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INVESTMENTS

Banking & Advisory Group

NEW ISSUE

**Moody's:
S&P:**

In the opinion of Bernstein, Shur, Sawyer & Nelson, 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 is not an item of tax preference for purposes of calculating the alternative minimum tax under the Code; however, for tax years beginning after December 31, 2022, such interest will be taken into account in determining the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Bond Counsel is also of the opinion that pursuant to Title 30-A, Section 5772(9) of the Maine Revised Statutes, as amended, interest paid on the Bonds is exempt from taxation within the State of Maine (the "State. **The Town 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.**

TOWN OF OGUNKUIT, MAINE

\$12,750,000^(*)

2024 GENERAL OBLIGATION BONDS

Dated: Date of Delivery				Due: May 1, as shown below			
Year of Maturity	Amount	Interest Rate	Yield or Price	Year of Maturity	Amount	Interest Rate	Yield or Price
2025	\$490,000			2040	\$400,000		
2026	490,000			2041	400,000		
2027	490,000			2042	400,000		
2028	490,000			2043	400,000		
2029	490,000			2044	400,000		
2030	475,000			2045	400,000		
2031	475,000			2046	400,000		
2032	450,000			2047	400,000		
2033	450,000			2048	400,000		
2034	450,000			2049	400,000		
2035	400,000			2050	400,000		
2036	400,000			2051	400,000		
2037	400,000			2052	400,000		
2038	400,000			2053	400,000		
2039	400,000			2054	400,000		

The Town of Ogunquit, Maine 2024 General Obligation Bonds (the "Bonds") will be issued as fully-registered certificates without coupons and, when issued, will be registered in the name of Cede & Co., as Bondowner and nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the minimum denomination of \$5,000 or any integral multiple thereof. 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 November 1, 2024 and semi-annually on each May 1 or November 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 Town of Ogunquit, Maine (the "Town") and, unless paid from other sources are payable as to both principal and interest from ad valorem taxes that are subject to limitation unless certain procedural requirements under Title 30-A, Section 5721-A of the Maine Revised Statutes, as amended, are met, in which case such ad valorem taxes may then be levied, without limit as to rate or amount upon all the property within the territorial limits of the Town and taxable by it (see "THE BONDS—SOURCE OF PAYMENTS AND REMEDIES - Limitation on Municipal Property Tax Levy" and "Repealing the Law" herein), except to the extent that the Town 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 Town 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 "TOWN FINANCES—PROPERTY TAXATION - Tax Increment Financing Districts and Affordable Housing Development Districts" herein). The Town's Treasurer has certified that the Town has no agreements under Title 30-A, Chapter 223, Subchapter V of the Maine Revised Statutes, as amended, to share 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 Town has the right to designate 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 Town, 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 May 1, 2034 are not subject to redemption prior to their stated dates of maturity. Bonds maturing on and after May 1, 2035 are subject to redemption prior to their stated dates of maturity, at the option of the Town, on and after May 1, 2034 as more fully set forth herein (see "THE BONDS—OPTIONAL REDEMPTION PRIOR TO MATURITY" herein).

The Bonds are offered when, as and if issued, subject to the approval of legality by Bernstein, Shur, Sawyer & Nelson, of Portland, Maine, Bond Counsel. It is expected that the Bonds in definitive form will be available for delivery to DTC in New York City, New York on or about May 23, 2024.

NOTE: ^(*) Preliminary, subject to change.

No dealer, broker, salesman or other person has been authorized by the Town 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 Town 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 Town. 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 Town since the date hereof.

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

The CUSIP® numbers set forth in this Official Statement have been assigned by an independent company not affiliated with the Town and are included solely for the convenience of the holders of the Bonds. Neither the Town 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 Town 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 Town of Ogunquit, Maine with the assistance of Moors & Cabot, Inc., its Municipal Advisor, from the records of the Town 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 Bernstein, Shur, Sawyer & Nelson, 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 Town 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 Town or its agencies and authorities, since the date hereof.

To the best of the knowledge and belief of the Treasurer of the Town, 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 Town is not guaranteed as to accuracy, completeness or fairness, the Treasurer 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 Treasurer and furnished at the closing.

This Official Statement is in a form “deemed final” by the Town 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.

Mandy Cummings
Treasurer
Town of Ogunquit, Maine

**OFFICIAL STATEMENT
TOWN OF OGUNQUIT, MAINE
\$12,750,000^(*)
2024 GENERAL OBLIGATION BONDS**

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

THE BONDS

DESCRIPTION OF THE BONDS

The Bonds will be issued only as fully-registered bonds without coupons, one certificate per maturity, and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York City, New York (“DTC” or the “Securities Depository”). DTC will act as the securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the minimum denomination of \$5,000, or any integral multiple thereof. 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 November 1, 2024, and semi-annually thereafter on May 1 or November 1 of each year until maturity, or redemption prior to maturity. It is expected that the Bonds will be available for delivery at DTC on or about May 23, 2024. The Bonds will mature as follows:

<u>Amount^(*)</u>	<u>May 1,</u>	<u>CUSIP[®]</u>	<u>Amount^(*)</u>	<u>May 1,</u>	<u>CUSIP[®]</u>
\$490,000	2025	677053AB6	\$400,000	2040	677053AS9
490,000	2026	677053AC4	400,000	2041	677053AT7
490,000	2027	677053AD2	400,000	2042	677053AU4
490,000	2028	677053AE0	400,000	2043	677053AV2
490,000	2029	677053AF7	400,000	2044	677053AW0
475,000	2030	677053AG5	400,000	2045	677053AX8
475,000	2031	677053AH3	400,000	2046	677053AY6
450,000	2032	677053AJ9	400,000	2047	677053AZ3
450,000	3033	677053AK6	400,000	2048	677053BA7
450,000	2034	677053AL4	400,000	2049	677053BB5
400,000	2035	677053AM2	400,000	2050	677053BC3
400,000	2036	677053AN0	400,000	2051	677053BD1
400,000	2037	677053AP5	400,000	2052	677053BE9
400,000	3038	677053AQ3	400,000	2053	677053BF6
400,000	2039	677053AR1	400,000	2054	677053BG4

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 Town will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its Participants or persons acting through such Participants. See “THE BONDS - BOOK-ENTRY-ONLY SYSTEM” herein.

NOTE: ^(*) Preliminary, subject to change.

OPTIONAL REDEMPTION PRIOR TO MATURITY

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

GENERAL PROVISIONS REGARDING REDEMPTION

Notice of Redemption

In the case of every redemption of the Bonds, the Town 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 Town 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 Town 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 Town, 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 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. 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

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 Town or returned to the Town 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 Town by lot or in such other manner as the Town 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 will be issued to provide funds to finance the Projects (as defined herein). Authority to issue the Bonds was approved by the Town's voters at its Town Meetings held on June 14, 2022, June 13, 2023 and November 7, 2023. This authority is granted to the Town by Title 30-A, Chapter 121 and Chapter 223, Section 5772 of the Maine Revised Statutes, as amended, and Article II and Section 505.2 of the Town's Charter (as defined in "TOWN OF OGUNQUIT – GOVERNMENT").

The Projects

The projects that will be financed by the Bonds (the "Projects") are:

Date of Town Meeting	Article Number	Amount	Project	Years Authorized
6/14/2022	49	\$32,000	Replacement of nine new Dock Pilings	15
6/13/2023	59	11,935,000	Municipal Campus	30
6/13/2023	60	50,000	Various Paving	10
6/13/2023	61	85,000	Sidewalk Improvements	10
6/13/2023	62	375,000	Ambulance for the Fire Department	10
6/13/2023	63	88,000	Police Cruiser for the Police Department	5
11/7/2023	14	<u>185,000</u>	Mack Plow Truck with Plow and Gear	7
		\$12,750,000		

The Municipal Campus Project

Originally given to the Town by S. Judson Dunaway in 1974 as a Community Center, the Police Department occupies the ground level of the Dunaway Center. The Center also houses the Town Administrative offices, Visitors Services, and the Ogunquit Performing Arts Committee. Activity increases substantially from April through September as seasonal residents return to Ogunquit and the tourist season gets underway. The building footprint occupies 7,500+/- gross square feet ("gsf"). comprised of an occupied basement and first floor for a total of approximately 15,000 gsf. The two level, "T" shaped building is constructed of 2x4 wood framing on poured concrete foundation with a brick veneer façade.

At an Annual Town Meeting held on June 13, 2023 the voters of the Town approved a bond issue, not to exceed \$11,935,000, the proceeds of which would finance demolition of the Village School on School Street (but saving portions of which) so that the new facility would become a new Town Hall and Police Department and enhancements to the community's outdoor spaces by transforming the outdoor space around the facility into a new park with a playground, basketball court, and outdoor seating.. Following this portion of the project, the Dunaway Center will then be renovated back into a community center.

While the Village School will be demolished, parts of it will be saved, and the new municipal building in its place will retain some of the architectural features of the former Village School. The new facility will be 2½ stories with the first floor spanning about 11,000 square feet, dedicated to the Police Department. The second story would house municipal offices with the half-story attic used for storage and files. Once vacated, the Dunaway Center would be restored as a community center, with the Town addressing structural repairs and environmental measures that are needed for the building as part of the project.



Proposed Site Plan



Playground

Proposed Amortization of the Projects and the Bonds

<u>Years</u>	<u>May 1,</u>	<u>Dock</u> <u>Pilings</u>	<u>Muni</u> <u>Campus</u>	<u>Paving</u>	<u>Sidewalk</u>	<u>Ambulance</u>	<u>Police</u> <u>Cruiser</u>	<u>Plow</u> <u>Truck</u>	<u>The</u> <u>Bonds</u>
1	2025	\$2,135	\$392,835	\$5,000	\$8,500	\$37,500	\$17,600	\$26,430	\$490,000
2	2026	2,135	392,835	5,000	8,500	37,500	17,600	26,430	490,000
3	2027	2,135	392,835	5,000	8,500	37,500	17,600	26,430	490,000
4	2028	2,135	392,835	5,000	8,500	37,500	17,600	26,430	490,000
5	2029	2,135	392,835	5,000	8,500	37,500	17,600	26,430	490,000
6	2030	2,135	395,440	5,000	8,500	37,500		26,425	475,000
7	2031	2,135	395,440	5,000	8,500	37,500		26,425	475,000
8	2032	2,135	396,865	5,000	8,500	37,500			450,000
9	2033	2,135	396,865	5,000	8,500	37,500			450,000
10	2034	2,135	396,865	5,000	8,500	37,500			450,000
11	2035	2,130	397,870						400,000
12	2036	2,130	397,870						400,000
13	2037	2,130	397,870						400,000
14	2038	2,130	397,870						400,000
15	2039	2,130	397,870						400,000
16	2040		400,000						400,000
17	2041		400,000						400,000
18	2042		400,000						400,000
19	2043		400,000						400,000
20	2044		400,000						400,000
21	2045		400,000						400,000
22	2046		400,000						400,000
23	2047		400,000						400,000
24	2048		400,000						400,000
25	2049		400,000						400,000
26	2050		400,000						400,000
27	2051		400,000						400,000
28	2052		400,000						400,000
29	2053		400,000						400,000
30	2054		400,000						400,000
		<u>\$32,000</u>	<u>\$11,935,000</u>	<u>\$50,000</u>	<u>\$85,000</u>	<u>\$375,000</u>	<u>\$88,000</u>	<u>\$185,000</u>	<u>\$12,750,000</u>

SOURCE OF PAYMENT AND REMEDIES

General

The Bonds are general obligations of the Town 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 are subject to limitation unless the Town follows certain procedural requirements under Title 30-A, Section 5721-A of the Maine Revised Statutes, as amended, in which case the Town has the power to levy such ad valorem taxes without limit as to rate or amount upon all the taxable property within its territorial limits (see “THE BONDS – SOURCE OF PAYMENT AND REMEDIES – Limitation on Municipal Property Tax Levy” and “Repealing the Law” herein), except to the extent that the Town 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 Town 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 “TOWN FINANCES – PROPERTY TAXATION - Tax Increment Financing Districts and Affordable Housing Development Districts” herein). The Treasurer of the Town has certified that no tax base sharing agreement now exists. The Town may establish certain tax increment financing districts and may elect to designate development districts pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, in the future, including the retention of a portion of the tax increment on the captured assessed value of the property in these districts to pay costs of the development project within the districts. 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 Town 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 Town expenses, including debt service, are not included in the tax levy to the extent they are expected to be met with other non-tax revenues. Amounts necessary to repay sums borrowed temporarily in anticipation of bonds or grants are similarly excluded because they would normally be expected to be paid from the anticipated bond proceeds or grants. Enforcement of a claim for payment of principal or interest on bonds or notes would be subject to the applicable provisions of federal bankruptcy laws and to the provisions of statutes, if any, hereafter enacted by the Congress or the State Legislature extending the time for payment or imposing other constraints upon enforcement insofar as the same may be constitutionally applied. The Bonds are not guaranteed by the State.

Limitation on Municipal Property Tax Levy

Effective July 1, 2005, the Legislature enacted LD 1, codified in part as Title 30-A, Section 5721-A of the Maine Revised Statutes, as amended, which, subject to certain procedural overrides, establishes a limit on municipal property tax levies. This limit is referred to as the “Property Tax Levy Limit”. With certain exceptions, a municipality may not adopt a property tax levy that exceeds its Property Tax Levy Limit from one year to the next by more than a specified growth limitation factor. Therefore, in cases where the amount of the prior year’s Property Tax Levy Limit exceeds the amount of the Town’s actual property tax levy, the Town may carry-forward that difference in establishing its future years’ property tax levy. See “TOWN FINANCES - Property Tax Levy Limit” herein.

The growth limitation factor is the average personal income growth as defined by Title 5, Section 1531 of the Maine Revised Statutes, as amended, plus the property growth factor. The property growth factor is a percentage equivalent to a fraction established by a municipality whose denominator is the total valuation of the municipality, and whose numerator is the amount of increase in the assessed value of any real or personal property in the municipality that becomes subject to taxation for the first time, or taxed as a separate parcel for the first time for the most recent property tax year for which information is available, or

that has had an increase in its assessed valuation over the prior year's valuation as a result of improvements to or expansion of the property. For municipalities that qualify as a result of a relatively larger percentage of personal property, personal property can be incorporated into the property growth factor calculation. In addition, a municipality is required to lower its Property Tax Levy Limit in any year by an amount equal to net new funds provided by the State for existing services funded in whole or in part by the property tax levy.

The Town may increase the Property Tax Levy Limit by a majority vote of the entire Town Meeting on a separate article that specifically identifies the intent to exceed the Property Tax Levy Limit. Pursuant to Title 30-A, Section 5721-A(7)(B) of the Maine Revised Statutes, as amended, this action, however, is subject to override by initiative upon a petition signed by at least 10% of the number of voters voting in the last gubernatorial election in the municipality submitted within 30 days of the Town Meeting or referendum vote. The opportunity for the voters to petition for a referendum vote on the council's decision is not provided if the municipal charter "prohibits a petition and referendum process.

In lieu of increasing the Property Tax Levy Limit, Town Meeting action may vote to exceed the Property Tax Levy Limit for extraordinary circumstances. Exceeding the Property Tax Levy Limit permits the property tax levy to exceed the Property Tax Levy Limit only for the year in which the extraordinary circumstance occurs and does not increase the base for purposes of calculating the Property Tax Levy Limit for future years. Extraordinary circumstances are circumstances outside the control of the Town and include:

- (1) Catastrophic events such as natural disaster, terrorism, fire, war or riot;
- (2) Unfunded or underfunded state or federal mandates;
- (3) Citizens' initiatives or other referenda;
- (4) Court orders or decrees; or
- (5) Loss of state or federal funding.

Extraordinary circumstances do not include changes in economic conditions, revenue shortfalls, increases in salaries or benefits, new programs or program expansions that go beyond existing program criteria and operation.

The Town does not expect that the Property Tax Levy Limit will have a material adverse effect on the Town's financial condition or on the ability of the Town to pay the principal of, and premiums, if any, and interest on the Bonds when due.

Repealing the Law

Both chambers of the Second Regular Session of the Maine 131st Legislature passed and, on April 9, 2024, Governor Mills signed into law LD 2102, a bill to amend Title 30-A, Section 5681(1)(8) of the Maine Revised Statutes and repeal Title 30-A, Section 5721-A of the Maine Revised Statutes, that had placed limitations on municipal property tax collection commonly referred to as "LD 1". Pursuant to the Maine Constitution, Article IV(3)(16), this action becomes effective 90 days after the legislative session is recessed. Until the effective date, Section 5721-A continues to be law at which time it will be repealed.

TAX MATTERS

The Internal Revenue Code of 1986, as amended (the "Code"), imposes certain requirements that must be met on a continuing basis subsequent to the issuance of the 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 Town to comply with such requirements may cause interest on the Bonds to be included in the gross income of the holders thereof for purposes of federal income taxation retroactive to the date of issuance of the Bonds, regardless of when such noncompliance occurs or is ascertained.

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

In the opinion of Bernstein, Shur, Sawyer & Nelson, Bond Counsel (“Bond Counsel”), under existing statutes, regulations and court decisions interest on the Bonds is excludable from the gross income of the owners of the Bonds for purposes of federal income taxation pursuant to Section 103 of the Code. In addition, such interest is not an item of tax preference under the Code; however, for tax years beginning after December 31, 2022, 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 Town’s representations made with respect to the use of the proceeds of the Bonds, and the projects financed with the Bonds, and the Town’s covenant that it will comply with the Code. See “PROPOSED FORM OF LEGAL OPINION” in APPENDIX B herein.

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

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

Designated as Qualified Tax-Exempt Obligations

The Town **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. Bond Counsel is of the opinion that the appropriate portion of the OID properly allocable to the original and each subsequent owner of the Discount Bonds will be treated as interest excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code to the same extent as stated interest on the Discount Bonds.

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

Original Issue Premium

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

Additional Federal Income Tax Consequences

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

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

Changes in Federal Tax Law

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under federal or state law or otherwise prevent beneficial owners of the Bonds from realizing the full current benefit of the tax exempt

status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Bonds. Prospective purchasers of the Bonds should consult their tax and financial advisors regarding such matters.

Opinion of Bond Counsel

The legal opinion of Bernstein, Shur, Sawyer & Nelson, of Portland, Maine (see the form of opinion in APPENDIX B) will be furnished to the original purchaser of the Bonds. The opinion will be dated and given on and will speak only as of the date of original delivery of the Bonds to the original purchaser of the Bonds.

Extent of Opinion

Bond Counsel expresses no opinion regarding any tax consequences of holding the Bonds other than its opinion with regard to (a) the exclusion of interest on the Bonds from gross income pursuant to Section 103 of the Code, (b) interest on the Bonds not constituting an item of tax preference pursuant to Section 57 of the Code, but that for tax years beginning after December 31, 2022, such interest will be taken into account included in determining the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code and (c) the exemption of interest on the Bonds from taxation within the State pursuant to Title 30-A, Section 5772(9) of the Maine Revised Statutes, as amended. Prospective purchasers of the Bonds should consult their tax advisors with respect to all other tax consequences (including but not limited to those described above) of holding the Bonds.

BOOK-ENTRY-ONLY SYSTEM

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

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

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

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Redemption notices shall be sent to DTC. If less than all of a maturity is being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to securities deposited with it unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the issuer of such securities or its paying agent as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

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

DTC may discontinue providing its services as depository with respect to securities held by it at any time by giving reasonable notice to the issuer of such securities or its paying agent. Under such circumstances,

in the event that a successor depository is not obtained, physical certificates are required to be printed and delivered to Beneficial Owners. The Town may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, physical certificates will be printed and delivered to Beneficial Owners. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Town believes to be reliable, but the Town takes no responsibility for the accuracy thereof.

RATINGS

The Bonds are rated “___” by Moody's Investors Service (“Moody's”) and “___” by S&P Global Ratings (“S&P”). The Town 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 Town 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 Town will covenant 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 Report”) 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 covenants will be contained in a “Continuing Disclosure Agreement” (the “Agreement”; or “CDA”), the proposed form of which is provided in APPENDIX C. The Agreement will be executed by the Treasurer of the Town.

This is the first issuance of publically sold debt by Town that is subject to continuing disclosure requirements of the Rule, thus heretofore the Town has not previously entered into an undertaking under the Rule and has therefore never failed to comply in all material respects with any previous undertakings to provide financial information or notices of material events in accordance with the Rule.

Assurances of Future Compliance

At the closing of the Bonds, the Town will incorporate a Post-Issuance Reporting and Compliance undertaking, that, among other things, provide for timely filings with EMMA or its successor repository, if any, with respect to its existing and future continuing disclosure undertakings; established written procedures and assigned specific responsibilities that it believes will provide prompt compliance with its continuing disclosure undertakings on a going forward basis. Further, the Town will register 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.

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 Town provided, however, that the Town assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

MUNICIPAL ADVISOR

Moors & Cabot, Inc. is a Municipal Advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board and has acted as Municipal Advisor to the Town 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.

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 Town shall deliver or cause to be delivered a certificate of the Treasurer, and attested to by the Town Clerk, 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 Town to levy and collect taxes to pay them, and that neither the corporate existence nor boundaries of the Town, nor the title of any of said officers to their respective offices, is being contested.

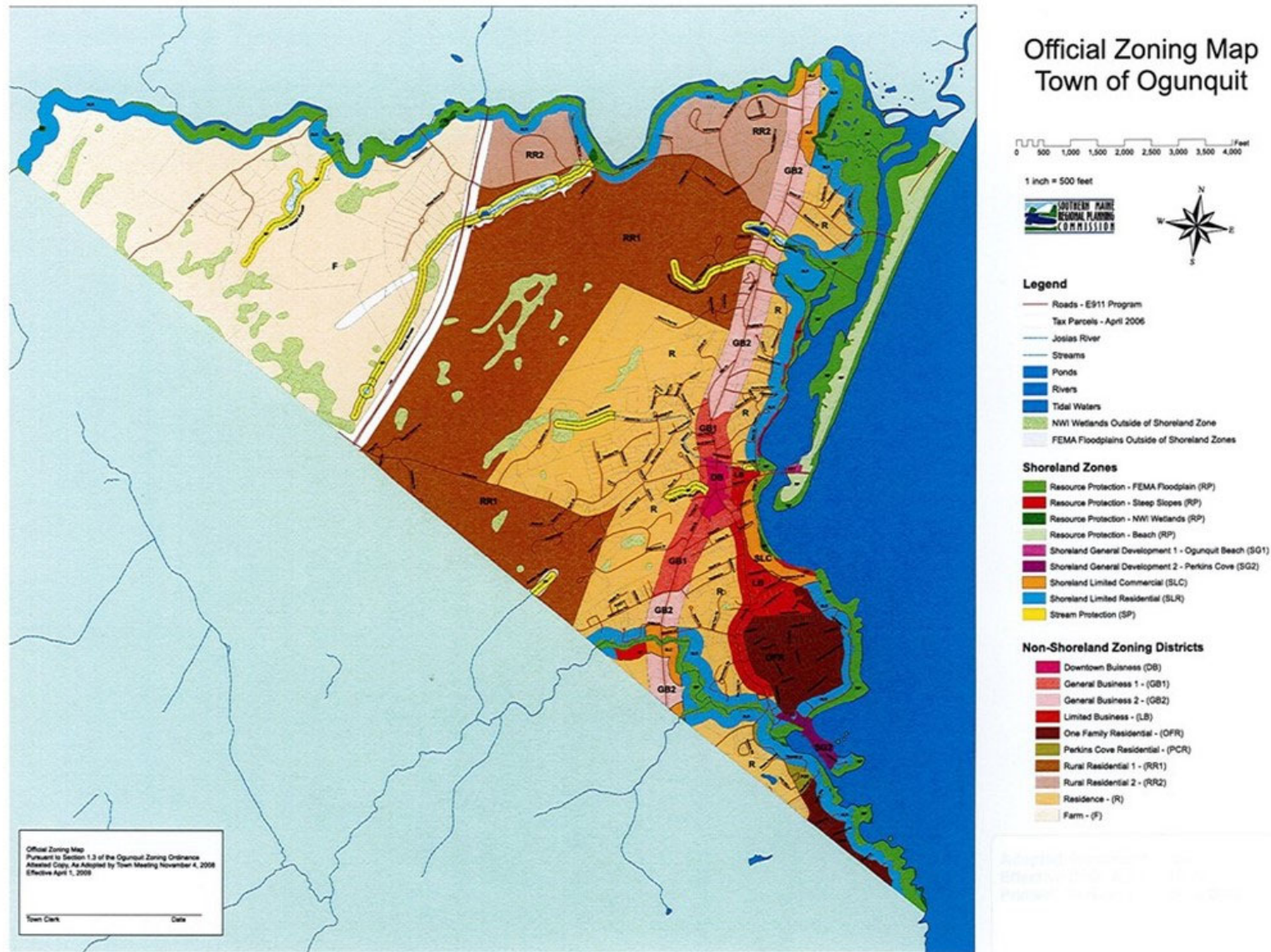
Approval of Legality

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

Certificate With Respect to Official Statement

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

Zoning Map of the Town of Ogunquit, Maine



TOWN OF OGUNQUIT

GENERAL

The Town of Ogunquit is located on the coast of the State of Maine in the southeastern section of the County of York, the State's southernmost county. Ogunquit is approximately 38.3 miles southwest of Portland, the State's largest city. The Gulf of Maine, in the Atlantic Ocean, is the eastern boundary for Ogunquit, with the Ogunquit River as the Town's northern boundary being contiguous to York as its diagonal southwestern line. Access to the Town is provided by Exit 7 (formerly Exit 1) of the Maine Turnpike (U.S. Interstate Route 95) at York or Exit 19 (formerly Exit 2) of the Maine Turnpike (U.S. Interstate Route 95) in Wells, US Route 1 is the primary corridor for Ogunquit along its eastern, coastal area.



The present day towns of Kennebunk and Ogunquit, were originally included as parts of the Town of Wells, named from Wells in Somersetshire, England (named after the English cathedral city in Somersetshire, the county being the home of the explorer Sir Ferdinando Georges from whom the land was conveyed) on August 10, 1622 by the Plymouth Company in England. Thomas Gorges, his young cousin, granted the lands from northeast of the Ogunquit River to the southwest of the Kennebunk River to agents from Exeter, New Hampshire on September 27, 1641 for the purpose of settling the plantation of Wells. The area was first settled in 1642 or 1643. After the death of Sir Ferdinando Gorges and with political upheaval in England, the Massachusetts Bay Colony took advantage of the situation and laid claim to all of Maine. In July of 1653 Wells submitted to the control of the Massachusetts Bay Colony and the Wells was incorporated on August 30, 1653 as the third town in the District of Maine.

On June 24, 1820, Kennebunk set off and incorporated as its own town. On March 31, 1913, an act of the State Legislature created a long-time village in a section of Wells as the Ogunquit Village Corporation ⁽¹⁾. On June 22, 1979, Chapter 45 of the Private and Special Laws of Maine (1979) "An Act to separate Ogunquit Village Corporation from the Town of Wells" was approved by the Governor, and Ogunquit became incorporated as a separate town, effective July 1, 1980.

The barrier beaches of Wells were discovered by wealthy inland businessmen by the late 1840s. Although tourism did not flourish until the 20th century, this was the beginning of the awareness of its cool summer climate and many natural resources. Ogunquit is now renowned as a tourist community with attractions that include waterfront distinguished by beautiful beaches covered with fine, clean sand, picturesque rocky coastlines, snug harbors and a wide range of shopping opportunities. The settlements of the Town includes Perkins Cove, Ogunquit Beach and the Marginal Way's walkway along an ocean-side rocky cliff.

The towns are located at the base of a geographic triangle which points are comprised of the Portland metropolitan/Saco-Biddeford area to the north, Portsmouth-Kittery (to Boston) at its south, and the Sanford area to its west. The land area includes tracts of forest lands, open space and coastal areas comprised of residential, beach business, general business, resource protection and aquifer protection, light industrial and harbor district zones. The towns' area is comprised of approximately 15.25 square miles, including approximately 11.07 square miles of water approximately 4.18 square miles of land.

