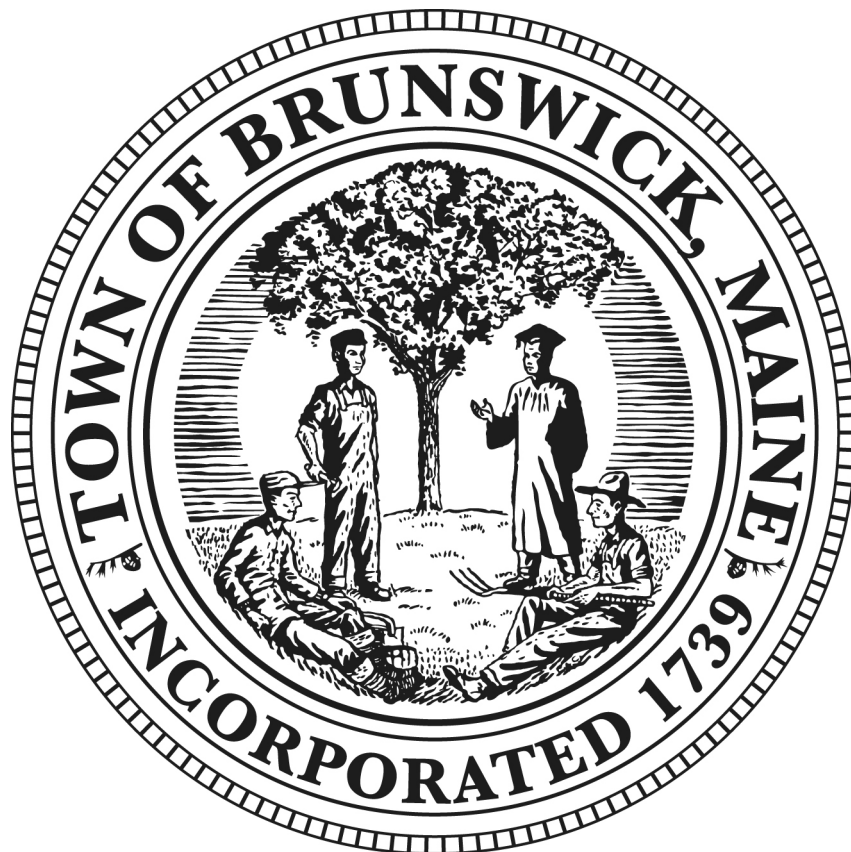


TOWN OF BRUNSWICK, MAINE



ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2021**

TOWN OF BRUNSWICK, MAINE
Annual Comprehensive Financial Report
Year ended June 30, 2021



Prepared by:
Town of Brunswick
Department of Finance

Town of Brunswick, Maine
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2021

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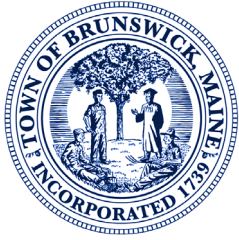
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INTRODUCTORY SECTION





Town of Brunswick, Maine

INCORPORATED 1739

OFFICE OF THE FINANCE DIRECTOR

85 UNION STREET

BRUNSWICK, MAINE 04011-2418

TELEPHONE 207-725-6652

FAX 207-725-4107

November 22, 2021

To the Brunswick Town Council and Citizens of the Town of Brunswick, Maine:

The Town of Brunswick is required by its charter and the laws of Maine to prepare a set of audited financial statements. The audited basic financial statements, contained within this larger annual comprehensive financial report (ACFR), are intended to meet those requirements. The Town of Brunswick chooses to go beyond the minimum reporting requirements and prepare this ACFR in an effort to provide greater detail regarding the financial condition of the Town and its financial operations.

This ACFR consists of management's representations concerning the finances of the Town of Brunswick. The responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. The Town of Brunswick has established a comprehensive framework of internal controls in order to provide a reasonable basis for making these representations. The Town recognizes that the costs of a control should not exceed the benefits to be derived, and the objective of its internal controls is to provide reasonable, rather than absolute, assurance that its financial reporting is free of material misstatements.

Runyon Kersteen Ouellette, a licensed firm of certified public accountants, has audited the Town of Brunswick's basic financial statements for the year ended June 30, 2021. The goal of an independent audit is to provide reasonable assurance that the basic financial statements are free of material misstatement. Runyon Kersteen Ouellette has issued an unmodified opinion on the Town of Brunswick's basic financial statements indicating that, in its opinion, the basic financial statements are fairly presented in all material respects, in conformity with accounting principles generally accepted in the United States. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The Town of Brunswick, incorporated February 1739, is situated on the coast of Maine in Cumberland County, the state's most populous county. Brunswick is a state-designated service-center community, located between Maine's major population centers. The Town's geographic boundaries encompass approximately 49.73 square miles and the 2010 Census listed Brunswick's population at 20,278.

The Town of Brunswick operates under a charter that provides for a council-manager form of government with a nine-member town council elected on a non-partisan basis to three-year staggered terms. Seven council members are elected from districts and two are elected at-large. The charter grants to the town council all powers to enact, amend, or repeal ordinances, orders, resolutions, policies, and rules relating to the Town's property and affairs. The town council appoints the town manager who in turn appoints the municipal department heads, subject to confirmation by the town council.

A nine-member elected school board is responsible for the operation of all facets of a school department that provides K-12 education. Members are elected for three-year staggered terms with seven elected from districts and two elected at-large. The school board appoints the superintendent of schools, who administers the department and carries out the policies of the board. In consultation with the superintendent, the school board also proposes an educational budget for consideration by the town council and inclusion in the Town's annual budget.

The town manager is required to propose an annual budget to the town council by May 1st. The budget includes the municipal departments and activities. It also includes an education budget approved by the school board. The town council must adopt an annual budget by June 15th. State law also requires that voters, in a budget validation referendum, approve the school budget adopted by the town council. Once the budget is adopted, the charter allows for the transfer of resources within departments. However, transfers between departments require town council approval. State law also has special requirements for changes to the education budget.

The Town of Brunswick provides a full range of services including public safety, public works, education, human services, and recreation. The Brunswick Sewer District, a separate legal entity, provides sanitary sewer services. The Brunswick-Topsham Water District, also a separate legal entity, provides water services. These districts are not part of the Town of Brunswick so their financial statements are not included in this report. The financial statements for these districts can be obtained directly from the districts.

Local economy

Brunswick is a commercial, industrial, educational, health care, and cultural center for the southern section of mid-coast Maine. Mid Coast – Parkview Health, along with Bath Iron Works (BIW) and Bowdoin College, are the area's largest employers.

Mid Coast – Parkview Health. Mid Coast – Parkview Health (MCPH) is a community, non-profit, health care organization providing a continuum of care through its affiliated organizations, which include Mid Coast Hospital, Mid Coast Medical Group, Mid Coast Senior Health Center and CHANS Home Health & Hospice. With more than 2,000 employees throughout all its operations, MCPH is the largest employer in Brunswick. Previously named Mid Coast Health Services (MCHS), the organization operated Mid Coast Hospital. The hospital moved into a new facility within Brunswick in 2001, and completed a major expansion that added approximately 50,000 square feet to the hospital in 2009. In 2011, MCHS opened a primary care and walk-in clinic facility in leased space at Brunswick Station in downtown Brunswick.

Beginning in August 2015, Mid Coast Health Services integrated with another hospital in Brunswick, Parkview Adventist Medical Center. The consolidated entity is called Mid Coast – Parkview Health, and has moved inpatient and emergency services to Mid Coast Hospital, while utilizing the Parkview campus for community health and wellness programs, physician practices and outpatient services. In 2019, MCPH became a clinical affiliate of MaineHealth, a regional network of healthcare organizations which includes Maine Medical Center and several midcoast Maine hospitals. From January through May, 2021, Mid Coast Hospital operated a large-scale vaccination clinic in the Town's Recreation Center on Brunswick Landing, administering over 57,000 COVID-19 vaccines. More information can be found on Mid Coast – Parkview's website at www.midcoastparkviewhealth.com.

Bath Iron Works. Bath Iron Works (BIW) is a shipbuilder headquartered in Bath, Maine, which is heavily dependent on contracts to build surface combatants for the US Navy. As a consequence, the Navy's procurement plans are always a concern for BIW and its employees. Since 1985, BIW has been the lead contractor and has delivered ships of the Arleigh Burke (DDG 51) class. As BIW was nearing the completion of the ships it had contracted to deliver, the Navy decided to restart procurement of the DDG 51s. BIW has built two ships in the restarted program, currently has six of these ships under construction with four more in the backlog. Further, as the lead designer of the DDG 51, BIW is considered the "planning yard" as ships already delivered to the Navy are upgraded and modernized.

The Zumwalt (DDG 1000) class had been planned as the US Navy's next generation surface combatant. Originally, a competitor was designated as the lead designer and builder of the DDG 1000, with that competitor and BIW each building one of the first two ships in this class. Cost concerns for this class caused the Navy to limit production to three ships, and BIW has assumed responsibility for the ships' design and construction. The US Navy accepted delivery of the USS Zumwalt (DDG 1000) in May 2016, and the USS Michael Monsoor (DDG-1001) in April, 2018. The USS Lyndon B. Johnson, the third ship of the DDG 1000 class is nearing completion at BIW.

Given the restart of the DDG-51 program and changes related to the DDG-1000 program, BIW had increased its hiring of new employees in 2015, mainly in trades including electrical, machinist, shipfitters, tinsmiths, welders, pipefitters and more, as well as supervisory positions. Regarding employment levels, it should be noted that the US Navy's procurement plans are always subject to change and those changes could adversely impact BIW and its employees. Though BIW is continually seeking to diversify its production capabilities, the Navy's procurement decisions may result in workforce layoffs.

Bowdoin College. Bowdoin College (Bowdoin or College) is an undergraduate liberal arts college located in Brunswick. As of fall 2020, Bowdoin had 1,777 students enrolled, and employed approximately 961 full-time equivalent (FTE) employees, including 209 FTE faculty members. Over the past few years, Bowdoin has completed a number of building and facilities improvements, including construction of four 11,000 square foot, 22-bed upperclass residence halls along Park Row, completed in August 2019, and three 44-bed residence halls on Harpswell Road, each approximately 17,700 square feet and with 21 apartments, completed in August, 2020. Also in 2020, the college completed work on the Schiller Coastal Studies Center, a 118 acre research and teaching lab located on a former farm on Orr's Island, Harpswell. Beginning with the initial gift of the farm in 1981, the Center is now home to a marine laboratory, a research pier, a sailing center, and most recently a 'dry' laboratory building and residential housing/meeting space. Currently under construction are the Barry Mills Hall, an academic building, and the John and Lile Gibbons Center for Arctic Studies. Located on the corner of College Street and Sills Drive, this 45,900 square foot project is projected for completion in December, 2022. Additional information can be found on Bowdoin's website at www.bowdoin.edu.

Brunswick Landing, Maine's Center for Innovation. Brunswick Landing is the name given to the former Naval Air Station Brunswick (NASB) property. NASB, closed in May 2011, was once one of the state's largest employers. The operation of the base was turned over to the Midcoast Regional Redevelopment Authority (MRRA). MRRA is a state-appointed agency responsible for the management and disposition of NASB property and the implementation of the "Master Reuse Plan for BNAS" (Master Plan).

The Master Plan recommended that portions of the base continue operating aviation facilities and Brunswick Executive Airport (BXM) was established on the airport portion of the property. Other components of the plan envisioned educational uses by the University of Maine system and Southern Maine Community College. The Navy has conveyed parcels to the Maine Community College System (MCCS), facilities have been renovated or constructed and many programs and classes are now being offered by the community college and university system. Other properties were identified for manufacturing and commercial uses and have been conveyed to MRRA for development. MRRA reports that it is ahead of schedule with the Master Plan, and that over 150 business entities are now on Brunswick Landing and Topsham campuses, collectively employing over 2,500 people. More information and MRRA's redevelopment statistics can be found on MRRA's website at www.mrra.us.

Long-term financial planning

The charter of the Town of Brunswick requires the annual preparation of a five-year Capital Improvement Program (CIP). The CIP identifies capital improvements and addresses financing those improvements, and the annual cost of supporting them. The CIP is a plan; it does not fund any projects. Project funding can be authorized in a variety of formats.

The Town's CIP policy requires that items included in the CIP have a value greater than \$100,000. Those recommended to be funded with debt are required to have a value greater than \$325,000. All items require a minimum life of five years. Further, the policy established a mechanism for the annual funding of reserves for routine but substantial repairs and replacements, such as the replacement of vehicles and equipment, certain facilities maintenance projects, and certain information technology upgrades. Finally, the policy requires that the CIP be developed and completed ahead of the development of the annual municipal budget. When adopting the current policy, in 2013, the Town understood that many of its goals, including funding of the reserves, will need to be accomplished over a period of time in a phased approach.

The CIP for fiscal years ending 2022-26 was adopted on May 13, 2021, and recommended funding projects over five years totaling \$48,228,970. Total debt financing on recommended projects is estimated at \$5,770,500, with \$3,770,500 of that to be repaid from Tax Increment Financing (TIF) revenues. Infrastructure improvements estimated at \$12,028,500 are recommended, with an estimated \$6,920,000 in funding through Maine Department of Transportation grants. Projects in development (those that may eventually be considered for funding) totaled \$38,534,770. Two large projects, a public works facility for \$12,000,000, and a downtown parking structure for \$15,700,000, are in year five of the plan, and will require further analysis and development to move forward. The Town continues to recognize that the health and diversity of Brunswick's property tax base, the continued pressure on annual operating budgets, and the continued desire to minimize property tax increases, will impact the Town's capacity to finance capital projects and the related operating costs outlined in the CIP.

Beginning in 2015, the Town Council's Finance Committee began looking at five-year projections of the operating budget in conjunction with work on the Capital Improvement Program. While not a formal long-term financial plan, the projection model provides a vehicle to explore the major drivers of the Town's budget, and the effects of capital projects in future years. It is expected that this process will continue to be used to inform the development of the annual budget.

Relevant financial policies

The Town of Brunswick has an established fund balance policy that targets its unassigned general fund balance at 16.67% of its general fund revenues. The policy, adopted in 2010, is based on the Government Finance Officer Association's (GFOA's) recommended best practice regarding appropriate levels of fund balance. In developing the target, the Town considered a number of factors, including the diversity of its property tax base, the reliability and volatility of its non-property tax revenues, and the potential of incurring significant one-time expenditures. The policy requires that funds in excess of the target to be used for capital or other one-time expenditures.

For the year ended June 30, 2021, the amount of unassigned fund balance was \$17,115,571 or 22.7% of general fund revenues, a total of \$4,547,291 above the policy target. The balance above the target was higher than anticipated at the end of the year, with the economic uncertainties resulting from the COVID-19 pandemic, and with the Town's increase of the amount of fund balance used in the budget by \$150,000 to \$650,000. However, as the Town budgeted revenues conservatively and restrained spending, and taxable property valuation increased, strong revenue collections and savings in expenditures resulted in an increase in total general fund balance of over \$4M. Considering the capital needs outlined in the Capital Improvement Program, the Town reduced its use of fund balance in the annual budget back to \$500,000 for FY 2022. In the past four years, balances above the target have enabled the Town to use unassigned fund balance for capital projects through the Capital Improvement Program. The Town plans to maintain its unassigned fund balance at, or above, the target level established in the policy.

The Finance Committee, which was established in 2014, consists of three Town Councilors and meets at least monthly. In addition to its work on the CIP and financial policies and long-term financial planning, the Committee's activities include reviewing and updating Town fees, review of the annual disclosure for bonds, and review of the annual financial reports and the work of the independent auditors.

Major initiatives

School Construction Project – Kate Furbish Elementary School. In the fall of 2018, construction began on the new school on the site of the former Jordan Acres Elementary School. The Kate Furbish Elementary School, built to serve 660 pre-K to grade 2 students, was completed in time for the 2020-21 school year. In January, 2020, the Town issued \$24,450,000 in general obligation bonds, with \$2,014,000 in premium, to be repaid over 25 years. Additional funding for this project was provided by Bowdoin College, which contributed \$450,000 for the construction of a Discovery Classroom adjacent to the school.

Downtown Streetscape Enhancement Project. For several years the Town has recognized the deterioration of the sidewalk pavers downtown, specifically on Maine Street from Station Avenue to Mill Street. A project

has been, and continues to be included in the CIP. In May, 2019, the Town Council appropriated TIF revenues to fund the planning and design of a solution. Beginning with a condition survey, which was completed in December, 2019, the Town has engaged in a public process to understand needs, issues and preferences for Brunswick's downtown. The COVID-19 pandemic slowed progress on the process for a number of months. While it has been a challenge to find consensus among stakeholders, it is expected that the development of the project will continue along with the CIP workshops during the fall and winter of 2021. More information is available at: <https://www.planmainstreet.com/overview>.

Brunswick Station – Metro Breez regional bus service. Beginning in August 2017, Portland METRO regional bus service from Portland was expanded to Brunswick in year two of a three-year pilot program. The pilot program concluded in June 2019, and the Town Council authorized the continuance of bus service through December 2019, when the Council voted to become a member municipality of Portland METRO and maintain the bus service. Bus service included approximately fourteen roundtrip runs between Portland and Brunswick on weekdays, and five or six runs on Saturdays.

Cook's Corner Revitalization. The Town is continuing collaborative approaches for the redevelopment of Cook's Corner, the commercial district adjacent to the former Naval Air Station Brunswick (NASB), now called Brunswick Landing. Following the construction of Landing Drive, the new road connecting Admiral Fitch Avenue on Brunswick Landing to Gurnet Road in Cook's Corner, the Town has initiated a comprehensive planning effort funded through TIF revenues. A large advisory committee comprised of individuals and groups associated with the area has been formed to gather input and develop a vision for Cook's Corner. The Town has contracted with a consultant to conduct market and traffic studies, and to assist in the participatory process. Several projects in the Capital Improvement Plan are evolving with the revitalization effort.

Central Fire Station. The Town's downtown fire station was built in 1919, and has been included in the CIP for many years, as it was recognized that the station was undersized and no longer suitable for the demands of the Town's fire protection service. In 2017, the Town Council created a task force, and appropriated funds for programming, site evaluation and preliminary design services. On April 1, 2019, the Town Council adopted an ordinance authorizing the purchase of property for, and construction of, a new central fire station, and the issuance of up to \$13,500,000 in bonds. The Town has since acquired property at the selected site on Pleasant and Webster Streets, construction began in spring 2021, and the station is expected to be put in service in fall 2022. Costs to date have been covered with an advance from the general fund, and bonds will likely be issued early in 2022.

Graham Road Landfill. As described in the notes to the financial statements, operation of the Graham Road Landfill was discontinued at the end of March, 2021. Closure of the landfill came at the end of several years of work and cooperation between the Town and the Maine Department of Environmental Protection (DEP) to comply with, or seek waivers from, certain discharge parameters set by the United States Environmental Protection Agency (EPA). In August, 2020, the DEP approved an Administrative Consent Agreement (ACA), which, along with a fine to the Town of \$10,000, resolved the discharge violations that have occurred at the landfill.

In April 2014, the Town learned that DEP's Remediation and Waste Bureau had concerns about groundwater trends at the landfill. While not a situation requiring immediate remediation, the groundwater questions presented an opportunity for the Town to be eligible for closure funding from the State through the Maine Municipal Landfill Closure and Remediation Program (Closure Program). Established in 1988 with 38 MRSA §1310-C, the program provides cost sharing for the closure of municipal landfills, and remediation of hazards posed by the closed landfills. Reimbursement from the state will be 75% of eligible closure costs, with the payments dependent on the availability of funding in the program.

Participation in the Closure Program is based on written agreements with DEP, including a Schedule of Compliance (SOC), which was finalized in June 2017, and outlined the tasks for the projected closure of the landfill in 2021. The Town has contracted with Woodard & Curran to manage the closure process, including design, bidding, construction monitoring, and final closure documents. The closure project includes site preparation, grading of municipal solid waste, installing a geosynthetic final cover system

including gas collection, and establishing vegetation. A construction contract was finalized in late 2020, and construction began in April, 2021 with the majority of the construction to occur in the 2021-22 fiscal year. The cost of closure is expected to be funded through reserves in the Landfill and Pay-per-bag Program funds. While the closure qualifies for 75% reimbursement through the State's Closure Program at some point in the future, the Town is not able to estimate timing or amounts.

The Town has signed a three-year contract with Pine Tree Waste for both collection and disposal of household waste and recycling. The Town's Solid Waste and Recycling Committee is continuing to explore alternatives for future solid waste management. For certain materials, including brush and leaves, clean wood, metal recycling, metals, electronics and universal waste, the Town continues to operate a processing facility adjacent to the former landfill site.

Bond Issues and Debt Authorization. During the fiscal year ended June 30, 2021, the Town issued School Revolving Renovation Fund (SRRF) bonds of \$95,511 for improvements to the Brunswick Junior High School and \$183,849 for improvements to the Coffin School. The SRRF bonds have a term of five years at zero percent interest. Authorized but not yet issued are up to \$13,500,000 for the new central fire station. The Town continues to enjoy an Aa2 rating with Moody's Investors Service, and AA+ with Standard's & Poor's.

Awards and acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Brunswick for its annual comprehensive financial report for the year ended June 30, 2020. The certificate recognizes that Brunswick published an easily readable and efficiently organized comprehensive annual financial report that satisfied both generally accepted accounting principles and applicable legal requirements. The Town of Brunswick has received this prestigious award every year since 1999. A Certificate of Achievement is valid for a period of one year. We believe this year's comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the Government Finance Officers Association to determine its eligibility for a certificate.

Finally, this report could not have been completed without the cooperation and assistance of all the Town departments. Especially appreciated are the efficient and dedicated services of the entire Finance Department, with special recognition due to Branden Perreault, Deputy Finance Director, for his effort and skills in preparing this report. Also greatly appreciated is the assistance of Hank Farrah and his team from Runyon Kersteen Ouellette, in their review of this report.

Respectfully submitted,

Julia Henze

Julia Henze, CPFO
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Brunswick
Maine**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

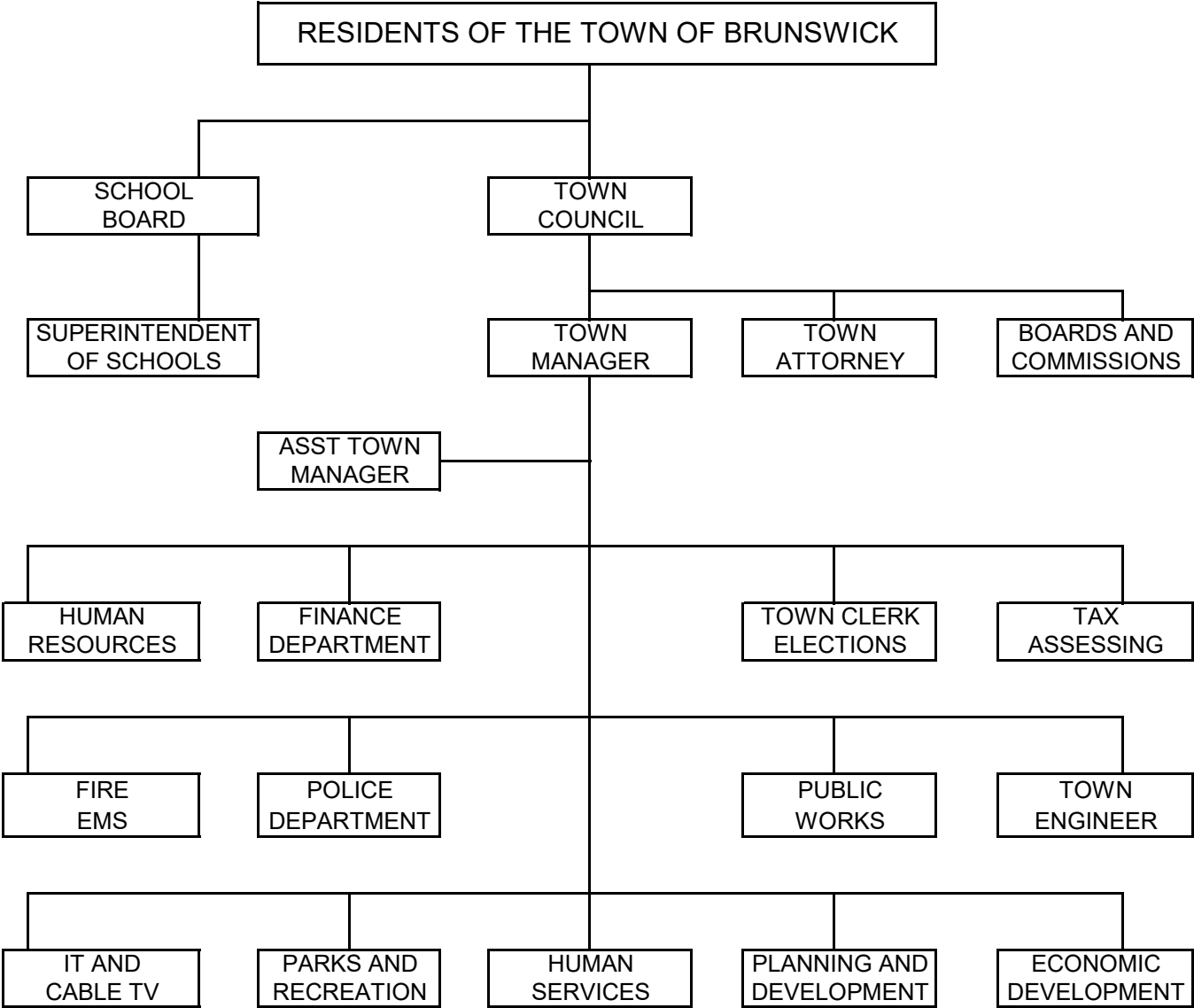
June 30, 2020

Christopher P. Morill

Executive Director/CEO

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**Town of Brunswick, Maine
Organizational Chart**



TOWN OF BRUNSWICK, MAINE
ELECTED AND APPOINTED OFFICIALS

June 30, 2021

Elected Officials

Council Member - District 4	Chair	John M. Perreault
Council Member - District 7	Vice Chair	James Mason
Council Member - District 1		W. David Watson
Council Member - District 2		Stephen S. Walker
Council Member - District 3		Daniel Jenkins
Council Member - District 5		Christopher Watkinson
Council Member - District 6		Kate Foye
Council Member - At large		Daniel Ankeles
Council Member - At large		Kathy Wilson

Appointed Officials

Town Manager	John S. Eldridge
Town Attorney	Stephen E. F. Langsdorf
Director of Finance	Julia A.C. Henze
Assessor	Taylor Burns
Town Clerk	Frances M. Smith
Director of Planning and Development	Matthew Panfil
Fire Chief	Kenneth A. Brilliant
Police Chief	Scott Stewart
Director of Public Works	Jay Astle
Director of Parks and Recreation	Thomas M. Farrell
Superintendent of Schools	Dr. Phillip Potenziano

FINANCIAL SECTION



Independent Auditors' Report

Finance Committee
Town of Brunswick, Maine

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Brunswick, Maine, as of and for the year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Brunswick, Maine as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Schedule of Proportionate Share of the Net Pension Liability, the Schedule of Pension Contributions, the Schedule of Changes in Total Health Plan OPEB Liability and Related Ratios, the Schedule of Proportionate Share of the Net OPEB Liability, and the Schedule of OPEB Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The introductory section, combining and individual fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2021, on our consideration of the Town of Brunswick, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Brunswick, 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 Brunswick, Maine's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Remy Kristen Ouellette". The signature is written in a cursive, flowing style.

November 22, 2021
South Portland, Maine

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Management's Discussion and Analysis

As the Town of Brunswick's management, we offer readers of the Town of Brunswick's financial statements this narrative overview and analysis of the financial activities of the Town of Brunswick for the fiscal year ended June 30, 2021. This overview and analysis is referred to as Management's Discussion and Analysis (MD&A). We encourage readers to consider the information presented here in conjunction with additional information furnished in the letter of transmittal, which can be found in the introductory section of this annual comprehensive financial report (ACFR).

Financial Highlights

- For the fiscal year ended June 30, 2021, the Town of Brunswick's total net position increased by \$9,945,119 from the previous year's net position, to total \$75,810,936. Of this amount, \$7,125,479 is classified as *restricted net position*, of which the largest portion, \$4,208,457 is restricted for education purposes. Unrestricted net position increased from the previous year's deficit balance to a balance of \$2,601,025 as of June 30, 2021.
- Net investment in capital assets increased by \$3,452,363, while restricted net position increased by \$1,954,911 and unrestricted net position increased by \$4,537,845 from the previous year. The increase in net investment in capital assets reflects additions of governmental assets, offset by associated debt, and retirement of business-type assets at the landfill. The increase in the amount restricted for education purposes is primarily a result of School Department budget surpluses. The increase in unrestricted net position resulted partly from surpluses in the municipal departments, but also was the result of the updated estimate for the cost of closing the landfill.
- At the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$27,392,240, an increase of \$1,821,212 in comparison with the prior fiscal year.
- The unassigned fund balance for the General Fund at June 30, 2021 was \$17,115,571. The Town's policy is to maintain the unassigned fund balance at 16.67% of revenues. At June 30, 2021, this portion of the fund balance is approximately 22.70% and 24.99% of the total General Fund expenditures and revenues, respectively.
- The Town's total outstanding long-term principal debt decreased by \$2,231,160 during the current fiscal year. Of this, \$279,360 was the issuance of debt through the State Revolving Renovation Fund for Coffin School and the Junior High School, offset by \$2,510,520 in debt retirement.

Overview of the Financial Statements

This MD&A is intended to serve as an introduction to the Town of Brunswick's basic financial statements which consist of the: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic financial statements, the ACFR also contains other supplementary information.

Government-wide financial statements. The *government-wide financial statements* are designed to provide a broad overview of the Town of Brunswick's finances, in a manner similar to a private-sector business. There are two government-wide statements: the statement of net position and the statement of activities.

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

The *statement of activities* presents information on how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*), from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town include general government, public safety, public works, human services, education, recreation/culture, and county tax. The business-type activities of the Town include the Town's solid waste facilities, the pay-per-bag program, the Mere Point Wastewater District, the train station/visitors center and the processing facility. The government-wide financial statements can be found on pages 34 and 35 of this report.

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

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

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

The Town of Brunswick maintains nineteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Tax Increment Financing Fund, School Coronavirus Relief Fund and New Central Fire Station Fund, all of which are considered major funds. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 36-38 of this report. Individual fund data for each of the non-major governmental funds is provided in *combining statements* found on pages 94-107 of this ACFR.

In accordance with the Charter of the Town of Brunswick, an annual appropriated budget is adopted for the Town's General Fund. It is the only fund with an annual appropriated budget. A statement comparing the budget with actual results has been provided, on pages 39-43 of this report, to demonstrate compliance with the General Fund budget. A full discussion of the General Fund budget and highlights for the year is contained later in this MD&A.

Proprietary funds. The Town reports two types of proprietary funds, enterprise funds and internal service funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town of Brunswick uses enterprise funds to account for its solid waste landfill facility, materials processing facility, the pay-per-bag program, the Mere Point Wastewater District and the train station/visitors center. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the Town's functions. The Town utilizes an internal service fund to account for printing services provided to departments on a cost reimbursement basis. The proprietary fund statements provide the same type of information as the government-wide financial statements, only in greater detail. The basic proprietary fund financial statements can be found on pages 44-46. The combining statements can be found on pages 109-112.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town of Brunswick's own programs. The Town's fiduciary funds consist of its private-purpose trust funds, which report on recreation and education scholarships and awards, and gifts to the library and the Village Improvement Association. In prior years, the Town also reported an agency fund, accounting for money held for student activities. Beginning with fiscal year 2020-21, student activities funds are now reported in the School Restricted Funds within Nonmajor Special Revenue Funds. The basic fiduciary fund financial statements can be found on pages 47 and 48 of this report. The combining statements can be found on pages 113-119.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 49-85 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* (RSI) concerning the Town's progress in funding its pension obligations and its other than pension postemployment benefits (OPEB) obligations. Required supplementary information can be found beginning on page 87 of this report, with the notes to the RSI following on page 93.

The combining statements referred to earlier in connection with non-major governmental funds and proprietary funds are presented immediately following the required supplementary information section of the financial statements. Combining and individual fund statements can be found on pages 96-112 of this report.

Government-wide Financial Analysis

As noted earlier, over time, net position may serve as a useful indicator of a government's financial position. For the Town of Brunswick, assets and deferred outflows of resources exceeded liabilities and deferred inflow of resources by \$75,810,936 at the close of the most recent fiscal year, which is an increase of \$9,945,119 during the fiscal year. The Town reports positive balances in all three categories of net position for the government as a whole.

Town of Brunswick's Net Position

	Governmental activities		Business-type activities		Total	
	2021	2020 (restated)	2021	2020	2021	2020 (restated)
Current and other assets	\$ 35,749,036	\$ 34,507,109	\$ 8,201,357	\$ 6,586,286	\$ 43,950,393	\$ 41,093,395
Capital assets	106,538,548	102,957,409	221,010	668,707	106,759,558	103,626,116
Total assets	<u>142,287,584</u>	<u>137,464,518</u>	<u>8,422,367</u>	<u>7,254,993</u>	<u>150,709,951</u>	<u>144,719,511</u>
Deferred outflow s of resources	<u>5,716,056</u>	<u>4,459,253</u>	<u>-</u>	<u>-</u>	<u>5,716,056</u>	<u>4,459,253</u>
Long-term liabilities outstanding	60,643,627	60,515,849	5,767,755	11,482,511	66,411,382	71,998,360
Other liabilities	7,219,786	8,128,858	2,058,354	94,980	9,278,140	8,223,838
Total liabilities	<u>67,863,413</u>	<u>68,644,707</u>	<u>7,826,109</u>	<u>11,577,491</u>	<u>75,689,522</u>	<u>80,222,198</u>
Deferred inflow s of resources	<u>1,830,503</u>	<u>3,090,749</u>	<u>3,095,046</u>	<u>-</u>	<u>4,925,549</u>	<u>3,090,749</u>
Net investment in capital assets	65,863,422	61,963,362	221,010	668,707	66,084,432	62,632,069
Restricted	7,125,479	5,170,568	-	-	7,125,479	5,170,568
Unrestricted	5,320,823	3,054,385	(2,719,798)	(4,991,205)	2,601,025	(1,936,820)
Total net position	<u>\$ 78,309,724</u>	<u>\$ 70,188,315</u>	<u>\$ (2,498,788)</u>	<u>\$ (4,322,498)</u>	<u>\$ 75,810,936</u>	<u>\$ 65,865,817</u>

The largest portion of the Town's net position, \$66,084,432, reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), less any related outstanding debt used to acquire those assets. As the Town uses capital assets to provide services to citizens, these assets are generally not available for future spending. An additional portion, \$7,125,479 or 9.4% of the Town of Brunswick's net position represents resources that are restricted, meaning they are subject to external restrictions on how they may be used. The remaining balance of \$2,601,025 is categorized as unrestricted net position. The \$2,719,798 deficit in business-type activities is the primarily the result of the liability recognized for landfill closure and post-closure costs. In governmental activities, the largest liabilities offsetting current assets are long-term debt in the form of G.O. bonds, resulting in an unrestricted net position of \$5,320,823.

Town of Brunswick's Change in Net Position

	<u>Governmental activities</u>		<u>Business-type activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues:						
Program revenues						
Charges for services	\$ 3,672,759	\$ 4,128,414	\$ 1,211,866	\$ 1,661,281	\$ 4,884,625	\$ 5,789,695
Operating grants and contributions	24,882,014	17,257,603	-	-	24,882,014	17,257,603
Capital grants and contributions	2,502,718	1,995,033	-	-	2,502,718	1,995,033
General revenues						
Property taxes	51,396,119	48,219,683	-	-	51,396,119	48,219,683
Vehicle, w atercraft and aircraft excise taxes	4,153,381	3,598,448	-	-	4,153,381	3,598,448
Grants and contributions not restricted to specific programs	2,944,723	2,330,033	-	-	2,944,723	2,330,033
Unrestricted investment earnings	275,772	392,216	25,462	90,516	301,234	482,732
Total revenues	<u>89,827,486</u>	<u>77,921,430</u>	<u>1,237,328</u>	<u>1,751,797</u>	<u>91,064,814</u>	<u>79,673,227</u>
Expenses:						
General government	8,214,140	6,331,703	-	-	8,214,140	6,331,703
Public safety	11,414,355	10,711,151	-	-	11,414,355	10,711,151
Public w orks	5,878,265	6,791,120	-	-	5,878,265	6,791,120
Human services	332,506	375,519	-	-	332,506	375,519
Education	48,614,103	44,061,737	-	-	48,614,103	44,061,737
Recreation and culture	4,024,665	3,898,655	-	-	4,024,665	3,898,655
County tax	1,674,551	1,590,123	-	-	1,674,551	1,590,123
Unclassified	70,742	103,265	-	-	70,742	103,265
Interest on long-term debt	1,182,750	988,514	-	-	1,182,750	988,514
Solid w aste facilities	-	-	1,277,825	3,742,135	1,277,825	3,742,135
Pay-per-bag program	-	-	119,363	82,552	119,363	82,552
Wastew ater treatment	-	-	44,667	33,432	44,667	33,432
Train station/ visitors center	-	-	91,356	89,152	91,356	89,152
Processing facility	-	-	15,077	-	15,077	-
Total expenses	<u>81,406,077</u>	<u>74,851,787</u>	<u>1,548,288</u>	<u>3,947,271</u>	<u>82,954,365</u>	<u>78,799,058</u>
Increase (decrease) in net position before transfers	8,421,409	3,069,643	(310,960)	(2,195,474)	8,110,449	874,169
Special items	-	-	1,834,670	-	1,834,670	-
Transfers	<u>(300,000)</u>	<u>(225,000)</u>	<u>300,000</u>	<u>225,000</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	8,121,409	2,844,643	1,823,710	(1,970,474)	9,945,119	874,169
Net position beginning of year (as restated)	<u>70,188,315</u>	<u>67,037,275</u>	<u>(4,322,498)</u>	<u>(2,352,024)</u>	<u>65,865,817</u>	<u>64,685,251</u>
Net position end of year	<u>\$78,309,724</u>	<u>\$69,881,918</u>	<u>\$(2,498,788)</u>	<u>\$(4,322,498)</u>	<u>\$75,810,936</u>	<u>\$65,559,420</u>

As a result of the Town's implementation of the Governmental Accounting Standards Board (GASB) Statement 84, beginning net position for governmental activities has been restated. The Town incorporated student activities funds held and managed by the School Department into the financial statements, increasing governmental fund balance and governmental net position by \$306,397 as of June 30, 2020.

