The *statement of activities* presents information showing how the City's *net position* changed during the most recent fiscal year. All the changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows.* Thus, revenues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

Both of the government-wide financial statements distinguish functions of the City of Portland, Maine that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Portland, Maine include general government, public safety, public works (highways, streets, and sanitation), health and social services, public library, education, and transportation. The business-type activities of the City of Portland, Maine include airport, sewer, stormwater, seaport facilities, and economic development and financial assistance to business and industry.

The government-wide financial statements include not only the City itself (*primary government),* but also a legally separate library for which the City of Portland, Maine is financially accountable. Financial information for this *component unit* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 37-38 of this report.

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

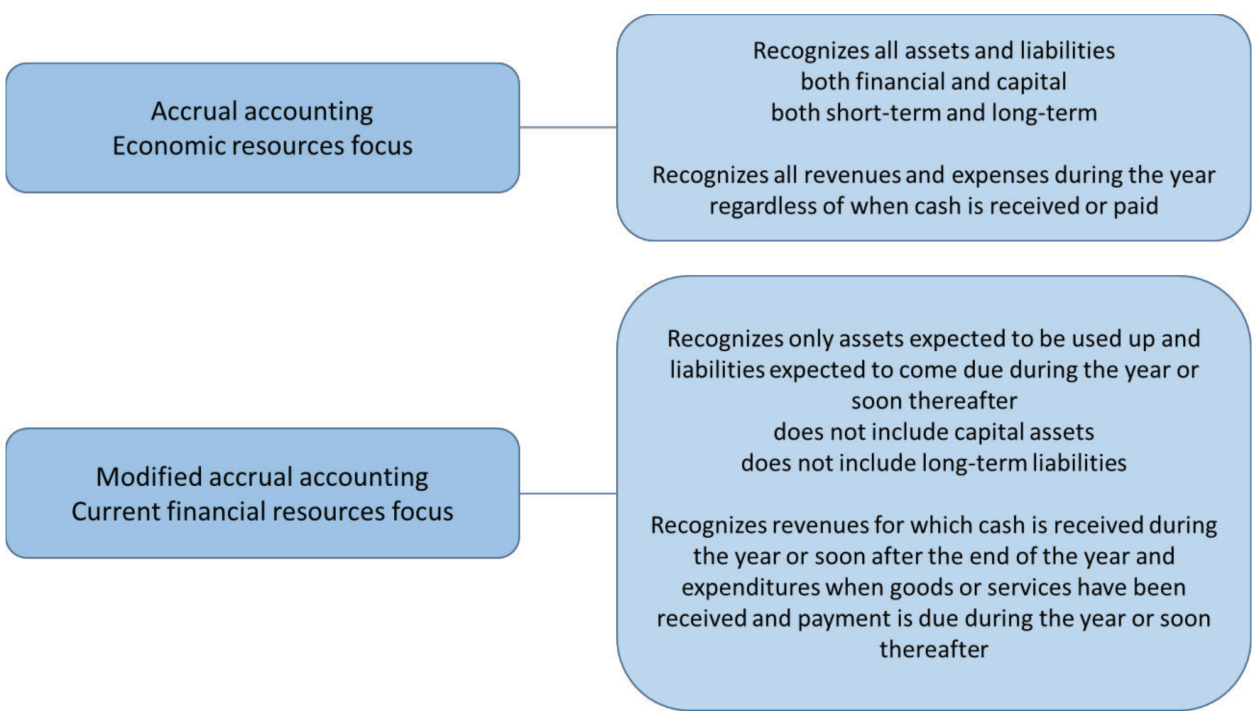


Governmental funds: These funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources,* as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be used in evaluating a government's near-term financing requirements. The basic governmental funds can be found on pages 39-42.

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

The City of Portland, Maine maintains eleven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, capital projects fund, and the American Rescue Plan special revenue fund, all of which are considered to be major funds. Data from the other seven governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements*. These statements can be found on pages 106-107.

The City of Portland adopts an annual appropriated budget for the general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget. This statement can be found on pages 93-96.



***Proprietary funds*:** The City of Portland, Maine maintains one type of proprietary fund. *Proprietary funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Portland uses proprietary funds to account for its jetport, sewer and stormwater utilities. The Fish Pier Authority and the Portland Development Corporation (PDC), *blended component units,* are also reported as proprietary funds.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information on the individual proprietary funds, each of which are considered to be a major fund of the City of Portland, Maine. The basic proprietary funds financial statements can be found on pages 43-45 of this report.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the City. These funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 46-47.

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 fund financial statements. The notes to the financial statements can be found on pages 48-92.

Other information: In addition to the basic financial statements and accompanying notes, this report also represents *required supplementary information* concerning the City of Portland, Maine's compliance with budgetary regulations and its progress in funding obligation to provide pension and other post-employment benefits to its employees. Required supplementary information can be found on pages 93-103 of this report.

Government-wide Overall Financial Analysis

As noted earlier, net position may, over time, serve as a useful indicator of a government's financial position. In the case of the City of Portland, Maine, assets and deferred outflows of resources less liabilities and deferred inflows at the close of the 2025 fiscal year were $698,799, an increase of $74,496 from $624,302 at the end of fiscal year 2024.

Net Position
Year Ended June 30, 2025
(With Comparison Totals for June 30, 2024)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets, restated	$ 334,668	$ 301,366	$ 188,438	$ 157,099	$ 523,106	$ 458,465
Capital assets, net, restated	423,825	432,915	449,629	429,973	873,454	862,888
Total assets	758,493	734,281	638,067	587,072	1,396,560	1,321,353
Deferred outflows of resources	28,146	20,624	2,118	2,154	30,264	22,779
Long-term liabilities	26,941	373,965	233,253	240,922	260,193	614,887
Other liabilities, restated	394,192	54,786	21,206	23,396	415,398	78,182
Total liabilities	421,132	428,751	254,459	264,318	675,592	693,069
Deferred inflows of resources, restated	17,688	16,979	35,263	10,571	52,952	27,550
Net position						
Net investment in capital assets, restated	231,529	224,460	231,776	194,354	463,305	418,814
Restricted	77,828	68,779	23,679	22,288	101,507	91,067
Unrestricted, restated	38,461	15,935	96,905	98,485	135,366	114,420
Total net position	$ 347,818	$ 309,175	$ 352,360	$ 315,127	$ 700,178	$ 624,302

The change of unrestricted net position, from $114,420 to $135,366 is primarily due to continued strong collections of property and excise taxes, increased investment income, and lower expenditures for social services in the governmental funds; and a continuing trend of increased passenger traffic at the Jetport, increasing both Jetport operating revenues and passenger facility charges, combined with increased collections for Sewer user charges and Stormwater fees in the enterprise funds.

The net investment in capital assets is the largest portion of the City's net position. It reflects the City's investment in land, buildings, machinery, equipment, vehicles, and infrastructure less any related outstanding debt used to acquire those assets. The capital assets are used to provide services to the City's citizens. Accordingly, these assets are not available for future spending. It should be noted that the resources used to repay the debt issued to finance asset acquisition must be provided from sources other than the assets themselves.

The remaining portion of net position (14.5%) represents resources that are subject to external restrictions on how they may be used.

Changes in Net Position
Year Ended June 30, 2025
(With Comparison Totals for June 30, 2024)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	$ 79,474	$ 69,215	$ 77,462	$ 69,240	$ 156,936	$ 138,455
Operating grants and contributions	115,122	129,692	1,237	259	116,359	129,951
Capital grants and contributions	758	560	28,771	16,070	29,529	16,630
General revenues:					-	
Property taxes	227,507	214,261	-	-	227,507	214,261
Excise taxes	14,240	13,417	-	-	14,240	13,417
Grants and contributions not					-	
restricted to specific programs	17,954	17,336	-	2,457	17,954	19,793
Unrestricted investment earnings	8,696	8,575	5,756	4,258	14,452	12,833
Other	-	-	-	-	-	-
Total revenues	463,751	453,056	113,226	92,284	576,977	545,340
Expenses:						
General government	93,483	72,187	-	-	93,483	72,187
Public safety	60,436	55,265	-	-	60,436	55,265
Public works	29,537	26,566	-	-	29,537	26,566
Health and social services	55,629	63,185	-	-	55,629	63,185
Public library	5,321	4,517	-	-	5,321	4,517
Education	168,331	160,238	-	-	168,331	160,238
Transportation	3,092	3,243	38,954	33,671	42,046	36,913
Interest on long-term debt	9,279	11,276	-	-	9,279	11,276
Sewer	-	-	29,102	28,038	29,102	28,038
Stormwater	-	-	4,507	4,007	4,507	4,007
Fish Pier Authority	-	-	2,080	308	2,080	308
Real estate development/lending	-	-	1,350	306	1,350	306
Total expenses	425,107	396,476	75,993	66,330	501,100	462,805
Excess (deficiency) before unusual/infrequest items and transfers	38,643	56,580	37,233	25,954	75,876	82,535
Transfers	-	-	-	-	-	-
Unusual or infrequent items	-	-	-	-	-	-
Change in net position	38,643	56,580	37,233	25,954	75,876	82,535
Net position - beginning of year, restated	309,175	252,595	315,127	288,515	624,302	541,767
Net position - end of year	$ 347,818	$ 309,175	$ 352,360	$ 314,469	$ 700,178	$ 624,302

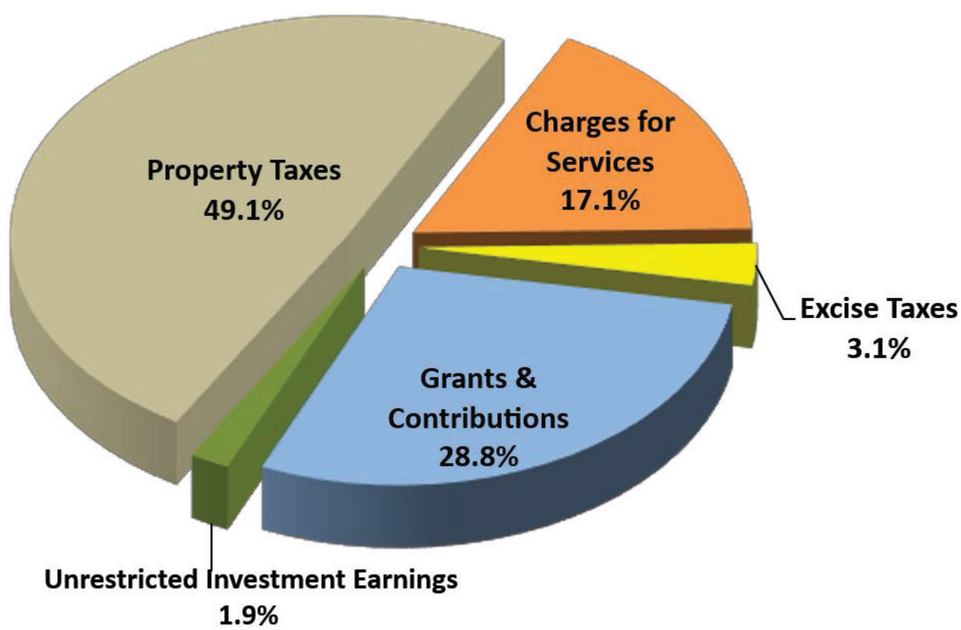
One of the significant items affecting net position is the change in the net pension liability. The increase in net pension liability during fiscal year 2025 was $9,280. This is the result of the change in investment earnings and other projections associated with the City's participation in the defined benefit pension plan administered by the Maine Public Employees Retirement System (MainePERS). The liability is derived from actuarially determined amounts and includes City employees participating in the plan as well as teachers of the School Department. The total net pension liability at June 30, 2025 is $41,313; a combination of a net liability of $35,378 for the City's pension plan and a net liability of $5,935 for the Teacher's pension plan. Of the total

$68,259 liability for the City's school teachers, only $5,935 is recorded by the City; the remaining $62,324 is the State of Maine's proportionate share. At the end of fiscal year 2025, the deferred outflows of resources related to pensions were $26,829; the deferred inflows were $7,862.

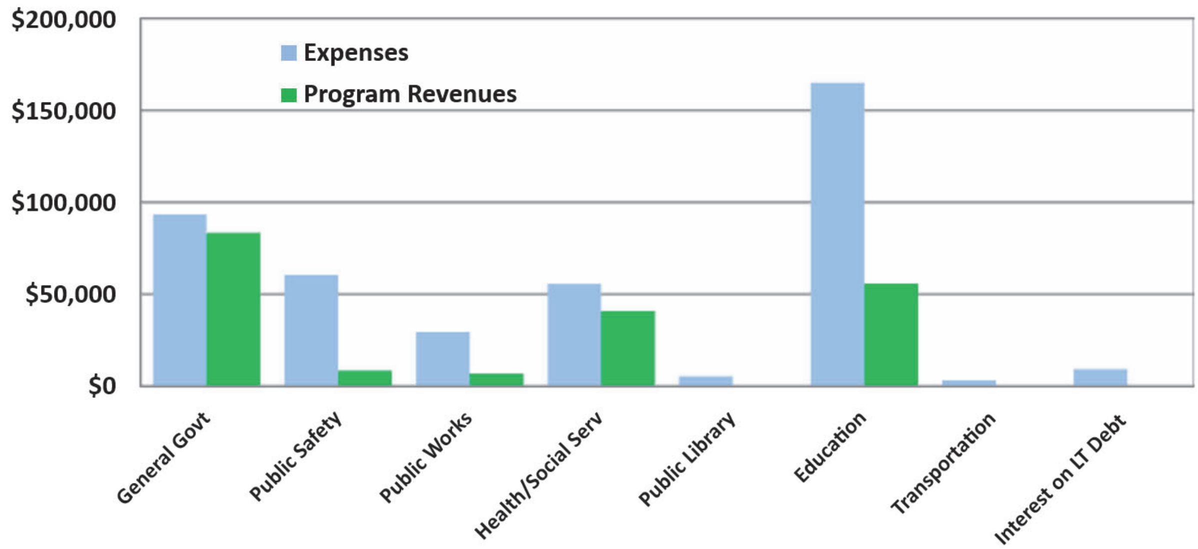
The City also has outstanding obligations relating to the group term life insurance and retiree health benefits plans administered by MainePERS and MEABT. The total OPEB liability at June 30, 2025 is $21,648, of which $19,085 relates to retiree health benefits for school employees. The City records this liability for retiree health benefits in the government-wide financial statements even though the State of Maine is responsible for 100% of this cost. At the end of the fiscal year 2025, the deferred outflows of resources related to OPEB were $2,256 and the deferred inflows of resources were $3,566.

Governmental activities: During the current fiscal year, continued strong collections of property and excise taxes, increased investment income, and reduced expenditures for social services were the primary factors increasing net position by $38,644 compared to the prior fiscal year, for an ending balance of $347,819.

Revenue by Source – Governmental Activities
For the Year Ended June 30, 2025

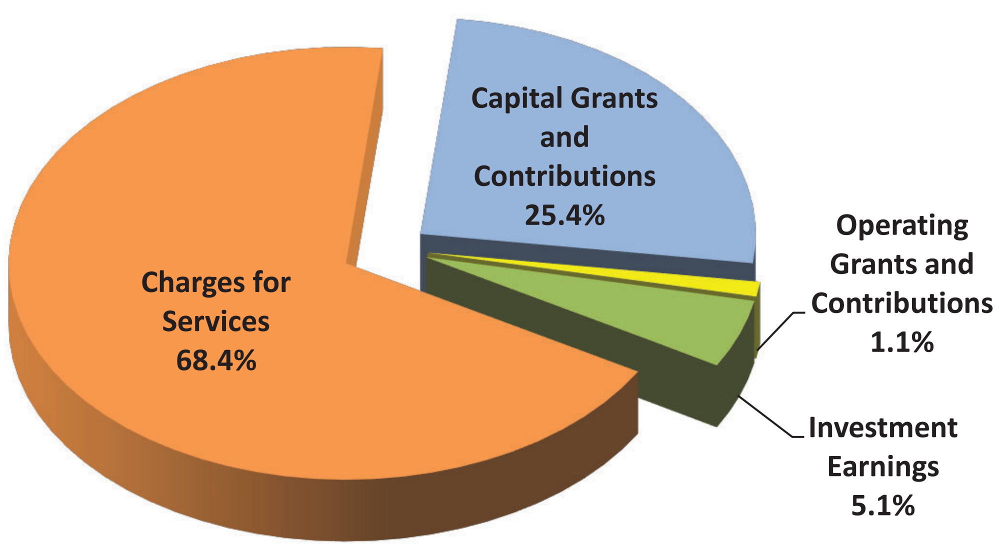


Expenses and Program Revenues – Governmental Activities
For the Year Ended June 30, 2025

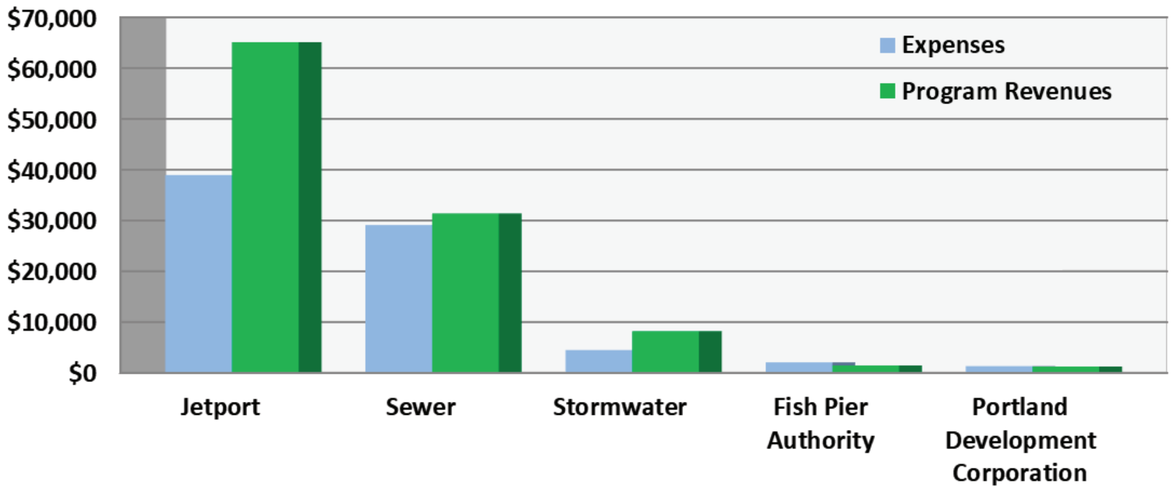


Business-type activities: For the City of Portland, Maine's business activities, the results for the current year were positive in that the overall net position for business-type activities increased $35,853 to an ending balance of $350,980.

Revenues by Source – Business-type Activities
For the Year Ended June 30, 2025



Expenses and Program Revenues – Business-type Activities
For the Year Ended June 30, 2025



Financial Analysis of Governmental Funds

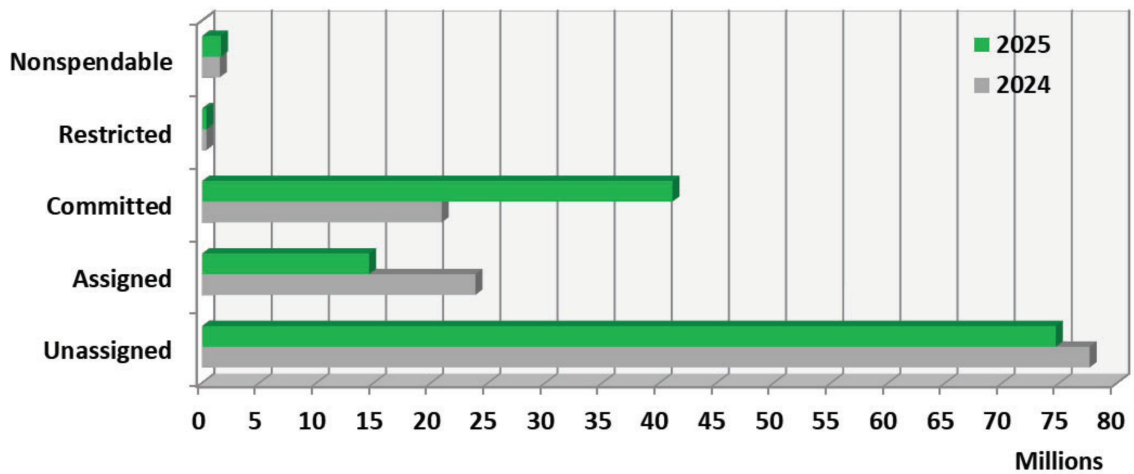
The City of Portland, Maine uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds: The focus on the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City of Portland, Maine's Council.

At June 30, 2025, the City of Portland, Maine's governmental funds reported combined fund balance of $264,314, an increase of $24,751. Approximately 28% of this amount, or $74,673, constitutes *unassigned fund balance,* which is available for spending at the City's discretion. The remainder of fund balance is either *nonspendable, restricted, committed,* or *assigned* to indicate that it is 1) not in spendable form, 2) externally restricted for a specific purpose, 3) internally committed to a particular purpose, or 4) assigned to a particular purpose.

General Fund - Components of Fund Balance June 30, 2025	Amount	Percent of Total
Nonspendable	$ 1,628	1.2%
Externally restricted	360	0.3%
Internally committed	41,134	31.1%
Assigned to a particular purpose	14,593	11.0%
Unassigned and available for spending	74,673	56.4%

General Fund Components of Fund Balance
June 30, 2025



The general fund is the central operating fund of the City and is the only fund that can have a positive unassigned balance. At the end of the current fiscal year, unassigned fund balance of the general fund was $74,673; total fund balance was $132,389. As a measure of liquidity in the general fund, it may be useful to compare both unassigned fund balance and total fund balance to general fund expenditures. The total fund balance of the City of Portland's general fund increased $8,020 during the 2025 fiscal year.

The capital projects fund, a major fund, had an increase of $8,134 in fund balance. This was due to the issuance of long-term debt, which exceeded the expenditure of funds for related capital projects during the 2025 fiscal year.

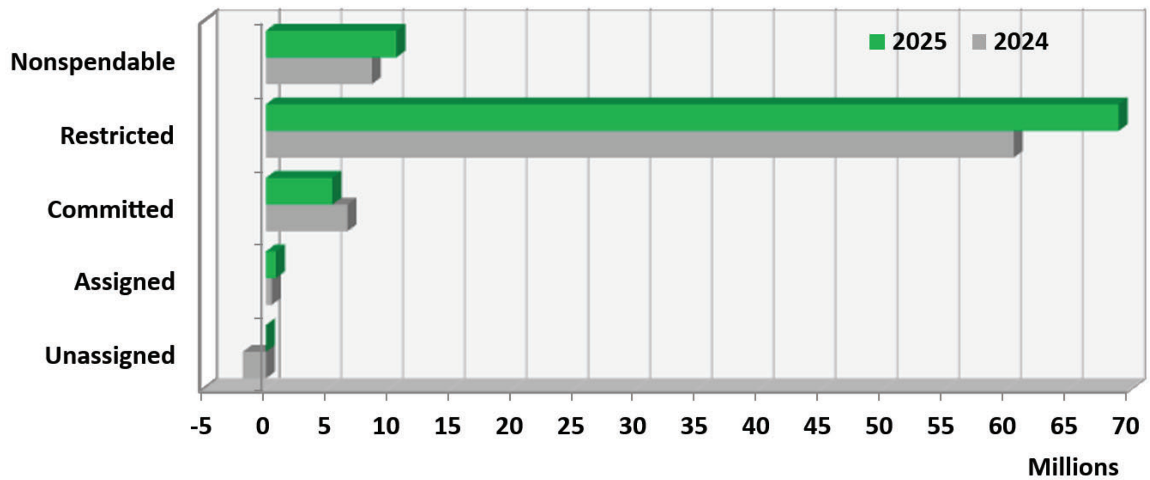
The debt service fund, also a major fund, had a decrease of $2,864 in fund balance. This was the result of using reserves accumulated in prior years for the payment of debt service related to outstanding pension obligation bonds.

The American Rescue Plan special revenue fund had no change in fund balance as grant funds recorded as deferred revenue in prior years are realized in subsequent years to the extent of, and equaling, grant expenditures.

The non-major governmental funds had an increase of $11,461, due primarily to increased investment income and intergovernmental revenues.

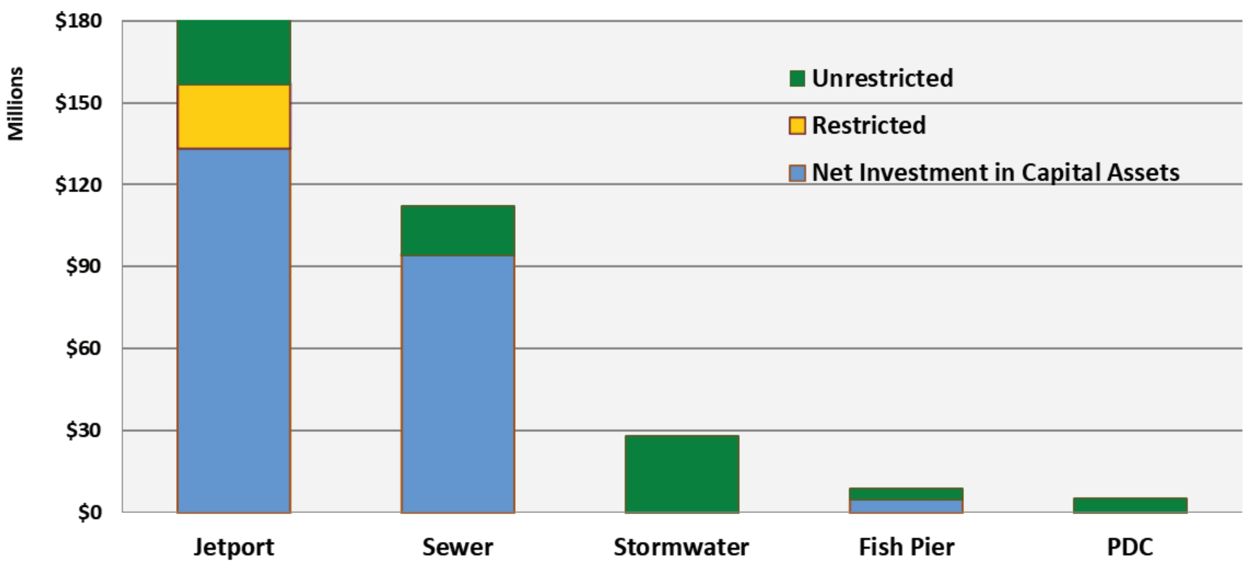
Capital Projects, Debt Service, and Other Governmental Funds Components of Fund Balance, June 30, 2025	Amount	Percent of Total
Nonspendable	$ 10,561	8.0%
Externally restricted	105,527	80.0%
Internally committed	6,821	5.2%
Assigned to a particular purpose	9,016	6.8%
Unassigned	0	0.0%

Other Governmental Funds Components of Fund Balance
June 30, 2025



Proprietary funds. The City of Portland, Maine's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Net position of the five enterprise funds totaled $350,980, an overall increase of $35,852. Net position increased from $168,907 to $198,522 in the Jetport; increased from $106,705 to $112,273 in Sewer; increased from $25,932 to $26,456 in Stormwater; decreased from $8,726 to $8,722 in the Fish Pier Authority; and increased from $4,858 to $5,007 in the Portland Development Corporation.

Proprietary Funds – Net Position
June 30, 2025



Net position restricted for debt service, operating maintenance and renewal and replacement in the enterprise funds totaled $23,678 at the end of the 2025 fiscal year. The following table summarizes restricted net position at year end and the amount and percentage increase from June 30, 2024.

Restricted Net Position	Amount	Percentage of Total	Increase / (Decrease) from 2024	Percentage Increase / (Decrease)
Jetport	$ 23,552	99%	$ 1,381	6%
Sewer	126	1%	9	8%
Stormwater	-	0%	-	0%
Fish Pier Authority	-	0%	-	0%
Portland Development Corporation	-	0%	-	0%
Total	$ 23,678	100%	$ 1,390	

The increase of $1,381 in restricted net position in the Jetport is attributed to increases in debt service reserves of $347 and an increase of $1,034 in required reserves for Jetport operating maintenance. The increase of $9 in restricted net position in the Sewer enterprise fund represents an increase in debt service reserves.

General Fund Budgetary Highlights

Actual revenues and other financing sources exceeded budgeted amounts by $5,400, primarily due to continued strong collections of property and excise taxes, increased revenues from building permits and increased investment income. Budgeted revenues were 6.8% higher compared to the previous year.

Expenditures were $10,728 under amounts budgeted, the most significant variances being in health and human services due to lower expenditures for social services programs, and in public buildings as a result of lower energy costs. Overall, budgeted expenditures were 5.7% higher compared to the prior year.

Refer to the Budgetary Comparison Schedule on pages 93-96, Schedules B-1 and B-2 on pages 110-111, and the notes to the financial statements on pages 48-92 for more detailed information.

The following schedule presents a summary of the general fund's revenues on the budgetary basis for the fiscal year ended June 30, 2025, and the percentage of increases (decreases) from the year ended June 30, 2024.

Revenues		Amount	Percentage of Total		Increase / (Decrease) from 2024	Percentage Increase / (Decrease)
General property taxes	$	223,228	51%	$	10,116	5%
Excise taxes		14,240	3%		823	6%
Licenses and permits		13,094	3%		4,774	57%
Fines, forfeits and penalties		2,741	1%		442	19%
Uses of money and property		20,506	5%		1,285	7%
Intergovernmental		35,533	8%		(15,279)	-30%
Charges for services		40,381	9%		4,483	13%
Education		31,778	7%		(1,140)	-4%
Total revenues	$	381,501	88%	$	5,505	
Interdepartmental charges		53,380	12%		22,662	74%
Other		1,057	0%		(341)	-24%
Total other financing sources	$	54,437	12%	$	22,321	
Total budget revenues	$	435,937	100%	$	27,825	

General fund expenditures on the budgetary basis for the year ended June 30, 2025 and the corresponding increases (decreases) and percentages from the prior year are as follows:

Expenditures		Amount	Percentage of Total		Increase / (Decrease) from 2024	Percentage Increase / (Decrease)
General government	$	41,112	10%	$	4,450	12%
Public safety		46,147	11%		4,789	12%
Public works		18,719	4%		2,984	19%
Health and social services		45,216	11%		(6,145)	-12%
Public library		4,892	1%		363	8%
Education		152,938	36%		8,403	6%
Pension and employee insurance		39,675	9%		5,398	16%
Other		13,184	3%		(3,469)	-21%
Debt service		59,677	14%		5,785	11%
Capital		-	0%		56	-100%
Total	$	421,560	100%	$	22,615	

As described in the notes to the financial statements (page 52), the City treats inter-fund and interdepartmental transfers as revenues and expenditures for budgetary purposes. Interdepartmental expenditures for the year ended June 30, 2025 increased $6,235 or 20.3% primarily due to the increased use of debt service reserves to retire outstanding pension obligation bonds. Interdepartmental expenditures for the year are summarized below along with the dollar amount of change and percentage increase and (decrease) from the prior year.

Expenditures	Amount	Percentage of Total	Increase / (Decrease) from 2024	Percentage Increase / (Decrease)
General government	$ 3,218	9%	$ 233	8%
Public safety	2,581	7%	480	23%
Public works	1,113	3%	96	10%
Pension and employee insurance	2,657	7%	173	7%
Debt service	27,384	74%	5,253	24%
Total	$ 36,953	100%	$ 6,235	

Capital Assets and Debt Administration

Capital assets. The City of Portland, Maine's investment in capital assets for its governmental and business-type activities as of June 30, 2025 amounts to $873,455 (net of accumulated depreciation). The investment in capital assets includes land, buildings, machinery, equipment, right-to-use leased assets, right-to-use subscription assets and infrastructure. The increase for the current year was approximately $10,567 or 1.2%. Depreciation/amortization expense (net of disposals) for the year was $38,524 while additions (net of disposals) were $49,091.