NOTE: ⁽¹⁾ Pursuant to Title 30-A, Chapter 241, of the Maine Revised Statutes, as amended, a "Village Corporation" in Maine is established to provide a separate corporate and municipal entity but remaining within a town, for purposes of rendering specific services thus allowing a certain amount of self-determination to the specific the portion of the town of which it is comprised. During its existence, the Ogunquit Village Corporation functioned essentially as a town of its own, supporting its own police, fire, highway and sewer departments.

GOVERNMENT

There are two basic forms of local government in Maine: the “Direct” form, often referred to as town meeting government, in which the town meeting serves as the legislative body, passing laws, approving the spending of monies; and the “Representational” form, in which an elected council serves as the legislative body. There are five basic variations of these two forms. Variations of the Direct form are: *Selectmen/Town Meeting* form of government, the most common in Maine currently used by 169 municipalities in the state; *Selectmen/Town Meeting/Manager*, the second most common form of local government in Maine currently used by 141 towns; *Council/Town Meeting/Manager* (18 towns) 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 *Selectmen/Town Meeting Administrative Assistant* or *Administrator* (a combined 80 towns). Variations of the Representational form are: *Council/Mayor/Administrator* (three cities), *Council/Mayor/Manager* (18 cities) and *Council/Manager* (26 towns).

The Town operates under a charter originally adopted in March 1991, as amended on November 8, 2016 and, most recently, on June 14, 2022 (the “Charter”) and operates as a *Town Meeting - Selectmen - Manager* form. Under this form of government, the Town’s Select Board serve as the Town’s executive body with, a Town Manager is the Town’s Chief Administrative Officer, being responsible directly to the Select Board.

Pursuant to Title 30-A, Chapter 121 and Chapter 123, of Maine Revised Statutes, as amended, through a Town Meeting the Town enacts, amends, or repeals rules, ordinances and resolutions relating to the Town’s property and affairs, elects the five members of the Select Board, the Town Clerk and quasi-municipal or district officials, votes articles proposed under referendum power and approves the Annual Budget. Pursuant to Section 401.1 of the Charter, the Town Manager serves as the chief executive and administrative official of the Town.

MUNICIPAL SERVICES

The Town provides general governmental services for the territory within its boundaries, including police and fire protection, maintenance of highways, streets and sidewalks, parks, recreation and coastal areas. Water service is provided by the Kennebunk, Kennebunkport & Wells Water District, formed in 1921. Sewer service is provided by the Ogunquit Sewer District, formed in 1963. Each district is an individual, wholly separate, quasi-municipal entities whose operation and obligations are not part of the Town. Public education is provided for grades Kindergarten (“K”) through 12 through the Town’s affiliation the Wells-Ogunquit Community School District.

Public Safety

The Town’s Police Department is staffed by 11 full-time employees, five part-time officers, and five Community Service Officers. Ogunquit experiences a unique challenge due to the significant seasonal influx of residents and tourists. This dynamic increases the demand for services, a challenge for experienced staff manages effectively, maintaining Ogunquit's status as a top vacation destination and a bustling hub of activity. The department has nine divisions: *Administrative Division*, headed by the Police Chief and Deputy Chief; *Patrol Division* is comprised of nine full-time patrol officers, including two supervisors (Sergeants); *School Resource Officer (SRO)* The SRO, works full-time at a local elementary school, extends its presence to other schools as needed and joins the patrol division during the summer break; *Reserve Officer Division* is crucial during peak tourist seasons and are thoroughly trained before deployment; *Criminal Investigations* unit is managed part-time by a dedicated officer, focusing on investigations and also facilitates community engagement through safety and crime prevention dialogues with local businesses; *Property & Evidence Custodian* is headed by the Deputy Chief who stores and manages all evidence and recovered property and oversees building maintenance; *Community Service*

Officers handle parking enforcement traffic control and provide information to residents and visitors; *Administrative Staff* and *Animal Control Division* with an Animal Control Officer

Fire Department

The Town's Fire Department is staffed with nine career-members and ten call-members, including the Chief, four Captains, and four Firefighters. The career staff are all certified Firefighters and Advanced Emergency Medical Technicians or Paramedics, which provides at least two members on duty 24/7. Additionally, Inspection and Code Enforcement are vital components of the Fire Department.

Harbormaster

The Harbormaster is pivotal in maintaining the operational integrity and aesthetic appeal of Perkins Cove, a cornerstone of Ogunquit's charm alongside Ogunquit Beach and the Marginal Way. The Harbormaster's responsibilities are through all four seasons.

Public Works

The Public Works Department, is comprised of a team of eight full-time employees, including a Director, Deputy Director, Fleet Mechanic, and five Laborer/Operator positions to maintain and enhance the Town's infrastructure and aesthetic appeal. Our comprehensive responsibilities ensure the functionality and beauty of our community spaces. The Public Works Department is instrumental in implementing a range of town-funded projects vital for the community's well-being and safety. Their efforts in infrastructure, emergency response, and collaborative projects play a critical role in maintaining a high quality of life for Ogunquit residents and visitors.

Transfer Station:

The Ogunquit Transfer Station focuses on maintaining high operational standards and adapting to the evolving waste management industry for waste reduction and recycling. Since 2007, the Town's 10-year Capital Improvement Plan has addressed necessary maintenance and refurbishments to accommodate the Town's growth and changing dynamics.

Ogunquit Ocean Rescue

The Ocean Rescue team provides high-quality lifeguard protection for residents and visitors at Ogunquit's beaches, operating seven lifeguard stations daily from mid-June to Labor Day. Ocean Rescue has achieved accreditation from the United States Lifesaving Association ("USLA"), which is nationally and internationally recognized, underscoring adherence to recommended safety standards and operational guidelines in the open water environment.

Ogunquit Sewer District

The Ogunquit Sewer District (the "Sewer District") is a quasi-municipal corporation formed in 1963 for the purpose of wastewater treatment and disposal. The Sewer District is managed by a three-member Board of Trustees who are elected by the voters of the Town to serve staggered three-year terms. The wastewater treatment facility ("WWTF") has a capacity of 1.28 mgd. The sewer collection system consists of 20 miles of sewer lines, 12 pump stations and 485 manholes; conveying wastewater to a licensed outfall that terminates ½ mile off the shore of Ogunquit Beach. The Sewer District is staffed by a superintendent, two licensed operators, one electrical technician, one maintenance mechanic and two administrative employees.

Ogunquit Memorial Library

The Ogunquit Memorial Library is a private foundation non-profit organization located in Ogunquit for the purpose of operating and maintaining a public library for the Town. The Conarroes had a summer estate in York Cliffs but George Conarro, a Philadelphia attorney, died in 1896. Mrs. Conarro had the library designed and built in honor of her husband. In addition, Mrs. Conarro gifted the library with 1,500 of her own books and endowed the library with a generous trust fund. Located in central Ogunquit, the library is housed in an architecturally distinguished Romanesque Revival building built in 1897 and, in 1983, was listed on the National Register of Historic Places. The library was designed by Philadelphia architect John M. Burns and built in 1897 by York contractor Edward B. Blaisdell. The building opened to the public in June 1898. The building was enlarged in 1914 to a design by Henry A. Macomb, also of Philadelphia.



Labor Relations

The Town employs approximately 175 full-time and various seasonal or part-time employees. Town employees not included in the below table are not represented by unions. The contracts for the various bargaining units who are represented by a union are effective and expire as follows:

<u>Union</u>	<u>Members</u>	<u>Unit</u>	<u>Date of Contract</u>	<u>Expiration Date</u>
Teamster's	8	Highway Personnel	July 1, 2022	June 30, 2025
Teamster's	6	General Government Personnel	July 1, 2022	June 30, 2025
IAFF Local 4652	8	Fire Fighters	July 1, 2022	June 30, 2025
Maine Association of Police	9	Police Department/Dispatch	July 1, 2021	June 30, 2024

School personnel are employed by Wells-Ogunquit CSD, which is a body politic and corporate of the State of Maine and is a wholly separate quasi-municipal entity whose operations and obligations are separate from the Town (see "TOWN OF OGUNQUIT - PUBLIC EDUCATION" section, herein).

PUBLIC EDUCATION

Department of Education

The Town operates its educational program for grades Kindergarten ("K") through 12 as a member the CSD No. 18, Wells-Ogunquit Community School District (the "Wells-Ogunquit CSD") which serves the towns of Wells and Ogunquit. A Community School District (a "CSD") in Maine is a combination of two or more municipalities who form to build, maintain and operate a school or schools to educate certain grades. The member towns maintain individual control for the education of their students for grades not included in a CSD. Cost sharing for a CSD is based upon a formula including number of pupils in each town and/or equalized State Valuation or any combination of each.

The Wells-Ogunquit CSD serves its towns, including Ogunquit, with one primary school, one middle school and one high school and has a Superintendent, Business/Treasurer, three principals and 244 faculty, professional and support staff. The Town is represented in Wells-Ogunquit CSD School Committee with three of members of a six-member committee, each of whom serves three-year staggered terms.

The Wells-Ogunquit CSD's schools are as follows:

<u>School</u>	<u>Grade</u>	<u>Estimated Capacity</u>	<u>Current Enrollment</u>
Wells Elementary School	K – 4	600	553
Wells Junior High School	5 – 8	750	444
Wells High School	9 – 12	700	400

The following tables show the student population of each community within Wells-Ogunquit CSD's territory and its respective percentage of Wells-Ogunquit CSD's total student population over the last 10 years, based upon the State of Maine Department of Education's October 1st Annual Census; and the equalized State Valuation ("ESV") of each community within Wells-Ogunquit CSD's territory and its respective percentage of Wells-Ogunquit CSD's total ESV over the last 10 years, based upon the State of Maine State Tax Assessor's annual filing with the Secretary of State:

<u>Oct. 1,</u>	<u>Town of Wells</u>		<u>Town of Ogunquit</u>		<u>Total Resident Enrollment</u>	<u>Town of Wells</u>		<u>Town of Ogunquit</u>		<u>Total CSD ESV</u>
	<u>Students</u>	<u>%</u>	<u>Students</u>	<u>%</u>		<u>ESV (000)</u>	<u>%</u>	<u>ESV (000)</u>	<u>%</u>	
2023	1,340	97.03%	41	2.97%	1,381	\$3,799,283	69.45%	\$1,671,067	30.55%	\$5,470,350
2022	1,349	97.33%	37	2.67%	1,386	4,053,850	69.28%	1,797,700	30.72%	5,851,550
2021	1,316	96.62%	46	3.38%	1,362	3,810,950	69.32%	1,686,350	30.68%	5,497,300
2020	1,284	96.91%	41	3.09%	1,325	3,533,050	69.80%	1,529,150	30.20%	5,062,200
2019	1,312	96.44%	48.5	3.57%	1,361	3,199,983	69.86%	1,380,983	30.14%	4,580,966
2018	1,312	96.33%	50	3.68%	1,362	3,165,600	70.23%	1,342,100	29.77%	4,507,700
2017	1,288	96.05%	53	3.96%	1,341	3,069,950	70.01%	1,315,200	29.99%	4,385,150
2016	1,251	96.16%	50	3.84%	1,301	3,034,200	70.07%	1,296,200	29.93%	4,330,400
2015	1,239	96.20%	49	3.80%	1,288	2,932,900	69.23%	1,303,550	30.77%	4,236,450
2014	1,246	95.77%	55	4.23%	1,301	2,773,550	68.83%	1,256,200	31.17%	4,029,750

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

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

Wells-Ogunquit CSD Consolidated Enrollments, School Enrollment Trend

<u>Oct. 1,</u>	<u>Resident Enrollment</u>				<u>Attending Enrollment</u>	<u>Total Enrollment</u>
	<u>K - 4</u>	<u>5 - 8</u>	<u>9 - 12</u>	<u>Total</u>		
2023	553	444	400	1,397	0	1,397
2022	543	436	407	1,386	0	1,386
2021	549	412	421	1,382	0	1,382
2020	503	428	394	1,325	0	1,325
2019	536	410	429	1,375	0	1,375
2018	536	407	419	1,362	0	1,362
2017	499	419	423	1,341	0	1,341
2016	483	381	437	1,301	11	1,312
2015	447	412	429	1,288	8	1,296
2014	444	412	445	1,301	3	1,304

Wells Students

Oct. 1,	Resident Enrollment			
	K - 4	5 - 8	9 - 12	Total
2023	534	429	377	1,340
2022	533	428	388	1,349
2021	531	395	390	1,316
2020	493	416	375	1,284
2019	526	396	404	1,326
2018	528	386	398	1,312
2017	480	399	409	1,288
2016	470	359	422	1,251
2015	434	388	417	1,239
2014	424	392	430	1,246

Ogunquit Students

Oct. 1,	Resident Enrollment			
	K - 4	5 - 8	9 - 12	Total
2023	16	9	16	41
2022	10	8	19	37
2021	13	11	22	46
2020	10	12	19	41
2019	10	14	25	49
2018	8	21	21	50
2017	19	20	14	53
2016	13	22	15	50
2015	13	24	12	49
2014	20	20	15	55

SOURCE: State of Maine, Department of Education, "October 1 Census of Students Educated at Public Expense".

The annual assessments between the member municipalities is based upon a combination weighted as: 66.6% proportional ESV and 33.3% enrollment. For the fiscal year July 1, 2023 to June 30, 2024 the Wells-Ogunquit CSD's total budget is \$30,075,554 of which \$27,548,199 is assessed against its member municipalities. The Town's portion of this assessment is \$5,916,521, or 21.3%, which is paid to Wells-Ogunquit CSD in even monthly payments.

Career and Technical Education

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 Center (a "CTE Center") is comprised of a single school administrative unit and its obligations are those of the unit. Students of the Town may opt to receive career and technical education at the Sanford Regional Technical Center ("SRTC") in Sanford, Maine, 30 miles distant; the Biddeford Regional Center of Technology ("BRCT") in Biddeford, Maine, 10 miles distant; or, the Portland Arts & Technology High School ("PATHS"), on Portland, Maine, approximately 28 miles distant. The law regarding the funding of BRCT and SRTC was changed by Chapter 226 of the Private and Special Laws of Maine (1999) such that CTE Centers are funded through a CTE allocation paid by the State and paid directly to the CTE Region or an SAU that has a CTE 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.

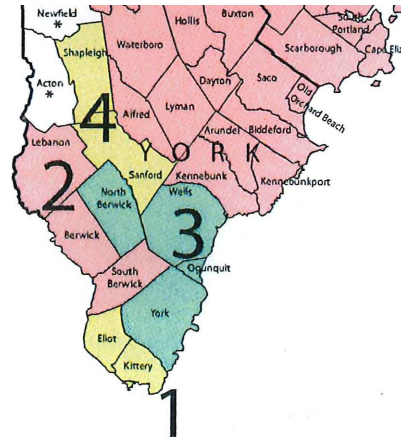
BUILDING PERMITS

FY	<u>Commercial</u>		<u>Residential (New)</u>		<u>Residential (Other)</u>		<u>Total</u>	
	<u># Permits</u>	<u>\$</u>	<u>#Permits</u>	<u>\$</u>	<u>#Permits</u>	<u>\$</u>	<u># Permits</u>	<u>\$</u>
2023	5	155,500	11	8,625,500	14	12,676,275	30	21,457,275
2022	10	693,850	11	5,655,000	140	9,742,952	161	16,091,802
2021	5	46,500	25	15,305,000	131	9,445,936	161	24,797,436
2020	9	1,903,750	8	4,647,000	123	5,963,216	140	12,513,966
2019	13	853,000	17	7,000,097	106	2,916,673	136	10,769,770
2018	9	988,250	4	1,850,000	56	1,934,360	69	4,772,610
2017	18	1,782,500	13	3,537,500	94	2,794,461	125	8,114,461
2016	<u>8</u>	<u>6,214</u>	<u>5</u>	<u>1,579,200</u>	<u>105</u>	<u>2,793,647</u>	<u>118</u>	<u>4,379,061</u>
Total	77	6,429,564	94	48,199,297	769	48,267,520	940	102,896,381

ECONOMIC TRENDS

Wells-York Labor Market Area

The U.S. Department of Commerce, Bureau of the Census formally 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). An MSA is also considered a labor market area (“LMA”). The Wells-York LMA #3 was comprised of four towns: North Berwick, Ogunquit, Wells and York.



SOURCE: Maine Department of Labor, Labor Market Information Services

Retail Trade

In addition to various enterprises, several restaurants, lodging establishments, shops and art galleries allow the Town to enjoy tourism as an important economic resource. The Town is located at the base of a geographic triangle which points are comprised of the Portland metropolitan/Saco-Biddeford area to the north, Portsmouth-Kittery (to Boston) at its south, and the Sanford area to its west, with easy accessibility to these three labor markets. The following table displays the performance of certain sectors of the Town’s economy, as measured in retail sales by product group and by consumer sales:

Retail Sales for Restaurant and Lodging

<u>Year</u>	<u>Restaurant</u>	<u>Lodging</u>	<u>Total</u>
2023	\$82,649,936	\$63,986,940	\$146,636,880
2022	82,885,552	78,650,344	161,535,888
2021	75,386,184	69,535,648	144,921,840
2020	40,836,372	30,533,364	71,369,736
2019	63,228,264	63,501,672	126,729,936
2018	60,163,136	63,785,164	123,948,304
2017	57,879,724	62,393,152	120,272,880
2016	55,302,624	61,393,080	116,695,704
2015	51,830,880	56,342,976	108,173,856
2014	50,743,232	53,893,872	104,637,104

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

NOTE: “Business Operating”, “Building Supply”, “Food Store”, General Merchandise”, “Other Retail” and “Auto/Transportation” categories, are not itemized whereas the participants in that sector are too few, such that reporting sales could share otherwise proprietary information.

Employment

<u>Largest Employers</u>	<u>Type of Business</u>	<u># of Employees</u>
Lafayette Norseman	Lodging	265
The Anchorage	Lodging	140
Robert Hanson	Lodging	125
Ogunquit Lobster Pound	Restaurant	95
Barnacle Billys	Restaurant	85

Commuter Trends

Where Ogunquit Residents Work	Number of Workers	% Ogunquit Workers	Where Commuters to Ogunquit Live	Number of Workers	% Ogunquit Commuters
Ogunquit	225	38.59%	Ogunquit	225	20.13%
Wells	64	10.98%	York	197	17.62%
Portsmouth NH	31	5.32%	Wells	148	13.24%
York	24	4.12%	Sanford	91	8.14%
Portland	22	3.77%	South Berwick	57	5.10%
Biddeford	16	2.74%	Hollis NH	43	3.85%
Dover NH	16	2.74%	Ossipee NH	32	2.86%
PA	15	2.57%	Kennebunk	31	2.77%
Boston MA	13	2.23%	Saco	31	2.77%
Kennebunk	13	2.23%	Portland	29	2.59%
Westbrook	11	1.89%	Hollis	29	2.59%
Seabrook NH	11	1.89%	Shapleigh	25	2.24%
Sudbury MA	10	1.72%	Eliot	24	2.15%
Sanford	10	1.72%	Lyman	21	1.88%
South Portland	10	1.72%	Londonderry NH	18	1.61%
Farmington NH	10	1.72%	North Berwick	15	1.34%
Methuen MA	9	1.54%	Casco	14	1.25%
Kennebunkport	8	1.37%	Gray	12	1.07%
Merrimack NH	8	1.37%	Berwick	12	1.07%
Chelsea MA	7	1.20%	Haverhill MA	10	0.89%
Woburn MA	7	1.20%	Arundel	9	0.81%
Marlborough MA	6	1.03%	Waterboro	9	0.81%
North Berwick	6	1.03%	Old Orchard Beach	8	0.72%
PA	5	0.86%	Hampton NH	8	0.72%
Chelmsford MA	4	0.69%	Phippsburg	7	0.63%
Concord MA	4	0.69%	Alfred	5	0.45%
Watertown MA	4	0.69%	Madbury NH	5	0.45%
FL	3	0.51%	Dayton	3	0.27%
Cambridge MA	3	0.51%	Total	1,118	100.00%
Manchester NH	3	0.51%			
New Castle NH	3	0.51%			
Melrose MA	2	0.34%			
Total	583	100.00%			

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

ECONOMIC CHARACTERISTICS

Population	Town of Ogunquit	% Change Since Prior Census		
		Town	State	USA
1980	1,492	58.1%	13.4%	11.4%
1990	974	(34.7)	9.2	9.8
2000	1,226	25.9	9.2	9.8
2010	892	(27.2)	4.2	8.9
2020	1,577	76.8	1.2	6.3

Population Characteristics	Town of Ogunquit	York County	State of Maine	USA
Median age (years)	64.9	45.4	44.8	38.6
% under 5 years	0.5%	4.5%	4.5%	5.7%
% under 18 years	8.4%	18.1%	18.4%	22.2%
% 65 and over	49.7%	21.6%	21.7%	16.8%
Persons/household	2.59	2.36	2.31	2.60

Income	Town of Ogunquit	York County	State of Maine	USA
Median household income	\$100,455	\$73,856	\$63,182	\$69,021
% below poverty level	3.1%	8.3%	11.5%	11.6%
Per capita income	\$34,289	\$39,450	\$36,171	\$37,638

Housing	Town of Ogunquit	York County	State of Maine	USA
% owner occupied	88.5%	75.0%	73.4%	64.6%
Owner occupied med. value	\$649,500	\$278,900	\$212,100	\$244,900
Median gross rent	\$1,783	\$1,090	\$927	\$1,163
Households	582	87,914	571,064	-

SOURCE: 2020 Census, U.S. Department of Commerce, Bureau of the Census.
https://data.census.gov/profile/Ogunquit_town,_York_County,_Maine?

Unemployment	Town of Ogunquit	York County	State of Maine	USA
2023	4.3%	2.6%	2.9%	3.6%
2022	4.5	2.7	3.0	3.6
2021	6.4	4.5	4.6	5.5
2020	9.3	5.4	5.4	8.1
2019	4.1	2.7	3.0	3.7
2018	4.5	3.0	3.4	3.9
2017	5.8	2.9	3.3	4.4
2016	5.2	3.4	3.9	4.9
2015	6.7	3.9	4.4	5.3
2014	8.9	5.3	5.7	6.2

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

TOWN FINANCES

BUDGETARY PROCESS

Section 310.16 of the Town's Charter requires that the Select Board adopt an annual budget and recommend it to the Town Meeting for approval. Section 502 of the Charter establishes that the fiscal year of the Town shall begin on the first day of July and terminate on the last day of June of each year. Charter. 502.1 provides that the Town collect real estate taxes on a semi-annual basis. Article V, Section 503 provides for a budget process. The Town Manager, assisted by input from each department head and chair of Town boards, submits a five-year capital improvement plan, the annual budget, and any special funding requests to the Select Board. The Select Board will then, with the collaboration and advice of a Budget Review Committee, review and revise, if necessary, and finalize the budget for presentation at the Annual Town Meeting. Prior to finalizing the budget, the Select Board holds a public hearing on its proposed budget at least 30 days prior to the Annual Town Meeting vote. The budget is presented to the voters by the Select Board in the form of warrant articles for an appropriation. Each budget article presented is accompanied by recommendations from the Select Board and the Budget Review Committee, which is printed in the warrant for the Annual Town Meeting and on the Annual Budget Referendum ballot. If any item fails to pass, it shall be funded at the previous year's approved amount with a notation stating that the prior year's appropriation shall be included on the warrant article. In the event a budget item appearing on the ballot for the first time or a petitioned article is not approved by a plurality vote, the item shall receive no funding. In the case of petitioned warrant articles or special funding requests for budgetary items to be voted at a Special Town Meeting, the procedures required and the only public hearing shall be as otherwise set forth in Title 30-A Section 2528.5 of the Maine Revised Statutes, as amended. No defeated warrant article shall be reconsidered until the next Annual Town Meeting.

Budgets for Fiscal Year Ending June 30,

REVENUES	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Property taxes	\$11,662,286	\$11,756,466	\$12,068,706	\$12,823,997	\$13,169,655
Excise taxes	426,000	416,000	417,000	418,000	450,000
Intergovernmental	65,895	209,657	68,812	30,675	55,800
Charges for services	2,599,035	1,585,700	2,698,038	3,071,350	3,638,684
Investment income	90,000	20,000	6,000	6,000	6,000
Interest on taxes	18,000	10,000	15,000	17,000	17,000
Miscellaneous	<u>112,800</u>	<u>56,000</u>	<u>183,550</u>	<u>69,800</u>	<u>106,967</u>
TOTAL REVENUES	14,974,016	14,053,823	15,457,106	16,436,822	17,444,106
General government	1,416,133	1,163,379	1,163,048	1,386,123	1,617,175
Public safety	3,341,227	4,072,726	4,172,933	4,425,673	4,761,300
Public works	2,263,163	1,703,910	1,724,674	1,873,584	1,941,472
Recreation and culture	902,041	121,205	144,424	186,917	208,228
Health and welfare	2,000	2,000	2,000	2,000	2,000
Social services	8,500	11,500	20,500	14,392	35,500
Land use	0	379,236	392,602	537,941	527,733
Education	5,475,468	5,523,301	5,701,542	5,731,655	5,916,522
County tax	763,028	766,590	795,289	817,146	852,482
Debt service	918,899	989,391	1,109,807	1,237,345	1,189,047
Unclassified	61,057	659,428	611,582	425,952	447,647
Transfers to other	457,500	201,500	1,249,071	503,000	298,000
TOTAL EXPENDITURES	<u>15,609,016</u>	<u>15,594,166</u>	<u>17,087,472</u>	<u>17,141,728</u>	<u>17,797,106</u>
Use of fund balance	\$635,000	\$1,540,343	\$1,630,366	\$704,906	\$353,000

SOURCE: Schedule 1 of respective years' Audited Financial Statements

REVENUES FROM THE STATE

The State provides revenue to the Town in a number of areas including aid to the Town in a number of areas including 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 are subject to appropriation by the State Legislature in its budgetary process. The following table displays revenue received by the Town from the State for the last five audited fiscal periods. Revenues received by the Town from the State in future years could be less than any of the amounts set forth in the following table.

Fiscal Yr. End <u>June 30,</u>	State Revenue <u>Sharing</u>	Homestead <u>Reimbursements</u>	Local <u>Road</u>	Total From <u>State</u>
2023	\$60,009	\$40,728	\$16,044	\$116,781
2022	51,234	29,899	16,132	97,265
2021	35,651	54,755	14,908	105,314
2020	24,276	31,990	16,000	72,266
2019	17,652	27,084	15,520	60,256

PROPERTY TAX LEVY LIMIT

As previous discussed, unless the Town follows certain procedural requirements under Title 30-A, Section 5721-A of the Maine Revised Statutes, as amended the Town is limited to an increase in the Town's property tax levy from one year to the next to an amount not more than its Municipal Property Tax Levy Limit (see "THE BONDS - SOURCE OF PAYMENT AND REMEDIES - Limitation on Municipal Property Tax Levy" herein). The Municipal Property Tax Limit for subsequent fiscal years is the Municipal Property Tax Levy Limit for the preceding year multiplied by the Growth Limitation Factor. Therefore, in cases where the amount of the prior year's Municipal Property Tax Levy Limit exceeds the amount of the Town's actual property tax levy ("Property Tax Levy"), the Town may carry-forward that difference in establishing its future years' property tax levy. The following table displays the Town's limitation on Municipal Property Tax Levy:

Fiscal year:	<u>2019/2020</u>	<u>2020/2021</u>	<u>2021/2022</u>	<u>2022/2023</u>	<u>2023/2024</u>
State Personal Income Factor:	2.77%	2.89%	3.30%	3.78%	4.31%
Town Property Growth Factor:	<u>0.51%</u>	<u>0.97%</u>	<u>0.68%</u>	<u>0.72%</u>	<u>0.74%</u>
Growth Limitation Factor:	3.28%	3.86%	3.98%	4.50%	5.05%
Property Tax Levy Limit:	5,885,015	6,112,177	6,355,442	6,641,437	6,976,829
Property Tax Levy:	<u>5,362,733</u>	<u>5,399,001</u>	<u>5,507,643</u>	<u>6,129,858</u>	<u>6,298,729</u>
Over/(below) Property Tax Levy Limit:	(\$522,282)	(\$713,176)	(\$847,799)	(\$511,579)	(\$678,100)

As previously mentioned⁽¹⁾, both chambers of the Second Regular Session of the 131st Legislature passed and, on April 9, 2024, Governor Mills signed into law LD 2102, a bill to amend Title 30-A, Section 5681(1)(8) of the Maine Revised Statutes and repeal Title 30-A, Section 5721-A of the Maine Revised Statutes, that had placed limitations on municipal property tax collection commonly referred to as "LD 1". Pursuant to the Maine Constitution, Article IV(3)(16) this action becomes effective 90 days after the legislative session is recessed. Until the effective date, Section 5721-A continues to be law at which time it will be repealed.

