

CONTINUING DISCLOSURE STATEMENT DATED MARCH 26, 2025

TOWN OF BRUNSWICK, MAINE



Questions regarding the information contained in this disclosure and requests for official statements should be directed to: Branden Perreault, Finance Director, Town of Brunswick, 85 Union Street, Brunswick, Maine 04011, 207-725-6652.

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ACFR – June 30, 2024	

CUSIP NUMBERS

2013 G. O. Bonds

Amount	November 1,	CUSIP
\$275,000	2025	117205LU6
275,000	2026	117205LV4
275,000	2027	117205LW2
275,000	2028	117205LX0
275,000	2029	117205LY8
275,000	2030	117205LZ5
275,000	2031	117205MA9
275,000	2032	117205MB7

2022 G.O. Bonds

Amount	November 1,	CUSIP
\$550,000	2025	117205NZ3
550,000	2026	117205PA6
550,000	2027	117205PB4
550,000	2028	117205PC2
550,000	2029	117205PD0
550,000	2030	117205PE8
550,000	2031	117205PF5
550,000	2032	117205PG3
515,000	2033	117205PF1
515,000	2034	117205PJ7
515,000	2035	117205PK4
515,000	2036	117205PL2
515,000	2037	117205PM0
515,000	2038	117205PN8
515,000	2039	117205PP3
515,000	2040	117205PQ1
515,000	2041	117205PR9
515,000	2042	117205PS7
515,000	2043	117205PT5
515,000	2044	117205PU2
515,000	2045	117205PV0
515,000	2046	117205PW8

2017 G.O. Bonds

Amount	November 1,	CUSIP
\$120,000	2025	117205ML5
120,000	2026	117205MM3
135,000	2029	117205MQ4
110,000	2032	117205MT8

2020 G.O. Bonds

Amount	November 1,	CUSIP
\$845,000	2025	117205NA8
890,000	2026	117205NB6
935,000	2027	117205NC4
980,000	2028	117205ND2
1,030,000	2029	117205NE0
1,085,000	2030	117205NF7
1,120,000	2031	117205NG5
1,145,000	2032	117205NH3
1,170,000	2033	117205NJ9
1,195,000	2034	117205NK6
1,065,000	2035	117205NL4
1,065,000	2036	117205NM2
1,065,000	2037	117205NN0
1,065,000	2038	117205NP5
1,065,000	2039	117205NQ3
1,065,000	2040	117205NR1
1,065,000	2041	117205NS9
1,065,000	2042	117205NT7
1,065,000	2043	117205NU4
1,065,000	2044	117205NV2

CERTIFICATE REGARDING CONTINUING DISCLOSURE STATEMENT

The information contained herein has been prepared by the Town of Brunswick, Maine using information in the Town's possession and from various other public documents and sources which are believed to be reliable. The Town has not made any independent investigation of the information obtained from others. Such information is not guaranteed as to accuracy or completeness and is not intended to be a representation by the Town.

The purpose of the Continuing Disclosure Statement is to conform the requirements of Rule 15c2-12 and the Town's Continuing Disclosure Certificate(s) delivered by the Town with respect to its bonds issued in, and after, 1995 and not to create contractual or other rights for the purchasers or holders of the Town's bonds, any municipal securities broker or dealer, any potential purchaser of the Town's bonds, the Securities and Exchange Commission, or any other person.

To the best of the knowledge and belief of the Finance Director, this Continuing Disclosure Statement does not contain any untrue statement of a material fact and does not omit to state any material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, subject to the condition that while information in the Continuing Disclosure Statement obtained from sources other than the Town of Brunswick is not guaranteed as to accuracy, completeness or fairness, the Finance Director has no reason to believe that such information is materially inaccurate or misleading.

Branden Perreault
Finance Director
Town of Brunswick, Maine

TOWN OF BRUNSWICK

GENERAL

Brunswick is located on the coast of the State of Maine in the northeastern section of the county of Cumberland, the State's most populous county. The Androscoggin River separates Brunswick from the town of Topsham, forming Brunswick's northern border. The city of Bath and the town of West Bath are each contiguous to Brunswick's east. The towns of Harpswell and Freeport form Brunswick's southeastern and southwestern border, respectively. Brunswick also encompasses and is bordered by various bays that flow directly into the Atlantic Ocean. The town of Durham borders Brunswick on its northwest perimeter. The Town is strategically located between Maine's major population centers being 25 miles northeast of Portland, Maine's largest city, 18 miles southeast of Lewiston - Auburn, 30 miles south of the city of Augusta, the State's capital, and eight miles west of the city of Bath. Convenient access to Brunswick is provided by U.S. Interstate Route 295 that diagonally bisects the Town's northwestern plain and by U.S. Route 1 that flows through the center of Brunswick and then through its northeastern border in a west-east direction.



**CUMBERLAND
COUNTY**

The area that encompasses the town was first settled by Europeans in 1628 as Pejepscot, named for the Pejepscot Indians of the Anasagunticook tribe. On September 14, 1715, the proprietors of the Pejepscot Company voted to lay out a township. On May 3, 1717, the township was approved by the General Court of Massachusetts and named in honor of the House of Brunswick to which family the King of England belonged. Brunswick became incorporated as a town on February 6, 1739. The first dam across the Androscoggin River, highly important in Brunswick's industrial growth, was built in 1753, and has been replaced many times since then. Blessed with water on three of its sides, the Androscoggin River, the New Meadows River and the Atlantic Ocean, Brunswick developed simultaneously as a mill town, a lumbering and shipbuilding center, and as a sea-going port.

Today, Brunswick is an industrial, commercial and cultural center for a large spread of coastal villages and resort regions in its area. Bowdoin College is located in the town, as is MaineHealth, with a June 2015 consolidation of Mid Coast Hospital and Parkview Hospital and subsequent merger of Mid Coast – Parkview Health and MaineHealth in March of 2020. Brunswick Landing and Brunswick Executive Airport (both at the former Brunswick Naval Air Station which was closed in 2011 as part of a Base Realignment and Closure) are home to a growing number of businesses and manufacturing facilities, as well as a campus of Southern Maine Community College and TechPlace, a business incubator. Bath Iron Works, and L.L. Bean, one of the nation's most successful mail-order enterprises headquartered in Freeport, all have facilities in Brunswick.

Brunswick is a suburban-urban coastal community with highly developed storefront areas. According to the 2020 Census, the Town's residents live in predominantly single-family dwellings of which 68% are owner occupied. The land area of the Town is comprised of residential, mixed use, commercial, industrial, college use, coastal protection, medical overlay and resource protection zones, open space, coastal and woodland areas with a total area embracing approximately 49.73 square miles.

GOVERNMENT

There are two basic forms of local government in Maine: the “Direct” form, often referred to as town meeting government, in which the town meeting serves as the legislative body, passing laws, approving the spending of monies; and the “Representational” form, in which an elected council serves as the legislative body.

The Town operates under a charter that initially became effective January 2, 1970, as amended and supplemented, most recently in November 2020 (the “Charter”), providing for a council-manager form of government with a nine-member Town Council, each serving three-year staggered terms. Seven council members are elected by district and two are elected at-large. The Charter grants to the Town Council all powers to enact, amend, or repeal rules, ordinances and resolutions relating to the Town’s property, affairs and government, to preserve the public peace, health and safety, to establish personnel policies and give effect to any vote of the Town and to authorize the issuance of debt. The Town Manager is the chief administrative officer of the Town.

MUNICIPAL SERVICES

The Town provides general governmental services for the territory within its boundaries, including police and fire protection, highways, streets and sidewalks, parks and recreation, and coastal areas. Public education is provided by the Town for grades Pre-Kindergarten (“Pre-K”) through 12.

Water service is provided by the Brunswick & Topsham Water District, a wholly separate quasi-municipal entity whose operation and obligations are not part of the Town. Sewer service is provided by the Brunswick Sewer District, a wholly separate quasi-municipal entity whose operation and obligations are not part of the Town.

General Government and Administrative Services

General government and administrative services are located at 85 Union Street. Offices in the Town Hall building include the Town Manager’s office, the Assessing, Clerks, Economic Development, Engineering, Finance/Tax, Human Resources, Human Services, IT & Cable TV, and Planning & Development Departments. Centrally located, the Town Hall also serves as a meeting facility, housing the Town Council Chambers and other conference rooms for Town boards and committees. As part of the Town’s building acquisition agreement in 2014, Bowdoin College continued to occupy the top floor of the building for ten years. In March, 2024, the Town signed a lease agreement with Bowdoin College for the College to occupy a portion of the third floor of Town Hall for five additional years beginning June 1, 2024 and ending June 30, 2029.

Public Safety

The Police Department is staffed by a Police Chief, two Commanders, three Patrol Lieutenants, one Detective Lieutenant, one Detective Sergeant, four detectives, three patrol Sergeants, one Community Policing Sergeant, and 20 Patrol Officers. Included as part of the 20 patrol officers, there are two School Resource Officers and a Marine Patrol Officer. In addition, the roster also includes an Animal Control Officer, a Parking Enforcement Officer, 10 Communications Officers and a Communications Officer Supervisor. There is an Executive Assistant, one Bookkeeper / Records Clerk, a non-sworn Evidence Specialist, three School Crossing Guards, and a Custodian. Brunswick’s K-9 unit is comprised of two dogs: Dutch Shepherd, ‘Jack’, and German Shepherd, ‘Rio’, who are both assigned to the Patrol Division. Beginning in 2019, Brunswick entered into an agreement with the Town of Freeport to share the services

of the Animal Control Officer for a pro-rated share of that employee's wages. Brunswick is a designated public safety answering point ("PSAP"), meaning that 911 calls from Brunswick and certain surrounding communities are directed to the Brunswick dispatch center. Under an agreement originally reached in 2010, and most recently updated effective July, 2022, Brunswick provides emergency services dispatch and communications for the Town of Freeport. The current arrangement maintains an expiration date of June 30, 2027.

The Department maintains 25 vehicles, a motorcycle, a rescue vehicle, an electric vehicle for parking enforcement, equipment for bicycle patrols including an electric mountain bike, an airboat, a 20 ft. fiberglass boat with outboard, a jet-ski, four equipment trailers, two electronic traffic sign boards, and an unmanned aerial vehicle ("UAV"), one remote surveillance robots, all of which are in good repair. The Police Department is currently headquartered at 85 Pleasant St in a building constructed in 2013. The police station building project was funded with the issuance of bonds on June 27, 2013. See "INDEBTEDNESS – DEBT SUMMARY" herein.

The Fire Department is staffed by a Fire Chief, two Deputy Chiefs, four Captains, eight Lieutenants, 28 Firefighters, an Inspector, and one Administrative Assistant. The captains, lieutenants and firefighters also serve as Emergency Medical Technicians and Paramedics for the Department's rescue services. The Fire Department is currently housed in two fire stations, with Central station located on Pleasant Street, and Emerson Station, located in the Cook's Corner area. The Department maintains one aerial platform truck, three pumper vehicles, one tank truck, two brush trucks, four ambulance/rescue units, two utility pickup trucks, three command SUVs, Inspector's vehicle, one rescue boat. The department maintains a special operations unit for confined space and high angle rescue. Until January 2024, the department also maintained a State Regional Response Team for Hazardous Materials response. This was disbanded as the vehicle had reached the end of its useful life, and it was determined that other regional resources were adequate to cover HazMat responses.

The Fire Department's original Central Station was 103 years old, and studies in 2000 and 2002 identified numerous deficiencies in the structure and functionality of the facility. More recently, significant repair requirements brought the building issues to the forefront once again, and based on changes in traffic flow downtown, the Town recognized the need to consider other locations for a central station. In 2017 the Town Council established a Fire Station Task Force composed of citizens, Councilors and staff, and appropriated \$100,000 to fund programming analysis, site investigations and preliminary building design. On April 1, 2019, based upon the work of the Task Force, the Town Council approved the project and the issuance of bonds of up to \$13,500,000. During 2020, the Town acquired the property for the replacement fire station, completed the final design, and bid out construction. Construction started in March 2021 on the new 26,000 square foot Central Fire Station located at 119 Pleasant Street, and the building was placed in service in December 2022. Bonds were issued on February 8, 2022. See "INDEBTEDNESS – DEBT SUMMARY" herein.

Public Works

The Public Works Department is responsible for repair and maintenance of the Town's roads, sidewalks, and storm drainage system, and the oversight of residential trash collection and recycling collection. The department was responsible for the operation of the solid waste landfill until its closure, and currently the department operates a processing facility for certain materials. The department is staffed by one Public Works Director, one Deputy Director, one Operations Manager, one full-time and one part-time administrative assistants, and 20 full-time staff. The Public Works Department maintains 60 vehicles and various pieces of equipment. The Town Engineer and Assistant Town Engineer, formerly part of the Public Works Department, now have offices in Town Hall under the supervision of the Town Manager, where the engineers interface with several municipal departments in addition to Public Works.

The Public Works Department operates out of a 16,972 sf facility, which was constructed in 1956 and is undersized for the current needs of the public works operations. In 2022 the Town Council appropriated \$120,000 from general fund balance to conduct a needs assessment and preliminary design of a replacement facility which would include offices, locker rooms, vehicle repair bays and covered parking for vehicles and equipment. The project is in the early phases of development, with the cost of construction currently estimated at \$40,000,000, and is expected to be funded through the issuance of bonds. See “CAPITAL IMPROVEMENT PROGRAM” herein.

The Town is responsible for maintenance and routine environmental testing at the Graham Road Landfill that was closed in April 2021. Operations at the Town’s wood and masonry landfill were discontinued in 2005 and the Town closed that facility in accordance with applicable laws and regulations. In January 2007, the Town initiated pay-as-you-throw trash bag and single sort recycling programs. The Town has funded the landfill closure with net proceeds from its pay-as-you-throw program. Based on available reserves and projected reimbursement of closure costs by the State, the Town estimates that it may not be necessary for the general fund to subsidize post-closure costs. See “ENVIRONMENTAL MATTERS” section herein.

Parks and Recreation

The Town’s Department of Parks and Recreation offers a full calendar of recreational programs and maintains a number of parks as well as active and passive recreational facilities throughout the Town. The Department is staffed by a Director and Deputy Director, one Recreation Program Manager, a Program Assistant, a Facility & Fitness Coordinator, a Marketing and Communications Manager, a Parks & Facilities Manager, two Parks Foreman, eight maintenance workers, one office support staff, and a number of part-time and seasonal personnel. In November 2013, the Parks and Recreation Department moved from its downtown location to a large multi-purpose recreation facility at the former Naval Air Station (“NASB”), now called Brunswick Landing. The building was transferred to the Town from the Navy through the public conveyance process associated with the NASB closure. In 2022, the Department finished improvements to their 50,000 square foot Recreation Center that now features a Welcome Center, Child Care space, a strength and cardio fitness center, and administrative office spaces. Adjacent to the Recreation Center is a 10-acre parcel named the Midcoast Athletic and Recreation Complex (MARC) that opened in 2024 with the completion of an 8 pickleball courts, a skatepark, and half mile walking loop. Also conveyed from the Navy was a 591-acre parcel designated as passive recreation/conservation land, now named the Kate Furbish Preserve, and the former 66-acre Navy radio transmitter site in east Brunswick. The latter, along with a 163-acre site formerly owned by Maine Gravel Services, is now called the Capt. William A. Fitzgerald and Former Maine Gravel Recreation and Conservation Area. In 2024 the Merrymeeting Park opened to the public after being acquired in 2022. The park features 42.5 acres of passive recreational opportunities and historical connections dating back to the turn of the 19th century. The Parks division currently is responsible for 50 parks, facilities and public spaces, constituting over 2,500 acres.

Train Station/Visitors Center

The Town leases approximately 2,125 square feet of space in a building located at Brunswick Station. The space serves as the Town’s train station/visitors center and is managed under an agreement with the Brunswick Downtown Association (“BDA”). The Maine Department of Transportation (“MDOT”) constructed a permanent station platform, located behind the train station/visitors center. The Town was not required to contribute to the construction of the platform but is responsible for maintaining it at Town expense.

Following the 2010 approval of \$35 million in federal stimulus money, and \$3 million in State funds, approximately 28 miles of rail track between Brunswick and Portland were rehabilitated and Amtrak was able to extend train service to Brunswick. In November 2012, the Amtrak Downeaster train began operating from the station. In 2011, the Northern New England Rail Passenger Authority (“NNEPRA”) announced its plan to construct a layover facility in Brunswick to service the Amtrak Downeaster trains. Construction on the 650 foot by 70 foot layover facility, large enough to hold three full trains, allows for late-night trains arriving in Brunswick to remain overnight and head south again the following morning, rather than returning to Portland overnight. With the opening of the layover facility in November 2016, service increased to three round trips between Brunswick and Boston per day. In November 2018, the completion of a \$9.4 million secondary passing rail line in Falmouth and Cumberland enabled Amtrak’s Downeaster to operate five round trips per day on its entire line. This was adjusted temporarily during 2020 due to the Covid-19 pandemic, but has resumed since.

Beginning in 2017, NNEPRA engaged with MDOT and the Central Maine and Quebec Railway to extend train service to Bath, Wiscasset, Newcastle and Rockland during the summer. This seasonal service would follow the route operated by Maine Eastern Railroad until the end of 2015. AmeriStarRail proposed operating 6 roundtrip train excursions daily on the Rockland Branch but this service is still in the proposal stage with no binding agreement or set operating schedule.

The Visitors Center also serves as a bus stop for both local, regional and long distance service. In 2010, the Brunswick Explorer began providing local bus service throughout Brunswick. In December, 2021, the name was changed to Brunswick Link, and service was expanded, increasing hours of operation and coverage of Brunswick Landing. In October 2023, special funding totaling \$17,500 was provided by MaineHealth Mid Coast Hospital, Immigrant Resource Center of Maine, and United Way of Mid Coast Maine to make the Brunswick Link free for six months. Mid Coast Hospital and United Way of Mid Coast Maine have applied for grants that could pay for another six months of free service.

In August 2017, the MetroBreez extended its regional express bus service between Brunswick and Portland, with stops in Freeport and Yarmouth. In 2020, the Town joined Greater Portland Metro, to continue the MetroBreez service, and the schedule currently includes 13-14 round-trips every weekday, and 5-6 round-trips on Saturday. Concord Coach Lines has used the station since it opened for the Brunswick stop on its Midcoast Maine route from Orono, Maine to Boston, Massachusetts and Logan Airport, in Boston.

Curtis Memorial Library

The Curtis Memorial Library (the “Library”) is located at 23 Pleasant Street. The original 5,400 square foot building, built with a gift from William Curtis in memory of his father Captain John Curtis, opened in 1904. A 10,600 square foot addition was added to the original building in November 1972. A major renovation and refurbishing of the 1904 building, along with a 38,000 square foot addition, were completed and opened to the public in October 1999. While the Town owns and maintains the building, the Library is managed by the Brunswick Public Library Association, a private non-profit association founded in 1883.

A 12-member Board of Directors manages the Association with a staff comprised of approximately 23 full-time equivalent personnel including ten professional librarians. At June 30, 2024, the Library’s collections included approximately 113,000 items. The Library is operated by funds generated from endowments, restricted book funds, fund raising activities and funds provided by the towns of Brunswick and Harpswell, at their pleasure.

PUBLIC EDUCATION

Supervision of Educational Programs

The Town operates an educational program for grades Pre-K through 12 under its Individual Supervision (a School Administrative Unit or “SAU. Article IX of the Town’s Charter, provides that the Department of Education (“BDOE”) for the Town be administered by a School Board comprised of nine members, each serving three-year staggered terms. Seven School Board members are elected by district and two are elected at large. The School Board performs all duties and functions related to the care and management of the public schools of the Town. The School Board prepares and submits its budget to the Town Manager, who includes it in the budget process. See also “TOWN FINANCES – BUDGETARY PROCESS” section herein.

The School Department’s staff consists of a Superintendent, one Assistant Superintendent, one Director of Special Education, one Assistant Director of Special Education, one Director of Personnel and Finance, one Chief Academic Officer, one Director of Educational Technology, one Director of Transportation, one Director of Facilities, Grounds, & Food Service, one Dean of Student Engagement, and an Athletic Director. Staffing also includes four full-time principals, four assistant principals, the equivalent of approximately 272 full-time teaching positions, and various other professional and non-professional staff. Brunswick’s school population is shown in the following table:

<u>School</u>	<u>Grade</u>	<u>October 1, 2024 Population⁽¹⁾</u>
Kate Furbish School	Pre-K – 1	616
Harriet Beecher Stowe	2 – 5	532
Brunswick Junior High	6 – 8	544
Brunswick High	9 – 12	722

SOURCE: Town of Brunswick School Department.

NOTE: ⁽¹⁾ As of *October 1, 2024 Enrollment Reports*. This includes Brunswick residents and non-resident students attending Brunswick schools.

With the closure of Brunswick Naval Air Station in 2011, Brunswick experienced a loss of student population, dropping from an average total of 3,100 students to 2,350. Simultaneously, with the creation of Regional School Unit 5 (an “RSU”) in 2009, nearly 200 high school students from the Town of Durham who attended Brunswick High School, now attend Freeport High School. The reduction in enrollment resulted in the loss of federal and state aid and in tuition revenue. While this has required the Department to adjust its budgets accordingly, certain fixed costs have made budget adjustments difficult.

The following table illustrates the ten-year enrollment trends for Brunswick’s schools:

Brunswick Residents						
October 1,	Grades	Grades	Grades	Resident Enrollment	Non-Resident Enrollment	Total Enrollment
	PreK-5	6-8	9-12			
2024	1,161	552	731	2,444	44	2,488
2023	1,133	527	679	2,339	58	2,397
2022	1,108	513	690	2,311	52	2,363
2021	1,120	481	719	2,320	68	2,388
2020	1,078	501	709	2,288	78	2,366
2019 ⁽¹⁾	1,114	528	701	2,343	72	2,415
2018	1,034	537	672	2,243	84	2,327
2017	1,059	544	676	2,279	70	2,349
2016	1,048	517	681	2,246	67	2,313
2015	1,075	685	541	2,301	35	2,336

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

NOTE: ⁽¹⁾ Beginning with the *October 1, 2019 Enrollment Reports*, Brunswick began offering Pre-K education services. All enrollment report figures for years before 2019 do not include amounts for Pre-K enrollments.

In August, 2011, the Town opened the Harriet Beecher Stowe School for grades 2 through 5, replacing the former Longfellow and Jordan Acres Schools (both educating grades K through 5), and reconfigured the grades at the Coffin School (formerly grades K through 5 and now serving grades K through 1). Construction of Harriet Beecher Stowe School was funded by the issuance of \$21,462,250 in school construction bonds. The Town elected to issue these bonds through the Maine Municipal Bond Bank (“MMBB”) which were issued on October 28, 2010. Based on the funding approval received from the State Department of Education (“MDOE”), approximately 87% of the annual net debt service cost on these bonds has been included in the State education subsidy formula. The formula is used to determine the total annual State education subsidy provided to Brunswick. While the percentage of debt service included in the calculation is expected to remain constant throughout the 20-year amortization of the bonds, other factors in the formula will change annually and the education subsidy formula could be changed by the Maine Legislature. For 2025-26 the School Department is budgeting \$1,275,563 in debt service, and \$1,111,619 in subsidy from the State. See “REVENUES FROM THE STATE” for an explanation about funding of State approved school construction projects.

Over approximately six years, the School Department engaged in the development of a comprehensive facilities master plan, with the goal of identifying the facilities required to support the department’s programs as well as the costs associated with constructing and operating the required facilities. The planning and certain options were included in the Capital Improvement Program (“CIP”) for several years.

In November, 2016, responding to the aging Junior High and Coffin Schools, the school department proposed a course of action involving major repairs to the Junior High School and construction of a new elementary school. Based on the status and timing of the of MDOE’s Major Capital School Construction program, the projects did not qualify for State participation, therefore the new elementary school was funded locally through the issuance of debt. In September 2020, the Town opened the Kate Furbish Elementary School at the site of the former Jordan Acres School on Jordan Avenue. With a capacity of 660 students in grades pre-K through 2, the school replaced the aging Coffin School, and moves one grade out of the Harriet Beecher Stowe School. Construction of the school was funded through the issuance of \$24,450,000 in bonds on January 14, 2020. Debt service is entirely locally funded, and scheduled with level payments, for 15 years beginning in the 2020-21 fiscal year, followed by 10 years of declining payments. For the 2025-26 fiscal year, the sixth year of debt service, the school department is budgeting \$1,467,144 in debt service on the bonds.

During the summer of 2024, the Superintendent's central office and associated departments relocated from the Hawthorne building to the Coffin building. The Hawthorne building, constructed in the 1910s, did not fully comply with current ADA standards and lacked spaces suited to the needs of a modern school district. The single-level Coffin building was chosen for its full accessibility to individuals with disabilities and is centrally located within the district – adjacent to the Junior High School and a short drive from Harriet Beecher Stowe Elementary School. The school department is currently collaborating with the town to transfer ownership of the Hawthorne building to the town.

The school department submitted an application for a Junior High School project to the MDOE's Major Capital School Construction program in March, 2017. With the release of MDOE's program priority listing, it became evident that the project could not expect state funding assistance, and attention was turned to addressing the repair needs over time, along with planning for the future of the Coffin School building. In 2016, 2017, and 2020, the school department applied for and received eligibility certificates for school repair projects under the MDOE School Revolving Renovation Fund. This project qualified the Town to borrow funds through the MMBB at 0% interest, with a percentage of the total "forgiven" by MDOE as a grant. With this funding, the School Department made repairs and access improvements to the Coffin School and the Brunswick Junior High School totaling \$1,563,426. The school department submitted another application under the School Revolving Renovation Fund in the summer of 2024, which is currently being reviewed by the Department of Education.

Beginning with the 2016-17 school year, the School Department assumed management of the REAL School program from RSU 14. The REAL School's name stands for "Relevant, Experiential, Authentic, Learning", and the school provides two programs. These are an alternative school program serving students who have not been successful in a traditional setting, and a special education program, which serves students who require specialized instruction and mental health treatment though their school days. The School Department receives tuition revenue from other school districts sending students. The REAL School continued to operate in its Falmouth location for the 2016-17 school year, and moved to leased space on Brunswick Landing for the school year beginning in September 2017. In August, 2022, the lease was renewed for an eight year term, and beginning with the 2022-23 school year, the program has been renamed the TREK Program, standing for "Teaching Restorative Experiential Knowledge". However, with recent shifts in the constellation of students, the School Department is proposing to discontinue the TREK program beginning in the 2024-25 school year, and has reached an agreement to amend the lease without penalty.

Maine Region 10 Technical High School

The Town is a member of the Maine Region 10 Technical High School ("Region 10"), a school charged with delivering applied technology education. Region 10, an applied technology region (a "Region"), is established in a cooperative agreement, (the "Cooperative Agreement") by the SAUs from the Town of Brunswick, RSU 75 (Bowdoin, Bowdoinham, Harpswell and Topsham), and RSU 5 (Freeport, Durham and Pownal). The Cooperative Agreement provides for a nine-member Board of Directors (the "Region 10 Board") with four members from Brunswick, three from RSU 75, and two from RSU 5.

Each SAU is responsible for its proportionate share of the Region's operating expenses, including debt repayment, which is included in the respective unit's annual assessment. On December 16, 2019, the Region 10 Board authorized \$3,580,664 through a 15-year lease/purchase with Androscoggin Bank for air quality and energy conservation equipment at the school facility at 68 Church Road in Brunswick. On October 1, 2024, 371 students were enrolled in Region 10, of which 110 were residents of Brunswick. The Town is responsible for its proportionate share of Region 10's operating expenses which is assessed to the Town annually. See "INDEBTEDNESS – OVERLAPPING DEBT – Maine Region 10" herein.

Public Law Chapter 171, “*An Act To Enable Earlier Introduction of Career and Technical Education in Maine Schools*,” was enacted in June 2017 to expand career and technical education opportunities by requiring Maine schools to provide access to developmentally-appropriate career and technical education for middle school students (grades 6-8). MDOE is developing a funding plan to present to the Legislature designed to ensure adequate resources for this expansion. Beginning with the 2018/2019 budget, the State adopted a new State funding model for Career and Technical Education (“CTE”), such that CTE Centers are funded through a CTE allocation paid by the State and paid directly to the CTE Region or an SAU that has a CTE Center. The CTE funding statute still allows CTEs to assess members if their budget needs exceed the State CTE allocation; and to have cost sharing agreements.

In September 2022, Region 10 hired Hart Consulting, paid for with a \$250,000 grant from the Harold Alfond Foundation, to conduct a feasibility study into turning Region 10 into the state’s first four-year, full-service technical high school. The study proposed a new \$60 million school, possibly in Brunswick Landing, that could serve about 300 full-time and 100 part-time students. The plan has several hurdles including legislative changes to allow the new school to access state funding for special education and core classes such as English and math.

In 2024, Region 10 applied for and received eligibility certificates for school repair projects under the MDOE School Revolving Renovation Fund. This project qualified Region 10 to borrow funds through the MMBB at 0% interest, with a percentage of the total “forgiven” by MDOE as a grant. With this funding, Region 10 aims to construct, repair, renovate, and improve the bridge structure situated outside of the Region 10 school building with a project cost totaling \$643,821, of which \$289,655 will be forgiven.

EMPLOYEE RELATIONS

The Town employs approximately 800 full and part-time employees. Approximately 500 of those are employed by the School Department. The status of various contracts for employees are:

<u>Union</u> ⁽¹⁾	<u>Covered Positions</u>	<u>Bargaining Unit</u>	<u>Date of Contract</u>	
			<u>Effective</u>	<u>Expiration</u>
Teamsters (Local #340)	24	Public Works Employees	7/01/22	6/30/25
Teamsters (Local #340)	10	Parks & Recreation	7/01/22	6/30/25
Brunswick Police Benevolent Assoc.	36	Police Officers	7/01/24	6/30/25
Brunswick Professional Firefighters.	40	Firefighters/EMS	7/01/22	6/30/25
Brunswick Emerg. Comm. Off. Assoc.	11	Police Dispatchers	7/01/23	6/30/26
AFSCME, Town departments	22	Clerical workers & other	7/01/22	6/30/25
BEA/MEA - Teachers	273	School Teachers	9/01/22	8/31/25
BEA/MEA – Educational Technicians	81	Educational Technicians	8/01/24	7/31/27
AFSCME, School department	51	Bus Drivers & Custodians	7/01/22	6/30/25

NOTES: ⁽¹⁾ “AFSCME” indicates the American Federation of State, County and Municipal Employees, affiliated with the American Federation of Labor & Congress of Industrial Organizations (“AFL-CIO”), as separate bargaining units; “MEA” indicates the Maine Education Association of which the various components of the Brunswick Educational Association (“BEA”) are affiliated, as separate bargaining units.

BUILDING PERMITS

<u>Fiscal Yr. End</u>	<u>Residential</u>		<u>Commercial & Industrial</u>	
	<u>June 30</u>	<u># Permits</u>	<u>Est. Cost Const.</u>	<u># Permits</u>
2024	389	\$ 56,477,617	53	\$ 49,954,835 ⁽¹⁾
2023	305	31,213,456	92	56,359,568 ⁽²⁾

2022	216	23,990,081	39	10,516,656 ⁽³⁾
2021	271	40,758,492	59	62,065,166 ⁽⁴⁾
2020	297	31,916,144	47	7,303,811 ⁽⁵⁾
2019	344	25,699,942	49	85,219,400 ⁽⁶⁾
2018	351	20,874,350	73	21,895,845 ⁽⁷⁾
2017	310	17,715,313	70	28,725,779 ⁽⁸⁾
2016	288	12,191,609	51	18,578,907 ⁽⁹⁾
2015	265	10,485,364	59	22,441,015 ⁽¹⁰⁾

NOTES: Estimated construction costs are included for both taxable and tax-exempt properties.

⁽¹⁾ Includes \$12,551,796 for HOPCO Apartments on Harry Rich; and \$8,500,000 for Water District Treatment Facility.

⁽²⁾ Includes \$32,400,000 for Liberty Commons Apartments, \$8,500,000 for Brunswick Landing Condominiums, and \$4,920,534 for Harpswell Auto Sales retail center.

⁽³⁾ Includes \$1,911,905 for Midcoast Humane Society's new shelter, \$1,900,000 for new Mechanics Savings Bank location with drive thru, and \$1,380,000 for renovations to Brunswick Veterinary Clinic.

⁽⁴⁾ Includes \$27,275,000 for Bowdoin College's Center for Arctic Studies as well as Mills Hall academic building and \$13,500,000 for construction of the Town of Brunswick's Pleasant Street Fire Station.

⁽⁵⁾ Includes \$2,162,537 for Wild Oats Bakery/Restaurant facility developed on Brunswick Landing and \$1,440,000 for Priority Management Group LLC's construction of a two story bank building.

⁽⁶⁾ Includes \$24,850,000 for Bowdoin College's Harpswell Apartments which includes three residence halls, \$20,000,000 for the construction of the Kate Furbish elementary school, \$16,127,000 for construction of Bowdoin College's Park Row Apartments comprised of four residence halls, \$7,500,000 for expansion of the Village Green waste-to-energy plant, and \$4,200,000 for a 7,000 square foot addition to Mid Coast Senior Health.

⁽⁷⁾ Includes \$3,750,000 for construction of the Roman Catholic Bishop of Portland's All Saints multi-purpose facility, \$3,700,000 for construction of Bath Iron Works' replacement blast & paint facility, \$2,500,000 for a 79,970 square foot ground-mounted solar array constructed by MRRA, \$1,549,768 for an office & maintenance structure at SaviLinx, \$1,160,000 for construction of the Center for Diagnostic Imaging, and \$1,100,000 for a new Cumberland Farms facility in Cooks Corner.

⁽⁸⁾ Includes \$12,900,000 for construction of Bowdoin College's Roux Center for the Environment, \$2,200,000 for the Rusty Lantern Irving Station, \$2,200,000 for construction of two apartment buildings, and \$1,220,000 for office renovations to Nature Conservancy.

⁽⁹⁾ Includes \$8,168,011 for a 60-unit senior housing facility, \$1,350,000 for a snow removal equipment building, both at Brunswick Landing, and \$1,200,000 for renovations to a retail unit in Merrymeeting Plaza.

⁽¹⁰⁾ Includes \$4,225,000 for construction of CEI headquarters, \$6,250,000 for an anaerobic digester at Brunswick Landing, and \$2,500,000 for two 4,950 square foot maintenance garages for Brunswick Sewer District.

ECONOMIC CHARACTERISTICS

<u>Population</u>	<u>Year</u>	<u>Town of Brunswick</u>	<u>% Change</u>		
			<u>Town</u>	<u>State</u>	<u>USA</u>
	2020	21,756	7.3%	2.6%	7.4%
	2010	20,278	(4.2)	4.2	9.7
	2000	21,172	1.3	3.8	13.2
	1990	20,906	20.4	9.2	9.8
	1980	17,366	7.2	13.4	11.4
	1970	16,195	2.5	2.4	13.4
	1960	15,797			

<u>Population Characteristics</u>	<u>Town of Brunswick</u>	<u>Cumberland County</u>	<u>State of Maine</u>	<u>USA</u>
Median age (years)	44.4	42.2	44.7	38.1
% Under 5 years	5.3%	4.7%	4.7%	6.0%
% Under 18 years	16.6%	18.3%	18.5%	22.3%
% 65 years and over	21.4%	19.0%	21.2%	16.5%
Avg. household size	2.23	2.35	2.32	2.62
Housing				
% Owner-occupied	68.2%	69.3%	72.3%	64.0%
Owner-occupied median value	\$243,500	\$278,100	\$190,400	\$217,500
Median gross rent	\$1,002	\$1,131	\$853	\$1,062
Households	8,455	120,644	559,921	139,684,244
Income				
Median household income	\$59,922	\$73,072	\$57,918	\$62,843
Per capita income	\$37,197	\$40,527	\$32,637	\$34,103
% Below poverty level (individuals)	8.9%	8.6%	10.6%	11.4%

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

Retail Sales

The Town is a center for retail, wholesale, distribution, transportation, banking, legal, medical, recreational, and other major services for its own base market, plus an area of the State encompassing Sagadahoc, Lincoln, southern Androscoggin and northeastern Cumberland counties. The following table displays the growth in certain sectors of the Town's economy, as measured by retail sales, by product group and by consumer sales:

Retail Sales by Product Group and Consumer Sales (000)

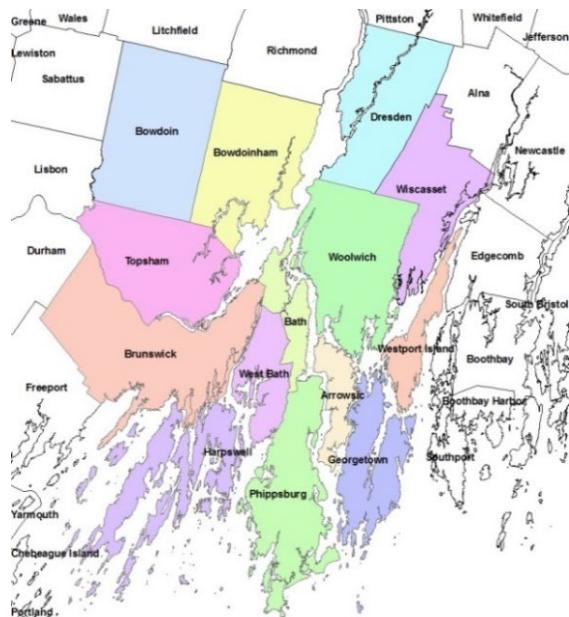
<u>Year</u>	<u>Personal Consumption</u>							
	<u>Building Supply</u>	<u>Food Stores/ Gen. Mdse.</u>	<u>Other Retail</u>	<u>Auto/ Transp.</u>	<u>Restaurant/ Lodging</u>	<u>Personal Consumption</u>	<u>Business/ Operating</u>	<u>Personal & Business</u>
2023	\$128,521	\$167,895	\$41,878	\$120,133	\$83,711	\$542,138	\$24,425	\$566,563
2022	130,445	164,514	40,530	114,161	76,045	525,695	25,858	551,553
2021	126,217	159,115	37,040	106,615	64,595	493,582	23,189	516,771
2020	103,337	137,120	28,212	91,615	45,750	406,034	19,978	426,012
2019	91,025	142,405	29,541	81,777	67,437	412,185	19,708	431,893
2018	94,769	138,935	30,041	84,082	66,235	414,062	19,790	433,852
2017	88,239	136,748	29,880	85,342	65,767	405,976	17,739	423,715
2016	83,931	133,647	27,620	79,409	64,412	389,019	17,880	406,899
2015	74,868	116,215	25,511	77,064	60,196	353,854	16,972	370,826
2014	71,350	115,568	26,367	68,585	57,661	339,531	18,172	357,703

SOURCE: State of Maine, Department of Taxation, Sales Tax Section. Retail sales table is updated in its entirety each year with the most up-to-date information available from the State of Maine.

BRUNSWICK LABOR MARKET AREA

Starting with January 2005 data, total employment and unemployment estimates developed by the Maine Department of Labor, Labor Market Information Services, are based on redefined labor market areas (“LMA”) in Maine. Labor market areas are the basic sub state geographic area used to develop employment and unemployment estimates. The Metropolitan and Micropolitan Areas defined by the Office of Management and Budget are the major labor market areas. The smaller labor market areas are defined independently by the U. S. Department of Labor, Bureau of Labor Statistics.

The Brunswick LMA includes Brunswick, Harpswell, Dresden, Westport, Wiscasset, Arrowsic, Bath, Bowdoin, Bowdoinham, Georgetown, Phippsburg, Topsham, West Bath, and Woolwich.



Unemployment

Calendar Year	Town of Brunswick	Cumberland County	State of Maine	USA
2024	2.5%	2.6%	3.1%	4.0%
2023	2.4	2.4	2.9	3.6
2022	2.3	2.3	2.8	3.6
2021	3.8	4.0	4.6	5.3
2020	4.5	4.9	5.1	8.1
2019	2.2	2.2	2.7	3.7
2018	2.7	2.6	3.2	3.9
2017	2.7	2.5	3.3	4.4
2016	3.0	2.9	3.8	4.9
2015	3.5	3.4	4.4	5.3

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

Representative Employers

Name	Business	Approximate # of Employees
Bath Iron Works	Ship Building	1,700
MaineHealth	Hospital, Health Care, Retirement	1,622
Bowdoin College	College	1,017
Town of Brunswick	Municipality	800
Hannaford Bros.	Groceries/Pharmacy	280
Wal-Mart Stores, Inc.	Retail	259
LL Bean Inc., Mfg. Div.	Outdoor Equip/Sporting Goods	251
HERE Engineering / ViviCloud	Software Engineering	150
Mölnlycke Health Care Manufacturer	Health Care Manufacturing	119
Martin's Point Health Care	Hospital, Health Care, Retirement	108

SOURCE: Survey of Employers and/or Review of Employer Websites. The employee counts were determined by the employers and do not represent full-time equivalents (FTEs) in all cases.

Commuter Patterns

The following table displays the residential component of the Town's workforce, the respective component of its workers as a percentage of their local (i.e., home) workforce; and the geographic place of employment for the Town's residents:

Work in Brunswick, but live in:	Number of Workers	% Town's Workforce	Live in Brunswick, but work in:	Number of Workers	% Town's Workers
Brunswick	4,996	37.69%	Brunswick	4,996	49.74%
Topsham	1,046	7.89	Bath	966	9.62
Bath	686	5.18	Portland	741	7.38
Lisbon	458	3.46	Freeport	512	5.10
Harpswell	419	3.16	Topsham	475	4.73
Portland	350	2.64	South Portland	230	2.29
Bowdoin	349	2.63	Lewiston	218	2.17
Bowdoinham	269	2.03	Yarmouth	178	1.77
Durham	242	1.83	Augusta	144	1.43
Yarmouth	220	1.66	Falmouth	139	1.38
Richmond	216	1.63	Auburn	134	1.33
West Bath	215	1.62	Scarborough	123	1.22
Gorham	212	1.60	Harpswell	122	1.21
All Other	<u>3,576</u>	<u>26.98</u>	All Other	<u>1,067</u>	<u>10.63</u>
	13,254	100.00%		10,045	100.00%

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

Mid Coast –Parkview Health

Part of MaineHealth, Mid Coast – Parkview Health is a dynamic healthcare system addressing a full continuum of community health, wellness, and prevention needs in the Midcoast region. Formed in 2015 by the Mid Coast Health Services merger with Parkview Adventist Medical Center, Mid Coast – Parkview Health's service area includes Bath, Brunswick, Topsham, Harpswell and the Islands, Phippsburg, Georgetown, Wiscasset, Bowdoinham, Lisbon, Freeport, and many other surrounding towns.

Mid Coast–Parkview Health affiliates include:

- **Mid Coast Hospital**, a full-service, 93-bed, Joint Commission accredited hospital with an active medical staff of more than 200 physicians and advanced practice professionals.
- **Mid Coast Medical Group**, community-based, multi-specialty physician group working in 4 primary care and 18 specialty practices located in Bath, Brunswick, and Topsham.
- **Mid Coast Senior Health**, a senior healthcare provider offering assisted living at Thornton Hall Assisted Living, memory care at The Garden, long-term care and skilled nursing at Mere Point, and nursing and rehabilitation at Bodwell.
- **CHANS Home Health & Hospice**, a home health care agency providing in-home nursing, rehabilitation, palliative, hospice, and private duty care. As the community leader in home health care and hospice, CHANS has provided licensed non-profit nursing services to Midcoast area residents since 1947.

Mid Coast Hospital, with its adjoining medical offices, includes a complete diagnostics suite offering state-of-the-art MRI, CT, ultrasound, mammography, bone densitometry, x-ray, and angiography cardiac catheterization services. The hospital also has a level 2 trauma facility, 24-hour emergency department, in-house pharmacy, physical, occupational, and speech therapy, an accredited diagnostic imaging center, and a certified stroke center. The hospital offers a full range of care including in- and outpatient surgery, cardiac and pulmonary rehabilitation, sleep lab, and wound care center. The Mid Coast Hospital Laboratory offers high-quality lab services at several convenient locations in our community and serves the hospital in addition to healthcare facilities and doctors' offices in the area.

Mid Coast Hospital and CHANS Home Health & Hospice are accredited by the Joint Commission. Additionally, Mid Coast Hospital's Primary Stroke Center has been Joint Commission accredited, as one of only five in the State of Maine. In 2009, Mid Coast Hospital became the first community hospital in Maine to be recognized as a Magnet hospital for excellence in nursing and patient care by the American Nurses Credentialing Center. Mid Coast Hospital has achieved this Magnet designation three times in 10 years, an achievement only eight percent of U.S. hospitals have made. The National Committee for Quality Assurance ("NCQA") recognizes the Mid Coast Medical Group practices as NCQA Level 3 designation of Certified Patient-Centered Medical Homes, and Mid Coast Senior Health has been recognized multiple times by U.S. News & World Report as "Best Nursing Home".

As well as providing support within the hospital, Mid Coast Hospital provides urgent care at the Walk-In Clinic in downtown Brunswick and recovery support at the Addiction Resource Center. Advanced care is provided through several integrated, interdisciplinary centers including The Center for Sleep Medicine, Women's Imaging Center, Center for Joint Replacement, and Digestive Health Center. The Mid Coast Center for Community Health & Wellness, located at the Parkview Campus, is home to Cardiac and Pulmonary Rehabilitation, as well as a variety of health education and learning opportunities.

In March 2020, Mid Coast – Parkview Health joined MaineHealth and finalized the merger on January 1, 2021. MaineHealth, a regional not-for-profit family of leading high-quality providers and other healthcare organizations is consistently ranked among the Top 100 Integrated Healthcare Networks in the United States. This affiliation provides a strong connection for tertiary care with Maine Medical Center in Portland making transfer to that facility seamless when necessary. The relationship also helps the organization work collaboratively in improving quality of care, while at the same time making healthcare more efficient and cost effective. More information about Mid Coast–Parkview Health and MaineHealth is available at www.midcoastparkviewhealth.com and www.mainehealth.org.

SOURCE: Mid Coast-Parkview Health, Dept of Marketing Communications. While the Town believes these sources to be reliable the Town has not made any independent evaluation as to the accuracy or completeness of the above information.

Bath Iron Works

Bath Iron Works ("BIW") was founded on the banks of the Kennebec River in Bath, Maine in 1884. Founder, Thomas W. Hyde, originally leased a small iron foundry near the site of the current day shipyard. After Hyde took over the business, he patented a revolutionary windlass and his company eventually became the Hyde Windlass company. On October 30, 1884, Hyde incorporated Bath Iron Works, Ltd. In 1890, a passenger steamer for the Maine Steamship Co., Cottage City, was the first ship launched from the facility. Later, in 1893, BIW delivered Machias, its first US Navy vessel. It was also the first steel-hulled ship built in Maine. Since 1884, BIW has delivered more than 425 ships to the world's naval and commercial fleets, including more than 260 surface combatants for the United States Navy ("US Navy").

BIW is owned by General Dynamics, headquartered in Reston, Virginia (NYSE: GD). It is part of General Dynamics' Marine Systems Group business. BIW is one of the largest private employers in the State of Maine with 6,700 employees in the state. There are two principal manufacturing locations: (1) the main shipyard plant in Bath and (2) the Structural Fabrication Facility and the Outfit Fabrication Facility/Consolidated Warehouse in Brunswick. Additionally, BIW has a facility in Brunswick for ship design and one for fleet support. Approximately 5,000 employees work at the main facility in Bath; approximately 1,700 are employed across the Brunswick facilities, which includes Engineering and Design facilities on Bath Road and on Church Road.

BIW is heavily dependent on contracts to build surface combatants for the US Navy. In 1985 the US Navy awarded to BIW the Lead Ship Design and Construction contract for the Arleigh Burke ("DDG 51") class, and 34 ships were delivered under that program, the last at that time being the USS Michael Murphy (DDG-112) in 2012. Following a period during which a different hull type was built, the Navy restarted procurement in the Arleigh Burke program in 2011. BIW and a competitor are each building ships in the restarted program. BIW delivered the first four of these ships to the Navy in 2017, 2018, 2021 and 2023 respectively. USS John Basilone (DDG 112) was delivered in 2024. In the fall of 2018 the Navy awarded BIW a \$3.9 billion contract to build four additional ships. In December 2018 BIW was awarded the contract for a fifth ship. In August, 2023, BIW was awarded a contract to build three more ships, one each in fiscal years 2023, 2024, and 2026. There are currently seven ships in production and four in its backlog. As the lead designer of the DDG 51 class, BIW is considered the "planning yard" as the ships already delivered to the Navy are upgraded and modernized. Currently supporting 74 Arleigh Burke-class ships, BIW was recently awarded a modernization contract extension, as well as continuation of its Lead Yard Services and design upgrade contract.