While in total the Town's net position is positive, balances are very different for the governmental activities and the business-type activities. Readers should review the following analysis pertaining to those portions to fully understand the Town's financial reports.

Governmental activities. Governmental activities, including transfers, increased the Town of Brunswick's total net position by \$8,121,409. The following points highlight the significant changes in revenues compared with the previous year:

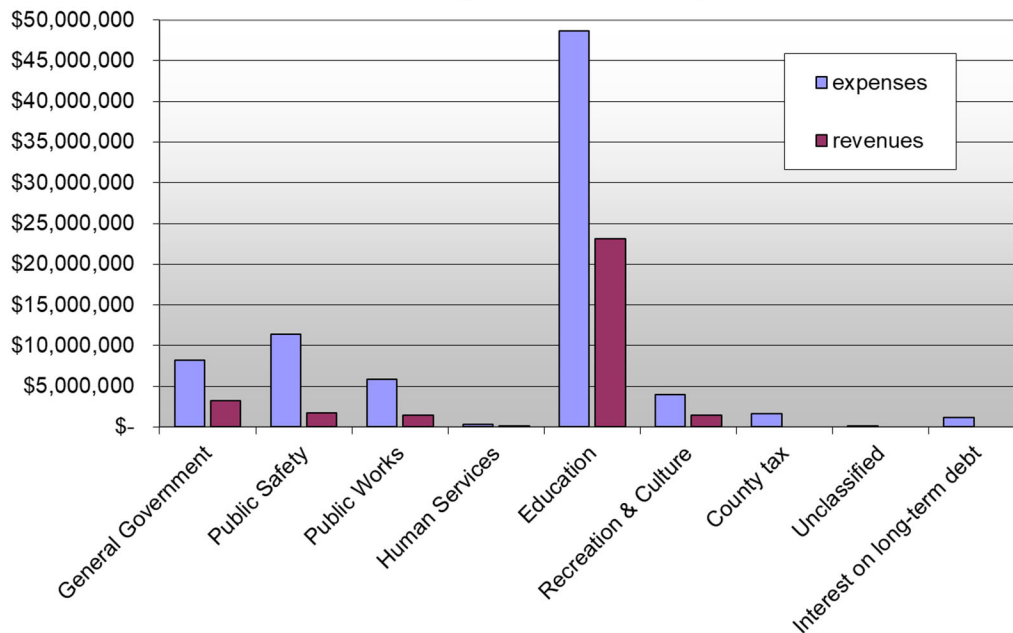
- Property tax revenue, the Town's largest revenue, increased by \$3,176,436, or 6.6%. This increase was anticipated, as the tax rate increased by 3.3% and valuation base (total taxable valuation plus state reimbursed exemptions) increased by 3.02%. Property taxes made up 57.2% of the total revenue, down from 61.9% of the total in the previous year. The percentage decrease was the result of shifts in proportion of the total revenues, primarily due to the increase in operating grants and contributions.
- Excise tax revenue increased by \$554,933 from the prior year, which represents an increase of 15.4%. There was sharp drop-off of excise tax collections from mid-March to June 1, 2020 when Town Hall was closed to the public due to the COVID-19 pandemic, and FY 2020 excise tax collections were \$188,508 less than FY 2019 collections. Motor vehicle excise tax collections in FY 2021 included some that were delayed from the prior year, and also reflected a return to normal levels.
- Charges for services revenue decreased by \$455,655. The decreases in charges for service were primarily due to closures associated with the COVID-19 pandemic. In the School Department, cafeteria receipts from students were down by \$328,790, and REAL School tuition and fees and transportation charges were down by \$280,732 and \$24,008, respectively. In Recreation and Culture, recreation program revenues were \$240,119 less than the previous year, due to the suspension of 2020 summer and fall programs. Offsetting these, the Town experienced increases totaling \$243,673 in Planning and Codes fees within the General Government category, and Public Safety increased by \$99,172 with higher ambulance revenue.
- Operating grants and contributions increased by \$7,624,411. This category of revenues increased to 27.70% of the total revenue, from 22.15% in the previous year. The largest driver of the increase was in the Education category, where CARES Act funding alone provided \$4,253,927. In addition, State Aid to Education, was \$1,198,649 more than the prior year, with more funds distributed by the Maine Department of Education. Also in Education, contributions for student activities added \$169,911, and the on-behalf amount paid by the State for teacher retirement increased by \$95,310. Within General Government, a COVID-19 related grant for Good Shepherd Food Bank added \$1,389,642.
- Capital grants and contributions increased by \$507,685. The largest capital contributions were in the Recreation & Culture and Public Works categories. The 10 acres of land surrounding the Recreation Center, valued at \$932,000, were conveyed to the Town from the Navy, and the Town accepted \$115,930 in contributions from the American Legion to complete the Veteran's Plaza project. The Town accepted infrastructure valued at \$579,240 and received \$349,522 in grant funding from MaineDOT for the Cedar Street Parking Lot. Offsetting these, capital grants in Education and General Government show decreases relative to the prior year.
- Grants and contributions not restricted to specific programs increased by \$614,690. The majority of this increase was driven by State Revenue Sharing, which increased by \$586,452. This was

primarily the result of the State increasing the percentage of sales and income tax distributed into the pool from 3% to 3.75% in the fiscal year ended June 30, 2021.

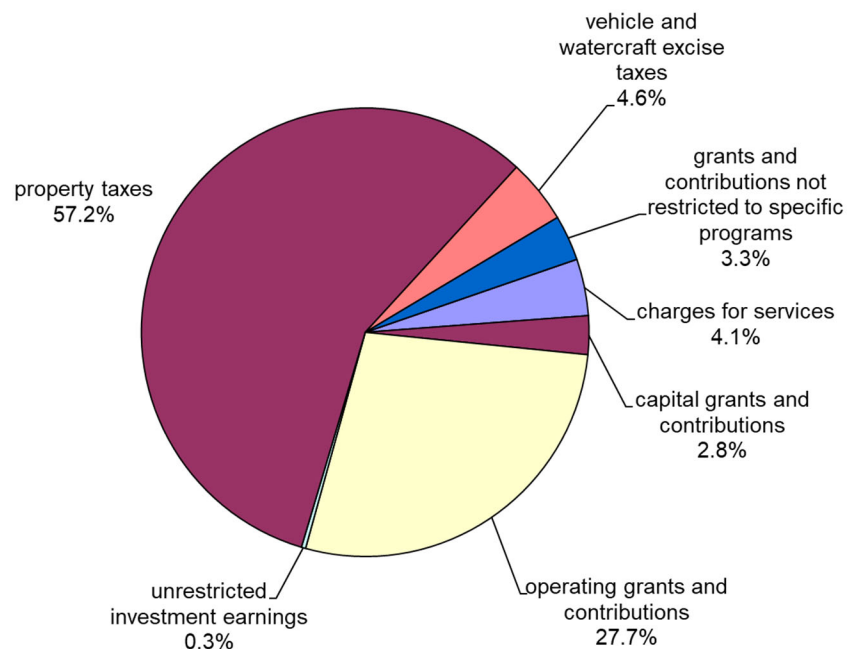
- Unrestricted investment earnings decreased by \$116,444, a result of the decreasing interest rates based on the federal funds target rate which was reduced in the spring of 2020 from 2.5% to 0.25%.

The following charts illustrate the total expenses by program, and revenues by source, for the Town's governmental activities.

Expenses and Program Revenues - Governmental Activities
For the year ended June 30, 2021

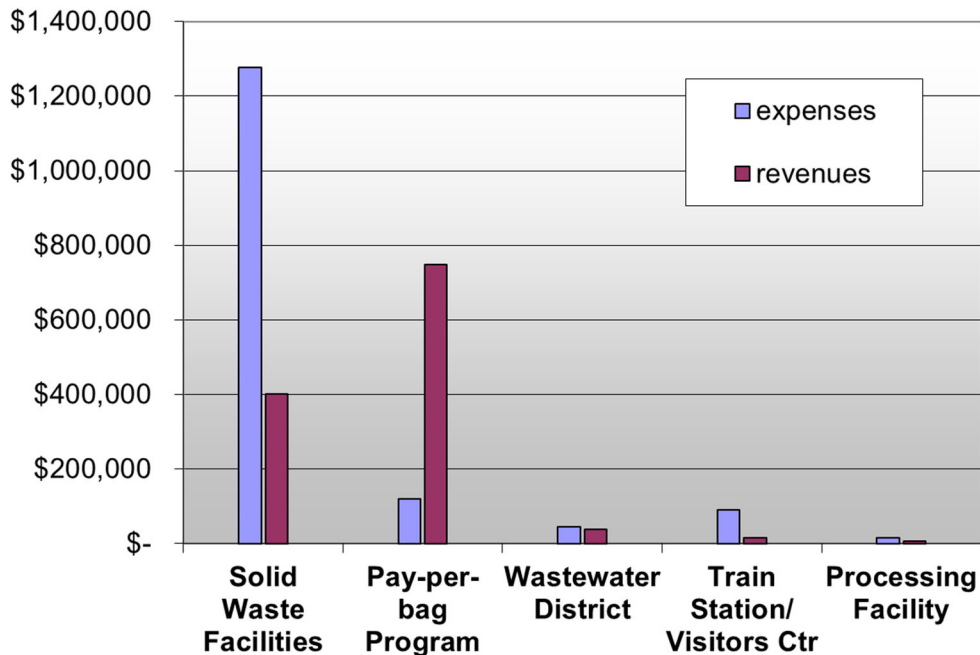


General and Program Revenues - Governmental Activities
For the year ended June 30, 2021

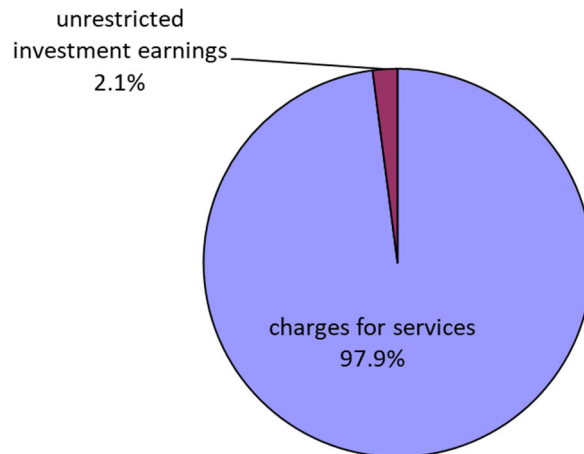


Business-type activities. The Town's business-type activities consist of five enterprise funds: two major funds accounting for its solid waste facilities and its pay-per-bag program, and three non-major funds, including a small wastewater district, the train station/visitors center, and a materials processing facility near the location of the closed landfill. The following charts illustrate the total expenses by program, and revenues by source, for the Town's business-type activities. The vast majority of the revenue is provided through charges for services. The Train Station/Visitors Center fund received a budgeted subsidy from the General Fund in 2020-21, and the new Processing Facility was funded partially through a \$250,000 transfer from the Impact Fee Fund, as well as receiving capital assets valued at \$34,701 from the landfill.

Expenses and Program Revenues - Business-type Activities
For the year ended June 30, 2021



Revenues by Source - Business-type Activities
For the year ended June 30, 2021



The Town's business-type activities increased the Town's total net position by \$1,823,710. This was a result of increases in the Solid Waste Facilities Fund and Processing Facility Fund of \$5,125,552 and \$284,701 respectively, offset by decreases in the Pay-per-bag Program Fund, the Train Station/Visitors Center Fund and the Mere Point Wastewater Fund of \$3,554,998, \$24,502 and \$7,043, respectively.

The major activity accounted for in the Solid Waste Facilities Fund is the operation of the Town's solid waste landfill located on Graham Road. At the end of March 2021, the Town discontinued use of the landfill, and began the closure construction. In its eight months of operations during the year, the landfill experienced a \$623,850 operating loss. Each year the Town recognizes expenses and books an estimated closure/post closure liability based on the landfill capacity. In prior years, the Town used estimates from Woodard & Curran, but for the fiscal year ended June 30, 2021, the Town was able to estimate closure costs based on the executed contracts. As the change in estimate was significant, the Town recorded a special item of \$1,834,670 rather than reduce the landfill expense for the year.

The Town currently estimates landfill closure costs at \$7,700,000, and is continuing to base post closure liability on an estimate from Woodard & Curran of \$2,145,000 over 30 years. For the fiscal year, the amount of expense related to closure and post closure estimates was \$276,624. With \$4,141,245 already expended on closure, the remaining closure liability was \$3,558,755 and the total liability for closure and post closure as of June 30, 2021 is estimated at \$5,703,755. Also as of June 30, 2021, the Town recognized a liability of \$64,000 for 16 years of post closure monitoring of the wood and masonry landfill, which was closed in 2006.

The Town continues to operate pay-per-bag trash disposal and single-stream recycling programs. The pay-per-bag disposal program charges residents a fee for each bag of trash collected at curbside. The bag fee and single-stream recycling were implemented in 2007 to encourage recycling, and the bag fee was increased in 2018. While these programs decreased the volume of solid waste delivered to the landfill, the Town was not able to sufficiently reduce operating costs to meet the reduction in revenue, and the Town Council voted its intent that the net funds generated by the pay-per-bag program be used toward future landfill closure costs. With the landfill closure beginning in April 2021, \$4,200,000 was transferred from the Pay-per-bag Program to the Solid Waste Facilities in the fiscal year ended June 30, 2021. It is anticipated that the net revenues from the Pay-per-bag Program will continue to be used to fund the landfill closure until complete. As of June 30, 2021, the Pay-per-bag Program Fund had net position of \$276,032.

The Town's Mere Point Wastewater System realized an operating loss of \$7,075. User fees for this program had not changed since it was created in 1993, and in the 2016-17 fiscal year, responding to capital needs in the system, the Town initiated a review and adopted an updated fee schedule which incorporated an allowance to recover capital costs. During the 2020-21 fiscal year, to cover increases in the disposal fees charged by the Brunswick Sewer District, the Town updated the user fees again. The Town also approved a general fund advance of \$200,000 to the Mere Point Wastewater System to purchase an easement on Webb Field Road, and install a forcemain to connect four homes to the system, and remove the current holding tank which needs to be pumped regularly. The new fees became effective on April 1, 2021, and are expected to help eliminate the annual operating loss and repay the general fund over a period of ten years. As of June 30, 2021, the fund had \$175 in unrestricted net position.

The Train Station/Visitor's Center Fund was established in June 2009 when the Town executed a five-year agreement with JHR Development of Maine (JHR) to lease approximately 2,125 square feet of space at Brunswick Station for use as a train station and visitor's center. Under a property management agreement, the Brunswick Downtown Association (BDA) operates the train station and visitor's center. The Town is responsible for repair and maintenance of the leasehold improvements within the station, and for routine maintenance of the platform.

In 2014, the Town and JHR amended the train station lease, extending the term five years at the same rental rate of \$44,000 per year. In 2019 the Town and JHR extended the lease an additional five years, commencing on January 1, 2020, at a rate of \$51,939.12 per year. From 2009 through FY 2016, Brunswick Development Corporation (BDC) provided grants to the Town to fully cover the rental costs. Beginning in FY 2017, the Town Council authorized the use of TIF revenues from the Downtown Development TIF district

to fund the Train Station rental costs and other operating expenses. With the FY 2021 budget, the amount appropriated was \$50,000.

In January 2018, the Town installed a kiosk in the long-term parking area on Union Street, and began charging train and bus riders \$2/day to park in the lot. In FY 2019, the first full year of parking kiosk operations, the Town collected \$20,379 in parking fees, but in FY 2020 and FY 2021 collections dropped off significantly due to COVID-19, producing revenues of \$16,492 and \$5,692, respectively. As of June 30, 2021, the Train Station/Visitor's Center Fund had a net position totaling \$68,198, with \$8,648 of this recorded as investment in capital assets.

In April 2021, with the closure of the Graham Road Landfill, the Town Council appropriated \$250,000 from Solid Waste Impact Fees to establish a materials processing facility adjacent to the closed landfill. Open two days per week, the facility accepts clean wood, brush and leaves, metals, electronics and universal waste. In the first three months of its operation, the facility recorded an operating loss of \$7,627. As of June 30, 2021, the Processing Facility had a net position totaling \$284,701, with \$109,718 of this recorded as investment in capital assets.

Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the Town of Brunswick's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Fund balance is the measure of a governmental fund's spendable resources. Fund balance is presented in five possible categories:

- *Nonspendable* fund balance cannot be spent.
- *Restricted* fund balance reflects resources that are subject to externally enforceable legal restrictions, typically imposed by parties outside of the government.
- *Committed* fund balance represents resources whose use is constrained by limitations the government imposes on itself at its highest level of decision making (i.e., the Town Council), that remain binding unless removed in the same manner.
- *Assigned* fund balance reflects a government's intended use of resources.
- *Unassigned* fund balance represents the net resources in excess of what can be properly classified in one of the other four categories. Only the General Fund can report a positive amount of unassigned fund balance.

At the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$27,392,240. Of that amount, \$1,494,764 is classified as nonspendable. Another \$7,203,432 is restricted, \$4,028,121 is committed and \$2,655,425 is assigned.

The largest portion of the \$1,494,764 nonspendable fund balance is \$792,315 held in permanent funds for education, community improvements, recreation, and cultural and social services. An additional \$586,606 consists of advances made by the General Fund to two projects in the Capital Improvement Projects Fund. Finally, \$115,843 is held in inventories and prepaid deposit items.

Of the \$7,203,432 in restricted fund balance, \$5,078,725, or approximately 70.5%, is restricted for education purposes. This is primarily the school department's general fund balance, but also includes \$900,064 in bond proceeds, \$450,000 in contributions for the new elementary school, and balances in student activities, cafeteria and other grant funds. An additional \$1,060,756, or 14.7%, consists of state revenue sharing and highway revenue balances. Impact fees restricted for capital projects total \$522,335, and funds restricted in the permanent and special revenue funds total \$276,867. The Tax Increment Financing Fund makes up the final \$264,749 in the restricted category.

The *General Fund* is the chief operating fund of the Town of Brunswick and, by definition, is the only fund that can have positive unassigned fund balance. Since unassigned fund balance represents resources that

are not nonspendable, restricted, committed, or assigned to any particular use, this amount represents funds considered surplus. To provide for unforeseen circumstances and maintain liquidity, the Town's fund balance policy targets the unassigned General Fund balance at 16.67% of revenues. For the year ended June 30, 2021, the targeted unassigned fund balance for the General Fund was \$12,568,280. At \$17,115,571, the actual unassigned fund balance was 22.7% of revenues, and \$4,547,291 over the target. As a percentage of expenditures, the unassigned fund balance was 24.99%.

Despite a planned and budgeted reduction of \$2,461,364, plus additional reductions in the form of 2020 carry-forward encumbrances of \$113,612, capital budget of \$641,000 and supplemental appropriations of \$998,905, the fund balance of the Town of Brunswick's General Fund actually increased by \$4,048,571 during the current fiscal year. The General Fund changes are more thoroughly discussed later in this MD&A in the section entitled "General Fund Budgetary Highlights" following.

The *Tax Increment Financing Fund* includes the activity of the Town's five tax increment financing (TIF) districts. TIF funds must be used for eligible projects as defined within the development programs, in accordance with Maine State law. As of June 30, 2021, the fund had a balance of \$264,749, all of which is restricted. TIF funds are used to promote economic development, to fund credit enhancement agreements with developers and to fund capital improvement projects in and around the districts.

FY 2021 expenditures in this fund included \$890,920 in payments under credit enhancement agreements and \$70,035 in debt service payments. Transfers to other funds for development program purposes totaled \$1,363,891. In the 2020-21 budget, the Town Council appropriated \$673,969 from TIF revenues to be transferred to the general fund for economic development, train station and transit-oriented projects, public safety vehicles and road improvements. The Town Council also adopted a TIF budget resolution appropriating \$15,000 for the Cedar Street Parking Project, \$46,922 to match a Maine Dept of Transportation grant for the Pleasant Street Corridor study, \$100,000 for downtown improvements, \$200,000 toward the general fund advance for the Landing Drive project, and \$240,000 toward the general fund advance for Fire Engine 2. Also adopted in the TIF budget resolution, but not used, was \$120,000 for the Bath Road Corridor Signal Upgrades project.

During FY 2021, the Council approved an additional \$88,000 from TIF revenues, of which \$63,000 was to hire an Economic Development Specialist/Grant Writer, and \$25,000 was to fund a downtown parking study. The Council also approved \$50,000 to be used as a match for an EDA grant to construct a connector road on Brunswick Landing, from Katahdin Drive to Bath Road. As of June 30, 2021 the EDA grant had not been awarded, the funds were not yet transferred out of the TIF Fund, and it was unclear if this project would go forward.

In the 2021-22 budget, the Town Council appropriated \$807,122 from TIF revenues to be transferred to the general fund for economic development, train station and transit-oriented projects, public safety vehicles and road improvements. The Town Council also adopted a TIF budget resolution appropriating a total of \$1,060,462. This included \$43,000 for the Cedar Street Parking project, \$140,000 for the next phase of the Pleasant Street Corridor project, \$200,000 for downtown improvements, \$50,000 toward the Landing Drive advance, \$56,962 toward the Fire Engine 2 advance, \$330,000 to match the Maine DOT MPI grant for Church Road, \$40,500 for recreational trails on the Kate Furbish Preserve, and \$200,000 for the Cook's Corner Revitalization project.

The *School Department Coronavirus Relief Fund* was added as a major fund in these financial statements, due to a large receivable balance of \$4,066,481 as of June 30, 2021. During the 2021-22 fiscal year, the School Department expended \$4,253,927 in eligible costs under the Federal Coronavirus Relief Fund (CRF) and the Elementary and Secondary School Emergency Relief Fund (ESSER Fund).

The *Central Fire Station Bond Fund* had a balance of (\$4,158,983), reflecting expenditures to design the new fire station, acquire properties, and begin construction. It is anticipated that construction will be completed in fall of 2022. Until bonds are issued, possibly in January, 2022, this project will be funded with cash advanced from the General Fund.

Proprietary funds. The Town of Brunswick's proprietary funds provide the same type of information found in the government-wide statements, but in greater detail. At year end, the Solid Waste Facilities Fund had a deficit in unrestricted net position of \$3,230,538. The Pay-per-bag Program Fund had unrestricted net position of \$276,032. The Mere Point Wastewater District Fund, Train Station/Visitors Center Fund and Processing Facility had unrestricted net positions of \$175, \$59,550 and \$174,983, respectively. The finances of these funds have been addressed previously in the discussion of the Town of Brunswick's business-type activities, and are further described in Capital Assets following.

General Fund Budgetary Highlights

Original Budget vs. Final Budget

Differences between the original and final budgets result from budget adjustments and/or supplemental appropriations made during the year. Adjustments are generally the result of the Town's budget management process which constantly monitors department budgets and the budget in total. The Town Council, upon the request of the Town Manager, may move funds from departments with anticipated budget surpluses to those with anticipated budget shortfalls. Adjustments of this type have no impact on the budget in total.

During the year, adjustments totaling \$260,000 were made from accounts with projected balances to accounts where it appeared that the expenditures would have exceeded the appropriations. These adjustments were:

- \$90,000 for the Fire Department to cover costs associated with the COVID-19 response, and higher than anticipated vehicle repair costs.
- \$90,000 for Risk Management to cover unanticipated Workers Compensation insurance costs.
- \$30,000 for the Police Station to cover unanticipated building maintenance costs.
- \$20,000 for the Municipal Building (Town Hall) to cover supplies and temporary personnel costs associated with the COVID-19 response.
- \$10,000 for Fire Suppression (Hydrants) to cover increased rates from Brunswick Topsham Water District.
- \$10,000 for the Curtis Memorial Library to over unanticipated building maintenance costs.
- \$5,000 for Cable TV to cover increased part-time personnel costs associated with the COVID-19 response.
- \$5,000 for Emerson Fire Station to cover unanticipated building maintenance costs.

The other difference between the original and final budgets results from supplemental appropriations made during the year and the capital budget, detailed below. These differences total \$3,750,452. Of that amount, \$3,687,452 is the amount the State of Maine contributed to the Maine Public Employees Retirement System (MainePERS) for retirement and other benefits on behalf of employees enrolled in the MainePERS Teacher Plan. This on-behalf amount increases both the revenue and expenditure budgets.

An additional \$63,000 represents a supplemental appropriation to fund a new Economic Development Specialist/Grant Writer position. The funds were appropriated from Tax Increment Financing (TIF) revenues, and are reflected as a transfer into the General Fund.

An additional \$998,905 represents supplemental appropriations from fund balance, and as such there is no increase in the revenue budget; only the expenditure budget is increased. These were as follows:

- \$638,905 for the Brunswick High School Track Renovation. Previously appropriated as an advance from the unassigned fund balance, to be repaid through the School Department's budget over seven years, in April, 2021, the Town Council voted to forgive the advance.
- \$300,000 for three rooftop HVAC units on Town Hall. On September 8, 2020, the Town Council approved the project and authorized an emergency appropriation from unassigned fund balance.

- \$60,000 to make repairs to the Androscoggin River Swinging Bridge. On November 2, 2020, the Town Council approved the project and authorized an emergency appropriation from unassigned fund balance.

Capital Budget

The Town Council adopted a capital budget in conjunction with the operating budget for the fiscal year ended June 30, 2021. As planned through the Capital Improvement Program, the capital budget authorized the use of \$641,000 in unassigned General Fund balance, and is shown as an additional appropriation to distinguish it from the operating budget. The projects funded in the Capital Budget were as follows:

- \$381,000 to fund the first year of a two-year project to convert the Town's streetlights to municipally owned and maintained LED fixtures.
- \$260,000 to fund the replacement of 40 air packs, which were originally purchased in 2005 and are reaching end of life.

Revenues - actual vs. final budget

For the year, actual revenues exceeded budgeted revenues by \$3,620,235. The following paragraphs discuss the various categories of revenues and the variances within each category.

In total, actual tax revenues exceeded the budget by \$2,923,288. Of this amount, property tax revenue was more than budgeted by \$2,017,412. This is the result of several factors. The total actual taxable valuation of real and personal property tax available for the general fund was more than the estimate used in the development of the budget, resulting in \$1,426,702 more property tax revenue than projected. In addition, the actual amount of property tax deferred was less than budgeted by \$519,746, and supplemental tax assessments were \$40,841 more than budgeted, and the actual amount of tax abatements granted was \$30,123 less than budgeted. Interest on delinquent taxes, tax lien costs, and payments in lieu of taxes were \$33,943, \$1,492 and \$24,061 more than budgeted, respectively. Excise tax revenues on vehicles, watercraft and aircraft were \$846,380 more than budgeted. Due to the uncertainties around the COVID-19 pandemic, the Town reduced the 2020-21 budget estimate for vehicle excise tax, and actual collections exceeded expectations.

In total, actual license and permit revenues were \$223,573 more than the amount budgeted. The largest portions of this variance were in Codes Enforcement revenue where actual building permit revenue was \$192,759 more than budgeted, due to more new construction than anticipated. The largest construction projects were the construction of the new arctic studies center and academic building at Bowdoin College, the renovation of a downtown building, and nine new apartment buildings on Brunswick Landing. In addition, the Town issued 75 building permits for the construction of new single family homes. In Planning and Development, revenues from planning board application fees were in excess of the budget by \$37,076, reflecting increased development activity, primarily at Brunswick Landing, Cooks Corner and Bowdoin College.

The Town Clerk's licenses and permit revenues also exceeded projections by \$11,184. Because of the COVID-19 pandemic, the due dates for general and victualers' license fees were extended from June 30, 2020 to December 31, 2020. The revenues were recorded when collected, resulting in general license and victualers' license revenues at \$7,445 and \$7,055 more than was budgeted in FY2021, respectively. For the newly established marijuana licenses, collections resulted in \$6,675 more than budgeted. Fees from hunting/fishing licenses and mooring fees also exceeded the budget, while revenue from vital records and dog licenses were less than anticipated.

For Public Works, new rates for street opening permits and increased activity from Maine Natural Gas resulted in \$4,422 more revenue than budgeted. In the Finance Department, revenues from processing passport applications and passport photos were \$22,160 less than budgeted, reflecting the suspension of the passport program in Town Hall from March 2020 through December 2020 due to COVID-19 restrictions.

The Town has not resumed the passport photo service, but beginning in January 2021 is accepting passport applications. The remaining revenues of this category were a total of \$292 more than budgeted.

Actual intergovernmental revenues were more than the budget by \$285,881. State revenue sharing exceeded estimates by \$726,412. Because this revenue is primarily dependent on state income and sales tax collections, and considering the uncertainties caused by the COVID-19 pandemic, the Town estimated this line conservatively. The State Education Subsidy budget was based on the State's estimate from June, 2020, which was reduced by \$142,958 due to the enrollment of 74 pre-K students as of October 2020, rather than the anticipated 90 pre-K students. State general reimbursement was less than budgeted by \$332,772. This revenue estimate was based on the amount of general assistance expected to be distributed, and the Town's actual distributions were significantly less than anticipated in FY2021, as assistance was provided by the State directly to individuals. The state tax exemption reimbursement was \$17,153 more than budgeted whereas the state agency client fell short of projections by \$28,133, primarily due to a reduction in placed children under the care or custody of DHHS. Unanticipated funding from the CARES Act came to the Town in the form of FEMA Disaster Assistance of \$43,521, and through Greater Portland METRO with pass-through assistance for the MetroBreeze bus service of \$7,111. The remaining intergovernmental revenues were less than budgeted by a total of \$4,453.

Actual charges for services in total exceeded the budget by \$137,187, though the individual service results varied. Ambulance service fees were more than anticipated by \$146,672, primarily due to an increased number of trips. Tuition and transportation revenues received by the school department were less than budgeted by \$42,557, primarily due to changes in the school year and services related to COVID-19. Agent fees for registering motor vehicles, boats, ATVs and snowmobiles were \$7,090 more than budgeted, due to an increase in the number of registrations processed. Revenues from the sale of recycled materials was \$14,953 more than budgeted, due to an increase in the rates paid for materials. . The remaining variances in this category result in a net positive variance of \$11,029.

Fines and penalties collected were less than budgeted by \$7,198. In total, Police Department fines came in under the budget by \$5,818, with all lines other than ordinance fines recording reduced revenue. The reduction in parking fines, which was less than budgeted by \$6,301, was due to the reduced activity and greater parking availability in the downtown area related to the COVID-19 pandemic. Unlicensed dog fines were less than anticipated by \$1,580, and fire code violation fees were more than anticipated by \$200.

Interest on investments were less than the budget estimate by \$10,694. The interest rates on the Town's cash investments are based on the Federal Funds rate, and though the Town has continued to budget conservatively, the combination of the reduced rate and cash flow timing resulted in less interest revenue than anticipated.

Finally, the other revenues category exceeded the budget by \$68,198. Miscellaneous revenues for the municipal departments were more than budgeted by \$21,041, of which largest single item was \$13,317 for purchase card rebates. Also in this category was an unanticipated \$13,884 in worker's compensation proceeds, and \$5,029 in general assistance recoveries. The Town budgets conservatively for Cable TV franchise fees, and this line came in \$13,904 over budget. School miscellaneous revenues were more than the budget by \$15,840, and sale of miscellaneous assets were \$1,500 less than expected.

Expenditures - actual vs. final budget

The Charter of the Town of Brunswick requires that expenditures be within the various appropriations established in the budget unless the Town Council approves the excess expenditures. As previously mentioned in the discussion about the original and amended budgets, the Town regularly monitors its expenditure budget to ensure compliance with the Charter requirements. Compliance is ensured with budget transfers and supplemental appropriations. Readers are directed to the discussion regarding the original and final expenditure budgets for a thorough discussion of the transfers and supplemental appropriations.

The Town Council authorized several budget transfers from accounts with unanticipated surpluses to those accounts for which there were unanticipated expenditures. Additionally, the Council authorized department over-expenditures up to \$10,000. Expenditures in the police station were over budget by \$361 due to unanticipated costs for building repair and maintenance.

Other financing sources/(uses) – actual vs. final budget

The budgeted transfers into the general fund totaled \$763,000. This amount represents \$673,969 in budgeted transfers from the Tax Increment Financing (TIF) district fund to the general fund to cover expenditures allowed under the TIF development programs, an additional \$63,000 appropriated from TIF revenues for the Economic Development Specialist/Grant Writer position, and \$26,031 transferred back to the general fund from balances in completed capital projects.

Capital Asset and Debt Administration

Capital assets. The Town of Brunswick's investment in capital assets for its governmental and business-type activities as of June 30, 2021 amounts to \$106,759,558, net of accumulated depreciation. This investment in capital assets includes land, construction in progress, improvements, buildings, machinery and equipment, vehicles, intangibles and infrastructure. The total increase in the Town's investment in capital assets for the current fiscal year was \$3,133,442. Governmental capital assets increased with the addition of assets, offset by depreciation, while the decrease in business-type capital assets was primarily due to the discontinuation and closure of the Graham Road Landfill.

Major capital asset events in governmental activities were as follows:

- Land additions totaled \$520,000. This represents the assessed value of the land around the Recreation Center on Brunswick Landing. This property was transferred to the Town as part of the public benefit conveyance from the US Navy for public park and recreational purposes. The Recreation Center building was conveyed to the Town previously, and this 14.33 acre parcel consists of the parking lot and the approximately 10 acres of vacant land next to the Recreation Center.
- Construction projects in progress totaled \$4,779,274 at the conclusion of the year. This category of assets decreased as projects progressed during the year. The largest decrease was the new Kate Furbish Elementary School, which was put into service in September 2020. Also completed was the Veteran's Plaza and LED Lighting upgrades at the Library and the People Plus Center. On June 30, 2021, ongoing projects were the Central Fire Station at \$4,217,353, the Cedar Street Parking project at \$491,437, carpeting at the Library for \$44,052, and irrigation systems at the Police Station and Emerson Fire Station for \$16,234 and \$10,198, respectively.
- Additions to building assets totaled \$25,789,908, of which \$25,283,622 was associated with school buildings. The new Kate Furbish Elementary School building and amenities was capitalized for a total of \$24,515,711. At the Brunswick Junior High School, additions totaled \$243,269, which consisted of roofing for \$97,038, flooring upgrades for 71,293, and windows for \$74,938. Projects at the Hawthorne building totaled \$220,077, of which \$112,156 was for HVAC and building controls, \$77,220 was for an isolation room, and \$30,701 was for flooring upgrades. The High School totaled \$181,910 for flooring, window and roofing upgrades and improvements to the nurses' room, while HVAC upgrades at Harriet Beecher Stowe School added \$108,137, and air conditioning of the technology room at the Coffin School added \$14,518. Municipal building additions were \$506,286, of which \$297,345 was for three HVAC rooftop units at Town Hall, and \$126,778 was for roofing upgrades on the People Plus Center and the Public Works building. Other additions included LED lighting upgrades at the Curtis Memorial Library and the People Plus Center for \$68,936 and \$13,227, respectively.
- Improvements other than buildings increased by \$505,268. The largest item was \$412,000 for the Veteran's Plaza, which was constructed on the Town Mall with funding from the American Legion.

The playground at the new Kate Furbish Elementary School was capitalized for \$68,518, and fencing at the Kate Furbish Preserve added \$24,750.