NOTE: ⁽¹⁾ See "THE BONDS – SOURCE OF PAYMENTS AND REMEDIES - Limitation on Municipal Property Tax Levy" and "Repealing the Law" herein.

FUND BALANCE POLICY

On April 7, 2024, the Town established, and follows, a formal policy recognizing the importance of maintaining an appropriate level of Unassigned Fund Balance. After evaluating the Town's operating characteristics, diversity of tax base, reliability of non-property tax revenue sources, working capital needs, impact on bond rating, State and local economic outlooks, emergency and disaster risk, and other contingent issues, the Town establishes the following goals regarding the Unassigned Fund Balance of the General Fund for the Town:

- The level of fund balance that the Town strives to maintain as unassigned is an amount equal to 25% of the Town's Tax Commitment, (i.e., an amount equal to two (2) months' operating expenses from the then current operating budget).
- Once the Town achieves its goal of an appropriate level of Unassigned Fund Balance, any excess funds may, and should, be utilized for other municipal fiscal purposes, including, without limitation, additional capital improvement needs including reserve funding, as well as tax rate stabilization or reduction purposes. (e.g., by utilizing excess fund balances for capital improvements and reserve funding, the Town will reduce the need to incur long-term debt and will avoid creating an operating funding gap for subsequent fiscal years).

This policy has been adopted by the Town to recognize the financial importance of a stable and sufficient level of the Unassigned Fund Balance. However, the Town reserves the right to appropriate funds from the Unassigned Fund Balance for emergencies and other requirements the Town believes to be in the best interest of the Town

Fund Balance as % Expenditures (for Fiscal Year Ended June 30.)

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Assigned and Unassigned General Fund Balance	\$3,962,909	\$3,255,074	\$4,499,109	\$4,379,162	\$5,298,697
Total Budgeted Tax Commitment	11,474,537	11,662,286	11,756,467	12,068,706	12,823,997
Fund Balance as % Tax Commitment	34.54%	27.91%	38.27%	36.29%	41.32%
Unassigned General Fund Balance	\$3,327,909	\$1,810,074	\$3,984,109	\$4,237,362	\$5,298,697
Total Budgeted Tax Commitment	11,474,537	11,662,286	11,756,467	12,068,706	12,823,997
Fund Balance as % Tax Commitment	29.00%	15.52%	33.89%	35.11%	41.32%

CAPITAL IMPROVEMENT PLAN

Section 503.1 of the Charter provides that the Town Manager, assisted by input from each department head and chair of Town boards, shall submit a five-year capital improvement plan ("CIP") to the Select Board. The CIP is presented each year with the Town's annual operating budget and posted on its website. The Town has presented a 10-year CIP, beginning in FY25, which aims to provide more insight to the community than is required by policy. The Select Board and the Budget Review Committee deliberate jointly on the capital plan beginning in November of each year to finalize the items before presenting articles to the voters in June at the Annual Town Meeting. After the audit has been completed and the Unassigned Fund Balance has been reviewed, as part of the Unassigned Fund Balance Policy, as well as the Reserves Policy, specific reserves may be included on the Special Town Meeting in November for reserve funding from the unassigned fund. The Town has a robust cash reserve balance for funding unanticipated items as well as repair/maintenance and replacement of essential assets. The Town's CIP is intended to provide a blueprint to manage the Town's investment in its infrastructure, facilities, technology, buildings, equipment, and natural assets in a way that protects the Town's capital assets, provides fiscal stability, and prepares the Town to address and meet future community needs.

INVESTMENT POLICY

On March 7, 2024, the Town established, and follows, a formal Investment Policy. Pursuant to its policy and applicable Maine law [Title 30-A, Section 5706 et seq. of the Maine Revised Statutes, as amended (the “Act”)] all investments of the Town must be made with the judgment and care that persons of prudence, discretion and intelligence, under circumstances then prevailing, exercise in the management of their own affairs, not for speculation but for investment considering (i) safety of principal and maintenance of capital, (ii) maintenance of sufficient liquidity to meet all operating and cash requirements with which a fund is charged, that is reasonably expected, and (iii) return of income commensurate with avoidance of unreasonable risk. Under its policy, the Town’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 Town is invested principally in direct obligations of the United States government and its agencies. The Town is not invested in any obligations typically referred to as derivatives, meaning obligations created from, or whose value depends on or is derived from the value of one or more underlying assets or indexes of asset values in which the municipality owns no direct interest.

FINANCIAL STATEMENTS

Title 30-A, Chapter 223, Subchapter VIII of the Maine Revised Statutes, as amended, and Sections 310.6 and Section 506 of the Town’s Charter provide for independent annual audits of the Town’s accounts and establishes procedures for such audits. The Town, in conformance with this statute and its Charter currently engages the services of RHR Smith & Company (“RHR Smith”), Certified Public Accountants for this review. The Town’s fiscal year 2023 Annual Financial Report, audited by RHR Smith is presented as APPENDIX A to this Official Statement. The Town has not requested the consent of RHR Smith for the incorporation of the Financial Statements A, nor has it been received.

FUNDS

The accounts of the Town are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds. The Town has the following fund types:

Governmental Funds. The focus of the governmental funds’ measurement (in the fund statements) is upon determination of financial position (sources, uses and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Town:

The ***General Fund*** is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

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

Permanent Funds are used to account for assets held by the Town pursuant to a trust agreement. The principal portion of this fund type must remain intact, but the earnings may be used to achieve the objectives of the fund.

Proprietary Funds. The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position and cash flows. The generally accepted accounting principles applicable are those similar to business in the private sector. Operating revenues include charges for services, intergovernmental reimbursements and other miscellaneous fees which are a direct result of the proprietary activity. Non-operating revenues are any revenues which are generated outside of the general proprietary activity (i.e., interest income). The following is a description of the proprietary funds of the Town:

Enterprise funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, to be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs.

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore are not able to support Town programs. The reporting focus is on net assets and changes in net assets and are reported using accounting principles similar to proprietary funds.

**TOWN OF OGUNQUIT
COMPARATIVE BALANCE SHEET
GENERAL FUND**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
ASSETS					
Cash and equivalents	\$4,799,587	\$3,760,215	\$4,656,952	\$3,389,230	\$4,387,606
Receivables:					
Taxes	582,294	580,268	302,109	911,188	384,689
Liens	44,157	61,415	66,944	78,089	50,612
Other	167,669	324,074	285,753	319,376	233,390
Prepaid items	75,820	49,771	128,618	63,970	103,189
Due from other funds	<u>2,721,099</u>	<u>2,739,363</u>	<u>1,662,007</u>	<u>1,626,915</u>	<u>701,865</u>
TOTAL ASSETS	8,390,626	7,515,106	7,102,383	6,388,768	5,861,351
LIABILITIES					
Accounts payable	108,707	441,845	252,627	204,983	202,823
Accrued expenses	114,742	176,055	149,980	205,579	169,711
Due to other funds	<u>2,234,770</u>	<u>1,951,244</u>	<u>1,522,572</u>	<u>1,502,232</u>	<u>1,265,789</u>
TOTAL LIABILITIES	2,458,219	2,569,144	1,925,179	1,912,794	1,638,323
DEFERRALS					
Prepaid taxes	17,440	36,929	524	0	0
Deferred revenues	<u>187,450</u>	<u>222,100</u>	<u>266,933</u>	<u>156,930</u>	<u>156,930</u>
TOTAL DEFERRALS	204,890	259,029	267,457	156,930	156,930
FUND EQUITY					
Non-spendable	75,820	49,771	128,618	63,970	103,189
Restricted	0	0	0	0	0
Committed	353,000	258,000	282,200	0	0
Assigned	0	141,800	515,000	1,445,000	635,000
Unassigned	<u>5,298,697</u>	<u>4,237,362</u>	<u>3,984,109</u>	<u>2,810,074</u>	<u>3,327,909</u>
TOTAL FUND EQUITY	5,727,517	4,686,933	4,909,927	4,319,044	4,066,098
TOTAL LIABILITIES AND FUND EQUITY	<u>\$8,390,626</u>	<u>\$7,515,106</u>	<u>\$7,102,563</u>	<u>\$6,388,768</u>	<u>\$5,861,351</u>

Prepared from Audited Financial Statements

TOWN OF OGUNQUIT
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GENERAL FUND

(For the Years Ended June 30,)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
REVENUES					
Taxes:					
Property taxes	\$12,858,450	\$12,117,376	\$11,748,010	\$11,684,588	\$11,488,068
Excise taxes	463,214	465,988	477,858	392,297	436,767
Intergovernmental	118,832	102,264	228,951	142,467	76,968
Charges for services	4,077,462	3,782,195	3,451,721	3,004,114	2,978,932
Miscellaneous	<u>182,078</u>	<u>103,939</u>	<u>185,193</u>	<u>152,707</u>	<u>253,585</u>
TOTAL REVENUES	17,700,036	16,571,762	16,091,733	15,376,173	15,234,320
EXPENDITURES					
General government	1,387,599	1,179,821	1,181,971	1,392,322	1,526,601
Public safety	4,390,319	4,018,793	4,150,133	3,166,387	3,067,678
Public works	1,762,494	1,725,920	1,622,209	2,077,983	2,026,279
Recreation and culture	182,590	130,681	129,401	833,876	722,510
Health and welfare	988	0	1,343	0	0
Social services	14,892	20,000	11,500	8,500	8,000
Land use	452,325	391,070	361,878	0	0
Education	5,731,655	5,701,542	5,523,301	5,475,468	5,401,454
County tax	817,146	795,289	766,590	763,028	716,034
Unclassified	389,113	472,885	563,327	73,869	21,214
Debt service	<u>1,166,590</u>	<u>1,109,504</u>	<u>989,327</u>	<u>919,274</u>	<u>874,809</u>
TOTAL EXPENDITURES	16,295,711	15,545,505	15,300,980	14,710,707	14,364,579
EXCESS OF REVENUES OVER EXPENDITURES	1,404,325	1,026,257	790,753	665,466	869,741
OTHER FINANCING SOURCES:					
Operating transfers in	0	0	1,450	64,980	1,450
Operating transfers out	<u>(503,000)</u>	<u>(1,249,071)</u>	<u>(201,500)</u>	<u>(477,500)</u>	<u>(979,369)</u>
TOTAL OTHER	(503,000)	(1,249,071)	(200,050)	(412,520)	(977,919)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	901,325	(222,814)	590,703	252,946	(108,178)
FUND BALANCE, JULY 1	<u>4,826,192</u>	<u>4,909,747</u>	<u>4,319,044</u>	<u>4,066,098</u>	<u>4,174,276</u>
FUND BALANCE, JUNE 30	<u>\$5,727,517</u>	<u>\$4,686,933</u>	<u>\$4,909,747</u>	<u>\$4,319,044</u>	<u>\$4,066,098</u>

Prepared from Audited Financial Statements

PROPERTY TAXATION

The principal tax of the Town 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 Town's Tax Collector receives the tax commitment from the Town Assessor, with assessed values as of April 1 of each year, after which time the tax bills are mailed. For fiscal year 2023/2024 the taxes due are October 15, 2023 and April 15, 2024. All taxes paid after the due date are subject to interest, established under 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 Town.

Real Estate Taxes

Collection of real estate taxes is ordinarily enforced in the Town 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 Town.

Business Personal Property Taxes

In 2006 the Maine Legislature enacted LD 2056, codified as Title 36, Chapter 105, Subchapter 4-C of the Maine Revised Statutes, as amended, which exempts from taxation, beginning with the April 1, 2008 tax year, most 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.

Through the Business Equipment Tax Exemption Program ("BETE") 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 if it provides a higher level of reimbursement in any year than the basic reimbursement formula. Those municipalities will be eligible to receive the 50% minimum reimbursement plus 50% of their tax base percentage that is made up of personal property. For example, if a town's tax base is 64% personal property, it would be eligible for a reimbursement rate of 82%, which is a combination of the minimum 50% reimbursement *plus* one-half of that municipality's 64% "personal property factor".
3. Municipal Retention TIF Districts – Certain TIF districts that were enacted prior to April 1, 2008 entitle a municipality to receive reimbursement at a rate of up to 100% for exempt business equipment that is TIF exempt business equipment as defined in Title 36, Section 691(1)(G) of the

Maine Revised Statutes, as amended. The increased reimbursement percentage is based on the tax increment percentage allocated to the municipality, as provided in Title 36, Section 694(2)(C) of the Maine Revised Statutes, as amended.

For the purposes of identifying the municipality's valuation for determining the local property tax rate, the value of all property made exempt by this legislation in the municipality must be considered part of that municipality's local valuation to the extent the municipality is being reimbursed for its lost property taxes by the State with an additional adjustment for property in a tax increment financing district.

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

Tax Increment Financing Districts and Affordable Housing Development Districts

Chapter 206 and former 207 (now repealed) 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 development district") and 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 development districts within a municipality each may not exceed 5% of the total acreage of the municipality, and (c) the aggregate equalized value of property of all TIF districts and all housing development 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 exceed 5% of the municipality's total value of taxable property. Excluded from this limit as applicable to TIF districts is any district involving project costs in excess of \$10,000,000, the geographic area of which consists entirely of contiguous property owned by a single taxpayer with an assessed value in excess of 10% of the municipality's total assessed value. In addition, the foregoing limitations do not apply to approved downtown TIF districts, TIF districts included within Pine Tree Development Zones or TIF districts that consist solely of one or more community wind power generation facilities owned by a community wind power generator that has been certified by the Public Utilities Commission pursuant to Title 35-A, Section 3403, Subsection 3 of the Maine Revised Statutes, as amended.

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

Tax Levy and Collections

Fiscal Yr. End <u>June 30,</u>	Equalized State Valuation <u>(000)</u>	Assessed Valuation <u>(000)</u>	Tax Rate <u>(000)</u>	Tax Levy <u>(000)</u>	Collections (after Supplements and <u>Abatements)</u>
2024	\$2,164,300	\$2,038,646	\$6.46	\$13,169	In Process
2023	2,025,250	2,029,113	6.32	12,823	95.45%
2022	1,797,700	1,482,624	8.14	12,069	95.21%
2021	1,686,350	1,459,595	8.00	11,756	97.46%
2020	1,529,150	1,447,091	8.00	11,622	91.19%
2019	1,466,650	1,439,652	7.91	11,475	96.65%
2018	1,342,100	1,434,315	7.58	10,953	97.85%
2017	1,334,200	1,339,378	8.09	10,853	98.44%
2016	1,296,200	1,329,576	9.07	10,729	97.84%
2015	1,303,550	1,318,256	7.76	10,229	96.23%

Largest Taxpayers

<u>As of April 1, 2023</u>					
<u>Taxpayer</u>	<u>Business</u>	<u>Assessed</u>	<u>Tax</u>	<u>% Levy</u>	
Giri Anchorage Property	Lodging	\$27,614,200	\$178,387.73	1.35%	
Ogunquit Falls	Lodging	19,904,300	128,581.78	0.98%	
Moores Sparhawk Corp	Lodging	15,864,300	102,483.38	0.78%	
Beachmere Family Ltd.	Lodging	13,875,900	89,638.31	0.68%	
74 Property Inc , Giri	Lodging	13,025,800	84,146.67	0.64%	
Lafayette Ogunquit Llc	Lodging	11,540,300	74,550.34	0.57%	
BNC Fiduciary, Llc Trustee	Residential	8,951,000	57,823.46	0.44%	
Gorges Grant Hotel Llc	Lodging	8,497,400	54,893.20	0.42%	
Bevins, Jacqueline G	Mixed use	7,648,500	49,409.31	0.38%	
Juniper Hill Inn Llc	Lodging	<u>7,376,600</u>	<u>47,652.84</u>	<u>0.36%</u>	
Ten Largest Taxpayers		\$134,298,300	\$867,567.02	6.60%	

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, 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 limitations on municipal debt set forth in Section 5702 do not apply to obligations incurred by one or more municipalities pursuant to Title 38, Section 1304-B, with respect to solid waste facilities, which obligations are regulated in the manner set forth in Title 38, Section 1304-B.”

On January 1, 2024, the Town’s equalized state valuation (“equalized State Valuation”) was \$2,164,300,000. The 15% debt limit is \$32,454,500. As of June 30, 2023, the Town’s long-term debt was \$7,358,080 or 0.34% of the equalized State Valuation.

DEBT SUMMARY

FY Year Issued	Date of Issue	Issue Amount	Date of Final Mat	FY End 6/30/2023	(Paid 2024)	FY End 6/30/2024
2004	5/27/2004	\$330,000	11/1/2024	\$33,000	(\$16,500)	\$16,500
2004	10/28/2004	495,000	11/1/2024	49,500	(24,750)	24,750
2005	5/26/2005	400,000	11/1/2025	60,000	(20,000)	40,000
2006	10/26/2006	2,400,000	11/1/2026	480,000	(120,000)	360,000
2008	5/15/2008	2,345,704	11/1/2028	535,714	(89,285)	446,429
2010	10/28/2010	2,227,000	11/1/2030	890,800	(111,350)	779,450
2012	10/25/2012	1,205,000	11/1/2032	570,000	(57,000)	513,000
2013	10/24/2013	443,000	11/1/2033	84,800	(39,800)	45,000
2014	10/23/2014	439,000	11/1/2029	172,666	(24,667)	147,999
2017	5/27/2017	711,650	11/1/2037	356,250	(43,750)	312,500
2018	5/24/2018	381,100	11/1/2028	144,020	(59,020)	85,000
2019	5/23/2019	1,041,600	11/1/2029	686,640	(118,320)	568,320
2020	5/21/2020	2,295,000	11/1/2035	1,963,666	(165,667)	1,797,999
2021	5/20/2021	561,305	11/1/2031	505,173	(56,131)	449,042
2022	5/19/2022	465,156	11/1/2032	465,156	(52,410)	412,746
2023	5/25/2023	360,695	11/1/2033	<u>360,695</u>	<u>0</u>	<u>360,695</u>
	Sub-totals			\$7,358,080	(\$998,649)	\$6,359,431
2024	5/23/2024	12,750,000	5/1/2054			<u>12,750,000</u>
	Totals			<u>\$7,358,080</u>	<u>(\$998,649)</u>	<u>\$19,109,431</u>

DEBT SERVICE COMPONENT OF OPERATING EXPENDITURES

Fiscal Year Ending June 30,

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Total Current Year Debt Service:	\$875,227	\$918,899	\$989,391	\$1,109,807	\$1,237,345
Budgeted Operating Expense:	9,283,991	9,370,520	9,190,775	9,488,275	10,144,521
Debt Service as % Oper. Expenditures	9.43%	9.81%	10.77%	11.70%	12.20%

DEBT RATIOS

The following table sets forth the ratio of bonded debt to equalized State Valuation and per capita debt ratios for the end of the ten most recent fiscal years year:

Fiscal Yr. End June 30,	Population	Equalized State Val. (000)	Assessed Valuation (000)	Total Debt	Debt as % Eq. Val.	Per Capita Debt
2023	1,577	\$2,025,250	\$2,029,113	\$7,358,080	0.36%	\$4,665.87
2022	1,577	1,797,700	1,482,624	7,970,955	0.44%	5,054.51
2021	1,577	1,686,350	1,469,558	8,462,238	0.50%	5,366.04
2020	1,577	1,529,150	1,459,595	8,673,705	0.57%	5,500.13
2019	892	1,466,650	1,447,091	7,055,957	0.48%	7,910.27
2018	892	1,342,100	1,439,652	6,688,590	0.50%	7,498.42
2017	892	1,334,200	1,434,315	6,924,642	0.52%	7,763.05
2016	892	1,296,200	1,329,576	6,799,143	0.52%	7,622.36
2015	892	1,303,550	1,318,256	7,235,294	0.55%	8,111.32
2014	892	1,256,200	1,334,989	7,343,979	0.58%	8,233.16

PROJECTED PRINCIPAL PAYMENTS, BY YEAR OF ISSUE

FY	2004	2004	2005	2006	2008	2010	2012	2013	2014	2017	2018	2019	2020	2021	2022	2023	Sub-total	2024	Total
2022 / 2023	16.5	24.8	20.0	120.0	89.3	111.4	57.0	39.8	24.7	71.1	59.0	118.3	165.7	56.1	0.0	0.0	957.1	0.0	957.1
2023 / 2024	16.5	24.8	20.0	120.0	89.3	111.4	57.0	39.8	24.7	43.8	59.0	118.3	165.7	56.1	52.4	0.0	982.1	0.0	982.1
2024 / 2025	16.5	24.8	20.0	120.0	89.3	111.4	57.0	4.5	24.7	43.8	17.0	118.3	165.7	56.1	52.4	62.4	967.3	490.0	1,457.3
2025 / 2026			20.0	120.0	89.3	111.4	57.0	4.5	24.7	43.8	17.0	90.0	165.7	56.1	52.4	62.4	914.2	490.0	1,404.2
2026 / 2027			0.0	120.0	89.3	111.4	57.0	4.5	24.7	43.8	17.0	90.0	146.7	56.1	52.4	62.4	875.2	490.0	1,365.2
2027 / 2028					89.3	111.4	57.0	4.5	24.7	43.8	17.0	90.0	146.7	56.1	52.4	62.4	755.2	490.0	1,245.2
2028 / 2029					89.3	111.4	57.0	4.5	24.7	13.8	17.0	90.0	146.7	56.1	40.6	62.4	713.4	490.0	1,203.4
2029 / 2030						111.4	57.0	4.5	24.7	13.8		90.0	146.7	56.1	40.6	9.7	554.4	475.0	1,029.4
2030 / 2031						111.4	57.0	4.5		13.8			146.7	56.1	40.6	9.7	439.7	475.0	914.7
2031 / 2032							57.0	4.5		13.8			146.7	56.1	40.6	9.7	328.4	450.0	778.4
2032 / 2033							57.0	4.5		13.8			146.7		40.6	9.7	272.2	450.0	722.2
2033 / 2034								4.5		13.8			146.7			9.7	174.6	450.0	624.6
2034 / 2035										13.8			146.7				160.4	400.0	560.4
2035 / 2036										13.8			146.7				160.4	400.0	560.4
2036 / 2037										13.8							13.8	400.0	413.8
2037 / 2038										13.8							13.8	400.0	413.8
2038 / 2039																		400.0	400.0
2039 / 2040																		400.0	400.0
2040 / 2041																		400.0	400.0
2041 / 2042																		400.0	400.0
2042 / 2043																		400.0	400.0
2043 / 2044																		400.0	400.0
2044 / 2045																		400.0	400.0
2045 / 2046																		400.0	400.0
2046 / 2047																		400.0	400.0
2047 / 2048																		400.0	400.0
2048 / 2049																		400.0	400.0
2049 / 2050																		400.0	400.0
2050 / 2051																		400.0	400.0
2051 / 2052																		400.0	400.0
2052 / 2053																		400.0	400.0
2053 / 2054																		400.0	400.0
6/30/2022	49.5	74.3	80.0	600.0	625.0	1,002.2	627.0	124.6	197.3	427.3	203.0	805.0	2,129.3	561.3	465.2	360.7	8,331.7	12,750.0	21,032.2
paid 2022	(16.5)	(24.8)	(20.0)	(120.0)	(89.3)	(111.4)	(57.0)	(39.8)	(24.7)	(71.1)	(59.0)	(118.3)	(165.7)	(56.1)	0.0	0.0	(973.6)	0.0	
6/30/2023	33.0	49.5	60.0	480.0	535.7	890.8	570.0	84.8	172.7	356.3	144.0	686.6	1,963.7	505.2	465.2	360.7	7,358.1	12,750.0	

PROJECTED DEBT SERVICE REQUIREMENTS

Fiscal Yr. End June 30,	Prior Debt			Projected Debt (This Issue)			
	Principal	Interest	Total Prior	Pro-forma			Total Debt Service
				Principal	Interest	Total	
2023	\$973,569	\$176,134	\$1,149,704	\$0	\$0	\$0	\$1,149,704
2024	998,649	164,241	1,162,890	0	0	0	1,162,890
2025	983,770	135,095	1,118,865	490,000	478,833	968,833	2,087,698
2026	914,201	131,966	1,046,167	490,000	490,400	980,400	2,026,567
2027	875,201	92,609	967,810	490,000	470,800	960,800	1,928,610
2028	755,201	78,857	834,058	490,000	451,200	941,200	1,775,258
2029	713,412	61,823	775,236	490,000	431,600	921,600	1,696,836
2030	554,384	47,865	602,248	475,000	412,000	887,000	1,489,248
2031	439,717	35,628	475,345	475,000	393,000	868,000	1,343,345
2032	328,367	27,152	355,519	450,000	374,000	824,000	1,179,519
2033	272,237	19,117	291,354	450,000	356,000	806,000	1,097,354
2034	174,615	12,748	187,364	450,000	338,000	788,000	975,364
2035	160,417	8,065	168,482	400,000	320,000	720,000	888,482
2036	160,412	3,432	163,844	400,000	304,000	704,000	867,844
2037	13,750	804	14,554	400,000	288,000	688,000	702,554
2038	13,750	269	14,019	400,000	272,000	672,000	686,019
2039				400,000	256,000	656,000	656,000
2040				400,000	240,000	640,000	640,000
2041				400,000	224,000	624,000	624,000
2042				400,000	208,000	608,000	608,000
2043				400,000	192,000	592,000	592,000
2044				400,000	176,000	576,000	576,000
2045				400,000	160,000	560,000	560,000
2046				400,000	144,000	544,000	544,000
2047				400,000	128,000	528,000	528,000
2048				400,000	112,000	512,000	512,000
2049				400,000	96,000	496,000	496,000
2050				400,000	80,000	480,000	480,000
2051				400,000	64,000	464,000	464,000
2052				400,000	48,000	448,000	448,000
2053				400,000	32,000	432,000	432,000
2054				400,000	16,000	416,000	416,000
	\$8,331,651	\$995,806	\$9,327,457	\$12,750,000	\$7,555,833	\$20,305,833	\$29,633,292

OVERLAPPING DEBT

County of York

The Town is subject to an annual assessment of its proportional share of the County of York's (the "County") expenses, including debt repayment, as determined by the percentage of the Town's equalized State Valuation to the County's equalized State Valuation. At January 1, 2024 the Town's equalized State Valuation of \$2,164,300,000 is 3.94% of the County's equalized State Valuation of \$54,940,300,000. As of June 30, 2023, the County had \$0 long-term debt outstanding.

Wells-Ogunquit CSD

For the fiscal year 2023/2024 the Town is assessed \$5,916,521.859 (or 21.383%) of Wells-Ogunquit CSD's assessment of \$27,548,199. The Town is responsible for its proportionate share of Wells-Ogunquit CSD's long-term debt, the debt service being included in the district's annual assessment to the Town. Wells-Ogunquit CSD's long-term debt for the fiscal year ended June 30, 2023 was \$16,587,061. The Town's proportionate share is approximately \$5,095,545, or 30.72%.

CONTINGENT DEBT

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

TOTAL GENERAL OBLIGATION, OVERLAPPING AND CONTINGENT DEBT

	<u>Direct Debt</u>	<u>Overlapping</u>	<u>Contingent</u>	<u>Total Debt</u>
Town of Ogunquit	\$7,358,080			\$7,358,080
County of York		0		0
Wells-Ogunquit CSD		5,095,545		5,095,545
Total A/O June 30, 2023	\$7,358,080	\$5,095,545	\$0	\$12,453,625
Debt as % 2024 Eq State Val.	0.34%	0.24%	0.00%	0.58%
Per Capita Debt	\$4,665.87	\$3,231.16	\$0.00	\$7,897.04

FUTURE FINANCING

The Town Manager develops a formal Capital Improvement Program that is submitted to the Town's Select Board (see "TOWN FINANCES - CAPITAL IMPROVEMENT PROGRAM" herein). The CIP includes an inventory of possible capital projects, some of which may ultimately be included in the CIP, and is an indication of future projects that may be financed through the issuance of debt. Through its Town Meeting's the Town's voters must approve orders issuing debt.