City of Portland, Maine's capital assets	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Capital assets not being depreciated						
Land	$ 25,772	$ 25,772	$ 22,951	$ 22,951	$ 48,723	$ 48,723
Construction in progress	6,961	20,853	40,940	46,080	47,901	66,933
Capital assets being depreciated, net						
Buildings and improvements, restated	163,802	156,392	85,095	87,345	248,896	243,737
Right-to-use leased buildings	31,054	32,457	-	-	31,054	32,457
Improvements other than buildings	22,509	23,508	75,950	65,372	98,460	88,880
Machinery and equipment, restated	26,452	25,380	20,490	7,985	46,942	33,365
Right-to-use leased equipment	99	231	-	-	99	231
Right-to-use subscription assets	503	109	-	-	503	109
Infrastructure	146,674	148,213	204,203	200,240	350,877	348,453
Total	$ 423,825	$ 432,915	$ 449,629	$ 429,973	$ 873,455	$ 862,888

Additional information on the City of Portland, Maine's capital assets can be found on pages 53-54 and pages 61-62 of this report.

Long-term debt. At the end of the 2025 fiscal year, the City had total bonded debt outstanding of $423,565. Of this amount, $341,135 comprised general obligation bonds and direct borrowings backed by the full faith and credit of the City. The remaining $82,430 consisted of revenue bonds secured solely by Jetport operating revenues and passenger surcharges.

Total bonded debt decreased $28,553, or 6.3%, during the 2025 fiscal year due as new debt issues of $19,000 were less than principal repayments of $47,553.

City of Portland, Maine's outstanding bonded debt						
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
General obligation bonds	$ 204,001	$ 225,459	$ 88,909	$ 87,481	$ 292,910	$ 312,940
Notes from direct borrowings	3,841	4,792	44,384	48,326	48,225	53,118
Revenue bonds	-	-	82,430	86,060	82,430	86,060
Total	$ 207,842	$ 230,251	$ 215,723	$ 221,867	$ 423,565	$ 452,118

The City of Portland, Maine maintains an "Aaa" rating from Moody's Investor Services and an "AAA" rating from Standard and Poor's Rating Services.

State statutes limit the amount of general obligation debt that a municipality may issue to 15% of its total state assessed valuation. The current debt limit for the City is $2,785,328. Outstanding debt of $337,519 is 12.12% of the total allowed.

Additional information on the City of Portland, Maine's long-term debt can be found in Note L. Long-term liabilities on pages 80-85.

Economic Factors and Next Year's Budget and Rates

The following economic factors currently affect the City of Portland, Maine and were considered and included in developing the 2025-2026 fiscal year budgets:

- Continuing pressure to maintain or increase services
- Decreasing intergovernmental revenues
- Expenses for which the City has limited control
- Taxable assessed value
- State budget deliberations
- Restrictions on discretionary spending at the federal level

In adopting the budget for the 2026 fiscal year, City officials considered many factors in making judgements and estimates about the finances of the upcoming year:

- Minimize taxpayer impact
- Minimize the impact to services and recipients
- Minimize the impact to our workforce
- Responsibly manage our fund balance

The result was an increase of 6.9% in the tax levy and, as a result of a property revaluation, a decrease in the tax rate from $15.01 mills to $11.98 mills, with a fund balance utilization component of $8.8 million for municipal purposes and $5.0 million by the School Department.

Requests for Information

This financial report is designed to provide a general overview of the City of Portland, Maine's finances for all those with an interest in the City's finances. Questions concerning any of the information in this report or requests for additional information should be addressed to:

Office of the Finance Director
City of Portland, Maine
389 Congress Street
Portland, Maine 04101

This report is available online at https://www.portlandmaine.gov/195/Annual-Comprehensive-Financial-Reports-A

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Basic Financial Statements

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CITY OF PORTLAND, MAINE
STATEMENT OF NET POSITION
June 30, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Portland Public Library
ASSETS				
Cash and cash equivalents	$ 222,322,955	$ 102,362,783	$ 324,685,738	$ 5,108,387
Investments	56,726,442	-	56,726,442	10,062,819
Taxes receivable	4,144,251	-	4,144,251	-
Accounts receivable, net	7,775,440	10,319,020	18,094,460	99,498
Loans and notes receivable, net	1,426,049	756,711	2,182,760	-
Due from other governments	15,837,518	13,819,612	29,657,130	-
Leases receivable	7,284,064	35,126,540	42,410,604	-
Inventories	1,538,662	872,734	2,411,396	-
Prepaid expenses	131,336	753,631	884,967	86,896
Restricted assets-cash and cash equivalents	2,480,792	24,427,949	26,908,741	580,887
Other current assets	15,000,000	-	15,000,000	
Capital assets:				
Land	25,771,937	22,951,380	48,723,317	162,500
Construction in progress	6,961,464	40,939,525	47,900,989	-
Buildings and improvements, net	163,801,632	85,094,550	248,896,182	925,395
Right-to-use leased buildings, net	31,054,050	-	31,054,050	-
Improvements other than buildings, net	22,509,154	75,950,361	98,459,515	-
Machinery and equipment, net	26,451,752	20,490,262	46,942,014	322,966
Right-to-use leased equipment, net	98,733	-	98,733	-
Right-to-use subscription assets, net	502,978	-	502,978	-
Infrastructure, net	146,673,569	204,203,168	350,876,737	-
Other long-term assets - loan and notes receivable	-	1,896,047	1,896,047	-
Total assets	758,492,778	639,964,273	1,398,457,051	17,349,348
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of pension resources	25,911,260	917,513	26,828,773	$ -
Deferred outflows - other post-employment benefits	2,235,164	21,241	2,256,405	-
Deferred outflows of refunding bonds	-	1,179,211	1,179,211	-
Total deferred outflows of resources	28,146,424	2,117,965	30,264,389	-
LIABILITIES				
Accounts payable	24,215,433	6,972,214	31,187,647	$ 93,701
Accrued liabilities	32,202,157	6,652,295	38,854,452	352,332
Notes payable	-	6,546,744	6,546,744	
Unearned revenue	4,866,606	-	4,866,606	-
Noncurrent liabilities:				
Due within one year				
General obligation bonds and direct borrowings	39,658,591	10,765,597	50,424,188	
Revenue bonds	-	3,810,000	3,810,000	
Other	26,940,549	1,035,219	27,975,768	34,025
Due in more than one year				
General obligation bonds and direct borrowings	179,428,161	138,240,490	317,668,651	
Revenue bonds	-	78,620,000	78,620,000	
Other	113,820,663	1,816,820	115,637,483	570,772
Total liabilities	421,132,160	254,459,379	675,591,539	1,050,830
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - lease related	6,558,246	33,724,315	40,282,561	-
Deferred inflows of pension resources	7,614,219	248,200	7,862,419	-
Deferred inflows - other post-employment benefits	3,515,851	50,269	3,566,120	-
Deferred inflows - refunding bonds	-	1,240,429	1,240,429	-
Total deferred inflows of resources	17,688,316	35,263,213	52,951,529	-
NET POSITION				
Net investment in capital assets	231,529,477	231,775,740	463,305,217	1,410,861
Restricted for:				
Debt service	-	15,617,272	15,617,272	-
Operating maintenance - debt covenants	-	7,935,667	7,935,667	-
Loan programs	-	-	-	-
Education	3,065,172	-	3,065,172	-
Tax increment financing districts	14,365,332	-	14,365,332	-
Other grants and special revenue	28,459,667	-	28,459,667	-
Permanent funds, expendable	22,852,850	-	22,852,850	4,924,917
Permanent funds, nonexpendable	9,085,006	-	9,085,006	4,530,137
Renewal and replacement	-	126,413	126,413	464,257
Unrestricted	38,461,222	96,904,554	135,365,776	4,968,346
Total net position	$ 347,818,726	$ 352,359,646	$ 700,178,372	$ 16,298,518

The notes to the financial statements are an integral part of this statement.

Statement 2

CITY OF PORTLAND, MAINE
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
					Primary Government			Component Unit
Functions / Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**	**Portland Public Library**
Primary government:								
Governmental activities:								
General government	$ 93,482,699	$ 49,190,190	$ 34,033,930	$ 173,595	$ (10,084,984)	$ -	$ (10,084,984)	$ -
Public safety	60,436,005	6,562,302	1,791,090	-	(52,082,613)	-	(52,082,613)	-
Public works	29,537,068	5,129,542	1,203,594	584,501	(22,619,431)	-	(22,619,431)	-
Health and social services	55,628,559	17,048,020	23,844,414	-	(14,736,125)	-	(14,736,125)	-
Public library	5,320,631	-	-	-	(5,320,631)	-	(5,320,631)	-
Education	168,330,998	1,543,564	54,249,116	-	(112,538,318)	-	(112,538,318)	-
Transportation	3,092,221	-	-	-	(3,092,221)	-	(3,092,221)	-
Interest on long-term debt	9,278,927	-	-	-	(9,278,927)	-	(9,278,927)	-
Total governmental activities	425,107,108	79,473,618	115,122,144	758,096	(229,753,250)	-	(229,753,250)	-
Business-type activities:								
Jetport	38,954,442	36,323,019	-	28,771,155	-	26,139,732	26,139,732	-
Sewer	29,101,444	31,406,424	-	-	-	2,304,980	2,304,980	-
Stormwater	4,506,884	8,232,005	-	-	-	3,725,121	3,725,121	-
Fish Pier Authority	2,079,907	1,473,543	-	-	-	(606,364)	(606,364)	-
Portland Development Corporation	1,350,143	26,515	1,236,922	-	-	(86,706)	(86,706)	-
Total business-type activities	75,992,820	77,461,506	1,236,922	28,771,155	-	31,476,762	31,476,762	-
Total primary government	$ 501,099,928	$ 156,935,124	$ 116,359,066	$ 29,529,251	$ (229,753,250)	$ 31,476,762	$ (198,276,488)	$ -
Component unit:								
Portland Public Library	7,310,291	369,982	6,788,815	1,505,403				1,353,909
	$ 7,310,291	$ 369,982	$ 6,788,815	$ 1,505,403				$ 1,353,909
General revenues:								
Property taxes					$ 227,507,198	$ -	$ 227,507,198	$ -
Excise taxes					14,239,769	-	14,239,769	-
Grants and contributions not restricted to specific programs					17,954,449	-	17,954,449	-
Unrestricted investment earnings					8,695,751	5,755,613	14,451,364	245,705
Total general revenues, transfers and unusual or infrequent items					268,397,167	5,755,613	274,152,780	245,705
Change in net position					38,643,917	37,232,375	75,876,292	1,599,614
Net position - beginning, restated					309,174,809	315,127,271	624,302,080	14,698,904
Net position - ending					$ 347,818,726	$ 352,359,646	$ 700,178,372	$ 16,298,518

The notes to the financial statements are an integral part of this statement.

Statement 3

CITY OF PORTLAND, MAINE
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2025

	General Fund	Debt Service Fund	Capital Projects Fund	American Rescue Plan Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	$ 115,266,598	$ 8,209,503	$ 38,209,812	$ 5,938,355	$ 57,179,479	$ 224,803,748
Investments	27,405,079	-	-	-	29,321,363	56,726,442
Taxes receivable	4,144,251	-	-	-	-	4,144,251
Accounts receivable	10,369,277	-	-	-	1,620,406	11,989,683
Allowance for uncollectible accounts	(4,214,243)	-	-	-	-	(4,214,243)
Loans receivable	-	-	-	-	1,501,449	1,501,449
Allowance for uncollectible loans	-	-	-	-	(75,400)	(75,400)
Due from other governments	5,919,914	-	-	-	9,917,604	15,837,518
Leases receivable	7,284,064	-	-	-	-	7,284,064
Interfunds receivable	3,138,551	-	-	-	-	3,138,551
Inventories	1,496,783	-	-	-	41,879	1,538,662
Prepaid expenditures	131,336	-	-	-	-	131,336
Other Assets	15,000,000					15,000,000
Total assets	$ 185,941,610	$ 8,209,503	$ 38,209,812	$ 5,938,355	$ 99,506,780	$ 337,806,060
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	$ 20,123,676	$ -	$ 1,307,482	$ 1,647,607	$ 1,136,667	$ 24,215,433
Accrued liabilities	20,120,201	-	374,544	297,891	7,684,105	28,476,741
Interfunds payable	-	-	-	-	3,138,551	3,138,551
Due to other governments	-	-	-	-	22,884	22,884
Claims and judgments	1,967,921	-	-	-	-	1,967,921
Unearned revenue	537,311	-	-	2,535,428	1,793,866	4,866,606
Total liabilities	42,749,109	-	1,682,026	4,480,927	13,776,072	62,688,134
Deferred inflows of resources:						
Unavailable revenue-property taxes	4,245,640	-	-	-	-	4,245,640
Lease related	6,558,246	-	-	-	-	6,558,246
Total deferred inflows of resources	10,803,886	-	-	-	-	10,803,886
Fund Balances:						
Nonspendable:						
Inventories and prepaid expenditures	1,628,119	-	-	-	50,032	1,678,151
Loan programs	-	-	-	-	1,426,049	1,426,049
Permanent funds	-	-	-	-	9,085,006	9,085,006
Restricted for:						
Capital projects	-	-	36,527,786	-	306,733	36,834,518
Career and technical education	360,236	-	-	-	-	360,236
Other grants and special revenue	-	-	-	-	45,840,140	45,840,140
Permanent funds	-	-	-	-	22,852,850	22,852,850
Committed for:						
Debt service	2,549,764	-	-	-	-	2,549,764
Capital improvement	24,549,607	-	-	1,457,428	4,507,006	30,514,041
Self-insurance programs	803,500	-	-	-	-	803,500
Recodification	3,643	-	-	-	-	3,643
Subsequent years expenditure	13,227,941	-	-	-	856,782	14,084,723
Assigned to:						
Barron Center resident benefits	110,667	-	-	-	-	110,667
Capital Improvement	821,420	-	-	-	-	821,420
Debt service	-	8,209,503	-	-	-	8,209,503
Medicaid settlements	300,000	-	-	-	-	300,000
Casco Bay Island Transit District	-	-	-	-	806,110	806,110
Self insurance programs	13,360,822	-	-	-	-	13,360,822
Unassigned	74,672,896	-	-	-	-	74,672,896
Total fund balances	132,388,615	8,209,503	36,527,786	1,457,428	85,730,708	264,314,040
Total liabilities, deferred inflows of resources and fund balances	$ 185,941,610	$ 8,209,503	$ 38,209,812	$ 5,938,355	$ 99,506,780	$ 337,806,060

Continued

The notes to the financial statements are an integral part of this statement.

CITY OF PORTLAND, MAINE
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2025

Reconciliation of the total fund balances - total governmental funds to the total net position of governmental activities:		
Total fund balances - total governmental funds, Statement 3		$ 264,314,040
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.		423,825,269
Other assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		4,245,639
Accrued interest payable on long-term liabilities is not reported in the funds.		(1,734,612)
Deferred inflows and outflows of pension resources are not financial resources nor are they available to pay current-period expenditures:		
Deferred outflows	$ 25,911,260	
Deferred inflows	(7,614,219)	18,297,041
Deferred inflows and outflows of OPEB resources are not financial resources nor are they available to pay current-period expenditures:		
Deferred outflows	$ 2,235,164	
Deferred inflows	(3,515,851)	(1,280,687)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
General obligation bonds	$ (204,000,914)	
Premium on bonds	(11,244,503)	
Notes payable from direct borrowings	(3,841,336)	
Leases payable	(29,696,059)	
Subscriptions payable	(517,012)	
Self-insurance	(5,491,104)	
Compensated absences	(43,912,958)	
Unfunded pension liability	-	
Net pension liability	(39,660,284)	
Net and total OPEB liability	(21,483,794)	(359,847,964)
Net position of governmental activities		$ 347,818,726

The notes to the financial statements are an integral part of this statement.

Statement 4

CITY OF PORTLAND, MAINE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2025

	General Fund	Debt Service Fund	Capital Projects Fund	American Rescue Plan Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
General property taxes	$ 216,958,806	$ -	$ -	$ -	$ 10,246,462	$ 227,205,268
Excise taxes	14,239,769	-	-	-	-	14,239,769
Licenses and permits	13,094,035	-	-	-	424,521	13,518,555
Fines, forfeits and penalties	2,741,251	-	-	-	-	2,741,251
Uses of money and property	14,009,333	-	-	-	119,958	14,129,291
Investment income	6,838,685	205,006	140,504	1,446,132	3,154,085	11,784,412
Intergovernmental	76,775,923	-	-	10,917,094	45,111,265	132,804,282
Current services	41,208,090	-	-	-	4,787,769	45,995,859
Operating contributions	-	-	-	-	721,812	721,812
Capital contributions	135,000	-	-	-	-	135,000
Total revenues	386,000,892	205,006	140,504	12,363,226	64,565,872	463,275,500
EXPENDITURES						
Current:						
General government	33,072,471	-	-	10,828,558	19,304,136	63,205,165
Public safety	42,403,919	-	-	-	2,074,874	44,478,792
Public works	17,454,050	-	-	-	983,361	18,437,411
Health and social services	35,671,390	-	-	1,534,668	9,013,281	46,219,339
Public library	5,054,281	-	-	-	-	5,054,281
Education	143,319,925	-	-	-	16,988,186	160,308,110
Transportation	3,092,221	-	-	-	-	3,092,221
Pension and employee insurance	35,227,247	-	-	-	-	35,227,247
Other	10,519,611	-	-	-	-	10,519,611
Debt service:						
Principal	32,094,979	5,100,000	-	-	77,623	37,272,601
Interest	10,774,183	522,619	-	-	5,088	11,301,890
Capital outlay	685,875	-	14,806,070	-	1,189,815	16,681,760
Total expenditures	369,370,152	5,622,619	14,806,070	12,363,226	49,636,363	451,798,430
Excess (deficiency) of revenues over (under) expenditures	16,630,741	(5,417,614)	(14,665,566)	-	14,929,509	11,477,070
OTHER FINANCING SOURCES (USES)						
Transfers in	1,343,929	2,553,009	9,700,000	-	1,199,277	14,796,215
Transfers out	(10,128,195)	-	-	-	(4,668,020)	(14,796,215)
Sale of city property	173,595	-	-	-	-	173,595
General obligation bonds issued	-	-	12,420,000	-	-	12,420,000
Premium on general obligation bonds	-	-	680,000	-	-	680,000
Total other financing sources (uses)	(8,610,672)	2,553,009	22,800,000	-	(3,468,743)	13,273,595
Net change in fund balances	8,020,069	(2,864,604)	8,134,434	-	11,460,766	24,750,665
Fund balances - beginning	124,368,546	11,074,107	28,393,352	1,457,428	74,269,942	239,563,375
Fund balances - ending	$ 132,388,615	$ 8,209,503	$ 36,527,786	$ 1,457,428	$ 85,730,708	$ 264,314,040

Continued

The notes to the financial statements are an integral part of this statement.

CITY OF PORTLAND, MAINE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2025

Reconciliation of the change in fund balances - total governmental funds to the change in net position of governmental activities:		
Net change in fund balances - total governmental funds, Statement 4		$ 24,750,665
Amounts reported for governmental activities in the Statement of Activities 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 and reported as depreciation expense.		
Capitalized expenditures, net of disposals	$ 13,492,808	
Depreciation expense	(22,482,454)	(8,989,646)
The cost less accumulated depreciation of assets disposed or sold not reflected in the governmental funds.		(99,813)
Current years' revenues in the Statement of Activities that do not meet the availability criteria in the fund statements.		301,930
The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Debt issued and premiums received	$ (13,100,000)	
Amortization of premiums	1,992,297	
Principal repaid	37,272,600	26,164,897
Changes in the net pension liability and related deferred inflows and outflows of resources are not recorded as expenditures in the governmental funds, but are recorded as expenses in the Statement of Activities.		
General government expense	$ (67,728)	
Public safety expense	(130,311)	
Public works expense	(28,243)	
Health and human services expense	(40,730)	
Education	698,389	431,377
Changes in the net OPEB liability and related deferred inflows and outflows of resources are not recorded as expenditures in the governmental funds, but are recorded as expenses in the Statement of Activities.		
General government expense	$ 110,075	
Public safety expense	24,891	
Public works expense	47,754	
Health and human services expense	88,039	
Education	(148,065)	122,694
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.		
Change in subscriptions payable	$ (542,065)	
Change in self insurance liability	(111,610)	
Change in accrued compensated absences	(3,415,179)	
Change in accrued interest	30,667	(4,038,187)
Change in net position of governmental activities, Statement 2		$ 38,643,917

The notes to the financial statements are an integral part of this statement.

CITY OF PORTLAND, MAINE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
Business-type Activities - Enterprise Funds
June 30, 2025

	Jetport	Sewer	Stormwater	Fish Pier Authority	Portland Development Corporation	Total Business-type Activities
ASSETS						
Current assets:						
Cash and cash equivalents	$ 48,292,283	$ 21,782,715	$ 26,573,763	$ 3,287,355	$ 2,426,667	$ 102,362,783
Accounts receivable	7,046,543	1,608,126	1,533,209	435,100	3,663	10,626,641
Allowance for uncollectible accounts	(145,400)	(6,900)	(153,321)	(2,000)	-	(307,621)
Notes and loans receivable	-	67,170	-	-	1,146,441	1,213,611
Allowance for uncollectible loans	-	-	-	-	(456,900)	(456,900)
Due from other governments	13,819,612	-	-	-	-	13,819,612
Leases receivable, current portion	7,663,283	-	-	264,258	-	7,927,541
Inventories	776,419	93,335	-	2,980	-	872,734
Prepaid expenses	-	712,278	-	41,353	-	753,631
Total current assets	77,452,740	24,256,724	27,953,651	4,029,046	3,119,871	136,812,032
Noncurrent assets:						
Restricted cash and cash equivalents	23,552,939	875,010	-	-	-	24,427,949
Leases receivable, net of current portion	24,492,599	-	-	2,706,400	-	27,198,999
Loans and notes receivable, net of current portion	-	-	-	-	1,896,047	1,896,047
Capital assets:						
Land	17,833,725	854,086	-	4,263,569	-	22,951,380
Buildings and improvements	185,229,692	1,716,184	-	12,813,937	-	199,759,813
Improvements other than buildings	198,027,471	96,031	-	1,405,606	-	199,529,108
Machinery and equipment	33,518,187	7,007,639	-	766,974	-	41,292,800
Infrastructure	-	255,891,403	-	-	-	255,891,403
Construction in progress	9,259,131	31,680,394	-	-	-	40,939,525
Less accumulated depreciation	(238,340,827)	(57,983,092)	-	(14,410,864)	-	(310,734,783)
Total capital assets (net of accumulated depreciation)	205,527,379	239,262,645	-	4,839,222	-	449,629,246
Total noncurrent assets	253,572,917	240,137,655	-	7,545,622	1,896,047	503,152,241
Total assets	331,025,657	264,394,379	27,953,651	11,574,668	5,015,918	639,964,273
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of pension resources	622,116	295,397	-	-	-	917,513
Deferred outflows of other post-employment benefits	12,307	8,934	-	-	-	21,241
Deferred outflows of refunding bonds	1,179,211	-	-	-	-	1,179,211
Total deferred outflows of resources	1,813,634	304,331	-	-	-	2,117,965
LIABILITIES						
Current liabilities:						
Accounts payable	5,874,105	958,900	88,101	42,546	8,562	6,972,214
Accrued liabilities	3,337,844	2,708,791	13,902	193,932	-	6,254,469
Note payable	-	6,546,744	-	-	-	6,546,744
Current portion of long-term debt	4,778,199	9,788,143	-	9,255	-	14,575,597
Compensated absences	585,426	449,793	-	-	-	1,035,219
Claims and judgments	140,726	241,090	16,010	-	-	397,826
Unearned revenue	-	-	-	-	-	-
Total current liabilities	14,716,300	20,693,461	118,013	245,733	8,562	35,782,069
Noncurrent liabilities:						
Long-term debt due in more than one year	87,036,902	131,631,287	-	9,120	-	218,677,309
Total noncurrent liabilities	87,036,902	131,631,287	-	9,120	-	218,677,309
Total liabilities	101,753,202	152,324,748	118,013	254,853	8,562	254,459,378
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows - lease related	31,126,129	-	-	2,598,186	-	33,724,315
Deferred inflows of pension resources	168,291	79,909	-	-	-	248,200
Deferred inflows of other post-employment benefits	29,126	21,143	-	-	-	50,269
Deferred inflows of refunding bonds	1,240,429	-	-	-	-	1,240,429
Total deferred inflows of resources	32,563,975	101,052	-	2,598,186	-	35,263,213
NET POSITION						
Net investment in capital assets	132,979,103	93,975,790	-	4,820,847	-	231,775,740
Restricted for:						
Debt service	15,617,272	-	-	-	-	15,617,272
Operating maintenance - debt covenants	7,935,667	-	-	-	-	7,935,667
Renewal and replacement	-	126,413	-	-	-	126,413
Unrestricted	41,990,072	18,170,706	27,835,638	3,900,782	5,007,356	96,904,554
Total net position	$ 198,522,114	$ 112,272,909	$ 27,835,638	$ 8,721,629	$ 5,007,356	$ 352,359,646

The notes to the financial statements are an integral part of this statement.

Statement 6

CITY OF PORTLAND, MAINE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Business-type Activities - Enterprise Funds
For the Year Ended June 30, 2025

	Jetport	Sewer	Stormwater	Fish Pier Authority	Portland Development Corporation	Total Business-type Activities
OPERATING REVENUES						
Charges for services	$ 36,323,019	$ 31,406,424	$ 8,232,005	$ 1,473,543	$ 26,515	$ 77,461,506
Intergovernmental	-	-	-	-	1,236,922	1,236,922
Total operating revenues	36,323,019	31,406,424	8,232,005	1,473,543	1,263,437	78,698,428
OPERATING EXPENSES						
Personnel services	6,972,143	2,881,946	1,570,707	935,265	-	12,360,061
Contractual services	11,272,561	2,336,840	874,138	403,244	1,235,958	16,122,741
Portland Water District services	-	16,826,174	-	-	-	16,826,174
Supplies and materials	979,228	305,563	182,703	122,073	-	1,589,567
Rentals	188,950	107,626	49,840	-	-	346,416
Utilities	1,492,848	142,899	-	135,774	-	1,771,521
Maintenance	3,364,904	649,616	204,272	314,054	8,685	4,541,531
Depreciation	11,686,874	4,290,324	-	63,909	-	16,041,107
Other	217,286	-	-	98,767	105,500	421,553
Total operating expenses	36,174,794	27,540,988	2,881,660	2,073,086	1,350,143	70,020,671
Operating income (loss)	148,225	3,865,436	5,350,345	(599,543)	(86,706)	8,677,757
NONCAPITAL SUBSIDIES						
Transfers in (out)	-	2,549,787	(2,549,787)	-	-	-
Total noncapital subsidies	-	2,549,787	(2,549,787)	-	-	-
Total operating income (loss) and noncapital subsidies	148,225	6,415,223	2,800,558	(599,543)	(86,706)	8,677,757
OTHER NONOPERATING REVENUES (EXPENSES)						
Interest and other revenue	3,475,620	713,177	728,568	602,097	236,151	5,755,613
Interest and other expense	(2,779,648)	(1,560,457)	(1,625,224)	(6,821)	-	(5,972,150)
Capital contributions	23,772,911	-	-	-	-	23,772,911
Passenger facility charges	4,998,244	-	-	-	-	4,998,244
Total nonoperating revenues (expenses)	29,467,127	(847,280)	(896,656)	595,276	236,151	28,554,618
Increase (decrease) in fund net position	29,615,352	5,567,943	1,903,902	(4,267)	149,445	37,232,376
Total net position - beginning, restated	168,906,762	106,704,966	25,931,736	8,725,896	4,857,912	315,127,271
Total net position - ending	$ 198,522,114	$ 112,272,909	$ 27,835,638	$ 8,721,629	$ 5,007,356	$ 352,359,646

The notes to the financial statements are an integral part of this statement.

Statement 7

CITY OF PORTLAND, MAINE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Business-type Activities - Enterprise Funds
For the Year Ended June 30, 2025

	Jetport	Sewer	Stormwater	Fish Pier Authority	Portland Development Corporation	Total Business-type Activities
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers and users	$ 33,947,072	$ 31,563,759	$ 7,976,472	$ 1,400,104	$ 1,280,398	$ 76,167,805
Payments to suppliers	(16,842,300)	(20,629,349)	(1,238,259)	(1,083,223)	(1,485,130)	(41,278,260)
Payments to employees	(6,842,591)	(3,080,835)	(1,566,391)	(935,265)	-	(12,425,082)
Net cash provided (used) by operating activities	10,262,181	7,853,575	5,171,822	(618,384)	(204,732)	22,464,462
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers in (out)	-	2,549,787	(2,549,787)	-	-	-
Issuance of loans	-	-	-	100,000	(627,500)	(527,500)
Repayment of loans	-	22,378	-	-	29,347	51,725
Net cash provided (used) by noncapital financing activities	-	2,572,165	(2,549,787)	100,000	(598,153)	(475,775)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTVITIES						
Capital contributions	21,543,186	-	-	-	-	21,543,186
Passenger facility charges	5,004,704	-	-	-	-	5,004,704
Proceeds from sale of general obligation bonds	-	6,940,000	-	-	-	6,940,000
Proceeds from issuance of notes	-	4,750,983	-	-	-	4,750,983
Acquisition and construction of capital assets	(33,609,515)	(9,553,064)	-	-	-	(43,162,579)
Principal paid on bond maturities	(3,630,000)	(9,084,555)	-	(9,011)	-	(12,723,566)
Interest paid on debt	(3,833,901)	(2,372,601)	(1,625,224)	(7,110)	-	(7,838,836)
Net cash provided (used) by capital and related financing activities	(14,525,526)	(9,319,237)	(1,625,224)	(16,121)	-	(25,486,108)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest income	3,456,533	713,177	728,568	602,097	236,151	5,736,526
Net cash provided by investing activities	3,456,533	713,177	728,568	602,097	236,151	5,736,526
Net increase (decrease) in cash and cash equivalents	(806,812)	1,819,680	1,725,379	67,592	(566,734)	2,239,104
Cash and cash equivalents, and restricted cash, beginning of year, restated	72,652,034	20,838,045	24,848,384	3,219,763	2,993,402	124,551,627
Cash and cash equivalents, and restricted cash, end of year	$ 71,845,222	$ 22,657,725	$ 26,573,763	$ 3,287,355	$ 2,426,667	$ 126,790,732
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	$ 148,225	$ 3,865,436	$ 5,350,345	$ (599,543)	$ (86,706)	$ 8,677,757
Adjustments to reconcile operating income to net cash provided by operating activities:						
Depreciation	11,686,874	4,290,324	-	63,909	-	16,041,107
Change in operating assets and liabilities:						
Accounts receivable	(1,466,884)	157,335	166,828	(16,797)	-	(1,159,518)
Leases receivable	(26,305,728)	-	-	239,564	-	(26,066,164)
Due from other governments	-	-	-	-	16,961	16,961
Prepaid expenses	-	(356,139)	-	(15,849)	-	(371,988)
Inventories	(101,865)	(3,095)	-	5,384	-	(99,576)
Accounts payable	878,774	118,343	72,373	1,154	(134,987)	935,657
Accrued liabilities	193,269	(205,603)	4,316	-	-	(8,018)
Compensated absences	(63,717)	6,714	-	-	-	(57,003)
Accrued claims and judgments	60,939	84,524	321	-	-	145,784
Unearned revenue	-	-	(422,361)	-	-	(422,361)
Change in lease related deferred inflows of resources	25,396,665	-	-	(296,206)	-	25,100,459
Change in net pension liability and related deferred outflows and inflows of resources	(132,669)	(66,829)	-	-	-	(199,498)
Change in net post-employment benefits liability and related deferred outflows and inflows of resources	(31,702)	(37,436)	-	-	-	(69,138)
Net cash provided by operating activities	$ 10,262,181	$ 7,853,575	$ 5,171,822	$ (618,384)	$ (204,732)	$ 22,464,461

The notes to the financial statements are an integral part of this statement.