- Machinery and equipment additions in governmental activities totaled \$1,914,694. The school department added \$979,943 in machinery and equipment. This included \$650,828 for new equipment to outfit the Kate Furbish Elementary School. Other major additions included \$171,406 in security and intercom upgrades at various school and administration buildings, and \$25,970 for lockers at Brunswick Junior High School. Within municipal departments, the fire department added \$245,523 for 40 Scott Air Paks. The police department updated the communication equipment in the cruisers for a cost of \$58,202, and acquired a mobile crisis phone system for \$25,166. The public works department replaced a loader/backhoe for \$122,000, received equipment valued at \$291,940 from the landfill enterprise fund, and purchased four message boards for a total of \$54,000. Cameras and network equipment added \$59,018, and the recreation department added an ATV for \$20,888, a tractor for \$12,641, and an outdoor stage, which cost \$9,329.
- Vehicles were replaced in the public works, fire, police and school departments during the year, retiring \$452,546 and adding \$1,090,732 in value. The school department added five new buses, and refurbished five buses, for a total of \$596,638, and acquired four trucks and a van for \$202,234. Six buses and a truck were retired, valued at \$346,127. The public works department acquired a jet vac truck for cleaning catch basins for \$82,500, and the fire department replaced a utility truck for \$39,404. The police department replaced two cruisers for \$85,328 and acquired a motorcycle for \$22,525 and a box trailer valued at \$5,000. Retired assets included two police cruisers, a police trailer and two parks and recreation vehicles, for a total of \$106,419. Two police cruisers were transferred to the parks and recreation department in July, 2020.
- Governmental activities added intangible assets totaling \$13,250 for fiber connectivity to the Cedar Street Parking Lot.
- Governmental activities added infrastructure during the year totaling \$550,755. The Town accepted Tree Farm Road from the developer, adding value of \$287,300. The Town purchased 1,100 streetlights from Central Maine Power for \$97,455. These will be replaced with LED fixtures in FY 2022. Improvements to the end of Simpson's Point Road to improve parking added \$81,000. Four lighted crosswalks were added for \$60,000, a replacement drainage structure on Mill Street added \$20,000, and a culvert on Hacker Road cost \$5,000.

Major capital asset events in business-type activities were as follows:

- With the closure of the Graham Road Landfill, and the establishment of the materials processing facility, 6 acres of land, valued at \$42,250 was transferred from the Solid Waste proprietary fund to the Processing Facility proprietary fund.
- Non-depreciable intangible assets increased by \$10,000. The Webb Field forcemain project in the Mere Point Wastewater District required the acquisition of an easement from the landowner.
- Building additions totaled \$11,500. This was the purchase of a container to serve as the office for the new processing facility. The building at the former landfill, valued at \$54,220, was demolished.
- Improvements other than buildings totaling \$57,000 were added for the gravel driveway and laydown area at the processing facility. In future years the Town may choose to add paving.
- Machinery and equipment for \$702,522 was retired from the Graham Road Landfill. The compactor, valued at \$368,933, was sold. Of the remaining equipment, \$291,940 for a utility vehicle, a wheel loader and a bulldozer were transferred to the public works department. The scale and several tanks, valued at \$41,649, were scrapped.

A table comparing the Town's capital assets (net of depreciation) as of June 30 for this and the prior fiscal year is shown following.

Town of Brunswick's Capital Assets (net of depreciation)

	Governmental activities		Business-type activities		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Capital assets not being depreciated:						
Land	\$ 7,381,708	\$ 6,861,708	\$ 115,000	\$ 115,000	\$ 7,496,708	\$ 6,976,708
Construction in progress	4,779,274	25,818,148	-	-	4,779,274	25,818,148
Intangibles	200,000	200,000	10,000	-	210,000	200,000
Capital assets being depreciated:						
Buildings	60,214,442	37,595,357	11,181	-	60,225,623	37,595,357
Improvements other than buildings	1,925,302	1,654,658	56,287	221,381	1,981,589	1,876,039
Machinery and equipment	3,194,649	1,823,435	8,648	302,289	3,203,297	2,125,724
Vehicles	4,389,468	4,005,002	-	-	4,389,468	4,005,002
Intangibles	181,828	270,041	-	5,461	181,828	275,502
Infrastructure	24,271,877	24,729,060	19,894	24,576	24,291,771	24,753,636
Total	\$ 106,538,548	\$ 102,957,409	\$ 221,010	\$ 668,707	\$ 106,759,558	\$ 103,626,116

Additional information on the Town of Brunswick's capital assets can be found in note IV.C on pages 63 and 64 of this report.

Long-term debt. At the end of the current fiscal year, the Town of Brunswick had total bonded debt and notes from direct borrowings outstanding of \$39,851,148, all of which is general obligation debt.

Town of Brunswick's Outstanding Long-term Debt

	Governmental activities		Business-type activities		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
General obligation bonds	\$ 28,455,000	\$ 29,820,000	\$ -	\$ -	\$ 28,455,000	\$ 29,820,000
Notes from direct borrowings	11,396,148	12,262,308	-	-	11,396,148	12,262,308
Total	\$ 39,851,148	\$ 42,082,308	\$ -	\$ -	\$ 39,851,148	\$ 42,082,308

On September 18, 2020 the Town issued \$279,360 in debt with School Revolving Renovation Fund (SRRF) loans through Maine Municipal Bond Bank (MMBB). The SRRF program is administered by the Maine Department of Education, and provides financing through zero-interest loans and grant funds for qualifying school renovation projects. The Brunswick school department has utilized this funding over the past several years for projects at the Coffin Elementary School and the Brunswick Junior High School. The Town Council authorized \$296,006 for improvements at the Coffin School and \$153,777 for improvements at the Junior High School. In total, SRRF funding was approved for \$449,783 on a reimbursement basis, with \$279,360 to be issued as debt, and \$170,423 in grant funding.

The amount of principal debt retired during the year through debt service payments totaled \$2,510,520. The Town's outstanding debt continues to be rated Aa2 by Moody's Investors Service and AA+ by Standard & Poor's.

Maine law limits the amount of general obligation debt a governmental entity may issue to an amount equal to 15% of its total State assessed valuation. The current debt limitation for the Town is \$389,385,000, which is significantly in excess of the Town's outstanding general obligation debt. Within the 15% total debt

limitation, there are also categorical limits. Those categories include debt limits for schools, sewers, airports, and other municipal projects. The Town is well within each of those categorical limits.

As of June 30, 2021, the Town had debt authorized but not issued for up to \$13,925,000:

- \$13,500,000 was authorized on April 1, 2019, for the purchase of property and construction of a new fire station. To be located on Pleasant Street, this station will replace the Town's 100 year old Central Fire Station. As of June 30, 2021, the Town had expended \$4,158,983 for the fire station project. It is expected that debt will be issued in early 2022, and that construction will be completed by fall of 2022.
- \$425,000 was authorized on October 20, 2020, for the acquisition of a replacement tank truck for the Fire Department. The truck has been ordered, and delivery is expected in 2022. Debt will be issued in combination with the bonds for the fire station.

Additional information on the Town's long-term debt can be found in note IV.E.1. on pages 65-67 of this report.

Economic Factors and Next Year's Budgets and Rate

The 2021-22 municipal budget was developed in the spring of 2021, with economic uncertainties around the COVID-19 pandemic and CARES Act funding, along with changes in the State budget. As in previous years, many of the State budget initiatives had an effect on the Town's estimated revenue, and some of those initiatives were not finalized until after the Town's budget was adopted. For example, when budgeting for State Aid to Education, the school department uses the calculations provided in January by the State in the ED 279 formula. With the State's adopted budget, changes to the formula and additional funds available added an estimated \$1,510,784 in aid to Brunswick for FY 2022, resulting in an estimated increase of \$851,277 over the previous year.

Revenue sharing is a program by which, since 1972, the State has shared 5% of its income and sales tax revenues with municipalities in order to provide a measure of property tax relief. Since 2006, the State has transferred funds from the revenue sharing pool to its general fund. In 2015, the State continued the lower level of revenue sharing for four fiscal years, FY 2016 through FY 2019, pegging it at 2% of income and sales tax revenues. This was increased to 2.5% in 2019-20, and 3.75% in 2020-21. With the development of the Town's 2021-22 budget, the Town used an initial estimate of \$2,450,000, but when the State budget was adopted in July, the level of revenue sharing for FY 2022 was set to 4.5% of income and sales tax, with Brunswick's share estimated at 3,139,900. The share of State Revenue Sharing is scheduled to return to the 5% level for FY 2023.

Over the past several years, the State has made changes to the homestead exemption for permanent resident homeowners, beginning with increases of \$5,000 each year in FY 2017 and FY 2018 to total \$20,000. When these changes were originally passed in 2015, the state reimbursement to municipalities was also set to increase from 50% in FY 2017 to 62.5% in FY 2018. However, the reimbursement rate was ultimately maintained at 50% for FY 2018, and increased to 62.5% for FY 2019 and FY 2020. For FY 2021 and FY 2022 the State budget proposal included an increase in the exemption amount to \$25,000, and a corresponding increase of the reimbursement rate to 70%, to have a net neutral effect on Town revenue.

In FY 2022 the Town's local certified ratio (the percentage difference between the fair market value and the local assessed value) was 95%, and the homestead exemption was adjusted accordingly to \$23,750. With a total of \$112,683,700 in homestead exemptions in FY 2022, the Town will receive \$1,645,407 at the 70% reimbursement rate. Beginning in FY 2023, the reimbursement rate is set to increase by 3 percentage points each year until the State reimbursement reaches 100%. At the FY 2022 tax rate of \$20.86 per \$1,000, a 3% increase would be an additional \$70,517 in reimbursement.

The Town Council has committed to a program of longer term financial planning to anticipate budget impacts on future property tax rates. The aim of the long-range planning effort is to anticipate capital needs

through coordination of the Capital Improvement program and the annual budget, and to develop sustainable operating budgets. Over a number of years, the Town had planned the debt service on the new elementary school to begin in the 2020-21 fiscal year, and as was anticipated, the Town Council, in an effort to minimize the impact on the taxpayers, required municipal and school department staff to adjust the revenue and expenditure budgets to accommodate this increase.

With the 2020-21 budget, and revenue adjustments prompted by the COVID-19 pandemic, the Town Council increased the use of reserves (unassigned fund balance) in the budget by \$150,000. For the 2021-22 budget the Town Council returned to using \$500,000 in reserves, as this amount has been shown to be sustainable over the past several years. As noted below, the Town continues to maintain the unassigned fund balance below the target established by the fund balance policy.

On August 16, 2021, the Town Council voted to amend the 2021-22 budget, responding not only to the \$689,900 increase in anticipated State Revenue Sharing, but also to a 1.25% projected increase in the taxable property valuation. The amended budget increased the appropriations for paving, sidewalks and the facilities reserve by \$500,000, \$100,000 and \$100,000, respectively, increased the use of revenue sharing balance by \$50,000, and reduced the tax rate by 1.32%. The original adopted budget projected the tax rate at \$21.13 per \$1,000, a 3.73% increase over the previous year. Shortly after the budget was amended, on September 1, 2021, taxes were committed with a tax rate of \$20.86 per \$1,000, a 2.41% property tax rate increase.

For the fiscal year ended June 30, 2021, the unrestricted fund balance in the General Fund was \$19,770,996, with the unassigned portion of the unrestricted balance at \$17,115,571. The Town's policy for its general fund targets the unassigned fund balance at 16.67% of its GAAP revenues. For the year ended June 30, 2020 the target was \$12,568,280. The actual balance, at 22.7% of GAAP revenues, is \$4,547,291 above the target. This is the sixth consecutive year the balance was above the target, and was anticipated, as the Town had experienced balances below the target in previous years, and has made efforts to maintain the balance above the target level. During FY 2021, with the uncertainties around the COVID-19 pandemic, the Town Council and management budgeted conservatively, and worked to contain costs. In accordance with the fund balance policy, amounts above the target have been allocated for capital improvements, or other one-time expenditures. See also "Capital Budget", herein.

Requests for Information

This financial report is designed to provide a general overview of the Town of Brunswick's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for financial information should be addressed to the Town of Brunswick, Office of the Finance Director, 85 Union Street, Brunswick, ME 04011.

BASIC FINANCIAL STATEMENTS



TOWN OF BRUNSWICK, MAINE
Statement of Net Position
June 30, 2021

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 26,695,339	\$ 4,919,364	\$ 31,614,703
Cash held in escrow	265,310	-	265,310
Receivables (net of allowance for uncollectibles):			
Accounts	794,149	134,556	928,705
Taxes receivable - current year	958,487	-	958,487
Taxes receivable - prior year	28,162	-	28,162
Tax liens	206,757	-	206,757
Intergovernmental	5,868,279	3,095,046	8,963,325
Internal balances	16,298	(16,298)	-
Deposits	51,236	-	51,236
Inventories	64,607	68,689	133,296
Permanently restricted assets:			
Cash and cash equivalents	29,738	-	29,738
Investments	770,674	-	770,674
Capital assets not being depreciated:			
Land	7,381,708	115,000	7,496,708
Construction in progress	4,779,274	-	4,779,274
Intangibles	200,000	10,000	210,000
Capital assets (net of accumulated depreciation):			
Buildings	60,214,442	11,181	60,225,623
Improvements other than buildings	1,925,302	56,287	1,981,589
Machinery and equipment	3,194,649	8,648	3,203,297
Vehicles	4,389,468	-	4,389,468
Intangibles	181,828	-	181,828
Infrastructure	24,271,877	19,894	24,291,771
Total assets	<u>142,287,584</u>	<u>8,422,367</u>	<u>150,709,951</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	3,240,049	-	3,240,049
Deferred outflows of resources related to other postemployment benefits	2,476,007	-	2,476,007
Total deferred outflows of resources	<u>5,716,056</u>	<u>-</u>	<u>5,716,056</u>
LIABILITIES			
Accounts payable and other current liabilities	6,834,441	2,058,354	8,892,795
Interest payable	208,650	-	208,650
Unearned revenues	176,695	-	176,695
Noncurrent liabilities:			
Due within one year	2,949,345	3,562,755	6,512,100
Due in more than one year	57,694,282	2,205,000	59,899,282
Total liabilities	<u>67,863,413</u>	<u>7,826,109</u>	<u>75,689,522</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	228,132	-	228,132
Deferred inflows of resources related to other postemployment benefits	1,602,371	-	1,602,371
Deferred inflows of resources related to landfill closure reimbursement	-	3,095,046	3,095,046
Total deferred inflows of resources	<u>1,830,503</u>	<u>3,095,046</u>	<u>4,925,549</u>
NET POSITION			
Net investment in capital assets	65,863,422	221,010	66,084,432
Restricted for:			
Education	4,208,457	-	4,208,457
Municipal	1,060,756	-	1,060,756
Tax increment financing	264,749	-	264,749
Public safety grants	268,770	-	268,770
Development projects - impact fees	522,335	-	522,335
Permanent funds:			
Expendable	8,097	-	8,097
Nonexpendable	792,315	-	792,315
Unrestricted	5,320,823	(2,719,798)	2,601,025
Total net position	<u>\$ 78,309,724</u>	<u>\$ (2,498,788)</u>	<u>\$ 75,810,936</u>

See accompanying notes to financial statements.

TOWN OF BRUNSWICK, MAINE
Statement of Activities
For the year ended June 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 8,214,140	\$ 882,205	\$ 2,277,046	\$ 35,000	\$ (5,019,889)	\$ -	\$ (5,019,889)
Public safety	11,414,355	1,614,738	127,682	-	(9,671,935)	-	(9,671,935)
Public works	5,878,265	60,445	201,777	1,210,439	(4,405,604)	-	(4,405,604)
Human services	332,506	5,029	92,228	-	(235,249)	-	(235,249)
Education	48,614,103	939,667	22,168,641	-	(25,505,795)	-	(25,505,795)
Recreation and culture	4,024,665	170,675	14,640	1,257,279	(2,582,071)	-	(2,582,071)
County tax	1,674,551	-	-	-	(1,674,551)	-	(1,674,551)
Unclassified	70,742	-	-	-	(70,742)	-	(70,742)
Interest on long-term debt	1,182,750	-	-	-	(1,182,750)	-	(1,182,750)
Total governmental activities	81,406,077	3,672,759	24,882,014	2,502,718	(50,348,586)	-	(50,348,586)
Business-type activities:							
Solid Waste Facilities	1,277,825	401,297	-	-	-	(876,528)	(876,528)
Pay-per-bag Program	119,363	749,040	-	-	-	629,677	629,677
Mere Point Wastewater District	44,667	37,592	-	-	-	(7,075)	(7,075)
Train Station/ Visitors Center	91,356	16,487	-	-	-	(74,869)	(74,869)
Processing Facility	15,077	7,450	-	-	-	(7,627)	(7,627)
Total business-type activities	1,548,288	1,211,866	-	-	-	(336,422)	(336,422)
Total primary government	\$ 82,954,365	\$ 4,884,625	\$ 24,882,014	\$ 2,502,718	\$ (50,348,586)	\$ (336,422)	\$ (50,685,008)
General revenues:							
Property taxes					51,396,119	-	51,396,119
Vehicle, watercraft and aircraft excise taxes					4,153,380	-	4,153,380
Grants and contributions not restricted to specific programs					2,944,723	-	2,944,723
Unrestricted investment earnings					275,773	25,462	301,235
Special items					-	1,834,670	1,834,670
Transfers					(300,000)	300,000	-
Total general revenues and transfers					58,469,995	2,160,132	60,630,127
Changes in net position					8,121,409	1,823,710	9,945,119
Net position - beginning (as restated)					70,188,315	(4,322,498)	65,865,817
Net position - ending					\$ 78,309,724	\$ (2,498,788)	\$ 75,810,936

See accompanying notes to financial statements.

TOWN OF BRUNSWICK, MAINE
Balance Sheet
Governmental Funds
June 30, 2021

	<u>General Fund</u>	<u>Tax Increment Financing</u>	<u>School Coronavirus Relief Fund</u>	<u>New Central Fire Station</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and cash equivalents	\$ 24,410,240	\$ -	\$ -	\$ -	\$ 2,314,837	\$ 26,725,077
Investments	-	-	-	-	770,674	770,674
Receivables (net of allowance for uncollectibles):						
Accounts	786,372	-	-	-	7,777	794,149
Taxes - current	958,487	-	-	-	-	958,487
Taxes - prior years	28,162	-	-	-	-	28,162
Tax liens	206,757	-	-	-	-	206,757
Intergovernmental	434,527	-	4,066,481	-	1,367,271	5,868,279
Deposits	1,236	-	-	-	50,000	51,236
Inventory, at cost	34,811	-	-	-	29,796	64,607
Due from other funds	3,465,252	264,749	-	-	4,164,239	7,894,240
Advances to other funds	586,606	-	-	-	-	586,606
Total assets	<u>\$ 30,912,450</u>	<u>\$ 264,749</u>	<u>\$ 4,066,481</u>	<u>\$ -</u>	<u>\$ 8,704,594</u>	<u>\$ 43,948,274</u>
LIABILITIES						
Accounts payable	\$ 1,063,024	\$ -	\$ 60,956	\$ 550,019	\$ 618,571	\$ 2,292,570
Retainage payable	-	-	-	146,691	16,058	162,749
Accrued wages and benefits payable	4,061,265	-	-	-	99,298	4,160,563
Other liabilities	94,021	-	-	-	-	94,021
Payments in escrow	82,661	-	-	-	-	82,661
Unearned revenue	-	-	-	-	176,695	176,695
Due to other funds	-	-	4,005,525	3,462,273	591,301	8,059,099
Advances from other funds	-	-	-	-	586,606	586,606
Total liabilities	<u>5,300,971</u>	<u>-</u>	<u>4,066,481</u>	<u>4,158,983</u>	<u>2,088,529</u>	<u>15,614,964</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	444,809	-	-	-	-	444,809
Unavailable revenue - miscellaneous	496,261	-	-	-	-	496,261
Total deferred inflows of resources	<u>941,070</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>941,070</u>
FUND BALANCES (DEFICITS)						
Nonspendable:						
Long-term loans and advances	586,606	-	-	-	-	586,606
Inventories and deposits	36,047	-	-	-	79,796	115,843
Permanent funds	-	-	-	-	792,315	792,315
Restricted:						
Education	3,216,004	-	-	-	1,862,721	5,078,725
Municipal purposes	1,060,756	-	-	-	-	1,060,756
Tax increment financing	-	264,749	-	-	-	264,749
Capital projects funds	-	-	-	-	522,335	522,335
Special revenue funds	-	-	-	-	268,770	268,770
Permanent funds	-	-	-	-	8,097	8,097
Committed:						
Capital projects funds	-	-	-	-	3,546,952	3,546,952
Special revenue funds	-	-	-	-	481,169	481,169
Assigned:						
General fund	2,655,425	-	-	-	-	2,655,425
Unassigned:						
General fund	17,115,571	-	-	-	-	17,115,571
Special revenue funds	-	-	-	-	(359,484)	(359,484)
Capital projects funds	-	-	-	(4,158,983)	(586,606)	(4,745,589)
Total fund balances (deficits)	<u>24,670,409</u>	<u>264,749</u>	<u>-</u>	<u>(4,158,983)</u>	<u>6,616,065</u>	<u>27,392,240</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 30,912,450</u>	<u>\$ 264,749</u>	<u>\$ 4,066,481</u>	<u>\$ -</u>	<u>\$ 8,704,594</u>	

Amounts reported for governmental activities in the statement of net position are different because (see Note II.A., also):

Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds.	106,538,548
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable in the funds.	941,070
Long-term liabilities, including bonds payable and net pension liability, are not due and payable in the current period and therefore are not reported in the funds.	(60,586,967)
The internal service fund is used by management to charge the cost of printing services to the funds.	
The assets and liabilities of the internal service fund are not included in the governmental funds.	139,280
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds.	3,885,553
Net position of governmental activities (see Statement 1)	<u>\$ 78,309,724</u>

See accompanying notes to financial statements.

TOWN OF BRUNSWICK, MAINE
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2021

	<u>General Fund</u>	<u>Tax Increment Financing</u>	<u>School Coronavirus Relief Fund</u>	<u>New Central Fire Station</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES						
Taxes	\$ 53,382,098	\$ 2,486,619	\$ -	\$ -	\$ -	\$ 55,868,717
Licenses and permits	793,475	-	-	-	-	793,475
Intergovernmental	18,869,314	-	4,253,927	-	4,348,288	27,471,529
Investment income	-	-	-	-	178,355	178,355
Charges for services	1,729,126	-	-	-	829,613	2,558,739
Fines and penalties	28,047	-	-	-	-	28,047
Interest	89,306	-	-	-	8,112	97,418
Donations	-	-	-	-	981,928	981,928
Other	503,234	-	-	-	4,500	507,734
Total revenues	<u>75,394,600</u>	<u>2,486,619</u>	<u>4,253,927</u>	<u>-</u>	<u>6,350,796</u>	<u>88,485,942</u>
EXPENDITURES						
Current:						
General government	4,453,697	890,920	-	-	2,264,912	7,609,529
Public safety	10,418,384	-	-	-	156,003	10,574,387
Public works	3,673,995	-	-	-	8,785	3,682,780
Human services	326,105	-	-	-	5,625	331,730
Education	40,752,499	-	4,253,927	-	2,701,850	47,708,276
Recreation and culture	3,178,169	-	-	-	194,908	3,373,077
County tax	1,674,551	-	-	-	-	1,674,551
Unclassified	70,742	-	-	-	-	70,742
Debt service:						
Principal	2,441,520	69,000	-	-	-	2,510,520
Interest	1,492,493	1,035	-	-	-	1,493,528
Capital outlay	-	-	-	1,670,409	5,679,251	7,349,660
Total expenditures	<u>68,482,155</u>	<u>960,955</u>	<u>4,253,927</u>	<u>1,670,409</u>	<u>11,011,334</u>	<u>86,378,780</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,912,445</u>	<u>1,525,664</u>	<u>-</u>	<u>(1,670,409)</u>	<u>(4,660,538)</u>	<u>2,107,162</u>
OTHER FINANCING SOURCES (USES)						
Transfers from other funds	763,000	-	-	-	4,658,796	5,421,796
Transfers to other funds	(1,935,549)	-	-	-	(731,031)	(2,666,580)
Transfers to other funds - capital budget	(641,000)	(1,338,891)	-	-	-	(1,979,891)
Transfers to other funds - suppl. approp.	(998,905)	(25,000)	-	-	-	(1,023,905)
Transfers to other funds - education	(51,420)	-	-	-	-	(51,420)
Bonds issued	-	-	-	-	14,050	14,050
Total other financing sources (uses)	<u>(2,863,874)</u>	<u>(1,363,891)</u>	<u>-</u>	<u>-</u>	<u>3,941,815</u>	<u>(285,950)</u>
Net changes in fund balances	4,048,571	161,773	-	(1,670,409)	(718,723)	1,821,212
Fund balances, beginning of year (as restated)	<u>20,621,838</u>	<u>102,976</u>	<u>-</u>	<u>(2,488,574)</u>	<u>7,334,788</u>	<u>25,571,028</u>
Fund balances (deficits), end of year	<u>\$ 24,670,409</u>	<u>\$ 264,749</u>	<u>\$ -</u>	<u>\$ (4,158,983)</u>	<u>\$ 6,616,065</u>	<u>\$ 27,392,240</u>

See accompanying notes to financial statements.

TOWN OF BRUNSWICK, MAINE
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the year ended June 30, 2021

Net change in fund balances - total governmental funds (from Statement 4)	\$	1,821,212
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Amounts reported for governmental activities in the statement of activities (Statement 2) are different because (see Note II.B., also):

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.		3,591,869
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The statement of activities reports losses arising from the disposal of existing capital assets. Losses on disposal of capital assets do not appear in the governmental funds. Thus, the change in net position differs from the change in fund balance.		(10,730)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(169,696)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		2,496,470
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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.		616,540
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Internal service funds are used by management to charge the costs of photocopy service to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.		17,254
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Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.		(241,510)
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Change in net position of governmental activities (see Statement 2)	\$	<u>8,121,409</u>
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See accompanying notes to financial statements.

TOWN OF BRUNSWICK, MAINE
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
General Fund
For the year ended June 30, 2021

	<u>Original Budget</u>	<u>Additional Appropriation</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES					
Taxes:					
Real and personal property	\$ 46,658,810	\$ -	\$ 46,658,810	\$ 48,676,222	\$ 2,017,412
Interest on delinquent taxes	90,000	-	90,000	123,943	33,943
Tax lien costs	13,000	-	13,000	14,492	1,492
Payment in lieu of taxes	390,000	-	390,000	414,061	24,061
Vehicle excise taxes	3,275,000	-	3,275,000	4,121,214	846,214
Watercraft excise taxes	24,000	-	24,000	27,444	3,444
Aircraft excise taxes	8,000	-	8,000	4,722	(3,278)
Total taxes	<u>50,458,810</u>	<u>-</u>	<u>50,458,810</u>	<u>53,382,098</u>	<u>2,923,288</u>
Licenses and permits:					
Finance department	26,500	-	26,500	4,340	(22,160)
Codes enforcement	295,000	-	295,000	487,759	192,759
Town clerk	175,702	-	175,702	186,886	11,184
Planning	40,000	-	40,000	77,076	37,076
Fire department	2,000	-	2,000	1,920	(80)
Police department	700	-	700	1,072	372
Public works	30,000	-	30,000	34,422	4,422
Total licenses and permits	<u>569,902</u>	<u>-</u>	<u>569,902</u>	<u>793,475</u>	<u>223,573</u>
Intergovernmental:					
State education subsidy	12,399,982	-	12,399,982	12,257,024	(142,958)
State agency client	29,500	-	29,500	1,367	(28,133)
MainePERS contribution	-	3,687,452	3,687,452	3,687,452	-
State revenue sharing	1,800,000	-	1,800,000	2,526,412	726,412
State highway grant	200,000	-	200,000	195,424	(4,576)
State snowmobile funds	1,500	-	1,500	1,622	122
State tax exemption reimbursement	55,000	-	55,000	72,153	17,153
State boat launch cooperative agreement	9,999	-	9,999	10,000	1
State general assistance reimbursement	400,000	-	400,000	67,228	(332,772)
Greater Portland Metro CARES act	-	-	-	7,111	7,111
State civil emergency preparedness	-	-	-	43,521	43,521
Total intergovernmental	<u>14,895,981</u>	<u>3,687,452</u>	<u>18,583,433</u>	<u>18,869,314</u>	<u>285,881</u>

See accompanying notes to financial statements.

TOWN OF BRUNSWICK, MAINE
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
General Fund
For the year ended June 30, 2021

	<u>Original Budget</u>	<u>Additional Appropriation</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES, CONTINUED					
Charges for services:					
Auto registration	70,000	-	70,000	77,090	7,090
Watercraft, ATV, snowmobile registration	1,600	-	1,600	1,605	5
Municipal building rental	7,092	-	7,092	7,102	10
Fire department	1,500	-	1,500	317	(1,183)
Emergency medical services	1,000,000	-	1,000,000	1,146,672	146,672
Police department	123,908	-	123,908	122,584	(1,324)
Dispatch services fees	150,745	-	150,745	155,316	4,571
Public works	1,000	-	1,000	-	(1,000)
Recycling	15,000	-	15,000	29,953	14,953
Education - tuition, transportation, etc.	219,094	-	219,094	176,537	(42,557)
Recreation facility rentals	2,000	-	2,000	11,950	9,950
Total charges for services	<u>1,591,939</u>	<u>-</u>	<u>1,591,939</u>	<u>1,729,126</u>	<u>137,187</u>
Fines and penalties:					
Town clerk	4,745	-	4,745	3,165	(1,580)
Fire department	-	-	-	200	200
Police department	30,500	-	30,500	24,682	(5,818)
Total fines and penalties	<u>35,245</u>	<u>-</u>	<u>35,245</u>	<u>28,047</u>	<u>(7,198)</u>
Interest earned	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>89,306</u>	<u>(10,694)</u>
Other revenue:					
Sale of miscellaneous assets	1,500	-	1,500	-	(1,500)
Cable TV franchise fees	280,000	-	280,000	293,904	13,904
General assistance recovery	-	-	-	5,029	5,029
Workers compensation proceeds	-	-	-	13,884	13,884
Brunswick Development Corporation subsidy	25,000	-	25,000	25,000	-
Portland contribution for asylum seekers	35,000	-	35,000	35,000	-
Miscellaneous - municipal	6,700	-	6,700	27,741	21,041
Miscellaneous - school	86,836	-	86,836	102,676	15,840
Total other revenue	<u>435,036</u>	<u>-</u>	<u>435,036</u>	<u>503,234</u>	<u>68,198</u>
Total revenues	<u>\$ 68,086,913</u>	<u>\$ 3,687,452</u>	<u>\$ 71,774,365</u>	<u>\$ 75,394,600</u>	<u>\$ 3,620,235</u>

See accompanying notes to financial statements.

TOWN OF BRUNSWICK, MAINE
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
General Fund
For the year ended June 30, 2021

	Adopted Budget	2020 Encumbered Balances	Original Budget	Additional Appropriation	Adjustments	Final Budget	Actual	Variance Positive (Negative)	2021 Encumbered Balances
EXPENDITURES									
Current:									
General government:									
Administration	\$ 569,964	\$ -	\$ 569,964	\$ -	\$ -	\$ 569,964	\$ 524,714	\$ 45,250	\$ -
Finance	794,328	-	794,328	-	-	794,328	733,354	60,974	-
Technology services	360,528	-	360,528	-	13,250	373,778	342,965	30,813	-
Municipal officers	261,369	-	261,369	-	-	261,369	212,741	48,628	-
Town Hall building	169,650	-	169,650	-	20,000	189,650	174,836	14,814	-
Risk management	611,393	-	611,393	-	90,000	701,393	682,792	18,601	-
Cable TV	95,133	-	95,133	-	5,000	100,133	94,687	5,446	-
Assessing	304,876	-	304,876	-	-	304,876	284,004	20,872	-
Town Clerk & elections	422,470	-	422,470	-	-	422,470	394,254	28,216	1,715
Engineering	276,999	-	276,999	-	-	276,999	260,429	16,570	-
Planning	625,539	67,649	693,188	-	(43,049)	650,139	584,281	65,858	24,200
Economic development	142,999	-	142,999	63,000	-	205,999	164,640	41,359	-
Total general government	<u>4,635,248</u>	<u>67,649</u>	<u>4,702,897</u>	<u>63,000</u>	<u>85,201</u>	<u>4,851,098</u>	<u>4,453,697</u>	<u>397,401</u>	<u>25,915</u>
Public safety:									
Fire department	4,046,295	3,300	4,049,595	-	90,000	4,139,595	4,070,433	69,162	31,000
Central fire station	46,775	-	46,775	-	-	46,775	30,475	16,300	-
Emerson fire station	62,700	-	62,700	-	5,000	67,700	61,951	5,749	-
Police department	4,431,687	8,970	4,440,657	-	-	4,440,657	4,282,228	158,429	-
Emergency services dispatch	973,899	-	973,899	-	-	973,899	880,449	93,450	-
Police station	119,306	-	119,306	-	30,000	149,306	149,667	(361)	-
Marine resources	117,696	1,972	119,668	-	-	119,668	101,056	18,612	-
Streetlights	216,000	-	216,000	-	-	216,000	207,298	8,702	-
Traffic signals	33,000	-	33,000	-	-	33,000	28,935	4,065	-
Fire suppression (hydrants)	600,000	-	600,000	-	10,000	610,000	605,092	4,908	-
Civil emergency preparedness	2,000	-	2,000	-	-	2,000	800	1,200	-
Total public safety	<u>10,649,358</u>	<u>14,242</u>	<u>10,663,600</u>	<u>-</u>	<u>135,000</u>	<u>10,798,600</u>	<u>10,418,384</u>	<u>380,216</u>	<u>31,000</u>
Public works:									
Administration	300,875	-	300,875	-	-	300,875	292,679	8,196	-
General maintenance	1,933,515	-	1,933,515	-	-	1,933,515	1,789,071	144,444	43,300
Refuse collection	659,899	-	659,899	-	-	659,899	529,755	130,144	-
Recycling	496,518	-	496,518	-	-	496,518	463,865	32,653	-
Central garage	665,178	-	665,178	-	-	665,178	598,625	66,553	-
Total public works	<u>4,055,985</u>	<u>-</u>	<u>4,055,985</u>	<u>-</u>	<u>-</u>	<u>4,055,985</u>	<u>3,673,995</u>	<u>381,990</u>	<u>43,300</u>

See accompanying notes to financial statements.

TOWN OF BRUNSWICK, MAINE
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
General Fund
For the year ended June 30, 2021

	Adopted Budget	2020 Encumbered Balances	Original Budget	Additional Appropriation	Adjustments	Final Budget	Actual	Variance Positive (Negative)	2021 Encumbered Balances
EXPENDITURES, CONTINUED									
Human services:									
General assistance	732,159	2,354	734,513	-	(100,000)	634,513	225,668	408,845	-
Health and social services	102,250	-	102,250	-	-	102,250	100,437	1,813	-
Total human services	834,409	2,354	836,763	-	(100,000)	736,763	326,105	410,658	-
Education:									
Education	42,748,055	-	42,748,055	3,687,452	(3,036,996)	43,398,511	40,752,499	2,646,012	-
Recreation and culture:									
Recreation administration	484,168	-	484,168	-	-	484,168	469,367	14,801	-
Buildings and grounds	857,008	29,367	886,375	-	-	886,375	833,815	52,560	27,312
Rec Building Neptune Dr	233,573	-	233,573	-	-	233,573	183,606	49,967	3,812
People Plus	158,604	-	158,604	-	-	158,604	153,284	5,320	-
Library	1,533,441	-	1,533,441	-	10,000	1,543,441	1,538,097	5,344	-
Total recreation and culture	3,266,794	29,367	3,296,161	-	10,000	3,306,161	3,178,169	127,992	31,124
Intergovernmental:									
County tax	1,674,551	-	1,674,551	-	-	1,674,551	1,674,551	-	-
Unclassified:									
Promotion and development	308,209	-	308,209	-	(4,500)	303,709	293,648	10,061	1,950
Additional school assistance	10,000	-	10,000	-	-	10,000	10,000	-	-
Cemetery care	3,200	-	3,200	-	-	3,200	2,545	655	-
Wage & benefits adjustment	200,000	-	200,000	-	(173,250)	26,750	(235,451)	262,201	-
Total unclassified	521,409	-	521,409	-	(177,750)	343,659	70,742	272,917	1,950

See accompanying notes to financial statements.