Other than the Bonds of this financing, the Town has no authorized but un-issued debt that it expects to finance through bond issues over the next year.

RETIREMENT

A. DEFINED BENEFIT PENSION PLAN

For its participating municipal employees, the Town 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").

The PLD Plan provides 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). 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.

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.maineopers.org.

The Town reports on the benefits provided and the contributions to the pension plans, associated pension liabilities, pension expense, deferred outflows and deferred inflows of resources related to pensions, as well as the actuarial methodology and assumptions in its Annual Financial Report. See “APPENDIX A – TOWN OF OGUNQUIT, MAINE, ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2023”, Note 20, pages 50 et seq. herein.

B. DEFINED CONTRIBUTION PLAN

MissionSquare Retirement

Ann employee may choose to remain in or may choose the MissionSquare Retirement plan, a Defined Contribution Plan, as their plan of choice for the Town’s contribution. An employee so electing will have their contribution made to a Mission Square 401 Plan, and the Town’s contribution, will be made to a MissionSquare 401 Plan. The plan is administered by MissionSquare Retirement.

Plan provisions and contribution requirements are established and may be amended by the Selectboard. Under the 401 plan, the Town is required to contribute an 8% match. The Town’s contributions for employees follows a three-year vesting policy. The Town Manger is excluded from the vesting period. The Town’s contribution vests 100% with the employee when contributed. For the year ended June 30, 2023, there were no employee contributions and the Town recognized pension expense of \$58,060. See “APPENDIX A – TOWN OF OGUNQUIT, MAINE, ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2023, Note 21”, pages 56 et seq. herein.

C. DEFERRED COMPENSATION PLAN

The Town offers its employees a deferred compensation plan through International City Management Association - Retirement Corporation, created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits the employee to defer a portion of salary until future years. Department heads and the police lieutenant are granted a Town match of up to 3.00% of the employees’ earnings. Other employees are not eligible for the Town match, although any employee may participate in the plan with their own contribution. The deferred compensation is not available to employees until termination, retirement, death or unforeseen emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) to be held in a trust for the exclusive benefit of the participants and their beneficiaries. It is the opinion of the Town’s management that the Town has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. See “APPENDIX A – TOWN OF OGUNQUIT, MAINE, ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2023, Note 22”, pages 57 et seq. herein.

D. OTHER POST-EMPLOYMENT BENEFITS

The Town sponsors a post-retirement benefit plan providing healthcare and life insurance benefits to retiring employees (the “OPEB Plan”). The plan is a single-employer defined benefit OPEB plan administered by the Maine Municipal Employees Health Trust (“MMEHT”). Town 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 Town 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 Town makes no actual contributions.

The Town reports on the benefits provided and the contributions for these OPEB plans, as well as the actuarial methodology and assumptions in its Annual Financial Report. See “APPENDIX A – TOWN OF Ogunquit, MAINE, ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2023, Note19”, pages 45 et seq. herein.

ENVIRONMENTAL MATTERS

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

LITIGATION

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

CLIMATE CHANGE

The Town's Comprehensive Plan 1 Chapter X, discusses the Town's awareness and response to *Climate Change & Sea Level Rise*. Ogunquit's identity, economy, and population are inextricably tied to, dependent on, and concentrated along its coastline, making coastal climate impacts of critical concern for the Town. Warming air and ocean temperatures; shifting precipitation patterns; more frequent and intense storm events; sea level rise; increasing risk of drought; habitat loss; reduced bio-diversity; and increasing prevalence of vector-borne diseases such as Lyme are just some of the climate hazards and impacts facing the Town. Climate change may not only exacerbate existing hazards and issues, but also cause new risks and challenges for the Town

The Town's Comprehensive Plan 2, discusses *Sea Level Rise Background*. Sea level rise is a global phenomenon driven by primary factors related to climate change including an increase in the volume of ocean water caused by the melting of land-based ice sheets and glaciers, and thermal expansion of seawater as it is warmed by increasing global temperatures. The sea level in Maine has been rising in the long-term, but over the past few decades the rate of rise has accelerated. Nearly half of the documented sea level rise occurred locally over the past century has happened since 1993.

The Town's Comprehensive Plan 3, *Historically*, discusses how coastal flooding has been the most common type of weather-related disaster in coastal southern Maine. Of local concern is how the impact of power outages from future storms on Ogunquit's population of vulnerable older residents who rely on medical services and equipment that require electricity. That threat is further exacerbated by development pressure throughout the Ogunquit River and Josias River Watersheds and increasing impervious coverage within the region. Beaches, marshes, beach parking areas, cultural and historic resources, coastal roads, water and sewer infrastructure, and the wastewater treatment plant are at risk of flooding. The concentration of residential and commercial development in coastal areas, tourism-based economy, and proximity of significant community resources, like the Marginal Way and Perkins Cove, to the coastline make Ogunquit particularly vulnerable to sea level rise.

The Town's Comprehensive Plan 4, has undertaken efforts to improve its understanding of flood risks of and vulnerabilities to sea level rise by participating in several regional sea level rise and coastal resilience planning projects. Ogunquit's beach and dune areas are not experiencing erosion from year to year, but rather are accreting or growing slightly. From 2017 to 2021, Ogunquit saw strong positive trends in dune and beach change, while the mean dry beach width stayed about the same. From 2020-2021, dry beach width decreased near the river, but increased along most of the beach.

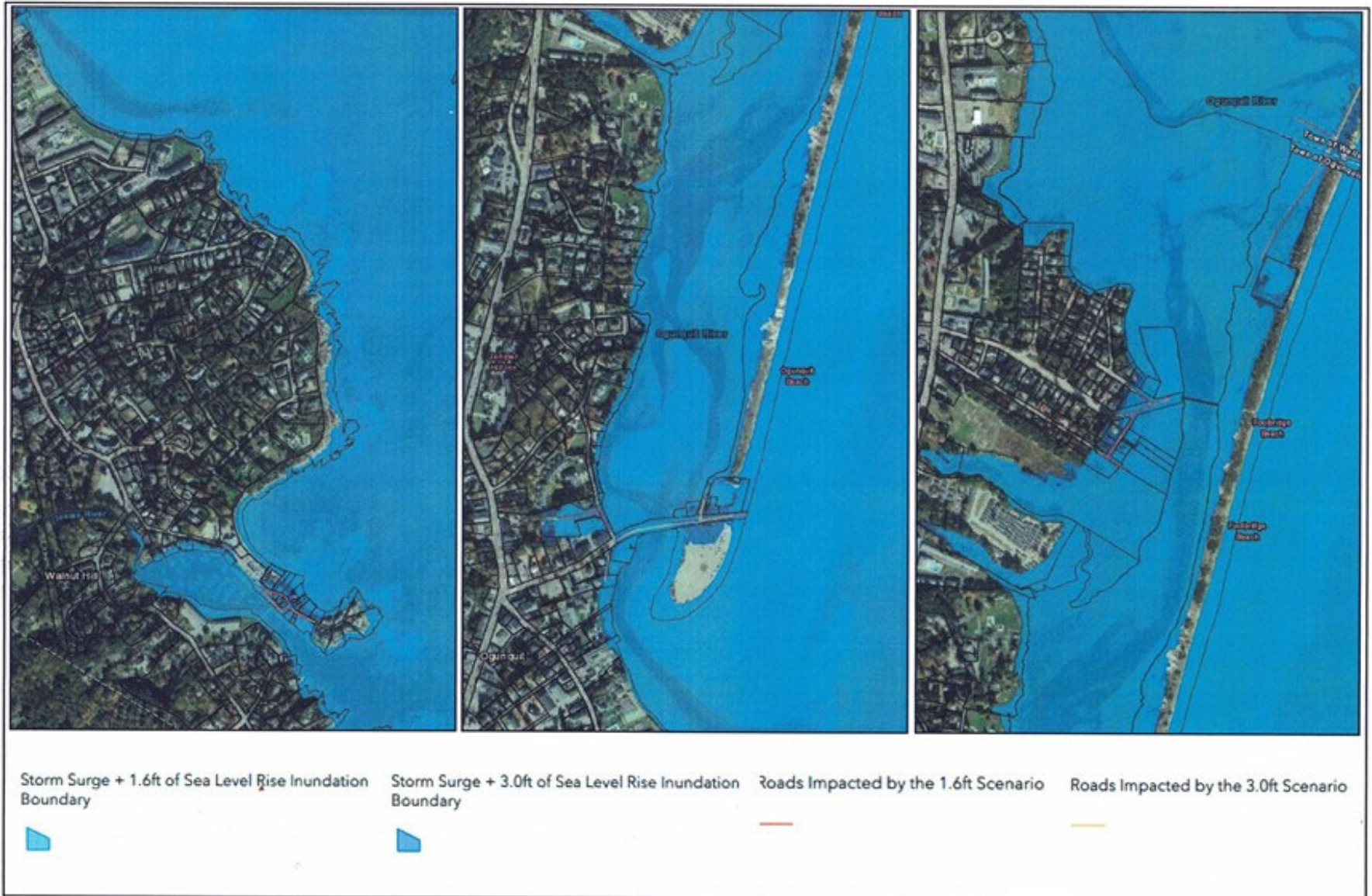
A 2022 study by the Southern Maine Planning & Development Commission found that coastal properties totaling approximately \$98.9 million in assessed value are exposed to flooding from 1.6 feet of sea level rise combined with storm surge. That figure increases to \$112.2 million with 3.0 feet of sea level rise combined with storm surge, representing 10% of the Town's FY21 municipal budget. Ogunquit has 0.7 miles of road vulnerable to 1.6 feet of sea level rise plus storm surge, almost 0.5 miles of which are local roads and pump station are extremely vulnerable to sea level rise. The WWTP, which is located in a coastal sand dune system, is projected to experience significant inundation in the 1.6-foot scenario and is entirely inundated by the 3.0-foot scenario.

The Town's Comprehensive Plan 7 *Storms and Potential Hurricanes* Storms are more intense, due to climate change with heavier rainfall and higher winds. Because of Maine's tidal variation, the potential combination of astronomical tide and storms is concerning. Potential hurricane inundation mapping has been done in Maine through a FEMA grant to Maine's Food Plan Management Office along with consultation with the National Hurricane Partnership representatives on tool development, proposed process and techniques.

Ogunquit is taking action to plan for climate change by participating as a founding member in the Southern Maine Regional Sustainability and Resilience Program; enrolling in the State's Community Resilience Partnership program; undertaking watershed studies and storm water management improvements; conserving important natural areas; participating in regional coastal resilience planning projects. converting streetlights to LEDs; pursuing funding to install solar panels on the Dunaway Center; The Town's Comprehensive Plan 8 Figure 4 Projected inundation from 1.6 and 3.9 feet of sea level rise combined with storm surge from the 1% annual chance event overlayed with Ogunquit parcels. Impacted roads account for bridge elevation, as LiDAR was used to confirm whether a bridge would be overtopped based on bridge deck elevations and the water surface elevations of the inundation scenario. If the inundation boundary appears to 'cover' a bridge, the bridge is only projected to be inundated by water if it is shown as red or orange on the map.

SOURCE: SMPDC. 2022. Economic Resilience Assessment and Plan for Coastal York County.

NOTE: See <https://ogunquit.gov/DocumentCenter/View/475/2018-Comprehensive-Plan->



APPENDIX A

**TOWN OF OGUNQUIT, MAINE
ANNUAL FINANCIAL REPORT
FOR
FISCAL YEAR ENDED JUNE 30, 2023**

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Audited Financial Statements and
Other Financial Information

Town of Ogunquit, Maine

June 30, 2023



Proven Expertise & Integrity

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TOWN OF OGUNQUIT, MAINE

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JUNE 30, 2023

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INDEPENDENT AUDITOR'S REPORT

Selectboard
Town of Ogunquit
Ogunquit, Maine

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Ogunquit, Maine, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Town of Ogunquit, Maine as of June 30, 2023 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation and maintenance of

3 Old Orchard Road, Buxton, Maine 04093
Tel: (800) 300-7708 (207) 929-4606 Fax: (207) 929-4609
www.rhrsmith.com

internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of Financial Statements

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

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Ogunquit, Maine's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise doubt about the Town of Ogunquit, Maine's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension and OPEB information on pages 5 through 11 and 61 through 67 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 18, 2024, on our consideration of the Town of Ogunquit, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Town of Ogunquit, Maine's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Ogunquit, Maine's internal control over financial reporting and compliance.

RHR Smith & Company

Buxton, Maine
March 18, 2024

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

(UNAUDITED)

The following management's discussion and analysis of the Town of Ogunquit, Maine's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2023. Please read it in conjunction with the Town's financial statements.

Financial Statement Overview

The Town of Ogunquit, Maine's basic financial statements include the following components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also includes required supplementary information which consists of the general fund budgetary comparison schedule, OPEB and pension schedules and other supplementary information which includes combining and other schedules.

Basic Financial Statements

The basic financial statements include financial information in two differing views: the government-wide financial statements and the fund financial statements. These basic financial statements also include the notes to financial statements that explain in more detail certain information in the financial statements and also provide the user with the accounting policies used in the preparation of the financial statements.

Government-Wide Financial Statements

The government-wide financial statements provide a broad view of the Town's operations in a manner that is similar to private businesses. These statements provide both short-term as well as long-term information in regards to the Town's financial position. These financial statements are prepared using the accrual basis of accounting. This measurement focus takes into account all revenues and expenses associated with the fiscal year regardless of when cash is received or paid. The government-wide financial statements include the following two statements:

The Statement of Net Position - this statement presents *all* of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference being reported as net position.

The Statement of Activities - this statement presents information that shows how the government's net position changed during the period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

Both of the above-mentioned financial statements have one column for the Town's activity. The type of activity presented for the Town of Ogunquit is:

- *Governmental activities* - The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). All of the Town's basic services are reported in governmental activities, which include general government, public safety, public works and sanitation, recreation and culture, social services, land use, education and unclassified.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Ogunquit, like other local governments uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. All of the funds of the Town of Ogunquit can be classified as governmental funds.

Governmental funds: All of the basic services provided by the Town are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported in governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources. They also focus on the balance of spendable resources available at the end of the fiscal year. Such information will be useful in evaluating the government's near-term financing requirements. This approach is known as the current financial resources measurement focus and the modified accrual basis of accounting. Under this approach, revenues are recorded when cash is received or when susceptible to accrual. Expenditures are recorded when liabilities are incurred and due. These statements provide a detailed short-term view of the Town's finances to assist in determining whether there will be adequate financial resources available to meet the current needs of the Town.

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

The Town of Ogunquit presents four columns in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in

fund balances. The Town's major governmental funds are the general fund, the Unspent Bond Proceeds fund and the FEMA/MEMA fund. All other funds are shown as nonmajor and are combined in the "Other Governmental Funds" column on these statements.

The general fund is the only fund for which the Selectboard and Budget Review Committee review proposed budgets on a line-item basis. The Selectboard and the Budget Review Committee recommend departmental budget totals to the annual Town Meeting for approval and adoption. The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund provides a comparison of the original and final budget and the actual expenditures for the current year.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to Financial Statements can be found following the Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund, Schedule of Changes in Net OPEB Liability, Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Contributions - OPEB, Schedule of Proportionate Share of the Net Pension Liability/(Asset), Schedule of Contributions - Pension and Notes to Required Supplementary Information.

Other Supplementary Information

Other supplementary information follows the required supplementary information. These combining and other schedules provide information in regards to nonmajor funds, other detailed budgetary information for the general fund and capital asset schedules.

Government-Wide Financial Analysis

Our analysis below focuses on the net position and changes in net position of the Town's governmental activities. The Town's total net position for governmental activities increased by \$1,098,477 from \$16,818,518 to \$17,916,995.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - increased for governmental activities to a balance of \$6,462,142 at the end of this year.

Table 1
Town of Ogunquit, Maine
Net Position
June 30,

	Governmental Activities	
	2023	2022 (Restated)
Assets		
Current Assets	\$ 9,566,811	\$ 8,968,452
Noncurrent Assets - Capital Assets	17,837,319	18,255,780
Total Assets	<u>27,404,130</u>	<u>27,224,232</u>
Deferred Outflows of Resources		
Deferred Outflows Related to OPEB	48,279	59,528
Deferred Outflows Related to Pensions	859,326	1,031,849
Total Deferred Outflows of Resources	<u>907,605</u>	<u>1,091,377</u>
Liabilities		
Current Liabilities	1,296,923	1,546,309
Noncurrent Liabilities	8,328,791	7,536,411
Total Liabilities	<u>9,625,714</u>	<u>9,082,720</u>
Deferred Inflows of Resources		
Prepaid Taxes	17,440	36,929
Deferred Inflows Related to OPEB	177,276	188,494
Deferred Inflows Related to Pensions	574,310	2,188,948
Total Deferred Inflows of Resources	<u>769,026</u>	<u>2,414,371</u>
Net Position		
Net Investment in Capital Assets	10,397,269	10,225,235
Restricted for:		
Permanent Funds	1,057,584	1,279,154
Unrestricted	6,462,142	5,314,129
Total Net Position	<u>\$ 17,916,995</u>	<u>\$ 16,818,518</u>

Revenues and Expenses

Revenues for the Town's governmental activities increased by 8.67%, while total expenses increased by 5.03%. The increase in governmental revenues was due to increases in charges for services, taxes, grants and contributions not restricted to specific programs and miscellaneous revenue, while the increase in expenditures was primarily due to increases in all categories with the exception of social services, capital outlay and unallocated depreciation.

Table 2
Town of Ogunquit, Maine
Change in Net Position
For the Years Ended June 30,

	Governmental Activities	
	2023	2022
Revenues		
<i>Program Revenues:</i>		
Charges for services	\$ 4,077,462	\$ 3,782,195
Operating grants and contributions	74,767	271,703
<i>General Revenues:</i>		
Taxes	13,287,014	12,538,531
Grants and contributions not restricted to specific programs	102,788	(338,855)
Miscellaneous	433,098	287,773
Total revenues	<u>17,975,129</u>	<u>16,541,347</u>
Expenses		
General government	1,370,489	891,219
Public safety	4,639,030	4,211,933
Public works and sanitation	2,472,109	2,440,133
Recreation and culture	199,755	148,196
Health and welfare	988	-
Social services	14,892	20,000
Land use	452,325	391,070
Education	5,731,655	5,701,542
County tax	817,146	795,289
Unclassified	561,035	527,953
Capital outlay	312,721	623,688
Interest on long-term debt	193,020	191,065
Unallocated depreciation (Note 5)	111,487	125,902
Total expenses	<u>16,876,652</u>	<u>16,067,990</u>
Change in net position	1,098,477	473,357
Net position - July 1, Restated	<u>16,818,518</u>	<u>16,345,161</u>
Net position - June 30	<u><u>\$ 17,916,995</u></u>	<u><u>\$ 16,818,518</u></u>

Financial Analysis of the Town's Fund Statements

Governmental funds: The financial reporting focus of the Town's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information may be useful in assessing the Town's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's financial position at the end of the year and the net resources available for spending.

Table 3
Town of Ogunquit, Maine
Fund Balances - Governmental Funds
June 30,

	<u>2023</u>	<u>2022 (Restated)</u>	<u>Increase/ (Decrease)</u>
Major Funds:			
General Fund:			
Nonspendable	\$ 75,820	\$ 49,771	\$ 26,049
Committed	353,000	258,000	95,000
Assigned	-	141,800	(141,800)
Unassigned	5,298,697	4,376,621	922,076
Total General Fund	<u>\$ 5,727,517</u>	<u>\$ 4,826,192</u>	<u>\$ 901,325</u>
Unspent Bond Proceeds Fund:			
Restricted	\$ 23,686	\$ 17,410	\$ 6,276
Total Unspent Bond Proceeds Fund	<u>\$ 23,686</u>	<u>\$ 17,410</u>	<u>\$ 6,276</u>
FEMA/MEMA Fund:			
Restricted	\$ 467,663	\$ 473,581	\$ (5,918)
Total FEMA/MEMA Fund	<u>\$ 467,663</u>	<u>\$ 473,581</u>	<u>\$ (5,918)</u>
Nonmajor Funds:			
Special Revenue Funds:			
Restricted	\$ 69,926	\$ 49,123	\$ 20,803
Assigned	222,253	174,060	48,193
Unassigned	(29,188)	(1,950)	(27,238)
Capital Projects Funds:			
Committed	2,168,135	2,197,853	(29,718)
Unassigned	(7,829)	(28,804)	20,975
Permanent Funds:			
Nonspendable	456,559	456,559	-
Restricted	39,750	35,053	4,697
Total Nonmajor Funds	<u>\$ 2,919,606</u>	<u>\$ 2,881,894</u>	<u>\$ 37,712</u>

The changes in total fund balances for the general fund, the unspent bond proceeds fund, the FEMA/MEMA fund and the nonmajor funds occurred due to the regular activities of operations. The general fund did experience a significant increase due to much higher than budgeted charges for service revenue.

Budgetary Highlights

The differences between the original and final budget for the general fund was the use of unassigned fund balance.

The general fund actual revenues exceeded budgeted revenues by \$1,231,714. This was due to all revenue categories being receipted in excess of budgeted amounts.

The general fund actual expenditures were under budget by \$343,017. All expenditure articles were within or under budget with the exception of insurance and benefits and lifeguards.

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2023, the net book value of capital assets recorded by the Town decreased by \$418,461. This decrease was the result of capital additions of \$668,069, less net disposals of \$17,310 and current year depreciation expense of \$1,069,220.

Table 4
Town of Ogunquit, Maine
Capital Assets (Net of Depreciation)
June 30,

	2023	2022 (Restated)
Land and non-depreciable assets	\$ 6,833,564	\$ 6,625,882
Buildings and building improvements	2,983,906	3,194,144
Machinery and equipment	860,476	611,842
Vehicles	1,142,977	1,269,178
Infrastructure	6,016,396	6,554,734
Total	<u>\$ 17,837,319</u>	<u>\$ 18,255,780</u>

Debt

At June 30, 2023, the Town had \$7,639,563 in bonds payable, a mortgage payable outstanding versus \$8,260,202 last year. Refer to Note 6 of Notes to Financial Statements for more detailed information.

Currently Known Facts, Decisions or Conditions

Economic Factors and Next Year's Budgets and Rates

The Town has steadily maintained a sufficient unassigned fund balance to sustain government operations for a period of approximately four months, while also maintaining reserve accounts for capital and program needs.

The Town has also noted a subsequent event as a currently known fact. Refer to Note 26 of Notes to Financial Statements for more detailed information.

Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Treasurer's Office at 23 School Street, P.O. Box 875, Ogunquit, Maine 03907.

TOWN OF OGUNQUIT, MAINE

STATEMENT OF NET POSITION
JUNE 30, 2023

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 8,232,623
Investments	464,248
Accounts receivable (net of allowance for uncollectibles):	
Taxes	582,294
Liens	44,157
Other	167,669
Prepaid items	75,820
Total current assets	<u>9,566,811</u>
Noncurrent assets:	
Capital assets:	
Land and other assets not being depreciated	6,833,564
Buildings and equipment, net of accumulated depreciation	<u>11,003,755</u>
Total noncurrent assets	<u>17,837,319</u>
TOTAL ASSETS	<u>27,404,130</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to OPEB	48,279
Deferred outflows related to pensions	<u>859,326</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>907,605</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 28,311,735</u></u>

STATEMENT A (CONTINUED)

TOWN OF OGUNQUIT, MAINE

STATEMENT OF NET POSITION
JUNE 30, 2023

	<u>Governmental Activities</u>
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 108,707
Accrued expenses	114,742
Current portion of long-term obligations	<u>1,073,474</u>
Total current liabilities	<u>1,296,923</u>
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Bonds payable	6,359,430
Mortgage payable	55,000
Note from direct borrowings payable	171,885
Accrued compensated absences	384,289
Net OPEB liability	137,035
Net pension liability (asset)	<u>1,221,152</u>
Total noncurrent liabilities	<u>8,328,791</u>
TOTAL LIABILITIES	<u>9,625,714</u>
DEFERRED INFLOWS OF RESOURCES	
Prepaid taxes	17,440
Deferred inflows related to OPEB	177,276
Deferred inflows related to pensions	<u>574,310</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>769,026</u>
NET POSITION	
Net investment in capital assets	10,397,269
Restricted	1,057,584
Unrestricted	<u>6,462,142</u>
TOTAL NET POSITION	<u>17,916,995</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u><u>\$ 28,311,735</u></u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF OGUNQUIT, MAINE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental activities:					
General government	\$ 1,370,489	\$ 43,559	\$ -	\$ -	\$ (1,326,930)
Public safety	4,639,030	330,479	-	-	(4,308,551)
Public works and sanitation	2,472,109	215,831	16,044	-	(2,240,234)
Recreation and culture	199,755	3,165,577	-	-	2,965,822
Health and welfare	988	-	-	-	(988)
Social services	14,892	-	-	-	(14,892)
Land use	452,325	322,016	-	-	(130,309)
Education	5,731,655	-	-	-	(5,731,655)
County tax	817,146	-	-	-	(817,146)
Unclassified	561,035	-	58,723	-	(502,312)
Capital outlay	312,721	-	-	-	(312,721)
Interest on long-term debt	193,020	-	-	-	(193,020)
Unallocated depreciation (Note 5)*	111,487	-	-	-	(111,487)
Total governmental activities	<u>\$ 16,876,652</u>	<u>\$ 4,077,462</u>	<u>\$ 74,767</u>	<u>\$ -</u>	<u>(12,724,423)</u>

* This amount excludes the depreciation that is included in the direct expenses of the various programs.