Statement 8

CITY OF PORTLAND, MAINE
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2025

	Custodial Fund
ASSETS	
Cash and cash equivalents	$ 1,243,498
Total assets	1,243,498
LIABILITIES	
Accrued liabilities	33,184
Total liabilities	33,184
NET POSITION	
Restricted for:	
School Activities	1,210,314
Total net position	$ 1,210,314

The notes to the financial statements are an integral part of this statement.

Statement 9

CITY OF PORTLAND, MAINE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended June 30, 2025

	Custodial Fund
ADDITIONS	
Taxes and fees collected for other governments	$ 4,174,264
Contributions to school activity funds	1,232,790
Total additions	5,407,054
DEDUCTIONS	
Payments of taxes and fees to other governments	4,174,264
School activities expense	1,192,277
Total deductions	5,366,541
Net increase in fiduciary net position	40,513
Fiduciary net position - beginning	1,169,801
Fiduciary net position - ending	$ 1,210,314

The notes to the financial statements are an integral part of this statement.

CITY OF PORTLAND, MAINE

Notes to Financial Statements
June 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the government-wide 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 City (the primary government) and its component units. *Governmental Activities,* which are normally supported by taxes, intergovernmental revenues and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the City is reported separately from certain legally separate *component units* for which the City is financially accountable.

B. Reporting entity

The City of Portland, Maine was incorporated in 1786 under the laws of the State of Maine. The City is governed by an elected mayor and an eight-member governing council. The accompanying financial statements present the government and its component units, entities for which the City is considered financially accountable. Blended component units are presented as funds of the City. The City's discretely presented component unit is reported in the separate column in the government-wide financial statements to emphasize it is legally separate from the City.

Blended component units: The Portland Fish Pier Authority, a local development corporation, was organized by the City for the purpose of managing and marketing the entire premises known as the Portland Fish Pier for the benefit of the fishing and fishery related business enterprises and the citizens of Portland. The Authority's board of directors is an advisory board governed by the City Council. The City and the Portland Fish Pier Authority are financially interdependent.

The Portland Development Corporation (PDC) is a local development corporation, which was organized in 1991 for the purpose of implementing and administering economic development programs. The board of directors is an advisory board governed by the City Council and is staffed by City employees. The PDC is financially dependent upon the City.

The financial statements of the Portland Fish Pier Authority and the PDC have been incorporated into the City's proprietary funds and neither issues separate financial statements.

Discretely presented component unit: The Portland Public Library (the Library) is a nonprofit corporation established in 1867. The Library has a Board of Trustees which is not appointed by the City Council. The Library is financially dependent upon the City. The City owns the land and building in which the Library operates and provides other support services to the Library. In addition, the City provides significant financial support to the Library and believes that the City's financial statements would be incomplete without the inclusion of the library as a discretely presented component unit. The Library, which is not a governmental entity, prepares its financial statements on the accrual basis of accounting in accordance with Generally Accepted Accounting Principles for not-for-profit organizations. Accordingly, the Library does not record its proportionate obligations in accordance with Governmental Accounting Standards Board (GASB) pronouncements. Where applicable, the City has included in notes E and F, the Library's share of postemployment (pension and OPEB) obligations and related deferrals as if they were obligations and related deferrals of the City. The Library's proportionate share of postemployment benefits is not material to the City. The Library is exempt from income taxes as an organization described in Section 501(a) of the Internal Revenue Code.

Separately issued financial statements are available for the Library and can be obtained at the Library's administrative offices.

Portland Public Library
5 Monument Square
Portland, ME 04101

Jointly governed organizations: The City participates in two jointly governed organizations. Neither is part of the City's reporting entity.

The Greater Portland Transit District provides public transportation to the residents of participating communities. The District is managed by a Board of Directors selected by the participating communities. The members' proportional share of bonds payable is repaid through member assessments. The City's share of any residual interest has not been determined.

ecomaine is a non-profit solid waste management corporation which serves 74 municipalities in Maine and New Hampshire. Owned and controlled by 20 of these municipalities, ecomaine creates electricity through its processing of waste and operates an extensive recycling program. The City is an owner-member. The City has no explicit, measureable equity. The City has no recorded asset in connection with its participation in ecomaine.

Complete financial statements for each organization can be obtained from the entity's administrative offices.

Greater Portland Transit District	ecomaine
114 Valley Street	64 Blueberry Road
Portland, ME 04102	Portland, ME 04102

C. Basis of presentation – government-wide financial statements

Although separate government-wide and fund financial statements are presented; they are interrelated. The governmental activities column incorporates data from governmental funds and business-type activities incorporate data from the City's enterprise funds. Separate financial statements are provided for governmental, proprietary, and fiduciary funds. The fiduciary funds are excluded from the government-wide financial statements.

The Portland Public Library, a component unit of the City, is shown in separate columns in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide statements.

D. Basis of presentation – fund financial statements

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major governmental funds.

The City reports the following major governmental funds:

The *general fund* is the City's main operating fund. It accounts for all the financial resources of the general government, except those accounted for in another fund.

The *debt service fund* accounts for the servicing of general long-term debt related to outstanding multi-modal taxable pension bonds.

The *capital projects fund* accounts for the acquisition of capital assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

The *American Rescue Plan special revenue fund* is used to account for receipts and expenditures related to the American Rescue Plan Act of 2021.

The City reports all of its proprietary funds as major. These funds consist of the following:

The *jetport fund* is used to account for the operation of the City's airport. The airport serves the southern part of Maine. The revenue is produced primarily through contracts and leases. The *sewer fund* and *stormwater fund* are used to account for sewer and stormwater services provided to residents and businesses. The City owns and maintains sewer and stormwater lines and is responsible for the costs of maintenance, improvements and expansion. All users of the system pay quarterly or monthly fees based on impervious surface area to support the system. The Portland Water District (not a department of the City) owns and operates the filtration plant, for which it charges the City monthly fees which are included in the sewer rate. The stormwater service charge was implemented in 2016 to more equitably allocate costs associated with capital maintenance of the City's sewer and stormwater infrastructure.

The remaining two proprietary funds are the *Fish Pier Authority* and the *Portland Development Corporation,* which are blended component units of the City.

The City also reports a *custodial fund* type to account for student activity funds.

During the course of operations, the City has activity between funds for various purposes. Any residual balances at year end are reported as due from/to other funds or advances to/from other funds. While these balances are reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In the fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in the governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included in transfers in the business-type activities column. There are exceptions to this treatment; these include charges which would distort the direct costs and program revenues reported for the various functions concerned.

E. Measurement focus basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources.* The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. 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.

The 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, as well as expenditures related to compensated absences, claims and judgments, leases, pensions and OPEB are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and notes from direct borrowings, financing from leases and software-based information technology agreements are reported as other financing sources.

Property taxes, licenses, and interest associated in the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements have been met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the City.

The proprietary funds are reported using the *economic resource measurement focus* and the *accrual basis of accounting.*

The custodial fund employs the same *economic resources measurement focus* and *accrual basis of accounting* as do proprietary funds.

F. Budgetary information

Budgetary basis of accounting

Annual budgets are adopted on a basis consistent with Generally Accepted Accounting Principles for the general fund except for the following:

- Encumbrances are treated as expenditures.
- Appropriations of prior year fund balances are treated as revenue.
- Interdepartmental and inter-fund transfers are treated as revenues and/or expenditures.
- Insurance claims, compensated absences, and investment income are recorded on the cash basis.
- On-behalf payments made by the State of Maine are not budgeted.

The *capital projects fund* is appropriated on a project-length basis. Other special revenue funds and the permanent funds do not have appropriated budgets since other means control the use of these resources (e.g., grant awards and endowment requirements) and sometimes span more than one fiscal year.

The appropriated budget is prepared by department, division, and expenditure. The City's department heads may make transfers of appropriations within their department. Council authorization is required when expenditures exceed appropriation. The legal level of budgetary control (i.e., the level at which at which expenditures may not legally exceed appropriation) is at the fund level except for the School Department which is the cost center level. During the fiscal year ended June 30, 2025 the School Department incurred overexpenditures in its adult education cost center as a result of unreimbursed expenses for grant programs and higher than anticipated health benefits costs.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed, executory contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) may be carried into the next fiscal year.

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

1. Cash, cash equivalents, and investments

The City's cash and cash equivalents consist of cash on hand, demand deposits, and cash equivalent investments (i.e., money market mutual funds).

Investments are recorded at fair value. Income earned from the investment of pooled cash is allocated to various funds on the basis of the average cash balance allocated to the fund.

2. Restricted assets

Restricted cash and cash equivalents are shown on the Statement of Net Position and consist of the balance of funds held in external accounts that are specifically restricted for debt service payments or for capital projects which are financed through debt issuances. The funds cannot be accessed without the City providing supporting documentation that cash has been spent on the approved items. As such, these items are shown separate from other cash held which is otherwise more accessible to the City.

3. Inventories and prepaid items

Inventories are valued at cost, using the first-in first-out (FIFO) method and consist of expendable supplies. The cost of such inventories is recorded as expenditures/expenses when consumed rather than purchased.

Certain payments to vendors reflect costs 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.

4. Capital assets

Capital assets include property, plant, equipment and infrastructure assets (i.e., road, bridges, sidewalks, and similar items). They are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in the proprietary fund statements. Capital assets are defined by the City as assets with an estimated minimum useful life in excess of two years with an initial, individual cost as follows:

Type of Asset	Cost
Land	ALL
Improvements other than buildings	$20,000
Machinery and equipment	20,000
Right-to-use leased equipment	ALL
Buildings, building improvements, and leasehold improvements	50,000
Right-to-use leased buildings	ALL
Infrastructure, sewer improvements and jetport runways	100,000

Such assets are recorded at historical cost or estimated historical cost, if historical cost is unknown. As the City acquires or constructs additional capital assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its useful life. Donated capital assets and similar items are recorded at their estimated acquisition value as of the date of the donation.

Land and construction in progress are not depreciated. The other property, plant, equipment and infrastructure of the primary government is depreciated/amortized using the straight-line method over the following useful lives:

Asset	Years
Buildings and improvements	20 - 40
Improvements other than buildings, including land and leasehold improvements	20 - 40
Right-to-use leased buildings	20 - 40
Machinery and equipment	2 - 20
Right-to-use leased equipment	2 - 20
Infrastructure, including sewer and jetport runway improvements	30 - 67

5. Deferred outflows/inflows of resources

The City accounts for certain transactions that result in the consumption or acquisition of resources in one period that are applicable to future periods as deferred outflows and inflows of resources, respectively, to distinguish them from assets and liabilities. For fiscal year 2025, the City has reported deferred outflows pertaining to its debt refunding, pension and other post-employment benefits transactions in the government–wide statements and deferred inflows related to pensions, other post-employment benefits and rent transactions in the government-wide statements. Deferred inflows related to rent and unavailable revenue are also reported in the governmental fund statements.

6. Leases receivable

The City has records a receivable for several leases for land and buildings. Lease agreements are generally subject to future increases for inflation. At the commencement of a lease the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable and amortized evenly over the life of the lease term. The City uses its estimated incremental borrowing rate as the discount rate for leases unless a specific interest rate is specified in the lease agreement.

7. Net position flow assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted (bond or grant proceeds) and unrestricted sources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

8. Fund balance flow assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted sources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

9. Fund balance policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or assignment (assigned fund balance).

The committed fund balance classification includes amounts that can only be used for the specific purposes determined by a formal action of the government's highest level of decision making authority. The City Council is the highest level of decision making authority that can, by the adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed remains in place until a similar action (the adoption of another ordinance) is taken to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The City Council has by resolution authorized the Finance Director to assign fund balance. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of the assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

H. Revenues and expenditures/expenses

1. Program revenues

Amounts reported as *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 (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property taxes

Property taxes act as an enforceable lien on real property and are levied usually in late June or early July. Taxes are due in two installments: one in September and the second in March. Property values are based on the assessed values as of the previous April 1st as set by statute. Interest is assessed after the due dates as approved by the council. The maximum rate that can be charged is determined annually by the State of Maine Department of Revenue Services. Upon the expiration of eight months, and within one year from the date of levy, a tax lien is recorded for all delinquent real property.

3. Compensated absences

Vacation
Vacation benefits are earned based on anniversary date and length of service in amounts ranging between two to five weeks per year. City employees are allowed to carry over vacation time earned up to a maximum of 240 hours for employees hired prior to 1979 and 200 hours for all other employees. Employees are eligible for payment of 160 hours of earned vacation benefits upon termination of employment.

Sick leave
Employees earn sick leave pursuant to collectively bargained agreements or policy; generally at a rate of one day per month. Upon retirement, termination, or death an employee may be compensated for amounts up to 180 days at current pay.

The liability for both types of leave is reported as incurred in the government-wide and the proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability would include salary related benefits.

4. Proprietary funds operating and nonoperating revenues and expenses

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

I. Pensions and other post-employment benefits

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

II. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Cash deposits with financial institutions

Custodial credit risk-deposits: In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's primary investment policy does not have a deposit policy for custodial credit risk. As of June 30, 2025, the City's bank balance was $353,227,616 none of which was exposed to custodial credit risk.

B. Investments

At June 30, 2025, the City had the following investments and maturities:

			Maturity (years)			
Investment types:	Fair Value	Not Applicable	< 1	1 - 5	6 - 10	10 >
Primary government - City:						
U.S. Treasuries	$ 9,885,527	$ -	$ 9,885,527	$ -	$ -	$ -
Certificates of Deposit	13,607,025	-	13,607,025	-	-	-
Mutual Funds - Debt	7,105,914	7,105,914				
Mutual Funds - Equity	9,062,682	9,062,682	-	-	-	-
Common Stock	11,657,730	11,657,730	-	-	-	-
Money Market Funds	5,407,564	5,407,564	-	-	-	-
	$ 56,726,442	$ 33,233,890	$ 23,492,552	$ -	$ -	$ -

Interest rate risk: The City's primary investment policy requires that, to the extent possible, the City will attempt to match investment term with anticipated cash requirements. Funds may be invested in securities exceeding one year.

Credit risk: This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Maine statutes (Title 30-A §5711) authorize the City to invest in government unit bonds, corporate securities, financial institution stock and other obligations, other stock investments, and other prudent investments. The City's investment policy has primary objectives of safety, liquidity, return on investment, and point of presence.

At June 30, 2025, the City's investment in debt securities and the corresponding credit ratings from S&P Global were as follows:

Credit risk ratings	AAA	AA+	Aa1	AA	A+
Mutual Funds - Debt	$ -	$ -	$ -	$ 847,846	$ 806,866
Money Market Funds	5,407,564	-	-	-	-
United States Treasuries	-	-	9,885,527	-	-
	$ 5,407,564	$ -	$ 9,885,527	$ 847,846	$ 806,866

	A	A-	BB+	BB-	B
Mutual Funds - Debt	$ 1,199,025	$ 2,249,402	$ 338,861	$ 537,220	$ 1,126,694
Money Market Funds	-	-	-	-	-
United States Treasuries	-	-	-	-	-
	$ 1,199,025	$ 2,249,402	$ 338,861	$ 537,220	$ 1,126,694

Custodial credit risk-investments: For investments, the custodial risk is the risk that, in the event of a failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. As of June 30, 2025, the City had no investments that were subject to custodial credit risk. The City's investment policy states that all security transactions will be settled using a delivery versus payment settlement system. City securities are held by third party custodians or trust departments designated by the treasurer and evidenced by safekeeping receipts.

Concentration of credit risk: The City's investment policy states that the City will diversify its investments by security type and institution. With the exception of U.S. Treasury securities, no more that 50% of the City's total investment portfolio will be invested in a single type, or with a single financial institution. This limit may be increased to 75% for pooled cash and investments held by the City's primary relationship banking institution provided that it is fully collateralized by an investment satisfactory to the finance director and corporate counsel. At June 30, 2025, 49% of the City's cash and investments, including pooled cash, were held at one institution. Of the total cash and investments, 86% was held in cash.

Fair value measurements: Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the City uses various methods, including market, income and cost approaches. Based on these approaches, the City often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and/or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. The City utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques, the City is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

- Level 1 – Quoted prices for identical assets and liabilities traded in active exchange markets, such as the New York Stock Exchange.

- Level 2 – Observable inputs other than Level 1 including quoted prices for similar assets or liabilities, quoted prices in less active markets, or other observable inputs that can be corroborated by observable market data.

- Level 3 – Unobservable inputs supported by little or no market activity for financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

In determining the appropriate levels, the City performs a detailed analysis of the assets and liabilities. At the end of the fiscal year, investments were classified as follows:

		Fair Value Measurements Using:		
Investment Type	Fair Value	Quoted prices in active markets for identical assets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
U.S. Treasuries	$ 9,885,527	$ 9,885,527	$ -	$ -
Certificates of Deposit	13,607,025	50,000	13,557,025	-
Mutual Funds	16,168,596	9,062,682	7,105,914	-
Common Stock	11,657,730	11,657,730	-	-
Money Market Funds	5,407,564	5,407,564	-	-
	$ 56,726,442	$ 36,063,503	$ 20,662,939	$ -

For the year ended June 30, 2025, the application of valuation techniques applied to similar assets and liabilities has been consistent. The following is a description of the valuation methodologies used for instruments measured at fair value:

- Investments have been valued using a market approach. The fair value of investment securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers.

- The beneficial interest in the perpetual trust has been valued using an income approach. The fair value of the beneficial interest in perpetual trust is based on the fair value of the underlying assets in the trust, which approximates the future estimated cash flows from the trust.

C. Receivables

Patient accounts receivable and revenues are recorded at established rates when services are performed. Revenues from services include amounts reimbursable under Medicare, Medicaid, private insurance, and self-pay. Differences between established rates and third party payer rates, which are generally lower, are recorded as reductions to operating revenues.

Property taxes were levied on September 18, 2023 on the assessed value of real property as of April 1, 2023, as described below. Taxes were due in two installments, October 18, 2024 and March 14, 2025. Interest was charged at 8.00% per annum on amounts not paid by October 19, 2024 and March 15, 2024. Upon the expiration of eight months, and within one year from the date of the levy, a tax lien is recorded for all delinquent taxes on real estate property. Property taxes of $214,587,786 for the fiscal year ended June 30, 2025 were assessed at a rate of 15.01 mills on the dollar on a total taxable value of $15,148,928,557.

Unbilled service receivables have been accrued at year end. This method is consistent with prior years.

Allowances for uncollectible accounts are maintained for all receivables.

The City has twelve ***revolving loan programs,*** which are accounted for within its enterprise and special revenue funds. Funding for these programs came from federal grants, bonded debt, and the general fund. Federal grants and program income continue to fund program loans, which are made to qualified borrowers for housing and economic development activities.

Allowance for uncollectible loans are established and used to estimate the portion of the City's loan portfolio that will ultimately be uncollectible. Allowances for each loan fund are reviewed annually.

The City is the recipient of several ***airport development aid program capital grants*** for the City's airport. Federal, state, and local grants were authorized in the amount of $86,070,950. At June 30, 2025, $52,504,509 had been expended against these grants. Amounts due from the federal and state government are $13,819,612.

D. Capital assets

Capital asset activity for the year ended June 30, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Primary Government				
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 25,771,937	$ -	$ -	$ 25,771,937
Construction in progress	20,852,507	7,032,417	(20,923,460)	6,961,464
Total capital assets, not being depreciated/amortized	$ 46,624,444	$ 7,032,417	$ (20,923,460)	$ 32,733,401
Capital assets, being depreciated/amortized:				
Buildings and improvements	$ 334,898,408	$ 17,266,054	$ -	$ 352,164,462
Right-to-use leased buildings	35,866,754	-	-	35,866,754
Improvements other than buildings	61,961,401	970,875	-	62,932,276
Machinery and equipment	71,177,372	5,742,393	(3,952,814)	72,966,951
Right-to-use leased equipment	651,095	-	-	651,095
Right-to-use subscription assets	265,608	542,065	-	807,674
Infrastructure	292,959,317	2,862,463	-	295,821,780
Total capital assets, being depreciated/amortized	$ 797,779,954	$ 27,383,851	$ (3,952,814)	$ 821,210,992
Less accumulated depreciation/amortization for:				
Buildings and improvements	$ (178,506,050)	$ (9,856,780)	$ -	$ (188,362,830)
Right-to-use leased buildings	(3,409,820)	(1,402,884)	-	(4,812,704)
Improvements other than buildings	(38,453,168)	(1,969,954)	-	(40,423,122)
Machinery and equipment	(45,797,725)	(4,570,473)	3,852,999	(46,515,199)
Right-to-use leased equipment	(420,372)	(131,991)	-	(552,362)
Right-to-use subscription assets	(156,384)	(148,312)	-	(304,696)
Infrastructure	(144,746,151)	(4,402,060)	-	(149,148,211)
Total accumulated depreciation/amortization	$ (411,489,669)	$ (22,482,454)	$ 3,852,999	$ (430,119,124)
Total capital assets being depreciated/amortized, net	386,290,282	4,901,398	(99,814)	391,091,866
Governmental activities capital assets, net	$ 432,914,729	$ 11,933,815	$ (21,023,274)	$ 423,825,269

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

Governmental activities:	
General government	$ 5,906,080
Public safety	2,302,490
Public works, including general infrastructure	6,561,428
Health and social services	1,169,716
Education	6,276,391
Public library	266,350
Total depreciation/amortization expense - governmental activities	$ 22,482,454

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 22,951,380	$ -	$ -	$ 22,951,380
Construction in progress	46,080,038	36,455,282	(41,595,795)	40,939,525
Total capital assets, not being depreciated	$ 69,031,418	$ 36,455,282	$ (41,595,795)	$ 63,890,905
Capital assets, being depreciated:				
Buildings and improvements	$ 197,273,396	$ 2,486,417	$ -	$ 199,759,813
Improvements other than buildings	183,431,896	16,097,212	-	199,529,108
Machinery and equipment	26,847,784	14,570,182	(125,166)	41,292,800
Infrastructure	248,207,727	7,683,676	-	255,891,403
Total capital assets, being depreciated	$ 655,760,803	$ 40,837,487	$ (125,166)	$ 696,473,124
Less accumulated depreciation for:				
Buildings and improvements	$ (109,929,394)	$ (4,735,870)	$ -	$ (114,665,265)
Improvements other than buildings	(118,059,822)	(5,518,928)	-	(123,578,750)
Machinery and equipment	(18,862,290)	(2,065,413)	125,174	(20,802,530)
Infrastructure	(47,967,343)	(3,720,895)	-	(51,688,238)
Total accumulated depreciation	$ (294,818,850)	$ (16,041,107)	$ 125,174	$ (310,734,783)
Total capital assets being depreciated, net	360,941,953	24,796,380	8	385,738,341
Business-type activities capital assets, net	$ 429,973,371	$ 61,251,662	$ (41,595,786)	$ 449,629,246

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

Business-type activities:	
Jetport	$ 11,686,874
Sewer	4,290,324
Fish Pier Authority	63,909
Total depreciation expense - business-type activities	$ 16,041,107

E. Pension plans

General Information about the pension plans to which the City is a participant

The City contributes to two defined benefit pension plans, (1) the Maine Public Employees Retirement System Consolidated Plan for Participating Local Districts (PLD Plan) and (2) the Maine Public Employees Retirement System State Employee and Teacher Plan (SET Plan). As of the year ended June 30, 2025, the City has the following balances reported in the government-wide financial statements:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
PLD Plan (including Library)	$ 35,377,735	$ 19,637,487	$ 5,283,137	$ 8,479,058
SET Plan	5,935,056	7,191,286	2,579,282	2,760,256
Total	**$ 41,312,791**	**$ 26,828,773**	**$ 7,862,419**	**$ 11,239,314**

Plan Descriptions. City teachers are provided with pensions through the Maine Public Employees Retirement System (MainePERS) as part of the State Employee and Teacher Plan – a cost sharing multiple-employer plan with a special funding situation. The State of Maine is a non-employer contributing entity in that the state pays the unfunded actuarial liability (UAL) on behalf of the teachers, while the City contributes the normal cost, which is actuarially calculated.

City employees are also provided with pensions through MainePERS as part of the Participating Local District (PLD) Consolidated Plan – a cost sharing multiple-employer plan.

MainePERS is established under Maine law found in Title 5 MRSA Part 20. The authority to establish and amend benefit provisions rests with the State legislature. MainePERS issues a publicly available financial report that can be obtained at www.mainepers.org.

Benefits provided. 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. MainePERS 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.) In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement or after normal retirement age. Normal retirement age for teachers is age 62 or 65. The normal retirement age is determined by whether a member has met certain creditable service requirements on specific dates, as established by statute. For employees covered through the PLD, normal retirement age is 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. MainePERS also provides disability and death benefits by statute for the City's teachers and by contract for City's PLD Plan.

Upon termination of membership, 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 under either plan. The annual rate of interest credited to employee's accounts is set by MainePERS's Board of Trustees and is currently at 4.58%.

Contributions. Retirement benefits are funded by contributions from participants and contributions from the City, earnings on investments and in the SET plan by contributions of the State of Maine. Disability and death benefits are funded by employer normal cost contributions and by investment earnings. Employer and employee normal cost contribution rates are defined by law or MainePERS board rule and depend on the terms of the plan under which an employee is covered. The City's contributions are determined by actuarial valuation. Teachers are required to contribute 7.65% of their annual pay. PLD City employees are required to pay 7.05% to 7.80% of their annual pay. For the year ended June 30, 2025 for the teachers' plan, the City was required to pay 4.47% (normal cost) of participants salary and the State of Maine was required to contribute 14.51% (unfunded actuarial liability (UAL)). For the PLD Plan participants the City was required to contribute between 10.2% and 11.6% of participant's annual pay. Contributions for the City's plan and the SET plan for the year ended June 30, 2025 were $9,136,409 and $3,993,993, respectively.

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

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's portion of the net pension liabilities were based on projections of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating local districts, and of all participating school districts, and the State of Maine.

City's Plan – At June 30, 2025, the City reported a liability of $35,377,735 for its proportionate share of the net pension liability. At June 30, 2024, the City's proportionate share of the PLD Plan was 8.84%.

SET Plan – At June 30, 2025, the City reported a liability for its proportionate share of the net pension liability that reflected a reduction for the State of Maine's pension support provided to the SET plan. The amount recognized by the City as its proportionate share of the net pension liability, the State's support, and the total portion of the net pension liability that was associated with the Teacher's Plan were as follows:

City's proportionate share of the net pension liability	$	5,935,056
State's proportionate share of the net pension liability		62,323,465
Total	$	68,258,521

At June 30, 2024, the City's proportion of the SET Plan was 0.43%.

For the year ended June 30, 2025, the City recognized pension expense of $8,459,058 for the City's Plan, pension expense of $2,760,256 for the SET plan, and State support of $9,404,879. At June 30, 2025, the City recorded deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

SET Plan		Deferred outflows of resources		Deferred inflows of resources
Difference between expected and actual experience	$	600,323	$	-
Net difference between projected and actual earnings on pension plan investments		-		(452,022)
Changes in proportion and differences between the City's contributions and proportionate share of contributions		2,596,971		(2,127,260)
The City's contribution subsequent to the measurement date		3,993,993		-
	$	7,191,287	$	(2,579,282)

City's Plan		Deferred outflows of resources		Deferred inflows of resources
Difference between expected and actual experience	$	10,499,947	$	-
Net difference between projected and actual earnings on pension plan investments		-		(3,678,372)
Changes in proportion and differences between the City's contributions and proportionate share of contributions		1,130		(1,604,764)
The City's contribution subsequent to the measurement date		9,136,409		-
	$	19,637,486	$	(5,283,136)

The amount of $13,130,402 is reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date and before the end of the reporting period and will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (benefit) as follows:

		SET Plan		City's Plan
Year ended June 30:				
2025	$	(1,210,687)	$	(1,636,449)
2026		1,030,327		8,057,458
2027		885,415		(490,288)
2028		(87,043)		(712,780)
	$	618,012	$	5,217,941

Actuarial assumptions. The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

	SET Plan	City's Plan
Inflation	2.75%	2.75%
Salary increases	2.80 to 13.03%	2.75 to 11.48%
Investment rate of return	6.50%	6.50%
Cost of living benefit increases, per annum	2.20%	1.91%

Mortality rates for the City's plan were based on the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC_2020 model; and the 2010 Public Plan Teacher Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC_2020 model for the teacher's plan. Economic assumptions and mortality tables were adopted as a result of the latest experience study review covering the period June 30, 2016 through June 30, 2020.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major 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 of June 30, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Public equities	30.0%	5.6%
US Government	10.0%	2.2%
Private equity	12.5%	7.2%
Real estate	10.0%	5.8%
Infrastructure	10.0%	5.3%
Natural resources	5.0%	5.1%
Traditional credit	5.0%	2.7%
Alternative credit	10.0%	6.4%
Diversifiers	7.5%	4.8%
Total	100.0%	

Discount rate: The discount rate used to measure the total pension liability was 6.50% for the Teachers' and City's Plans. The projection of cash flows used to determine the discount rate assumed that plan contributions will be made at the current contribution rate and that all contributions (the plan member, the City and the State of Maine) would 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 participants. 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 City's proportionate share of the net pension liability to changes in the discount rate. The following presents the City's proportionate share of the net pension liability (asset) for the Teachers' and City's Plans using the discount rate 6.50% as well as what the net pension liability would be if it were calculated using a discount rate of one percentage point lower (5.50%) or one percentage point higher (7.50%) than the current rate.

	Teachers' Plan (5.50%, 6.50%, 7.50%)	City's Plans (5.50%, 6.50%, 7.50%)
1% Decrease	$ 12,453,353	$ 88,569,634
Current Rate	$ 5,935,056	$ 35,377,735
1% Increase	$ 509,675	$ (8,303,455)

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

Payables to the pension plan: None as of June 30, 2025.

Deferred Compensation Plans

The City also offers a deferred compensation plan in accordance with Internal Revenue Code Section 457(b) through Mission Square (formerly ICMA-RC) for City employees and a deferred compensation plan in accordance with Internal Revenue Code Section 403(b) through Admin Partners for School employees. The plans permit full-time employees to defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, or death. The City has no liability for losses under the plans but does have the duty of due care that would be required of an ordinary prudent investor for safeguarding purposes only. The investments are self-directed by employees. Total employer contributions to the plans for the fiscal year ending June 30, 2025 were $51,464.

F. Other postemployment benefits

General Information about the OPEB Plans

The City participates in three post-employment defined benefit plans, (1) the Maine Public Employees Retirement System State Employee and Teacher Group Term Life Plan (School Life Plan, or the SET Plan), (2) the Maine Public Employees Retirement System Participating Local District Life Plan (City Life Plan, or the PLD Plan) and (3) the School Department's retiree health plan (School Health Plan). As of the year ended June 30, 2025, the City had the following balances reported in the government-wide financial statements:

	Total OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense (Benefit)
School Health Plan	$ 19,084,872	$ 1,925,050	$ 2,781,936	$ 1,012,315
School Life Plan	-	-	-	229,448
City Life Plan	2,563,235	331,355	784,184	(86,179)
Total	**$ 21,684,107**	**$ 2,256,405**	**$ 3,566,120**	**$ 1,155,584**

Plan Description - The City Life Plan provides group term life insurance for municipal employees and certain School Department employees. The School Life Plan provides group term life insurance for teachers. Both plans are a cost-sharing multiple-employer defined benefit OPEB plan administered by the Maine Public Employees Retirement System (MPERS). The MPERS Board of Trustees has the authority to establish and amend the benefit terms and financing requirements for each plan. MPERS issues a publicly available financial reports that are available at www.mainepers.org.

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

Contributions – Premium rates are determined by the MPERS Board of Trustees to be actuarially sufficient to pay anticipated claims.

City Life Plan - The City is required to remit a premium of $0.48 per $1,000 of coverage per month during the post-employment retirement period. Contributions to the PLD OPEB plan from the City were $172,388 for the year ended June 30, 2025. Employees are not required to contribute to the PLD OPEB plan.