TOWN OF BRUNSWICK, MAINE
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
General Fund
For the year ended June 30, 2021

	Adopted Budget	2020 Encumbered Balances	Original Budget	Additional Appropriation	Adjustments	Final Budget	Actual	Variance Positive (Negative)	2021 Encumbered Balances
EXPENDITURES, CONTINUED									
Debt service:									
Long-term debt, principal	821,000	-	821,000	-	1,620,520	2,441,520	2,441,520	-	-
Long-term debt, interest	127,437	-	127,437	-	1,365,056	1,492,493	1,492,493	-	-
Total debt service	<u>948,437</u>	<u>-</u>	<u>948,437</u>	<u>-</u>	<u>2,985,576</u>	<u>3,934,013</u>	<u>3,934,013</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>69,334,246</u>	<u>113,612</u>	<u>69,447,858</u>	<u>3,750,452</u>	<u>(98,969)</u>	<u>73,099,341</u>	<u>68,482,155</u>	<u>4,617,186</u>	<u>133,289</u>
Excess (deficiency) of revenues over (under) expenditures	(1,247,333)	(113,612)	(1,360,945)	(63,000)	98,969	(1,324,976)	6,912,445	8,237,421	-
OTHER FINANCING SOURCES (USES)									
Transfers from other funds	673,969	-	673,969	63,000	-	736,969	763,000	26,031	-
Transfers to other funds	(1,888,000)	-	(1,888,000)	-	(47,549)	(1,935,549)	(1,935,549)	-	-
Transfers to other funds - capital budget	-	-	-	(641,000)	-	(641,000)	(641,000)	-	-
Transfers to other funds - supplemental appropriations	-	-	-	(998,905)	-	(998,905)	(998,905)	-	-
Transfers to other funds - education	-	-	-	-	(51,420)	(51,420)	(51,420)	-	-
Total other financing sources (uses)	<u>(1,214,031)</u>	<u>-</u>	<u>(1,214,031)</u>	<u>(1,576,905)</u>	<u>(98,969)</u>	<u>(2,889,905)</u>	<u>(2,863,874)</u>	<u>26,031</u>	<u>-</u>
Net changes in fund balances	<u>\$ (2,461,364)</u>	<u>\$ (113,612)</u>	<u>\$ (2,574,976)</u>	<u>\$ (1,639,905)</u>	<u>\$ -</u>	<u>\$ (4,214,881)</u>	<u>\$ 4,048,571</u>	<u>\$ 8,263,452</u>	<u>\$ -</u>
Fund balance, beginning of year							20,621,838		
Fund balance, end of year							<u>\$ 24,670,409</u>		

See accompanying notes to financial statements.

TOWN OF BRUNSWICK, MAINE
Statement of Net Position
Proprietary Funds
June 30, 2021

	Business-type Activities - Enterprise Funds				Governmental Activities
	<u>Solid Waste Facilities</u>	<u>Pay-Per-Bag Program</u>	<u>Nonmajor Funds</u>	<u>Totals</u>	<u>Internal Service Fund Printing Services</u>
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 4,574,016	\$ 106,291	\$ 239,057	\$ 4,919,364	\$ -
Receivables:					
Accounts	-	128,400	6,156	134,556	-
Intergovernmental	3,095,046	-	-	3,095,046	-
Inventory	-	68,689	-	68,689	-
Due from other funds	-	-	795	795	140,557
Total current assets	<u>7,669,062</u>	<u>303,380</u>	<u>246,008</u>	<u>8,218,450</u>	<u>140,557</u>
Capital assets:					
Land	72,750	-	42,250	115,000	-
Intangibles	-	-	10,000	10,000	-
Buildings	-	-	11,500	11,500	-
Improvements other than buildings	7,367,865	-	131,038	7,498,903	-
Machinery and equipment	-	-	112,633	112,633	78,634
Infrastructure	-	-	636,738	636,738	-
Less accumulated depreciation	<u>(7,367,865)</u>	<u>-</u>	<u>(795,899)</u>	<u>(8,163,764)</u>	<u>(64,886)</u>
Net capital assets	<u>72,750</u>	<u>-</u>	<u>148,260</u>	<u>221,010</u>	<u>13,748</u>
Total assets	<u>7,741,812</u>	<u>303,380</u>	<u>394,268</u>	<u>8,439,460</u>	<u>154,305</u>
LIABILITIES					
Current liabilities:					
Accounts payable	1,662,583	27,348	6,678	1,696,609	1,277
Retainage payable	360,497	-	-	360,497	-
Accrual of payroll	215	-	1,033	1,248	-
Landfill closure and postclosure	3,562,755	-	-	3,562,755	-
Due to other funds	<u>13,504</u>	<u>-</u>	<u>3,589</u>	<u>17,093</u>	<u>-</u>
Total current liabilities	<u>5,599,554</u>	<u>27,348</u>	<u>11,300</u>	<u>5,638,202</u>	<u>1,277</u>
Noncurrent liabilities:					
Landfill postclosure	<u>2,205,000</u>	<u>-</u>	<u>-</u>	<u>2,205,000</u>	<u>-</u>
Total noncurrent liabilities	<u>2,205,000</u>	<u>-</u>	<u>-</u>	<u>2,205,000</u>	<u>-</u>
Total liabilities	<u>7,804,554</u>	<u>27,348</u>	<u>11,300</u>	<u>7,843,202</u>	<u>1,277</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred landfill closure cost reimbursement	<u>3,095,046</u>	<u>-</u>	<u>-</u>	<u>3,095,046</u>	<u>-</u>
Total deferred inflows of resources	<u>3,095,046</u>	<u>-</u>	<u>-</u>	<u>3,095,046</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	72,750	-	148,260	221,010	13,748
Unrestricted	<u>(3,230,538)</u>	<u>276,032</u>	<u>234,708</u>	<u>(2,719,798)</u>	<u>139,280</u>
Total net position	<u>\$ (3,157,788)</u>	<u>\$ 276,032</u>	<u>\$ 382,968</u>	<u>\$ (2,498,788)</u>	<u>\$ 153,028</u>

See accompanying notes to financial statements.

TOWN OF BRUNSWICK, MAINE
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the year ended June 30, 2021

	Business-type Activities - Enterprise Funds				Governmental Activities
	<u>Solid Waste Facilities</u>	<u>Pay-Per-Bag Program</u>	<u>Nonmajor Funds</u>	<u>Totals</u>	<u>Internal Service Fund Printing Services</u>
OPERATING REVENUES					
Charges for services:					
Landfill permits	\$ 13,157	\$ -	\$ -	\$ 13,157	\$ -
Bag purchases	-	749,040	-	749,040	-
Service fees	-	-	37,592	37,592	-
Rent	-	-	10,795	10,795	-
Parking meter	-	-	5,692	5,692	-
Printing services	-	-	-	-	34,003
Tipping fees	388,140	-	1,150	389,290	-
Other	-	-	6,300	6,300	-
Total operating revenues	<u>401,297</u>	<u>749,040</u>	<u>61,529</u>	<u>1,211,866</u>	<u>34,003</u>
OPERATING EXPENSES					
Personnel services	169,131	-	6,871	176,002	-
Administrative expenses	7,084	-	-	7,084	-
Contractual services	233,481	-	128,770	362,251	13,009
Central garage costs	50,000	-	-	50,000	-
Materials and supplies	31,698	119,363	7,883	158,944	3,740
Closure and postclosure costs	276,624	-	-	276,624	-
Depreciation	257,129	-	7,576	264,705	13,327
Total operating expenses	<u>1,025,147</u>	<u>119,363</u>	<u>151,100</u>	<u>1,295,610</u>	<u>30,076</u>
Operating income (loss)	<u>(623,850)</u>	<u>629,677</u>	<u>(89,571)</u>	<u>(83,744)</u>	<u>3,927</u>
NONOPERATING REVENUES (EXPENSES)					
Interest income	9,660	15,325	477	25,462	-
Gain (loss) on disposal of capital assets	<u>(252,678)</u>	<u>-</u>	<u>-</u>	<u>(252,678)</u>	<u>-</u>
Total nonoperating revenues (expenses)	<u>(243,018)</u>	<u>15,325</u>	<u>477</u>	<u>(227,216)</u>	<u>-</u>
Income (loss) before transfers and special items	(866,868)	645,002	(89,094)	(310,960)	3,927
Transfers in/(out)	4,157,750	(4,200,000)	342,250	300,000	-
Special item - change in closure estimate	<u>1,834,670</u>	<u>-</u>	<u>-</u>	<u>1,834,670</u>	<u>-</u>
Change in net position	5,125,552	(3,554,998)	253,156	1,823,710	3,927
Net position, beginning of year	<u>(8,283,340)</u>	<u>3,831,030</u>	<u>129,812</u>	<u>(4,322,498)</u>	<u>149,101</u>
Net position, end of year	<u>\$ (3,157,788)</u>	<u>\$ 276,032</u>	<u>\$ 382,968</u>	<u>\$ (2,498,788)</u>	<u>\$ 153,028</u>

See accompanying notes to financial statements.

TOWN OF BRUNSWICK, MAINE
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2021

	Business-type Activities - Enterprise Funds				Governmental Activities
	<u>Solid Waste Facilities</u>	<u>Pay-Per-Bag Program</u>	<u>Nonmajor Funds</u>	<u>Totals</u>	<u>Internal Service Fund - Printing</u>
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 411,430	\$ 741,196	\$ 60,738	\$ 1,213,364	\$ 34,003
Payments to employees	(199,488)	-	(5,838)	(205,326)	-
Payments to suppliers for goods and services	(352,124)	(131,611)	(136,492)	(620,227)	(17,636)
Net cash provided (used) by operating activities	(140,182)	609,585	(81,592)	387,811	16,367
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfer from/(to) other funds	4,200,000	(4,200,000)	300,000	300,000	-
Increase (decrease) in due to other funds	5,404	-	3,118	8,522	(16,367)
Cash provided (used) by noncapital financing activities	4,205,404	(4,200,000)	303,118	308,522	(16,367)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Payments for landfill closure	(2,124,206)	-	-	(2,124,206)	-
Sale of capital assets	15,000	-	-	15,000	-
Acquisition of capital assets	-	-	(84,686)	(84,686)	-
Cash used by capital and related financing activities	(2,109,206)	-	(84,686)	(2,193,892)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	9,660	15,325	477	25,462	-
Cash provided by investing activities	9,660	15,325	477	25,462	-
Net increase (decrease) in cash	1,965,676	(3,575,090)	137,317	(1,472,097)	-
Cash, beginning of year	2,608,340	3,681,381	101,740	6,391,461	-
Cash, end of year	\$ 4,574,016	\$ 106,291	\$ 239,057	\$ 4,919,364	\$ -
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (623,850)	\$ 629,677	\$ (89,571)	\$ (83,744)	\$ 3,927
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	257,129	-	7,576	264,705	13,327
(Increase) decrease in accounts receivable	10,133	(7,844)	(791)	1,498	-
(Increase) decrease in inventory	-	(2,142)	-	(2,142)	-
Increase (decrease) in accounts payable	(36,945)	(10,106)	161	(46,890)	(887)
Increase (decrease) in accrued payroll	(7,808)	-	1,033	(6,775)	-
Increase (decrease) in closure/postclosure	276,624	-	-	276,624	-
Increase (decrease) in compensated absences	(15,465)	-	-	(15,465)	-
Total adjustments	483,668	(20,092)	7,979	471,555	12,440
Net cash provided (used) by operating activities	\$ (140,182)	\$ 609,585	\$ (81,592)	\$ 387,811	\$ 16,367
Noncash investing, capital, and financing activities:					
Change in closure estimate	\$ 1,834,670	\$ -	\$ -	\$ 1,834,670	\$ -
Transfer of capital assets	(334,190)	-	42,250	(291,940)	-
Total noncash investing, capital, and financing activities	\$ 1,500,480	\$ -	\$ 42,250	\$ 1,542,730	\$ -

See accompanying notes to financial statements.

TOWN OF BRUNSWICK, MAINE
Statement of Net Position
Fiduciary Funds
June 30, 2021

	Private- purpose Trust Funds
ASSETS	
Cash and cash equivalents	\$ 39,546
Investments	570,958
Due from other funds	<u>40,600</u>
Total assets	<u>651,104</u>
LIABILITIES	
Accounts payable	<u>4,360</u>
Total liabilities	<u>4,360</u>
NET POSITION	
Net position held in trust for other purposes	<u>\$ 646,744</u>

See accompanying notes to financial statements.

TOWN OF BRUNSWICK, MAINE
Statement of Changes in Net Position
Fiduciary Funds
For the year ended June 30, 2021

	Private- purpose Trust Funds
ADDITIONS	
Contributions	\$ 30
Investment earnings:	
Interest and dividends	10,016
Net increase in the fair value of investments	<u>110,589</u>
Total investment earnings	120,605
Less investment expense	<u>(5,110)</u>
Total additions	<u>115,525</u>
DEDUCTIONS	
Payment to beneficiaries	<u>22,063</u>
Total deductions	<u>22,063</u>
Change in net position	93,462
Net position - beginning	<u>553,282</u>
Net position - ending	<u>\$ 646,744</u>

See accompanying notes to financial statements.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Town of Brunswick is a municipal corporation (Town or primary government) governed by an elected nine-member council (Town Council). The accompanying financial statements present information for the primary government.

Related Organizations

The Town of Brunswick appoints a voting majority of the governing boards of each of the entities described below. However, the Town of Brunswick is not financially accountable for these organizations and therefore they are not component units under Statements 14, 39, and 61 of the Governmental Accounting Standards Board.

The Brunswick Housing Authority was established in 1965 pursuant to Maine law. It is managed by five commissioners appointed by the Brunswick Town Council.

The Brunswick Sewer District was established by the State of Maine in 1947 as a quasi-municipal corporation for the purpose of providing and maintaining, within the territorial limits of the District, a sewer system for the collection, treatment, and disposal of sewage. The District is managed by a five-member board of trustees appointed by the Brunswick Town Council.

The Brunswick-Topsham Water District was established by the State of Maine in 1903 as a body politic and corporate for the purpose of supplying the inhabitants of the District and said municipalities with pure water for domestic and municipal purposes. The affairs of the District are managed by a six-member board of trustees, four chosen by the Brunswick Town Council and two chosen by the Topsham municipal officers.

B. Government-wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. They report information on all of the non-fiduciary activities of the Town of Brunswick. While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the Town's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. However, data from the fiduciary funds is not incorporated in the government-wide financial statements.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements. The exceptions to this rule are charges between the General Fund and the Solid Waste Facilities fund for landfill disposal fees and administrative costs incurred by the General Fund. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

C. Fund Financial Statements

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

1. Major governmental funds

The Town reports the following major governmental funds:

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

The *Tax Increment Financing Fund* accounts for resources accumulated and payments made for the Tax Increment Financing Districts established by the Town.

The *School Coronavirus Relief Fund* accounts for School Department expenditures responding to the COVID-19 pandemic, and federal funding received as reimbursement through the CARES Act.

The *New Central Fire Station Fund* accounts for a capital project which is funded by long-term debt obligations.

2. Major proprietary funds

The Town reports the following major enterprise funds:

The *Solid Waste Facilities Fund* accounts for the activities at the various solid waste disposal facilities throughout the Town.

The *Pay-Per-Bag Program Fund* accounts for the purchase and sale of Town trash bags.

3. Other fund types

In addition to the major funds described above, the Town reports the following fund types:

Governmental Funds. As well as the General Fund, which is always a major fund, the School Coronavirus Relief Fund and the New Central Fire Station Fund which are major funds, and the Tax Increment Financing Fund, which the Town has chosen to report as a major fund, the Town reports three additional fund types in this category.

The *special revenue funds* account for revenue sources that are legally restricted or committed to expenditure for specific purposes (not including permanent funds or major capital projects). The Town reports three nonmajor special revenue funds.

The *capital projects funds* account for the acquisition of capital assets or construction of major capital projects not financed by the Town's major capital improvement funds, proprietary funds or permanent funds. The Town reports five nonmajor capital project funds.

The *permanent funds* account for resources where principal is legally restricted by a formal trust agreement and only earnings may be used for purposes that benefit the Town or its citizenry. The Town reports seven nonmajor permanent funds.

Proprietary Funds. These funds can be classified into two fund types:

Enterprise funds account for those operations that are financed and operated in a manner similar to private business or where management has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The Town's enterprise funds consist of the activities of the Solid Waste Facilities, the Pay-per-bag Program, the Mere Point Wastewater District, the Train Station, and the Processing Facility.

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component unit. The Town's internal service fund accounts for printing services provided to departments on a cost reimbursement basis.

Fiduciary Funds account for assets held by the Town in a trustee capacity. As such, fiduciary funds are not reported in the government-wide statements. The Town's fiduciary funds include the following:

Private-purpose trust funds are used to report all trust arrangements, other than those properly reported in pension trust funds or investment trust funds, under which principal and income benefit individuals, private organizations, or other governments. These include Scholarship and Education Funds, Public Library Funds, a Village Improvement Fund and a Recreation Fund.

4. Inter-fund activity

During the course of operations, the Town has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances 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. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

D. Measurement Focus and Basis of Accounting

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

1. Government wide financial statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

2. Governmental funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as

expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

In accordance with Governmental Accounting Standards Board Statement No. 24, *Accounting and Reporting for Certain Grants and Other Financial Assistance*, payments the State of Maine makes to the Maine Public Employee Retirement System on behalf of teachers and certain other school department employees are reflected as both revenues and expenditures in the General Fund.

3. Proprietary funds and private-purpose trust funds

The Town's proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting.

E. Budgetary Information

1. Budgetary basis of accounting

An annual budget of the general fund is adopted on a basis consistent with generally accepted accounting principles (GAAP). The capital project funds are appropriated on a project-length basis. Other special revenue funds and permanent funds do not have appropriated budgets since other means control the use of these resources (e.g., grant awards and endowment requirements) and sometimes span a period of more than one year.

2. Legal level of budgetary control

The general fund budget is legally adopted by the Town Council through the passage of an appropriation resolution. By state law, that portion appropriated for educational purposes must be validated through a referendum vote. The Town charter states that the Town Manager may at any time transfer any unencumbered appropriation balance, or portion thereof, between general classifications of expenditures within an office, department or agency. Accordingly, the legal level of budgetary control is an office, department, or agency. Historically, the appropriated budget for the General Fund is prepared by department, or activity. This has been interpreted to be equivalent to the charter language of office, department, or agency. The Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund (Statement 6) reports at the legal level of control. Town Council authorization is required when expenditures exceed appropriations.

All appropriations of the General Fund lapse at the end of the fiscal year to the extent that they have not been expended or lawfully encumbered. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as an assignment of fund balance and do not constitute expenditures or liabilities. The encumbrances are re-appropriated and honored during the subsequent year.

3. Final budget amounts

The amounts reported as "Final Budget" on the Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual, for the General Fund, include the adopted budget as well as prior-year encumbrances, additional appropriations, and adjustments.

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances

1. Cash, cash equivalents and investments

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

The Town has established a formal investment policy, updated in October, 2016, that governs the investment of all funds other than its permanent funds, private-purpose trust funds, and agency funds. Pursuant to its investment policy and applicable Maine law (Title 30-A, Section 5706, and 5711-5719 of the Maine Revised Statutes, as amended) 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 to mitigate credit risk and interest rate risk, (ii) maintenance of sufficient liquidity to meet all operating and cash requirements that may be reasonably anticipated, and (iii) objective of attaining a market rate of return, taking into account the investment risk constraints of safety and liquidity needs. Under its policy, the Town's investment practice is to invest its operating funds in short-term investments. The Town is not invested in any obligations typically referred to as derivatives.

2. Receivables and payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "advances to/from other funds". All other outstanding balances between funds are reported as "due to/from other funds".

Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in the General Fund to indicate that they are not expendable financial resources and are therefore not available for appropriation.

3. Inventories and prepaid items

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Capital assets

Capital assets, which include property, equipment, intangibles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. All infrastructure, regardless of acquisition date, has been reported.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land, construction in progress, and intangible assets such as conservation easements are not depreciated. Property, equipment, intangibles and infrastructure of the Town is depreciated using the straight-line method over the assets' estimated useful lives ranging from 5 to 50 years.

<u>Assets</u>	<u>Years</u>
Buildings	45-50
Improvements other than buildings	5-20
Machinery and equipment	5-20
Vehicles	5-20
Intangibles	5-20
Infrastructure	20-50

5. Deferred outflows/inflows of resources

Statement of Net Position: In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until that time. The Town reports two items in deferred outflows.

Deferred outflows of resources related to pensions and other postemployment benefits (OPEB). Related to the net pension and OPEB liabilities, these items include the Town's contributions subsequent to the measurement date, which will be recognized as a reduction of the liabilities in the subsequent year. Deferred outflows also account for changes in assumptions, differences between expected and actual experience, and changes in proportion and differences between Town contributions and proportionate share of contributions, which are deferred and amortized over the average expected remaining service lives of active and inactive members in the plan. Also included is the net difference between projected and actual earnings on plan investments, which is deferred and amortized over a five-year period.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports three items in deferred inflows, two in governmental activities, and one in business-type activities.

Deferred inflows of resources related to pensions and other postemployment benefits (OPEB). Related to the net pension and OPEB liabilities, these items include the changes in assumptions, differences between expected and actual experience, changes in proportion and differences between Town contributions and proportionate share of contributions, which is deferred and amortized over the average expected remaining service lives of active and inactive members in the plan. Also included is the net difference between projected and actual earnings on plan investments, which is deferred and amortized over a five-year period.

Deferred inflows of resources related to landfill closure reimbursement. This item reflects anticipated reimbursements of landfill closure costs which will be received in future periods and so will be recognized as an inflow of resources (revenue) at that time.

For purposes of measuring the liabilities, deferred outflows of resources, deferred inflows of resources and expenses related to pension and OPEB, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the Maine Public Employees Retirement System's Consolidated Plan for Participating Local Districts (PLD Plan) and State Employee and Teacher Plan (SET Plan), Maine Municipal Health Trust and the Maine Education Association Benefits Trust's Retiree Health Plan, have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Balance Sheet – Governmental Funds: The Town has one type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting as a deferred inflow of resources. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental

funds report unavailable revenues from two sources: property taxes and ambulance user fees. These amounts are deferred and recognized as an inflow of resources (revenue) in the period that the amounts become available.

6. Net position flow assumptions

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

7. Fund balance flow assumptions

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

8. Fund balances

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

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

Nonspendable – resources which cannot be spent because they are either a) not in spendable form; or b) legally or contractually required to be maintained intact.

Restricted – resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed – resources which are subject to limitations the Town imposes upon itself at its highest level of decision-making, and that remain binding unless removed in the same manner. The Town Council is the highest level of decision-making authority, and can commit fund balance by ordinance.

Assigned – resources neither restricted nor committed for which the Town has a stated intended use as established by the Town Council or a body or official to which the Town Council has delegated the authority to assign amounts for specific purposes. The Town Council has a fund balance policy that requires certain items to be classified as assigned. Further, the policy gives discretion to the Town Manager and Finance Director to make assignments as they deem appropriate in their professional judgment.

Unassigned – resources which cannot be properly classified in one of the other four categories. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

9. Fund balance policy

The Town has an adopted Fund Balance Policy for the General Fund. This policy lists the criteria to be used in evaluating fund balance requirements, and establishes a minimum target balance for the unassigned category of fund balance. In addition, the policy establishes a process for reaching and maintaining the targeted level of unassigned fund balance, and the priority for the use of amounts in excess of the target.

10. Long-term obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

11. Use of estimates

Preparation of the Town's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

12. New pronouncements

For the fiscal year ended June 30, 2021, the Town has implemented Government Accounting Standards Board (GASB) *Statement No. 84 – Fiduciary Activities*. As a result of implementing GASB Statement No. 84, the Town has restated beginning net position in the government-wide statement of net position as well as the beginning fund balance in the combining statement of revenues, expenditures, and changes in fund balances nonmajor special revenue funds. This restatement increases beginning net position and beginning fund balance for school restricted programs by \$306,397.

For the fiscal year ended June 30, 2021, the Town has implemented GASB *Statement No. 98 – The Annual Comprehensive Financial Report*.

G. Revenues and Expenditures/Expenses

1. Program revenues

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions. All taxes, including those dedicated for specific purposes, are reported as general revenues.

2. Property taxes

Property taxes are typically committed on or around September 1st of each year, on the assessed value listed as of the previous April 1st. Real property taxes are due in two installments, on or near October 15th and April 15th. Personal property taxes are due in one installment on or near October 15th. Taxes unpaid by the due date are assessed interest. Tax liens are placed on real property of delinquent tax accounts within eight to twelve months following the date taxes are committed for collection.

3. Compensated absences

Under the terms of personnel policies and union contracts, vacation and sick leave (compensated absences) are granted in varying amounts according to length of service. Certain employees also earn compensatory time. A liability for vested or accumulated vacation, sick and compensatory leave is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. All accumulated leave is accrued when incurred in the government-wide financial statements. However, sick leave is valued based on the vesting method that calculates the amount of sick leave that is expected to become eligible for payout at termination.

4. Proprietary funds operating and non-operating revenues and expenses

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

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position.

One element of that reconciliation explains, "capital assets used in governmental activities are not financial resources and therefore are not reported in the funds." The details of this \$106,538,548 difference are as follows:

Capital assets	\$ 180,375,489
Accumulated depreciation	<u>(73,836,941)</u>
Net adjustment to increase fund balance - total governmental funds	
to arrive at net position - governmental activities	\$ 106,538,548

Another element of that reconciliation explains, "other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable in the funds." The details of this \$941,070 difference are as follows:

Deferred inflows - unavailable revenue - property tax	\$ 444,809
Deferred inflows - unavailable revenue - miscellaneous	<u>496,261</u>
Net adjustment to increase fund balance - total governmental funds	
to arrive at net position - governmental activities	\$ 941,070

Another element of that reconciliation explains, "long-term liabilities, including bonds payable and pension liability, are not due and payable in the current period and therefore are not reported in the funds." The details of this \$(60,586,967) difference are as follows:

Bonds payable and notes from direct borrowings	\$ (39,851,148)
Premium on bonds (to be amortized as interest expense)	(1,989,352)
Accrued interest	(208,650)
Cash held in escrow (bond proceeds)	265,310
Compensated absences	(1,523,048)
Other post employment benefits	(9,031,750)
Net pension liability	<u>(8,248,329)</u>
Net adjustment to decrease fund balance - total governmental funds to arrive at net position - governmental activities	\$ (60,586,967)

Another element of that reconciliation explains, "the internal service fund is used by management to charge the costs of printing services to the funds. The assets and liabilities of the internal service fund are not included in the governmental funds." The details of this \$139,280 difference are as follows:

Net position of the internal service fund	\$ 153,028
Less: Capital assets net of accumulated depreciation	<u>(13,748)</u>
Net adjustment to increase fund balance - total governmental funds to arrive at net position - governmental activities	\$ 139,280

Another element of that reconciliation explains, "deferred outflows and inflows of resources related to pensions and other postemployment benefits are applicable to future periods and, therefore, are not reported in the funds." The details of this \$3,885,553 difference are as follows:

Deferred outflows of resources related to pensions	\$ 3,240,049
Deferred outflows of resources related to other postemployment benefits	2,476,007
Deferred inflows of resources related to pensions	(228,132)
Deferred inflows of resources related to other postemployment benefits	<u>(1,602,371)</u>
Net adjustment to increase fund balance - total governmental funds to arrive at net position - governmental activities	\$ 3,885,553

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position – governmental activities as reported in the government-wide statement of activities.

One element of that reconciliation explains, "governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense." The details of this \$3,591,869 difference are as follows:

Capital outlay	\$ 9,345,733
Depreciation expense	<u>(5,753,864)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$ 3,591,869

Another element of that reconciliation states, "losses arising from the disposal of existing capital assets are reported in the statement of activities but do not appear in the governmental funds." The details of this \$(10,730) difference are as follows:

TOWN OF BRUNSWICK, MAINE **Notes to Financial Statements**

Cost of disposed capital assets	\$ (23,758,351)
Less construction in progress	23,194,748
Accumulated depreciation on disposed capital assets	<u>552,873</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$ (10,730)

Another element of that reconciliation states, "revenues in the statement of activities that do not provide current resources are not reported as revenues in the funds." The details of this \$(169,696) difference are as follows:

Property taxes	\$ (319,219)
Charges for services	<u>149,523</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$ (169,696)

Another element of that reconciliation states, "the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items." The details of this \$2,496,470 difference are as follows:

Issuance of school renovation bonds	\$ (279,360)
Cash in escrow (bond proceeds)	265,310
Principal repayments: General obligation debt and notes from direct borrowings	<u>2,510,520</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position in governmental activities	\$ 2,496,470

Another element of that reconciliation states, "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." The details of this \$616,540 difference are as follows:

Compensated absences	\$ (49,358)
Other post employment benefits with related deferred inflows and outflows of resources	355,120
Accrued interest	216,919
Amortization of premium on refunding and general obligation bonds	<u>93,859</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$ 616,540

Another element of that reconciliation states, "internal service funds are used by management to charge the costs of printing services to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities." The details of this \$17,254 difference are as follows:

Change in net position of the internal service funds	\$ 3,927
Plus: depreciation on capital assets	<u>13,327</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$ 17,254

Another element of that reconciliation states, "governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense." The details of this \$(241,510) difference are as follows:

Net pension liability with related deferred inflows and outflows of resources	\$	(241,510)
Net adjustment to decrease net changes in fund balance - total governmental funds to arrive at changes in net position of governmental activities	\$	(241,510)

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Control

The accounting system is employed as a budgetary management control device to monitor the individual departments. Encumbrance accounting is employed in the governmental funds.

B. Budgetary Use of Fund Balance

The Town utilizes fund balance as a source of funds for the General Fund budget. For the year ended June 30, 2021, the Town budgeted and utilized the following amounts:

	2020-21 General Fund Budget as of July 1, 2020		Original	Additional	Final
	<u>Adopted</u> <u>Budget</u>	<u>Encumbered</u> <u>Balances</u>	<u>Budget</u>	<u>Appropriations</u>	<u>Budget</u>
Restricted fund balance:					
Educational purposes	\$ 1,811,364	\$ -	\$ 1,811,364	\$ -	\$ 1,811,364
Assigned fund balance:					
Municipal purposes	650,000	-	650,000	-	650,000
Unassigned fund balance	-	-	-	1,639,905	1,639,905
Encumbrances	-	113,612	113,612	-	113,612
Total utilization of fund balance	\$ 2,461,364	\$ 113,612	\$ 2,574,976	\$ 1,639,905	\$ 4,214,881

C. Additional Appropriations

The payments the State of Maine makes to the Maine Public Employees Retirement System (Maine PERS) for retirement and other benefits, on behalf of the Town for teachers and other school employees, are reported as additional appropriations in both the revenue and expenditure budgets. The amounts of on-behalf payments for fiscal year 2020-21 were \$2,906,798 for retirement, \$701,851 for other benefits, and \$78,803 for other post-employment benefits.

D. Budget Adjustments

The adjustments are generally the result of the Town's management process which monitors department budgets and the budget in total. The Town Manager is authorized, for the purpose of adjusting salaries, wages or benefits, to transfer appropriated amounts between the Contingency account and any of the functions or departments. The Town Council, upon the request of the Town Manager, may move funds from departments with anticipated budget surpluses to those with anticipated budget shortfalls. These types of adjustments have no impact on the budget in total. During the year, the Town Council made adjustments totaling \$260,000, moving appropriations from accounts with projected balances to accounts where it appeared that the expenditures would have exceeded the appropriations.

E. Authority to Over Expend

On June 28, 2021, the Town Council adopted a resolution authorizing expenditures to exceed the gross appropriation in an appropriated account so long as the amount was \$10,000 or less.

F. Deficit Fund Balance or Net Position

The following *total fund balance deficits* exists as of June 30, 2021:

The New Central Fire Station Fund had a deficit fund balance of \$4,158,983. The fire station is a capital project which is authorized to be funded through general obligation bonds. The deficit balance in the fund reflects the total expenditures on this project through June 30, 2021. The Town has acquired property at the future site of the station, and construction began in the spring of 2021. It is expected that bonds will be issued in early 2022.

The following *net position deficit* exists as of June 30, 2021:

Solid Waste Facilities Fund	\$ (3,157,788)
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The deficit balance in the Solid Waste Facilities Fund is primarily the result of insufficient assets to fund the liability that the Town has accumulated for the closure and postclosure of its landfills. The liability as of June 30, 2021 is \$3,558,755 estimated for closure costs, and \$2,209,000 estimated for postclosure costs. Over the past several years, the Town has implemented several strategies to reduce the deficit, including annual subsidies from the General Fund, and use of accumulated net revenue from its pay-as-you-throw residential solid waste collection program. In April 2021, the Town began the landfill closure, with construction currently estimated to be complete in the fall of 2021. The Town has confirmed that 75% of the closure costs are eligible for cost sharing through the Maine Department of Environmental Protection's Landfill Closure and Remediation Program, though this will be a reimbursement arrangement and the timing is uncertain. The Town anticipates that the currently available cash, and the ongoing revenue from the pay-as-you-throw program will be sufficient to cover the cost of the closure and future postclosure costs. Depending upon the timing of the final closure, the Town may utilize a short-term advance from the General Fund to the Solid Waste Facilities Fund.

IV. DETAILED NOTES ON ACTIVITIES AND FUNDS

A. Deposits and Investments

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

As of June 30, 2021, the Town of Brunswick had the following investments, with corresponding recurring fair value measurements:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>	<u>Level 1 Input</u>
Equities	\$ 234,075	N/A	Yes
Other Mutual Funds	1,107,557	N/A	Yes

Interest rate risk. The Town does not currently have a deposit policy for interest rate risk.

Credit risk. The Town does not have a formal policy regarding credit risk. Maine statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies, repurchase agreements, and certain corporate stocks and bonds. At June 30, 2021, the Town was not invested in corporate bonds.

Custodial credit risk – deposits. This is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. At June 30, 2021, the bank balance of \$32,153,569 was covered by FDIC and an irrevocable stand-by letter of credit with the Federal Home Loan Bank of Boston, issued to the Town of Brunswick for People's United Bank.

Custodial credit risk – investments. This is the risk that in the event of failure of the counterparty, the Town will not be able to recover the value of its investments. The Town does not have an investment policy for custodial credit risk. None of the Town's investments are subject to custodial credit risk.

Concentration of credit risk. At June 30, 2021, the Town did not have a policy for concentration of credit risk.

B. Receivables

Receivables at June 30, 2021 consist of the following:

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Enterprise Funds</u>	<u>Total</u>
Taxes	\$ 1,001,008	\$ -	\$ -	\$ 1,001,008
Tax liens	206,757	-	-	206,757
Accounts	812,844	7,777	134,556	955,177
Intergovernmental	434,527	5,433,752	3,095,046	8,963,325
Gross receivables	2,455,136	5,441,529	3,229,602	11,126,267
Less: Allowance for Uncollectibles	(40,831)	-	-	(40,831)
Net receivables	\$ 2,414,305	\$ 5,441,529	\$ 3,229,602	\$ 11,085,436

Property taxes for the current year were committed September 4, 2020 on the assessed value listed as of April 1, 2020, for all taxable real and personal property located in the Town. Real property taxes were due in two installments, October 15, 2020 and April 15, 2021. Personal property taxes were due in one installment, October 15, 2020. Interest was charged at the rate of 8% on all taxes unpaid as of the due date(s).

Assessed values are periodically established by the Tax Assessor at 100% of assumed market. The assessed values must be at least 70% of full valuation. The assessed value, net of value captured in tax increment financing districts, as of April 1, 2020, upon which the levy for the year ended June 30, 2021 was based, was \$2,243,673,982. This assessed value was 95% of the estimated market value and 89.4% of the 2020 State valuation of \$2,509,500,000.

Maine law permits the Town to levy taxes up to 105% of its net property tax requirement (budgeted expenditures less budgeted non-property tax revenues) for the related fiscal period. The amount raised in excess of 100% is referred to as overlay, and amounted to \$1,704,338 for the year ended June 30, 2021.

Tax liens are placed on real property of delinquent tax accounts within eight to twelve months following the date taxes are committed for collection. Provided the Town has followed the statutory provisions, the tax lien automatically forecloses if the tax lien and associated costs remain unpaid eighteen months from the date the lien is recorded in the Cumberland County Registry of Deeds.

Maine law authorizes municipalities to establish tax increment financing districts (TIFs). A TIF allows the municipality to capture the new, or incremental, tax revenue generated within a defined development district and use that captured tax revenue in accordance with a development plan for that district. The new, or

incremental, assessed valuation and related tax revenue in the TIF district is not available to the Town's General Fund. For the year ended June 30, 2021, the Town had a total of \$122,072,598 in captured valuation for five TIF districts. The tax revenue captured in these districts totaled \$2,486,619 for the year.

C. Capital Assets

Capital asset activity for the year ended June 30, 2021 follows.