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 has always been a concern regarding the DDG 1000 and the Navy decided to limit production to three ships, assigning responsibility for the design and construction of the DDG 1000 to BIW. In October 2016, the USS Zumwalt (DDG 1000), the first of the class was commissioned, and in January 2019, the USS Michael Monsoor (DDG 1001) was commissioned. BIW completed its work on the remaining ship of the DDG 1000 class, the USS Lyndon B. Johnson (DDG 1002) at the end of 2021. In December, 2018, BIW was awarded an \$85 million Planning Yard Services contract for the DDG 1000 class ships. BIW currently also has the maintenance and modernization contract for the class, which is handled out of the Brunswick design/support facility.

The US Navy's procurement plans are always subject to change and any changes could eventually affect employment levels at BIW. BIW continues to look for opportunities to diversify its work beyond Navy contracts.

SOURCE: Bath Iron Works as of March, 2025. While the Town believes these sources to be reliable, the Town has not made any independent evaluation as to the accuracy or completeness of the above information.

Bowdoin College

Bowdoin College ("Bowdoin" or the "College") is a private, undergraduate liberal arts college located in Brunswick. Founded in 1794, the College was named to honor James Bowdoin II, a distinguished past governor of the Commonwealth of Massachusetts, at the request of his son James Bowdoin III, the College's first patron. The College is a residential, nonsectarian institution and has been coeducational

since 1970. Bowdoin College offers Bachelor of Arts degree programs in more than forty defined majors including interdisciplinary programs. Bowdoin's admissions standards are among the most selective in the nation and its enrollment trend is stable. Bowdoin employs approximately 1,017 FTE employees, including 215 FTE faculty members with payroll totaling \$108.25 million for the fiscal year ending on June 30, 2024, with approximately sixty-five percent (65%) of that amount paid to Brunswick labor market area residents. In addition to taxes and fees, the College also makes annual financial contributions to the Town. In FY 2024, voluntary unrestricted payments totaled \$347,532 and voluntary payments restricted for capital totaled \$150,000.

Over the past several years, Bowdoin has expanded its student housing with three new housing projects. These include a set of new apartments on Park Row, the new Harpswell Apartments, and a renovation of Boody Johnson House on Maine Street. The three residential projects provided more on-campus housing for students at an estimated cost of \$45 million.

Completed in 2020 were new facilities at the Schiller Coastal Studies Center in Harpswell, which offers opportunities for students and researchers studying the ocean and the environment. The project included a single story, 4,200 square foot, Dry Lab with teaching, research and preparation lab and support spaces, as well as a single story 4,950 square foot Living & Learning building, which provides spaces for classes, conferences and dining. The residential component consists of three 1,800 square foot, six-bedroom cabins, and a 950 square foot apartment cabin.

Construction on two new buildings, Barry Mills Hall and a Center for Arctic Studies, completed in January 2023 and December 2022, respectively. The 45,900 square foot project provides state-of-the-art academic facilities, a new home for Bowdoin's Peary-MacMillan Arctic Museum, and new event space.

In 2023, the College opened the renovated Ladd House as a new, central hub for student multi-cultural life on campus. The modernization of the Pickard Field complex started in 2023 with the addition of a multi-use turf field and continued in 2024 with new playing surfaces for rugby, baseball, and softball. These fields now include modern seating for spectators, press boxes, and Dark Sky compliant lighting.

In 2025, the Observatory will re-open for academic use with an attached classroom facility and a new platform for telescopes. Faculty will return to a fully renovated Sills Hall in the summer of 2025, and students will make use of the expanded gathering and collaboration spaces within Sills starting in the fall semester.

SOURCE: <https://www.bowdoin.edu> and from Bowdoin College. The Town has not made any independent evaluation as to the accuracy or completeness of the above information.

Brunswick Landing and Brunswick Executive Airport (BXM)

Brunswick Landing – Maine's Center for Innovation (“Brunswick Landing”) and Brunswick Executive Airport (“BXM”) are the products of the redevelopment of Naval Air Station, Brunswick (“NASB” a.k.a. “Brunswick Naval Air Station” or the “Base”). NASB was a military facility, which closed in May 2011 as the result of the 2005 Base Realignment and Closure (“BRAC”) process. Covering approximately 3,300 acres and located near the geographic center of Brunswick, NASB officials claimed the Base was Maine's second largest single-site employer in 2006, employing 4,710 full-time military and civilian personnel, of which 713 were civilians. Redevelopment is occurring under the direction of the Midcoast Regional Redevelopment Authority (“MRRA”), a public municipal corporation established by the Maine Legislature to implement the NASB Reuse Master Plan as set forth by the Brunswick Local Redevelopment Authority

(“BLRA”). Soon after the 2005 BRAC closure announcement, the Defense Employment and Transitions Steering (“DETS”) Committee, a subcommittee of the Coastal Counties Workforce Board, Inc., commissioned a study that resulted in the report entitled, *The Impact of the BRAC Ordered Closure of the Brunswick Naval Air Station: A Regional Community Audit and Strategic Implications for the Coastal Economy, Business and Workers*, and dated March 31, 2006 (the “CCW Report”). The CCW Report, projected the loss of 3,435 direct jobs and 1,441 indirect jobs with the closure of the Base.

In response to the recommended closure of NASB, the Town of Brunswick and the State of Maine formed the Brunswick Local Redevelopment Authority (“BLRA”). In December 2007, the BLRA completed its *Reuse Master Plan for BNAS*. (the “Master Plan”). The Master Plan outlines aviation uses at the base and incorporates a mix of land uses including: a professional business park; academic and research facilities; governmental and public facilities; housing; and recreational uses and open space. The Town has zoned the land at NASB consistent with the Town’s economic and land-use goals. The BLRA was succeeded by the Midcoast Regional Redevelopment Authority (“MRRA”), a governmental agency established by the Maine Legislature to implement the Master Plan and manage the former NASB properties.

The United States government transfers properties to MRRA through Public Benefit Conveyances (“PBC”) and Economic Development Conveyances (“EDC”). Only properties that are determined to be “clean” through a Finding of Suitability to Transfer (“FOST”) are eligible to be transferred. The covenants of the Economic Development Conveyance from the United States government require all sales and leases of property be at market rate. MRRA is also required to pay the United States government 25% of its sales and lease revenues after receipt of the first \$7 million.

Since the first PBC for the airfield on March 28, 2011 and the EDC Purchase and Sale Agreement on September 28, 2011, the US Navy transferred approximately 1,960 of the approximately 2,258 acres MRRA is slated to receive. Of the non-airport property received, MRRA has sold 56 buildings and over 637 acres of land to 22 private sector developers and several individual businesses. As of the end of 2023, MRRA had 10 direct tenants leasing 144,366 square feet in 11 EDC-acquired buildings, and 2 buildings built by MRRA at Brunswick Landing. At Brunswick Executive Airport, MRRA had 47 direct tenants leasing 534,481 square feet in 10 PBC-acquired buildings, and 2 buildings built by MRRA, and 4 other tenants leasing land area.

Eighteen commercial and industrial buildings comprising 276,235 square feet have been constructed at Brunswick Landing. In 2020, Bar Harbor Bank and Trust, Dunkin Donuts, and Wild Oats opened new buildings. In the fall of 2021, Martin’s Point Healthcare opened a new 55,000 square foot medical office building. A new multi-unit housing development has added 289 units on Brunswick Landing since 2020. In addition, Brunswick Landing Ventures has received approval to construct 85 single family homes, and Katahdin Property Management completed construction on a 63-unit apartment building off Admiral Fitch Avenue in 2024. There are currently 1,470 housing units occupying the former base properties. As of April 1, 2024, within the three TIF districts (as defined herein) on the former Base in Brunswick, over \$148.2 million in taxable real property value had been created from the previously tax-exempt Navy facilities, and new construction on Brunswick Landing.

The Navy has also conveyed properties to the Maine Community College System (“MCCS”). MCCS and its partner, the University of Maine System (“UMS”), have established associate, baccalaureate, certificate and training programs at Brunswick Landing. The renovated campus buildings include state-of-the-art classrooms and laboratories that support studies in pre-engineering, composites, business, health care, liberal arts and sciences and more. In addition, the Navy has conveyed properties to Bowdoin College and the Town, with approximately 1,200 acres reserved for conservation and recreation purposes.

According to MRRA, there are now over 132 public and private entities, with approximately 2,287 jobs, at Brunswick Landing and the Topsham Commerce Park, well exceeding the statutory short-term economic development goal of replacing the 713 civilian employees at Naval Air Station Brunswick. In addition, there are 120 Maine Army National Guard members and 124 Marine Corps Reservists assigned to their units at Brunswick Landing.

MRRA, in partnership with the Maine Manufacturing Extension Partnership (“MMEP”) and Coastal Counties Workforce, Inc. (“CCWI”), received a \$2,425,000 grant from the Economic Development Administration, Department of Labor and National Institute of Standards and Technology to establish and fit-up a portion of the 95,000 square foot *TechPlace*, an Advanced Manufacturing, Science and Technology Business Accelerator on the campus of Brunswick Landing. The BDC and DECD/Town of Brunswick contributed \$250,000 each. Completed in 2015, and expanded by an additional 25,000 square feet in 2016, *TechPlace* currently supports 38 early stage businesses, with 95 employees, in the sectors of aerospace, advanced materials, information technology, cleantech, and life sciences. Since its inception, *TechPlace* has ‘graduated’ 25 companies, nearly all of which have remained in Maine, and several of these have located on Brunswick Landing. Collectively, those ‘graduates’ have created 450 jobs.

Since it opened, Brunswick Executive Airport has seen significant increases in air traffic, with an estimated 25,000 flight operations in 2024. Flight Level Aviation, the Fixed Base Operator, sold 450,000 gallons of fuel, up from 350,000 in 2022. The Great State of Maine Airshow returned to Brunswick in August, 2024 bringing over 20,000 spectators. BXM continues to see increases due to use of private aviation over commercial aviation due to the pandemic, three flight schools located at BXM, and increased training exercises from military units. Plans are underway to start an air traffic control school program, utilizing the Navy’s former air traffic control facility. BXM participates in the FAA’s Military Airport Program (MAP), which provides special funding to assist airport authorities to convert former military airfields into civilian airports.

In September 2019, in cooperation with MRRA and local property owners and developers, the Town completed Landing Drive, a new road connecting Admiral Fitch Avenue, Brunswick Landing's main artery, to Gurnet Road in Cooks Corner. The Town and MRRA, along with Maine DOT, are currently considering another entry into Brunswick Landing from Bath Road by upgrading an existing driveway into a road connecting with Allagash Drive, and straightening Allagash Drive where it connects to Admiral Fitch Drive. Both of these connections are intended to facilitate better traffic flow and development in and around Brunswick Landing and Cook's Corner. In 2023, MRRA, the Town, Bowdoin College, and Brunswick Housing Authority completed an extension of Wilson Avenue to provide access to the west side of the Brunswick Executive Airport, which will facilitate development of a former traffic control tower.

Over the past few years, discussions have centered around the condition and status of the roads and storm drainage on Brunswick Landing, and together, the Town and MRRA are reaching out to the federal delegation to seek financial assistance to bring the roads up to Town standards. The Town will continue to utilize funding through its TIF districts to upgrade infrastructure as allowed. See also “INDEBTEDNESS – FUTURE FINANCING” and “PROPERTY TAXATION – TAX INCREMENT FINANCING DISTRICTS AND AFFORDABLE HOUSING DEVELOPMENT DISTRICTS”.

In August 2024, a fault in the fire suppression system at hanger 4 triggered an accidental release of 1,450 gallons of aqueous film-forming foam (AFFF) mixed with approximately 50,000 gallons of water. AFFF is a National Fire Protection Association approved fire suppressant used to fight flammable liquid fires. It is made by combining fluorinated surfactants with foaming agents, and when mixed with water, it creates a film that cuts off oxygen to the fire. AFFF contains PFAS (per- and polyfluoroalkyl substances), toxic chemicals known to negatively impact human health and do not easily break down in the environment,

waterways, wildlife, or human bodies. PFAS are linked to negative health impacts in humans, including cancer.

Clean up began immediately under the direction of the Maine Department of Environmental Protection, the United States Environmental Protection Agency Region 1 office, the United States Coast Guard, the Brunswick Fire Department and MRRA staff under a Unified Command structure working with environmental clean-up contractors, Clean Harbors and Republic Services. The Unified Command reviewed possible mitigation strategies and determined it would use foam removal as the primary recovery method. Operations were laid out for cleanup of the hanger, the three affected planes, TechPlace affected industrial spaces, hangar office spaces, and discharges that entered into the sanitary sewer collection system through the oil/water separator, stormwater drains, and stormwater retention ponds. Four vacuum trucks removed foam from the surface water detention ponds affected by the spill, and any water collected during the response that was affected by PFAS was sent off to an EPA certified disposal facility.

The Navy, Maine Department of Environmental Protection, Untied States Environmental Protection Agency, Maine Center for Disease Control and Prevention, MRRA, and the Town are involved in the ongoing investigation, sampling, and remediation related to the AFFF release.

SOURCE: *Information contained herein was obtained from:*

- *BRAC Preparedness Strategy, Town of Brunswick, Maine, RKG Associates Inc. dated May 12, 2005;*
- *The Impact of the BRAC Ordered Closure of the Brunswick Naval Air Station: A Regional Community Audit by Planning Decisions, Inc., and Career Prospects, Inc.;*
- *Strategic Implications for the Coastal Economy, Business and Workers, Coastal Counties Workforce, Inc., 3/31/06;*
- <https://brunswicklanding.us/annual-report-of-mrra-for-2024/>

NOTE: While the Town believes these sources to be reliable no independent investigation or inquiry has been made by the Town as to the accuracy or completeness of the above information.

TOWN FINANCES

BUDGETARY PROCESS

Article V of the Town's Charter provides for a budget process. The fiscal year (or "budget year") of the Town begins on the first day of July and ends on the thirtieth day of June of the following year. The charter provides that the Town Manager submit a budget to the council by May 1st of each budget year. The proposed budget is made available to the general public not later than two weeks after its submission to the council, which then orders a public hearing. The charter further directs the council to adopt a budget not later than June 15th. State law requires that the education portion of the budget, approved by the Town Council, is subject to a budget validation ratification referendum of the voters. Upon adoption of the budget, a property tax levy is then established and filed with the town assessor.

General Fund Budget for Fiscal Years Ending June 30, (000's)

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
REVENUES					
Property Taxes	\$ 46,659	\$ 50,357	\$ 52,840	\$ 58,572	\$ 60,175
Vehicle Excise Taxes	3,275	3,500	3,700	3,700	4,000
Other Taxes	525	531	522	534	566
Licenses, Fees, & Permits	570	585	596	561	581
Intergovernmental	14,867	15,147	18,913	21,082	22,809
Charges for Service	1,616	1,718	2,016	1,989	2,149
Interest on Investments	100	50	80	500	1,500
Other	1,149	1,171	471	433	406
Transfers and Use of Balances	2,461	2,701	5,177	4,688	5,317
TOTAL REVENUES	\$ 71,222	\$ 75,760	\$ 84,315	\$ 92,059	\$ 97,503
EXPENDITURES					
General Government	\$ 4,635	\$ 5,034	\$ 5,452	\$ 6,253	\$ 7,214
Public Safety	10,649	11,233	12,354	12,966	14,557
Public Works	4,056	4,613	4,910	5,683	6,719
Human Services	834	651	461	578	574
Education	39,760	40,602	46,434	49,949	54,824
Recreation & Culture	3,267	3,620	3,875	4,588	4,809
Debt Service	3,937	3,986	4,499	4,851	1,832
County Tax	1,675	1,664	1,714	1,892	1,992
Unclassified	521	766	1,005	1,542	983
Transfers Out	1,888	3,591	3,611	3,757	3,999
TOTAL EXPENDITURES	\$ 71,222	\$ 75,760	\$ 84,315	\$ 92,059	\$ 97,503

NOTES: This table is prepared on the Budgetary Basis. It reflects the adopted budget as amended, not the final budget. Further, (a) Debt service and education appropriations have been reclassified for comparative purposes. Previously, debt service for school construction projects was reported as part of the educational appropriation. It is now included with debt service in the table above. The education appropriation has been reduced by the corresponding amount; (b) The State of Maine reimburses the Town for a portion of the Homestead Exemptions provided to resident property taxpayers of the Town of Brunswick and the Business Equipment Tax Exemption provided to businesses. The Town budgets the reimbursements as property tax revenue.

Budget Commentary

The Town's 2024-25 budget was adopted on May 16, 2024. Development of the budget was affected by awareness of the property revaluation planned for the 2025-26 year, and expenditure increases were offset by increases in revenue and use of fund balance, resulting in a net tax revenue increase of 2.92%. Budgeted expenditures for municipal departments increased, due largely to growing personnel costs. School Department general fund expenditures increased, affected by the tapering off of federal CARES Act funding. Strong interest revenues, driven by healthy cash balances and the Federal Funds rate added \$1,000,000 to the budget. The budgeted State Aid to Education increased by \$1,219,805, or 8%, and State Revenue Sharing added \$588,565. Use of fund balances in the budget increased by \$303,608, consisting of a \$261,392 decrease in use of School Restricted balance, offset by increases in State Revenue Sharing balance of \$150,000 and \$415,000 Unassigned General Fund Balance to cover one-time items in the budget such as the cost of the property revaluation and the development of the Comprehensive Plan.

Net non-property tax revenue for the School Department in the 2024-25 budget increased by \$675,457, or 3.6%, and the amount required from property taxes for the School Department increased by \$1,216,909, or 3.5%. The amounts required from property taxes in the 2024-25 budget for the municipal departments and Cumberland County increased by \$395,869 (1.8%) and \$100,007 (5.3%), respectively. With the commitment of taxes on September 4, 2024, the 2024-25 property tax rate was \$23.85/\$1,000, an increase of 2.4%, less than the previous year's increase of 7.38%.

Development of the Town's 2025-26 budget will also be affected by consideration of the property revaluation currently underway. Due to the changes in the real estate market since the last property revaluation in 2018, particularly over the past three years, the values of residential properties have increased substantially. Conversely, the market values of commercial and industrial properties have not increased to the same extent. Currently, the reassessment is being undertaken with the assistance of a revaluation firm, and the updated values will be used in the 2025 commitment (2025-26 taxes). The Town recognizes that the changes in the real estate market means that the tax burden will shift to the residential taxpayer. With this awareness, the Town Council has signaled that the aspirational target for the 2025-26 tax increase is 3%, or approximately \$1.8M, to be shared 59% by the School Department and 41% for the municipal departments and County tax. Since the fall of 2023, the Finance Committee has held a series of public forums to hear from the public and provide information on property assessment, the Town budget and taxes.

The Town's budget is largely dependent on state revenues. The largest of these, State Aid to Education, is based on the Essential Programs and Services ("EPS") model, which is subject to change annually, and no assurances can be made that the State's subsidy program will continue in its present form. Based on the EPS projections provided by the State in February 2025, State Aid to Education in 2025-26 is projected to increase by \$940,670, or 5.7%.

Revenue Sharing is a program by which, since 1972, the State has shared a portion of its income and sales tax revenues with municipalities in order to provide a measure of property tax reduction. The percentage transferred into the pool for distribution to municipalities has been reduced from an original 5% since 2006, and is currently proposed to return to that level over several years. The portion transferred to the pool was set at 2% for FY 2016 to FY 2019, 3% for FY 2020, 3.75% for FY 2021, 4.5% for FY 2022 and 5% for FY 2023 and beyond. For the 2025-26 budget, Brunswick is budgeting \$5,931,300, the estimate provided by the State. This represents an increase of \$176,466, or 3.1% over the 2024-25 budget. When budgeting this source, the Town is aware of the continuing fluctuations in the economy affecting the sales and income tax revenues available, and that the State's budget is subject to change.

The Homestead Exemption is a property tax exemption established by the State to benefit property tax payers. Previously, the law provided for a homestead exemption in the amount of \$10,000 with the State reimbursing municipalities at a rate of 50% of the lost revenue. Beginning in FY 2017, the homestead exemption increased to \$15,000 with the State reimbursement continuing at 50%. In FY 2018, the homestead exemption increased to \$20,000, but the State reimbursement rate, which was originally projected to increase to 62.5% that year, was maintained at 50% in FY 2018, and only increased to 62.5% in FY 2019. The exemption amount and reimbursement rate were maintained for FY 2020, but for FY 2021 the homestead exemption to taxpayers was increased to \$25,000, and the State reimbursement to municipalities was increased to 70%, and was set to increase in following years by 3% each year until the reimbursement rate reaches 100%. However, with the State's 2024/2025 biennial budget, the reimbursement rate increase was paused at 76% for FY 2024 and future years.

For a more complete discussion on these three sources of State Aid, see also "REVENUES FROM THE STATE" herein, and APPENDIX A – TOWN OF BRUNSWICK, MAINE, ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2024.

Budgets over the past several years have been developed with the awareness that the Town had made significant use of reserves and one-time revenues in previous budgets. The Town Council decided to continue allocating some fund balance to the budget, and since FY 2019 had maintained the amount used at \$500,000. At this level the Town was able to restore its unassigned fund balance to the target level established in the Town's Fund Balance Policy, and budget surpluses have enabled the Town to use unassigned fund balance for capital projects through the Capital Improvement Program. Beginning with the 2023-24 budget and continuing for a total of five years, the Town expects to use an additional \$160,000 from fund balance to offset a portion of County taxes. Cumberland County is transitioning from a calendar year to a fiscal year, and will assess the 6-month transition period over five years. This will result in an assessment to Brunswick of approximately \$160,000 each year for five years beginning in 2023-24.

In 2023-24 the Town's Finance Committee undertook a review of the Fund Balance Policy, and establishing a target range for unassigned general fund balance, rather than a single target. On September 3, 2024, the Town Council amended the policy, establishing a target range for the unassigned fund balance as a percentage of revenues, with a lower limit of 16.67% and an upper limit of 25%. On June 30, 2024, the unassigned fund balance for the General Fund was \$23,939,585, or 25.15% of revenues, and \$138,321 over the upper limit of the target range. The policy amendment also clarifies that the general fund includes the school department, and that the school department's 'fund balance' is characterized as restricted fund balance within the Town's general fund, and adds the option that amounts in excess of the upper limit of the unassigned fund balance range may be used for capital improvements or one-time expenditures, within the following year, or to offset taxes in a period of up to three (3) years or longer as circumstances may allow. Beginning with the 2025-26 budget, the Town is projecting to increase the use of fund balance in the budget from a flat \$500,000 each year to 1% of the tax revenue increase. In 2025-26 this amount is \$610,000.

To anticipate future service requirements and develop sustainable budgets, the Town Finance Committee regularly works with five-year operating revenue and expenditure forecasts, and coordinates these with the Capital Improvement Program. For example, the Town expected to encounter significant pressure on its property tax rates, particularly with debt service payments on the new elementary school beginning in FY 2021 and on the new central fire station beginning in FY 2022. In developing the budgets in those years, the Town Council deliberately limited other expenditure lines to cover the required debt service, thereby controlling the tax rate. The Town Council and staff are committed to avoiding using one-time funds for ongoing costs, and deliberately plans the use of fund balance in the operating budget at a sustainable level. See also "TOWN FINANCES - FUND BALANCE – GENERAL FUND" herein.

The COVID-19 pandemic required some significant adjustments to Town facilities and operations. Federal aid was particularly important for the School Department. With the first two rounds of Coronavirus Relief Funds ("CRF") through the US Department of Education, and the Elementary and Secondary School Emergency Relief ("ESSER") Fund, established as part of the Education Stabilization Fund in the CARES Act, the school department has expended nearly \$7 million to continue delivering education services through a variety of new technologies and curriculum methodologies, used funding targeted to school nutrition to make meals available to all school families, and provided funding for child care to assist families with day programming outside of school. As mentioned previously, some of the programs developed with the federal aid are continuing, and funding has shifted to the general fund and the tax payer. With the final ESSER funds available in FY 2024, the School Department has absorbed some programs into the budget, and reduced some programs and eliminated certain positions.

The Town received \$2,171,340 in a State and Local Fiscal Recovery Fund ("SLFRF") grant from the American Rescue Plan Act of 2021. Initially, the Town decided to take time to research the eligibility rules of the program and determine the best application of the funds. After the release of the Final Rule in early January 2022, the Town developed a State and Local Fiscal Recovery Fund Expenditure Plan to guide the

Town's allocation of the grant. The deadline to obligate funds is December of 2024, with expenditure required to be completed by December of 2026.

The Town Council adopted the Brunswick SLFRF Expenditure Plan in April, 2022, and as of December 31, 2024 had obligated the total amount, plus interest, for a variety of governmental purposes as follows:

Premium Pay - Essential workers March 2020-June 2021	\$ 147,816
Recreation Center Gym Floor	59,000
Town Hall Energy Efficiency Lighting Upgrades	60,000
Mare Brook Urban Impaired Stream	120,000
Comprehensive Plan Professional Services	150,864
Tedford Homeless Shelter	200,000
Public Safety Communications	450,000
Midcoast Athletic and Recreation Complex	550,000
Affordable Housing Support Fund	<u>550,000</u>
	\$ 2,287,680

Throughout the past year, the Finance Committee and Town Council have monitored revenues and potential savings in budgeted expenditures and capital outlays. With the development of the 2025-26 budget during ongoing economic uncertainties, it is expected that the Town will continue to forecast revenues conservatively. The Town currently anticipates increased expenditures in certain areas of the budget, as personnel costs are continuing to rise, due to inflation and the challenges of attracting employees in the current job market.

PROPERTY TAX LEVY LIMIT – REPEALED

In 2024, the Maine State Legislature repealed Title 30-A, Section 5721-A of the Maine Revised Statutes, as amended, which limited the Town to an increase in the Town's property tax levy from one year to the next to an amount not more than its Municipal Property Tax Levy Limit. As a result, the levy limit is no longer in effect, and municipalities are no longer subject to the levy limit cap in calculating property taxes. This change eliminates the previous restrictions on property tax increases for municipalities in the State of Maine. Any references to the property tax levy limit in prior disclosure statements should be understood in light of this legislative change.

FUND BALANCE – GENERAL FUND

The Town has a formal fund balance policy for its General Fund. The policy, adopted in 2010, was amended in 2024, and sets a target range for unassigned General Fund balance. It is the policy of the Town to maintain a minimum unassigned fund balance at 16.67% of generally accepted accounting principles ("GAAP") revenues (two months of revenues), and the policy sets a desirable range above the minimum, of up to a level of 25% of general fund revenues (three months of revenues). The adopted policy and fund balance targets are based on the Government Finance Officer Association's ("GFOA") recommended best practice.. In developing the target, the Town considered a number of factors, including the property tax base, non-property tax revenues, exposure to significant outlays, debt profile, liquidity, budget management, future uses, and the employment base. The policy calls for an annual review of these factors and a report indicating compliance with the policy as well as identification of any new factors to be considered. Should the Town fall below the targeted balance, the policy mandates the development of a three-year plan to reach the target. Amounts in excess of the 16.67% minimum target shall first be used for capital improvements, or other one-time expenditures, as recommended by the Town Manager and approved by the Town Council. Amounts in excess of the 25% upper limit of the unassigned fund balance range may be used for capital improvements or one-time expenditures, within the following year, or to

offset taxes in a period of up to three (3) years or longer as circumstances may allow. The following displays the Town's Unrestricted and Unassigned General Fund Balances for its five most recently audited fiscal years:

Fund Balance as % Revenues – General Fund

	2020	2021	2022	2023	2024
Unrestricted General Fund Balance	\$ 16,599,749	\$ 19,770,996	\$ 22,689,978	\$ 26,714,622	\$ 29,937,828
Total Revenues	69,477,394	75,394,600	79,937,572	86,803,943	95,205,058
As a % of Revenues	23.89%	26.22%	28.38%	30.78%	31.45%
Unassigned General Fund Balance	\$ 12,002,583	\$ 17,115,570	\$ 20,614,603	\$ 21,155,502	\$ 23,939,585
Total Revenues	69,477,394	75,394,600	79,937,572	86,803,943	95,205,058
As a % of Revenues	17.28%	22.70%	25.79%	24.37%	25.15%

For the year ended June 30, 2024, the target unassigned fund balance range was between \$15,870,683 and \$23,801,265. The actual balance, at 25.15% of GAAP revenues, is \$138,320 above the target range. This was anticipated, as the Town had experienced balances below the target in FY 2013 and FY 2014, and has followed its plan to bring the balance back to the target range. In addition, unanticipated surplus revenues, as well as savings resulting from personnel vacancies resulted in a larger unassigned balance than expected as of the end of the 2023-24 fiscal year.

Beginning with the 2023-24 budget, the Town expects to use an additional \$160,000 in fund balance for five years to cover the additional County Tax for Cumberland County's change from a calendar year to a fiscal year. As mentioned previously, with the 2025-26 budget, the Town is projecting to increase the use of fund balance in the budget from a flat \$500,000 each year to 1% of the tax revenue increase, or \$610,000 in 2025-26. In accordance with the Fund Balance Policy, amounts in excess of the unassigned fund balance targets as of June 30, 2024 may be used for one-time expenditures or capital improvements, with additional expenditures recommended through the Town's Capital Improvement Program, currently in development. See the TOWN FINANCES – CAPITAL IMPROVEMENT PROGRAM" following.

CAPITAL IMPROVEMENT PROGRAM

Article VI, Section 601 of the Town's Charter requires that the Town Manager prepare and submit a five-year Capital Improvement Program ("CIP") at the same time as the annual budget is submitted. The CIP includes a list of all capital improvements proposed over the next five fiscal years, methods of financing, time schedules and annual cost to support the proposed program. The CIP is a plan; it does not fund any projects. Project funding can be authorized in a variety of formats, all of which involve a separate action by the Town Council. The Town's Charter requires any project over \$1,000,000 or to be financed with debt be approved by ordinance, the process for which includes a public hearing.

The Town's current CIP policy, procedures and format were adopted by the Council in February 2013, and updated in December 2018. The annual CIP is now developed in the fall each year, and finalized in early spring for submittal to the Council. The policy establishes the content and format of the Town's capital improvement planning and provides guidelines for funding methods. For clarity in planning, the policy specifies that projects be grouped in one of four classifications:

Projects Recommended for Funding - Projects and acquisitions included shall have been sufficiently developed and defined as to clearly identify the scope and cost of the project and the recommended funding sources. It is highly likely that projects in this class will eventually be authorized for completion and funding.

Projects In Development - Projects and acquisitions of this class are under active consideration but have not been sufficiently developed or defined to clearly identify the scope or cost of the project. Typically, projects in this category are being evaluated from several alternatives, or there is not sufficient confidence in the cost estimates to determine whether the project should be recommended for funding.

Projects Not Recommended - Projects and acquisitions of this class have been identified or requested by departments or others but are either insufficiently developed or defined, or have been deemed to be beyond the funding capacity of the Town. These projects may receive consideration at a future date should circumstances warrant.

Projects Non-Town Funded - Projects to be completed and funded solely by entities other than the Town, with an estimated operational cost impact to the Town of more than \$25,000, are of interest to the Town in its planning efforts. However, as they have a minimal, or no, impact on Town finances, they are shown separately from Town funded projects.

The CIP Policy also recommends certain principles with regard to financing methods:

Debt Financing - Projects or acquisitions to be funded wholly or partially with debt issued by the Town should have a cost to the Town of at least of \$325,000 and a life expectancy of five years or greater. However, the Town Council may authorize the issuance of debt for projects and acquisitions that have a cost to the Town of at least \$100,000. Debt shall never be issued for a term longer than the life expectancy of the project or acquisition.

General Revenues - Projects or acquisitions funded from general revenues or property taxation. Annual funding from this source should represent 4% - 7% of the total operating budget.

Fund Balances - Projects to be funded with fund balances shall be those that meet the purpose and intent of the fund. Funding from the unassigned general fund balance should be consistent with the Town's General Fund Policy.

Reserves - Projects to be funded from reserves should be those that meet the purpose and intent of the reserve.

Non-Town Sources - Projects to be funded from non-town sources should meet the restrictions requirements of the funding provider.

Beginning with its establishment in August 2014, the Finance Committee assumed the duties of the CIP Committee, and has followed the new CIP policy and procedures in the development of the CIP. On May 22, 2023, the Town Council adopted a CIP for fiscal years ending 2025-2029. This document, previous CIPs, and current drafts and presentations are available on the Town's website: <https://brunswickme.gov/161/Capital-Improvement-Program>

Development of the 2026-2030 CIP for fiscal years ending 2026 through 2030 began in September 2024, the Finance Committee began workshops in October, and continued through February, 2025. The Town Manager submitted the proposed CIP for fiscal years ending 2026 through 2030 on March 3, 2025. The Town Council will review the CIP in conjunction with its development of the 2025-26 budget, and it is anticipated that the 2026-2030 CIP will be adopted by the Town Council at the same time as the 2025-26 budget, in May 2025. Adoption of the CIP does not constitute funding of capital projects. Appropriation of funds, or authorization of the issuance of bonds, will happen in a separate action of the Town Council.

The 2025-26 recommended projects proposed for funding from General Fund Balance or TIF Revenues, will likely be appropriated at the same time as the 2025-26 general fund budget in May.

Information from the Town Manager's Proposed 2026-2030 CIP follows.

CIP Projects Recommended for Funding (Town Manager's Proposed, March 2025)

PROJECTS	Proposed – For Fiscal Years Ending 2026-2030 – Proposed						TOTALS
	2025-26	2026-27	2027-28	2028-29	2029-30		
Facilities - Improvements	\$ 1,032,520	\$ 40,465,000	\$ 520,000	\$ -	\$ -	\$ 42,017,520	
Infrastructure	5,270,000	14,214,250	9,152,500	4,325,000	200,000	33,161,750	
Capital Acquisitions	700,000	-	-	-	-	700,000	
Municipal vehicle/equip/facilities	1,453,623	1,562,938	1,679,892	1,802,978	1,935,541	8,434,972	
Municipal annual work programs	2,550,000	2,750,000	2,875,000	3,025,000	3,150,000	14,350,000	
School vehicle replacement	1,403,800	538,800	1,074,700	1,896,200	1,370,400	6,283,900	
School annual work programs	300,000	345,000	395,000	455,000	525,000	2,020,000	
TOTALS	\$ 12,709,943	\$ 59,875,988	\$ 15,697,092	\$ 11,504,178	\$ 7,180,941	\$ 106,968,142	
FUNDING SOURCES							
General Obligation Bonds	\$ 3,009,000	\$ 47,400,000	\$ 2,270,000	\$ 1,500,000	\$ -	\$ 54,179,000	
GO Bonds - TIF funded	-	1,950,000	-	-	-	1,950,000	
General Fund Balance/Advance	2,267,520	870,000	1,250,000	-	-	4,387,520	
Municipal Revenues	4,003,623	4,312,938	4,554,892	4,827,978	5,085,541	22,784,972	
School Revenues	1,703,800	883,800	1,469,700	2,351,200	1,895,400	8,303,900	
State of Maine	538,000	1,089,625	5,051,250	625,000	-	7,303,875	
Donations/Grants	450,000	2,302,500	-	-	-	2,752,500	
TIF Revenues	738,000	1,067,125	751,250	2,200,000	200,000	4,956,375	
Reserves	-	-	350,000	-	-	350,000	
TOTALS	\$ 12,709,943	\$ 59,875,988	\$ 15,697,092	\$ 11,504,178	\$ 7,180,941	\$ 106,968,142	

Within the *Projects Recommended for Funding*, the following projects, if pursued, are proposed to be funded with long-term debt, some of which would be serviced with TIF revenues:

2026-30 CIP - Recommended for Funding with General Obligation Bonds -- Mgrs Proposed, March 2025

PROJECTS	2025-26	2026-27	2027-28	2028-29	2029-30	TOTALS
Jordan Ave Culvert & Reconstruction	\$ 3,009,000	\$ -	\$ -	\$ -	\$ -	\$ 3,009,000
MaineDOT Munic Partnership Initiative	-	2,435,000	-	-	-	2,435,000
Bunganuc Road Culvert	-	2,000,000	-	-	-	2,000,000
Cushing Street Reconstruction	-	1,500,000	-	-	-	1,500,000
Sparwell Lane Culvert	-	1,000,000	-	-	-	1,000,000
Stephen Drive Extension	-	1,950,000	-	-	-	1,950,000
Pleasant Hill/Highland Culverts	-	-	1,750,000	-	-	1,750,000
Brunswick High School Windows	-	-	985,000	-	-	985,000
Public Works Facility	-	-	40,000,000	-	-	40,000,000
Columbia Ave Reconstruction	-	-	-	1,500,000	-	1,500,000
RECOMMENDED TOTALS	\$ 3,009,000	\$ 8,885,000	\$ 42,735,000	\$ 1,500,000	\$ -	\$ 56,129,000

Jordan Avenue Culvert & Reconstruction – This project consists of reconstruction of Jordan Avenue from Lori Dr to Bath Rd, replacement of the large culvert near the Brunswick Topsham Water District pump station, and construction of a new 8-10 ft multimodal path for pedestrians and cyclists. The

multimodal path complies with the Town's Complete Streets Policy, and removes the need for bike lanes in the road.

MaineDOT Municipal Partnership Initiative project - MaineDOT's Municipal Partnership Initiative (MPI) program is designed to promote partnerships between MaineDOT and municipalities, public utilities, private businesses and other entities by leveraging additional resources on a voluntary basis to match limited state resources. It will make improvements to State and State-Aid highways often utilizing more flexible project delivery methods when the nature of the highway and project allow. The program requires a 50% match from the municipality, the MaineDOT share is capped at \$625,000 per project. The Town has received several rounds of funding in recent years, and is currently applying for funding for Maine Street from Bath Road to Richards Drive.

Bunganuc Road Culvert - A 75 linear foot, 16 foot diameter pipe arch that crosses Bunganuc Road at Bunganuc Brook has been identified by MaineDOT as being poor condition with corroding bolts and damaged plates which could lead to failure. The Town has contracted for preliminary design, and the Town Engineer has estimated the cost for planning purposes.

Cushing Street Reconstruction - Cushing Street is an in-town road, approximately 1/4 mile in length and in poor condition, with many areas of pavement failure, and repeated attempts to patch the road evident. Drainage is poor and inadequate for quickly removing storm water to protect the road from water, snow, and ice. Sidewalks are not compliant with the Americans with Disabilities Act. This project would consist of a comprehensive evaluation, re-design in accordance with Town road standards and Complete Streets policy, and re-construction of the street and sidewalks. The design is proposed to be funded with available reserve funds, and construction would be funded through the issuance of bonds.

Sparwell Lane Culvert - Mare Brook has been designated as an urban impaired stream, and the Town created the Mare Brook Advisory Committee to improve the condition of the stream. Out of that committee, several proposed culvert replacements have been identified. The new culverts are designed to modern storm events and modern environmental practices. Sparwell Lane is one of those culverts. The Town has fully designed construction plans for the replacement of the existing culvert. It has gone out to bid, though project costs were higher than budgeted for the Mare Brook restoration work. This culvert is now being proposed as a CIP item, with funding through the issuance of bonds.

Stephen Drive Extension – The extension of the existing Stephen Drive off Gurnet Road, would provide a connection between Gurnet Road and Thomas Point Road. The roadway segment is needed to alleviate traffic at the intersection of Bath & Thomas Point Roads and will address a top transportation priority in the Cook's Corner Revitalization Plan. The project will address traffic issues and introduce critical active transportation elements (bike/pedestrian infrastructure) as part of the Cook's Corner Revitalization Plan. Funding is proposed through the issuance of bonds, with debt service to be paid with Cook's Corner TIF District revenues.

Pleasant Hill Rd & Highland Rd Culverts - This project is to upsize twin 5' x 66' culverts adjacent to 530 Pleasant Hill Road with 12'x6'x70' open bottom box culvert with integrated headwalls, and replace a 24" x 40' culvert adjacent to 565 Highland Road with a 36" x 40' N12 culvert and riprap inlet and outlet. These culverts are included in the Cumberland County Hazard Mitigation Plan which indicates the roadways have overtopped in the past during heavy rains. These culverts are currently projected to be funded with debt, but the Town is exploring alternative funding sources.

Brunswick High School Windows - There are roughly 90 first floor windows and 110 second floor windows that are in need of replacing in the 1995 High School building. The windows are in varying stages of decline. Some don't open, some sills are rotten, some have lost their seal. It is no longer possible to get

parts for repair. The proposal is to replace the windows one floor at a time over a two year period, with funding through the issuance of debt.

Public Works Facility - This project proposes a new facility, which would include offices, locker rooms, vehicle repair bays and covered parking for vehicles and equipment. Intended to replace the existing 16,972 sf facility, which was constructed in 1956 and is undersized for the current needs of the public works operations. In 2022 the Town Council appropriated \$120,000 from general fund balance to conduct a needs assessment and preliminary design of the facility, and the Town is currently exploring several options for location and scope of the facility. Currently estimated at \$40,000,000, the cost of construction is expected to be funded through the issuance of bonds.

Columbia Avenue Reconstruction- Columbia Ave is approximately 3/4 mile in length and is in declining condition. Drainage is poor and inadequate for quickly removing storm water to protect the road from water, snow, and ice, causing areas of the pavement to fail prematurely. Sidewalks are not compliant with the Americans with Disabilities Act. This project would consist of a comprehensive evaluation, re-design in accordance with Town road standards and Complete Streets policy, and re-construction of the street and sidewalks. The design is proposed to be funded with available reserve funds, and construction would be funded through the issuance of bonds.

CIP Projects in Development

The CIP includes several major projects that are under active consideration, but which have not been sufficiently developed or defined to clearly identify their scope or cost. These projects have been catalogued to allow the Town to consider its ability to afford the potential capital and operating costs. If pursued, these projects, with the cost estimates shown in the following table, would most likely be financed with the issuance of debt.

2026-30 CIP - In Development for Funding with General Obligation Bonds -- Mgrs Proposed, March 2025

PROJECTS	2025-26	2026-27	2027-28	2028-29	2029-30	TOTAL
School Bus Garage	\$ 1,700,000	\$ -	\$ -	\$ -	\$ -	\$ 1,700,000
School Buildings LED Lighting	-	976,730	-	-	-	976,730
Longfellow Ave Storm Drainage	-	-	-	865,000	-	865,000
MacMillan Drive Storm Drainage	-	-	-	696,000	-	696,000
Bike Path-Bath Rd Connection	-	-	-	-	5,330,000	5,330,000
Androscoggin Bike Path Extension	-	-	-	-	4,500,000	4,500,000
Thomas Point Road Improvements	-	-	-	-	4,000,000	4,000,000
Quiet Zones-Church & Stanwood	-	-	-	-	1,250,000	1,250,000
IN DEVELOPMENT TOTALS	\$ 1,700,000	\$ 976,730	\$ -	\$ 1,561,000	\$ 15,080,000	\$ 19,317,730

School Bus Garage – Replacing the bus garage at the Brunswick Junior High School/Coffin School campus has been discussed for at least the last 10 years. The current garage is not large enough to accommodate the size of the newer buses, there is inadequate space for bus driver training, bathroom facilities are not sufficient, and the doors open right into the lounge area where staff eat their lunch. In addition, the garage section of the building has become detached from the older main section, leaving a three-to-four-inch gap to the outside. Finally, there is currently no place to wash the buses, so this happens outside, which becomes very difficult to manage in the winter. The new bus garage facility would have a dedicated wash bay, the wastewater would go into a drain and into the sanitary sewer system for treatment. Design of the new facility is underway, with construction proposed through the issuance of bonds.

School Buildings LED Lighting Conversion – This project is to replace and update all lights at Brunswick High School, Brunswick Junior High School, Harriet Beecher Stowe Elementary School and Coffin School with energy efficient LED light fixtures. The project is proposed for \$976,730, and the School Department estimates a 12 year pay-back with estimated savings in electricity costs.

Longfellow Avenue Storm Drainage - The Brunswick Sewer Department anticipates replacing a section of sewer line on Longfellow Ave. The Town stormwater system has had significant drainage issues in the past and the system continues to deteriorate, so it would be most efficient to coordinate these projects. The preliminary engineering cost of \$89,000 is scheduled to be funded from reserves, and the construction, estimated at \$865,000, would be funded through the issuance of bonds.

MacMillan Drive Storm Drainage - The Brunswick Sewer Department anticipates replacing a section of sewer line on MacMillan Drive. The Town stormwater system has had drainage issues in the past and the system continues to deteriorate, so it would be most efficient to coordinate these projects. The preliminary engineering cost of \$78,000 is scheduled to be funded from reserves, and the construction, estimated at \$696,000, would be funded through the issuance of bonds.

Bike Path – Bath Road Connection - This project is to connect the Bike Path to Cook's Corner. The proposed scope of work would include Phase 1: a 6-foot wide sidewalk on Grover Lane from the terminus of the bike path to Old Bath Road, and a 10-foot wide multi-use path on Old Bath Road from Maplewood Manor to Old Bath Road Bridge; and Phase 2: a pedestrian bridge over Route 1 adjacent to the Old Bath Road bridge, and a 10-foot wide multi-use path on Old Bath Road from Maplewood Manor to the Old Bath Road bridge. The Town is looking into coordination with and possible funding from MDOT for a portion of this project, but the CIP currently lists bonds as the funding source.

Androscoggin River Bike Path Extension – In 2004, the Town of Brunswick, along with neighboring West Bath and Bath, completed a feasibility study to construct a 4.8 mile off-road bicycle/pedestrian path to connect the existing 2.4 mile path along the Androscoggin River in Brunswick with paths in Bath connecting to the Kennebec River (the “A2K corridor”). In January 2024, Brunswick received a \$200,000 grant from Maine DOT for preliminary design, survey/mapping and right-of-way work. This project has been in the CIP since 2004, but only now is moving into the Recommended section. Without actual design details, the current estimate of construction costs is \$22,700,000, and the Town anticipates that eventual construction will be dependent on significant grant funding. For financial projection purposes only, the Town is including debt for \$4,500,000 in year 5 of the CIP.

Thomas Point Road Improvements – This project is associated with the Gurnet Rd – Thomas Point Road Connector project, which would provide better connectivity, allowing for development of two currently undeveloped parcels, and increase activity on Thomas Point Road. With this project, Thomas Point Road would be expanded to include wider shoulders and a sidewalk to help make the area more pedestrian friendly. The CIP proposes funding through the issuance of bonds, with debt service to be paid with Cook's Corner TIF revenues.

Quiet Zones – Church & Stanwood Streets - In 2018, the Town implemented a Quiet Zone extending from the Freeport town line to the Train Station. A requirement of a quiet zone is that the crossings be analyzed regularly to determine if the safety rating falls below the national average. With increasing traffic in Brunswick and the possibility of increased rail traffic in the future it may be necessary to add additional safety measures to the crossings to maintain the quiet zones. This would likely require the installation of quad gates at the crossings on Stanwood Street and Church Road.

Other Debt Supported Projects - The Town has a number of other plans and reports that call for projects that, if undertaken, would most likely be funded with bonds. Departments have submitted a variety of

projects, including infrastructure improvements, building improvements, vehicle acquisitions, equipment acquisitions, and other items to be assessed in the CIP process. The total of the other debt-funded projects proposed to be included in the CIP process, but not currently being pursued, is estimated at \$2.31 million. While it is the Town's intent to bring all capital requests through the CIP process, no assurances can be given that projects not included in the CIP will ultimately be funded.

At the end of the CIP document, the "Other Projects and Considerations" section lists a number of project areas that are not currently within the five year CIP plan, but are likely to arise in future CIPs. The Town is aware of these situations, and the potential for future projects is considered during deliberations on the current CIP.

INVESTMENT POLICY

In October, 2016, the Town adopted a revised Investment Policy, replacing a 1985 policy. Pursuant to its policy and applicable Maine law (Title 30-A, Section 5706 *et seq.* of the Maine Revised Statutes, as amended (the "Act") all investments of the Town must be made with the judgment and care that persons of prudence, discretion and intelligence, exercise in the management of their own affairs, not for speculation but for investment considering (i) safety of principal and preservation of capital, (ii) maintenance of sufficient liquidity to meet all operating and cash requirements that may be reasonably anticipated, and (iii) return of income commensurate with avoidance of unreasonable risk. In September 2021, the Town amended the Investment Policy to incorporate environmental, social and corporate governance ("ESG") considerations.