School Life Plan - The State of Maine is required to remit the total dollar amount of each year’s annual required contribution. Contributions to the OPEB plan by the State of Maine on-behalf of the City were $229,448 for the year ended June 30, 2025. Employers and employees are not required to contribute to the OPEB plan.

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

The net OPEB liability for each plan was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2024. The City’s proportion of the net OPEB liability was based on a projection of the City’s long-term share of contributions to the OPEB plans relative to the projected contributions of all participating employers, actuarially determined.

City Life Plan – At June 30, 2025, the City reported a liability of $2,563,235 for its proportionate share of the net OPEB liability. At June 30, 2024, the City’s proportion was 23.17%.

School Life Plan – At June 30, 2025, the City reported no liability related to the plan. The State of Maine's proportionate share of the net OPEB liability associated with the City was $1,127,744 as of June 30, 2025. At June 30, 2024, the City's proportion was 0.00%.

For the year ended June 30, 2025, the City recognized OPEB gain of $86,179 for the City Life Plan. For the year ended June 30, 2025, the City recognized OPEB expense of $229,448 and also revenues of $229,448 for support provided by the State related to the School Life Plan. At June 30, 2025, the City reported no deferred outflows of resources nor deferred inflows of resources related to the School Life Plan. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to the City Life Plan from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Difference between expected and actual experience	$ 28,078	$ (154,528)
Changes of assumptions	108,952	(349,309)
Net difference between projected and actual earnings on pension plan investments	-	(196,885)
Changes in proportion and differences between the City's contributions and proportionate share of contributions	21,987	(83,462)
The City's contribution subsequent to the measurement date	172,338	-
	$ 331,355	$ (784,184)

$172,338 is reported as deferred outflows of resources related to the City Life Plan resulting from City contributions subsequent to the measurement date but before the end of the reporting period and will be recognized as a reduction of the OPEB liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (benefit) as follows:

Year ended June 30:	
2025	$ (419,293)
2026	67,912
2027	(136,702)
2028	(111,871)
2029	(25,212)
	$ (625,166)

Actuarial Assumptions – The total OPEB liability in the June 30, 2024 actuarial valuations was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

	School Life Plan	City Life Plan
Inflation	2.75%	2.75%
Salary increases	2.80% to 13.03%	2.75% to 11.48%
Investment rate of return	6.50%	6.50%

Mortality rates for the City's plan were based on the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC_2020 model; and the 2010 Public Plan Teacher Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC_2020 model for the teacher's plan. The use of a health care cost trend is not applicable to the Teacher and City plans.

The actuarial assumptions used in the June 30, 2024 valuations were based on the results of an actuarial experience study conducted for the period June 30, 2016 to June 30, 2020.

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Public equities	70%	5.6%
Real estate	5%	5.8%
Traditional credit	16%	2.7%
U.S. Government	9%	2.2%
Total	100%	

Discount Rate: The rate used to measure the total OPEB liability for the PLD and SET OPEB plans was 6.50% as of June 30, 2024.

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

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate. The following presents the City's proportionate share of the net PLD OPEB plan liability calculated using the discount rate of 6.50%, as well as what the City's proportionate share of the net PLD OPEB plan 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:

		City's Plan (5.50%, 6.50%, 7.50%)
1% Decrease	$	3,795,175
Current Rate	$	2,563,235
1% Increase	$	1,572,524

Sensitivity of the City's proportionate share of the net SET OPEB plan liability to the changes in the discount rate are not presented as the City does not have any liability related to this plan given that the SET OPEB plan is 100% funded by contributions from the State of Maine.

OPEB Plan Fiduciary Net Position – Detailed information about both the PLD and SET OPEB plan's fiduciary net positions are available in a separately issued MPERS financial report.

G. Other postemployment benefits – health insurance

General Information about the OPEB Plan

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

Benefits Provided - MEABT provides healthcare insurance benefits for 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.

Employees Covered by Benefit Terms – At June 30, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	547
Inactive employees entitled to but not yet receiving benefits	-
Active employees	1,220
Total	1,767

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

The City's total OPEB liability of $19,084,872 was measured as of June 30, 2024, and was determined by an actuarial valuation as of June 30, 2024.

Changes in Total OPEB Liability

Balance at June 30, 2024	$ 19,837,049
Changes for the year:	
Service cost	354,751
Interest	723,909
Changes of benefit terms	-
Differences between expected and actual experience	(1,564,227)
Changes in assumptions and other inputs	457,207
Benefit payments	(723,817)
Net changes	(752,177)
Balance at June 30, 2025	$ 19,084,872

Changes in assumptions relate to an increase in the discount rate from 3.65% to 3.93% and updates to claims and trend assumptions.

For the year ended June 30, 2025, the City recognized OPEB expense of $1,012,315. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Difference between expected and actual experience	$ -	$ (2,564,649)
Changes of assumptions or other inputs	1,149,373	(217,287)
City contributions subsequent to the measurement date	775,677	-
Total	$ 1,925,050	$ (2,781,936)

$775,667 is reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (benefit) as follows:

Year ended June 30:		
2026	$	(253,341)
2027		(253,341)
2028		(371,451)
2029		(394,681)
2030		(201,605)
Thereafter		(158,144)
	$	(1,632,563)

Actuarial Assumptions - The total OPEB liability in the June 30, 2024 actuarial valuation for the total OPEB liability was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75% per year
Salary increases	2.75% per year
Discount rate	3.93% per annum
Healthcare cost trend rates – Pre-Medicare	9.00% for 2025 grading over 20 years to 4.50%
Healthcare cost trend rates – Medicare	6.00% for 2025, 5.70% for 2026, 6.10% for 2027 grading over 18 years to 4.50%
Retirees' share of the benefit-related costs	40% of the blended premium rate with a State subsidy for the remaining 60% of the blended premium rate

Mortality rates were based on the 2010 Public Plan Teacher Benefits Weighted Healthy Retiree Mortality Table and adjusted to 98.1% and 87.5% respectively of the rates for males before age 85 and females before age 80, and 106.4% and 122.3% respectively of the rates for males on and after age 85 and females on or after age 80.

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.

Healthy Employees: Based on 93.1% and 91.9% of the 2010 Public Plan Teacher 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.

Disabled Annuitants: Based on 94.2% and 123.8% of the 2010 Public Plan Non-Safety Benefits-Weighted Disabled Retiree Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the RPEC_2020 model described in the healthy annuitant mortality.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period June 30, 2015 through June 30, 2020.

Discount Rate: The rate used to measure the total OPEB liability was 3.93% per annum. Since the plan is pay as you go and is not funded, the discount rate was based upon high quality AA/Aa or higher bond yields in effect for 20 years, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the City's total OPEB liability calculated using the discount rate of 3.93%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.93%) or 1 percentage-point higher (4.93%) than the current rate:

	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB liability	$ 21,846,369	19,084,872	16,837,490

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	$ 16,677,465	19,084,872	22,086,904

H. Construction and other significant commitments

Construction commitments – The City has active construction projects as of June 30, 2025. At year end, the City's commitments with contractors are as follows:

Projects	Spent-to-Date	Remaining Commitment
Public buildings and improvements	$ 15,434,739	$ 12,581,240
Sewer Projects	1,108,915	5,241,247
Jetport construction projects	8,066,956	9,812,997
Total	$ 24,610,610	$ 27,635,484

I. Risk management

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee health insurance benefits; and natural disasters. Beginning in 1983, (1988 for employee health insurance benefits), the City decided to stop carrying commercial insurance for certain types of risk of loss because of its cost and began covering some claim settlements and judgments out of its general fund. The City currently reports all of its risk management activities in its general fund, enterprise funds and in the Statement of Net Position. The liability for claims and judgments of the general fund which are not currently due and payable are reported in the Statement of Net Position. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

With the exception of Federal claims, including 1983 civil rights claims, which have no limit, the City's risk retention for tort liability claims is limited by state statute. The uninsured risk retention per incident under the Maine Tort Claims Act is a maximum of $400,000. The City has purchased liability insurance for certain types of claims to mitigate its exposure. The Jetport, an enterprise fund, is insured under separate policies with commercial insurance carriers. There have been no significant reductions in commercial insurance coverages from the prior year and no settlements under insured claims have exceeded the available insurance coverage in any of the past three years.

The City participates in the Maine Municipal Association Group Risk Pool, 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, 2025.

At June 30, 2024, the amount of these liabilities was $7,584,504. It is the City's best estimate based on available information. This table includes both governmental and proprietary funds. Changes in the liability since June 30, 2023 are as follows:

	Workers' Compensation	Health Insurance	Liability	Total
Unpaid claims as of June 30, 2023	$ 5,861,730	$ 2,280,000	$ 173,569	$ 8,315,300
Incurred claims	533,267	19,829,967	169,748	20,532,982
Payments	(1,248,960)	(22,085,887)	(496,755)	(23,831,602)
Changes in estimates and other adjustments	21,247	1,900,920	365,649	2,287,816
Unpaid claims as of June 30, 2024	$ 5,167,284	$ 1,925,000	$ 212,211	$ 7,304,496
Incurred claims	530,990	22,873,031	196,503	23,600,524
Payments	(1,249,503)	(25,852,150)	(301,905)	(27,403,558)
Changes in estimates and other adjustments	830,123	3,142,639	110,280	4,083,042
Unpaid claims as of June 30, 2025	$ 5,278,894	$ 2,088,520	$ 217,089	$ 7,584,504

J. Leases

Leasing arrangements where the City is Lessor. The City has several leases covering the properties listed below. The total rental income was $11,920,983 for the year ended June 30, 2025.

The future minimum lease payments for leases regulated by the Federal Aviation Administration, and therefore excluded from leases receivable, are as follows:

For the years ending June 30:	Lease Payments
2026	$ 148,426
2027	148,426
2028	148,426
2029	148,426
2030	148,426
Total future minimum lease payments	$ 742,130

The following is a schedule of the cost and carrying value of property leased or held for lease by major classification:

	Cost	Carrying Value
Land:		
Casco Bay Ferry Terminal	$ 524,864	$ 524,864
Fish Pier	4,263,569	4,263,569
International Ferry Terminal	1,397,399	1,397,400
Total land	$ 6,185,832	$ 6,185,833
Property, plant and equipment:		
Casco Bay Ferry Terminal	$ 3,614,034	$ 437,351
Exposition Building	3,083,704	642,042
Fish Pier	14,986,517	1,375,846
Hadlock Field	5,516,326	2,107,454
International Ferry Terminal	4,288,249	108,961
Jetport	123,110,093	64,612,934
Total property, plant and equipment	$ 154,598,922	$ 69,284,587
	$ 160,784,754	$ 75,470,420

The City has recorded a lease receivable for several leases for land and buildings. Lease agreements are generally subject to future increases for inflation. At the commencement of a lease the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable and amortized evenly over the life of the lease term. The City uses its estimated incremental borrowing rate as the discount rate for leases unless a specific interest rate is specified in the lease agreement.

During the fiscal year the City recognized $8,274,013 principal payments and $2,012,129 interest payments from lease activities. Leases receivable as of June 30, 2025 are:

Lessee	Description	Amount Receivable
Governmental activities:		
Bell Atlantic Mobile Systems	Building and Rooftop	$ 519,278
Maine Basketball LLC	Maine Celtics	236,090
Maine Narrow Guage Railroad	Building Space	31,165
Portland Hockey LLC	Office Space	113,205
The Club at Riverside	Golf Course Food Concession	8,298
US Cellular	Deering HS Mobile Base Station	121,848
Bell Atlantic Mobile Systems	Wireless Antenna Arrays	3,368
DBH Portland, LLC	Hadlock Field	3,264,826
Portland Venture Partners	Parking Lot	12,734
Casco Bay Island Transit District	Maine State Pier	202,284
Diversified Communications	Parking Spaces	71,382
Ready Seafood Co.	Portland Ocean Terminal	651,883
Maine Port Authority	International Marine Terminal	1,884,108
Gridweath EV LLC	EV Charging Stations - Marginal Way	163,596
Total governmental activities		$ 7,284,064
Business-type activities:		
Fish Pier Authority		
Vessel Services Inc.	Fish Pier Lot 1	$ 389,641
Marine Trade Center LLC	Fish Pier Lot 2 - Parking	1,001,445
Portland Fish Exchange	Fish Pier - Lots 4, 6, 7 and 8	153,522
Portland Fish Exchange	Fish Pier - Lot 9 Parking	30,510
Tamaki Associates, LLC	Fish Pier - Lot 11	98,648
Marine Trade Center LLC	Fish Pier Lot 2 - Building	118,640
Bristol Seafood	Fish Pier - Lot 5	175,946
Douty Brothers, Inc.	Fish Pier - Lot 10	95,738
Bristol Seafood (Freedom Fish)	Fish Pier - Lot 12a	117,978
Cozy Harbor	Cooler-Auction Building	626,624
Look Lobster	Cooler Building/Office	161,966
Subtotal: Fish Pier Authority		$ 2,970,657
Jetport		
Enterprise Rent-A-Car	Terminal Space/Concession Fees	$ 5,600,664
Enterprise Rent-A-Car (National/Alamo)	Terminal Space/Concession Fees	5,600,664
Hertz Corp.	Terminal Space/Concession Fees	5,368,559
Avis Budget Car Rental, LLC	Terminal Space/Concession Fees	11,196,133
Cellco Partnership (dba Verizon)	Roof of Terminal Building	19,262
Duluth Holdings	land Lease	160,493
Jetport Properties LLC	Land Lease	515,972
HIJ Associates	Ground Lease	129,760
PWM Properties	Ground Lease	58,717
TSA	Office and Related Space	290,458
164 Realty Inc.	1600 Congress Street	7,273
Hangar Group, LLC	Ground Lease	422,921
Paradies Shops	Concession and Lease	2,102,671
Host International Inc.	Food Service Concession	682,332
Subtotal: Jetport		$ 32,155,881
Total business-type activities		$ 35,126,539

Several leases specify variable payments that are not included in the minimum annual guarantees used in the measurement of leases receivable.

Payments to the City by Portland Maine Baseball, Inc. may be increased based on attendance of the previous year.

Certain leases of Jetport property are subject to variable payments if those payments exceed minimum annual guarantees. Variable payments are equal to 10 percent of gross revenues for car rental companies; 2 percent of gross revenues for ground leases with Hangar Group, LLC and PWM Properties; 18 percent of gross receipts up to $3,000,000 and 20% of gross receipts over $3,000,000 for Paradies Shops, LLC; and 15 percent of gross revenues from alcoholic beverages and 10 percent of gross revenues from all other products for Host International, Inc.

Leasing arrangements where the City is Lessee. The City has several leasing arrangements for building space. The future principal and interest lease payments as of June 30, 2025 are as follows:

Year Ending June 30	Principal	Interest	Total
2026	$ 2,271,959	$ 1,187,896	$ 3,459,855
2027	1,915,289	1,099,990	3,015,279
2028	1,970,419	1,019,428	2,989,847
2029	2,123,201	933,338	3,056,539
2030	2,284,291	840,607	3,124,898
2031-2035	7,529,611	2,851,717	10,381,328
2036-2040	1,050,127	2,269,478	3,319,605
2041-2045	1,513,463	2,030,687	3,544,150
2046-2050	2,112,329	1,685,874	3,798,203
2051-2055	1,464,559	1,305,557	2,770,116
2056-2060	1,813,817	986,187	2,800,004
2061-2065	2,651,904	516,043	3,167,947
2066-2067	995,090	34,099	1,029,189
Totals	$ 29,696,059	$ 16,760,901	$ 46,456,960

The City leases various parcels of property for the purpose of providing homeless services and health clinics.

Subscription-based information technology arrangements. The City has a long-term arrangements for the use of GIS software, artificial intelligence software and office productivity software.. The future principal and interest subscription payments as of June 30, 2025 are as follows:

Year Ending June 30	Principal	Interest	Total
2026	$ 237,865	$ 20,080	$ 257,945
2027	186,449	10,904	197,353
2027	92,698	3,624	96,322
Totals	$ 517,012	$ 34,608	$ 551,620

K. Note payable

The City's Sewer enterprise fund has an outstanding note with the Maine Municipal Bond Bank, dated May 25, 2023. The note has an interest rate of 1.62% and interest is payable in semi-annual installments, finally maturing on October 1, 2042. The agreement amount available is $7,122,776. Proceeds of the note are retained by the Maine Municipal Bond Bank and disbursed when requested by the City to fund ongoing project costs. As of June 30, 2025, the City has received $6,546,744, with remaining borrowing capacity of $576,032 available.

Note payable, 6/30/2024	$ 1,795,761
Additions	4,750,983
Note payable, 6/30/2025	$ 6,546,744

L. Long-term liabilities

Changes in long-term liabilities

Changes in the City's long-term liabilities for the governmental activities for the year ended June 30, 2025 are as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025	Due Within One Year
General obligation bonds	$ 225,459,089	$ 12,420,000	$ 33,878,175	$ 204,000,914	$ 36,911,236
Premium on bonds	12,556,800	680,000	1,992,297	11,244,503	1,771,901
Notes from direct borrowings	4,792,208	-	950,872	3,841,336	975,454
Leases	32,003,279	-	2,307,220	29,696,059	2,271,959
Subscriptions	111,280	542,065	136,333	517,012	237,865
Self-insurance	5,379,494	16,278,060	16,166,450	5,491,104	3,582,100
Compensated absences (1)	40,497,779	3,415,179	-	43,912,958	20,848,625
Net pension liability	30,397,019	9,263,266	-	39,660,284	-
OPEB liability	22,767,841	-	1,284,047	21,483,794	-
	$ 373,964,788	$ 42,598,570	$ 56,715,394	$ 359,847,964	$ 66,599,140

(1) The amount presented as additions is the net decrease in the value of compensated absences during the fiscal year.

The general fund is typically used to liquidate self-insurance, pension, OPEB and compensated absences liabilities in the governmental funds.

Changes in the City's long-term liabilities for the business-type activities for the year ended June 30, 2025 are as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025	Due Within One Year
General obligation bonds	$ 87,480,911	$ 6,580,000	$ 5,151,825	$ 88,909,086	$ 5,103,764
Revenue bonds	86,060,000	-	3,630,000	82,430,000	3,810,000
Premium on bonds	17,178,731	360,000	1,825,589	15,713,142	1,720,091
Notes from direct borrowings	48,325,600	-	3,941,741	44,383,859	3,941,742
Compensated absences (1)	1,092,222	-	57,003	1,035,219	609,952
Net pension liability	1,635,140	17,367	-	1,652,507	-
OPEB liability	241,753	-	77,440	164,313	-
	$ 242,014,358	$ 6,957,367	$ 14,683,598	$ 234,288,126	$ 15,185,549

(1) The amount presented as deletions is the net decrease in the value of compensated absences during the fiscal year.

General obligation bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities, public improvements, infrastructure, equipment, economic development projects, the liquidation of self-insured claims, and pension benefit obligations. Bonds have been issued for both governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. Notes payable are also considered direct obligations and also pledge the full faith and credit of the City.

Bonds for capital improvements which were authorized but not issued at June 30, 2025 were $136,140,284.

As of June 30, 2025, general obligation bonds and notes payable from direct borrowings reported in the Statement of Net Position consisted of the following:

CITY OF PORTLAND OUTSTANDING DEBT

Bond issue	Date of Issue	Final Maturity	Amount Issued	Interest Rate	General City	Enterprise Funds	Balance at June 30, 2025
General obligation bonds:							
Multi-modal taxable pension bond	07/19/01	6/1/2026	$ 111,800,000	variable	$ 20,475,000	$ -	$ 20,475,000
Refunding and various purposes	03/01/10	9/1/2030	18,912,000	3.98	1,095,000	-	1,095,000
Various purposes	01/25/12	2/1/2027	11,494,000	2.06	1,281,000	44,000	1,325,000
Various purposes	02/01/13	2/1/2033	15,418,000	var	4,459,600	390,400	4,850,000
Refunding and various purposes	02/01/14	11/1/2033	20,118,000	var	5,306,265	793,735	6,100,000
Refunding and various purposes	02/03/15	11/1/2034	20,431,000	var	4,872,826	1,002,174	5,875,000
Refunding and various purposes	03/02/16	4/1/2036	33,385,000	var	10,005,075	2,524,926	12,530,000
Various purposes	03/15/17	4/1/2037	14,514,000	var	5,048,876	1,821,124	6,870,000
School construction	08/17/17	8/1/2037	24,600,000	var	15,990,000	-	15,990,000
Various purposes	03/22/18	4/1/2038	22,640,000	var	9,502,410	4,202,590	13,705,000
Various purposes	05/15/19	4/1/2039	19,745,000	var	8,458,651	2,841,349	11,300,000
Various purposes	03/26/20	10/1/2040	43,000,000	var	22,951,255	10,368,745	33,320,000
Various purposes	06/08/21	4/1/2051	67,710,000	var	16,871,802	36,358,198	53,230,000
Various purposes	05/05/22	5/1/2042	49,430,000	var	33,709,114	7,530,886	41,240,000
Various purposes	10/17/23	11/1/2053	47,900,000	var	31,554,040	14,450,960	46,005,000
Various purposes	04/30/25	7/15/2045	19,000,000	var	12,420,000	6,580,000	19,000,000
Total general obligation bonds			$ 540,097,000		$ 204,000,914	$ 88,909,086	$ 292,910,000
<u>Notes from direct borrowings</u>							
Maine Municipal Bond Bank:							
Combined sewer overflow	06/15/09	4/1/2029	$ 11,135,000	1.00	$ -	$ 2,227,000	$ 2,227,000
Combined sewer overflow	06/15/09	4/1/2029	1,912,762	0.00	-	382,553	382,553
Combined sewer overflow	11/23/10	10/1/2030	11,100,000	1.00	-	3,330,000	3,330,000
Combined sewer overflow	05/02/11	4/1/2031	7,286,467	1.00	-	2,185,940	2,185,940
Combined sewer overflow	12/18/11	10/1/2031	7,245,000	1.00	-	2,535,750	2,535,750
Combined sewer overflow	04/15/13	4/1/2033	14,300,000	0.50	-	5,720,000	5,720,000
Combined sewer overflow	12/01/15	12/1/2045	6,800,000	1.00	-	4,760,000	4,760,000
Combined sewer overflow	07/01/18	7/1/2048	11,240,000	1.00	-	8,992,000	8,992,000
Combined sewer overflow	03/09/21	7/1/2046	9,276,000	1.00	-	8,162,880	8,162,880
Combined sewer overflow	12/22/22	10/1/2043	6,408,143	1.83	-	6,087,736	6,087,736
Various school improvements	11/21/23	7/1/2034	250,000	0.00	225,000	-	225,000
Total Maine Municipal Bond Bank			$ 86,953,372		$ 225,000	$ 44,383,859	$ 44,608,859
Notes payable:							
Maine Dept. of Transportation					338,128	-	338,128
Total notes payable					$ 338,128	$ -	$ 338,128
Direct borrowings:							
LED street lighting - phase I					$ 1,295,467	$ -	$ 1,295,467
LED street lighting - phase II					1,982,741	-	1,982,741
Total direct borrowings					$ 3,278,208	$ -	$ 3,278,208
Total notes from direct borrowings					$ 3,841,336	$ 44,383,859	$ 48,225,195
Total					$ 207,842,250	$ 133,292,945	$ 341,135,195
Less current portion					(37,886,690)	(9,045,506)	(46,932,196)
Total long-term					$ 169,955,560	$ 124,247,439	$ 294,202,999

The debt service requirements for the City's general obligation bonds, notes payable from direct borrowings, leases payable, and subscriptions payable as of June 30, 2025 are as follows:

General Obligation Bonds:

Year Ending	General City		Enterprise Funds		Totals		
June 30	Principal	Interest	Principal	Interest	Principal	Interest	Grand Total
2026	$ 36,911,236	$ 8,601,950	$ 5,103,764	$ 3,195,564	$ 42,015,000	$ 11,797,514	$ 53,812,514
2027	16,315,175	7,024,358	5,329,825	3,481,162	21,645,000	10,505,520	32,150,520
2028	15,210,644	5,819,490	4,959,356	2,991,254	20,170,000	8,810,744	28,980,744
2029	14,933,630	5,082,109	5,021,370	2,745,254	19,955,000	7,827,363	27,782,363
2030	13,905,559	4,400,045	4,829,441	2,506,174	18,735,000	6,906,219	25,641,219
2031-2035	56,052,499	14,354,836	22,357,501	9,490,273	78,410,000	23,845,109	102,255,109
2036-2040	35,720,634	6,084,441	18,079,366	5,944,696	53,800,000	12,029,138	65,829,138
2041-2045	13,692,923	1,313,905	11,592,077	3,487,417	25,285,000	4,801,322	30,086,322
2046-2050	1,098,244	122,275	8,721,756	1,685,351	9,820,000	1,807,625	11,627,625
2051-2054	160,370	8,678	2,914,630	213,922	3,075,000	222,600	3,297,600
Grand totals	$ 204,000,914	$ 52,812,087	$ 88,909,086	$ 35,741,067	$ 292,910,000	$ 88,553,154	$ 381,463,154

Direct Borrowings:

Year Ending	General City		Enterprise Funds		Totals		
June 30	Principal	Interest	Principal	Interest	Principal	Interest	Grand Total
2026	$ 975,454	$ 91,708	$ 3,941,742	$ 667,958	$ 4,917,196	$ 759,666	$ 5,676,862
2027	1,000,738	66,424	3,941,742	631,250	4,942,480	697,674	5,640,154
2028	1,026,748	40,415	3,941,742	594,541	4,968,490	634,957	5,603,447
2029	480,764	15,951	3,941,742	557,833	4,422,506	573,785	4,996,290
2030	257,632	3,225	3,289,354	488,506	3,546,986	491,732	4,038,718
2031-2035	100,000	-	10,252,727	1,757,331	10,352,727	1,757,331	12,110,058
2036-2040	-	-	6,463,902	1,132,664	6,463,902	1,132,664	7,596,566
2041-2045	-	-	6,143,495	668,310	6,143,495	668,310	6,811,805
2046-2050	-	-	2,467,413	163,825	2,467,413	163,825	2,631,238
Grand totals	$ 3,841,336	$ 217,723	$ 44,383,859	$ 6,662,218	$ 48,225,195	$ 6,879,944	$ 55,105,139

Revenue bonds

The Jetport issues revenue bonds for the purpose of enlarging and improving its operations. The Jetport has also issued refunding bonds when there has been an economic gain. The refundings are structured as legal defeasances of the old debt and such debt has been removed the Jetport's books.

Revenue bonds payable for the year ended June 30, 2025:

	Stated Interest Rate Range	Face Value Outstanding June 30, 2025
General Airport Revenue Refunding Bonds, Series 2016 $20,695,000 original principal, matures January 1, 2038	4.00%-5.00%	$ 15,200,000
General Airport Revenue Refunding Bonds, Series 2019 $58,450,000 original principal, matures January 1, 2040	3.00%-5.00%	55,685,000
General Airport Revenue Refunding Bonds, Series 2023 $12,695,000 original principal, matures July 1, 2032	5.00%	11,545,000
		$ 82,430,000

The debt service requirements for the outstanding revenue bonds at June 30, 2025 are as follows:

Year ended June 30,	Principal	Interest	Total
2026	$ 3,810,000	$ 3,684,200	$ 7,494,200
2027	4,000,000	3,526,975	7,526,975
2028	4,180,000	3,362,100	7,542,100
2029	4,435,000	3,151,350	7,586,350
2030	4,680,000	2,927,975	7,607,975
2031-2035	28,270,000	10,650,125	38,920,125
2036-2040	33,055,000	4,473,850	37,528,850
Totals	$ 82,430,000	$ 31,776,575	$ 114,206,575

Section 705 of the *General Certificate of Terms of Issuance of General Airport Revenue Bonds Portland International Jetport* for each issue requires a minimum debt service coverage ratio of 125%. The actual debt service coverage ratio for 2025 is 381%, which is above the requirement by 256 percentage points.

Debt limit

The statutes of the State of Maine limit the City's long-term debt outstanding to 15% of the State's assessed valuation of the City. At June 30, 2025, $337,518,859 (12.12% of the State debt limit) of debt applicable to the statutory limit of $2,785,328,000 was outstanding.

Pension bonds

On July 17, 2001, the City issued $111.8 million in multi-modal, taxable, variable rate general obligation bonds to refinance debt owed to Maine Public Employees Retirement System (MainePERS) and entered into an interest rate swap in order to pay fixed rates over the life of the debt. The City pays fixed rates from 4.9% to 8.9%. On July 17, 2001 the bonds were priced at 3.85% and are reset using the replacement rate pursuant to the International Swaps and Derivatives Association ("ISDA") definitions and protocols. Principal payments are due each June 1st and interest is due monthly on the first day of each month.

Overlapping debt
The City is liable for its proportionate share of any defaulted debt issued by entities of which it is a member. The overlapping bonded debt applicable to the City as of June 30, 2025 is as follows:

Entity	Percentage	Share of Bonded Debt Amount
Cumberland County	21.52%	$ 5,959,383
Portland Water District (sewer debt)	100.00%	29,179,280
Portland Water District (water debt)	31.88%	20,775,752
		$ 55,914,415

M. Fund balance

Minimum fund balance policy and stabilization arrangement. The City has established a policy providing for the unassigned fund balance of the City's general fund. The goal of the policy is to achieve and maintain an unassigned general fund balance equal to 16.66% of general fund expenditures measured on a Generally Accepted Account Principles ("GAAP") basis. In the event that the unassigned general fund balance is calculated to be less than the policy anticipates, the City shall adjust budget resources in subsequent fiscal years to maintain the balance.

N. Interfund receivables, payables, and transfers

Interfund balances and transfers by fund at and for the year ended June 30, 2025 are as follows:

	Interfund Receivable	Interfund Payable	Transfers In	Transfers Out
General fund	$ 3,138,551	$ -	$ 1,343,929	$ 10,128,195
Debt service	-	-	2,553,009	-
Capital projects fund	-	-	9,700,000	-
Nonmajor governmental funds	-	3,138,551	1,199,277	4,668,020
Sewer	-	-	2,549,787	-
Stormwater	-	-	-	2,549,787
	$ 3,138,551	$ 3,138,551	$ 17,346,002	$ 17,346,002

The outstanding balances between funds result mainly from short-term cash flow needs that are funded by the general fund. Transfers are used to move revenues from the fund with collection authorization that the City must account for in other funds in accordance with budgetary authorizations.

O. Discretely presented component units and jointly governed organizations

Portland Public Library

The Library maintains its cash accounts at various institutions. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. At various times throughout the year the Library's cash balance exceeded FDIC insurance. Cash held within investment accounts is guaranteed by Securities Investor Protection Corporation (SIPC) up to $250,000. At June 30, 2025, none of the Library's deposits were uninsured and uncollateralized.

Capital assets for the Library are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 162,500	$ -	$ -	$ 162,500
Total capital assets, not being depreciated	$ 162,500	$ -	$ -	$ 162,500
Property and Equipment				
Buildings and Improvements	$ 1,585,197	$ 7,000	$ (34,779)	$ 1,557,418
Machinery and Equipment	1,478,620	226,540	(25,395)	1,679,765
Total capital assets, being depreciated	$ 3,063,817	$ 233,540	$ (60,174)	$ 3,237,183
Less accumulated depreciation				
Buildings and Improvements	$ (618,322)	$ (48,480)	$ 34,779	$ (632,023)
Machinery and Equipment	(1,314,118)	(61,043)	18,362	(1,356,799)
Total accumulated depreciation	$ (1,932,440)	$ (109,523)	$ 53,141	$ (1,988,822)
Total capital assets being depreciated, net	1,131,377	124,017	(7,033)	1,248,361
Component unit capital assets, net	$ 1,293,877	$ 124,017	$ (7,033)	$ 1,410,861

The Library's investments consist of the following:

Investment types:	Fair Value	Not Applicable	Maturities (years) < 1	1 - 5
Library:				
Cash Equivalents	$ 1,656,540	$ 1,656,540	$ -	$ -
Certificates of Deposit	153,423	-	153,423	-
Common Stock	1,179,837	1,179,837	-	-
ETF Funds	7,073,019	7,073,019	-	-
	$ 10,062,819	$ 9,909,396	$ 153,423	$ -

Notes payable for the Library consisted of the following as of June 30, 2025:

Camden National Bank	
Term note dated June 8, 2018, during the first 120 months the interest rate is fixed at 4.75%, followed by 120 months with the interest at the Wall Street Journal Prime Rate. This note matures in June 2038, and is secured by real estate.	$ 604,797
Less current portion	(34,025)
	$ 570,772

The expected debt service requirements are as follows:

June 30,	
2026	$ 34,025
2027	35,700
2028	37,390
2029	39,299
2030	41,234
Thereafter	417,149
	$ 604,797

The Library is exempt from income taxes as an organization described in Internal Revenue Code Section 501(a).