STATEMENT B (CONTINUED)

TOWN OF OGUNQUIT, MAINE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Governmental Activities</u>
Changes in net position:	
Net (expense) revenue	<u>(12,724,423)</u>
General revenues:	
Taxes:	
Property taxes, levied for general purposes	12,823,800
Excise taxes	463,214
Grants and contributions not restricted to specific programs	102,788
Miscellaneous	<u>433,098</u>
Total general revenues	<u>13,822,900</u>
Change in net position	1,098,477
NET POSITION - JULY 1, RESTATED	<u>16,818,518</u>
NET POSITION - JUNE 30	<u><u>\$ 17,916,995</u></u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF OGUNQUIT, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Unspent Bond Proceeds	FEMA/ MEMA	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 4,799,587	\$ 2,637,411	\$ 497,117	\$ 298,508	\$ 8,232,623
Investments	-	-	-	464,248	464,248
Accounts receivable (net of allowance for uncollectibles):					
Taxes	582,294	-	-	-	582,294
Liens	44,157	-	-	-	44,157
Other	167,669	-	-	-	167,669
Prepaid items	75,820	-	-	-	75,820
Due from other funds	2,721,099	-	-	2,234,770	4,955,869
TOTAL ASSETS	<u>\$ 8,390,626</u>	<u>\$ 2,637,411</u>	<u>\$ 497,117</u>	<u>\$ 2,997,526</u>	<u>\$ 14,522,680</u>
LIABILITIES					
Accounts payable	\$ 108,707	\$ -	\$ -	\$ -	\$ 108,707
Accrued expenses	114,742	-	-	-	114,742
Due to other funds	2,234,770	2,613,725	29,454	77,920	4,955,869
TOTAL LIABILITIES	<u>2,458,219</u>	<u>2,613,725</u>	<u>29,454</u>	<u>77,920</u>	<u>5,179,318</u>
DEFERRED INFLOWS OF RESOURCES					
Prepaid taxes	17,440	-	-	-	17,440
Deferred tax revenue	187,450	-	-	-	187,450
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>204,890</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>204,890</u>
FUND BALANCES					
Nonspendable	75,820	-	-	456,559	532,379
Restricted	-	23,686	467,663	109,676	601,025
Committed	353,000	-	-	2,168,135	2,521,135
Assigned	-	-	-	222,253	222,253
Unassigned (deficit)	5,298,697	-	-	(37,017)	5,261,680
TOTAL FUND BALANCES	<u>5,727,517</u>	<u>23,686</u>	<u>467,663</u>	<u>2,919,606</u>	<u>9,138,472</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 8,390,626</u>	<u>\$ 2,637,411</u>	<u>\$ 497,117</u>	<u>\$ 2,997,526</u>	<u>\$ 14,522,680</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF OGUNQUIT, MAINE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

	Total Governmental Funds
Total Fund Balances	\$ 9,138,472
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	17,837,319
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds shown above:	
Taxes and liens receivable	187,450
Deferred outflows of resources related to OPEB are not financial resources and therefore are not reported in the funds	48,279
Deferred outflows of resources related to pensions are not financial resources and therefore are not reported in the funds	859,326
Long-term obligations shown below, are not due and payable in the current period and therefore are not reported in the funds shown above:	
Bonds payable	(7,358,080)
Mortgage payable	(66,000)
Note from direct borrowings payable	(215,483)
Accrued compensated absences	(404,515)
Net OPEB (liability)	(137,035)
Net pension asset (liability)	(1,221,152)
Deferred inflows of resources related to OPEB are not financial resources and therefore are not reported in the funds	(177,276)
Deferred inflows of resources related to pensions are not financial resources and therefore are not reported in the funds	(574,310)
Net position of governmental activities	<u>\$ 17,916,995</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF OGUNQUIT, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	Unspent Bond Proceeds	FEMA/ MEMA	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes:					
Property taxes	\$ 12,858,450	\$ -	\$ -	\$ -	\$ 12,858,450
Excise taxes	463,214	-	-	-	463,214
Intergovernmental revenues	118,832	-	-	58,723	177,555
Charges for services	4,077,462	-	-	-	4,077,462
Miscellaneous revenues	182,078	6,276	23,536	221,208	433,098
TOTAL REVENUES	17,700,036	6,276	23,536	279,931	18,009,779
EXPENDITURES					
Current:					
General government	1,387,599	-	-	-	1,387,599
Public safety	4,390,319	-	-	-	4,390,319
Public works and sanitation	1,762,494	-	-	-	1,762,494
Recreation and culture	182,590	-	-	-	182,590
Health and welfare	988	-	-	-	988
Social services	14,892	-	-	-	14,892
Land use	452,325	-	-	-	452,325
Education	5,731,655	-	-	-	5,731,655
County tax	817,146	-	-	-	817,146
Unclassified	389,113	-	-	211,922	601,035
Debt service:					
Principal	973,570	-	-	-	973,570
Interest	193,020	-	-	-	193,020
Capital outlay	-	-	29,454	893,992	923,446
TOTAL EXPENDITURES	16,295,711	-	29,454	1,105,914	17,431,079
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,404,325	6,276	(5,918)	(825,983)	578,700
OTHER FINANCING SOURCES (USES)					
Bond proceeds	-	-	-	360,695	360,695
Transfers in	-	-	-	503,000	503,000
Transfers (out)	(503,000)	-	-	-	(503,000)
TOTAL OTHER FINANCING SOURCES (USES)	(503,000)	-	-	863,695	360,695
NET CHANGE IN FUND BALANCES	901,325	6,276	(5,918)	37,712	939,395
FUND BALANCES - JULY 1, RESTATED	4,826,192	17,410	473,581	2,881,894	8,199,077
FUND BALANCES - JUNE 30	\$ 5,727,517	\$ 23,686	\$ 467,663	\$ 2,919,606	\$ 9,138,472

See accompanying independent auditor's report and notes to financial statements.

TOWN OF OGUNQUIT, MAINE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Net change in fund balances - total governmental funds (Statement E)	<u>\$ 939,395</u>
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense allocated to those expenditures over the life of the assets:	
Capital asset acquisitions	668,069
Capital assets disposed	(17,310)
Depreciation expense	<u>(1,069,220)</u>
	<u>(418,461)</u>
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:	
Taxes and liens receivable	<u>(34,650)</u>
Deferred outflows of resources are a consumption of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds:	
OPEB	(11,249)
Pension	<u>(172,523)</u>
	<u>(183,772)</u>
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Position	<u>1,021,368</u>
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term obligations in the Statement of Net Position	<u>(400,729)</u>
Deferred inflows of resources are an acquisition of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds	
OPEB	11,218
Pension	<u>1,614,638</u>
	<u>1,625,856</u>
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Accrued compensated absences	(77,051)
Net OPEB liability	5,956
Net pension liability	<u>(1,379,435)</u>
	<u>(1,450,530)</u>
Change in net position of governmental activities (Statement B)	<u>\$ 1,098,477</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Town of Ogunquit was incorporated under the laws of the State of Maine. The Town operates under the selectboard-manager form of government and provides the following services: general government, public safety, public works and sanitation, recreation and culture, social services, land use, education and unclassified.

The Town's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The Town's combined financial statements include all accounts and all operations of the Town. We have determined that the Town has no component units as described in GASB Statement No. 14 and amended by GASB Statements No. 39 and No. 61.

Implementation of New Accounting Standards

During the year ended June 30, 2023, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 94 "Public-Private and Public-Public Partnerships and Availability Payment Arrangements". The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services and the prices or rates that can be charged for the services and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. Management has determined the impact of this Statement is not material to the financial statements.

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Statement No. 96 "Subscription-Based Information Technology Arrangements". This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 99 "Omnibus 2022". The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The practice issues addressed by this Statement are to provide clarification of provisions in Statement No. 87, Leases, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset and identification of lease incentives, clarification of provisions in Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset, clarification of provisions in Statement No. 96, Subscription-Based Information Technology Arrangements, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA and recognition and measurement of a subscription liability, extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt, accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP), disclosures related to nonmonetary transactions, pledges of future revenues when resources are not received by the pledging government, clarification of provisions in Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, as amended, related to the focus of the government-wide financial statements, terminology updates related to certain provisions of Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position and terminology used in Statement 53 to refer to resource flows statements. Management has determined the impact of this Statement is not material to the financial statements.

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds).

Both the government-wide and fund financial statements categorize primary activities as governmental or business-type. All activities of the Town are categorized as governmental.

In the government-wide Statement of Net Position, the governmental activities column is (a) presented on a consolidated basis by column and (b) reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts - net investment in capital assets; restricted net position and unrestricted net position. The Town first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functions (general government, public safety, etc.) excluding fiduciary activities. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, miscellaneous revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the most part, the interfund activity has been eliminated from these government-wide financial statements.

The net costs (by function) are normally covered by general revenue (taxes, certain intergovernmental revenues and charges for services, etc.).

The Town does not allocate indirect costs. All costs are charged directly to the corresponding department.

The government-wide focus is more on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus - Basic Financial Statements and Fund Financial Statements

The financial transactions of the Town are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. The following fund types are used by the Town:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position (sources, uses and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Town:

Major Fund

- a. The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. The Unspent Bond Proceeds Fund is a capital projects fund. It is used to account for all financial resources to be used for expenditures related to this project. The major funding source is from bond proceeds.
- c. The FEMA/MEMA fund is used to account for the proceeds of intergovernmental revenue and the related expenditures.

Nonmajor Funds

- d. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- e. Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment.
- f. Permanent Funds are used to account for assets held by the Town that are legally restricted pursuant to Title 30-A, §5653 of the Maine State Statutes, as amended and unless otherwise specified, only earnings and

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

not principal, may be used for purposes that benefit the Town or its citizenry. The Town's policy for authorizing and spending investment income follows State statutes.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenses of either the fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

1. Accrual

Governmental activities in the government-wide financial statements and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Budget

The Town's policy is to adopt an annual budget for operations. The budget is presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles.

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The following procedures are followed in establishing budgetary data reflected in the financial statements:

1. Early in the second half of the year the Town prepares a budget for the fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the inhabitants of the Town was called for the purpose of adopting the proposed budget after public notice of the meeting was given.
3. The budget was adopted subsequent to passage by the inhabitants of the Town.

Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

It is the Town's policy to value investments at fair value. None of the Town's investments are reported at amortized cost. The Town Treasurer is authorized by State Statutes to invest all excess funds in the following:

- Obligations of the U.S. Government, its agencies and instrumentalities
- Certificates of deposit and other evidence of deposits at banks, savings and loan associations and credit unions
- Repurchase agreements
- Money market mutual funds

Receivables

Receivables include amounts due from governmental agencies and ambulance receivables. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. The allowance for uncollectible accounts is estimated to be \$31,124 as of June 30, 2023. Accounts receivable netted with allowances for uncollectible accounts were \$167,669 for the year ended June 30, 2023.

TOWN OF OGUNQUIT, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Any residual balances outstanding between governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances".

Transactions Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of Governmental Funds.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated capital assets are reported at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

Infrastructure assets include roads, bridges, underground pipe (other than related to independently owned utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the Town. The Town has not retroactively recorded infrastructure.

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimated useful lives are as follows:

Buildings and improvements	10 - 70 years
Infrastructure	20 - 50 years
Machinery and equipment	5 - 30 years
Vehicles	5 - 30 years

Long-term Obligations

The accounting treatment of long-term obligations depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term obligations to be repaid from governmental resources are reported as liabilities in government-wide statements. The long-term obligations consist of bonds payable, a mortgage payable, notes from direct borrowings payable, accrued compensated absences, net OPEB liability and net pension liability.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

OPEB

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, management received and relied on an actuarial report provided to them by the Maine Municipal Employees Health Trust (MMEHT), which determined the Town's fiduciary net position as a single employer defined benefit plan based on information provided solely by MMEHT to complete the actuarial report. Additions to/deductions from the MMEHT OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by MMEHT. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Participating Local District (PLD)

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Consolidated Plan and additions to/deductions from the PLD Consolidated Plan's fiduciary net position have been determined on the same basis as they are reported by the PLD Consolidated Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislations adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

Fund Balances

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components - nonspendable, restricted, committed, assigned and unassigned.

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

Restricted - This includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governments.

Committed - This includes amounts that can be used only for specific purposes determined by a formal action of the inhabitants of the Town. The inhabitants of the Town through Town meetings are the highest level of decision-making authority of the Town. Commitments may be established, modified or rescinded only through a Town meeting vote.

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assigned - This includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The authority for assigning fund balance is given annually by vote of the taxpayers and is expressed by the Selectboard.

Unassigned - This includes all other spendable amounts. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Town meeting vote has provided otherwise in its commitment or assignment actions.

As part of the Town of Ogunquit's Financial Policies, adopted in October 2013 and revised in November 2013, the Town is to maintain a minimum general unassigned fund balance of at least 10% of the current year tax commitment plus one month's expenditures, as established through the budget process and committed in the fall of each fiscal year. The level is to be reviewed annually and voted on by the Selectboard at its first meeting after the current year tax commitment is established and prior to the onset of the next fiscal budget process. Any amounts in excess of the minimum requirement may be used to offset the tax commitment, fund capital projects and reserve accounts or meet emergency funding needs as established through the Special Town Meeting process prior to the next tax commitment.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has deferred outflows related to OPEB and deferred outflows related to pensions. These items are reported in the statement of net position.

In addition to liabilities, the statement of financial position and or balance sheet will at times report a separate section for deferred inflows of resources. This separate

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has deferred tax revenues, which arise only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, this item is reported in the governmental funds balance sheet. Prepaid taxes also qualify for reporting in this category. This item is reported in both the statements of net position and governmental funds balance sheet. Deferred inflows related to OPEB and deferred inflows related to pensions qualify for reporting in this category as well. These items are reported only in the statement of net position. All items in this category are deferred and recognized as an inflow of resources in the period that the amounts become available.

Revenue Recognition - Property Taxes - Modified Accrual Basis

The Town's property tax for the current year was levied September 13, 2022 on the assessed value listed as of April 1, 2022, for all real and personal property located in the Town. Taxes were due in two installments on November 15, 2022 and May 15, 2023. Interest on unpaid taxes commenced on November 16, 2022 for the first installment and May 16, 2023 for the second installment, at 6% per annum.

Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected within sixty days after year end. The remaining receivables have been recorded as deferred revenues.

The Town is permitted by the laws of the State of Maine to levy taxes up to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay and amounted to \$145,339 for the year ended June 30, 2023.

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

Program Revenues

Program revenues include all directly related income items applicable to a particular program (charges to customers or applicants for goods, services or privileges provided; operating or capital grants and contributions, including special assessments).

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Encumbrance Accounting

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end. The Town utilizes encumbrance accounting for its general fund.

Use of Estimates

During the preparation of the Town's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from these estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

The Town's formal investment policies, which follow state statutes, require that all investments be made considering the safe and sound investment of principal and preservation of capital in the overall portfolio, maintenance of sufficient liquidity to meet day-to-day operations and other cash requirements and maximization of income, within established investment risk guidelines, with consistent cash flows throughout the budgetary cycle. These investment policies apply to all Town funds.

Deposits:

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Town will not be able to recover its deposits. The Town does not have a policy covering custodial credit risk for deposits. However, the Town maintains deposits in qualifying financial institutions that are a member of the FDIC or NCUSIF as defined in Title 30-A, Section 5706 of the Maine Revised Statutes.

At June 30, 2023, the Town's deposits amounting to \$8,232,623, which include any petty cash, outstanding checks and deposits in transit, were comprised of bank deposits of \$8,360,399. Of these bank deposits, \$8,255,039 was fully covered by federal depository insurance and consequently was not exposed to custodial credit risk. The remaining balance of \$105,360 was uncollateralized and uninsured.

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 478,186
Money market accounts	249,875
ICS accounts	7,632,338
	<u>\$ 8,360,399</u>

Investments:

Custodial credit risk for investments is that, in the event of failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the Town does not have a policy for custodial credit risk for investments.

Interest rate risk - is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates. Certificates of deposit held with local financial institutions for \$464,248 are excluded from interest rate risk as these investments are considered held to maturity and are therefore not measured at fair value.

All of the Town's investments of \$464,248 were federal depository insurance and consequently were not exposed to custodial credit risk.

Credit risk - Statutes for the State of Maine authorize the Town to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Maine, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. The Town does not have an investment policy on credit risk. Generally, the Town invests excess funds in money market accounts, ICS accounts and various certificates of deposit.

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2023 consisted of the following individual fund receivables and payables:

	Receivables (Due from)	Payables (Due to)
General fund	\$ 2,721,099	\$ 2,234,770
Agamenticus Rd drainage study	-	2,613,725
FEMA/MEMA	-	29,454
Nonmajor special revenue funds	66,635	57,466
Nonmajor capital projects funds	2,168,135	7,829
Nonmajor permanent funds	-	12,625
Totals	<u>\$ 4,955,869</u>	<u>\$ 4,955,869</u>

The results of amounts owed between funds are considered to be in the course of normal operations by the Town. Reconciliation of the amounts owed between funds may or may not be expected to be repaid within one year in their entirety due to the recurring nature of these transactions during operations.

NOTE 4 - INTERFUND TRANSFERS

Interfund transfers at June 30, 2023 consisted of the following:

	Transfers From	Transfers To
General fund	\$ 503,000	\$ -
Nonmajor capital projects funds	-	503,000
Totals	<u>\$ 503,000</u>	<u>\$ 503,000</u>

Interfund transfers are the results of legally authorized activity and are considered to be in the course of normal operations.

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 5 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2023:

	Balance 7/1/22 (Restated)	Additions	Disposals	Balance 6/30/23
<u>Governmental activities:</u>				
Non-depreciated assets:				
Land	\$ 5,368,675	\$ -	\$ -	\$ 5,368,675
Construction in progress	1,257,207	211,682	(4,000)	1,464,889
	<u>6,625,882</u>	<u>211,682</u>	<u>(4,000)</u>	<u>6,833,564</u>
Depreciated assets:				
Land improvements	73,500	9,550	-	83,050
Buildings and improvements	7,311,341	-	(61,900)	7,249,441
Machinery and equipment	1,543,418	344,386	(24,236)	1,863,568
Vehicles	3,917,089	83,960	(204,194)	3,796,855
Infrastructure	11,342,210	22,491	-	11,364,701
	<u>24,187,558</u>	<u>460,387</u>	<u>(290,330)</u>	<u>24,357,615</u>
Less: accumulated depreciation	<u>(12,557,660)</u>	<u>(1,069,220)</u>	<u>273,020</u>	<u>(13,353,860)</u>
	<u>11,629,898</u>	<u>(608,833)</u>	<u>(17,310)</u>	<u>11,003,755</u>
Net capital assets	<u><u>\$ 18,255,780</u></u>	<u><u>\$ (397,151)</u></u>	<u><u>\$ (21,310)</u></u>	<u><u>\$ 17,837,319</u></u>
<u>Current year depreciation:</u>				
General government				\$ 48,348
Public safety				199,533
Public works and sanitation				698,943
Recreation and culture				10,909
Town-wide				111,487
Total depreciation expense				<u><u>\$ 1,069,220</u></u>

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 - LONG-TERM DEBT

The following is a summary of changes in the long-term debt for the year ended June 30, 2023:

	Balance, 7/1/22	Additions	Deletions	Balance, 6/30/23	Current Portion
<u>Governmental Activities:</u>					
Bonds payable	\$ 7,970,955	\$ 360,695	\$ (973,570)	\$ 7,358,080	\$ 998,650
Mortgage payable	77,000	-	(11,000)	66,000	11,000
Notes from direct borrowings payable	212,247	40,034	(36,798)	215,483	43,598
	<u>\$ 8,260,202</u>	<u>\$ 400,729</u>	<u>\$ (1,021,368)</u>	<u>\$ 7,639,563</u>	<u>\$ 1,053,248</u>

The following is a summary of outstanding bonds, notes from direct borrowings payable and the mortgage payable:

\$330,000, 2004 General Obligation Bond due in annual principal installments of \$16,500 through November of 2024. Fixed interest rate varies from 1.946% to 9.000% per annum.	\$ 33,000
\$495,000, 2004 General Obligation Bond due in annual principal installments of \$24,750 through November of 2024. Fixed interest rate varies from 1.012% to 9.000% per annum.	49,500
\$400,000, 2005 General Obligation Bond due in annual principal installments of \$20,000 through November of 2025. Fixed interest rate varies from 3.050% to 9.000% per annum.	60,000
\$2,400,000, 2006 General Obligation Bond due in annual principal installments of \$120,000 through November of 2026. Fixed interest rate varies from 3.000% to 6.000% per annum.	480,000
\$2,345,704, 2008 General Obligation Bond due in annual principal installments of \$145,285 through November of 2028. Fixed interest rate varies from 2.000% to 5.500% per annum.	535,714
\$2,227,000, 2010 General Obligation Bond due in annual principal installments of \$111,350 through November of 2030. Fixed interest rate varies from 0.831% to 5.094% per annum.	890,800

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 - LONG-TERM DEBT (CONTINUED)

\$1,205,000, 2012 General Obligation Bond due in annual principal installments of \$70,000 through November of 2032. Fixed interest rate varies from 1.480% to 3.706% per annum.	570,000
\$443,000, 2013 General Obligation Bond due in annual principal installments of \$39,800 through November of 2033. Fixed interest rate varies from 0.450% to 4.570% per annum.	84,800
\$439,000, 2014 General Obligation Bond due in annual principal installments varying from \$24,667 to \$38,467 through November of 2029. Fixed interest rate varies from 0.430% to 3.599% per annum.	172,666
\$711,650, 2017 General Obligation Bond due in annual principal installments of \$71,080 through November of 2037. Fixed Interest rate varies from 1.260% to 3.910% per annum.	356,250
\$380,100, 2018 General Obligation Bond due in annual principal installments varying from \$17,000 to \$59,020 through November of 2038. Fixed interest rate varies from 1.920% to 4.042% per annum.	144,020
\$1,041,600, 2019 General Obligation Bond due in annual principal installments varying from \$90,000 to \$118,320 through November of 2029. Fixed interest rate varies from 1.720% to 2.390% per annum.	686,640
\$2,295,000, 2020 General Obligation Bond due in annual principal installments varying from \$146,662 to \$165,667 through November of 2035. Fixed interest rate varies from 1.190% to 2.854% per annum.	1,963,666
\$561,305, 2021 General Obligation Bond due in annual principal installments of \$56,131 through November of 2031. Fixed interest rate of 0.410% through 1.450% per annum.	505,173
\$465,156, 2022 General Obligation Bond due in annual principal installments varying from \$52,410 to \$40,622 through November of 2032. Fixed interest rate varies from 2.420% to 3.260% per annum.	465,156
\$360,695, 2023 General Obligation Bond due in annual principal installments varying from \$62,441 to \$9,698 through November of 2033. Fixed interest rate varies from 3.29% to 3.09% per annum.	<u>360,695</u>
Total bonds payable	<u>7,358,080</u>

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 - LONG-TERM DEBT (CONTINUED)

\$275,000, 2004 Mortgage payable due in annual principal installments of \$11,000 through December of 2028. Interest is charged at a fixed rate of 3.000% per annum.	<u>66,000</u>
Total mortgage payable	<u>66,000</u>
Capital lease payable to Municipal Leasing Consultants, LLC for LED Street Light Project, due in annual installments of \$36,911 through March of 2028. Interest is charged at a rate of 3.49%.	166,703
Capital lease payable to Municipal Leasing Consultants, LLC for 2022 Nissan LEAF, due in annual installments of \$5,563 through March of 2025. Interest is charged at a rate of 3.79%.	10,523
Note payable to Kennebunk Savings Bank due in monthly installments of \$752 through March of 2028. Interest is charged at a fixed rate of 4.75% per annum.	<u>38,257</u>
Total notes from direct borrowings payable	<u>215,483</u>
Total bonds, mortgage and notes from direct borrowings payable	<u><u>\$ 7,639,563</u></u>

The following is a summary of outstanding bonds, notes from direct borrowings payable and the mortgage payable principal and interest requirements for the following fiscal years ending June 30:

	Bonds, Mortgage and Notes from Direct Borrowings Payable		Total
	Principal	Interest	Debt Service
2024	\$ 1,053,248	\$ 160,539	\$ 1,213,787
2025	1,040,015	131,619	1,171,634
2026	966,589	113,666	1,080,255
2027	929,150	85,143	1,014,293
2028	808,504	68,511	877,015
2029-2033	2,319,114	148,982	2,468,096
2034-2038	<u>522,943</u>	<u>13,776</u>	<u>536,719</u>
	<u><u>\$ 7,639,563</u></u>	<u><u>\$ 722,236</u></u>	<u><u>\$ 8,361,799</u></u>

All bonds payable, notes from direct borrowings payable and the mortgage payable are direct obligations of the Town, for which its full faith and credit are pledged. The Town is not obligated for any special assessment debt. All debt is payable from taxes levied on all taxable property within the Town.

TOWN OF OGUNQUIT, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 7 - OTHER LONG-TERM OBLIGATIONS

A summary of other long-term obligations for the year ended June 30, 2023 is as follows:

	Balance, 7/1/22	Additions	Deletions	Balance, 6/30/23	Current Portion
Accrued compensated absences	\$ 327,464	\$ 77,051	\$ -	\$ 404,515	\$ 20,226
Net OPEB liability	142,991	(5,653)	(303)	137,035	-
Net pension liability (asset)	(158,283)	115,672	1,263,763	1,221,152	-
	<u>\$ 312,172</u>	<u>\$ 187,070</u>	<u>\$ 1,263,460</u>	<u>\$ 1,762,702</u>	<u>\$ 20,226</u>

Please see Notes 8, 19 and 20 for detailed information on each of the other long-term obligations.

NOTE 8 - ACCRUED COMPENSATED ABSENCES

The Town's policies regarding vacation and sick time permit employees to accumulate earned but unused vacation leave. The liability for these compensated absences is recorded as a long-term obligation in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. As of June 30, 2023, the Town's liability for compensated absences is \$404,515.

NOTE 9 - NET INVESTMENT IN CAPITAL ASSETS

The following is the calculation of the net investment in capital assets for Town at June 30, 2023 for the governmental activities:

Invested in capital assets	\$ 31,191,179
Accumulated depreciation	(13,353,860)
Outstanding capital related debt	(7,639,563)
Significant unspent debt proceeds	199,513
	<u>\$ 10,397,269</u>

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 - RESTRICTED NET POSITION

At June 30, 2023, the Town had the following restricted net position:

Unspent bond proceeds	\$ 23,686
FEMA/MEMA fund	467,663
ARPA fund	69,926
Dorothea Jacobs grant fund - nonspendable principal	219,259
Dorothea Jacobs grant fund	24,158
Performing arts fund - nonspendable principal	145,300
Performing arts fund	2,696
Music center escrow fund - nonspendable principal	92,000
Music center escrow fund	12,896
	<u>\$ 1,057,584</u>

NOTE 11 - NONSPENDABLE FUND BALANCES

At June 30, 2023, the Town had the following nonspendable fund balances:

General fund:	
Prepaid items	\$ 75,820
Nonmajor permanent funds (Schedule H)	456,559
	<u>\$ 532,379</u>

NOTE 12 - RESTRICTED FUND BALANCES

At June 30, 2023, the Town had the following restricted fund balances:

Unspent bond proceeds	\$ 23,686
FEMA/MEMA fund	467,663
ARPA fund	69,926
Dorothea Jacobs grant fund	24,158
Performing arts	2,696
Music Center	12,896
	<u>\$ 601,025</u>

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 13 - COMMITTED FUND BALANCES

At June 30, 2023, the Town had the following committed fund balances:

General fund:	
For use in FY 2024 budget	\$ 200,000
Perkins Cove heating system	20,000
Trailer for icebreaker	18,000
Roll off container	6,000
Criminal justice	24,000
Body cameras	60,000
ATV/UTV	25,000
Nonmajor capital projects funds (Schedule F)	2,168,135
	<u>\$ 2,521,135</u>

NOTE 14 - ASSIGNED FUND BALANCES

At June 30, 2023, the Town had the following assigned fund balances:

Nonmajor special revenue funds (Schedule D)	<u>\$ 222,253</u>
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NOTE 15 - DEFICIT FUND BALANCES

The following funds had deficit fund balances at June 30, 2023:

EV charging	\$ 27,658
Byrne grant	795
TS compost grant	473
Alfond training	262
2018 fire department kitchen rehab	624
2019 fire department training	5,973
2019 harbor boat repairs	220
Unemployment reserve	1,012
	<u>\$ 37,017</u>

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2023

NOTE 16 - EXPENDITURES OVER APPROPRIATIONS

The Town had the following overspent appropriations at June 30, 2023:

Insurance and benefits	\$ 9,111
Lifeguard	13,344
	<u>\$ 22,455</u>

The Town's Charter (section 504.1) authorizes the Board to transfer between departments (up to \$25,000 for any one department) to satisfy over expenditures without exceeding the total budget. Such authority may be exercised during the fiscal year or at the end of the year, subject to a public hearing before taking such a vote. This authority is limited to an aggregate of a \$25,000 transfer to any one department and total transfers between departments shall not exceed 1% of the total municipal operating for the departments overall.

NOTE 17 - OVERLAPPING DEBT

The Town is responsible for its proportionate share of the County and School District's debt. As of June 30, 2023, the Town's share of debt was approximately:

	<u>Outstanding Debt</u>	<u>Town's Percentage</u>	<u>Total Share</u>
Wells-Ogunquit CSD	\$ 18,350,000	30.73%	<u>\$ 5,638,955</u>

NOTE 18 - RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the Town carries commercial insurance sponsored by Sevigney Lyons Insurance and MEMIC.

Based on the coverage provided by the insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded as of June 30, 2023. There were no significant reductions in insurance coverage from that of the prior year and amounts of settlements have not exceeded insurance coverage in the past three years.

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 19 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

MAINE MUNICIPAL EMPLOYEES' HEALTH TRUST

Plan Description

The Town and Town retirees contribute to the Town's OPEB Plan with the Maine Municipal Employees Health Trust (MMEHT), a single employer defined benefit plan. Contributions and membership in this Plan are voluntary and may be terminated at any time by the Town and/or the Town retirees. MMEHT is a fully funded, self-insured trust which provides benefits to municipal and quasi-municipal organizations and county governments and acts as the agent to the Town concerning administration of this Plan. Title 24-A Chapter 81 of the Maine Revised Statutes Annotated authorizes the regulation of MMEHT as a Multiple Employer Welfare Arrangement by the State of Maine Bureau of Insurance. Benefits and plans are designed and governed by MMEHT participants and are administered by a number of third-party administrators contracted by MMEHT. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. MMEHT issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by MMEHT at (800) 852-8300.