The Town's investment practice is to maintain a cash and investment pool that is available for use by all funds and consists of short-term investments. The Town invests principally in bank certificates of deposit, repurchase agreements, money market mutual funds, and direct obligations of the United States government and its agencies. The Town does not invest in any obligations typically referred to as derivatives, meaning obligations created from, or whose value depends on or is derived from, the value of one or more underlying assets or indexes of asset values in which the municipality owns no direct interest.

FINANCIAL STATEMENTS

Title 30-A, Chapter 223, Subchapter VIII of the Maine Revised Statutes, as amended, and Article II Section 213 of the Town's Charter provide for independent annual audits of the Town's accounts and establishes procedures for such audits. The Town, in conformance with this statute and its Charter at present engages the services of Runyon Kersteen Ouellette, Certified Public Accountants. The audited basic financial statements, as included in the Town's Annual Comprehensive Financial Report ("ACFR"), for the fiscal year ended June 30, 2024 are presented as APPENDIX A to this Continuing Disclosure Statement. Runyon Kersteen and Ouellette has not reviewed this Continuing Disclosure Statement nor taken any part in its preparation.

Beginning with the 2016-2017 fiscal year, the Town has also produced a Popular Annual Financial Report ("PAFR") under a Government Finance Officers Association ("GFOA") program. With this report, the Town has extracted information from the ACFR to produce a financial report specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance. Along with other financial reports, the PAFR is made available on the Town's website at <https://brunswickme.gov/163/Financial-Reports> and in printed form in Town Hall and the Town's library. The report intends to provide transparency, and promote interest, questions and further understanding of the Town's finances.

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. Each fund is operated and accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenditures.

Governmental Funds are used to account for the Town's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting.

- The **General Fund** is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- **Special Revenue Funds** account for revenue sources that are legally restricted to expenditure for specific purposes (not including permanent funds or major capital projects).
- **Debt Service Funds** account for resources accumulated and payments made for principal and interest on general obligation debt of governmental funds.
- **Capital Projects Funds** account for the acquisition of capital assets or construction of major capital projects not being financed by proprietary or permanent funds.
- **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 government or its citizenry.

Proprietary Funds are accounted for using the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The Town's proprietary funds include the following types:

- **Enterprise Funds** are used to 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.
- **Internal Service Funds** are used are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component units.

Fiduciary Funds account for assets held by the government in a trustee capacity or as an agent on behalf of others. The Town's fiduciary funds consist of the following fund type:

- **Private-Purpose Trust Funds** account for resources where principal is legally restricted by a formal trust agreement and only earnings may be used for purposes that benefit individuals, private organizations, or other governments.

Following are 5-year comparative statements for the Town's General Fund.

Town of Brunswick, Maine
Comparative Balance Sheets - General Fund
For the Year Ended June 30, 2024

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
ASSETS					
Cash & Investments	\$ 24,174,102	\$ 24,410,240	\$ 37,148,709	\$ 47,116,182	\$ 50,317,504
Taxes Receivable	1,415,815	986,649	780,851	1,050,085	1,330,048
Tax Liens & Acq. Property	300,001	206,757	136,352	140,645	191,407
Accounts Receivable	970,715	1,220,899	1,243,287	1,360,616	3,318,799
Prepaid items	1,236	1,236	4,111	1,236	6,782
Due from Other Funds	-	3,465,252	-	-	-
Advances to Other Funds	1,582,610	586,606	591,696	384,981	81,486
Other	20,159	34,811	90,667	71,080	861,952
TOTAL ASSETS	<u>\$ 28,464,638</u>	<u>\$ 30,912,450</u>	<u>\$ 39,995,673</u>	<u>\$ 50,124,825</u>	<u>\$ 56,107,978</u>
LIABILITIES					
Accounts Payable	\$ 1,096,646	\$ 1,063,024	\$ 1,024,193	\$ 1,040,736	\$ 1,268,972
Accrued Payroll	4,035,079	4,061,265	4,676,205	4,235,966	3,998,163
Due to Other Funds	1,211,257	-	3,309,365	10,129,569	10,604,724
Other	389,052	176,682	163,461	149,704	110,638
TOTAL LIABILITIES	6,732,034	5,300,971	9,173,224	15,555,975	15,982,497
DEFERRED INFLOWS OF RESOURCES					
Unavailable Property Taxes	764,028	444,809	392,128	485,267	721,827
Unavailable Revenues	346,738	496,261	460,789	324,909	331,316
Lease Related	-	-	39,128	33,911	813,109
TOTAL DEFERRED INFLOWS	1,110,766	941,070	892,045	844,087	1,866,252
FUND BALANCES					
Nonspendable	1,604,005	622,653	646,878	422,481	128,703
Restricted	2,418,083	4,276,760	6,593,518	6,587,659	8,192,698
Assigned	4,597,167	2,655,425	2,075,375	5,559,120	5,998,243
Unassigned	12,002,583	17,115,571	20,614,603	21,155,503	23,939,585
TOTAL FUND BALANCES	20,621,838	24,670,409	29,930,374	33,724,763	38,259,229
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 28,464,638</u>	<u>\$ 30,912,450</u>	<u>\$ 39,995,643</u>	<u>\$ 50,124,825</u>	<u>\$ 56,107,978</u>

NOTES: Prepared from Audited Financial Statements. Items may have been restated for comparative purposes.
The Town has a fund balance policy. See "TOWN FINANCES – FUND BALANCE – GENERAL FUND" herein.

Town of Brunswick, Maine
Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances for the General Fund – GAAP Basis
For the Years Ended June 30,

	2020	2021	2022	2023	2024
REVENUES					
Taxes	\$ 49,424,031	\$ 53,382,098	\$ 55,153,531	\$ 58,279,497	\$ 63,376,044
Licenses, Fees & Permits	535,870	793,475	757,604	724,152	711,078
Intergovernmental	17,038,818	18,869,314	21,159,491	23,485,967	25,668,063
Charges for Services	1,727,133	1,757,173	2,081,278	2,484,380	2,604,418
Interest on Investments	300,692	89,306	94,690	1,226,011	2,315,209
Other	450,850	503,234	690,978	603,936	530,246
TOTAL REVENUES	69,477,394	75,394,600	79,937,572	86,803,943	95,205,058
EXPENDITURES					
General Government	4,184,097	4,453,697	4,645,005	5,290,254	6,161,275
Public Safety	9,952,658	10,418,384	10,927,887	12,042,686	13,612,449
Public Works	3,771,060	3,673,995	4,340,723	4,915,281	5,237,864
Human Services	374,486	326,105	240,017	289,961	435,703
Education	39,756,590	40,752,499	42,193,074	47,431,611	50,021,817
Recreation & Culture	3,230,972	3,178,169	3,412,614	3,818,857	4,186,243
Debt Service	2,556,331	3,934,013	3,660,271	3,704,864	4,296,327
County Tax	1,590,123	1,674,551	1,664,113	1,713,824	1,891,816
Unclassified	103,265	70,742	31,198	26,399	95,623
TOTAL EXPENDITURES	65,519,582	68,482,155	71,114,902	79,233,737	85,939,117
OTHER SOURCES (USES)					
Transfers In	678,946	763,000	875,344	947,370	1,031,055
Transfers Out	(3,392,236)	(3,626,874)	(4,438,049)	(4,723,187)	(5,791,260)
TOTAL OTHER SOURCES (USES)	(2,713,290)	(2,863,874)	(3,562,705)	(3,775,817)	(4,760,205)
NET CHANGES IN FUND BALANCE	1,244,522	4,048,571	5,259,965	3,794,389	4,505,736
BEGINNING FUND BALANCE	19,377,316	20,621,838	24,670,409	29,930,374	33,724,763
Restatement for error corrections	-	-	-	-	28,730
ENDING FUND BALANCE	\$ 20,621,838	\$ 24,670,409	\$ 29,930,374	\$ 33,724,763	\$ 38,259,229

NOTES: Prepared from Audited Financial Statements.

This statement is produced using generally accepted accounting principles (GAAP Basis). To reconcile the GAAP basis to the basis used for budget purposes (Budget Basis), it is necessary to subtract from the GAAP basis the amount the State of Maine contributes to the Maine Public Employees Retirement System (“MainePERS”) for employees enrolled in the MainePERS Teacher Retirement Plan. The amounts to be subtracted for the fiscal years ended June 30, 2024, 2023, 2022, 2021, 2020 are \$4,270,187, \$4,027,350, \$3,677,010, \$3,687,452, and \$3,592,142, respectively.

The Town has a fund balance policy. See “TOWN FINANCES – FUND BALANCE – GENERAL FUND” herein.

PROPERTY TAXATION

GENERAL

The principal revenue source of the Town is the tax on real and personal property. A single tax applies for each fiscal year to the assessed value of the taxable real or personal property. The Town's tax collector receives the tax commitment from the town assessor, with assessed values as of April 1 of each year, after which time the tax bills are mailed. For fiscal 2024-25, personal property taxes were due by October 15, 2024. Real estate taxes are due in two installments with one-half due October 15, 2024 and one-half due April 15, 2025. All taxes paid after the due dates will be subject to interest at a rate established by the Town. The rate for fiscal year ended June 30, 2025 is 8.5% per annum.

Maine law permits towns 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 \$634,013 for the year ending June 30, 2025.

Real Estate Tax

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

Business Personal Property Tax

In accordance with Title 36, Chapter 105, Subchapter 4-C of the Maine Revised Statutes, as amended (the "BETE Act"), most types of tangible business personal property subject to an allowance for depreciation, and some specialty types of real property improvements, are exempt from personal property taxation. Municipalities receive State reimbursement for a portion of the lost property tax revenue under a program known as the Business Equipment Tax Exemption ("BETE"). In order for any personal property to be exempt from taxation, the property owner must file a complete list of that property with the municipal assessor by May 1 every year. If the owner fails to file for the exemption in a timely manner or fails to follow other statutory procedures in the legislation, the property in question is not exempt from taxation for that year.

The State reimburses municipalities with respect to the lost property taxes associated with the BETE exemption through one of two formulas, whichever is most beneficial to the municipality, as follows:

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

reimbursement plus 50% of their tax base percentage that is made up of personal property. For example, if a town's tax base is 20% personal property, it would be eligible for a reimbursement rate of 60%, which is a combination of the minimum 50% reimbursement *plus* one-half of that municipality's 20% "personal property factor".

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

For the purposes of identifying the municipality's valuation for determining the local property tax rate, the value of all property in the municipality made exempt by the BETE Act must be considered part of that municipality's local valuation to the extent the municipality is being reimbursed for its lost property taxes by the State other than property located in, and the assessed value of which is retained in, a tax increment financing district authorized prior to April 1, 2008. The value of all property in the municipality made exempt by the BETE Act will also be considered part of that municipality's equalized State Valuation to the extent the municipality is being reimbursed for its lost property taxes by the State with an additional adjustment for property in a tax increment financing district authorized prior to April 1, 2008.

TAX COLLECTIONS

Fiscal Yr. End	Equalized			Collections (after Supplements / Abatements)				
	State Valuation (000)	Assessed Valuation (^{1,2,3})	Tax Rate	Tax Levy (^{1&2})	Year End (000)	% of Levy	% of Levy a/o 6/30/24	
June 30,								
2025	\$4,140,700	\$2,549,636	\$23.85	\$60,809	-----	In Process		
2024	3,039,200	2,521,583	23.29	58,728	\$51,753	95.93%	97.66%	
2023	2,740,850	2,489,601	21.69	53,999	51,753	95.84	99.66	
2022	2,595,900	2,424,887	20.86	50,583	48,652	96.18	99.96	
2021	2,509,500	2,374,234	20.37	48,363	47,401	98.01	99.97	
2020	2,319,900	2,304,034	19.72	45,436	44,010	96.86	99.97	
2019	2,252,400	2,276,234	18.92	43,066	42,238	98.08	99.99	
2018	2,184,050	2,266,215	18.37	41,630	40,475	97.23	99.99	
2017	2,082,600	1,382,600	29.35	40,579	39,573	97.52	99.99	
2016	2,000,400	1,374,997	28.36	38,995	38,157	97.85	99.99	

NOTES: ⁽¹⁾ Information is for the General Fund and does not include TIF valuation, tax levy, or collections.

⁽²⁾ Prior to 2018-19 the State reimbursed the Town for 50% of Homestead Exemptions provided to resident property taxpayers of the Town. Beginning in the 2018-19 fiscal year, the State reimbursed the Town for 62.5% of the taxes exempted through the Homestead Exemption program, and increased the reimbursement percentage to 70% beginning in the 2020-21 fiscal year. The percentage is scheduled to increase by 3% each year beginning in the 2022-23 fiscal year, reaching 76% in 2023-24. The Town budgets the reimbursement as property tax revenue. The Assessed Valuation has been adjusted to add back a corresponding percentage of the Homestead Exemption value. The Gross Levy has also been adjusted to include the amount of tax reimbursement.

⁽³⁾ Beginning with the fiscal year ended June 30, 2009, the State reimburses the Town for a percentage of the Business Equipment Tax Exemption. See "PROPERTY TAXATION – Business Personal Property Tax" herein. The Assessed Valuation and Gross Levy have been adjusted to add back the amount of exempt value and the taxes being reimbursed.

LARGEST TAXPAYERS

Taxpayer	Type of Business	As of April 1, 2024				
		Real Estate	Personal Property	Assessed Total	Property Tax	% of Levy
Bath Iron Works Corp	Shipbuilding	\$ 29,543,600	\$ 10,583,400	\$ 40,127,000	\$ 957,029	1.50%
MRRA	Development	37,273,454	-	37,273,454	888,972	1.40%
Brunswick MZL LLC	Shopping Ctr	27,539,600	-	27,539,600	656,819	1.03%
Brookfield White Pine Hydro LLC	Utility	26,982,000	-	26,982,000	643,521	1.01%
Central Maine Power	Utility	22,735,000	1,077,100	23,812,100	567,919	0.89%
JSIP Pegasus Bruns Landing LLC	Housing	19,702,300	-	19,702,300	469,900	0.74%
Walmart RE Business Trust	Retail	16,930,000	2,337,000	19,267,000	459,518	0.72%
Maine Natural Gas	Utility	16,672,000	563,900	17,235,900	411,076	0.65%
Thornton Oakes Homeowners	Housing	15,783,250	194,600	15,977,850	381,072	0.60%
W/S Brunswick Properties	Shopping Ctr	14,871,200	-	14,871,200	354,678	0.56%
						9.09%

NOTE: Per the tax commitment on September 4, 2024, the total taxable assessed value of the Town was \$2,670,136,154, which includes \$239,140,540 of total taxable valuation in the Town's TIF Districts and excludes all exemptions.

TAX INCREMENT FINANCING DISTRICTS AND AFFORDABLE HOUSING DEVELOPMENT DISTRICTS

Chapter 206 and former 207 (now repealed) of Title 30-A of the Maine Revised Statutes, as amended, enables a municipality to finance qualified development by borrowing against the future increased property tax receipts attributable to that development. Under the statutory framework, the municipality designates a tax increment financing ("TIF") district or an affordable housing development district (a "housing district") and adopts a development program (the "Development Program") stating the means and objectives for the development of that district. The municipality may designate, or "capture", all or a portion of the increase in assessed value resulting from development within the district and dedicate the increased property taxes it receives in future years generated by the "captured" assessed value to payment of the costs of the Development Program, which may include debt service on borrowing to fund such costs.

TIF districts are subject to statutory limits on their size, including the following limitations: (a) the total area of a single district may not exceed 2% of the total acreage of the municipality, (b) the total area of all TIF districts or housing districts within a municipality each may not exceed 5% of the total acreage of the municipality, and (c) the aggregate original assessed value of property of all TIF districts and the aggregate original assessed value of property of all housing development districts within the municipality as of the April 1st preceding the date the Commissioner of the Department of Economic and Community Development ("DECD") or the Maine State Housing Authority ("MSHA") approves the designation of each such district, cannot each exceed 5% of the municipality's total value of taxable property.

Excluded from the limitations is any district excluded from the calculation under former section 5253, subsection 1, paragraph C and any district that meets the following criteria:

- (1) The development program contains project costs, authorized by section 5225, subsection 1, paragraph A, that exceed \$10,000,000;
- (2) The geographic area consists entirely of contiguous property owned by a single taxpayer;
- (3) The assessed value exceeds 10% of the total value of taxable property within the municipality or plantation; and
- (4) The development program does not contain project costs authorized by section 5225, subsection 1, paragraph C.

The foregoing limitations do not apply to approved downtown TIF districts, TIF districts included within Pine Tree Development Zones, transit districts, or TIF districts that consist solely of one or more community wind power generation facilities owned by a community wind power generator that has been certified by the Public Utilities Commission pursuant to Title 35-A, Section 3403, Subsection 3 of Maine Revised Statutes, as amended.

The Seahawk TIF District (formerly named the Molnlycke TIF District), the Brunswick Landing TIF District, and the Brunswick Executive Airport TIF District are all exempt from the foregoing limitations because the entire military redevelopment zone was designated to be considered a Pine Tree Development Zone pursuant to Title 30-A, Section 5250-J(3-A) of Maine Revised Statutes, as amended. The Downtown Transit-Oriented TIF District is also exempt from the limitations, under the transit district qualification.

The new, or incremental, assessed valuation and related tax revenue in the TIF district is not available to the Town's General Fund. The increase in assessed value captured by the municipality is excluded from the municipality's equalized just value for each year's State valuation filed with the Secretary of State in accordance with Title 36, Sections 208 and 305 of Maine Revised Statutes, as amended, and is therefore not included in calculating that municipality's share of State educational aid, State municipal revenue sharing, the county tax or the 15% debt limitation for the municipality pursuant to Title 30-A, Section 5257 of the Maine Revised Statutes, as amended.

For the year ending June 30, 2025, the Town has a total of \$239,140,540 in captured valuation within five TIF districts. Three of the TIF districts are on the site of the former Brunswick Naval Air Station, and one is nearby, in the Cook's Corner area. The last is the Downtown Development and Transit-Oriented TIF District. The tax revenue captured in these districts totals \$4,935,030 for the 2023-24 fiscal year, and \$5,703,502 for the 2024-25 fiscal year. The Town has entered into several Credit Enhancement Agreements (CEAs) with individual organizations for economic development purposes, as permitted within its five TIF districts. The TIF revenues distributed under CEAs in the 2023-24 fiscal year totaled \$1,696,165. See also "APPENDIX A – TOWN OF BRUNSWICK, MAINE, ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2024", pages 83-84 herein.

As described above, the Town's districts do not exceed the statutory limitation of total area and aggregate equalized value within all districts, determined as of their date of designation. The Town has not designated and is not currently considering any affordable housing districts.

REVENUES FROM THE STATE

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

In accordance with the provisions of applicable Maine law, the State subsidizes most local school administrative units. By law, Maine calculates and distributes State education aid to school units using a model referred to as Essential Programs and Services ("EPS"). All education subsidies, including subsidy for State approved debt service, flow through the EPS model. EPS utilizes a number of factors that are subject to change each year. In addition, the EPS model itself is subject to change by the Legislature. Furthermore, subsidies for school administrative units are an annual item in the State's budgetary process and are subject to legislative appropriation in that process. No assurance can be given that future legislation will not have an adverse impact on school funding in Maine. Because of these uncertainties, it is not possible to predict the level of State subsidy to local units in future years or whether the State's subsidy

program will continue in its present form.

The following table displays State aid received by the Town for the last five audited fiscal periods:

Yr. End <u>June 30,</u>	School <u>Subsidy</u>	Revenue <u>Sharing</u>	Homestead <u>Reimbursement</u>	Other <u>State Aid</u>	Total <u>State Aid</u>
2024	\$15,148,427	\$5,271,700	\$1,836,519	\$6,307,243	\$28,563,889
2023	14,081,114	4,760,410	1,737,410	5,728,589	26,307,523
2022	13,123,839	3,979,488	1,645,407	5,172,046	23,920,780
2021	12,257,024	2,526,422	1,561,742	5,183,937	21,529,125
2020	11,058,375	1,939,959	1,112,441	4,819,632	18,930,407

Recent Events Regarding State Aid

School Subsidy provides the bulk of Brunswick's State Aid, and there have been many changes to the appropriation formulas over the past several years. The changes have included adjustments to the calculation of municipal valuations and pupil counts, and the exclusion of certain administrative costs from the EPS formula. For example, beginning with the FY 2014 budget, school units are now required to fund the normal cost of MainePERS Teacher Plan retirement, and beginning with the FY 2019 budget, the State funding for CTE was made directly to the CTE Centers, rather than through the sending schools, and beginning in the 2022-23 school year, the State has provided additional aid for multi-language learners.

With the State's adoption of the 2024/2025 biennial budget, the FY 2023 State education aid to Brunswick, increased by \$957,275, or 7.3% from FY 2022. For FY 2024, the increase was \$1,232,750, or 8.75% from FY 2023. Based on the EPS reported by the State in January, 2025, the estimated increase in State education aid to Brunswick for FY 2026 will be \$940,670, or 5.7%. As previously discussed, the EPS formula is subject to legislative change, but even with no changes to the formula, school enrollment and valuation changes in Brunswick will affect the final calculation of State Subsidy to Brunswick schools in future years.

Historically *State Revenue Sharing* to municipalities has been distributed from a pool of funds comprised of roughly 5% of State sales and income taxes. As those State revenues increased or decreased, the pool to be distributed increased or decreased. Population and tax effort are the two major factors used in the formula that distributes State revenue sharing to municipalities.

Beginning in 2010, the State ordered transfers from the pool to the State's General Fund, thus reducing the amount to be distributed to municipalities. In FY 2016 the State changed the annual transfer into the revenue sharing pool to 2% of State sales and income taxes, with the 5% allocation to resume in FY 2020. With each budget, the State re-adjusted the timeline, and the allocation to revenue sharing was increased, to 3% for FY 2020, 3.75% for FY 2021 and 4.5% for FY 2022. With the State's 2022/2023 biennial budget, the allocation to the pool returned to 5% for FY 2023. The governor's proposed 2024/2025 budget maintains the allocation at 5%, and as of February 2025, the State's revenue sharing distribution for FY 2026 is projected to be \$275.8 million, with \$5,931,300 projected for the Town. The revenues transferred to the pool are based on actual income and sales tax revenues collected by the State, which is dependent on multiple factors in the economy.

The Maine *Homestead Exemption* program is established through statute, but is administered locally. Eligible homeowners file the homestead application with the Town Assessor, and the taxable value of their property may be reduced by the State-determined homestead exemption benefit amount. Since the beginning of the program, the State has frequently modified both the exemption amount and the amount it reimburses municipalities. Originally, the exemption amount was \$10,000 and the State reimbursed municipalities for 100% of the property tax lost because of the exemption. Beginning in 2005, and through

the 2015-16 fiscal year, the State changed the reimbursement to 50% of the property tax reduction. In 2016-17, and over the next several years, the State made a number of changes to the program. In 2021, State tax legislation established homestead reimbursements rates of 73% for 2022-23 and an additional 3% each year until the percentage of reimbursement reaches 100%, but with the adoption of the State's 2024/2025 budget, the reimbursement rate was capped at 76% beginning with the 2023-24 year. The following table outlines the changes in the program since 2015-16.

Fiscal year	Homestead	Brunswick Total	State	Homestead
	Exemption Amount	Homestead Exemptions	Reimbursement Percentage	Reimbursement Amount
2024-25 est.	\$ 25,000	\$ 2,117,131	76%	\$ 1,609,020
2023-24	25,000	2,416,472	76%	1,836,519
2022-23	25,000	2,380,014	73%	1,737,410
2021-22	25,000	2,350,581	70%	1,645,407
2020-21	25,000	2,231,060	70%	1,561,742
2019-20	25,000	1,779,906	62.5%	1,112,441
2018-19	20,000	1,684,130	62.5%	1,052,581
2017-18	20,000	1,585,506	50%	792,753
2016-17	15,000	1,341,042	50%	670,521
2015-16	10,000	873,502	50%	436,751

Though the Homestead exemption amounts increased beginning in 2016-17, the Town estimates that the increases in exemption with no increase in reimbursement rates resulted in an annual reduction of over \$350,000 in net revenue received by the Town for two years. As is evident with the 2024/2025 State biennial budget, the reimbursement rates continue to be subject to change.

For a discussion of the Town's response to state aid changes, see "TOWN FINANCES - BUDGETARY PROCESS - Budget Commentary" herein.

School Construction Projects and State Subsidy

In Maine, subsidized school construction projects must receive both local and State approval. To be eligible for State assistance (sometimes referred to as State subsidy or "State Qualified") SAUs submit projects for evaluation by the MDOE through the Major Capital School Construction program. MDOE ranks the projects and determines those that will be eligible for State subsidy based upon MDOE's capacity to subsidize them. Projects approved for State subsidy then move to Concept Approval stage, establishing an initial project budget. The total budget is broken out into a "Local Only" portion, not eligible for State subsidy, and a portion "eligible for State assistance." A local referendum is then required where voters are asked to approve both the project and the bonds proposed to be issued to fund the project. The project then proceeds through Final Design. At the conclusion of this phase, the MDOE issues a Design and Funding Approval, after which the project is bid. Once bids are received, the MDOE and the SAU establish a final project budget and DOE issues its final funding approval.

School construction bonds are obligations of the SAU and the State does not guarantee their repayment. The annual debt service on bonds issued to fund the State Qualified portion of the project is included in the State's EPS model. The debt service on bonds issued to fund the portion of project categorized as Local Only is not eligible for State subsidy and is not included in the debt service allocation of the EPS model. Under the current EPS model, eligible debt service is only one component of a SAU's annual education subsidy. In order to receive full State subsidy, an SAU must raise its required Local Share as determined by the EPS model. The required Local Share is a calculation that uses a State-mandated education mil rate and the SAU's equalized property tax valuation.

The MDOE determined that approximately 87% of the debt service on Brunswick's 2010 Harriet Beecher Stowe School was eligible for subsidy and is included in the Town's debt service allocation in the EPS model. Based on the current EPS model, and the current variables included in the EPS funding formula, Brunswick has received State subsidy equal to the entire amount deemed eligible for subsidy. The EPS funding model is, itself, subject to change by the State, and the State level of funding for EPS is subject to the State budget process. Therefore, while the Town continues to budget the 87% level of subsidy on the elementary school project debt service, no guarantee is given regarding the actual amount of future debt service subsidy it will receive.

In January 2020, the Town issued bonds for \$24,450,000 for the design and construction of a new elementary school at the site of the former Jordan Acres School. This project is entirely locally funded. The School Department submitted an application to the MDOE Major Capital School Construction program for major renovations or replacement of the Brunswick Junior High School, but when the results of the 2017/2018 Rating Cycle were issued in August 2018, Brunswick's project was ranked 44th on the MDOE'S final priority list of projects. In 2024 the School Department again submitted an application to the MDOE program for the Junior High School, and in the meantime is planning repairs, scheduled through the CIP.

In 2016, 2017 and 2020 the School Department applied for and received eligibility certificates from the MDOE for the School Revolving Renovation Fund ("SRRF") program. The SRRF provides funding assistance to SAUs for needs in the areas of health and safety, building systems, energy and water conservation, and learning space upgrades. The fund provides loans to SAUs to finance project expenditures, and a portion of each loan is considered a grant that portion of which is forgiven. The forgiveness rate ranges from 30% to 70%, based on the percentage of State subsidy paid to the SAU. The remaining balance of the loan is repaid over either five or 10 years at a 0% interest rate. The maximum loan provided is capped at \$1 million per priority, per school building within any five-year period.

The School Department was awarded SRRF funding for the Coffin Elementary School and for the Brunswick Junior High School in 2016, 2017 and 2020. The projects included ADA and fire safety improvements, roof renovations, and indoor air quality upgrades and totaled \$1,563,426, of which \$599,907 was forgiven in the form of grants, and \$963,519 was issued as zero percent interest rate loans. The 2017 loan was repaid in full in 2021-22. See "INDEBTEDNESS – DEBT SUMMARY" herein.

INDEBTEDNESS

LIMITATIONS AND EXCLUSIONS

In accordance with Title 30-A, Section 5702 of the Maine Revised Statutes, as amended, "No municipality shall incur debt which would cause its total debt outstanding at any time, exclusive of debt incurred for school purposes, for storm or sanitary sewer purposes, for energy facility purposes or for municipal airport purposes to exceed 7.5% of its last full State valuation, or any lower percentage or amount that a municipality may set. A municipality may incur debt for school purposes to an amount outstanding at any time not exceeding 10% of its last full State valuation, or any lower percentage or amount that a municipality may set, for storm and sewer purposes to an amount outstanding at any time not exceeding 7.5% of its last full State valuation, or any lower percentage or amount that a municipality may set, and for municipal airport and special district purposes to an amount outstanding at any time not exceeding 3% of its last full State valuation, or any lower percentage or amount that a municipality may set; provided, however, that in no event shall any municipality incur debt which would cause its total debt outstanding at any time to exceed 15% of its last full State valuation, or any lower percentage or amount that a municipality may set."

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

The Town of Brunswick's 2022 equalized State valuation ("Equalized State Valuation") for use in the fiscal year ended June 30, 2024 was \$3,596,250,000, making the 15% debt limit \$539,437,500. The 2023 Equalized State Valuation for use in the year ending June 30, 2025 is \$4,140,700,000, making the 15% debt limit \$621,105,000.

DEBT SUMMARY

General obligation debt and notes payable at fiscal year-end June 30, 2024 (audited) and projected for fiscal year-end June 30, 2025 (projected), are comprised of the following individual issues:

Year <u>Issued</u>	Purpose	Authorized <u>and Issued</u>	Final <u>Maturity</u>	Balance as of June 30, <u>2024</u> <u>2025 (proj.)</u>	
2010	Elementary School (BABs)	⁽¹⁾ \$ 21,462,250	11/01/30	\$ 7,511,788	\$ 6,438,675
2013	Police Station	5,500,000	11/01/32	2,475,000	2,200,000
2016	School Renovation (SRRF)	⁽²⁾ 655,781	09/01/26	187,953	125,302
2017	Various CIP	1,781,000	11/01/32	605,000	485,000
2020	Elementary School	24,450,000	11/01/45	21,850,000	21,045,000
2020	School Renovation (SRRF)	⁽²⁾ 243,652	09/01/25	87,938	43,969
2022	Fire Station & Fire Truck	13,231,000	11/01/46	12,125,000	11,575,000
2022	Property Acquisition	4,000,000	12/01/32	<u>3,662,518</u>	<u>3,321,927</u>
				\$ 48,505,197	\$ 45,234,873

NOTES: ⁽¹⁾ A portion of the Town's \$21,462,250 school construction bonds for the Harriet Beecher Stow School were issued in 2010 with MMBB's, federally taxable Build America Bonds ("BABs"). See "INDEBTEDNESS – PROJECTED DEBT SERVICE" herein.

⁽²⁾ The SRRF is administered jointly by the MMBB and the State, acting by and through its Department of Education. The 2016 SRRF agreement was amended in November 2018 to a total of \$1,064,752, of which \$408,971 was forgiven and \$655,781 was recorded as a loan at 0% interest. The 2020 SRRF was amended in March, 2023 for a total of \$392,291, of which \$148,639 was forgiven and \$243,652 was recorded as a loan at 0% interest.

PROJECTED ANNUAL PRINCIPAL PAYMENTS BY ISSUE

Yr. End <u>June 30,</u>	SRRF				SRRF				Total Debt
	<u>2010</u>	<u>2013</u>	<u>2016</u>	<u>2017</u>	<u>2020</u>	<u>2020</u>	<u>2022</u>	<u>2022</u>	
2025	\$1,073,112	\$ 275,000	\$ 62,651	\$120,000	\$ 805,000	\$ 43,969	\$ 550,000	\$ 340,591	\$ 3,270,323
2026	1,073,113	275,000	62,651	120,000	845,000	43,969	550,000	355,543	3,325,276
2027	1,073,112	275,000	62,651	120,000	890,000	-	550,000	371,151	3,341,914
2028	1,073,113	275,000	-	65,000	935,000	-	550,000	387,445	3,285,558
2029	1,073,112	275,000	-	35,000	980,000	-	550,000	404,453	3,317,565
2030	1,073,113	275,000	-	35,000	1,030,000	-	550,000	422,209	3,385,322
2031	1,073,112	275,000	-	35,000	1,085,000	-	550,000	440,744	3,458,856
2032	-	275,000	-	35,000	1,120,000	-	550,000	460,092	2,440,092
2033	-	275,000	-	40,000	1,145,000	-	515,000	480,291	2,455,291
2034	-	-	-	-	1,170,000	-	515,000	-	1,685,000
2035	-	-	-	-	1,195,000	-	515,000	-	1,710,000
2036	-	-	-	-	1,065,000	-	515,000	-	1,580,000
2037	-	-	-	-	1,065,000	-	515,000	-	1,580,000
2038	-	-	-	-	1,065,000	-	515,000	-	1,580,000
2039	-	-	-	-	1,065,000	-	515,000	-	1,580,000
2040	-	-	-	-	1,065,000	-	515,000	-	1,580,000
2041	-	-	-	-	1,065,000	-	515,000	-	1,580,000
2042	-	-	-	-	1,065,000	-	515,000	-	1,580,000
2043	-	-	-	-	1,065,000	-	515,000	-	1,580,000
2044	-	-	-	-	1,065,000	-	515,000	-	1,580,000
2045	-	-	-	-	1,065,000	-	515,000	-	1,580,000
2046	-	-	-	-	-	-	515,000	-	515,000
2047	-	-	-	-	-	-	515,000	-	515,000
	<u>\$7,511,787</u>	<u>\$2,475,000</u>	<u>\$187,953</u>	<u>\$605,000</u>	<u>\$21,850,000</u>	<u>\$ 87,938</u>	<u>\$12,125,000</u>	<u>\$3,662,518</u>	<u>\$ 48,505,196</u>

DEBT RATIOS

Fiscal Yr. End <u>June 30,</u>	Population	Equalized	Assessed	Total Debt ⁽²⁾ (<u>000</u>)	Debt	Per Capita ⁽²⁾ Debt
		State Val. ⁽²⁾ (<u>000</u>)	Valuation ⁽¹⁾ (<u>000</u>)		as %	
2025	21,756	\$ 4,140,700	\$ 2,549,636	\$ 45,235	1.09%	\$ 2,079.20
2024	21,756	3,596,250	2,521,583	48,505	1.35%	2,229.50
2023	21,756	3,039,200	2,489,601	51,732	1.70%	2,377.83
2022	21,756	2,740,850	2,424,887	51,341	1.87%	2,359.85
2021	21,756	2,595,000	2,374,234	39,851	1.54%	1,831.72
2020	21,756	2,509,500	2,304,034	42,082	1.68%	1,934.27
2019	20,278	2,319,900	2,276,234	19,723	0.85%	972.63
2018	20,278	2,252,400	2,266,215	21,976	0.98%	1,083.74
2017	20,278	2,184,050	1,382,600	23,944	1.10%	1,180.79
2016	20,278	2,082,600	1,374,997	23,122	1.11%	1,140.25
2015	20,278	2,000,400	1,359,621	25,220	1.26%	1,243.71

NOTES: ⁽¹⁾ Information is for the General Fund and does not include TIF valuation. Valuation has been adjusted to add back a percentage of Homestead Exemption values. These percentages were: 2013 to 2018 at 50%; 2019 to 2020 at 62.5%; 2021 to 2022 at 70%; 2023 at 73%, 2024 and 2025 at 76%. Valuation has been adjusted to include the State reimbursement percentage (approx. 50%) of BETE values.

⁽²⁾ Total Debt, Debt as % of Equalized Valuation, and Per Capita Debt as of June 30, 2025 is projected.

PROJECTED DEBT SERVICE

Fiscal Yr End <u>June 30,</u>	Annual Principal	Annual Interest	Annual Total	BABs Subsidy ⁽¹⁾	Net Debt Service
2025	\$ 3,270,323	\$ 1,610,971	\$ 4,881,295	\$ (109,780)	\$ 4,771,515
2026	3,325,275	1,471,110	4,796,386	(95,376)	4,701,010
2027	3,341,915	1,328,429	4,670,343	(79,276)	4,591,067
2028	3,285,557	1,184,158	4,469,715	(61,659)	4,408,056
2029	3,317,566	1,039,288	4,356,854	(44,042)	4,312,812
2030	3,385,321	893,158	4,278,480	(26,425)	4,252,055
2031	3,458,856	736,534	4,195,390	(8,809)	4,186,581
2032	2,440,092	613,877	3,053,969	-	3,053,969
2033	2,455,291	536,385	2,991,675	-	2,991,675
2034	1,685,000	468,613	2,153,613	-	2,153,613
2035	1,710,000	428,766	2,138,766	-	2,138,766
2036	1,580,000	391,213	1,971,213	-	1,971,213
2037	1,580,000	356,284	1,936,284	-	1,936,284
2038	1,580,000	320,369	1,900,369	-	1,900,369
2039	1,580,000	283,144	1,863,144	-	1,863,144
2040	1,580,000	244,609	1,824,609	-	1,824,609
2041	1,580,000	206,419	1,786,419	-	1,786,419
2042	1,580,000	167,908	1,747,908	-	1,747,908
2043	1,580,000	128,406	1,708,406	-	1,708,406
2044	1,580,000	88,906	1,668,906	-	1,668,906
2045	1,580,000	48,419	1,628,419	-	1,628,419
2046	515,000	20,922	535,922	-	535,922
2047	515,000	7,081	522,081	-	522,081
	<u>\$ 48,505,197</u>	<u>\$ 12,574,968</u>	<u>\$ 61,080,165</u>	<u>\$ (425,367)</u>	<u>\$ 60,654,798</u>

NOTES: ⁽¹⁾ A portion of the Town's \$21,462,250 school construction bonds, issued in 2010 with the MMBB, are taxable Build America Bonds ("BABs"). "Net Debt Service" is net of the BABs subsidy the Town anticipates MMBB will file for and receive. The Town is responsible for the full payment whether the subsidy is received in full, or a lesser amount. Federal sequestration reduced the BABs subsidy by approximately 5.7% in the fiscal year ended June 30, 2024, and assumed for future years.

DEBT SERVICE COMPONENT OF BUDGETED EXPENDITURES

	2021	2022	2023	2024	2025
Total Budgeted Debt Service	\$ 3,994,193	\$ 3,986,228	\$ 4,499,239	\$ 4,838,455	\$ 4,771,515
(less TIF Paid Debt)	(70,035)	-	-	-	-
(less School Debt Service Subsidy) ⁽¹⁾	(1,239,203)	(1,215,295)	(1,190,441)	(1,164,956)	(1,138,682)
Net Tax-backed Debt Service	\$ 2,684,955	\$ 2,770,933	\$ 3,308,798	\$ 3,673,499	\$ 3,632,833
Budgeted Operating Expenditure	\$71,222,246	\$75,759,912	\$84,315,015	\$92,058,697	\$97,502,898
Debt Service as % of Expenditures	5.61%	5.26%	5.34%	5.26%	4.89%
Net Debt Service as % of Expenditures	3.77%	3.66%	3.92%	3.99%	3.73%

NOTE: ⁽¹⁾ "School Debt Service Subsidy" is an estimate based on the current State law governing school funding, and debt service subsidy on school construction projects. See "REVENUES FROM THE STATE – School Construction Projects and State Subsidy" herein for a detailed explanation of School Subsidy.

OVERLAPPING DEBT

County of Cumberland

The Town is subject to an annual assessment of its proportional share of the County of Cumberland's expenses, including debt repayment, as determined by the percentage of the Town's equalized State Valuation to the County's equalized State Valuation. At June 30, 2024 the Town's equalized State Valuation of \$3,039,200,000 was 4.66% of the County's equalized State Valuation of \$65,268,050,000. The Town's share was 4.66%, or \$1,391,154 of the County's \$29,875,601 debt obligations outstanding as of June 30, 2024.

Maine Region 10 Technical High School

The Town is a participant 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, 2024, MR10 had total principal debt outstanding of \$2,705,500. The Town of Brunswick's share of MR10's debt is 38.17% or \$1,032,689. See "TOWN OF BRUNSWICK - PUBLIC EDUCATION – Maine Region 10 Technical High School" for additional information.

CONTINGENT DEBT

The Town has no debt or obligations for which it is responsible for on a Contingent Basis.

FUTURE FINANCING

On December 28, 2023, the Town Council adopted "An Ordinance for the Construction of the Hybrid (Bricks and Concrete) Downtown Streetscape Project on Both Sides of Maine Street in the Historic District (from Mill and Mason Streets to Pleasant and School Streets), With Total Project Costs Of Up To Four Million, Three Hundred Fifty Thousand Dollars (\$4,350,000), And Further Authorizing Acceptance of Grants and Contributions, the Expenditure of Available Tax Increment Financing (TIF) Revenues, and Authorizing the Issuance of Bonds Of Up To Three Million, Eight Hundred Fifty Thousand Dollars (\$3,850,000)", which repealed and replaced the previous ordinance. Construction began in spring, 2024 and is scheduled to take two years. Debt service on the bonds are anticipated to be paid with Downtown TIF revenues.

On October 21, 2024, the Town Council adopted an ordinance authorizing the issuance of up to \$2,150,000 for a replacement Tower Truck in the Fire Department. It is expected that delivery of the truck will be in just under four years, and debt will be issued at that time.

On December 16, 2024, the Town Council adopted an ordinance authorizing entering into a cooperative agreement with Maine Department of Transportation (MDOT) for MDOT's application for a federal RAISE Grant to complete five infrastructure upgrade projects with total project construction costs estimated at \$33,522,000, and authorizing the issuance of up to \$3,662,000 in debt to serve as the required grant match. MDOT anticipates notice of grant award in the summer 2025, and if awarded, will begin the engineering/design for these projects. The Town does not expect to issue debt until construction, which could be several years out.

Readers are encouraged to read the section of this document entitled "TOWN FINANCES – CAPITAL IMPROVEMENT PROGRAM." The CIP of the Town contemplates a number of projects which, if undertaken, are planned to be funded with long-term debt. However, the CIP does not authorize the

issuance of debt. Debt issuance is subject to the prior review and approval of a Bond Ordinance by the Town Council. Debt related to State subsidized school construction projects requires the approval of the voters in a local referendum. The Town Council may choose to send bond approval to voters in a local referendum even when not required to do so by State statute.

RETIREMENT

DEFINED BENEFIT PENSION PLANS

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

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

The Town reports on the benefits provided and the contributions to the pension plans, associated pension liabilities, pension expense, deferred outflows and deferred inflows of resources related to pensions, as well as the actuarial methodology and assumptions in its ACFR. Please see “APPENDIX A – TOWN OF BRUNSWICK, MAINE, ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2024”, pages 67-70 herein.

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.

OTHER RETIREMENT

Most municipal and some school employees participate in the Social Security Retirement Program (“FICA”). The Town and the School department contribute to FICA. The School Department also offers its employees a variety of tax-sheltered annuity plans. The School Department does not make contributions to these plans.

OTHER POST-EMPLOYMENT BENEFITS

Plan Descriptions: 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 the PLD. Teachers also participate in the Group Term Life Insurance SET Plan . 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.mainepers.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 (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.

The State sponsors a post-retirement benefit plan for school department personnel, providing health insurance to retiring employees. The plan is a single-employer defined benefit OPEB plan administered by the Maine Education Association Benefits Trust (as the “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.

The Town reports on the benefits provided and the contributions to the OPEB plans, associated OPEB liabilities, OPEB expense, deferred outflows and deferred inflows of resources related to OPEB, as well as the actuarial methodology and assumptions in its ACFR. Please see “APPENDIX A – TOWN OF BRUNSWICK, MAINE, ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2024”, pages 70-77 herein.

LITIGATION

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

ENVIRONMENTAL MATTERS

The Town is subject to a wide variety of federal and State laws and regulations relating to land use, water resources, sewage disposal, the use, storage, discharge, emission and disposal of wastes and other environmental matters.

The Town's landfill, which opened in 1984, was closed beginning in April, 2021. The landfill operated under strict environmental regulations and for several years, the Town worked with the Maine Department of Environmental Protection (“MDEP”) to comply with certain discharge parameters. In 2014, while the Town was working on resolving issues with its wastewater license, the MDEP Bureau of Remediation and Waste Management notified the Town of concerns about groundwater contamination trends at the landfill, which made the Town eligible for landfill closure funding from the State's Landfill Closure and Remediation Program. In October 2016, MDEP determined that the Town is eligible for a 75% cost share of closure costs. The Town finalized a Schedule of Closure (“SOC”) with MDEP in June 2017, and in December 2020 awarded the contract for closure. The landfill was closed to additional waste at the end of March 2021, and closure construction was completed in the fall of 2021. Final closure documents are being prepared for filing with MDEP.

Between 2011 and 2019, the Town faced potential fines related to wastewater discharge limits and other violations, 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. Even after closure, the landfill is subject to strict environmental regulations. Regular monitoring, including testing of groundwater and wastewater for a variety of contaminants, is scheduled to continue for a minimum of 30 years. Recently passed legislation requires testing landfill leachate for per- and polyfluoroalkyl substances (“PFAS”) for the next two years.

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE FACTORS

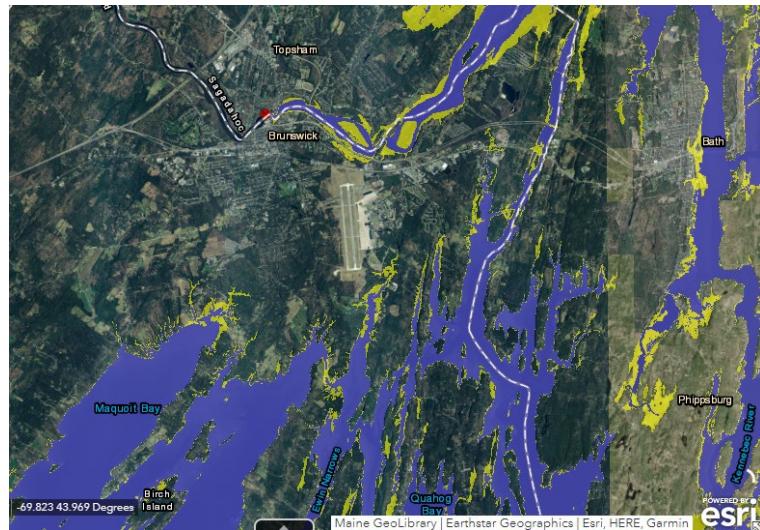
Over the past several years, the Town has focused on issues related to environmental, social and governance (“ESG”) risk factors, and the Town Council has initiated several actions to raise awareness and address ESG concerns. For example, in 2021, the Finance Committee recommended an update to the Town’s Investment Policy to incorporate ESG investment principles, and in 2024 the Trust Fund Advisory Committee updated its Investment Policy Statement to strengthen the ESG framework for the Trust Fund investment portfolio. The Town also recently acquired four electric vehicles, entered into a solar power purchase agreement for the bulk of its electricity needs, and in 2023 installed rooftop solar units on two school buildings.

Work on environmental planning was initiated in coordination with the update of the Town’s Comprehensive Plan (“Comp Plan”). The Comp Plan Steering Committee has identified the main concerns as improving sustainability policies and regulations, addressing climate change, and balancing the increasing demand for affordable housing while protecting the Town’s natural resources and scenic beauty. In collaboration with Bowdoin College, local conservation organizations, and surrounding communities, the Town has identified climate-related challenges such as sea level rise and extreme weather events.

In February, 2023, the Town received a State Community Resilient Partnership Community Action Grant, to assist in drafting its first comprehensive Climate Action Plan (“CAP”). The Town Council formed a Climate Action Task Force (“CATF”) to oversee the development of the Brunswick CAP, with assistance from Town staff, led by the Town’s Environmental Planner, and contracted with Greater Portland Council of Government (“GPCOG”) and Bowdoin College to assist with the process. The CATF completed a vulnerability assessment and developed climate action strategies, with input from a wide range of shareholders through surveys and workshops, and the Brunswick Climate Action Plan was adopted by the Town Council on December 16, 2024. See also: <https://www.brunswickme.gov/654/Climate-Action-Plan>

In addition to coordinating the CAP, the Environmental Planner focuses on ensuring all development applications comply with local, state, and federal environmental programs and standards; making recommendations for improvements to the Zoning Ordinance pertaining to climate change, sustainable development, and natural resource and wildlife protection; and creating educational materials for the Town website and social media pertaining to climate change, sustainable development, and resource protection.