Portland Fish Exchange

Effective July 1, 2024, the Portland Fish Pier Authority, a blended component unit of the City, merged with the Portland Fish Exchange, previously a discretely presented component unit of the City. The primary purpose of the merger was to bring budgetary stability, transparency and accountability where a single board of directors oversees an integrated budget for the City's seafood-related enterprises. The Fish Exchange was dissolved into the Fish Pier Authority, bringing the operations of the fish pier under the Fish Pier Authority board of directors, who are appointed by the Portland City Council.

As a result of the merger, the assets, liabilities and deferred inflows of resources were measured and recognized in the financial statements of the Fish Pier Authority. Certain adjustments were made to reflect a consistent method of accounting and to eliminate liabilities arising from obligations of the Fish Exchange to the Fish Pier Authority at the time of the merger.

		Portland Fish Exchange 6/30/2024	Portland Fish Exchange Adjustments	Portland Fish Exchange Initial Amounts Recognized	Fish Pier Authority 6/30/2024	Fish Pier Authority Combined Amounts 7/1/2024
ASSETS						
Current assets:						
Cash and cash equivalents		$ 147,266	$ -	$ 147,266	$ 3,072,497	$ 3,219,763
Accounts receivable		151,268	-	151,268	267,035	418,303
Allowance for uncollectible accounts		-	-	-	(2,000)	(2,000)
Inventory		8,364	-	8,364	-	8,364
Prepaid expenses		25,504	-	25,504	-	25,504
Leases receivable, current portion	(1)	162,852	(2,388)	160,464	79,100	239,564
Total current assets		495,254	(2,388)	492,866	3,416,632	3,909,497
Noncurrent assets:						
Leases receivable, net of current portion	(2)	456,115	332,475	788,590	2,182,068	2,970,658
Capital assets:				-		-
Land		-	-	-	4,263,569	4,263,569
Buildings and improvements		-	62,738	62,738	12,751,199	12,813,937
Improvements other than buildings	(3)	1,044,550	(1,044,550)	-	1,405,606	1,405,606
Machinery and equipment	(3)	2,020,976	(1,704,592)	316,384	450,590	766,974
Less accumulated depreciation	(3)	(2,669,224)	2,597,765	(71,459)	(14,275,497)	(14,346,956)
Total capital assets (net of accumulated depreciation)		396,302	(88,639)	307,663	4,595,467	4,903,130
Total noncurrent assets		852,417	243,837	1,096,254	6,777,535	7,873,789
Total assets		1,347,671	241,448	1,589,119	10,194,167	11,783,286
LIABILITIES						
Current liabilities:						
Accounts payable		19,240	-	19,240	22,152	41,392
Accrued liabilities		11,506	-	11,506	314	11,820
Deposits payable		82,021	-	82,021	-	82,021
Current portion of long-term debt		-	-	-	9,391	9,391
Total current liabilities		112,767	-	112,767	31,857	144,624
Noncurrent liabilities:						
Long-term debt due in more than one year		-	-	-	18,374	18,374
Total noncurrent liabilities		-	-	-	18,374	18,374
Total liabilities		112,767	-	112,767	50,231	162,998
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows - lease related		618,967	199,095	818,062	2,076,330	2,894,392
Total deferrred inflows of resources		618,967	199,095	818,062	2,076,330	2,894,392
NET POSITION						
Net investment in capital assets		396,302	(88,639)	307,663	4,567,702	4,875,365
Unrestricted		219,635	130,992	350,627	3,499,905	3,850,532
Total net position		$ 615,937	$ 42,353	658,290	$ 8,067,607	$ 8,725,897

(1) Current portion of leases receivable were reduced to eliminate canceled leases between the Portland Fish Exchange and the Fish Pier Authority.

(2) Noncurrent portion of leases receivable were reduced to eliminate canceled leases between the Portland Fish Exchange and the Fish Pier Authority, and to apply a consistent method of accounting for long-term leases.

(3) Adjustments were made reducing the Portland Fish Exchange capital assets to align with the Fish Pier Authority's capitalization thresholds.

Greater Portland Transit District
The City's member assessment for the year ended June 30, 2025 was $3,092,221.

ecomaine
During the year ending June 30, 2025, the City paid ecomaine $1,177,372 in tipping fees and assessments for solid waste disposal services. Selected balance sheet information for ecomaine for the year ended June 30, 2025 based on the most recent information available, includes total assets of $116,182,806, total liabilities of $66,781,208 and unrestricted net position of $16,506,145. The liabilities include an accrual for landfill closure and post closure care of $19,173,138. ecomaine anticipates financing closure costs by funding and using reserves and/or the issuing of bonds at the time of closure.

P. Contingencies

A substantial portion of the City's long-term care services are reimbursed by third-party payers at rates subject to redetermination based on the filing of an annual cost report and audit of those reports. Anticipated final settlements due from or to third parties are recorded in the year in which the related services are performed. Any adjustments resulting from third-party examination are recognized in the year in which the results of examinations become known. Amounts related to the City's long-term care facility are recorded in the general fund.

The City participates in a number of federally assisted grant programs, including U.S. Department of Education programs, National School Lunch, Airport Development Aid, and Community Development Block Grants. These programs are subject to financial and compliance audits by the grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

There are various claims and suits pending against the City which arise in the normal course of the City's activities. In the opinion of the City management, the ultimate disposition will not materially affect the financial condition of the City.

Q. Tax abatements

The City has entered into several Credit Enhancement Agreements (CEAs) with individual organizations as permitted within its twenty-four Tax Increment Financing (TIF) District development programs, established under the State of Maine Title 30-A M.R.S. §§ 5221-5235. The CEAs outline conditions for the reimbursement of a percentage of the tax revenues generated through the increased values of certain parcels within each district. The agreements and payments are intended to promote economic development through real estate development and public infrastructure improvements. Based on compliance with the terms of the agreement, and the calculation methods established in the CEAs, the City returns to the organization a portion of the taxes paid.

For the fiscal year ended June 30, 2024, the City's property tax revenues were reduced by $10,071,722. This amount was distributed among dedicated project accounts for each of the City's TIF's. The City remitted a total of $1,304,772 in Credit Enhancement payments, as follows:

				Year ended June 30, 2025	
TIF District	Term	Purpose	CEA Entity	Taxes Captured	Amounts Paid
Waterfront	2003 - 2032	Marine Uses		$ 2,367,140	$ -
	2012 - 2031	Offices	Pierce Atwood LLP		181,512
Bayside	2009 - 2023	Total TIF		2,546,469	-
Avesta/Pearl Place	2008 - 2037	Affordable Housing	Avesta Pearl Street One LP	22,000	21,780
409 Cumberland Avenue	2014 - 2035	Affordable Housing	Avesta 409 Cumberland LP	79,383	39,692
134 Washington Avenue	2015 - 2034	Affordable Housing	Avesta Washington Ave LP	8,343	8,343
Thompson's Point TOD	2015 - 2044	Transit-oriented dev.	Forefront Partners I, LP	212,174	159,131
Power Pay/Portland Public Market	2011 - 2040	Office Development	Portland Public Market, LLC	63,365	-
Downtown TOD	2016 - 2045	Transit-oriented dev.	Creative Portland	3,750,452	200,000
17 Carleton Street	2016 - 2037	Affordable Housing	Avesta Carleton, LP	29,592	29,592
McAuley Place	2010 - 2039	Senior Housing	Motherhouse Associates	177,752	77,973
			DC Baxter Woods		98,001
Immucell	2018 - 2029	Assist w Expansion	ImmuCell Corporation	41,110	41,110
58 Boyd Street	2020 - 2048	Affordable Housing	58 Boyd Street, LP	40,251	-
977 Brighton Avenue	2020 - 2049	Affordable Housing	Avesta 977 Brighton, LP	38,990	38,990
100 Parris St/aka 178 Kennebec St	2020 - 2049	Affordable Housing	100 Parris Street, LP	64,037	64,037
Deering Place	2019 - 2048	Affordable Housing	Avesta Deering Place, LP	113,772	113,772
66 State Street	2021 - 2050	Affordable Housing	DC 66 State LLC	65,345	-
83 Middle Street	2021 - 2050	Affordable Housing	Middle Street Housing Partners	41,166	-
104 Grant Street	2021 - 2050	Affordable Housing	104 Grant Street	72,498	74,489
577 Washington Ave.	2021 - 2050	Affordable Housing	Portland Housing Dev. Corp.	83,150	-
200 Valley St.	2021 - 2050	Affordable Housing	Avesta Valley Street LP	81,457	81,457
37 Front St./Phase I	2021 - 2050	Affordable Housing	Front St. Housing Redev. LP	74,893	74,893
73 Winter Street	2021 - 2050	Affordable Housing	Equinox Housing Partners LP	15,752	-
91 Winter Street	2021 - 2050	Affordable Housing	Winter Landing Housing Partners LP	24,275	-
63 Front Street	2021 - 2050	Affordable Housing	Front St. Housing Redev. Ph. Two LP	58,356	-
				$ 10,071,722	$ 1,304,772

R. New pronouncements

The City has reviewed GASB Statement 102, *Certain Risk Disclosures*, and has concluded that no events associated with concentrations of risk or constraints that could cause a substantial impact on inflows or outflows of resources have occurred, have begun to occur, or are more likely than not to occur within twelve months of the date of these financial statements.

The City has implemented GASB Statement 103, *Financial Reporting Model Improvements,* effective June 30, 2025.

The City has reviewed GASB Statement 104, *Disclosure of Certain Capital Assets*, and determined that there are no capital assets held for sale and no disclosures related to capital assets held for sale are necessary.

The City has implemented GASB Statement 105, *Subsequent Events,* effective June 30, 2025.

S. Subsequent events

On July 2, 2025 the City Council approved a settlement agreement with FEDEQ DV004, LLC and FEDEQ DV005, to acquire property previously earmarked for development for the purchase price of $15,000,000. At the time of the agreement the property was intended to be acquired for resale. The amount of the settlement has been included in the City's financial statements as both a deposit for the purchase of property and a related liability.

On November 21, 2023 the City entered into a 10-year School Revolving Renovation Fund loan in the amount of $1,684,816 with the Maine Municipal Bond Bank to fund school building improvements. The school projects were completed for less than the original amount of the loan and on September 1, 2025 the loan agreement was amended and the amount of the borrowing reduced from $1,684,816 to $957,371. The zero interest rate loan, with thirty percent principal forgiven, will mature on July 1, 2034.

On October 24, 2025 Moody's Investors Service, upgraded the rating for the revenue bonds of the Portland Jetport, an enterprise fund of the City, from Baa1 to A3, citing the Jetport's improved credit profile, supported by a track record of maintaining strong debt coverage ratios and robust liquidity over the last several years.

Required Supplementary Information

Required Supplementary Information

CITY OF PORTLAND, MAINE
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended June 30, 2025

	Budgeted Amounts Original	Budgeted Amounts Final	Variance with Original Budget	Actual Amounts (Budget Basis)	Variance with Final Budget
BUDGETARY REVENUES					
General property taxes	$ 217,596,332	$ 217,596,332	-	$ 223,227,652	$ 5,631,320
Excise taxes	12,042,000	12,042,000	-	14,239,769	2,197,769
Licenses and permits	7,430,794	7,430,794	-	13,094,035	5,663,241
Intergovernmental revenue	33,937,410	33,937,410	-	35,532,936	1,595,526
Charges for services	43,475,199	43,475,199	-	40,380,586	(3,094,613)
Fines, forfeits and penalties	2,396,804	2,396,804	-	2,741,251	344,447
Uses of money and property	17,230,269	17,230,269	-	20,506,310	3,276,041
School department revenue:					
Local revenue	529,500	534,500	5,000	941,136	406,636
Intergovernmental revenues	29,430,863	29,430,863	-	30,837,213	1,406,350
Use of surplus	4,682,780	4,682,780	-	-	(4,682,780)
Total budgetary revenues	368,751,951	368,756,951	5,000	381,500,888	12,743,937
BUDGETARY EXPENDITURES					
Current:					
General government					
City council	495,202	495,202	-	480,786	(14,416)
City clerk	811,842	814,502	2,660	733,525	(80,977)
City manager	1,496,731	1,498,523	1,792	1,384,639	(113,884)
Assessor	644,687	649,576	4,889	599,654	(49,922)
Finance	2,386,226	2,390,743	4,517	2,467,496	76,753
Legal	1,166,929	1,168,967	2,038	1,155,072	(13,895)
Human resources	1,614,127	1,616,477	2,350	1,463,638	(152,839)
Parking	2,625,452	2,762,130	136,678	2,840,155	78,026
Economic development	1,776,866	1,777,760	894	1,652,206	(125,554)
Planning & urban development	1,738,786	1,771,066	32,280	1,579,612	(191,454)
Permitting & inspections	2,949,833	2,999,857	50,024	3,054,834	54,977
Information technology	3,419,321	3,506,694	87,373	3,417,854	(88,840)
Public buildings & waterfront	7,645,016	8,499,135	854,119	6,493,167	(2,005,968)
Parks, recreation & facilities	12,573,872	12,744,017	170,145	13,789,759	1,045,742
Total general government	$ 41,344,890	$ 42,694,649	$ 1,349,759	$ 41,112,397	$ (1,582,252)
Public safety					
Police	19,789,900	20,116,390	326,490	19,819,447	(296,943)
Fire	21,829,643	22,411,286	581,643	22,533,902	122,616
Dispatch services	3,804,750	3,844,070	39,320	3,793,217	(50,853)
Total public safety	45,424,293	46,371,746	947,453	46,146,567	(225,179)
Public works	18,487,119	18,751,050	263,931	18,719,113	(31,937)
Health and social services:					
Health & human services	37,297,175	37,372,707	75,532	29,290,664	(8,082,043)
Barron Center	15,990,597	16,213,691	223,094	15,925,698	(287,994)
Total health and social services	53,287,772	53,586,398	298,626	45,216,362	(8,370,037)

Continued

Note: See Independent Auditors' Report

Required Supplementary Information

CITY OF PORTLAND, MAINE
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
(CONTINUED)
For the Year Ended June 30, 2025

	Budgeted Amounts		Variance with	Actual Amounts	Variance with
	Original	Final	Original Budget	(Budget Basis)	Final Budget
BUDGETARY EXPENDITURES, continued					
Education					
General education	145,401,723	145,401,723	-	144,555,211	(846,512)
School adult education	3,070,168	3,070,168	-	3,170,796	100,628
School lunch program	5,573,876	5,578,876	5,000	5,212,098	(366,778)
Total education	154,045,767	154,050,767	5,000	152,938,106	(1,112,661)
Public library	4,891,900	4,891,900	-	4,891,900	(0)
Pension and employee benefits	38,030,531	38,063,801	33,270	39,674,975	1,611,174
Contingent	250,000	250,000	-	8,407	(241,593)
Liability insurance	1,190,750	1,190,750	-	1,037,339	(153,411)
County tax	8,414,304	8,414,304	-	8,414,303	(1)
Memberships/Contributions	3,710,065	3,710,065	-	3,723,538	13,473
Wage adjustment	1,082,547	-	(1,082,547)	-	-
Debt Service:					
Principal	26,671,255	26,671,255	-	26,671,254	(1)
Principal and interest - pension bonds	20,989,818	20,989,818	-	20,929,723	(60,095)
Interest and other charges	12,651,527	12,651,527	-	12,075,759	(575,768)
Capital Outlay					
Capital Equipment	-	-	-	-	-
Total budgetary expenditures	430,472,538	432,288,031	1,815,493	421,559,744	(10,728,288)
Budgetary excess of revenues over expenditures	(61,720,587)	(63,531,080)	(1,810,493)	(40,058,856)	23,472,225
BUDGETARY OTHER FINANCING SOURCES (USES)					
Operating transfers	532,711	593,713	61,002	689,516	95,803
Sale of city property	75,000	75,000	-	95,897	20,897
HCD charges	274,668	274,668	-	272,142	(2,526)
Enterprise fund charges	23,028,191	23,028,191	-	22,506,396	(521,795)
School department charges	14,514,935	14,514,935	-	13,917,184	(597,751)
Special revenue/endowment fund charges	606,428	606,428	-	529,133	(77,295)
Reimbursements	18,488,654	18,488,654	-	16,427,025	(2,061,629)
Use of surplus	4,200,000	4,200,000	-	-	(4,200,000)
Total budgetary other financing sources (uses)	61,720,587	61,781,589	61,002	54,437,294	(7,344,295)
Net change in fund balances	-	(1,749,491)	(1,749,491)	14,378,438	16,127,929
Budgetary fund balance - beginning	124,368,546	124,368,546	-	124,368,546	-
Budgetary fund balance - ending	$ 124,368,546	$ 122,619,054	$ (1,749,491)	$ 138,746,984	$ 16,127,929

Continued

Note: See Independent Auditors' Report

CITY OF PORTLAND, MAINE
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
(CONTINUED)
For the Year Ended June 30, 2025

RECONCILIATION TO GAAP BASIS

Total budgetary fund balance, June 30, 2025	$ 138,746,984
Items reported in special revenue fund	
School food service program revenues	(4,816,807)
School food service program expenditures	5,212,098
Unbudgeted revenues	573,882
Net compensated absences and other accruals	(383,889)
Budgetary encumbrances not included in expenditures	191,362
Operating transfers in	1,527,996
Operating transfers out	(8,663,009)
Total fund balance, GAAP basis, June 30, 2025	$ 132,388,615

Actual Budget Results	General Fund Over (under)
BUDGETARY REVENUES	
Differences – final budget to actual:	
Excise taxes – significantly more vehicles were registered during the year than originally forecasted	$ 2,197,769
Licenses and permits – a single building permit for a large project was issued for an amount exceeding the entire building permit budget	5,663,241
Charges for services – health insurance reimbursements were lower than anticipated	(3,094,613)
Fines, forfeits and penalties – receipts for code violations were higher than anticipated	344,447
Uses of money and property – interest income was higher than anticipated as a result of higher than forecasted interest rates	3,276,041
School department local revenue -	
the school district received refunds for the overpayment of estimated tax payments from the State of Maine	282,000
the school district received insurance proceeds for a water damage claim	77,000

Continued

Note: See Independent Auditors' Report

Actual Budget Results (continued)	General Fund Over (under)
BUDGETARY EXPENDITURES	
Differences – original budget to final budget:	
Increases in FY25 appropriations were due to carryover encumbrances of FY24 that increased budget appropriations in the subsequent year	$ 1,815,492
Amounts appropriated for wage adjustments are transferred to the appropriate department line items when final salary increases are known	(1,082,547)
Differences – final budget to actual:	
Planning & urban development – savings were realized in salaries during the year due to vacancies	$ 191,454)
Public buildings and waterfront – significant saving were realized from lower electricity costs	(2,005,968)
Health & human services – reductions in various costs were realized in the general assistance program due to lower demand for emergency housing and food vouchers	(8,082,043)
Pensions and employee benefits – payments and claims were higher than anticipated	1,611,174
Liability insurance – self-insurance payments were lower than anticipated	(153,411)
Wage adjustment – amounts needed for salary adjustments were less than anticipated	(341,624)

Required Supplementary Information

CITY OF PORTLAND, MAINE
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS
(unaudited)

Teachers' Pension Plan

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City's proportion of the net pension liability	0.4325%	0.2067%	0.3659%	0.6149%	0.3963%	0.2362%	0.2884%	0.2569%	0.2995%	0.3388%
City's proportionate share of the net pension liability	$ 5,935,056	$ 3,136,536	$ 5,433,723	$ 5,200,908	$ 6,469,416	$ 3,462,296	$ 3,892,333	$ 3,731,522	$ 5,291,061	$ 4,574,241
State of Maine's proportionate share of the net pension liability	62,323,465	66,614,422	61,391,612	32,483,922	59,299,504	67,623,918	58,269,905	61,598,424	77,010,164	58,599,731
Total	$ 68,258,521	$ 69,750,958	$ 66,825,335	$ 37,684,830	$ 65,768,920	$ 71,086,214	$ 62,162,238	$ 65,329,946	$ 82,301,225	$ 63,173,972
City's covered payroll	$ 74,073,873	$ 76,001,973	$ 69,170,844	$ 60,061,900	$ 60,309,184	$ 56,467,425	$ 56,462,638	$ 54,522,466	$ 54,696,814	$ 53,169,981
City's proportionate share of the net pension liability as a percentage of its covered payroll	8.01%	4.13%	7.86%	8.66%	10.73%	6.13%	6.89%	6.84%	9.67%	8.60%
Plan fiduciary net position as a percentage of the total pension liability	88.42%	86.03%	85.79%	90.90%	81.03%	82.73%	82.90%	80.78%	79.05%	81.18%

City's Pension Plan

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City's proportion of the net pension liability (asset)	8.839%	9.056%	9.644%	9.558%	10.014%	10.630%	10.606%	10.559%	10.639%	10.6507%
City's proportionate share of the net pension liability (asset)	$ 35,377,735	$ 28,895,624	$ 25,637,785	$ (3,071,618)	$ 39,788,600	$ 32,491,560	$ 29,027,538	$ 43,230,270	$ 56,526,175	$ 33,980,669
City's covered payroll	$ 79,239,714	$ 73,067,714	$ 69,471,504	$ 63,035,930	$ 64,323,405	$ 62,567,067	$ 60,019,218	$ 57,820,081	$ 55,875,164	$ 54,218,853
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	44.65%	39.55%	36.90%	-4.87%	61.86%	51.93%	48.36%	74.77%	101.17%	62.67%
Plan fiduciary net position as a percentage of the total pension liability	91.06%	92.34%	93.26%	100.86%	88.35%	90.62%	91.14%	86.43%	81.61%	88.27%

Note: See Independent Auditors' Report

Required Supplementary Information

CITY OF PORTLAND, MAINE
SCHEDULE OF PENSION CONTRIBUTIONS
LAST TEN FISCAL YEARS
(unaudited)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Teachers' Pension Plan										
Contractually required contribution	$ 3,993,993	$ 4,689,155	$ 3,670,743	$ 2,877,507	$ 2,498,575	$ 2,508,856	$ 2,242,083	$ 2,241,571	$ 1,832,322	$ 1,838,029
Contributions in relation to contractually required contributions	(3,993,993)	(4,689,155)	(3,670,743)	(2,877,507)	(2,498,575)	(2,508,856)	(2,242,083)	(2,241,571)	(1,832,322)	(1,838,029)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$73,663,528	$74,073,873	$76,001,973	$69,170,844	$60,061,900	$60,309,184	$56,467,425	$56,462,638	$54,522,466	$54,696,814
Contributions as a percentage of covered payroll	5.42%	6.33%	4.83%	4.16%	4.16%	4.16%	3.97%	3.97%	3.36%	3.36%
City's Pension Plan										
Contractually required contribution	$ 9,136,409	$ 8,529,896	$ 8,251,089	$ 7,688,133	$ 6,528,816	$ 6,583,496	$ 6,381,746	$ 5,888,219	$ 5,409,928	$ 4,989,123
Contributions in relation to contractually required contributions	(9,136,409)	(8,529,896)	(8,251,089)	(7,688,133)	(6,528,816)	(6,583,496)	(6,381,746)	(5,888,219)	(5,409,928)	(4,989,123)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$87,541,253	$79,239,714	$73,067,714	$69,471,504	$63,035,930	$64,323,405	$62,567,067	$60,019,218	$57,820,081	$55,875,164
Contributions as a percentage of covered payroll	10.44%	10.76%	11.29%	11.07%	10.36%	10.23%	10.20%	9.81%	9.36%	8.93%

Note: See Independent Auditors' Report

Required Supplementary Information

CITY OF PORTLAND, MAINE
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
GROUP TERM LIFE INSURANCE
LAST TEN FISCAL YEARS *
(unaudited)

	2025	2024	2023	2022	2021	2020	2019	2018
PLD OPEB Plan								
City's proportion of the net OPEB liability	23.17%	24.32%	23.26%	23.13%	23.52%	23.10%	22.60%	22.89%
City's proportionate share of the net OPEB liability	$ 2,563,235	$ 3,172,545	$ 3,369,422	$ 2,387,597	$ 3,102,943	$ 4,943,631	$ 4,565,571	$ 3,828,267
City's covered-employee payroll	52,377,312	49,355,330	48,110,893	42,130,434	44,774,250	42,738,333	39,057,837	37,246,788
City's proportionate share of net OPEB liability as a percentage of its covered-employee payroll	4.89%	6.43%	7.00%	5.67%	6.93%	11.57%	11.69%	10.28%
Plan fiduciary net position as a percentage of the total OPEB liability	68.02%	59.71%	55.88%	43.18%	55.40%	43.18%	43.92%	47.42%
SET OPEB Plan								
City's proportion of the net OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
City's proportionate share of the net OPEB liability	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State's proportionate share of the net OPEB liability associated with the City	1,127,744	1,585,696	1,789,902	898,801	1,775,775	1,778,581	1,808,365	1,690,308
Total	$ 1,127,744	$ 1,585,696	$ 1,789,902	$ 898,801	$ 1,775,775	$ 1,778,581	$ 1,808,365	$ 1,690,308
Plan fiduciary net position as a percentage of the total OPEB liability	66.14%	71.52%	66.68%	62.90%	49.22%	43.18%	43.92%	47.42%

** Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.*
Amounts presented for each fiscal year were determined as of the end of the previous fiscal year.
See notes to the City's financial statements for summary of significant actuarial methods and assumptions.

Note: See Independent Auditors' Report

Required Supplementary Information

CITY OF PORTLAND, MAINE
SCHEDULE OF OPEB CONTRIBUTIONS
GROUP TERM LIFE INSURANCE
LAST TEN FISCAL YEARS *
(unaudited)

	2025	2024	2023	2022	2021	2020	2019	2018	2017
PLD OPEB Plan									
Contractually required contribution	$ 172,388	$ 177,096	$ 153,280	$ 157,497	$ 235,301	$ 89,549	$ 86,538	$ 81,607	$ 78,341
Contributions in relation to the contractually required contribution	(172,388)	(177,096)	(153,280)	(157,497)	(235,301)	(89,549)	(86,538)	(81,607)	(78,341)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City's covered-employee payroll	$ 58,416,021	$ 52,377,312	$ 49,355,330	$ 48,110,893	$ 42,130,434	$ 44,774,250	$ 42,738,333	$ 39,057,837	$ 37,246,788
Contributions as a percentage of covered-employee payroll	0.30%	0.34%	0.31%	0.33%	0.56%	0.20%	0.20%	0.21%	0.21%
SET OPEB Plan									
Contractually required contribution	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
State contributions on behalf of City	229,448	217,469	213,340	210,546	199,393	163,710	165,012	153,191	
Total contributions	$ 229,448	$ 217,469	$ 213,340	$ 210,546	$ 199,393	$ 163,710	$ 165,012	$ 153,191	

** Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.*
See notes to the City's financial statements for summary of significant actuarial methods and assumptions.

Note: See Independent Auditors' Report

Required Supplementary Information

CITY OF PORTLAND, MAINE

SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS

HEALTH INSURANCE
LAST TEN FISCAL YEARS *
(unaudited)

	2025	2024	2023	2022	2021	2020	2019
Total OPEB Liability							
Service cost	$ 354,751	$ 382,646	$ 438,828	$ 448,812	$ 179,714	$ 150,579	$ 161,924
Interest	723,909	699,278	450,114	449,050	736,404	765,729	735,824
Changes of benefit terms	-	-	-	-	(2,039,424)	-	-
Differences between expected and actual experience	(1,564,227)	-	(1,689,768)	-	(904,050)	-	-
Changes of assumptions or other inputs	457,207	(304,201)	338,246	162,588	1,730,813	1,121,986	(879,691)
Benefit payments	(723,817)	(617,895)	(517,177)	(544,332)	(838,765)	(788,187)	(760,945)
Net change in total OPEB liability	$ (752,177)	$ 159,828	$ (979,757)	$ 516,118	$ (1,135,308)	$ 1,250,107	$ (742,888)
Total OPEB liability - beginning	19,837,049	19,677,221	20,656,978	20,140,860	21,276,168	20,026,061	20,768,949
Total OPEB liability - ending	$ 19,084,872	$ 19,837,049	$ 19,677,221	$ 20,656,978	$ 20,140,860	$ 21,276,168	$ 20,026,061
Covered employee-payroll	$ 66,596,225	$ 72,595,251	$ 70,480,409	$ 72,672,618	$ 70,900,115	$ 55,878,130	$ 54,382,608
Total OPEB liability as a percentage of covered-employee payroll	28.66%	27.33%	27.92%	28.42%	28.41%	38.08%	36.82%

** Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.*
See notes to the City's financial statements for summary of significant actuarial methods and assumptions.

Note: See Independent Auditors' Report

CITY OF PORTLAND, MAINE
Notes to the Required Supplementary Information
For the Year Ended June 30, 2024

Changes of benefit terms (Pension) – Both the Teachers' and City's Pension plan had no changes in benefit terms since the previous valuation.

Changes of Assumptions (Pension) – The following are changes in actuarial assumptions used in the most recent valuations:

Required Supplementary Information

CITY OF PORTLAND, MAINE
For the year ended June 30, 2024
Changes of Assumptions (Pension) *
(unaudited)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Discount rate - PLD	6.500%	6.500%	6.750%	6.750%	6.875%	6.750%	6.875%	7.125%	7.250%	7.250%
Discount rate - SET	6.500%	6.500%	6.750%	6.750%	6.875%	6.750%	6.875%	7.125%	7.250%	7.250%
Inflation rate	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	3.50%	3.50%	3.50%
Salary increases - PLD	2.75-11.48%	2.75-11.48%	2.750%	2.75 - 9.0%	2.75-9.00%	2.75-9.00%	2.75-9.00%	3.50-9.00%	3.50-9.00%	3.50-9.00%
Salary increases - SET	2.80-13.03%	2.80-13.03%	2.750%	2.75 - 14.5%	14.50%	14.50%	14.50%	13.50%	13.50%	13.50%
Cost of living increases - PLD	1.91%	1.91%	1.91%	1.91%	1.91%	1.91%	2.20%	2.55%	3.12%	3.12%
Cost of living increases - SET	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.55%	2.55%	2.55%

** 'This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*
See notes to the City's financial statements for summary of significant actuarial methods and assumptions.
Source: State of Maine Public Employee Retirement System

** Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.*
See notes to the City's financial statements for summary of significant actuarial methods and assumptions.

Mortality rates:
In 2015, mortality rates were based on the RP2000 Combined Mortality Table projected forward to 2015 using Scale AA. In 2016 through 2018, mortality rates were based on the RP2014 Total Data Set Healthy Annuitant Mortality Table. In 2019 and going forward, mortality rates for the City's plan were based on the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC_2020 model; and the 2010 Public Plan Teacher Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC_2020 model for the teacher's plan.

Changes of Benefit Terms (OPEB – Group Term Life Insurance) - None

Changes of Assumptions (OPEB – Group Term Life Insurance) – Changes of assumption and other inputs reflect the changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year	Discount Rate
2025	6.50%
2024	6.50%
2023	6.50%
2022	6.50%
2021	6.75%
2020	4.98%
2019	5.13%
2018	5.41%

Changes of Benefit Terms (OPEB – Health Insurance) – None

Changes of Assumptions (OPEB – Health Insurance) – Changes of assumption and other inputs reflect the changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year	Discount Rate
2025	3.93%
2024	3.65%
2023	3.54%
2022	2.16%
2021	2.21%
2020	3.50%
2019	3.87%
2018	3.58%

Accumulated Assets (OPEB – Health Insurance) – No assets are accumulated in the trust established for the payment of benefits for this plan.