Benefits Provided

This Plan provides medical/prescription drug benefits during retirement to Medicare and non-Medicare retirees and their surviving spouses with varying levels of benefits determined by voluntary plan selection by the retiree as well as applicable Medicare statutes and regulations. The Plan also provides an automatic life insurance benefit of \$2,000 to participants which includes a surviving spouse benefit for the same. The employee must meet the minimum requirement of age 55 with at least 5 years of service at retirement to be eligible for the Plan. The retiree must enroll when first eligible and continue coverage without interruption.

Employees Covered by Benefit Terms

At January 1, 2023, the following employees were covered by the benefit terms:

Active members	17
Retirees and spouses	<u>0</u>
Total	<u><u>17</u></u>

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 19 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Contributions

Retiree and spouse premium amounts are funded by the retiree at the rate for the coverage elected by the retiree. Premium rates are those determined by the MMEHT's Board of Trustees to be actuarially sufficient to pay anticipated claims. Premiums for retiree life insurance coverage are factored into the premiums paid for basic coverage. Retirees and spouses must contribute 100% of the premium amounts. The sponsoring employer pays the remainder of the premium. Medical benefits are provided for the life of the retiree and surviving spouses.

Retiree Premium Amounts

The following monthly premium amounts were reported on the individual data file. Actual plan election was reflected in expected retiree premium amounts.

<u>Pre-Medicare</u>	<u>Single Coverage</u>	<u>Family Coverage</u>
PPO 500	\$1,050.27	\$2,355.90
<u>Medicare</u>		
Medicare-Eligible Retirees	\$600.50	\$1,201.00

Total OPEB Liability, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2023, the Town reported a liability of \$137,035 for its total OPEB liability for this Plan. The total OPEB liability was measured as of January 1, 2023 and was determined by an actuarial valuation as of that date. The Town's total OPEB liability was based on the Entry Age Normal Actuarial Cost Method which does not reflect future changes in benefits, subsidies, penalties, taxes or administrative costs that may be required as a result of the Patient Protection and Affordable Care Act of 2010 (ACA) related legislation and regulations.

For the year ended June 30, 2023, the Town recognized OPEB revenue of \$5,925. At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 19 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

	MMEHT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 149,521
Changes of assumptions	47,486	27,755
Net difference between projected and actual earnings on OPEB plan investments	-	-
Contributions subsequent to the measurement date	793	-
Total	<u>\$ 48,279</u>	<u>\$ 177,276</u>

\$793 was reported as deferred outflows of resources related to OPEB resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	MMEHT
Plan year ended June 30:	
2024	\$ (18,306)
2025	(18,306)
2026	(18,313)
2027	(19,641)
2028	(16,250)
Thereafter	(38,974)

Discount Rate

The discount rate is the assumed interest rate used for converting projected dollar related values to a present value as of the valuation date of January 1, 2023. The discount rate determination is based on the high-quality AA/Aa or higher bond yields in effect for 20-year, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index. The rate of 3.72% per annum for June 30, 2023 was based upon a measurement date of December 29, 2022. The sensitivity of net OPEB liability to changes in discount rate are as follows:

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 19 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

	1% Decrease	Discount Rate	1% Increase
	2.72%	3.72%	4.72%
Total OPEB liability	\$ 163,650	\$ 137,035	\$ 115,621
Plan fiduciary net position	-	-	-
Net OPEB liability	<u>\$ 163,650</u>	<u>\$ 137,035</u>	<u>\$ 115,621</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

Healthcare Trend

The healthcare trend is the assumed dollar increase in dollar-related values in the future due to the increase in the cost of health care. The healthcare cost trend rate is the rate of change in per capita health claim costs over time as a result of factors such as medical inflation, utilization of healthcare services, plan design and technological developments. The sensitivity of net OPEB liability to changes in healthcare cost trend rates are as follows:

	1% Decrease	Healthcare Trend Rates	1% Increase
Total OPEB liability	\$ 112,505	\$ 137,035	\$ 169,041
Plan fiduciary net position	-	-	-
Net OPEB liability	<u>\$ 112,505</u>	<u>\$ 137,035</u>	<u>\$ 169,041</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

Actuarial Methods and Assumptions

The total OPEB liability for the Plan was determined by an actuarial valuation as of January 1, 2023, using the following methods and assumptions applied to all periods included in the measurement:

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 19 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Actuarial Cost Method

The Entry Age Normal Actuarial Cost Method is used to determine costs. Under this funding method, a normal cost rate is determined as a level percent of pay for each active Plan member and then summed to produce the total normal cost for this Plan. The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets.

For medical and pharmacy, historical claims and census records were assembled and provided through June 30, 2021. Medicare and non-Medicare eligible medical and prescription experience were analyzed. It was assumed that current enrollment distribution of benefit options would remain constant in the future for retirees. The cost was distributed based on the current covered population and the actuary's standard age curves which vary by age, gender and Medicare status. Children costs are converted to a load on the non-Medicare retirees which implicitly assumes that future retirees will have the same child distribution as current retirees.

Assumptions

The actuarial assumptions used in the January 1, 2023 actuarial valuation were adopted by the Maine State Retirement Consolidated Plan for Participating Local Districts as of June 30, 2022 and based on the experience study covering the period from June 30, 2016 through June 30, 2021. As of January 1, 2023, they are as follows:

Discount Rate - 3.72% per annum for year end 2023 reporting. 2.06% per annum for year end 2022 reporting.

Trend Assumptions:

Medical Trend assumptions were developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model. The SOA model was released in December 2007 and version 2023_fl was used for this valuation. The following assumptions were input into this model:

<u>Variable</u>	<u>Rate</u>
Rate of Inflation	3.00%
Rate of Growth in Real Income/GDP per capital 2032+	1.50%
Extra Trend due to Taste/Technology 2032+	0.80%
Expected Health Share of GDP 2032	19.80%
Health Share of GDP Resistance Point	19.00%
Year for Limiting Cost Growth to GDP Growth	2043

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 19 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

The SOA Long-Run Medical Cost Trend Model and its baseline projection are based on an econometric analysis of historical U.S. medical expenditures and the judgements of experts in the field. The long-run baseline projection and input variables have been developed under the guidance of the SOA Project Oversight Group.

The trends selected from 2023 to 2026 were based on plan design, population weighting, renewal projections and market analysis. For years 2027 to 2031, these are interpolated from 2026 to 2032 (which is the product of the inflation, GDP and extra trend rate assumptions).

Deductibles, Co-payments and Out of Pocket Maximums are assumed to increase at the above trend rates. The ultimate trend rate reflects an assumed nominal per capital GDP growth.

Administrative and claims expense - 3% per annum.

Future plan changes - Assumes that the current Plan and cost-sharing structure remain in place for all future years.

Retirement Rates - Rates vary for plans with no explicit employer subsidy (or payment) versus those plans defining an explicit employer subsidy (or payment). The rates are based on assumptions from the Maine State Retirement Consolidated Plan for Participating Local District at June 30, 2022.

Retirement Contribution Increases - Assumed to increase at the same rate as incurred claims. A constant cost sharing in plan design between employer and employees is assumed.

Family Enrollment Composition - For males, 50% of future retirees under the age of 65 and 50% of current retirees are married and elect spousal coverage while females are at 30% for both. 25% of male and female future retirees over the age of 65 are married and elect spousal coverage.

Age Difference of Spouses - Husbands are assumed to be 3 years older than wives.

Administrative expenses - Included in the per capita claims cost.

Disability Incidence - Disabled lives will be considered active employees and will not be valued separately.

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 19 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Salary Increase Rate - 2.75% per year assumed using the level percentage of pay entry age method.

Dates of Hire - Needed to be assumed for some employees and will be based on the average age at hire for similar employees.

Rate of Mortality:

Healthy Annuitant- Based on 112.1% and 118.5% of the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, respectively, for males and females. The proposed rates are projected generationally using the RPEC_2021 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_2021 model are those included in the published MP-2021 scale. As prescribed by the Trust, mortality rates were taken from the assumptions for the Maine State Retirement Consolidated Plan for Participating Local Districts at June 30, 2021.

Active Employees - Rates of mortality are based on 83.5% and 88.6% of the 2010 Public Plan General Benefits- Weighted Employee Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the RPEC_2021 model as described in the healthy annuitant mortality. As prescribed by the Trust, mortality rates were taken from the assumptions for the Maine State Retirement Consolidated Plan for Participating Local Districts at June 30, 2021.

Retiree Continuation Percentage:

Medicare participant retirees - 100% assumed to continue in the plan elected

Pre-Medicare plan retirees and active participants - 75% assumed to continue coverage once Medicare-eligible

Pre-Medicare plan spouses and spouses of active participants - 50% assumed to continue coverage once Medicare-eligible

Changes in Net OPEB Liability

Changes in net OPEB liability are recognized in OPEB expense for the year ended June 30, 2023 with the following exceptions:

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 19 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Differences between Expected and Actual Experience

The difference between expected and actual experience are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. The difference between expected and actual experience as of January 1, 2023 was (\$149,521).

Changes in Assumptions

Differences due to changes in assumptions about future economic, demographic or claim and expense factors or other inputs are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The actuarial assumptions used in the January 1, 2023 actuarial valuation were adopted by the Maine State Retirement Consolidated Plan for Participating Local Districts as of June 30, 2022 and based on the experience study covering the period from June 30, 2016 through June 30, 2020. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

Differences between Projected and Actual Earnings on OPEB Plan Investments

Differences between projected and actual investment earnings are recognized in OPEB expense using a straight-line amortization method over a closed five-year period. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

OPEB Plan Fiduciary Net Position

Additional financial and actuarial information with respect to this Plan can be found at the Town of Ogunquit, P.O. Box 875, Ogunquit, Maine 03907.

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 20 - DEFINED BENEFIT PENSION PLAN

MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM

PARTICIPATING LOCAL DISTRICT CONSOLIDATED PLAN

Plan Description

Town employees contribute to the Maine Public Employees Retirement System (MainePERS), a cost-sharing multiple-employer defined benefit pension plan established by the Maine State Legislature. Title 5 of the Maine Revised Statutes Annotated assigns the authority to establish and amend benefit provisions to the Participating Local District (PLD) Consolidated Plan's advisory group, which reviews the terms of the plan and periodically makes recommendations to the Legislature to amend the terms. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Consolidated Plan. That report may be obtained online at www.maineopers.org or by contacting the System at (207) 512-3100.

Benefits Provided

The Maine Public Employees Retirement System provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. The System's retirement programs provide defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e., eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit (effective October 1, 1999, the prior ten year requirement was reduced by legislative action to five years for employees of PLDs). In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. For PLD members, normal retirement age is 60, 62 or 65. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. The System also provides disability and death benefits which are established by contract with PLD employers under applicable statutory provisions. As of June 30, 2022, there were 311 employers in the plan.

Upon termination of membership, members' accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits and membership rights. The annual rate of interest credited to members' accounts is set by the System's Board of Trustees and is currently 1.52%.

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 20 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Contributions

Retirement benefits are funded by contributions from members and employers and by earnings on investments. Disability and death benefits are funded by employer normal cost contributions and by investment earnings. The Town's 1C plan members are required to contribute 9.2% of their annual covered salary and the Town's AC plan members are also required to contribute 7.8% of their annual salary. The Town is required to contribute at an actuarially determined rate. The current rate is 15.2% for the 1C plan and 10.3% for the AC plan of covered payroll. The contribution rates of plan members and the Town are established and may be amended by the Maine Public Employee Retirement Systems advisory group. The Town's contribution to the MainePERS PLD Consolidated Plan for the year ended June 30, 2023 was \$350,875.

Pension Liabilities

PLD Consolidated Plan

At June 30, 2023, the Town reported a liability of \$1,221,152 for its proportionate share of the net pension liabilities for the plan. The net pension liabilities were measured as of June 30, 2022 and the total pension liabilities used to calculate the net pension liabilities was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liabilities were based on a projection of the Town's long-term share of contributions to each pension plan relative to the projected contributions of all PLDs, actuarially determined. At June 30, 2022, the Town's proportion was 0.45936%, which was a decrease of 0.03317% from its proportion measured as of June 30, 2021.

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

For the year ended June 30, 2023, the Town recognized total pension revenue of \$62,680 for the PLD plan. At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 20 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

	PLD Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 226,943	\$ -
Changes of assumptions	247,852	-
Net difference between projected and actual earnings on pension plan investments	-	512,525
Changes in proportion and differences between contributions and proportionate share of contributions	33,656	61,785
Contributions subsequent to the measurement date	350,875	-
Total	<u>\$ 859,326</u>	<u>\$ 574,310</u>

\$350,875 for the PLD plan was reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability/(asset) in the years ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	PLD Plan
Plan year ended June 30:	
2023	\$ 156,737
2024	(144,914)
2025	(318,409)
2026	240,726
2027	-
Thereafter	-

Actuarial Methods and Assumptions

The respective collective total pension liability for the plans was determined by an actuarial valuation as of June 30, 2022, using the following methods and assumptions applied to all periods included in the measurement:

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 20 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Actuarial Cost Method

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

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

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

Asset Valuation Method

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

Amortization

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

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

Investment Rate of Return - 6.50% per annum for the year ended June 30, 2022 and June 30, 2021, compounded annually.

Salary Increases, Merit and Inflation - 2.75% to 11.48% per year

Mortality Rates - For the plan, the rates are based on the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC_2020 model.

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 20 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Cost of Living Benefit Increases - 1.91%

The long-term expected rate of return on pension plan assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major class of assets. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as June 30, 2022 are summarized in the following table.

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Public equities	30.0%	6.0%
US Government	7.5%	2.3%
Private equity	15.0%	7.6%
Real assets:		
Real estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural resources	5.0%	5.0%
Traditional credit	7.5%	3.2%
Alternative credit	5.0%	7.4%
Diversifiers	10.0%	5.9%

Discount Rate

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

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 20 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

The following table shows how the collective net pension liability as of June 30, 2022 would change if the discount rate used was one percentage point lower or one percentage point higher than the current rate. The current rate is 6.50% for each of the Plans.

	1% Decrease	Discount Rate	1% Increase
<u>PLD Plan:</u>			
Discount rate	5.50%	6.50%	7.50%
Town's proportionate share of the net pension liability (asset)	\$ 3,607,630	\$ 1,221,152	\$ (751,357)

Changes in Net Pension Liability

Each employer's share of the collective net pension liability is equal to the collective net pension liability multiplied by the employer's proportionate share as of June 30, 2022 as shown in the schedules of employer and non-employer contributing entity allocations. Changes in net pension liability are recognized in pension expense for the year ended June 30, 2022 with the following exceptions.

Differences between Expected and Actual Experience

The difference between expected and actual experience with regard to economic or demographic factors were recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resource. For 2022 and 2020, this was three years for the PLD Consolidated Plan. For 2021, this was four years for the PLD Consolidated Plan. For 2018 and 2017, this was three years; prior to 2017, this was four years for the PLD Consolidated Plan.

Differences between Expected and Actual Investment Earnings

Differences between projected and actual investment earnings are recognized in pension expense using a straight-line amortization method over a closed five-year period. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 20 - DEFINED BENEFIT PENSION PLANS (CONTINUED)

Changes in Assumptions

Differences due to changes in assumptions about future economic or demographic factors or other inputs are recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The actuarial assumptions used for the year ended June 30, 2022 valuation were based on the results of an actuarial experience study for the period of June 30, 2015 through June 30, 2020. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. Please refer to the *Actuarial Methods and Assumptions* section for information relating to the use of assumptions.

Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions

Differences resulting from a change in proportionate share of contributions and differences between total employer contributions and the employer's proportionate share of contributions are recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. Differences between total employer contributions and the employer's proportionate share of contributions may arise when an employer has a contribution requirement for an employer specific liability.

Pension Plan Fiduciary Net Position

Additional financial and actuarial information with respect to the Plan can be found in the MainePERS' 2022 Annual Comprehensive Financial Report available online at www.mainebers.org or by contacting the System at (207) 512-3100.

NOTE 21 - DEFINED CONTRIBUTION PLAN

MISSIONSQUARE - RETIREMENT CORPORATION

A. Plan Description

The Town offers its employees a defined contribution plan created in accordance with Internal Revenue Code Section 401. The plan, available to all full-time Town employees unless the employee is actively participating in the Maine Public Employees

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 21 - DEFINED CONTRIBUTION PLAN (CONTINUED)

Retirement System defined benefit pension plan, permits them to defer a portion of their salary until retirement. The deferred amount and the vested portion of the employer match is not available to the employee until retirement or death or in case of other life events as allowed by law. The plan is administered by the MissionSquare - Retirement Corporation.

B. Funding Policy

Plan provisions and contribution requirements are established and may be amended by the Selectboard. Eligible employees may elect to be enrolled in either the 401 plan or Maine Public Employees Retirement System, but not both. Under the 401 plan, the Town is required to contribute 8% of the employee's annual compensation. The employee's contribution is tax deferred for federal and state taxes until the withdrawal date. Employees are immediately vested in their own contributions as well as Town contributions. For the year ended June 30, 2023, there were no employee contributions and the Town recognized pension expense of \$58,060.

NOTE 22 - DEFERRED COMPENSATION PLAN

MISSIONSQUARE - RETIREMENT CORPORATION

A. Plan Description

The Town offers its employees a deferred compensation plan through International City Management Association - Retirement Corporation, created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits the employee to defer a portion of salary until future years. Department heads and the police lieutenant are granted a Town match of up to 3.00% of the employees' earnings. Other employees are not eligible for the Town match, although any employee may participate in the plan with their own contribution. The deferred compensation is not available to employees until termination, retirement, death or unforeseen emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) to be held in a trust for the exclusive benefit of the participants and their beneficiaries.

It is the opinion of the Town's management that the Town has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 22 - DEFERRED COMPENSATION PLAN (CONTINUED)

B. Funding Policy

Under the deferred compensation plan, employees may elect to participate. Participating members may contribute up to the maximum allowed by federal limitations of their annual covered salary and the Town contributes a matching 3% of the employees' annual compensation for department heads and the police lieutenant, whether the employee is enrolled in the deferred compensation plan or the defined benefit plan. The employee's contribution is tax deferred for federal and state taxes until the withdrawal date. The Town's and employee's contribution vests 100% with the employee when contributed. The Town's contributions for the plan for the year ended June 30, 2023 was \$28,500 and employee contributions were \$88,100.

NOTE 23 - CONTINGENCIES

With regard to pending legal claims or any unasserted claims, it is not feasible at this time to predict or determine their outcome. Management believes, however, that settlement amounts, if any, will not have a material adverse effect on the Town's financial position.

The Town participates in various intergovernmental grant programs which may be subject to future program compliance audits by the grantors or their representatives. Accordingly, the Town's compliance with applicable grant requirement may be established at some future date. The amount, if any, of any liabilities arising from the disallowance of expenditures or ineligibility of grant revenues cannot be determined at this time.

NOTE 24 - JOINT VENTURES

The Town is a former member of a joint venture with 45 other municipalities throughout Cumberland, Oxford and York counties called ecomaine. As a former member, the Town has no explicit, measurable equity interest and therefore has not reported an asset in the financial statements in connection with its prior participation in ecomaine.

As of June 30, 2023, the Town's share of the projected landfill closure and post closure cost relating to ecomaine is estimated to be \$388,660. ecomaine announced that it will update estimated closure costs at up to 5-year intervals. The Town established a reserve account for the closeout costs and is funding that account at between \$15,000 and \$20,000 per year. As of June 30, 2023, the balance in the reserve account is \$146,110.

TOWN OF OGUNQUIT, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 25 - COMPARATIVE DATA/RECLASSIFICATIONS

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the Town's financial position and operations. Also, certain amounts presented in the prior year's data have been reclassified to be consistent with the current year's presentation.

NOTE 26 - SUBSEQUENT EVENT

In August of 2023, the Town entered into a note from direct borrowings payable for equipment. The note is payable in monthly payments of \$903 including interest at a fixed rate of 5.45% per annum. Maturity is in August of 2028.

NOTE 27 - RESTATEMENTS

The beginning net position of the governmental activities has been restated to correct certain capital asset balances by an increase of \$75,419 along with a restatement to the general fund beginning fund balance of an increase of \$139,259 and a restatement to the nonmajor capital project funds of \$33,764. These restatements increased the general fund beginning fund balance from \$4,686,933 to \$4,826,192, the nonmajor capital project funds beginning fund balance from \$1,887,857 to \$1,921,621 and net position by \$248,422 from \$16,570,076 to \$16,818,518.

Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund
- Schedule of Changes in Net OPEB Liability
- Schedule of Changes in Net OPEB Liability and Related Ratios
- Schedule of Contributions - OPEB
- Schedule of Proportionate Share of the Net Pension Liability/(Asset)
- Schedule of Contributions - Pension
- Notes to Required Supplementary Information

TOWN OF OGUNQUIT, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
Budgetary Fund Balance - July 1, Restated	\$ 4,826,192	\$ 4,826,192	\$ 4,826,192	\$ -
Resources (Inflows):				
Taxes:				
Property Taxes	12,823,997	12,823,997	12,858,450	34,453
Excise Taxes	418,000	418,000	463,214	45,214
Intergovernmental Revenues:				
State Revenue Sharing	18,000	18,000	60,009	42,009
Homestead Reimbursement	35,000	35,000	40,728	5,728
Local Road Assistance	8,000	8,000	16,044	8,044
Other	1,175	1,175	2,051	876
Charges for Services	3,071,350	3,071,350	4,077,462	1,006,112
Interest Income	6,000	6,000	67,565	61,565
Interest on Taxes/Lien Costs	17,000	17,000	27,462	10,462
Miscellaneous Revenues	69,800	69,800	87,051	17,251
Amounts Available for Appropriation	<u>21,294,514</u>	<u>21,294,514</u>	<u>22,526,228</u>	<u>1,231,714</u>
Charges to Appropriations (Outflows):				
General Government	1,386,123	1,386,123	1,387,599	(1,476)
Public Safety	4,425,673	4,425,673	4,390,319	35,354
Public Works and Sanitation	1,873,584	1,873,584	1,762,494	111,090
Recreation and Culture	186,917	186,917	182,590	4,327
Health and Welfare	2,000	2,000	988	1,012
Social Services	14,392	14,392	14,892	(500)
Land Use	392,602	537,941	452,325	85,616
Education	5,731,655	5,731,655	5,731,655	-
County Tax	817,146	817,146	817,146	-
Debt Service:				
Principal	1,024,313	1,024,313	973,570	50,743
Interest	213,032	213,032	193,020	20,012
Unclassified	571,291	425,952	389,113	36,839
Transfers to Other Funds	88,000	503,000	503,000	-
Total Charges to Appropriations	<u>16,726,728</u>	<u>17,141,728</u>	<u>16,798,711</u>	<u>343,017</u>
Budgetary Fund Balance, June 30	<u>\$ 4,567,786</u>	<u>\$ 4,152,786</u>	<u>\$ 5,727,517</u>	<u>\$ 1,574,731</u>
Utilization of Unassigned Fund Balance	<u>\$ 258,000</u>	<u>\$ 673,000</u>	<u>\$ -</u>	<u>\$ (673,000)</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF OGUNQUIT, MAINE

SCHEDULE OF CHANGES IN NET OPEB LIABILITY
FOR THE YEAR ENDED JUNE 30, 2023

	Increase (Decrease)		
	Net OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 1/1/22 (Reporting December 31, 2022)	\$ 142,991	\$ -	\$ 142,991
Changes for the year:			
Service cost	10,025	-	10,025
Interest	3,149	-	3,149
Changes of benefits	-	-	-
Differences between expected and actual experience	-	-	-
Changes of assumptions	(18,827)	-	(18,827)
Contributions - employer	-	303	(303)
Contributions - member	-	-	-
Net investment income	-	-	-
Benefit payments	(303)	(303)	-
Administrative expense	-	-	-
Net changes	(5,956)	-	(5,956)
Balances at 1/1/23 (Reporting December 31, 2023)	<u>\$ 137,035</u>	<u>\$ -</u>	<u>\$ 137,035</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF OGUNQUIT, MAINE

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2023

	2023	2022	2021	2020	2019	2018
<u>Total OPEB liability</u>						
Service cost (BOY)	\$ 10,025	\$ 18,455	\$ 16,006	\$ 14,145	\$ 15,693	\$ 13,857
Interest (includes interest on service cost)	3,149	6,041	6,684	9,399	8,005	7,506
Changes of benefit terms	-	-	-	(4,460)	-	-
Differences between expected and actual experience	-	(150,755)	-	(55,353)	-	(13,765)
Changes of assumptions	(18,827)	3,599	17,530	50,319	(24,790)	25,719
Benefit payments, including refunds of member contributions	(303)	(1,678)	(1,613)	(839)	(807)	(1,246)
Net change in total OPEB liability	\$ (5,956)	\$ (124,338)	\$ 38,607	\$ 13,211	\$ (1,899)	\$ 32,071
Total OPEB liability - beginning	\$ 142,991	\$ 267,329	\$ 228,722	\$ 215,511	\$ 217,410	\$ 185,339
Total OPEB liability - ending	\$ 137,035	\$ 142,991	\$ 267,329	\$ 228,722	\$ 215,511	\$ 217,410
<u>Plan fiduciary net position</u>						
Contributions - employer	303	1,678	1,613	839	807	1,246
Contributions - member	-	-	-	-	-	-
Net investment income	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(303)	(1,678)	(1,613)	(839)	(807)	(1,246)
Administrative expense	-	-	-	-	-	-
Net change in fiduciary net position	-	-	-	-	-	-
Plan fiduciary net position - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan fiduciary net position - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net OPEB liability - ending	\$ 137,035	\$ 142,991	\$ 267,329	\$ 228,722	\$ 215,511	\$ 217,410
Plan fiduciary net position as a percentage of the total OPEB liability	0%	0%	0%	0%	0%	0%
Covered payroll	\$ 1,177,185	\$ 1,177,185	\$ 1,777,638	\$ 1,777,638	\$ 2,096,309	\$ 2,096,309
Net OPEB liability as a percentage of covered payroll	11.6%	12.1%	15.0%	12.9%	10.3%	10.4%

* The amounts presented for each fiscal year are for those years for which information is available.

See accompanying independent auditor's report and notes to financial statements.

TOWN OF OGUNQUIT, MAINE

SCHEDULE OF CONTRIBUTIONS - OPEB
LAST 10 FISCAL YEARS*

	2023	2022	2021	2020	2019	2018
<u>MMEHT:</u>						
Employer contributions	\$ 303	\$ 1,678	\$ 1,613	\$ 839	\$ 807	\$ 1,246
Benefit payments	(303)	(1,678)	(1,613)	(839)	(807)	(1,246)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,177,185	\$ 1,177,185	\$ 1,777,638	\$ 1,777,638	\$ 2,096,309	\$ 2,096,309
Contributions as a percentage of covered payroll	0.03%	0.14%	0.09%	0.05%	0.04%	0.06%

* The amounts presented for each fiscal year are for those years for which information is available.

See accompanying independent auditor's report and notes to financial statements.

TOWN OF OGUNQUIT, MAINE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/(ASSET)
LAST 10 FISCAL YEARS*

	2023	2022	2021	2020	2019	2018	2017	2016	2015
<u>PLD Plan:</u>									
Proportion of the net pension liability	0.46%	0.49%	0.46%	0.46%	0.49%	0.46%	0.45%	0.49%	0.48%
Proportionate share of the net pension liability (asset)	\$ 1,221,152	\$ (158,283)	\$ 1,842,944	\$ 1,403,968	\$ 1,333,173	\$ 1,892,864	\$ 2,409,808	\$ 1,548,713	\$ 743,069
Covered payroll	\$ 2,495,283	\$ 3,821,230	\$ 1,994,135	\$ 1,895,659	\$ 1,905,781	\$ 1,774,614	\$ 1,746,281	\$ 1,676,391	\$ 1,572,667
Proportionate share of the net pension liability as a percentage of its covered payroll	48.94%	-4.14%	92.42%	74.06%	69.95%	106.66%	138.00%	92.38%	47.25%
Plan fiduciary net position as a percentage of the total pension liability (asset)	93.26%	100.86%	88.35%	90.62%	91.14%	86.43%	86.40%	81.61%	88.30%

* The amounts presented for each fiscal year were determined as of June 30 and are for those years for which information is available.