Governmental activities:

	Balance June 30, 2020	Additions	Retirements	Balance June 30, 2021
Capital assets, not being depreciated:				
Land	\$ 6,861,708	\$ 520,000	\$ -	\$ 7,381,708
Construction in progress	25,818,148	2,155,874	(23,194,748)	4,779,274
Intangibles	200,000	-	-	200,000
Total capital assets not being depreciated	32,879,856	2,675,874	(23,194,748)	12,360,982
Capital assets being depreciated:				
Buildings	66,645,198	25,789,908	(109,796)	92,325,310
Improvements other than buildings	4,824,494	505,268	-	5,329,762
Machinery and equipment	5,763,018	1,914,694	-	7,677,712
Vehicles	9,711,821	1,090,732	(452,546)	10,350,007
Intangibles	930,413	13,250	-	943,663
Infrastructure	50,838,559	550,755	(1,261)	51,388,053
Total capital assets being depreciated	138,713,503	29,864,607	(563,603)	168,014,507
Less accumulated depreciation for:				
Buildings	(29,049,841)	(3,160,421)	99,394	(32,110,868)
Improvements other than buildings	(3,169,836)	(234,624)	-	(3,404,460)
Machinery and equipment	(3,939,583)	(543,480)	-	(4,483,063)
Vehicles	(5,706,819)	(706,266)	452,546	(5,960,539)
Intangibles	(660,372)	(101,463)	-	(761,835)
Infrastructure	(26,109,499)	(1,007,610)	933	(27,116,176)
Total accumulated depreciation	(68,635,950)	(5,753,864)	552,873	(73,836,941)
Total capital assets being depreciated, net	70,077,553	24,110,743	(10,730)	94,177,566
Governmental activities capital assets, net	<u>\$ 102,957,409</u>	<u>\$ 26,786,617</u>	<u>\$(23,205,478)</u>	<u>\$ 106,538,548</u>

Business-type activities:

	Balance June 30, 2020	Additions	Retirements	Balance June 30, 2021
Capital assets, not being depreciated:				
Land	\$ 115,000	\$ -	\$ -	\$ 115,000
Intangible	-	10,000	-	10,000
Total capital assets not being depreciated	115,000	10,000	-	125,000
Capital assets being depreciated:				
Buildings	54,220	11,500	(54,220)	11,500
Improvements other than buildings	7,441,903	57,000	-	7,498,903
Machinery and equipment	808,969	6,186	(702,522)	112,633
Intangibles	16,399	-	(16,399)	-
Infrastructure	636,738	-	-	636,738
Total capital assets being depreciated	8,958,229	74,686	(773,141)	8,259,774
Less accumulated depreciation for:				
Buildings	(54,220)	(319)	54,220	(319)
Improvements other than buildings	(7,220,522)	(222,094)	-	(7,442,616)
Machinery and equipment	(506,679)	(36,122)	438,816	(103,985)
Intangibles	(10,938)	(1,489)	12,427	-
Infrastructure	(612,163)	(4,681)	-	(616,844)
Total accumulated depreciation	(8,404,522)	(264,705)	505,463	(8,163,764)
Total business-type capital assets being depreciated, net	553,707	(190,019)	(267,678)	96,010
Business-type activities capital assets, net	<u>\$ 668,707</u>	<u>\$ (180,019)</u>	<u>\$ (267,678)</u>	<u>\$ 221,010</u>

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

Governmental activities:

General government	\$ 465,826
Public safety	636,366
Public works, including depreciation of general infrastructure assets	1,300,852
Human services	197
Education	3,136,502
Recreation and culture	214,121
Total depreciation expense - governmental activities	<u>\$ 5,753,864</u>

Business-type activities:

Mere Point wastewater	\$ 4,681
Solid Waste facilities	257,129
Processing Facility	1,032
Train Station/Visitors Center	1,863
Total depreciation expense - business-type activities	<u>\$ 264,705</u>

D. Leases

During the fiscal year ended June 30, 2021, the Town was a lessee in a variety of operating leases, one of which is considered material. The Town is a lessor in four operating leases, one of which is considered material.

1. Town as Lessee

Train Station and Visitor's Center: In June 2009, the Town executed a five-year agreement with JHR Development of Maine (JHR) to lease approximately 2,125 square feet of space at JHR's Brunswick Station development (formerly Maine Street Station). The Town uses the leased space as a train station and visitor's center, subcontracting with the Brunswick Downtown Association (BDA) to manage the operation. The term of the initial five-year lease began November 1, 2009. During the year ended June 30, 2009, the Town received a \$220,000 grant from the Brunswick Development Corporation (BDC) which allowed the Town to pre-pay all five years of the rent. In 2014, the Town and JHR extended the agreement five years at the same rate. In December, 2019, the Town and JHR negotiated two agreements, including an additional amendment to the Train Station/Visitor's Center lease, extending it to December 31, 2024 at a rate of \$51,939 per year. For the year ended June 30, 2021, the lease expense was \$51,939, and as of June 30, 2021, the future lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Lease Payments</u>
2022	\$ 51,939
2023	51,939
2024	51,939
2025	25,970
	<u>\$ 181,787</u>

2. Town as Lessor

Town Hall Parking Lot: In December, 2019, concurrent with the Train Station/Visitor's Center lease, the Town and JHR signed a parking lease agreement granting JHR the right to access and use four spaces in the Town Hall parking lot for the sole purpose of parking for JHR, JHR's tenants and visitors. The annual rent for the four parking spaces was set at \$5,902. For the year ended June 30, 2021, the lease revenue was \$5,902 and future lease payments are projected as follows:

<u>Year Ending June 30,</u>	<u>Lease Payments</u>
2022	\$ 5,902
2023	5,902
2024	5,902
2025	2,951
	<u>\$ 20,657</u>

E. Long-term Liabilities

1. General obligation bonds and direct borrowings

The Town issues general obligation debt and direct borrowings to provide funds for acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Town. General obligation bonds and notes from direct borrowing currently outstanding are as follows:

<u>Purpose</u>	<u>Issue Date</u>	<u>Amount Issued</u>	<u>Interest Rate</u>	<u>Final Maturity Date</u>	<u>Annual Principal Payments</u>	<u>Amount Outstanding</u>
<u>Governmental Activities - General obligation bonds</u>						
2013 Police Station	2013	5,500,000	2% to 3.5%	2033	\$275,000	\$ 3,300,000
2017 GO Bonds	2017	1,781,000	2% to 3.5%	2033	35,000 to 200,000	1,125,000
2020 GO Bonds	2020	24,450,000	2% to 5%	2045	420,000 to 1,195,000	24,030,000
						<u>28,455,000</u>
<u>Governmental Activities - Notes from direct borrowings</u>						
2010 Elementary School (MMBB)	2010	21,462,250	2% to 5.5%	2031	1,073,113	10,731,125
2016 School Renovation (SRRF)	2016	655,780	0%	2027	62,651	375,906
2017 School Renovation (SRRF)	2017	64,086	0%	2022	9,757	9,757
2020 School Renovation (SRRF)	2020	279,360	0%	2025	55,872	279,360
						<u>11,396,148</u>
Total long-term debt						<u>\$ 39,851,148</u>

The Town's outstanding notes from direct borrowings were all issued through the Maine Municipal Bond Bank (MMBB). The School Revolving Renovation Fund (SRRF) is a Maine Department of Education program to finance school renovation projects through a combination of zero-interest bonds and grant funding. The Brunswick School Department was originally authorized for a total of \$1,662,149 in reimbursement for renovation projects, of which \$1,021,767 was issued in bonds, with the balance to be subsidized by the Department of Education in grant funding. The School Department's renovation projects were completed in August, 2018, and as the full authorized amount of funding was not required, the bonds were amended. The 2016 SRRF bond was amended twice, and the 2017 SRRF bond was amended with the final accounting of the projects. The resulting total funds received over two years was \$1,171,136, of which \$451,270 was in grants, and the 2016 and 2017 SRRF bonds were amended to total \$719,866.

In January, 2020, the Brunswick School Department received approval from the Maine Department of Education (DOE) for \$449,783 in additional funding through the SRRF program for health, safety and ADA compliance improvements to the Brunswick Junior High School and the Coffin Elementary School. On September 18, 2020, \$170,423 was forgiven in the form of a grant, and the Town issued bonds with Maine Municipal Bond Bank for \$279,360 at zero interest for a five-year term.

Eighty percent (80%) of the 2010 Elementary School Bonds were issued as Build America Bonds (BABs). Interest on BABs is taxable. The issuer, in this case MMBB, files annually for an interest subsidy from the US Treasury. The subsidy lowers the effective interest rate. Further, 87% of the debt service on the 2010 Elementary School Bonds is eligible for State subsidy.

The amounts required to amortize all bonds and notes outstanding as of June 30, 2021 are as follows:

Year Ending June 30	Governmental Activities					
	<u>Bonds</u>		<u>Notes from Direct Borrowings</u>			<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>BABs Subsidy</u>	
2022	\$ 1,165,000	\$ 894,201	\$ 1,201,392	\$ 471,059	\$ (150,426)	\$ 3,581,226
2023	1,200,000	848,483	1,191,636	429,562	(137,261)	3,532,420
2024	1,160,000	800,929	1,191,635	386,991	(123,742)	3,415,813
2025	1,200,000	751,439	1,191,635	343,079	(109,780)	3,376,373
2026	1,240,000	699,283	1,191,636	297,826	(95,376)	3,333,369
2027-2031	6,585,000	2,642,019	5,428,214	687,329	(220,212)	15,122,350
2032-2036	6,320,000	1,507,191	-	-	-	7,827,191
2037-2041	5,325,000	863,316	-	-	-	6,188,316
2042-2045	4,260,000	217,659	-	-	-	4,477,659
Total	\$28,455,000	\$ 9,224,520	\$11,396,148	\$ 2,615,846	\$ (836,797)	\$ 50,854,717

For the year ended June 30, 2021, the Town paid \$2,510,520 in principal and \$1,493,528 in interest (net of \$163,060 BABs subsidy) for a total of \$4,004,048 in debt service payments. Due to federal sequestration, the BABs subsidy was reduced in FY 21 by a total of \$9,856, or a 5.7% reduction. 87% of the sequestration reduction is eligible for State subsidy. The Town anticipates BABs subsidy reductions in future years, and has estimated a 5.7% reduction going forward.

Additional debt authorizations: On April 1, 2019, the Town Council adopted "An Ordinance Authorizing The Purchase of Property For And Construction Of A New Central Fire Station With Total Project Costs Of Up To \$13,500,000, And the Issuance of Bonds of Up To \$13,500,000."

On October 19, 2020, the Town Council adopted "An Ordinance Authorizing the Funding and Acquisition of a New Fire Tank Truck, With Total Project Costs Not to Exceed \$425,000 (plus any other costs authorized hereunder), and Further Authorizing Issuance of Bonds and Notes in an Amount not to Exceed \$425,000 (plus cost of issuance), plus any Additional Appropriation Authorized Hereunder."

State reimbursement for debt service expenditures: The State of Maine currently subsidizes the Town for debt service costs for state approved school construction projects. The subsidy is based on formulas prescribed in Title 20-A M.R.S.A. Continuation of such subsidy is dependent upon the formulas and continued appropriations by the state legislature.

Legal debt limit: The amount of debt a Maine municipality may have is governed by Title 30-A M.R.S.A. section 5702. The law limits total debt and debt for specific categories. The Town's debt is within both the total and categorical limits prescribed in the law. A full presentation of the debt limit calculations can be found in the statistical section of this Annual Comprehensive Annual Financial Report (ACFR).

2. Compensated absences

Recorded long-term compensated absences are as follows:

<u>Type of Leave</u>	<u>Governmental Activities</u>
Sick paid upon termination	\$ 431,128
Vacation	597,282
Compensatory time	75,925
School retirement stipend	418,713
Totals	<u>\$ 1,523,048</u>

3. Pension obligations

Plan descriptions: For its participating municipal employees and certain participating School Department employees, the Town of Brunswick contributes to the Consolidated Plan for Participating Local Districts (PLD Plan) a cost-sharing multiple-employer, defined benefit pension plan administered by the Maine Public Employees Retirement System (MainePERS). Teachers and certain other School Department employees also participate in the Maine Public Employees Retirement System (MainePERS) through the State Employee and Teacher Plan (SET Plan), a cost-sharing multiple-employer, defined benefit pension plan with a special funding situation established by the Maine Legislature. The MainePERS is established and administered under Maine law, and the authority to establish and amend benefit provisions rests with the State legislature. The MainePERS issues a publicly available financial report which may be obtained by writing the Maine Public Employees Retirement System, 46 State House Station, Augusta, ME 04333-0046 or at www.maineopers.org.

Benefits provided: The PLD and SET Plans provide defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e., eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit. In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. For PLD members, normal retirement age is 60 (65 for new members to the PLD Plan on or after July 1, 2014). For SET Plan members, normal retirement age is 60, 62, or 65. The normal retirement age is determined by whether a member had met certain creditable service requirements on specific dates, as established by statute. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. MainePERS also provides disability and death benefits, which are established by contract under applicable statutory provisions (PLD Plan) or by statute (SET Plan).

Contributions: Employee contribution rates are defined by law or Board rule and depend on the terms of the plan under which an employee is covered. Employer contributions are determined by actuarial valuations. The contractually required contribution rates are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

PLD Plan - Employees are required to contribute 7.35%-9.5% of their annual pay depending on the plan they participate in. The Town's contractually required contribution rate for the year ended June 30, 2021, ranged from 5.0%-16.0%, depending on the plan, and came in at an average 11.78% of annual payroll. Contributions to the pension plan from the Town were \$1,330,044 for the year ended June 30, 2021.

SET Plan - Maine statute requires the State to contribute a portion of the Town's contractually required contributions. Employees are required to contribute 7.65% of their annual pay. The Town's contractually required contribution rate for the year ended June 30, 2021, was 18.49% of annual payroll of which 4.16% of payroll was required from the Town and 14.33% was required from the State. Contributions to the pension plan from the Town were \$843,844 for the year ended June 30, 2021.

Pension Liabilities, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions: The net pension liabilities were measured as of June 30, 2020, and the total pension liabilities used to calculate the net pension liabilities were determined by actuarial valuations as of that date. The Town's proportion of the net pension liabilities were based on projections of the Town's long-term share of contributions to the pension plans relative to the projected contributions of all participating local districts (PLD Plan) and of all participating School Administrative Units and the State (SET Plan), actuarially determined.

PLD Plan - At June 30, 2021, the Town reported a liability of \$7,911,889 for its proportionate share of the net pension liability. At June 30, 2020, the Town's proportion of the PLD Plan was 1.9913%.

SET Plan - At June 30, 2021, the Town reported a liability of \$336,440 for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the Town. The amount recognized by the Town as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$ 336,440
State's proportionate share of the net pension liability associated with the Town	24,861,930
Total	<u>\$ 25,198,370</u>

At June 30, 2020, the Town's proportion of the SET Plan was 0.0206%.

For the year ended June 30, 2021, the Town recognized pension expense of \$1,641,999 for the PLD Plan and pension expense of \$3,680,197 for the SET Plan. Additionally, the Town recognized revenue of \$2,906,798 for support provided by the State for the SET Plan.

At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to the PLD Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 474,779	\$ 86,991
Net difference between expected and actual investment earnings on pension plan investments	514,838	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	51,835	97,419
Town contributions subsequent to the measurement date	1,330,044	-
	<u>\$ 2,371,496</u>	<u>\$ 184,410</u>

At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to the SET Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 10,762	\$ 7,128
Net difference between projected and actual investment earnings on pension plan investments	13,947	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	-	36,594
Town contributions subsequent to the measurement date	843,844	-
	<u>\$ 868,553</u>	<u>\$ 43,722</u>

A portion of deferred outflows of resources related to pensions, \$1,330,044 for the PLD Plan and \$843,844 for the SET Plan, results from Town contributions subsequent to the measurement date, and will be

recognized as a reduction of the net pension liabilities in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Pension Expense</u>	
	<u>PLD Plan</u>	<u>SET Plan</u>
2022	\$ (286,817)	\$ (24,545)
2023	268,293	(19,106)
2024	437,300	12,383
2025	438,266	12,254
	<u>\$ 857,042</u>	<u>\$ (19,014)</u>

Actuarial assumptions: The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>PLD Plan</u>	<u>SET Plan</u>
Inflation		2.75%
Salary increases, per year	2.75% plus merit component based on each employee's years of service	
Investment return, per annum, compounded annually		6.75%
Cost of living benefit increases, per annum	1.91%	2.2%

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

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study covering the period from June 30, 2012 to June 30, 2015 and the economic assumptions are based on this experience study along with advice of the MainePERS investment consultants.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major class of assets. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of June 30, 2020 are summarized in the following table. Assets for each of the defined benefit plans are commingled for investment purposes.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Public Equities	30.0%	6.0%
US Government	7.5%	2.3%
Private Equity	15.0%	7.6%
Real Assets:		
Real Estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural Resources	5.0%	5.0%
Traditional Credit	7.5%	3.0%
Alternative Credit	5.0%	7.2%
Diversifiers	10.0%	5.9%
Total	<u>100.0%</u>	

Discount rate: The discount rate used to measure the collective total pension liability was 6.75% for 2020 for each of the Plans. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and non-employer entity contributions will be made at contractually required rates, actuarially determined. Based on these assumptions, the 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.

Sensitivity of the Town's proportionate share of the net pension liabilities to changes in the discount rate: The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 6.75% for the PLD Plan and 6.75% for the SET Plan, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75% for PLD Plan and 5.75% for SET Plan) or 1 percentage-point higher (7.75% for PLD Plan and 7.75% for SET Plan) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
<u>PLD Plan</u>			
Town's proportionate share of the net pension liability	\$ 16,627,596	\$ 7,911,889	\$ 777,442
	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
<u>SET Plan</u>			
Town's proportionate share of the net pension liability	\$ 583,485	\$ 336,440	\$ 130,533

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued MainePERS financial report, which can be obtained from Maine Public Employees Retirement System at www.mainebers.org.

Payables to the pension plan: The Town reported no payables to the pension plan as of June 30, 2021.

4. Other postemployment benefits

Plan Description: The Town sponsors two post-retirement benefit plans providing group term life insurance to retiring employees. For municipal employees and certain School Department employees the Town contributes to the Group Life Insurance Plan for Participating Local District (PLD). Teachers also participate in the Group Term Life Insurance Plan for State Employees and Teachers (SET). Both plans are a cost-sharing multiple-employer defined benefit OPEB plan administered by the Maine Public Employees Retirement System (MainePERS). The MainePERS Board of Trustees has the authority to establish and amend the benefit terms and financing requirements for each plan. MainePERS issues a publicly available financial report, available at www.mainebers.org.

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

For school department personnel, the State sponsors a post-retirement benefit plan providing health insurance to retiring employees. The plan is a single-employer defined benefit OPEB plan administered by the Maine Education Association Benefits Trust (hereafter referred to as MEABT Health Plan). The State Legislature has the authority to establish and amend the benefit terms and financing requirements. No

assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

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

Under the MMEHT Health Plan, healthcare and life insurance benefits are provided for retirees and their dependents. 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.

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

Employees Covered by Benefit Terms – At June 30, 2021, the following employees were covered by the benefit terms of the MMEHT and MEABT Health Plans:

	MMEHT Health Plan	MEABT Health Plan
Inactive employees or beneficiaries currently receiving benefits	9	163
Inactive employees entitled to but not yet receiving benefits	-	-
Active employees	132	347
Total	141	510

Contributions: Premium rates for both the PLD and SET OPEB plans are determined by the MPERS Board of Trustees to be actuarially sufficient to pay anticipated claims.

PLD OPEB Plan - The Town is required to remit a premium of \$0.46 per \$1,000 of coverage per month during the post-employment retirement period. Contributions to the PLD OPEB plan from the Town were \$12,499 for the year ended June 30, 2021. Employees are not required to contribute to the PLD OPEB plan.

SET OPEB Plan - The State of Maine is required to remit the total dollar amount of each year's annual required contribution. Contributions to the OPEB plan by the State of Maine on-behalf of the Town were \$78,803 for the year ended June 30, 2021. Employers and employees are not required to contribute to the SET OPEB plan.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: The net OPEB liabilities for both the PLD and SET OPEB plans were measured as of June 30, 2020, and the total OPEB liabilities used to calculate the net OPEB liabilities were determined by actuarial valuations as of June 30, 2019. The Town's proportion of the net OPEB liabilities was based on a projection of the Town's long-term share of contributions to the PLD and SET OPEB plans relative to the projected contributions of all participating employers, actuarially determined.

PLD OPEB Plan – At June 30, 2021, the Town reported a liability of \$280,500 for its proportionate share of the net OPEB liability. At June 30, 2020, the Town's proportion was 2.1263%.

SET OPEB Plan – At June 30, 2021, the Town reported no liability related to the plan. The State of Maine's proportionate share of the net OPEB liability associated with the Town was \$701,810 as of June 30, 2021. At June 30, 2020, the Town's proportion was 0.00%.

The Town's total MMEHT Health Plan OPEB liability of \$1,623,583 and was measured as of January 1, 2021 and the Town's total MEABT Health Plan OPEB liability of \$7,127,667 as measured as of June 30, 2020. The total MMEHT Health Plan OPEB and MEABT Health Plan OPEB liabilities were determined by an actuarial valuation as of the measurement date.

Changes in Health Plan OPEB Liabilities:

	MMEHT Health Plan OPEB Liability	MEABT Health Plan OPEB Liability
Balance at June 30, 2020	\$ 1,447,806	\$ 6,607,583
Changes for the year:		
Service cost	61,785	46,351
Interest	40,995	228,581
Changes of benefit terms	-	(645,501)
Differences between expected and actual experience	-	(485,677)
Changes in assumptions	100,031	1,624,567
Benefit payments	(27,034)	(248,237)
Net Changes	<u>175,777</u>	<u>520,084</u>
Balance at June 30, 2021	<u>\$ 1,623,583</u>	<u>\$ 7,127,667</u>

Change in assumptions under the MMEHT Health Plan reflects a change in the discount rate from 2.74% in 2020 to 2.12% in 2021. In addition, medical and prescription drug trend arrays were updated. There were no other changes to data, assumptions and methodology.

Change in assumptions under the MEABT Health Plan reflects a change in the discount rate from 3.50% in 2020 to 2.21% in 2021. In addition, census, demographic assumptions and economic assumptions were updated. No other changes to data, assumptions and methodology were made.

For the year ended June 30, 2021, the Town recognized OPEB gain of \$39,431 for the PLD OPEB Plan. For the year ended June 30, 2021, the Town recognized OPEB expense of \$78,803 and revenues of \$78,803 for support provided by the State related to the SET OPEB plan. At June 30, 2021, the Town reported no deferred outflows of resources nor deferred inflows of resources related to the SET OPEB plan.

At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to the PLD OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 34,632	\$ -
Differences between projected and actual earnings on OPEB plan investments	-	7,005
Changes of assumptions	29,192	199,897
Changes in proportion and differences between Town contributions and proportionate share of contributions	10,584	26,457
Town contributions subsequent to the measurement date	12,499	-
	<u>\$ 86,907</u>	<u>\$ 233,359</u>

\$12,499 is reported as deferred outflows of resources related to the PLD OPEB plan resulting from Town contributions subsequent to the measurement date and will be recognized as a reduction of the OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,

2022	\$ (45,548)
2023	(41,293)
2024	(16,883)
2025	(26,369)
2026	(28,858)
	<u>\$ (158,951)</u>

For the year ended June 30, 2021, the Town recognized OPEB expense of \$75,148 related to the MMEHT Health Plan and OPEB gain of \$168,319 related to the MEABT Health Plan. At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to the Health Plans from the following sources:

	MMEHT Health Plan		MEABT Health Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 693,944	\$ -	\$ 404,731
Changes of assumptions or other inputs	619,825	133,280	1,586,290	137,057
Town contributions subsequent to the measurement date	-	-	182,985	-
	<u>\$ 619,825</u>	<u>\$ 827,224</u>	<u>\$ 1,769,275</u>	<u>\$ 541,788</u>

\$182,985 is reported as deferred outflows of resources related to MEABT Health Plan OPEB resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Health Plans OPEB will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>MMEHT Health Plan</u>	<u>MEABT Health Plan</u>
2022	\$ (27,632)	\$ 202,250
2023	(27,632)	202,250
2024	(27,632)	202,251
2025	(27,632)	247,936
2026	(27,632)	189,815
Thereafter	(69,239)	-
	<u>\$ (207,399)</u>	<u>\$ 1,044,502</u>

Actuarial assumptions: The total OPEB liabilities in the June 30, 2020 actuarial valuations for both the PLD and SET OPEB plans were determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

	<u>PLD OPEB Plan</u>	<u>SET OPEB Plan</u>
Inflation	2.75%	2.75%
Salary increases, per year	2.75% to 9.00%	2.75% to 14.50%
Investment return, per annum, compounded annually	6.750%	6.750%

Mortality rates for both the PLD and SET OPEB plans were based on the RP2014 Total Dataset Healthy Annuitant Mortality Table, for males and females, with adjustments ranging 104% to 120% based on actuarially determined demographic differences.

The actuarial assumptions used in the June 30, 2020 valuations for both the PLD and SET OPEB plans were based on the results of an actuarial experience study conducted for the period June 30, 2012 to June 30, 2015.

The total OPEB liability in the January 1, 2021 actuarial valuation for the MMEHT Health Plan was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

	<u>MMEHT Health Plan</u>
Inflation	2.00%
Salary increases	2.75% average, including inflation
Discount Rate	2.12%
Healthcare cost trend rates (applied in FYE 2020 grading over 20 years to 3.28% per annum)	
Pre-Medicare Medical:	8.50%
Pre-Medicare Drug:	8.75%
Medicare Medical:	5.00%
Medicare Drug:	8.75%
Retirees' share of the benefit related costs	100.00% of projected health insurance premiums

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

The actuarial assumptions used in the January 1, 2021 valuation for the Health Plan were based on the results of an actuarial experience study for the period June 30, 2012 through June 30, 2015.

The total OPEB liability in the June 30, 2020 actuarial valuation for the MEABT Health Plan was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

		MEABT
		<u>Health Plan</u>
Inflation		2.00%
Salary increases	2.75% - 14.50% per year	
Discount Rate		2.21%
Healthcare cost trend rates		
Pre-Medicare:	6.21%	applied in FY2020 and 6.83% applied in FY2022 grading over 18 years to 3.25% per annum
Medicare:	0.00%	applied in FY2021 and 6.3% applied in FY2022 grading over 18 years to 3.25% per annum
Retirees' share of the benefit related costs	55.00%	of the blended premium rate with a State subsidy for the remaining 45% of the blended premium rate

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

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Public Equities	70.0%	6.0%
Real Estate	5.0%	5.2%
Traditional Credit	15.0%	3.0%
US Government Securities	<u>10.0%</u>	2.3%
Total	<u>100.0%</u>	

Discount Rate: The rate used to measure the total OPEB liability for the plans was 6.75% for 2020 for the Plans. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and non-employer entity contributions will be made at contractually required rates, actuarially determined. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The discount rate for the MMEHT Health Plan was based upon high quality AA/Aa or higher bond yields in effect for 20 years, tax-exempt general obligation municipal bonds using the Bond Buyer index. Using the Bond Buyer 20-Bond GO Index, the discount rate as of June 30, 2021 is based upon an earlier measurement date, as of December 31, 2020, and is 2.12% per annum.

The rate used to measure the total MEABT OPEB liability was 2.21% per annum. Since the plan is pay as you go and is not funded, the discount rate was based upon high quality AA/Aa or higher bond yields in effect for 20 years, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index.

Sensitivity of the Town's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate: The following presents the Town's proportionate share of the net PLD OPEB plan liability calculated using the discount rate of 6.75%, as well as what the Town's proportionate share of the net PLD OPEB plan liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.75%) or 1 percentage-point higher (7.75%) than the current rate:

	1% Decrease <u>(5.75%)</u>	Current Discount Rate <u>(6.75%)</u>	1% Increase <u>(7.75%)</u>
Net OPEB liability	\$ 377,782	\$ 280,500	\$ 202,310

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

Sensitivity of the Total Health Plans OPEB Liability to Changes in the Discount Rate: The following presents the Town's total OPEB liability related to the MMEHT Health Plan calculated using the discount rate of 2.12%, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (1.12%) or 1 percentage-point higher (3.12%) than the current rate:

	1% Decrease <u>(1.12%)</u>	Current Discount Rate <u>(2.12%)</u>	1% Increase <u>(3.12%)</u>
Total OPEB liability	\$ 1,904,645	\$ 1,623,583	\$ 1,396,043

The following presents the Town's total OPEB liability related to the MEABT Health Plan calculated using the discount rate of 2.21%, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (1.21%) or 1 percentage-point higher (3.21%) than the current rate:

	1% Decrease <u>(1.21%)</u>	Current Discount Rate <u>(2.21%)</u>	1% Increase <u>(3.21%)</u>
Total OPEB liability	\$ 8,363,428	\$ 7,127,667	\$ 6,133,214

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

	Healthcare Cost		
	<u>1% Decrease</u>	<u>Trend Rates</u>	<u>1% Increase</u>
Total OPEB liability	\$ 1,367,125	\$ 1,623,583	\$ 1,953,583

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

		Healthcare Cost	
	1% Decrease	Trend Rates	1% Increase
Total OPEB liability	\$ 6,067,576	\$ 7,127,667	\$ 8,461,732

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

5. Landfill closure and postclosure care cost

Statement No. 18 of the Government Accounting Standards Board (GASB) entitled "*Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs*" requires the Town to record a liability for the estimated costs of landfill closure and postclosure care, as required by governmental authorities. State and federal regulations require that the Town place a final cover on its current operating landfill when waste is no longer accepted, and to perform certain maintenance and monitoring functions at the landfill for a period of thirty years after closure. In addition to operating expenditures related to current activities of the landfill, a related liability is recognized based on the future closure and postclosure care costs that will be paid near or after the date that the landfill stops accepting waste. Each year, the Town has reported a portion of these closure and postclosure care costs as a liability in the statement of net position based on landfill capacity used as of June 30th, and an estimate of the closure and postclosure costs. The Town has planned to pay for the actual closure and postclosure costs with funds collected and retained in the solid waste enterprise fund, the pay-as-you-throw enterprise fund and landfill impact fees. Where those funds are not sufficient, the Town will look to other funding sources including subsidies from the General Fund. At some point in the future, the Town expects to receive reimbursement of up to 75% of closure costs from the state under the Maine Landfill Closure and Remediation Program.

The Town has the following solid waste facilities:

Graham Road Landfill: This facility served as the Town's landfill beginning in 1984, and ceased operations on March 31, 2021. Work on closure began in April, 2021, with construction completion estimated in late fall 2021. As of June 30, 2021, the Town estimates the final closure cost for the entire facility to be approximately \$7,700,000, and the total postclosure care costs are estimated at \$2,145,000, which is an average annual cost of \$71,500 for 30 years. Of the total estimated closure cost, the Town had expended \$4,141,245 at the end of FY 21, leaving a closure liability of \$3,558,755, and postclosure care liability of \$2,145,000 as of June 30, 2021.

In October, 2016, the Town received confirmation from the Maine DEP that the landfill closure met the requirements for cost-sharing through the Maine Landfill Closure and Remediation Program, in accordance with 38 MRS §1310-F. Eventual funding could be reimbursement of up to 75% of closure costs after the landfill closure is complete. During the closure construction, the Town has made regular submissions to MDEP for reimbursement eligibility approval, with the understanding that any reimbursement payments will not begin until closure of the landfill has been completed and approved. Additionally, reimbursement is contingent on funds being available within the state program. As of June 30, 2021, \$3,095,046 in closure costs have been approved as eligible for reimbursement, and the Town has recorded this as a receivable and as deferred inflow of resources.

The Town faced potential fines related to wastewater discharge limits and other violations between 2011 and 2019, and while the Town and MDEP were pursuing a collaborative solution, MDEP chose not to pursue enforcement action. In August, 2020, the Town and MDEP entered into an Administrative Consent Agreement (ACA) to resolve the past violations. The ACA included a \$17,000 penalty to the Town, with all but \$10,000 suspended, and this amount was paid to MDEP in the fiscal year ended June 30, 2021.

Wood & Masonry Landfill: This facility ceased operations on October 29, 2005. Work to close the facility in accordance with Maine Department of Environmental Protection guidelines was completed as of September 1, 2006. Of the total liability estimated for landfill closure and postclosure care as of June 30,

2021, the Town estimates that \$64,000 is applicable to this facility. This represents annual monitoring at \$4,000 per year for 16 years. The portion of the liability reported as due within one year is \$4,000.

F. Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2021 was as follows:

	<u>Balance</u> <u>June 30, 2020</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2021</u>	<u>Due Within</u> <u>One Year</u>
<u>Governmental Activities</u>					
Bonds payable:					
General obligation bonds	\$ 29,820,000	\$ -	\$ (1,365,000)	\$ 28,455,000	\$ 1,165,000
Plus premium on bonds	2,083,211	-	(93,859)	1,989,352	89,369
Notes from direct borrowings	12,262,308	279,360	(1,145,520)	11,396,148	1,201,392
Compensated absences	1,473,690	947,357	(897,999)	1,523,048	493,584
Other postemployment benefits	8,506,749	525,001	-	9,031,750	-
Net pension liability	6,369,891	1,878,438	-	8,248,329	-
	<u>\$ 60,515,849</u>	<u>\$ 3,630,156</u>	<u>\$ (3,502,378)</u>	<u>\$ 60,643,627</u>	<u>\$ 2,949,345</u>
	<u>Balance</u> <u>June 30, 2020</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2021</u>	<u>Due Within</u> <u>One Year</u>
<u>Business-type Activities</u>					
Compensated absences	\$ 15,465	\$ -	\$ (15,465)	\$ -	\$ -
Landfill closure and postclosure care	11,467,046	280,624	(5,979,915)	5,767,755	3,562,755
	<u>\$ 11,482,511</u>	<u>\$ 280,624</u>	<u>\$ (5,995,380)</u>	<u>\$ 5,767,755</u>	<u>\$ 3,562,755</u>

For the governmental activities, compensated absences, net pension and OPEB obligations are generally liquidated by the General Fund. For business-type activities, compensated absences were liquidated by the Solid Waste Facilities Fund. General government bonds and notes payable are predominantly paid from the General Fund, with a portion paid from the Tax Increment Financing Fund.

G. Components of Fund Balances

The components of the June 30, 2021 fund balance are as follows:

	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>
General Fund:				
Advances to other funds	\$ 586,606	\$ -	\$ -	\$ -
Inventories and deposits	36,047	-	-	-
Education purposes	-	3,216,004	-	-
State road assistance funds	-	82,933	-	-
State revenue sharing funds	-	977,823	-	-
Encumbrances	-	-	-	133,289
Budget appropriation	-	-	-	547,000
Budget amendments and advances	-	-	-	1,071,230
Supplemental appropriations	-	-	-	515,000
Compensated absences	-	-	-	388,906
Tax increment financing	-	264,749	-	-
Capital projects funds:				
Prepaid deposits	50,000	-	-	-
Restricted capital project funding	-	1,872,399	-	-
Appropriated for capital projects	-	-	3,546,952	-
Special revenue funds:				
Recreation programs	-	-	405,258	-
Town restricted programs	-	268,770	75,911	-
School restricted programs	29,796	512,657	-	-
Permanent funds	792,315	8,097	-	-
Total	\$ 1,494,764	\$ 7,203,432	\$ 4,028,121	\$ 2,655,425

The Town has a Fund Balance Policy for the General Fund. The policy lists criteria to be used in establishing a minimum fund balance target and sets the minimum *unassigned* fund balance at 16.67% of annual GAAP revenues. At June 30, 2021, the Town's unassigned fund balance was at 22.7% of revenues. The policy states that amounts in excess of the target balance shall be used for capital improvements or other one-time expenditures as approved by the Town Council.

H. Interfund Balances

Interfund balances are composed of two types – advances and due to/due from balances. The advances are interfund loans, and are anticipated to be eliminated as funds are received from appropriations or other sources. The due to/from balances result from receipts and disbursements being made through the consolidated cash accounts held by the General Fund. These balances will be eliminated when cash transfers are made to the appropriate funds.

1. Advances to/from other funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Improvement Projects	\$ 586,606

The advances to the Capital Improvement Projects Fund will be repaid with TIF revenues or general fund balance over the next several years.

2. Due to/from other funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	School Restricted Fund	\$ 591,301
General Fund	New Central Fire Station Fund	3,462,273
General Fund	School Coronavirus Relief Funds	4,005,525
General Fund	Enterprise Funds	16,298
		<u>\$ 8,075,397</u>
Tax Increment Financing	General Fund	\$ 264,749
Recreation Program Funds	General Fund	19,365
Town Restricted Funds	General Fund	134,860
Public Works Projects	General Fund	1,162,217
Capital Reserve Fund	General Fund	1,148,490
Capital Improvement Projects	General Fund	1,249,307
New Elementary School Fund	General Fund	450,000
Private-purpose Trust Funds	General Fund	40,600
Internal Service Fund	General Fund	140,557
		<u>\$ 4,610,145</u>

I. **Interfund Transfers**

	<u>Transfers In:</u>			<u>Total transfers out</u>
	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Enterprise Funds</u>	
<u>Transfers Out:</u>				
General Fund	\$ -	\$ 3,576,874	\$ 50,000	\$ 3,626,874
Tax Increment Financing	<u>736,969</u>	<u>626,922</u>	<u>-</u>	<u>1,363,891</u>
Nonmajor Governmental Funds				
Special Revenue Funds	-	105,000	-	105,000
Impact Fees	-	50,000	250,000	300,000
Capital Reserve Funds	-	300,000	-	300,000
Capital Improvement Projects	<u>26,031</u>	<u>-</u>	<u>-</u>	<u>26,031</u>
Total Transfers In	<u>\$ 763,000</u>	<u>\$ 4,658,796</u>	<u>\$ 300,000</u>	<u>\$ 5,721,796</u>

Of the \$3,626,874 transferred out of the General Fund, \$3,477,905 was made for a variety of capital projects. The largest of these include \$1,639,905 for the Capital Improvement Fund, \$1,140,000 for the Street Resurfacing Program and Sidewalk Program and \$698,000 for the Capital Reserve Fund. The \$50,000 transfer to Enterprise Funds represents General Fund subsidies of the Processing Facility operations of \$50,000. Of the remaining \$98,969, \$51,420 was the annual subsidy of the school cafeteria, within the School Restricted programs, \$43,049 was match funding for the Mare Brook study, and \$4,500 was the annual contribution to the Memorial Day program to match small grants.