The Town has over 61 miles of coastline on Northern Casco Bay, as well as approximately 20 miles of frontage along the Androscoggin River. Brunswick has jurisdiction over approximately 3,900 acres of waters, of which 41% is intertidal, 37% is shallow water, and 22% is deep water. Since the 1970's the Town has maintained a Marine Resources Committee to manage the Town's shellfish resources. The Committee is responsible to administer the shellfish conservation program, which requires active involvement of shellfish harvesters in surveys, monitoring, re-seeding and environmental remediation.



Maine Geological Survey - Highest Astronomical Tide plus 10.9 feet
https://www.maine.gov/dacf/mgs/hazards/sl_r_ss/index.shtml

Over the past decade, there have been several studies of the Casco Bay ecosystem, and potential impacts of climate change. In 2014, the Town developed a Harbor Management Plan and established the Rivers and Coastal Waters Commission to oversee the Plan and make recommendations to the Town Council. In 2023, the Town Council appropriated \$125,000 to conduct a study which will establish a baseline of the quality of water within and entering Maquoit Bay, evaluate the water quality impacts associated with existing and future land uses in the watershed, and develop water quality loading models to assess present and future loadings of nitrogen and fecal coliforms. This report is expected to be completed in summer 2025.

In 2019, the Town Council approved a Rural Protection Stormwater Management Overlay District in its Zoning Ordinance, identifying sensitive coastal and inland stream areas and establishing requirements for disturbance mitigation measures. On December 2, 2019, the Town Council approved a Climate Change Resolution that reflects the Town's commitment to safeguard against the current and potential consequences of climate change, including adopting, and funding, specific policy goals. The Town is also committed to educating its residents about the consequences of climate change, including the need for financial resources, and regulatory oversight to eliminate greenhouse gasses.

As the home of Bowdoin College and the former Brunswick Naval Air Station, Brunswick has historically been one of the more diverse communities in Maine, and even before the widespread social equity concerns of 2020, the Town has engaged in community dialogue to pro-actively address questions of bias and discrimination. In 2018, the Town adopted an income-determined Property Tax Assistance Program to provide support for longtime senior residents of Brunswick. Beginning in 2019, Brunswick has welcomed a number of asylum-seeking families, and the Town hired staff to assist with language, bureaucratic/legal processes and integration into the community. The Town is currently working to address the question of affordable housing, both through its Comp Plan as mentioned above, in its Cooks Corner Revitalization project, and with the formation of a Housing Committee which is working to develop solutions to housing shortages and affordability issues in Brunswick.

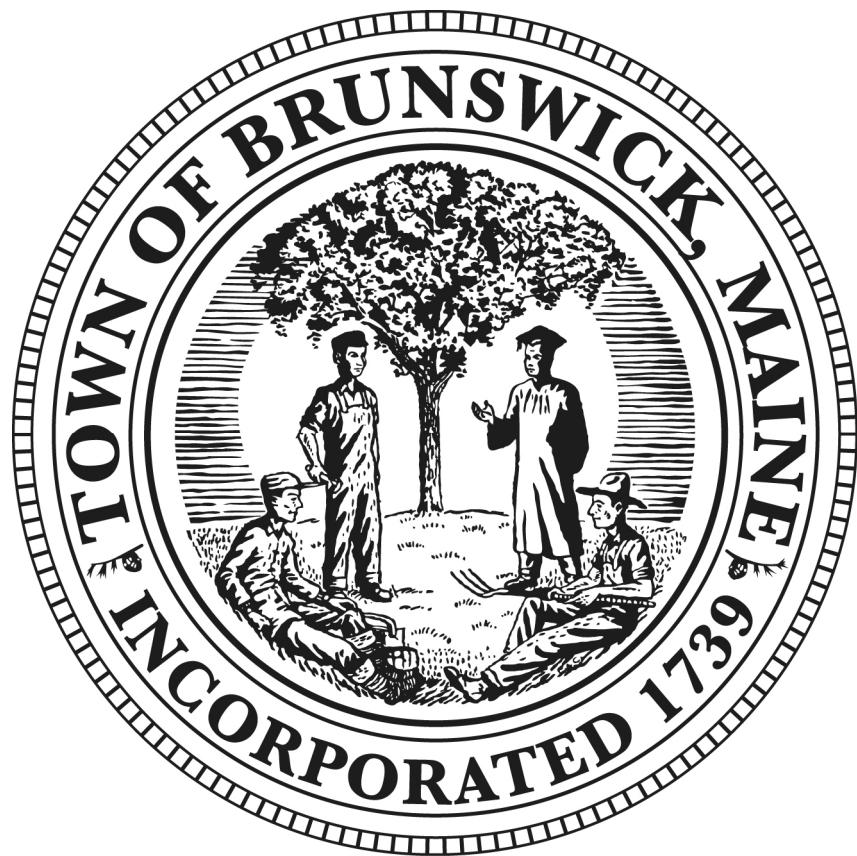
Many aspects of the Town's governance are addressed in other sections of this statement, but it should be noted that awareness and consideration of ESG risk factors have reinforced the Town's goals of transparency and communication, fiscal responsibility and conservative budgeting, regional collaboration, and advocacy for its most vulnerable citizens. With its CIP, long-term financial planning, strategic utilization of TIF, strong financial policies and regular analysis of funding mechanisms, the Town continues to focus on sustainable budgets and adequate reserves.

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APPENDIX A

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

TOWN OF BRUNSWICK, MAINE



ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2024

TOWN OF BRUNSWICK, MAINE
Annual Comprehensive Financial Report
Year ended June 30, 2024



Prepared by:
Town of Brunswick
Department of Finance

Town of Brunswick, Maine
Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2024

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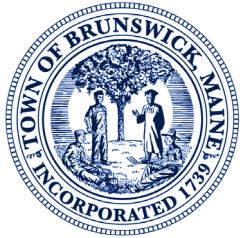
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INTRODUCTORY SECTION





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

January 15, 2025

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, 2024. 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. The 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 2020 Census listed Brunswick's population at 21,756.

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 second 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 2020, MCPH joined MaineHealth, a regional network of healthcare organizations which includes Maine Medical Center and several midcoast Maine hospitals. More information can be found at www.midcoastparkviewhealth.com and www.mainehealth.org.

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 four ships in the restarted program, currently has seven of these ships in production and five in its backlog. As the lead designer of the DDG 51 class, BIW is considered the "planning yard" as the ships already delivered to the Navy are upgraded and modernized. Currently supporting 71 Arleigh Burke-class ships, BIW was recently awarded a modernization contract extension, as well as continuation of its Lead Yard Services and design upgrade contract.

The Zumwalt (DDG 1000) class had been planned as the US Navy's next generation surface combatant. 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. BIW completed its work on the USS Lyndon B. Johnson, the third and final ship of the DDG 1000 class at the end of 2021. BIW currently has the maintenance and modernization contract for the class, which is handled out of the Brunswick design/support facility.

In the spring of 2022, BIW was awarded a contract by the US Navy to provide shipbuilder engineering and design analysis to produce design products in support of the preliminary and contract design for DDG(X), the Navy's next class of large surface combatant. The design effort for DDG(X) will involve a collaborative Navy-industry effort composed of the large surface combatant shipbuilders, suppliers, ship design agents and other subject matter experts. If all options are exercised, the contract will continue through July 2028. A similar award was also made to Huntington Ingalls Industries, the nation's other manufacturer of large surface combatants.

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 2024, Bowdoin has 2,044 students enrolled, and employed approximately 981 full-time equivalent (FTE) employees, including 220 FTE faculty members. Over the past few years, Bowdoin has completed a number of building and facilities improvements, including construction of 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. Most recently, the College completed construction of two buildings on the corner of College Street and Sills Drive, totaling 45,900 square feet of space. The Barry Mills Hall is an academic building, which includes a 60-person cinema and event space in addition to classrooms and offices, and the John and Lile Gibbons Center for Arctic Studies includes exhibit space, archaeology research and teaching labs, a classroom and offices for museum staff. 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 132 public and private entities are now on Brunswick Landing and Topsham campuses, collectively creating 2,405 jobs.

Since 2011, the Navy has transferred 1,959.38 of the 2,257.92 acres that MMRA is slated to receive through deed transfer or Lease in Furtherance of Conveyance. MRRA has now received 969.72 (77.25%) of the 1,255.32 acres of the non-airport property and 989.66 (98.71%) of the 1,002.6 acres of airport land. Since 2011, MRRA has sold fifty-six buildings and 637.87 acres of land to twenty-two private sector developers and several individual businesses for active redevelopment purposes. MRRA currently has ten direct tenants renting 144,366 square feet in eleven acquired buildings and two buildings MRRA built. MRRA has another 534,481 square feet of building space under lease to 47 airport tenants in ten acquired buildings and two other hangar buildings MRRA built, and 4 other tenants leasing land area. 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, and has continued to make progress in balancing funding needs between managing reserve funds, debt issuance, and use of one-time funding such as grants and fund balance.

The CIP for fiscal years ending 2025-2029 was adopted on May 16, 2024, and recommended funding projects over five years totaling \$81,433,136. Total debt financing on recommended projects is estimated at \$12,300,000, with \$800,000 of that to be repaid from Tax Increment Financing (TIF) revenues. Infrastructure improvements estimated at \$49,533,000 are recommended, with an estimated \$25,700,600 in funding through Maine Department of Transportation grants. Projects in development (those that may eventually be considered for funding) totaled \$29,851,000. The largest project in this category is a public works facility for \$12,000,000. The planning process for this facility has continued, and the estimated cost will be updated in the 2024-25 CIP process (mentioned below). 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 regular review of 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. This exercise serves to demonstrate trends and illustrate various projections to the elected officials, and it is expected that this model 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 establishes a target range for the unassigned fund balance as a percentage of revenues, with a lower limit of 16.67% and an upper limit of 25%. The policy, first 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 range, 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 specifies that funds in excess of the lower limit of the range may be used for capital or other one-time expenditures, and amounts over the upper limit of the range may be used for capital or other one-time expenditures, or to offset taxes in the annual budget.

For the year ended June 30, 2024, the amount of unassigned fund balance was \$23,939,585 or 25.15% of general fund revenues, and \$138,321 over the upper limit of the target range. Similar to the previous year, this reflects strong revenue collections and savings in expenditures, resulting in an increase in total general fund balance of \$4.5M. In the past eight 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 within the target range 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. More recently, the Finance Committee has taken the lead in public outreach communicating information about budget development, property taxes, the assessment process, and the requirement for fair and equitable valuations for all properties.

Major initiatives

Central Fire Station. Following the opening of the new fire station in December, 2022, the Town formed a committee to explore options for reuse and/or redevelopment of the Town's former central fire station. This building is located in the downtown area, was built in 1919, and is considered by many to be a historic building. This committee solicited public input, developed an RFP and received one bid to redevelop the site into a mixed-use building with affordable housing on the second floor and commercial space on the first floor, with public green space outside. On October 2, 2023 the Council authorized staff to enter into a purchase, sale and developers agreement. Over the past year, the developer has been working through financing and permitting processes, and the Town expects to close by early 2025.

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 initiated a comprehensive planning effort funded through TIF revenues. A large advisory committee comprised of individuals and groups associated with the area was formed to gather input and develop a vision for Cooks Corner. The Town contracted with a consultant to conduct market and traffic studies, to assist in the participatory process, and to develop a plan. The Cooks Corner Commercial Corridor Revitalization Plan was adopted by the Town Council on May 16, 2022, and the Cooks Corner Design Standards were adopted by the Town Council on February 20, 2024. Several projects in the Capital Improvement Plan are evolving with the revitalization effort.

Midcoast Area Recreation Complex (MARC). In 2020, the property adjacent to the Rec Center at Brunswick Landing (Parcel Rec-11) was transferred from the Navy to be used and maintained exclusively for public recreation by the Town. The MARC project is redevelopment of the parcel as a state-of-the-art, regional athletic and recreation complex that provides a variety of recreational facilities for persons of all ages and abilities. In March 2021, the Town Council established an advisory committee, and hired consultants. The Concept Master Plan and Phase I were approved by the Town Council on June 21, 2022, and the Town Council appropriated \$200,000 from State and Local Fiscal Recovery Funds (SLFRF) to be used for design development and permitting of the recommended development concept. To move forward with the first portion of Phase I (Tier 1A), which includes site work, the perimeter trail, a skatepark and pickleball courts, the Town Council approved funding totaling \$1,670,000. This consists of a Land and Water Conservation Fund grant of \$625,000, matched with \$600,000 in Recreation Impact Fees an additional \$250,000 from the SLFRF grant, \$150,000 from Bowdoin College, and \$45,000 in private fundraising. Construction began in summer, 2023 and the MARC was officially opened in June, 2024. Since then, funding for a 3-5 year-old playground has been approved, and the MARC Committee is currently planning and pursuing fundraising for the next portion of Phase I.

Downtown Streetscape Enhancement Project. For a number of years, the Town recognized the deterioration of the sidewalk pavers downtown, specifically on Maine Street from Station Avenue to Mill Street, and a project was 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 engaged in a lengthy public process to understand needs, issues and preferences for Brunswick's downtown. In December, 2022, the Town Council adopted an ordinance authorizing the issuance of debt for up to \$3,250,000 for the construction of a hybrid concrete/brick sidewalk system on both sides of Maine Street from Mill Street to Pleasant Street. Final design was completed in summer 2023, and the Town received one bid in December, 2023, which was more than the amount

authorized for the project. On December 28, 2023, the Town Council replaced the ordinance, authorizing total project costs of \$4,350,000, and issuance of debt for up to \$3,850,000. Construction began in late April, 2024 and continued until November, 2024, completing all but one block on the west side of Maine Street. In spring, 2025, construction will begin again, and it is expected that the project will be completed by late fall, 2025.

Public Works Facility. With the adoption of the 2023-2027 CIP, the Town Council appropriated \$120,000 to conduct a needs assessment and preliminary design of the Public Works facility on Industry Road. The existing 16,972 s.f. facility was constructed in 1956 and is undersized and inadequate for the current needs of the public works operations. The consultant's analysis of the public works operations identified the facility needs, including offices, locker rooms, vehicle repair bays and covered parking for vehicles and equipment, for an estimated cost approximately \$40,000,000, and it is not clear that the current location is suitable for the facility. The project will be considered during development of the capital improvement program in 2024-25.

Affordable Housing. The significant increase in housing prices over the past several years has exacerbated the issues of housing diversity and the affordability of housing options in Brunswick. In July, 2022 the Town Council established a Housing Committee to take the lead in the development of zoning and other regulations related to diverse and affordable housing. In December, 2022 the Town established an Affordable Housing Support Fund, to support the construction of affordable housing through targeted investments in land acquisition and infrastructure improvements, to stimulate and leverage private sector investment in housing development that serves households at or below 80% Affordable Median Income (AMI), to support Brunswick's Comprehensive Plan, and other related Town Plans and Policies, and to assist the Housing Committee with implementation of its action plan. In June, 2023 the Town Council approved inclusionary zoning for rental housing projects over 15 units, mandating that at least 15% of the units be affordable to households with income less than or equal to 80% AMI. Over the past year, the Town Council has utilized the Affordable Housing Support Fund to provide grants to three projects. The largest of these grants was \$800,000 to support the residents of the Linnhaven Mobile Home Park to form a cooperative and acquire the park, becoming the largest resident-owned-community in Brunswick.

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, 2023. The certificate recognizes that Brunswick published an easily readable and efficiently organized annual comprehensive 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 annual comprehensive 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 Finance Department staff. Also greatly appreciated is the assistance of Runyon Kersteen Ouellette, in their review of this report.

Respectfully submitted,

Branden Perreault

Branden Perreault
Finance Director

Julia Henze

Julia Henze, CPFO
Town Manager



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Town of Brunswick
Maine**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

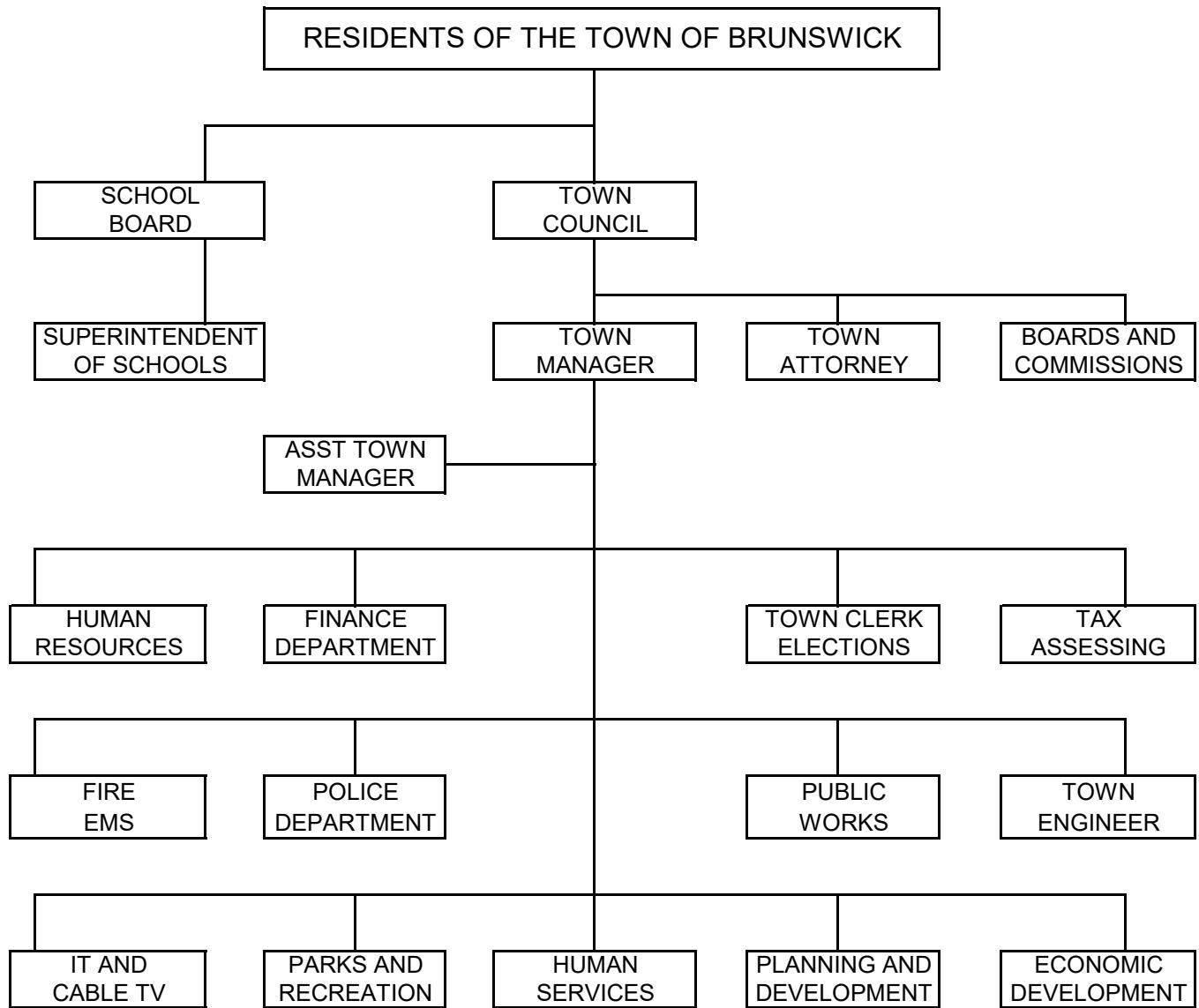
June 30, 2023

Christopher P. Monell

Executive Director/CEO

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Town of Brunswick, Maine Organizational Chart



TOWN OF BRUNSWICK, MAINE

ELECTED AND APPOINTED OFFICIALS

June 30, 2024

Elected Officials

Council Member - District 3	Chair	Abby King
Council Member - District 4	Vice Chair	Sande Updegraph
Council Member - District 1		W. David Watson
Council Member - District 2		Stephen S. Walker
Council Member - District 5		Jennifer Hicks
Council Member - District 6		Nathaniel Shed
Council Member - District 7		Steven Weems
Council Member - At large		James Ecker
Council Member - At large		Nathan MacDonald

Appointed Officials

Town Manager (Interim)	Julia A.C. Henze
Town Attorney	Stephen Langsdorf & Kristin Collins
Director of Finance	Julia A.C. Henze
Assessor	Taylor Burns
Town Clerk	Frances M. Smith
Director of Planning and Development	Jacob Sesker, Interim
Fire Chief	Kenneth A. Brilliant
Police Chief	Scott Stewart
Director of Public Works	E. Ryan Leighton
Director of Parks and Recreation	Thomas M. Farrell
Superintendent of Schools	Dr. Phillip Potenziano

FINANCIAL SECTION





Runyon Kersteen Ouellette

Certified Public Accountants and Business Consultants

Independent Auditor's Report

Finance Committee
Town of Brunswick, Maine

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the 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, 2024, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibility of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that 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 is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

Finance Committee
Town of Brunswick, Maine

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 15, 2025, 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.



January 15, 2025
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, 2024. 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, 2024, the Town of Brunswick's total net position increased by \$11,629,353 from the previous year's restated net position, to total \$103,888,032. Of this amount, \$15,041,648 is classified as *restricted net position*, of which the largest portion, \$8,098,241, is restricted for education purposes. *Unrestricted net position* increased from the previous year to a balance of \$24,706,907 as of June 30, 2024.
- Net investment in capital assets increased by \$3,888,786 while restricted net position increased by \$2,791,620 and unrestricted net position increased by \$4,948,947 from the restated previous year. The increase in net investment in capital assets resulted from the net increase of \$6,702,916 in assets and debt service payments reducing associated debt.
- The \$2,791,620 increase in restricted net position reflects a \$1,777,957 increase in the amount restricted for education, primarily a result of the school department's 2023-24 budgetary surplus. The amount restricted for Tax Increment Financing purposes increased by \$1,331,810, as the Town plans for improvements within the TIF Districts. The Municipal restricted balance decreased by \$113,249, as the Town used State Revenue Sharing Balance to offset taxes in the 2023-24 general fund budget.
- The \$3,612,332 increase in unrestricted net position in governmental activities was largely the result of surpluses in the municipal departments, and increased interest revenue. The \$1,336,615 increase in unrestricted net position in business-type activities was driven by net income in the pay-per-bag program and State reimbursement of landfill closure costs.
- At the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$53,428,069 an increase of \$6,212,286 from the prior fiscal year.
- The unassigned fund balance for the General Fund at June 30, 2024 was \$23,939,585. The Town's policy is to maintain the unassigned fund balance between 16.67% and 25% of revenues. At June 30, 2024, this portion of the fund balance is approximately 27.86% and 25.15% of the total General Fund expenditures and revenues, respectively.
- The Town's total outstanding long-term principal debt decreased by \$3,352,586 during the current fiscal year, all related to 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.

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, county tax, unclassified, and interest on long-term debt. 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 and the Coronavirus Relief 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 102-113 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 page 39 of this report, to demonstrate compliance with the General Fund budget. A supplemental statement with more detail is also provided, on pages 95-99 of this report. 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 40-42. The combining statements can be found on pages 116-118.

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. The basic fiduciary fund financial statements can be found on pages 43 and 44 of this report. The combining statements can be found on pages 120-125.

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 45-84 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 85 of this report, with the notes to the RSI following on page 91.

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 \$103,888,032 at the close of the most recent fiscal year, which is an increase of \$11,629,353 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	
	2024	2023 (restated)	2024	2023	2024	2023 (restated)
Current and other assets	\$ 65,098,008	\$ 58,070,717	\$ 7,025,880	\$ 6,594,051	\$ 72,123,888	\$ 64,664,768
Capital assets	114,801,378	114,076,516	364,252	384,506	115,165,630	114,461,022
Total assets	179,899,386	172,147,233	7,390,132	6,978,557	187,289,518	179,125,790
Deferred outflows of resources	7,080,693	7,953,483	-	-	7,080,693	7,953,483
Long-term liabilities outstanding	70,688,704	73,627,473	2,239,000	2,264,528	72,927,704	75,892,001
Other liabilities	9,280,587	9,548,148	31,986	147,292	9,312,573	9,695,440
Total liabilities	79,969,291	83,175,621	2,270,986	2,411,820	82,240,277	85,587,441
Deferred inflows of resources	3,615,357	3,792,311	4,626,545	5,440,842	8,241,902	9,233,153
Net investment in capital assets	63,800,969	59,942,274	338,508	308,417	64,139,477	60,250,691
Restricted	15,041,648	12,250,028	-	-	15,041,648	12,250,028
Unrestricted	24,552,814	20,940,482	154,093	(1,182,522)	24,706,907	19,757,960
Total net position	\$103,395,431	\$ 93,132,784	\$ 492,601	\$ (874,105)	\$ 103,888,032	\$ 92,258,679

The largest portion of the Town's net position, \$64,139,477, reflects its investment in capital assets, (land, buildings, vehicles, equipment and infrastructure, etc.), less any outstanding debt and lease liability associated with those assets, and adding back unspent bond proceeds. The Town uses capital assets to provide services to citizens, so these assets are generally not available for future spending. An additional portion, \$15,041,648 or 14.5% 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 \$24,706,907 is categorized as unrestricted net position. In business-type activities the unrestricted net position is \$154,093, and the liability recognized for landfill post-closure costs is the largest liability offsetting current assets. In governmental activities, the largest liabilities offsetting current assets are long-term debt in the form of G.O. bonds and notes from direct borrowing, resulting in an unrestricted net position of \$24,552,814.

Town of Brunswick's Change in Net Position

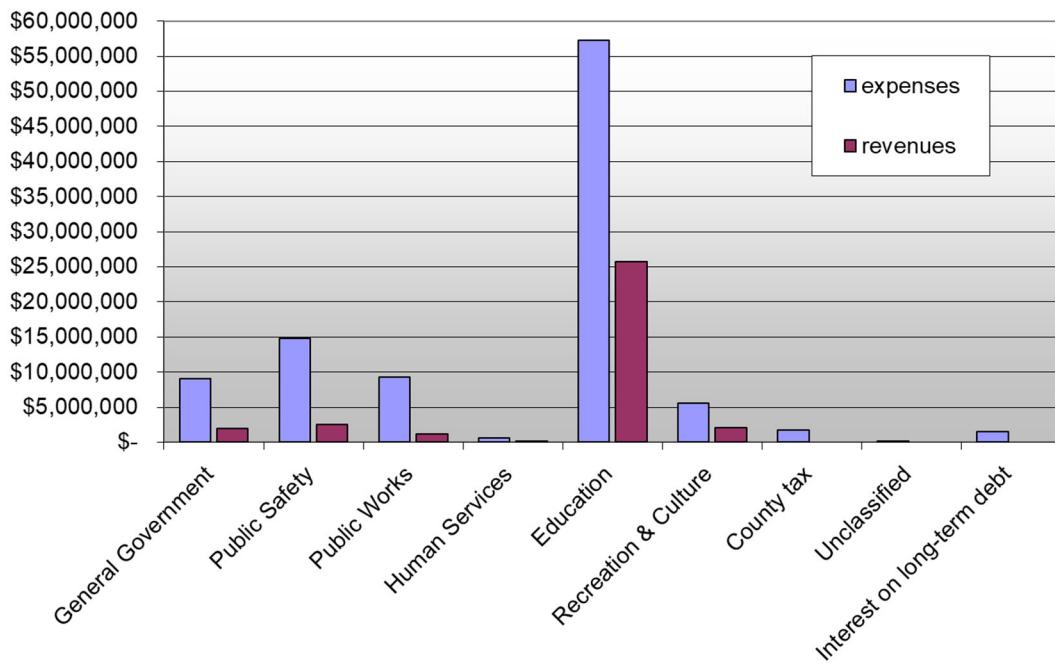
	Governmental activities		Business-type activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues						
Charges for services	\$ 5,186,089	\$ 4,697,332	\$ 764,274	\$ 841,580	\$ 5,950,363	\$ 5,538,912
Operating grants and contributions	26,392,464	24,879,400	-	-	26,392,464	24,879,400
Capital grants and contributions	1,958,881	1,694,892	-	-	1,958,881	1,694,892
General revenues						
Property taxes	64,242,583	58,544,089	-	-	64,242,583	58,544,089
Vehicle, w/ aircraft and aircraft excise taxes	4,305,050	4,089,549	-	-	4,305,050	4,089,549
Grants and contributions not restricted to specific programs	5,704,365	5,159,885	814,296	80,635	6,518,661	5,240,520
Unrestricted investment earnings (loss)	2,461,210	1,328,470	41,363	13,391	2,502,573	1,341,861
Other	3,827	127,462	-	-	3,827	127,462
Total revenues	<u>110,254,469</u>	<u>100,521,079</u>	<u>1,619,933</u>	<u>935,606</u>	<u>111,874,402</u>	<u>101,456,685</u>
Expenses:						
General government	9,017,616	7,182,685	-	-	9,017,616	7,182,685
Public safety	14,755,640	12,531,239	-	-	14,755,640	12,531,239
Public works	9,278,176	8,485,245	-	-	9,278,176	8,485,245
Human services	628,417	286,572	-	-	628,417	286,572
Education	57,312,881	55,782,334	-	-	57,312,881	55,782,334
Recreation and culture	5,563,899	5,058,554	-	-	5,563,899	5,058,554
County tax	1,735,369	2,496,061	-	-	1,735,369	2,496,061
Unclassified	95,623	26,399	-	-	95,623	26,399
Interest on long-term debt	1,479,201	1,490,941	-	-	1,479,201	1,490,941
Solid waste facilities	-	-	-	-	-	-
Pay-per-bag program	-	-	146,611	151,555	146,611	151,555
Wastewater treatment	-	-	41,093	42,283	41,093	42,283
Train station/ visitors center	-	-	150,919	151,859	150,919	151,859
Processing facility	-	-	39,604	38,254	39,604	38,254
Total expenses	<u>99,866,822</u>	<u>93,340,030</u>	<u>378,227</u>	<u>383,951</u>	<u>100,245,049</u>	<u>93,723,981</u>
Increase (decrease) in net position						
before transfers	10,387,647	7,181,049	1,241,706	551,655	11,629,353	7,732,704
Transfers	<u>(125,000)</u>	<u>(125,000)</u>	<u>125,000</u>	<u>125,000</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	10,262,647	7,056,049	1,366,706	676,655	11,629,353	7,732,704
Net position, beginning of year - (as previously reported)	<u>92,478,966</u>	<u>85,422,917</u>	<u>(874,105)</u>	<u>(1,550,760)</u>	<u>91,604,861</u>	<u>83,872,157</u>
Restatement for error corrections	653,818	-	-	-	653,818	-
Net position, beginning of year (restated)	<u>93,132,784</u>	<u>85,422,917</u>	<u>(874,105)</u>	<u>(1,550,760)</u>	<u>92,258,679</u>	<u>83,872,157</u>
Net position, end of year	<u>\$ 103,395,431</u>	<u>\$ 92,478,966</u>	<u>\$ 492,601</u>	<u>\$ (874,105)</u>	<u>\$ 103,888,032</u>	<u>\$ 91,604,861</u>

Governmental activities. Governmental activities, including transfers, increased the Town of Brunswick's total net position by \$10,262,647. The following points highlight the significant changes in revenues compared with the previous year:

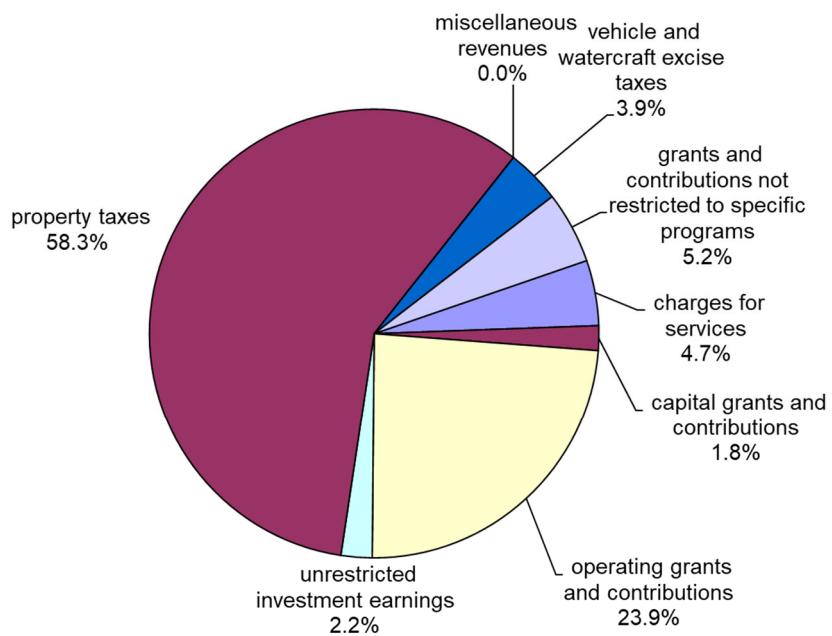
- Property tax revenue, the Town's largest revenue, increased by \$5,698,494, or 9.7%. This increase was anticipated, as the tax rate increased by 7.4% and valuation base (total taxable valuation plus state reimbursed exemptions) increased by 2.1%. Property taxes made up 58.3% of the total revenue, essentially the same as 58.3% of the total in the previous year.
- Excise tax revenue increased by \$215,501, or 5.3% from the prior year. This increase is more than prior year increases which have been an average of 3.1% over the past fifteen years. This revenue is derived from motor vehicle registrations, and increases with purchases of new vehicles, so it is possible it has been affected by inflationary conditions.
- Charges for services revenue increased by \$488,757, or 10.4% from the prior year. In Recreation and Culture, recreation program revenues were \$285,708 more than the previous year, with increasing enrollment in an expanded selection of programs, particularly with the addition of the fitness center. In Public Safety charges for services, increased ambulance revenues were the primary component of the \$225,852 increase. The Town experienced minimal changes in charges for services revenues in General Government, Public Works, Education, and Human Services.
- Operating grants and contributions increased by \$1,513,064, or 6.1% from the prior year. This category of revenues made up 23.9% of the total revenue, a slight decrease from 24.8% in the previous year. An increase of \$1,464,746 was seen in the Education function, which included a \$1,067,313 increase in State Aid to Education, and \$361,076 in other State funding. The Public Safety function recognized an increase of \$226,930, which was primarily from the National Opioid Settlement. The General Government function experienced a \$239,302 decrease, due in part to a \$500,000 grant to the Affordable Housing Support Fund in the previous year.
- Capital grants and contributions increased by \$263,989. The increase included a \$627,768 Land and Water Conservation fund grant for the Midcoast Athletic and Recreation Center (MARC) at the Recreation Center. In Public works, the Town accepted the extension of Wilson Street, valued at \$161,100, and received a \$400,000 Municipal Partnership Initiative grant from Maine Department of Transportation for McKeen Street. Public Safety capital grants decreased from prior year by \$348,845, primarily due to the \$400,000 public safety communications grant received in the prior year.
- Grants and contributions not restricted to specific programs increased by \$544,480. This increase was driven by State Revenue Sharing, which increased by \$511,290, primarily the result of strong tax collections by the State. For the fiscal year ended June 30, 2024, the State of Maine continued to distribute 5% of sales and income tax into the revenue sharing pool.
- Unrestricted investment earnings increased by \$1,132,740. The Town's cash balance is invested in interest-bearing deposit accounts, and increased cash balances along with the Fed Funds rate during the year resulted in an increase of \$1,089,198 in interest income over the previous year. For the permanent funds, investments in the stock market resulted in increase of \$43,542 in earnings over the previous year.

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, 2024

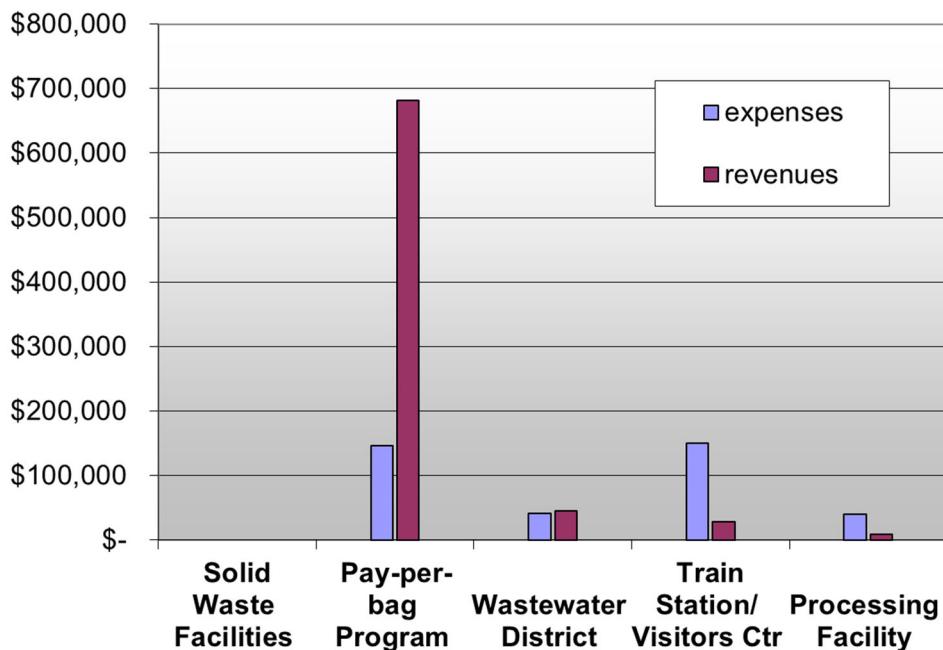


General and Program Revenues - Governmental Activities
For the year ended June 30, 2024

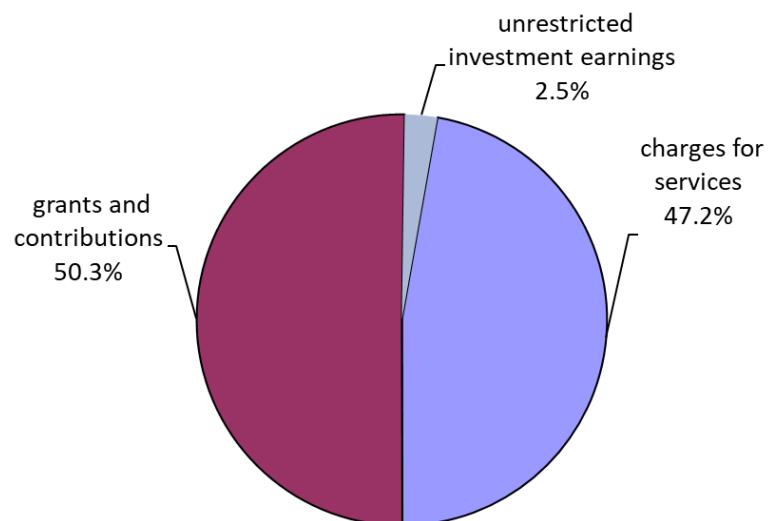


Business-type activities. The Town's business-type activities consist of five enterprise funds: two major funds accounting for its solid waste facilities and its pay-per-bag program, and three non-major funds, including a small wastewater district, the train station/visitors center, and a materials processing 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. Operating revenue is provided through charges for services. Grant/contribution revenue is recognized for the State reimbursement of landfill closure costs, totaling \$814,296 in 2023-24. The Train Station/Visitors Center fund received a budgeted subsidy of \$125,000 from the General Fund in 2023-24.

**Operating Expenses/Program Revenues - Business-type Activities
For the year ended June 30, 2024**



**Revenues by Source - Business-type Activities
For the year ended June 30, 2024**



The Town's business-type activities increased the Town's total net position by \$1,366,706. For operations, this was due largely to the activity in the Pay-per-bag Program Fund, which realized operating income of \$534,789 and interest of \$23,350. The Mere Point Wastewater Fund and Train Station/Visitors Center Fund recognized increases of \$4,167 and \$4,974, respectively, while the Processing Facility Fund decreased by \$23,393. These funds are discussed below.

Previously, the major activity accounted for in the Solid Waste Facilities Fund was 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 closure was completed in the late fall of 2021, at a total cost of \$7,361,970. Reimbursement of 75% of the cost, or \$5,521,477, was approved for reimbursement by the Maine Department of Environmental Protection (Maine DEP) through the Maine Landfill Closure and Remediation Program, in accordance with 38 MRS §1310-F. Reimbursement payments were received quarterly in FY 2024, totaling \$814,296. This amount is reflected in the grants and contributions section of the revenue graph above. The Town has recorded the \$4,626,545 balance of the reimbursement as a receivable and as deferred inflow of resources as of June 30, 2024.

During the landfill's operation, the Town recognized expenses and booked an estimated post closure liability for post closure maintenance and monitoring based on an estimate from Woodard & Curran of \$78,000 per year over 30 years. With the final closure complete, the post closure phase began, and the Town's FY 2023 expenses reduced the post closure liability. As of June 30, 2024, the Town recognized a liability of \$2,161,256 for post closure costs, which is \$77,188 per year over 28 years. Also as of June 30, 2024, the Town recognized a liability of \$52,000 for 13 years of post closure monitoring of the wood and masonry landfill, which was closed in 2006.

In 2007 the Town implemented pay-per-bag trash disposal and single-stream recycling programs to encourage recycling. The pay-per-bag disposal program charges residents a fee for each bag of trash collected at curbside, and the fee has been increased once, 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 also accumulate funds within the landfill fund for the eventual closure of the landfill. The Town Council voted its intent that the net funds generated by the pay-per-bag program be used toward future landfill closure costs. A total of \$4,800,000 was transferred from the Pay-per-bag Program to the Solid Waste Facilities to cover the cost of the landfill closure. As of June 30, 2024, the Pay-per-bag Program Fund had net position of \$1,397,924. Funds continue to accumulate in the fund while the Town Council considers various solid waste solutions and costs.

The Town's Mere Point Wastewater System realized an operating gain of \$4,167. This was anticipated, as the Town updated the user fees effective April 1, 2021 after the Town initiated a review and adopted a fee schedule which incorporated an allowance to recover capital costs. In FY 2022, the Town also approved a general fund advance to the Mere Point Wastewater Fund to purchase an easement on Webb Field Road, and install a forcemain to connect four homes to the system. With the removal of the existing holding tank, the cost of regular pumping has been eliminated. The forcemain project was completed in early spring 2022 for a total of \$129,812, and with the increase in fees and reduction in tank pumping costs, the Mere Point Wastewater Fund expects to repay the general fund over a period of four years. As of June 30, 2024, the fund had a deficit unrestricted net position of \$71,637, of which \$81,486 was owed to the general fund in the form of an advance.

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, property management fees, and other operating expenses. With the FY 2024 budget, the amount appropriated was \$125,000.

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. In FY 2020 and FY 2021 collections dropped off significantly due to COVID-19, but by FY 2024 collections had rebounded to \$17,425. During FY 2024 the Town started the installation of 4 electric vehicle charging stations at the Cedar Street parking lot, which are expected to be operational in FY 2025. As of June 30, 2024, the Train Station/Visitor's Center Fund had a net position totaling \$88,911. Of this, \$53,681 is recorded as investment in capital assets, of which \$51,279 is construction in progress for the charging stations.

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. The facility accepts clean wood, brush and leaves, metals, electronics and universal waste. Initially the facility was open two days per week, but beginning in November, 2021, this was reduced to one day per week, and the disposal fees were reduced. In FY 2024, the third full year of its operation, the facility recorded an operating loss of \$23,393. This operating loss was anticipated, as the disposal fees collected are not enough to cover the operating costs of the facility. Future operations may require funding through a subsidy from the general fund. As of June 30, 2024, the Processing Facility had a net position totaling \$226,218, with \$98,867 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 \$53,428,069. Of that amount, \$1,004,226 is classified as nonspendable. Another \$14,216,125 is restricted, \$9,206,448 is committed and \$5,998,243 is assigned.

The largest portion of the \$1,004,226 nonspendable fund balance is \$809,256 held in permanent funds for education, community improvements, recreation, and cultural and social services. An additional \$81,486 consists of advances made by the General Fund to a project in the Mere Point Wastewater proprietary fund. Finally, \$113,484 is held in inventories and prepaid deposit items.

Of the \$14,216,125 in restricted fund balance, \$8,081,974, or approximately 56.9%, is restricted for education purposes. This is primarily the school department's general fund balance of \$6,554,034, but also includes a \$415,915 capital contribution for school building amenities, and balances in student activities,

cafeteria, and other grant funds. Special revenue funds hold \$1,397,372, consisting of grants and donations, the largest of which is \$769,929 in the Affordable Housing Support Fund. The Tax Increment Financing Fund makes up \$2,499,895 in the restricted category, and an additional \$1,638,664 consists of state revenue sharing and highway revenue balances. Impact fees restricted for capital projects total \$578,077, and funds restricted in the permanent funds total \$20,143.

In the fiscal year ending June 30, 2024, the combined ending fund balances increased by \$6,212,286, or 13.2%, consisting of increases in the General Fund, Tax Increment Financing Fund, Coronavirus Relief Fund and Other Governmental Funds of \$4,505,736, \$1,331,810, \$28,730 and \$346,010, respectively.

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 has a fund balance policy for the unassigned General Fund balance. Since 2016, the policy defined a target for the unassigned fund balance at 16.67% of revenues. In 2024, the Town Council amended the policy, establishing a target range for the unassigned fund balance as a percentage of revenues, with a lower limit of 16.67% and an upper limit of 25%. On June 30, 2024, the unassigned fund balance for the General Fund was \$23,939,585, or 25.15% of revenues, and \$138,321 over the upper limit of the target range. As a percentage of expenditures, the unassigned fund balance was 27.86%.

Despite a planned and budgeted reduction of \$3,665,392, plus additional reductions in the form of 2023 carry-forward encumbrances of \$162,660, capital budget of \$1,757,500, and a supplemental appropriation of \$125,000 for the Maquoit Bay Water Study, the fund balance of the Town of Brunswick's General Fund actually increased by \$4,505,736 during the current fiscal year. Key factors in this change are as follows:

- Total actual revenues collected were \$8,401,115 higher than in FY 2023, increasing 9.7%. The primary drivers of the increase were intergovernmental revenues, property taxes and interest revenue. The Town received \$511,290 more in State Revenue Sharing than in the prior year, reflecting strong sales and use tax collections at the state level. With adjustments to the State budget, State Aid to Education was \$1,067,313 more than the prior year. Property and excise taxes collected were \$5,096,547 over the prior year, driven primarily by the increase in the tax rate, along with increased property values. Due to the increases in the Fed Funds interest rate during the year, and an increase in cash invested, interest revenue increased \$1,089,198 over the prior year.
- Total actual expenditures in the general fund were \$6,705,380 higher than in FY 2024, an increase of 8.5%. All expenditure categories increased from the prior year, with the largest dollar increases in education, public safety and general government at \$2,590,206, \$1,569,763 and \$871,021, respectively. The most significant driver of the increase in all departments was increasing wages in response to the challenging hiring market. In the school department, the increase also reflects certain personnel previously covered by federal grants now being funded through the general fund budget. Debt service increased from the prior year by \$591,463 as a result of the borrowing in December, 2022 for land acquisition.

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, 2024, the fund had a balance of \$2,499,895, 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 2024 revenues in this fund were \$674,028 more than in the previous year, an increase of 15.8%, reflecting an increase in value of 7.9% and a tax rate increase of 7.4%. During FY 2024, a total of \$400,000 from appropriations previously transferred to the Downtown Streetscape project was transferred back to the TIF fund for use on other downtown projects in the future. Payments under credit enhancement

agreements were \$437,389, or 34.7% more. Transfers to other funds for development program purposes in FY 2024 totaled \$107,241 more than the previous year, increasing 4.9%.

In FY 2024, \$1,022,055 in TIF revenues was 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 resolution appropriating a total of \$1,270,000 from TIF revenues. This included \$98,000 for the Cedar Street Parking project, \$175,000 for the next phase of the Pleasant Street Corridor project, an additional \$10,000 for the Federal/Mason/Water Street Pedestrian Improvements, an additional \$97,000 for the Bath Road/Jordan Avenue Pedestrian Improvements, \$280,000 as the final payment on the Landing Drive advance, \$370,000 to match the Maine DOT MPI grant for Maine Street, \$200,000 for the Cook's Corner Revitalization project, and \$40,000 for pedestrian improvements in Cooks Corner.