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Combining and Individual Fund Financial Statements

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NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

Special revenue funds are used to account for proceeds of specific revenue sources that are restricted or committed to expenditures for particular purposes.

Community Development Block Grants (CDBG)

Received from the U.S. Department of Housing and Community Development; these funds are used to promote housing, work and shop, mobility and accessibility, safe neighborhoods, and basic needs.

City Loan Program

This fund is used to account for various housing and rehabilitation loans. In addition to providing loans and grants the funds are used for affordable housing development, rental assistance, and housing information and resources. The funding sources include CDBG, the Home Investment Partnership Program (HOME), and City contributions.

School Food Service Program

The City's School Department's Food service program provides meals to students. The program is funded through local contributions and federal and state grants.

Education Programs

Educational grants from federal, state and local sources are accounted for in this fund.

Other Grants and Special Revenues

All other special revenue funds of the City are combined and accounted for in this fund.

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.

Perpetual Care

To account for funds provided by private donors to finance the perpetual care of cemeteries. The principal amounts of gifts remain intact. Investment earnings are used for the care and maintenance of the cemeteries.

Endowment Funds

To account for endowments provided by private donors to establish various trusts. Principal and income may be expended as is stipulated by the various trust instruments.

CITY OF PORTLAND, MAINE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2025

	Special Revenues						Permanent Funds			
	Community Development Block Grants	City Loan Program	School Food Service Program	Education Programs	Other Grants and Special Revenues	Total	Perpetual Care	Endowment Funds	Total	Total Nonmajor Governmental Funds
ASSETS										
Cash and cash equivalents	$ -	$ 11,836,087	$ 1,580,080	$ -	$ 41,109,983	$ 54,526,150	$ 1,463,360	$ 1,189,969	$ 2,653,329	$ 57,179,479
Investments	-	-	-	-	36,836	36,836	14,192,768	15,091,760	29,284,527	29,321,363
Accounts receivable, net	-	8,270	-	16,678	1,595,458	1,620,406	-	-	-	1,620,406
Loans receivable	-	1,501,449	-	-	-	1,501,449	-	-	-	1,501,449
Allowance for uncollectible loans	-	(75,400)	-	-	-	(75,400)	-	-	-	(75,400)
Due from other governments	988,670	-	263,995	5,080,111	3,584,827	9,917,604	-	-	-	9,917,604
Inventories	-	-	41,879	-	-	41,879	-	-	-	41,879
Total assets	988,670	13,270,406	1,885,954	5,096,789	46,327,104	67,568,924	15,656,128	16,281,729	31,937,856	99,506,780
LIABILITIES										
Accounts payable	448,000	1,417	26,530	69,754	590,966	1,136,667	-	-	-	1,136,667
Accrued liabilities	11,501	-	20,580	644,747	7,007,276	7,684,105	-	-	-	7,684,105
Interfunds payable	529,169	-	-	2,609,382	-	3,138,551	-	-	-	3,138,551
Due to other governments	-	-	-	-	22,884	22,884	-	-	-	22,884
Unearned revenue	-	-	-	-	1,793,866	1,793,866	-	-	-	1,793,866
Total liabilities	988,670	1,417	47,110	3,323,883	9,414,992	13,776,072	-	-	-	13,776,072
FUND BALANCES										
Nonspendable:										
Inventories and prepaid expenses	-	-	50,032	-	-	50,032	-	-	-	50,032
Loans	-	1,426,049	-	-	-	1,426,049	-	-	-	1,426,049
Permanent funds	-	-	-	-	-	-	-	9,085,006	9,085,006	9,085,006
Restricted for:										
Capital projects	-	-	-	-	306,733	306,733	-	-	-	306,733
Other grants and special revenue	-	11,842,939	932,030	1,772,906	31,292,263	45,840,139	-	-	-	45,840,139
Permanent funds	-	-	-	-	-	-	15,656,128	7,196,722	22,852,850	22,852,850
Committed for:										
Capital improvement	-	-	-	-	4,507,006	4,507,006	-	-	-	4,507,006
Loan programs	-	-	-	-	-	-	-	-	-	-
Assigned to:										
Subsequent years expenditure	-	-	856,782	-	-	856,782	-	-	-	856,782
Casco Bay Island Transit District	-	-	-	-	806,110	806,110	-	-	-	806,110
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balances	-	13,268,989	1,838,844	1,772,906	36,912,113	53,792,851	15,656,128	16,281,729	31,937,856	85,730,708
Total liabilities and fund balances	$ 988,670	$ 13,270,406	$ 1,885,954	$ 5,096,789	$ 46,327,104	$ 67,568,924	$ 15,656,128	$ 16,281,729	$ 31,937,856	$ 99,506,780

CITY OF PORTLAND, MAINE
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2025

	Special Revenues						Permanent Funds			
	Community Development Block Grants	City Loan Program	School Food Service Program	Education Programs	Other Grants and Special Revenues	Total	Perpetual Care	Endowment Funds	Total	Total Nonmajor Governmental Funds
REVENUES										
General property taxes	$ -	$ -	$ -	$ -	$ 10,246,462	$ 10,246,462	$ -	$ -	$ -	$ 10,246,462
Licenses and permits	-	-	-	-	424,521	424,521	-	-	-	424,521
Uses of money and property	-	65,424	-	-	54,534	119,958	-	-	-	119,958
Investment income (loss)	-	-	-	-	-	-	1,562,378	1,591,707	3,154,085	3,154,085
Intergovernmental	2,426,005	1,516,608	4,336,651	14,938,324	21,893,678	45,111,265	-	-	-	45,111,265
Current services	-	200,630	480,156	256,502	3,757,708	4,694,995	89,174	3,600	92,774	4,787,769
Contributions	-	-	-	-	721,812	721,812	-	-	-	721,812
Total revenue	2,426,005	1,782,662	4,816,807	15,194,825	37,098,715	61,319,013	1,651,552	1,595,307	3,246,859	64,565,872
EXPENDITURES										
Current:										
General government	2,101,503	1,598,036	-	-	15,251,029	18,950,568	32,702	320,866	353,568	19,304,136
Public safety	-	-	-	-	2,074,874	2,074,874	-	-	-	2,074,874
Public works	-	-	-	-	983,361	983,361	-	-	-	983,361
Health and social services	-	115,225	-	-	8,898,056	9,013,281	-	-	-	9,013,281
Education	-	-	5,212,098	11,776,088	-	16,988,186	-	-	-	16,988,186
Debt Service	-	-	-	-	82,711	82,711	-	-	-	82,711
Capital outlay	449,501	-	-	-	740,314	1,189,815	-	-	-	1,189,815
Total expenditures	2,551,005	1,713,261	5,212,098	11,776,088	28,030,345	49,282,795	32,702	320,866	353,568	49,636,363
Excess (deficiency) of revenues over (under) expenditures	(125,000)	69,401	(395,291)	3,418,737	9,068,370	12,036,218	1,618,850	1,274,441	2,893,291	14,929,509
OTHER FINANCING SOURCES (USES)										
Transfers in	125,000	39,692	-	1,034,585	-	1,199,277	-	-	-	1,199,277
Transfers out	-	-	-	(806,523)	(3,374,692)	(4,181,214)	(486,806)	-	(486,806)	(4,668,020)
Total other financing sources (uses)	125,000	39,692	-	228,062	(3,374,692)	(2,981,938)	(486,806)	-	(486,806)	(3,468,743)
Net change in fund balances	-	109,093	(395,291)	3,646,800	5,693,679	9,054,280	1,132,044	1,274,441	2,406,485	11,460,765
Fund balances - beginning	-	13,159,896	2,234,135	(1,873,894)	31,218,434	44,738,571	14,524,084	15,007,287	29,531,371	74,269,942
Fund balances - ending	$ -	$ 13,268,989	$ 1,838,844	$ 1,772,906	$ 36,912,113	$ 53,792,851	$ 15,656,128	$ 16,281,729	$ 31,937,856	$ 85,730,708

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SCHOOL DEPARTMENT

The following three summaries present additional detailed information about the City's School Department (the Department). The reports were prepared from the Department's financial management system and are presented on the department's budgetary basis of accounting.

CITY OF PORTLAND, MAINE
SCHOOL DEPARTMENT
REVENUE STATUS REPORT SUMMARY
(Includes General, Adult Education and Food Services Funds)
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budget Basis)	Final Budget
Municipal revenue sources				
General property taxes for:				
General fund	$ 117,333,679	$ 117,333,679	$ 117,333,679	$ -
Food service	-	-	-	-
Adult education	2,068,945	2,068,945	2,068,945	-
Total Municipal revenue sources	119,402,624	119,402,624	119,402,624	-
School department revenue sources				
Intergovernmental revenues:				
Federal for:				
General fund	345,000	345,000	994,930	649,930
Food service	3,019,337	3,019,337	3,150,598	131,261
	3,364,337	3,364,337	4,145,528	781,191
State for:				
General fund	23,662,264	23,662,264	24,180,785	518,521
Food service	1,503,039	1,503,039	1,609,677	106,638
Adult education	901,223	901,223	901,223	-
	26,066,526	26,066,526	26,691,685	625,159
Local revenues:				
General fund:				
Tuition	365,000	365,000	326,248	(38,752)
Miscellaneous	113,000	113,000	446,998	333,998
Fund balance appropriation	3,582,780	3,582,780	-	(3,582,780)
Food service:				
Miscellaneous	51,500	56,500	56,532	32
Fund balance appropriation	1,000,000	1,000,000	-	(1,000,000)
Adult education:				
Tuition	-	-	110,285	110,285
Miscellaneous	-	-	1,073	1,073
Fund balance appropriation	100,000	100,000	-	(100,000)
	5,212,280	5,217,280	941,136	(4,276,144)
Total school department revenue sources	34,643,143	34,648,143	31,778,349	(2,869,794)
Total revenues	$ 154,045,767	$ 154,050,767	$ 151,180,973	$ (2,869,794)

CITY OF PORTLAND, MAINE
SCHOOL DEPARTMENT
EXPENDITURE STATUS REPORT SUMMARY
(Includes General, Adult Education and Food Services Funds)
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budget Basis)	Final Budget
General operations				
Salaries and wages:				
Regular salaries	$ 80,759,244	$ 80,759,244	$ 78,734,273	$ 2,024,971
Temporary salaries	1,495,829	1,495,829	3,533,582	(2,037,753)
Overtime and additional work	191,618	191,618	25,572	166,046
Stipends and differentials	2,114,836	2,114,836	1,686,103	428,733
Total salaries and wages	84,561,527	84,561,527	83,979,530	581,997
Employee benefits	26,931,316	26,931,316	24,504,499	2,426,817
Contracted services:				
Professional and technical services	2,283,280	2,283,280	3,142,010	(858,730)
Employee training and development	218,377	218,377	154,687	63,690
Architectural and engineering services	10,000	10,000	66,674	(56,674)
Security services	12,082	12,082	34,045	(21,963)
Special education	3,562,762	3,562,762	3,598,720	(35,958)
Legal	305,300	305,300	280,059	25,241
Total contracted services	6,391,801	6,391,801	7,276,196	(884,395)
Other expenditures				
Books and Periodicals	162,319	162,319	143,738	18,581
Communications	311,088	311,088	230,612	80,476
Debt service	13,155,502	13,155,502	13,075,224	80,278
Dues and fees	284,328	284,328	318,150	(33,822)
Equipment	339,269	339,269	302,814	36,455
Insurance	821,885	821,885	698,737	123,148
Miscellaneous	191,412	191,412	1,368,002	(1,176,590)
Rentals and leases	409,149	409,149	491,464	(82,315)
Repairs and maintenance	2,737,428	2,737,428	2,504,634	232,794
Supplies	2,952,426	2,952,426	2,693,689	258,737
Transportation services	620,023	620,023	921,482	(301,459)
Travel	116,670	116,670	154,044	(37,374)
Tuition	3,313,950	3,313,950	3,543,367	(229,417)
Utilities	2,101,630	2,101,630	2,349,030	(247,400)
Total other expenditures	27,517,079	27,517,079	28,794,987	(1,277,907)
Total general operations	145,401,723	145,401,723	144,555,212	846,512
Total adult education	3,070,168	3,070,168	3,170,796	(100,628)
Total food service	5,573,876	5,578,876	5,212,098	366,778
Total expenditures	$ 154,045,767	$ 154,050,767	$ 152,938,106	$ 1,112,661

CITY OF PORTLAND, MAINE
SCHOOL DEPARTMENT
FUND BALANCE STATUS REPORT
For the Year Ended June 30, 2025

	General Education	Adult Education	Food Service	Total Funds
Fund balances, beginning of year				
Nonspendable	$ -	$ -	$ 50,032	$ 50,032
Restricted for:				
Career and technical education	360,236	-	-	360,236
Subsequent years expenditure	-	-	1,184,103	1,184,103
Committed for:				
Capital expenditures	1,000,000	-	-	1,000,000
Debt service	2,549,764	-	-	2,549,764
Subsequent years expenditure	3,873,832	100,000	1,000,000	4,973,832
Assigned to:				
Subsequent years expenditure	-	69,187	-	69,187
Unassigned	7,197,070	-	-	7,197,070
Total fund balances, beginning of year	14,980,902	169,187	2,234,135	17,384,224
Revenues and other financing sources less expenditures and other financing uses	(1,272,572)	(89,270)	(395,291)	(1,757,134)
Fund balances, end of year	$ 13,708,330	$ 79,916	$ 1,838,844	$ 15,627,090
Fund balances, end of year				
Nonspendable	$ -	$ -	$ 50,032	$ 50,032
Restricted for:				
Career and technical education	360,236	-	-	360,236
Subsequent years expenditure	-	-	932,030	932,030
Committed for:				
Capital expenditures	1,000,000	-	-	1,000,000
Debt service	2,549,764	-	-	2,549,764
Subsequent years expenditure	4,191,052	236,889	856,782	5,284,723
Assigned to:				
Subsequent years expenditure	-	(156,973)	-	(156,973)
Unassigned	5,607,278	-	-	5,607,278
Total fund balances, end of year	$ 13,708,330	$ 79,916	$ 1,838,844	$ 15,627,090

Reconciliation of Revenue and Expenditure Status Reports to Change in Fund Balance:

	General Education	Adult Education	Food Service	Total Funds
Revenue Status Report, Schedule B-1	$ 143,282,640	$ 3,081,526	$ 4,816,807	$ 151,180,973
Expenditure Status Report, Schedule B-2	(144,555,212)	(3,170,796)	(5,212,098)	(152,938,106)
Net change in fund balances	$ (1,272,572)	$ (89,270)	$ (395,291)	$ (1,757,134)

PROPRIETARY FUNDS

Enterprise Funds

These funds are used to report the activities for which a fee is charged to external users for goods and services.

Jetport Enterprise Fund

The Jetport Enterprise Fund is used to account for the operation of the local airport, which serves primarily the southern portion of the state.

Sewer Enterprise Fund

The Sewer Enterprise Fund which is responsible for maintaining and repairing the sewer system. The Portland Water District (not a City department) owns and operates the filtration plant for which the Sewer Enterprise Fund pays a monthly fee. The City owns the sewer lines.

Stormwater Enterprise Fund

The Stormwater Enterprise Fund which is responsible for maintaining and repairing the stormwater drainage system.

Fish Pier Authority Enterprise Fund (blended component unit)

The Authority provides management services for the City’s fish pier. The operations consist primarily of lease revenue and maintenance expense.

CITY OF PORTLAND, MAINE
SCHEDULE OF REVENUES, EXPENDITURES, AND ENCUMBRANCES
BUDGET AND ACTUAL (BUDGET BASIS)
PROPRIETARY FUNDS
JETPORT ENTERPRISE FUND
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budget Basis)	Final Budget
Revenues				
Charges for services	$ 33,808,290	$ 33,808,290	$ 36,906,831	$ 3,098,541
Intergovernmental revenue	123,200	123,200	-	(123,200)
Interest and other revenue	1,000,000	1,000,000	1,780,669	780,669
Total revenues	34,931,490	34,931,490	38,687,500	3,756,010
Expenditures and encumbrances				
Personnel services	7,707,165	7,707,165	6,970,804	736,361
Administrative services	2,369,537	2,371,287	1,040,910	1,330,377
Contractual services	7,236,984	8,125,596	7,131,929	993,667
Maintenance and repairs	1,585,912	1,828,063	1,804,086	23,977
Rentals	29,992	179,992	188,951	(8,959)
Insurance	200,500	200,500	253,103	(52,603)
Supplies and materials	1,078,978	1,072,978	813,216	259,762
Utilities	1,538,767	1,544,027	1,723,551	(179,523)
Contributions	2,625,855	2,625,855	2,581,207	44,648
Capital outlay	6,703,000	7,158,580	4,041,134	3,117,446
Debt service	3,854,800	3,854,800	3,854,800	-
Total expenditures and encumbrances	34,931,490	36,668,843	30,403,691	6,265,153
Excess (deficiency) of revenues over (under) expenditures and encumbrances	$ -	$ (1,737,353)	$ 8,283,809	$ 10,021,163

Reconciliation from budgetary basis to GAAP basis:

	Revenues	Expenditures	Other Financing Sources (Uses)
Statement of Revenues, Expenses, and Changes in Net Position, Statement 6	$ 44,804,530	$ 38,954,442	$ 23,772,911
Capital contributions and reimbursements	-	-	(23,772,911)
Passenger facility charges	(5,005,891)	-	-
Unbudgeted revenues and reimbursements	(1,092,052)	(2,737)	-
Sale of city property	(19,087)	-	-
Change in workers compensation liability	-	(58,203)	-
Change in allowance for doubtful accounts	-	(24,500)	-
Changes in accumulated absences	-	63,717	-
Capital expenditures expensed over useful life	-	2,050,992	-
Depreciation charges not budgeted	-	(11,686,874)	-
OPEB charges not budgeted	-	31,702	-
Debt service paid by passenger facility charges	-	(2,249,100)	-
Accrued interest on bonds	-	1,054,252	-
Bond principal payments	-	2,270,000	-
Statement of Revenues, Expenditures, and Encumbrances - Budget and Actual (Budget Basis), Schedule C-1	$ 38,687,500	$ 30,403,691	$ -

CITY OF PORTLAND, MAINE
SCHEDULE OF REVENUES, EXPENDITURES, AND ENCUMBRANCES
BUDGET AND ACTUAL (BUDGET BASIS)
PROPRIETARY FUNDS
SEWER ENTERPRISE FUND
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budget Basis)	Final Budget
Revenues				
Charges for services	$ 31,170,087	$ 31,170,087	$ 31,410,003	$ 239,916
Interest and other revenue	590,272	590,272	1,195,793	605,521
Total revenues	31,760,359	31,760,359	32,605,796	845,437
Expenditures and encumbrances				
Personnel services	3,846,012	3,846,012	3,710,765	135,247
Administrative services	17,735,134	17,735,134	17,425,142	309,992
Contractual services	1,177,953	1,406,878	1,238,989	167,888
Maintenance and repairs	354,142	433,608	463,934	(30,326)
Rentals	107,018	112,033	107,627	4,406
Insurance	24,540	24,540	(5,182)	29,722
Supplies and materials	293,765	287,242	303,839	(16,597)
Utilities	128,079	128,079	144,619	(16,540)
Capital outlay	45,000	88,186	48,325	39,861
Debt service	10,028,388	10,028,388	9,015,422	1,012,966
Total expenditures and encumbrances	33,740,031	34,090,100	32,453,480	1,636,620
Excess (deficiency) of revenues over (under) expenditures and encumbrances	$ (1,979,672)	$ (2,329,741)	$ 152,316	$ 2,482,057

Reconciliation from budgetary basis to GAAP basis:

	Revenues	Expenditures	Other Financing Sources (Uses)
Statement of Revenues, Expenses, and Changes in Net Position, Statement 6	$ 32,119,601	$ 29,101,445	$ 2,549,786
Capital contributions and reimbursements	(379,237)	(636,241)	-
Reimbursements budgeted as revenues	907,719	907,719	-
Unbudgeted revenues and reimbursements	(42,287)	(13,138)	-
Change in workers compensation liability	-	(101,667)	-
Changes in accumulated absences and other liabilities	-	(6,715)	-
Transfers in	-	-	(2,549,786)
Depreciation charges not budgeted	-	(4,290,324)	-
OPEB charges not budgeted	-	37,436	-
Accrued interest on bonds	-	812,145	-
Bond principal payments	-	6,642,820	-
Statement of Revenues, Expenditures, and Encumbrances - Budget and Actual (Budget Basis), Schedule C-2	$ 32,605,796	$ 32,453,480	$ -

CITY OF PORTLAND, MAINE
SCHEDULE OF REVENUES, EXPENDITURES, AND ENCUMBRANCES
BUDGET AND ACTUAL (BUDGET BASIS)
PROPRIETARY FUNDS
STORMWATER ENTERPRISE FUND
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budget Basis)	Final Budget
Revenues				
Charges for services	$ 8,066,551	$ 8,066,551	$ 8,232,006	$ 165,455
Interest and other revenue	47,488	47,488	728,567	681,079
Total revenues	8,114,039	8,114,039	8,960,573	846,534
Expenditures and encumbrances				
Personnel services	1,674,163	1,674,600	1,560,886	113,714
Administrative services	208,748	208,748	181,170	27,578
Contractual services	1,012,443	1,245,954	692,209	553,745
Maintenance and repairs	83,700	117,105	222,529	(105,424)
Rentals	56,720	56,720	49,840	6,880
Insurance	2,000	2,000	9,821	(7,821)
Supplies and materials	198,825	169,620	146,646	22,974
Utilities	7,499	7,499	1,085	6,414
Debt service	4,266,960	4,266,960	4,066,960	200,000
Total expenditures and encumbrances	7,511,058	7,749,206	6,931,146	818,060
Excess (deficiency) of revenues over (under) expenditures and encumbrances	$ 602,981	$ 364,833	$ 2,029,427	$ 1,664,594

Reconciliation from budgetary basis to GAAP basis:

	Revenues	Expenditures	Other Financing Sources (Uses)
Statement of Revenues, Expenses, and Changes in Net Position, Statement 6	$ 8,960,573	$ 4,506,884	$ (2,549,787)
Capital contributions and reimbursements	-	(17,474)	2,549,787
Bond principal payments	-	2,441,736	-
Statement of Revenues, Expenditures, and Encumbrances - Budget and Actual (Budget Basis), Schedule C-3	$ 8,960,573	$ 6,931,146	$ -

CITY OF PORTLAND, MAINE
SCHEDULE OF REVENUES, EXPENDITURES, AND ENCUMBRANCES
BUDGET AND ACTUAL (BUDGET BASIS)
PROPRIETARY FUNDS
FISH PIER AUTHORITY ENTERPRISE FUND
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budget Basis)	Final Budget
Revenues				
Charges for services	$ 417,706	$ 417,706	$ 840,472	$ 422,766
Total revenues	417,706	417,706	840,472	422,766
Expenditures and encumbrances				
Personnel services	83,068	83,068	98,648	(15,580)
Administrative services	10,831	10,831	9,298	1,533
Contractual services	57,463	57,463	31,633	25,830
Maintenance and repairs	212,000	212,000	53,246	158,754
Insurance	15,120	15,120	15,000	120
Supplies and materials	13,500	13,500	1,492	12,008
Utilities	15,000	15,000	21,404	(6,404)
Debt service	10,724	10,724	10,273	451
Total expenditures and encumbrances	417,706	417,706	240,994	176,712
Excess (deficiency) of revenues over (under) expenditures and encumbrances	$ -	$ -	$ 599,478	$ 599,478

Reconciliation from budgetary basis to GAAP basis:

	Revenues	Expenditures	Other Financing Sources (Uses)
Statement of Revenues, Expenses, and Changes in Net Position, Statement 6	$ 2,075,640	$ 2,079,907	$ -
Depreciation charges not budgeted	-	(63,909)	-
Nonbudget revenue	(56,642)	-	-
Nonbudget revenue - Portland Fish Exchange	(1,178,526)		
Nonbudget expenses - Portland Fish Exchange		(1,696,103)	
Payments to fish pier enterprises not budgeted	-	(88,200)	-
Accrued interest on bonds	-	288	-
Bond principal payments	-	9,011	-
Statement of Revenues, Expenditures, and Encumbrances - Budget and Actual (Budget Basis), Schedule C-4	$ 840,472	$ 240,994	$ -

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Statistical Section

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STATISTICAL SECTION

The following statistical information is included in this report to provide context for understanding what the information presented in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. Statistical information is organized by the following categories.

Contents	Table
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and fiscal health have changed over time.	1 – 5
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources.	6 – 11
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.	12 – 16
Demographic and Economic Information These schedules help the reader understand the environment within which the City's financial activities take place.	17 – 18
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	19 – 22

TABLE 1

CITY OF PORTLAND, MAINE
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental activities:										
Net investment in capital assets	$231,529,477	$224,460,424	$253,845,854	$220,963,681	$210,406,853	$209,958,314	$213,431,308	$213,831,324	$223,788,618	$224,948,267
Restricted	77,828,027	68,778,940	64,319,265	58,429,227	57,092,209	51,927,936	47,947,723	49,064,968	42,644,515	39,368,157
Unrestricted	38,461,222	15,935,445	(65,570,802)	(65,041,001)	(49,118,396)	(69,965,504)	(85,281,268)	(97,011,732)	(103,886,481)	(109,303,315)
Total governmental activities net position	$347,818,726	$309,174,808	$252,594,318	$214,351,909	$218,380,667	$191,920,746	$176,097,762	$165,884,559	$162,546,652	$155,013,109
Business-type activities:										
Net investment in capital assets	$231,775,740	$194,046,337	$194,601,321	$191,157,602	$162,843,416	$160,924,754	$152,611,242	$158,757,212	$138,539,898	$136,613,213
Restricted	23,679,352	22,288,108	18,692,553	5,683,807	4,362,603	4,369,461	4,846,915	4,548,619	4,816,398	4,257,530
Unrestricted	96,904,554	98,134,536	75,221,236	72,653,373	70,889,162	60,538,228	53,456,102	33,360,275	45,941,144	39,021,544
Total business-type activities net position	$352,359,646	$314,468,981	$288,515,110	$269,494,783	$238,095,181	$225,832,442	$210,914,259	$196,666,106	$189,297,440	$179,892,287
Primary government:										
Net investment in capital assets	$463,305,217	$418,506,761	$448,447,175	$412,121,284	$373,250,269	$370,883,068	$366,042,550	$372,588,536	$362,328,516	$361,561,480
Restricted	101,507,379	91,067,046	83,011,818	64,113,035	61,454,812	56,297,397	52,794,638	53,613,587	47,460,914	43,625,687
Unrestricted	135,365,776	114,069,981	9,650,434	7,612,372	21,770,766	(9,427,277)	(31,825,166)	(63,651,457)	(57,945,337)	(70,281,765)
Total primary government net position	$700,178,372	$623,643,788	$541,109,428	$483,846,691	$456,475,848	$417,753,188	$387,012,022	$362,550,666	$351,844,092	$334,905,402

TABLE 2

CITY OF PORTLAND, MAINE
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Expenses -										
Governmental activities:										
General government	$ 93,482,699	$ 72,187,382	$ 64,096,401	$ 59,740,031	$ 55,948,114	$ 56,952,015	$ 51,163,972	$ 55,746,220	$ 51,925,746	$ 49,848,640
Public safety	60,436,005	55,264,981	49,503,671	45,803,842	47,550,594	47,591,429	37,333,363	45,004,227	43,285,442	45,134,716
Public works	29,537,068	26,565,577	28,668,692	21,618,213	22,403,199	24,857,618	23,855,022	27,320,151	24,008,668	21,880,552
Health and social services	55,628,559	63,185,408	65,435,377	63,087,752	48,806,859	40,659,060	40,314,114	35,465,596	37,010,433	41,781,999
Public library	5,320,631	4,517,225	5,461,366	4,746,412	3,833,477	4,994,754	4,114,694	4,074,451	4,183,970	4,271,668
Education	168,330,998	160,238,287	156,394,582	142,931,682	138,941,921	126,940,108	121,306,772	116,464,243	112,847,778	118,484,605
Transportation	3,092,221	3,242,829	3,137,789	3,020,148	2,877,058	2,787,772	2,709,916	2,639,635	2,650,579	2,098,934
Interest on long-term debt	9,278,927	11,275,716	10,773,637	11,679,811	10,883,492	11,545,737	12,619,719	12,628,237	11,168,869	12,731,147
Total governmental activities expenses	$ 425,107,108	$ 396,477,405	$ 383,471,516	$ 352,627,892	$ 331,244,713	$ 316,328,494	$ 293,417,571	$ 299,342,759	$ 287,081,484	$ 296,232,261
Business-type activities:										
Jetport	$ 38,954,442	$ 33,671,853	$ 32,992,895	$ 28,328,764	$ 27,341,118	$ 33,054,950	$ 30,885,991	$ 31,972,053	$ 29,999,030	$ 30,021,862
Sewer	29,101,444	28,038,408	26,151,086	23,676,940	23,244,047	22,250,505	22,473,454	20,233,053	19,408,128	18,820,984
Stormwater	a 4,506,884	4,007,044	3,516,073	3,031,235	2,187,049	1,985,155	2,009,341	1,936,513	1,865,468	2,116,535
Fish Pier Authority	2,079,907	308,906	512,769	495,787	712,852	580,472	369,991	435,200	557,538	548,448
Portland Development Corporation	1,350,143	306,249	394,640	204,769	542,898	297,825	457,575	254,289	153,078	81,438
Total business-type activities	$ 75,992,820	$ 66,332,460	$ 63,567,464	$ 55,737,494	$ 54,027,964	$ 58,168,907	$ 56,196,352	$ 54,831,107	$ 51,983,242	$ 51,589,267
Total primary government expenses	$ 501,099,928	$ 462,809,865	$ 447,038,980	$ 408,365,386	$ 385,272,677	$ 374,497,401	$ 349,613,923	$ 354,173,865	$ 339,064,726	$ 347,821,528
Program Revenues -										
Governmental activities:										
Charges for services:										
General government	$ 49,190,190	$ 42,383,850	$ 39,350,278	$ 32,339,452	$ 32,949,197	$ 35,681,428	$ 35,356,319	$ 31,669,775	$ 30,003,979	$ 29,988,960
Public safety	6,562,302	7,244,195	7,056,293	6,584,121	5,180,928	5,325,997	5,529,210	5,109,846	4,748,690	4,352,514
Public Works	5,129,542	3,754,787	4,600,334	3,670,043	3,915,219	3,460,790	2,382,328	2,381,985	3,670,173	3,907,652
Health and social services	17,048,020	13,601,161	14,383,251	15,100,462	18,455,243	21,211,458	20,598,129	17,774,559	18,389,325	18,687,273
Education	1,543,564	2,231,298	1,411,324	849,420	592,990	1,035,036	1,061,015	5,585,873	3,958,709	1,743,722
Operating grants and contributions	115,122,144	129,692,211	115,299,864	106,618,955	81,229,742	55,699,242	51,030,301	46,981,484	47,891,046	53,741,407
Capital grants and contributions	758,096	560,254	1,220,263	2,522,551	1,740,447	893,115	5,992,383	5,367,465	876,491	-
Total governmental activities program revenues	$ 195,353,858	$ 199,467,756	$ 183,321,607	$ 167,685,004	$ 144,063,765	$ 123,307,065	$ 121,949,687	$ 114,870,987	$ 109,538,413	$ 112,421,528

TABLE 2. cont'd

		2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Business-type activities:											
Charges for services:											
Jetport		$ 36,323,019	$ 31,070,110	$ 29,187,695	$ 23,806,522	$ 15,663,078	$ 20,853,531	$ 25,992,471	$ 22,896,385	$ 21,934,310	$ 21,363,450
Sewer		31,406,424	29,825,069	29,121,104	28,456,821	26,032,418	25,479,411	25,441,748	24,524,790	22,647,515	23,357,118
Stormwater	a	8,232,005	7,871,910	7,747,423	7,107,385	6,768,581	6,280,034	6,680,010	6,523,083	6,469,578	3,297,088
Fish Pier Authority		1,473,543	457,741	415,784	563,115	586,464	627,739	574,599	535,030	536,830	513,492
Portland Development Corporation		26,515	15,469	7,550	3,077	3,500	5,180	26,988	8,633	10,274	3,695
Operating grants and contributions	b	1,236,922	259,486	541,311	615,114	336,175	2,372,594	363,697	210,892	626,344	92,500
Capital grants and contributions		28,771,155	16,070,884	6,545,983	19,739,703	7,048,297	16,403,253	10,187,064	7,153,745	8,865,023	8,711,170
Total business-type activities program revenues		$ 107,469,583	$ 85,570,668	$ 73,566,851	$ 80,291,737	$ 56,438,513	$ 72,021,742	$ 69,266,578	$ 61,852,557	$ 61,089,875	$ 57,338,513
Total primary government program revenues		$ 302,823,441	$ 285,038,424	$ 256,888,458	$ 247,976,740	$ 200,502,278	$ 195,328,807	$ 191,216,264	$ 176,723,544	$ 170,628,288	$ 169,760,041
Net (Expense)/Revenue -											
Governmental activities		$(229,753,250)	$(197,009,649)	$(200,149,909)	$(184,942,888)	$(187,180,948)	$(193,021,429)	$(171,467,884)	$(184,471,772)	$(177,543,071)	$(183,810,733)
Business-type activities		31,476,763	19,238,208	9,999,387	24,554,242	2,410,549	13,852,835	13,070,225	7,021,450	9,106,633	5,749,246
Total primary government net expense		$(198,276,487)	$(177,771,441)	$(190,150,520)	$(160,388,644)	$(184,770,397)	$(179,168,592)	$(158,397,657)	$(177,450,321)	$(168,436,438)	$(178,061,487)
General Revenues and Other Changes in net position -											
Governmental activities:											
Property taxes		$ 227,507,198	$ 214,261,353	$ 199,840,024	$ 189,766,858	$ 188,484,756	$ 186,212,797	$ 177,705,822	$ 169,542,249	$ 163,675,359	$ 159,677,365
Excise taxes		14,239,769	13,417,084	12,576,674	11,922,198	12,120,475	10,437,629	12,218,990	12,463,662	11,910,247	11,308,231
Unrestricted grants and contributions		17,954,449	17,336,228	18,768,013	17,429,214	13,657,773	10,820,716	8,583,957	8,127,703	7,026,347	6,670,186
Unrestricted investment earnings		8,695,751	8,575,476	3,639,507	248,652	353,603	1,373,269	1,727,383	2,356,341	2,472,008	435,154
Transfers		-	-	-	-	-	-	-	-	(7,347)	22,616
Total governmental activities		$ 268,397,167	$ 253,590,142	$ 234,824,218	$ 219,366,922	$ 214,616,607	$ 208,844,412	$ 200,236,152	$ 192,489,954	$ 185,076,614	$ 178,113,552
Business-type activities:											
Unrestricted investment earnings		$ 5,755,613	$ 4,258,379	$ 2,080,651	$ 1,008,431	$ 242,166	$ 1,065,345	$ 1,177,925	$ 662,695	$ 291,167	329,775
Operating subsidies		-	2,457,283	6,940,289	6,315,542	9,610,024	-	-	-	-	-
Transfers		-	-	-	-	-	-	-	-	7,347	(22,616)
Total business-type activities		$ 5,755,613	$ 6,715,662	$ 9,020,940	$ 7,323,973	$ 9,852,189	$ 1,065,345	$ 1,177,925	$ 662,695	$ 298,514	$ 307,159
Total primary government		$ 274,152,780	$ 260,305,804	$ 243,845,158	$ 226,690,895	$ 224,468,796	$ 209,909,757	$ 201,414,077	$ 193,152,648	$ 185,375,128	$ 178,420,711
Change in net position -											
Governmental activities		$ 38,643,917	$ 56,580,491	$ 34,674,308	$ 34,424,034	$ 27,435,659	$ 15,822,983	$ 28,768,267	$ 8,018,182	$ 7,533,543	$ (5,697,181)
Business-type activities		37,232,376	25,953,871	19,020,328	31,878,217	12,262,741	14,918,182	14,248,153	7,684,145	9,405,147	6,056,405
Total primary government		$ 75,876,293	$ 82,534,363	$ 53,694,636	$ 66,302,251	$ 39,698,398	$ 30,741,163	$ 43,016,419	$ 15,702,327	$ 16,938,690	$ 359,224

Notes:

a - The Stormwater fund was created in 2016 to track specific activities previously included in the Sewer fund.

b- Grant receipts have been reclassified and reported as gross amounts received beginning in 2017 compared to reporting net of program expenses in 2016 and prior years.