Transfers in to the General Fund include a combined transfer of \$763,000 of which \$736,969 was from the Tax Increment Financing Districts and \$26,031 was unused Capital Improvement Project balances transferred back to the General Fund. Of the \$736,969 TIF transfers to the General Fund, \$190,000 was used to support a portion of the Street Resurfacing Program for qualified road work, \$150,000 was used to subsidize the Capital Reserve Fund for police and fire vehicles, \$138,000 was used to offset professional and admin costs, \$128,969 was used to support transit projects, \$105,000 funded the Brunswick Downtown Association appropriation, and the remaining \$25,000 went to fund the train station and visitors center operations.

J. Donor-restricted Endowments

The Town maintains several permanent funds and private-purpose trust funds with donor-restricted endowments. Prior to 2017-18, the Town's spending policy for these funds authorized only interest and dividends on investments, less fees, for spending. Any appreciation on investments was added to the original endowment and was not authorized for spending. Beginning in 2017-18, the Town received approval from the State Attorney General to manage the funds in accordance with the Uniform Prudent Management Act (UPMIFA). The Trust Fund Advisory Committee adopted an Investment Policy Statement which outlines investment objectives and constraints, and annual disbursement guidelines. For 2020-21, the Trust Fund Advisory Committee recommended spending levels at 4% of the 20-quarter rolling average balance of the funds.

V. OTHER INFORMATION

A. 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 other risks for which the Town and its School Department carry insurance. There have been no significant changes in insurance coverage during the past fiscal year. For the three fiscal years ended June 30, 2021, 2020 and 2019, there have been no settlements in excess of coverage.

The Town belongs to the Maine Municipal Association (MMA) Property and Casualty Pool, for most of its municipal property and liability exposures. The Town's School Department, which obtains coverage separately from the remainder of Town government, continues to insure most of its exposures with a commercial insurance underwriter.

For worker's compensation, both the Town and its School Department participate in the Maine Municipal Association (MMA) Worker's Compensation Pool.

If the assets of either the MMA Property and Casualty Pool or the Worker's Compensation Pool are at any time actuarially determined to be insufficient to enable either pool to discharge its legal liability and other obligations and to maintain actuarially sound reserves, either pool has the power to make up the deficiency by the levy of a prorated assessment upon its members for the amount needed to make up the deficiency. There has been no such deficiency in the past three years. Management believes that no such deficiency exists at June 30, 2021.

Further information including financial statements for the Maine Municipal Association Pools may be obtained from MMA Risk Management Services, 60 Community Drive, P.O. Box 9109, Augusta, ME 04332.

B. Contingencies

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although, except for the items mentioned in the following paragraph, the Town expects such amounts, if any, to be immaterial.

There are various claims and suits pending against the Town that arise in the normal course of the Town's activities. In the opinion of counsel and Town management, the ultimate disposition of these various claims and suits will have no material effect on the financial position of the Town.

C. Deferred Compensation Plan

The Town offers its non-school employees a deferred compensation plan (the "Plan"), created in accordance with Internal Revenue Code Section 457. The Plan, available to all non-school employees, permits the employees to defer a portion of their salary until future years. All assets and income of the Plan

are held in trust for the exclusive benefit of the participants and their beneficiaries. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

D. Overlapping Debt

1. Cumberland County

The Town is subject to an annual assessment of its proportional share of Cumberland County expenses, including debt repayment. The Town's share is determined as the percentage of its equalized state valuation of the total equalized state valuation of all municipalities in the County. At June 30, 2021, the Town's equalized state valuation of \$2,595,900,000 was 4.89% of the County's equalized state valuation of \$53,139,300,000. The Town's share of Cumberland County's principal debt as of June 30, 2021 is \$1,630,162 or 4.89% of the total outstanding long-term County debt of \$33,370,194.

2. Maine Region 10 Technical High School

The Town of Brunswick is a participant along with Regional School Unit 5 (RSU 5) and Regional School Unit 75 (RSU 75) in a joint venture to operate Maine Region 10 Technical High School (MR10). MR10 was established by a cooperative agreement pursuant to Maine law to deliver a program of vocational education to students of the member units. As of June 30, 2021, MR10 had total principal debt outstanding of \$3,619,269. The Town of Brunswick's share of MR10's debt is 38.29% or \$1,385,818. See the "Joint Venture" footnote for additional information.

E. Quasi-municipal Debt

Two districts, as quasi-municipal entities, provide certain services to their respective customers, most of whom are within the territorial boundaries of the Town of Brunswick. Although the indebtedness of these districts is not an obligation of the Town nor is it guaranteed by the Town, many of the ratepayers of the districts are also taxpayers of the Town.

The following disclosure as of June 30, 2021 is provided as an indication of the combined debt burden of the constituent ratepayer/taxpayer base.

	<u>Total Principal Debt</u>	<u>% Applicable to Brunswick</u>	<u>Amt Applicable to Brunswick</u>
Brunswick and Topsham Water District	\$ 43,355,180	66.67%	\$ 28,904,899
Brunswick Sewer District	19,927,565	100.00%	19,927,565
Total	<u>\$ 63,282,745</u>		<u>\$ 48,832,464</u>

F. Joint Venture

The Town of Brunswick is a participant along with Regional School Unit 5 (RSU 5) and Regional School Unit 75 (RSU 75) in a joint venture to operate Maine Region 10 Technical High School (MR10). MR10 was established by a cooperative agreement pursuant to Maine law to deliver a program of vocational education to students of the member units. MR10 is governed by a nine-member board of directors. The Town of Brunswick has four members, RSU 75 has three members, and RSU 5 has two members. However, the votes for each board member are weighted according to population determined by the most recent Federal Decennial Census.

With the exception of direct federal and state revenues, balances, and other miscellaneous receipts, MR10 funds its operations, debt service requirements and other programs through an annual assessment to each of the member units. The assessments are also based on the population of the units as determined by the most recent Federal Decennial Census. Each member unit must also approve its assessment through its own budgetary process. The Town of Brunswick currently has an on-going financial responsibility to fund 38.29% of MR10's budget. For the year ended June 30, 2021, the total budget of MR10 was \$3,016,624.

After MR10 deducted state subsidies, certain balances and miscellaneous revenues, the Town of Brunswick was assessed and paid \$156,210. At June 30, 2021, MR10 had total principal debt outstanding of \$3,619,269. The Town of Brunswick's share of MR10's debt is 38.29% or \$1,385,818. A copy of MR10's audited financial statements may be obtained from Maine Region 10 Technical High School, 68 Church Road, Brunswick, Maine 04011.

G. Credit Enhancement Agreements

GASB Statement 77, *Tax Abatement Disclosures*, defines tax abatement, for financial reporting purposes, as a reduction in tax revenue resulting from "an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments". The Town of Brunswick has certain Credit Enhancement Agreements (CEAs) which fit this definition.

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

On June 30, 2021, the Town had four executed CEAs. For the purpose of calculating CEA payments to the Midcoast Regional Redevelopment Authority (MRRA), the Brunswick Landing and Brunswick Executive Airport TIF Districts are administered together. For the fiscal year ended June 30, 2021, the Town remitted a total of \$890,920 in Credit Enhancement payments. Though only the MRRA payment exceeded 10 percent of the total amount paid, we have chosen to report on all four CEAs as follows:

<u>TIF District</u>	<u>Beginning; Duration</u>	<u>CEA Entity</u>	<u>CEA reimbursement basis</u>	<u>Amount paid during the fiscal year</u>
Downtown Development	2011-12; 10 years	JHR Development of Maine	TIF revenues on one parcel: five years at 100%, two years at 80%, two years at 70%, final year at 50%	\$ 43,571
Seahawk (formerly Molnlycke)	2013-14; 20 years	Molnlycke Manufacturing, LLC	TIF revenues on one parcel: 35% - 55% based on employment levels	114,549
Seahawk (formerly Molnlycke)	2021-22; 10 years	Shepherd Prop, LLC (Wild Oats Bakery)	TIF revenues on one parcel: 35% - 50% based on employment levels	-
Brunswick Landing & Brunswick Executive Airport	2013-14; 30 years	Midcoast Regional Redevelopment Authority	Up to 50% of TIF revenues within districts; for use on authorized projects; 30 year total capped at \$15 million.	732,800 \$ 890,920

In November, 2019, the Maine Department of Economic and Community Development (DECD) approved an amendment to the Molnlycke TIF District, changing the name to the Seahawk Omnibus Municipal Development and TIF District, and adding a CEA with Shepherd Properties, LLC, based on employment at Wild Oats Bakery & Café. The first CEA payment to Shepherd Properties is scheduled for the fiscal year ending June 30, 2022.

H. Construction and Other Significant Commitments

As of June 30, 2021, the Town had various contractual commitments. The significant commitments are as follows:

<u>Project</u>	<u>Spent to Date</u>	<u>Retainage Held</u>	<u>Remaining Commitment</u>
Cedar Street Parking Facility	\$ 355,923	\$ 5,244	\$ 151,403
Central Fire Station	1,320,222	146,691	7,658,813
Graham Road Landfill Closure	3,244,477	360,497	2,317,813
Cedar, Abijah & Hawthorne Street watermain replacement & road rehabilitati	2,813	313	251,068
Pleasant Street mill & fill	94,518	10,502	227,081
	<u>\$ 5,017,953</u>	<u>\$ 523,247</u>	<u>\$ 10,606,178</u>

Upon performance by the vendor in the next year, the encumbrances associated with these commitments are expected to be honored from the following funds:

<u>Governmental Fund</u>	<u>Contract balances</u>
New Central Fire Station Fund	\$ 7,658,813
Enterprise Funds	2,317,813
Other Governmental Funds	629,552
	<u>\$ 10,606,178</u>

I. Subsequent Events

Purchase and Sale Agreement - On August 2, 2021, the Town Council authorized the Town Manager to enter into a purchase and sale agreement for the acquisition of a 42.5 acre property on the Androscoggin River for \$504,000, and authorized the application for grant funding.

Budget Amendment – On August 16, 2021, the Town Council amended the 2021-22 general fund budget to account for an increase in the estimated amount to be received in State Revenue Sharing, and to adjust for an updated estimate of the taxable property valuation. The Town Council authorized an additional \$700,000 for paving, sidewalks and the facilities reserve, an additional \$50,000 use of fund balance, and reduced the tax rate impact by 1.32%, from an estimated 3.73% to 2.41%.

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REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Proportionate Share of the Net Pension Liability

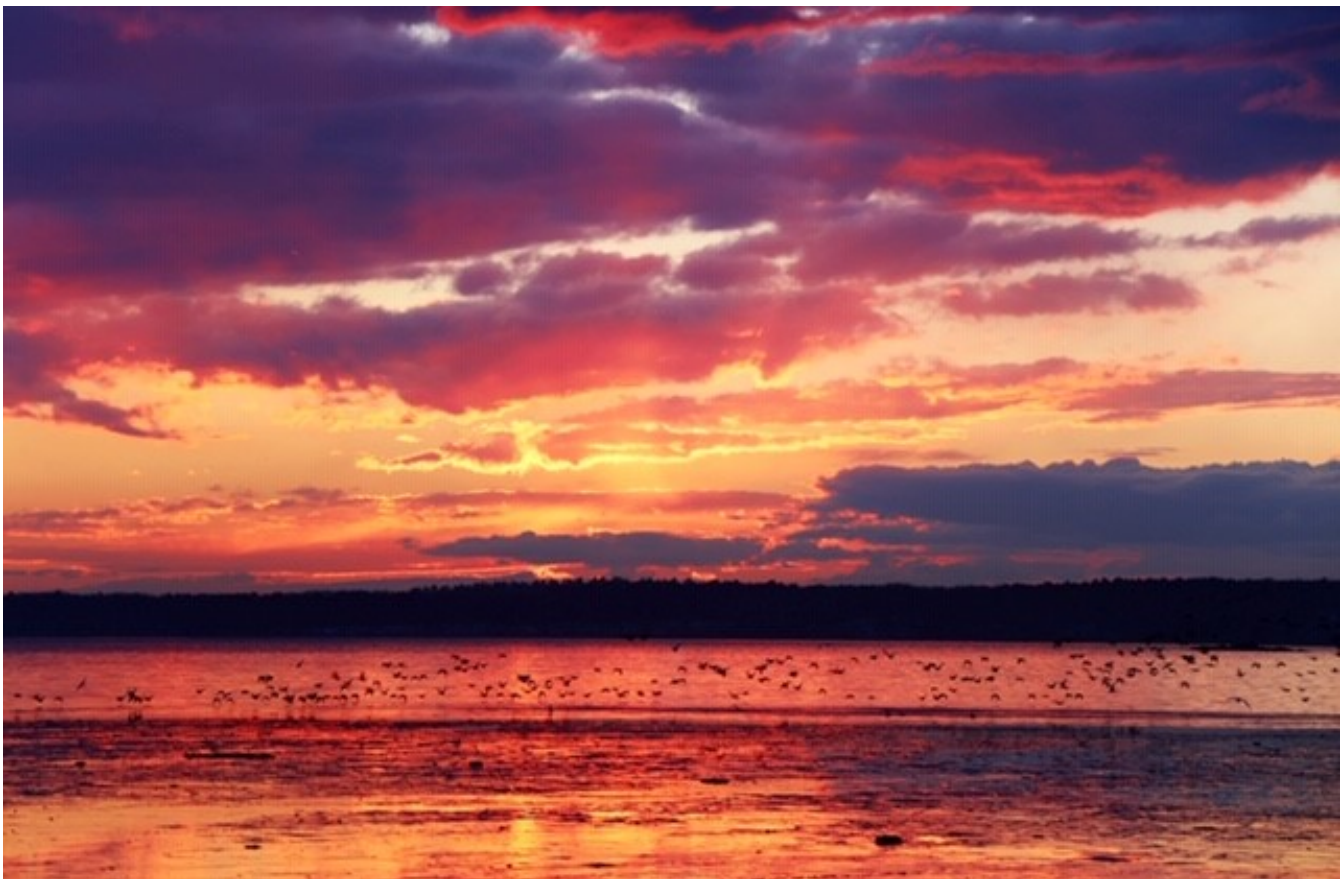
Schedule of Pension Contributions

Schedule of Changes in the Total Health Plan OPEB Liability and Related Ratios

Schedule of Proportionate Share of the Net OPEB Liability

Schedule of OPEB Contributions

Notes to Required Supplementary Information



Required Supplementary Information

TOWN OF BRUNSWICK, MAINE Schedule of Proportionate Share of the Net Pension Liability Last Ten Fiscal Years*

Maine Public Employees Retirement System Consolidated Plan (PLD) and State Employee and Teacher Plan (SET)							
	<u>2015**</u>	<u>2016**</u>	<u>2017**</u>	<u>2018**</u>	<u>2019**</u>	<u>2020**</u>	<u>2021**</u>
<u>PLD Plan</u>							
Town's proportion of the net pension liability	2.30%	2.28%	2.15%	2.07%	2.03%	1.97%	1.99%
Town's proportionate share of the net pension liability	\$ 3,536,451	\$ 7,269,492	\$ 11,433,992	\$ 8,470,270	\$ 5,564,296	\$ 6,014,929	\$ 7,911,889
Town's covered payroll	9,245,552	9,702,984	9,672,593	9,780,190	9,869,991	10,122,031	10,897,916
Town's proportion share of the net pension liability as a percentage of its covered payroll	38.25%	74.92%	118.21%	86.61%	56.38%	59.42%	72.60%
Plan fiduciary net position as a percentage of the total pension liability	94.10%	88.27%	81.61%	86.43%	91.14%	90.62%	88.35%
<u>SET Plan</u>							
Town's proportion of the net pension liability	0.04%	0.04%	0.04%	0.03%	0.02%	0.02%	0.02%
Town's proportionate share of the net pension liability	\$ 426,374	\$ 521,645	\$ 779,097	\$ 462,110	\$ 327,267	\$ 354,962	\$ 336,440
State's proportionate share of the net pension liability associated with the Town	<u>15,095,418</u>	<u>18,852,281</u>	<u>24,285,768</u>	<u>20,957,681</u>	<u>20,112,311</u>	<u>21,637,973</u>	<u>24,861,930</u>
Total	<u>\$ 15,521,792</u>	<u>\$ 19,373,926</u>	<u>\$ 25,064,865</u>	<u>\$ 21,419,791</u>	<u>\$ 20,439,578</u>	<u>\$ 21,992,935</u>	<u>\$ 25,198,370</u>
Town's covered payroll	\$ 15,644,285	\$ 15,980,002	\$ 16,136,902	\$ 17,450,661	\$ 18,315,139	\$ 18,866,276	\$ 19,751,307
Town's proportion share of the net pension liability as a percentage of its covered payroll	2.73%	3.26%	4.83%	2.65%	1.79%	1.88%	1.70%
Plan fiduciary net position as a percentage of the total pension liability	83.91%	81.18%	76.21%	80.78%	82.90%	82.73%	81.03%

* Only seven years of information available.

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

See accompanying notes to required supplementary information.

Required Supplementary Information, Continued

**TOWN OF BRUNSWICK, MAINE
Schedule of Pension Contributions
Last Ten Fiscal Years***

Maine Public Employees Retirement System Consolidated Plan (PLD) and State Employee and Teacher Plan (SET)								
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>PLD Plan</u>								
Contractually required contribution	\$ 796,662	\$ 931,375	\$ 1,009,803	\$ 1,060,357	\$ 1,128,830	\$ 1,203,139	\$ 1,286,117	\$ 1,330,044
Contributions in relation to the contractually required contribution	<u>(796,662)</u>	<u>(931,375)</u>	<u>(1,009,803)</u>	<u>(1,060,357)</u>	<u>(1,128,830)</u>	<u>(1,203,139)</u>	<u>(1,286,117)</u>	<u>(1,330,044)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	\$ 9,245,552	\$ 9,702,984	\$ 9,672,593	\$ 9,780,190	\$ 9,869,991	\$ 10,122,031	\$ 10,897,916	\$ 11,293,736
Contributions as a percentage of covered payroll	8.62%	9.60%	10.44%	10.84%	11.44%	11.89%	11.80%	11.78%
<u>SET Plan</u>								
Contractually required contribution	\$ 414,573	\$ 423,470	\$ 542,200	\$ 586,342	\$ 727,111	\$ 748,991	\$ 821,654	\$ 843,844
Contributions in relation to the contractually required contribution	<u>(414,573)</u>	<u>(423,470)</u>	<u>(542,200)</u>	<u>(586,342)</u>	<u>(727,111)</u>	<u>(748,991)</u>	<u>(821,654)</u>	<u>(843,844)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	\$ 15,644,285	\$ 15,980,002	\$ 16,136,902	\$ 17,450,661	\$ 18,315,139	\$ 18,866,276	\$ 19,751,307	\$ 20,284,702
Contributions as a percentage of covered payroll	2.65%	2.65%	3.36%	3.36%	3.97%	3.97%	4.16%	4.16%

* Only eight years of information available.

See accompanying notes to required supplementary information.

Required Supplementary Information, Continued

TOWN OF BRUNSWICK, MAINE
Schedule of Changes in the Total Health Plan OPEB Liability and Related Ratios
Last Ten Fiscal Years

Maine Municipal Employees Health Trust (MMEHT)

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>Total MMEHT Health Plan OPEB Liability*</u>				
Service cost	\$ 35,837	\$ 44,817	\$ 38,497	\$ 61,785
Interest	61,834	65,988	73,020	40,995
Changes of benefits	-	-	(22,964)	-
Differences between expected and actual experience	(1,834)	-	(890,906)	-
Changes of assumptions or other inputs	214,685	(199,919)	529,252	100,031
Benefit payments	<u>(33,157)</u>	<u>(41,061)</u>	<u>(42,703)</u>	<u>(27,034)</u>
Net change in Total MMEHT Health Plan OPEB liability	277,365	(130,175)	(315,804)	175,777
Total MMEHT Health Plan OPEB liability - beginning	<u>1,616,420</u>	<u>1,893,785</u>	<u>1,763,610</u>	<u>1,447,806</u>
Total MMEHT Health Plan OPEB liability - ending	<u>\$ 1,893,785</u>	<u>\$ 1,763,610</u>	<u>\$ 1,447,806</u>	<u>\$ 1,623,583</u>
Covered-employee payroll	\$ 6,629,170	\$ 6,629,170	\$ 6,629,170	\$ 7,306,516
Total MMEHT Health Plan OPEB liability as a percentage of covered-employee payroll	28.57%	26.60%	21.84%	22.22%

Maine Education Association Benefit Trust (MEABT)

	<u>2019***</u>	<u>2020***</u>	<u>2021***</u>
<u>Total MEABT Health Plan OPEB Liability**</u>			
Service cost	\$ 41,709	\$ 38,602	\$ 46,351
Interest	227,974	237,481	228,581
Changes of benefit terms	-	-	(645,501)
Differences between expected and actual experience	-	-	(485,677)
Changes of assumptions or other inputs	(274,115)	348,726	1,624,567
Benefit payments	<u>(220,147)</u>	<u>(228,028)</u>	<u>(248,237)</u>
Net change in Total Health Plan OPEB liability	(224,579)	396,781	520,084
Total Health Plan OPEB liability - beginning	<u>6,435,381</u>	<u>6,210,802</u>	<u>6,607,583</u>
Total Health Plan OPEB liability - ending	<u>\$ 6,210,802</u>	<u>\$ 6,607,583</u>	<u>\$ 7,127,667</u>
Covered-employee payroll	\$ 15,682,183	\$ 16,113,443	\$ 14,705,057
Total MEABT Health Plan OPEB liability as a percentage of covered-employee payroll	39.60%	41.01%	48.47%

* Only four years of information available.

** Only three year of information available.

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

See accompanying notes to required supplementary information.

Required Supplementary Information, Continued

**TOWN OF BRUNSWICK, MAINE
Schedule of Proportionate Share of the Net OPEB Liability
Last Ten Fiscal Years***

**Maine Public Employees Retirement System Consolidated Plan (PLD)
and State Employee and Teacher Plan (SET)**

<u>PLD OPEB Plan</u>	<u>2018**</u>	<u>2019**</u>	<u>2020**</u>	<u>2021**</u>
Town's proportion of the net OPEB liability	2.22%	2.17%	2.11%	2.13%
Town's proportionate share of the net OPEB liability	\$ 371,809	\$ 437,455	\$ 451,360	\$ 280,500
Town's covered-employee payroll	5,129,533	5,143,649	4,983,338	4,596,565
Town's proportionate share of net OPEB liability as a percentage of covered-employee payroll	7.25%	8.50%	9.06%	6.10%
Plan fiduciary net position as a percentage of the net OPEB liability	47.42%	43.92%	43.18%	55.40%
<u>SET OPEB Plan</u>				
Town's proportion of the net OPEB liability	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>572,376</u>	<u>628,613</u>	<u>637,006</u>	<u>701,810</u>
Total	<u>\$ 572,376</u>	<u>\$ 628,613</u>	<u>\$ 637,006</u>	<u>\$ 701,810</u>
Plan fiduciary net position as a percentage of the net OPEB liability	47.29%	48.04%	49.22%	49.51%

* Only four years of information available.

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

See accompanying notes to required supplementary information.

Required Supplementary Information, Continued

**TOWN OF BRUNSWICK, MAINE
Schedule of OPEB Contributions
Last Ten Fiscal Years***

Maine Public Employees Retirement System Consolidated Plan (PLD)

<u>PLD OPEB Plan</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Contractually required contribution	\$ 9,923	\$ 11,301	\$ 10,180	\$ 10,614	\$ 12,499
Contributions in relation to the contractually required contribution	<u>9,923</u>	<u>11,301</u>	<u>10,180</u>	<u>10,614</u>	<u>12,499</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered-employee payroll	\$ 5,129,533	\$ 5,143,649	\$ 4,983,338	\$ 4,596,565	\$ 4,870,730
Contributions as a percentage of covered-employee payroll	0.19%	0.22%	0.20%	0.23%	0.26%

* Only five years of information available.

See accompanying notes to required supplementary information.

Net Pension Liability**Changes of benefit terms** – None**Changes of assumptions** – The following are changes in actuarial assumptions used in the most recent valuations:

Year Ending June 30,	Actuarial Assumptions*						
	2020	2019	2018	2017	2016	2015	2014
Discount rate – PLD	6.75%	6.75%	6.75%	6.875%	7.125%	7.25%	7.25%
Discount rate – SET	6.75%	6.75%	6.75%	6.875%	7.125%	7.125%	7.25%
Inflation rate	2.75%	2.75%	2.75%	2.75%	3.50%	3.50%	3.50%
Salary increases – PLD	2.75% + merit	2.75 - 9.00%	2.75 - 9.00%	2.75 - 9.00%	3.50 - 9.50%	3.50 - 9.50%	3.50 - 9.50%
Salary increases – SET	2.75% + merit	2.75 - 14.50%	2.75 - 14.50%	2.75 - 14.50%	3.50 - 13.50%	3.50 - 13.50%	3.50 - 13.50%
Cost of living increases – PLD	1.91%	1.91%	2.20%	2.20%	2.55%	3.12%	3.12%
Cost of living increases – SET	2.20%	2.20%	2.20%	2.20%	2.55%	2.55%	2.55%

Mortality rates:

In 2015, mortality rates were based on the RP2000 Combined Mortality Table projected forward to 2015 using Scale AA. In 2016 and going forward, mortality rates were based on the RP2014 Total Data Set Health Annuitant Mortality Table.

Net OPEB Liability**Changes of benefit terms** – None**Changes of assumptions** – The following are changes in actuarial assumptions used in the most recent valuations:

Year Ending June 30,	Actuarial Assumptions*			
	2020	2019	2018	2017
Discount rate – PLD	6.75%	4.98%	5.13%	5.41%
Discount rate – SET	6.75%	6.75%	6.75%	6.875%

Total OPEB Liability**Changes of benefit terms** – None**Changes of assumptions** – Changes of assumptions and other inputs reflects the changes in the discount rate each period. The following are the discount rates used in each period:

Year Ending June 30,	Actuarial Assumptions*				
	2021	2020	2019	2018	2017
Discount rate – MMEHT Health Plan	2.12%	2.74%	4.10%	3.44%	3.78%
Discount rate – MEABT Health Plan	2.21%	3.50%	3.87%	3.58%	N/A

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

**This schedule is intended to show information for ten years, but only the years in which changes occurred have been displayed. Additional years' information will be displayed as it becomes available.*

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted or committed to expenditure for particular purposes.

Special revenue funds have been established for the following purposes:

Recreation Programs

To account for all user-supported recreation programs.

Town Restricted Programs

To account for grants and other programs where revenues are restricted for a specific purpose.

School Restricted Programs

To account for grants and other programs where revenues are restricted for a specific purpose related to educational expenditures.

CAPITAL PROJECTS FUNDS

Capital projects funds are used for the acquisition or construction of major capital facilities other than those financed by proprietary funds and trust funds.

Capital projects funds have been established for the following purposes:

Impact Fees

To account for a variety of capital improvements for which an impact fee has been levied to fund all or a portion of the improvement. The fees are collected through the Town's site development and subdivision review process.

Public Works Projects

To account for public works projects related to street resurfacing and sidewalk repair.

Capital Reserves

To account for vehicle and equipment replacement, facilities maintenance projects, and cable TV/information technology projects.

Capital Improvement Projects

To account for capital projects that are supported by appropriations and/or advances from the General Fund or donations from private or public sources.

New Elementary School

To account for the funding and construction of the Kate Furbish Elementary School.

PERMANENT FUNDS

Permanent funds are used to account for resources where principal is legally restricted by a formal trust agreement and earnings may be used for purposes that benefit the government or its citizenry.

Permanent funds have been established for the following purposes:

Education Funds:

Brunswick School Fund

This fund was established to be used by the school department.

Brunswick High Class of 1920 Fund

This fund was established for the purpose of purchasing books for the Brunswick High School Library.

Community Improvements Funds:

Joshua Chamberlain Fund

This fund was established for the maintenance of the Joshua Chamberlain Statue.

Robert L Morrell Fund

This fund was established for the planting and/or maintenance of trees in the Town.

Veteran's Plaza Fund

This fund was established for the maintenance of the Veteran's Plaza.

Recreation and Cultural Fund:

Nathaniel Davis Recreation Fund

This fund was established to provide funds each year for the pleasure of the inhabitants of the Town of Brunswick as the government of Brunswick shall decide.

Social Services Fund:

George H. and Josephine Runnels Underprivileged Children's Fund

This fund was established for the benefit of underprivileged children of the Town of Brunswick.

TOWN OF BRUNSWICK, MAINE
Combining Balance Sheet
All Other Governmental Funds
June 30, 2021

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Capital Project Funds</u>	<u>Nonmajor Permanent Funds</u>	<u>Total Other Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 791,720	\$ 1,493,379	\$ 29,738	\$ 2,314,837
Investments	-	-	770,674	770,674
Receivables:				
Accounts	7,777	-	-	7,777
Intergovernmental	1,134,299	232,972	-	1,367,271
Deposits	-	50,000	-	50,000
Inventory	29,796	-	-	29,796
Due from other funds	154,225	4,010,014	-	4,164,239
Total assets	<u>\$ 2,117,817</u>	<u>\$ 5,786,365</u>	<u>\$ 800,412</u>	<u>\$ 8,704,594</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 317,615	\$ 300,956	\$ -	\$ 618,571
Retainage payable	-	16,058	-	16,058
Accrued payroll	99,298	-	-	99,298
Unearned revenue	176,695	-	-	176,695
Due to other funds	591,301	-	-	591,301
Advances from other funds	-	586,606	-	586,606
Total liabilities	<u>1,184,909</u>	<u>903,620</u>	<u>-</u>	<u>2,088,529</u>
Fund balances (deficits):				
Nonspendable	29,796	50,000	792,315	872,111
Restricted	781,427	1,872,399	8,097	2,661,923
Committed	481,169	3,546,952	-	4,028,121
Unassigned	(359,484)	(586,606)	-	(946,090)
Total fund balances	<u>932,908</u>	<u>4,882,745</u>	<u>800,412</u>	<u>6,616,065</u>
Total liabilities and fund balances	<u>\$ 2,117,817</u>	<u>\$ 5,786,365</u>	<u>\$ 800,412</u>	<u>\$ 8,704,594</u>

TOWN OF BRUNSWICK, MAINE
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
All Other Governmental Funds
For the year ended June 30, 2021

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Nonmajor Permanent Funds	Total Other Governmental Funds
REVENUES				
Intergovernmental	\$ 3,897,088	\$ 451,200	\$ -	\$ 4,348,288
Investment income	-	-	178,355	178,355
Charges for services	829,613	-	-	829,613
Interest	1,895	6,217	-	8,112
Donations	431,650	540,278	10,000	981,928
Other	-	4,500	-	4,500
Total revenues	<u>5,160,246</u>	<u>1,002,195</u>	<u>188,355</u>	<u>6,350,796</u>
EXPENDITURES				
Current:				
General government	2,261,946	-	2,966	2,264,912
Public safety	156,003	-	-	156,003
Public works	8,785	-	-	8,785
Human services	5,625	-	-	5,625
Education	2,701,236	-	614	2,701,850
Recreation and culture	175,250	-	19,658	194,908
Capital outlay	-	5,679,251	-	5,679,251
Total expenditures	<u>5,308,845</u>	<u>5,679,251</u>	<u>23,238</u>	<u>11,011,334</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(148,599)</u>	<u>(4,677,056)</u>	<u>165,117</u>	<u>(4,660,538)</u>
OTHER FINANCING SOURCES (USES)				
Transfer from other funds	98,969	4,559,827	-	4,658,796
Transfer to other funds	(105,000)	(626,031)	-	(731,031)
Bonds issued	-	14,050	-	14,050
Total other financing sources (uses)	<u>(6,031)</u>	<u>3,947,846</u>	<u>-</u>	<u>3,941,815</u>
Net changes in fund balances	<u>(154,630)</u>	<u>(729,210)</u>	<u>165,117</u>	<u>(718,723)</u>
Fund balances, beginning of year (as restated)	<u>1,087,538</u>	<u>5,611,955</u>	<u>635,295</u>	<u>7,334,788</u>
Fund balances, end of year	<u>\$ 932,908</u>	<u>\$ 4,882,745</u>	<u>\$ 800,412</u>	<u>\$ 6,616,065</u>

TOWN OF BRUNSWICK, MAINE
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2021

	<u>Recreation Programs</u>	<u>Town Restricted Programs</u>	<u>School Restricted Programs</u>	<u>Totals</u>
ASSETS				
Cash and cash equivalents	\$ 595,962	\$ -	\$ 195,758	\$ 791,720
Receivables:				
Accounts	967	6,154	656	7,777
Intergovernmental	-	455,334	678,965	1,134,299
Inventory	-	-	29,796	29,796
Due from other funds	19,365	134,860	-	154,225
Total assets	<u>\$ 616,294</u>	<u>\$ 596,348</u>	<u>\$ 905,175</u>	<u>\$ 2,117,817</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 39,903	\$ 251,170	\$ 26,542	\$ 317,615
Accrued payroll	19,630	497	79,171	99,298
Unearned revenue	151,503	-	25,192	176,695
Due to other funds	-	-	591,301	591,301
Total liabilities	<u>211,036</u>	<u>251,667</u>	<u>722,206</u>	<u>1,184,909</u>
Fund balances (deficits):				
Nonspendable	-	-	29,796	29,796
Restricted	-	268,770	512,657	781,427
Committed	405,258	75,911	-	481,169
Unassigned	-	-	(359,484)	(359,484)
Total fund balances (deficits)	<u>405,258</u>	<u>344,681</u>	<u>182,969</u>	<u>932,908</u>
Total liabilities and fund balances	<u>\$ 616,294</u>	<u>\$ 596,348</u>	<u>\$ 905,175</u>	<u>\$ 2,117,817</u>

TOWN OF BRUNSWICK, MAINE
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the year ended June 30, 2021

	<u>Recreation Programs</u>	<u>Town Restricted Programs</u>	<u>School Restricted Programs</u>	<u>Totals</u>
REVENUES				
Intergovernmental	\$ -	\$ 2,119,592	\$ 1,777,496	\$ 3,897,088
Charges for services	158,720	10,439	660,454	829,613
Interest	1,895	-	-	1,895
Donations	4,640	235,635	191,375	431,650
Total revenues	<u>165,255</u>	<u>2,365,666</u>	<u>2,629,325</u>	<u>5,160,246</u>
EXPENDITURES				
Current:				
General government	-	2,261,946	-	2,261,946
Public safety	-	156,003	-	156,003
Public works	-	8,785	-	8,785
Human services	-	5,625	-	5,625
Education	-	-	2,701,236	2,701,236
Recreation and culture	175,250	-	-	175,250
Total expenditures	<u>175,250</u>	<u>2,432,359</u>	<u>2,701,236</u>	<u>5,308,845</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,995)</u>	<u>(66,693)</u>	<u>(71,911)</u>	<u>(148,599)</u>
OTHER FINANCING SOURCES				
Transfer from other funds	-	47,549	51,420	98,969
Transfer to other funds	-	(105,000)	-	(105,000)
Total other financing sources	<u>-</u>	<u>(57,451)</u>	<u>51,420</u>	<u>(6,031)</u>
Net changes in fund balances	(9,995)	(124,144)	(20,491)	(154,630)
Fund balances, beginning of year (as restated)	415,253	468,825	203,460	1,087,538
Fund balances (deficits), end of year	<u>\$ 405,258</u>	<u>\$ 344,681</u>	<u>\$ 182,969</u>	<u>\$ 932,908</u>

TOWN OF BRUNSWICK, MAINE
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2021

	<u>Impact Fees</u>	<u>Public Works Projects</u>	<u>Capital Reserve Fund</u>	<u>Capital Improvement Projects</u>	<u>New Elementary School</u>	<u>Totals</u>
ASSETS						
Cash and cash equivalents	\$ 522,335	\$ -	\$ -	\$ -	\$ 971,044	\$ 1,493,379
Receivables:						
Intergovernmental	-	54,945	-	178,027	-	232,972
Deposits	-	-	-	50,000	-	50,000
Due from other funds	-	1,162,217	1,148,490	1,249,307	450,000	4,010,014
Total assets	<u>\$ 522,335</u>	<u>\$ 1,217,162</u>	<u>\$ 1,148,490</u>	<u>\$ 1,477,334</u>	<u>\$ 1,421,044</u>	<u>\$ 5,786,365</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ -	\$ 99,388	\$ 1,820	\$ 128,768	\$ 70,980	\$ 300,956
Retainage payable	-	10,814	-	5,244	-	16,058
Advances from other funds	-	-	-	586,606	-	586,606
Total liabilities	<u>-</u>	<u>110,202</u>	<u>1,820</u>	<u>720,618</u>	<u>70,980</u>	<u>903,620</u>
Fund balances (deficits):						
Nonspendable	-	-	-	50,000	-	50,000
Restricted	522,335	-	-	-	1,350,064	1,872,399
Committed	-	1,106,960	1,146,670	1,293,322	-	3,546,952
Unassigned	-	-	-	(586,606)	-	(586,606)
Total fund balances (deficits)	<u>522,335</u>	<u>1,106,960</u>	<u>1,146,670</u>	<u>756,716</u>	<u>1,350,064</u>	<u>4,882,745</u>
Total liabilities and fund balances	<u>\$ 522,335</u>	<u>\$ 1,217,162</u>	<u>\$ 1,148,490</u>	<u>\$ 1,477,334</u>	<u>\$ 1,421,044</u>	<u>\$ 5,786,365</u>