In the 2024-25 budget, the Town Council appropriated \$1,347,599 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 largest increase was in the subsidies for public transit, with the cost of the Brunswick Link local bus service increasing \$258,834, more than tripling from FY 2023. The Town Council also adopted a resolution appropriating a total of \$857,400 from TIF revenues. This included an additional \$40,400 for the Federal/Mason/Water Street Pedestrian Improvements, \$100,000 for mobility infrastructure (wayfinding, benches, bike racks) in Cooks Corner and downtown, \$367,000 to match the Maine DOT MPI grant for Maine Street, \$200,000 for the Cook's Corner Revitalization project, and \$150,000 for pedestrian improvements in Cooks Corner.

The *Coronavirus Relief Fund* is reported as a major fund in these financial statements for the fourth year, reflecting funds received to assist the Town's response to the COVID-19 pandemic. As of June 30, 2024 the Town held \$889,192 in unearned revenue from the State and Local Fiscal Recovery Fund (SLFRF), and a receivable balance of \$1,278,759 for school department relief grants. In FY 2024, the Town expended \$914,193 in eligible costs under the School's Elementary and Secondary School Emergency Relief Fund (ESSER Fund), and \$812,019 from the SLFRF. ESSER Fund expenditures were \$422,898 less than the amount expended in FY 2023, and FY 2024 is the final year of this program. SLFRF expenditures in FY 2024 were \$385,791 more than the amount expended in FY 2023, as the Town has continued work on the projects funded with this source. The SLFRF grant funds must be obligated by December 31, 2024 and fully expended by December 31, 2026.

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 \$1,334,775. The Pay-per-bag Program Fund had unrestricted net position of \$1,397,924. The Train Station/Visitors Center Fund and Processing Facility had unrestricted net positions of \$35,230 and \$127,351, respectively, and the Mere Point Wastewater Fund had a deficit in unrestricted net position of \$71,637. 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 versus 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 Manager may move funds within governmental functions, and with authorization from the Town Council, between governmental functions. Budget transfers were made from departments with anticipated budget surpluses to those with anticipated budget shortfalls. Adjustments of this type have no impact on the budget in total.

With authorization from the Town Council, \$1,075,500 was transferred from the Contingency account to cover anticipated shortfalls in several functions. These transfers to functions were:

- \$290,000 net for the General Government function to cover increased personnel costs related to the Town Manager transition, unanticipated consulting, recruiting and audit costs, increased workers compensation insurance cost, increased electricity costs, and updates of the IT network.
- \$760,000 for the Public Safety function to cover increased personnel costs resulting from wage increases, increased electricity costs, and unanticipated vehicle repair and maintenance costs.
- \$25,500 for the Unclassified function to cover free fares on the Brunswick Link local bus system, and higher than anticipated cemetery maintenance costs.

The other differences between the original and final budgets result from supplemental appropriations made during the year, amounts transferred to other funds, and the capital budget, detailed below. Supplemental appropriations consist of \$125,000 to support the work of the newly formed Maquoit Bay Water Quality task force, and \$4,270,187 which represents 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. The Town's \$4,500 contribution to the Memorial Day event, and the school department's \$62,500 subsidy of the cafeteria were transferred to respective special revenue funds. The amount of \$85,000 was transferred from the recreation department budget to a capital project fund to support the cost of replacing the gym floor in the recreation center.

Capital Budget

The Town Council adopted a capital budget in conjunction with the operating budget for the fiscal year ended June 30, 2024. As planned through the Capital Improvement Program, the capital budget authorized the use of \$1,757,500 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:

- Fire Dept – Power Load Units, \$182,000 for Stryker units in the four ambulances, to aid in the loading and unloading of the power cots, and to restrict movement of the cot during transport.
- Stanwood/McKeen Pedestrian Improvements, \$190,000 to construct and pave pedestrian paths to schools from the neighborhoods west of Stanwood St. Includes an upgraded crossing and RRFB on McKeen Street.
- Union Street Curb Cut Reduction, \$100,000 to install a 185 foot long asphalt sidewalk on the west side of Union Street from the Gorham Bike & Ski building to the north side of Station Avenue.
- Jordan Avenue Sidewalk, \$345,500 for construction of a 6-foot wide asphalt sidewalk from Bath Road to Lori Drive. In conjunction with the Bath Road crossing at the end of Jordan Avenue, this sidewalk will complete a safe pedestrian/bicycle connection to Brunswick Landing and Cook's Corner.
- Mare Brook Watershed Restoration Phase I, \$110,000 for the required cash match for the federal Nonpoint Source grant to complete Phase I of the Mare Brook Watershed Restoration Project.
- Range Road Culvert Design, \$20,000 to design and permit the replacement of a 60 linear foot, 42-inch diameter reinforced concrete culvert that crosses Range Road about 400 feet in from Pleasant Street.
- Downtown Restroom Planning, \$20,000 for feasibility, planning and design of a public restroom facility in the downtown area.
- Recreation Center Roof Sections, \$450,000 for the replacement of five sections of the Recreation Center roof.
- Bunganuc Road Culvert, \$50,000 to design and permit the replacement of a 75 linear foot, 16-inch diameter pipe arch that crosses Bunganuc Road at Bunganuc Brook.
- Police Dept Records Management Software, \$290,000 for the migration of Police Department records/data from IMC to a new software, and implement updated replacement software.

Revenues - actual versus final budget

For the year, actual revenues exceeded budgeted revenues by \$3,563,621. The following paragraphs discuss the various categories of revenues and the variances within each category.

In total, actual tax revenues exceeded the budget by \$570,096. Of this amount, property tax revenue was less than budgeted by \$82,217 as the result of several factors. The total actual taxable valuation of real and personal property tax available for the general fund was less than the estimate used in the development of the budget, resulting in \$111,040 less property tax revenue than projected. In addition, the actual amount of property tax deferred was more than budgeted by \$42,284 and, the actual amount of tax abatements granted was \$29,920 more than budgeted. Offsetting these, supplemental tax assessments were \$101,027 more than budgeted. Interest on delinquent taxes and tax lien cost revenue were \$7,272 and \$1,070 more than budgeted, respectively, and payment in lieu of taxes was \$62,921 more than budgeted. Excise tax revenues on vehicles, watercraft and aircraft were \$581,050 more than budgeted. Of this, \$568,579 was in vehicle excise tax, which was \$211,032 more than the previous year, and continued to exceed expectations.

In total, actual license, permit and fee revenues were \$150,002 more than the amount budgeted. The largest portion of this variance was in Codes Enforcement, where actual building permit revenue was \$133,177 more than budgeted. In addition, Planning Board application fee revenue was \$10,487 more than budgeted. Both of these were due to more new construction than anticipated. The Planning Department budgets conservatively for these revenues, as building activity has decreased from the previous year.

The Town Clerk's licenses and permit revenues also exceeded projections by \$16,153 in total, with mixed results between accounts. Revenues from mooring fees, business licenses, and vital records exceeded expectations by \$6,164, \$4,784 and \$4,442, respectively. The remaining Town Clerk's revenues including hunting/fishing and shellfish licenses, dog licenses and mooring fees, were a total of \$763 more than budgeted.

In the Finance Department, revenues from processing passport applications were \$11,865 more than budgeted, reflecting an increase in travel after the pandemic, while for Public Works, fewer street opening permits resulted in revenues \$22,695 less than budgeted. The remaining revenues of this category were a total of \$1,015 more than budgeted.

Actual intergovernmental revenues were more than the budget by \$228,808. The largest single source of this for municipal revenues was in State revenue sharing, which exceeded estimates by \$105,431. The Town anticipated an increase in this revenue, but the actual state income and sales tax collections exceeded expectations. For the school department State Aid to Education in total exceeded estimates by \$183,610, which included state agency client at \$74,982 and state education Medicaid at \$89,799. The state tax exemption reimbursement was \$70,821 more than budgeted, mostly attributable to reimbursement for tree growth and renewable energy exemptions. State highway funding was \$31,320 more than budgeted, and general assistance reimbursement was less than budgeted by \$162,350. This revenue estimate was based on the amount of general assistance expected to be distributed, and the Town has budgeted the expenditure conservatively in response to an influx of unhoused families. State snowmobile funds were less than budgeted by \$24.

Actual charges for services in total exceeded the budget by \$605,547, though the individual service results varied. Ambulance service fees were more than anticipated by \$452,417, primarily due to an increased number of trips. Police Department charges for service were more than budgeted by a total of \$28,183, primarily due to higher than anticipated dispatch and special detail fees. Rental fees for Town Hall and Parks & Recreation facilities were more than budgeted by \$25,756, in part due to the lease of the third floor of Town Hall to Bowdoin College beginning in June, 2024. At the school department, tuition and transportation revenue was more than budgeted by \$82,103, while facilities rental revenue exceeded the budgeted amount by \$10,331. The remaining variances in this category result in a net positive variance of \$6,757.

Fines and penalties collected were less than budgeted by \$2,357. In total, Police Department fines came in lower than the budget by \$1,862, with parking tickets recording \$3,934 less than anticipated, primarily due to relaxed parking fines downtown during the sidewalk reconstruction project. Ordinance fines were \$2,372 more than anticipated, while leash law fines and false alarms were \$300 less than budgeted. Late license fees in the Town Clerk's office generated \$305 more than budgeted, and fire code violation fees and false alarm penalties were less than anticipated by \$800.

Interest on investments exceeded the budget estimate by \$1,815,209. The interest rates on the Town's cash investments are based on the Federal Funds rate, and the Town budgeted conservatively in the spring of 2023. The combination of the rate increases in 2023 and 2024, and cash flow timing resulted in more interest revenue than anticipated in FY 2024.

Finally, the other (unclassified) revenues category exceeded the budget by \$196,316. Miscellaneous revenues for the municipal departments were more than budgeted by \$143,599, of which the largest overage resulted from an unanticipated \$47,452 in the Police Department for reimbursement of a police officer's training, and in commercial credit card rebates. Also in this category were unanticipated worker's compensation insurance proceeds and dividends at \$38,573 and \$18,880, respectively. School miscellaneous revenues were more than the budget by \$20,885, and sale of assets and general assistance recoveries were \$3,828 and \$183 more than expected, respectively. Cable TV franchise fees were less than budgeted by \$29,632, which was also a reduction from the previous year of \$24,444.

Expenditures - actual versus 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 functional classifications with unanticipated surpluses to those functions for which there were unanticipated expenditures. There were no over-expenditures at the functional level.

Other financing sources/(uses) – actual versus final budget

Transfers into the general fund totaled \$1,031,055. This amount represents \$1,022,055 in budgeted transfers from the Tax Increment Financing (TIF) district fund to the general fund to cover expenditures allowed under the TIF development programs, and \$9,000 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, 2024 amounts to \$115,165,630, net of accumulated depreciation. This investment in capital assets includes land, construction in progress, improvements, buildings, machinery and equipment, vehicles, intangibles, infrastructure and right-to-use assets. The total increase in capital assets for the current fiscal year was \$704,608. The Town recognized additions to and retirements of governmental capital assets, net of annual depreciation, resulting in a \$724,862 increase in value. The value of business-type capital assets decreased by \$20,254 with construction-in-progress of electric vehicle charging stations offset by \$71,533 in depreciation.

Major capital asset events in governmental activities were as follows:

- Construction projects in progress totaled \$1,091,099 at the conclusion of the year. This category of assets decreased as projects were completed during the year. These included the Public Safety Communications project, replacement of a section of the Rec Center roof, the LED Streetlight Replacement Project, the Wilson Ave Extension project, flooring at Emerson Fire Station, a garage addition at Kate Furbish School, and windows at the Brunswick High School. As of June 30, 2024, the ongoing projects were the Downtown Streetscape project at \$984,287, and the Police Department Records Management Software conversion at \$106,812
- Additions to building assets totaled \$1,587,891. The largest addition to municipal buildings was the Recreation Center roof replacement for \$420,000. The school department added building assets totaling \$1,067,651. At the Brunswick Junior High School, additions totaled \$249,558, the largest of which was of roofing for \$142,550. At Coffin School, HVAC and access system improvements added \$147,915, roofing added \$49,316, and upgrades to doors and bathrooms added \$58,958. Upgrades at the Brunswick High School totaled \$268,649, with the largest single item a roofing project at \$108,873, and window replacements totaling \$50,000. Access system upgrades at each of the five school buildings totaled \$113,382.
- Improvements other than buildings increased by \$1,753,525. The largest addition in this category was the Midcoast Athletic and Recreation Center, which opened in June, 2024 with a walking path, a skate park and pickleball courts. These, along with the site improvements and storm drainage totaled \$1,580,866. Playground improvements at Harriet Beecher Stowe added \$135,250.
- Machinery and equipment additions in governmental activities totaled \$2,921,100, and retirements totaled \$179,490. The school department added \$680,697, of which \$103,076 was projection equipment, and the balance was computer equipment. Within municipal departments the largest addition was the public safety radio communication upgrade for \$806,619. Other additions in the fire department included four CPR devices and four powerload stretcher lifts for a total of \$185,372. The public works department added three sidewalk tractors for \$434,812, an excavator for \$177,404, and a skid steer loader for \$50,144. Public works also purchased a set of portable traffic signals for \$68,685 to reduce the need for flaggers. The parks department added a mower and a tractor/ball park groomer for \$14,300 and \$41,888, respectively.
- Vehicles were replaced in the planning, fire, police, parks and school departments during the year, retiring \$404,195 and adding \$1,243,315 in value. Three electric passenger cars were purchased for use by the codes enforcement/planning/engineering staff for a total of \$67,874. The fire department purchased a new chassis for an ambulance for \$47,560, the police department purchased four cruisers for \$179,668 and the parks department added an electric car for \$22,582. The school department acquired two buses for \$279,000, and a tractor for \$20,000. Retired assets included three school buses for \$214,549, a school department passenger vehicle and trailer for \$13,609, and \$5,995, respectively, four former police cruisers for \$134,141, and the old ambulance chassis for \$35,901.
- Infrastructure additions during the year totaled \$936,745, offset by retirements of \$137,058. The extension of Wilson Street added a total of \$156,100, and the replacement of the Town's streetlights with LED fixtures added \$370,149. The Town also replaced drainage infrastructure on McKeen Street for a total of \$295,777, and culverts on Simpson's Point Road and Bunganuc Road for \$29,425 and \$33,614, respectively.
- Right-to-use leased assets decreased by \$652,269, due to the cancellation of the REAL School/TREK Program lease for the building on Brunswick Landing when this program was discontinued at the end of the 2023-24 school year.
- Subscription-based IT assets increased by \$88,064, all of which was curriculum software purchased in the school department.

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>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Capital assets not being depreciated:						
Land	\$ 14,470,783	\$ 14,470,783	\$ 115,000	\$ 115,000	\$ 14,585,783	\$ 14,585,783
Construction in progress	1,091,099	1,545,811	51,279	-	1,142,378	1,545,811
Intangibles	200,000	200,000	10,000	10,000	210,000	210,000
Capital assets being depreciated:						
Buildings	61,839,729	63,907,167	8,880	9,647	61,848,609	63,916,814
Improvements other than buildings	3,995,381	2,492,522	47,737	50,587	4,043,118	2,543,109
Machinery and equipment	5,682,065	3,688,353	3,461	4,345	5,685,526	3,692,698
Vehicles	4,706,411	4,401,776	-	-	4,706,411	4,401,776
Intangibles	46,698	88,887	-	-	46,698	88,887
Infrastructure	22,619,804	22,706,884	103,210	120,872	22,723,014	22,827,756
Right-to-use leased assets	57,345	507,625	24,685	74,055	82,030	581,680
Subscription-based IT assets	92,063	66,708	-	-	92,063	66,708
Total	\$ 114,801,378	\$ 114,076,516	\$ 364,252	\$ 384,506	\$ 115,165,630	\$ 114,461,022

Additional information on the Town of Brunswick's capital assets can be found in note IV.C on pages 61 and 62 of this report, and more information on the Town's leased assets and subscription-based IT assets is provided in note IV.D.2 on pages 64-65.

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 \$48,505,197, all of which is general obligation debt.

Town of Brunswick's Outstanding Long-term Debt

	Governmental		Business-type		Total	
	<u>activities</u>	<u>2024</u>	<u>activities</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>
General obligation bonds	\$ 37,055,000	\$ 38,765,000	\$ -	\$ -	\$ 37,055,000	\$ 38,765,000
Notes from direct borrowings	11,450,197	12,967,412	-	-	11,450,197	12,967,412
Total	\$ 48,505,197	\$ 51,732,412	\$ -	\$ -	\$ 48,505,197	\$ 51,732,412

The amount of principal debt retired during the year through debt service payments totaled \$3,227,215. 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 \$539,437,500, 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, 2024, the Town had debt authorized but not issued. Up to \$3,850,000 for the downtown streetscape project was authorized by the Town Council on December 28, 2023, and the project is expected to be completed over several years. To the extent possible, debt service on the bonds will be paid with available Tax increment Financing (TIF) revenues from the Downtown Development and Transit-Oriented TIF District. Subsequent to June 30, 2024, on October 21, 2024, the Town Council adopted an ordinance authorizing the issuance of up to \$2,150,000 for a replacement Tower Truck in the Fire Department. It is expected that delivery of the truck will be in just under four years, and debt will be issued at that time.

Additional information on the Town's long-term debt can be found in note IV.E.1. on pages 63-64 of this report.

Economic Factors and Next Year's Budgets and Rate

The 2024-25 municipal budget was developed in the spring of 2024 with the awareness of the sizable tax increase in 2023-24, the ending of the Senior Property Tax Stabilization Program in 2024-25 and the anticipated revaluation in 2025-26. In May 2024, the Town Council adopted a 2024-25 budget which was calculated to increase the property tax rate by 2.4%. These calculations included an estimated 0.5% increase in assessed property values. As in previous years, many of the State budget initiatives had an effect on the Town's estimated revenue. The largest of these are State Aid to Education, State Revenue Sharing, and reimbursement for the Homestead Exemption.

State Aid to Education is based on the Essential Programs and Services ("EPS") model, which is subject to legislative change annually, and is also affected by school enrollment and state valuation changes. The state budget can also adjust the amount available for distribution to schools. Changes made in the state's FY 2022 budget resulted in an unanticipated \$1.5M for Brunswick in 2021-22, increasing the Town's balance restricted for education. In the development of the 2023-24 budget, that \$1.5M balance was no longer available, shifting the burden to property taxes. From FY 2023 to FY 2024, State education aid increased by \$1,203,185. Based on calculations provided by the Maine Department of Education in March, 2024, FY 2025 State education aid to Brunswick is projected to increase by \$588,565 from FY 2024.

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. Beginning in 2006, the State has transferred funds from the revenue sharing pool to its general fund, and for four fiscal years, FY 2016 through FY 2019, the pool was pegged at 2% of income and sales tax revenues. This was increased to 2.5% in FY 2020, 3.75% in FY 2021, 4.5% in FY 2022, and returned to 5% in FY 2023. Based on calculations provided by the State Revenue Forecasting Committee in February 2024, FY 2025 State Revenue Sharing for Brunswick is projected to increase by \$1,219,805 from FY 2024. Due to higher than anticipated revenue sharing over several years, a portion of the Town's restricted revenue sharing balance has been used in the past four budgets to offset taxes. These amounts were \$400,000, \$250,000, \$300,000, and \$250,000 in the FY 2025, FY 2024, FY 2023, and FY 2022 budgets, respectively.

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. The reimbursement rate was maintained at 50% initially, 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. At that time, the reimbursement rate was set to increase by 3 percentage points each year, but for FY 2025 those increases were paused at the FY 2024 rate of 76%.

In FY 2025 the Town's local certified ratio (the percentage difference between the fair market value and the local assessed value, as determined by the State's sales ratio study in 2022) was 69%, and the homestead exemption was adjusted accordingly to \$17,250. At a FY 2025 tax rate of \$23.85/1,000, the homestead exemption is worth \$411 to eligible taxpayers. With a total of \$88,768,600 in value exempted in FY 2025, the Town will receive \$1,609,020 at the 76% reimbursement rate.

The State continues to explore ways to relieve the property tax burden on Maine residents, and it is likely that the homestead exemption program will continue to change. In 2022, the State legislature established the Senior Property Tax Stabilization Program, which allowed certain residents aged 65 and older to freeze the property taxes on their homesteads, with the State reimbursing municipalities for the lost tax revenue. This law was in effect for the 2023-24 property tax year, but was repealed for 2024-25.

Over the past three years, with inflationary pressures and low unemployment rates, the Town has experienced challenges in retaining and hiring employees. The competitive job market and negotiations with bargaining units have resulted in higher wages for all classes of employees, and have had a significant impact on the Town's annual budget. With the 2022-23 budget, the school department used the unanticipated State Aid to Education received in 2021-22 to offset expenditures, and was able to minimize the amount to be raised from taxes. However this was a one-time source, which was not available in subsequent years. The 2023-24 budget reflected the increase in personnel and other costs, and increased the amount to be raised from taxes by nearly 9%. For the 2024-25 budget, the Town Council and School Board were able to limit the increase in taxes to 2.92%, and the estimated tax rate increase to 2.4%

As noted above, the State conducts an annual sales ratio study to determine the ratio of each municipality's assessed property value to market value, generating the Town's local certified ratio. By the time it is final and certified, the ratio lags behind actual market values and municipal assessment by nearly two years. With the significant changes in the real estate market over the past two years, the Town was aware that the 2023 sales study would yield an assessment to market ratio below 70%, and worked on a town-wide assessment adjustment beginning in March, 2023. Finalized in July, the results of the adjustment showed a significant shift in property values, with residential values increasing proportionally much more than commercial values. Due to concerns about timing and the evident need for more communication with taxpayers, the Town Assessor recommended that the re-assessment be postponed. During the fall and winter of 2023-24, the Town Council held a series of public forums on the assessment process and the requirement for fair and equitable valuations for all properties. With the adoption of the 2024-25 budget, the Council approved funding for a revaluation project to update assessed values effective April 1, 2025 for the 2025-26 property tax year. During the winter and spring of 2024-25, the Town Council will continue to hold public forums to inform the public about the revaluation.

In addition to the municipal and school department operations, the Town's budget also funds Brunswick's tax assessment from Cumberland County. In December, 2021, the County voted to change from a calendar year to a July-June fiscal year, and is implementing this change with a six-month budget for January to June, 2023. The six-month county tax was added to the regular county tax assessment for the 2023-24 fiscal year. To assist the municipalities, the County offered the option to make the payment for the six-month tax assessment in full the first year or spread the payments out over time. For the Town of Brunswick, the six-month assessment totals \$782,237, and beginning with the 2023-24 budget, Town chose to spread the payments over five years at \$156,447 per year, using unassigned fund balance to cover these payments.

On September 4, 2024, taxes were committed with a tax rate of \$23.85 per \$1,000.

For the fiscal year ended June 30, 2024, the unrestricted fund balance in the General Fund was \$29,938,004, with the unassigned portion of the unrestricted balance at \$23,939,761. The Town's policy for its general fund sets a target range for the unassigned fund balance between 16.67% and 25% of its GAAP revenues. The actual balance, at 25.14% of GAAP revenues, is \$138,913 above the target range. In accordance with the fund balance policy, amounts within the target range have been allocated for capital improvements, or other one-time expenditures, and amounts above the range may be used to offset taxes. 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, 2024

Statement 1

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 53,775,583	\$ 2,104,263	\$ 55,879,846
Receivables (net of allowance for uncollectibles):			
Accounts	1,812,667	203,025	2,015,692
Taxes receivable - current year	1,303,441	-	1,303,441
Taxes receivable - prior year	26,607	-	26,607
Tax liens	191,407	-	191,407
Intergovernmental	6,142,980	4,626,545	10,769,525
Lease receivable	815,971	-	815,971
Internal balances	80,440	(80,440)	-
Deposits	51,236	-	51,236
Inventories	62,248	172,487	234,735
Other	6,029	-	6,029
Permanently restricted assets:			
Cash and cash equivalents	35,598	-	35,598
Investments	793,801	-	793,801
Capital assets not being depreciated:			
Land	14,470,783	115,000	14,585,783
Construction in progress	1,091,099	51,279	1,142,378
Intangibles	200,000	10,000	210,000
Capital assets (net of accumulated depreciation):			
Buildings	61,839,729	8,880	61,848,609
Improvements other than buildings	3,995,381	47,737	4,043,118
Machinery and equipment	5,682,065	3,461	5,685,526
Vehicles	4,706,411	-	4,706,411
Intangibles	46,698	-	46,698
Infrastructure	22,619,804	103,210	22,723,014
Right-to-use assets	57,345	24,685	82,030
Subscription-based information technology assets	92,063	-	92,063
Total assets	<u>179,899,386</u>	<u>7,390,132</u>	<u>187,289,518</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	4,652,557	-	4,652,557
Deferred outflows of resources related to other postemployment benefits	<u>2,428,136</u>	<u>-</u>	<u>2,428,136</u>
Total deferred outflows of resources	<u>7,080,693</u>	<u>-</u>	<u>7,080,693</u>
LIABILITIES			
Accounts payable and other current liabilities	7,716,765	31,986	7,748,751
Interest payable	326,260	-	326,260
Unearned revenues	1,237,562	-	1,237,562
Noncurrent liabilities:			
Due within one year	3,993,752	107,744	4,101,496
Due in more than one year	<u>66,694,952</u>	<u>2,131,256</u>	<u>68,826,208</u>
Total liabilities	<u>79,969,291</u>	<u>2,270,986</u>	<u>82,240,277</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	1,547,098	-	1,547,098
Deferred inflows of resources related to other postemployment benefits	1,255,150	-	1,255,150
Deferred inflows of resources related to leases	813,109	-	813,109
Deferred inflows of resources related to landfill closure reimbursement	-	4,626,545	4,626,545
Total deferred inflows of resources	<u>3,615,357</u>	<u>4,626,545</u>	<u>8,241,902</u>
NET POSITION			
Net investment in capital assets	63,800,969	338,508	64,139,477
Restricted for:			
Education	8,098,241	-	8,098,241
Municipal	1,638,664	-	1,638,664
Tax increment financing	2,499,895	-	2,499,895
Restricted grants and special revenues	1,397,372	-	1,397,372
Development projects - impact fees	578,077	-	578,077
Permanent funds:			
Expendable	20,143	-	20,143
Nonexpendable	809,256	-	809,256
Unrestricted	<u>24,552,814</u>	<u>154,093</u>	<u>24,706,907</u>
Total net position	<u>\$ 103,395,431</u>	<u>\$ 492,601</u>	<u>\$ 103,888,032</u>

See accompanying notes to financial statements.

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

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	\$ 9,017,616	\$ 903,016	\$ 1,011,011	\$ 71,698	\$ (7,031,891)	\$ -	\$ (7,031,891)
Public safety	14,755,640	1,968,757	473,840	51,155	(12,261,888)	-	(12,261,888)
Public works	9,278,176	74,906	278,507	842,711	(8,082,052)	-	(8,082,052)
Human services	628,417	183	122,650	-	(505,584)	-	(505,584)
Education	57,312,881	1,187,936	24,496,227	9,000	(31,619,718)	-	(31,619,718)
Recreation and culture	5,563,899	1,051,291	10,229	984,317	(3,518,062)	-	(3,518,062)
County tax	1,735,369	-	-	-	(1,735,369)	-	(1,735,369)
Unclassified	95,623	-	-	-	(95,623)	-	(95,623)
Interest on long-term debt	1,479,201	-	-	-	(1,479,201)	-	(1,479,201)
Total governmental activities	<u>99,866,822</u>	<u>5,186,089</u>	<u>26,392,464</u>	<u>1,958,881</u>	<u>(66,329,388)</u>	<u>-</u>	<u>(66,329,388)</u>
Business-type activities:							
Pay-per-bag Program	146,611	681,400	-	-	-	534,789	534,789
Mere Point Wastewater District	41,093	45,260	-	-	-	4,167	4,167
Train Station/ Visitors Center	150,919	28,220	-	-	-	(122,699)	(122,699)
Processing Facility	39,604	9,394	-	-	-	(30,210)	(30,210)
Total business-type activities	<u>378,227</u>	<u>764,274</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>386,047</u>	<u>386,047</u>
Total primary government	<u>\$ 100,245,049</u>	<u>\$ 5,950,363</u>	<u>\$ 26,392,464</u>	<u>\$ 1,958,881</u>	<u>\$ (66,329,388)</u>	<u>\$ 386,047</u>	<u>\$ (65,943,341)</u>
General revenues:							
Property taxes				64,242,583	-	64,242,583	
Vehicle, watercraft and aircraft excise taxes				4,305,050	-	4,305,050	
Grants and contributions not restricted to specific programs				5,704,365	814,296	6,518,661	
Unrestricted investment earnings (loss)				2,461,210	41,363	2,502,573	
Other				3,827	-	3,827	
Transfers				(125,000)	125,000	-	-
Total general revenues and transfers				<u>76,592,035</u>	<u>980,659</u>	<u>77,572,694</u>	
Changes in net position				10,262,647	1,366,706	11,629,353	
Net position (deficit) - beginning (as previously reported)				<u>92,478,966</u>	<u>(874,105)</u>	<u>91,604,861</u>	
Restatement for error corrections				653,818	-	653,818	
Net position (deficit) - beginning (as restated)				<u>93,132,784</u>	<u>(874,105)</u>	<u>92,258,679</u>	
Net position - ending				<u>\$ 103,395,431</u>	<u>\$ 492,601</u>	<u>\$ 103,888,032</u>	

See accompanying notes to financial statements.

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

	<u>General Fund</u>	<u>Tax Increment Financing</u>	<u>Coronavirus Relief Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 50,317,504	\$ -	\$ 899,167	\$ 2,594,510	\$ 53,811,181
Investments	-	-	-	793,801	793,801
Receivables (net of allowance for uncollectibles):					
Accounts	1,018,436	-	-	794,231	1,812,667
Taxes - current	1,303,441	-	-	-	1,303,441
Taxes - prior years	26,607	-	-	-	26,607
Tax liens	191,407	-	-	-	191,407
Intergovernmental	2,300,363	-	1,278,759	2,563,858	6,142,980
Lease receivable	815,971	-	-	-	815,971
Deposits	1,236	-	-	50,000	51,236
Inventory, at cost	45,981	-	-	16,267	62,248
Prepaid Items	5,546	-	483	-	6,029
Due from other funds	-	2,499,895	-	9,857,940	12,357,835
Advances to other funds	81,486	-	-	-	81,486
Total assets	<u>\$ 56,107,978</u>	<u>\$ 2,499,895</u>	<u>\$ 2,178,409</u>	<u>\$ 16,670,607</u>	<u>\$ 77,456,889</u>
LIABILITIES					
Accounts payable	\$ 1,268,972	\$ -	\$ 19,357	\$ 2,001,438	\$ 3,289,767
Retainage payable	-	-	-	221,592	221,592
Accrued wages and benefits payable	3,998,163	-	1,843	53,374	4,053,380
Other liabilities	110,638	-	-	14	110,652
Unearned revenue	-	-	889,192	348,370	1,237,562
Due to other funds	10,604,724	-	1,268,017	641,460	12,514,201
Total liabilities	<u>15,982,497</u>	<u>-</u>	<u>2,178,409</u>	<u>3,266,248</u>	<u>21,427,154</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	721,827	-	-	-	721,827
Unavailable revenue - miscellaneous	331,316	-	-	735,414	1,066,730
Unavailable revenue - lease related	813,109	-	-	-	813,109
Total deferred inflows of resources	<u>1,866,252</u>	<u>-</u>	<u>-</u>	<u>735,414</u>	<u>2,601,666</u>
FUND BALANCES (DEFICITS)					
Nonspendable:					
Long-term loans and advances	81,486	-	-	-	81,486
Inventories and deposits	47,217	-	-	66,267	113,484
Permanent funds	-	-	-	809,256	809,256
Restricted:					
Education	6,554,034	-	-	1,527,940	8,081,974
Municipal purposes	1,638,664	-	-	-	1,638,664
Tax increment financing	-	2,499,895	-	-	2,499,895
Capital projects funds	-	-	-	578,077	578,077
Special revenue funds	-	-	-	1,397,372	1,397,372
Permanent funds	-	-	-	20,143	20,143
Committed:					
Capital projects funds	-	-	-	8,843,488	8,843,488
Special revenue funds	-	-	-	362,960	362,960
Assigned:					
General fund	5,998,243	-	-	-	5,998,243
Unassigned:					
General fund	23,939,585	-	-	-	23,939,585
Capital projects funds	-	-	-	(936,558)	(936,558)
Total fund balances (deficits)	<u>38,259,229</u>	<u>2,499,895</u>	<u>-</u>	<u>12,668,945</u>	<u>53,428,069</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 56,107,978</u>	<u>\$ 2,499,895</u>	<u>\$ 2,178,409</u>	<u>\$ 16,670,607</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.	114,801,378
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable in the funds.	1,788,557
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.	(71,014,964)
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.	113,946
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds.	4,278,445
Net position of governmental activities (see Statement 1)	<u>\$ 103,395,431</u>

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

	<u>General Fund</u>	<u>Tax Increment Financing</u>	<u>Coronavirus Relief Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES					
Taxes	\$ 63,376,044	\$ 4,935,030	\$ -	\$ -	\$ 68,311,074
Licenses and permits	711,078	-	-	1,100	712,178
Intergovernmental	25,668,063	-	1,754,942	4,635,308	32,058,313
Investment income (loss)	-	-	-	98,270	98,270
Charges for services	2,564,850	-	-	1,653,620	4,218,470
Fines and penalties	39,568	-	-	-	39,568
Interest	2,315,209	-	-	67,660	2,382,869
Donations	25,000	-	-	1,392,528	1,417,528
Other	505,246	-	-	-	505,246
Total revenues	<u>95,205,058</u>	<u>4,935,030</u>	<u>1,754,942</u>	<u>7,848,486</u>	<u>109,743,516</u>
EXPENDITURES					
Current:					
General government	6,161,275	1,696,165	-	560,590	8,418,030
Public safety	13,612,449	-	-	163,190	13,775,639
Public works	5,237,864	-	-	15,843	5,253,707
Human services	435,703	-	200,000	230	635,933
Education	50,021,817	-	914,193	4,335,458	55,271,468
Recreation and culture	4,186,243	-	-	1,026,832	5,213,075
County tax	1,891,816	-	-	-	1,891,816
Unclassified	95,623	-	-	-	95,623
Debt service:					
Principal	2,859,794	-	-	367,421	3,227,215
Interest	1,436,533	-	-	173,708	1,610,241
Capital outlay	-	-	-	8,049,590	8,049,590
Total expenditures	<u>85,939,117</u>	<u>1,696,165</u>	<u>1,114,193</u>	<u>14,692,862</u>	<u>103,442,337</u>
Excess (deficiency) of revenues over (under) expenditures	<u>9,265,941</u>	<u>3,238,865</u>	<u>640,749</u>	<u>(6,844,376)</u>	<u>6,301,179</u>
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	1,031,055	400,000	-	7,599,386	9,030,441
Transfers to other funds	(3,761,260)	(1,022,055)	(612,019)	(409,000)	(5,804,334)
Transfers to other funds - capital budget	(1,842,500)	(1,270,000)	-	-	(3,112,500)
Transfers to other funds - suppl. approp.	(125,000)	(15,000)	-	-	(140,000)
Transfers to other funds - education	(62,500)	-	-	-	(62,500)
Total other financing sources (uses)	<u>(4,760,205)</u>	<u>(1,907,055)</u>	<u>(612,019)</u>	<u>7,190,386</u>	<u>(88,893)</u>
Net changes in fund balances	4,505,736	1,331,810	28,730	346,010	6,212,286
Fund balances, beginning of year (as previously reported)	<u>33,724,763</u>	<u>1,168,085</u>	<u>-</u>	<u>12,297,644</u>	<u>47,190,492</u>
Restatement for error corrections	28,730	-	(28,730)	25,291	25,291
Fund balances (deficits), beginning of year (as restated)	<u>33,753,493</u>	<u>1,168,085</u>	<u>(28,730)</u>	<u>12,322,935</u>	<u>47,215,783</u>
Fund balances, end of year	<u>\$ 38,259,229</u>	<u>\$ 2,499,895</u>	<u>\$ -</u>	<u>\$ 12,668,945</u>	<u>\$ 53,428,069</u>

See accompanying notes to financial statements.

Statement 5

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, 2024

Net change in fund balances - total governmental funds (from Statement 4)	\$ 6,212,286
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.	1,281,669
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.	(556,807)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	349,853
The issuance of long-term debt and lease financing provide current financial resources to governmental funds, while the repayment of the debt and lease payments consume 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.	3,383,662
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.	54,797
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.	(52,154)
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.	(410,659)
Change in net position of governmental activities (see Statement 2)	<u>\$ 10,262,647</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, 2024

	<u>Original Budget</u>	<u>Additional Appropriation</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES (SOURCES)					
Property Taxes	\$ 58,571,948	\$ -	\$ 58,571,948	\$ 58,489,731	\$ (82,217)
Non-property Taxes	4,234,000	-	4,234,000	4,886,313	652,313
Licenses and Fees	561,076	-	561,076	711,078	150,002
Intergovernmental	21,169,068	4,270,187	25,439,255	25,668,063	228,808
Charges for Services	1,959,303	-	1,959,303	2,564,850	605,547
Fines and Penalties	41,925	-	41,925	39,568	(2,357)
Interest	500,000	-	500,000	2,315,209	1,815,209
Donations and Contributions	25,000	-	25,000	25,000	-
Unclassified	308,930	-	308,930	505,246	196,316
TOTAL REVENUES	87,371,250	4,270,187	91,641,437	95,205,058	3,563,621
	<u>2023 Adopted Budget</u>	<u>2023 Encumbered Balances</u>	<u>Original Budget</u>	<u>Additional Appropriation</u>	<u>Final Budget</u>
	<u>2023 Adopted Budget</u>	<u>2023 Encumbered Balances</u>	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>
					<u>Actual</u>
EXPENDITURES					
General government:	\$ 6,252,754	\$ 53,350	\$ 6,306,104	\$ -	\$ 6,161,275
Public Safety	12,965,777	60,962	13,026,739	-	13,612,449
Public Works	5,683,131	4,100	5,687,231	-	5,237,864
Human Services	578,160	-	578,160	-	435,703
Education	52,931,574	-	52,931,574	4,270,187	(3,031,925)
Recreation & Culture	4,588,439	44,248	4,632,687	-	4,547,687
County Tax	1,891,816	-	1,891,816	-	1,891,816
Unclassified	1,542,255	-	1,542,255	-	(1,059,215)
Debt Service	1,868,031	-	1,868,031	-	483,040
TOTAL EXPENDITURES	88,301,937	162,660	88,464,597	4,270,187	(152,000)
Excess (deficiency) of revenues over (under) expenditures	(930,687)	(162,660)	(1,093,347)	-	152,000
					(941,347)
					9,265,941
					(3,080,046)
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	1,022,055	-	1,022,055	-	1,022,055
Transfers to other funds	(3,756,760)	-	(3,756,760)	(1,882,500)	(152,000)
Total other financing sources (uses)	(2,734,705)	-	(2,734,705)	(1,882,500)	(152,000)
Net changes in fund balances	\$ (3,665,392)	\$ (162,660)	\$ (3,828,052)	\$ (1,882,500)	\$ -
					\$ (5,710,552)
					\$ 4,505,736
					\$ 10,216,288
					\$ -
Fund balance, beginning of year (as previously reported)					33,724,763
Restatement for error corrections					28,730
Fund balances, beginning of year (as restated)					33,753,493
Fund balance, end of year					\$ 38,259,229

See accompanying notes to financial statements.

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

	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</u>		
					<u>Printing Services</u>		
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 895,102	\$ 1,041,382	\$ 167,779	\$ 2,104,263	\$ -		
Receivables:							
Accounts	- -	192,400	10,625	203,025	- -		
Intergovernmental	4,626,545	- -	- -	4,626,545	- -		
Inventory	- -	172,487	- -	172,487	- -		
Due from other funds	- -	- -	1,046	1,046	114,610		
Total current assets	<u>5,521,647</u>	<u>1,406,269</u>	<u>179,450</u>	<u>7,107,366</u>	<u>114,610</u>		
Capital assets:							
Land	72,750	- -	42,250	115,000	- -		
Construction in progress	- -	- -	51,279	51,279	- -		
Intangibles	- -	- -	10,000	10,000	- -		
Buildings	- -	- -	11,500	11,500	- -		
Improvements other than buildings	- -	- -	131,038	131,038	- -		
Machinery and equipment	- -	- -	112,633	112,633	109,474		
Infrastructure	- -	- -	766,550	766,550	- -		
Right-to-use leased assets	- -	- -	172,795	172,795	- -		
Less accumulated depreciation	- -	- -	(1,006,543)	(1,006,543)	(82,492)		
Net capital assets	<u>72,750</u>	<u>- -</u>	<u>291,502</u>	<u>364,252</u>	<u>26,982</u>		
Total assets	<u>5,594,397</u>	<u>1,406,269</u>	<u>470,952</u>	<u>7,471,618</u>	<u>141,592</u>		
LIABILITIES							
Current liabilities:							
Accounts payable	16,621	- -	6,581	23,202	664		
Accrual of payroll	- -	- -	439	439	- -		
Other liabilities	- -	8,345	- -	8,345	- -		
Advance from other funds	- -	- -	81,486	81,486	- -		
Total current liabilities	<u>16,621</u>	<u>8,345</u>	<u>88,506</u>	<u>113,472</u>	<u>664</u>		
Noncurrent liabilities:							
Landfill postclosure	2,213,256	- -	- -	2,213,256	- -		
Lease liability - short term	- -	- -	25,744	25,744	- -		
Total noncurrent liabilities	<u>2,213,256</u>	<u>- -</u>	<u>25,744</u>	<u>2,239,000</u>	<u>- -</u>		
Total liabilities	<u>2,229,877</u>	<u>8,345</u>	<u>114,250</u>	<u>2,352,472</u>	<u>664</u>		
DEFERRED INFLOWS OF RESOURCES							
Deferred landfill closure cost reimbursement	4,626,545	- -	- -	4,626,545	- -		
Total deferred inflows of resources	<u>4,626,545</u>	<u>- -</u>	<u>- -</u>	<u>4,626,545</u>	<u>- -</u>		
NET POSITION (DEFICIT)							
Net investment in capital assets	72,750	- -	265,758	338,508	26,982		
Unrestricted (deficit)	(1,334,775)	1,397,924	90,944	154,093	113,946		
Total net position (deficit)	<u>\$ (1,262,025)</u>	<u>\$ 1,397,924</u>	<u>\$ 356,702</u>	<u>\$ 492,601</u>	<u>\$ 140,928</u>		

See accompanying notes to financial statements.

Statement 8

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

	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</u>	<u>Printing Services</u>
OPERATING REVENUES						
Charges for services:						
Permits	\$ -	\$ -	\$ 3,280	\$ 3,280	\$ -	\$ -
Bag purchases	-	681,400	-	681,400	-	-
Service fees	-	-	45,260	45,260	-	-
Rent	-	-	10,795	10,795	-	-
Parking meter	-	-	17,425	17,425	-	-
Printing services	-	-	-	-	29,521	-
Processing fees	-	-	6,114	6,114	-	-
Total operating revenues	<u>-</u>	<u>681,400</u>	<u>82,874</u>	<u>764,274</u>	<u>29,521</u>	
OPERATING EXPENSES						
Personnel services	-	-	18,055	18,055	-	-
Contractual services	-	-	136,453	136,453	13,731	-
Materials and supplies	-	146,611	3,981	150,592	5,197	-
Depreciation/amortization	-	-	71,533	71,533	5,055	-
Total operating expenses	<u>-</u>	<u>146,611</u>	<u>230,022</u>	<u>376,633</u>	<u>23,983</u>	
Operating income (loss)	<u>-</u>	<u>534,789</u>	<u>(147,148)</u>	<u>387,641</u>	<u>5,538</u>	
NONOPERATING REVENUES (EXPENSES)						
Interest income	8,523	23,350	9,490	41,363	-	-
Interest expense	-	-	(1,594)	(1,594)	-	-
State reimbursement of closure costs	814,296	-	-	814,296	-	-
Total nonoperating revenues (expenses)	<u>822,819</u>	<u>23,350</u>	<u>7,896</u>	<u>854,065</u>	<u>-</u>	
Income (loss) before transfers and special items	822,819	558,139	(139,252)	1,241,706	5,538	
Transfers in/(out)	<u>-</u>	<u>-</u>	<u>125,000</u>	<u>125,000</u>	<u>(36,107)</u>	
Change in net position (deficit)	822,819	558,139	(14,252)	1,366,706	(30,569)	
Net position (deficit), beginning of year	<u>(2,084,844)</u>	<u>839,785</u>	<u>370,954</u>	<u>(874,105)</u>	<u>171,497</u>	
Net position (deficit), end of year	<u>\$ (1,262,025)</u>	<u>\$ 1,397,924</u>	<u>\$ 356,702</u>	<u>\$ 492,601</u>	<u>\$ 140,928</u>	

See accompanying notes to financial statements.

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

	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	\$ -	\$ 640,800	\$ 83,764	\$ 724,564	\$ 29,521	
Payments to employees	-	-	(17,745)	(17,745)	-	
Payments to suppliers for goods and services	-	(159,074)	(141,286)	(300,360)	(20,413)	
Net cash provided (used) by operating activities	<u>-</u>	<u>481,726</u>	<u>(75,267)</u>	<u>406,459</u>	<u>9,108</u>	
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfer from/(to) other funds	-	-	125,000	125,000	(36,107)	
Payments for landfill post-closure costs	(90,944)	-	-	(90,944)	-	
Increase (decrease) in due to other funds	-	-	(22,340)	(22,340)	53,639	
Cash provided (used) by noncapital financing activities	<u>(90,944)</u>	<u>-</u>	<u>102,660</u>	<u>11,716</u>	<u>17,532</u>	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
State reimbursement for landfill closure	814,296	-	-	814,296	-	
Acquisition of capital assets	-	-	(51,279)	(51,279)	(26,640)	
Principal paid on lease liability	-	-	(50,345)	(50,345)	-	
Interest paid on lease liability	-	-	(1,594)	(1,594)	-	
Cash used by capital and related financing activities	<u>814,296</u>	<u>-</u>	<u>(103,218)</u>	<u>711,078</u>	<u>(26,640)</u>	
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest on investments	8,523	23,350	9,490	41,363	-	
Cash provided by investing activities	<u>8,523</u>	<u>23,350</u>	<u>9,490</u>	<u>41,363</u>	<u>-</u>	
Net increase (decrease) in cash	731,875	505,076	(66,335)	1,170,616	-	
Cash, beginning of year	163,227	536,306	234,114	933,647	-	
Cash, end of year	<u>\$ 895,102</u>	<u>\$ 1,041,382</u>	<u>\$ 167,779</u>	<u>\$ 2,104,263</u>	<u>\$ -</u>	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	\$ -	\$ 534,789	\$ (147,148)	\$ 387,641	\$ 5,538	
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation/amortization	-	-	71,533	71,533	5,055	
(Increase) decrease in accounts receivable	-	(40,600)	890	(39,710)	-	
(Increase) decrease in inventory	-	(13,460)	-	(13,460)	-	
Increase (decrease) in accounts payable	-	-	(852)	(852)	(1,485)	
Increase (decrease) in accrued payroll	-	-	310	310	-	
Increase (decrease) in other liabilities	-	997	-	997	-	
Total adjustments	<u>-</u>	<u>(53,063)</u>	<u>71,881</u>	<u>18,818</u>	<u>3,570</u>	
Net cash provided (used) by operating activities	<u>\$ -</u>	<u>\$ 481,726</u>	<u>\$ (75,267)</u>	<u>\$ 406,459</u>	<u>\$ 9,108</u>	

See accompanying notes to financial statements.