TABLE 3

CITY OF PORTLAND, MAINE
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Fund:										
Nonspendable:										
Inventories and prepaid expenditures	$ 1,628,119	$ 1,538,140	$ 1,300,415	$ 1,011,980	$ 974,325	$ 995,527	$ 669,375	$ 730,048	$ 693,089	$ 705,986
Restricted:										
Career and technical education	360,236	360,236	360,236	360,236	343,909	140,540	-	-	-	-
Committed:										
Debt service	2,549,764	2,549,764	2,549,764	2,549,764	-	-	-	-	-	-
Economic development activities	-	-	-	-	338,837	338,837	338,837	338,837	338,837	338,837
Capital Improvement	24,549,607	9,414,607	1,612,035	1,241,633	2,588,146	7,406,380	3,906,380	4,906,380	2,906,380	5,406,380
Revaluation	-	-	155,174	155,174	330,001	330,001	1,008,333	1,055,000	-	-
Self insurance programs	803,500	803,500	803,500	803,500	1,028,500	1,028,500	1,250,000	500,000	-	-
Recodification	3,643	3,643	3,643	95,000	95,000	-	-	-	-	-
Subsequent years expenditure	13,227,941	8,173,832	3,925,913	2,346,376	520,000	519,333	769,823	1,700,000	750,000	750,000
Assigned:										
Barron Center resident benefits	110,667	109,904	98,617	104,143	104,186	100,689	101,379	113,308	139,287	189,294
Capital improvement	821,420	821,420	9,781,420	1,971,420	8,000,000	-	-	-	-	-
Debt Service	-	-	-	-	-	5,516,451	3,500,000	-	-	-
Casco Bay Island Transit District	-	-	-	-	-	-	-	-	483,298	-
Medicaid settlements	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Self insurance programs	13,360,822	22,660,822	19,950,000	14,950,000	14,950,000	11,950,000	9,950,000	8,700,000	9,200,000	5,000,000
Unassigned	74,672,896	77,632,678	69,588,138	66,209,579	57,566,129	51,663,166	48,813,809	43,421,079	41,416,520	36,599,104
Total general fund	$ 132,388,615	$ 124,368,546	$ 110,428,854	$ 92,098,804	$ 87,139,033	$ 80,289,424	$ 70,607,936	$ 61,764,652	$ 56,227,412	$ 49,289,601
All Other Governmental Funds:										
Nonspendable:										
Inventories and prepaid expenses	$ 50,032	$ 50,032	$ 131,173	$ 131,173	$ 131,173	$ 131,173	$ 58,216	$ 50,539	$ 107,280	$ 75,183
Loans	1,426,049	-	-	-	-	-	-	-	-	1,606,195
Permanent funds	9,085,006	8,518,393	8,123,405	9,005,923	7,464,463	7,497,690	7,265,697	7,014,801	5,902,521	5,966,149
Restricted:										
Capital projects	36,834,518	28,692,759	3,403,458	40,214,537	24,046,834	27,628,774	22,355,396	25,711,375	11,854,228	21,853,450
Debt service	-	-	-	-	-	-	-	-	3,714,828	93,877
Other grants and special revenue	45,840,140	39,197,537	36,687,098	32,123,841	28,167,519	28,015,898	24,030,944	25,968,880	20,851,393	19,440,974
Permanent funds	22,852,850	21,012,978	19,377,590	17,168,290	21,329,054	16,283,176	16,592,866	16,030,748	15,783,321	13,791,974
Committed:										
Capital projects	5,964,434	5,543,465	3,562,198	3,194,395	2,444,124	2,400,803	2,243,551	968,000	-	-
Debt service	-	-	-	-	-	-	-	-	-	730,313
Loan Programs	-	1,505,485	1,185,648	1,230,956	1,326,257	1,391,923	1,448,137	1,414,320	3,412,490	1,820,954
Subsequent years expenditure	856,782	1,000,000	125,000	125,000	250,000	1,285,737	1,082,208	211,481	-	-
Assigned:										
Debt service	8,209,503	11,074,107	13,666,538	14,414,958	14,141,612	8,165,967	7,397,988	5,314,050	810,713	3,001,580
Casco Bay Island Transit District	806,110	473,966	584,915	717,430	482,901	246,374	639,176	281,788	-	-
Unassigned	-	(1,873,894)	(5,918,655)	(4,872,566)	-	-	-	-	-	-
Total all other governmental funds	$ 131,925,425	$ 115,194,829	$ 80,928,368	$ 113,453,938	$ 99,783,938	$ 93,047,514	$ 83,114,178	$ 82,965,982	$ 62,436,774	$ 68,380,649

TABLE 4

CITY OF PORTLAND, MAINE
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues:										
General property and other taxes (see Table 6)	$ 241,445,037	$ 227,313,087	$ 212,583,908	$ 200,843,609	$ 201,853,446	$ 195,586,073	$ 190,189,660	$ 181,989,467	$ 175,436,566	$ 171,156,022
Licenses and permits	13,518,555	8,930,446	10,600,790	9,858,565	8,007,668	9,808,670	6,821,147	6,971,371	6,265,078	5,965,189
Fines, forfeits and penalties	2,741,251	2,298,904	2,327,049	2,201,264	1,979,783	2,171,442	2,054,657	2,117,618	2,064,108	2,214,154
Uses of money and property	14,129,291	13,003,891	15,400,721	10,935,234	12,925,812	11,853,068	14,442,945	12,189,392	11,756,765	9,575,480
Investment income (loss)	11,784,412	11,251,677	1,900,388	(2,101,208)	-	-	-	-	-	-
Intergovernmental	132,804,282	141,686,369	133,761,993	123,412,772	95,534,678	66,771,034	59,763,034	55,447,429	55,793,883	60,411,593
Current services	45,995,859	42,592,095	40,212,038	37,898,295	38,533,915	44,254,797	43,335,635	43,344,258	42,784,609	38,824,618
Capital contributions	135,000	-	914,367	1,113,908	795,227	226,200	688,073	-	-	-
Other	721,812	5,351,038	402,617	992,560	-	-	-	375,776	372,323	2,535,834
Total revenues	$ 463,275,500	$ 452,427,507	$ 418,103,872	$ 385,154,998	$ 359,630,529	$ 330,671,284	$ 317,295,152	$ 302,435,312	$ 294,473,333	$ 290,682,890
Expenditures:										
General government	$ 63,205,165	$ 43,858,508	$ 37,304,685	$ 40,107,728	$ 31,956,589	$ 33,057,747	$ 33,312,949	$ 34,756,670	$ 31,572,657	$ 29,316,137
Public safety	44,478,792	39,819,832	37,010,506	37,333,754	32,964,939	33,460,089	32,829,254	32,430,690	30,300,548	30,164,209
Public works	18,437,411	14,604,403	14,787,588	13,457,354	12,399,214	13,814,945	14,124,530	13,251,743	14,574,709	13,543,768
Health and social services	46,219,339	55,491,829	60,564,459	58,217,558	41,974,988	33,474,808	29,881,580	28,649,960	30,462,743	33,214,328
Public library	5,054,281	4,207,925	5,099,489	4,387,116	3,442,123	4,642,792	3,758,384	3,715,481	3,825,000	3,681,713
Education	160,308,110	161,841,314	148,127,422	138,220,568	135,185,907	123,014,434	119,288,252	113,745,036	109,109,888	110,151,993
Pension and employee insurance	35,227,247	29,783,558	28,344,880	27,769,097	27,075,996	25,038,935	24,935,004	26,120,142	22,830,134	25,528,341
Other	10,519,611	16,422,537	13,506,757	11,994,554	11,817,335	11,215,085	10,881,813	10,518,674	10,121,764	8,675,265
Debt service -										
Principal	37,272,601	41,422,445	27,964,177	27,687,367	21,751,652	20,696,977	19,164,207	15,993,174	15,663,710	13,887,149
Interest	11,301,890	10,866,691	12,792,416	13,656,559	12,781,229	12,826,768	13,882,730	13,303,034	12,099,503	13,270,229
Capital outlay	16,681,760	21,653,599	43,780,621	66,802,818	27,733,022	34,029,721	33,664,219	37,976,060	24,728,435	22,022,110
Total expenditures	$ 448,706,209	$ 439,972,640	$ 429,283,000	$ 439,634,473	$ 359,082,994	$ 345,272,299	$ 335,722,922	$ 330,460,664	$ 305,289,090	$ 303,455,242
Excess (deficiency) of revenues over (under) expenditures	$ 14,569,291	$ 12,454,866	$ (11,179,128)	$ (54,479,474)	$ 547,536	$ (14,601,014)	$ (19,115,842)	$ (28,025,352)	$ (10,815,757)	$ (12,772,352)
Other Financing Sources (Uses):										
Issuances of debt	$ 13,100,000	$ 35,200,000	$ -	$ 40,555,821	$ 13,716,179	$ 33,800,000	$ 16,626,383	$ 44,338,246	$ 11,720,898	$ 21,844,599
Proceeds from refunding	-	-	-	-	-	-	-	-	-	6,475,940
Payments on refunded bonds	-	-	-	-	-	-	-	-	-	(6,428,498)
Leases (as lessee)	-	-	-	31,501,944	-	-	4,184,393	4,844,370	96,045	-
Sale of city property	173,595	551,286	209,163	1,051,481	298,056	415,839	5,155,534	4,909,185	-	-
Transfers in	14,796,215	11,633,904	13,028,171	15,084,599	13,407,398	3,450,231	3,272,429	1,106,676	42,448,992	55,360,782
Transfers out	(14,796,215)	(11,633,904)	(13,028,171)	(15,084,599)	(13,407,398)	(3,450,231)	(3,272,429)	(1,106,676)	(42,456,339)	(55,338,166)
Total other financing sources (uses)	$ 13,273,595	$ 35,751,286	$ 209,163	$ 73,109,246	$ 14,014,235	$ 34,215,839	$ 25,966,310	$ 54,091,801	$ 11,809,595	$ 21,914,657
Net change in fund balances	$ 27,842,886	$ 48,206,152	$ (10,969,965)	$ 18,629,770	$ 14,561,770	$ 19,614,823	$ 6,850,465	$ 26,066,448	$ 993,839	$ 9,142,305
Debt service as a percentage of noncapital expenditures	11.16%	11.88%	11.03%	11.03%	10.52%	10.77%	11.02%	9.70%	9.75%	9.56%

TABLE 5

CITY OF PORTLAND, MAINE
PROGRAM REVENUES BY FUNCTION/PROGRAM
Last Ten Fiscal Years
(accrual basis of accounting)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Function/Program										
Governmental activities:										
General government	$ 83,397,715	$ 60,587,113	$ 48,605,368	$ 51,558,442	$ 38,587,743	$ 39,348,209	$ 43,468,502	$ 40,039,744	$ 31,803,536	$ 33,535,158
Public safety	8,353,392	7,853,071	10,437,979	7,216,544	6,999,867	6,543,502	6,556,225	6,518,784	5,603,708	5,069,581
Public works	6,917,637	5,771,520	7,867,482	8,192,521	6,528,201	4,820,501	3,909,217	3,323,645	5,510,107	4,639,080
Health and social services	40,892,434	58,382,152	62,781,231	49,655,710	41,514,508	34,028,172	30,767,794	26,593,803	30,394,643	30,635,556
Education	55,792,680	66,873,900	53,629,547	51,061,787	50,433,445	38,566,680	37,247,949	38,395,012	36,226,419	38,542,153
Subtotal governmental activities	$ 195,353,858	$ 199,467,756	$ 183,321,607	$ 167,685,004	$ 144,063,764	$ 123,307,064	$ 121,949,687	$ 114,870,987	$ 109,538,413	$ 112,421,528
Business-type activities:										
Jetport	$ 65,094,174	$ 47,257,654	$ 35,845,515	$ 43,670,780	$ 22,823,379	$ 39,347,197	$ 36,298,130	$ 30,048,355	$ 30,774,745	30,056,894
Sewer	31,406,424	29,825,069	29,121,104	28,456,821	26,032,418	25,479,411	25,441,748	24,526,565	22,672,103	23,374,844
Stormwater	8,232,005	7,871,910	7,747,423	7,107,385	6,768,581	6,280,034	6,680,010	6,523,083	6,469,578	3,297,088
Fish Pier Authority	1,473,543	457,741	415,784	563,115	586,464	627,739	574,599	535,030	536,830	513,492
Portland Development Corporation	1,263,437	158,294	437,025	493,635	227,669	287,361	272,090	219,525	636,618	96,195
Subtotal business-type activities	$ 107,469,583	$ 85,570,668	$ 73,566,851	$ 80,291,737	$ 56,438,512	$ 72,021,743	$ 69,266,578	$ 61,852,557	$ 61,089,875	$ 57,338,513
Total primary government	$ 302,823,441	$ 285,038,424	$ 256,888,458	$ 247,976,740	$ 200,502,276	$ 195,328,807	$ 191,216,264	$ 176,723,544	$ 170,628,288	$ 169,760,041

TABLE 6

CITY OF PORTLAND, MAINE
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
Last Ten Fiscal Years

Fiscal Year	Property Tax	Excise Tax	Total
2016	$ 159,847,791	$ 11,308,231	$ 171,156,022
2017	163,526,318	11,910,247	175,436,566
2018	169,525,805	12,463,662	181,989,467
2019	177,970,670	12,218,990	190,189,660
2020	185,148,444	10,437,629	195,586,073
2021	189,732,971	12,120,475	201,853,446
2022	188,921,412	11,922,198	200,843,609
2023	200,007,235	12,576,674	212,583,908
2024	213,896,002	13,417,084	227,313,087
2025	227,205,268	14,239,769	241,445,037
Change 2016 - 2025	42.14%	25.92%	41.07%

TABLE 7

CITY OF PORTLAND, MAINE
STATE AID REVENUES BY SOURCE
Last Ten Fiscal Years

Fiscal Year	State Revenue Sharing	School Aid (1)	Welfare Assistance	Other State Aid	Total State Aid
2016	$ 4,141,164	$ 23,845,912	$ 5,023,640	$ 3,030,458	$ 36,041,174
2017	3,967,199	22,245,305	5,141,619	3,059,147	34,413,271
2018	4,092,751	22,297,777	6,022,039	4,034,533	36,447,100
2019	4,239,920	25,049,840	6,280,692	4,344,037	39,914,488
2020	6,171,916	25,922,552	8,728,447	4,648,801	45,471,715
2021	8,408,319	40,550,801	13,090,099	5,249,454	67,298,673
2022	12,204,285	38,280,719	23,860,474	5,224,929	79,570,407
2023	13,592,035	40,170,690	31,434,989	5,175,979	90,373,692
2024	11,236,531	52,287,173	18,930,422	6,099,697	88,553,823
2025	11,685,603	41,630,009	3,803,947	6,268,846	63,388,405

(1) State School aid includes federal funds passed through the State Department of Education.

TABLE 8

CITY OF PORTLAND, MAINE
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years

Fiscal Year	Property Value Commercial	Industrial	Residential (1)	Personal	Tax Exempt	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Total Value (2)	Assessor's Certified Ratio State Value
2016	$ 4,567,442,828	$ 264,190,500	$ 4,468,433,832	$ 398,757,520	$ 2,007,467,440	$ 7,691,357,240	19.62	$ 9,698,824,680	100%
2017	4,261,980,960	507,260,390	4,445,271,660	542,679,010	2,065,616,800	7,691,575,220	20.08	9,757,192,020	100%
2018	4,278,781,330	504,245,040	4,548,183,380	538,701,640	2,108,726,260	7,761,185,130	20.55	10,449,905,730	94%
2019	4,384,883,300	507,178,360	4,577,807,170	500,970,950	2,121,246,230	7,849,593,550	21.34	11,203,190,760	89%
2020	4,452,285,920	514,936,230	4,644,399,070	486,022,980	2,161,489,590	7,936,154,610	22.16	12,021,005,000	84%
2021	4,504,969,425	558,162,948	4,666,435,050	512,840,260	2,205,372,205	8,037,035,478	12.33	13,301,828,160	77%
2022 (3)	7,979,034,600	821,361,460	8,547,155,590	685,722,890	3,411,662,700	14,621,611,840	12.99	14,621,611,840	100%
2023	8,000,617,430	835,621,360	8,590,736,350	297,728,420	3,083,295,800	14,641,407,760	13.61	14,641,407,760	100%
2024	8,189,784,230	867,857,656	8,676,731,470	291,345,690	3,152,852,600	14,872,866,446	14.41	14,872,866,446	100%
2025	8,350,752,670	887,478,527	8,782,738,290	312,867,470	3,184,908,400	15,148,928,557	15.01	15,148,928,557	100%

(1) Excludes multi-unit apartment buildings, which are included in commercial.
(2) Estimated Actual Total Value includes all taxable plus tax exempt property, the total of which is divided by the certified ratio.
(3) A City-wide revaluation was implemented in 2022.

Source: City Tax Assessor

TABLE 9

CITY OF PORTLAND, MAINE
DIRECT AND OVERLAPPING PROPERTY TAX RATES
(per $1,000 of Assessed Value)
Last Ten Fiscal Years

Fiscal Year	City Direct Rates: Basic Rate	General Obligation Debt Service	Education	Total Direct	Overlapping Rates: County Tax	Transit District	Total Property Tax Rates
2016	$ 6.64	$ 2.85	$ 10.13	$ 19.62	$ 0.68	$ 0.33	$ 20.63
2017	6.96	2.79	10.33	20.08	0.70	0.33	21.11
2018	7.06	2.88	10.61	20.55	0.76	0.34	21.65
2019	7.06	3.14	11.14	21.34	0.80	0.34	22.48
2020	7.29	3.18	11.69	22.16	0.83	0.32	23.31
2021	7.18	3.28	11.69	22.15	0.87	0.29	23.31
2022 (1)	3.63	1.93	6.77	12.33	0.49	0.17	12.99
2023	4.01	1.87	7.05	12.93	0.51	0.17	13.61
2024	4.33	1.83	7.45	13.61	0.62	0.18	14.41
2025	4.61	1.79	7.88	14.28	0.56	0.17	15.01

(1) Total tax rate for 2022 prior to implementation of revaluation equaled $23.31.

Source: City Budget Office

TABLE 10

CITY OF PORTLAND, MAINE
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago

	2025			2016		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**
UNUM Group	$ 206,049,660	1	1.36%	$ 153,698,410	1	0.20%
Northern Utilities Inc / Unitil	189,706,614	2	1.25%	68,766,090	5	0.09%
CMP (Central Maine Power)	141,873,813	3	0.94%	96,428,750	2	0.13%
Brown JB & Sons	93,345,940	4	0.62%	70,288,500	4	0.09%
North River IV LLC	73,027,800	5	0.48%	49,576,200	6	0.06%
PVA Limited Partnership	62,526,380	6	0.41%			
One City Center Associates LLC	57,834,650	7	0.38%	35,655,740	9	0.05%
R B Portland Westin/Eastland Park Hotel	57,001,100	8	0.38%	37,772,080	8	0.05%
Albany Road-Portland, LLC	45,000,000	9	0.30%			
Lafayette Portland, LLC	39,923,200	10	0.26%			
COW Plaza LLC				74,209,390	3	0.10%
Olympia Equity Co.				46,444,450	7	0.06%
Atlantic Bayside Trust, LLC				34,526,580	10	0.04%
Totals	$ 966,289,157		6.38%	$ 667,366,190		0.87%

Source: City Tax Assessor

TABLE 11

CITY OF PORTLAND, MAINE
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal year of the Levy		Collections in Subsequent Years	Total Collections to date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	$ 158,672,700	$ 156,929,908	98.90%	$ 1,015,158	$ 157,945,066	99.54%
2017	162,368,013	160,556,945	98.88%	1,282,250	161,839,195	99.67%
2018	168,029,657	166,647,798	99.18%	1,173,846	167,821,644	99.88%
2019	176,458,861	174,970,824	99.16%	873,229	175,844,053	99.65%
2020	184,991,777	178,585,817	96.54%	4,952,921	183,538,738	99.21%
2021	187,343,305	185,792,052	99.17%	366,507	186,158,559	99.37%
2022	189,927,270	188,218,325	99.10%	663,335	188,881,660	99.45%
2023	199,269,560	197,689,933	99.21%	977,387	198,667,320	99.70%
2024	214,587,786	212,011,297	98.80%	1,643,256	213,654,553	99.57%
2025	227,394,744	225,203,132	99.04%	-	225,203,132	99.04%

Source: City Finance Department

TABLE 12

CITY OF PORTLAND, MAINE
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

	Governmental Activities					Business-type Activities					
Fiscal Year	General Obligation Bonds	Revenue Bonds	Leases Payable	Subscriptions Payable	Direct Borrowings	General Obligation Debt	Direct Borrowings	Revenue Bonds	Total Primary Government	Percentage of Personal Income	Per Capita
2016	$ 237,490,635	$ -	$ -	$ -	$ 10,424,924	$26,934,320	$47,021,896	$122,794,490	$ 444,666,265	12.66%	$ 6,649
2017	233,065,558	-	-	-	10,075,941	27,760,511	44,146,267	125,530,452	440,578,729	21.60%	6,393
2018	262,528,931	-	-	-	14,223,440	30,681,429	41,270,640	121,824,658	470,529,098	22.20%	6,822
2019	259,783,899	-	-	-	17,195,801	31,963,509	49,635,011	117,615,234	476,193,454	13.10%	7,192
2020	274,723,486	-	-	-	15,723,550	43,430,692	46,384,716	122,087,348	502,349,792	13.10%	7,589
2021	265,884,152	-	-	-	16,258,240	88,219,674	52,410,422	117,767,136	540,539,624	13.17%	7,902
2022	266,531,062	-	39,228,657	57,312	14,706,099	91,580,237	49,160,127	102,997,456	564,260,950	11.86%	7,304
2023	233,452,396	-	28,796,417	(48,470)	11,190,183	78,986,879	41,917,457	94,094,601	488,389,463	16.61%	7,459
2024	238,015,889	-	32,003,279	111,280	4,792,208	95,479,735	48,325,600	95,239,907	513,967,897	14.24%	7,438
2025	215,245,417	-	29,696,059	517,012	3,841,336	96,452,803	44,383,859	90,599,425	480,735,910	12.44%	6,910

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Personal income and population data can be found in the schedule of Demographic Statistics Table 17.
Information for leases payable and subscriptions payable not available prior to implementation of GASB 87, *Leases* .

TABLE 13

CITY OF PORTLAND, MAINE
RATIOS OF OUTSTANDING GENERAL OBLIGATION BONDED DEBT
Last Ten Fiscal Years

Fiscal Year	Governmental Activities	Business-type Activities	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2016	$ 237,490,635	$ 73,956,216	$ 311,446,851	4.05%	$ 4,657
2017	225,829,990	71,906,778	297,736,768	3.87%	4,448
2018	253,157,019	71,952,069	325,109,088	4.19%	4,861
2019	249,801,944	81,598,520	331,400,464	4.22%	5,005
2020	262,208,336	89,815,408	352,023,744	4.44%	5,316
2021	251,116,994	151,162,552	402,279,546	5.01%	5,881
2022	251,772,791	91,580,237	343,353,028	4.27%	5,019
2023	233,452,396	78,986,879	312,439,275	3.89%	4,567
2024	238,015,889	95,479,735	333,495,624	4.14%	4,826
2025	215,245,417	96,452,803	311,698,219	3.88%	4,480

Notes: See Table 8 Assessed Value and Estimated Actual Value of Taxable Property.
Population data can be found in the schedule of Demographic Statistics Table 17.

TABLE 14

CITY OF PORTLAND, MAINE
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
June 30, 2025

Jurisdiction	Total Debt Outstanding		Percentage Applicable to Portland	Amount Applicable to Portland
Direct:				
City of Portland	$ 248,841,686	(1)	100.00%	$ 248,841,686
Overlapping:				
Cumberland County	27,686,649	(2)	21.52%	5,959,383
Portland Water District:				
Water debt	65,168,606	(2)	31.88%	20,775,752
Sewer debt	29,179,280	(3)	100.00%	29,179,280
	$ 122,034,535			$ 55,914,415
	$ 370,876,221			$ 304,756,101

(1) Excludes general obligation bonds reported in the enterprise funds.
(2) Based on the relationship between the City's state property valuation to the total state valuation of all members.
(3) Sewer portion of the Water District's sewer debt is based on specifically identified projects for the City's sewer department.

Source: Finance department of the respective entities

TABLE 15

CITY OF PORTLAND, MAINE
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years
(dollars in thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Assessed value per State Property Tax Division	$ 18,568,850	$ 16,487,050	$ 14,790,100	$ 12,095,550	$ 11,149,300	$ 10,507,000	$9,687,850	$9,049,500	$8,501,550	$7,996,350
Debt limit - 15% of assessed value	2,785,328	2,473,058	2,218,515	1,814,333	1,672,395	1,576,050	1,453,178	1,357,425	1,275,233	1,199,453
Less outstanding debt applicable to debt limit	337,519	361,516	346,019	385,631	369,732	335,855	319,660	313,736	288,610	295,376
Legal debt margin	$ 2,447,809	$ 2,111,542	$ 1,872,496	$ 1,428,701	$ 1,302,663	$ 1,240,195	$1,133,518	$1,043,689	$ 986,622	$ 904,077
Total outstanding debt applicable to the limit as a percentage of debt limit	12.12%	14.62%	15.60%	21.25%	22.11%	21.31%	22.00%	23.11%	22.63%	24.63%

The debt limit is restricted by State statute based on the assessed value per the State above and the percentages below.