TOWN OF BRUNSWICK, MAINE
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the year ended June 30, 2021

	<u>Impact Fees</u>	<u>Public Works Projects</u>	<u>Capital Reserve Fund</u>	<u>Capital Improvement Projects</u>	<u>New Elementary School</u>	<u>Totals</u>
REVENUES						
Intergovernmental	\$ -	\$ 54,945	\$ -	\$ 396,255	\$ -	\$ 451,200
Interest	2,557	-	-	-	3,660	6,217
Donations	209,348	-	185,000	145,930	-	540,278
Other	-	-	4,500	-	-	4,500
Total revenues	<u>211,905</u>	<u>54,945</u>	<u>189,500</u>	<u>542,185</u>	<u>3,660</u>	<u>1,002,195</u>
EXPENDITURES						
Capital outlay	<u>28,703</u>	<u>796,792</u>	<u>841,552</u>	<u>1,737,136</u>	<u>2,275,068</u>	<u>5,679,251</u>
Total expenditures	<u>28,703</u>	<u>796,792</u>	<u>841,552</u>	<u>1,737,136</u>	<u>2,275,068</u>	<u>5,679,251</u>
Excess (deficiency) of revenues over (under) expenditures	<u>183,202</u>	<u>(741,847)</u>	<u>(652,052)</u>	<u>(1,194,951)</u>	<u>(2,271,408)</u>	<u>(4,677,056)</u>
OTHER FINANCING SOURCES (USES)						
Transfers from other funds	-	1,140,000	698,000	2,721,827	-	4,559,827
Transfers to other funds	(300,000)	-	(300,000)	(26,031)	-	(626,031)
Bonds issued	-	-	-	14,050	-	14,050
Total other financing sources (uses)	<u>(300,000)</u>	<u>1,140,000</u>	<u>398,000</u>	<u>2,709,846</u>	<u>-</u>	<u>3,947,846</u>
Net changes in fund balances	(116,798)	398,153	(254,052)	1,514,895	(2,271,408)	(729,210)
Fund balances (deficits), beginning of year	<u>639,133</u>	<u>708,807</u>	<u>1,400,722</u>	<u>(758,179)</u>	<u>3,621,472</u>	<u>5,611,955</u>
Fund balances (deficits), end of year	<u>\$ 522,335</u>	<u>\$ 1,106,960</u>	<u>\$ 1,146,670</u>	<u>\$ 756,716</u>	<u>\$ 1,350,064</u>	<u>\$ 4,882,745</u>

TOWN OF BRUNSWICK, MAINE
Combining Balance Sheet
Nonmajor Permanent Funds
June 30, 2021

	<u>Education Funds</u>	<u>Community Improvements Fund</u>	<u>Recreation and Cultural Fund</u>	<u>Social Services Fund</u>	<u>Totals</u>
ASSETS					
Cash and cash equivalents	\$ 969	\$ 3,914	\$ 22,365	\$ 2,490	\$ 29,738
Investments	25,115	101,410	579,620	64,529	770,674
Total assets	<u>\$ 26,084</u>	<u>\$ 105,324</u>	<u>\$ 601,985</u>	<u>\$ 67,019</u>	<u>\$ 800,412</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficits):					
Nonspendable	25,348	97,963	601,985	67,019	792,315
Restricted	736	7,361	-	-	8,097
Total fund balances	<u>26,084</u>	<u>105,324</u>	<u>601,985</u>	<u>67,019</u>	<u>800,412</u>
Total liabilities and fund balances	<u>\$ 26,084</u>	<u>\$ 105,324</u>	<u>\$ 601,985</u>	<u>\$ 67,019</u>	<u>\$ 800,412</u>

TOWN OF BRUNSWICK, MAINE
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Permanent Funds
For the year ended June 30, 2021

	Education Funds	Community Improvements Funds	Recreation and Cultural Fund	Social Services Fund	Totals
REVENUES					
Contributions	\$ -	\$ 10,000	\$ -	\$ -	\$ 10,000
Investment earnings:					
Interest and dividends	367	1,323	8,567	952	11,209
Net increase in the fair value of investments	5,539	19,954	130,178	14,342	170,013
Total investment earnings	5,906	21,277	138,745	15,294	181,222
Less investment expense	(93)	(336)	(2,196)	(242)	(2,867)
Total revenues	5,813	30,941	136,549	15,052	188,355
EXPENDITURES					
Current:					
Recreation and culture	-	-	1,158	-	1,158
Payment to beneficiaries	614	857	18,500	2,109	22,080
Total expenditures	614	857	19,658	2,109	23,238
Net changes in fund balances	5,199	30,084	116,891	12,943	165,117
Fund balances, beginning of year	20,885	75,240	485,094	54,076	635,295
Fund balances, end of year	\$ 26,084	\$ 105,324	\$ 601,985	\$ 67,019	\$ 800,412

TOWN OF BRUNSWICK, MAINE
Combining Balance Sheet
Nonmajor Permanent Funds
Education Funds
June 30, 2021

	Brunswick School Fund	Brunswick High Class of 1920 Fund	Totals
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$ 725	\$ 244	\$ 969
Investments	18,785	6,330	25,115
Total assets	<u>\$ 19,510</u>	<u>\$ 6,574</u>	<u>\$ 26,084</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:			
Nonspendable	19,510	5,838	25,348
Restricted	<u>-</u>	<u>736</u>	<u>736</u>
Total fund balances	<u>19,510</u>	<u>6,574</u>	<u>26,084</u>
Total liabilities and fund balances	<u>\$ 19,510</u>	<u>\$ 6,574</u>	<u>\$ 26,084</u>

TOWN OF BRUNSWICK, MAINE
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Permanent Funds
Education Funds
For the year ended June 30, 2021

	Brunswick School Fund	Brunswick High Class of 1920 Fund	Totals
REVENUES			
Investment earnings:			
Interest and dividends	\$ 277	\$ 90	\$ 367
Net increase in the fair value of investments	4,175	1,364	5,539
Total investment earnings	4,452	1,454	5,906
Less investment expense	(70)	(23)	(93)
Total revenues	4,382	1,431	5,813
EXPENDITURES			
Payment to beneficiaries	614	-	614
Total expenditures	614	-	614
Net changes in fund balances	3,768	1,431	5,199
Fund balances, beginning of year	15,742	5,143	20,885
Fund balances, end of year	\$ 19,510	\$ 6,574	\$ 26,084

TOWN OF BRUNSWICK, MAINE
Combining Balance Sheet
Nonmajor Permanent Funds
Community Improvement Funds
June 30, 2021

	Joshua Chamberlain Fund	Robert L Morrell Fund	Veteran's Plaza Fund	Totals
ASSETS				
Cash and cash equivalents	\$ 2,531	\$ 1,011	\$ 372	\$ 3,914
Investments	65,589	26,193	9,628	101,410
Total assets	<u>\$ 68,120</u>	<u>\$ 27,204</u>	<u>\$ 10,000</u>	<u>\$ 105,324</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable	61,677	26,286	10,000	97,963
Restricted	6,443	918	-	7,361
Total fund balances	<u>68,120</u>	<u>27,204</u>	<u>10,000</u>	<u>105,324</u>
Total liabilities and fund balances	<u>\$ 68,120</u>	<u>\$ 27,204</u>	<u>\$ 10,000</u>	<u>\$ 105,324</u>

TOWN OF BRUNSWICK, MAINE
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Permanent Funds
Community Improvement Funds
For the year ended June 30, 2021

	<u>Joshua Chamberlain Fund</u>	<u>Robert L Morrell Fund</u>	<u>Veteran's Plaza Fund</u>	<u>Totals</u>
REVENUES				
Contributions	\$ -	\$ -	\$ 10,000	\$ 10,000
Investment earnings:				
Interest and dividends	949	374	-	1,323
Net increase in the fair value of investments	14,310	5,644	-	19,954
Total investment earnings	15,259	6,018	-	21,277
Less investment expense	(241)	(95)	-	(336)
Total revenues	15,018	5,923	10,000	30,941
EXPENDITURES				
Payment to beneficiaries	857	-	-	857
Total expenditures	857	-	-	857
Net changes in fund balances	14,161	5,923	10,000	30,084
Fund balances, beginning of year	53,959	21,281	-	75,240
Fund balances, end of year	<u>\$ 68,120</u>	<u>\$ 27,204</u>	<u>\$ 10,000</u>	<u>\$ 105,324</u>

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PROPRIETARY FUNDS

Enterprise Funds:

These funds are used to report activities for which a fee is charged to external users for goods or services. In addition to its Solid Waste Facilities and Pay-per-bag major funds, the Town reports the following nonmajor enterprise funds:

Mere Point Wastewater

Operation of a wastewater district serving 35 households.

Train Station/Visitors Center

Operation of a downtown train station and visitors center.

Processing Facility

Operation of a materials processing facility adjacent to the former landfill.



TOWN OF BRUNSWICK, MAINE
Combining Statement of Net Position
Nonmajor Proprietary Funds
Enterprise Funds
June 30, 2021

	<u>Mere Point Wastewater</u>	<u>Train Station/ Visitors Center</u>	<u>Processing Facility</u>	<u>Totals</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ -	\$ 64,350	\$ 174,707	\$ 239,057
Accounts receivable	5,511	-	645	6,156
Due from other funds	-	-	795	795
Total current assets	<u>5,511</u>	<u>64,350</u>	<u>176,147</u>	<u>246,008</u>
Capital assets:				
Land	-	-	42,250	42,250
Intangibles	10,000	-	-	10,000
Buildings	-	-	11,500	11,500
Improvements other than buildings	-	74,038	57,000	131,038
Machinery and equipment	97,500	15,133	-	112,633
Infrastructure	636,738	-	-	636,738
Less accumulated depreciation	<u>(714,344)</u>	<u>(80,523)</u>	<u>(1,032)</u>	<u>(795,899)</u>
Net capital assets	<u>29,894</u>	<u>8,648</u>	<u>109,718</u>	<u>148,260</u>
Total assets	<u>35,405</u>	<u>72,998</u>	<u>285,865</u>	<u>394,268</u>
LIABILITIES				
Current liabilities:				
Accounts payable	1,773	4,774	131	6,678
Accrual of payroll	-	-	1,033	1,033
Due to other funds	<u>3,563</u>	<u>26</u>	<u>-</u>	<u>3,589</u>
Total current liabilities	<u>5,336</u>	<u>4,800</u>	<u>1,164</u>	<u>11,300</u>
Total liabilities	<u>5,336</u>	<u>4,800</u>	<u>1,164</u>	<u>11,300</u>
NET POSITION				
Net investment in capital assets	29,894	8,648	109,718	148,260
Unrestricted	<u>175</u>	<u>59,550</u>	<u>174,983</u>	<u>234,708</u>
Total net position	<u>\$ 30,069</u>	<u>\$ 68,198</u>	<u>\$ 284,701</u>	<u>\$ 382,968</u>

TOWN OF BRUNSWICK, MAINE
Combining Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Proprietary Funds
Enterprise Funds
For the year ended June 30, 2021

	<u>Mere Point Wastewater</u>	<u>Train Station/ Visitors Center</u>	<u>Processing Facility</u>	<u>Totals</u>
OPERATING REVENUES				
Charges for services:				
Service fees	\$ 37,592	\$ -	\$ -	\$ 37,592
Rent	-	10,795	-	10,795
Parking meter	-	5,692	-	5,692
Tipping fees	-	-	1,150	1,150
Other	-	-	6,300	6,300
Total operating revenues	<u>37,592</u>	<u>16,487</u>	<u>7,450</u>	<u>61,529</u>
OPERATING EXPENSES				
Personnel services	-	-	6,871	6,871
Contractual services	39,986	86,975	1,809	128,770
Materials and supplies	-	2,518	5,365	7,883
Depreciation	4,681	1,863	1,032	7,576
Total operating expenses	<u>44,667</u>	<u>91,356</u>	<u>15,077</u>	<u>151,100</u>
Operating income (loss)	<u>(7,075)</u>	<u>(74,869)</u>	<u>(7,627)</u>	<u>(89,571)</u>
NONOPERATING REVENUES				
Interest income	<u>32</u>	<u>367</u>	<u>78</u>	<u>477</u>
Total nonoperating revenues	<u>32</u>	<u>367</u>	<u>78</u>	<u>477</u>
Income (loss) before transfers	<u>(7,043)</u>	<u>(74,502)</u>	<u>(7,549)</u>	<u>(89,094)</u>
Transfers in	<u>-</u>	<u>50,000</u>	<u>292,250</u>	<u>342,250</u>
Change in net position	(7,043)	(24,502)	284,701	253,156
Net position, beginning of year	37,112	92,700	-	129,812
Net position, end of year	<u>\$ 30,069</u>	<u>\$ 68,198</u>	<u>\$ 284,701</u>	<u>\$ 382,968</u>

TOWN OF BRUNSWICK, MAINE
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
Enterprise Funds
For the year ended June 30, 2021

	<u>Mere Point Wastewater</u>	<u>Train Station/ Visitors Center</u>	<u>Processing Facility</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 37,446	\$ 16,487	\$ 6,805	\$ 60,738
Payments to employees	-	-	(5,838)	(5,838)
Payments to suppliers for goods and services	(39,680)	(89,769)	(7,043)	(136,492)
Net cash provided (used) by operating activities	(2,234)	(73,282)	(6,076)	(81,592)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	-	50,000	250,000	300,000
Increase (decrease) in due to other funds	3,563	350	(795)	3,118
Cash provided (used) by noncapital financing activities	3,563	50,350	249,205	303,118
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(10,000)	(6,186)	(68,500)	(84,686)
Cash provided (used) by capital and related financing activities	(10,000)	(6,186)	(68,500)	(84,686)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	32	367	78	477
Cash provided by investing activities	32	367	78	477
Net increase (decrease) in cash	(8,639)	(28,751)	174,707	137,317
Cash, beginning of year	8,639	93,101	-	101,740
Cash, end of year	\$ -	\$ 64,350	\$ 174,707	\$ 239,057
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (7,075)	\$ (74,869)	\$ (7,627)	\$ (89,571)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	4,681	1,863	1,032	7,576
(Increase) decrease in accounts receivable	(146)	-	(645)	(791)
Increase (decrease) in accounts payable	306	(276)	131	161
Increase (decrease) in accrued payroll	-	-	1,033	1,033
Total adjustments	4,841	1,587	1,551	7,979
Net cash provided (used) by operating activities	\$ (2,234)	\$ (73,282)	\$ (6,076)	\$ (81,592)
Noncash investing, capital, and financing activities:				
Transfer of capital assets	\$ -	\$ -	\$ 42,250	\$ 42,250

FIDUCIARY FUNDS

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and which cannot be used to support the government's own programs.

Private-purpose Trust Funds:

These funds are used to report trust arrangements under which principal and income benefit individuals, private organizations or other governments.

Scholarships and Education Funds:

Samuel G. Davis School Prize Fund

Provides one boy and one girl from each high school class and the highest class in each grammar school in Brunswick a prize for "kind good manners".

Lewis P. Gallagher Scholarship Fund

Provides scholarships to selected graduates of Brunswick High School to attend a vocational institution, college or university.

Elizabeth A. Nickerson Scholarship Fund

Provides a need-based scholarship to attend a four-year college or university to a graduating female student of Brunswick High School.

Lester Rogers Memorial Fund

Provides a memorial award for eighth grade technology students.

Brunswick Junior High School Personal Growth Award Fund

Provides an award to recognize Junior High School students who have shown growth in the face of adversity over the course of the school year.

Public Library Funds: For the benefit of Curtis Memorial Library

L. Augusta Curtis Library Fund

W. J. Curtis Library Fund

Letitia A. Curtis Library Fund

E. H. Pennel Village Improvement Fund

For the use of the Village Improvement Association.

Alex Labbe Recreation Fund

Provides summer vacation camp scholarships for children participating in the Brunswick Parks and Recreation Department program.

TOWN OF BRUNSWICK, MAINE
Combining Statement of Net Position
Fiduciary Funds
Private-purpose Trust Funds
June 30, 2021

	Private-purpose Trust Funds				
	Scholarship and Education Funds	Public Library Funds	E. H. Pennell Village Improvement Fund	Alex Labbe Recreation Fund	Totals
ASSETS					
Cash and cash equivalents	\$ 33,876	\$ 4,330	\$ 1,340	\$ -	\$ 39,546
Investments	424,006	112,227	34,725	-	570,958
Due from other funds	-	-	-	40,600	40,600
Total assets	<u>457,882</u>	<u>116,557</u>	<u>36,065</u>	<u>40,600</u>	<u>651,104</u>
LIABILITIES					
Accounts payable	<u>4,360</u>	-	-	-	4,360
Total liabilities	<u>4,360</u>	-	-	-	4,360
NET POSITION					
Net position held in trust for other purposes	<u>\$ 453,522</u>	<u>\$ 116,557</u>	<u>\$ 36,065</u>	<u>\$ 40,600</u>	<u>\$ 646,744</u>

TOWN OF BRUNSWICK, MAINE
Combining Statement of Changes in Net Position
Fiduciary Funds
Private-purpose Trust Funds
For the year ended June 30, 2021

	Private-purpose Trust Funds				
	Scholarship and Education Funds	Public Library Funds	E. H. Pennell Village Improvement Fund	Alex Labbe Recreation Fund	Totals
ADDITIONS					
Contributions	\$ -	\$ -	\$ -	\$ 30	\$ 30
Investment earnings:					
Interest and dividends	7,850	1,654	512	-	10,016
Net increase in the fair value of investments	<u>77,927</u>	<u>24,943</u>	<u>7,719</u>	<u>-</u>	<u>110,589</u>
Total investment earnings	85,777	26,597	8,231	-	120,605
Less investment expense	<u>(4,559)</u>	<u>(421)</u>	<u>(130)</u>	<u>-</u>	<u>(5,110)</u>
Total additions	<u>81,218</u>	<u>26,176</u>	<u>8,101</u>	<u>30</u>	<u>115,525</u>
DEDUCTIONS					
Payment to beneficiaries	<u>9,497</u>	<u>3,669</u>	<u>1,142</u>	<u>7,755</u>	<u>22,063</u>
Total deductions	<u>9,497</u>	<u>3,669</u>	<u>1,142</u>	<u>7,755</u>	<u>22,063</u>
Changes in net position	71,721	22,507	6,959	(7,725)	93,462
Net position - beginning of year	<u>381,801</u>	<u>94,050</u>	<u>29,106</u>	<u>48,325</u>	<u>553,282</u>
Net position - end of year	<u>\$ 453,522</u>	<u>\$ 116,557</u>	<u>\$ 36,065</u>	<u>\$ 40,600</u>	<u>\$ 646,744</u>

TOWN OF BRUNSWICK, MAINE
Combining Statement of Net Position
Fiduciary Funds
Private-purpose Trust Funds
Scholarship and Education Funds
June 30, 2021

	Samuel Davis School Prize Fund	Lewis Gallagher Scholarship Fund	Elizabeth Nickerson Scholarship Fund	Lester Rogers Memorial Fund	Brunswick JHS Personal Growth Award Fund	Totals
ASSETS						
Cash and cash equivalents	\$ 2,091	\$ 27,654	\$ 3,750	\$ 263	\$ 118	\$ 33,876
Investments	54,203	262,749	97,173	6,819	3,062	424,006
Total assets	<u>56,294</u>	<u>290,403</u>	<u>100,923</u>	<u>7,082</u>	<u>3,180</u>	<u>457,882</u>
LIABILITIES						
Accounts payable	-	-	4,360	-	-	4,360
Total liabilities	<u>-</u>	<u>-</u>	<u>4,360</u>	<u>-</u>	<u>-</u>	<u>4,360</u>
NET POSITION						
Net position held in trust for other purposes	<u>\$ 56,294</u>	<u>\$ 290,403</u>	<u>\$ 96,563</u>	<u>\$ 7,082</u>	<u>\$ 3,180</u>	<u>\$ 453,522</u>

TOWN OF BRUNSWICK, MAINE
Combining Statement of Changes in Net Position
Fiduciary Funds
Private-purpose Trust Funds
Scholarship and Education Funds
For the year ended June 30, 2021

	Samuel Davis School Prize Fund	Lewis Gallagher Scholarship Fund	Elizabeth Nickerson Scholarship Fund	Lester Rogers Memorial Fund	Brunswick JHS Personal Growth Award Fund	Totals
ADDITIONS						
Investment earnings:						
Interest and dividends	\$ 800	\$ 5,510	\$ 1,391	\$ 101	\$ 48	\$ 7,850
Net increase in fair value of investments	12,142	42,378	21,162	1,516	729	77,927
Total investment earnings	12,942	47,888	22,553	1,617	777	85,777
Less investment expense	(205)	(3,959)	(356)	(27)	(12)	(4,559)
Total additions	12,737	43,929	22,197	1,590	765	81,218
DEDUCTIONS						
Payment to beneficiaries	1,780	2,800	4,360	224	333	9,497
Total deductions	1,780	2,800	4,360	224	333	9,497
Changes in net position	10,957	41,129	17,837	1,366	432	71,721
Net position - beginning of year	45,337	249,274	78,726	5,716	2,748	381,801
Net position - end of year	\$ 56,294	\$ 290,403	\$ 96,563	\$ 7,082	\$ 3,180	\$ 453,522

TOWN OF BRUNSWICK, MAINE
Combining Statement of Net Position
Fiduciary Funds
Private-purpose Trust Funds
Public Library Funds
June 30, 2021

	L. Augusta Curtis Library Fund	W. J. Curtis Library Fund	Letitia A. Curtis Library Fund	Totals
ASSETS				
Cash and cash equivalents	\$ 2,112	\$ 1,748	\$ 470	\$ 4,330
Investments	54,748	45,312	12,167	112,227
Total assets	<u>56,860</u>	<u>47,060</u>	<u>12,637</u>	<u>116,557</u>
LIABILITIES				
Accounts payable	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION				
Net position held in trust for other purposes	<u>\$ 56,860</u>	<u>\$ 47,060</u>	<u>\$ 12,637</u>	<u>\$ 116,557</u>

TOWN OF BRUNSWICK, MAINE
Combining Statement of Changes in Net Position
Fiduciary Funds
Private-purpose Trust Funds
Public Library Funds
For the year ended June 30, 2021

	L. Augusta Curtis Library Fund	W. J. Curtis Library Fund	Letitia A. Curtis Library Fund	Totals
ADDITIONS				
Investment earnings:				
Interest and dividends	\$ 807	\$ 668	\$ 179	\$ 1,654
Net increase in the fair value of investments	12,168	10,071	2,704	24,943
Total investment earnings	12,975	10,739	2,883	26,597
Less investment expense	(206)	(170)	(45)	(421)
Total additions	12,769	10,569	2,838	26,176
DEDUCTIONS				
Payment to beneficiaries	1,790	1,481	398	3,669
Total deductions	1,790	1,481	398	3,669
Changes in net position	10,979	9,088	2,440	22,507
Net position - beginning of year	45,881	37,972	10,197	94,050
Net position - end of year	<u>\$ 56,860</u>	<u>\$ 47,060</u>	<u>\$ 12,637</u>	<u>\$ 116,557</u>

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STATISTICAL SECTION



The following statistical tables are provided to give a historical perspective and to assist in assessing the current financial status of the Town of Brunswick. The tables do not provide full financial information for prior years and are provided for supplementary analysis purposes only.

<u>Contents</u>	<u>Tables</u>
Financial Trends	1-5
<i>These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.</i>	
Revenue Capacity	6-11
<i>These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.</i>	
Debt Capacity	12-14
<i>These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	15-16
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.</i>	
Operating Information	17-19
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.</i>	

Table 1

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

	Fiscal Year									
	<u>2012</u>	<u>2013</u>	<u>2014(a)</u>	<u>2015</u>	<u>2016</u>	<u>2017(b)</u>	<u>2018(b)</u>	<u>2019</u>	<u>2020(c)</u>	<u>2021</u>
Governmental activities										
Net investment in capital assets	\$ 45,338,934	\$ 47,805,066	\$ 55,925,927	\$ 56,815,236	\$ 56,294,978	\$ 54,166,077	\$ 56,225,310	\$ 68,970,333	\$ 61,963,362	\$ 65,863,422
Restricted	9,412,416	9,100,700	7,494,688	6,601,576	7,006,212	6,708,645	5,571,415	4,914,572	5,170,568	7,125,479
Unrestricted	<u>11,150,181</u>	<u>10,836,336</u>	<u>3,280,822</u>	<u>3,683,415</u>	<u>2,825,122</u>	<u>4,687,565</u>	<u>(478,699)</u>	<u>(6,847,630)</u>	<u>3,054,385</u>	<u>5,320,823</u>
Total governmental activities net position	<u>\$ 65,901,531</u>	<u>\$ 67,742,102</u>	<u>\$ 66,701,437</u>	<u>\$ 67,100,227</u>	<u>\$ 66,126,312</u>	<u>\$ 65,562,287</u>	<u>\$ 61,318,026</u>	<u>\$ 67,037,275</u>	<u>\$ 70,188,315</u>	<u>\$ 78,309,724</u>
Business-type activities										
Net investment in capital assets	\$ 2,525,417	\$ 2,432,176	\$ 2,269,672	\$ 2,235,365	\$ 2,095,120	\$ 1,915,310	\$ 1,528,890	\$ 1,192,654	\$ 668,707	\$ 221,010
Unrestricted	<u>(4,797,321)</u>	<u>(4,522,385)</u>	<u>(4,291,756)</u>	<u>(4,203,593)</u>	<u>(4,135,381)</u>	<u>(4,051,279)</u>	<u>(4,206,420)</u>	<u>(3,544,678)</u>	<u>(4,991,205)</u>	<u>(2,719,798)</u>
Total business-type activities net position	<u>\$ (2,271,904)</u>	<u>\$ (2,090,209)</u>	<u>\$ (2,022,084)</u>	<u>\$ (1,968,228)</u>	<u>\$ (2,040,261)</u>	<u>\$ (2,135,969)</u>	<u>\$ (2,677,530)</u>	<u>\$ (2,352,024)</u>	<u>\$ (4,322,498)</u>	<u>\$ (2,498,788)</u>
Primary government										
Net investment in capital assets	\$ 47,864,351	\$ 50,237,242	\$ 58,195,599	\$ 59,050,601	\$ 58,390,098	\$ 56,081,387	\$ 57,754,200	\$ 70,162,987	\$ 62,632,069	\$ 66,084,432
Restricted	9,412,416	9,100,700	7,494,688	6,601,576	7,006,212	6,708,645	5,571,415	4,914,572	5,170,568	7,125,479
Unrestricted	<u>6,352,860</u>	<u>6,313,951</u>	<u>(1,010,934)</u>	<u>(520,178)</u>	<u>(1,310,259)</u>	<u>636,286</u>	<u>(4,685,119)</u>	<u>(10,392,308)</u>	<u>(1,936,820)</u>	<u>2,601,025</u>
Total primary government net position	<u>\$ 63,629,627</u>	<u>\$ 65,651,893</u>	<u>\$ 64,679,353</u>	<u>\$ 65,131,999</u>	<u>\$ 64,086,051</u>	<u>\$ 63,426,318</u>	<u>\$ 58,640,496</u>	<u>\$ 64,685,251</u>	<u>\$ 65,865,817</u>	<u>\$ 75,810,936</u>

(a) Net position has been restated as a result of implementing GASB Statements 68 & 71 in 2015. Years prior to 2014 have not been restated.

(b) Net position has been restated as a result of implementing GASB Statement 75 in 2018 and 2019. Years prior to 2017 have not been restated.

(c) Net position has been restated as a result of implementing GASB Statement 84 in 2021. Years prior to 2020 have not been restated.

Table 2

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

	Fiscal Year									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Expenses										
Governmental activities:										
General government	\$ 4,414,316	\$ 4,144,050	\$ 4,382,918	\$ 5,006,091	\$ 5,849,369	\$ 5,803,581	\$ 4,950,780	\$ 5,603,934	\$ 6,331,703	\$ 8,214,140
Public safety	7,650,053	8,095,189	8,643,119	8,144,886	9,952,015	9,446,469	9,211,812	8,461,265	10,711,151	11,414,355
Public works	4,991,362	5,740,333	5,180,234	5,401,071	5,417,529	5,569,343	5,545,346	5,752,593	6,791,120	5,878,265
Human services	168,829	154,429	168,706	165,884	191,042	147,830	166,430	190,614	375,519	332,506
Education	34,590,451	34,366,120	36,080,222	37,759,011	37,889,171	41,486,812	41,908,434	41,202,580	44,061,737	48,614,103
Recreation and culture	2,619,742	2,749,776	3,319,591	3,336,957	3,417,837	3,536,584	3,733,011	3,681,856	3,898,655	4,024,665
County tax	1,187,020	1,183,264	1,249,487	1,333,350	1,360,042	1,410,855	1,517,700	1,565,279	1,590,123	1,674,551
Unclassified	296,682	281,424	36,996	8,683	29,082	29,868	130,537	199,922	103,265	70,742
Interest on long term debt	785,569	698,508	741,999	698,977	655,622	622,579	613,636	562,271	988,514	1,182,750
Total governmental activities expenses	<u>56,704,024</u>	<u>57,413,093</u>	<u>59,803,272</u>	<u>61,854,910</u>	<u>64,761,709</u>	<u>68,053,921</u>	<u>67,777,686</u>	<u>67,220,314</u>	<u>74,851,787</u>	<u>81,406,077</u>
Business-type activities:										
Solid waste facilities	876,942	614,661	712,042	730,574	881,459	857,971	2,325,237	1,406,202	3,742,135	1,277,825
Pay-per-bag program	80,969	80,200	85,259	90,666	92,079	88,785	121,459	70,761	82,552	119,363
Other business-type activities	97,773	127,122	143,733	143,221	124,633	137,868	140,113	117,526	122,584	151,100
Total business-type activities	<u>1,055,684</u>	<u>821,983</u>	<u>941,034</u>	<u>964,461</u>	<u>1,098,171</u>	<u>1,084,624</u>	<u>2,586,809</u>	<u>1,594,489</u>	<u>3,947,271</u>	<u>1,548,288</u>
Total primary government expenses	<u>\$ 57,759,708</u>	<u>\$ 58,235,076</u>	<u>\$ 60,744,306</u>	<u>\$ 62,819,371</u>	<u>\$ 65,859,880</u>	<u>\$ 69,138,545</u>	<u>\$ 70,364,495</u>	<u>\$ 68,814,803</u>	<u>\$ 78,799,058</u>	<u>\$ 82,954,365</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Education	\$ 605,689	\$ 679,596	\$ 417,018	\$ 727,312	\$ 700,162	\$ 1,966,093	\$ 1,872,506	\$ 1,756,317	\$ 1,540,639	\$ 939,667
Other activities	1,961,989	2,080,643	2,192,461	2,238,103	2,343,611	2,397,047	2,667,996	2,819,610	2,587,775	2,733,092
Operating grants and contributions	18,275,484	15,249,827	15,533,543	15,462,170	15,340,194	15,481,276	15,233,409	15,379,788	17,257,603	24,882,014
Capital grants and contributions	247,704	2,487,876	5,961,817	452,248	54,913	603,529	925,815	1,660,220	1,995,033	2,502,718
Total governmental activities program revenues	<u>21,090,866</u>	<u>20,497,942</u>	<u>24,104,839</u>	<u>18,879,833</u>	<u>18,438,880</u>	<u>20,447,945</u>	<u>20,699,726</u>	<u>21,615,935</u>	<u>23,381,050</u>	<u>31,057,491</u>
Business-type activities:										
Charges for services:										
Solid waste facilities	351,918	321,153	370,030	398,407	475,110	425,768	1,282,838	1,051,063	1,069,765	401,297
Pay-per-bag program	303,400	299,100	315,900	317,800	322,300	311,165	414,300	465,600	529,254	749,040
Other business-type activities	35,669	35,806	35,669	33,173	31,753	42,187	55,218	67,761	62,262	61,529
Operating grants and contributions	44,000	44,000	44,000	14,667	-	-	-	-	-	-
Capital grants and contributions	-	53,430	-	-	-	-	-	-	-	-
Total business-type activities program revenues	<u>734,987</u>	<u>753,489</u>	<u>765,599</u>	<u>764,047</u>	<u>829,163</u>	<u>779,120</u>	<u>1,752,356</u>	<u>1,584,424</u>	<u>1,661,281</u>	<u>1,211,866</u>
Total primary government program revenues	<u>\$ 21,825,853</u>	<u>\$ 21,251,431</u>	<u>\$ 24,870,438</u>	<u>\$ 19,643,880</u>	<u>\$ 19,268,043</u>	<u>\$ 21,227,065</u>	<u>\$ 22,452,082</u>	<u>\$ 23,200,359</u>	<u>\$ 25,042,331</u>	<u>\$ 32,269,357</u>

Table 2, continued

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

	Fiscal Year									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Net (expense) revenue										
Governmental activities	\$(35,613,158)	\$(36,915,151)	\$(35,698,433)	\$(42,975,077)	\$(46,322,829)	\$(47,605,976)	\$(47,077,960)	\$(45,604,379)	\$(51,470,737)	\$(50,348,586)
Business-type activities	<u>(320,697)</u>	<u>(68,494)</u>	<u>(175,435)</u>	<u>(200,414)</u>	<u>(269,008)</u>	<u>(305,504)</u>	<u>(834,453)</u>	<u>(10,065)</u>	<u>(2,285,990)</u>	<u>(336,422)</u>
Total primary government net expenses	<u>\$(35,933,855)</u>	<u>\$(36,983,645)</u>	<u>\$(35,873,868)</u>	<u>\$(43,175,491)</u>	<u>\$(46,591,837)</u>	<u>\$(47,911,480)</u>	<u>\$(47,912,413)</u>	<u>\$(45,614,444)</u>	<u>\$(53,756,727)</u>	<u>\$(50,685,008)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 31,373,355	\$ 34,120,685	\$ 36,850,361	\$ 39,007,676	\$ 40,903,778	\$ 42,687,078	\$ 43,785,337	\$ 45,577,899	\$ 48,219,683	\$ 51,396,119
Vehicle, watercraft and aircraft excise taxes	2,653,928	2,904,995	2,950,348	3,071,620	3,170,899	3,473,674	3,618,811	3,805,224	3,598,448	4,153,381
Unrestricted grants and contributions	1,791,677	1,815,749	1,319,069	1,392,084	1,432,041	1,429,859	1,452,665	1,691,877	2,330,033	2,944,723
Investment earnings	27,287	55,750	83,537	9,856	30,496	204,277	385,437	473,628	392,216	275,772
Other	365,434	3,261	17,965	136,631	5,700	477,767	31,683	-	-	-
Special items	267,920	105,282	225,000	-	-	-	-	-	-	-
Transfers	<u>(205,000)</u>	<u>(250,000)</u>	<u>(240,000)</u>	<u>(244,000)</u>	<u>(194,000)</u>	<u>(194,000)</u>	<u>(225,000)</u>	<u>(225,000)</u>	<u>(225,000)</u>	<u>(300,000)</u>
Total governmental activities	<u>36,274,601</u>	<u>38,755,722</u>	<u>41,206,280</u>	<u>43,373,867</u>	<u>45,348,914</u>	<u>48,078,655</u>	<u>49,048,933</u>	<u>51,323,628</u>	<u>54,315,380</u>	<u>58,469,995</u>
Business type activities:										
Investment earnings	84	189	232	270	2,975	15,796	60,892	110,571	90,516	25,462
Other	-	-	3,328	10,000	-	-	7,000	-	-	-
Special items	-	-	-	-	-	-	-	-	-	1,834,670
Transfers	<u>205,000</u>	<u>250,000</u>	<u>240,000</u>	<u>244,000</u>	<u>194,000</u>	<u>194,000</u>	<u>225,000</u>	<u>225,000</u>	<u>225,000</u>	<u>300,000</u>
Total business-type activities	<u>205,084</u>	<u>250,189</u>	<u>243,560</u>	<u>254,270</u>	<u>196,975</u>	<u>209,796</u>	<u>292,892</u>	<u>335,571</u>	<u>315,516</u>	<u>2,160,132</u>
Total primary government	<u>\$ 36,479,685</u>	<u>\$ 39,005,911</u>	<u>\$ 41,449,840</u>	<u>\$ 43,628,137</u>	<u>\$ 45,545,889</u>	<u>\$ 48,288,451</u>	<u>\$ 49,341,825</u>	<u>\$ 51,659,199</u>	<u>\$ 54,630,896</u>	<u>\$ 60,630,127</u>
Change in Net Position										
Governmental activities	\$ 661,443	\$ 1,840,571	\$ 5,507,847	\$ 398,790	\$ (973,915)	\$ 472,679	\$ 1,970,973	\$ 5,719,249	\$ 2,844,643	\$ 8,121,409
Business-type activities	<u>(115,613)</u>	<u>181,695</u>	<u>68,125</u>	<u>53,856</u>	<u>(72,033)</u>	<u>(95,708)</u>	<u>(541,561)</u>	<u>325,506</u>	<u>(1,970,474)</u>	<u>1,823,710</u>
Total primary government	<u>\$ 545,830</u>	<u>\$ 2,022,266</u>	<u>\$ 5,575,972</u>	<u>\$ 452,646</u>	<u>\$ (1,045,948)</u>	<u>\$ 376,971</u>	<u>\$ 1,429,412</u>	<u>\$ 6,044,755</u>	<u>\$ 874,169</u>	<u>\$ 9,945,119</u>