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

	Private- purpose Trust Funds
ASSETS	
Cash and cash equivalents	\$ 27,758
Investments	535,894
Due from other funds	40,710
Total assets	<u>604,362</u>
LIABILITIES	
Accounts payable	-
Total liabilities	-
NET POSITION	
Net position held in trust for other purposes	<u>\$ 604,362</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, 2024

	Private- purpose Trust Funds
ADDITIONS	
Contributions	\$ 10,650
Investment earnings:	
Interest and dividends	13,493
Net increase (decrease) in the fair value of investments	<u>54,994</u>
Total investment earnings (loss)	68,487
Less investment expense	<u>(5,443)</u>
Total additions	<u>73,694</u>
DEDUCTIONS	
Payment to beneficiaries	<u>31,516</u>
Total deductions	<u>31,516</u>
Change in net position	42,178
Net position - beginning	<u>562,184</u>
Net position - ending	<u>\$ 604,362</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, with the exception of the subsidy transfer from governmental funds to the train station/visitors center proprietary fund.

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 individually displayed in a separate column in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

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 *Coronavirus Relief Fund* accounts for expenditures responding to the COVID-19 pandemic, and federal funding received as reimbursement through the CARES Act and the American Rescue Plan Act (ARPA).

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 Coronavirus Relief Fund which is a major fund, 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 six 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 a functional classification. Accordingly, the legal level of budgetary control is by function. 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 within each function, and the appropriation resolution is by function. 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 most recently in September, 2021, 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. Acquired assets (other than right-to-use leased assets, which are discussed in note I.F.11 below), are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation, using the price that would be paid to acquire an asset with equivalent service potential. Intangible assets follow the same capitalization policies as tangible assets. 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 3 to 50 years.

Assets	Years
Buildings	45-50
Improvements other than buildings	5-20
Machinery and equipment	5-20
Vehicles	5-20
Intangibles	5-20
Infrastructure	20-50
Right-to-use assets	3-20
Subscription-based information technology assets (SBITAs)	5-10

5. Deferred outflows/inflows of resources

In addition to assets, the statement of net position includes a section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until that time. In the statement of net position, 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 and the balance sheet 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 assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports the following items in deferred inflows.

Deferred inflows of resources related to pensions and other postemployment benefits (OPEB). Appearing in just the statement of net position, these items are related to the net pension and OPEB liabilities, and 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 leases. Appearing in both the statement of net position and the governmental funds balance sheet, this item is related to leases in which the Town is lessor, and reflects the value of the lease receivable plus payments that relate to future periods.

Deferred inflows of resources related to landfill closure reimbursement. Reported in proprietary funds and the statement of net position for business-type activities, 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.

Deferred inflows of resources related to unavailable revenue. 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. The item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: property taxes, ambulance user fees and National Opioid Settlement funds. These amounts are deferred and recognized as an inflow of resources (revenue) in the period that the amounts become available.

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.

6. Net position

Net position represents assets and deferred outflows of resources, less liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the Town, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds payable, bond premiums, leases payable, and adding back unspent bond proceeds. As of June 30, 2024, the Town's net investment in capital assets was calculated as follows:

	<u>Governmental activities</u>	<u>Business-type activities</u>
Capital assets	\$ 205,579,554	\$ 1,370,795
Accumulated depreciation	(90,778,176)	(1,006,543)
Bonds payable and premiums	(51,030,491)	-
Unexpended bond proceeds	91,599	-
Lease liabilities	(61,517)	(25,744)
Net investment in capital assets	\$ 63,800,969	\$ 338,508

7. 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.

8. 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.

9. 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.

10. 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 target range for the unassigned category of fund balance. In addition, the policy establishes a process for reaching and maintaining the targeted range of unassigned fund balance, and the priority for the use of amounts within and above the target range.

11. Leases

Lessee: The Town of Brunswick is a lessee in several facility leases. The Town recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The Town recognizes lease liabilities with an initial, individual value of \$5,000 or more. At the commencement of a lease, the Town initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Town determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. When possible, the Town uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Town is reasonably certain to exercise. The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor: The Town is a lessor for a noncancelable lease of parking spaces, and a five-year lease for a portion of the third floor of Town Hall. The Town recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Town determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. The Town uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee. The Town monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

12. 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.

13. 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.

14. New pronouncements and adjustments

For the fiscal year ended June 30, 2024, the Town has implemented Government Accounting Standards Board (GASB) *Statement No. 100 – Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*.

After the June 30, 2023 financial statements were issued, the Town identified an omission in reporting for the National Opioid Settlement funds. In the nonmajor special revenue funds, accounts receivable was under-reported by \$653,818, and deferred inflow for unavailable revenue was under-reported by \$628,527. The adjustment results in a \$25,291 increase to nonmajor governmental fund balance, and a \$653,817 increase to net position as of June 30, 2023.

After the June 30, 2023 financial statements were issued, the Town identified a misclassification of ESSER expenditures. In the major Coronavirus Relief Fund, expenditures were under-reported by \$28,730, and expenditures in the General Fund were overstated by \$28,730. The adjustment results in a \$28,730 increase to General Fund balance, and a \$28,730 reduction in Coronavirus Relief Fund balance as of June 30, 2023.

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

	<u>Governmental Activities</u>	<u>General Fund</u>	<u>Coronavirus Relief Fund</u>	<u>Total Other Governmental Funds</u>	<u>Nonmajor Special Revenue Funds</u>	<u>Special Revenue Funds</u>	<u>Town Restricted Programs</u>
Net position/fund balance, as previously reported	\$92,478,966	\$33,724,763	\$ -	\$ 12,297,644	\$ 2,669,740	\$ 1,298,980	
Reclassification of expenditures	-	28,730	(28,730)	-	-	-	-
Additional receivable for opioid settlement funds	653,818	-	-	653,818	653,818	653,818	
Deferred inflows of resources related to settlement funds	-	-	-	(628,527)	(628,527)	(628,527)	
Net position/fund balance, as restated	93,132,784	33,753,493	(28,730)	12,322,935	2,695,031	1,324,271	

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 \$114,801,378 difference are as follows:

Capital assets	\$ 205,579,554
Accumulated depreciation	(90,778,176)
Net adjustment to increase fund balance - total governmental funds	
to arrive at net position - governmental activities	\$ 114,801,378

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 \$1,788,557 difference are as follows:

Deferred inflows - unavailable revenue - property tax	\$ 721,827
Deferred inflows - unavailable revenue - miscellaneous	1,066,730
Net adjustment to increase fund balance - total governmental funds	
to arrive at net position - governmental activities	\$ 1,788,557

Another element of that reconciliation explains, "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." The details of this \$(71,014,964) difference are as follows:

Bonds payable and notes from direct borrowings	\$ (48,505,197)
Premium on bonds (to be amortized as interest expense)	(2,525,294)
Accrued interest	(326,260)
Lease liabilities	(61,517)
County tax obligation	(625,790)
Compensated absences	(1,742,772)
Other postemployment benefits	(10,398,708)
Net pension liability	(6,829,426)
Net adjustment to decrease fund balance - total governmental funds	
to arrive at net position - governmental activities	\$ (71,014,964)

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 \$113,946 difference are as follows:

Net position of the internal service fund	\$ 140,928
Less: Capital assets net of accumulated depreciation	(26,982)
Net adjustment to increase fund balance - total governmental funds	
to arrive at net position - governmental activities	\$ 113,946

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 \$4,278,445 difference are as follows:

Deferred outflows of resources related to pensions	\$ 4,652,557
Deferred outflows of resources related to other postemployment benefits	2,428,136
Deferred inflows of resources related to pensions	(1,547,098)
Deferred inflows of resources related to other postemployment benefits	(1,255,150)
Net adjustment to increase fund balance - total governmental funds	
to arrive at net position - governmental activities	\$ 4,278,445

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 \$1,281,669 difference are as follows:

Capital outlay	\$ 8,075,928
Depreciation expense	<u>(6,794,259)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$ 1,281,669

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 \$(556,807) difference are as follows:

Cost of disposed capital assets	\$ (2,918,823)
Less construction in progress	1,545,811
Accumulated depreciation on disposed capital assets	<u>816,205</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$ (556,807)

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 \$349,853 difference are as follows:

Property taxes	\$ 236,559
Charges for services	6,407
National opioid settlement	<u>106,887</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$ 349,853

Another element of that reconciliation states, “the issuance of long-term debt and lease financing provide current financial resources to governmental funds, while the repayment of debt and lease payments consume 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 \$3,383,662 difference are as follows:

County tax obligation repayment	\$ 156,447
Principal repayments: General obligation debt and notes form direct borrowings	<u>3,227,215</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position in governmental activities	\$ 3,383,662

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 \$54,797 difference are as follows:

Compensated absences	\$ (79,085)
Other post employment benefits with related deferred inflows and outflows of resources	(460,698)
Accrued interest	5,669
Amortization of premium on refunding and general obligation bonds	125,371
Lease expense	<u>463,540</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$ 54,797

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 \$(52,154) difference are as follows:

Change in net position of the internal service funds	\$ 5,538
Plus: depreciation on capital assets	5,055
Less: acquisition of capital assets	(26,640)
Less: transfer to other funds	<u>(36,107)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$ (52,154)

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 \$(410,659) difference are as follows:

Net pension liability with related deferred inflows and outflows of resources	\$ <u>(410,659)</u>
Net adjustment to decrease net changes in fund balance - total governmental funds to arrive at changes in net position of governmental activities	\$ (410,659)

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, 2024, the Town budgeted and utilized the following amounts:

2023-24 General Fund Budget
effective as of July 1, 2023

	Adopted Budget	Encumbered Balances	Original Budget	Additional Appropriations	Final Budget
Restricted fund balance:					
Educational purposes	\$ 2,755,392	\$ -	\$ 2,755,392	\$ -	\$ 2,755,392
Municipal purposes	250,000	-	250,000	-	250,000
Assigned fund balance:					
Municipal purposes	660,000	-	660,000	-	660,000
Unassigned fund balance	-	-	-	1,882,500	1,882,500
Encumbrances	-	162,660	162,660	-	162,660
Total utilization of fund balance	\$ 3,665,392	\$ 162,660	\$ 3,828,052	\$ 1,882,500	\$ 5,710,552

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 2023-24 were \$3,495,479 for retirement, \$688,978 for other benefits, and \$85,730 for other postemployment 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 Manager is also authorized to transfer appropriated amounts between accounts within functional classifications, but not between functions. The Town Council, upon the request of the Town Manager, may move funds from functions 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 \$1,075,500, moving appropriations from accounts with projected balances to accounts where it appeared that the expenditures would have exceeded the appropriations.

E. Emergency Appropriation

On October 16, 2023, the Town Council adopted an emergency resolution appropriating \$125,000 from unappropriated available general fund revenues to fund the work of a newly established task force studying water quality in Maquoit Bay.

F. Deficit Fund Balance or Net Position

The following *net position deficit* exists as of June 30, 2024:

Solid Waste Facilities Fund	\$ (1,262,025)
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The deficit balance in the Solid Waste Facilities Fund is the result of insufficient assets to fund the liability that the Town has accumulated for the post closure maintenance and monitoring of its landfills. The liability as of June 30, 2024 is \$2,213,256, an estimate which consists of \$4,000 for 13 years for the Wood and Masonry Landfill, and \$77,188 for nearly 28 years for the Graham Road Solid Waste Landfill. Prior to closing the solid waste landfill, the Town implemented several strategies to cover the cost of closure, including annual subsidies from the General Fund, and use of accumulated net revenue from its pay-as-you-throw residential solid waste collection program. Landfill closure was completed in FY 2022 for a total cost of \$7,361,970. The Maine Department of Environmental Protection has confirmed that 75% of the closure costs, or \$5,521,477, are eligible for cost sharing through the State's Landfill Closure and Remediation Program through a reimbursement arrangement over time.

In FY 2024, the Town received \$814,296 in State reimbursement, which covered the cost of the post closure maintenance and monitoring during the year and provides funds for future postclosure costs. Though the timing of the State reimbursement is uncertain, the Town anticipates that this reimbursement, subsidies from the general fund, or the ongoing revenue from the pay-as-you-throw program will be sufficient to cover the cost of the future post closure costs.

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, 2024, the Town of Brunswick had the following investments, with corresponding recurring fair value measurements:

Investment Type	Rating	Fair Value	Weighted Average Maturity (Years)	Level 1 Input
U. S. Treasury Notes & Government Bonds		\$ 157,678	0.95	Yes
Money-Market Mutual Funds	AAA	63,356	N/A	Yes
Equities		332,066	N/A	Yes
Other Mutual Funds		839,951	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.

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. The Town's bank balances were covered by the FDIC, and one irrevocable stand-by letter of credit with the Federal Home Loan Bank of New York, issued to the Town of Brunswick for Manufacturers and Traders Trust Company. At June 30, 2024, \$85,122 of the bank balance of \$57,149,026 was exposed to custodial credit risk because of the growth within the High School's Student Activity fund account. An insured cash sweep arrangement has been established in FY25 to cover any exposure(s) going forward.

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, 2024, the Town did not have a policy for concentration of credit risk.

B. Receivables

Receivables at June 30, 2024 consist of the following:

	Coronavirus		Other		
	General Fund	Relief Fund	Governmental Funds	Funds	Total
Taxes	\$ 1,357,900	\$ -	\$ -	\$ -	\$ 1,357,900
Tax liens	191,407	-	-	-	191,407
Accounts	1,093,330	-	802,668	203,025	2,099,023
Intergovernmental	2,300,363	1,278,759	2,563,858	4,626,545	10,769,525
Lease receivable	815,971	-	-	-	815,971
Gross receivables	5,758,971	1,278,759	3,366,526	4,829,570	15,233,826
Less: Allowance for					
Uncollectibles	(102,746)	-	(8,437)	-	(111,183)
Net receivables	\$ 5,656,225	\$ 1,278,759	\$ 3,358,089	\$ 4,829,570	\$ 15,122,643

Property taxes for the 2023-24 fiscal year were committed September 15, 2023 on the assessed value listed as of April 1, 2023, for all taxable real and personal property located in the Town. Real property taxes were due in two installments, October 31, 2023 and April 16, 2024. Personal property taxes were due in one installment, October 31, 2023. 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, 2023, upon which the levy for the year ended June 30, 2024 was based, was \$2,395,327,744. This assessed value was 83% of the estimated market value and 79% of the 2023 State valuation of \$3,039,200,000.

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 \$155,723 for the year ended June 30, 2024.

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, 2024, the Town had a total of \$211,894,816 in captured valuation for five TIF districts. The tax revenue captured in these districts totaled \$4,935,030 for the year.

The Town is lessor in a lease for four spaces in the Town Hall Parking Lot, and recognizes a lease receivable. The lease was signed in 2019 for five years, with an additional five year extension period. The Town receives monthly payments of \$492. The Town recognized \$4,925 in lease revenue and \$977 in interest revenue during the current fiscal year related to this lease. As of June 30, 2024, the Town's receivable for lease payments was \$29,891. The Town also has a deferred inflow of resources that will be recognized as revenue over the lease term. As of June 30, 2024, the balance of the deferred inflow of resources was \$28,694.

In March, 2024, the Town signed a lease agreement with Bowdoin College for the College to occupy a portion of the third floor of Town Hall for five years beginning June 1, 2024. For the first thirteen months, the Town will receive monthly rent of \$16,009, and subsequent years the monthly rent will increase by \$372 each year. To record the lease, the Town recognized a receivable and deferred inflow of resources of \$797,489. For the fiscal year ended June 30, 2024, the Town recognized \$11,409 in lease revenue and \$1,994 in interest revenue. As of June 30, 2024, the Town's receivable for lease payments was \$786,080. As of June 30, 2024, the balance of the deferred inflow of resources was \$784,415.

C. Capital Assets

Capital asset activity for the year ended June 30, 2024 follows.

Governmental activities:

	Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024
Capital assets, not being depreciated:				
Land	\$ 14,470,783	\$ -	\$ -	\$ 14,470,783
Construction in progress	1,545,811	1,091,099	(1,545,811)	1,091,099
Intangibles	200,000	-	-	200,000
Total capital assets not being depreciated	16,216,594	1,091,099	(1,545,811)	15,761,882
Capital assets being depreciated:				
Buildings	101,912,661	1,587,891	-	103,500,552
Improvements other than buildings	6,406,620	1,753,525	-	8,160,145
Machinery and equipment	9,193,864	2,921,100	(179,490)	11,935,474
Vehicles	11,507,912	1,243,315	(404,195)	12,347,032
Intangibles	960,269	-	-	960,269
Infrastructure	51,840,369	936,745	(137,058)	52,640,056
Total capital assets being depreciated	181,821,695	8,442,576	(720,743)	189,543,528
Less accumulated depreciation for:				
Buildings	(38,005,494)	(3,655,329)	-	(41,660,823)
Improvements other than buildings	(3,914,098)	(250,666)	-	(4,164,764)
Machinery and equipment	(5,505,511)	(843,513)	95,615	(6,253,409)
Vehicles	(7,106,136)	(900,086)	365,601	(7,640,621)
Intangibles	(871,382)	(42,189)	-	(913,571)
Infrastructure	(29,133,485)	(924,436)	37,669	(30,020,252)
Total accumulated depreciation	(84,536,106)	(6,616,219)	498,885	(90,653,440)
Total capital assets being depreciated, net	97,285,589	1,826,357	(221,858)	98,890,088
Governmental activities capital assets, net excluding lease assets	<u>\$ 113,502,183</u>	<u>\$ 2,917,456</u>	<u>\$ (1,767,669)</u>	<u>\$ 114,651,970</u>
Lease and SBITA assets, net - note D.2				149,408
Total governmental capital assets reported in the statement of net position				<u>\$ 114,801,378</u>

Business-type activities:

	Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024
Capital assets, not being depreciated:				
Land	\$ 115,000	\$ -	\$ -	\$ 115,000
Construction in progress	-	51,279	-	51,279
Intangible	10,000	-	-	10,000
Total capital assets not being depreciated	125,000	51,279	-	176,279
Capital assets being depreciated:				
Buildings	11,500	-	-	11,500
Improvements other than buildings	131,038	-	-	131,038
Machinery and equipment	112,633	-	-	112,633
Infrastructure	766,550	-	-	766,550
Total capital assets being depreciated	1,021,721	-	-	1,021,721
Less accumulated depreciation for:				
Buildings	(1,853)	(767)	-	(2,620)
Improvements other than buildings	(80,451)	(2,850)	-	(83,301)
Machinery and equipment	(108,288)	(884)	-	(109,172)
Infrastructure	(645,678)	(17,662)	-	(663,340)
Total accumulated depreciation	(836,270)	(22,163)	-	(858,433)
Total business-type capital assets being depreciated, net	185,451	(22,163)	-	163,288
Business-type activities capital assets, net, excluding lease assets	\$ 310,451	\$ 29,116	\$ -	\$ 339,567
Lease assets, net - note D.2				24,685
Total business-type capital assets reported in the statement of net position				\$ 364,252

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

Governmental activities:

General government	\$ 425,689
Public safety	953,059
Public works, including depreciation of general infrastructure assets	1,338,637
Human services	128
Education	3,630,258
Recreation and culture	268,448
Total depreciation expense - governmental activities	\$ 6,616,219

Business-type activities:

Mere Point wastewater	\$ 17,662
Processing Facility	3,617
Train Station/Visitors Center	884
Total depreciation expense - business-type activities	\$ 22,163

D. 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>
Governmental Activities - General obligation bonds						
2013 Police Station	2013	5,500,000	2% to 3.5%	2033	\$275,000	\$ 2,475,000
2017 GO Bonds	2017	1,781,000	2% to 3.5%	2033	35,000 to 200,000	605,000
2020 GO Bonds	2020	24,450,000	2% to 5%	2045	420,000 to 1,195,000	21,850,000
2022 GO Bonds	2022	13,231,000	2% to 5%	2047	550,000 to 556,000	<u>12,125,000</u>
						37,055,000
Governmental Activities - Notes from direct borrowings						
2010 Elementary School (MMBB)	2010	21,462,250	2% to 5.5%	2031	1,073,113	7,511,788
2016 School Renovation (SRRF)	2016	655,780	0%	2027	62,651	187,953
2020 School Renovation (SRRF)	2020	243,652	0%	2026	43,969	87,938
2022 Land purchase (bank loan)	2022	4,000,000	4.39%	2033	337,482 to 480,291	<u>3,662,518</u>
						11,450,197
Total long-term debt						<u>\$ 48,505,197</u>

Three of the Town's outstanding notes from direct borrowings were 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 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. The final payment on the 2017 SRRF bonds was in the fiscal year ended June 30, 2022.

In January, 2020, the Brunswick School Department received an additional SRRF bond 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. In March, 2023, the projects were complete, and the bond was reduced by \$35,708 to \$243,652, and the annual payments were reduced accordingly.

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, 2024 are as follows:

Year Ending June 30	Governmental Activities						
	Bonds		Notes from Direct Borrowings				
	Principal	Interest	Principal	Interest	BABs Subsidy	Total	
2025	\$ 1,750,000	\$ 1,107,108	\$ 1,520,323	\$ 503,864	\$ (109,780)	\$ 4,771,515	
2026	1,790,000	1,027,451	1,535,275	443,659	(95,376)	4,701,009	
2027	1,835,000	950,766	1,506,915	377,662	(79,276)	4,591,067	
2028	1,825,000	877,775	1,460,557	306,383	(61,659)	4,408,056	
2029	1,840,000	804,900	1,477,566	234,388	(44,042)	4,312,812	
2030-2034	9,475,000	2,936,428	3,949,561	312,138	(35,234)	16,637,893	
2035-2039	8,030,000	1,779,775	-	-	-	9,809,775	
2040-2044	7,900,000	836,249	-	-	-	8,736,249	
2045-2047	2,610,000	76,422	-	-	-	2,686,422	
Total	\$37,055,000	\$10,396,874	\$11,450,197	\$ 2,178,094	\$ (425,367)	\$ 60,654,798	

For the year ended June 30, 2024, the Town paid \$3,227,215 in principal and \$1,611,241 in interest (net of \$123,742 BABs subsidy) for a total of \$4,838,455 in debt service payments. Due to federal sequestration, the BABs subsidy was reduced in FY 24 by a total of \$7,480, 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.

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 Financial Report (ACFR).

Additional debt authorizations:

- On December 28, 2023, the Town Council adopted an ordinance authorizing the issuance of up to \$3,850,000 for a downtown streetscape project, with debt service anticipated to be paid with Tax Increment Financing (TIF) revenues from the Downtown Development and Transit-Oriented TIF District.
- On October 21, 2024, the Town Council adopted an ordinance authorizing the issuance of up to \$2,150,000 for a replacement Tower Truck in the Fire Department. It is expected that delivery of the truck will be in just under four years, and debt will be issued at that time.

2. Lease liabilities and similar subscription-based information technology arrangements (SBITAs)

During the year ended June 30, 2024, the Town was the lessee in four leases of facilities, three of which were for governmental activities, and one of which was for business-type activities. During the year, the school department discontinued the TREK Program and the associated lease.

TREK Program (formerly REAL School): In September, 2017, the Town executed an eight-year agreement with TBW, LLC to lease a 7,100 square foot building on Brunswick Landing for use as a school building. The lease included an extension period of two years with no rent increase. During FY 2024, the Town paid \$12,237 in interest and \$104,163 in principal. During development of the 2024-25 budget in the spring of 2024, the school board voted to discontinue the TREK program, and reached an agreement with the building landlord to cancel the lease with no penalty at the conclusion of the school year. This is recorded as a retirement of the right-to use asset valued at \$652,269, and reduction of the associated liabilities as of June 30, 2024.

Document Storage: In April, 2022, the Town executed a three-year agreement with Midcoast Regional Redevelopment Authority to lease a 520 square foot room in Hangar 5 at Brunswick Executive Airport, for use as document storage. Rent for the first year was \$2,500, and the lease includes two extension periods of three years each, with an annual rent escalator of 3%. During FY 2024 the Town paid rent totaling \$2,652, which included \$541 in interest and \$2,111 in principal.

Radio Tower Space: Effective January 1, 2016, the Town executed a five-year agreement with T14 Unison Site Mgmt, LLC to lease interior building space and tower antenna space for the Town's public safety and public works radio system. Rent for the first year was \$6,000, and the lease includes two extension periods of five years each, with an annual rent escalator of 3%. During FY 2024 the Town paid rent totaling \$7,601 which included \$1,550 in interest and \$6,051 in principal.

Business-type Activities: 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. The Town uses the leased space as a train station and visitor's center. The lease has been extended several times, most recently in December, 2019 for a period of five years at a rate of \$51,939 per year. The Town makes monthly payments of \$4,328 and payments in FY 2024 consisted of \$1,594 in interest and \$50,345 in principal.

The Town also had two subscription-based information technology arrangements (SBITA) for the right to use curriculum software in the school department. The subscriptions are for three years, and the school department paid in full at the beginning of the term.

Lease and SBITA asset activity for the year ended June 30, 2024 was as follows:

	Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024
Governmental activities:				
Lease assets				
Buildings	\$ 738,287	\$ -	\$ (652,269)	\$ 86,018
Subscription IT assets	100,062	88,064	-	188,126
Total	838,349	88,064	(652,269)	274,144
Less accumulated amortization for:				
Buildings	(230,662)	(115,331)	317,320	(28,673)
Subscription IT assets	(33,354)	(62,709)	-	(96,063)
Total accumulated amortization	(264,016)	(178,040)	317,320	(124,736)
Total lease and subscription IT asset, net	\$ 574,333	\$ (89,976)	\$ (334,949)	\$ 149,408
Business-type activities:				
Lease assets				
Buildings	\$ 172,795	\$ -	\$ -	\$ 172,795
Total	172,795	-	-	172,795
Less accumulated amortization for:				
Buildings	(98,740)	(49,370)	-	(148,110)
Total accumulated amortization	(98,740)	(49,370)	-	(148,110)
Total business-type lease asset, net	\$ 74,055	\$ (49,370)	\$ -	\$ 24,685

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

Governmental activities:

General government	\$ 2,500
Public safety	5,882
Public works, including depreciation of general infrastructure assets	1,176
Education	168,482
Total amortization expense - governmental activities	\$ 178,040

Business-type activities:

Train Station/Visitors Center	49,370
Total amortization expense - business-type activities	\$ 49,370

The following is a summary of changes in lease liabilities for the year ended June 30, 2024:

	Balance		Balance June 30, 2024	Due Within One Year
	June 30, 2023	Additions		
Governmental Activities				
Lease liabilities	525,057	-	(463,540)	61,517
	\$ 525,057	\$ -	\$ (463,540)	\$ 61,517
Business-type Activities				
Lease liabilities	76,088	-	(50,344)	25,744
	\$ 76,088	\$ -	\$ (50,344)	\$ 25,744

The following is a summary of the annual debt service requirements of the Town's lease liabilities as of June 30, 2024:

Governmental Activities - Lease payments

Year Ending June 30	Annual Payment	Annual Interest	Annual Principal
2025	\$ 10,560	\$ 1,846	\$ 8,714
2026	10,878	1,584	9,294
2027	11,204	1,305	9,899
2028	11,540	1,008	10,532
2029	11,886	692	11,194
2030-2034	12,242	358	11,884
Total	\$ 443,387	\$ 56,315	\$ 387,072

Business-type Activities - Lease payments

Year Ending June 30	Annual Payment	Annual Interest	Annual Principal
2025	\$ 25,970	\$ 226	\$ 25,744

3. Compensated absences

Recorded long-term compensated absences are as follows:

Type of Leave	Governmental Activities
Sick paid upon termination	\$ 442,031
Vacation	773,513
Compensatory time	92,910
School retirement stipend	434,318
Totals	\$ 1,742,772

4. Pension obligations

The Town contributes to two defined benefit pension plans through the Maine Public Employees Retirement System (MainePERS): (1) the Consolidated Plan for Participating Local Districts (PLD Plan), and (2) the State Employee and Teacher Plan (SET Plan). As of June 30, 2024, the Town had the following balances reported in the government-wide financial statements:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
PLD Plan	\$ 5,990,417	\$ 3,154,228	\$ 1,150,290	\$ 2,352,274
SET Plan	839,009	1,498,329	396,808	4,567,512
Total	\$ 6,829,426	\$ 4,652,557	\$ 1,547,098	\$ 6,919,786

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 MainePERS. Teachers and certain other School Department employees also participate in the 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, and issues a publicly available financial report which may be obtained by writing the Maine Public Employees Retirement System, 46 State House Station, Augusta, ME 04333-0046 or at www.mainepers.org.

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 6.95%-10.7% of their annual pay depending on the plan they participate in. The Town's contractually required contribution rate for the year ended June 30, 2024, ranged from 5.0%-14.8%, depending on the plan, and came in at an average 11.43% of annual payroll. Contributions to the pension plan from the Town were \$1,936,819 for the year ended June 30, 2024.

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, 2024, was 17.37% of annual payroll of which 2.86% of payroll was required from the Town and 14.51% was required from the State. Contributions to the pension plan from the Town were \$1,076,829 for the year ended June 30, 2024.

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, 2023, 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, 2024, the Town reported a liability of \$5,990,417 for its proportionate share of the net pension liability. At June 30, 2024, the Town's proportion of the PLD Plan was 1.8773%.

SET Plan - At June 30, 2024, the Town reported a liability of \$839,009 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	\$ 839,009
State's proportionate share of the net pension liability associated with the Town	<u>23,160,087</u>
Total	<u>\$ 23,999,096</u>

At June 30, 2024, the Town's proportion of the SET Plan was 0.0553%.

For the year ended June 30, 2024, the Town recognized pension expense of \$2,352,274 for the PLD Plan and pension expense of \$4,567,512 for the SET Plan. Additionally, the Town recognized revenue of \$3,495,479 for support provided by the State for the SET Plan. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to the PLD Plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,112,130	\$ -
Net difference between expected and actual investment earnings on pension plan investments	-	1,016,541
Changes in proportion and differences between Town contributions and proportionate share of contributions	105,279	133,749
Town contributions subsequent to the measurement date	<u>1,936,819</u>	<u>-</u>
	<u><u>\$ 3,154,228</u></u>	<u><u>\$ 1,150,290</u></u>

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	
Differences between expected and actual experience	\$ 68,740	\$ -	
Net difference between projected and actual investment earnings on pension plan investments	-	77,836	
Changes in proportion and differences between Town contributions and proportionate share of contributions	352,760	318,972	
Town contributions subsequent to the measurement date	<u>1,076,829</u>	<u>-</u>	
	<u>\$ 1,498,329</u>	<u>\$ 396,808</u>	

A portion of deferred outflows of resources related to pensions, \$1,936,819 for the PLD Plan and \$1,076,829 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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	Pension Expense	
	<u>PLD Plan</u>	<u>SET Plan</u>
2025	\$ (136,510)	\$ 27,969
2026	(874,675)	(4,908)
2027	1,031,048	(2,307)
2028	<u>47,256</u>	<u>3,938</u>
	<u>\$ 67,119</u>	<u>\$ 24,692</u>

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

	PLD Plan	SET Plan
Inflation	2.75%	
Salary increases, per year	2.75% - 11.48%	2.8% - 13.03%
Investment return, per annum, compounded annually	6.50%	
Cost of living benefit increases, per annum	1.91%	2.2%

Mortality rates were based on the 2010 Public Plan (general benefits and teacher benefits, accordingly) Weighted Healthy Retiree Mortality Table, for males and females, projected using the RPEC_2020 model. The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study covering the period from June 30, 2015 to June 30, 2020 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 geometric real rates of return for each major asset class included in the Plan's target asset allocation as of June 30, 2023 are summarized in the following table. Assets for each of the defined benefit plans are commingled for investment purposes.

Asset Class	Target Allocation	Real Rate of Return
Public Equities	30.0%	6.0%
US Government	10.0%	2.6%
Private Equity	12.5%	7.6%
Real Assets:		
Real Estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural Resources	5.0%	5.0%
Traditional Credit	5.0%	3.2%
Alternative Credit	10.0%	7.4%
Diversifiers	7.5%	5.0%
Total	<u>100.0%</u>	

Discount rate: The discount rate used to measure the collective total pension liability was 6.5% for 2023 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 (asset) calculated using the discount rate of 6.5% for the PLD Plan and 6.5% 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 (5.5% for PLD Plan and 5.5% for SET Plan) or 1 percentage-point higher (7.5% for PLD Plan and 7.5% for SET Plan) than the current rate:

	1% Decrease (5.5%)	Current Discount Rate (6.5%)	1% Increase (7.5%)
PLD Plan			
Town's proportionate share of the net pension liability (asset)	\$ 16,414,177	\$ 5,990,417	\$ (2,608,338)
	1% Decrease (5.5%)	Current Discount Rate (6.5%)	1% Increase (7.5%)
SET Plan			
Town's proportionate share of the net pension liability (asset)	\$ 1,649,687	\$ 839,009	\$ 164,163

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.mainepers.org.

Payables to the pension plan: The Town reported no payables to the pension plan as of June 30, 2024.

5. Other postemployment benefits

The Town participates in four post-retirement benefit plans: (1) the Group Life Insurance Plan for Participating Local District (PLD OPEB Plan), (2) the Group Term Life Insurance Plan for State Employees and Teachers (SET OPEB Plan), (3) the Maine Municipal Employees Health Trust (MMEHT Health Plan), and (4) the Maine Education Association Benefits Trust (MEABT Health Plan). As of the year ended June 30, 2024, the Town had the following balances reported in the government-wide financial statements:

	Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB (Gain)/Expense
PLD OPEB Plan	\$ 292,429	\$ 56,948	\$ 80,947	\$ (2,296)
SET OPEB Plan	-	-	-	85,730
MMEHT Health Plan	1,939,788	877,094	913,132	100,283
MEABT Health Plan	<u>8,166,491</u>	<u>1,494,094</u>	<u>261,071</u>	<u>729,333</u>
Total	\$ 10,398,708	\$ 2,428,136	\$ 1,255,150	\$ 913,050

Detailed disclosures for each plan follow.

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.mainepers.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 60% (effective November 1, 2023 and later) and 55% (effective July 1, 2021) 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 40% (effective November 1, 2023 and later) and 45% (July 1, 2021) 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, 2024, 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	6	171
Active employees	128	361
Total	134	532

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 \$0.50 per \$1,000 of coverage per month during the post-employment retirement period. Contributions to the PLD OPEB plan from the Town were \$13,530 for the year ended June 30, 2024. 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 \$85,730 for the year ended June 30, 2024. 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, 2023, and the total OPEB liabilities used to calculate the net OPEB liabilities were determined by actuarial valuations as of June 30, 2023. 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, 2024, the Town reported a liability of \$292,429 for its proportionate share of the net OPEB liability. At June 30, 2024, the Town's proportion was 2.1432%.

SET OPEB Plan – At June 30, 2024, 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 \$625,107 as of June 30, 2023. At June 30, 2024, the Town's proportion was 0.00%.

The Town's total MMEHT Health Plan OPEB liability of \$1,939,788 and was measured as of January 1, 2024 and the Town's total MEABT Health Plan OPEB liability of \$8,166,491 as measured as of June 30, 2023. The total MMEHT Health Plan OPEB liability was determined by an actuarial valuation as of the measurement date. The total MEABT Health Plans OPEB liability was determined an actuarial valuation as of June 30, 2022.

Changes in Health Plan OPEB Liabilities:

	MMEHT Health Plan <u>OPEB Liability</u>	MEABT Health Plan <u>OPEB Liability</u>
Balance at June 30, 2023	\$ 1,633,311	\$ 8,206,410
Changes for the year:		
Service cost	59,437	107,332
Interest	62,449	288,745
Differences between expected and actual experience	(315,109)	-
Changes in assumptions	527,997	(119,014)
Benefit payments	(28,297)	(316,982)
Net Changes	<u>306,477</u>	<u>(39,919)</u>
Balance at June 30, 2024	<u><u>\$ 1,939,788</u></u>	<u><u>\$ 8,166,491</u></u>

Change in assumptions under the MMEHT Health Plan reflects a change in the discount rate from 3.72% in 2023 to 3.26% in 2024. The report updated claims costs and administrative expense based on current and expected experience including evaluation of non-Medicare and Medicare program costs with consideration of high-cost claims contingencies. 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 3.54% in 2023 to 3.65% in 2024. There were no other changes to data, assumptions and methodology.

For the year ended June 30, 2024, the Town recognized OPEB gain of \$2,296 for the PLD OPEB Plan. For the year ended June 30, 2024, the Town recognized OPEB expense of \$85,730 and revenues of \$85,730 for support provided by the State related to the SET OPEB plan. At June 30, 2024, the Town reported no deferred outflows of resources nor deferred inflows of resources related to the SET OPEB plan.

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

	Deferred Outflows <u>of Resources</u>	Deferred Inflows <u>of Resources</u>
Differences between expected and actual experience	\$ 5,194	\$ 2,289
Differences between projected and actual earnings on OPEB plan investments	9,412	-
Changes of assumptions	14,291	64,617
Changes in proportion and differences between Town contributions and proportionate share of contributions	14,521	14,041
Town contributions subsequent to the measurement date	<u>13,530</u>	<u>-</u>
	<u><u>\$ 56,948</u></u>	<u><u>\$ 80,947</u></u>

\$13,530 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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,

2025	\$ (25,527)
2026	(28,053)
2027	17,878
2028	(1,048)
2029	(779)
Thereafter	<hr style="border-top: 1px solid black;"/>
	\$ (37,529)

For the year ended June 30, 2024, the Town recognized OPEB expense of \$100,283 related to the MMEHT Health Plan and OPEB expense of \$729,333 related to the MEABT Health Plan. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to the Health Plans from the following sources:

	<u>MMEHT Health Plan</u>		<u>MEABT Health Plan</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 34,501	\$ 679,960	\$ 94,349	\$ 161,893
Changes of assumptions or other inputs	818,093	233,172	1,099,450	99,178
Town contributions subsequent to the measurement date	<hr style="border-top: 1px solid black;"/> 24,500	<hr style="border-top: 1px solid black;"/> -	<hr style="border-top: 1px solid black;"/> 300,295	<hr style="border-top: 1px solid black;"/> -
	<hr style="border-top: 3px double black;"/> \$ 877,094	<hr style="border-top: 3px double black;"/> \$ 913,132	<hr style="border-top: 3px double black;"/> \$ 1,494,094	<hr style="border-top: 3px double black;"/> \$ 261,071

\$300,295 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, 2025. 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>
2025	\$ (21,603)	\$ 378,941
2026	(21,602)	320,820
2027	(45,255)	131,005
2028	(23,038)	121,796
2029	17,140	(19,834)
Thereafter	<hr style="border-top: 1px solid black;"/> 33,820	<hr style="border-top: 1px solid black;"/> -
	<hr style="border-top: 3px double black;"/> \$ (60,538)	<hr style="border-top: 3px double black;"/> \$ 932,728

Actuarial assumptions: The total OPEB liabilities in the June 30, 2023 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 11.48%	2.8% to 13.03%
Investment return, per annum, compounded annually	6.5%	6.5%

Mortality rates for both the PLD and SET OPEB plans were based on the 2010 Public Plan (for Teacher Benefits and General Benefits) Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC_2020 model.

The actuarial assumptions used in the June 30, 2023 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, 2015 to June 30, 2020.

The total OPEB liability in the January 1, 2024 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:

MMEHT	
<u>Health Plan</u>	
Inflation	2.38%
Salary increases	2.75% average, including inflation
Discount Rate	3.26%
Healthcare cost trend rates (applied in FY2024 grading over 20 years to 3.81% per annum)	
Pre-Medicare Medical:	6.50%
Pre-Medicare Drug:	11.82%
Medicare Medical:	9.65%
Medicare Drug:	11.15%
Retirees' share of the benefit related costs	100.00% of projected health insurance premiums

Mortality rates for the MMEHT Health Plan were based on 112.1% and 118.5% of the 2010 Public Plan General Benefits- Weighted Healthy Retiree Mortality Table, respectively, for males and females.

The actuarial assumptions used in the January 1, 2024 valuation for the Health Plan were based on the results of an actuarial experience study covering the period June 30, 2016 through June 30, 2020.

The total OPEB liability in the June 30, 2023 measurement 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	2.70%
Salary increases	2.8% - 13.03% per year
Discount Rate	3.65%
Healthcare cost trend rates	
Pre-Medicare:	7.95% applied in FY2023 grading over 19 years to 4.00% per annum
Medicare:	0.00% applied in FY2023 and 5.62% applied in FY2024 grading over 18 years to 4.29% per annum
Retirees' share of the benefit related costs (effective November 1, 2023)	40.00% of the blended premium rate with a State subsidy for the remaining 60% of the blended premium rate
Retirees' share of the benefit related costs (effective July 1, 2021)	45.00% of the blended premium rate with a State subsidy for the remaining 55% of the blended premium rate

Mortality rates for the Health Plan were based on the 2010 Public Plan Teacher Benefits Weighted Healthy Retiree Mortality Table, adjusted 98.1% and 87.5% respectively of the rates for males before age 85 and females before age 80, and 106.4% and 122.3% respectively of the rates for males on and after age 85 and females on and after age 80. Rates are projected generationally using the RPEC_2020 model, with an ultimate rate of 1.00% for ages 80 and under, grading down to 0.05% at age 95, and further grading down to 0.00% at age 115, along with convergence to the ultimate rates in the year 2027. All other parameters used in the RPEC_2020 model are those included in the published MP-2020 scale.

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

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. Best estimates of geometric real rates of return for each major asset class included in the target asset allocation as of June 30, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Public Equities	70.0%	6.0%
Real Estate	5.0%	5.2%
Traditional Credit	16.0%	3.2%
US Government Securities	9.0%	2.3%
	<u>100.0%</u>	

Discount Rate: The rate used to measure the total OPEB liability for the PLD and SET OPEB plans was 6.5% for 2023. 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, 2024 is based upon an earlier measurement date, as of December 28, 2023, and is 3.26% per annum.

The rate used to measure the total MEABT OPEB liability was 3.65% per annum. Since the plan is pay as you go and is not funded, the discount rate was based upon 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 6.5%, 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 (5.5%) or 1 percentage-point higher (7.5%) than the current rate:

	1% Decrease (5.5%)	Current Discount Rate (6.5%)	1% Increase (7.5%)
Net OPEB liability	\$ 405,596	\$ 292,429	\$ 201,462

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 3.26%, 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 (2.26%) or 1 percentage-point higher (4.26%) than the current rate:

	1% Decrease <u>(2.26%)</u>	Current Discount Rate <u>(3.26%)</u>	1% Increase <u>(4.26%)</u>
Total OPEB liability	\$ 2,262,632	\$ 1,939,788	\$ 1,676,917

The following presents the Town's total OPEB liability related to the MEABT Health Plan calculated using the discount rate of 3.65%, 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 (2.65%) or 1 percentage-point higher (4.65%) than the current rate:

	1% Decrease <u>(2.65%)</u>	Current Discount Rate <u>(3.65%)</u>	1% Increase <u>(4.65%)</u>
Total OPEB liability	\$ 9,354,060	\$ 8,166,491	\$ 7,196,184

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	\$ 1,644,645	\$ 1,939,788	\$ 2,317,761

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		
	<u>1% Decrease</u>	<u>Trend Rates</u>	<u>1% Increase</u>
Total OPEB liability	\$ 7,078,402	\$ 8,166,491	\$ 9,511,583

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.

6. Landfill closure and post closure 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 post closure 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. Each year, in addition to operating expenditures related to the current activities of the landfill, liabilities were recognized based on the future closure and post closure care costs to be paid after the date that the landfill stops accepting waste. The Town paid for the actual closure costs with funds collected and retained in the solid waste enterprise fund, the pay-as-you-throw enterprise fund and landfill impact fees. The Town received approval for reimbursement of 75% of closure costs from the state under the Maine Landfill Closure and Remediation Program. Though the timing of the reimbursement is likely to extend over a number of years, the Town recognizes a receivable and a deferred inflow of resources for the amount of the anticipated reimbursement. The Town continues to recognize a liability for the estimated post closure costs, which may be funded from the state reimbursement, pay-as-you-throw fees, or subsidies from the General Fund.

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, with closure of the landfill completed in late fall 2021. The final cost of closure was \$7,361,970, of which 75%, or \$5,521,477, has been approved for reimbursement by the Maine Department of Environmental Protection (Maine DEP) through the Maine Landfill Closure and Remediation Program, in accordance with 38 MRS §1310-F. During FY 2024, the Town received \$814,296 of this grant, and has recorded the balance of the reimbursement as a receivable and as deferred inflow of resources as of June 30, 2024. The Town estimates the post closure care costs at an average annual cost of \$77,188 for 28 years, and recognizes a liability for the \$2,161,256 total as of June 30, 2024. The portion of the liability reported as due within one year is \$78,000.

The Town faced potential fines related to wastewater discharge limits and other violations between 2011 and 2019, and 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. Even after closure, the landfill is subject to strict environmental regulations, including testing landfill leachate for per- and polyfluoroalkyl substances (PFAS) for the next two years.

Wood & Masonry Landfill: This facility ceased operations on October 29, 2005. Work to close the facility in accordance with Maine DEP guidelines was completed as of September 1, 2006. Of the total liability estimated for landfill closure and post closure care as of June 30, 2024, the Town estimates that \$52,000 is applicable to this facility. This represents annual monitoring at \$4,000 per year for 13 years. The portion of the liability reported as due within one year is \$4,000.

E. Changes in Long-term Liabilities

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

	<u>Balance</u> <u>June 30, 2023</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2024</u>	<u>Due Within</u> <u>One Year</u>
Governmental Activities					
Bonds payable:					
General obligation bonds	\$ 38,765,000	\$ -	\$ (1,710,000)	\$ 37,055,000	\$ 1,750,000
Plus premium on bonds	2,650,665	-	(125,371)	2,525,294	125,371
Notes from direct borrowings	12,967,412	-	(1,517,215)	11,450,197	1,520,324
Lease liabilities	525,057	-	(463,540)	61,517	8,715
County tax obligation	782,237	-	(156,447)	625,790	156,447
Compensated absences	1,663,687	1,434,812	(1,355,727)	1,742,772	432,895
Other postemployment benefits	10,159,929	238,779	-	10,398,708	-
Net pension liability	6,113,486	715,940	-	6,829,426	-
	<u>\$ 73,627,473</u>	<u>\$ 2,389,531</u>	<u>\$ (5,328,300)</u>	<u>\$ 70,688,704</u>	<u>\$ 3,993,752</u>
 Business-type Activities					
Landfill post closure care	\$ 2,320,784	\$ -	\$ (107,528)	\$ 2,213,256	\$ 82,000
Lease liabilities	76,088	-	(50,344)	25,744	25,744
	<u>\$ 2,396,872</u>	<u>\$ -</u>	<u>\$ (157,872)</u>	<u>\$ 2,239,000</u>	<u>\$ 107,744</u>

For the governmental activities, compensated absences, net pension and OPEB obligations are generally liquidated by the General Fund. General government bonds, notes payable, lease liabilities, and county

tax obligations are paid from the General Fund. For the business-type activities, landfill post closure maintenance and monitoring costs are paid from the Solid Waste Facilities Fund, with possible subsidies from the Pay-Per-Bag Program or the General Fund. Lease liabilities are paid from the Train Station/Visitors Center Fund.

F. Components of Fund Balances

The components of the June 30, 2024 fund balance are as follows:

	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>
General Fund:				
Advances to other funds	\$ 81,486	\$ -	\$ -	\$ -
Inventories and deposits	47,217	-	-	-
Education purposes	-	6,554,034	-	-
State road assistance funds	-	126,509	-	-
State revenue sharing funds	-	1,512,155	-	-
Encumbrances	-	-	-	295,138
Budget appropriation	-	-	-	1,075,000
Supplemental appropriations	-	-	-	1,363,000
Capital improvement program	-	-	-	2,315,000
Compensated absences	-	-	-	324,315
County tax	-	-	-	625,790
Tax increment financing	-	2,499,895	-	-
Capital projects funds:				
Prepaid deposits	50,000	-	-	-
Restricted capital project funding	-	993,992	-	-
Appropriated for capital projects	-	-	8,843,488	-
Special revenue funds:				
Recreation programs	-	-	362,960	-
Town restricted programs	-	1,397,372	-	-
School restricted programs	16,267	1,112,025	-	-
Permanent funds	809,256	20,143	-	-
Total	\$ 1,004,226	\$ 14,216,125	\$ 9,206,448	\$ 5,998,243

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. The policy also lists criteria to be used in establishing a maximum fund balance target and sets the maximum *unassigned* fund balance at 25% of annual GAAP revenues. At June 30, 2024, the Town's unassigned fund balance was at 25.15% of revenues. The policy states that amounts in excess of the maximum target balance shall be used for capital improvements or other one-time expenditures or to offset taxes as approved by the Town Council.