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Municipal purposes - 7.5%										
Debt limit	$ 1,392,664	$ 1,236,529	$ 1,109,258	$ 907,166	$ 836,198	$ 788,025	$ 726,589	$ 678,713	$ 637,616	$ 599,726
Less outstanding debt applicable to debt limit	179,415	210,875	205,472	239,664	227,491	231,432	188,207	190,424	187,056	190,271
Debt margin for municipal purposes	$ 1,213,249	$ 1,025,654	$ 903,786	$ 667,502	$ 608,707	$ 556,593	$ 538,382	$ 488,289	$ 450,560	$ 409,455
Outstanding debt applicable to the limit as a percentage of debt limit for municipal purposes	12.88%	17.05%	18.52%	26.42%	27.21%	29.37%	25.90%	28.06%	29.34%	31.73%
School purposes - 10%										
Debt limit	$ 1,856,885	$ 1,648,705	$ 1,479,010	$ 1,209,555	$ 1,114,930	$ 1,050,700	$ 968,785	$ 904,950	$ 850,155	$ 799,635
Less outstanding debt applicable to debt limit	69,195	70,686	59,578	63,378	63,160	64,646	51,613	53,361	31,648	33,106
Debt margin for school purposes	$ 1,787,690	$ 1,578,019	$ 1,419,432	$ 1,146,177	$ 1,051,770	$ 986,054	$ 917,172	$ 851,589	$ 818,507	$ 766,529
Outstanding debt applicable to the limit as a percentage of debt limit for school purposes	3.73%	4.29%	4.03%	5.24%	5.66%	6.15%	5.33%	5.90%	3.72%	4.14%
Storm and sanitary sewer purposes - 7.5%										
Debt limit	$ 1,392,664	$ 1,236,529	$ 1,109,258	$ 907,166	$ 836,198	$ 788,025	$ 726,589	$ 678,713	$ 637,616	$ 599,726
Less outstanding debt applicable to debt limit	88,909	87,481	77,387	82,807	79,080	39,777	30,205	69,951	69,907	71,999
Debt margin for sewer purposes	$ 1,303,755	$ 1,149,048	$ 1,031,871	$ 824,359	$ 757,117	$ 748,248	$ 696,384	$ 608,762	$ 567,710	$ 527,727
Outstanding debt applicable to the limit as a percentage of debt limit for sewer purposes	6.38%	7.07%	6.98%	9.13%	9.46%	5.05%	4.16%	10.31%	10.96%	12.01%
Airport, water and other special district purposes - 3%										
Debt limit	$ 557,066	$ 494,612	$ 443,703	$ 362,867	$ 334,479	$ 315,210	$ 290,636	$ 271,485	$ 255,047	$ 239,891
Less outstanding debt applicable to debt limit	-	-	-	-	-	-	-	-	-	-
Debt margin for special district purposes	$ 557,066	$ 494,612	$ 443,703	$ 362,867	$ 334,479	$ 315,210	$ 290,636	$ 271,485	$ 255,047	$ 239,891
Outstanding debt applicable to the limit as a percentage of debt limit for special districts	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%	$ 2,785,328	$ 2,473,058	$ 2,218,515	$ 1,814,333	$ 1,672,395	$ 1,576,050	$1,453,178	$1,357,425	$1,275,233	$1,199,453

TABLE 16

CITY OF PORTLAND, MAINE
PLEDGED-REVENUE COVERAGE
Last Ten Fiscal Years

	General Airport Revenue Bonds (Budget Basis of Accounting)					
		Maintenance		Debt Service		
Fiscal Year	Revenues (1)	and Operating Expenditures (2)	Net Revenues	Principal	Interest	Coverage
2016	$ 24,868,076	$ 15,317,842	$ 9,550,234	$ 1,665,000	$ 5,873,848	1.27
2017	25,786,664	15,930,917	9,855,746	1,720,000	5,496,485	1.37
2018	27,356,154	17,735,020	9,621,134	2,700,000	5,689,300	1.15
2019	31,142,866	16,564,361	14,578,505	3,065,000	5,568,475	1.95
2020	26,571,771	18,902,969	7,668,802	3,210,000	5,439,125	0.89
2021	18,029,186	14,735,154	3,294,032	2,010,000	4,524,280	0.50
2022	26,821,960	15,313,437	11,508,523	2,110,000	4,251,400	1.81
2023	32,735,321	19,859,874	12,875,447	2,220,000	4,147,100	2.02
2024	35,863,046	20,214,057	15,648,989	2,325,000	3,994,476	2.48
2025	43,337,191	24,487,920	18,849,271	3,630,000	3,833,900	2.53

(1) Revenues include passenger surcharges not to exceed the amount of debt service funded by those revenues, which is a specified revenue for debt service coverage.
(2) Excludes current encumbrances and debt service and capital outlay expenditures. Includes current year's payments on prior year's encumbrances.

Source: City Finance Department

TABLE 17

CITY OF PORTLAND, MAINE
DEMOGRAPHIC STATISTICS (1)
Last Ten Fiscal Years

Fiscal Year	Population	Personal Income (000's)	Per Capita Personal Income	(2) Public School Enrollment	(3) Unemploy-ment Rate
2016	66,881	3,512,657	52,521	6,829	3.30
2017	66,937	3,675,778	54,914	6,747	2.50
2018	66,882	3,862,502	57,751	6,722	2.50
2019	66,215	3,636,395	54,918	6,725	2.70
2020	66,191	3,833,319	57,913	6,779	7.10
2021	68,408	4,104,480	60,000	6,522	3.80
2022	68,313	4,214,571	61,695	6,472	2.90
2023	68,424	4,523,442	66,109	6,478	2.40
2024	69,104	3,602,046	52,125	6,614	2.60
2025	69,568	3,865,963	55,571	6,498	2.50

Sources:
(1) U.S. Census Bureau (unless otherwise noted).
(2) School department's fall semester student enrollment.
(3) Maine Department of Labor for the Portland Metropolitan Service Area.

Note that the most recent published data for per capita personal income and population was used.

TABLE 18

CITY OF PORTLAND, MAINE
PRINCIPAL NON-GOVERNMENTAL EMPLOYERS
Current Year and Nine Years Ago

	2025			2016		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Maine Medical Center	9,610	1	24.1%	7,007	1	18.6%
UNUM Provident	2,685	2	6.7%	2,859	2	7.6%
Northern Light Mercy Hospital	1,416	3	3.5%	1,801	3	4.8%
TD Bank	1,021	4	2.6%			
Martins Point Healthcare	770	5	1.9%	535	5	1.4%
Wex, Inc.	742	6	1.8%			
University of New England	553	7	1.40%	402	6	1.1%
Portland Sea Dogs	353	8	0.90%			
Tyson Foods	343	9	0.90%			
Hannaford	340	10	0.9%			
Fairpoint (formerly Verizon)				617	4	1.6%
University of New England				402	6	1.1%
Catholic Charities				368	7	1.0%
Parker-Hannafin (Nichols)				350	8	0.9%
Whole Foods				350	9	0.9%
Council for International Educational Exchange				310	10	0.8%
Total	17,833		44.7%	15,001		39.8%

[1] Most recent information available.
Source: City Economic Development Division

TABLE 19

CITY OF PORTLAND, MAINE
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

	Full-time Equivalent Employees as of June 30									
Function/Program	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
General government										
Management services	126	106	99	93	87	76	77	78	68	48
Finance and Technology	26	44	41	41	40	41	42	42	41	41
Parking control and garages	29	29	29	29	29	30	30	30	30	30
Planning and development	17	17	17	17	17	24	24	24	22	35
Public buildings	27	25	24	24	22	25	39	38	39	36
Public safety										
Police	190	187	187	189	224	222	221	227	222	218
Fire	229	229	226	224	224	226	226	229	220	214
Dispatch Services	37	37	36	36	-	-	-	-	-	-
Public works	136	130	129	127	122	132	131	129	125	149
Health and social services										
Public Health	47	42	43	37	36	32	32	30	47	62
Social Services	222	164	118	96	95	94	88	80	78	91
Skilled nursing facility	204	202	245	245	238	247	244	264	261	267
Recreation	135	130	127	114	116	142	128	123	116	84
Public library	59	56	56	57	56	54	54	54	54	54
Education	1,343	1,255	1,234	1,228	1,166	1,250	1,227	1,203	1,213	1,181
Sewer	34	34	34	34	34	33	33	30	31	32
Stormwater	10	10	10	10	9	10	10	13	11	11
Transportation	60	58	58	57	57	59	56	53	51	40
Total	2,929	2,754	2,714	2,657	2,572	2,696	2,662	2,647	2,628	2,592

- Dispatch Services included in Police Department prior to FY22
- City Clerk Business Licensing, City Manager Housing Safety & Planning Inspections transferred to new Permitting & Inspections Department in FY17
- Parks transferred from Public Works Districting to Parks, Recreation & Facilities in FY17
- HHS Administration split from HHS divisions in FY17
- Cemetery & Forestry transferred from Public Works to Parks, Recreation & Facilities during FY16
- City Manager new Housing Safety Division in FY16

Source: Municipal and School Department Budgets

TABLE 20

CITY OF PORTLAND, MAINE
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Police										
Physical arrests	2,468	2,218	1,940	1,760	2,098	2,503	2,664	2,714	3,021	3,239
Citations	1,047	586	497	724	1,544	2,000	2,804	2,947	4,724	5,042
Total calls for service	73,890	69,552	68,523	64,740	66,857	75,223	78,541	78,765	74,876	81,460
Fire										
Emergency responses	20,320	19,600	18,376	17,601	16,196	16,806	16,664	16,428	16,496	16,053
Structural fires	157	186	202	171	148	174	154	142	152	179
Refuse collection										
Refuse collected (tons)	9,257	9,451	9,212	9,339	8,573	9,288	8,726	9,032	8,875	9,334
Recyclables collected	4,478	4,594	4,896	5,440	4,966	5,040	5,553	5,534	5,609	5,810
Other Public Works										
Requests for service - number of workorders	9,503	8,875	7,888	6,049	6,773	6,034	8,199	7,914	6,896	5,217
Traffic workorders - signals, lights and signs (a)	1,503	2,208	-	-	-	-	790	1,306	1,209	1,143
Vehicle maintenance workorders	2,742	2,781	2,612	2,065	1,999	2,099	2,208	2,402	2,654	2,343
Street sweeping - lane miles	5,462	4,214	4,041	4,634	3,615	4,323	3,980	4,444	3,698	2,450
Number of winter storms	19	13	9	6	6	10	22	14	13	8
Library										
Volumes in collection	368,176	366,416	373,635	384,218	394,292	385,531	374,393	376,000	376,000	369,868
Total circulation	937,136	807,329	822,957	746,633	526,827	688,262	862,264	811,000	826,000	828,676
Reference questions	37,089	36,079	33,034	31,469	14,517	21,256	38,862	36,832	57,187	80,149
Attendance	395,879	379,746	304,053	159,375	61,501	279,515	572,408	559,241	586,000	615,955
Wastewater (cubic feet in 100's)										
Average daily sewage treatment	18,302	22,417	21,366	22,742	17,692	20,854	22,059	22,725	18,000	17,000
Customer count (monthly average)	17,411	17,392	17,315	17,272	17,405	17,151	17,146	17,162	16,600	17,033
Permitting and inspections										
Building permits new structures - residential	37	33	27	17	40	50	33	41	32	24
Building permits new structures - commercial	30	15	21	26	34	26	31	32	25	19
Building inspections	5,953	7,522	5,553	4,582	5,433	4,864	4,787	3,644	3,767	3,808
All other inspections	2,077	3,654	2,809	2,162	2,171	3,150	3,229	4,029	5,326	5,150
Food service inspections	1,384	1,347	1,414	1,322	700	1,163	938	1,393	908	937
Housing & general assistance inspections	2,673	1,886	747	134	418	369	307	522	327	205
Parking control										
Parking violations	98,422	96,363	94,848	97,303	92,751	79,445	99,409	107,341	106,921	117,874

(a) Tracking of separate traffic work orders was discontinued in FY20.

Source: Various City Departments

TABLE 21

CITY OF PORTLAND, MAINE
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Community policing centers	6	6	6	5	5	5	5	5	5	5
Marked cruisers and other vehicles	55	57	54	44	40	41	49	53	50	50
Unmarked sedans	37	34	36	45	39	38	36	28	33	39
Fire										
Fire stations	10	10	10	10	10	10	10	10	10	10
Fire/rescue boats	3	3	3	3	3	3	3	3	3	3
District owned fire hydrants	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,480	1,500
Refuse collection										
Collection trucks - packers	15	14	14	14	14	14	14	12	14	14
Collection trucks - recycle	2	2	2	2	2	-	5	15	5	5
Street sweepers	8	8	9	8	8	8	8	9	10	9
Other Public Works										
Streets (lane miles)	710	708	708	708	708	708	582	582	582	582
Street lights (1)	6,578	7,200	7,200	7,200	7,500	7,500	7,110	775	775	615
Traffic signalized intersections	205	209	209	205	205	205	205	124	124	115
Parks and recreation										
Parks	70	69	68	67	67	67	66	66	37	37
City tree inventory	20,200	20,200	20,200	20,200	20,000	20,000	20,000	20,000	20,000	19,500
Public golf courses	2	2	2	2	2	2	2	2	2	2
Ice Arena	1	1	1	1	1	1	1	1	1	1
Playgrounds	30	30	30	30	30	30	30	30	30	27
Ball fields	50	50	50	50	50	50	50	50	50	50
Community centers	4	4	4	4	4	4	4	4	5	5
Swimming pools	3	3	3	3	3	3	3	3	3	3
Education (Public)										
Schools	17	17	17	17	17	17	18	18	18	18
Classrooms	375	327	397	472	473	473	479	465	462	462
Wastewater										
Sanitary sewers (miles)	86	100	100	99	98	94	70	94	92	96
Storm sewers (miles)	157	152	152	149	165	194	201	193	138	129
Combined sewer (miles)	168	130	130	130	135	135	162	135	139	141
Treatment capacity (000's gallons)	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Licensed for (000's gallons)	19,800	19,800	19,800	19,800	19,800	19,800	19,800	19,800	19,800	19,800

(1) Beginning in 2019, ownership of street lights was transferred to the City from Central Maine Power following conversion to LED lights.
NA = information not available.
Source: Various City departments

TABLE 22

CITY OF PORTLAND, MAINE
PORTLAND INTERNATIONAL JETPORT
Schedule of Enplanement Data
Last Ten Fiscal Years

AIRLINE	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Avelo Airlines	325	-	-	-	-	-	-	-	-	-
Breeze	77,328	49,401	4,147	-	-	-	-	-	-	-
Cape Air	-	-	-	2,895	250	2,527	-	-	-	-
Delta	119,968	130,714	142,663	100,515	35,684	87,220	105,936	95,270	106,069	102,962
Compass	-	-	-	-	-	-	-	-	-	74
Endeavor Air	62,117	106,496	103,431	91,264	43,224	94,819	119,525	103,954	62,479	56,689
ExpressJet	-	-	-	-	-	-	-	15,087	34,646	31,670
Go Jet	-	-	-	-	-	11,898	24,902	26,378	17,416	6,702
Republic Airlines	76,395	39,121	39,702	44,435	17,174	514	-	172	610	22,063
Skywest Airlines	22,566	479	227	4,564	1,618	4,733	21,150	7,067	1,546	-
Elite Airways	-	-	-	2,695	970	2,820	5,492	7,671	8,008	2,964
Frontier Airlines	30,085	37,115	24,284	61,286	29,136	58,909	71,552	-	-	-
JetBlue	50,064	32,166	33,648	16,161	1,674	21,947	52,935	88,193	92,826	98,298
Shuttle America	-	-	-	-	-	-	1,467	-	-	-
Southwest	212,354	202,446	178,069	163,664	93,576	123,247	154,945	150,167	148,624	130,567
Sun Country Airlines	11,282	11,136	9,959	4,391	1,756	135	-	-	-	-
American Airlines	221,507	207,082	185,367	121,759	77,089	88,904	132,245	96,194	75,954	47,034
Air Wisconsin	-	-	-	-	-	-	-	19,742	40,538	54,615
Envoy	24,488	14,193	7,639	23,287	16,583	19,929	35,706	7,302	-	-
Piedmont	13,986	13,324	12,601	13,188	10,858	33,782	45,978	25,016	17,714	2,215
PSA Express	55,863	45,884	54,447	78,420	30,691	13,421	46,390	73,384	54,257	55,428
Republic Airlines	44,132	28,851	25,666	51,247	34,676	97,732	70,122	45,334	66,883	91,418
SkyWest	-	64	220	-	-	-	-	-	-	-
Trans State Airlines	-	-	-	-	-	-	3,750	9,739	3,046	-
United Airlines	106,297	120,433	115,324	79,717	5,866	37,892	78,237	35,330	7,974	-
Air Wisconsin	-	-	8,605	23,721	10,972	5,804	16,151	17,148	-	-
Commute Air	5,338	2,364	3,889	1,292	4,964	53,612	54,299	32,424	11,597	-
ExpressJet	-	-	-	-	-	20,647	29,135	36,820	79,365	65,903
Go Jet	9,004	17,007	4,736	26,799	5,121	735	3,436	4,221	9,456	26,657
Mesa	17,125	14,207	2,131	570	10,340	17,391	16,308	13,746	28,954	25,827
Republic Airlines	104,192	64,536	65,281	68,632	44,681	15,523	12,267	35,793	28,584	26,600
Shuttle America	-	-	-	-	-	-	-	-	3,368	25,441
Skywest	13,803	13,254	3,884	132	4,465	5,045	5,068	10,083	-	-
Trans State Airlines	-	-	-	-	172	552	488	13,448	12,999	3,123
Subtotal	1,278,219	1,150,273	1,025,920	980,634	481,540	819,738	1,107,484	969,683	912,913	876,250
Charters and Unscheduled Flights	-	-	-	-	-	-	417	966	1,424	148
Local Total	1,278,219	1,150,273	1,025,920	980,634	481,540	819,738	1,107,901	970,649	914,337	876,398
Total for United States (000)'s (a)	NA	981,888	939,185	846,704	854,142	368,238	935,356	897,541	856,287	830,079
Local Market Share of US Total (b)	NA	0.117%	0.109%	0.116%	0.056%	0.223%	0.118%	0.108%	0.107%	0.106%

(a) Source - Jetport's fiscal year enplanement data
(b) Source - Federal Aviation Administration calendar year enplanement data

City of Portland
Department of Finance
389 Congress Street
Portland, Maine 04101

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APPENDIX B

PROPOSED FORM
OF
LEGAL OPINION

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Merrill's Wharf
254 Commercial Street
Portland, ME 04101-1110

207-791-1100 voice
207-791-1350 fax
info@pierceatwood.com

pierceatwood.com

Upon issuance and delivery of the Bonds described herein, Pierce Atwood LLP, Portland, Maine, Bond Counsel, proposes to issue its opinion in substantially the following form:

[Dated date of Issue]

City of Portland
Portland, Maine 04101

Re: City of Portland, Maine $30,775,000* 2026 General Obligation Bonds

Ladies and Gentlemen:

We have acted as Bond Counsel for the City of Portland, Maine (the "City") in connection with the issue and sale by the City of $30,775,000* aggregate principal amount of the its 2026 General Obligation Bonds dated August __, 2026 (the "Bonds"). In such capacity, we have examined the law, including Title 30-A, §5772 of the Maine Revised Statutes, as amended, the City Charter, and the record of proceedings submitted to us by the City in connection with the execution, issue and delivery of the Bonds, including among other documents and materials, certified copies of the following Orders adopted by the City Council on the date indicated and, where applicable, approved by the voters of the City at a municipal referendum election held on the date indicated:

Order No.	Date Adopted
147-24/25	April 14, 2025
175-20/21	March 15, 2021

and all other authority thereto enabling (the "Bond Authorizations"), authorizing issuance of the Bonds.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certificates of public officials without undertaking to verify such facts by independent investigations. We have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to the originals of all documents submitted to us as copies.

We understand the Bonds are dated as of August __, 2023, and have been issued as serial bonds in the denominations, bearing interest payable on February 1, 2027, and semi-annually

*Preliminary, subject to change

on each August 1 and February 1 thereafter until maturity, or redemption prior to maturity, and maturing on August 1 of each year as follows:

Year of Maturity	Amount*	Interest Rate	Year of Maturity	Amount*	Interest Rate
2027	$1,870,000	%	2037	$1,275,000	%
2028	$1,870,000	%	2038	$1,275,000	%
2029	$1,870,000	%	2039	$1,275,000	%
2030	$1,870,000	%	2040	$1,275,000	%
2031	$1,870,000	%	2041	$1,275,000	%
2032	$1,735,000	%	2042	$1,275,000	%
2033	$1,735,000	%	2043	$1,275,000	%
2034	$1,735,000	%	2044	$1,275,000	%
2035	$1,735,000	%	2045	$1,275,000	%
2036	$1,735,000	%	2046	$1,275,000	%

Bonds maturing on and before August 1, 2036 are not subject to optional redemption prior to their stated dates of maturity. Bonds maturing on or after August 1, 2037 are subject to redemption prior to their stated dates of maturity, at the option of the City, on and after August 1, 2036, as a whole or in part at any time, in such order of maturity as the City, in its discretion, may determine at a price of par (100% of original stated amount of value at maturity), together with interest accrued and unpaid to the redemption date, if any.

The Bonds should be signed by the Director of Finance and the Mayor of the City, sealed with the seal of the City, and should bear the signed certificate of the certifying agent identified thereon.

We note that the Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements regarding the amount, use, investment and expenditure of the proceeds of the Bonds, the timely payment of certain investment earnings to the U.S. Treasury, and the use of the improvement financed with the proceeds of the Bonds, that must be met on a continuing basis subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code.

In rendering the opinion set forth in paragraph 3 hereinbelow, we have examined and relied upon the Arbitrage and Use of Proceeds Certificate and the General Certificate of the Treasurer (collectively, the "Tax Certificates"), both dated August __, 2026, and delivered concurrently with the Bonds, which Tax Certificates contain certain covenants, representations, certifications and provisions regarding compliance with the requirements of the Code. The City, in executing such Tax Certificates, (a) has set forth facts, estimates, circumstances and reasonable expectations of the City as of the date hereof as to future events regarding the amount, use, investment and expenditure of the proceeds of the Bonds and the use of the improvements financed and refinanced with the proceeds of the Bonds that are material for purposes of Section 141 and Section 148 of the Code, and (b) has certified that the information therein is true, accurate, correct and complete and that the City will comply with the covenants, representations, certifications and provisions set forth therein and with the requirements of the Code, and do and perform all acts and things necessary or desirable in order to assure that interest paid on the Bonds is and will remain excludable from the gross income of the owners thereof, for federal income tax purposes. In rendering the opinions set

*Preliminary, subject to change

forth in paragraph 3 hereinbelow, we have relied upon the representations, certifications, facts, estimates, circumstances and reasonable expectations of the City set forth in such Tax Certificates, and we have assumed that the City will comply with the requirements of the Code and with the covenants, representations, certifications and provisions set forth in such Tax Certificates. The City's failure to comply with such requirements may cause interest on the Bonds to be included in the gross income of the owners thereof retroactive to the date of issuance of the Bonds, regardless of when such noncompliance occurs.

We also note that ownership of tax-exempt obligations may result in collateral federal income tax consequences to certain taxpayers including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations doing business in the United States, certain S corporations with excess passive income, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Bonds should consult their own tax advisors as to applicability of any such collateral consequences.

With reference to the Bonds, based upon the record of proceedings, materials and information discussed above and assuming no material change thereto, we are of the opinion that under existing law:

1. Under the Constitution and laws of the State of Maine, the City has been duly created and validly exists as a body corporate and politic and a municipality under the name of the City of Portland with lawful power and authority to adopt the Bond Authorizations and to issue the Bonds.

2. The Bonds are in proper form, have been duly authorized and executed by the City and, subject to due authentication, are valid and binding general obligations of the City, enforceable in accordance with their terms. The Bonds are payable from *ad valorem* taxes that may be levied without limit as to rate or amount upon all taxable property within the City, except to the extent that (a) the City has or may enter into an agreement under Title 30-A, Chapter 223, Subchapter V of the Maine Revised Statutes, as amended, to share its assessed valuation with another municipality, or (b) the City establishes or has established municipal development districts or municipal affordable housing districts pursuant to Title 30-A, Chapters 206 and former (now repealed) Chapter 207 of the Maine Revised Statutes, as amended, the captured tax increment of which may not be available for payment of debt service on the Bonds.

3. In reliance on and assuming compliance by the City with the Tax Certificates and the requirements of the Code, under existing law, interest payable on the Bonds is excludable from the gross income of the owners thereof for purposes of federal income taxation pursuant to Section 103 of the Code. In addition, such interest is not a specific preference item under the Code for purposes of computing the alternative minimum tax; provided, however that such interest will be taken into account in determining the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

4. Pursuant to Title 30-A, Section 5772(9) of the Maine Revised Statutes, as amended, interest paid on the Bonds is exempt from taxation within the State of Maine.

The foregoing opinions are qualified to the extent that the enforceability of the obligations of the City, including the Bonds, is subject to and 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 the enforceability of such obligations is considered in a proceeding in equity or at law).

We have not examined and assume no responsibility for the financial condition of the City and nothing set forth herein shall be construed as assurance as to the City's financial condition or ability to make required debt service payments on the Bonds.

We have not been engaged to examine or review, and have not examined or reviewed, and are not passing upon and do not assume any responsibility for the completeness, accuracy or adequacy of, any statements made in any Preliminary Official Statement or Official Statement, or any other offering material, document or information relating to the District or the Bonds prepared or provided by the District with respect to the Bonds, and we express no opinion, advice or representation to any person with respect to the completeness, accuracy or adequacy of any statements made in any such Preliminary Official Statement or Official Statement, other offering material, document or information.

The opinions rendered herein are given and speak as of the date hereof. We have addressed only the laws of the United States and of the State of Maine referenced herein and the opinions stated herein are limited solely to the matters expressly set forth above. We assume no obligation to update, revise or supplement opinions rendered herein to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur. No assurance can be given that future legislation or common law will not contain provisions or create precedent which could directly or indirectly affect the matters set forth herein.

Very truly yours,

PIERCE ATWOOD LLP

APPENDIX C

PROPOSED FORM
OF
CONTINUING DISCLOSURE AGREEMENT

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CITY OF PORTLAND, MAINE
PROPOSED FORM OF
CONTINUING DISCLOSURE AGREEMENT

In connection with the issuance by the City of Portland, Maine (the "Issuer") of its $__,___,000 2026 General Obligation Bonds, dated _________ 2025 and with reference to the continuing disclosure requirements of Rule 15c2-12 under the Securities and Exchange Act of 1934, as amended, and officially interpreted from time to time (the "Rule"), the Issuer hereby covenants under this Continuing Disclosure Agreement (the "Agreement") that it will engage in the undertakings described in Section 1, 2 and 3 herein for the benefit of the beneficial owners of the Bonds, subject to the conditions and limitations specified herein. Under the Agreement, the Issuer is obligated to provide certain updated financial information and operating data annually, and timely notice of specified material events, to the MSRB (defined below). This information will be available from the MSRB via the Electronic Municipal Market Access ("EMMA") system at *www.emma.msrb.org*. The Issuer reserves the right to incorporate by reference its Official Statement dated __________, 2026 relating to the Bonds (the "Official Statement"), which will be submitted to the MSRB, as hereinafter defined, at the time of delivery of the Bonds, in any future disclosure provided hereunder.

In addition to the definitions set forth above in 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 Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Business Day" shall mean a day other than a Saturday or a Sunday or a day on which banks in Maine are authorized or required by law to close.

"Dissemination Agent" shall mean the Issuer or any Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"Financial Obligation" shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with SEC Rule 15c2-12.

"Holders" shall mean the registered Holders of the Bonds, as recorded in the registration books of the Registrar.

"Municipal Securities Rulemaking Board" or "MSRB" shall mean the Municipal Securities Rulemaking Board, established under the Securities and Exchange Act of 1934, as amended, or any successor thereto, with an address of 1300 I Street NW, Suite 1000, Washington, DC 20005.

"State" shall mean the State of Maine.

1. The Issuer will provide to the MSRB: (a) not later than 270 days after the end of each fiscal year, commencing with the fiscal year ending June 30, 2026, certain updated Annual Financial Information and operating data relating to the Issuer for the preceding fiscal year of the type presented in the Official Statement prepared in connection with the Bonds under the headings "CITY FINANCES,"

"INDEBTEDNESS," "RETIREMENT" and in APPENDIX A to the Official Statement and such other Annual Financial Information and operating data as may be required to comply with the Rule; and (b) the updated information discussed in clause (a) above will include audited financial statements, if the Issuer commissions an audit and it is completed by the required time. If audited financial statements are not available by the required time, the Issuer will provide audited financial statements when and if such audited financial statements become available. Such filings, if not completed by the required time in clause (a) above, but if filed when available, will not be deemed to be a "late filing". Any such financial statements will be prepared in accordance with the accounting principles described in APPENDIX A to the Official Statement or such other accounting principles as the Issuer may be required to employ from time to time pursuant to State law or regulation.

The Issuer reserves the right to modify from time to time the specific types of information provided under clause (a) above or the format of the presentation of such information to reflect changed circumstances, provided that any such modification will be done in a manner consistent with the Rule.

2. The Issuer will provide in a timely manner, not in excess of ten (10) Business Days, after the occurrence of an event listed in this Section 2 to the MSRB through EMMA (in an electronic format as prescribed by the MSRB) notice of the occurrence of any of the following events with respect to the Bonds.

   (a) Certain events whether material or not material:

   (1) Principal and interest payment delinquencies;
   (2) Unscheduled draws on debt service reserves reflecting financial difficulties;
   (3) Unscheduled draws on credit enhancements reflecting financial difficulties;
   (4) Substitution of credit or liquidity providers, or their failure to perform;
   (5) Adverse tax opinions or events affecting the tax-exempt status of the Bonds, the issuance by the Internal Revenue Service of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
   (6) Tender offers;
   (7) Defeasances;
   (8) Rating changes;
   (9) Bankruptcy, insolvency, receivership or similar event of the Issuer (Note: For the purposes of the event identified in this subparagraph (9), the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.);or
   (10) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of any Financial Obligation of the Issuer or obligated person, any of which reflect financial difficulties

   (b) Certain events if material:

   (1) Non-payment related defaults;
   (2) Modifications to the rights of Holders of the Bonds;
   (3) Bond calls;
   (4) The release, substitution, or sale of property securing repayment of the Bonds;

(5) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
(6) Appointment of a successor or additional trustee or the change of name of a trustee; and
(7) Incurrence of a Financial Obligation of the Issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer or obligated person, any of which affect security Holders, if material.

The Issuer from time to time may choose to provide notice of the occurrence of certain other events, in addition to those listed above, but the Issuer does not undertake to commit to provide any such notice of the occurrence of any material event except those listed above.

3. The Issuer will provide in a timely manner to the MSRB notice of a failure to satisfy the requirements of Section 1 herein.

4. The intent of the Issuer's undertaking in this Agreement is to provide on a continuing basis the information described in the Rule. The provisions of the Agreement may be amended by the Issuer without the consent of, or notice to, any Beneficial Owners of the Bonds, (a) to comply with or conform to the provisions of the Rule or any amendments thereto or authoritative interpretations thereof by the Securities and Exchange Commission ("SEC") or its staff (whether required or optional), (b) to add a Dissemination Agent for the information required to be provided by such undertakings and to make any necessary or desirable provisions with respect thereto, (c) to add to the covenants of the Issuer for the benefit of the Beneficial Owners of the Bonds, (d) to modify the contents, presentation and format of the Annual Financial Information from time to time as a result of a change in circumstances that arises from a change in legal requirements, or (e) to otherwise modify the undertakings in a manner consistent with the requirements of the Rule concerning continuing disclosure; provided, however, that in the case of any amendment pursuant to clause (d) or (e), (i) the undertaking, as amended, would have complied with the requirements of the Rule at the time of the offering of the Bonds, after taking into account any amendments or authoritative interpretations of the Rule, as well as any change in circumstances, and (ii) the amendment does not materially impair the interests of the Beneficial Owners of the Bonds, as determined either by a party unaffiliated with the Issuer (such as bond counsel), or by the vote or consent of Beneficial Owners of a majority in outstanding principal amount of the Bonds affected thereby at or prior to the time of such amendment.

   Furthermore, the Issuer's obligations under this Agreement shall terminate upon the legal defeasance, prior redemption or payment of in full of all of the Bonds or to the extent that the Rule, as in effect from time to time, no longer requires the issuers of municipal securities to provide all or any portion of the information the Issuer has agreed to provide pursuant to the Agreement, the obligation of the Issuer to provide such information also shall cease immediately.

5. The purpose of the Issuer's undertaking is to conform to the requirements of the Rule and, except for creating the right on the part of the Beneficial Owners of the Bonds, from time to time, to specifically enforce the Issuer's obligations hereunder, not to create new contractual or other rights for any Beneficial Owner of the Bonds, any municipal securities broker or dealer, any potential purchaser of the Bonds, the SEC or any other person. The sole remedy in the event of any actual or alleged failure by the Issuer to comply with any provision herein shall be an action for the specific performance of the Issuer's obligations hereunder and not for money damages in any amount. Any failure by the Issuer to comply with any provision of this undertaking shall not constitute an event of default with respect to the Bonds.

6. Except as disclosed in its Official Statement, the Issuer has never failed to comply in all material respects with any previous undertakings to provide Annual Financial Information or notices of material events in accordance with the Rule.

7. The Issuer's Director of Finance, 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 Brendan T. O'Connell, Director of Finance, City of Portland, 389 Congress Street, Portland, ME 04101; Telephone: (207) 874-8642.

CITY OF PORTLAND, MAINE

Dated: __________ ____, 20__

By:_______________________________

Its:_______________________________