See accompanying independent auditor's report and notes to financial statements.

TOWN OF OGUNQUIT, MAINE

SCHEDULE OF CONTRIBUTIONS - PENSION
LAST 10 FISCAL YEARS*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>PLD Plan:</u>									
Contractually required contribution	\$ 350,875	\$ 325,652	\$ 368,096	\$ 293,331	\$ 284,214	\$ 270,787	\$ 230,003	\$ 212,823	\$ 198,422
Contributions in relation to the contractually required contribution	<u>(350,875)</u>	<u>(325,652)</u>	<u>(368,096)</u>	<u>(293,331)</u>	<u>(284,214)</u>	<u>(270,787)</u>	<u>(230,003)</u>	<u>(212,823)</u>	<u>(198,422)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 2,692,651	\$ 2,495,283	\$ 3,821,230	\$ 1,994,135	\$ 1,895,659	\$ 1,905,781	\$ 1,774,614	\$ 1,746,281	\$ 1,676,391
Contributions as a percentage of covered payroll	13.03%	13.05%	9.63%	14.71%	14.99%	14.21%	12.96%	12.19%	11.84%

* The amounts presented for each fiscal year are for those years for which information is available.

See accompanying independent auditor's report and notes to financial statements.

TOWN OF OGUNQUIT, MAINE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2023

Changes of Assumptions

Maine Municipal Health Trust

There was a change in the discount rate from 2.06% to 3.72% per GASB 75 discount rate selection. Ultimate medical trends were aligned to the higher inflation environment for the roll forward as of this measurement date.

MEPERS PLD Plan:

There were no changes of assumptions.

See accompanying independent auditor's report and notes to financial statements.

Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

- Schedule of Departmental Operations - General Fund
- Combining Balance Sheet - Nonmajor Governmental Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
- Combining Balance Sheet - Nonmajor Special Revenue Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds
- Combining Balance Sheet - Nonmajor Capital Projects Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds
- Combining Balance Sheet - Nonmajor Permanent Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Permanent Funds
- Schedule of General Capital Assets by Function
- Schedule of Changes in General Capital Assets by Function

SCHEDULE A

TOWN OF OGUNQUIT, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
General Government -					
General government	\$ 267,680	\$ -	\$ 267,680	\$ 268,180	\$ (500)
Selectboard	8,612	-	8,612	9,109	(497)
Town manager	171,506	-	171,506	175,009	(3,503)
Town treasurer	132,528	-	132,528	141,691	(9,163)
Town clerk	150,235	-	150,235	150,113	122
Elections	19,223	-	19,223	7,165	12,058
Insurance and benefits	241,028	-	241,028	250,139	(9,111)
Administration	245,512	-	245,512	237,598	7,914
Information services department	149,799	-	149,799	148,595	1,204
	<u>1,386,123</u>	<u>-</u>	<u>1,386,123</u>	<u>1,387,599</u>	<u>(1,476)</u>
Public Safety -					
Police department	1,911,784	-	1,911,784	1,911,903	(119)
Visitor services	365,773	-	365,773	334,368	31,405
Fire-rescue department	1,684,313	-	1,684,313	1,682,244	2,069
Harbor master	172,127	-	172,127	156,784	15,343
Lifeguard	291,676	-	291,676	305,020	(13,344)
	<u>4,425,673</u>	<u>-</u>	<u>4,425,673</u>	<u>4,390,319</u>	<u>35,354</u>
Public Works and Sanitation -					
Highway department	1,215,769	-	1,215,769	1,158,511	57,258
Transfer station	469,919	-	469,919	427,975	41,944
Utilities	187,896	-	187,896	176,008	11,888
	<u>1,873,584</u>	<u>-</u>	<u>1,873,584</u>	<u>1,762,494</u>	<u>111,090</u>
Recreation and Culture -					
Recreation department	16,000	-	16,000	21,333	(5,333)
Ogunquit Heritage Museum	29,984	-	29,984	29,615	369
Ogunquit performing arts	9,500	-	9,500	9,637	(137)
Sustainability	48,000	-	48,000	47,721	279
Conservation Commission	39,900	-	39,900	36,182	3,718
Shellfish conservation	10,050	-	10,050	7,238	2,812
Marginal Way committee	24,000	-	24,000	23,973	27
Bicycle - Pedestrian committee	3,000	-	3,000	986	2,014
Plover management	5,983	-	5,983	5,905	78
Age Friendly	500	-	500	-	500
	<u>186,917</u>	<u>-</u>	<u>186,917</u>	<u>182,590</u>	<u>4,327</u>

SCHEDULE A (CONTINUED)

TOWN OF OGUNQUIT, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
Health and Welfare -					
General assistance	2,000	-	2,000	988	1,012
	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>988</u>	<u>1,012</u>
Social Services -					
Civic organizations	14,392	-	14,392	14,892	(500)
	<u>14,392</u>	<u>-</u>	<u>14,392</u>	<u>14,892</u>	<u>(500)</u>
Land Use -					
Land use	182,175	-	182,175	197,558	(15,383)
Code enforcement	124,527	-	124,527	123,015	1,512
Assessing	59,000	145,339	204,339	116,239	88,100
Planning	24,900	-	24,900	15,513	9,387
Historic	2,000	-	2,000	-	2,000
	<u>392,602</u>	<u>145,339</u>	<u>537,941</u>	<u>452,325</u>	<u>85,616</u>
Education	<u>5,731,655</u>	<u>-</u>	<u>5,731,655</u>	<u>5,731,655</u>	<u>-</u>
County Tax	<u>817,146</u>	<u>-</u>	<u>817,146</u>	<u>817,146</u>	<u>-</u>
Debt Service -					
Principal	1,024,313	-	1,024,313	973,570	50,743
Interest	213,032	-	213,032	193,020	20,012
	<u>1,237,345</u>	<u>-</u>	<u>1,237,345</u>	<u>1,166,590</u>	<u>70,755</u>
Unclassified -					
Building improvements	425,952	-	425,952	389,113	36,839
Overlay	145,339	(145,339)	-	-	-
	<u>571,291</u>	<u>(145,339)</u>	<u>425,952</u>	<u>389,113</u>	<u>36,839</u>
Transfers to Other Funds -					
Capital projects funds	88,000	415,000	503,000	503,000	-
	<u>88,000</u>	<u>415,000</u>	<u>503,000</u>	<u>503,000</u>	<u>-</u>
Total Departmental Operations	<u>\$ 16,726,728</u>	<u>\$ 415,000</u>	<u>\$ 17,141,728</u>	<u>\$ 16,798,711</u>	<u>\$ 343,017</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF OGUNQUIT, MAINE

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 253,822	\$ -	\$ 44,686	\$ 298,508
Investments	-	-	464,248	464,248
Due from other funds	66,635	2,168,135	-	2,234,770
TOTAL ASSETS	<u>\$ 320,457</u>	<u>\$ 2,168,135</u>	<u>\$ 508,934</u>	<u>\$ 2,997,526</u>
LIABILITIES				
Due to other funds	\$ 57,466	\$ 7,829	\$ 12,625	\$ 77,920
TOTAL LIABILITIES	<u>57,466</u>	<u>7,829</u>	<u>12,625</u>	<u>77,920</u>
FUND BALANCES				
Nonspendable - principal	-	-	456,559	456,559
Restricted	69,926	-	39,750	109,676
Committed	-	2,168,135	-	2,168,135
Assigned	222,253	-	-	222,253
Unassigned	(29,188)	(7,829)	-	(37,017)
TOTAL FUND BALANCES	<u>262,991</u>	<u>2,160,306</u>	<u>496,309</u>	<u>2,919,606</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 320,457</u>	<u>\$ 2,168,135</u>	<u>\$ 508,934</u>	<u>\$ 2,997,526</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF OGUNQUIT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Special Revenue Funds	Capital Projects Funds	Permanent Funds	Total Nonmajor Governmental Funds
REVENUES				
Intergovernmental revenues	\$ 58,723	\$ -	\$ -	\$ 58,723
Investment income, net of unrealized gains/(losses)	1,813	80,104	6,270	88,187
Other	85,017	38,684	9,320	133,021
TOTAL REVENUES	<u>145,553</u>	<u>118,788</u>	<u>15,590</u>	<u>279,931</u>
EXPENDITURES				
Capital outlay	-	893,992	-	893,992
Other	103,795	97,234	10,893	211,922
TOTAL EXPENDITURES	<u>103,795</u>	<u>991,226</u>	<u>10,893</u>	<u>1,105,914</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>41,758</u>	<u>(872,438)</u>	<u>4,697</u>	<u>(825,983)</u>
OTHER FINANCING SOURCES (USES)				
Bond proceeds	-	360,695	-	360,695
Transfers in	-	503,000	-	503,000
Transfers (out)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>863,695</u>	<u>-</u>	<u>863,695</u>
NET CHANGE IN FUND BALANCES	41,758	(8,743)	4,697	37,712
FUND BALANCES - JULY 1, RESTATED	<u>221,233</u>	<u>2,169,049</u>	<u>491,612</u>	<u>2,881,894</u>
FUND BALANCES - JUNE 30	<u>\$ 262,991</u>	<u>\$ 2,160,306</u>	<u>\$ 496,309</u>	<u>\$ 2,919,606</u>

See accompanying independent auditor's report and notes to financial statements.

Special Revenue Funds

Special revenue funds are established to account for the proceeds of specific revenue sources (other than fiduciary trusts or for major capital projects) that are legally restricted to expenditures for specific purposes.

SCHEDULE D

TOWN OF OGUNQUIT, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2023

	Community Cupboard	Seaside Garden Donation	Dog Park	Age Friendly Grant	Jay Parrott Scholarships	EV Charging	Marginal Way Grant	Marginal Way	Byrne Grant
ASSETS									
Cash and cash equivalents	\$ 1,556	\$ 481	\$ 6,309	\$ -	\$ 938	\$ -	\$ -	\$ 92,217	\$ -
Due from other funds	-	-	-	2,500	-	-	51,637	-	-
TOTAL ASSETS	<u>\$ 1,556</u>	<u>\$ 481</u>	<u>\$ 6,309</u>	<u>\$ 2,500</u>	<u>\$ 938</u>	<u>\$ -</u>	<u>\$ 51,637</u>	<u>\$ 92,217</u>	<u>\$ -</u>
LIABILITIES									
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,658	\$ -	\$ -	\$ 795
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,658</u>	<u>-</u>	<u>-</u>	<u>795</u>
FUND BALANCES (DEFICITS)									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-
Assigned	1,556	481	6,309	2,500	938	-	51,637	92,217	-
Unassigned	-	-	-	-	-	(27,658)	-	-	(795)
TOTAL FUND BALANCES (DEFICITS)	<u>1,556</u>	<u>481</u>	<u>6,309</u>	<u>2,500</u>	<u>938</u>	<u>(27,658)</u>	<u>51,637</u>	<u>92,217</u>	<u>(795)</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 1,556</u>	<u>\$ 481</u>	<u>\$ 6,309</u>	<u>\$ 2,500</u>	<u>\$ 938</u>	<u>\$ -</u>	<u>\$ 51,637</u>	<u>\$ 92,217</u>	<u>\$ -</u>

SCHEDULE D (CONTINUED)

TOWN OF OGUNKUIT, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2023

	Warf Lane Natural Disaster	Perpetual Bench Care Fund	Police	Grow Ogunquit Village School	Time Warner Grant	ARPA	TS Compost Grant	Summer Programs
ASSETS								
Cash and cash equivalents	\$ 7,943	\$ 34,015	\$ 456	\$ -	\$ -	\$ 98,204	\$ -	\$ 5,610
Due from other funds	-	-	-	100	3,447	-	-	7,204
TOTAL ASSETS	<u>\$ 7,943</u>	<u>\$ 34,015</u>	<u>\$ 456</u>	<u>\$ 100</u>	<u>\$ 3,447</u>	<u>\$ 98,204</u>	<u>\$ -</u>	<u>\$ 12,814</u>
LIABILITIES								
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,278	\$ 473	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,278</u>	<u>473</u>	<u>-</u>
FUND BALANCES (DEFICITS)								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	69,926	-	-
Committed	-	-	-	-	-	-	-	-
Assigned	7,943	34,015	456	100	3,447	-	-	12,814
Unassigned	-	-	-	-	-	-	(473)	-
TOTAL FUND BALANCES (DEFICITS)	<u>7,943</u>	<u>34,015</u>	<u>456</u>	<u>100</u>	<u>3,447</u>	<u>69,926</u>	<u>(473)</u>	<u>12,814</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 7,943</u>	<u>\$ 34,015</u>	<u>\$ 456</u>	<u>\$ 100</u>	<u>\$ 3,447</u>	<u>\$ 98,204</u>	<u>\$ -</u>	<u>\$ 12,814</u>

TOWN OF OGUNQUIT, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2023

	Historic Preservation	Conservation Commission	Shellfish Commission	MDEP	Alfond Training	Museum Hearth	Total
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ 823	\$ -	\$ -	\$ 5,270	\$ 253,822
Due from other funds	507	1,240	-	-	-	-	66,635
TOTAL ASSETS	<u>\$ 507</u>	<u>\$ 1,240</u>	<u>\$ 823</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,270</u>	<u>\$ 320,457</u>
LIABILITIES							
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ 262	\$ -	\$ 57,466
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>262</u>	<u>-</u>	<u>57,466</u>
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	69,926
Committed	-	-	-	-	-	-	-
Assigned	507	1,240	823	-	-	5,270	222,253
Unassigned	-	-	-	-	(262)	-	(29,188)
TOTAL FUND BALANCES (DEFICITS)	<u>507</u>	<u>1,240</u>	<u>823</u>	<u>-</u>	<u>(262)</u>	<u>5,270</u>	<u>262,991</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 507</u>	<u>\$ 1,240</u>	<u>\$ 823</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,270</u>	<u>\$ 320,457</u>

See accompanying independent auditor's report and notes to financial statements.

SCHEDULE E

TOWN OF OGUNQUIT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Community Cupboard	Seaside Garden Donation	Dog Park	Age Friendly Grant	Jay Parrott Scholarships	EV Charging	Marginal Way Grant	Marginal Way	Byrne Grant
REVENUES									
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income, net of unrealized gains/(losses)	17	6	79	-	10	-	-	978	-
Other	-	1,949	2,907	-	-	-	50,000	14,770	-
TOTAL REVENUES	<u>17</u>	<u>1,955</u>	<u>2,986</u>	<u>-</u>	<u>10</u>	<u>-</u>	<u>50,000</u>	<u>15,748</u>	<u>-</u>
EXPENDITURES									
Other	-	1,949	2,852	-	-	27,658	439	10,687	795
TOTAL EXPENDITURES	<u>-</u>	<u>1,949</u>	<u>2,852</u>	<u>-</u>	<u>-</u>	<u>27,658</u>	<u>439</u>	<u>10,687</u>	<u>795</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	17	6	134	-	10	(27,658)	49,561	5,061	(795)
FUND BALANCES (DEFICITS) - JULY 1	<u>1,539</u>	<u>475</u>	<u>6,175</u>	<u>2,500</u>	<u>928</u>	<u>-</u>	<u>2,076</u>	<u>87,156</u>	<u>-</u>
FUND BALANCES (DEFICITS) - JUNE 30	<u>\$ 1,556</u>	<u>\$ 481</u>	<u>\$ 6,309</u>	<u>\$ 2,500</u>	<u>\$ 938</u>	<u>\$ (27,658)</u>	<u>\$ 51,637</u>	<u>\$ 92,217</u>	<u>\$ (795)</u>

SCHEDULE E (CONTINUED)

TOWN OF OGUNQUIT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Warf Lane Natural Disaster	Perpetual Bench Care Fund	Police	Grow Ogunquit Village School	Time Warner Grant	ARPA	TS Compost Grant	Summer Programs
REVENUES								
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,116	\$ -	\$ -
Investment income, net of unrealized gains/(losses)	85	364	5	-	-	23	-	165
Other	-	-	-	100	-	-	-	10,734
TOTAL REVENUES	<u>85</u>	<u>364</u>	<u>5</u>	<u>100</u>	<u>-</u>	<u>49,139</u>	<u>-</u>	<u>10,899</u>
EXPENDITURES								
Other	-	-	-	-	-	28,336	473	21,485
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,336</u>	<u>473</u>	<u>21,485</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	85	364	5	100	-	20,803	(473)	(10,586)
FUND BALANCES (DEFICITS) - JULY 1	<u>7,858</u>	<u>33,651</u>	<u>451</u>	<u>-</u>	<u>3,447</u>	<u>49,123</u>	<u>-</u>	<u>23,400</u>
FUND BALANCES (DEFICITS) - JUNE 30	<u>\$ 7,943</u>	<u>\$ 34,015</u>	<u>\$ 456</u>	<u>\$ 100</u>	<u>\$ 3,447</u>	<u>\$ 69,926</u>	<u>\$ (473)</u>	<u>\$ 12,814</u>

SCHEDULE E (CONTINUED)

TOWN OF OGUNQUIT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023

	Historic Preservation	Conservation Commission	Shellfish Commission	MDEP	Alfond Training	Museum Hearth	Total
REVENUES							
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ 9,607	\$ -	\$ -	\$ 58,723
Investment income, net of unrealized gains/(losses)	5	13	9	-	-	54	1,813
Other	-	-	-	-	1,202	3,355	85,017
TOTAL REVENUES	<u>5</u>	<u>13</u>	<u>9</u>	<u>9,607</u>	<u>1,202</u>	<u>3,409</u>	<u>145,553</u>
EXPENDITURES							
Other	-	-	-	7,657	1,464	-	103,795
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,657</u>	<u>1,464</u>	<u>-</u>	<u>103,795</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	5	13	9	1,950	(262)	3,409	41,758
FUND BALANCES (DEFICITS) - JULY 1	<u>502</u>	<u>1,227</u>	<u>814</u>	<u>(1,950)</u>	<u>-</u>	<u>1,861</u>	<u>221,233</u>
FUND BALANCES (DEFICITS) - JUNE 30	<u>\$ 507</u>	<u>\$ 1,240</u>	<u>\$ 823</u>	<u>\$ -</u>	<u>\$ (262)</u>	<u>\$ 5,270</u>	<u>\$ 262,991</u>

See accompanying independent auditor's report and notes to financial statements.

Capital Projects Funds

Capital projects funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

SCHEDULE F

TOWN OF OGUNQUIT, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2023

	2010 MDOT Projects	2015 Main Beach Trolley	2016 Beach Street Circle	2016 Beach Street Drainage	2017 Municipal Road Paving	2017 Dunaway Heating	Ambulance
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	47,856	19,016	4,812	122,436	25,867	208,958
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 47,856</u>	<u>\$ 19,016</u>	<u>\$ 4,812</u>	<u>\$ 122,436</u>	<u>\$ 25,867</u>	<u>\$ 208,958</u>
LIABILITIES							
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	47,856	19,016	4,812	122,436	25,867	208,958
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>-</u>	<u>47,856</u>	<u>19,016</u>	<u>4,812</u>	<u>122,436</u>	<u>25,867</u>	<u>208,958</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ -</u>	<u>\$ 47,856</u>	<u>\$ 19,016</u>	<u>\$ 4,812</u>	<u>\$ 122,436</u>	<u>\$ 25,867</u>	<u>\$ 208,958</u>

SCHEDULE F (CONTINUED)

TOWN OF OGUNQUIT, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2023

	2018 Perkins Cove Foot Bridge	2018 VS Parking Lot Improvements	2018 VS Parking Meters	2018 FD Kitchen Rehabilitation	2018 PW Tennis Court Repairs	2018 PW Main Beach Ramp Replacement	Perkins Cove Lighting
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	163,185	15,094	35	-	250	137	36,491
TOTAL ASSETS	<u>\$ 163,185</u>	<u>\$ 15,094</u>	<u>\$ 35</u>	<u>\$ -</u>	<u>\$ 250</u>	<u>\$ 137</u>	<u>\$ 36,491</u>
LIABILITIES							
Due to other funds	\$ -	\$ -	\$ -	\$ 624	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>624</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	163,185	15,094	35	-	250	137	36,491
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	(624)	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>163,185</u>	<u>15,094</u>	<u>35</u>	<u>(624)</u>	<u>250</u>	<u>137</u>	<u>36,491</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 163,185</u>	<u>\$ 15,094</u>	<u>\$ 35</u>	<u>\$ -</u>	<u>\$ 250</u>	<u>\$ 137</u>	<u>\$ 36,491</u>

SCHEDULE F (CONTINUED)

TOWN OF OGUNQUIT, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2023

	Jet Ski Storage	Carriage & Cradle	IT Capital Improvements	Assessing Statistical Updates	2018 OVS Repurpose Use Design	Footbridge Bath	Perkins Cove Retrofit	Beautification Fund
ASSETS								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	616	35,892	46,593	298	4,879	29,398	18,901	10,837
TOTAL ASSETS	<u>\$ 616</u>	<u>\$ 35,892</u>	<u>\$ 46,593</u>	<u>\$ 298</u>	<u>\$ 4,879</u>	<u>\$ 29,398</u>	<u>\$ 18,901</u>	<u>\$ 10,837</u>
LIABILITIES								
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed	616	35,892	46,593	298	4,879	29,398	18,901	10,837
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>616</u>	<u>35,892</u>	<u>46,593</u>	<u>298</u>	<u>4,879</u>	<u>29,398</u>	<u>18,901</u>	<u>10,837</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 616</u>	<u>\$ 35,892</u>	<u>\$ 46,593</u>	<u>\$ 298</u>	<u>\$ 4,879</u>	<u>\$ 29,398</u>	<u>\$ 18,901</u>	<u>\$ 10,837</u>

SCHEDULE F (CONTINUED)

TOWN OF OGUNQUIT, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2023

	Perkins Cove Docks	Dock Pilings	2018 PW Cherry Lane Improve/Overlay	2019 Marginal Way	USLA Accreditation	2019 Lifeguard ATV	2019 Police Cruiser
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	1,061	15,637	4,877	186,723	-	2,287	501
TOTAL ASSETS	<u>\$ 1,061</u>	<u>\$ 15,637</u>	<u>\$ 4,877</u>	<u>\$ 186,723</u>	<u>\$ -</u>	<u>\$ 2,287</u>	<u>\$ 501</u>
LIABILITIES							
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	1,061	15,637	4,877	186,723	-	2,287	501
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>1,061</u>	<u>15,637</u>	<u>4,877</u>	<u>186,723</u>	<u>-</u>	<u>2,287</u>	<u>501</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 1,061</u>	<u>\$ 15,637</u>	<u>\$ 4,877</u>	<u>\$ 186,723</u>	<u>\$ -</u>	<u>\$ 2,287</u>	<u>\$ 501</u>

TOWN OF OGUNQUIT, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2023

	2019 Natural Disaster	Fire Equipment	Public Works Equipment	Containers Transfer Station	Trash Compactor	PFAS Testing	Agamenticus Rd. Drainage Study
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	322,731	5,091	13,150	7,725	1,053	38,942	175,827
TOTAL ASSETS	<u>\$ 322,731</u>	<u>\$ 5,091</u>	<u>\$ 13,150</u>	<u>\$ 7,725</u>	<u>\$ 1,053</u>	<u>\$ 38,942</u>	<u>\$ 175,827</u>
LIABILITIES							
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	322,731	5,091	13,150	7,725	1,053	38,942	175,827
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>322,731</u>	<u>5,091</u>	<u>13,150</u>	<u>7,725</u>	<u>1,053</u>	<u>38,942</u>	<u>175,827</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 322,731</u>	<u>\$ 5,091</u>	<u>\$ 13,150</u>	<u>\$ 7,725</u>	<u>\$ 1,053</u>	<u>\$ 38,942</u>	<u>\$ 175,827</u>

TOWN OF OGUNQUIT, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2023

	2019 River Road Repairs	Comprehensive Plan	2019 Harbor Boat Repairs	Lifeguard Equipment	4 Post Lift	2019 Winter Reserve	2019 Land Conservation
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	25,295	-	9,174	-	10,447	27,809
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 25,295</u>	<u>\$ -</u>	<u>\$ 9,174</u>	<u>\$ -</u>	<u>\$ 10,447</u>	<u>\$ 27,809</u>
LIABILITIES							
Due to other funds	\$ -	\$ -	\$ 220	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>220</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	25,295	-	9,174	-	10,447	27,809
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	(220)	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>-</u>	<u>25,295</u>	<u>(220)</u>	<u>9,174</u>	<u>-</u>	<u>10,447</u>	<u>27,809</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ -</u>	<u>\$ 25,295</u>	<u>\$ -</u>	<u>\$ 9,174</u>	<u>\$ -</u>	<u>\$ 10,447</u>	<u>\$ 27,809</u>

TOWN OF OGUNQUIT, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2023

	2019 EcoMaine Closeout	2019 Fire Dept. Training	Contract/ Salary Adjust	Police Chief Vehicle	Shore Road	Sidewalk Mower	Police Equipment	Fire Truck
ASSETS								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	146,110	-	10,268	5,548	93,639	-	14,669	52,133
TOTAL ASSETS	<u>\$ 146,110</u>	<u>\$ -</u>	<u>\$ 10,268</u>	<u>\$ 5,548</u>	<u>\$ 93,639</u>	<u>\$ -</u>	<u>\$ 14,669</u>	<u>\$ 52,133</u>
LIABILITIES								
Due to other funds	\$ -	\$ 5,973	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>5,973</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed	146,110	-	10,268	5,548	93,639	-	14,669	52,133
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	(5,973)	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>146,110</u>	<u>(5,973)</u>	<u>10,268</u>	<u>5,548</u>	<u>93,639</u>	<u>-</u>	<u>14,669</u>	<u>52,133</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 146,110</u>	<u>\$ -</u>	<u>\$ 10,268</u>	<u>\$ 5,548</u>	<u>\$ 93,639</u>	<u>\$ -</u>	<u>\$ 14,669</u>	<u>\$ 52,133</u>

TOWN OF OGUNQUIT, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2023

	OPA Stage Lighting	Building Improvements	EMS Chest Compressor	Perkins Cove Boardwalk	Perkins Cove Bridge	EMS Cardiac Monitor	Unemployment Reserve	Accrued Comp Absence Reserve	Total
ASSETS									
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	797	124,375	2,592	515	37,776	1,010	-	38,822	2,168,135
TOTAL ASSETS	<u>\$ 797</u>	<u>\$ 124,375</u>	<u>\$ 2,592</u>	<u>\$ 515</u>	<u>\$ 37,776</u>	<u>\$ 1,010</u>	<u>\$ -</u>	<u>\$ 38,822</u>	<u>\$ 2,168,135</u>
LIABILITIES									
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,012	\$ -	\$ 7,829
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,012</u>	<u>-</u>	<u>7,829</u>
FUND BALANCES (DEFICITS)									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-
Committed	797	124,375	2,592	515	37,776	1,010	-	38,822	2,168,135
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(1,012)	-	(7,829)
TOTAL FUND BALANCES (DEFICITS)	<u>797</u>	<u>124,375</u>	<u>2,592</u>	<u>515</u>	<u>37,776</u>	<u>1,010</u>	<u>(1,012)</u>	<u>38,822</u>	<u>2,160,306</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 797</u>	<u>\$ 124,375</u>	<u>\$ 2,592</u>	<u>\$ 515</u>	<u>\$ 37,776</u>	<u>\$ 1,010</u>	<u>\$ -</u>	<u>\$ 38,822</u>	<u>\$ 2,168,135</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF OGUNQUIT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	2010 MDOT Projects	2015 Main Beach Trolley	2016 Beach Street Circle	2016 Beach Street Drainage	2017 Municipal Road Paving	2017 Dunaway Heating	Ambulance
REVENUES							
Investment income, net of unrealized gains/(losses)	\$ -	\$ 2,526	\$ -	\$ 182	\$ 2,412	\$ 977	\$ 6,433
Other	1	-	-	-	-	-	38,683
TOTAL REVENUES	<u>1</u>	<u>2,526</u>	<u>-</u>	<u>182</u>	<u>2,412</u>	<u>977</u>	<u>45,116</u>
EXPENDITURES							
Capital outlay	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>1</u>	<u>2,526</u>	<u>-</u>	<u>182</u>	<u>2,412</u>	<u>977</u>	<u>45,116</u>
OTHER FINANCING SOURCES (USES)							
Bond proceeds	-	-	-	-	75,000	-	-
Transfers in	-	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,000</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	1	2,526	-	182	77,412	977	45,116
FUND BALANCES (DEFICITS) - JULY 1, RESTATED	<u>(1)</u>	<u>45,330</u>	<u>19,016</u>	<u>4,630</u>	<u>45,024</u>	<u>24,890</u>	<u>163,842</u>
FUND BALANCES (DEFICITS) - JUNE 30	<u>\$ -</u>	<u>\$ 47,856</u>	<u>\$ 19,016</u>	<u>\$ 4,812</u>	<u>\$ 122,436</u>	<u>\$ 25,867</u>	<u>\$ 208,958</u>