G. 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.

TOWN OF BRUNSWICK, MAINE
Notes to Financial Statements
1. Advances to/from other funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Proprietary Funds - Mere Point Wastewater	\$ 81,486
		Total \$ 81,486

The advance to the Mere Point Wastewater Fund will be repaid through user fees over a period of a few years.

2. Due to/from other funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	School Restricted Fund	\$ 641,460
General Fund	Coronavirus Relief Fund	1,268,017
		\$ 1,909,477
Tax Increment Financing	General Fund	\$ 2,499,895
Recreation Program Funds	General Fund	25,758
Town Restricted Funds	General Fund	416,841
Impact Fees	General Fund	2,404
Public Works Projects	General Fund	4,798,698
Capital Reserve Fund	General Fund	1,457,957
Capital Improvement Projects	General Fund	2,740,367
New Elementary School Fund	General Fund	415,915
Private-purpose Trust Funds	General Fund	40,710
Enterprise Funds	General Fund	1,046
Internal Service Fund	General Fund	114,610
		\$ 12,514,201

H. Interfund Transfers

	Transfers In:				
	General Fund	Tax Increment Financing	Nonmajor Governmental Funds	Enterprise Funds	Total transfers out
Transfers Out:					
General Fund	\$ -	\$ 400,000	\$ 5,666,260	\$ 125,000	\$ 6,191,260
Tax Increment Financing	1,022,055	-	1,285,000	-	2,307,055
Coronavirus Relief Fund	-	-	612,019	-	612,019
Nonmajor Governmental Funds					
Capital Improvement Projects	9,000	-	-	-	9,000
Internal Service Funds	-	-	36,107	-	36,107
Total Transfers In	\$ 1,031,055	\$ 400,000	\$ 7,599,386	\$ 125,000	\$ 9,155,441

Of the \$6,191,260 transferred out of the General Fund, \$5,404,260 was made for a variety of capital projects. The largest of these include \$2,300,000 for the Street Resurfacing Program and Sidewalk Program, \$1,346,760 for the Capital Reserve Fund, and \$1,757,500 for the Capital Improvement Fund. The \$400,000 transfer to the Tax Increment Financing Fund were the return of TIF revenues previously appropriated to be used for other eligible projects in the Downtown District. The \$125,000 transfer to Enterprise Funds represents General Fund subsidies of the Train Station/Visitors Center. Of the remaining \$262,000, \$125,000 was an emergency appropriation to study water quality in Maquoit Bay, \$62,500 was the annual subsidy of the school cafeteria within the School Restricted programs, \$70,000 was funding for the tax assistance program, 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 \$1,031,055 of which \$1,022,055 was from the Tax Increment Financing Districts, and \$9,000 was unused Capital Improvement Project balances transferred back to the General Fund. Of the \$1,022,055 TIF transfers to the General Fund, \$250,000 was used to support a portion of the Street Resurfacing Program for qualified road work, \$197,055 was used to support transit projects, \$190,000 was used to subsidize the Capital Reserve Fund for police and fire vehicles, \$140,000 funded the Brunswick Downtown Association appropriation, \$125,000 went to fund the train station and visitors center operations, and the remaining \$120,000 was used to offset professional and admin costs related to Economic Development.

I. 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 2023-24, the Trust Fund Advisory Committee recommended spending levels at 4.5% 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, 2024, 2023 and 2022, 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, 2024.

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, 2024, the Town's equalized state valuation of \$3,039,200,000 was 4.66% of the County's equalized state valuation of \$65,268,050,000. The Town's share of Cumberland County's principal debt as of June 30, 2024 is \$1,391,154 or 4.66% of the total outstanding long-term County debt of \$29,875,601.

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, 2024, MR10 had total principal debt outstanding of \$2,705,500. The Town of Brunswick's share of MR10's debt is 38.17% or \$1,032,689. 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, 2024 is provided as an indication of the combined debt burden of the constituent ratepayer/taxpayer base.

	Total Principal Debt	% Applicable to Brunswick	Amt Applicable to Brunswick
Brunswick and Topsham Water District	\$ 41,613,594	66.67%	\$ 27,743,783
Brunswick Sewer District	16,263,664	100.00%	16,263,664
Total	\$ 57,877,258		\$ 44,007,447

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, and 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 38.17% of MR10's budget. For the year ended June 30, 2024, the total budget of MR10 was \$3,729,065. After MR10 deducted state subsidies, certain balances and miscellaneous revenues, the Town of Brunswick was assessed and paid \$408,937. At June 30, 2024, MR10 had total principal debt outstanding of \$2,705,500. As mentioned above, the Town is obligated to its share of MR10's debt. 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 affordable housing, 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 6, 2022, the Town Council adopted a Tax Increment Financing and Credit Enhancement Policy, to outline standards, guidelines and processes to be used in the establishment of TIFs and/or CEAs. The policy defines the Town's purposes and criteria for the use of TIFs and CEAs, application procedures, and priorities for the evaluation of need and public benefit. On September 6, 2022, the Town Council authorized the Town Manager to enter into a 19-year CEA for development of a housing project to be constructed on Brunswick Landing. The developer agrees to rent-restrict at least 20% of the total housing units to be affordable to households with annual incomes at or below 100% Area Median Income. The annual CEA payment is \$100,000 per year. The Town Manager executed the CEA in spring 2023, and construction of the housing project is expected to be complete in the fiscal year ending June 30, 2025, with the first CEA payment to the developer in the fiscal year ending June 30, 2026.

For the fiscal year ended June 30, 2024, the Town remitted a total of \$1,696,165 in Credit Enhancement payments. For the purpose of CEA payments to the Midcoast Regional Redevelopment Authority (MRRA), the Brunswick Landing and Brunswick Executive Airport TIF Districts are administered together. Though only the MRRA payment exceeded 10 percent of the total amount paid, we have chosen to report on all three CEAs as follows:

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

<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>
Seahawk	2013-14; 20 years	Molnlycke Manufacturing, LLC	TIF revenues on one parcel: 35% - 55% based on employment levels	\$ 130,979
Seahawk	2021-22; 10 years	Shepherd Prop, LLC (Wild Oats Bakery)	TIF revenues on one parcel: 35% - 50% based on employment levels	32,912
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.	1,532,274 \$ 1,696,165

H. Construction and Other Significant Commitments

As of June 30, 2024, 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>
Downtown streetscape project - Maine Street sidewalks	\$ 822,016	\$ 91,335	\$ 2,825,825
Roadway improvements - Grant Road, Peterson Lane, Hillside Road, Quarry Road & Bridge Road	1,016,043	112,894	1,469,683
Roadway improvements - Braemar Road, Breckan Road, Meadowbrook Road, Mere Point Road, Simpsons Point, & Ocean Drive	156,274	17,364	1,705,295
Mare Brook restoration	92,879	-	30,571
	\$ 2,087,212	\$ 221,593	\$ 6,031,374

Upon performance by the vendor in the next year, the encumbrances associated with these commitments are expected to be honored from the Nonmajor Capital Projects Fund.

The Town has entered into a 20-year Power Purchase Agreement with Revision Energy to purchase a share of the power generated by a solar facility to be built in Pittston, Maine. The Town has committed to 2,855,200 kWh for the first year, which is estimated to be 33.2% of the project's total annual output, and will receive a dollar credit equivalent to 15% of the Net Energy Billing (NEB) credit. The dollar credits will offset electricity costs in the annual general fund budget. The solar farm was energized in February 2024, but due to equipment damage resulting from a storm, went offline again in March of 2024. The array was repaired and brought back online in July of 2024. The NEB credit rate is determined annually by the Public Utility Commission and the Town has not estimated the value of the credits at this time.

I. Subsequent Events

On October 21, 2024, the Town Council adopted an ordinance authorizing the issuance of up to \$2,150,000 for a replacement Tower Truck in the Fire Department. It is expected that delivery of the truck will be in just under four years, and debt will be issued at that time.

On December 16, 2024, the Town Council adopted an ordinance authorizing entering into a cooperative agreement with Maine Department of Transportation (MDOT) for MDOT's application for a federal RAISE Grant to complete five infrastructure upgrade projects with total project costs estimated at \$33,522,000, and authorizing the issuance of up to \$3,662,000 to serve as the required grant match.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Proportionate Share of the Net Pension Liability

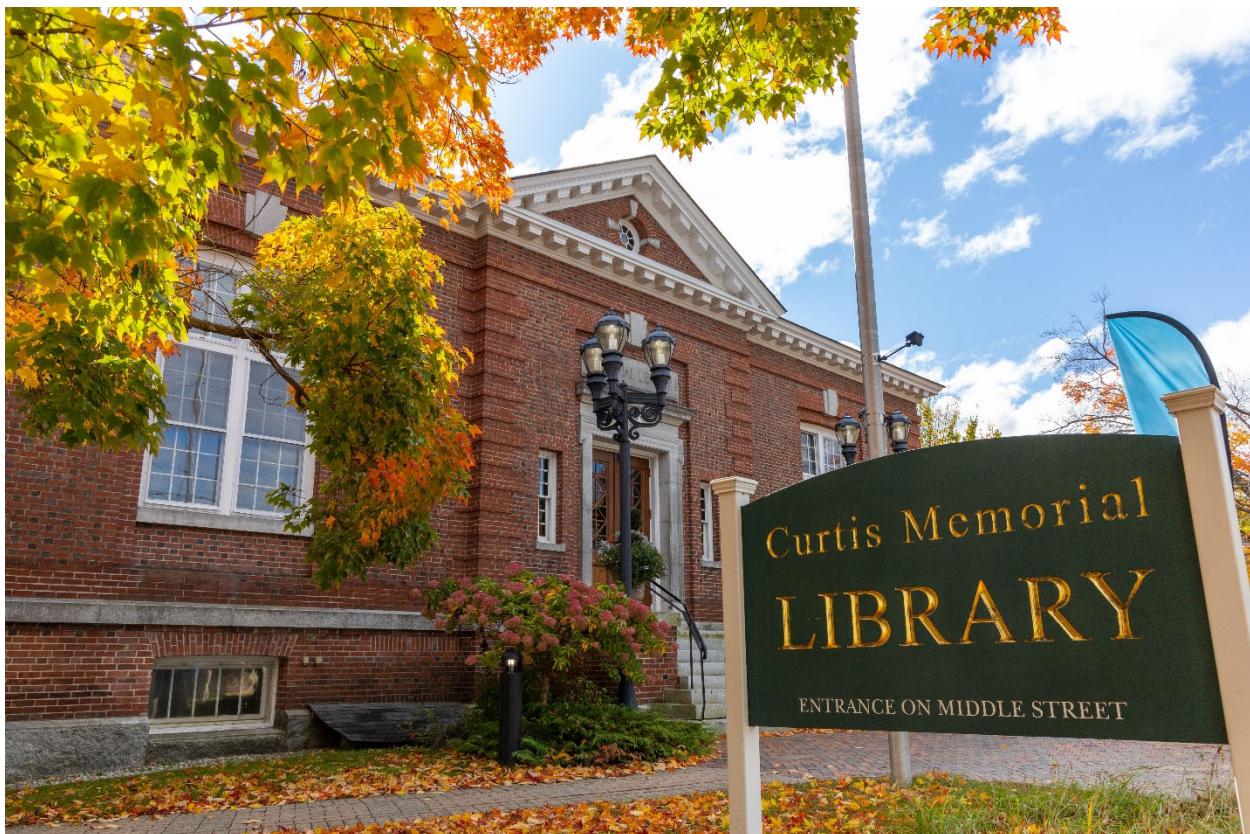
Schedule of Pension Contributions

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)										
	2015*	2016*	2017*	2018*	2019*	2020*	2021*	2022*	2023*	2024*
PLD Plan										
Town's proportion of the net pension liability	2.30%	2.28%	2.15%	2.07%	2.03%	1.97%	1.99%	1.94%	1.84%	1.88%
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	\$ (624,736)	\$ 4,890,676	\$ 5,990,417
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	12,409,695	14,941,275
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%	-5.53%	39.41%	40.09%
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%	100.86%	93.26%	92.34%
SET Plan										
Town's proportion of the net pension liability	0.04%	0.04%	0.04%	0.03%	0.02%	0.02%	0.02%	0.33%	0.08%	0.06%
Town's proportionate share of the net pension liability	\$ 426,374	\$ 521,645	\$ 779,097	\$ 462,110	\$ 327,267	\$ 354,962	\$ 336,440	\$ 278,175	\$ 1,222,810	\$ 839,009
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>	<u>12,650,411</u>	<u>21,531,693</u>	<u>23,160,087</u>
Total	<u><u>\$ 15,521,792</u></u>	<u><u>\$ 19,373,926</u></u>	<u><u>\$ 25,064,865</u></u>	<u><u>\$ 21,419,791</u></u>	<u><u>\$ 20,439,578</u></u>	<u><u>\$ 21,992,935</u></u>	<u><u>\$ 25,198,370</u></u>	<u><u>\$ 12,928,586</u></u>	<u><u>\$ 22,754,503</u></u>	<u><u>\$ 23,999,096</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	\$ 20,595,696	\$ 22,707,805
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%	1.37%	5.94%	3.69%
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%	90.90%	85.79%	86.03%

* 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>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>PLD Plan</u>										
Contractually required contribution	\$ 931,375	\$ 1,009,803	\$ 1,060,357	\$ 1,128,830	\$ 1,203,139	\$ 1,286,117	\$ 1,330,044	\$ 1,457,317	\$ 1,720,518	\$ 1,936,819
Contributions in relation to the contractually required contribution	<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>	<u>(1,457,317)</u>	<u>(1,720,518)</u>	<u>(1,936,819)</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll	\$ 9,702,984	\$ 9,672,593	\$ 9,780,190	\$ 9,869,991	\$ 10,122,031	\$ 10,897,916	\$ 11,293,736	\$ 12,409,695	\$ 14,941,275	\$ 16,937,756
Contributions as a percentage of covered payroll	9.60%	10.44%	10.84%	11.44%	11.89%	11.80%	11.78%	11.74%	11.52%	11.43%
<u>SET Plan</u>										
Contractually required contribution	\$ 423,470	\$ 542,200	\$ 586,342	\$ 727,111	\$ 748,991	\$ 821,654	\$ 843,844	\$ 790,875	\$ 871,980	\$ 1,076,829
Contributions in relation to the contractually required contribution	<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>	<u>(790,875)</u>	<u>(871,980)</u>	<u>(1,076,829)</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll	\$ 15,980,002	\$ 16,136,902	\$ 17,450,661	\$ 18,315,139	\$ 18,866,276	\$ 19,751,307	\$ 20,284,702	\$ 20,595,696	\$ 22,707,805	\$ 24,090,137
Contributions as a percentage of covered payroll	2.65%	3.36%	3.36%	3.97%	3.97%	4.16%	4.16%	3.84%	3.84%	4.47%

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)									
	2018	2019	2020	2021	2022	2023	2024		
Total MMEHT Health Plan OPEB Liability*									
Service cost	\$ 35,837	\$ 44,817	\$ 38,497	\$ 61,785	\$ 72,166	\$ 72,643	\$ 59,437		
Interest	61,834	65,988	73,020	40,995	35,653	37,447	62,449		
Changes of benefits	-	-	(22,964)	-	-	-	-		
Differences between expected and actual experience	(1,834)	-	(890,906)	-	49,288	-	(315,109)		
Changes of assumptions or other inputs	214,685	(199,919)	529,252	100,031	6,280	(208,165)	527,997		
Benefit payments	(33,157)	(41,061)	(42,703)	(27,034)	(28,115)	(27,469)	(28,297)		
Net change in Total MMEHT Health Plan OPEB liability	277,365	(130,175)	(315,804)	175,777	135,272	(125,544)	306,477		
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>	<u>1,623,583</u>	<u>1,758,855</u>	<u>1,633,311</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>	<u>\$ 1,758,855</u>	<u>\$ 1,633,311</u>	<u>\$ 1,939,788</u>		
Covered-employee payroll	\$ 6,629,170	\$ 6,629,170	\$ 7,306,516	\$ 7,306,516	\$ 7,550,570	\$ 7,550,570	\$ 8,898,326		
Total MMEHT Health Plan OPEB liability as a percentage of covered-employee payroll	28.57%	26.60%	19.82%	22.22%	23.29%	21.63%	21.80%		
 Maine Education Association Benefit Trust (MEABT)									
Total MEABT Health Plan OPEB Liability**									
	2019**	2020**	2021**	2022**	2023**	2024**			
Service cost	\$ 41,709	\$ 38,602	\$ 46,351	\$ 117,963	\$ 121,247	\$ 107,332			
Interest	227,974	237,481	228,581	158,117	157,651	288,745			
Changes of benefit terms	-	-	(645,501)	-	-	-			
Differences between expected and actual experience	-	-	(485,677)	-	141,523	-			
Changes of assumptions or other inputs	(274,115)	348,726	1,624,567	55,254	708,269	(119,014)			
Benefit payments	(220,147)	(228,028)	(248,237)	(182,985)	(198,296)	(316,982)			
Net change in Total Health Plan OPEB liability	(224,579)	396,781	520,084	148,349	930,394	(39,919)			
Total Health Plan OPEB liability - beginning	<u>6,435,381</u>	<u>6,210,802</u>	<u>6,607,583</u>	<u>7,127,667</u>	<u>7,276,016</u>	<u>8,206,410</u>			
Total Health Plan OPEB liability - ending	<u>\$ 6,210,802</u>	<u>\$ 6,607,583</u>	<u>\$ 7,127,667</u>	<u>\$ 7,276,016</u>	<u>\$ 8,206,410</u>	<u>\$ 8,166,491</u>			
Covered-employee payroll	\$ 15,682,183	\$ 16,113,443	\$ 14,705,057	\$ 15,072,683	\$ 15,299,576	\$ 15,682,066			
Total MEABT Health Plan OPEB liability as a percentage of covered-employee payroll	39.60%	41.01%	48.47%	48.27%	53.64%	52.08%			

* Only seven years of information available.

** Only six years of information available.

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

NOTE: There are no assets accumulated in a trust to pay related benefits for the MMEHT and MEABT OPEB Plans.

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)**

PLD OPEB Plan	2018**	2019**	2020**	2021**	2022**	2023**	2024**
Town's proportion of the net OPEB liability	2.22%	2.17%	2.11%	2.13%	2.15%	2.21%	2.14%
\$ 371,809	\$ 437,455	\$ 451,360	\$ 280,500	\$ 222,146	\$ 320,208	\$ 292,429	
5,129,533	5,143,649	4,983,338	4,596,565	4,870,730	5,005,723	4,995,378	
Town's proportionate share of net OPEB liability as a percentage of covered-employee payroll	7.25%	8.50%	9.06%	6.10%	4.56%	6.40%	5.85%
Plan fiduciary net position as a percentage of the net OPEB liability	47.42%	43.92%	43.18%	55.40%	67.26%	55.88%	59.71%
SET OPEB Plan							
Town's proportion of the net OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the Town	572,376	628,613	637,006	701,810	336,997	658,298	625,107
Total	\$ 572,376	\$ 628,613	\$ 637,006	\$ 701,810	\$ 336,997	\$ 658,298	\$ 625,107
Plan fiduciary net position as a percentage of the net OPEB liability	47.29%	48.04%	49.22%	49.51%	62.90%	52.39%	56.97%

* 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 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>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Contractually required contribution	\$ 9,923	\$ 11,301	\$ 10,180	\$ 10,614	\$ 12,499	\$ 13,172	\$ 12,773	\$ 13,530
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>	<u>13,172</u>	<u>12,773</u>	<u>13,530</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered-employee payroll	\$ 5,129,533	\$ 5,143,649	\$ 4,983,338	\$ 4,596,565	\$ 4,870,730	\$ 5,005,723	\$ 4,995,378	\$ 5,450,917
Contributions as a percentage of covered-employee payroll	0.19%	0.22%	0.20%	0.23%	0.26%	0.26%	0.26%	0.25%

* Only eight 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*									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Discount rate – PLD	7.25%	7.25%	7.125%	6.875%	6.75%	6.75%	6.75%	6.50%	6.50%	6.50%
Discount rate – SET	7.25%	7.125%	7.125%	6.875%	6.75%	6.75%	6.75%	6.50%	6.50%	6.50%
Inflation rate	3.50%	3.50%	3.50%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases – PLD	3.50-9.50%	3.50-9.50%	3.50-9.50%	2.75-9.00%	2.75-9.00%	2.75-9.00%	2.75% + merit	2.75-11.48%	2.75-11.48%	2.75-11.48%
Salary increases – SET	3.50-13.50%	3.50-13.50%	3.50-13.50%	2.75-14.50%	2.75-14.50%	2.75-14.50%	2.75% + merit	2.80-13.03%	2.80-13.03%	2.80-13.03%
Cost of living increases – PLD	3.12%	3.12%	2.55%	2.20%	2.20%	1.91%	1.91%	1.91%	1.91%	1.91%
Cost of living increases – SET	2.55%	2.55%	2.55%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%

Mortality rates:

In 2015, mortality rates were based on the RP2000 Combined Mortality Table projected forward to 2015 using Scale AA. In 2016 through 2020, mortality rates were based on the RP2014 Total Data Set Healthy Annuitant Mortality Table. Beginning 2021, mortality rates were based on the 2010 Public Plan (general benefits and teacher benefits, accordingly) Weighted Healthy Retiree Mortality Table, for males and females, projected using the RPEC_2020 model.

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*						
	2017	2018	2019	2020	2021	2022	2023
Discount rate – PLD	5.41%	5.13%	4.98%	6.75%	6.50%	6.50%	6.50%
Discount rate – SET	6.875%	6.75%	6.75%	6.75%	6.50%	6.50%	6.50%

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*							
	2017	2018	2019	2020	2021	2022	2023	2024
Discount rate – MMEHT Health Plan	3.78%	3.44%	4.10%	2.74%	2.12%	2.06%	3.72%	3.26%
Discount rate – MEABT Health Plan	N/A	3.58%	3.87%	3.50%	2.21%	2.16%	3.54%	3.65%

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.*

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INDIVIDUAL AND COMBINING STATEMENTS

General Fund Budgetary Statement Detail

Nonmajor Governmental Funds Combining Statements

Proprietary Funds Combining Statements

Fiduciary Funds Combining Statements



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

	<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	\$ 58,571,948	\$ -	\$ 58,571,948	\$ 58,489,731	\$ (82,217)
Interest on delinquent taxes	70,000	-	70,000	77,272	7,272
Tax lien costs	10,000	-	10,000	11,070	1,070
Payment in lieu of taxes	430,000	-	430,000	492,921	62,921
Vehicle excise taxes	3,700,000	-	3,700,000	4,268,579	568,579
Watercraft excise taxes	20,000	-	20,000	23,198	3,198
Aircraft excise taxes	4,000	-	4,000	13,273	9,273
Total taxes	<u>62,805,948</u>	<u>-</u>	<u>62,805,948</u>	<u>63,376,044</u>	<u>570,096</u>
Licenses and permits:					
Finance department	15,000	-	15,000	26,865	11,865
Codes enforcement	306,000	-	306,000	439,177	133,177
Town clerk	166,426	-	166,426	182,579	16,153
Planning	36,000	-	36,000	46,487	10,487
Fire department	2,000	-	2,000	2,895	895
Police department	650	-	650	770	120
Public works	35,000	-	35,000	12,305	(22,695)
Total licenses and permits	<u>561,076</u>	<u>-</u>	<u>561,076</u>	<u>711,078</u>	<u>150,002</u>
Intergovernmental:					
State education subsidy	15,284,299	-	15,284,299	15,148,427	(135,872)
State agency client	-	-	-	74,982	74,982
State education other	87,000	-	87,000	106,029	19,029
State multilingual learners hardship adjustment	-	-	-	135,672	135,672
State education Medicaid	-	-	-	89,799	89,799
MainePERS contribution	-	4,270,187	4,270,187	4,270,187	-
State revenue sharing	5,166,269	-	5,166,269	5,271,700	105,431
State highway grant	200,000	-	200,000	231,320	31,320
State snowmobile funds	1,500	-	1,500	1,476	(24)
State tax exemption reimbursement	90,000	-	90,000	160,821	70,821
State IFW grant	10,000	-	10,000	10,000	-
State general assistance reimbursement	285,000	-	285,000	122,650	(162,350)
COPS Grant	45,000	-	45,000	45,000	-
Total intergovernmental	<u>21,169,068</u>	<u>4,270,187</u>	<u>25,439,255</u>	<u>25,668,063</u>	<u>228,808</u>

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

	<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	78,218	8,218
Watercraft, ATV, snowmobile registration	1,200	-	1,200	1,876	676
Municipal building rental	7,102	-	7,102	24,968	17,866
Fire department	2,000	-	2,000	1,081	(919)
Emergency medical services	1,100,000	-	1,100,000	1,552,417	452,417
Police department	128,960	-	128,960	134,208	5,248
Dispatch services fees	159,975	-	159,975	182,910	22,935
Public works	1,500	-	1,500	-	(1,500)
Recycling	10,000	-	10,000	10,282	282
Education - tuition, transportation, etc.	465,866	-	465,866	547,969	82,103
Education - facilities rental	2,500	-	2,500	12,831	10,331
Recreation facility rentals	10,200	-	10,200	18,090	7,890
Total charges for services	<u>1,959,303</u>	<u>-</u>	<u>1,959,303</u>	<u>2,564,850</u>	<u>605,547</u>
Fines and penalties:					
Town clerk	4,525	-	4,525	4,830	305
Fire department	1,100	-	1,100	300	(800)
Police department	36,300	-	36,300	34,438	(1,862)
Total fines and penalties	<u>41,925</u>	<u>-</u>	<u>41,925</u>	<u>39,568</u>	<u>(2,357)</u>
Interest earned	500,000	-	500,000	2,315,209	1,815,209
Other revenue:					
Sale of miscellaneous assets	-	-	-	3,828	3,828
Cable TV franchise fees	300,000	-	300,000	270,368	(29,632)
General assistance recovery	-	-	-	183	183
Workers compensation proceeds	-	-	-	38,573	38,573
Workers compensation dividend	-	-	-	18,880	18,880
Brunswick Development Corporation subsidy	25,000	-	25,000	25,000	-
Miscellaneous - municipal	6,340	-	6,340	149,939	143,599
Miscellaneous - school	2,590	-	2,590	23,475	20,885
Total other revenue	<u>333,930</u>	<u>-</u>	<u>333,930</u>	<u>530,246</u>	<u>196,316</u>
Total revenues	<u>\$ 87,371,250</u>	<u>\$ 4,270,187</u>	<u>\$ 91,641,437</u>	<u>\$ 95,205,058</u>	<u>\$ 3,563,621</u>

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

	2023						2024		
	Adopted Budget	Encumbered Balances	Original Budget	Additional Appropriation	Final Budget	Actual	Variance Positive (Negative)	Encumbered Balances	
EXPENDITURES									
Current:									
General government:									
Administration	\$ 679,242	\$ -	\$ 679,242	\$ -	\$ 679,242	\$ 791,366	\$ (112,124)	\$ 399	
Finance	1,025,839	-	1,025,839	-	90,000	1,115,839	1,025,716	90,123	
Technology Services	753,870	-	753,870	-	20,000	773,870	713,611	60,259	
Municipal Officers	242,869	-	242,869	-	30,000	272,869	276,487	(3,618)	
Town Hall Building	267,694	1,500	269,194	-	75,000	344,194	269,755	74,439	
Risk Management	720,642	-	720,642	-	25,000	745,642	765,800	(20,158)	
Cable TV	134,003	-	134,003	-	50,000	184,003	110,315	73,688	
Assessing	362,507	-	362,507	-	-	362,507	353,992	8,515	
Town Clerk & Elections	577,977	6,850	584,827	-	-	584,827	544,157	40,670	
Engineering	313,825	-	313,825	-	-	313,825	277,189	36,636	
Planning	850,064	45,000	895,064	-	-	895,064	759,599	135,465	
Economic Development	324,222	-	324,222	-	-	324,222	273,288	50,934	
Total general government	6,252,754	53,350	6,306,104	-	290,000	6,596,104	6,161,275	434,829	
								37,382	
Public safety:									
Fire department	4,862,966	11,430	4,874,396	-	574,715	5,449,111	5,434,801	14,310	
Central fire station	16,100	-	16,100	-	-	16,100	11,994	4,106	
Emerson fire station	99,000	-	99,000	-	30,000	129,000	110,670	18,330	
New Central Station	138,445	-	138,445	-	(30,000)	108,445	91,586	16,859	
Police department	5,572,377	36,361	5,608,738	-	20,000	5,628,738	5,577,731	51,007	
Emergency services dispatch	1,025,472	5,361	1,030,833	-	115,000	1,145,833	1,121,264	24,569	
Police station	153,467	-	153,467	-	20,000	173,467	159,202	14,265	
Marine Resources	158,566	-	158,566	-	-	158,566	155,933	2,633	
Streetlights	130,000	-	130,000	-	(50,000)	80,000	64,853	15,147	
Traffic signals	42,000	7,810	49,810	-	75,000	124,810	110,866	13,944	
Fire suppression (hydrants)	765,384	-	765,384	-	10,000	775,384	772,752	2,632	
Civil emergency preparedness	2,000	-	2,000	-	-	2,000	797	1,203	
Total public safety	12,965,777	60,962	13,026,739	-	764,715	13,791,454	13,612,449	179,005	
								11,319	
Public works:									
Administration	536,944	-	536,944	-	15,000	551,944	535,108	16,836	
General maintenance	2,648,519	-	2,648,519	-	(74,000)	2,574,519	2,306,897	267,622	
Refuse collection	746,846	-	746,846	-	4,000	750,846	741,498	9,348	
Recycling	645,371	-	645,371	-	-	645,371	586,282	59,089	
Central garage	1,105,451	4,100	1,109,551	-	55,000	1,164,551	1,068,079	96,472	
Total public works	5,683,131	4,100	5,687,231	-	-	5,687,231	5,237,864	449,367	
								71,250	

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

	2023						2024		
	Adopted Budget	Encumbered Balances	Original Budget	Additional Appropriation	Adjustments	Final Budget	Actual	Variance Positive (Negative)	Encumbered Balances
EXPENDITURES, CONTINUED									
Human services:									
General assistance	578,160	-	578,160	-	-	578,160	435,703	142,457	-
Total human services	578,160	-	578,160	-	-	578,160	435,703	142,457	-
Education:									
Education	52,931,574	-	52,931,574	4,270,187	(3,031,925)	54,169,836	50,021,817	4,148,019	-
Recreation and culture:									
Recreation administration	692,502	-	692,502	-	40,000	732,502	708,429	24,073	-
Buildings and grounds	1,468,958	25,773	1,494,731	-	-	1,494,731	1,269,496	225,235	172,753
Rec Building Neptune Dr	410,235	18,475	428,710	-	(125,000)	303,710	213,172	90,538	3,120
People Plus	230,000	-	230,000	-	-	230,000	219,972	10,028	-
Library	1,786,744	-	1,786,744	-	-	1,786,744	1,775,174	11,570	-
Total recreation and culture	4,588,439	44,248	4,632,687	-	(85,000)	4,547,687	4,186,243	361,444	175,873
Intergovernmental:									
County tax	1,891,816	-	1,891,816	-	-	1,891,816	1,891,816	-	-
Unclassified:									
Promotion and development	409,055	-	409,055	-	20,500	429,555	423,480	6,075	-
Additional school assistance	10,000	-	10,000	-	-	10,000	10,000	-	-
Cemetery care	3,200	-	3,200	-	500	3,700	3,376	324	-
Contingency reserve	1,120,000	-	1,120,000	-	(1,080,215)	39,785	(341,233)	381,018	-
Total unclassified	1,542,255	-	1,542,255	-	(1,059,215)	483,040	95,623	387,417	-

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

	2023								2024
	Adopted Budget	Encumbered Balances	Original Budget	Additional Appropriation	Adjustments	Final Budget	Actual	Variance Positive (Negative)	Encumbered Balances
EXPENDITURES, CONTINUED									
Debt service:									
Long-term debt, principal	1,227,482	-	1,227,482	-	1,999,733	3,227,215	2,859,794	367,421	-
Long-term debt, interest	640,549	-	640,549	-	969,692	1,610,241	1,436,533	173,708	-
Total debt service	1,868,031	-	1,868,031	-	2,969,425	4,837,456	4,296,327	541,129	-
Total expenditures	88,301,937	162,660	88,464,597	4,270,187	(152,000)	92,582,784	85,939,117	6,643,667	295,824
Excess (deficiency) of revenues over (under) expenditures	(930,687)	(162,660)	(1,093,347)	-	152,000	(941,347)	9,265,941	10,207,288	-
OTHER FINANCING SOURCES (USES)									
Transfers from other funds	1,022,055	-	1,022,055	-	-	1,022,055	1,031,055	9,000	-
Transfers to other funds	(3,756,760)	-	(3,756,760)	-	(4,500)	(3,761,260)	(3,761,260)	-	-
Transfers to other funds - capital budget	-	-	-	(1,757,500)	(85,000)	(1,842,500)	(1,842,500)	-	-
Transfers to other funds - supplemental appropriations	-	-	-	(125,000)	-	(125,000)	(125,000)	-	-
Transfers to other funds - education	-	-	-	-	(62,500)	(62,500)	(62,500)	-	-
Total other financing sources (uses)	(2,734,705)	-	(2,734,705)	(1,882,500)	(152,000)	(4,769,205)	(4,760,205)	9,000	-
Net changes in fund balances	\$ (3,665,392)	\$ (162,660)	\$ (3,828,052)	\$ (1,882,500)	\$ -	\$ (5,710,552)	\$ 4,505,736	\$ 10,216,288	\$ -
Fund balance, beginning of year (as previously reported)								33,724,763	
Restatement for error corrections								28,730	
Fund balances, beginning of year (as restated)								33,753,493	
Fund balance, end of year								\$ 38,259,229	

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 Fire Station and Fire Truck

To account for the funding of a new fire truck and the construction of a new central fire station

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, 2024

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Nonmajor Permanent Funds	Total Other Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 1,891,035	\$ 667,877	\$ 35,598	\$ 2,594,510
Investments	-	-	793,801	793,801
Receivables:				
Accounts	793,162	1,069	-	794,231
Intergovernmental	1,697,603	866,255	-	2,563,858
Deposits	-	50,000	-	50,000
Inventory	16,267	-	-	16,267
Due from other funds	442,599	9,415,341	-	9,857,940
Total assets	<u>\$ 4,840,666</u>	<u>\$ 11,000,542</u>	<u>\$ 829,399</u>	<u>\$ 16,670,607</u>
LIABILITIES				
Accounts payable	\$ 173,410	\$ 1,828,028	\$ -	\$ 2,001,438
Retainage payable	-	221,592	-	221,592
Accrued payroll	53,374	-	-	53,374
Other liabilities	14	-	-	14
Unearned revenue	348,370	-	-	348,370
Due to other funds	641,460	-	-	641,460
Total liabilities	<u>1,216,628</u>	<u>2,049,620</u>	<u>-</u>	<u>3,266,248</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue - settlement	735,414	-	-	735,414
Total deferred inflows of resources	<u>735,414</u>	<u>-</u>	<u>-</u>	<u>735,414</u>
FUND BALANCES (DEFICITS)				
Nonspendable	16,267	50,000	809,256	875,523
Restricted	2,509,397	993,992	20,143	3,523,532
Committed	362,960	8,843,488	-	9,206,448
Unassigned	-	(936,558)	-	(936,558)
Total fund balances	<u>2,888,624</u>	<u>8,950,922</u>	<u>829,399</u>	<u>12,668,945</u>
Total liabilities and fund balances	<u>\$ 4,840,666</u>	<u>\$ 11,000,542</u>	<u>\$ 829,399</u>	<u>\$ 16,670,607</u>

Statement B-2

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

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Nonmajor Permanent Funds	Total Other Governmental Funds
REVENUES				
Licenses and permits	\$ 1,100	\$ -	\$ -	\$ 1,100
Intergovernmental	3,389,251	1,246,057	-	4,635,308
Investment income	-	-	98,270	98,270
Charges for services	1,653,620	-	-	1,653,620
Interest	47,135	20,525	-	67,660
Donations	840,803	551,725	-	1,392,528
Total revenues	<u>5,931,909</u>	<u>1,818,307</u>	<u>98,270</u>	<u>7,848,486</u>
EXPENDITURES				
Current:				
General government	557,980	-	2,610	560,590
Public safety	163,190	-	-	163,190
Public works	15,843	-	-	15,843
Human services	230	-	-	230
Education	4,334,698	-	760	4,335,458
Recreation and culture	998,832	-	28,000	1,026,832
Debt service:				
Principal	-	367,421	-	367,421
Interest	-	173,708	-	173,708
Capital outlay	-	8,049,590	-	8,049,590
Total expenditures	<u>6,070,773</u>	<u>8,590,719</u>	<u>31,370</u>	<u>14,692,862</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(138,864)</u>	<u>(6,772,412)</u>	<u>66,900</u>	<u>(6,844,376)</u>
OTHER FINANCING SOURCES (USES)				
Transfer from other funds	332,457	7,266,929	-	7,599,386
Transfer to other funds	-	(409,000)	-	(409,000)
Total other financing sources (uses)	<u>332,457</u>	<u>6,857,929</u>	<u>-</u>	<u>7,190,386</u>
Net changes in fund balances	193,593	85,517	66,900	346,010
Fund balances, beginning of year (as previously reported)	2,669,740	8,865,405	762,499	12,297,644
Restatement for error corrections	25,291	-	-	25,291
Fund balances, beginning of year (as restated)	2,695,031	8,865,405	762,499	12,322,935
Fund balances, end of year	<u>\$ 2,888,624</u>	<u>\$ 8,950,922</u>	<u>\$ 829,399</u>	<u>\$ 12,668,945</u>

Statement C-1

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

	<u>Recreation Programs</u>	<u>Town Restricted Programs</u>	<u>School Restricted Programs</u>	<u>Totals</u>
ASSETS				
Cash and cash equivalents	\$ 750,504	\$ 769,929	\$ 370,602	\$ 1,891,035
Receivables:				
Accounts	461	791,036	1,665	793,162
Intergovernmental	-	180,491	1,517,112	1,697,603
Inventory	-	-	16,267	16,267
Due from other funds	25,758	416,841	-	442,599
Total assets	<u>\$ 776,723</u>	<u>\$ 2,158,297</u>	<u>\$ 1,905,646</u>	<u>\$ 4,840,666</u>
LIABILITIES				
Accounts payable	\$ 45,009	\$ 24,625	\$ 103,776	\$ 173,410
Accrued payroll	35,204	886	17,284	53,374
Other liabilities	14	-	-	14
Unearned revenue	333,536	-	14,834	348,370
Due to other funds	-	-	641,460	641,460
Total liabilities	<u>413,763</u>	<u>25,511</u>	<u>777,354</u>	<u>1,216,628</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue - settlement	-	735,414	-	735,414
Total deferred inflows of resources	<u>-</u>	<u>735,414</u>	<u>-</u>	<u>735,414</u>
FUND BALANCES				
Nonspendable	-	-	16,267	16,267
Restricted	-	1,397,372	1,112,025	2,509,397
Committed	362,960	-	-	362,960
Total fund balances	<u>362,960</u>	<u>1,397,372</u>	<u>1,128,292</u>	<u>2,888,624</u>
Total liabilities and fund balances	<u>\$ 776,723</u>	<u>\$ 2,158,297</u>	<u>\$ 1,905,646</u>	<u>\$ 4,840,666</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, 2024

	<u>Recreation Programs</u>	<u>Town Restricted Programs</u>	<u>School Restricted Programs</u>	<u>Totals</u>
REVENUES				
Licenses and permits	\$ -	\$ 1,100	\$ -	\$ 1,100
Intergovernmental	- -	248,715	3,140,536	3,389,251
Charges for services	1,032,438	17,522	603,660	1,653,620
Interest	27,207	19,928	- -	47,135
Donations	10	253,122	587,671	840,803
Total revenues	<u>1,059,655</u>	<u>540,387</u>	<u>4,331,867</u>	<u>5,931,909</u>
EXPENDITURES				
Current:				
General government	- -	557,980	- -	557,980
Public safety	- -	163,190	- -	163,190
Public works	- -	15,843	- -	15,843
Human services	- -	230	- -	230
Education	- -	- -	4,334,698	4,334,698
Recreation and culture	<u>998,832</u>	<u>- -</u>	<u>- -</u>	<u>998,832</u>
Total expenditures	<u>998,832</u>	<u>737,243</u>	<u>4,334,698</u>	<u>6,070,773</u>
Excess (deficiency) of revenues over (under) expenditures	<u>60,823</u>	<u>(196,856)</u>	<u>(2,831)</u>	<u>(138,864)</u>
OTHER FINANCING SOURCES				
Transfer from other funds	- -	269,957	62,500	332,457
Total other financing sources	<u>- -</u>	<u>269,957</u>	<u>62,500</u>	<u>332,457</u>
Net changes in fund balances	60,823	73,101	59,669	193,593
Fund balances, beginning of year (as previously reported)	<u>302,137</u>	<u>1,298,980</u>	<u>1,068,623</u>	<u>2,669,740</u>
Restatement for error corrections	- -	25,291	- -	25,291
Fund balances, beginning of year (as restated)	<u>302,137</u>	<u>1,324,271</u>	<u>1,068,623</u>	<u>2,695,031</u>
Fund balances, end of year	<u>\$ 362,960</u>	<u>\$ 1,397,372</u>	<u>\$ 1,128,292</u>	<u>\$ 2,888,624</u>

TOWN OF BRUNSWICK, MAINE
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2024

	Impact Fees	Public Works Projects	Capital Reserve Fund	Capital Improvement Projects	New Fire Station and Truck	New Elementary School	Totals
ASSETS							
Cash and cash equivalents	\$ 576,281	\$ -	\$ -	\$ 91,596	\$ -	\$ -	\$ 667,877
Receivables:							
Accounts	-	-	-	1,069	-	-	1,069
Intergovernmental	-	400,000	150,000	316,255	-	-	866,255
Deposits	-	-	-	50,000	-	-	50,000
Due from other funds	2,404	4,798,698	1,457,957	2,740,367	-	415,915	9,415,341
Total assets	<u>\$ 578,685</u>	<u>\$ 5,198,698</u>	<u>\$ 1,607,957</u>	<u>\$ 3,199,287</u>	<u>\$ -</u>	<u>\$ 415,915</u>	<u>\$ 11,000,542</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 608	\$ 1,093,042	\$ 29,164	\$ 705,214	\$ -	\$ -	\$ 1,828,028
Retainage payable	-	130,257	-	91,335	-	-	221,592
Total liabilities	<u>608</u>	<u>1,223,299</u>	<u>29,164</u>	<u>796,549</u>	<u>-</u>	<u>-</u>	<u>2,049,620</u>
Fund balances (deficits):							
Nonspendable	-	-	-	50,000	-	-	50,000
Restricted	578,077	-	-	-	-	415,915	993,992
Committed	-	3,975,399	1,578,793	3,289,296	-	-	8,843,488
Unassigned	-	-	-	(936,558)	-	-	(936,558)
Total fund balances	<u>578,077</u>	<u>3,975,399</u>	<u>1,578,793</u>	<u>2,402,738</u>	<u>-</u>	<u>415,915</u>	<u>8,950,922</u>
Total liabilities and fund balances	<u>\$ 578,685</u>	<u>\$ 5,198,698</u>	<u>\$ 1,607,957</u>	<u>\$ 3,199,287</u>	<u>\$ -</u>	<u>\$ 415,915</u>	<u>\$ 11,000,542</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, 2024

	Impact Fees	Public Works Projects	Capital Reserve Fund	Capital Improvement Projects	New Fire Station and Truck	New Elementary School	Totals
REVENUES							
Intergovernmental	\$ -	\$ 400,000	\$ -	\$ 846,057	\$ -	\$ -	\$ 1,246,057
Interest	13,304	-	-	3,815	3,406	-	20,525
Donations	270,324	-	186,176	95,225	-	-	551,725
Total revenues	<u>283,628</u>	<u>400,000</u>	<u>186,176</u>	<u>945,097</u>	<u>3,406</u>	<u>-</u>	<u>1,818,307</u>
EXPENDITURES							
Debt service:							
Principal	-	-	-	-	367,421	-	367,421
Interest	-	-	-	-	173,708	-	173,708
Capital outlay	-	2,493,009	1,796,009	3,612,184	148,388	-	8,049,590
Total expenditures	<u>-</u>	<u>2,493,009</u>	<u>1,796,009</u>	<u>3,612,184</u>	<u>689,517</u>	<u>-</u>	<u>8,590,719</u>
Excess (deficiency) of revenues over (under) expenditures	<u>283,628</u>	<u>(2,093,009)</u>	<u>(1,609,833)</u>	<u>(2,667,087)</u>	<u>(686,111)</u>	<u>-</u>	<u>(6,772,412)</u>
OTHER FINANCING SOURCES (USES)							
Transfers from other funds	-	2,670,000	1,832,867	2,764,062	-	-	7,266,929
Transfers to other funds	-	-	-	(409,000)	-	-	(409,000)
Total other financing sources (uses)	<u>-</u>	<u>2,670,000</u>	<u>1,832,867</u>	<u>2,355,062</u>	<u>-</u>	<u>-</u>	<u>6,857,929</u>
Net changes in fund balances	<u>283,628</u>	<u>576,991</u>	<u>223,034</u>	<u>(312,025)</u>	<u>(686,111)</u>	<u>-</u>	<u>85,517</u>
Fund balances, beginning of year	<u>294,449</u>	<u>3,398,408</u>	<u>1,355,759</u>	<u>2,714,763</u>	<u>686,111</u>	<u>415,915</u>	<u>8,865,405</u>
Fund balances, end of year	<u>\$ 578,077</u>	<u>\$ 3,975,399</u>	<u>\$ 1,578,793</u>	<u>\$ 2,402,738</u>	<u>\$ -</u>	<u>\$ 415,915</u>	<u>\$ 8,950,922</u>

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

	Education Funds	Community Improvements Funds	Recreation and Cultural Fund	Social Services Fund	Totals
ASSETS					
Cash and cash equivalents	\$ 1,003	\$ 8,128	\$ 23,822	\$ 2,645	\$ 35,598
Investments	22,368	181,251	531,212	58,970	793,801
Total assets	\$ 23,371	\$ 189,379	\$ 555,034	\$ 61,615	\$ 829,399
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	-	-	-	-	-
Fund balances:					
Nonspendable	23,133	169,474	555,034	61,615	809,256
Restricted	238	19,905	-	-	20,143
Total fund balances	23,371	189,379	555,034	61,615	829,399
Total liabilities and fund balances	\$ 23,371	\$ 189,379	\$ 555,034	\$ 61,615	\$ 829,399

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

	Education Funds	Community Improvements Funds	Recreation and Cultural Fund	Social Services Fund	Totals
REVENUES					
Contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings:					
Interest and dividends	395	3,096	9,532	1,049	14,072
Net increase (decrease) in the fair value of investments	2,426	19,046	58,638	6,461	86,571
Total investment earnings (loss)	2,821	22,142	68,170	7,510	100,643
Less investment expense	(66)	(522)	(1,608)	(177)	(2,373)
Total revenues	2,755	21,620	66,562	7,333	98,270
EXPENDITURES					
Current:					
Recreation and culture	-	-	28,000	-	28,000
Payment to beneficiaries	760	-	-	2,610	3,370
Total expenditures	760	-	28,000	2,610	31,370
Net changes in fund balances	1,995	21,620	38,562	4,723	66,900
Fund balances, beginning of year	21,376	167,759	516,472	56,892	762,499
Fund balances, end of year	\$ 23,371	\$ 189,379	\$ 555,034	\$ 61,615	\$ 829,399

Statement E-3

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

	Brunswick School Fund	Brunswick High Class of 1920 Fund	Totals
ASSETS			
Cash and cash equivalents	\$ 770	\$ 233	\$ 1,003
Investments	17,167	5,201	22,368
Total assets	<u>\$ 17,937</u>	<u>\$ 5,434</u>	<u>\$ 23,371</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:			
Nonspendable	17,937	5,196	23,133
Restricted	-	238	238
Total fund balances	<u>17,937</u>	<u>5,434</u>	<u>23,371</u>
Total liabilities and fund balances	<u>\$ 17,937</u>	<u>\$ 5,434</u>	<u>\$ 23,371</u>