Table 3

TOWN OF BRUNSWICK, MAINE
Program Revenues by Function/Program
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Function/Program										
Governmental activities:										
General government	\$ 1,029,607	\$ 726,191	\$ 744,758	\$ 1,585,959	\$ 1,432,364	\$ 667,026	\$ 812,066	\$ 1,397,658	\$ 1,175,653	\$ 3,194,251
Public safety	1,235,942	1,341,026	1,399,505	1,315,187	1,334,520	1,328,824	1,529,603	1,530,473	1,588,852	1,742,420
Public works	390,552	2,121,817	1,128,833	677,835	292,592	548,949	987,977	1,424,051	873,152	1,472,661
Human services	38,337	29,305	26,976	37,298	36,313	30,755	41,111	52,176	116,099	97,257
Education	18,005,614	15,309,950	15,390,597	14,773,175	14,810,694	17,311,964	16,761,505	16,653,258	17,957,602	23,108,308
Recreation and culture	390,814	969,653	5,414,170	490,379	532,397	560,427	567,464	558,319	1,669,692	1,442,594
Total governmental activities	<u>21,090,866</u>	<u>20,497,942</u>	<u>24,104,839</u>	<u>18,879,833</u>	<u>18,438,880</u>	<u>20,447,945</u>	<u>20,699,726</u>	<u>21,615,935</u>	<u>23,381,050</u>	<u>31,057,491</u>
Business-type activities:										
Solid waste facilities	351,918	321,153	370,030	398,407	475,110	425,768	1,282,838	1,051,063	1,069,765	401,297
Pay-per-bag program	303,400	299,100	315,900	317,800	322,300	311,165	414,300	465,600	529,254	749,040
Other business-type activities	79,669	133,236	79,669	47,840	31,753	42,187	55,218	67,761	62,262	61,529
Total business-type activities	<u>734,987</u>	<u>753,489</u>	<u>765,599</u>	<u>764,047</u>	<u>829,163</u>	<u>779,120</u>	<u>1,752,356</u>	<u>1,584,424</u>	<u>1,661,281</u>	<u>1,211,866</u>
Total primary government	<u>\$ 21,825,853</u>	<u>\$ 21,251,431</u>	<u>\$ 24,870,438</u>	<u>\$ 19,643,880</u>	<u>\$ 19,268,043</u>	<u>\$ 21,227,065</u>	<u>\$ 22,452,082</u>	<u>\$ 23,200,359</u>	<u>\$ 25,042,331</u>	<u>\$ 32,269,357</u>

Table 4

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

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020 (a) (restated)	2021
General fund										
Nonspendable										
Long-term loans and advances	\$ 495,297	\$ 450,580	\$ -	\$ 454,080	\$ 363,264	\$ 272,448	\$ 181,632	\$ 727,778	\$ 1,582,610	\$ 586,606
Inventories and prepaids	23,925	55,570	36,767	37,711	25,220	26,523	28,015	39,392	21,395	36,047
Restricted										
Education	6,202,796	4,968,986	4,773,172	4,240,381	4,242,058	3,885,181	3,503,852	2,431,962	2,079,163	3,216,004
Municipal purposes	370,351	210,670	207,738	211,045	240,201	253,542	278,968	302,851	338,920	1,060,756
Assigned	1,987,354	1,824,835	1,619,378	1,525,233	1,130,790	1,700,864	3,324,678	3,445,194	4,597,167	2,655,425
Unassigned	9,028,572	10,001,974	8,488,177	8,670,334	10,316,602	11,792,687	11,488,111	12,430,139	12,002,583	17,115,571
Total general fund	<u>\$ 18,108,295</u>	<u>\$ 17,512,615</u>	<u>\$ 15,125,232</u>	<u>\$ 15,138,784</u>	<u>\$ 16,318,135</u>	<u>\$ 17,931,245</u>	<u>\$ 18,805,256</u>	<u>\$ 19,377,316</u>	<u>\$ 20,621,838</u>	<u>\$ 24,670,409</u>
All other governmental funds										
Nonspendable										
Special revenues funds	\$ 23,109	\$ 15,797	\$ 13,075	\$ 19,554	\$ 14,475	\$ 25,280	\$ 21,133	\$ 20,918	\$ 32,519	\$ 29,796
Capital improvements fund	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Permanent funds	455,125	489,301	557,770	553,619	535,605	585,319	593,902	590,733	629,931	792,315
Restricted										
Tax increment financing	-	-	208,318	609,506	1,116,433	1,061,577	439,045	734,235	102,976	264,749
Special revenues funds	841,722	535,723	545,462	355,093	299,816	317,750	243,304	281,932	892,045	781,427
Impact fee fund	824,059	580,862	558,619	535,995	524,286	558,836	488,400	548,111	639,133	522,335
Capital projects funds	674,476	2,293,969	609,657	185,678	17,022	-	-	-	3,621,472	1,350,064
Permanent funds	20,778	21,189	20,877	21,603	22,408	21,160	2,811	3,830	5,881	8,097
Committed										
Capital improvements fund	2,149,690	1,866,798	1,276,859	708,636	202,393	202,171	601,865	185,469	898,513	1,293,322
Special revenues funds	167,422	203,617	178,164	255,901	319,521	730,068	684,715	553,909	596,164	481,169
Capital projects funds	1,238,270	1,634,358	995,828	496,685	259,659	405,734	895,777	1,560,901	2,109,529	2,253,630
Unassigned										
Capital improvements fund	(498,142)	(225,430)	-	(454,512)	(1,632,537)	(267,897)	(190,703)	(1,295,692)	(1,706,692)	(586,606)
Downtown TIF district	(1,490,853)	(1,413,629)	(945,524)	(240,401)	-	-	-	-	-	-
Special revenues funds	-	-	-	-	-	-	-	-	(433,190)	(359,484)
Capital projects funds	-	-	-	-	-	-	(1,119,537)	(10,889,700)	(2,488,574)	(4,158,983)
Permanent funds	(2,157)	(5,437)	(12,056)	(15,603)	(12,394)	(18,496)	-	(93)	(517)	-
Total all other governmental funds	<u>\$ 4,453,499</u>	<u>\$ 6,047,118</u>	<u>\$ 4,057,049</u>	<u>\$ 3,081,754</u>	<u>\$ 1,716,687</u>	<u>\$ 3,671,502</u>	<u>\$ 2,710,712</u>	<u>\$ (7,655,447)</u>	<u>\$ 4,949,190</u>	<u>\$ 2,721,831</u>

(a) Restricted - Special revenues fund balance has been restated as a result of implementing GASB Statement 84 in 2021. Years prior to 2020 have not been restated.

Table 5

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Revenues										
Taxes	\$ 34,021,307	\$ 37,040,074	\$ 39,613,007	\$ 41,973,364	\$ 44,079,945	\$ 46,056,875	\$ 47,320,162	\$ 49,488,215	\$ 51,770,365	\$ 55,868,717
Licenses and permits	310,181	372,259	399,359	387,127	438,731	497,091	542,223	722,963	535,870	793,475
Intergovernmental	18,727,482	16,497,591	15,510,495	16,423,413	16,363,756	16,963,580	16,732,272	17,379,386	19,503,474	27,471,529
Investment income (loss)	(18,420)	36,307	69,563	(472)	(8,119)	50,126	28,219	22,560	42,441	178,355
Charges for services	2,908,738	2,427,793	2,632,025	2,247,651	2,426,780	3,665,106	3,651,523	3,570,785	3,368,893	2,558,739
Fines and penalties	20,019	34,756	39,511	56,197	43,135	42,220	50,515	43,224	43,860	28,047
Interest	45,707	19,440	13,975	10,328	38,616	154,149	357,219	451,530	350,234	97,418
Donations	317,071	265,575	311,824	134,863	95,132	111,473	218,541	663,651	816,487	981,928
Other	920,986	744,501	731,055	736,595	519,261	992,427	642,187	530,750	451,450	507,734
Total revenues	57,253,071	57,438,296	59,320,814	61,969,066	63,997,237	68,533,047	69,542,861	72,873,064	76,883,074	88,485,942
Expenditures										
General government	3,929,459	3,738,745	3,808,446	4,726,521	5,080,137	5,061,291	4,522,380	5,453,260	5,545,151	7,609,529
Public safety	7,455,083	7,755,060	8,126,462	8,372,751	8,431,176	8,605,110	8,877,128	9,253,679	10,029,509	10,574,387
Public works	3,051,783	3,394,481	3,703,154	4,120,313	3,566,623	3,702,441	3,848,598	3,744,055	3,781,752	3,682,780
Human services	168,813	154,425	168,723	171,606	176,406	139,921	163,348	202,823	374,486	331,730
Education	32,669,127	32,690,215	34,655,815	36,206,987	36,431,641	39,693,990	39,912,853	41,000,937	43,194,223	47,708,276
Recreation and culture	2,496,881	2,669,560	2,955,429	3,071,931	3,102,206	3,257,130	3,505,357	3,598,654	3,624,596	3,373,077
County tax	1,187,020	1,183,264	1,249,487	1,333,350	1,360,042	1,410,855	1,517,700	1,565,279	1,590,123	1,674,551
Unclassified	296,682	281,424	36,996	8,683	29,082	29,868	130,537	199,922	103,265	70,742
Debt service										
Principal	2,738,113	2,728,113	2,888,113	2,103,113	2,098,113	1,818,112	1,968,806	2,112,806	2,090,521	2,510,520
Interest	818,911	704,610	763,215	725,117	680,732	639,914	644,367	590,074	712,359	1,493,528
Capital outlay	3,219,832	6,490,340	5,327,426	1,846,437	3,032,795	2,733,467	4,539,282	14,720,674	18,598,527	7,349,660
Total expenditures	58,031,704	61,790,237	63,683,266	62,686,809	63,988,953	67,092,099	69,630,356	82,442,163	89,644,512	86,378,780
Excess (deficiencies) of revenues over (under) expenditures	(778,633)	(4,351,941)	(4,362,452)	(717,743)	8,284	1,440,948	(87,495)	(9,569,099)	(12,761,438)	2,107,162

Table 5, continued

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Other financing sources (uses)										
Bond proceeds	-	5,500,000	-	-	-	2,277,075	225,716	-	24,450,000	14,050
Premium on bonds	-	99,880	-	-	-	43,902	-	-	2,079,200	-
Transfers from other funds	4,135,515	4,613,380	4,339,887	2,158,360	2,965,098	2,076,108	4,220,002	3,566,118	5,289,159	5,421,796
Transfers to other funds	(3,974,324)	(3,424,833)	(2,703,457)	(2,366,360)	(2,911,617)	(2,140,108)	(3,754,795)	(2,515,582)	(2,388,920)	(2,666,580)
Transfers to other funds - capital budget	-	(462,250)	(465,000)	-	(50,000)	(40,000)	(480,207)	(899,116)	(2,741,100)	(1,979,891)
Transfers to other funds - supplemental appropriations	(147,000)	(845,580)	(1,100,000)	-	(136,481)	-	(100,000)	(250,000)	(257,719)	(1,023,905)
Transfers to other funds - education	(219,191)	(130,717)	(311,430)	(36,000)	(61,000)	(90,000)	(110,000)	(126,420)	(126,420)	(51,420)
Sale of assets	65,906	-	225,000	-	-	-	-	-	-	-
Total other financing sources (uses)	(139,094)	5,349,880	(15,000)	(244,000)	(194,000)	2,126,977	716	(225,000)	26,304,200	(285,950)
Net change in fund balances	<u>\$ (917,727)</u>	<u>\$ 997,939</u>	<u>\$ (4,377,452)</u>	<u>\$ (961,743)</u>	<u>\$ (185,716)</u>	<u>\$ 3,567,925</u>	<u>\$ (86,779)</u>	<u>\$ (9,794,099)</u>	<u>\$ 13,542,762</u>	<u>\$ 1,821,212</u>
Debt service as a percentage of noncapital expenditures	6.66%	6.34%	6.90%	4.64%	4.53%	3.82%	4.00%	3.99%	3.94%	5.20%

Table 6

TOWN OF BRUNSWICK, MAINE
Governmental Activities Tax Revenue by Source
Last Ten Fiscal Years
(accrual basis of accounting)

<u>Fiscal Year</u>	<u>Property Taxes</u>	<u>Vehicle Taxes</u>	<u>Watercraft Taxes</u>	<u>Aircraft Taxes</u>	<u>Other</u>	<u>Subtotal</u>	<u>TIF Property Taxes</u>	<u>Total</u>
2012	\$ 30,611,542	\$ 2,626,177	\$ 27,750	\$ -	\$ 411,003	\$ 33,676,472	\$ 319,305	\$ 33,995,777
2013	33,278,146	2,746,331	25,477	133,187	393,279	36,576,420	410,155	36,986,575
2014	35,383,401	2,920,776	25,976	3,595	299,976	38,633,724	1,122,690	39,756,414
2015	37,272,769	3,042,291	25,269	4,060	298,801	40,643,190	1,390,457	42,033,647
2016	38,980,897	3,141,600	26,464	2,835	324,172	42,475,968	1,548,535	44,024,503
2017	40,426,940	3,445,237	25,539	2,897	367,584	44,268,197	1,841,710	46,109,907
2018	41,405,083	3,591,504	22,944	4,363	362,226	45,386,120	1,976,302	47,362,422
2019	43,040,749	3,768,844	26,334	10,046	520,647	47,366,620	2,016,503	49,383,123
2020	45,358,688	3,553,115	24,000	21,333	514,661	49,471,797	2,346,334	51,818,131
2021	48,357,004	4,121,214	27,444	4,722	552,496	53,062,880	2,486,619	55,549,499

Table 7

TOWN OF BRUNSWICK, MAINE
Governmental Activities Tax Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

<u>Fiscal Year</u>	<u>Property Taxes</u>	<u>Vehicle Taxes</u>	<u>Watercraft Taxes</u>	<u>Aircraft Taxes</u>	<u>Other</u>	<u>Subtotal</u>	<u>TIF Property Taxes</u>	<u>Total</u>
2012	\$30,510,035	\$ 2,626,177	\$ 27,750	\$ -	\$ 411,003	\$ 33,574,965	\$ 446,342	\$34,021,307
2013	33,331,645	2,746,331	25,477	133,187	393,279	36,629,919	410,155	37,040,074
2014	35,239,994	2,920,776	25,976	3,595	299,976	38,490,317	1,122,690	39,613,007
2015	37,212,486	3,042,291	25,269	4,060	298,801	40,582,907	1,390,457	41,973,364
2016	39,036,339	3,141,600	26,464	2,835	324,172	42,531,410	1,548,535	44,079,945
2017	40,373,908	3,445,237	25,539	2,897	367,584	44,215,165	1,841,710	46,056,875
2018	41,362,823	3,591,504	22,944	4,363	362,226	45,343,860	1,976,302	47,320,162
2019	43,145,841	3,768,844	26,334	10,046	520,647	47,471,712	2,016,503	49,488,215
2020	45,310,922	3,553,115	24,000	21,333	514,661	49,424,031	2,346,334	51,770,365
2021	48,676,222	4,121,214	27,444	4,722	552,496	53,382,098	2,486,619	55,868,717

Table 8

TOWN OF BRUNSWICK, MAINE
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Taxable Real Property		Taxable Personal Property	Total Taxable Assessed Value	Less TIF Property Values	Total Taxable General	Total Direct Tax Value	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential	Commercial							
2012	924,335,340	321,920,200	49,578,800	1,295,834,340	13,484,180	1,282,350,160	23.68	1,942,954,788	66.00%
2013	932,031,750	344,908,040	55,428,400	1,332,368,190	16,472,100	1,315,896,090	24.90	1,879,851,557	70.00%
2014	942,358,200	362,093,700	52,331,700	1,356,783,600	42,301,800	1,314,481,800	26.54	1,877,831,143	70.00%
2015	952,243,200	378,758,600	48,776,700	1,379,778,500	50,746,600	1,329,031,900	27.40	1,898,617,000	70.00%
2016	971,853,600	376,011,300	46,385,100	1,394,250,000	54,602,800	1,339,647,200	28.36	1,913,781,714	70.00%
2017	963,357,200	391,521,700	46,241,100	1,401,120,000	62,776,800	1,338,343,200	29.35	1,911,918,857	70.00%
2018 (a)	1,634,631,100	593,475,400	72,257,000	2,300,363,500	107,583,100	2,192,780,400	18.37	2,192,780,400	100.00%
2019 (b)	1,621,806,600	604,190,100	63,948,500	2,289,945,200	106,580,500	2,183,364,700	18.92	2,183,364,700	100.00%
2020	1,706,636,900	562,566,666	57,907,700	2,327,111,266	118,982,473	2,208,128,793	19.72	2,208,128,793	100.00%
2021	1,752,705,200	550,132,080	62,909,300	2,365,746,580	122,072,598	2,243,673,982	20.37	2,361,762,086	95.00%

(a) In fiscal 2018 the Town conducted a revaluation of real property, bringing the assessed value to 100% of market. The tax rate was reduced accordingly.

(b) In fiscal 2019 a property valued at \$1,589,900 in the Brunswick Executive Airport TIF was omitted from the tax commitment, but was assessed as a supplemental. This amount has been included in Taxable Real Property - Commercial, and TIF Property Values.

	Homestead Assessed Values	Homestead Estimated Actual Values
2012	14,319,950	21,696,894
2013	15,359,950	21,942,786
2014	15,426,200	22,037,429
2015	15,492,550	22,132,214
2016	15,400,250	22,000,357
2017	22,845,700	32,636,714
2018	43,154,750	43,154,750
2019	55,633,250	55,633,250
2020	90,258,900	90,258,900
2021	109,526,750	115,291,316

For qualifying taxpayers the Homestead Exemption exempts a portion of the assessed value of a residence from property taxation.

Table 9

TOWN OF BRUNSWICK, MAINE
Direct and Overlapping Property Tax Rates (Per \$1,000 of Assessed Value)
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	Direct Rates			
	<u>General Municipal</u>	<u>Education (a)</u>	<u>County Tax (b)</u>	<u>Total</u>
2012	9.90	12.87	0.91	23.68
2013	9.72	14.30	0.88	24.90
2014	9.42	16.18	0.94	26.54
2015	10.07	16.35	0.98	27.40
2016	10.41	16.96	0.99	28.36
2017	10.99	17.34	1.02	29.35
2018 (c)	6.84	10.86	0.67	18.37
2019	7.04	11.19	0.69	18.92
2020	7.40	11.63	0.69	19.72
2021	7.79	11.87	0.71	20.37

The Town annually adopts an annual budget for which property taxes are levied. The Education and County Tax are a part of the total property tax levy. The distribution shown above reflects the amount each component requires of the total tax levy.

(a) The Town is a member of the Maine Region 10 Technical High School (MR10). MR10 does not have taxing authority. However MR10 does assess the Town for participation in the Region. That assessment becomes part of the Town's education budget. The amount of the direct tax rate attributable to education expenditures is shown above.

(b) Cumberland County assesses a county tax to the Town of Brunswick. The Town includes the county assessment in the Town's total direct tax rate. The rate shown here reflects the portion of the Town's total direct tax rate levied by the Town to pay the county tax assessment.

(c) In fiscal 2018 the Town conducted a revaluation of real property, bringing the assessed value to 100% of market. The tax rate was reduced accordingly.

Table 10

TOWN OF BRUNSWICK, MAINE
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2020-21				2011-12			
	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Valuation	Percentage of Total Taxable Municipal Valuation	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Valuation	Percentage of Total Taxable Municipal Valuation
Brookfield White Pine Hydro (formerly Maine Hydro)	\$ 33,154,600	1	1.40%	1.48%	\$ 17,205,000	3	1.33%	1.34%
Bath Iron Works Corporation	31,764,100	2	1.34%	1.42%	24,486,900	1	1.89%	1.91%
Midcoast Regional Redevelopment Authority	31,478,287	3	1.33%	1.40%	-		N/A	N/A
Central Maine Power Co.	25,915,600	4	1.10%	1.16%	7,560,700	10	0.58%	0.59%
Brunswick Landing Ventures, LLC	24,293,800	5	1.03%	1.08%	-		N/A	N/A
Brunswick MZL LLC (formerly Dev. Diversified)	21,474,300	6	0.91%	0.96%	18,945,900	2	1.46%	1.48%
Walmart Real Estate Business Trust	19,413,700	7	0.82%	0.87%	12,930,400	4	1.00%	1.01%
Maine Natural Gas	16,289,400	8	0.69%	0.73%	-		N/A	N/A
Thornton Oakes Homeowners Assn. Corp.	14,982,200	9	0.63%	0.67%	11,988,340	6	0.93%	0.93%
W/S Brunswick Properties II LLC	13,640,200	10	0.58%	0.61%	12,195,600	5	0.94%	0.95%
Affordable MidCoast Housing	-		N/A	N/A	11,496,900	7	0.89%	0.90%
LHC Brunswick ME LLC (Lowe's)	-		N/A	N/A	7,771,100	8	0.60%	0.61%
Bowdoin College	-		N/A	N/A	7,719,300	9	0.60%	0.60%
	<u>\$ 232,406,187</u>		<u>9.82%</u>	<u>10.36%</u>	<u>\$ 132,300,140</u>		<u>10.21%</u>	<u>10.32%</u>
Total Assessed Valuation *	\$ 2,365,746,580				\$ 1,295,834,340			
* Includes:								
Municipal valuation	\$ 2,243,673,982				\$ 1,282,350,160			
TIF valuation	122,072,598				13,484,180			
	<u>\$ 2,365,746,580</u>				<u>\$ 1,295,834,340</u>			

Source: Office of the Tax Assessor, Brunswick, Maine

Table 11

TOWN OF BRUNSWICK, MAINE
Total Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Municipal Tax Levy	TIF Levy	Total Tax Levy	Supplemental Taxes	Abatements	Net Collectible	Amount Collected within the Fiscal Year
2012	30,366,052	319,305	30,685,357	43,478	(133,001)	30,595,834	29,777,364
2013	32,765,813	410,155	33,175,968	18,269	(37,643)	33,156,594	32,348,601
2014	34,886,347	1,122,690	36,009,037	92,470	(140,271)	35,961,236	35,177,642
2015	36,415,474	1,390,457	37,805,931	54,983	(41,892)	37,819,022	36,821,979
2016	37,992,395	1,548,535	39,540,930	55,732	(61,208)	39,535,454	38,702,091
2017	39,280,373	1,842,499	41,122,872	223,789	(369,411)	40,977,250	40,116,510
2018	40,281,376	1,976,302	42,257,678	32,913	(304,707)	41,985,884	41,102,234
2019	41,309,260	1,986,422	43,295,682	36,828	(47,182)	43,285,328	42,467,493
2020	43,544,300	2,346,334	45,890,634	21,664	(50,810)	45,861,488	44,464,982
2021	45,703,639	2,486,619	48,190,258	33,738	(37,043)	48,186,953	47,228,466

Fiscal Year	Collected within the Fiscal Year of the Levy			Collected in Subsequent Years	Total Collections to Date		
	Amount	Percentage of Levy	Percentage of Net Collectible		Amount	Percentage of Levy	Percentage of Net Collectible
2012	29,777,364	97.04%	97.32%	817,760	30,595,124	99.71%	100.00%
2013	32,348,601	97.51%	97.56%	807,132	33,155,733	99.94%	100.00%
2014	35,177,642	97.69%	97.82%	781,856	35,959,498	99.86%	100.00%
2015	36,821,979	97.40%	97.36%	995,240	37,817,219	100.03%	100.00%
2016	38,702,091	97.88%	97.89%	830,371	39,532,462	99.98%	99.99%
2017	40,116,510	97.55%	97.90%	853,366	40,969,876	99.63%	99.98%
2018	41,102,234	97.27%	97.90%	869,310	41,971,544	99.32%	99.97%
2019	42,467,493	98.09%	98.11%	794,105	43,261,598	99.92%	99.95%
2020	44,464,982	96.89%	96.95%	1,215,041	45,680,023	99.54%	99.60%
2021	47,228,466	98.00%	98.01%	-	47,228,457	98.00%	98.01%

Table 12

TOWN OF BRUNSWICK, MAINE
Ratios of Outstanding Debt
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Governmental Activities</u>	<u>Ratios of Net General Bonded Debt & Direct Borrowings</u>		
	<u>General Obligation Bonds & Notes From Direct Borrowings(a)(b)</u>	<u>Percentage of Personal Income (c)</u>	<u>Per Capita</u>	<u>Percentage of Estimated Actual Taxable Value of Property (d)</u>
2012	27,578,697	4.95%	1,360.03	1.42%
2013	30,416,098	5.46%	1,499.96	1.62%
2014	27,502,694	4.94%	1,356.28	1.46%
2015	25,381,118	4.56%	1,251.66	1.34%
2016	23,264,541	4.18%	1,147.28	1.22%
2017	24,111,769	4.33%	1,189.06	1.26%
2018	22,121,505	3.97%	1,090.91	1.01%
2019	19,847,207	3.57%	978.76	0.91%
2020	44,165,519	7.93%	2,178.00	2.00%
2021	41,840,500	7.52%	2,063.34	1.77%

(a) Presented net of original issuance discounts and premiums.

(b) General Bonded Debt includes debt issued as General Obligation Tax Increment Financing Bonds. Although the debt has been issued as general obligations, it is anticipated that it will be fully paid from Tax Increment Financing (TIF) revenues.

(c) Per capita income and population can be found in Table 16.

(d) For taxable property value data see Table 8.

Table 13

TOWN OF BRUNSWICK, MAINE
Direct and Overlapping Governmental Activities Debt
June 30, 2021

<u>Jurisdiction</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to Government</u>	<u>Amount Applicable to Government</u>
Direct:			
Town of Brunswick General Obligation	\$ 39,851,148	100.00%	\$ 39,851,148
Premium on bonds	<u>1,989,352</u>	100.00%	<u>1,989,352</u>
Total direct debt	41,840,500		41,840,500
Overlapping:			
Cumberland County	33,370,194	4.89%	1,630,162
Maine Region 10 Technical High School	<u>3,619,269</u>	38.29%	<u>1,385,818</u>
Total overlapping debt	36,989,463		3,015,980
Total direct and overlapping debt	<u>\$ 78,829,963</u>		<u>\$ 44,856,480</u>

Note: Annually, Cumberland County assesses each municipality its proportionate share of the County tax required to fund the County budget. The County tax assessment applicable to the Town of Brunswick is included in the total property tax levy of the Town of Brunswick.

Sources: The outstanding debt for Cumberland County has been provided by the County. The percentage applicable to the Town of Brunswick is based on the ratio of the State equalized assessed valuation for the Town of Brunswick versus the equalized state valuation for Cumberland County in total.

The outstanding debt for Maine Region 10 Technical High School has been provided by MR10. The percentage applicable to the Town of Brunswick is based on the cooperative agreement that established MR10. That agreement specifies that the percentage each participant is required to contribute is based on the population as determined by the most recent Federal Decennial Census.

Table 14

TOWN OF BRUNSWICK, MAINE
Legal Debt Margin Information
June 30, 2021

Debt Limit by Category

The amount of debt a Maine municipality may have is governed by Title 30-A M.R.S.A. section 5702. The law limits total debt and debt for specific categories. Total debt cannot exceed 15% of the Town's last full State Valuation. Debt for specific categories is limited to a percentage of State valuation. As the following table indicates, based on a 2021 State Valuation of \$2,595,900,000, the Town is in compliance with the total and categorical debt limits:

Legal Debt Margin Calculation for Fiscal Year 2021

State Valuation	\$ 2,595,900,000
Debt Limit - 15% of State Valuation	389,385,000
Less outstanding debt applicable to debt limit	<u>(39,851,148)</u>
Legal Debt Margin	<u>\$ 349,533,852</u>

<u>Type of Debt</u>	<u>Maximum Percent Allowable</u>	<u>Maximum Allowable Amount</u>	<u>Principal Amount Outstanding</u>	<u>Legal Debt Margin</u>
School	10.00%	\$ 259,590,000	\$ 35,756,148	\$ 223,833,852
Storm or Sanitary Sewer	7.50%	194,692,500	-	194,692,500
Municipal Airport Special District	3.00%	77,877,000	-	77,877,000
Municipal	7.50%	194,692,500	<u>4,095,000</u>	190,597,500
Total Maximum Debt	15.00%	\$ 389,385,000	<u>\$ 39,851,148</u>	\$ 349,533,852

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Debt limit	\$ 304,207,500	\$ 297,517,500	\$ 303,937,500	\$ 300,060,000	\$ 312,390,000	\$ 327,607,500	\$ 337,860,000	\$ 347,985,000	\$ 376,425,000	\$ 389,385,000
Total debt applicable to limit	<u>27,439,138</u>	<u>30,211,025</u>	<u>27,322,912</u>	<u>25,219,800</u>	<u>23,121,688</u>	<u>23,944,475</u>	<u>21,975,669</u>	<u>19,722,829</u>	<u>42,082,308</u>	<u>39,851,148</u>
Legal debt margin	\$ 276,768,362	\$ 267,306,475	\$ 276,614,588	\$ 274,840,200	\$ 289,268,312	\$ 303,663,025	\$ 315,884,331	\$ 328,262,171	\$ 334,342,692	\$ 349,533,852
Total debt applicable to the limit as a percentage of debt limit	9.02%	10.15%	8.99%	8.40%	7.40%	7.31%	6.50%	5.67%	11.18%	10.23%

Table 15

TOWN OF BRUNSWICK, MAINE
Principal Employers
Current Year and Nine Years Ago

<u>Employer</u>	<u>2021</u>		<u>2012</u>	
	<u>Employees (a)</u>	<u>Rank</u>	<u>Employees (a)</u>	<u>Rank</u>
Bath Iron Works	1300	1	1500	2
Mid Coast-Parkview Health	1060	2	1600	1
Bowdoin College	961	3	873	3
Town of Brunswick	578	4	600	4
Wayfair	529	5		
L.L. Bean Inc., Manufacturing Div.	342	6	319	5
Wal-Mart Stores, Inc.	270	7	304	6
Hannaford Brothers	160	8	160	8
Savilix	140	9		
Pathways (formerly Providence Service Corp)	128	10		
Parkview Memorial Hospital			178	7
Bank of America, formerly MBNA			130	9
Lowe's			121	10

(a) Telephone Survey of Employers, March 2012 and March 2021. The employee counts were determined by the employers and may or may not represent full-time equivalents (FTEs).

Note: Each employer's percentage of total employment is not indicated, as there is no reliable source of data for total employment within the Town.

Table 16

TOWN OF BRUNSWICK, MAINE
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (a)	Personal Income (b)	Per Capita Personal Income (a)	Median Age (a)	School Enrollment (c)	Unemployment Rate (d)
2012	20,278	556,691,934	27,453	41.40	2,463	6.5%
2013	20,278	556,691,934	27,453	41.40	2,363	6.1%
2014	20,278	556,691,934	27,453	41.40	2,390	5.6%
2015	20,278	556,691,934	27,453	41.40	2,358	4.6%
2016	20,278	556,691,934	27,453	41.40	2,336	3.5%
2017	20,278	556,691,934	27,453	41.40	2,313	3.1%
2018	20,278	556,691,934	27,453	41.40	2,349	2.8%
2019	20,278	556,691,934	27,453	41.40	2,327	2.6%
2020	20,278	556,691,934	27,453	41.40	2,415	2.2%
2021	20,278	556,691,934	27,453	41.40	2,366	4.8%

(a) U.S. Department of Commerce, Bureau of Census. Fiscal years 2011 and later from the 2010 Census

(b) Personal income equals per capita income times the population.

(c) State of Maine Department of Education, October 1 Census

(d) State of Maine Department of Labor, Center for Workforce Research and Information as of 12/31 prior to fiscal year end.

Table 17

TOWN OF BRUNSWICK, MAINE
Full-time Employees by Function/Program
Last Ten Fiscal Years

<u>Function</u>	<u>Fiscal Year</u>									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020 (a)</u>	<u>2021</u>
General government										
Administration	4	4	4	4	4	4	4	5	4	4
Finance	8	8	8	8	8	8	8	8	8	8
Technology	1	1	1	1	1	1	1	1	1	1
Assessing	3	3	3	3	3	3	3	3	3	3
Town Clerk	4	4	4	4	3.5	3.5	3.5	4	4	4
Engineering	0	0	0	0	0	0	0	0	2	2
Planning and Codes	5	5	5	5	5	5	5.5	5.5	6	6
Economic development	2	1	1	1	1	1	1	1	1	2
Municipal building	1.5	1.5	1	1	1	1	0	0	0	0
Public safety										
Fire department	36	36	36	36	36	36	36	36	41	41
Police department	50	50	51	51	51	51	50.5	50.5	52.75	52.75
Public works										
Administration	5	5	5	5	5	5	6	6	3	4
General maintenance	15.5	11.5	16	15.5	14.5	14.5	14.5	14.5	15.5	15.5
Landfill	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Central garage	3.5	3.5	3.5	3.5	3.5	2.5	2.5	2.5	2.5	2.5
Human services	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	3	3
Education	390	392	394	406	422	425	424	423	436	441
Recreation										
Administration	5	5	5	5	5	5	5	5	5	5
Buildings and grounds	5	5	5	5.5	5.5	5.5	7.5	7.5	8.5	8.5
Cable TV	1	1	1	1	1	1	1	1	1	1
Totals	543.5	540.5	547.5	559.5	574	576	577	577.5	599.75	606.75

Note: Neither the municipal nor the education departments have maintained their employment numbers on a full-time equivalents basis. The above represents the departments best estimates of full-time positions for the various fiscal years. Many seasonal and part-time positions have not been included or converted to full-time equivalents. Further, the determination of which positions have been counted as full-time may have varied from year to year. All of the positions may or may not have been filled as of June 30 of any given year.

(a) Initial funding for the Engineering Division of the Town occurred in FY20. Previously, engineering services were budgeted within the Public Works Administration Department.

Table 18

TOWN OF BRUNSWICK, MAINE
Operating Indicators by Function
Last Ten Fiscal Years

<u>Function</u>	<u>Fiscal Year</u>									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Fire Department										
Fire calls	985	1,144	1,098	1,135	1,131	1,133	1,271	1,021	1,099	981
Medical calls	2,549	2,823	2,737	2,867	2,997	3,103	3,379	3,415	3,110	3,201
Inspections	300	342	356	264	268	267	261	208	211	378
Police										
Calls for service (a)	45,060	43,815	42,332	44,426	46,758	45,593	44,519	45,563	38,856	37,978
Crash reports	767	713	715	787	814	838	1,017	853	708	849
Field interviews (b)	508	464	444	251	79	46	49	23	36	33
Offense reports	1,230	1,304	714	1,224	1,382	1,344	1,405	1,252	1,157	1,635
Physical arrests	1,098	1,184	1,022	1,035	922	962	899	1,435	971	1,030
Public Works										
Street resurfacing (miles)	5	4	4	3	5	4	5	6	8	4
Recyclables collected (tons)	1,711	1,548	1,622	2,402	2,829	2,482	3,095	2,453	2,430	2,749
Codes Enforcement										
Residential permits issued	249	249	293	267	293	310	351	347	297	271
Commercial/Industrial permits issued	55	52	58	58	52	70	73	46	47	59

(a) Beginning in 2011, the police department calls for service include calls for the Town of Freeport which are handled by the Town of Brunswick dispatch center.

(b) Police department began tracking additional categories of service in later years.

Table 19

TOWN OF BRUNSWICK, MAINE
Capital Assets Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Police Department										
Stations	0	0	1	1	1	1	1	1	1	1
Patrol units	16	17	17	16	16	16	16	16	16	17
Fire Department										
Stations	2	2	2	2	2	2	2	2	2	2
Emergency vehicles	12	12	12	13	13	13	14	16	16	17
Public Works Department										
Streets (miles)	139	140	141	141	141	141	141	142	142	142
School Department										
Schools	4	4	4	4	4	4	4	4	4	4
School buses	26	26	26	26	26	29	29	29	32	32

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