SCHEDULE G (CONTINUED)

TOWN OF OGUNQUIT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	2018 Perkins Cove Foot Bridge	2018 VS Parking Lot Improvements	2018 VS Parking Meters	2018 FD Kitchen Rehabilitation	2018 PW Tennis Court Repairs	2018 PW Main Beach Ramp Replacement	Perkins Cove Lighting
REVENUES							
Investment income, net of unrealized gains/(losses)	\$ 8,935	\$ 570	\$ 1	\$ -	\$ 9	\$ 5	\$ 1,379
Other	-	-	-	-	-	-	-
TOTAL REVENUES	8,935	570	1	-	9	5	1,379
EXPENDITURES							
Capital outlay	95,013	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
TOTAL EXPENDITURES	95,013	-	-	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(86,078)	570	1	-	9	5	1,379
OTHER FINANCING SOURCES (USES)							
Bond proceeds	-	-	-	-	-	-	-
Transfers in	85,000	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	85,000	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES (DEFICITS)	(1,078)	570	1	-	9	5	1,379
FUND BALANCES (DEFICITS) - JULY 1, RESTATED	164,263	14,524	34	(624)	241	132	35,112
FUND BALANCES (DEFICITS) - JUNE 30	\$ 163,185	\$ 15,094	\$ 35	\$ (624)	\$ 250	\$ 137	\$ 36,491

SCHEDULE G (CONTINUED)

TOWN OF OGUNQUIT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Jet Ski Storage	Carriage & Cradle	IT Capital Improvements	Assessing Statistical Updates	2018 OVS Repurpose Use Design	Footbridge Bath	Perkins Cove Retrofit	Beautification Fund
REVENUES								
Investment income, net of unrealized gains/(losses)	\$ 14	\$ 1,356	\$ 2,045	\$ 200	\$ 676	\$ 1,111	\$ 714	\$ 430
Other	-	-	-	-	-	-	-	-
TOTAL REVENUES	14	1,356	2,045	200	676	1,111	714	430
EXPENDITURES								
Capital outlay	-	-	16,208	30,000	28,340	-	-	2,189
Other	-	-	2,778	-	-	-	-	-
TOTAL EXPENDITURES	-	-	18,986	30,000	28,340	-	-	2,189
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	14	1,356	(16,941)	(29,800)	(27,664)	1,111	714	(1,759)
OTHER FINANCING SOURCES (USES)								
Bond proceeds	-	-	-	-	-	-	-	-
Transfers in	-	-	50,000	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	50,000	-	-	-	-	-
NET CHANGE IN FUND BALANCES (DEFICITS)	14	1,356	33,059	(29,800)	(27,664)	1,111	714	(1,759)
FUND BALANCES (DEFICITS) - JULY 1, RESTATED	602	34,536	13,534	30,098	32,543	28,287	18,187	12,596
FUND BALANCES (DEFICITS) - JUNE 30	\$ 616	\$ 35,892	\$ 46,593	\$ 298	\$ 4,879	\$ 29,398	\$ 18,901	\$ 10,837

TOWN OF OGUNQUIT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Perkins Cove Docks	Dock Pilings	2018 PW Cherry Lane Improve/Overlay	2019 Marginal Way	USLA Accreditation	2019 Lifeguard ATV	2019 Police Cruiser
REVENUES							
Investment income, net of unrealized gains/(losses)	\$ 435	\$ 591	\$ 184	\$ 7,314	\$ 103	\$ 86	\$ 23
Other	-	-	-	-	-	-	-
TOTAL REVENUES	<u>435</u>	<u>591</u>	<u>184</u>	<u>7,314</u>	<u>103</u>	<u>86</u>	<u>23</u>
EXPENDITURES							
Capital outlay	21,395	-	-	7,414	3,591	-	61,539
Other	-	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>21,395</u>	<u>-</u>	<u>-</u>	<u>7,414</u>	<u>3,591</u>	<u>-</u>	<u>61,539</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(20,960)</u>	<u>591</u>	<u>184</u>	<u>(100)</u>	<u>(3,488)</u>	<u>86</u>	<u>(61,516)</u>
OTHER FINANCING SOURCES (USES)							
Bond proceeds	-	-	-	-	-	-	55,000
Transfers in	16,000	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>16,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>55,000</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	(4,960)	591	184	(100)	(3,488)	86	(6,516)
FUND BALANCES (DEFICITS) - JULY 1, RESTATED	<u>6,021</u>	<u>15,046</u>	<u>4,693</u>	<u>186,823</u>	<u>3,488</u>	<u>2,201</u>	<u>7,017</u>
FUND BALANCES (DEFICITS) - JUNE 30	<u>\$ 1,061</u>	<u>\$ 15,637</u>	<u>\$ 4,877</u>	<u>\$ 186,723</u>	<u>\$ -</u>	<u>\$ 2,287</u>	<u>\$ 501</u>

TOWN OF OGUNQUIT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023

	2019 Natural Disaster	Fire Equipment	Public Works Equipment	Containers Transfer Station	Trash Compactor	PFAS Testing	Agamenticus Rd. Drainage Study
REVENUES							
Investment income, net of unrealized gains/(losses)	\$ 12,646	\$ 301	\$ 858	\$ 326	\$ 40	\$ 1,370	\$ -
Other	-	-	-	-	-	-	-
TOTAL REVENUES	<u>12,646</u>	<u>301</u>	<u>858</u>	<u>326</u>	<u>40</u>	<u>1,370</u>	<u>-</u>
EXPENDITURES							
Capital outlay	33,064	5,938	44,022	9,500	-	12,428	89,011
Other	-	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>33,064</u>	<u>5,938</u>	<u>44,022</u>	<u>9,500</u>	<u>-</u>	<u>12,428</u>	<u>89,011</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(20,418)</u>	<u>(5,637)</u>	<u>(43,164)</u>	<u>(9,174)</u>	<u>40</u>	<u>(11,058)</u>	<u>(89,011)</u>
OTHER FINANCING SOURCES (USES)							
Bond proceeds	-	-	-	-	-	-	-
Transfers in	-	-	10,000	10,000	-	50,000	-
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>50,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	(20,418)	(5,637)	(33,164)	826	40	38,942	(89,011)
FUND BALANCES (DEFICITS) - JULY 1, RESTATED	<u>343,149</u>	<u>10,728</u>	<u>46,314</u>	<u>6,899</u>	<u>1,013</u>	<u>-</u>	<u>264,838</u>
FUND BALANCES (DEFICITS) - JUNE 30	<u>\$ 322,731</u>	<u>\$ 5,091</u>	<u>\$ 13,150</u>	<u>\$ 7,725</u>	<u>\$ 1,053</u>	<u>\$ 38,942</u>	<u>\$ 175,827</u>

TOWN OF OGUNQUIT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023

	2019 River Road Repairs	Comprehensive Plan	2019 Harbor Boat Repairs	Lifeguard Equipment	4 Post Lift	2019 Winter Reserve	2019 Land Conservation
REVENUES							
Investment income, net of unrealized gains/(losses)	\$ -	\$ 1,438	\$ -	\$ 663	\$ -	\$ 395	\$ 1,051
Other	-	-	-	-	-	-	-
TOTAL REVENUES	-	1,438	-	663	-	395	1,051
EXPENDITURES							
Capital outlay	-	24,834	7,000	16,385	63,709	-	-
Other	-	-	-	-	-	-	-
TOTAL EXPENDITURES	-	24,834	7,000	16,385	63,709	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(23,396)	(7,000)	(15,722)	(63,709)	395	1,051
OTHER FINANCING SOURCES (USES)							
Bond proceeds	21,986	-	-	-	63,709	-	-
Transfers in	-	-	7,000	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	21,986	-	7,000	-	63,709	-	-
NET CHANGE IN FUND BALANCES (DEFICITS)	21,986	(23,396)	-	(15,722)	-	395	1,051
FUND BALANCES (DEFICITS) - JULY 1, RESTATED	(21,986)	48,691	(220)	24,896	-	10,052	26,758
FUND BALANCES (DEFICITS) - JUNE 30	\$ -	\$ 25,295	\$ (220)	\$ 9,174	\$ -	\$ 10,447	\$ 27,809

TOWN OF OGUNQUIT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023

	2019 EcoMaine Closeout	2019 Fire Dept. Training	Contract/ Salary Adjust	Police Chief Vehicle	Shore Road	Sidewalk Mower	Police Equipment	Fire Truck
REVENUES								
Investment income, net of unrealized gains/(losses)	\$ 5,520	\$ -	\$ 1,460	\$ 210	\$ 3,622	\$ -	\$ 327	\$ 1,980
Other	-	-	-	-	-	-	-	-
TOTAL REVENUES	<u>5,520</u>	<u>-</u>	<u>1,460</u>	<u>210</u>	<u>3,622</u>	<u>-</u>	<u>327</u>	<u>1,980</u>
EXPENDITURES								
Capital outlay	-	-	62,482	-	-	145,000	70,658	-
Other	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>62,482</u>	<u>-</u>	<u>-</u>	<u>145,000</u>	<u>70,658</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>5,520</u>	<u>-</u>	<u>(61,022)</u>	<u>210</u>	<u>3,622</u>	<u>(145,000)</u>	<u>(70,331)</u>	<u>1,980</u>
OTHER FINANCING SOURCES (USES)								
Bond proceeds	-	-	-	-	-	145,000	-	-
Transfers in	15,000	-	30,000	-	-	-	85,000	-
Transfers (out)	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>15,000</u>	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>145,000</u>	<u>85,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	20,520	-	(31,022)	210	3,622	-	14,669	1,980
FUND BALANCES (DEFICITS) - JULY 1, RESTATED	<u>125,590</u>	<u>(5,973)</u>	<u>41,290</u>	<u>5,338</u>	<u>90,017</u>	<u>-</u>	<u>-</u>	<u>50,153</u>
FUND BALANCES (DEFICITS) - JUNE 30	<u>\$ 146,110</u>	<u>\$ (5,973)</u>	<u>\$ 10,268</u>	<u>\$ 5,548</u>	<u>\$ 93,639</u>	<u>\$ -</u>	<u>\$ 14,669</u>	<u>\$ 52,133</u>

TOWN OF OGUNQUIT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	OPA Stage Lighting	Building Improvements	EMS Chest Compressor	Perkins Cove Boardwalk	Perkins Cove Bridge	EMS Cardiac Monitor	Unemployment Reserve	Accrued Comp Absence Reserve	Total
REVENUES									
Investment income, net of unrealized gains/(losses)	\$ 30	\$ 4,598	\$ 20	\$ 20	\$ 1,440	\$ 39	\$ 120	\$ 2,919	\$ 80,104
Other	-	-	-	-	-	-	-	-	38,684
TOTAL REVENUES	<u>30</u>	<u>4,598</u>	<u>20</u>	<u>20</u>	<u>1,440</u>	<u>39</u>	<u>120</u>	<u>2,919</u>	<u>118,788</u>
EXPENDITURES									
Capital outlay	-	-	-	-	43,789	483	-	-	893,992
Other	-	-	-	-	-	-	16,872	77,584	97,234
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,789</u>	<u>483</u>	<u>16,872</u>	<u>77,584</u>	<u>991,226</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>30</u>	<u>4,598</u>	<u>20</u>	<u>20</u>	<u>(42,349)</u>	<u>(444)</u>	<u>(16,752)</u>	<u>(74,665)</u>	<u>(872,438)</u>
OTHER FINANCING SOURCES (USES)									
Bond proceeds	-	-	-	-	-	-	-	-	360,695
Transfers in	-	25,000	-	-	40,000	-	5,000	75,000	503,000
Transfers (out)	-	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>40,000</u>	<u>-</u>	<u>5,000</u>	<u>75,000</u>	<u>863,695</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	30	29,598	20	20	(2,349)	(444)	(11,752)	335	(8,743)
FUND BALANCES (DEFICITS) - JULY 1, RESTATED	<u>767</u>	<u>94,777</u>	<u>2,572</u>	<u>495</u>	<u>40,125</u>	<u>1,454</u>	<u>10,740</u>	<u>38,487</u>	<u>2,169,049</u>
FUND BALANCES (DEFICITS) - JUNE 30	<u>\$ 797</u>	<u>\$ 124,375</u>	<u>\$ 2,592</u>	<u>\$ 515</u>	<u>\$ 37,776</u>	<u>\$ 1,010</u>	<u>\$ (1,012)</u>	<u>\$ 38,822</u>	<u>\$ 2,160,306</u>

See accompanying independent auditor's report and notes to financial statements.

Permanent Funds

Permanent funds are used to account for assets held by the Town of Ogunquit, Maine that are legally restricted pursuant to Title 30-A, §5653 of the Maine State Statutes, as amended and unless otherwise specified, only earnings and not principal, may be used for purposes that benefit the Town or its citizenry. These funds have been established for various purposes including the provision and/or maintenance of cemeteries and scholarships.

TOWN OF OGUNKUIT, MAINE

COMBINING BALANCE SHEET - NONMAJOR PERMANENT FUNDS
JUNE 30, 2023

	Dorothea Jacobs Grant Fund	Ogunquit Performing Arts	Music Center Escrow	Total
ASSETS				
Cash and cash equivalents	\$ 25,450	\$ 7,104	\$ 12,132	\$ 44,686
Investments	222,950	147,747	93,551	464,248
TOTAL ASSETS	<u>\$ 248,400</u>	<u>\$ 154,851</u>	<u>\$ 105,683</u>	<u>\$ 508,934</u>
LIABILITIES				
Due to other funds	\$ 4,983	\$ 6,855	\$ 787	\$ 12,625
TOTAL LIABILITIES	<u>4,983</u>	<u>6,855</u>	<u>787</u>	<u>12,625</u>
FUND BALANCES				
Nonspendable	219,259	145,300	92,000	456,559
Restricted	24,158	2,696	12,896	39,750
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
TOTAL FUND BALANCES	<u>243,417</u>	<u>147,996</u>	<u>104,896</u>	<u>496,309</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 248,400</u>	<u>\$ 154,851</u>	<u>\$ 105,683</u>	<u>\$ 508,934</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF OGUNQUIT, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - NONMAJOR PERMANENT FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Dorothea Jacobs Grant Fund	Ogunquit Performing Arts	Music Center Escrow	Total
REVENUES				
Investment income, net of unrealized gains/(losses)	\$ 3,067	\$ 1,903	\$ 1,300	\$ 6,270
Other income	300	9,020	-	9,320
TOTAL REVENUES	<u>3,367</u>	<u>10,923</u>	<u>1,300</u>	<u>15,590</u>
EXPENDITURES				
Other	-	10,893	-	10,893
TOTAL EXPENDITURES	<u>-</u>	<u>10,893</u>	<u>-</u>	<u>10,893</u>
NET CHANGE IN FUND BALANCES	3,367	30	1,300	4,697
FUND BALANCES - JULY 1	<u>240,050</u>	<u>147,966</u>	<u>103,596</u>	<u>491,612</u>
FUND BALANCES - JUNE 30	<u>\$ 243,417</u>	<u>\$ 147,996</u>	<u>\$ 104,896</u>	<u>\$ 496,309</u>

See accompanying independent auditor's report and notes to financial statements.

General Capital Assets

General capital assets are those assets related to activities reported in the governmental funds. These assets are reported in the governmental activities' column of the government-wide statement of net position.

TOWN OF OGUNQUIT, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION

JUNE 30, 2023

	Land and Non-depreciable Assets	Buildings, Building Improvements and Land Improvements	Furniture, Fixtures, Equipment and Vehicles	Infrastructure	Total
General government	\$ -	\$ 2,232,027	\$ 172,874	\$ -	\$ 2,404,901
Public safety	95,013	327,562	3,156,213	1,032,638	4,611,426
Public works and sanitation	1,743,433	3,249,536	1,971,516	9,806,691	16,771,176
Recreation and culture	27,658	-	285,443	-	313,101
Town-wide	<u>4,967,460</u>	<u>1,523,366</u>	<u>74,377</u>	<u>525,372</u>	<u>7,090,575</u>
Total General Capital Assets	6,833,564	7,332,491	5,660,423	11,364,701	31,191,179
Less: Accumulated Depreciation	<u>-</u>	<u>(4,348,585)</u>	<u>(3,656,970)</u>	<u>(5,348,305)</u>	<u>(13,353,860)</u>
Net General Capital Assets	<u>\$ 6,833,564</u>	<u>\$ 2,983,906</u>	<u>\$ 2,003,453</u>	<u>\$ 6,016,396</u>	<u>\$ 17,837,319</u>

See accompanying independent auditor's report and notes to financial statements.

TOWN OF OGUNQUIT, MAINE

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION
FOR THE YEAR ENDED JUNE 30, 2023

	General Capital Assets 7/1/22 (Restated)	Additions	Deletions	General Capital Assets 6/30/23
General government	\$ 2,404,901	\$ -	\$ -	\$ 2,404,901
Public safety	4,380,120	243,884	(12,578)	4,611,426
Public works and sanitation	16,691,739	295,289	(215,852)	16,771,176
Recreation and culture	246,105	128,896	(61,900)	313,101
Town-wide	<u>7,090,575</u>	<u>-</u>	<u>-</u>	<u>7,090,575</u>
Total General Capital Assets	30,813,440	668,069	(290,330)	31,191,179
Less: Accumulated Depreciation	<u>(12,557,660)</u>	<u>(1,069,220)</u>	<u>273,020</u>	<u>(13,353,860)</u>
Net General Capital Assets	<u>\$ 18,255,780</u>	<u>\$ (401,151)</u>	<u>\$ (17,310)</u>	<u>\$ 17,837,319</u>

See accompanying independent auditor's report and notes to financial statements.



Proven Expertise & Integrity

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Selectboard
Town of Ogunquit
Ogunquit, Maine

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Ogunquit, Maine as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Town of Ogunquit, Maine's basic financial statements and have issued our report thereon dated March 18, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Ogunquit, Maine's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Ogunquit, Maine's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Ogunquit, Maine's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Ogunquit Maine's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. We noted certain other matters that we reported to management of the Town of Ogunquit, Maine in a separate letter dated February 2, 2024.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in dark ink that reads "RHR Smith & Company". The signature is written in a cursive, flowing style.

Buxton, Maine
March 18, 2024

APPENDIX B

**PROPOSED FORM
OF
LEGAL OPINION**

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**Bernstein, Shur,
Sawyer & Nelson, P.A.**
100 Middle Street
PO Box 9729
Portland, ME 04104-5029

T (207) 774 - 1200
F (207) 774 - 1127

May 23, 2024

We have examined the law and certified proceedings submitted in connection with the issuance and sale of the \$12,750,000 aggregate principal amount of 2024 General Obligation Bonds (the “Bonds”) of the Town of Ogunquit, Maine (the “Issuer”), a public municipal corporation in the State of Maine organized and existing under and pursuant to the laws of the State of Maine and the Charter of the Town of Ogunquit, Maine (the “Charter”).

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of any offering material relating to the Bonds and we express no opinion relating thereto.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

The Bonds are issued under and pursuant to the Charter and the provisions of Title 30-A, Section 5772 of the Maine Revised Statutes, as amended.

The Bonds are dated May 23, 2024. Principal of the Bonds will be payable on November 1 of the years in which the Bonds mature and in the principal amounts as set forth below. The Bonds will bear interest from their date, payable semi-annually on May 1 and November 1 in each year, until maturity, or redemption prior to maturity commencing on November 1, 2024, at the respective rates per annum, as follows:

<u>Year of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield or Price</u>	<u>Year of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield or Price</u>
2025	\$490,000			2040	\$400,000		
2026	490,000			2041	400,000		
2027	490,000			2042	400,000		
2028	490,000			2043	400,000		
2029	490,000			2044	400,000		
2030	475,000			2045	400,000		
2031	475,000			2046	400,000		
2032	450,000			2047	400,000		
2033	450,000			2048	400,000		
2034	450,000			2049	400,000		
2035	400,000			2050	400,000		
2036	400,000			2051	400,000		
2037	400,000			2052	400,000		
2038	400,000			2053	400,000		
2039	400,000			2054	400,000		

Bonds maturing on and before May 1, 2034 are not subject to redemption prior to their stated dates of maturity. Bonds maturing on and after May 1, 2035 are subject to redemption prior to their stated dates of maturity, at the option of the Town, on and after May 1, 2034, as a whole or in part at any time, in such order of maturity as the Town, 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 will be issued in fully registered form without coupons and, when issued, will be registered in the name of and held by Cede & Co., as nominee for The Depository Trust Company (“DTC”), an automated depository for securities and clearinghouse for securities transactions. Purchases of the Bonds will be made in book-entry form (without certificates) in the denomination of \$5,000 or any integral multiple thereof. The Bonds are lettered R and shall be numbered from one (1) upwards.

The Internal Revenue Code of 1986, as amended (the “Code”), establishes certain requirements that must be met subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excluded from the gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code. Noncompliance 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. The Issuer, in executing its Arbitrage and Use of Proceeds Certificate and Certificate of Treasurer (collectively, the “Tax Certificates”), has certified to the effect that the Issuer will comply with the provisions and procedures set forth therein and do and perform all acts and things necessary or desirable in order to assure that interest paid on the Bonds shall, for purposes of federal income tax, be excluded from the gross income of the owners thereof. In rendering this

opinion, we have assumed that the Issuer will comply with the provisions and procedures set forth in its Tax Certificates.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Issuer has been duly created and validly exists as a public municipal corporation under and pursuant to the laws of the State of Maine.
2. The Issuer is duly authorized to issue the Bonds which have been duly and validly authorized and issued in accordance with law and constitute valid general obligations of the Issuer payable as to both principal and interest from ad valorem taxes which may be levied, subject to certain procedural limitations under Section 5721-A of the Maine Revised Statutes as amended and supplemented to date, without limit as to rate or amount upon all the property located within the territorial limits of the Issuer and taxable by it, except to any extent that the Issuer may enter into an agreement under Title 30-A, Chapter 223, Subchapter V, of the Maine Revised Statutes, as amended, to share any portion of its assessed valuation with another municipality and except to the extent that the Issuer may establish municipal development districts or affordable housing districts pursuant to Title 30-A, Chapters 206 and former 207 (now repealed) of the Maine Revised Statutes, as amended, the tax increment revenues on retained captured assessed values of which may not be available for payment of debt service on the Bonds.
3. Under existing statutes and court decisions (a) interest on the Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code, and (b) interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals under the Code, however for tax years beginning after December 31, 2022, 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. The opinions set forth in the preceding sentences are subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.
4. Under existing Maine law, interest on the Bonds is exempt from Maine State income tax. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the existing Maine state law that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be,

or continue to be, excluded from gross income for Maine income tax purposes. The Issuer has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for Maine income tax purposes to be retroactive to the date of issuance of the Bonds. We express no opinion regarding other state tax consequences arising with respect to the Bonds.

5. The Bonds will not constitute “qualified tax-exempt obligations” under Section 265(b) of the Code.

It is to be understood that the rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

We have examined the executed Bonds and, in our opinion, the form of said Bonds and their execution are regular and proper.

Very truly yours,

Bernstein Shur Sawyer & Nelson

APPENDIX C

**PROPOSED FORM
OF
CONTINUING DISCLOSURE AGREEMENT**

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**TOWN OF OGUNQUIT, MAINE
PROPOSED FORM OF
CONTINUING DISCLOSURE AGREEMENT**

In connection with the issuance by the Town of Ogunquit, Maine (the “Issuer”) of its \$_____,000 2024 General Obligation Bonds, dated as of _____, 2024 (the “Bonds”) and with reference to the continuing disclosure requirements of Rule 15c2-12 under the Securities and Exchange Act of 1934, as amended, and officially interpreted from time to time (the “Rule”), the Issuer hereby covenants under this Continuing Disclosure Agreement (the “Agreement”) that it will engage in the undertakings described in Section 1, 2 and 3 herein for the benefit of the beneficial owners of the Bonds, subject to the conditions and limitations specified herein. Under the Agreement, the Issuer is obligated to provide certain updated financial information and operating data annually, and timely notice of specified material events, to the MSRB (defined below). This information will be available from the MSRB via the Electronic Municipal Market Access (“EMMA”) system at www.emma.msrb.org. The Issuer reserves the right to incorporate by reference its Official Statement dated _____, 2024 relating to the Bonds (the “Official Statement”), which will be submitted to the MSRB, as hereinafter defined, at the time of delivery of the Bonds, in any future disclosure provided hereunder.

In addition to the definitions set forth above in 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, Section 1 of this Agreement.

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“Business Day” shall mean a day other than a Saturday or a Sunday or a day on which banks in Maine are authorized or required by law to close.

“Dissemination Agent” shall mean the Issuer or any Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

“Financial Obligation” shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with SEC Rule 15c2-12.

“Holders” shall mean the registered Holders of the Bonds, as recorded in the registration books of the Registrar.

“Municipal Securities Rulemaking Board” or “MSRB” shall mean the Municipal Securities Rulemaking Board, established under the Securities and Exchange Act of 1934, as amended, or any successor thereto, with an address of 1300 I Street NW, Suite 1000, Washington, DC 20005.

“State” shall mean the State of Maine.

1. The Issuer will provide to the MSRB: (a) not later than 270 days after the end of each fiscal year, commencing with the fiscal year ending June 30, 2024, certain updated Annual Financial Information and operating data relating to the Issuer for the preceding fiscal year of the type presented in the Official Statement prepared in connection with the Bonds under the headings “TOWN 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.

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) unless otherwise required by the MSRB, notice of the occurrence of any of the following events with respect to the Bonds:
 - (1) Principal and interest payment delinquencies;
 - (2) Non-payment related defaults, if material;
 - (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
 - (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
 - (5) Substitution of credit or liquidity providers, or their failure to perform;
 - (6) Adverse tax opinions, the issuance by the Internal Revenue Service of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
 - (7) Modifications to the rights of Holders of the Bonds, if material;
 - (8) Bond calls, if material, and tender offers;
 - (9) Defeasances;
 - (10) Release, substitution, or sale of property securing repayment of the Bonds, if material;
 - (11) Rating changes;
 - (12) Bankruptcy, insolvency, receivership or similar event of the Issuer (Note: For the purposes of the event identified in this subparagraph (12), 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.);
 - (13) 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, if material;
 - (14) Appointment of a successor or additional trustee or the change of name of a trustee, material;
 - (15) Incurrence of a Financial Obligation of the Issuer 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 the Holders, if material; and

- (16) 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.

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. The Issuer hereby agrees that all documents and information provided to the MSRB shall be provided in electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.
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 Treasurer, or such official's designee from time to time, shall be the contact person on behalf of the Issuer from whom the foregoing information, data and notices may be obtained. The name, address and telephone number of the initial contact person is: Mandy Cummings, Treasurer, 23 School Street, PO Box 875, Ogunquit, ME 03907; *treasurer@ogunquit.gov*; Telephone: (207) 646-5139.

TOWN OF OGUNQUIT, MAINE

By: _____
Its: Treasurer

May __, 2024