Statement E-4

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, 2024

	Brunswick School Fund	Brunswick High Class of 1920 Fund	Totals
REVENUES			
Investment earnings:			
Interest and dividends	\$ 306	\$ 89	\$ 395
Net increase (decrease) in the fair value of investments	1,880	546	2,426
Total investment earnings (loss)	2,186	635	2,821
Less investment expense	(51)	(15)	(66)
Total revenues	<u>2,135</u>	<u>620</u>	<u>2,755</u>
EXPENDITURES			
Payment to beneficiaries	760	-	760
Total expenditures	<u>760</u>	<u>-</u>	<u>760</u>
Net changes in fund balances	1,375	620	1,995
Fund balances, beginning of year	16,562	4,814	21,376
Fund balances, end of year	<u>\$ 17,937</u>	<u>\$ 5,434</u>	<u>\$ 23,371</u>

TOWN OF BRUNSWICK, MAINE
Combining Balance Sheet
Nonmajor Permanent Funds
Community Improvement Funds
June 30, 2024

	Joshua Chamberlain Fund	Robert L Morrell Fund	Veteran's Plaza Fund	Totals
ASSETS				
Cash and cash equivalents	\$ 3,035	\$ 1,212	\$ 3,881	\$ 8,128
Investments	<u>67,675</u>	<u>27,026</u>	<u>86,550</u>	<u>181,251</u>
Total assets	<u>\$ 70,710</u>	<u>\$ 28,238</u>	<u>\$ 90,431</u>	<u>\$ 189,379</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable	57,204	24,213	88,057	169,474
Restricted	<u>13,506</u>	<u>4,025</u>	<u>2,374</u>	<u>19,905</u>
Total fund balances	<u>70,710</u>	<u>28,238</u>	<u>90,431</u>	<u>189,379</u>
Total liabilities and fund balances	<u>\$ 70,710</u>	<u>\$ 28,238</u>	<u>\$ 90,431</u>	<u>\$ 189,379</u>

Statement E-6

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, 2024

	Joshua Chamberlain Fund	Robert L Morrell Fund	Veteran's Plaza Fund	Totals
REVENUES				
Contributions	\$ -	\$ -	\$ -	\$ -
Investment earnings:	-	-	-	-
Interest and dividends	1,156	462	1,478	3,096
Net increase (decrease) in the fair value of investments	7,111	2,840	9,095	19,046
Total investment earnings (loss)	8,267	3,302	10,573	22,142
Less investment expense	(195)	(78)	(249)	(522)
Total revenues	<u>8,072</u>	<u>3,224</u>	<u>10,324</u>	<u>21,620</u>
EXPENDITURES				
Payment to beneficiaries	-	-	-	-
Total expenditures	-	-	-	-
Net changes in fund balances	8,072	3,224	10,324	21,620
Fund balances, beginning of year	62,638	25,014	80,107	167,759
Fund balances, end of year	<u>\$ 70,710</u>	<u>\$ 28,238</u>	<u>\$ 90,431</u>	<u>\$ 189,379</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, 2024

	Mere Point <u>Wastewater</u>	Train Station/ <u>Visitors Center</u>	Processing <u>Facility</u>	Totals
ASSETS				
Current assets:				
Cash and cash equivalents	\$ -	\$ 40,097	\$ 127,682	\$ 167,779
Accounts receivable	10,625	-	-	10,625
Due from other funds	-	873	173	1,046
Total current assets	<u>10,625</u>	<u>40,970</u>	<u>127,855</u>	<u>179,450</u>
Capital assets:				
Land	-	-	42,250	42,250
Construction in progress	-	51,279	-	51,279
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	766,550	-	-	766,550
Right-to-use leased assets	-	172,795	-	172,795
Less accumulated depreciation	<u>(760,840)</u>	<u>(233,820)</u>	<u>(11,883)</u>	<u>(1,006,543)</u>
Net capital assets	<u>113,210</u>	<u>79,425</u>	<u>98,867</u>	<u>291,502</u>
Total assets	<u>123,835</u>	<u>120,395</u>	<u>226,722</u>	<u>470,952</u>
LIABILITIES				
Current liabilities:				
Accounts payable	776	5,740	65	6,581
Accrual of payroll	-	-	439	439
Advance from other funds	81,486	-	-	81,486
Total current liabilities	<u>82,262</u>	<u>5,740</u>	<u>504</u>	<u>88,506</u>
Noncurrent liabilities:				
Lease liability - Short term	-	25,744	-	25,744
Total noncurrent liabilities	-	25,744	-	25,744
Total liabilities	<u>82,262</u>	<u>31,484</u>	<u>504</u>	<u>114,250</u>
NET POSITION				
Net investment in capital assets	113,210	53,681	98,867	265,758
Unrestricted (deficit)	<u>(71,637)</u>	<u>35,230</u>	<u>127,351</u>	<u>90,944</u>
Total net position	<u>\$ 41,573</u>	<u>\$ 88,911</u>	<u>\$ 226,218</u>	<u>\$ 356,702</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, 2024

	<u>Mere Point Wastewater</u>	<u>Train Station/ Visitors Center</u>	<u>Processing Facility</u>	<u>Totals</u>
OPERATING REVENUES				
Charges for services:				
Permits	\$ -	\$ -	\$ 3,280	\$ 3,280
Service fees	45,260	-	-	45,260
Rent	-	10,795	-	10,795
Parking meter	-	17,425	-	17,425
Processing fees	-	-	6,114	6,114
Total operating revenues	<u>45,260</u>	<u>28,220</u>	<u>9,394</u>	<u>82,874</u>
OPERATING EXPENSES				
Personnel services	-	-	18,055	18,055
Contractual services	23,431	96,213	16,809	136,453
Materials and supplies	-	2,858	1,123	3,981
Depreciation/amortization	17,662	50,254	3,617	71,533
Total operating expenses	<u>41,093</u>	<u>149,325</u>	<u>39,604</u>	<u>230,022</u>
Operating income (loss)	<u>4,167</u>	<u>(121,105)</u>	<u>(30,210)</u>	<u>(147,148)</u>
NONOPERATING REVENUES (EXPENSES)				
Interest income	-	2,673	6,817	9,490
Interest expense	-	(1,594)	-	(1,594)
Total nonoperating revenues (expenses)	<u>-</u>	<u>1,079</u>	<u>6,817</u>	<u>7,896</u>
Income (loss) before transfers	<u>4,167</u>	<u>(120,026)</u>	<u>(23,393)</u>	<u>(139,252)</u>
Transfers in	<u>-</u>	<u>125,000</u>	<u>-</u>	<u>125,000</u>
Change in net position	4,167	4,974	(23,393)	(14,252)
Net position, beginning of year	37,406	83,937	249,611	370,954
Net position, end of year	<u>\$ 41,573</u>	<u>\$ 88,911</u>	<u>\$ 226,218</u>	<u>\$ 356,702</u>

TOWN OF BRUNSWICK, MAINE
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
Enterprise Funds
For the year ended June 30, 2024

	<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	\$ 46,150	\$ 28,220	\$ 9,394	\$ 83,764
Payments to employees	-	-	(17,745)	(17,745)
Payments to suppliers for goods and services	(22,655)	(93,508)	(25,123)	(141,286)
Net cash provided (used) by operating activities	<u>23,495</u>	<u>(65,288)</u>	<u>(33,474)</u>	<u>(75,267)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	-	125,000	-	125,000
Increase (decrease) in due to other funds	(23,495)	1,331	(176)	(22,340)
Cash provided (used) by noncapital financing activities	<u>(23,495)</u>	<u>126,331</u>	<u>(176)</u>	<u>102,660</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	-	(51,279)	-	(51,279)
Principal paid on lease liability	-	(50,345)	-	(50,345)
Interest paid on lease liability	-	(1,594)	-	(1,594)
Cash provided (used) by capital and related financing activities	-	(103,218)	-	(103,218)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	-	2,673	6,817	9,490
Cash provided by investing activities	-	2,673	6,817	9,490
Net increase (decrease) in cash	-	(39,502)	(26,833)	(66,335)
Cash, beginning of year	-	79,599	154,515	234,114
Cash, end of year	<u>\$ -</u>	<u>\$ 40,097</u>	<u>\$ 127,682</u>	<u>\$ 167,779</u>

**Reconciliation of operating income (loss) to net cash
provided (used) by operating activities:**

Operating income (loss)	\$ 4,167	\$ (121,105)	\$ (30,210)	\$ (147,148)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation/amortization	17,662	50,254	3,617	71,533
(Increase) decrease in accounts receivable	890	-	-	890
Increase (decrease) in accounts payable	776	5,563	(7,191)	(852)
Increase (decrease) in accrued payroll	-	-	310	310
Total adjustments	<u>19,328</u>	<u>55,817</u>	<u>(3,264)</u>	<u>71,881</u>
Net cash provided (used) by operating activities	<u>\$ 23,495</u>	<u>\$ (65,288)</u>	<u>\$ (33,474)</u>	<u>\$ (75,267)</u>

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, 2024

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	\$ 21,736	\$ 4,599	\$ 1,423	\$ -	\$ 27,758
Investments	401,604	102,561	31,729	-	535,894
Due from other funds	-	-	-	40,710	40,710
Total assets	<u>423,340</u>	<u>107,160</u>	<u>33,152</u>	<u>40,710</u>	<u>604,362</u>
LIABILITIES					
Accounts payable	-	-	-	-	-
Total liabilities	-	-	-	-	-
NET POSITION					
Net position held in trust for other purposes	<u>\$ 423,340</u>	<u>\$ 107,160</u>	<u>\$ 33,152</u>	<u>\$ 40,710</u>	<u>\$ 604,362</u>

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

Private-purpose Trust Funds					
	Scholarship and Education Funds	Public Library Funds	E. H. Pennell Village Improvement Fund	Alex Labbe Recreation Fund	Totals
ADDITIONS					
Contributions	\$ -	\$ -	\$ -	\$ 10,650	\$ 10,650
Investment earnings:					
Interest and dividends	11,103	1,826	564	-	13,493
Net increase (decrease) in the fair value of investments	40,284	11,234	3,476	-	54,994
Total investment earnings (loss)	<u>51,387</u>	<u>13,060</u>	<u>4,040</u>	<u>-</u>	<u>68,487</u>
Less investment expense	(5,041)	(307)	(95)	-	(5,443)
Total additions	<u>46,346</u>	<u>12,753</u>	<u>3,945</u>	<u>10,650</u>	<u>73,694</u>
DEDUCTIONS					
Payment to beneficiaries	16,096	4,540	1,405	9,475	31,516
Total deductions	<u>16,096</u>	<u>4,540</u>	<u>1,405</u>	<u>9,475</u>	<u>31,516</u>
Changes in net position	30,250	8,213	2,540	1,175	42,178
Net position - beginning of year	393,090	98,947	30,612	39,535	562,184
Net position - end of year	<u>\$ 423,340</u>	<u>\$ 107,160</u>	<u>\$ 33,152</u>	<u>\$ 40,710</u>	<u>\$ 604,362</u>

Statement G-3

TOWN OF BRUNSWICK, MAINE
Combining Statement of Net Position
Fiduciary Funds
Private-purpose Trust Funds
Scholarship and Education Funds
June 30, 2024

	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	\$ 2,221	\$ 15,102	\$ 4,008	\$ 280	\$ 125	\$ 21,736
Investments	49,519	253,693	89,371	6,231	2,790	401,604
Total assets	51,740	268,795	93,379	6,511	2,915	423,340
LIABILITIES						
Accounts payable	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-
NET POSITION						
Net position held in trust for other purposes	\$ 51,740	\$ 268,795	\$ 93,379	\$ 6,511	\$ 2,915	\$ 423,340

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, 2024

	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	\$ 882	\$ 8,493	\$ 1,567	\$ 111	\$ 50	\$ 11,103
Net increase (decrease) in fair value of investments	5,424	24,228	9,643	683	306	40,284
Total investment earnings (loss)	6,306	32,721	11,210	794	356	51,387
Less investment expense	(149)	(4,600)	(264)	(19)	(9)	(5,041)
Total additions	6,157	28,121	10,946	775	347	46,346
DEDUCTIONS						
Payment to beneficiaries	2,194	11,000	2,500	276	126	16,096
Total deductions	2,194	11,000	2,500	276	126	16,096
Changes in net position	3,963	17,121	8,446	499	221	30,250
Net position - beginning of year	47,777	251,674	84,933	6,012	2,694	393,090
Net position - end of year	<u>\$ 51,740</u>	<u>\$ 268,795</u>	<u>\$ 93,379</u>	<u>\$ 6,511</u>	<u>\$ 2,915</u>	<u>\$ 423,340</u>

Statement G-5

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

	L. Augusta Curtis Library Fund	W. J. Curtis Library Fund	Letitia A. Curtis Library Fund	Totals
ASSETS				
Cash and cash equivalents	\$ 2,243	\$ 1,857	\$ 499	\$ 4,599
Investments	50,032	41,409	11,120	102,561
Total assets	<u>52,275</u>	<u>43,266</u>	<u>11,619</u>	<u>107,160</u>
LIABILITIES				
Accounts payable	-	-	-	-
Total liabilities	-	-	-	-
NET POSITION				
Net position held in trust for other purposes	<u>\$ 52,275</u>	<u>\$ 43,266</u>	<u>\$ 11,619</u>	<u>\$ 107,160</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, 2024

	L. Augusta Curtis Library Fund	W. J. Curtis Library Fund	Letitia A. Curtis Library Fund	Totals
ADDITIONS				
Investment earnings:				
Interest and dividends	\$ 891	\$ 737	\$ 198	\$ 1,826
Net increase (decrease) in the fair value of investments	5,480	4,536	1,218	11,234
Total investment earnings (loss)	6,371	5,273	1,416	13,060
Less investment expense	(150)	(124)	(33)	(307)
Total additions	<u>6,221</u>	<u>5,149</u>	<u>1,383</u>	<u>12,753</u>
DEDUCTIONS				
Payment to beneficiaries	<u>2,215</u>	<u>1,833</u>	<u>492</u>	<u>4,540</u>
Total deductions	<u>2,215</u>	<u>1,833</u>	<u>492</u>	<u>4,540</u>
Changes in net position	4,006	3,316	891	8,213
Net position - beginning of year	<u>48,269</u>	<u>39,950</u>	<u>10,728</u>	<u>98,947</u>
Net position - end of year	<u><u>\$ 52,275</u></u>	<u><u>\$ 43,266</u></u>	<u><u>\$ 11,619</u></u>	<u><u>\$ 107,160</u></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)

	<u>2015</u>	<u>2016</u>	<u>2017(a)</u>	<u>2018(a)</u>	<u>2019</u>	<u>2020(b)</u>	<u>2021</u>	<u>2022</u>	<u>2023(c)</u>	<u>2024</u>
Governmental activities										
Net investment in capital assets	\$ 56,815,236	\$ 56,294,978	\$ 54,166,077	\$ 56,225,310	\$ 68,970,333	\$ 61,963,362	\$ 65,863,422	\$ 60,266,582	\$ 59,942,274	\$ 63,800,969
Restricted	6,601,576	7,006,212	6,708,645	5,571,415	4,914,572	5,170,568	7,125,479	9,969,670	12,250,028	15,041,648
Unrestricted	3,683,415	2,825,122	4,687,565	(478,699)	(6,847,630)	3,054,385	5,329,549	15,186,665	20,940,482	24,552,814
Total governmental activities net position	<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>\$ 78,318,450</u>	<u>\$ 85,422,917</u>	<u>\$ 93,132,784</u>	<u>\$ 103,395,431</u>
Business-type activities										
Net investment in capital assets	\$ 2,235,365	\$ 2,095,120	\$ 1,915,310	\$ 1,528,890	\$ 1,192,654	\$ 668,707	\$ 221,010	\$ 331,838	\$ 308,417	\$ 338,508
Unrestricted	(4,203,593)	(4,135,381)	(4,051,279)	(4,206,420)	(3,544,678)	(4,991,205)	(2,719,798)	(1,882,598)	(1,182,522)	(154,093)
Total business-type activities net position	<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>	<u>\$ (1,550,760)</u>	<u>\$ (874,105)</u>	<u>\$ 492,601</u>
Primary government										
Net investment in capital assets	\$ 59,050,601	\$ 58,390,098	\$ 56,081,387	\$ 57,754,200	\$ 70,162,987	\$ 62,632,069	\$ 66,084,432	\$ 60,598,420	\$ 60,250,691	\$ 64,139,477
Restricted	6,601,576	7,006,212	6,708,645	5,571,415	4,914,572	5,170,568	7,125,479	9,969,670	12,250,028	15,041,648
Unrestricted	(520,178)	(1,310,259)	636,286	(4,685,119)	(10,392,308)	(1,936,820)	2,609,751	13,304,067	19,757,960	24,706,907
Total primary government net position	<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>\$ 75,819,662</u>	<u>\$ 83,872,157</u>	<u>\$ 92,258,679</u>	<u>\$ 103,888,032</u>

(a) 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.

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

(c) Net position has been restated as a result identifying an omission in reporting of National Opioid Settlement funds in 2024. Years prior to 2023 have not been restated.

Table 2

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
General government	\$ 5,006,091	\$ 5,849,369	\$ 5,803,581	\$ 4,950,780	\$ 5,603,934	\$ 6,331,703	\$ 8,214,140	\$ 7,335,813	\$ 7,182,685	\$ 9,017,616
Public safety	8,144,886	9,952,015	9,446,469	9,211,812	8,461,265	10,711,151	11,414,355	11,074,994	12,531,239	14,755,640
Public works	5,401,071	5,417,529	5,569,343	5,545,346	5,752,593	6,791,120	5,878,265	7,338,003	8,485,245	9,278,176
Human services	165,884	191,042	147,830	166,430	190,614	375,519	332,506	248,242	286,572	628,417
Education	37,759,011	37,889,171	41,486,812	41,908,434	41,202,580	44,061,737	48,614,103	50,705,599	55,782,334	57,312,881
Recreation and culture	3,336,957	3,417,837	3,536,584	3,733,011	3,681,856	3,898,655	4,024,665	4,065,619	5,058,554	5,563,899
County tax	1,333,350	1,360,042	1,410,855	1,517,700	1,565,279	1,590,123	1,674,551	1,664,113	2,496,061	1,735,369
Unclassified	8,683	29,082	29,868	130,537	199,922	103,265	70,742	8,698	26,399	95,623
Interest on long term debt	698,977	655,622	622,579	613,636	562,271	988,514	1,182,750	1,251,078	1,490,941	1,479,201
Total governmental activities expenses	<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>	<u>83,692,159</u>	<u>93,340,030</u>	<u>99,866,822</u>
Business-type activities:										
Solid waste facilities	730,574	881,459	857,971	2,325,237	1,406,202	3,742,135	1,277,825	111,771	-	-
Pay-per-bag program	90,666	92,079	88,785	121,459	70,761	82,552	119,363	124,767	151,555	146,611
Other business-type activities	143,221	124,633	137,868	140,113	117,526	122,584	151,100	220,492	232,396	231,616
Total business-type activities	<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>	<u>457,030</u>	<u>383,951</u>	<u>378,227</u>
Total primary government expenses	<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>	<u>\$ 84,149,189</u>	<u>\$ 93,723,981</u>	<u>\$ 100,245,049</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Education	\$ 727,312	\$ 700,162	\$ 1,966,093	\$ 1,872,506	\$ 1,756,317	\$ 1,540,639	\$ 939,667	\$ 838,151	\$ 1,232,186	\$ 1,187,936
Other activities	2,238,103	2,343,611	2,397,047	2,667,996	2,819,610	2,587,775	2,733,092	3,292,367	3,465,146	3,998,153
Operating grants and contributions	15,462,170	15,340,194	15,481,276	15,233,409	15,379,788	17,257,603	24,882,014	23,207,809	24,879,400	26,392,464
Capital grants and contributions	452,248	54,913	603,529	925,815	1,660,220	1,995,033	2,502,718	1,018,546	1,694,892	1,958,881
Total governmental activities program revenues	<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>	<u>28,356,873</u>	<u>31,271,624</u>	<u>33,537,434</u>
Business-type activities:										
Charges for services:										
Solid waste facilities	398,407	475,110	425,768	1,282,838	1,051,063	1,069,765	401,297	-	-	-
Pay-per-bag program	317,800	322,300	311,165	414,300	465,600	529,254	749,040	688,280	747,030	681,400
Other business-type activities	33,173	31,753	42,187	55,218	67,761	62,262	61,529	90,014	94,550	82,874
Operating grants and contributions	14,667	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	<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>	<u>778,294</u>	<u>841,580</u>	<u>764,274</u>
Total primary government program revenues	<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>	<u>\$ 29,135,167</u>	<u>\$ 32,113,204</u>	<u>\$ 34,301,708</u>

Table 2, continued

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (expense) revenue										
Governmental activities	\$ (42,975,077)	\$ (46,322,829)	\$ (47,605,976)	\$ (47,077,960)	\$ (45,604,379)	\$ (51,470,737)	\$ (50,348,586)	\$ (55,335,286)	\$ (62,068,406)	\$ (66,329,388)
Business-type activities	(200,414)	(269,008)	(305,504)	(834,453)	(10,065)	(2,285,990)	(336,422)	321,264	457,629	386,047
Total primary government net expenses	<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>	<u>\$ (55,014,022)</u>	<u>\$ (61,610,777)</u>	<u>\$ (65,943,341)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 39,007,676	\$ 40,903,778	\$ 42,687,078	\$ 43,785,337	\$ 45,577,899	\$ 48,219,683	\$ 51,396,119	\$ 54,147,507	\$ 58,544,089	\$ 64,242,583
Vehicle, watercraft and aircraft excise taxes	3,071,620	3,170,899	3,473,674	3,618,811	3,805,224	3,598,448	4,153,381	4,005,508	4,089,549	4,305,050
Unrestricted grants and contributions	1,392,084	1,432,041	1,429,859	1,452,665	1,691,877	2,330,033	2,944,723	4,415,458	5,159,885	5,704,365
Investment earnings (loss)	9,856	30,496	204,277	385,437	473,628	392,216	275,772	(23,330)	1,328,470	2,461,210
Other	136,631	5,700	477,767	31,683	-	-	-	19,610	127,462	3,827
Transfers	(244,000)	(194,000)	(194,000)	(225,000)	(225,000)	(225,000)	(300,000)	(125,000)	(125,000)	(125,000)
Total governmental activities	<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>	<u>\$ 62,439,753</u>	<u>\$ 69,124,455</u>	<u>\$ 76,592,035</u>
Business type activities:										
Unrestricted grants and contributions	-	-	-	-	-	-	-	-	80,635	814,296
Investment earnings	270	2,975	15,796	60,892	110,571	90,516	25,462	8,753	13,391	41,363
Other	10,000	-	-	7,000	-	-	-	-	-	-
Special items	-	-	-	-	-	-	1,834,670	493,011	-	-
Transfers	244,000	194,000	194,000	225,000	225,000	225,000	300,000	125,000	125,000	125,000
Total business-type activities	<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>	<u>\$ 626,764</u>	<u>\$ 219,026</u>	<u>\$ 980,659</u>
Total primary government	<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>	<u>\$ 63,066,517</u>	<u>\$ 69,343,481</u>	<u>\$ 77,572,694</u>
Change in Net Position										
Governmental activities	\$ 398,790	\$ (973,915)	\$ 472,679	\$ 1,970,973	\$ 5,719,249	\$ 2,844,643	\$ 8,121,409	\$ 7,104,467	\$ 7,056,049	\$ 10,262,647
Business-type activities	53,856	(72,033)	(95,708)	(541,561)	325,506	(1,970,474)	1,823,710	948,028	676,655	1,366,706
Total primary government	<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>	<u>\$ 8,052,495</u>	<u>\$ 7,732,704</u>	<u>\$ 11,629,353</u>

Table 3

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Function/Program										
Governmental activities:										
General government	\$ 1,585,959	\$ 1,432,364	\$ 667,026	\$ 812,066	\$ 1,397,658	\$ 1,175,653	\$ 3,194,251	\$ 1,928,213	\$ 2,178,072	\$ 1,985,725
Public safety	1,315,187	1,334,520	1,328,824	1,529,603	1,530,473	1,588,852	1,742,420	1,924,648	2,389,815	2,493,752
Public works	677,835	292,592	548,949	987,977	1,424,051	873,152	1,472,661	794,114	954,068	1,196,124
Human services	37,298	36,313	30,755	41,111	52,176	116,099	97,257	33,397	116,394	122,833
Education	14,773,175	14,810,694	17,311,964	16,761,505	16,653,258	17,957,602	23,108,308	22,735,554	24,314,455	25,693,163
Recreation and culture	490,379	532,397	560,427	567,464	558,319	1,669,692	1,442,594	940,947	1,318,820	2,045,837
Total governmental activities	18,879,833	18,438,880	20,447,945	20,699,726	21,615,935	23,381,050	31,057,491	28,356,873	31,271,624	33,537,434
Business-type activities:										
Solid waste facilities	398,407	475,110	425,768	1,282,838	1,051,063	1,069,765	401,297	-	-	-
Pay-per-bag program	317,800	322,300	311,165	414,300	465,600	529,254	749,040	688,280	747,030	681,400
Other business-type activities	47,840	31,753	42,187	55,218	67,761	62,262	61,529	90,014	94,550	82,874
Total business-type activities	764,047	829,163	779,120	1,752,356	1,584,424	1,661,281	1,211,866	778,294	841,580	764,274
Total primary government	\$ 19,643,880	\$ 19,268,043	\$ 21,227,065	\$ 22,452,082	\$ 23,200,359	\$ 25,042,331	\$ 32,269,357	\$ 29,135,167	\$ 32,113,204	\$ 34,301,708

Table 4

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020 (a)</u> (restated)	<u>2021</u>	<u>2022</u>	<u>2023(b)</u>	<u>2024</u>
General fund										
Nonspendable										
Long-term loans and advances	\$ 454,080	\$ 363,264	\$ 272,448	\$ 181,632	\$ 727,778	\$ 1,582,610	\$ 586,606	\$ 591,696	\$ 384,981	\$ 81,486
Inventories and prepaids	37,711	25,220	26,523	28,015	39,392	21,395	36,047	55,182	37,500	47,217
Restricted										
Education	4,240,381	4,242,058	3,885,181	3,503,852	2,431,962	2,079,163	3,216,004	4,936,494	4,864,476	6,554,034
Municipal purposes	211,045	240,201	253,542	278,968	302,851	338,920	1,060,756	1,657,024	1,751,913	1,638,664
Assigned	1,525,233	1,130,790	1,700,864	3,324,678	3,445,194	4,597,167	2,655,425	2,075,375	5,559,120	5,998,243
Unassigned	8,670,334	10,316,602	11,792,687	11,488,111	12,430,139	12,002,583	17,115,571	20,614,603	21,155,503	23,939,585
Total general fund	<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>	<u>\$ 29,930,374</u>	<u>\$ 33,753,493</u>	<u>\$ 38,259,229</u>
All other governmental funds										
Nonspendable										
Special revenues funds	\$ 19,554	\$ 14,475	\$ 25,280	\$ 21,133	\$ 20,918	\$ 32,519	\$ 29,796	\$ 35,103	\$ 23,735	\$ 16,267
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	553,619	535,605	585,319	593,902	590,733	629,931	792,315	652,075	743,833	809,256
Restricted										
Tax increment financing	609,506	1,116,433	1,061,577	439,045	734,235	102,976	264,749	365,673	1,168,085	2,499,895
Special revenues funds	355,093	299,816	317,750	243,304	281,932	892,045	781,427	1,154,554	2,340,429	2,509,397
Impact fee fund	535,995	524,286	558,836	488,400	548,111	639,133	522,335	741,497	294,449	578,077
Capital projects funds	185,678	17,022	-	-	-	3,621,472	1,350,064	3,401,337	1,102,026	415,915
Permanent funds	21,603	22,408	21,160	2,811	3,830	5,881	8,097	11,335	18,666	20,143
Committed										
Capital improvements fund	708,636	202,393	202,171	601,865	185,469	898,513	1,293,322	1,375,357	2,944,763	3,289,296
Special revenues funds	255,901	319,521	730,068	684,715	553,909	596,164	481,169	440,772	302,137	362,960
Capital projects funds	496,685	259,659	405,734	895,777	1,560,901	2,109,529	2,253,630	3,739,623	4,754,167	5,554,192
Unassigned										
Capital improvements fund	(454,512)	(1,632,537)	(267,897)	(190,703)	(1,295,692)	(1,706,692)	(586,606)	(479,644)	(280,000)	(936,558)
Downtown TIF district	(240,401)	-	-	-	-	-	-	-	-	-
Special revenues funds	-	-	-	-	-	(433,190)	(359,484)	(419,687)	-	-
Capital projects funds	-	-	-	(1,119,537)	(10,889,700)	(2,488,574)	(4,158,983)	-	-	-
Permanent funds	(15,603)	(12,394)	(18,496)	-	(93)	(517)	-	-	-	-
Total all other governmental funds	<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>	<u>\$ 11,067,995</u>	<u>\$ 13,462,290</u>	<u>\$ 15,168,840</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.

(b) Restricted - Education has been restated as a result of classification of expenditures related to ESSER funds in 2024. Years prior to 2023 have not been restated.

Restricted - Special revenues has been restated as a result of identifying an omission in reporting of National Opioid Settlement funds and a misclassification of expenditures related to ESSER funds in 2024. Years prior to 2023 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>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues										
Taxes	\$ 41,973,364	\$ 44,079,945	\$ 46,056,875	\$ 47,320,162	\$ 49,488,215	\$ 51,770,365	\$ 55,868,717	\$ 58,205,696	\$ 62,540,499	\$ 68,311,074
Licenses and permits	387,127	438,731	497,091	542,223	722,963	535,870	793,475	757,604	724,952	712,178
Intergovernmental	16,423,413	16,363,756	16,963,580	16,732,272	17,379,386	19,503,474	27,471,529	27,257,565	29,986,128	32,058,313
Investment income (loss)	(472)	(8,119)	50,126	28,219	22,560	42,441	178,355	(124,167)	59,506	98,270
Charges for services	2,247,651	2,426,780	3,665,106	3,651,523	3,570,785	3,368,893	2,558,739	3,034,332	3,916,072	4,218,470
Fines and penalties	56,197	43,135	42,220	50,515	43,224	43,860	28,047	39,472	48,565	39,568
Interest	10,328	38,616	154,149	357,219	451,530	350,234	97,418	100,835	1,268,964	2,382,869
Donations	134,863	95,132	111,473	218,541	663,651	816,487	981,928	1,072,464	1,235,490	1,417,528
Other	736,595	519,261	992,427	642,187	530,750	451,450	507,734	665,978	578,936	505,246
Total revenues	61,969,066	63,997,237	68,533,047	69,542,861	72,873,064	76,883,074	88,485,942	91,009,779	100,359,112	109,743,516
Expenditures										
General government	4,726,521	5,080,137	5,061,291	4,522,380	5,453,260	5,545,151	7,609,529	6,784,483	6,716,079	8,418,030
Public safety	8,372,751	8,431,176	8,605,110	8,877,128	9,253,679	10,029,509	10,574,387	11,193,501	12,164,109	13,775,639
Public works	4,120,313	3,566,623	3,702,441	3,848,598	3,744,055	3,781,752	3,682,780	4,367,872	4,930,902	5,253,707
Human services	171,606	176,406	139,921	163,348	202,823	374,486	331,730	258,697	289,961	635,933
Education	36,206,987	36,431,641	39,693,990	39,912,853	41,000,937	43,194,223	47,708,276	47,496,378	52,830,661	55,271,468
Recreation and culture	3,071,931	3,102,206	3,257,130	3,505,357	3,598,654	3,624,596	3,373,077	3,869,055	4,545,189	5,213,075
County tax	1,333,350	1,360,042	1,410,855	1,517,700	1,565,279	1,590,123	1,674,551	1,664,113	1,713,824	1,891,816
Unclassified	8,683	29,082	29,868	130,537	199,922	103,265	70,742	8,698	26,399	95,623
Debt service										
Principal	2,103,113	2,098,113	1,818,112	1,968,806	2,112,806	2,090,521	2,510,520	2,366,392	2,947,636	3,227,215
Interest	725,117	680,732	639,914	644,367	590,074	712,359	1,493,528	1,293,879	1,551,603	1,610,241
Capital outlay	1,846,437	3,032,795	2,733,467	4,539,282	14,720,674	18,598,527	7,349,660	12,391,172	10,325,626	8,049,590
Total expenditures	62,686,809	63,988,953	67,092,099	69,630,356	82,442,163	89,644,512	86,378,780	91,694,240	98,041,989	103,442,337
Excess (deficiencies) of revenues over (under) expenditures	(717,743)	8,284	1,440,948	(87,495)	(9,569,099)	(12,761,438)	2,107,162	(684,461)	2,317,123	6,301,179

Table 5, continued

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Other financing sources (uses)										
Bond proceeds	-	-	2,277,075	225,716	-	24,450,000	14,050	13,231,000	4,000,000	-
Premium on bonds	-	-	43,902	-	-	2,079,200	-	888,054	-	-
Lease financing	-	-	-	-	-	-	-	22,500	-	-
Transfers from other funds	2,158,360	2,965,098	2,076,108	4,220,002	3,566,118	5,289,159	5,421,796	6,482,267	8,076,750	9,030,441
Transfers to other funds	(2,366,360)	(2,911,617)	(2,140,108)	(3,754,795)	(2,515,582)	(2,388,920)	(2,666,580)	(4,876,805)	(5,760,919)	(5,804,334)
Transfers to other funds - capital budget	-	(50,000)	(40,000)	(480,207)	(899,116)	(2,741,100)	(1,979,891)	(1,575,462)	(1,708,644)	(3,112,500)
Transfers to other funds - supplemental appropriations	-	(136,481)	-	(100,000)	(250,000)	(257,719)	(1,023,905)	(30,000)	(250,000)	(140,000)
Transfers to other funds - education	(36,000)	(61,000)	(90,000)	(110,000)	(126,420)	(126,420)	(51,420)	(125,000)	(482,187)	(62,500)
Sale of assets	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(244,000)	(194,000)	2,126,977	716	(225,000)	26,304,200	(285,950)	14,016,554	3,875,000	(88,893)
Net change in fund balances	<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>	<u>\$ 13,332,093</u>	<u>\$ 6,192,123</u>	<u>\$ 6,212,286</u>
Debt service as a percentage of noncapital expenditures	4.64%	4.53%	3.82%	4.00%	3.99%	3.94%	5.20%	4.52%	5.06%	5.07%

Table 6

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

Fiscal Year	Property Taxes	Vehicle Taxes	Watercraft Taxes	Aircraft Taxes	Other	Subtotal	TIF Property Taxes	Total
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
2022	50,564,394	3,975,132	25,472	4,903	530,947	55,100,848	3,052,165	58,153,013
2023	53,769,168	4,057,547	27,728	4,275	513,919	58,372,637	4,261,002	62,633,639
2024	58,726,289	4,268,579	23,198	13,273	581,264	63,612,603	4,935,030	68,547,633

Table 7

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

Fiscal Year	Property Taxes	Vehicle Taxes	Watercraft Taxes	Aircraft Taxes	Other	Subtotal	TIF Property Taxes	Total
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
2022	50,617,076	3,975,133	25,472	4,903	530,947	55,153,531	3,052,165	58,205,696
2023	53,676,028	4,057,547	27,728	4,275	513,919	58,279,497	4,261,002	62,540,499
2024	58,489,731	4,268,579	23,198	13,273	581,263	63,376,044	4,935,030	68,311,074

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							
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%
2022	1,766,871,850	611,263,630	59,031,300	2,437,166,780	146,316,633	2,290,850,147	20.86	2,411,421,207	95.00%
2023	1,916,023,189	572,089,492	66,648,000	2,554,760,681	196,450,062	2,358,310,619	21.69	2,591,550,131	91.00%
2024	1,974,552,290	573,229,570	59,440,700	2,607,222,560	211,894,816	2,395,327,744	23.29	2,885,937,041	83.00%

(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	
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	
2022 112,683,700	118,614,421	
2023 109,728,600	120,580,879	
2024 103,755,800	125,006,988	

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

Direct Rates				
Fiscal Year	General Municipal	Education (a)	County Tax (b)	Total
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
2022	7.83	12.34	0.69	20.86
2023	8.46	12.54	0.69	21.69
2024	8.93	13.61	0.75	23.29

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	2023-2024				2014-2015			
	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
Bath Iron Works Corporation	\$ 40,739,200	1	1.56%	1.70%	\$ 24,053,500	3	1.74%	1.81%
Midcoast Regional Redevelopment Authority	32,784,010	2	1.26%	1.37%	29,226,700	1	2.12%	2.20%
Brunswick MZL LLC (formerly Dev. Diversified)	27,539,600	3	1.06%	1.15%	15,862,900	5	1.15%	1.19%
Brookfield White Pine Hydro (formerly Maine Hydro)	26,982,000	4	1.03%	1.13%	19,560,600	4	1.42%	1.47%
Central Maine Power Co.	26,709,700	5	1.02%	1.12%	11,607,300	8	0.84%	0.87%
Walmart Real Estate Business Trust	19,629,300	6	0.75%	0.82%	12,877,100	6	0.93%	0.97%
Maine Natural Gas	16,832,400	7	0.65%	0.70%	8,025,100	10	0.58%	0.60%
Thornton Oakes Homeowners Assn. Corp.	15,464,550	8	0.59%	0.65%	11,990,600	7	0.87%	0.90%
W/S Brunswick Properties II LLC	14,865,100	9	0.57%	0.62%	11,036,000	9	0.80%	0.83%
Brunswick Landing Ventures, LLC	13,720,800	10	0.53%	0.57%	-	-	N/A	N/A
Affordable MidCoast Housing	-		N/A	N/A	26,183,600	2	1.90%	1.97%
	<u>\$ 235,266,660</u>		<u>9.02%</u>	<u>9.82%</u>	<u>\$ 170,423,400</u>		<u>12.35%</u>	<u>12.82%</u>
Total Assessed Valuation *	\$ 2,607,222,560				\$ 1,379,778,500			
* Includes:								
Municipal valuation	\$ 2,395,327,744				\$ 1,329,031,900			
TIF valuation	<u>211,894,816</u>				<u>50,746,600</u>			
	<u>\$ 2,607,222,560</u>				<u>\$ 1,379,778,500</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
2015	36,415,474	1,390,457	37,805,931	54,983	(41,962)	37,818,952	36,821,979
2016	37,992,395	1,548,535	39,540,930	55,824	(62,743)	39,534,011	38,702,091
2017	39,280,373	1,842,499	41,122,872	223,901	(370,859)	40,975,914	40,116,510
2018	40,281,376	1,976,302	42,257,678	32,950	(305,963)	41,984,665	41,102,234
2019	41,309,260	1,986,422	43,295,682	36,828	(48,978)	43,283,532	42,467,493
2020	43,544,300	2,346,334	45,890,634	24,673	(53,446)	45,861,861	44,464,982
2021	45,703,639	2,486,619	48,190,258	61,294	(160,219)	48,091,333	47,228,466
2022	47,787,134	3,052,165	50,839,299	25,818	(180,672)	50,684,445	50,058,904
2023	51,151,757	4,261,002	55,412,759	34,084	(146,444)	55,300,399	54,276,292
2024	55,787,183	4,935,030	60,722,213	98,845	(104,556)	60,716,502	59,433,452

Fiscal Year	Collected within the Fiscal Year of the Levy			Total Collections to Date			
	Amount	Percentage of Levy	Percentage of Net Collectible	Collected in Subsequent Years	Amount	Percentage of Levy	Percentage of Net Collectible
2015	36,821,979	97.40%	97.36%	995,389	37,817,368	100.03%	100.00%
2016	38,702,091	97.88%	97.90%	829,923	39,532,014	99.98%	99.99%
2017	40,116,510	97.55%	97.90%	857,315	40,973,825	99.64%	99.99%
2018	41,102,234	97.27%	97.90%	877,942	41,980,176	99.34%	99.99%
2019	42,467,493	98.09%	98.11%	810,021	43,277,514	99.96%	99.99%
2020	44,464,982	96.89%	96.95%	1,385,900	45,850,882	99.91%	99.98%
2021	47,228,466	98.00%	98.21%	849,377	48,077,843	99.77%	99.97%
2022	50,058,904	98.46%	98.77%	608,176	50,667,080	99.66%	99.97%
2023	54,276,292	97.95%	98.15%	851,879	55,128,171	99.49%	99.69%
2024	59,433,452	97.88%	97.89%	-	59,413,061	97.84%	97.85%

Table 12

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

Fiscal Year	Governmental Activities		Ratios of Net General Bonded Debt & Direct Borrowings		
	General Obligation Bonds & Notes From Direct Borrowings(a)(b)	Percentage of Personal Income (c)	Per Capita	Percentage of Estimated Actual Taxable Value of Property (d)	
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	5.41%	2,030.04	2.00%	
2021	41,840,500	5.13%	1,923.17	1.77%	
2022	53,491,792	6.56%	2,458.71	2.22%	
2023	54,908,134	6.73%	2,523.82	2.12%	
2024	48,505,197	5.95%	2,229.51	1.68%	

(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, 2024

Jurisdiction	Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
Direct:			
Town of Brunswick General Obligation	\$ 48,505,197	100.00%	\$ 48,505,197
Premium on bonds	2,525,294	100.00%	2,525,294
Lease liabilities	<u>61,517</u>	100.00%	<u>61,517</u>
Total direct debt	<u>51,092,008</u>		<u>51,092,008</u>
Overlapping:			
Cumberland County	29,875,601	4.66%	1,391,154
Maine Region 10 Technical High School	<u>2,705,500</u>	38.17%	<u>1,032,689</u>
Total overlapping debt	<u>32,581,101</u>		<u>2,423,843</u>
Total direct and overlapping debt	<u>\$ 83,673,109</u>		<u>\$ 53,515,851</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, 2024

Debt Limit by Category										
		<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>				
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 2024 State Valuation of \$3,596,250,000, the Town is in compliance with the total and categorical debt limits:		School	10.00%	\$ 359,625,000	\$ 29,802,679	\$ 329,822,321				
		Storm or Sanitary Sewer	7.50%	269,718,750	-	269,718,750				
		Municipal Airport Special District	3.00%	107,887,500	-	107,887,500				
		Municipal	7.50%	269,718,750	18,702,518	251,016,232				
Legal Debt Margin Calculation for Fiscal Year 2024			<u>Total</u>							
State Valuation	\$ 3,596,250,000		Maximum Debt	15.00%	\$ 539,437,500	\$ 48,505,197	\$ 490,932,303			
Debt Limit - 15% of State Valuation	539,437,500									
Less outstanding debt applicable to debt limit	<u>(48,505,197)</u>									
Legal Debt Margin	<u>\$ 490,932,303</u>									

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Debt limit	\$ 300,060,000	\$ 312,390,000	\$ 327,607,500	\$ 337,860,000	\$ 347,985,000	\$ 376,425,000	\$ 389,385,000	\$ 411,127,500	\$ 455,880,000	\$ 539,437,500
Total debt applicable to limit	25,219,800	23,121,688	23,944,475	21,975,669	19,722,829	42,082,308	39,851,148	50,715,756	51,732,412	48,505,197
Legal debt margin	\$ 274,840,200	\$ 289,268,312	\$ 303,663,025	\$ 315,884,331	\$ 328,262,171	\$ 334,342,692	\$ 349,533,852	\$ 360,411,744	\$ 404,147,588	\$ 490,932,303
Total debt applicable to the limit as a percentage of debt limit	8.40%	7.40%	7.31%	6.50%	5.67%	11.18%	10.23%	12.34%	11.35%	8.99%

Table 15

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

<u>Employer</u>	<u>2024</u>		<u>2015</u>	
	<u>Employees (a)</u>	<u>Rank</u>	<u>Employees (a)</u>	<u>Rank</u>
Bath Iron Works	1700	1	1300	2
MaineHealth (historically Mid Coast-Parkview Health)	1192	2	1600	1
Bowdoin College	1012	3	921	3
Town of Brunswick	800	4	548	4
Hannaford Brothers	280	5	160	8
Wal-Mart Stores, Inc.	259	6	234	6
L.L. Bean Inc., Manufacturing Div.	162	7	408	5
HERE Engineering / ViviCloud	150	8		
Mölnlycke Health Care Manufacturer	119	9		
Martin's Point Health Care	108	10		
Parkview Memorial Hospital			179	7
Providence Service Corp			150	9
Shaw's			122	10

(a) Telephone Survey of Employers, March 2015 and March 2024. 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)	Per Capita			School Enrollment (c)	Unemployment Rate (d)
		Personal Income (b)	Personal Income (a)	Median Age (a)		
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	2.7%
2020	21,756	815,828,244	37,499	44.70	2,415	2.3%
2021	21,756	815,828,244	37,499	44.70	2,366	4.5%
2022	21,756	815,828,244	37,499	44.70	2,388	3.9%
2023	21,756	815,828,244	37,499	44.70	2,363	2.3%
2024	21,756	815,828,244	37,499	44.70	2,397	2.4%

(a) U.S. Department of Commerce, Bureau of Census. Fiscal years 2013 through 2019 from the 2010 Census. Fiscal years 2020 and later from the 2020 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>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020 (a)</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General government										
Administration	4	4	4	4	5	4	4	4	4	4.5
Finance	8	8	8	8	8	8	8	8	9	9
Technology	1	1	1	1	1	1	1	1	3	3
Assessing	3	3	3	3	3	3	3	3	3	3
Town Clerk	4	3.5	3.5	3.5	4	4	4	4	4	4.5
Engineering	0	0	0	0	0	2	2	2	2	2
Planning and Codes	5	5	5	5.5	5.5	6	6	8	8	8
Economic development	1	1	1	1	1	1	2	2	2	2
Municipal building	1	1	1	0	0	0	0	0	0	0
Public safety										
Fire department	36	36	36	36	36	41	41	43	45	45
Police department	51	51	51	50.5	50.5	52.75	52.75	55	55	55
Public works										
Administration	5	5	5	6	6	3	4	4	4	4.5
General maintenance	15.5	14.5	14.5	14.5	14.5	15.5	15.5	16	16	19
Landfill	2.5	2.5	2.5	2.5	2.5	2.5	2.5	0	0	0
Central garage	3.5	3.5	2.5	2.5	2.5	2.5	2.5	3	4	4
Human services	1.5	1.5	1.5	1.5	1.5	3	3	2	2	3
Education	406	422	425	424	423	436	441	447	464	462
Recreation										
Administration	5	5	5	5	5	5	5	5	5	5.5
Buildings and grounds	5.5	5.5	5.5	7.5	7.5	8.5	8.5	9.6	9.6	10.6
Cable TV	1	1	1	1	1	1	1	1	1	1
Totals	559.5	574	576	577	577.5	599.75	606.75	617.6	640.6	645.6

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>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Fire Department										
Fire calls	1,135	1,131	1,133	1,271	1,021	1,099	981	985	914	1,098
Medical calls	2,867	2,997	3,103	3,379	3,415	3,110	3,201	3,707	3,786	3,703
Inspections	264	268	267	261	208	211	378	354	315	114
Police										
Calls for service (a)	44,426	46,758	45,593	44,519	45,563	38,856	37,978	40,602	40,811	41,331
Crash reports	787	814	838	1,017	853	708	849	745	760	983
Field interviews (b)	251	79	46	49	23	36	33	36	51	17
Offense reports	1,224	1,382	1,344	1,405	1,252	1,157	1,635	1,021	1,087	1,027
Physical arrests	1,035	922	962	899	1,435	971	1,030	985	1,326	1,026
Public Works										
Street resurfacing (miles)	3	5	4	5	6	8	4	4	7	9
Recyclables collected (tons)	2,402	2,829	2,482	3,095	2,453	2,430	2,749	1,971	1,504	1,444
Codes Enforcement										
Residential permits issued	267	293	310	351	347	297	271	216	305	348
Commercial/Industrial permits issued	58	52	70	73	46	47	59	39	92	73

(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

<u>Function</u>	<u>Fiscal Year</u>									
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Police Department										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	16	16	16	16	16	16	17	17	17	17
Fire Department										
Stations	2	2	2	2	2	2	2	2	2	2
Emergency vehicles	13	13	13	14	16	16	17	17	17	16
Public Works Department										
Streets (miles)	141	141	141	141	142	142	142	142	147	147
School Department										
Schools	4	4	4	4	4	4	4	4	4	4
School buses	26	26	29	29	29	32	32	31	30	31

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